

**MINUTES OF THE OVERVIEW AND SCRUTINY COMMITTEE  
TUESDAY, 22 JANUARY 2013**

Councillors Councillors Winskill (Vice-Chair), Adamou, McNamara, Newton and Rice (Chair)

Apologies Councillor

Also Present: **Co-optees:** Helena Kania, Yvonne Denny, Evan Reid and Mariatta Ezeji  
**Councillors:** Goldberg and Vanier  
**Officers:** Kevin Bartle (AD Finance), Nicola Webb (Head of Finance – Pensions and Treasury), Barbara Nicholls (Head of Commissioning – Adults & Housing Services), Eubert Macolm (Regulatory Services Manager), Daliah Barrett (Lead Officer - Licensing), Marc Dorfman (AD Planning, Regeneration and Economy), Melanie Ponomarenko (Scrutiny) and Felicity Parker (Clerk)

MINUTE NO.	SUBJECT/DECISION
OSCO170.	<p><b>APOLOGIES FOR ABSENCE</b></p> <p>There were no apologies for absence.</p>
OSCO171.	<p><b>URGENT BUSINESS</b></p> <p>There were no items of urgent business.</p>
OSCO172.	<p><b>DECLARATIONS OF INTEREST</b></p> <p>None.</p>
OSCO173.	<p><b>DEPUTATIONS/PETITIONS/PRESENTATIONS/QUESTIONS</b></p> <p>None.</p> <p><i>Clerk's note – the Chair varied the order of the agenda items. The minutes reflect the order of the agenda.</i></p>
OSCO174.	<p><b>CABINET MEMBER QUESTIONS - CABINET MEMBER FOR FINANCE AND CARBON REDUCTION</b></p> <p>The Committee received a brief update of the Cabinet Member portfolio for Finance and Carbon Reduction.</p> <p>NOTED:</p> <ul style="list-style-type: none"> <li>• The autumn statement was on course for a cumulative cut to the budget of £144m by 2016.</li> <li>• This equated to 7 years of continued budget cuts.</li> <li>• This had been an unprecedented few years of austerity cuts, and Haringey</li> </ul>

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	<p>had experienced the 4<sup>th</sup> largest cuts from central government.</p> <p>Councillor Winskill raised the issue of developers demolishing existing properties to build larger properties and the carbon impact of this on the environment. Councillor Goldberg explained that planning permission was not generally required for the demolition of buildings – he agreed to meet with Councillor Winskill outside of the meeting to discuss the link between planning applications and carbon reduction.</p> <p>Councillor Newton asked the low carbon and the street light replacement programme. Councillor Goldberg agreed to arrange for a briefing to be provided to OSC.</p> <p><b>ACTIONS:</b></p> <p>Cllr Goldberg and Cllr Winskill to meet to discuss the link between planning applications and carbon reduction, with specific reference to swimming pools. <b>ACTION: Councillor Goldberg / Councillor Winskill</b></p> <p>Cllr Goldberg/Cllr Canver to arrange for a briefing for OSC on the Low Carbon Zone and any plans to replace street lighting. <b>ACTION: Councillor Goldberg / Councillor Canver</b></p>
<p><b>OSCO175.</b></p>	<p><b>BUDGET SCRUTINY - APPROVAL OF PANEL / OSC BUDGET SCRUTINY RECOMMENDATIONS</b></p> <p><u>Councillor Winskill in the Chair</u></p> <p>Councillor Winskill asked for any comments or updates to the recommendations.</p> <p>Councillor Newton advised that the recommendation at paragraph 15.5 of the report had been amended to include Campsbourne, St Michaels and John Loughborough schools and to remove Heartlands. The recommendation with regards to BSF funding had now been removed, as there was no mechanism to protect the funding.</p> <p>Councillor Adamou advised of the concerns raised at the Adults &amp; Health Scrutiny Panel with regards to the Public Health budget not being available for discussion by the Panel due to delays in the council being informed of it's allocation and stated that the Panel felt that should see this as soon as possible, as it was the responsibility of Scrutiny to scrutinise budget proposals.</p> <p>The Committee were informed that the Public Health allocation was approximately £17million, however, it should be noted that whilst the Council was gaining this allocation, the Clinical Commissioning Group was losing it and therefore, this was not additional funding.</p> <p><b>RESOLVED that the recommendations be agreed.</b></p> <p><b>ACTIONS:</b></p> <p>Update recommendations on school funding and Building Schools for the future.</p>

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	<p style="text-align: right;"><b>ACTION: Melanie Ponomarenko</b></p> <p>Discuss a way forward to enable the A&amp;HSP consider the Public Health budget. <b>ACTION: Melanie Ponomarenko / Councillor Adamou</b></p>
<p><b>OSCO176.</b></p>	<p><b>FUNDING OF THE VOLUNTARY SECTOR IN HARINGEY</b></p> <p>The Chair welcomed Councillor Vanier and Barbara Nicholls to the meeting. Barbara Nicholls introduced the report as set out.</p> <p>NOTED:</p> <ul style="list-style-type: none"><li>• Voluntary sector activity was integrated into the portfolio three years ago.</li><li>• A strategy was developed to begin the process of shifting from grant based activity to commissioning.</li><li>• The voluntary sector investment fund was available for organisations to bid for up to £50k.</li><li>• A report would be presented at Cabinet on 12 February to discuss how Healthwatch would be delivered from 1 April 2013.</li><li>• There was a shift to match funding.</li><li>• A North London consortium had been founded (Together North London), which would enable organisations to work together to bid for competitive tenders. The management and support of the consortium was being hosted by HAVCO.</li></ul> <p>Councillor Adamou stressed the importance of encouraging organisations in the community to bid for funding in order to continue the valued voluntary organisations in the borough. She added that people needed to know where to find information on the bidding process and support could be provided to those smaller organisations who may not be used to the bidding process.</p> <p>Councillor McNamara requested that OSC be provided with a sense of the timescales for a final documents and related information. Barbara Nicholls agreed to report back on this.</p> <p>Councillor Winskill requested a written note on how the contracts were monitored.</p> <p>ACTIONS:</p> <p>Adults agreed to look into a webpage which has information on what grants/pots of money are coming available when and who can bid for what. Relevant forms should also be on the webpage.</p> <p style="text-align: right;"><b>ACTION: Barbara Nicholls</b></p> <p>Yvonne Denny and Barbara Nicholls to meet to discuss charges to leaseholders who apply for grants on Haringey estates.</p> <p style="text-align: right;"><b>ACTION: Barbara Nicholls</b></p> <p>OSC requested a short briefing on how contracts under the Voluntary Sector strategy are monitored.</p> <p style="text-align: right;"><b>ACTION: Barbara Nicholls</b></p>

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	<p>OSC requested an update to be scheduled at OSC in approximately 6 months. <b>ACTION: Melanie Ponomarenko</b></p>
<p><b>OSCO177.</b></p>	<p><b>REVIEW UPDATE - CLUSTERING OF BETTING SHOPS</b></p> <p>Eubert Malcolm provided an update on the progress of the scrutiny review on the clustering of betting shops.</p> <p>NOTED:</p> <ul style="list-style-type: none"> <li>• Recommendation 1 would form part of a consultation due late 2013.</li> <li>• Recommendation 2 – betting establishments had been approached, however they were already in contact with the police and so did not want to duplicate the ‘supervision process’</li> <li>• Recommendation 3 – a stakeholder event was due in Spring 2013</li> <li>• Recommendation 4 – Councillor Canver had lobbied, but no changes had been made.</li> <li>• Recommendation 5 – DCMS had carried out a consultation seeking views on the correlation between fixed betting terminals and gambling. There was a three month review.</li> </ul> <p>The local police consider the layout of proposed betting shops in order to ensure that they minimise anti social behaviour and crime in the area.</p> <p>It was noted that:</p> <ul style="list-style-type: none"> <li>• A clear line on ‘no clustering’ of any retail sector would not necessarily be beneficial to Haringey given the fact that some parts of the borough are specifically identified as being a good place to go / shop for certain things.</li> <li>• Planning permission was needed to move from one licensing class to another, however betting shops often moved within A2, and therefore an Article 4 direction would not necessarily help. If there was an application to move from A1 to A2 then more action could be taken.</li> <li>• The Gambling Act stated that Local Authorities should ‘aim to permit’ gambling establishments.</li> <li>• Regeneration were currently having conversations with a number of landlords with a view to discouraging them from letting their premises to gambling establishments.</li> </ul> <p>Councillor Winskill commented on the Cabinet Member introduction and expressed his disappointment of the political tone of it given the non party political nature of Overview &amp; Scrutiny. Councillor Rice advised Councillor Winskill to raise this issue directly with the Cabinet Member.</p> <p><b>ACTION:</b></p> <p>It was requested that the relevant scrutiny body be provided with regular updates on the liaison with local police on betting shop premises. <b>ACTION: Daliah Barrett</b></p>
<p><b>OSCO178.</b></p>	<p><b>OSC PROJECT UPDATE</b></p> <p>Melanie Ponomarenko provided an update on the welfare reform project.</p>

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	<p>NOTED:</p> <ul style="list-style-type: none"> <li>• Overview and Scrutiny was due to monitor the rollout of the housing benefit policy, but this would not go ahead until the policy was agreed by Cabinet.</li> <li>• The Benefits Cap programme was delayed nationally until September, however Haringey was to pilot the scheme from 1 April.</li> </ul> <p>Councillor McNamara asked for a response from the Leader on the Council’s position on being one of the four pilot boroughs to introduce the benefits cap programme earlier than the rest of the country.</p> <p>ACTIONS:</p> <p>Welfare Reform project – service mapping element to be progressed. <b>ACTION: Melanie Ponomarenko / Martin Bradford</b></p> <p>The Chair agreed to ask for a response from the Leader on the Council’s position on being one of the four pilot boroughs to introduce the benefits cap programme earlier than the rest of the country. <b>ACTION: Councillor Rice</b></p>
<p><b>OSCO179.</b></p>	<p><b>TREASURY MANAGEMENT STRATEGY STATEMENT</b></p> <p>The Committee received the report as set out. Nicola Webb and Kevin Bartle provided an overview of the process and a brief outline of the main points.</p> <p>NOTED</p> <ul style="list-style-type: none"> <li>• The Treasury Management Strategy Statement (TMSS) outlined what the Council did with their cash. It sets out the rules, regulations and parameters on how to invest and how to borrow. Members are involved in these decisions.</li> <li>• The TMSS was presented at three different meetings of the Council – the Corporate Committee formulated the strategy, OSC scrutinised, and full Council would then agree the strategy.</li> <li>• Members requested that a training session be arranged, so that Members would be better equipped to scrutinise the TMSS.</li> </ul> <p>Nicola Webb and Kevin Bartle took questions from the Committee:</p> <ul style="list-style-type: none"> <li>• Following the events with the Icelandic Bank, all boroughs follow the CIPFA code of practice in formulating a Treasury Management Strategy.</li> <li>• The Council used its’ revenues, for example Council Tax, as security against borrowing as opposed to using assets, which was not allowed for local government.</li> <li>• The strategy of internal borrowing has saved a significant amount of money as money is not being lent by the PWLB (Public Works Loan Board) where the interest paid on the money was high compared to the interest gained on the money once it had been borrowed and was sitting in the Council’s account.</li> <li>• Legacy debts were still being paid; these debts have high interest rates attached to them and the Council was unable to get out of these without paying hefty premiums. Should the private bank attempt to raise the interest rate on the loan then the council would be able to get out of the loan.</li> </ul>

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- In the current climate, the Council was lucky to gain 0.5% interest on investments, where previously this had been 6/7%. At the same time, there was currently not much available to invest.
- The list of parties which the Council could lend to, based on a criteria, was listed in Annex 5 of the report. There was only one change from last years list – Santander, as whilst it is a British bank, it has a Spanish parent and this was therefore considered a greater risk.
- The criteria for investing Council funds was proposed to continue to be A-, which must be achieved across the credit reference agencies outlined in the report. A- was still considered to be a good credit rating.
- Central government gave money to Haringey to pay off Private Finance Initiatives (PFI), which was essentially a grant and therefore cost neutral to the Council.
- The team responsible for the Council's finances on a day to day basis checks the Council's account each morning. If a grant had been received then they consider investing the money with consideration of the cash balance sheet, which includes aspects such as payroll. Market movement, treasury advisor views, share prices, business news and various other sources are also considered when making these decisions. This also includes looking at insurance premiums, for example, if they increase then further investigation is carried out to ascertain why.
- Overnight investments do occur and are called Money Market Funds. These are fund manager controlled and the Council was able to get the money back within 24hours, along with an interest accrued during this time.
- A- rated banks were considered to be a good investment, and BBB+ banks could also be invested in. Any ratings below this were not considered to be a good investment. There are no AAA rated banks since the economic crisis.
- It was important to note that at the time of the Icelandic investment, the bank had a good rating, higher than those the Council invest in today, and was compliant with the TMSS. The Icelandic bank collapse was not even foreseen by the credit agencies until it was too late and the money had already been invested. A vast amount of the money had now been returned.
- There were better rated banks in Australia and Canada but these were ruled out in favour of European banks, with British banks being used first and foremost.
- It was important to note that investments could not be guaranteed. Decisions were taken on the level of risk the Council was willing to take.

The Chair of the Committee noted that he did not feel completely comfortable with not making any recommendations prior to its approval by Full Council given the complexity of the strategy.

It was felt that some additional training would be beneficial for the Overview and Scrutiny Committee prior to a further look at the TMSS.

It was noted that the OSC can look at the TMSS at a later date, after approval by Full Council, and any recommendations they wish to make can then be considered by Corporate Committee and amendments made as appropriate.

The OSC had no specific comments at this stage but would revisit the strategy following a training session with the independent advisors, Arleen Close.

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	<p><b>ACTIONS:</b></p> <p>A training session to be arranged for OSC and run by Arleen Close (Independent Advisors for TMSS). <b>ACTION: Kevin Bartle / Melanie Ponomarenko</b></p> <p>A glossary of key terms relating to the TMSS would be circulated to OSC prior to the TMSS Training session. <b>ACTION: Kevin Bartle / Nicola Webb</b></p> <p>OSC to re-look at the TMSS following this training session. <b>ACTION: Councillor Rice / Melanie Ponomarenko</b></p>
<p><b>OSCO180.</b></p>	<p><b>SCRUTINY PANEL REPORT BACK</b></p> <p>Councillor Winskill informed Members that requests had been made to see the minutes of the shadow Health and Wellbeing Board, and these requests had been refused by Councillor Vanier.</p> <p>The Chair agreed to write to Cllr Vanier requesting more information on why minutes of the shadow Health and Wellbeing Board could not be made available prior to April given the scrutiny relationship with the forthcoming Health and Wellbeing Board. <b>ACTION: Councillor Rice</b></p>
<p><b>OSCO181.</b></p>	<p><b>FORWARD PLAN</b></p> <p>Members noted the Forward Plan.</p>
<p><b>OSCO182.</b></p>	<p><b>BUDGET SCRUTINY PROCESS REVIEW</b></p> <p>Members discussed the budget scrutiny process and the following was noted:</p> <ul style="list-style-type: none"> <li>• It would be useful to have variants of previous budgets.</li> <li>• Members questioned why the meeting was not in the Council Chamber where it could be webcast.</li> <li>• It could be beneficial for OSC members to meet with Cabinet on a regular basis to enable a more strategic view of current issues and themes across the Council.</li> <li>• There was a feeling that often scrutiny was not involved in discussions on how scrutiny works.</li> <li>• Where savings / expenditure were over a certain threshold (to be agreed), there should be more explanation and information provided.</li> <li>• It was felt that the process worked better than last year overall, however there tends to be a choice to be made between looking at an area in depth as opposed to a breadth of areas.</li> <li>• Members of the Adults and Health Scrutiny Panel felt that the Voluntary sector would be better placed in the terms of reference of their panel given the nature of the Voluntary and Community Sector in Haringey and the close links with the work of the panel.</li> <li>• It was suggested that in future Members could have a meeting to consider</li> </ul>

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	<p>the draft MTFP and identify areas which they would like further information. This could then be provided at the budget scrutiny meeting for Members to consider alongside the draft MTFP.</p> <p><b>ACTIONS:</b></p> <p>To enable OSC to have a more strategic view of current issues and themes across the Council OSC should meet with Cabinet twice per annum. The Chair agreed to speak to the Leader about a way forward with this. <b>ACTION: Councillor Rice</b></p> <p>The Chair agreed to follow up why the meeting was not in the Council Chamber to ensure it was webcast. <b>ACTION: Councillor Rice</b></p> <p>The written briefing to Yvonne Denny (Co-Optee) on Tottenham High Road would be followed up with a meeting between Yvonne, Cllr Strickland and Marc Dorfman. <b>ACTION: Marc Dorfman / Councillor Strickland</b></p> <p>In future budget sessions it would be useful to have variants of previous budgets. <b>ACTION: Kevin Bartle</b></p>
<p><b>OSCO183.</b></p>	<p><b>OSC WORK PROGRAMME</b></p> <p>Members discussed the OSC work programme and the following actions were identified:</p> <p><b>ACTIONS:</b></p> <p>Business Continuity and Emergency Planning was due to be an agenda item for March. Aims of the report were to be agreed - Melanie Ponomarenko to speak to the Chair and Vice Chair. <b>ACTION: Melanie Ponomarenko / Councillor Rice / Councillor Winskill</b></p> <p>Councillor Winskill updated members on the Communities Scrutiny Panel report on tasers and informed them that since the panel review, another death had occurred and yet the response on the roll out of tasers was not sufficient. The Chair agreed to write to Sir Bernard Hogan-Howe on the roll out of Tasers. <b>ACTION: Councillor Rice</b></p> <p>It Took Another Riot – the Chair agreed to speak to the Leader about when this is likely to be discussed by Cabinet. Once Cabinet have formed a view this can be discussed at OSC. (To be preliminarily scheduled for 12<sup>th</sup> March meeting) <b>ACTION: Councillor Rice / Melanie Ponomarenko</b></p> <p>OSC agreed to move forward with a review on Council property focusing on four areas:</p> <ul style="list-style-type: none"><li>• Accommodation strategy;</li><li>• Heritage &amp; Regeneration;</li><li>• Corporate Portfolio; and</li></ul>



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	<ul style="list-style-type: none"> <li>Community buildings.</li> </ul> <p>Melanie Ponomarenko to discuss scope with Cllr McNamara <b>ACTION: Melanie Ponomarenko / Councillor McNamara</b></p> <p>OSC agreed to move forward with exploring a collaborative piece of with the seven Local Authorities covered by the NLWA. <b>ACTION: Melanie Ponomarenko / Martin Bradford</b></p> <p>The Chair agreed to write to Cllr Meehan and Cllr Canver requesting more information on their role on NLWA following Cllr McNamara's email to them. <b>ACTION: Councillor Rice</b></p>
<b>OSCO184.</b>	<b>AREA COMMITTEE REPORT BACK</b>
	There were no issues to report.
<b>OSCO185.</b>	<b>NEW ITEMS OF URGENT BUSINESS</b>
	There were no such items.
<b>OSCO186.</b>	<b>MINUTES</b>
	The minutes of the meetings held on 22 October 2012 and 17 December 2012 were approved as a correct record of the meeting.
<b>OSCO187.</b>	<b>FUTURE MEETINGS</b>
	NOTED the dates of future meetings.
<b>OSCO188.</b>	<b>SCRUTINY COMMITTEE ACTIONS REQUESTED</b>
	Members noted the actions.

Councillor .....

Chair