
REPORT OF CABINET

MEETING HELD ON 11 NOVEMBER 2003

Chair: * Councillor Foulds

Councillors: * D Ashton * C Mote
 * Burchell * O'Dell
 * Margaret Davine * N Shah
 * Dighé * Stephenson
 * Miss Lyne

* Denotes Member present

PART I - RECOMMENDATIONS TO COUNCIL - NIL

PART II - MINUTES

358. **Social Services Inspector:**
 The Chair welcomed Ann Daniels, an inspector from the Social Services Inspectorate, who was in attendance to present the Social Services' Inspectorate Annual Review of Performance letter.

359. **Minutes:**
 That the minutes of the meeting held on 14 October 2003, having been circulated, be taken as read and signed as a correct record.

360. **Declarations of Interest:**

RESOLVED: To note that the following interest was declared:-

<u>Agenda Item</u>	<u>Member</u>	<u>Nature of Interest</u>
12. Key Decision – Arms Length Management Organisation for the management of the Council's Housing Stock	Miss Lyne	The Member indicated a personal interest in that she was a member of the Shadow Board for the ALMO. The Member would remain in the room whilst the matter was considered and voted upon.

361. **Arrangement of Agenda:**
 The Chair made a statement in response to a story that had appeared in the Harrow Observer the previous week in relation to Members' Allowances. He stated that the newspaper had made a number of false statements and that the current basic Members' Allowance of £5,225.00 was the lowest in London. He denied that the allowances were increasing at twice the rate of inflation and added that he looked forward to seeing a prominent retraction in this week's paper.

The Chair indicated that he had received a request for a deputation/statement to be made at Cabinet from the Harrow Council Tax Campaign. He reported that there was no provision in the Constitution for deputations/statements to be made at meetings of the Executive. However, it was possible for members of the public to submit petitions and public questions. The Chair indicated that he had offered to meet with representatives of the Harrow Council Tax Campaign and that the members of the press could also be invited to attend if the campaigners so wished.

A motion to suspend the Executive Procedure Rules to enable a statement to be made by the Harrow Council Tax Campaign was moved by Councillor Chris Mote, was duly seconded, put to the vote and was lost.

The Chair indicated that he was prepared to consider an item in relation to the Labour Group's membership of the Budget Review Working Group and Appointment of Assistants without Portfolio as a matter of urgency to enable the changes proposed to take place with immediate effect.

RESOLVED: That all business be considered with the press and public present with the exception of the following items for the reasons set out below:-

<u>Item</u>	<u>Reason</u>
17. Key Decision - Entering negotiations to change certain terms and conditions of employment of all Harrow Employees, save for Chief Officers and Teachers.	The report contained exempt information under Paragraph 11 of Part 1, of Schedule 12A to the Local Government Act 1972 (as amended) in that it contained information relating to contemplated consultations and negotiations in connection with labour relations.
18. Disposal of Land at 11 Wakehams Hill, Pinner	The report contained exempt information under Paragraph 9 of Part I of Schedule 12A to the Local Government Act 1972 (as amended) in that it contained information relating to the terms proposed to the Authority in the course of negotiations for the disposal of land.

362.

Petitions:

Cabinet received a petition containing 31 signatures from the Harrow Council Tax Campaign. Mr Stanley Sheinwald, a representative of the petitioners, read the terms of the petition to the meeting which were as follows:-

“Our Council is already planning to increase Council Tax by over 14% next April.
SIX TIMES THE RATE OF INFLATION!!

Taken together with the precepts for London this means an increase of around 20%
FOR THE SECOND YEAR RUNNING.

This April our Council levied the second highest charge in London in spite of receiving an increase of 6.5% in their grant from Central Government. Our Council Tax has more than doubled since 1997 and is fast becoming unaffordable. Pensioners and others on low income are already being hit hard with one week in four of their state income currently being taken up in paying this tax.

Harrow Council Tax Campaign therefore demand that our Council take immediate action to adopt strategies that can deliver cost effective practices and services that ensure that any further increase in Council Tax in 2004/5 is no higher than the rate of inflation whilst standards are improved from their current unsatisfactory levels.”

RESOLVED: That the petition be received.

363.

Public Questions:

A motion seeking the suspension of the Executive Procedure Rules to allow the time limit for public questions to be extended beyond 15 minutes was moved by Councillor Chris Mote. The Chair indicated that he was prepared to allow public question time to continue until all the questions had been put and responded to.

RESOLVED: To note the following public questions:

1.

Questioner: Mr Berjis Daver

Asked of: Councillor Archie Foulds (The Leader of the Council and Chair of Cabinet)

Question: “Our Govt is on record that the settlement proposed for 2004/5 Council Tax means that the highest increase should be no more than 5%. Thousands of Harrow residents have signed a petition demanding that any increase be limited to the rate of inflation. What steps are Harrow Council taking to ensure that they meet the demands of residents or to meet Government criteria so as to avoid possible capping?”

2.

Questioner: Mr Stanley Sheinwald**Asked of:** Councillor Sanjay Dighé (Portfolio Holder for Finance and Human Resources and Performance Management)**Question:** "How much have the reserves declined year by year since 1995 and what specifically has the money been spent on?"

3.

Questioner: Mr John Mitchell**Asked of:** Councillor Navin Shah (Portfolio Holder for Partnership and Property). Councillor Dighé, as Portfolio Holder for Finance and Human Resources and Performance Management answered this question.**Question:** "In spite of a 19.8% rise in Council Tax this year, three departments are already half a million pounds overspent at this half year stage. What action is proposed to correct this overspend?"

4.

Questioner: Mr David Stanley**Asked of:** Councillor Keith Burchell (Portfolio Holder for Planning, Development, Housing and Best Value)**Question:** "What is the current position of funding the Council pension fund, and what movement of funds in and out have taken place since 1995"

5.

Questioner: Mr David Page**Asked of:** Councillor Sanjay Dighé (Portfolio Holder for Finance and Human Resources and Performance Management)**Question:** "Having spent over £5 million on early retirements in the past two years, will Mr Dighe state how much it is planned to spend in the 2004-05 tax year, and by how many the total council headcount will be reduced?"

6.

Questioner: Mr M Fitzgerald**Asked of:** Councillor Archie Foulds (The Leader of the Council and Chair of Cabinet)**Question:** "Please let me have the TOTAL costs both budgeted and unbudgeted – Revenue and Capital for all elements of the New Harrow Project broken down separately for years 2002/3 – 2003/4 – 2004/5 – 2006/7."

[Note: Oral answers were provided to the above questions and, under the provisions of Executive Procedure Rule 15.4, each questioner asked one supplementary question which was additionally answered. Mr Fitzgerald requested a written answer to his supplemental question.]

364. **Forward Plan 1 November 2003 - 29 February 2004:****RESOLVED:** To note the contents of the Forward Plan for the period 1 November 2003 – 29 February 2004.365. **Reports from the Overview and Scrutiny Committee or Sub-Committees:****RESOLVED:** To note that no reports had been received.366. **Social Services Inspectorate Annual Review:**

The Chair welcomed Paul Clark, the newly appointed Director of Children's Services to the meeting.

In presenting the letter and Performance Review Report 2003 to Cabinet, Ann Daniels highlighted areas of significant improvement and areas where work was still required. In particular, she advised that the Children's Services budget was below the outer London average as a percentage of the Personal Social Services budget.

The Portfolio Holder for Social Services expressed thanks to Ann Daniels for the report and her work with the Council. In recognising that there was still significant progress to be made, she added that many of the improvements identified in the letter were heartening.

Cabinet unanimously requested that their thanks be conveyed to the staff in Social Services as without their commitment it would have not been possible to attain the achievements detailed in the letter.

RESOLVED: (1) That the content of the Annual Review of Performance Letter attached as an Appendix to the report of the Director of Children's Services be noted;

(2) that Officers be instructed to ensure that remedial actions to achieve improvements in line with the concerns raised in the Performance Review were incorporated in the People First Business Plans.

Reason for Decision: The letter accompanied a report of the Social Services Inspectorate's Annual Review of the Council's social services performance and Officers had been asked to present it in open session to the Cabinet within 2 months of the date of the letter.

367. **Key Decision - Private Finance Initiative (PFI) - Supported Housing:**

The Contracts Manager introduced the report and outlined the new proposal. He confirmed that if 6 or 7 service users moved into the units from higher cost residential care placements the affordability gap would be met. If a greater number moved into the units a surplus would result.

The Portfolio Holder for Planning, Development, Housing and Best Value urged Cabinet to support the proposal, which would create better services and save money.

RESOLVED: (1) That the preparation and submission of an outline business case to the Office of the Deputy Prime Minister based on 105 units of accommodation be approved;

(2) to note that there would be an affordability gap in the region of £237,000 per annum and for the purpose of the submission, to agree that the authority be committed to meeting this affordability gap, and that it be funded by corresponding savings within the People First Residential Care budgets;

(3) that the disposal of the site at 79 Bessborough Road to support the project be approved, in principle, subject to a further report to Cabinet;

(4) to note that a bid would be submitted to the ODPM at an appropriate time to cover the revenue costs of the Support Provider under the Supporting People Framework estimated to be £130,000 pa, but that if this bid were unsuccessful, the Supporting People Board will be asked to give this scheme a high priority in any review and reallocation of existing or any new Supporting People funds;

(5) to note that the costs of the PFI Consultants/Project Management costs would be in the region of £150,000 - £200,000 spread over two years and that this sum could be contained within the existing budgetary provision for such services.

Reason for Decision: In order to comply with the requirement to submit the Outline Business Case to the ODPM.

368. **Approval of Draft 'Community Strategy for Harrow' for Consultation:**

In response to a question in relation to Members' involvement as stakeholders, the Chief Executive indicated that an evening session was to be arranged for Members.

RESOLVED: (1) That the priority areas in the Strategy be noted;

(2) that the draft Strategy be considered as a working document and that the public consultation phase scheduled for between November 2003 and January 2004 set out in paragraph 7 of the report of the Executive Director (Organisational Development) be approved;

(3) that the Strategy be submitted to Cabinet in April 2004 after consultation has taken place and comments have been incorporated into the document;

(4) to note that the final document would be launched at the First Harrow Strategy Partnership Summit to be held in May 2004.

Reason for Decision: The Strategy must be subject to wide consultation in order to be reflective of the needs of local communities, partners and stakeholders.

369. **Comprehensive Performance Assessment - Progress Report:**

The Chief Executive drew Members' attention to paragraph 6.3 of the report and identified areas where further work was required. The recruitment of officers to complete the Senior Management structure was key. She reported that the External Auditors had made positive comments about the review of Financial Regulations.

The Chief Executive reported that the revised CPA service scorecard would be published on the Audit Commission website and that she had held discussions with the Auditors and Audit Commission over the issue of substitutions. She advised that the Council would not be rescored for Environmental Services this year.

In response to a question in relation to timescale, the Chief Executive advised that it might be necessary to discuss the way forward with the Leaders of each Group in January. She expressed concern that the Authority would not be automatically eligible for a corporate reassessment and advised that if Members did wish to apply for reassessment, the deadline for submission was 31 January 2004.

RESOLVED: (1) That the progress report pro forma attached as Appendix A to the report of the Executive Director (Organisational Development) be noted;

(2) that a further report be submitted to Cabinet in the new year, detailing progress over the next quarter;

(3) that, should it be necessary, the Council apply for a corporate reassessment under the "exceptional circumstances" provisions.

Reason for Decision: To assess progress against the CPA/IDeA Improvement Plan.

370. **Key Decision - Arms Length Management Organisation (ALMO) for the management of the Council's housing stock:**

The ALMO Project Manager reported that the Shadow Board would consider the report before Members on 12 November 2003. He added that there was still a question mark over whether overall management of the Housing Revenue Account would be retained or delegated.

In response to a question in relation to the preparation of financial returns by an external organisation, the Executive Director (Business Connections) reported that he was investigating practices elsewhere and that he hoped to report to the next meeting of Cabinet with some clarification on this issue together with common practice in relation to Audit arrangements.

RESOLVED: (1) That those functions identified in Appendix 2 to the Executive Director (Urban Living) report be approved for inclusion in the Section 27 (Housing Act 1985) application as the services to be delegated to the Arms Length Management Organisation;

(2) that the duration of the agreement with the Arms Length Management Organisation be 10 years, renewable, with provision for a break after 5 years;

(3) that the new organisation be called Spire Community Homes and that the name be registered with Companies House.

Reason for Decision: To progress the previous Cabinet decision to set up an Arms Length Management Organisation.

371. **Revenue Budget Monitoring 2003-2004 as at 30 September 2003:**

The Executive Director (Business Connections) drew Members' attention to the net projected overspend of £286,000 prior to management action.

In response to a question in relation to parking fines income the Executive Director (Urban Living) advised that he would provide the Member with a written response.

The Chief Executive reported that she had commissioned an external review into the operation of the Development Control Committee. The results of this review were expected at the end of November and would be made available to both the Development Control

Committee and Cabinet.

RESOLVED: (1) That the current revenue budget provision be noted;

(2) that the transfer of the NNDR rebate and the reduction in Single Status to General Fund Reserves be approved;

(3) that the virements set out in table 2 of the report of the Executive Director (Business Connections) be approved;

(4) that the management action proposed to bring the budget into line, in the current year, be noted;

(5) that, where an overspend remains, Directors identify savings as a first priority to bring the budget into line within 2003-2004, and that if at year end an overspend remains, this be carried forward to the relevant Directorate budget for 2004-2005.

Reason for Decision: To effectively monitor the Council's Revenue Budget.

372. **Capital Investment Monitoring 2003-04:**

RESOLVED: (1) That the report be noted;

(2) that the addition to the Capital Investment Plan of the Council's contribution to the project appraisal report for Hatch End Flood Alleviation detailed at paragraph 6.3 of the Executive Director (Business Connections) report at a cost of £97,000 be approved and a commitment to the scheme be made subject to the required funding support being confirmed;

(3) that the addition to the Capital Investment Plan of the schemes itemised in 6.4 of the report of the Executive Director (Business Connections) report totalling £431,000, for which additional funding is available, be approved.

Reason for Decision: To keep the Cabinet informed of new capital schemes and progress in the implementation of the Council's Capital Investment Plan.

373. **The Council's Calendar of Meetings 2004/5:**

A Member expressed concern that Cabinet and Group Meetings appeared to have been scheduled during half term. The Borough Solicitor advised that it was difficult to avoid this due to the dates for the determination of Council Tax.

The Portfolio Holder for Partnership and Property indicated that the dates for Navratri needed to be inserted into the Calendar which may require some meetings to be rescheduled during October 2004.

RESOLVED: That the Calendar of Meetings for the Authority for the Municipal Year 2004/05 be approved.

Reason for Decision: To provide a framework for the Council's democratic processes (Member level meetings) and to give due notice of the date.

374. **Any Other Urgent Business - Labour Group Membership of the Budget Review Working Group and Appointment of Assistants without Portfolio 2003/4:**

RESOLVED: (1) That the changes proposed by the Labour Group in relation to its membership of the Budget Review Working Group be approved as follows:-

<u>Member</u>	<u>Reserve Member</u>
Councillor Bob Currie	2.
Councillor Mrinal Choudhury	3.

(2) that Councillors Nana Asante, Choudhury and Omar be appointed as Assistants without Portfolio for 2003/4.

375. **Key Decision - Entering negotiations to change certain terms and conditions of employment for all Harrow employees, save for Chief Officers and Teachers:**

Members considered a confidential report from the Executive Director (Organisational Development) in relation to negotiations to change certain terms and conditions of employment of all Harrow employees, save for Chief Officers and Teachers.

RESOLVED: (1) That the Interim Head of Personnel be authorised to enter into negotiations with Unison to secure agreement that certain employment terms and conditions of all Harrow employees (save for Chief Officers and Teachers) be changed in order, at the very least, to compensate for the costs to the Council of implementing a reduced standard working week of 35 hours or 36 hours for such employees;

(2) that the Interim Head of Personnel be instructed to report back to Cabinet as negotiations progress.

Reason for Decision: To enable the Interim Head of Personnel to enter into the above-mentioned negotiations with Unison and to ensure that Cabinet is kept informed of any developments in those negotiations.

376. **Disposal of land at 11 Wakehams Hill, Pinner:**

Members considered a confidential report of the Director of Professional Services (Urban Living) in relation to the disposal of land at 11 Wakehams Hill, Pinner.

RESOLVED: That the Council's interest in land at 11 Wakehams Hill as shown hatched black on ES Plan 9943A be declared surplus to requirements and that disposal on terms to be approved by the Director of Professional Services (Urban Living) be authorised;

(2) that the entry into such agreements with all relevant parties to effect a disposal be approved.

Reason for Decision: The interest is surplus to the Council's requirements and the opportunity now exists to convert it into a capital receipt.

(Note: The meeting, having commenced at 7.30 pm, closed at 10.00 pm).

(Signed) COUNCILLOR A T FOULDS
Chair