

COUNCIL 20 MARCH 2006

Chair:
Councillor Reg Rice

Deputy Chair:
Councillor Jean Brown

INTRODUCTION

- 1.1 This report covers four matters considered by the General Purposes Committee at our meeting on 2 March 2006. All of them resulted in recommendations from the Committee to full Council to make amendments to the Council's Constitution. A fifth matter, "Decision-making in Election Year" was deferred on 2 March for further consultation and further consideration at a special meeting of the Committee on 16 March. There is likely to be a late report on this to Council.

**ITEMS FOR DECISION FROM THE MEETING OF THE
COMMITTEE ON 2 MARCH 2006**

**2. AMENDMENTS TO CONTRACT STANDING ORDERS ON
TENDER OPENING.**

- 2.1 We received a report on proposed changes to the procedures for opening tenders in Contract Standing Orders (Procedure Rules). At present there is a "two-tier" system with tenders estimated at over £150,000 being opened by the Legal Service while tenders below that threshold are opened in the Directorate commissioning the tendering exercise. The proposal is for a uniform system for the custody and opening of all tenders regardless of value. Tenders would be opened in the commissioning Directorate but by independent officers from teams outside the tendering exercise and subject to strict safeguards.
- 2.2 We had received a report on this matter in January 2005. At that time we had accepted the argument that costs must be saved by avoiding the use of expensive legal staff for routine administrative tasks. However, we had expressed concern about the commissioning Directorates opening their own tenders without extra safeguards to prevent fraud or negligence.
- 2.3 Officers had considered the option of Directorates opening each other's tenders but regarded this as likely to result in serious extra costs and delays. More detailed thought was then given to the original uniform tender opening proposal but with additional measures to ensure the robustness and transparency of the procedures.
- 2.4 The Head of Internal Audit agreed that any extra risks from the proposals would be mitigated by the provision of a "framework" or

procedure for regulating the receipt and opening of tenders and the recording of tender details. We noted that such a “framework” had been provided. This will facilitate a proper audit trail with spot checks by Service managers. Internal Audit will include a Review of the new tender opening procedures in the annual audit work programme. The Review will highlight any possible areas of non-compliance or weakness.

- 2.5 The Head of Procurement had approved the selection of four officers from each Directorate who are trained for the tender opening duties. They are drawn from several different teams so as to ensure that at least two tender opening officers will be available in every case from outside the commissioning team. The introduction of a more rigorous uniform procedure for all tenders will help ensure consistency of process and standards across the Council. It should also result in staff cost savings.
- 2.6 We noted that the proposals had been reported to, and approved in principle by, the Procurement Committee on 3 January. Members of that Committee had asked for a report to them on the operation of the new procedures.
- 2.7 The amendments to Contract Standing Orders only affect section 9 on “Receipt and Opening of Tenders”. The changes are set out in Appendix 1 to this report.

WE RECOMMEND

That Council adopt the changes to Contract Standing Orders (Procedure Rules), set out in Appendix 1 to this report, and that Part G.3 of the Council’s Constitution be amended accordingly with effect from 1 April 2006.

3. AMENDMENTS TO THE CONSTITUTION CONSEQUENT ON THE HOUSING “ALMO”.

- 3.1 We noted that the substantive decisions leading to the establishment of the “Arms Length Management Organisation” (Homes for Haringey) had been taken by The Executive culminating in a detailed allocation of functions between the ALMO and the residual in-house Service decided on 20 December 2005. The ALMO is expected to come into operation on 1 April 2006. It will be a separate legal entity from the Council. Accordingly, the statutory functions exercised by the ALMO alone should be removed from the Council’s Scheme of Delegation to Officers.

- 3.2 The residual housing functions retained by the Council are to be managed under the Director of Social Services. This is an interim arrangement pending a further decision on the long term structure after the Council Elections. The Director will have the delegated authority to monitor the performance of the ALMO under the Management Agreement.
- 3.3 The main Council retained functions will be allocations and homelessness duties. These are currently managed by the Assistant Director of Housing Strategy & Needs, who will now be titled the Head of Housing, with a Head of Housing Needs and Head of Housing Supply reporting to him. These new roles are shown in Appendix 2 to this report which is the schedule of Housing Functions in the Scheme of Delegation to Officers (Part F.7 of the Constitution).
- 3.4 The ALMO will take over all responsibility for the management, and the maintenance and repair, of the Council's housing stock and its services to Right-to-Buy (RTB) leaseholders. These statutory functions are therefore shown deleted (i.e. struck through) in Appendix 2. The administration of RTB sales will involve the ALMO but formal authorisations are retained in-house by the Head of Housing.
- 3.5 Enforcement action against anti-social behaviour will remain with the Council but is to transfer to the Head of the Safer Communities Unit (HSCU) under the Assistant Chief Executive, Strategy (ACE-S). These statutory delegations under the Crime and Disorder Act 1998 and the Housing Act 1996 are shown in Appendix 3 to this report which is the schedule of delegations to the Chief Executive's Service including the ACE-S.
- 3.6 The opportunity has been taken to add to these amendments to the Scheme of Delegation, certain changes that are not related to the ALMO but derive from the transfer of Youth Offending functions following the re-structuring of services relating to children. These Youth Offending delegations are shown transferred to the ACE-S and HSCU in Appendix 3 and deleted from the delegations to the Directorate of Social Services as shown in Appendix 4 to this report.
- 3.7 There will be changes to Financial Regulations in Part G.2 of the Constitution concerning procedures for writing off housing rent arrears considered irrecoverable. Under the new arrangements these transfer from the Housing Service to Finance but the threshold of responsibility as between the Director and Executive Member remains the same. The Director of Finance will write off arrears below £1,000 and the Executive Member will authorise greater write offs. Similar but distinct arrangements are made for rents administered by the ALMO. These changes are shown in Appendix 5 to this report.

- 3.8 Finally, we noted that Appendices 6 and 7 to this report contain consequential changes to the Officers' Article and the Officer Management Structure in Parts K.1 and K.5 of the Constitution.

WE RECOMMEND

That Council adopt the changes to the Scheme of Delegation to Officers, Financial Regulations and Officer Structure set out in Appendices 2, 3, 4, 5, 6 and 7 to this report, to have effect as amendments to Parts F.7, G.2, K.1 and K.5 of the Council's Constitution.

4. MAKING THE SCHEME OF MEMBERS' ALLOWANCES FOR 2006/07.

- 4.1 We received a report attaching the proposed Scheme of Members' Allowances for the next year starting on 1 April 2006. This is shown as Appendix 8 to this report. We were advised that it was a legal requirement to make the Scheme afresh each year before the end of March even if no substantive changes were to be incorporated. It would be possible for this Scheme to be revised during the course of 2006/07 and for any changes to be made retrospective to 1 April 2006.
- 4.2 The only amendment as compared to the current Scheme for 2005/06 is the express reference to the fact that Councillors are not entitled to parking concessions within the Borough. We asked that this be clarified so that it would not exclude a Councillor from any concession they might otherwise be entitled to in a private capacity, for example, a disabled parking badge. This is now reflected in the added text at paragraph 3.01.
- 4.3 Once the Scheme has been made by the Council details must be published in a local newspaper and copies of the Scheme must be available for public inspection at the Civic Centre.

WE RECOMMEND

That Council adopt the Scheme of Members' Allowances for the year 2006/07, as set out in Appendix 8 to this report, to have effect as a replacement for Part C.7 of the Council's Constitution.

5. CO-ORDINATING THE RESPONSE TO EMERGENCIES IN LONDON BY REVISING THE “L.A. GOLD” RESOLUTION

- 5.1 We were informed that the Association of London Government (ALG) had asked all London Councils to pass a revised “L.A. Gold” resolution to extend the existing joint arrangements for a co-ordinated London-wide response to future emergencies. We recalled that the initial resolution, passed by all London Councils in early 2004, had delegated every Council’s emergency powers to a “Gold” Chief Executive in the event of a “catastrophic incident” declared by Central Government. The proposal now was to extend these joint arrangements to cover situations less serious than a “catastrophic incident” but still amounting to a major disruptive challenge needing a co-ordinated response by various agencies (a “level 2 response”).
- 5.2 The report before us explained that the ALG had asked for the revised resolution because of (i) the impact of the Civil Contingencies Act 2004 and (ii) the lessons of the July 2005 bombings which illustrate the need for Boroughs to work together when an event is serious but insufficient in its effects to warrant being declared “catastrophic”.
- 5.3 Government Guidance under the 2004 Act requires Regional Civil Contingencies Committees (or the Strategic Co-ordinating Group in London) to organise multi-agency planning and strategic management for emergencies.
- 5.4 We noted that the emergency powers under section 138 of Local Government Act 1972 enable a Council to incur expenditure in response to an imminent or actual emergency or disaster involving danger to life or property and likely to affect the whole or part of a Councils’ area. The power of the “Gold” Chief Executive to incur expenditure would only come into effect if (i) Central Government confirmed that it would reimburse this, or (ii) the Council(s) of an area where an emergency had occurred had confirmed that it or they would reimburse.
- 5.5 We were informed that the revised L.A. Gold resolution would be recommended to the meeting of The Executive on 14 March and, if passed, would then be recommended for confirmation by this full Council. The report before us was intended to secure consequential amendments to Part J.1 of the Council’s Constitution dealing with Joint Arrangements. The changes resulting from the new extended arrangements are set out in Appendix 9 to this report.

WE RECOMMEND

That Council adopt the extension of ALG arrangements for co-ordinating the response to emergencies, set out in Appendix 9 to this report, and that Part J.1 of the Council's Constitution be amended accordingly.