

**Overview and Scrutiny Committee 15<sup>th</sup> March 2010**  
**Q 'N' A: Item 7, Cabinet Member for Resources**

No	Page/ Point	Question/Observation	Answer (Where applicable)
<b><u>Questions from Cllr. Winskill</u></b>			
1	Audit & Risk Management - Severe Weather response	<p>a. How many insurance claims have (so far) been received following incidents related to the recent severe weather?</p> <p>b. How many reports of street and highway defects were relayed to highways?</p> <p>c. Has there been any feed back from highways on how these defects have been dealt with.</p> <p>d. Is there yet any estimate of the total amount Haringey might be liable for as a result of these claims?</p>	<p>a. To date 35 claims have been received.</p> <p>b. All claims received are relayed by the Insurance Section to the highways department. The Insurance Section does not keep records of whether the highways section already knew about the street/highway defect when they provide the information to the Highways Section.</p> <p>c. No specific feedback other than the routine information provided in relation to the insurance claims</p> <p>d. The total estimated amount for the 32 outstanding claims is £38,985. To date 1 claim has been closed without payment, 2 claims have been settled for a total of £240)</p>
2	Benefits & Local Taxation – e-benefits	<p>“ ... eliminates unnecessary questions on the HB application form.”</p> <p>Please elaborate. Why are some questions necessary on paper but not in the ether?</p>	<p>A paper based Housing Benefit Application form is 24 pages long as it has to cater for every type of claimant circumstance. Claimants have to jump to the sections that relate to their circumstances, which can be confusing for some claimants.</p> <p>The e-benefits claim form is an intelligent claim form that eliminates questions that are not relevant to the person’s individual circumstance, making it much easier and quicker to complete. In some instances, a 24 page form can be cut down to just two pages.</p>
3	Business rates revaluation	a. What is the average % increase in business rates across the borough?	a.) Rateable Values have increased by an average of 27% across the borough



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- b. Is this % universal across neighbouring boroughs?
- c. What is the current aggregate amount taken in business rates from businesses in Haringey?
- d. How many businesses will be affected?
- e. Will all businesses be affected?
- f. What is the estimated increase in total “rate take” that will result from this increase?
- g. In a Borough that relies so heavily on its small businesses to create wealth and provide employment, what representations were made to the Government by Haringey to minimise this increase?
- h. What discussions have there been with Haringey business leaders about this increase?
- i. Please give information on how the relief will be advertised and administered.

as a result of the re-valuation. This does not mean that business rates have increased by 27% as the rating multipliers have been reduced. There is also a Transitional Relief scheme which limits increases and decreases. This relief is automatic and does not have to be applied for. A number of businesses will not see a rise in rates payable, some will fall and others will be limited to an increase of 12.5% (large property) or 3.5% (small property)

b. Values across London generally have increased by similar percentages. The rate multipliers are national and are therefore the same throughout the Country.

c. The amount of Business Rates collectable in Haringey in 2009/10 is approximately £55m. In 2010/11 the amount collectable will be approx £57m. All this income is paid to Central Government.

d. & e. There are 6,900 business properties in Haringey. Approximately 3,200 of these will see an increase in rates payable in 2010/11 and some 500 will see a reduction. The remaining properties will see little or no increase/decrease.

f. About £2m (excluding Business Rate Supplement – see question 4 below)

g. This is a National Revaluation, occurring every five years. The process is set out in statute.

h. Traders meetings were held in January 2010 and local businesses were invited to attend. Representatives from Corporate Finance, Economic Regeneration, Business Rates and the Valuation Office Agency were in attendance to provide information and answer any questions.

i. Transitional Relief will be applied automatically to all properties entitled to receive it – it does not have to be applied for.



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4	Supplementary Business Rate	Please give details of what this is, on whom and how it will be levied, how much it will raise and what relief will be available.	<p>The Business Rate Supplements Act 2009 enables levying authorities - county councils, unitary district councils and, in London, the Greater London Authority - to levy a supplement on the business rate to support additional projects aimed at economic development of the area. Business Rate Supplements (BRS) are only applicable to properties with a rateable value of £55,001 or over. The total maximum BRS which may be levied by a levying authority is 2p per pound of rateable value.</p> <p>This business rate supplement is being levied by the Greater London Authority in relation to the Crossrail project. Approximately 550 properties in Haringey will be liable pay BRS, raising approximately £1.6m in 2010/11. Exemptions and reliefs will mirror those applicable to Business Rates, e.g. if a property is exempt from payment of rates it will also be exempt from BRS.</p>
5	Corporate Finance	Please make a statement about the current position on Haringey's Icelandic investments.	<p>The current position has improved since the position in the Cabinet report that went on to Council on 22 February 2010 as part of the budget process.</p> <p>There has been an improvement in the estimated recovery of the deposits in the UK based Heritable bank as part of that administration process from 80p in the pound recovery to 85p. This equates to a further £1m recovery against the £19.8m held in this bank ie to approximately £17m.</p> <p>In respect of the two Icelandic based banks, Landsbanki and Glitnir, the legal processes are now underway with separate Winding Up boards managing the administration of each bank. The Landsbanki board has agreed that all depositors including local authorities are preferential creditors and an 88p recovery is predicted against the £15.2m deposit. A different situation exists in respect of Glitnir who have said that English and Dutch local authorities are not preferential creditors and therefore a 31p recovery of predicted against the £2m deposit. The situation in Glitnir is being challenged through a legal process, co-</p>



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			<p>ordinated by the LGA representing all local authority interests.</p> <p>Therefore the overall position is that a recovery of £30.8m is expected at this time leaving a potential impairment of £6.2m. Haringey has been successful in applying for any impairment to be capitalised over a long period, which will minimise the impact on the overall Council's finances.</p>
6	Council's capital programme	Please outline how major contractors and subcontractors will be encouraged and supported to use local labour and services.	A community benefit clause which was first introduced into Building Schools for the Future contracts by Corporate Procurement is now included in the new Major Works frameworks agreements; this has a target of 10% local labour for major projects.
7	Commercial property	How many units are currently empty and what is the notional annual loss of income?	At present there are 58 empty units. The notional annual loss of income is £628,000.
8	Haringey Guarantee	<p>Programme for 2009/10 has achieved 98 sustained jobs at Dec 09 against an annual target of 218. <u>180 are likely to be met</u> because of recession.</p> <p>Is this a typo? Assuming the target will not be met, how will £210k to support 221 new local jobs (future jobs Fund Management) succeed where the guarantee has failed?</p>	<p>There are no typing mistakes</p> <p>The 218 target depends on staff and partners working together to support job achievements in the market place, which is seriously affected by the recession. By December 09 we achieved 98 and expect to achieve a further 82 i.e. 180 in total.</p> <p>The Future Jobs Fund Programme actually supports the creation of jobs in the public and partnership sectors to help off set job losses in the market place.</p> <p>The first programme (Haringey Guarantee) is very difficult and uncertain whilst the second (Future Jobs Fund Programme) is guaranteed, (we will receive the funds for salaries), and aims to compensate for the poor market conditions.</p>
9	Haringey Business	Please outline the role played by ward councillors in the various Town Centre	Town Centre Projects are delivered in four town centres across the borough. These are Tottenham, Green Lanes, Wood Green and Crouch End.



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	Proposals - Town centres	engagement programmes	They are funded through the Area Based Grant programme and managed by the Business and Enterprise team. The Business and Enterprise Team has worked closely with the leader of the council to organise Town Centre tours and meetings with business forums which took place in winter and spring 2009. Cllr Winskill has been involved in meetings between the council and Crouch End Project. Cllrs Haley and Canver worked closely with the Haringey Traders group in organising the Green Lanes Food Festival and Cllr Peacock works closely with representatives of the Tottenham Traders Partnership to organise the Tottenham Carnival
		<b>Questions from Joseph Ejiofor</b>	
10	Corporate Procurement	How many 4 and 5 bedroomed family units will be provided within the Tottenham Town Hall Development? How does the cabinet member see this development as reducing the number of people on Haringey Council's housing waiting list?	<p>4 bedroom properties – 3 properties all with wheelchair units            5 bedroom properties – none            In addition there are 9 3 bedroom units, which are also classified to be family sized homes.</p> <p>These units will provide much needed family size housing accommodation and assist in reducing the number of clients on the housing register and council waiting lists.</p>
11	Corporate Procurement	The Council is currently negotiating corporate procurement contracts in a number of areas? How will these contracts increase the local procurement of goods and services?	<p>The UK and European Union Public Contract Regulations prevents discrimination on a number of grounds, including supplier locality.</p> <p>However, there are a number of initiatives in place that aim to support local suppliers in being able to compete effectively for public sector contracts; whilst complying with the strict regulatory framework.</p> <p>These initiatives include:            - Meet the Buyer events, the most recent taking place last month, where many of the Council's prime contractors were brought together and introduced to local</p>



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			<p>companies</p> <ul style="list-style-type: none"> <li>-the publication of online workbooks for use by small medium sized enterprises, which assist in dealing with the Council's requirements in the areas of health and safety, equalities, sustainability, and so on.</li> <li>-the use of the CompeteFor portal, which allows officers to 'flag' opportunities and ensure that registered local companies receive e-mail alerts when contract opportunities arise.</li> <li>-the sponsoring of bid-writing workshops with business support organisations such as Supply London and the London Business Development Corporation</li> </ul> <p>Future initiatives include:</p> <ul style="list-style-type: none"> <li>-a quarterly newsletter that will be sent to local companies containing useful information on Council procurement</li> <li>-a process whereby adverts for Council tenders are handled in one place, allowing us to improve communication with the local market</li> </ul>
12	General	<p>How would you describe the Council's current performance on detecting and remedying corporate fraud? What is the current level detected? Does the cabinet member consider that this performance has improved over the past 12 months, and what recommendations would he leave for his successor?</p>	<p>The Council participates in the National Fraud Initiative (NFI) and the 2009 exercise has, to date, reviewed over 8,000 potential data matches provided by the Audit Commission which may indicate fraud or error. Over £200k relating to fraud and error has been identified and the Council is already in the process of recovering this money. The Council has agreed to participate in further pilot NFI exercise in relation to illegal sub-letting in 2010. The NFI exercise is completed every two years.</p> <p>The Council has in-house teams within Audit and Risk Management and Housing Benefits to investigate potential frauds. During 2009/10, the latest reported figures are:</p> <p><b>Housing Benefit (Audit Committee 1/2/10).</b> A total of 53 sanctions, including 16 prosecutions has been achieved up to 31 December 2009. This compares to a total of 127 sanctions achieved in 2008/09, with 10 prosecutions were achieved. The Housing Benefit team has focused on dealing with those cases where criminality is involved during 2009/10 with a resulting higher level of</p>



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			<p>prosecutions achieved.</p> <p><b>In-house internal team (Audit Committee 1/2/10).</b> A total of 16 investigations into allegations of fraud and corruption by Haringey employees have been completed to 31 December 2009. To date, 3 officers have resigned, 5 officers have been dismissed, 3 officers received other sanctions and there was no case proven in 5 cases. This compares to 23 investigations completed in the 2008/09 year.</p> <p>The Council has been considering its approach to fraud investigation and management during 2009/10 in response to the National fraud Initiative and changing economic conditions. During 2010/11 the Council will be developing a more corporate approach, including undertaking pro-active anti-fraud work wherever possible, to complement the work of the NFI in the intervening years when the national exercise does not take place.</p>
13	Haringey Business Programmes	<p>In February 2010, £665k was allocated to support local jobs, skills and businesses. How much of this money was allocated to Haringey based initiatives, and could he list them with the grant allocated to them.</p>	<p>An additional £647 Working Neighbourhoods fund was announced in November 2009 to tackle worklessness. The Enterprise Partnership Board agreed to commission new programmes of activity and interventions focusing on</p> <ul style="list-style-type: none"> <li>• programmes of activity and interventions around extra skills development particularly on skills highlighted in the recent National Skills strategy – green skills, low carbon, digital media and IT, advanced technology and life sciences raising the level of training and skills development; priority will be given to skills training that can directly lead to employment opportunities</li> <li>• extending the current Haringey Guarantee work to engage more workless people in social housing leading to sustained employment opportunities;</li> <li>• refocusing the Haringey Guarantee Employer Engagement approach</li> <li>• Extending and refocusing the Employer/Business Support Engagement</li> </ul>



			<p>approach working with the Business Support and Enterprise Programme to bring more employers - large and small - into contact with local unemployed people to meet their recruitment and training needs and develop further business support and sustainability and enterprise initiatives supporting local businesses to develop, take work placements and create new employment opportunities.;</p> <ul style="list-style-type: none"> <li>• and extending the Future Jobs Fund jobs into more sustainable opportunities for local people by extending jobs for an extra 13/26 weeks and/or extending training opportunities linked to the jobs.</li> </ul> <p>The commissioning process will be carried out during March/April 2010. A full list of commissioned interventions will be publicised following completion of the commissioning process – all interventions will be borough based</p>
14	Haringey Business Programmes	<p>Could the Cabinet member for resources provide a brief update of the ‘Meet the buyer’ local business procurement Fair? How many of the 160 businesses attending were Haringey based businesses? How did the council ensure the widest possible boroughwide reach to ensure that local businesses could attend? What support and assistance was offered to assist with the application process? Could the cabinet member kindly ensure that a report assessing the effectiveness of this event is made available for Overview and Scrutiny and Councillors?</p>	<p><b>How many of the 160 businesses attending were Haringey based businesses?</b> The event was aimed specifically at Haringey-based businesses and 123 were based in the borough, with almost all of the remainder coming from Enfield.</p> <p><b>How did the council ensure the widest possible borough-wide reach to ensure that local businesses could attend?</b> The event emphasised the availability of real contract opportunities from major local buying organisations (eg Tottenham Hotspur and North Middlesex Hospital) and will be judged based on amount of business won in the ensuing months. Suppliers were therefore pre-matched to the specific procurement needs of the Council and buying organisations present on the day. Marketing was carried out via the Council’s Trade Local database, Yellow Pages and Trade Directories plus the extensive database of our event partner, Business to Business Exhibitions.</p> <p><b>What support and assistance was offered to assist with the application process?</b> Local companies were invited to a seminar entitled “Understanding</p>





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			<p>Procurement in Haringey” where they heard presentations from Council officers, Business to Business Exhibitions and Supply London. Those attending the Meet the Buyer day also benefited from pre-event sales training, where a motivational speaker spoke about how to make the most of the day. Corporate Procurement have since arranged for our partner, Supply London, to deliver workshops and provide one-to-one support to companies that attended the event, to prepare their tender bids. These workshops have already commenced and will continue in the coming months.</p> <p><b>Could the cabinet member kindly ensure that a report assessing the effectiveness of this event is made available for Overview and Scrutiny and Councillors?</b> Yes- a report will be produced after six months to access outcomes from the event including the amount of business won by local suppliers. This report will be made available to the Overview and Scrutiny Committee and Councillors, when it is available.</p>
15	Staffing & Human Resources	Please can you provide a copy of the Council's external secondment policy for committee members	Please see attached.
16	Staffing & Human Resources	<p>a. Please provide the total number of employees on Trades Union duties within the Council including Soulbury and the cost to the Council.</p> <p>b. Please provide the total number of employees on external secondment including Soulbury on TU activities.</p> <p>c. What is the total cost to the Council of these secondments? Please provide a breakdown of these costs for the last 5 financial years.</p>	<p>11.65 full time equivalent employees are granted branch officer time off for union duties. This equates to a cost including on costs of £467,455.</p> <p>The ratio of employee union members to trade union officials is 540 per union rep. This compares with a London boroughs average of 534 union members per union rep.</p> <p>The Council has an agreed procedure for trade union facilities and time off arrangements. Branch Officers are seconded from their normal duties to undertake trade union activities which are necessary for the purposes of providing representation and carrying out many statutory requirements on</p>



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- d. Please confirm the Council has claimed back and has been reimbursed any monies due to it as a result of these external secondments.
- e. Please provide a breakdown by Trades Union of these costs and reimbursements for the last 5 financial years.

consultation and negotiation. There is a formula in place to determine the level of Branch Officers which is required in order to support good industrial relations across the Council.

Please note that the authority does not collect or hold any information on local shop stewards who undertake occasional trade union duties from time to time.

**b. Please provide the total number of employees on external secondment including Soulbury on TU activities.**

The council does not have any employees on external secondments on trade union activities.

However, there are 2 union officers who do attend regional/ national union and/or General Teaching Council meetings.

Unison official – 8 days per year, NUT official – 60 days per year.

**c. What is the total cost to the Council of these secondments? Please provide a breakdown of these costs for the last 5 financial years.**

Not applicable, see (b) above.

The total cost of these is approx £1k and £17.5k per annum respectively for the current financial year. There would be similar amounts for the previous 4 years.

**d. Please confirm the Council has claimed back and has been reimbursed any monies due to it as a result of these external secondments.**

Not applicable, see (b) above.



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			<p>The council has not sought to seek any reimbursement for these amounts since there is no formal external secondment agreement. .</p> <p><b>e. Please provide a breakdown by Trades Union of these costs and reimbursements for the last 5 financial years.</b></p> <p>Not applicable, see (d) above.</p>