



Haringey Council

Agenda item:

Special Overview and Scrutiny Committee on 19 August 2008

Report Title: Report from the Monitoring Officer and Chief Financial Officer on the Call-In of a Decision, taken by The Cabinet on 28 July 2008 and recorded at minute CAB 47, and Whether the Decision was within the Council's Budget/Policy Framework

Report of: Joint Report of the Monitoring Officer and the Chief Financial Officer

Wards(s) affected: All but especially Woodside Ward

Report for: Consideration by Overview and Scrutiny Committee under Call-In Procedure Rules

1. Purpose

1.1 To advise the Overview and Scrutiny Committee whether or not the decision, taken by The Cabinet on 28 July 2008 on a report entitled "Future Accommodation for Civic Centre and Ceremonial Functions" and minuted at CAB 47, falls inside the Council's policy and budget framework.

2. Recommendations

2.1 That Members note the advice of the Monitoring Officer and the Chief Financial Officer that the decision taken by The Cabinet was inside the Council's policy and budget framework.

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3. Local Government (Access to Information) Act 1985

- 3.1 The Council's Constitution
- 3.2 The report on "Future Accommodation for Civic Centre and Ceremonial Functions" to the Cabinet meeting on 28 July 2008.
- 3.3 The report on the Accommodation Strategy to the Executive on 15 May 2003
- 3.4 The reports on Financial Planning to the Cabinet on 17 July 2007 and 15 July 2008
- 3.5 The reports on Financial Planning and to the Council on 4 February and 18 February 2008.

4. Background

- 4.1 Under the Call-In Procedure Rules, set out in Part 4, Section H of the Council's Constitution, any 5 Members may request a Call-In. Members requesting a Call-In must give reasons for it and outline an alternative course of action. It is also a requirement that the Members requesting the Call-In must specify whether the original Cabinet decision is claimed to be outside the policy/budget framework. But it is not necessary for a valid Call-In request to claim that The Cabinet acted outside the policy/budget framework. It is sufficient to allege that the original decision was ill-advised for any reason.
- 4.2 When, as in this case, the Members requesting the Call-In do claim that the original decision was outside the policy/budget framework, they should give reasons for their claim, as they have done here.
- 4.3 The Call-In Procedure Rules require the Monitoring Officer to rule on the validity of the request at the outset. The Monitoring Officer has ruled that this Call-In request complies with all the 6 essential criteria for validity.
- 4.4 The Monitoring Officer/Chief Financial Officer must also submit a report to Overview and Scrutiny Committee (OSC) advising, in the case of every valid Call-In request, whether the original Cabinet decision was inside or outside the Council's policy/budget framework. "Policy framework" advice generally comes from the Monitoring Officer while "budget framework" advice is provided by the Chief Financial Officer. While OSC Members should have regard to the advice of the Monitoring Officer and Chief Financial Officer, it is a matter for Members' to decide whether the Cabinet decision was inside the policy framework or not.
- 4.5 This decision should be the subject of a separate specific vote by OSC Members and it should be expressly minuted.
- 4.6 It is not every Council policy that forms part of the "Budget & Policy Framework". This framework is set out at Part 3 Section B of the Constitution. It contains the most important over-arching strategies, such as the Sustainable Community Strategy, and major service plans. There would have to be a clear contravention or inconsistency with such a Strategy/Plan before a Cabinet decision could be ruled to be outside the policy framework.

5. Details of the Call-In and the Monitoring Officer's Response on the Policy Framework

- 5.1 The Call-In request form states, under the first heading, that the original decision of The Cabinet "is considered to be outside the budget/policy framework". There are two main grounds for this claim: (i) that the projected spend on a new Civic Centre is not included within the current budget – this aspect is covered by the Chief Financial Officer below, and (ii) that the 2003 Accommodation Strategy did not include a project to spend £12 million on a different site for the Civic Centre.
- 5.2 The 2003 Accommodation Strategy is not listed in Part 3 Section B of the Constitution as one of the Strategies forming part of the Council's "policy framework". Therefore, by definition, any contravention of the Accommodation Strategy (if it was demonstrated) could not, in itself, be contrary to the "policy framework". There is nothing specific about the location or future of the Civic Centre in any other Strategy/Plan that does form part of the "policy framework" including the Sustainable Community Strategy.

6. Chief Financial Officer's response in respect of the Call-In regarding the Budget Framework

- 6.1 The call-in states that the current budget does not have a specific item for a project to spend £12m on a new Civic Centre. It is correct that this specific amount to be spent on a new Civic Centre is not in the capital programme, however there is a project line entitled 'accommodation strategy' within the approved budget, which includes an assumption on dealing with the Civic Centre in a different way based on the original accommodation strategy as previously approved by Executive in May 2003. This strategy aims to deliver modern and efficient office accommodation and civic functions centred around the Wood Green campus. The current approved budget included a sum for refurbishment of part of the Civic Centre. Members will be aware that the overall approved funding principle for the accommodation strategy has been one of self-funding, so that any capital receipts released by the sale of buildings are earmarked to provide for replacement or improved accommodation. This is re-iterated in my report to Cabinet in July 2008 as part of the overall financial planning and budget making process. It was also stated in the budget process at the same time last year.
- 6.2 The programmed budget for the accommodation strategy therefore relies on resources being available depending on the recommended course of action. The original strategy agreed in May 2003 noted the issues for the Civic Centre building and laid out some options for possible future provision that would need to be the subject of further feasibility work. The option Cabinet has decided upon is one that disposes of the whole site rather than partial disposal and refurbishment. The budget approved in February 2008 only allowed for refurbishment, however, in line with the self-funding principle for the accommodation strategy, the sale of the whole Civic Centre would generate a greater capital receipt and therefore allow a higher budget for expenditure. This is the basis upon which the report was considered by Cabinet and therefore I consider this to be within the Council's budget framework.

7. Call-In Procedure Rules

- 7.1 Once a Call-In request has been validated and notified to the Chair of OSC, the Committee must meet within the next 10 working days to decide what action to take. In the meantime, all action to implement the original decision is suspended.
- 7.2 If OSC Members determine that the original decision was within the policy framework, the Committee has three options:
- (i) Not to take any further action, in which case the original decision is implemented immediately
 - (ii) To refer the original decision back to The Cabinet as the original decision taker. If this option is followed, The Cabinet must meet within the next 5 working days to reconsider its decision in the light of the views expressed by OSC.
 - (iii) To refer the original decision on to full Council. If this option is followed, full Council must meet within the next 10 working days to consider the decision. Full Council must either decide, itself, to take no further action and allow the decision to be implemented immediately or it must refer the decision back to The Cabinet for reconsideration.
- 7.3 If OSC Members determine that the original decision was outside the policy framework, the Committee must refer the matter back to The Cabinet with a request to reconsider it on the grounds that it is incompatible with the policy framework.
- 7.4 In that event, The Cabinet would have two options:
- (i) to amend the decision in line with OSC's determination, in which case the amended decision is implemented immediately
 - (ii) to re-affirm the original decision in which case the matter is referred to a meeting of full Council within the next 10 working days.

8. Recommendations

- 8.1 That Members note the advice of the Monitoring Officer and the Chief Financial Officer that the decision taken by The Cabinet was inside the Council's budget and policy framework.

9. Use of Appendices / Tables / Photographs

- 9.1 Not applicable.