
REPORT OF OVERVIEW AND SCRUTINY COMMITTEE

MEETING HELD ON 24 NOVEMBER 2004

Chair: * Councillor Jean Lammiman

Councillors:	* Blann	* Mary John (3)
	* Bluston	* Pinkus
	* Gate	* Seymour
	* Mitzi Green	* Mrs R Shah (1)
	* Ingram	* Versallion

* Denotes Member present
(1) and (3) Denote category of Reserve Members

[Note: Councillors Dighé and N Shah also attended this meeting in a participatory role].

PART I - RECOMMENDATIONS - NIL
PART II - MINUTES
225. Appointment of Chair:

RESOLVED: To note the appointment at the Council meeting held on 21 October 2004 of Councillor Jean Lammiman as Chair of the Committee for the remainder of the 2004/05 Municipal Year.

226. Attendance by Reserve Members:

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

<u>Ordinary Member</u>	<u>Reserve Member</u>
Councillor Osborn	Councillor Mary John
Councillor Thammaiah	Councillor Mrs R Shah

227. Declarations of Interest:

Councillor Seymour declared a personal interest in agenda item 13, Scrutiny Review of Housing Benefits Administration, by virtue of having a relative who was in receipt of Housing Benefit.

RESOLVED: To note the interest declared by Councillor Seymour in respect of agenda item 13, and that the Member participated in the discussion and decision on that item.

228. Arrangement of Agenda:

RESOLVED: That (1) agenda item 18, Re-establishment of the Scrutiny Sub-Committees, be considered immediately after agenda item 5;

(2) in accordance with the Local Government (Access to Information) Act 1985, the following agenda items be admitted late to the agenda by virtue of special circumstances and grounds for urgency detailed below:-

<u>Agenda item</u>	<u>Special Circumstances/Grounds for Urgency</u>
16. Scrutiny Review of Budget Processes – Interim Report	Consultation on the report had only just been completed. The report needed to be submitted to this meeting in order to keep the Committee informed of the progress of the scrutiny review
18. Re-establishment of the Scrutiny Sub-Committees – Revised Lifelong Learning Scrutiny Sub-Committee Membership	The Membership of the Lifelong Learning Scrutiny Sub-Committee which had been printed in the main agenda was incorrect. The Overview and Scrutiny Committee was required to re-establish its Sub-Committees at its next available meeting.

(3) all items be considered with the press and public present with the exception of the following item, for the reason set out below:

<u>Agenda Item</u>	<u>Reason</u>
13. Scrutiny Review of Housing Benefits Administration – Appendix 1 to the report	The report contains confidential information under the Local Government Act 1972 (as amended), in that it contains information given to the Council by a Government Department on terms which forbid its disclosure.

229. **Appointment of Vice-Chair:**

RESOLVED: To appoint Councillor Gate Vice-Chair of the Committee for the remainder of the 2004/05 Municipal Year.

230. **Councillor Mitzi Green:**

On behalf of the Committee, the Chair thanked the former Vice-Chair, Councillor Mitzi Green, for her support and all the work she had done during her time as Vice-Chair.

231. **Re-establishment of the Scrutiny Sub-Committees:**

RESOLVED: That the Scrutiny Sub-Committees be re-established for the remainder of the 2004/05 Municipal Year with the memberships and Chairs set out in the appendix to these minutes.

232. **Minutes:**

RESOLVED: That the minutes of the meeting held on 19 October 2004, having been circulated, be taken as read and signed as a correct record.

233. **Public Questions:**

RESOLVED: To note that no public questions were put at the meeting under the provisions of Overview and Scrutiny Procedure Rule 8.

234. **Petitions:**

RESOLVED: To note that no petitions were received at the meeting under the provisions of Overview and Scrutiny Procedure Rule 9.

235. **Deputations:**

RESOLVED: To note that no deputations were received at the meeting under the provisions of Overview and Scrutiny Procedure Rule 10.

236. **Question and Answer Session with the Leader and the Chief Executive:**

The Chair welcomed the Leader of the Council and the Chief Executive to the meeting.

The Leader thanked the Committee for giving him the opportunity to attend. Members asked the Leader and the Chief Executive questions on a number of areas.

(i) **New Harrow Project (NHP)**

The Chair began by referring to the recent scrutiny review of the NHP, which had highlighted the importance of projects being subject to a fully documented project planning process. Assurance was sought that the Council's new project management processes were now being applied to all initiatives.

The Leader stated that he was confident that the project management processes were being used comprehensively, as a recent external review of project management arrangements had found that they were well established and well understood. The Chief Executive also confirmed that the processes were now used for all initiatives, but added that a weakness had been identified in that there was no means of co-ordinating projects across the Council. Ways in which this was now being addressed were outlined. It was acknowledged that the initial 'clean and green' part of the New Harrow Project had not been subject to project management principles, but it was pointed out that the introduction of those principles had, in itself, been part of the New Harrow Project. It was confirmed that subsequent projects such as the

community schools pilot had been monitored against project initiation documents.

(ii) First Contact

Members requested an update on the progress of the First Contact initiative and, in particular, the timescale for the establishment of one-stop shops. The Leader stated that the options for improving customer services, such as one-stop shops and call centres, still needed to be looked at; this work was being taken forward as part of the development of the Business Transformation Partnership. The final partner would be chosen in Spring 2005, and First Contact would be the first piece of work to be undertaken by that partnership. The Leader also highlighted the importance of cross-party Member engagement in the process; he felt that Members needed to see what the options were so that they could consider what was appropriate for Harrow.

The Chief Executive added that the First Contact Best Value review had made recommendations which fell into two categories: actions to be undertaken straight away, and those which would need to be addressed as part of the overall improvement of the Council's IT. Of the actions in the first category, there was only one which was yet to be completed - the improvement of the Civic Centre's internal signage. The Chief Executive also advised that, with regard to one-stop shops, there were still many key issues to be resolved, including their location.

The Chair referred to a Member seminar on the Business Transformation Partnership which had taken place the previous evening, and which had not been well attended. She agreed that there was a need to find a way of engaging Members in the process, and requested that the Leader take this on board. Another Member suggested that the Council's partners should also be invited to such seminars. This suggestion was endorsed by the Leader, who suggested that the Harrow Strategic Partnership could be a vehicle for this.

There was some concern that a new draft guidance document on Special Educational Needs (SEN) was entirely in English. The scrutiny review of SEN processes had specifically recommended the use of different community languages in such documents, and the Executive had undertaken to address this via the First Contact initiative. The Chief Executive advised that the Head of Communications was currently re-drafting the Council's policy on translation. She was disappointed to learn that the document was entirely in English and felt that it should at least provide directions to where the information could be obtained in different languages. She undertook to follow this up. The Leader added that this was a weakness that the Council was keen to address.

A Member stressed the urgency of implementing the First Contact initiative in light of the impending closure of a number of local Post Offices. The Leader emphasised that the Council was not responsible for the delivery of post office services, but agreed that the potential for integrating services could be explored as part of consideration of the options under First Contact. The Chair congratulated the Strengthening Communities Scrutiny Sub-Committee for the work that it had done on the Council's response to the consultation on the post office closure programme.

(iii) Corporate Priorities

Members noted that the existing NHP priorities had been in place for two years and queried whether consideration was being given to the identification of new priorities. The Leader agreed that there was a need to set new priorities. He stated that this was a multi-faceted issue which would need to take account of the priorities of local people, corporate value judgements and political aspirations, and which would need to be developed in a joined-up way. The Chair queried how Members should take this forward, and the role of the New Harrow Project Panel in this. The Chief Executive advised that the Panel had been at its most active during the 'clean and green' phase of the NHP, but that she would welcome Members' views on its future role. The Leader outlined some broad areas which Members could start by looking at, and suggested that there were a number of ways to engage Members in this, such as discussions within political groups and Member seminars. He emphasised the need for ownership of priorities across the Council. The Chair stated that she would like to discuss outside of the meeting how the Panel and scrutiny Members could work together on this.

A Member having expressed concern about the development of the Council's website, the Chief Executive acknowledged that progress with this had been sporadic. However, following Cabinet approval in July of the restructuring of the Chief Executive's Department, a new post of Web Manager had been created within the Communications unit, and this had now been filled. The Chair requested that this issue be raised at the Publications Advisory Panel.

(iv) Middle Management Review/Communications with Staff

Members were concerned as to whether the Middle Management Review was on target, and about its effect on staff morale. Whether posts were ring-fenced to existing staff was also queried. The Leader confirmed that the review was on target, with 60.7% of Group Manager posts already filled. With regard to staff morale, he had had direct contact with both the unions and staff, and had had no indication of low staff morale. The Chief Executive confirmed that posts were ring-fenced to internal staff in the first instance, and provided further information on the arrangements for this. She also advised that the number of leavers in the middle management cadre was monitored, and that only 12 out of 250 staff had resigned since April, which wastage rate was consistent with the rest of the Council. The arrangements for supporting staff going through the process were highlighted. The Chief Executive added that change of this nature could result in jobs being done less effectively, but there was evidence that staff were working very hard, and they were to be credited for this.

There was concern about those staff who had not been successful in getting a job under the Middle Management Review. The Chief Executive anticipated that at the end of the process there would be a pool of such staff, but advised that this issue was covered by the organisational change agreement agreed with UNISON, which set out the eligibility for redundancy. Whilst this was not a palatable option, she stressed the need to ensure that middle managers had the right competencies for their roles, in order to increase the capacity of the organisation. Members also expressed concern that the loss of long-serving members of staff would result in the loss of the Council's knowledge base, and queried how that would be prevented. The Chief Executive referred to work on-going to develop a modern records management system, which had resulted in greater organisational awareness of the value of records. She also emphasised that the organisation wanted to retain valued staff. The Chair expressed concern about the capture of corporate knowledge as she felt it was a clear area of risk, but was pleased to learn that steps were being taken to address the issue, and requested that the Committee be kept informed on this.

(v) Strategic Performance Report

It was noted that the Strategic Performance Report for quarter 2, included elsewhere on the agenda, highlighted three red areas: customer satisfaction; equality and diversity; and LPSA. Whether improvement in these areas was achievable in the current Municipal Year, or whether this was an objective for the longer term, was queried.

The Leader stated that he was very concerned to improve performance in these areas. He felt that performance in equality and diversity was a long-term issue which would only be significantly improved when those services were mainstreamed, while the issue of customer satisfaction would be addressed more quickly, for example with the implementation of First Contact. He outlined some of the measures being taken to increase public satisfaction. The Chief Executive added that customer satisfaction levels had fallen across London. A Member was concerned that the Council was focused too internally at the moment due to the changes which were happening. He commented that responses to the public from Council departments were highly variable, but acknowledged that First Contact would help to address this.

With regard to the LPSA targets, the Leader stated that some of the problems in this area were due to the Council having been too ambitious when setting the targets. The Chief Executive added that there were also complex issues emerging from the targets. In relation to one of the key risk areas, educational attainment of children eligible for free school meals, work undertaken by the ODPM had identified that the indicator was not measuring the same cohorts of young people due to the high turnover of pupils at Canons and Rooks Heath High Schools. The Council was having discussions with the ODPM about this. A Member noted that reducing the standards admission number at Rooks

Heath High School would facilitate the Council meeting its target, but would not necessarily help the children. He requested that the Council lobby on this issue. The Leader agreed that this was an issue which needed to be picked up; the Chair requested that he provide an update on this when he attended again in six months' time.

A Member was disappointed to note, in light of the work undertaken as part of the Gatsby Project, that another key risk area in the LPSA was the educational attainment of looked after children. The Chief Executive felt that the Gatsby Project had had a positive impact, particularly on schools' approach to the issue, but advised that there were weaknesses on the support side. She outlined measures being taken to address this.

(vi) Budget 2005/06

A Member sought the support of the Leader and the Chief Executive for the next stage of the scrutiny review of budget processes, which would involve an experimental process to re-engage and re-educate the public. The Leader confirmed that he would support this, and highlighted that the way in which the Council would carry out budget consultation this year had already been significantly changed from previous years, as it would involve a MORI poll of a statistically valid sample of the Borough's population.

In addition, Members asked a number of detailed questions on the budget for 2005-06. In response, the Leader outlined some of the key pressures for next year, including new government initiatives following a general election, legislative changes, and demographic changes. The Chief Executive also provided further information on potential pressures arising from the loss of the civil defence grant and the Hillingdon judgement on asylum seeking children. It was noted that the announcement of this year's settlement had been delayed by the Government.

(vii) Arms Length Management Organisation (ALMO)

At the request of the Chair, the Leader provided an update on the current position following the decision not to pursue the bid for an ALMO. The Cabinet had established an Advisory Panel for Housing Improvement Options to oversee an options appraisal. A Member was pleased to note that the membership of the Panel would include representatives of the ALMO Shadow Board and that the knowledge which had been accumulated would not therefore be lost; he felt that the members of the ALMO Shadow Board should be thanked for giving up their time over the last 15 months. There was some concern as to how the tenant advisors to the Panel would be selected, and the need to ensure that they were representative of all tenants was highlighted; the Leader undertook to look into this.

It was noted that the Planning, Development and Housing Portfolio Holder and the Executive Director (Urban Living) would be attending the Environment and Economy Scrutiny Sub-Committee meeting on 30 November 2004 to answer questions on this issue in depth; Members were requested to refer any questions for the Portfolio Holder and the Executive Director to the Chair of the Sub-Committee. It was agreed that this issue be followed up when the Leader and the Chief Executive attend again in six months' time.

(viii) Procurement

In response to questions from a Member, the Chief Executive outlined a number of ways in which the Procurement Unit was seeking to support the local community, and reported on work being undertaken to identify the Council's key suppliers and the volume of purchasing from smaller suppliers. In addition, she provided information on the safeguards in place in relation to the procurement of the Council's business transformation partner. The Chair commented that at the seminar the previous evening Members had been very interested in and impressed with the innovation partnering that the Council was looking for from the business transformation partners, and requested that the Committee be kept informed on this issue.

(ix) Town Centre Redevelopment

The arrangements for involving Members in the process for the redevelopment of Harrow town centre were queried. The Leader stated that, given that this

was a long-term project, there would need to be Member seminars at all the key stages. Dedicated Member workshops would also continue to be a key part of the process. In response to further questions, the Leader stated that the next stage in the process was the production of a development brief, and assured the Committee that appropriate measures were being taken to check the position of the consultants appointed by the Council.

(x) Transport Providers

It having been noted that the Council had no statutory authority over local transport providers, the way in which the Chief Executive ensured good relationships with such bodies was queried.

The Chief Executive agreed that the only way to exert influence over transport providers was through goodwill. She outlined a number of ways in which she sought to develop these relationships, including regular meetings with TfL both at borough level and as part of the West London Alliance. In response to further questions, actions taken by the West London Boroughs to lobby for their preferred route for Crossrail, and ways in which the Council sought to exert influence over the route of bus services, were also outlined.

(xi) Housing Maintenance and Repairs Programme

An update on the current state of the housing maintenance and repairs programme having been requested, it was agreed that a detailed written response would be provided to the Committee. Members were assured, however, that officers were acutely aware of the communications issues arising from this matter.

On behalf of the Committee, the Chair thanked the Leader and the Chief Executive for attending. She felt that the arrangement whereby they attended the Committee twice yearly worked well, and looked forward to welcoming them again in six months' time.

237. **Strategic Performance Report - Quarter 2 2004/05:**

The Committee considered a report of the Director of Organisational Performance, which set out the Strategic Performance Report for the second quarter of 2004/05. An amended version of the Strategic Performance Report Overview by Key Performance Area, which incorporated a legend, was also tabled.

It was noted that this was the first Strategic Performance Report to have been produced purely by the IT system, and Members felt that this was a big step forward. Members were also pleased to note the number of areas showing improvement. With regard to the format of the report, it was suggested that the inclusion of different headings on the Strategic Performance Report Overview was confusing. It was also suggested that consideration be given as to whether the values set out in the Overview should appear in that section of the report or in the Performance Report by Outcome and Measure. In addition, the need for comparative data from the previous period was highlighted. It was advised that the data for periods prior to quarter 2 had not been available in the system, but comparative data would be included in future reports.

Members otherwise commented that the document was easy to read, and requested that relevant parts of the report be referred to the corresponding Scrutiny Sub-Committees for information.

RESOLVED: That the performance report and the actions being taken be noted.

238. **Scrutiny Review of Housing Benefits Administration:**

The Committee considered a report of the Director of Business Services, which followed up the recommendations of the Scrutiny Review of Housing Benefits Administration. The report also advised of the re-inspection of the Housing Benefits service by the Benefit Fraud Inspectorate (BFI) and set out the confidential draft BFI report. The final BFI report was due to be published in January 2005 and would be submitted to the Committee in due course.

At the meeting, it was reported that the Housing Benefits service had also been re-assessed as part of the CPA 2004 and had been rated as 'good'; it had previously been rated as 'fair'. The service was now the best in London. The criteria for and benefits of being rated as 'good' or 'excellent' were outlined. In addition, it was noted that, not only had the timescale for processing claims reduced considerably, but this had also been achieved against the backdrop of a massive increase in claims.

Members agreed that staff were to be congratulated on the dramatic improvement in the performance of the service, which had been achieved as a result of significant risk-taking and innovation by officers.

RESOLVED: That the response to the recommendations of the Scrutiny Review of Housing Benefits Administration be noted.

239. **Extension of the Meeting:**

At 10.00 pm, following discussion of the above item, the Chair drew the attention of the meeting to the time.

RESOLVED: That, under the provisions of Overview and Scrutiny Procedure Rule 6.7(ii)(b), the meeting be extended to 10.30 pm.

240. **Medium Term Budget Strategy (MTBS) Reprice 2005-06:**

The Committee received a report of the Executive Director (Business Connections) which had been submitted to Cabinet in October, and which set out a repriced Medium Term Budget Strategy (MTBS) for 2005/06.

Members were pleased to note that the process for the review of the MTBS was separate to the process for identifying priorities and pressures for future years. In response to Members' questions, further information was provided on provision for employers' pension contributions and the capitalisation of revenue expenditure on ICT.

RESOLVED: That the report be noted.

241. **Statement of Internal Control:**

The Committee received a report of the Director of Financial and Business Strategy, which set out the final version of the Statement of Internal Control for 2003/04 and the associated action plan.

At the meeting, the Director of Financial and Business Strategy advised that the final version of the Statement of Internal Control incorporated the amendments suggested at the last Overview and Scrutiny Committee meeting, and also some amendments suggested by the external auditors. With regard to the action plan, she highlighted that regular updates on the Council's corporate governance arrangements would be submitted to the Committee from January 2005.

RESOLVED: That the Statement of Internal Control and the associated action plan be noted.

242. **Scrutiny Review of Budget Processes - Interim Report:**

The Lead Member for the scrutiny review of budget processes, Councillor Ingram, introduced an interim report of the Scrutiny Review Group. He highlighted recommendation 6 of the interim report, which suggested that a pilot project be carried out in the current budget cycle to experiment with participatory principles; the Committee's support for this was sought. He also referred to the contribution made to the scrutiny review by the co-opted member of the review group, and commented that the co-option had been a very positive experience.

The Business Connections and Performance Portfolio Holder, who was in attendance, stated that he did not necessarily agree with all the recommendations of the review report, but felt that it made some interesting suggestions. He welcomed the proposal for a pilot study. He expressed concern, however, about recommendation 4, which suggested that measures be developed to assess the extent to which residents believed that the budget had been determined primarily with their wellbeing in mind, even if they disagreed with the outcome. He felt it would be difficult to make a distinction between approval of the process and approval of the outcome.

The proposal for the Review Group to carry out a pilot project was endorsed. With regard to the interim report, it was agreed that it should be put into a format consistent with other scrutiny review reports, and that the amended version be approved via the Executive Action procedure prior to referral to Cabinet.

Members also wished to place on record their thanks to Jane Walker, the co-opted member of the Review Group, for her invaluable contribution to the review.

RESOLVED: That (1) the proposal for the Review Group to carry out a pilot project be endorsed;

(2) the interim report be put into a format consistent with other scrutiny review reports, and the amended version be approved via the Executive Action procedure prior to referral to Cabinet.

243. **Progress Reports on Reviews - Members' Verbal Updates:**

- (i) **Scrutiny Review of the New Harrow Project**
The Chair, who was the Lead Member for this review, gave a verbal update.

The Chair had presented the review report at the Cabinet meeting on 11 November 2004 and it had been well received. She reported that it was now planned to start scoping phase 3 of the NHP review. This phase would focus on issues such as the Middle Management Review and organisational performance.

Following on from work done on previous reviews, it was suggested that there was also a need for a separate review of consultation and communications. The first step was the establishment of a small group of Members to carry out a pre-scoping exercise. The Chair felt that this group should include two or three Members of the Overview and Scrutiny Committee, and requested that any Members interested in serving on this review put themselves forward.

RESOLVED: That the verbal update be noted.

244. **External Audit Review of Scrutiny:**

Further to this having been raised under any other business, the Director of Organisational Performance reminded the meeting of the process for the consultation of Scrutiny Members on the external auditors' report on the review of scrutiny, as outlined at the Committee's previous meeting on 19 October 2004. It was advised that the external auditors had not specified a date on which their report would be delivered, but it was hoped that it would be received before Christmas. However, meetings with Scrutiny Members on this would probably take place in the New Year.

RESOLVED: That the process for the consultation of Scrutiny Members on the external auditors' report on the review of scrutiny be noted.

245. **Ilona Maragh:**

The Chair informed Members that Ilona Maragh, the Scrutiny Review Administrator, had recently given birth to a healthy baby boy. All Members of the Committee joined in conveying their best wishes and congratulations to Ms Maragh.

246. **Appointment of Service Manager - Scrutiny:**

Further to this having been raised as an item of any other business, the Director of Organisational Performance reported that a Service Manager for Scrutiny had now been appointed, and would be in post from 17 January 2005.

RESOLVED: That the above be noted.

(Note: The meeting, having commenced at 7.35 pm, closed at 10.25 pm).

(Signed) COUNCILLOR JEAN LAMMIMAN
Chair

APPENDIXSCRUTINY SUB-COMMITTEES

(Membership in order of political group nominations)

LabourConservativeLiberal
Democrats**(1) ENVIRONMENT AND THE ECONOMY SUB-COMMITTEE (7)****(4)****(3)****I.
Members****Blann* (CH)
Lavingia
Miles
Anne Whitehead****Arnold*
Knowles
Seymour****II.
Reserve
Members**1. Dharmarajah
2. Ann Groves
3. Mrs R. Shah
4. Thammaiah1. John Nickolay
2. Janet Mote
3. Vina Mithani**(2) HEALTH AND SOCIAL CARE SUB-COMMITTEE (7)****(4)****(3)****I.
Members****Bluston* (CH)
Ann Groves
Lavingia
Mrs R. Shah****Myra Michael*
Vina Mithani
Joyce Nickolay****II.
Reserve
Members**1. Blann
2. Mitzi Green
3. Toms
4. Gate1. Jean Lammiman
2. Pinkus
3. Mary John

Adviser (Non-Voting):-

Vacant - Director of Public Health, Harrow Primary Care Trust

(3) LIFELONG LEARNING SUB-COMMITTEE (11)**(5) (5) (1)****I.
Members**

Nana Asante Gate Mitzi Green* (CH) Kinsey Omar	Mary John Jean Lammiman Janet Mote* John Nickolay Osborn	(Vacant)
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**II.
Reserve
Members**

1. Blann 2. Lavingia 3. Anne Whitehead 4. Dharmarajah 5. Lent	1. Vina Mithani 2. Anjana Patel 3. Mrs Bath 4. Kara 5. -	-
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Voting Co-opted Members:

- (1) Two representatives of Voluntary Aided Sector
- Mrs J Rammelt/Reverend P Reece
- (2) Two representatives of Parent Governors (2 year appointments 2002/03 – 2003/04:-
Mr H. Epie (Primary)/Mr R. Sutcliffe (Secondary)

(4) STRENGTHENING COMMUNITIES SUB-COMMITTEE (7)**(4) (3)****I.
Members**

Dharmarajah Gate Omar Thammaiah* (CH)	Janet Cowan Vina Mithani Seymour*
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**II.
Reserve
Members**

1. Lavingia 2. Toms 3. Lent 4. Ann Groves	1. Osborn 2. Kara 3. Anjana Patel
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(5) CALL-IN SUB-COMMITTEE (5)**(3) (2)****I.
Members**

Gate Mitzi Green* (CH) Thammaiah	Jean Lammiman* Osborn
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**II.
Reserve
Members**

1. Blann 2. Ann Groves 3. Mrs R. Shah	1. Seymour 2. Versallion 3. Romain
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