
REPORT OF CABINET

MEETING HELD ON 15 FEBRUARY 2007

Chairman: * Councillor Chris Mote

Councillors:	* David Ashton	* Janet Mote
	* Marilyn Ashton	* Paul Osborn
	* Mrs Camilla Bath	* Mrs Anjana Patel
	* Miss Christine Bednell	* Eric Silver
	* Mrs Kinnear	

* Denotes Member present

[Note: Councillors Nana Asante, Margaret Davine, B E Gate, Navin Shah and Bill Stephenson also attended this meeting to speak on the item indicated at Minute 183 below].

PART I - RECOMMENDATIONS

RECOMMENDATION I - Key Decision - Revenue Budget 2007/8 to 2009-10

The Director of Financial and Business Strategy introduced the report, which set out the proposed revenue medium term budget strategy (MTBS) for 2007-08 and 2009-10 and advised that, in considering its budget and Council Tax proposals for 2007-08, Cabinet and Council would need to strike a balance between the interests of the service users, the community in general and those of the Council Tax payers. In overall terms, whilst progress had been made, the Council was still facing considerable financial pressure and had a low level of reserves. The organisational restructure and service reviews, which were proposed to commence almost immediately the budget was set, would have a significant impact on the delivery of the Council's Medium Term Budget Strategy.

The Director of Financial and Business Strategy reported that the proposed Council Tax increase was 4.90%.

The Portfolio Holder for Finance and Business Matters advised that the budget had taken into account views of residents and stakeholders, but regretted that it had not been possible to address all concerns due to the Council's difficult financial position. The Portfolio Holder thanked the Open Budget Panel for their contribution to a robust budget with a transparent level of detail. He added that the organisational and service reviews would improve efficiency and identify savings.

Having approved the Medium Term Revenue Budget Strategy, a number of proposals in relation to fees and charges, and the Medium Term Budget Strategy for the Housing Revenue Account, it was

Resolved to RECOMMEND:

That (1) the 2007-08 Revenue Budget be approved to enable the Council Tax for 2007-08 to be set;

(2) the model Council Tax resolution set out at Appendix 1 be approved;

(3) the new reserves policy set out at Appendix 2 be approved;

(4) the Housing Revenue Account for 2007-08 set out at Appendix 3 be approved and in particular to agree to:

- (i) increase rents by 5% on average from 1 April 2007;
- (ii) note that rents and service charges for tenants will be de-pooled from 1 April 2007;
- (iii) increase garage rents to £12.75 per week from 1 April 2007;
- (iv) increase car parking rents to £8.37 per week from 1 April 2007;
- (v) increase the administration charge for leaseholders to 20% from 1 April 2007 to cover costs;
- (vi) increase energy charges by 70p per week from 1 April 2007;

(5) the Members' Allowances Scheme attached as Appendix 4 be approved.

Reason for Recommendation: To ensure that the Council was planning the use of resources effectively. The approved budget provided the framework for effective financial management throughout the year and supported service delivery.

(See also Minutes 178 and 188).

RECOMMENDATION II - Key Decision - Treasury Management and Prudential Indicators 2007/8 - 2009/10

The Director of Financial and Business Strategy introduced the report, which set out the Council's Treasury Management Strategy for 2007-08 and the levels at which the Prudential Indicators should be set for the three financial years 2007-08 to 2009-10. She advised that the Council took a risk-averse approach with its investment of public money.

Resolved to RECOMMEND:

That (1) the Treasury Management Strategy for 2007-08, as set out in paragraphs 5 to 17 of the report of the Director of Financial and Business Strategy be approved;

(2) the Prudential Indicators for 2007-08 to 2009-10, as set out in paragraphs 18 to 39 of the report of the Director of Financial and Business Strategy, be approved.

Reason for Recommendation: To promote effective financial management and comply with the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 and other relevant guidance.

(See also Minute 190).

APPENDIX 1**HARROW COUNCIL****COUNCIL TAX RESOLUTION 2007-2008**

Cabinet to approve as part of the Summons for Council, the model budget and Council Tax resolutions reflecting the recommendations of Cabinet and the GLA precept.

Council is requested to determine the level of the Council Tax for 2007-2008 in the light of the information on the precept and make the calculations set out in the resolution shown below.

- (1) To note that at its meeting on 18 January 2007 the Council calculated the amount of 84,926 as its Council Tax Base for the year 2007-2008 in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 made under Section 33 (5) of the Local Government Finance Act 1992.
- (2) That the following amounts be now calculated by the Council for the year 2007-2008, in accordance with Sections 32 to 36 of the Local Government Finance Act 1992:
- (i) Being the aggregate of the amounts which the Council estimates for the items set out in Section 32 (2) (a) to (e) of the Act. **(Gross expenditure)** £476,461,610
- (ii) Being the aggregate of the amounts which the Council estimates for the items set out in Section 32 (3)(a) to (c) of the Act. **(Gross income including use of reserves)** £321,387,980
- (iii) Being the amount by which the aggregate at (i) above exceeds the aggregate at (ii) above, calculated by the Council, in accordance with Section 32(4) of the Act, **as its budget requirement for the year.** £155,073,630
- (iv) Being the aggregate of the sums which the Council estimates will be payable for the year into its General Fund in respect of redistributed non-domestic rates, revenue support grant, reduced by the amount of the sums which the Council estimates will be transferred in the year from its General Fund to its Collection Fund in accordance with Section 97(4) of the Local Government Finance Act 1988 (Collection Fund Deficit) £59,998,630
- (v) Being **the amount to be raised from Council Taxes** Calculated as the amount at 2 (iii) above less the amount at 2 (iv.) above. £95,075,000
- (vi) Being the amount at (v) divided by the Council Tax Base, calculated by the Council at its meeting on 18 January 2007 in accordance with Section 33 (1) of the Act, as the basic amount of its council tax for the year. **(The average Band D Council Tax)** £1,119.50
- (vii) Valuation Bands

	A	B	C	D	E	F	G	H
£	746.33	870.72	995.11	1,119.50	1,368.28	1,617.06	1,865.83	2,239.00

Being the amounts given by multiplying the amount at (vi.) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

- (3) That it be noted that for 2007-2008 the Greater London Authority stated the following amount in precept issued to the Council, in accordance with section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below

Valuation Bands

	A	B	C	D	E	F	G	H
£	202.59	236.35	270.12	303.88	371.41	438.94	506.47	607.76

- (4) That, having calculated the aggregate in each case of the amounts at (2)(vii) and (3) above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2007-2008 for each of the categories of dwellings shown below

Valuation Bands

	A	B	C	D	E	F	G	H
£	948.92	1,107.07	1,265.23	1,423.38	1,739.69	2,056.00	2,372.30	2,846.76

HARROW COUNCIL

REVENUE BUDGET SUMMARY 2007-2008

	2006-2007 Approved Budget £000	2007-2008 Original Budget £000
Local Demand - Borough Services		
Corporate	4,153	4,643
Business Development	15,901	13,934
Chief Executive's Office	1,340	1,320
People First	108,359	108,419
Urban Living	54,987	51,728
Pay and Price Inflation		6,446
Total Directorate Budgets	184,740	186,490
Capital Financing adjustments	(30,334)	(26,488)
Interest on Balances	(4,588)	(4,688)
Total – Baseline	149,818	155,314
Capitalisation	(1,440)	(1,240)
Contribution to Balances	0	1,000
RSG Amending report	208	0
Total Net Expenditure	148,586	155,074
Contribution re Collection Fund Deficit b/f	364	350
National Non-Domestic rate (NNDR)	(49,417)	(51,676)
Revenue Support Grant (RSG)	(9,539)	(8,673)
Local Demand on Collection Fund	89,994	95,075
Funds / Balances		
Balances Brought Forward	1,839	1,839
Adjustment to Balances	0	1,000
Balances Carried Forward	1,839	2,839
Council Tax for Band D Equivalent		
Harrow (£)	1,067.19	1,119.50
<u>Increase</u>		
Harrow (%)	2.49%	4.90%
Taxbase	84,326	84,926

APPENDIX 2**RESERVES AND PROVISIONS**

The recommended reserves policy is as follows:

The Council intends to add £1m to reserves and provisions each year until such time as general balances exceed £5m.

The rationale for this new policy is set out below.

Councils need balances so that they can deal with unforeseen calls on resources without disrupting service delivery. It is the responsibility of each authority to set its level of reserves based on local conditions, but taking into account national factors. Although advice can be sought from the external auditor it is not their responsibility to prescribe the appropriate level.

Each year the External Auditor conducts an assessment called Use of Resources, and allocates a score out of 4 for financial reporting, financial management, financial standing, internal control and value for money. This forms part of the Council's corporate performance assessment. The overspend in 2005-06 and low level of balances at 31 March 2006 resulted in the Council scoring 1 for financial standing in the assessment this year. The overall score was 2.

The use of resources model requires a risk assessment to be carried out to determine the level of reserves. The Audit Commission also expects a good authority to review its reserves on an annual basis.

The risk assessment above shows that the total risk identified has been quantified at £3.4m. However, the appropriate level of reserves for a council to hold is extremely subjective. It is important to find a balance between being at risk of wiping out all reserves in a single bad year and having excessive reserves and thereby wasting taxpayer's money.

The Council should at least be able to cope with a modest overspend in any one year and still be in a stable financial position.

The target level of reserves depends on:

- The degree of risk contained in the budget
- The effectiveness of budget monitoring during the year
- The effectiveness of balance sheet management during the year
- The extent to which the Council has earmarked reserves and provisions to deal with specific items

Harrow is moving towards a lower risk budget and there are no unallocated savings or unconfirmed income streams in the final budget. There are however substantial itemised savings (£14m in total). Harrow has also made considerable improvements to its budget monitoring arrangements this year. However, there are very few earmarked reserves and provisions and there is considerable historic debt.

Taking all this together, the target level for reserves should be £5-£7m. The proposed budget includes an annual contribution to reserves of £1m. A greater annual contribution is not feasible given the Council's financial position. As at 31 March 2006 the level of General Fund Reserves was £1.8m. The forecast to 31 March 2007 is currently £1.5m. Therefore, depending on the outturn in each year, general fund balances of £5m should be achieved in 4-5 years.

APPENDIX 3**HOUSING REVENUE ACCOUNT (HRA) - 3 YEAR BUDGET SUMMARY - FINAL**

	Final Budget 2007-08 (Feb 06)	Final Budget 2008-09 (Feb 06)	Final Budget 2009-10 (Feb 06)	Key areas of change
Expenditure				
Employee Costs	2,961,797	3,050,651	3,142,170	
Supplies & Services	1,599,270	1,599,270	1,599,270	
Central Recharges	1,411,180	1,411,180	1,411,180	
Employee Costs - Needs / Strategy	354,222	364,849	375,794	
I T Projects	70,000	70,000	70,000	
Recharge to other services	-502,528	-502,528	-502,528	Contribution from General Fund for Locata removed. HRA to fully fund Locata.
Home Ownership service	259,170	259,170	259,170	
Baseline expenditure	6,153,111	6,252,592	6,355,057	
Contingency	200,000	200,000	200,000	Reduction in consolidated contingency budget for repairs and general HRA to reflect level of planned spend.
Operating Expenditure	6,353,111	6,452,592	6,555,057	
Charges for Capital	5,338,317	5,767,990	6,151,937	Reflects increased borrowing costs as a result of further capital investment to ensure the delivery of decent homes by 2010.
Contribution to Repairs Account	4,668,490	4,568,490	4,468,490	Planned reduction across the 3yrs to deliver demand for tenant repairs in advance of properties meeting decent homes standard.
RCCO	1,000,000	1,500,000	1,500,000	Contribution from revenue to decent homes capital investment costs to better manage borrowing costs.
Bad or Doubtful Debts	100,000	100,000	100,000	
Total Expenditure	17,459,918	18,389,072	18,775,484	

	Final Budget 2007-08 (Feb 06)	Final Budget 2008-09 (Feb 06)	Final Budget 2009-10 (Feb 06)	Key areas of change
Income				
Rent Income – Dwellings	-19,979,550	-20,912,705	-21,889,227	Reflects accom- modation rent only increased by 5%.
Rent Income – Non Dwellings	-911,868	-911,868	-911,868	Reflects recommended increase in garages and car parking rent
Service Charges - Tenants	-1,118,646	-1,174,578	-1,233,307	Service charges for tenants now shown separately from accom- modation rent.
Service Charges - Leaseholders	-255,488	-268,262	-281,676	Reflects recommended increase in admin cost to improve recovery of leasehold services costs.
Facility Charges	-335,849	-363,201	-394,109	Reflects increased charges to improve recovery of rising energy bills.
Interest	-17,000	-17,000	-17,000	
Other Income	-7,820	-7,820	-7,820	
Transfer from General Fund	-83,000	-83,000	-83,000	Reduced contribution from HGF to be recovered through depooled service charges and direct charge to community hall users.
HRA Subsidy	5,030,240	5,113,943	5,613,943	
Total Income	-17,678,982	18,624,492	-19,204,064	
In Year Deficit / (Surplus)	-219,063	-235,420	-428,581	
BALANCE	-6,612,063	-6,847,484	-7,276,064	

APPENDIX 4

LONDON BOROUGH OF HARROW
MEMBERS' ALLOWANCES SCHEME

1. This scheme shall have effect until 31st March 2008. It replaces all former schemes.

Basic Allowance

2. A basic allowance of £5,526 per annum shall be paid to each Councillor.

Special Responsibility Allowance

3. (1) A special responsibility allowance shall be paid to those Councillors who have the special responsibilities in relation to the posts specified in Schedule 1 to this scheme. No Member may receive special responsibility allowances in respect of more than one post.
(2) The amount of each such allowance shall be the amount specified against that special responsibility in that schedule.

Upgrading the Basic and Special Responsibility Allowances

4. The basic allowance and special responsibility allowances will be upgraded annually in line with an index approved by the ALG Independent Panel. The index to be used will be the level of the Local Government Pay Settlement. When making the scheme for 2008/2009, the indexing arrangements will be reviewed.

Travel and Subsistence Allowances

5. The reimbursement of travel and subsistence expenses incurred in respect of **approved duties** (as set out in Schedule 2) **undertaken outside the Borough boundaries** can be claimed by Members, co-optees to formal Council committees and Independent Members of the Standards Committee at the rates paid and on the conditions specified in the officer scheme for travel and subsistence allowances.

Carers' Allowance

6. (1) The allowance shall only be paid for attendance at approved duties as listed in Appendix A.
(2) The maximum basic rate of pay is £2.77 per half hour for the duration of the meeting together with the Member's travel time between home and the place of the meeting and the carer's reasonable travelling time.
(3) The allowance is claimable in respect of children aged 15 or under or where a professional carer is required to meet a specialist need (eg a nurse for an elderly person).
(4) Actual costs will be paid **on production of an invoice or receipt**.
(5) Where the length of the meeting cannot be predicted and payment to the carer is necessarily contractually committed then a payment of up to 4 hours will be made. (For day time quasi-judicial meetings, payment of up to 8 hours may be made if the estimated length of the meeting is for the whole day).
(6) In addition, the reasonable travelling expenses of the person taking care of the dependent shall be reimbursed either at the appropriate public transport rate, or in cases of urgency or where no public transport is available, the amount of any taxi fare actually paid.
(7) The allowance is not to be paid where the carer is a member of the Member's household.
(8) Any dispute as to the entitlement and any allegation of abuse should be referred to the Standards Committee for adjudication.

Co-optees' Allowance

7. A basic allowance of £423 per annum shall be paid to co-optees to formal Council committees and Independent Members of the Standards Committee.

Claims and Payments

8. (1) A claim for allowances or expenses under this scheme shall be made in writing within two months of the date of undertaking the duty in respect of which the entitlement to the allowance or expense relates.
 - (2) Payment shall be made
 - (a) in respect of basic and special responsibility allowances, in instalments of one-twelfth of the amount specified in this scheme each month;
 - (b) in respect of out-borough travel and subsistence expenses and Carers' Allowance, each month in respect of claims received up to one month before that date.

Backdating

9. Any changes made to this scheme during the year may be backdated to 1st April 2007 by resolution of the Council when approving the amendment.

Pensions

10. Allowances paid under the Harrow Members' Allowances Scheme will **not** be pensionable for the purposes of the Superannuation Act.

Renunciation

11. A person may, by notice in writing given to the Chief Executive, elect to forgo any part of his/her entitlement to an allowance under this scheme.

Withholding Allowances

12. (1) In the event that a Member is suspended from duties, that Member's basic allowance and special responsibility allowance (if any) will be withheld for the whole period of the Member's suspension.
 - (2) In the event that a Member is partially suspended from duties, that Member's basic allowance will be paid but their SRA, if any, will be withdrawn for the period of the partial suspension.

Appendix A**Approved duties for Carers' Allowance**

- A meeting of the Executive.
- A meeting of a committee of the executive.
- A meeting of the Authority.
- A meeting of a committee or sub-committee of the Authority.
- A meeting of some other body to which the Authority make appointments or nominations, or
- A meeting of a committee or sub-committee of a body to which the Authority make appointments or nominations.
- A meeting which has both been authorised by the Authority, a committee, or sub-committee of the Authority or a joint committee of the Authority and one or more other authorities, or a sub-committee of a joint committee and to which representatives of more than one political group have been invited (if the Authority is divided into several political groups) or to which two or more councillors have been invited (if the authority is not divided into political groups).
- A meeting of a Local Authority association of which the Authority is a member.
- Duties undertaken on behalf of the Authority in pursuance of any Procedural Rule of the Constitution requiring a member or members to be present while tender documents are opened.
- Duties undertaken on behalf of the Authority in connection with the discharge of any function of the Authority conferred by or under any enactment and empowering or requiring the Authority to inspect or authorise the inspection of premises.
- Duties undertaken on behalf of the Authority in connection with arrangements made by the authority for the attendance of pupils at a school approved for the purposes of section 342 of the Education Act 1996.

SCHEDULE 1
SPECIAL RESPONSIBILITY ALLOWANCES (SRAs)

There are 10 bands of SRAs:-

Band	Post	SRA £/annum
1	Members/Chairmen of Licensing Panels (See Note (3) below)	258/411
2	Members of the following Quasi-Judicial Panels: Education Awards Appeals Panel NNDR Discretionary Rate Relief Appeal Panel Personnel Appeals Panel Social Services Appeals Panel	264
3	Leader of the third largest Group Deputy Leader of the second largest Group Chief Whips of the two largest Groups Chairman of the Audit Committee	1,233
4	Deputy Mayor	2,115
5	Chairman of Licensing and General Purposes Committee Chairman of the Standards Committee Vice-Chairmen of the Scrutiny Sub-Committees Support Members for the Cabinet	2,466
6	Chairmen of the Scrutiny Sub-Committees Chairman of the Traffic Advisory Panel Chairman of the Grants Advisory Panel Nominated Member of the largest party not holding the Chair of the Development Management Committee	4,932
7	Chairman of the Development Management Committee Chairman of the Overview and Scrutiny Committee Nominated Member of the largest party not holding the Chair of the Overview and Scrutiny Committee Leader of the Second Largest Group	6,936
8	The Mayor	10,050
9	Cabinet Members x 8 Deputy Leader	12,330
10	Leader	17,466

NOTES

- (1) In the Council for 2006 to 2010, the Groups are as follows:-
Largest Group = Conservative Group
Second Largest Group = Labour Group
Third Largest Group = Liberal Democrat Group
- (2) Only one SRA is payable per Member, with the exception of Band 1 SRA, which can be paid in addition to another SRA (see Note (3) below).

- (3) Members of the Licensing and General Purposes Committee are paid an SRA of £258 for their responsibilities in relation to Licensing Panels. Licensing Panel Chairs are paid an SRA of £411. Panel Members and Chairs also receive additional payment if they attend a certain number of meetings as shown below:-

Number of Meetings Attended	Panel Allowance	Member's Allowance	Chair's Allowance
0-4	£258		£411
5-8	£513		£669
9-12	£771		£924
13-16	£1,026		£1,182
17-20	£1,284		£1,437
21-24	£1,542		£1,695
25-28	£1,797		£1,953
29 and above	£2,055		£2,208

Each meeting will consider a number of applications.

The allowance will be paid in 12 monthly instalments, starting at the basic rate, and will be adjusted depending on the number of meetings attended.

The SRA for licensing can be paid in addition to another SRA.

SCHEDULE 2

CLAIMS FOR OUT-OF-BOROUGH TRAVEL AND SUBSISTENCE EXPENSES

Duties Undertaken Out-of-Borough

Claims for travel and subsistence expenses incurred can normally only be paid in respect of approved duties undertaken at venues out of the Borough. Expenses will be reimbursed at the rates paid and on the conditions specified in the officer scheme for travel and subsistence allowances.

1. Members may claim travel and subsistence expenses in respect of the following **out-of-Borough** duties:-
 - (a) Attendance at any meeting which may be convened by the Authority provided that Members of at least two groups are invited and the meeting is not convened by officers.
 - (b) Attendance at a meeting of an outside body to which the Member has been appointed or nominated as a representative of the Council, where the Outside Body does not itself operate a scheme to reimburse travel and subsistence expenses.
 - (c)
 - (i) attendance at an appropriate out-of-Borough conference, seminar, meeting or other appropriate non-political event as a representative of an Outside Body to which that Member has been either nominated or appointed by Council to serve in a role with a specific pan-Authority remit;
 - (ii) attendance at meetings in the capacity of a direct appointee of a Local Authority Association, joint or statutory body or other London-wide or national body subject to the following proviso:

that the Member serves on the appointing body by virtue of an appointment made by Council to an authorised Outside Body;

subject in either case to the Outside Body/Bodies concerned themselves not making provision for any travel and subsistence expenses necessarily incurred.

 - (d) Attendance at a meeting of any association of local authorities of which the Authority is a member and to which the Member has been appointed as a representative.
 - (e) Attendance at a training session, conference, seminar or other non-political event, the attendance fees for which are being funded by the Council through a Departmental or a corporate budget.
 - (f) Attendance at any training session, conference, seminar or other non-political event for which there is either no attendance fee or any attendance fee is being met by the Member him/herself (or from the relevant political group secretariat budget) subject to the relevant Director confirming that the content of the training, conference, seminar or event is relevant to the Member's responsibilities in respect of the services provided by the Authority or to the management of the Authority.
2. Duties for which out-of-Borough travel and subsistence expenses may not be claimed include:-
 - (a) Political meetings or events.
 - (b) Any meetings of 'Outside Bodies' to which the Member has not been appointed or nominated by the Council as its representative.
 - (c) Meetings of the Governing Bodies of Schools.

PART II - MINUTES178. **Declarations of Interest:**

RESOLVED: To note that (1) the following personal interests were declared by Members of Cabinet:

<u>Member</u>	<u>Nature of Interest</u>
Councillor Marilyn Ashton	Council appointee to Agenda 21 and Harrow Heritage Trust
Councillor David Ashton	Assisted Harrow MENCAP with fundraising proposals
Councillor Camilla Bath	Spouse was involved with Homestart in a voluntary capacity
Councillor Miss Christine Bednell	Patron of Harrow Young Musicians
Councillor Mrs Anjana Patel	Board Member of Harrow MENCAP
Councillor Eric Silver	Council representative on the Harrow Primary Care Trust

(2) the following personal interests were declared by Members who were present in the room but were not members of Cabinet:

<u>Member</u>	<u>Nature of Interest</u>
Councillor Mrinal Choudhury	A member of London Kalibari
Councillor Margaret Davine	Had a relative who received Meals on Wheels
Councillor Keith Ferry	Council appointee to Harrow Young Musicians management committee
Councillor B E Gate	Patron of Harrow Young Musicians and a Board Member of the Citizens Advice Bureau
Councillor Julia Merison	A member of Bentley Priory Nature Reserve and had a nephew who had special needs
Councillor Bill Stephenson	Chair of Bentley Priory Nature Reserve

179. **Minutes:**

RESOLVED: That the minutes of the meeting held on 18 January 2007, be taken as read and signed as a correct record.

180. **Arrangement of Agenda:**

The Chairman indicated that he would be reordering the agenda to take item 17, Any Other Urgent Business – Harrow Youth Council immediately before item 5, Public Questions. The item on the Organisational Structure (item 9) would be taken after item 16.

In accordance with Executive Procedure Rule 34.1, the Chairman indicated that he was prepared to waive the time limit in relation to Public and Councillor Questions, as set out in Executive Procedure Rules 16.2 and 17.1 respectively, to enable all of the questions to be put.

RESOLVED: That (1) in accordance with the Local Government (Access to Information) Act 1985, the following agenda items 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>
9. Organisational Structure	The report was not available at the time the agenda was printed and circulated. Members were asked to consider the report to enable the proposed structure to be agreed and implemented.
10. Revenue Budget 2007-08 and 2009-10	The report was not available at the time the agenda was printed and circulated. Members were asked to consider the report to enable the proposed budget to be forwarded to the Council meeting being held on 22 February 2007.
17. Any Other Urgent Business – Harrow Youth Council	Members were asked to accept this item onto the agenda to enable a presentation to be received from the UK Youth Parliament representative

(2) all business be considered with the press and public present with the exception of the following item for the reason set out below:-

<u>Item</u>	<u>Reason</u>
9. Organisational Structure – Confidential Appendix to the report	The appendix to the report contained exempt information as defined in Paragraph 1 of Part I of Schedule 12A to the Local Government Act 1972 (as amended) in that they contained information relating to any individual.

181. **Petitions:**

- (i) Councillor Eric Silver presented a petition containing 69 signatures in relation to the condition of the road in Parkfield Avenue. He read the terms of the petition to the meeting, which were as follows:-

"The petition of the residents of Parkfield Avenue in the Borough of Harrow draws to the attention of the Council to the condition of the road surface, grass verges (including trees) and the pedestrian walkways of Parkfield Avenue. Your petition therefore request that the road be resurfaced, old/tall dangerous trees removed, lay paving stones to replace the scarred tarmac walkways, plant new saplings to replace the trees lost over the last 20 years and top soil and seed grass verges. All work to be generally in line with the quality of work carried out recently to Elmcroft Crescent, Hillview Gardens and Pinner Park Avenue."

RESOLVED: That the petition be received and referred to the Portfolio Holder for Urban Living – Community Safety and Public Realm for consideration.

- (ii) Councillor David Ashton presented a petition containing 383 signatures in relation to Honeypot Lane Parade. He read the terms of the petition to the meeting, which were as follows:

"We, the undersigned, object to the excessive number of commuters (to/from Cannons Park underground station) abusing the restricted car parking facility in and around the service road and shopping parade (junction of Honeypot Lane, Marsh Road, Wemborough Road and Whitchurch Lane). The current situation is totally unacceptable, affecting traders and residents' access to amenities and shops, creating serious health and safety issues. We demand that this matter be addressed in a proper and effective manner, involving the local residents and traders, resulting in a clear solution to this problem."

RESOLVED: That the petition be received and referred to the Portfolio Holder for Urban Living – Community Safety and Public Realm for consideration.

- (iii) A member of the public presented the above, containing 376 signatures, in relation to the Meals on Wheels service. The terms of the petition were read out as follows:

"We, the undersigned, urge you to scrap the proposals for changes in the existing services including increased charges for these vital services. We believe that the proposed charges would lower the quality of meals and affect well-being of the most vulnerable members of Harrow's community. Harrow's employees have demonstrated their commitment to Harrow Council and its people by providing nationally acclaimed high quality services and provided much needed support to the vulnerable service users. We are concerned that apart from lowering the standards of quality and support to the elderly and frail service users we are further concerned that the proposals would ultimately lead to the closure of Milap Kitchen and job losses of the loyal and able employees."

RESOLVED: That the petition be received and referred to the Portfolio Holder for Adult Community Care Services and Issues Facing People with Special Needs for consideration.

182. **Any Other Urgent Business - Harrow Youth Council:**

The Chairman welcomed to the meeting representatives from the Harrow Youth Council (HYC), including the elected UK Youth Parliament (UKYP) representative, who gave a short presentation outlining the role of HYC in providing the youth of Harrow with a voice to influence issues affecting them. The presentation was followed by a question and answer session.

The Portfolio Holder for Issues Facing Young People undertook to provide written responses to the issues raised by HYC, and advised that he would be happy to meet with HYC on a regular basis, and for a Harrow Council representative to attend HYC meetings.

The Chairman stated that he would welcome the involvement of HYC when youth matters were discussed by Cabinet, and added that the discussions with the HYC were cross-party.

RESOLVED: That the above be noted.

183. **Public Questions:**

RESOLVED: To note that the following public questions had been received:-

1.

Questioner: Ms Teresa Jones

Asked of: Councillor Janet Mote – People First, Children's Services Portfolio Holder

Question: The Governing Bodies of Cannon Lane First and Middle School's would like to know why the health and safety of the children and staff are being put at risk by the lack of action to replace the entire school roof and make the building completely water tight.

As it is totally unacceptable to have water dripping into classrooms, onto the corridors, toilet floors and on stair cases that are also fire exits (sometimes via electrical fittings!), when will action be taken to bring our school building up to the standards expected in the 21st century and enable us to provide a high quality learning environment for the children at Cannon Lane Schools?

To reiterate, when will our whole school roof be replaced?

2.

Questioner: Mr Peter Watson

Asked of: Councillor Christine Bednell – Lifelong Learning, Cultural Services and Issues facing Older People Portfolio Holder

Question: At the open forum on Wednesday the 23rd January, Christine Bednell quoted student numbers for two particular years to justify the proposed cut in grant to Harrow Young Musicians. Would she accept that the two figures quoted were not based on the same method of counting. (The higher figure double counted students).

Would she also accept, that if the true figures for the total number of students were used, it would show a dramatic cut in the funding per student and that the proposed cut to the grant for Harrow Young Musicians will seriously endanger the future of this organisation.

3.

Questioner: Mr Tony Holman

Asked of: Councillor Eric Silver - Adult Community Care Services and issues facing People with special needs Portfolio Holder.

Question: I understand that the Wiseworks Manager wrote to Wiseworks customers telling them that Wiseworks would cease trading on 28 February. If this is true on whose authority was this letter written?

4.

Questioner: Ms Ann Freeman

Asked of: Councillor Chris Mote, Leader of the Council and Portfolio Holder for Strategic Overview, External Affairs and Property

Question: 'Has the Cabinet learned from the Wiseworks' experience how to ensure that its clear intentions are carried out by Council Officers?'

5.

Questioner: Mr Alan Brown

Asked of: Councillor Eric Silver - Adult Community Care Services and issues facing People with special needs Portfolio Holder.

Question: Has it been decided that Wiseworks Enterprises is to cease trading?

6.

Questioner: Ms Joan Penrose

Asked of: Councillor David Ashton, Finance and Business Affairs Portfolio Holder

Question: Can the Finance Portfolio Holder confirm that the Special Cabinet decision of 18 January has been implemented by Council officers, that is that 'Wiseworks' will be kept open until all options are developed and consulted upon.

[Note: An oral answer was provided to all questions. Under the provisions of Executive Procedure Rule 16.4, each of the questioners asked a supplementary question which was additionally answered].

184. **Councillor Question Time:**

RESOLVED: To note the following Councillor Questions had been received:

1.

Questioner: Councillor Navin Shah

Asked of: Councillor Chris Mote, Leader of the Council and Portfolio Holder for Strategic Overview, External Affairs and Property

Question: Wouldn't you agree that if a review is required - it is vital that we get the new organisational structure of Harrow Council right and that the hurriedly put together proposals currently before Cabinet, solely driven by financial considerations, need much further consideration, in particular, to allow the Chief Executive designate, adequate time and resources to provide a considered and meaningful input.

2.

Questioner: Councillor Navin Shah

Asked of: Councillor Christine Bednell – lifelong learning, Cultural Services and Issues facing Older People Portfolio Holder

Question: In the draft budget you propose to cut the budget to the Harrow School of Young Musicians (HYM) by 20% ostensibly 'because we should not be funding out-of-borough students'. Are you aware that out-of-borough students pay twice the fees of Harrow students and that they form approximately only 10% of the HYM's students and that this is well within the guidelines of at most 20% out-of-borough membership laid down in the regulations for the receipt of grants by voluntary groups. In the light of this will you not agree that the rationale for cutting the grant to HYM is not fair and proper and that HYM should receive its current funding?

3.

Questioner: Councillor Bill Stephenson

Asked of: Councillor Chris Mote, Leader of the Council and Portfolio Holder for Strategic Overview, External Affairs and Property

Question: Would you confirm that I have approached you on a number of occasions both informally and by email (21.8.06, 6.9.06, 16.10.06) concerning the decision by the Cabinet in August to withdraw from the Community Sports Coaching Scheme at a saving to the revenue budget of £13,000? On each occasion you have promised to get back to me on this and have failed to do so. Could you explain why you have not got back to me and will you confirm once and for all whether you intend to take this matter seriously as this petty cut is damaging sports provision for young people in the Borough, which is particularly galling in the run up to the Olympics.

4.

Questioner: Councillor Thaya Idaikkadar

Asked of: Councillor Anjana Patel, Community Development Portfolio Holder

Question: Why are our voluntary organisations faced with a blanket 10% cut in grant funding, which is being imposed without any consultations or consideration of the dire effects this will have on deserving organisations who at the best of times struggle to survive?

5.

Questioner: Councillor Brian Gate

Asked of: Councillor Paul Osborn - Legal Services and Issues Facing Young People Portfolio Holder

Do you agree with your Conservative colleagues at the GLA that Londoners cannot afford to pay for free travel to under-18s on London Transport and this scheme should be abolished?

6.

Questioner: Councillor Navin Shah

Asked of: Councillor Christine Bednell – Lifelong Learning, Cultural Services and Issues facing Older People Portfolio Holder

Question: A considerable number of loyal but very concerned staff and some service users attending the January Cabinet meeting went away extremely disappointed and angry that no discussion or debate took place to justify the Meals on Wheels Service proposals. The fact there is an enormous amount of anxiety all around, what assurances are you prepared to give that there are no plans of mass redundancies arising from service cuts and privatisation of highly acclaimed services?

7.

Questioner: Councillor Navin Shah**Asked of:** Councillor Chris Mote, Leader of the Council and Portfolio Holder for Strategic Overview, External Affairs and Property**Question:** Can you please explain the rationale behind designating the report as an "urgent one"?

8.

Questioner: Councillor Margaret Davine**Asked of:** Councillor Christine Bednell – Lifelong Learning, Cultural Services and Issues facing Older People Portfolio Holder**Question:** How do we monitor the current 81 Service Users of the Frozen Meals on Wheels service in order to make sure that they are thoroughly and safely reheated daily, and do we have a record of any mishaps that have occurred over the past 2 years?

9.

Questioner: Councillor Margaret Davine**Asked of:** Councillor David Ashton, Finance and Business Affairs Portfolio Holder**Question:** How do you envisage that Harrow's voluntary organisations, many of which survive on a shoestring, and provide highly valued services and support to our community, will be able to continue to function if the 10% cut to funding across the board is confirmed this evening? Do you think this is a fitting way for the Council to say thank you for their efforts?

[Notes: (i) The Chairman indicated that he would permit Councillor Ms Nana Asante to submit question 4 on behalf of Councillor Thaya Idaikkadar;

(ii) An oral answer was provided to all questions. Under the provisions of Executive Procedure Rule 17.4, each of the questioners asked a supplementary question which was additionally answered].

185. Forward Plan 1 February - 31 May 2007:**RESOLVED:** To note the contents of the Forward Plan for the period 1 February – 31 May 2007.**186. Reports from the Overview and Scrutiny Committee or Sub-Committees - School Nurses CYP Scrutiny Challenge Panel Report:**

Cabinet received a report of the Director of Children's Services, which provided an update on the findings of the Children and Young People Scrutiny Challenge Panel on School Nursing. Cabinet was asked to consider the recommendations of the report to inform future decisions and help ensure that progress was made following the review by the Primary Care Trust (PCT) and Acute Trust.

In accordance with Executive Procedure Rule 18, Councillor B E Gate addressed the meeting and introduced the report. The Portfolio Holder for People First - Children's Services indicated her gratitude to the partners and organisations who had been involved in the Challenge Panel, and expressed her delight that the custom of Scrutiny Panel Members attending Cabinet to present reports had continued. The Chairman commented that the report presented a good example of Scrutiny and the Executive working together.

RESOLVED: To (1) note the final report of the Challenge Panel on School Nursing;

(2) endorse the report findings and recommendations.

Reason for Decision: To allow the Sub-Committee to influence discussions around the future provision of school nursing in the Borough. This was particularly pertinent at this time as a new service specification was in development.

187. **Reports from the Overview and Scrutiny Committee or Sub-Committees - Residents' Information Pack:**

Cabinet received a report of the Director of Legal and Governance Services, which introduced the Sustainable Development and Enterprise Scrutiny Sub-Committee's report on Residents' Information Packs and sought Cabinet's guidance on how the issue should be progressed.

In accordance with Executive Procedure Rule 18, Councillor Ms Nana Asante addressed the meeting and introduced the report. The Portfolio Holder for Legal Services and Issues Facing Young People welcomed the report as being wide-ranging and comprehensive, but advised that the Council's difficult financial position meant that the resources were not currently available to commission a business plan or provide a hard copy information pack.

RESOLVED: To request Access Harrow, the Communications Unit and Web Refresh Project to consider and implement those ideas which could be affected within anticipated resources and agreed work plans.

Reason for Decision: To take into consideration the recommendations of the report within existing resources.

188. **Key Decision - Revenue Budget 2007/8 and 2009/10:**
(See also Recommendation I and Minute 178).

Having recommended the Revenue Budget 2007-08, the model Council Tax resolution, the new reserves policy, the Housing Revenue Account for 2007-08 and the Members' Allowances Scheme to Council for approval, it was

RESOLVED: That (1) the Medium Term Revenue Budget Strategy be approved;

(2) in relation to fees and charges:

- (i) non-statutory fees and charges be raised by an average of 2.4% from 1 April 2007;
- (ii) service directorates maintain an annual benchmark review of fees and charges against other local authorities; and
- (iii) service directorates continue to review additional areas of discretionary income generation;

(3) in relation to schools, the budget be approved and it be noted that there were no proposed changes to the LMS formula;

(4) the Medium Term Budget Strategy for the Housing Revenue Account be approved.

Reason for Decision: To ensure that the Council was planning the use of resources effectively. The approved budget provided the framework for effective financial management throughout the year and supported service delivery.

189. **Key Decision - Final Capital Programme 2007-08 to 2009-10:**

The Director of Financial and Business Strategy introduced a report, which set out the final capital programme for 2007-08 and 2009-10.

RESOLVED: To agree (1) the final capital programme for 2007-08 and 2008-09;

(2) the use of capital receipts from the sale of land and other assets held within the Housing Revenue Account for specified purposes.

Reason for Decision: To confirm the capital programme.

190. **Key Decision - Treasury Management and Prudential Indicators 2007/8 - 2009/10:**
(See also Recommendation II).

Having recommended the Treasury Management Strategy 2007-08 and the Prudential Indicators for 2007-08 and 2009-10 to Council for approval, it was

RESOLVED: That the Council's lending list, as set out in Appendix 2 to the report of the Director of Financial and Business Strategy, be approved.

Reason for Recommendation: To promote effective financial management and comply with the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 and other relevant guidance.

191. **Key Decision - Grants to Voluntary Groups 2007-08:**

The Director of Financial and Business Strategy introduced a report, which set out the recommended grants to voluntary groups for 2007-08.

RESOLVED: That the recommendations of the Grants Advisory Panel of 22 January 2007 be approved.

Reason for Decision: To confirm funding to voluntary groups for 2007-08.

192. **Revenue and Capital Budget Monitoring to 31 December 2006:**

The Director of Financial and Business Strategy introduced a report, which set out the monitoring of the Council's revenue and capital budgets. She advised that the Council's management were being reminded at every opportunity to stay within budget. The Portfolio Holder for Finance and Business Matters added that delaying the organisational restructure would cost the Council £10,000 a day.

RESOLVED: That (1) the current revenue and capital monitoring position at the end of the third quarter for 2006-07 be noted;

(2) the virement of capital budgets as set out in Appendix 8 to the report of the Director of Financial and Business Strategy be approved.

Reason for Decision: To monitor effectively the Council's revenue and budgets.

193. **Key Decision - Integrated Mental Health Service:**

Cabinet received a report of the Director of Adult Community Care Services, which proposed the conclusion of a formal partnership agreement with the Central and North West London NHS Mental Health Trust (CNWL) which would establish a sound governance framework for the current integrated service for adults with mental health problems.

The Portfolio Holder for Issues Facing People with Special Needs advised that the agreement would be contained within the existing People First budgets, and that the safeguarding of staff pay and working arrangements would be within the remit of the Health and Social Care Integration Board, which would report to the PCT and Cabinet.

Having noted that the report of the Director of Adult Community Care Services contained a typographical error and that the final sentence of paragraph 2.4.1 (page 293 of the agenda) should read "...assuming that CNWL has the resources..", it was

RESOLVED: To (1) confirm the previous decision to conclude a formal partnership agreement with the Central and North West London NHS Mental Health Trust covering the provision of social care services to adults with mental health problems;

(2) approve the near-final draft version of the proposed Section 31 Agreement (as set out at Appendix 1 to the report of the Director of Adult Community Care Services) as the basis for that agreement;

(3) authorise the Director of Adult Community Care Services to approve any final drafting changes to this agreement in conjunction with CNWL and in consultation with the relevant Portfolio Holder;

(4) instruct officers to undertake a formal consultation with staff and trade unions with a view to achieving a transfer of Council staff to CNWL through a TUPE arrangement, the outcomes of which to be reported to a future Cabinet meeting;

(5) authorise the grant of leases to CNWL for Atkins House and The Bridge on terms to be approved by the Executive Director (Urban Living).

Reason for Decision: The current joint working arrangement in place exposes both the Council and the Trust to a number of risks unless the current informal agreement is regularised by a formal partnership agreement. The conclusion of such an agreement and the commencement of a formal consultation regarding a possible TUPE transfer of Council staff to the Trust both require Cabinet approval.

194. **Key Decision - Tenancy Agreement, Garage Licence:**

The Acting Chief Executive introduced a report, which set out action taken to consult and proposed changes to the tenancy agreement adopted for letting all Harrow Council

houses. The report included reasons for not pursuing introductory tenancies and action being taken to introduce a revised garage licence.

RESOLVED: To (1) implement the revised terms and conditions of tenance;

(2) not to pursue introductory tenancies;

(3) to implement the revised garage licence.

Reason for Decision: To ensure that tenancies and licences are offered on terms and conditions that comply with housing legislation.

195. **Key Decision - Organisational Structure:**

The Acting Chief Executive introduced a report which proposed a revised organisational structure for the Council that would be fit for purpose, contribute to the Council's savings plan and enable the Council to achieve its long-term strategic vision. The revised structure was a critical part of the major management structure savings that the Council needed to make, and the Cabinet decisions in this regard would need to be implemented immediately otherwise there would be a significant impact on the delivery of the Council's Medium Term Budget Strategy.

A revised Appendix 3 to the report of the Acting Chief Executive was tabled, along with a confidential paper which set out the views of members of the Council's senior management who had been consulted in relation to the proposed new structure.

The Chairman advised that the incoming Chief Executive supported the proposed organisation structure and had indicated that he would review it in September 2007.

RESOLVED: That (1) the senior structure set out in Appendix 2 to the report of the Acting Chief Executive be agreed;

(2) authority be delegated to the Leader to consider and if appropriate approve the tier 3 structure recommended by the incoming Chief Executive.

Reason for Decision: To ensure that the Council's organisational structure was fit for purpose, contributed to the Council's savings plan and enabled the Council to achieve its long-term strategic vision.

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

In accordance with the provisions of Executive Procedure Rule 24.2 (Part 4D of the Council's Constitution), it was

RESOLVED: (1) At 9.59 pm to continue until 10.15 pm;

(2) at 10.15 pm to continue until 10.25 pm.

(Note: The meeting, having commenced at 7.34 pm, closed at 10.25 pm).

(Signed) COUNCILLOR CHRIS MOTE
Chairman