

## **Cabinet Member for Resources**

### **Overview and Scrutiny Briefing – 15<sup>th</sup> March 2010**

#### **Audit and Risk Management**

Key elements of the service:

- Internal audit
- Insurance
- Risk Management

Recent key events:

- Implementation of the risk management module within the Council's electronic performance management system (Covalent) across all business units and departments by 31 December 2009, which was within planned timescales. All business units are now using Covalent to manage their risk registers.
- The Insurance Section worked in conjunction with the Highways and other Council departments during and after the severe weather period to ensure that any defects which were reported as a result of insurance claims received were communicated effectively. This ensured that the repair or hazard was rectified as soon as possible and risks and insurance claims minimised
- In the six months between June and December 2009, Service Managers have implemented 100% of all high priority internal audit recommendations by their due date.

The key challenges for the service:

- Developing a more corporate-focused approach to preventing and detecting fraud
- Developing the use of Covalent to more effectively link risk management, performance, and business planning

#### **Benefits and Local Taxation**

The key elements of the service are to:

- Bill, collect and recover Council Tax (CT) and National and Non-domestic Rates(NNDR)
- Provide a comprehensive Housing Benefit (HB) and Council Tax Benefit (CTB) claims service for the local residential, business community and other key stakeholders

Key events, issues and challenges:

- **e-benefits**

e-benefits is now live in Hornsey Customer Service Centre, Wood Green Customer Service Centre and in the call centre. Early indications are that the outcomes are as positive as expected. Over 80 claims have been submitted through electronic claiming so far, which eliminates unnecessary questions on the HB application form. The average time taken to pay e-benefit claims so far has been 6 days. Benefits and Local Taxation staff are on hand in the Customer Service Centres to assess benefit claims via an appointment system, when customers are asked to return with their supporting evidence.

- **London wide Direct Debit campaign**

Haringey has signed up to a London wide Direct Debit take up campaign – this is a joint initiative with 20 other boroughs across London, facilitated by the London Revenues Group.

- **Business Rates Re-Valuation 2010**

There is a business rates revaluation taking place with effect from 1.4.2010. This is a national revaluation outside the control of the Council.

Ratepayers have the opportunity to appeal against their rateable values and are able to do so from 1<sup>st</sup> April 2010.

There is a transitional relief scheme which will alleviate the effects of any increases over the five year period. For the first year where there are increases these will be limited to approximately 3.5% for small businesses (those with RV below £25,500) and 12.5% for larger businesses.

- **Supplementary Business Rate**

A Supplementary Business Rate is being introduced from 1<sup>st</sup> April 2010, this again is outside the control of the Council.

## **Corporate Finance**

This service provides the financial support to the Council.

Key events, issues and challenges:

- Much intensive work has been undertaken on the Use of Resources element of CAA with workshops being held with the external auditors. The Council scored a 3 out of 4 for Use of Resources in 2009.
- Annual closure of accounts and preparation has commenced for audit of accounts for year end 31 March 2010.
- Preparation and implementation of the new International Financial Reporting Standards (IFRS).

## Corporate Procurement

Key events, issues and challenges:

- New contract arrangements are being put in place to support the Council's Capital Programme and general construction and facilities management requirements. These include:

Major Works Framework  
Minor Works Framework  
Asbestos Surveying  
Asbestos Removal  
Conservation Works  
Landscape Architects

- From April 2010, the mandatory Carbon Reduction Commitment (CRC) Scheme comes into effect which will result in a league table comprising all eligible public and private sector organisations being compiled. Actual performance over 2010/11 on the league table will result in either a penalty or a benefit. We are working hard to secure "credits" and the Council is the 2<sup>nd</sup> organisation in England to achieve Carbon Trust Accreditation. We have also upgraded 100 gas and electricity meters to SMART METERING to provide hourly management information in regards to high consumption sites (including some schools).

## Corporate Property Services

The service advises the Council on the effective use of property resources.

Key events and issues are:

- **Tottenham Town Hall**  
Site now handed over to partner Newlon Housing Trust which is providing 109 new homes, business units and community facilities in the heart of Tottenham.
- **Haringey Forward - SMART working**  
Excellent 1<sup>st</sup> phase progress made in the creation of SMART working environments in Alexandra House and River Park House with many staff now transferred into flexible work spaces.
- **Hornsey Town Hall**  
Following extensive consultation led by the Community Partnership Board, design work and preparation of the planning application is underway for this major scheme to refurbish this important Grade II\* listed building.

Key challenges

- **Generating Capital Receipts from Property Disposals**

The current economic climate and the decline in the property market continues to impact on the Council's ability to achieve target capital receipts in support of the capital programme.

- Addressing budget pressure relating to rental income from the commercial property.

## **IT**

The service provides technical support and strategic direction for the Council's IT infrastructure

Key events, issues and challenges

- Government Connects Secure Extranet (GCSx) – successfully achieved accreditation to enable Haringey to use secure network for sharing sensitive data between central government, local government and public sector agencies. In particular, Benefits and Local Taxation are able to receive sensitive benefits data from DWP and other areas such as Youth Justice, Domestic Violence and Trading Standards are looking to make use of our compliance.
- IT Value for Money Review – positive outcome from external benchmarking with IT Services recording the 3<sup>rd</sup> best ever user satisfaction score for a London Borough, with particular strengths highlighted including ease of contact, speed of response and low downtime. The key focus for 2010-11 will be the implementation of the findings from the VFM review to ensure that the service continues to demonstrate value for money.

## **Overall**

A balanced budget has been set for 2010/11. This is the culmination of the financial planning process which has been in train over several months.

## **Human Resources and Organisational Development**

I reported in July 2009 that we had introduced a new Grievance procedure, in April 2009, which was designed to focus more on resolution. A new part of the process is the option to seek mediation to resolve differences. The council trained 40 internal mediators and since the procedure was introduced 10 cases out of 68 (15%) have been referred for mediation.

We are in the process of reviewing our employment policies for restructuring, redeployment, re-skilling to help the management of potentially larger numbers of displaced staff and we will design occupational job families that enable greater flexibility of deployment. And we are improving our models of organisational change.

During 2008/09 we improved our redeployment success rate to 37% (24 out of 65 cases), an improvement of 13% on the previous year. This saved the council approx £235k in redundancy and recruitment costs. So far this year we have redeployed 32 staff out of 57 (56%), and saved over £300k.

This year we increased the number of apprenticeships to 30 from 12. The 30 are 12 admin, 14 social care and 4 gardeners. We were able to secure funding for the 14 social care apprentices from the Department of Health. Next year our target is to create 70 apprenticeships across the council.

Sickness absence in the Council was 8.80 days on average per employee in May 2009. At December 2009 average sickness levels stood at 8.97 days but this was due to the flu epidemic. If we excluded increased flu absence days the average absence levels would be 8.7 days in Dec 2009. Therefore overall sickness absence is still on a downward trend.

### **Update on Economic Development Programmes in Haringey for Overview and Scrutiny**

The Council runs two programmes to support economic development in the Borough

- employment and skills and
- business support.

An update on these are set out below.

Funding for key projects comes through the Area Based Grant regime - and this grant has recently been increased by the Council

### **Additional Area Based Grants 09-11**

In February 2010, the Council and the its Strategic Partners allocated new funds to support local jobs, skill and business

- New Skills (green/IT work): £60k
- Housing/RSL skills/jobs: £30k
- Extra 20 Families into Work: £50k
- Future Jobs Fund Management to support 221 new local jobs: £210k
- Extra Employer Engagement projects that produce local jobs: £120k
- Credit Union: £145k
- Developing the Voluntary Sector's business skills: £15k
- Wood Green Town Centre management: £35k

### **Haringey Employment and Skills Programmes**

#### **1. Haringey Guarantee – the Borough's own Job Brokerage scheme**

Programme for 2009/10 has achieved 98 sustained jobs at Dec 09 against an annual target of 218. 180 are likely to be met because of recession.

#### **2. North London Pledge – Training and job scheme for Waltham Forest, Enfield and Haringey**

- North London Pledge 1 (£1.5m over 08-10) - Haringey has commenced second year of delivery with target of 110 Employment Support outputs and 57 jobs in 09/10. All on target.
- North London Pledge 2 (2010-12) proposal agreed for £2m over 18 months across ULV delivering 400 sustained jobs (130 in Haringey.)

#### **3. New Apprenticeships Programme**

Haringey Apprenticeship Delivery Steering Group established in 2009-10. Targets upgraded and agreed - 25 apprenticeships to be created in 09-10 and 60-70 a year from 2010-11. To date 62 created in 09-10 (BsF, HfH, LBH).

#### **4. Families into Work – Northumberland Park Ward – Project focusing on ways to help families with “inter generational unemployment”**

2009-11 project. 76 of 100 families engaged at Dec 2009 and now 15 families have someone in work.

#### **5. School Gates Funding Announced – Nov 2010**

Haringey given an extra £117k from the Child Poverty Unit to “engage unemployed parents in school, to promote routes back to work”.

#### **6. Future Jobs Fund – Recession Action for New Jobs**

A funding bid to create 221 jobs (155 in LBH) has been successful ( £1.4m ). “Amish Patel “ was the first recruit on 22-3-10 – admin assistant in North London Business. On 23-2-10, ten more jobs were given out from the Council (recycling and mental health jobs). Target is to get all jobs allocated by March 2011 – Haringey will do by November 2010. Jobs are for minimum 1 year and pay is at least £6,500.

#### **7. Credit Union - Cabinet in March 2010**

Funding will be given to existing CU to extend facilities to Haringey. Start in April 2010. 2000 members in 3 years. There will be loans from the start of the scheme.

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### **Haringey Business Programmes**

#### **8. Cultural Industries**

- 2009-10 North London Film Fund Partnership - £46.6k (Camden/Haringey/Enfield £5k each; Film London £7.6k; North London Pledge Film Skills £20k). This produces 6 short films (2 from Haringey residents); media training for Haringey residents; cultural industries networking and showcase screening at Curzon Renoir and Wood Green Cineworld
- Wood Green International Short Film Festival scheduled for 25-28th March 2010.
- 2 empty shop front arts project completed (Stroud Green)
- Support to creative sector via our sponsoring of Fashion Enter project in Florentia Clothing Village, supporting existing creative businesses and creating new start ups

#### **9. Town Centres**

Business engagement via traders associations across borough in our priority Town Centres – Wood Green/Green Lanes, Crouch End, Muswell Hill and Tottenham. Crouch End, Green Lanes and Tottenham have well established associations, Wood Green is new and Muswell Hill is currently work in progress. All traders groups meet at least quarterly and meetings are attended by officers from Economic Regeneration. Main issues are around parking, trade waste, rates and issues around the current downturn.

Wood Green – Partnership development. Web site development has begun.

Green Lanes – ABG funded (web site; food festival; business promotion) – supported by Neighbourhood Management

Crouch End/Hornsey – ABG funded (loyalty card; web site; xmas events; loyalty parking scheme)

Muswell Hill – Partnership in development

Tottenham High Road and West Green – Working safety/crime issues, newsletter and annual Tottenham Festival. 20k bid achieved to increase shop radio links to help prevent crime.

#### **10. Haringey Business Board**

Haringey Business Board (HBB), is a private sector led business board chaired by BT plc Chairman Andrew Campling. HBB aims to represent the major business sectors in the borough. Meet 4 times a year organised by North London

**11. Meet the Buyer Local Business Procurement Fair – 23 Feb 2010**

Developed and Organised by LBH Procurement Service. 160 businesses attended; 25 contracts available up to value of £20m, (including 5 Council services). Business to Business style trade fair. LDA funded £25k and LBH funded £5k