

Performance and Finance Scrutiny Sub-Committee

Minutes

14 December 2020

Present:

Chair: Councillor Kiran
Ramchandani

Councillors: Ghazanfar Ali Nitesh Hirani
Dean Gilligan Pritesh Patel

**In attendance
(Councillors):** Simon Brown For Minute 60
Christine Robson For Minute 60
Adam Swersky For Minute 61

**Apologies
received:** Honey Jamie

54. Attendance by Reserve Members

RESOLVED: To note the attendance at this meeting of the following duly appointed Reserve Member:

Ordinary Member

Reserve Member

Councillor Honey Jamie

Councillor Dean Gilligan

55. Minutes

RESOLVED: That the minutes of the meeting held on 27 July 2020, be taken as read and signed as a correct record.

56. Declarations of Interest

RESOLVED: To note that the Declarations of Interests published in advance of the meeting on the Council's website were taken as read.

57. Public Questions

RESOLVED: To note that no public questions were received at this meeting.

58. Petitions

RESOLVED: To note that no petitions had been received at this meeting.

59. References from Council and Other Committees/Panels

RESOLVED: To note that there were none.

Resolved Items

60. Children and Adult Social Care Complaints Annual Reports 2019/2020

Members received the Children and Families Services Complaints Annual Report 2019/20, and the Adults Services Complaints Annual Report 2019/20.

The Children and Families Services Complaints Annual Report 2019/20 outlined that there were some 156 "transactions" within the complaints process during the year. These were representations, formal complaints, members' enquiries and referrals to the Local Government Ombudsman. Given the nature of some of the work undertaken, such as, child protection and looked after children, it was positive that numbers of complaints were minimal.

The Chair invited questions from Members of the Sub-Committee on the report.

The following points were raised and discussed:

- a) the overall number of complaints was small, and not representative of any particular community;
- b) the Council had a responsibility towards Children Looked After (CLA) as their corporate parent, and CLA brought up practical issues towards their care; and
- c) the majority of cases were based on perception, where some families found particular questions invasive, and the role that Social Workers played was vital to clear up any misconceptions.

The Adults Services Complaints Annual Report 2019/20 outlined the overall picture that remained positive and reflected real commitment from managers and staff to resolve complaints as effectively, and as promptly, as possible. Low levels of escalation to secondary stages or the Local Government Ombudsman (LGO) further reinforced that complainants were satisfied that their concerns were heard and dealt with appropriately.

There were some 200 “transactions” within the complaints process during the year. These were representations, formal complaints, members’ enquiries and referrals from the LGO. Given the nature of some of the work undertaken in ensuring care for very vulnerable individuals, it was positive that the numbers of complaints were minimal.

The Chair invited questions from Members of the Sub-Committee on the report.

The following points were raised and discussed:

- a) the current health pandemic in the country, as a result of Covid-19 restrictions, had an impact on interaction with clients. However, the use of modern technology facilitated communication, such as telephone calls, and Microsoft Teams meetings or via Zoom;
- b) some complaints occurred when there were domestic issues, particularly around couple’s divorce. One party would feel aggrieved that Social Workers were siding with the other party, which was not the case; and
- c) it was not the role of Social Services to try and “reconcile” divorcing parties, but would provide support if required.

RESOLVED: That the reports be noted.

61. Reports from the Director of Finance

Members received three reports from the Director of Finance. These were:

- 1) Revenue and Capital Monitoring 2020/21 - as at Quarter 2 (30 September 2020);
- 2) Draft Revenue Budget 2021/2022 and Draft Medium Term Financial Strategy 2021/2022 to 2023/2024; and
- 3) Draft Capital Programme 2020/2021 to 2023/2024.

The Revenue and Capital Monitoring 2020/21 - as at Quarter 2 (30 September 2020) informed Members on the 2020/21 forecast financial position as at Quarter 2 (30 September 2020), and would update Cabinet on 17 December 2020. It would seek approval for Capital Programme adjustments which required Cabinet approval in accordance with Financial Regulations.

The Chair invited questions from Members of the Sub-Committee on the report.

The following points were raised and discussed:

- a) Why was Everyone Active being funded by the Council when it was a private organisation?

The Director of Finance advised that Everyone Active was a charity, and support was being provided in view of Government guidelines in the current Covid-19 environment. There was the provision of support to Everyone Active by way of granting a management fee holiday, and help to underwrite losses. This would also include assistance with maintenance and management costs.

The Portfolio Holder for Finance and Resources added that the circumstances caused by the Covid-19 pandemic had necessitated support to leisure centres.

- b) Quoting paragraph 2.23 of the report, where the Under 18s “Home to School Transport” arrangement, with £500 000 being part of the deal between Transport for London (TfL) and Government, would this be suspended by TfL, thereby affecting free travel for under 18s, had this been confirmed, and if so, what alternative arrangements would be in place?

The Director of Finance advised that the concession had been in place since 2006, and its withdrawal would mean that the statutory financial support for school travel for some age groups would fall to local authorities, as it did in the rest of the country. Whilst the duty had also been with local authorities in London, the financial cost had been met by TfL. The proposal was that any changes would come into effect in January 2021. The Council would be informed about the final outcome in the course of the week.

- c) Quoting paragraph 2.29 of the report on the central contingency of £1.248m being forecast as being spent at this point in the year and so there being no variance, would this be earmarked for particular spending?

The Director of Finance advised that it was an ongoing reserve figure, going to the third quarter (Q3), with the aim of keeping a grip on the budget. It was envisaged that the contingency would be applied generally, and not on a specific item.

- d) What lessons had been learned on the slippage on page 21 of the report, from the underspend of £1.39m?

The Director of Finance advised that the significant part of the £149m was the £94m ear marked for commercial property investment, which was paused. This would be removed from the Capital Programme. This underspend on the Capital Programme was generating a £4.9m underspend against capital financing costs in the revenue account. The forecast spend on the Housing Revenue Account budget was £29.701m (58% of budget) with the remainder of the budget of £21.355m being forecast as slippage.

The Portfolio Holder for Finance and Resources added that £100m had been put in capital projects, which had a two-year budget strategy. In

the current Covid-19 pandemic, it was found prudent to pause the projects. Therefore, no public monies had been lost.

- e) On the redevelopment of Vernon Lodge and Probation Centre, where the originally planned scheme was no longer being progressed, would this be revived in future?

The Portfolio Holder for Finance and Resources advised that a revised business case for the project is currently being reviewed, along with the inclusion of the Probation Centre. As part of a wider proposal to provide homeless accommodation, it was necessary to assess the financial viability of the scheme.

The Draft Revenue Budget 2021/22 and Draft Medium Term Financial Strategy 2021/22 to 2023/24 informed Members on the the draft revenue budget for 2021/22 and draft Medium Term Financial Strategy (MTFS) for 2021/22 to 2023/24. These would considered by Cabinet on 17 December 2020, and brought back to Cabinet in February 2021 for final approval and recommendation to Council.

The Chair invited questions from Members of the Sub-Committee on the report.

The following points were raised and discussed:

- a) Would Council staff and contractors be paid the London Living Wage?

The Portfolio Holder for Finance and Resources advised that steps were being taken to ensure that all staff and contractors were paid the London Living Wage. This had been prioritised by the Council, and all firms providing services to the Council would have to abide by this before taking up contracts.

- b) Would some current contracts with variant clauses be required to pay the London Living Wage?

The Portfolio Holder for Finance and Resources advised that even those contracts with variant clauses would be required to pay the London Living Wage.

- c) Why did Harrow have one of the lowest external funding sources from the Government, and where did the figures come from to justify the situation?

The Director of Finance advised that the figures were compiled by an external organisation that used formulae to fund councils in the country. The formulae used had not been adjusted over the years. Harrow was ranked low in the pecking order, hence the low funding. The external funding did not reflect the costs of running the borough. For instance, the formulae did not consider the “low pay” peculiarities of residents, as most were “not on benefits” compared with other

boroughs. Furthermore, there had been changes in the borough's demographics, which was not reflected in the funding formulae.

The Draft Capital Programme 2020/21 to 2023/24 informed Members on the draft General Fund capital programme which had been proposed as part of the 2021/22 budget process. Cabinet would consider the draft programme on 17 December 2020, and it would be brought back to Cabinet in February 2021 for approval in February 2021.

The Chair invited questions from Members of the Sub-Committee on the report.

The following points were raised and discussed:

- a) What was the Council's position on borrowing, and was this for particular programmes?

The Director of Finance advised that the current borrowing figure was £410m. It was not envisaged that there would be more borrowing in the current financial year. The "trigger point" to consider more borrowing was £30m. Furthermore, borrowing was not for specific programmes, but was meant to be applied generally across costs in the Council if required.

RESOLVED: That the reports be noted.

(Note: The meeting, having commenced at 6.30 pm, closed at 8.10 pm).

(Signed) Councillor Kiran Ramchandani
Chair