

Chair
Councillor Clare Kober

Deputy Chair
Councillor Lorna Reith

INTRODUCTION

- 1.1 This report covers matters considered by the Cabinet at our meeting on 25 January 2011. For ease of reference the report is divided into the Cabinet portfolios.
- 1.2 We trust that this report will be helpful to Members in their representative role and facilitate a fruitful dialogue between the Cabinet and all groups of Councillors. These reports are a welcome opportunity for the Cabinet on a regular basis to present the priorities and achievements of the Cabinet to Council colleagues for consideration and comment. The Cabinet values and encourages the input of fellow members.

ITEMS OF REPORT

Neighbourhoods

2. PROPOSALS FOR A NEW SINGLE FRONTLINE SERVICE

- 2.1 We considered a report which provided us with outline details on the shaping of a new Single Frontline Service and set out the principles of the new service and how that service would engage, respond and deliver for future Area Assemblies/Area Committees.
- 2.2 We noted that the strategic direction and priorities for a future Single Frontline Service delivery would be as follows -
 - The Single Frontline would be more than a re-badge of existing services; it would be about creating an instantly recognisable on-street presence that reinforces a single face of the Council's frontline services.
 - To institute a service delivery model that allowed flexibility in how resources were deployed to address and resolve local community needs that would vary by locality and/or over time.
 - To deliver clean and safe streets, offering protection to citizens and responsive local services.
 - A street management function to reduce congestion and improve road safety.
 - To maintain and where possible improve the quality of the Council's Highway's infrastructure.
 - To have a transparent financial model that would show how street management income was reinvested back into Council services.
 - To empower, facilitate and work with residents and businesses to identify local priorities to tackle environmental problems together, encouraging resident involvement in delivery of services and co-production of outcomes.
 - To work more effectively with partners, i.e. Safer Neighbourhood Teams, contractors and voluntary sector to commission services that would deliver local outcomes and priorities.
 - To integrate the customer interface, invest in the use of appropriate IT solutions to engender a single working platform across the frontline.

- 2.3 We also noted that with the challenge faced by the Council of a much reduced affordability envelope but with greater expectations of delivering services that met the priorities of local communities the proposed principles of a Single Frontline business model that would best meet these financial challenges, whilst minimising the impact on frontline services. The recommended approach was based on the Council's model of commissioning services, which would identify the best value option to deliver outcomes for residents. This could and would lead to a variety of commissioned services, such as in-house, contractor and shared services. The common criteria was that commissioned services would be required to operate and respond competitively to market conditions and provide a degree of flexibility to meet local needs and priorities.
- 2.4 We report that we agreed to the principle of the amalgamation of the existing Frontline Services together with elements of the existing Safer, Stronger Communities into a new Single Frontline Service. We also agreed to the development of the detail of the re-organisation for presentation to the General Purposes Committee.

3. FUTURE OF THE NEIGHBOURHOOD MANAGEMENT SERVICE

- 3.1 We considered a report which proposed recommendations for the future of the Neighbourhood Management Service and its key functions. We noted that given the current need to identify the biggest cuts to Council services experienced in local government, it was no longer considered viable to maintain the Neighbourhood Management Service which was neither a statutory nor an essential service. Although a difficult recommendation to make it was offered due to recognition of other Council services being more important to ensuring the Council could both support its most vulnerable residents and deliver on pledges and due to both the size and speed of the reductions to local authority funding required by the Coalition Government.
- 3.2 We noted that a review of the Neighbourhood Management Service (NMS) had been undertaken to consider the work of the current NMS, what key functions of the service would need to be re-positioned to ensure these would be appropriately delivered, and what functions were no longer viable given the significant cost reductions required of non-statutory services. We also noted that although national consideration was being given as to how communities could be self-enabling, the Council would need time to consider how best it can support this new agenda and position itself to develop the delivery of this agenda alongside its residents. The long term aim would be to enable our communities to work as active citizens with the Council and our partners to shape future services and influence change in their neighbourhoods, and the development of a Single Frontline Service in the Urban Environment Directorate would begin to carry this work forward.
- 3.3 We report that we agreed to the disestablishment of the NMS and to those key functions currently carried out by the Service and requiring to be maintained to be transferred to other Council departments/teams where appropriate to facilitate their continuation within existing resource limits and financial envelopes for these services. We also agreed that those buildings currently managed or utilised by the NMS to be transferred to Corporate Property Services or Homes for Haringey as appropriate. We noted that the General

purposes Committee would be considering the staffing changes arising from these decisions.

Housing

4. OUT OF BOROUGH HOUSING STOCK

- 4.1 The Council will be aware that in January 2008 we were awarded funding of £198.5 million over a 6 year period for the Decent Homes programme to tenanted properties. The funding was confirmed for the first 3 years of the programme, with indicative allocations for the remaining years. We considered a report which informed us that following the Comprehensive Spending Review in October 2010, the Homes and Communities Agency (HCA) had published a consultation paper '*Decent Homes Backlog Funding for Council Landlords 2011-15*' which had set out how future allocations were to be distributed. This was followed up with an official Invitation to Bid on 13 December 2010 and we were informed that officers were working on a submission which needed to be with the HCA by 11 January 2011. The outcome of the bidding process would be known by the end of January/beginning of February 2011.
- 4.2 We noted that the overall impact was that Haringey would now need to bid competitively for future Decent Homes funding allocation from a reduced overall funding 'pot' open to any Council with a non – decency level of over 10%. The Government had also announced its intention to abolish the Housing Revenue Account (HRA) subsidy system and aim that the reformed HRA should give landlords sufficient resources to maintain homes at the Decent Homes Standard.
- 4.3 In the light of the forgoing we considered a report which sought our approval to consider options for meeting the future management and investment needs of the Council's out of borough housing stock.
- 4.4 We report that having noted the changes in the future allocation of Decent Homes funding set out in the HCA consultation and bid documents we agreed to defer all future Decent Homes works to out of borough stock. We also agreed that options be explored on how to deliver Decent Homes work for out of borough stock, in view of reduced funding, and TSA requirements around consolidating property holdings and more effective housing management. We authorised officers to enter into discussions with interested Registered Housing Providers about a potential offer for the Waltham Cross estate and we agreed to consult residents there about future management and investment options for the estate.

5. HOMES FOR HARINGEY RE-INSPECTION – FINAL REPORT

- 5.1 We considered a report which informed us of the outcome of the re-inspection of Homes for Haringey by the Audit Commission in June 2010 and of Homes for Haringey's plans to address the formal recommendations made by the Audit Commission.

- 5.2 We were informed that Homes for Haringey (HfH) had been assessed as delivering a 'Good' (two star) service with 'Promising Prospects for Improvement' by the Audit Commission. Informal feedback from the Audit Commission indicated that they recognised that HfH had consolidated and strengthened its position.
- 5.3 We noted that following the on site inspection in June/July 2010 the report had been published in November. Seventeen key lines of enquiry had been examined and HfH was judged to be performing well in all areas but one. Void management had been judged as a weakness despite the significant time and effort that had gone into achieving end to end performance through the Void Improvement Project. We were informed that this remained an area of focus and performance had improved since the inspection.
- 5.4 We also noted that the Audit Commission had identified a number of areas of strength along with areas requiring further improvement. In their report the Audit Commission had made five specific recommendations covering the following areas -
- Reduce time taken to re-let empty property;
 - Improve the approach to income collection and arrears management;
 - Improve the approach to diversity;
 - Further develop and embed the approach to value for money;
 - Undertake further improvements to performance monitoring.
- 5.5 Having noted that the Homes for Haringey Board was responsible for ensuring that the recommendations were addressed and that progress against them was regularly reported both to them and to the Council through existing mechanisms, we endorsed HfH's approach for responding to the Audit Commission's recommendations and findings. We also recognised that HfH and the Council would need to jointly review the approach to, and the authority of the ALMO in the delivery of re-letting empty properties and pursuing debt. We were pleased to note the Audit Commission overall assessment of Homes for Haringey and we asked that our thanks to all staff concerned for their good work be placed on record.

Children's Services

6. DELIVERING AN EARLY YEARS' SINGLE FUNDING FORMULA FOR HARINGEY

- 6.1 We considered a report which recommended an Early Years Single Funding Formula for Haringey following consultation with partners. We noted that the Early Years Single Funding Formula (EYSFF) would be a statutory requirement from April 2011 and that the Government intended it to be a transparent and equitable formula that funded the free entitlement of all three and four year olds in both the maintained and non-maintained sectors. It was expected to address the current differences in the funding levels and arrangements between the two sectors. The EYSFF would replace the different funding mechanisms currently in place for nursery schools, nursery classes in maintained schools, children's centres and provision in the Private, Voluntary and Independent (PVI) sector. The free entitlement was a universal benefit of 15 hours per week provision over at least 38 weeks per year.

- 6.2 We also noted that it was a requirement that the Schools Forum had to be consulted on the implementation of the EYSFF. In Haringey this has been fulfilled by the EYSFF Project Board consisting of representatives from Primary and Nursery Schools, Children's Centres, the PVI sector and Trade Unions. Following our consideration of a report in November 2010 consultation had been carried out with partners in autumn 2010 and the outcome of the consultation was reflected in the proposed methodology for operating the formula.
- 6.3 We were advised at our meeting that the proposed formula had been presented to the Schools Forum on 17 January 2011 and that the Forum had acknowledged the difficulties in introducing such a formula in Haringey due to the high level of maintained early years provision, the distinct geographical divide between more and less affluent areas and the inequities of the national grant allocation that so under funded Haringey's children. The Forum had also acknowledged the significant changes made to the proposed formula following consultation, in particular reducing the reliance on the flexibility supplement, revising the hourly rate, removing the profit supplement, giving greater stability to nursery schools and the finer targeting of the deprivation supplement.
- 6.3 The Forum had paid tribute to the hard work of members of the Project Board in achieving the best possible outcome in the circumstances and had recommended that we agree the recommendations set out in the report. In addition, in considering the proposed Schools' Budget the Forum had also recommended that funding to cover the redistribution of resources to the non-maintained sector be top sliced from the headroom generated by the negative minimum funding guarantee.
- 6.5 We report that we approved the Early Years Single Funding Formula together with the transitional and payment arrangements as recommended in the report. We also agreed that the Early Years Single Funding Formula be kept under review to ensure that it continued to be fit for purpose.

Finance and Sustainability

7. ANNUAL AUDIT LETTER

- 7.1 We considered a report which advised us of the content of the Annual Audit Letter for 2009/10 from the Council's external auditors and to note the issues raised and actions being taken. We also received a presentation from Mr. Paul Dossett of Grant Thornton.
- 7.2 We noted that the Annual Audit Letter for 2009/10 summarised the key issues arising from the work undertaken by the external auditors, Grant Thornton, during their 2009/10 audit and that the main two areas of audit work were in respect of the audit of the accounts and the Value for Money conclusion. In terms of the audit of the accounts for 2009/10 the Council received an unqualified opinion from the external auditors and this was formally reported to the General Purposes Committee in September 2010 within the statutory deadline.
- 7.3 We also noted that with respect of the Value for Money conclusion, the auditors had concluded that the Council had made proper arrangements to secure economy, efficiency

and effectiveness in its use of resources for the year ending 31 March 2010. This had been formally reported to the Audit Committee in November 2010.

- 7.4 We were informed that the auditors work on the certification of grant claims and returns was ongoing and that the results of that work would be formally reported to the Audit Committee in April 2011.
- 7.5 Having noted that the report also outlined how the Council was addressing the key areas for action raised by external audit and that monitoring of the actions undertaken by the Council in response would be carried out by the Audit Committee who would be presented with the letter at its meeting on 3 February 2011, we report that we received the Annual Audit Letter for 2009/10 and noted the Council's response to it.

8. TREASURY MANAGEMENT STRATEGY STATEMENT

- 8.1 This matter was considered by the General Purposes Committee and also appears as Appendix to the Medium Term Financial Planning 2011/12 to 2013/14 elsewhere on the agenda for the Council meeting.

9. LAND AT BULL LANE AND PASTEUR GARDENS

- 9.1 We considered a report which provided us with an update following our conditional approval in March 2010 to dispose of Bull Lane and Pasteur Gardens N18 to Community Action Sport (CAS) in order to develop and manage the site for sporting, recreation and community use. The report also sought our view on the future direction of the proposed disposal.
- 9.2 We noted that since March 2010 there had been on-going discussions with CAS which had not found itself in a position to conclude the Agreement for Lease on the basis of the terms and conditions we had previously agreed. Officers had also met CAS along with two of their potential funding organisations.
- 9.3 We were informed that CAS had since sought the Council's agreement to submit a revised, smaller scale proposal in conjunction with the removal of some of the conditions stipulated, proceeding with the grant of a lease in advance of all conditions being met and without the preliminary Agreement for Lease (AGL). CAS considered that a smaller scheme would carry less risk, enabling some of the pre-conditions to be dispensed with and a full lease granted directly. CAS also saw the granting of an early lease as important to securing grant and other funding for its proposed scheme.
- 9.4 We also noted that there had been a longstanding objective of disposing of both of these sites which lie outside the borough and had historically explored schemes which as well as securing improved sport and leisure facilities, particularly on Bull Lane, would also generate a capital receipt for the Council. During this time the future of the sites had remained uncertain and their potential for providing better facilities has not been realized.
- 9.5 Whilst partnership with the voluntary sector in investment and future management of these sites was to be welcomed, it had not been possible to reach agreement with CAS

on detailed terms for the disposal and the conditions set out in our resolution of 23 March 2010 which had not been fulfilled. Given the long lease involved and the need to exercise due diligence in safeguarding the long term future of these sites, we were not in a position to accede to CAS's request to vary the terms and conditions of the proposed lease as variation of the terms and conditions was also implied in the revised proposal which CAS had requested time to develop, and this was likewise not recommended as a way forward.

- 9.6 We concluded that any on-going delay to the disposal of these sites would in turn delay their regeneration and realisation by the Council of a planned capital receipt, whilst direct and indirect Council costs would continue to be incurred. In order to make progress on this longstanding objective, we further concluded that the disposal to CAS agreed in March 2010 should not now proceed and work should resume on pursuing other options outlined in the report with detailed proposals reported to us in due course. However, in so doing we noted those options would not preclude the potential for partnership with voluntary sector groups, including CAS, in future investment in these sites or their future management and operation.
- 9.7 We report that we agreed to market the Bull Lane and Pasteur Gardens sites, inviting the full range of potential purchasers (and their potential partners) to submit bids outlining how these would meet the Council's long standing objectives of investing in the retention of open green spaces, improving sports and leisure facilities, contributing to social and economic regeneration and generating capital receipts.

Leader

10. RETHINKING HARINGEY – IMPLEMENTING ONE BOROUGH, ONE FUTURE

- 10.1 This matter was also considered by the General Purposes Committee and is the subject of a separate report by the Chief Executive which appears elsewhere on the agenda for the Council meeting.

11. THE COUNCIL'S PERFORMANCE

- 11.1 We considered a report which presented, on an exception basis, performance information for the year to November 2010, sought our agreement to budget virements in accordance with financial regulations and required Directors to take action to bring current year spending to within their approved budget.
- 11.2 We noted that of the 37 key service indicators monitored 25 had improved since 2009/10, 8 were worse with no comparison possible for the remaining 4 indicators. Some areas where targets were being met or where there had been an improvement were -
- Provisional attainment results for 2010 at Key stage 2 continued to show progress and a closing of the gap with the national average. GCSE results had also improved with 47.5% achieving 5 or more A*-C grades including English and Maths despite the target not being achieved.

- Performance on processing benefit claims improved further to 20 days in November, 3 days short of the 17 day target. On-going improvement was due to increased productivity, continual improvement of processes and the introduction of e-benefits.
- 6.5% of young people were Not in Education, Employment or Training (NEET) as at November 2010. This was 31 less than in November '09 and continued to better the target.
- Significant improvement on call centre performance in November with 93% of calls answered in 30 seconds, exceeding the 70% target.
- The number of most serious violent crimes had reduced by 29.6% compared with the same period last year although improvement has slowed in some types of crime.
- Recycling and cleanliness targets continued to be exceeded including the cleanliness of our parks.
- Children's core assessments completed on time improved to 68% in November, just below the 70% target.
- Continued good performance on adult social care clients receiving self directed support and delayed transfers of care, both exceeded targets set and Haringey's performance on delayed discharges was now amongst the best in London.

11.3 However, there were also areas where targets were not being met and these included -

- The proportion of looked after children who had had 3 or more placements was rising at 17.05%.
- Average re-let times for local authority dwellings reduced again in November to 31.9 days (2nd best performance of the year) but remained above the target of 25 days. The year to date position was 39.2 days.
- A reduction of 242 households in temporary accommodation since March but the rate of reduction had slowed (16 since last month) and there remained more households in temporary accommodation than planned for this point in the year (390 more than the profiled target).

11.4 With regard to financial information, we noted that the overall general fund revenue budget monitoring, based on November data, was showing a forecast over spend of £2.6 million, down from £4 million reported last period. During this period there had been on-going improvement in the outturn figures for Adults, Culture and Community (ACCS) and People and Organisational Development (POD), however the forecast over spend for the Children and Young People's Service (CYPS) had marginally increased. We also noted that there was a new risk arising from the impact of the adverse weather conditions on the Urban Environment (UE) budget.

11.5 We were advised that when the Government announced reductions to the 2010/11 Area Based Grant (ABG) earlier in the year we took the decision to reduce theme board allocations by more than the real reduction to provide some 'headroom' and in anticipation of further reductions in 2011/12. Consequently there was £1.7 million unallocated budget which it was now proposed to be used to help offset the in year budget pressure. Directors would still be expected to bring forecast overspends down as it would be more beneficial to have recourse to this sum to smooth the transition into 2011/12.

- 11.6 We were also advised that the Treasury Management activity in the first eight months of 2010/11 had been compliant with the Treasury Management Strategy Statement agreed in February 2010. Following the repayment of maturing debt, the level of cash balances had dropped to an average of £31 million during November. Investments had been made into AAA rated money market funds and an instant access account only to ensure sufficient liquidity was maintained. These accounts paid an interest rate equivalent to one month fixed term deposits, with the advantage of instant access. Due to the significant use of money market funds, the average long term credit rating of the portfolio had increased to AA+.
- 11.7 £50 million of Council debt had matured this year and £20 million of new borrowing had been taken on 31 August as a starting point to refinancing this. Due to the significant difference between short term investment interest rates and long term borrowing rates, the Council was continuing to make use of internal cash balances, rather than taking any further new borrowing until necessary. While the Council was continuing to meet its obligations within the current cash balances, officers were monitoring the position closely, alongside the Council's treasury management advisers, including monitoring of interest rate movements to ensure that further borrowing was taken at an optimal time.
- 11.8 The aggregate capital programme position for 2010/11 at Period 8 was now forecasting an under spend of £9.9 million, an increase of £0.5 million from the £9.4 million under spend reported in period 7.
- 11.9 We report that we agreed as follows -
- To note the report and the progress being made against the Council's priorities;
 - To require Directors to take necessary action to bring current year spending to within their approved budget; and
 - To agree the budget changes (virements) in the table below –

Revenue Virements						
Period	Service	Key	Amount current year (£'000)	Full year Amount (£'000)	Reason for budget changes	Description
8	ACCS	Rev*	1,235	0	Corrective Budget Realignment	Allocation of Social Care Reform Grant to correct account codes and to reflect actual allocation for 2010-11.
8	ACCS	Rev	188	188	Corrective Budget Realignment	Reconfigure budgets for Wolves Lane Nursery.
8	ACCS	Rev*	0	331	Budget savings	Permanent 10% top slice of Supplies & Services budget.
8	ACCS	Rev*	253	0	Corrective Budget Realignment	Reallocation of budgets within OPS Commissioning (£225k) and one off virement from OPS Commissioning to OPS Day care (£28k).
8	NSR	Rev	150	0	Corrective Budget Realignment	One off contribution from NSR for Customer Service's Out of Hours Service.

7	NSR	Rev*	694	694	Corrective Budget Realignment	Release of budget from NSR to meet Concessionary Fares budget shortfall.
7	NSR	Rev	195	0	Corrective Budget Realignment	One off contribution from NSR for Cooperscroft within the Adults services.
6	NSR	Rev	196	196	Corrective Budget Realignment	Realignment of Corporate Council Wide costs income & expenditure budgets to reflect actual activity levels.
6	NSR	Rev*	26,069	26,070	Corrective Budget Realignment	Prudent re-alignment of treasury income and expenditure budgets to reflect actual activity levels.

Capital Virements

Period	Service	Key	Amount current year (£'000)	Full year Amount (£'000)	Reason for budget changes	Description
P9	CYPS	Capital	113		Grant allocation to be utilised in 2010/11	Revised Sure Start Capital grant allocations for 2010-11
P9	CYPS	Capital	101		Grant allocation to be utilised in 2010/11	Revised Sure Start Capital grant allocations for 2010-11
P9	CYPS	Capital	100		Grant allocation to be utilised in 2010/11	Revised Sure Start Capital grant allocations for 2010-11
P9	CYPS	Capital	916		Grant allocation to be utilised in 2010/11	Revised Sure Start Capital grant allocations for 2010-11
P9	CYPS	Capital	387		Grant allocation to be utilised in 2010/11	Revised Sure Start Capital grant allocations for 2010-11

Under the Constitution certain virements are key decisions. Key decisions (highlighted by an asterisk in the table) are:

- For revenue, any virement which results in change in a Directorate cash limit of more than £250,000; and
- For capital, any virement which results in the change of a programme area of more than £250,000.

17. DELEGATED DECISIONS AND SIGNIFICANT ACTIONS

17.1 We were informed of the following significant actions taken by a Director under delegated powers -

Director of Adult, Culture and Community Services

Revised Play Builder Project – Year 2

Director of Children and Young People’s Services

Refurbishment of Coppetts Wood PPSC – Extension of Contract to allow additional works

Request for Waiver of Requirement to Formal Tender for provision of Interim Deputy Director SSI

Mulberry Primary School Re-modelling Project – Extension of Contract for Design Consultancy – Extension of Contract

Safeguarding and Support – Restructuring of management and senior practitioner posts in First Response and safeguarding and moving these posts on to the Council's standard pay scales with a recruitment and retention supplement.

Director of Urban Environment

Animal Health and Welfare Services – Approval to award the contract to the City of London in respect of animal health and welfare support for 2010.

Renewal of Contract for the Maintenance and Support for the Coroner's Case Management Software for the London North Coroners Jurisdiction – Award of contract to Iris Legal Solutions for a period of one year.

Changes to the Strategic and Community Housing Service Staffing Structure – Approval to transfer two Viewing Officer posts to Homes for Haringey structure where the posts are to be re-named 'New Tenant Liaison Officer'.

Director of Corporate Services

Collection, Transport and Sustainable End of Life Management of Fixtures, Fittings and equipment (Lot 2 – IT and Electrical) – Approval for award of contract.

78 Shepherd's Hill, N6 and 226 Stapleton Hall Road, N4 – Approval to proceed with the disposals and agreement to terms.