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**REPORT OF OVERVIEW AND SCRUTINY COMMITTEE**


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**MEETING HELD ON 30 JANUARY 2006**


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Chair:	* Councillor Jean Lammiman	
Councillors:	* Blann	* Mark Ingram
	* Bluston	* Osborn
	* Mrs Champagne (2)	* Seymour
	* Gate	* Thammaiah
	* Mitzi Green	* Versallion

\* Denotes Member present  
 (2) Denotes category of Reserve Member

[Note: Councillors Mrs Bath, Burchell and Mrs Kinnear also attended this meeting to speak on the items indicated at Minutes 377 below. Councillor Dighé also attended this meeting to speak on the items indicated at Minutes 379 and 380 below].

**PART I - RECOMMENDATIONS - NIL**
**PART II - MINUTES**
**372. 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 Pinkus	Councillor Mrs Champagne

**373. Declarations of Interest:**

**RESOLVED:** To note the following declarations of interests made by Members present at the meeting relating to business to be transacted at this meeting:

<u>Agenda Item</u>	<u>Member</u>	<u>Nature of Interest</u>
8(a). Community Schools Pilot Evaluation Report/Community (Extended) Schools Rollout	Councillors Bluston and Mark Ingram	The Members indicated a personal interest in that they were governors of Community Schools in Harrow. They would remain in the room whilst the matter was considered and voted upon.
9. Civic Budget 2006/07	Councillor Mrs Bath	The Member indicated a personal interest in that she was the Chair of Bentley Priory Nature Reserve Committee and a member of the Middlesex Guildhall Collection and Trust Fund. She would remain in the room whilst the matter was considered and voted upon.
10. Open Budget Process	Councillor Mark Ingram	The Member indicated a personal and prejudicial interest in that he was a Member of the Open Budget Steering Group. He would leave the room whilst the matter was considered and voted upon.
11. Business Transformation Project (BTP)	Councillor Mark Ingram	The Member indicated a personal and prejudicial interest in that he was a Member of the

- BTP Board. He would leave the room whilst the matter was considered and voted upon.
13. Harrow Online Social Care Technology (HOST) Project Councillor Bluston The Member indicated a personal interest in that he was Chair of the Health and Social Care Sub-Committee which had considered the implementation of the HOST project. He would remain in the room whilst the matter was considered and voted upon.
14. Harrow, West London and London 2012 Councillors Blann and Bluston The Members indicated a personal interest. Councillor Blann stated that he was the Chair of the Tourism Scrutiny Review Group. Councillor Bluston stated that he was a Council appointed representative of the Harrow Sports Council. (See Note (i) below) They would remain in the room whilst the matter was considered and voted upon.
- Councillor Jean Lammiman During consideration of the item, the Member indicated an interest in that she had been a member of the Royal National Orthopaedic Hospital (RNOH) NHS Trust Board for three years and had been acting Chairman for six months until November 2003. She remained in the room whilst the matter was considered and voted upon.
15. Stanmore Multi-Storey Car Park Councillors Bluston, Mrs Kinnear and Seymour The Members indicated a personal interest in that they had served on the Development Control Committee which had considered planning applications for the Stanmore Car Park site. They would remain in the room whilst the matter was considered and voted upon.

[Note: (i) In accordance with paragraph 12.2(c) of the Code of Conduct for Councillors, Part 5 of the London Borough of Harrow Constitution, a Member appointed or nominated to a body by the authority as its representative may regard himself/herself as not having a prejudicial interest in a matter relating to that body;

(ii) Councillors Mrs Bath and Gate declared that they were Members of a number of Committees of the Council including the Development Control Committee, the Education Consultative Forum, Employees' Consultative Forum and the Health and Social Care Scrutiny Sub-Committee. The Committee sought clarification and requested that the issue of declarations that Members present at a meeting ought to declare be referred to the Director of Legal Services for consideration].

374. **Arrangement of Agenda:**

**RESOLVED:** That (1) in accordance with the Local Government (Access to Information) Act 1985, the following agenda item be admitted late to the agenda by virtue of the special circumstances and grounds for urgency detailed below:-

<u>Agenda Item</u>	<u>Special Circumstances/ Grounds for Urgency</u>
13. HOST Project	The report was not available at the time the agenda was printed and circulated in order to

allow consultation on the report to be completed. The report required consideration at this meeting in order to keep the Committee informed of the Project.

(2) agenda item 15 (Stanmore Multi-Storey Car Park) be considered after item 7, Deputations;

(3) all business be considered with the press and public present.

375. **Minutes:**

**RESOLVED:** That (1) the minutes of the meetings held on 22 November 2005 and the special meeting held on 6 December 2005, having been circulated, be taken as read and signed as correct records;

(2) consideration of the minutes of the special meeting held on 10 January 2006 be deferred until printed in the next Council Bound Minute Volume.

376. **Public Questions, Petitions and Deputations:**

**RESOLVED:** To note that no public questions were put, or petitions or deputations received at this meeting under the provisions of Overview and Scrutiny Procedure Rules 8, 9 and 10 (Part 4F of the Constitution) respectively.

377. **Stanmore Multi-Storey Car Park:**

The Committee considered a report of the Executive Director (Urban Living) which set out the chronology of events, procedures and authorities obtained in relation to the Stanmore multi-storey car park.

The Executive Director reported that the Section 106 Agreement included a clause which required the Council to repay the contribution of £300,000 (with interest) back to Sainsburys within five years in the event the contribution had not been applied. He added that, in November 2004, Cabinet Members had been advised that the money would have to be returned to Sainsburys. He stated that the money would be paid back shortly.

The Executive Director confirmed that new organisational arrangements had been implemented to ensure better integration of Council services. He advised that further work was being carried out with the Director of Strategic Planning with a view to strengthening these arrangements. He was confident that the new organisational arrangements would help avoid similar problems in the future.

The Portfolio Holder for Planning, Development and Housing suggested that the reports considered by the Cabinet on the Stanmore Multi-Storey Car Park be circulated to the Members of Overview and Scrutiny Committee. He stated that a detailed reply on timings would be sent to Members of the Committee.

In response to a number of questions from Members, the Portfolio Holder for Planning, Development and Housing and the Executive Director stated that:-

- no consultations had been carried out with Sainsburys regarding the Council's intentions on the car park;
- the cost of rebuilding the multi-storey car park outweighed the repayment to Sainsburys;
- the car park had serious structural problems and that it would not have been economic or practical to refurbish it;
- the key issues in relation to the Section 106 Agreement were the commercial aspects and that the Council was looking into staff training in this area;
- it was important to recognise that the terms of a Section 106 Agreement could not normally be renegotiated once a decision notice, giving planning permission, had been issued by the Council;
- the terms of the Section 106 Agreement with Sainsburys would have been drafted/prepared by the Council.

Members who were backbenching spoke about the history of the car park and suggested that the following matters ought to be investigated further:-

- why the re-building of the multi-storey car park not pursued;
- why the issue of additional car parking was not considered when the planning application for an extension to Sainsburys was granted;

and, that the information made available to Members.

Members indicated that the Executive Director had had a meeting with one of the Members who was back benching and that he had subsequently sent her a comprehensive response to her enquiries. However, some of the issues raised at the meeting were new and not been raised with him previously. The Chair suggested that the additional information be forwarded to the Executive Director so that he could respond to it in due course.

**RESOLVED:** That (1) the response be noted;

(2) the Executive Director (Urban Living) submit a report initially to the Chair for consideration and that she would in turn then determine whether the report ought to be included on the agenda for the next ordinary meeting of the Overview and Scrutiny Committee.

(See also Minute 373)

378. **Community Schools Pilot Evaluation Report - Reference from the meeting of Cabinet held on 15 December 2005:**

An Officer introduced the report which had been prepared in response to a reference from the Cabinet meeting held on 15 December 2005 on Community (Extended) Schools Roll-out. She responded to questions from Members and undertook to develop links with the Grants Advisory Panel as a way of enabling voluntary sector organisations to help deliver the Childcare element of extended schools.

It was noted that the reference had been submitted to the Overview and Scrutiny Committee rather than the Lifelong Learning Sub-Committee, as the report of the Scrutiny Review Group set up to consider this matter had initially been considered by the Overview and Scrutiny Committee as part of the Overview and Scrutiny review of the New Harrow Project.

Members considered the work carried out by officers and indicated that they were encouraged that all the recommendations of the Review Group had been taken on board.

**RESOLVED:** That (1) the report be noted;

(2) the report of the Director of Learning and Community Development be submitted to the Lifelong Learning Sub-Committee for information;

(3) future reports on Community Schools be submitted to the Lifelong Learning Sub-Committee for consideration;

(4) the Director of Learning and Community Development be requested to develop links with the Grants Advisory Panel.

(See also Minute 373).

379. **Reference from the Tenants' and Leaseholders' Consultative Forum meeting held on 5 January 2006:**

The Executive Director (Urban Living) introduced the report which had been prepared in response to a recommendation from the Tenants' and Leaseholders' Consultative Forum (TLCF) held on 5 January 2006 in relation to late repairs.

The Executive Director offered his apologies to Members for the situation that has arisen at the TLCF and indicated that steps had been taken within the Urban Living Directorate to ensure that the situation did not arise again. He added that the Director of Corporate Governance had written to all Directorates stating the need to adhere to the administrative arrangements.

Members commented as follows:-

- that late reports were unacceptable and that the participation of members of the public at meetings was to be taken seriously;
- that they were pleased to learn that this matter was being addressed by the Council's Corporate Management Team (CMT) and that they looked forward to a report back on the outcome of the discussions at CMT;
- that transparency of decision-making was also important.

**RESOLVED:** That the report be noted.

380. **Civic Budget 2006/07:**

Members received a presentation from the Director of Financial and Business Strategy, which provided an overview of Harrow Council's Draft Budget for 2006/07 and the consultation process undertaken. The Director referred to the report titled '2006-07 Revenue Budget and Medium Term Budget Strategy 2006-07 to 2008-09', which had been circulated with the agenda. She stated that the report had been considered by the Cabinet on 15 December 2005 and that her presentation would set out the position on the budget since that meeting.

The Director provided details of the main Revenue Budget, the Council Tax, the Housing Budget and Rents and the Capital Investment Programme. She undertook to circulate the presentation slides to Members.

The Director presented the key budget headlines. The key issues outlined were:-

Spending - The Director stated that in the current year the total amount of money that the Council intended to spend on services was £484m, of which £125m would be spent on schools. She added that after schools, the biggest spend was in the provision of the following services: Housing and Council Tax Benefits, Community Care and Children's Services.

She then outlined how the remaining money would be allocated.

Funding - The Director identified the funding sources and informed Members that £166m would be in the form of a general Government grant. However, from next year, £110m of that grant would be ring-fenced for schools.

The Financial Settlement - Members were informed that Harrow's provisional settlement of 2% was poor. The Director stated that an additional £1.3m had been received for concessionary fares. She added that the final settlement would be announced on 6 February 2006.

Pressures on the Base Budget - The Director identified the following issues which would affect the 2006-07 budget:-

- the pay awards and the increase in pension contributions;
- increase in the cost of freedom passes;
- other inflation;
- reduced income from Land Charges;
- costs associated with children's placement and asylum seekers.

Technical Changes - It was reported that:

- a restructuring of long-term debts had been carried out;
- insurances were being renewed and savings were anticipated;
- a review of capitalisation was underway.

The Director stated that, after taking into account the provisional grant, changes outlined above, the collection fund and tax base, it equated to a Council Tax increase of approximately 3% before any new growth or savings had been considered.

Members were informed of the priority areas in each of the Directorates (Urban Living, People First, Corporate) which would result in additional pressures on the budget. The Director highlighted the need to deliver on Local Area Agreements to ensure receipt of

future reward grants. It was reiterated that the Schools Budget was now completely ring-fenced.

GLA Precept - The Director outlined the proposals contained in the Mayor of London's draft consultation budget which showed an increase of £42 per Band D household per year, which included £20.00 for 2012 Olympics and £11.00 for extra policing.

Reserves - The Director reported that the Council was forecasting reserves of £4m at the end of 2005-06 and that a detailed risk assessment was being carried out, to determine the level required in future.

Consultation Process - Members were informed of the consultation carried out which included the Open Budget Process and a series of meetings with stakeholders. It was noted that the Cabinet on 16 February 2006 would consider the responses and that the full Council on 23 February 2006 would debate and determine the budget for 2006-07 to enable Council tax billing to commence.

Housing Budget - The Director reported that there would be no increase in rent in 2006/07. The increase thereafter would be 4.7%.

Capital Investment Programme/Capital Financing - The Director described the Council's intended programme and how it would be funded.

Members thanked the Director for her presentation and welcomed the Portfolio Holder for Business Connections and Performance to the meeting.

In response to questions, the Portfolio Holder and the Director stated that:-

- it had not been possible to provide a detailed breakdown of the budget and that the implications of the provisional settlement were still being assessed. Further details would emerge when the final settlement was announced. The Portfolio Holder advised that the proposals from the Administration would be published before the February 2006 Cabinet meeting;
- debt restructuring had been carried out following specialist advice;
- the Council was lobbying the Government on the poor settlement;
- the changes in the formulae had adversely affected London Boroughs;
- two factors had contributed to the decision on rents – the potential loss of subsidy and timing of income and expenditure to deliver Decent Homes Standard
- once the Mayor of London's budget had been agreed, the Council was obliged to collect the precept levied;
- a report on risk assessment would be submitted to the Committee in March 2006;
- the BTP contract included guaranteed savings and that it had been through a vigorous scrutiny process. This was in complete contrast to the savings forecast but subsequently not achieved in relation to the Print Room.

A Member commented that there was no guarantee that the savings in relation to the BTP would be captured.

**RESOLVED:** That (1) the presentation be noted;

(2) a meeting to discuss the priorities in the budget be held when further information was available, with the status of the meeting to be agreed by the Chair and the Vice-Chair;

(3) it be noted that a report on risk assessment would be submitted to the March 2006 meeting of the Committee;

(4) it be noted that a report on Procurement savings, which had previously been requested, would be submitted to the March 2006 meeting of the Committee.

(See also Minute 373).

381. **Open Budget Process:**

The Director of Financial and Business Strategy updated Members on the Open Budget Process and highlighted concerns that had been raised recently. She informed Members that the report from the Power Inquiry was imminent.

The Chair of the Open Budget Steering Group, who was also the Portfolio Holder for Business Connections and Performance, had been invited to the meeting to respond to questions on the Open Budget Process.

The Portfolio Holder referred to the statement received from the Research Director of the Power Inquiry which had been tabled at the meeting for information. He added that the statement from the Power Inquiry was in response to the concerns raised by Members on the Open Budget Process.

In response to questions from Members, the Director and the Portfolio Holder stated that:-

- consideration would be given to the results received from the Assembly and the Open Budget Panel and that the results would help determine priorities in the final Budget;
- the Open Budget Panel also had the responsibility of commenting on the final budget and whether the Panel's views had been taken into account by the Council when setting the budget;
- the results of the Assembly would be circulated to the Members of the Overview and Scrutiny Committee.

A local resident who was a member of the Open Budget Panel had been invited to the meeting under the provisions of Overview and Scrutiny Procedure Rule 21.1. He expressed concern about the process and highlighted the problems experienced by the Open Budget Panel.

In response, the Chair of the Open Budget Steering Group stated that the Open Budget Process was an experiment and a new method of consulting on the budget which had not been tested in the United Kingdom before. It was unfortunate that the process was experiencing problems and he assured Members that a review of the entire process would be undertaken to see what lessons could be learnt. He added that the quality and the value of previous consultation methods had diminished. As a result, the Power Inquiry had been appointed to try and improve the way in which the Council consulted on the budget.

**RESOLVED:** (1) That the report of the Power Inquiry be submitted to the next meeting of the Overview and Scrutiny Committee;

(2) to note and welcome that a review of the Open Budget Process would be carried out to see what lessons could be learnt and that the findings reported to the Overview and Scrutiny Committee;

(3) that members of the public who had participated in the Open Budget Panel be thanked for their work;

(4) to formally record the valuable contribution members of the public made to the Scrutiny process.

(See also Minute 373).

382. **Business Transformation Project (BTP):**

A 'Partnership Log', which monitored progress and provided a record of both Harrow and Unison BTP staff issues, was tabled at the meeting for information. The request for the 'Partnership Log' had been received from the Chair after the agenda had been despatched.

Officers introduced the report and responded to Members' questions. The Officers stated that:-

- a guided tour of the First Contact reception was expected to take place on 16 February 2006;

- samples of benefit realisation cards (Strategic Procurement Benefit Cards) would be submitted to a future meeting of the Overview and Scrutiny Committee;
- the internal Communications Strategy was now in place and that the formal channels of communication were used to keep staff informed of the developments;
- a report on the external Communications Strategy would be presented to the next meeting of the Publications Advisory Panel;
- further reports on the BTP, the Communications Strategies and the strategic risks associated with the Project would be submitted to the Overview and Scrutiny Committee;
- governance arrangements were in place;
- posts would be filled in various ways, by applying assimilation and/or ring-fencing or through open competition.

Officers were thanked officers for their work and the 'partnership log' was welcomed in light of the concerns expressed by staff.

**RESOLVED:** That the report be noted.

(See also Minute 373).

383. **Harrow IT Services Update Report:**

Officers introduced the report and outlined the current status of the programme of works being implemented as part of the Council's ICT Strategy. They highlighted the key achievements and reported on a number of infill projects that had recently been completed. Members were informed that officers were now focussing on the Storage Area Network (SAN) which was being upgraded to accommodate BTP requirements. It was explained that an alternative plan had been prepared to ensure that there was no delay on the BTP as a result of any delay relating to the work on SAN.

The officers explained the recruitment process and stated that this would commence in March 2006. Members were assured that consultation with staff and Unison would commence shortly. It was acknowledged that the delay in the restructuring had impacted on staff morale and the revenue budget.

Members were referred to the need to benchmark performance against other local authorities and to deliver 'upper quartile' performance. It was noted that Harrow was currently in the 'third quartile'. Members expressed concern that Harrow was in the 'third quartile'.

Officers responded to questions from Members as follows:-

- that all Information Technology (IT) systems were regularly backed-up;
- that the ability to recover systems was achievable but difficult;
- that the BTP would introduce effective IT systems;
- that discussions with Capita were underway in order to identify 'hot' sites;
- that the Council had received a few enquiries under the Freedom of Information Act and that each request received was recorded;
- that computers were recycled by making them available to the voluntary sector and charities.

**RESOLVED:** That the report be noted and an update submitted to the next meeting.

384. **HOST Project:**

The Director of Strategy (People First) introduced the report and informed Members that:-

- the HOST Project was a four year programme;
- Phase 1 of the project would be implemented by the end of the current financial year;



- the governance arrangements were set out in the information paper appended to the report;
- that funding for Phase 2 of the Project was subject to Cabinet approval.

Members commented on the governance arrangements and the possible overlap in membership of the bodies set up to oversee the project.

**RESOLVED:** That (1) the Director of Strategy (People First) be requested to submit an information report to the next meeting of the Overview and Scrutiny Committee, setting out the governance arrangements and the role, including the membership, of the bodies set up to oversee the project;

(2) that all reports on the HOST be submitted to the Health and Social Care Scrutiny Sub-Committee to enable monitor the Project.

(See also Minute 373).

385. **Harrow, West London and London 2012:**

The Director of Strategic Planning introduced the report, which had been considered by the Cabinet on 15 December 2005. The report sought to raise awareness of national, London and West London Alliance activity, and to seek cross – Council involvement in developing Harrow’s own plans to be involved in, and benefit from, the London 2012 Olympics.

Members were informed that the “Harrow Olympics Task Force”, an informal Member-led cross-party set up by Cabinet, had not yet met but that discussions were underway with the relevant Portfolio Holders with a view to arranging a meeting.

The Director reported that since the report had been written, a number of developments had taken place through the West London Alliance. He advised that a conference which would be addressed by the Minister for Sport would take place on 28 February 2006, to explore issues for West London. In addition, the West London Alliance had agreed to appoint Consultants and a dedicated Olympics Officer. Members were informed that the Olympic Committee would oversee the provision of transport to and from the Olympic site(s).

The Director acknowledged that the resource available at the Royal National Orthopaedic Hospital (RNOH) for the Paralympics should be proposed and he undertook to take this issue forward. He confirmed that both the Council and the Voluntary Sector would be expected to provide volunteers for the Olympics.

Members commented as follows:

- that they were concerned that no provision had been made in the budget for a tourism officer and that the concerns be conveyed to Cabinet;
- that the report to the Cabinet had not made reference to organisations that would take lead roles, such as Harrow Sports Council;
- that no mention was made of the Paralympics;
- that parking in Harrow would be an issue and that this matter ought to be addressed in consultation with the Council’s partners.

It was noted that the Environment and Economy Scrutiny Sub-Committee would be receiving a report on the history and concerns surrounding parking in Stanmore at its March 2006 meeting.

**RESOLVED:** That (1) the report be noted;

(2) the concerns that no provision had been made in the budget for a tourism officer be conveyed to Cabinet;

(3) a report on parking provision in relation to the Olympics be submitted to the Overview and Scrutiny Committee;

(4) an update on Harrow, West London and London 2012 be submitted to a future meeting of the Overview and Scrutiny Committee.

(See also Minute 373).

**386. Update on Current Reviews:**

An officer introduced the report which set out the progress made on the Middle Management (MMR) and the 'Hear/Say' Reviews. It was noted that the Chair and the Chief Executive of the Harrow Association of Voluntary Services (a co-leader of the Hear/Say Review) would present the Hear/Say Review to Cabinet in February 2006.

**RESOLVED:** That the report be noted.

**387. Scrutiny Communications:**

Members received a presentation on improving communications with a view to promoting engagement with scrutiny. An Officer outlined some of the aims of the project which were to:

- educate people about scrutiny, its purpose and its aims;
- invite the Council's partners and the public to suggest topics for review;
- encourage attendance at scrutiny meetings;
- engage with experts and witnesses to provide evidence or assist with reviews;
- generate dialogue.

Members were informed that the main basis of communication would be through the Internet, supplemented by targeted information by other forms of media, for example one-off events. Members' views were sought on the balance to be struck between the content of the Internet site and information available internally on the Intranet. In addition, a bulletin would be produced for Members to update them on the work undertaken. The officer requested feedback on both. Copies of the presentation slides on Scrutiny Communications and the draft bulletin were provided to Members at the meeting.

Members suggested that the presentation and the draft bulletin be made available to all the Scrutiny Sub-Committees so that Members could provide feedback on the proposals. Members also highlighted the need to provide information in the local press and through 'Harrow People'.

**RESOLVED:** That (1) the presentation be noted;

(2) Members' comment on the proposals contained in the presentation 'Scrutiny Communications' and the bulletin;

(3) Members of the Scrutiny Sub-Committees be requested to provide feedback on the proposals.

**388. Any Other Business:****Role of the Best Value Advisory Panel**

A Member referred to the report on the role of the Best Value Advisory Panel, which had been circulated with the Information Circular. He indicated that this matter had been added to the agenda as it was appropriate to place on record that excellent work had been carried out by Members of the Panel, which had called on officers to account for their actions.

It was noted that the residual duties of the Panel would be transferred to the Overview and Scrutiny Committee and its Sub-Committees and that changes to the Council's Constitution would be required before Scrutiny could subsume the role previously carried out by the Panel.

A Member stated that he had opposed the dissolution of the Best Value Advisory Panel as he considered the functions of the Panel and Scrutiny to be different. The former was officer-led and the latter an independent Member-led function working with local people to improve services.

**RESOLVED:** That the Director of People, Performance and Policy be requested to submit a report on how Scrutiny would fulfil the role given and the implications on its resources.

**389. Extension and Termination of the Meeting:**

In accordance with the provisions of Overview and Scrutiny Procedure Rule 67(ii) (b), it was

**RESOLVED:** (1) At 10.00 pm to continue until 10.30 pm;

(2) at 10.30 pm to continue until 10.45 pm;

(3) at 10.45 pm to continue until 11.00 pm.

(Note: The meeting, having commenced at 7.31 pm, closed at 11.00 pm).

(Signed) COUNCILLOR JEAN LAMMIMAN  
Chair