

Overview and Scrutiny Committee, December 1 2008

0Questions to the Leader of the Council

Part 1

	Question/Observation	Answer
	From Councillor Egan	
Legal Services	<p>1. What legal expertise does the Council have to buy in? What is the financial cost of this? What percentage is this in relation to the whole Legal Budget?</p>	<p>Legal Services buy in legal expertise in two main areas:</p> <ol style="list-style-type: none"> 1. Counsel advice and advocacy 2. External solicitors (often commissioned directly by clients) <p>In 2007/08 the spend on counsel was £781,000 In 2007/08 the spend on external solicitors was £400,000</p> <p>The main firms used were; Eversheds (BSF) Bird & Bird, and Trowers and Hamlyn (mainly specialist contract advice)</p> <p>In 2007/08, 19% of all legal expenditure was on external expertise</p>
	<p>2. What legal services (if any) do we provide for Bodies outside the Council Umbrella? What remuneration does the Council receive for this?</p>	<p>Legal Provide services to three bodies who may be considered to be within the council umbrella, but who can choose not to use the Council's Legal Service.</p> <ul style="list-style-type: none"> ▪ Homes for Haringey ▪ Haringey Schools ▪ Alexandra Palace <p>Income from Legal charges for these bodies in 2007/08 was £986,000</p>
	From Councillor Winskill	
	<p>3. What effects has the credit crunch and the</p>	<p>Income for 2008/09 up to 31 October is £250,275 less than previous</p>



	<p>substantial reduction in house sales had income from land searches?</p>	<p>year for the same period. Total number of searches in the same period have reduced from 4824 to 3513</p>
	<p>4. Please give figures for the total notional staff establishment for each team and the actual numbers employed by Haringey</p> <p>How many contract staff are employed and at what cost for 07/08, 08/09?</p> <p>What measures are being taken to recruit permanent staff?</p>	<p>Current staff numbers in post: 96 Local Land Charges: 4 Registration Service: 9 Corporate Legal Service: 83 – (of which 25 temporary staff)</p> <p>Spend on Temporary Staff 07/08 – £496,000 Spend on Temporary Staff 08/09 – £385,000 (until end of October 08)</p> <p>The relatively high level of agency staff in the service is due to the difficulty in recruiting and retaining staff partly due to an all London shortage of lawyers in certain areas and due to the Haringey pay scales attached to the posts.</p> <p>Legal Services has carried out a strategic review which covered the areas of recruitment and retention. The implementation of the review will include a drive to recruit permanent staff in all areas.</p>
	<p>5. On page two mention is made of debt recovered: please tell us how much is currently outstanding in respect of Social Services and Property services (commercial rent arrears).</p>	<p>The total amount of debt referred to Legal Service by Social Services in the current financial year (including cases carried forward from last financial year) amounts to £1,772,907. Of this, as at 26 November 2008:</p> <ul style="list-style-type: none"> ▪ £484,355 has been recovered ▪ £168,102 is subject to instalment agreements/orders and is being recovered at the rate of £4,400 per month; ▪ £137,661 has been recommended for write off; ▪ £75,437 relates to 3 cases in which recovery action is suspended pending the outcome of a review of the financial assessment (means test) to determine liability ▪ £907,352 is subject to current recovery action including defended



		<p>legal proceedings.</p> <p>A further £84,000 is shortly to be recovered from the proceeds of sale of a debtor's property to realise the debt; a further £100,000 is also to be recovered in settlement of another debt claim.</p> <p>Current instructions on the recovery of Commercial Rent arrears as at 6/11/08 amount to c£726,266. Legal Services does not log amounts recovered.</p> <p>The measurement of recovery is complex for example its definition may include awards such as charging orders and may be provided by Corporate Property Services.</p>
	<p>6. Please tell us how much has been spent (directly, on consultants and permanent staff time) on the completion of investigations into the role of senior management at Alexandra Palace in relation to the licence granted to Firoka. What other costs are anticipated in this area for the current financial year and 2009/10?</p>	<p>It is estimated that £20,000 will be spent on this work in total this year. At this stage no costs are anticipated for 2009/10.</p>
	<p>7. What income has been received from HfH for support on the Decent Homes project?</p>	<p>Legal work carried out has been charged at c£65,000 for preparation of an application to the Leasehold Valuation Tribunal and advice relating to statutory leaseholder consultation.</p>
	<p>8. Please give further details on the anticipated increase in defended litigation involving leaseholders arising out of invoices for major works. How many cases are involved? Why has this increase occurred?</p>	<p>At this stage it is not possible to say how many cases are involved for the reasons which follow.</p> <p>The increase has not occurred. The Legal Service thinks that an increase may occur but is unable to say when it will happen and how large it will be or even if it will occur at all. The Legal Service understands that there will be a quadrupling in the amount of money spent by HfH on leaseholder properties over the five years of the Decent</p>



		<p>Homes programme, beginning in 2008/2009. Bills for £5,000 £10,000 and £15,000 or more are beginning to be sent out to leaseholders for major works being carried out by the HfH with Decent Homes funding.</p> <p>It should be noted that HfH has implemented a number of measures aimed at reducing the likelihood of litigation, for example, loans and extended payment periods.</p>
	<p>9. Please tell us how much time and support has been given in support of Children's Services in support of the Baby P case. How much was spent on barristers preparing for and attending the Old Bailey trial?</p>	<p>To date, approximately £16,400 has been charged to the Children's Service in relation to the Baby P case. This does not include Counsel's fees yet to be settled for attending the criminal trial regarding matters such as disclosure, reporting restrictions and related civil proceedings. Neither does it include any fees for legal work relating to advice about child protection issues before Baby P's death.</p>
	<p>From Councillor Aitken</p>	
	<p>10. What has been the cost so far of Legal Advice to the Council on the Child P case?</p>	<p>To date, approximately £19,000 has been charged to the Council corporately for the Baby P case. These costs relate to legal support for the Council corporately in relation to the Baby P case and are entirely separate costs from those outlined for question 9.</p> <p>To date the total legal costs for the Council overall relating to the Baby P case amount to £35,400.</p>
	<p>From Councillor Winskill (continued)</p>	
PPP&C	<p>11. May we have sight of the value for money reviews of Communications, learning Disabilities and Building control. What actions/ recommendations will follow the publication of these documents?</p>	<p>There will be a report outlining the actions and recommendations of the value for money reviews to Overview & Scrutiny on 12 January 2009</p>
	<p>12. What discussions has the Leader had with senior officers and colleagues to prepare Haringey to meet the needs of its residents who may be suffering the effects of the credit crunch?</p>	<p>I have discussed on many occasions with the Chief Executive, the Head of Communications and the Head of Benefits and Local Taxation the need for a high profile campaign to encourage people to claim benefits which they are entitled to. I have also met with the Chair of the Haringey</p>



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	<p>Have there been any discussions with HMG about extra support from the most vulnerable people in the borough, particularly those experiencing fuel poverty?</p> <p>Has there been any discussions about an advertising campaign targeted at small businesses encouraging them to apply for relief on business rates?</p>	<p>Citizen's Advice Bureau (HCAB) to discuss how the Council can work better with HCAB to provide increased benefit take-up.</p> <p>What is important is for people who have a change in circumstances to immediately inform authorities so that they start claiming benefit immediately.</p> <p>My discussions have led to the Borough's Claim It Campaign which has been prominently advertised in Haringey People since September and advertising has appeared in prominent locations in the borough. The campaign is supported by HCAB, Age Concern and HAVCO.</p> <p>As part of the 'Claim it' Take Up campaign events have been held in the borough. Recently at a local library the Council interviewed over 450 people providing benefits advice and encouraging take up. The campaign was done in partnership with input from across Council services and also partners such as Age Concern and Haringey Carers Forum.</p> <p>Fuel poverty is likely to increase as a result of the credit crunch but has been an issue for some considerable time. We have been active since 2002 delivering insulation and heating schemes through a variety of schemes and funding routes. We are presently working sub regionally delivering insulation and heating measures through a contract which will start before Christmas. The sub region have made a substantial bid for 2009-2011 to continue to deliver these measures and the procurement process to appoint the new contractor will start soon and is for a 3 year contract with an extension of 2 years.</p> <p>It is expected that Haringey will receive in the region of £1million over the next two years to assist vulnerable clients in fuel poverty and</p>
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additional funding to assist with other decent homes work within the private sector.

In addition the Chancellor in the pre-budget report announced bringing forward £50m of investment and £100m of new investment on the Warm Front programme.

I have discussed also with the Deputy Leader and Chief Executive what opportunities there are to support small businesses at this current time. The following activity is being undertaken:

In respect of helping businesses:

- A link to the Haringey website has been added to bills. This link informs of organisations that can help local businesses
- We are sending a mail shot to our small businesses in December, which advises on how to claim Small Business Rate Relief
- There will be advice printed in the Annual Billing booklet for 2009/2010
- All staff on the NNDR team have been told to direct struggling businesses to the advice agencies that can help
- We are now working with Regeneration to produce a further information leaflet with general advice for all business. This will be sent to every business in the borough.
- The Council will also have free parking in 8 council car parks across the borough at weekends in the run up to Christmas and the whole of Christmas week. This will be to help local shops and businesses attract customers.

We are also keeping a close eye on possible government changes to legislation. These will not become statute until next year, so any



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		<p>changes will be addressed in the booklet (or at the appropriate time).</p> <p>The current number of cases where Small Business Rate Relief is awarded is 2,372. Our property database currently lists 6,899 hereditaments, many of which will have rateable values above £10,000 so will not qualify for the relief.</p> <p>Benefits and Local Taxation intend to issue a mail shot in December targeted at all those ratepayers who according to our records have not applied for the reduction but may qualify, this amounts to approximately 1,000 businesses. A copy of the application form is available on the website, together with some guidance notes.</p> <p>A second mail shot, developed in collaboration between Benefits and Local Taxation and Economic Regeneration, will be sent out in February with the rates demand outlining the support available for businesses located within the borough.</p> <p>Further to this the government has announced in the Pre Budget Report that all commercial empty properties with a rateable value below £15k will be exempt from business rates. In addition the 1p rise in small business corporation tax has been postponed.</p>
PPP&C	13. Will the Leader tell us the names of consultants, individuals or others, paid or unpaid, that have been giving media advice to Haringey Officers, Councillors and others involved in the handling of the Baby P case. Will he tell us how they were selected and what the final estimated cost of their services will be.	<p>The cost of paid for media advice to the council from three sources included media training for key spokespeople. The total estimated final cost will be £19,000</p> <p>Contracts were awarded through Contract Standing Order Waiver of Contract Standing Order (CSO) 6.04 (requirement to tender) under CSO7 and approval for award of contact under Contract Standing Order (CSO) 11.02.</p> <p>The name(s) are provided in part 2.</p>



	From Councillor Newton:	
Legal Services	<p>14. To reduce the risk of litigation and ensure transparency and ability to monitor value for money over major works will the Council provide leaseholders with full access to itemised "Specification of Works" so they can see exactly what works are planned to take place, what works are carried out and the cost breakdown?</p> <p>How are leaseholders able to see the "Specification of Works" and where can they view them?</p> <p>What information is currently provided in the "Specification of Works"?</p> <p>What recourse do leaseholders have where they are still waiting to see "Specification of Works" even though major works have already started?</p> <p>What information on major works is required to be given to leaseholders by law?</p>	<p>There is no legal requirement under the Service charges (Consultation Requirements) (England) Regulations 2003 ('the Regulations') to provide a specification to the leaseholders</p> <p>The Legal Service understands that HfH is providing leaseholders with additional information above and beyond the requirements of the Regulations, both before and after the works are carried out. Question relating to this should be addressed to the HfH</p> <p>See above</p> <p>See above</p> <p>Legally, none, but see the reply below.</p> <p>Schedule 3 of the Regulations requires the Council as landlord to "describe, in general terms, the works proposed". The Council is also required to give a reason for doing the works and a statement of the total amount of the estimated expenditure. Leaseholders then have 30 days beginning with the date of the notice to make observations in writing, and the Council has a further 21 days in which to respond in writing to any observations.</p>
	From Councillor Alexander:	
PPP&C	15. When will the final chapter of the Borough profile be completed?	The final chapter on Community Safety of the Borough profile will be completed by the end of December 2008. Chapters already published



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		are: Our Changing Borough, Our Borough's Health & Well-Being, The Local Economy, Skills and Educational Attainment, Haringey's Environmental Sustainability, Customers and Citizenship
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