



CABINET
THURSDAY 17 JANUARY 2008
7.30 PM

COMMITTEE ROOMS 1 & 2
HARROW CIVIC CENTRE

MEMBERSHIP (Quorum 3, including the Leader or Deputy Leader)

Chairman: Councillor CHRIS MOTE (Leader of the Council)

Councillors:

1. David Ashton
2. Marilyn Ashton
3. Mrs Camilla Bath
4. Miss Christine Bednell
5. Susan Hall
6. Janet Mote
7. Paul Osborn
8. Mrs Anjana Patel
9. Eric Silver

**Issued by the Democratic Services Section,
Legal and Governance Services Department**

Contact:

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Officer**

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HARROW COUNCIL
CABINET
THURSDAY 17 JANUARY 2008

AGENDA - PART I

1. Declarations of Interest
To receive declarations of personal or prejudicial interests arising from business to be transacted at this meeting from:
 - (a) all Members of the Committee, Sub Committee, Panel or Forum; and
 - (b) all other Members present.

2. Minutes (Pages 1 - 8)
Of the Cabinet meeting held on 13 December 2007 to be taken as read and signed as a correct record.

3. Arrangement of Agenda
To consider whether any of the items on the agenda should be considered with the press and public excluded.

4. Petitions
To receive any petitions submitted by members of the public or Councillors.
 - (a) Amalgamation of First and Middle Schools - Agenda Item 11:

To receive a petition in support of the possible amalgamation of West Lodge First and Middle Schools

5. Public Questions*
To receive any public questions received in accordance with paragraph 16 of the Executive Procedure Rules.

Questions will be asked in the order notice of them was received and there will be a time limit of 15 minutes.

6. Councillor Question Time*
Fifteen minutes will be allowed for Members of the Council to ask a Portfolio Holder a question on any matter in relation to which the Executive has powers or duties.

7. Forward Plan 1 January 2008 - 30 April 2008 (Pages 9 - 16)

8. Reports from the Overview and Scrutiny Committee or Sub-Committees
 - (a) Scrutiny Review of Partnership with Accord MP: (Pages 17 - 24)

Report of the Corporate Director of Community and Environment

 - (b) A Review of the Council's Partnership with Accord MP: (Pages 25 - 72)

Report of the Scrutiny Review Group

FINANCE

- KEY** 9. Council Tax Base 2008-09 and Collection Fund (Pages 73 - 82)
Report of the Corporate Director of Finance

STRATEGY AND BUSINESS SUPPORT

10. Strategic Performance Report - Quarter 2, 2007/08 (Pages 83 - 108)
Report of the Corporate Director of Strategy and Business Support

CHILDREN'S SERVICES

11. Amalgamation of First and Middle Schools (Pages 109 - 122)
Report of the Director of Schools and Children's Development

COMMUNITY AND ENVIRONMENT

- KEY** 12. London Councils - London Borough Grants Scheme 2008-09 (Pages 123 - 126)
Report of the Director of Community and Cultural Services
13. Any Other Urgent Business
Which cannot otherwise be dealt with.

AGENDA - PART II - Nil

****Data Protection Act Notice***

The Council will record items 5 and 6 (Public Questions and Councillor Question Time) to help ensure the accuracy of the published minutes, which will be produced after the meeting.

The recording will be retained for 1 month after the date of publication of the minutes, after which it will be destroyed.

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REPORT OF CABINET

MEETING HELD ON 13 DECEMBER 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
* Susan Hall

* Denotes Member present
† Denotes apologies received

[Note: Councillor Paul Scott also attended this meeting to speak on the item indicated at Minute 328 below].

PART I - RECOMMENDATIONS - NIL

PART II - MINUTES

323. **Declarations of Interest:**

RESOLVED: To note that the following interest was declared:

Agenda Item 17 – Key Decision - Opening Wealdstone High Street to Traffic – Consultation Results and Objections to Traffic Orders

Councillor Susan Hall declared a prejudicial interest in the above item arising from the fact that she had a business in Wealdstone. Accordingly, she would leave the room and take no part in the discussion or decision-making on the item.

324. **Minutes:**

RESOLVED: That the minutes of the meeting held on 8 November 2007 be taken as read and signed as a correct record.

325. **Arrangement of Agenda:**

The Chairman indicated that, in relation to agenda item 15, Stanmore and Pinner Golf Courses, he was minded to recommend, during consideration of that item, an alternative course of action in that the Council retain the ownership of the golf courses. He invited members of the public to stay for that item if they so wished.

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/Ground for Urgency</u>
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18. Urgent Item – Changes in Membership	This item was being consulted on at the time the agenda was printed and circulated. Members were requested to consider this item, as a matter of urgency, so that the changes in memberships of the Panels could be made with immediate effect.
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(2) all business be considered with the press and public present with the exception of the following items for the reasons set out below:-

<u>Item</u>	<u>Reason</u>
19. Cedars Hall, Uxbridge Road, Harrow	This report, which related to item 14 on the agenda and which contained additional financial and legal implications, was considered to be exempt from publication under paragraphs 3 and 5 of

Part 1 of Schedule 12A to the Local Government Act 1972 in that it contained information relating to the financial or business affairs of any particular person (including the authority holding that information) and in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

20. Stanmore and Pinner Golf Courses

This report, which related to item 15 on the agenda and which contained supplemental information, was considered to be exempt from publication under paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 in that it contained information relating to the financial or business affairs of any particular person (including the authority holding that information).

21. 2 Garaland Road, Honeypot Lane Industrial Estate, Stanmore

This report was considered to be exempt from publication under paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 in that it contained information relating to the financial or business affairs of any particular person (including the authority holding that information).

326. **Petitions:**

- (1) On behalf of Tanglewood Monday Club, a petition was presented by the Leader of the Council, Councillor Chris Mote, containing 74 signatures, on the following terms:-

“We, the undersigned, are members of the Tanglewood Monday Club and since 1975 we have met every Monday at the Brember Centre, South Harrow. Earlier this year we lost our classroom, which we used for our Arts & Crafts group and as a place to have a quiet chat with our friends away from the hustle and bustle of the main clubroom. The manager of the Centre has told us that, despite the fact that we have been using that area for over 32 years, we cannot have our classroom back until the middle of next year at the earliest. Not being able to use this room is having major effect on the club and its members. We wish to let it be know that we are very upset and want our classroom back now.”

RESOLVED: That the petition be received and referred to the Portfolio Holder for Community and Cultural Services for consideration.

- (2) Councillor Eric Silver presented a petition from the Residents of Parkfield Avenue, Harrow, in relation to a business trading from 11 Parkfield Crescent on the following terms:-

“ The residents in the vicinity do not understand how a business of this type is being allowed to trade in a residential area. Despite fears of reprisals, many residents have approached official bodies to complain, but there appears to have been no action. However, we remain committed to preserving the character of the area and now approach you collectively, with a petition containing 73 signatures, and some of the photographic evidence collected by various residents over the last 6 months. There are 3 breakdown recovery vehicles and lorries permanently parked in the area. In addition, there is also between 8 and 20 cars parked at any one time, in various states of repair in Parkfield Crescent, Parkfield Avenue and Verwood Road and Fernleigh Court. Irrespective of whether the vehicles are legally owned, taxed or parked, the issue is the unacceptable volume of vehicles which has changed the outlook of the area from ‘pleasant residential’ to ‘scrap yard’.”

The residents respectively called for answers to a number of questions set out in the petition.

RESOLVED: That the petition be received and referred to the Portfolio Holder for Environment for consideration.

- (3) A local resident, Mr B Stoker, presented a petition containing 2 signatures in relation to the consultation process in respect of the future of the Cedars Hall site. The terms of the petition were as follows:-

"Now that the Cedars Hall site in Harrow Weald is not to be used for emergency accommodation, we request that the promised consultation on the future of the Cedars Hall and associated site be actioned. Local residents and users of the Cedars Open Space want to be involved in the consultation and would like to know how this will take place. We request that the content of this petition be recorded in the minutes of this Cabinet meeting."

RESOLVED: That the petition be received and referred to the relevant Portfolio Holders and the Corporate Director of Community and Environment for consideration.

- (4) A local resident, Miss F Pickersgill, presented a petition containing 2 signatures in relation to Cedars Hall Site Public Meeting held on 3 October 2007. The terms of the petition were as follows:-

"In the matter of the public meeting concerning the Cedars Hall site chaired by the Council: A public meeting concerning the Cedars Hall site was held at Kingsley High School, Harrow Weald on 3 October 2007. The meeting, to which 250 local residents were invited, was chaired by Councillor Camilla Bath. At this meeting, which was 10 weeks ago, 52 questions were put to the Council. Written answers to these questions were promised yet 10 weeks on, no answers have been received. We request that the promised answers are sent to the invitees urgently. We request that the contents of this petition be recorded in the minutes of this Cabinet meeting."

RESOLVED: That the petition be received and referred to the relevant Portfolio Holders and the Corporate Director of Community and Environment for consideration.

327. **Public Questions:**

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

- 1.
- Questioner:** Arnold Rosen
- Asked of:** Councillor Chris Mote, Leader and Portfolio Holder for Strategic Overview, HSP, External Affairs and Property.
- Question:** Has any application been made for outline planning permission of Stanmore golf course?
- Answer:** No.
- Supplemental question:** If such application were to be made would the Council be expected to look favourably upon it as no developer is going to buy the site as an investment solely for rental income from the golf club?
- Answer:** Stanmore Golf Club sits within an area designated as Metropolitan Open Land, which protects it from future development. In principle, Metropolitan Open Land cannot be built on.

(Note: (1) The questioner was not present at the meeting. With the permission of the Chairman, another member of the public asked the question on the questioner's behalf. He also asked a supplementary question, which was duly answered;

(2) the Chairman reminded all present of the Data Protection Act Notice, as indicated on the agenda. He stated that the recording was being trialled for two meetings of Cabinet).

328. **Councillor Question Time:**

RESOLVED: To note that the following Councillor Question had been received:-

1.

Questioner: Councillor Paul Scott

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

Question: What do you regret most about the Cedars Hall fiasco: the waste of taxpayers' money and officers' time; the damage to the Council's relationship with Pathmeads; the year's delay in moving homeless people out of bed and breakfasts and into decent accommodation; or the upset this whole sorry saga has caused to local people and the resulting damage to the standing of your party in particular and the Council in general.

Answer: I have no comment to make. I can talk to you privately on this matter but cannot possibly comment here and on the views of other Members of Cabinet.

Supplemental question: Would you be willing to give an indication/guarantee that when the item on Cedars Hall comes back to Cabinet, it will not be for residential use?

Answer: I cannot answer the supplemental question, until after the matter has gone out for consultation.

(Note: The Chairman reminded all present of the Data Protection Act Notice, as indicated on the agenda. He stated that the recording was being trialled for two meetings of Cabinet).

329. **Forward Plan 1 December 2007 - 31 March 2008:**

RESOLVED: To note the contents of the Forward Plan for the period 1 December 2007 – 31 March 2008.

330. **Reports from the Overview and Scrutiny Committee or Sub-Committees:**

RESOLVED: To note that there were no reports to be considered.

331. **Cabinet Assistants:**

RESOLVED: (1) To note that Councillor Salim Miah had stood down as Assistant (Support Member) to the Portfolio Holders for Children's Services and Community and Cultural Services;

(2) that Councillor Mrs Julia Merison be appointed as Assistant (Support Member) to the Portfolio Holder for Environment Services; her remit being 'Refuse'.

332. **The Council's Calendar of Meetings 2008/09:**

Cabinet received the report of the Director of Legal and Governance Services, which set out proposals for the Council's Calendar of Meetings for the Municipal Year 2008/09.

The Leader stated that consultations had taken place on the Calendar of Meetings, and it was

RESOLVED: That the Calendar of Meetings for the Authority for the Municipal Year 2008/09 be approved.

Reason for decision: Advance approval of the Calendar would facilitate the planning and forward commitments to both Members and officers.

333. **Key Decision - Draft Capital Programme 2008-09 - 2010-11:**

The Corporate Director of Finance introduced the report, which set out the draft capital programme for 2008-09 to 2010-11 and formed part of the annual budget review process. She provided details of some of the schemes set out in the report, which included a range of improvements to the public realm, the construction of three neighbourhood resource centres for people with learning disabilities and improvements to street lighting. The latter two were Private Finance Initiative (PFI) schemes.

The Corporate Director stated that the report would be refined when submitted to Cabinet in February 2008, and there would be a phasing of the various schemes.

The Portfolio Holder for Finance and Portfolio Co-ordination indicated that the presentation of the information in the report would be improved for clarity when presented to Cabinet in February 2008.

RESOLVED: That the draft capital programme for 2008-09 to 2010-11 be approved.

Reason for decision: To allow for the publication of the draft capital programme, as part of the annual budget review process.

334. **Key Decision - Draft Revenue Budget 2008-09 and MTFS 2008-09 - 2010-11:**
The Corporate Director of Finance introduced the report, which set out the draft revenue Medium Term Financial Strategy (MTFS) for 2008-09 to 2010-11. She highlighted some of the key points, details of which were set out in the report.

The Corporate Director informed Members that the Local Government Settlement was announced on 6 December 2007, after this report was written and circulated. She provided details of the 3-year settlement, which had only improved marginally for the later two years. However, the grant would not address the pressures that the Council was experiencing, particularly in the provision of social care and waste disposal. As a result, the Council would be looking to increase Council Tax for the next 3-years by 3% and to hold any increase below inflation, circumstances permitting.

Members were informed that the Budget included £2m of growth, which would be invested in priority areas and would be the subject of further discussion with Members. There was a gap of £4m in the budget for next year, which needed to be met, £6m and £8m in subsequent years. Further details would be submitted to Cabinet in February 2008, including measures to increase revenue through fees and charges. In addition, reserves would be replenished during the 3-years by the addition of £1m each year.

It was noted that the schools' budget would be funded adequately and that the Housing Revenue Account (HRA) was consistent with other Plans. Consultation on the HRA would take place with the Tenants' and Leaseholders' Forum. There would be widespread consultation through various forums, which would provide an opportunity to give feedback to the Council prior to the setting of the budget and Council Tax in February 2008.

The Director also informed Members that the Mayor of London had made an announcement on 12 December 2007, which was likely to lead to an increase in the precept. This too would be built into the budget when presented to Cabinet in 2008.

The Portfolio Holder for Finance and Portfolio Coordination referred to the proposed increase in Council Tax and stated that whilst it was originally intended to achieve 0% increase in Council Tax, this was unrealistic in the context of very low government grant settlements. Unpalatable decisions, such as cuts in services, would have to be made in order to achieve a 0% increase. It was also becoming difficult to find efficiencies as the Council was working from a relatively low cost base. He stated that further details would be included in the report to Cabinet in February 2008.

RESOLVED: That (1) the draft revenue budget of £162.574m for 2008-09 and the draft MTFS be agreed;

(2) officers be authorised to initiate and conduct such consultations as may be required to support the proposals identified in the Corporate Director's report and the outcome of consultations be reported to Cabinet so that decisions can be made on those proposals;

(3) the draft Housing Revenue Account (HRA) for 2008-09 to 2010-11 be approved, and the draft HRA be referred to the Tenants' and Leaseholders' Consultative Forum in January 2008.

Reason for decision: To allow for the publication of the draft budget.

335. **Quarter 2 Revenue and Capital Monitoring as at 30 September 2007:**
Cabinet received a report of the Corporate Director of Finance in this regard. The Corporate Director of Finance introduced the report, which set out the Quarter 2 monitoring statement of the Council's Revenue and Capital Budgets for 2007-2008. The Corporate Director highlighted the key aspects of the report and the need to ensure that pressures were managed effectively. She outlined the actions being taken

to promote a stronger culture of financial management and improve forecasting. In addition, Capital Ambition had provided the Council with a grant to provide additional capacity for improving the Council.

Members noted the assurances given by the Corporate Director that the Council would come in on budget. The need for robust financial management was highlighted.

The Portfolio Holder for Finance and Portfolio Coordination referred to page 87 of the agenda and stated that the problems had been compounded by a lack of reserves.

RESOLVED: That (1) the current revenue and capital monitoring position at the end of Quarter 2 for 2007-2008 be noted;

(2) the strategy for ensuring that the Council comes in on budget this year, including approval of a number of virements, as set out in paragraph 4 of the Corporate Director's report, be agreed.

Reason for decision: To effectively monitor the Council's Revenue and Capital Budgets.

336. **Key Decision - Cedars Hall, Uxbridge Road, Harrow:**

Cabinet received a report of the Corporate Director of Community and Environment, which asked Members to reconsider the Cabinet resolution of 9 November 2006 to dispose Cedars Hall to Pathmeads Housing Association. A confidential report containing additional financial and legal implications was also considered by the Cabinet in taking this decision. The Corporate Director outlined the reasons for his recommendations.

The Leader of the Council referred to the petitions that had been received by Cabinet that evening and asked that these be sent to the Corporate Director for consideration. He added that a full report on possible options for this site would be submitted to Cabinet.

RESOLVED: (1) That the Cabinet resolution of 9 November 2006 relating to:-

- (i) the disposal of the Cedars Hall site to Pathmeads Housing Association for the purposes specified in the confidential report considered by Cabinet on that date;
- (ii) the application of funds from the Council's Affordable Housing Funds towards the redevelopment cost of resolution 1(i) above on the conditions specified in the confidential report considered by Cabinet on that date;

be revoked.

(2) To note that a further detailed report would be submitted to Cabinet in the New Year.

Reason for Decision: To allow for alternative options to be considered.

337. **Key Decision - Stanmore and Pinner Golf Courses:**

Cabinet received a report of the Corporate Director of Community and Environment, which set out details for the disposal of the two golf courses. Cabinet also considered a confidential report, which contained supplemental information, in reaching its decision.

The Leader of the Council stated that he was minded to put forward a different course of action than that proposed in the report, as he had concerns over the time period of the leases. He moved that the Council retain the freehold of the golf courses.

The Portfolio Holder for Planning, Development and Enterprise stated that Metropolitan Land was afforded the highest protection in the London Plan. The Council was minded to retain the existing uses of the sites but she was concerned about its future uses if the golf courses were disposed of. She was concerned that these uses could change at any future appeal stage. She cited examples of where planning permission had been refused by the Council but subsequently granted on appeal by the Planning Inspector. There was also a degree of uncertainty over the pressures that might be put on the Council by the government. The sites were 'beauty spots' and the Council needed to protect the golf courses. She seconded the Leader's motion and, following a vote, it was

RESOLVED (unanimously): That the Council retain the freehold of the Stanmore and Pinner Golf Courses.

Reason for decision: To protect its future use.

338. **Dissolution of the Town Centre and Major Projects Panel:**

The Portfolio Holder for Planning, Development and Enterprise introduced the report which set out proposals for the dissolution of the Town Centre and Major Projects Panel.

RESOLVED: That the Town Centre and Major Projects Panel be dissolved.

Reason for decision: To avoid duplication of reporting and improve decision-making.

339. **Key Decision - Opening Wealdstone High Street to Traffic - Consultation Results and Objections to Traffic Orders:**

Cabinet received the report of the Corporate Director of Community and Environment, which set out proposals for opening Wealdstone High Street to traffic. The Traffic and Road Safety Advisory Panel had considered the consultation results and the objections to the Traffic Orders on 28 November 2007. The Panel had made recommendations on this matter to Cabinet.

The Leader of the Council stated that the proposal to re-open Wealdstone High Street to traffic would meet the administration's manifesto commitment and was good news for residents and shopkeepers.

RESOLVED: That (1) officers be authorised to make the traffic orders set out in paragraph 2.4.1 of the Corporate Director's report, the details of which be delegated to officers, and to implement the scheme to open Wealdstone High Street to traffic as set out in Appendices G and H to the Corporate Director's report;

(2) public realm improvements be carried out as set out in paragraphs 2.3.12, 2.3.13 and 2.3.16 of the Corporate Director's report subject to confirmation of additional funding from Transport for London (TfL) and confirmation of affordability.

Reason for decision: To regenerate Wealdstone Town Centre and promote new business.

(See also Minute 323).

340. **Urgent Item - Changes in Membership:**

RESOLVED: That the changes to the Conservative Group Membership on the bodies set out below be agreed:

Local Development Framework Panel

Reserve Members: No. 3 Vacancy to be filled by Councillor Susan Hall.

Supporting People Panel

Members: To remove Councillor Mrs Vina Mithani and replace her with Councillor Narinder Singh Mudhar.

Reserve Members: No. 1 now Councillor Jeremy Zeid
No. 2 Councillor Stanley Sheinwald
No. 3 Councillor Mrs Vina Mithani.

Reason for Decision: To allow for efficient working and to fill vacancies.

341. **2 Garland Road, Honeypot Lane Industrial Estate, Stanmore:**

Cabinet considered a confidential report of the Corporate Director of Community and Environment in this regard. The Leader of the Council and the Portfolio Holder for Finance and Portfolio Coordination stated that a higher reserve price should be set.

RESOLVED: That (1) the property edged red in Appendix 1 to the report of the Corporate Director was surplus to requirements and that its disposal be approved;

(2) the Corporate Director of Community and Environment be authorised to dispose at auction on the most favourable terms with the reserve price to be agreed with the Portfolio Holder for Strategic Overview, HSP, External Affairs and Property.

Reason for Decision: To generate a capital receipt for the Council.

(Note: The meeting, having commenced at 7.30 pm, closed at 8.12 pm).

(Signed) COUNCILLOR CHRIS MOTE
Chairman

London Borough of Harrow

CABINET FORWARD PLAN (1 January 2008 - 30 April 2008)

MONTH:- January

This Plan sets out matters which are likely to be the subject of a key decision over the next 4 months.

A Key Decision is a decision by the Executive which is likely to:

result in the council incurring expenditure which is, or the savings of which are, significant having regard to its budget for the service or function to which the decision relates; or

be significant in terms of its effects on communities living or working in an area of 2 or more wards of the Borough.

Please note that decision dates are indicative and may to change. Please consult Democratic Services if you wish to check the decision date of a particular item.

6

Subject	Nature of decision	Decision making body	Decision date	Cabinet Member/Lead officer	Consultation required	Background Documents
JANUARY						
London Councils – London Borough Grants Scheme	Approve the provisional London Councils grants committee budget for 2008-09 and note Harrow’s contribution to the grants scheme	Cabinet	17 January 2008	Councillor Anjana Patel Javed Khan, Director of Community and Cultural Services kashmir.takhar@har row.gov.uk (report author)	None	Chief Executive's Circular
Draft Corporate	Approve the draft	Cabinet	17 January 2008	Councillor Paul	None	None

Subject	Nature of decision	Decision making body	Decision date	Cabinet Member/Lead officer	Consultation required	Background Documents
Plan and Draft Service Improvement Plans	Corporate Plan and draft Service Improvement Plans for each directorate			Osborn Mike Howes, Service Manager, Policy and Partnership Service mike.howes@harro w.gov.uk		
Temporary to Permanent Housing Initiative	To consider whether the Council should enter into a temporary to permanent housing initiative	Cabinet	17 January 2008	Councillor Camilla Bath Gwyneth Allen, Divisional Director, Housing alison.pegg@harro .gov.uk 020 8424 1933 (report author)	None	None
Council Tax Base and Collection Fund	To approve the tax base and the collection fund	Cabinet	17 January 2008	Councillor David Ashton Myfanwy Barrett, Corporate Director, Finance myfanwy.barrett@ha rrow.gov.uk	None	None
FEBRUARY						
Grants for 2008/09	To approve the grants to voluntary groups for 2008/09	Cabinet	14 February 2008	Councillor Anjana Patel Javed Khan, Director of	None	None

Subject	Nature of decision	Decision making body	Decision date	Cabinet Member/Lead officer	Consultation required	Background Documents
				Community and Cultural Services javed.khan@harrow.gov.uk		
LIFT/PFI Project for 3 Neighbourhood Resource Centres	Endorsement of financial close and delegation to officers of final agreement with the LIFT Company and contract signature.	Cabinet	14 February 2008	Councillor Eric Silver Paul Najsarek, Interim Corporate Director, Adults and Housing josephine.mahaffey@harrow.gov.uk / marilyn.vertes@harrow.gov.uk	Consultation plan including public and stakeholder engagement has been followed	HOST Project Panel Report 27 March 2006 Cabinet Report 15 December 2005
Wiseworks	To approve the strategy	Cabinet	14 February 2008	Councillor Eric Silver Paul Najsarek, Interim Corporate Director, Adults and Housing mark.gillet@harrow.gov.uk, 020 8424 1911 (report author)	Service Users, Carers and Partnership Board, Central and North West London Mental Health Foundation Trust	Cabinet Report (Harrow Consortium for Special Needs) – August 2006
Housing Capital Programme	To prove measure to relieve pressure on Housing Capital	Cabinet	14 February 2008	Councillor Camilla Bath Gwyneth Allen, Divisional Director, Housing lorraine.dallas@harrow.gov.uk, 0208 424 1339	Tenants and Leaseholder Consultative Forum 9 Jan 08	None

Subject	Nature of decision	Decision making body	Decision date	Cabinet Member/Lead officer	Consultation required	Background Documents
Support for Living (formerly Harrow Consortium for Special Needs)	To approve the arrangements for the transfer of business to Support for Living to include a TUPE transfer of Harrow Council Staff	Cabinet	14 February 2008	Councillor Eric Silver Paul Najsarek, Interim Corporate Director, Adults and Housing mark.gillet@harrow.gov.uk, 020 8424 1911 (report author)	TUPE consultation with Staff and Trades Unions	Cabinet Report (Harrow Consortium for Special Needs) – August 2006
Final Capital Programme 2008/09	Approve final capital programme	Cabinet	14 February 2008	Councillor David Ashton Myfanwy Barrett, Corporate Director, Finance myfanwy.barrett@harrow.gov.uk	None	None
Final Revenue Budget 2008/09	Recommend final revenue budget (including HRA and schools budget)	Cabinet	14 February 2008	Councillor David Ashton Myfanwy Barrett, Corporate Director, Finance myfanwy.barrett@harrow.gov.uk	None	None
Treasury Management Strategy and Prudential Indicators 2008/09	Approve the Treasury Management strategy and the prudential indicators	Cabinet	14 February 2008	Councillor David Ashton Myfanwy Barrett, Corporate Director, Finance myfanwy.barrett@ha	None	None

Subject	Nature of decision	Decision making body	Decision date	Cabinet Member/Lead officer	Consultation required	Background Documents
				rrow.gov.uk		
Corporate Plan and Service Improvement Plans	Approve the Corporate Plan and Service Improvement Plans for each directorate	Cabinet	14 February 2008	Councillor Paul Osborn Mike Howes, Service Manager, Policy and Partnership Service mike.howes@harrow.gov.uk	None	None
MARCH						
Insurance Renewal	Approve the insurance arrangements for 2008-09	Cabinet	13 March 2008	Councillor David Ashton Myfanwy Barrett, Corporate Director, Finance myfanwy.barrett@harrow.gov.uk	None	None
APRIL						

If you have comments on any of the issues raised in the Forward Plan please contact the lead officer whose details are indicated. Alternatively contact Frouke de Vries, Democratic Services Officer on telephone no. 020 8424 1785 or by email: frouke.devries@harrow.gov.uk

CONTACT DETAILS OF PORTFOLIO HOLDERS

Portfolio	Councillor	Address	Telephone no.	Email
Strategic Overview, HSP, External Affairs and Property	Chris Mote	Riverside Cottage 15 Eastcote Road Pinner HA5 1EA	020 8868 8996	Chris.Mote@harrow.gov.uk
Finance and Portfolio Co-ordination	David Ashton	Chestnut Cottage Tanglewood Close Stanmore HA7 3JA	020 8950 7977	djashton@hotmail.com
Planning, Development and Enterprise	Marilyn Ashton	Chestnut Cottage Tanglewood Close Stanmore HA7 3JA	020 8950 7977	marilynashton@hotmail.com
Housing	Camilla Bath	Shelleys 14 Holland Walk Stanmore HA7 3AL	020 8954 3921	Camilla.Bath@harrow.gov.uk
Schools and Children's Development	Christine Bednell	56 St. Edmunds Drive Stanmore HA7 2AU	020 8427 5047	Cbednell@aol.com
Environment Services	Susan Hall	40 Sequoia Park Hatch End PINNER HA5 4DG	07860 742093	susan.hall@harrow.gov.uk
Children's Services	Janet Mote	Riverside Cottage 15 Eastcote Road Pinner HA5 1EA	020 8868 8996	Janet.Mote@harrow.gov.uk

Portfolio	Councillor	Address	Telephone no.	Email
Strategy and Business Support	Paul Osborn	2 Vaughan Road Harrow HA1 4EE	Mob – 07786 968657 Bus – 020 7463 6422	Paul.Osborn@harrow.gov.uk
Community and Cultural Services	Anjana Patel	187 The Ridgeway North Harrow HA2 7DE	07946 586017	Anjana.Patel@harrow.gov.uk
Adult Services	Eric Silver	6 Grantham Close Edgware HA8 8DL	07812 405560	esi1023321@aol.com

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Meeting:	Cabinet
Date:	17 January 2008
Subject:	Scrutiny review of partnership with Accord MP.
Key Decision: (Executive-side only)	No
Responsible Officer:	Andrew Trehern, Corporate Director, Community and Environment Services
Portfolio Holder:	Cllr Susan Hall
Exempt:	No
Enclosures:	Final report of scrutiny review group

SECTION 1 – SUMMARY AND RECOMMENDATIONS

This report sets out the findings and recommendations of a scrutiny review group which has investigated the first year's operation of the Accord MP partnership.

RECOMMENDATIONS:

- a) That the findings of the review be noted.
- b) That the recommendations be endorsed, and their implementation monitored by scrutiny.

REASON FOR RECOMMENDATIONS

To contribute towards the strengthening and development of the council's partnership with Accord MP.

SECTION 2 - REPORT

Background

In July 2007, the Performance and Finance Scrutiny Sub-Committee agreed to conduct a review into the first year's operation of the council's partnership with Accord MP to provide public realm infrastructure services. Following the agreement of a scope for the review, members gathered evidence during the autumn of 2007 and have now drafted a final report.

The review looked at a number of issues relating to the position of services before the Accord MP partnership came into effect, the changes that have been made in the past year, and prospects for the future.

In doing so, it concentrated on a number of issues:

- The principles behind partnership working
- Governance
- Performance management and financial control
- Design quality
- Communications

The review received evidence from a number of different individuals and organisations, and carried out investigative work into three case studies – the construction of vehicle crossings, the reconstruction of Uxbridge Road in Stanmore and responsive maintenance (including emergency response).

Five recommendations were made on two of these issues (performance management, communications). They are outlined below.

Current situation

The report has now been drafted.

Ordinarily a scrutiny report would be cleared through (and discussed by) a scrutiny committee prior to submission to Cabinet. In this instance, the Chairman and Vice-Chairman of Overview and Scrutiny have agreed to waive this requirement. This is because, unless the issue is considered at this meeting, it would likely have to be held over until March Cabinet (on account of budget decisions for 2008/09 taking up the February meeting).

The Chairman of the review group was of the opinion that this would constitute an unacceptable delay and as such the special step of asking Cabinet for their endorsement before formal committee consideration is being taken.

Article 6.03(b) of the Council's Constitution, and O&S Rule 26.3, make it explicit that it is for an O&S Committee to submit reports to Cabinet, this being the agreed method for ensuring that scrutiny's confirmed recommendations are properly considered.

However, Executive Procedure Rule 22.3 states that, "Any non- Executive Member of the Council may request the Leader to put an item on the agenda of

an Executive meeting for consideration. If the Leader agrees, the item will be considered at the next available meeting of the Executive. The notice of the meeting will give the name of the Councillor who asked for the item to be considered. The Councillor will be invited to attend the meeting and may be invited to speak as set out in Rule 20.”

Legal advice has been sought and received which has indicated that, following this rule, Cabinet may consider this scrutiny review report in this instance. Given that this is a departure from existing protocol, the matter was discussed between members and officers at length during December and it is only because of exceptional circumstances – that is, the fact that if O&S Rule 26.3 were adhered to in this case it would result in a delay of more than two months before another opportunity would arise for Cabinet consideration. It was the view of the Chairman of the Review Group, and following consultation with the Chairman and Vice-Chairman of the Overview and Scrutiny Committee, that such a delay would be unacceptable, that has led to this exceptional course of action.

Cabinet’s decision will be reported to a future meeting of a scrutiny committee which will consider the report in detail. Following Cabinet’s decision on the endorsement of the recommendations, work will be carried out between Property and Infrastructure Services and the Scrutiny Unit to discuss how the implementation of those recommendations will be monitored.

Why a change is needed

The detailed reasoning for the recommendations is given in the main body of the scrutiny report, which is attached as an appendix.

Main options

Cabinet may decide to do one of the following:

- 1) endorse the report and its findings
- 2) not endorse the report and its findings

Whichever decision is made will have to comply with the agreed protocol between scrutiny and the Cabinet, which lays down the method of endorsing or rejecting scrutiny recommendations.

Other options considered

Not applicable.

Recommendation: - that the findings of the review be noted and the recommendations endorsed, with their implementation to be monitored by scrutiny in either six months or one year.

Considerations

Resources, costs and risks: There are minimal considerations in this area and where applicable they have been included within responses by the Community and Environment directorate, to the recommendations later in the report.

Staffing/workforce: There are minimal considerations in this area and where applicable they have been included within responses by the Community and Environment directorate, to the recommendations later in the report.

Equalities impact: None in relation to the recommendations.

Legal comments: None in relation to the recommendations.

Community safety: None in relation to the recommendations.

Financial Implications

Implementing the recommendations would have the following financial implications: None in relation to the recommendations.

Performance implications

The partnership impacts directly upon 8 BVPIs, 3 of which are in the CPA Environment block. These are:

E11 (BV 224b): Condition of non-principal unclassified roads

E16 (BV 165): Percentage of crossings with disabled facilities

E18 (BV 187): Condition of footways

The other BVPIs are:

BV 223: Condition of principal roads

BV 215a: Average time for lighting repairs

BV 215b: Rectification of street lighting faults

BV 224a: Condition of non-principal roads

BV 100: Number of days traffic control in place

One of the targets this year is to consolidate the position of BV 224b, which is currently low in the middle threshold. A further seven local performance measures are directly influenced by the partnership.

The general condition of Harrow's roads and footways figures high in the MORI residents' survey, this against generally improving BVPI performance. Improved communications should improve residents' perception.

In London, against our immediate neighbours in particular, BVPIs are average but improving. Targets for the current year are forecast to be met and new targets set for next year based on that performance.

Scrutiny Recommendations

Recommendation	Response from Community and Environment Services
<p>1. That the partnership ensure the performance management framework takes full account of qualitative items over and above the development of further quantitative KPIs. This would be accompanied by robust methodologies, central to a light touch governance regime that promotes innovation and risk-taking. The review group also found that early contractor involvement has been key to delivering some of the most innovative and best value solutions and should be encouraged within the organisational culture of the partnership, as well as serving as an example to other parts of the Council's workforce.</p>	<p>The recommendation supports the partnership concept, which is designed to encourage early contractor involvement and innovation.</p> <p>Through the existing governance arrangements and developing business planning process, there will be an ongoing review of the current performance regime, with an increased emphasis within existing resources, being placed on qualitative items.</p>
<p>2. That the portfolio holder may find opportunity for increased capacity with the same departmental head count due to the additional resource benefits of the AMP partnership and its innovative and specialist skills. The review group identified for example, that work has been taken off Council staff's shoulders in areas of design and in site assessment, where AMP now conduct this work. This has freed Council staff time for more strategic and statutory work, which has been under pressure.</p>	<p>One of the overriding principals driving the development of the partnership, was the recognised need to increase capacity.</p> <p>The diversion of routine work from Harrow to AccordMP has enabled a far greater focus by existing staff on asset management planning.</p> <p>This has resulted in the development of a comprehensive database of backlog maintenance. Future benefits from this re-alignment of workload, will allow Harrow to address the backlog with a structured and transparent methodology, reducing the risk of premature infrastructure failure and aiding customer satisfaction.</p>
<p>3. That the administration reflect on the fact that the AMP agreement was done under the expectation that the annual spend would be in the region of £12-£15 million. The AMP partnership</p>	<p>The success of AccordMP in winning contracts at Hillingdon and to a lesser extent professional services contracts at Ealing and Richmond, identifies significant business development</p>

<p>began part way through 2006 so 2007/08 is the first complete municipal year the partnership has run, and 2007/08 spend is in fact on target for £8 million, which could well present commercial issues for AMP. However, during our investigations AMP confirmed that the August 2006 agreement of Hillingdon Borough to retain AMP in a similar partnership has negated any adverse fall-out that may have arose from Harrow's reduced spend. AMP's economies of scale bring huge advantages to Harrow but these advantages can only be sustained with a minimum spend.</p>	<p>progress.</p> <p>This has been achieved in some part, by making use of Harrow as a beacon in Highway services for West London and can be developed further with the knowledge of a base long term contract in Harrow.</p> <p>Additionally, the future development of the Town Centre and Petts Hill etc, will raise turnover back to expectation levels for 2008/9 and potentially beyond.</p> <p>As noted in the recommendation however, it is acknowledged there is a risk of not achieving the full benefits of the partnership, if future spending levels fall significantly.</p>
<p>4. That an approach to communications and community involvement be taken that allows genuine partnership in decision-making with local people. This approach would also see continuous involvement with residents on all issues relating to public realm infrastructure through a joined-up approach to communications between AccordMP, Kier and the Council. The review group discovered that some communications that went out jointly from AMP and Harrow Council were not adhering to expected criteria of production and quality. For example, although 88 per cent of residents were satisfied with the work done on Uxbridge Road, 52 per cent were not satisfied with the communications, or lack thereof, during the work.</p>	<p>Public Relations and communications within highways projects is a specific area that improvements were anticipated through the partnership.</p> <p>Starting from a traditional low skill base, there is now a Communications strategy in place, due for further development in the New Year.</p> <p>The promotion of inclusive decision making, improved frequency of information dissemination during works, use of residents panels and higher standards of communication material will be addressed through the developing strategy. The additional resources resulting from the introduction of Harrow's new Communications team, is key to jointly raising service delivery to a significantly higher level in this area.</p>
<p>5. That each piece of project communication to residents be used as an opportunity for the portfolio holder to explain the broader objectives of the work being done and to communicate</p>	<p>The Council has a clear vision for the Borough into the future and the relevant priorities are accounted for in determining where public realm investment is directed.</p>

<p>the Council's vision of why and how we are delivering an improved public realm.</p>	<p>Close co-ordination with the Portfolio holder is planned, to ensure the public are made clearly aware of the investment being made, in order to improve Harrow's infrastructure environment.</p> <p>The joint future development of a highways charter, will inform residents of the level of service they should expect from the partnership.</p>
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SECTION 3 - STATUTORY OFFICER CLEARANCE

<p>Name: Stephen Dorrian</p> <p>Date: 8 January 2008</p>	<p><input type="checkbox"/> on behalf of the Chief Financial Officer</p>
<p>Name: Sheela Thakrar</p> <p>Date: 7 January 2008</p>	<p><input type="checkbox"/> on behalf of the Monitoring Officer</p>

SECTION 4 – PERFORMANCE OFFICER CLEARANCE

<p>Name: Tom Whiting</p> <p>Date: 8 January 2008</p>	<p><input type="checkbox"/></p>
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SECTION 5 - CONTACT DETAILS AND BACKGROUND PAPERS

Contact: Eddie Collier, Head of Property and Infrastructure (Community and Environment Services),
Ed Hammond, Scrutiny Officer, Strategy and Improvement
020 8420 9205: ed.hammond@harrow.gov.uk

Background Papers:
None relevant

IF APPROPRIATE, does the report include the following considerations?

1.	Consultation	N/A
2.	Corporate Priorities	N/A
3.	Manifesto Pledge Reference Number	N/A

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December 2007

A review of the council's partnership with AccordMP

FOURTH DRAFT – 14/12/2007

Members of Review Group

Cllr Mark Versallion (Chairman)

Cllr Brian Gate

Cllr Barry Macleod-Cullinane

Cllr Jeremy Zeid

Cllr David Gawn

Cllr Robert Benson

Cllr Thaya Idaikkadar

Officer support

Ed Hammond (Scrutiny Officer)

Layla Davidson (Project Research and Support Officer)

Table of contents

Chairman’s Introduction: Cllr Mark Versallion	3
Methodology	5
Executive summary	7
FINDINGS	11
Introduction	13
Performance and relationships prior to the partnership: how were services delivered before, and to what standard?	15
How things have changed	17
i) The principles behind partnership working	17
ii) Governance	21
iii) Design quality	25
iv) Performance management and financial control	29
v) Communications	37
RECOMMENDATIONS	45
SCOPE AND RECOMMENDATION MATRIX	47
APPENDICES	

Chairman's introduction

Cllr Mark Versallion

This report comes at the end of a review that I consider has made good use of the Performance and Finance Committee's twin areas of focus. This new committee has investigated in depth the way the Council has partnered with Accord MP (AMP) to deliver the borough's public realm infrastructure needs. This means Accord MP now provide maintenance and construction work on Harrow's roads and footways, for emergency and seasonal work, such as repairing the road after water mains bursts or gritting the roads in winter, and for a whole range of other connected services, such as dropped kerbs to allow cars onto converted drives.



Public realm services are highly visible and highly emotive to the public. It is one of the few Council services that touches every member of the public. As such, doing the right things - and doing things right - whilst providing value for money, is critical to the Council's reputation and to the public's satisfaction.

We have looked at a large amount of evidence, from high-level strategy documents, to a series of surveys we have carried out ourselves with residents, to site visits, to see whether the aims and objectives of the partnership are permeating through to delivery of services 'on the ground'.

The partnership is now a little over eighteen months in to its five-year term. Our aim has been three fold: *(i)* to look at how public realm work was done before the partnership; *(ii)*, to look at how it is done now and what has changed; and *(iii)* to identified any lessons that can be learnt.

In doing this, the review group has been ably assisted by both Council officers from the Property and Infrastructure Division of Community and Environment Services, and by Accord MP officers. They have been prompt in providing information, and open, frank and constructive in their responses to our questions. My thanks also go to Cllr Susan Hall, the current Portfolio Holder, who provided us with an insightful perspective and useful evidence, and to the former Portfolio Holder when the partnership was entered into, Cllr Philip O'Dell.

I believe our findings and recommendations will prove valuable to all those involved in the partnership, and ultimately improve services to our residents.



Cllr Mark Versallion MA
Chairman of Review Group
Chairman of Performance and Finance Scrutiny Committee

Methodology

The review was delivered in the following way.

Case studies

A series of three case studies were analysed to allow members to draw conclusions from specific projects. Each case study consisted of three complementary elements:

Surveys. Around 200 surveys were despatched for each case study. These provided residents with an opportunity to make their views known on the projects which were being looked at in-depth. Residents also had an opportunity to provide “free text” responses. These have been used in the report to support some of our findings, although it should be stressed that none of our findings derive exclusively from a free text response.

Meeting with officers. Members of the review group met officers to discuss the projects concerned. In the case of the Uxbridge Road case study, this was carried out on site.

Assessment of documentation. Officers provided members with comprehensive information on each of the case studies, which was analysed as part of a desktop review.

The case study topics were as follows:

- Uxbridge Road reconstruction: 1km of the road surface was replaced in total. The resurfacing was carried out in one “hit” – an unusual method which, though successful, is probably not one that the council will repeat, given the need to divert significant amounts of resource to carry out the reconstruction in a short period of time.

Planning for the project started in April 2007. A significant amount of analysis needed to be carried out to ensure that the work could be carried out to cost within resources and to minimise the potential disruption to local people, and to people passing through.

Funding was provided entirely by TfL, as Uxbridge Road is a “principal road”. £812,000 in total was provided. Funding was in this case provided because TfL were impressed by the fact that the bid was comparatively low, considering the projected quality of the scheme. This was made possible as a result of the innovative methods being used in the construction.

- Vehicle crossings: the partnership provides a service to local people for the construction of vehicle crossings, or run-ins, across the public footway into the householder’s drive. This is paid for by the householder in most cases, although when “whole street” footway replacement projects (for example, Kenton Lane) are being carried out a different approach is taken.

Householders are provided with a design solution which is most appropriate for their property. Costs can be anywhere between around £200 and £1,600. The service is intended to be revenue-neutral.

FOURTH DRAFT – 14/12/07

- Emergency response (with particular reference to water main bursts on Marsh Lane and Queensbury Circle): the partnership is responsible for providing an emergency response to critical incidents. Part of the same service is responsive maintenance – fixing potholes, for example.

Most of the evidence on this case study related to the water main burst at Queensbury Circle. This was a significant incident that required road closures and diversions to be in place only a few hours after the problem was reported, as it occurred shortly before the morning peak. The case study assessed the quality of three-way partnership working between the council, AMP and the relevant utility company, Three Valleys Water.

Each case study was assessed according to the set of “guiding principles” behind the partnership, which were outlined in the report submitted to Cabinet when the Accord MP partnership itself was agreed, in April 2006. The full details of this evaluation can be found in the appendices. We have sought to consider these guiding principles throughout our review, providing as they do an objective framework for our discussion of the evidence, allowing us to sensibly make judgment as to whether performance in a given area is “good”, “bad” or “indifferent”, in broad terms.

The case study evidence was considered at a meeting of the review group in November 2007.

General issues

More general issues were discussed at a round table meeting in late November 2007, attended by council officers, representatives from Accord MP, and the current and former Portfolio Holders. At this meeting, matters relating to governance, performance management, quality and costs, and communications, were all considered. Evidence was drawn from:

- Data provided by AMP and council officers, including presentations, strategies, structural and organisational diagrams, KPI and BVPI information, minutes of internal meetings, and other relevant material.
- Information gathered from more general study of the partnering principles, notably the Egan and Latham reviews.
- Comparative data – where applicable and appropriate – from other boroughs. However, as we note in the report, comparisons with other boroughs are difficult in this case.
- The outcome of discussions at a series of meetings between members and officers.

Members received two detailed briefings to support their consideration of these matters – one as part of the scoping process and another shortly before the round table meeting itself.

It is these key issues that we have used to supply the framework of our final report.

Papers relating to all the above (including the two background briefings) can be found in the Appendices, attached.

Executive summary

Performance and relationships prior to the start of the partnership: how were services delivered before, and to what standard?

Before the partnership began, services were delivered through a selection of Compulsory Competitive Tendering (CCT) contracts with sixteen different contractors to deliver “public realm infrastructure” services. As is required with such contracts, cost was the overriding objective rather than quality. Delivery was divided between a number of very small suppliers, leading to a lack of flexibility and duplication of resources within the council. Services did suffer as a result, and capacity was constrained.

How things have changed

i) The principles behind partnership working

The principles of “partnership” working derive from work carried out in the Latham (1994) and Egan (1998) reviews, looking at the potential for efficiencies in the construction industry. The Egan report specifically and deliberately eschews a contract based approach in favour of the development of a continuous, long-term partnership based on quality control, shared risk and reward, and a focus on improvement. The report describes partnering as, “two or more organisations working together to improve performance through agreeing mutual objectives, devising a way for resolving any disputes and committing themselves to continuous improvement, measuring progress and sharing the gains”. This allows for much more flexibility than would be possible in a standard contract.

ii) Governance

There is a robust joint governance regime operating both for the AMP and Kier (corporate property) partnerships. Management is through a Partnership Board, which delegates down to a Contract Management Board and a number of Service Improvement Groups, responsible for delivering specific improvements and projects.

This is a new approach, which follows an uncertain first few months for the partnership. The Portfolio Holder and partnership officers all agree that the partnership got off to “a shaky start”. However, the changes in the governance arrangements and the development of a much more mature relationship over the last nine months has resulted in a step change in the way the partnership operates. The problems which occurred in the first nine months of the partnership may, though, have encouraged partnership officers to try to circumscribe their activities through the much more robust governance framework we have described, and through more agreed standards, rates and methods of delivery. But by doing this the partnership may be limiting its own ability to be flexible, to make innovative and unusual decisions, and to allow professionals on the ground the freedom to design and deliver projects in new and effective ways.

iii) Design quality

The setting of design standards is an issue for the council. However, it is only now that a coherent set of standards are being developed across the entire service. Previously standards were set on a project-by-project basis. On the face of it, it makes sense to have a core set of

FOURTH DRAFT – 14/12/07

standards to govern all work being carried out – it cuts down on costs and ensures that works are carried out on a value for money basis.

However, some of the flexibility inherent in making decisions based on individual circumstances might be lost. Furthermore, there is an argument that the setting of more and more cross-partnership standards and requirements will more generally hamper the flexibility of the partnership. We would counsel officers to take care to ensure that these design standards are themselves flexible and responsive enough to deliver something close to a bespoke solution where it is required.

That said, the design quality being delivered by the partnership is both high and value for money.

iv) Performance management and financial control

The partnership has a suite of Key Performance Indicators against which it is judged, which complement the existing set of Best Value Performance Indicators (BVPIs).

There is a defined performance management methodology which is adhered to, and which defines how the partnership will examine and take forward conclusions from performance information. From the way it operates, it can be seen that it is not an adjunct to the running of the partnership but – as was seen in the section on governance, above – as the central means for underpinning the relationship between AMP and the council.

More effective use of resources, and effective work programming, have seen significant improvements and operational efficiencies, freeing up officers and ensuring that individual officers' workloads are not overbearing. The partnership has provided the flexibility that will hopefully allow the council to continue providing a good service within tight resources.

However, there has not (until recently) been a focus on recording both qualitative and quantitative measures, and although some steps have been taken to introduce some new, "value-added" KPIs, we do not think that these steps necessarily go far enough.

Recommendation 1. That the partnership ensure the performance management framework takes full account of qualitative items over and above the development of further quantitative KPIs. This would be accompanied by robust methodologies, central to a light touch governance regime that promotes innovation and risk-taking. The review group also found that early contractor involvement has been key to delivering some of the most innovative and best value solutions and should be encouraged within the organisational culture of the partnership, as well as serving as an example to other parts of the Council's workforce.

Recommendation 2. That the portfolio holder may find opportunity for increased capacity with the same departmental head count due to the additional resource benefits of the AMP partnership and its innovative and specialist skills. The review group identified for example, that work has been taken off Council staff's shoulders in areas of design and in site assessment, where AMP now conduct this work. This has freed Council staff time for more strategic and statutory work, which has been under pressure.

Recommendation 3. That the administration reflect on the fact that the AMP agreement was done under the expectation that the annual spend would be in the region of £12-£15 million. The AMP partnership began part way through 2006 so 2007/08 is the first

FOURTH DRAFT – 14/12/07

complete municipal year the partnership has run, and 2007/08 spend is in fact on target for £8 million, which could well present commercial issues for AMP. However, during our investigations AMP confirmed that the August 2006 agreement of Hillingdon Borough to retain AMP in a similar partnership has negated any adverse fall-out that may have arose from Harrow's reduced spend. AMP's economies of scale bring huge advantages to Harrow but these advantages can only be sustained with a minimum spend.

v) Communications

A new communications strategy for the partnership has recently been drafted, and capacity in this area seems to be increasing. We think that it is important that increased capacity be built on to deliver better and more effective customer care, and community involvement, activities, which are more ambitious and wide-ranging than those being carried out at the moment.

We recognise that resources are tight, and that already the communications service being provided goes beyond the initial contract specification, but a more ambitious approach would deliver significant gains in the future. Our case study evidence tends to support our conclusion that the partnership strategy is not sufficiently progressive at the moment, and we think that there is scope for some improvement here.

We also think that the partnership does not do enough to champion and celebrate the good work that it is doing within the council itself. An excellent service is being provided in a value for money manner and there is a clear passion and dedication to deliver, but the good practice that has built up as a result needs to be disseminated throughout the rest of the organisation.

Recommendation 4. That an approach to communications and community involvement be taken that allows genuine partnership in decision-making with local people. This approach would also see continuous involvement with residents on all issues relating to public realm infrastructure through a joined-up approach to communications between AccordMP, Kier and the Council. The review group discovered that some communications that went out jointly from AMP and Harrow Council were not adhering to expected criteria of production and quality. For example, although 88 per cent of residents were satisfied with the work done on Uxbridge Road, 52 per cent were not satisfied with the communications, or lack thereof, during the work.

Recommendation 5. That each piece of project communication to residents be used as an opportunity for the portfolio holder to explain the broader objectives of the work being done and to communicate the Council's vision of why and how we are delivering an improved public realm.

Findings

Introduction

In April 2006, the council entered into a partnership with Accord MP to provide what is termed as “public realm infrastructure” services for the council. This agreement covers more than just roads and footways – it deals with the entirety of the borough’s infrastructure.

To give some idea of scale, we were provided with an indication of the quantity of infrastructure for which the partnership is responsible. This includes 450 kilometres of roads, 900 kilometres of footways, 15,500 lamp columns, 2,800 illuminated traffic signs and bollards, 12,800 road signs and 19,000 drainage gullies. Managing these assets is a complex and demanding task.

This report presents a synthesis of evidence drawn from a huge variety of sources, all gathered to help answer one key question – have these services improved in the last eighteen months?

The structure of this report reflects this. It is comprised of two sections – the first aims to provide a baseline, an assessment of how services were provided before the AMP partnership. The second section takes an in-depth look at how things have changed since April 2006, with reference to governance, communications, design, quality and performance management and costs.

We considered three case studies as part of our review. The first looked at the reconstruction of Uxbridge Road in Stanmore, the second the construction of vehicle crossings to allow residents’ cars to traverse the pavement to enter run-ins in the former front gardens of house, and the third emergency response work (remedial working following road traffic accidents or water main bursts, for example). We have used this tactical and operational information, which in many instances relates to some quite specific engineering solutions, to allow us to draw some conclusions relating to the strategy that sits behind the work being carried out. Hopefully our findings and recommendations will reflect what is ultimately a strategic focus.

All the evidence together has helped us to reach a number of findings. Notwithstanding this, we have chosen only two issues about which we are making formal recommendations. These are in the fields of communications and performance management, and we feel that our comments on these issues in particular can help the council and Accord MP to further improve the operation of the partnership.

That having been said, we hope that some of the other findings we have made will prove useful to officers and the Portfolio Holder as well.

Performance and relationships prior to the start of the partnership

To best consider the situation after the commencement of the Accord MP partnership, it is necessary first to assess a baseline – a statement which reflects the situation before that partnership began. We propose to do this by looking at governance issues and performance issues as they were before April 2006.

Governance issues

Before beginning, it is important to point out that the partnership with Accord MP does not, in and of itself, constitute “contracting out”. In relation to highways, it has been a requirement that councils contract out since the 1980s, as part of the Compulsory Competitive Tendering (CCT) regime, that was brought in by the Local Government, Planning and Land Act 1980.

Before April 2006, there were sixteen separate CCT contracts for “public realm services” (those for which AMP are now responsible). To all intents and purposes they were monitored and delivered separately, with the council defining the services to be provided through the contract.

Although the contracts were procured at a time when “best value” principles were being introduced into the local government landscape (in the late 1990s), the central ethos of CCT remained that the council had to procure services as cheaply as possible.. Local authorities were relatively tightly circumscribed as to the nature of contracts they could enter into, and quality was not viewed by the regulations governing the process as being as significant an issue as cost.

Inevitably this focus on costs meant that contractual control was particularly important. Contractors delivered services according to their contractual specification and as such governance was more a matter of legal compliance than of discussion and negotiation on an ongoing basis.

The council’s principal function was to balance resources and co-ordinate deliver across all sixteen contracts. Naturally this meant that a great deal of time was taken up with the duplication of monitoring responsibilities across these contracts.

Performance issues

Performance management was not, before April 2006, linked in to issues relating to cost. Service provided was invariably defined by the contract. The contract would have defined quality and costs but, importantly, would not have been flexible enough to respond to changing circumstances. As such, it would have been difficult to redirect resources to new improvement priorities, or to shift resources across all sixteen contracts that would have resulted in the most value for money service possible.

In terms of design more generally, officers advised us that the contractors did not have the capacity to deliver innovative work. The contractors used were predominantly local, and although local knowledge is obviously useful, it is plain that a small contractor, responsible for a

FOURTH DRAFT – 14/12/07

small element of highway or footway maintenance, will not on its own be able to command the resources necessary to deliver a large or complex project.

What did the partnership want to achieve?

It was clear that the partnership wanted to deliver a number of key benefits through partnering. These were:

- To capitalise on the potential of the Egan partnership processes, as described below, to deliver some key innovations and efficiencies.
- To develop a longer term relationship with suppliers.
- To fully link service improvement with performance, through a robust framework of Key Performance Indicators (KPIs).
- To improve and enhance capacity to deliver on the ground improvements.
- To encourage two-way skills transfer between the partners.

This is further articulated through the “guiding principles”, used to assess the case studies, which were the means established for evaluating and developing both the original tendering process and setting up the partnership in the first place. As we have explained, the guiding principles are not being referred to directly throughout the report, but we have used them to inform our recommendations. They present a useful “baseline” for assessing whether the partnership has achieved its objectives, but should be seen with two caveats. Firstly, officers now state that their initial aspirations for the partnership may have been unrealistic – too much was being attempted too soon. Secondly, the guiding principles were articulated by the council alone – although prospective partners would have been expected to meet the aims identified in the principles.

The principles were, and are,

- Design innovation
- Capacity and capability enabler
- Life cycle costing
- Improve performance through effective management to deliver quality, cost and efficiency improvements
- Developing longer term relationships with suppliers
- Improve collaborative working
- Sustainable solutions
- Mutual benefit to partner and council
- Focus on stakeholder satisfaction
- Building in safety and reassurance including designing out crime

Principles of “value for money” (VFM) are not mentioned specifically, but the necessity for the partnership to be value for money is clearly implied in several of the principles.

As we have explained in the section on methodology, an assessment of these principles has formed the basis of our evaluation of the partnership and of the three case studies. This assessment and evaluation can be found in the report’s appendices.

How things have changed

i) The principles behind partnership working

Before considering issues relating to governance, communications, design quality, and finance and costs, it is first necessary to understand the principles behind “partnership working” – a phrase which is used to define some revolutionary thinking in the way that bodies enter into arrangements with one another for the delivery of a particular service. We intend to look at this in some detail, as it goes to the root of our discussions and it is necessary to have a full understanding of it in order to consider the council’s relationship with Accord MP.

Partnership is a difficult concept to fully understand in the context of large-scale public sector contracting – possibly because it is so simple. It seems counterintuitive that its approach – eschewing contractual reliance and focusing on trust and co-operation – could work with two large organisations delivering a complex service that relies so much on high quality and adherence to set standards. In fact, the mere notion of such a relationship being based on “trust” rather than on a detailed contract was something about which at the outset we were extremely dubious.

However, we have seen that such an approach is possible, that it can work, and that it can in fact make for a more flexible, responsive and constructive relationship than a standard contract.

Partnership is not the same as “contracting out”. It is a different approach to the relationship between two bodies that was outlined by Sir John Egan in the “Rethinking Constuction” report in 1998. Since then, work has been done to further develop Egan’s principles, and “partnership” has become more common, along with the notion of “open book” working, which is discussed below.

Partnership is not the same as ‘contracting out’

It should be noted that although Sir John’s report is focused on the construction industry, it is entirely applicable to public sector contracts, subject to both partners having a similar outlook and strategic direction as that identified in the report itself.

Sir John’s report can be seen as the first step in a process that has led to an increased focus on partnership and trust in large scale construction and infrastructure projects.

The Egan Review

The Egan Review came after an earlier report by Sir Michael Latham in 1994, “Constructing the Team”, which emphasised the importance of teamwork and co-operation in the construction industry.

Very many of the Egan Review’s recommendations emphasised quality over cost – issues that were entrenched in the public sector by the Best Value regime soon thereafter. However, partnership goes further than Best Value in promoting the idea of mutual interdependence and the sharing of risk.

FOURTH DRAFT – 14/12/07

Sir John’s report begins by establishing a number of “drivers for change” – fundamental issues facing any organisation (whether or not they are involved in the construction industry). These are:

- committed leadership – this relates to a commitment from senior management on improvement.
- a focus on the customer – companies must provide exactly what the end customer requires – not merely the next employer in the contractual chain.
- integrate the process and the team around the product – this is about being willing to change organisational structures to fit around the product being supplied or provided.
- a quality driven agenda – this relates to “the total package” – getting things right first time, delivery on time and to budget, innovating for the benefit of the client (in this case, the council) and stripping out waste. Doing this will lead to reduced costs.
- commitment to people – a commitment to training and development of staff.

The [Egan] report specifically and deliberately eschews a contract based approach in favour of the development of a continuous, long-term partnership based on quality control, shared risk and reward, and a focus on improvement

The emphasis on quality – Sir John emphasises the importance of performance management in driving up quality. The report specifically and

deliberately eschews a contract based approach in favour of the development of a continuous, long-term partnership based on quality control, shared risk and reward, and a focus on improvement. The report describes partnering as,

[...] two or more organisations working together to improve performance through agreeing mutual objectives, devising a way for resolving any disputes and committing themselves to continuous improvement, measuring progress and sharing the gains.

This is difficult to understand fully at first glance – especially from the vantage point of local government, which relies more than many other sectors on contractual certainty and the minimisation of any kind of risk. Furthermore, it appears to be counterintuitive. The reliance on trust appears to allow a free rein to the incompetent contractor, who will make significant claims and promises at the beginning of the relationship which it is then incapable of delivering. Conventional thinking would dictate that the contracting organisation would then have no recourse against its partner because of the lack of a contract to define the terms of a relationship.

However, this is to approach the point from the wrong angle. Understanding the full import of partnering relies on a general focus on the end product, a broad approach which the report suggests can be broken down into four “interlocking and complementary” components:

- product development
- project implementation
- partnering the supply chain
- production of components

Egan says,

FOURTH DRAFT – 14/12/07

The key premise behind the integrated project process [the process described above] is that teams of designers, constructors and suppliers work together through a series of projects, continuously developing the product and the supply chain, eliminating waste in the delivery process, innovating and learning from experience.

This approach, of course, requires client and provider to work as a “team”, a combined unit that operates as such, rather than as two separate entities. This is why, in the context in which we are looking at partnership, it is probably unhelpful – and inaccurate – to say that, “AMP does this” or “The council does that”. This is a difficult habit to break out of. Both entities are working in concert – in partnership. In fact, the evidence we have received, and which we will consider in more detail, indicates that this does in fact happen on the ground.

... it is probably unhelpful – and inaccurate – to say that, ‘AMP does this’ or ‘The council does that’

Long term relationships – the Egan report puts much store in the development of long term relationships, which allow trust to develop between partners. It also allows a group of people, working together, to learn and develop as a team. Egan says,

A team that does not stay together has no learning capability and no chance of making the incremental improvements that improve efficiency over the long term. The concept of the alliance is therefore fundamental to our view of how efficiency and quality in construction can be improved and made available to all client, including inexperienced ones.

The long-term relationships proposed are ones that harness the expertise and skills of all those in the entire supply chain to deliver an end product – a product which meets the clients’ needs. To this end the report envisions the wholesale replacement of standard contracts with this more flexible partnering approach.

How is it better than a “normal” contract? – to summarise the above in the context of “traditional” contracting:

- Partnership avoids the development of a “blame culture” between parties to an agreement.
- Within the traditional procurement structure (defined contract setting out standards at the outset) there is no ability to build in targets, and to deliver and develop continuous improvements.
- With a defined contract, there is limited flexibility to change delivery according to different client/provider needs.
- The “open book” approach has the potential to be more transparent and constructive.

Having discussed the principles, we will now move on to discuss some key aspects of the partnership in the light of issues relating to governance, performance management, design, financial control and communications.

FOURTH DRAFT – 14/12/07

Links with the “Gershon agenda” – the Gershon Review of Public Sector Efficiency¹ has become so fundamental to the way that the public sector operates that referencing it is almost superfluous, but it is useful to consider exactly how the partnership agenda intersects with the ideals and recommendations of Gershon.

The “Gershon agenda” has at its centre the idea of reallocating resources so that they are transferred to the front line, rather than taken up with the operation of “back office” functions. This can be broken down into a number of separate areas. Common procedures and arrangements, reducing the need for “bespoke” approaches across a wide range of similar services, are one. Another relates to savings on procurement and transactional services. It is on these two issues that it is perhaps most sensible to concentrate.

It is clear that a system based upon a number of separate contracts, driven by the contents of those contracts, and highly prescriptive in nature, do not meet Gershon requirements, and that of themselves provide a justification for further efficiency. A partnership based approach is itself more efficient because it operates under a governance regime that does not require all requirements for all services to be set in stone; by doing so, organisational flexibility can be secured, which makes the delivery of the service more efficient.

Furthermore, the combination in Harrow’s case of the governance regimes for the Kier and Accord MP partnerships – something which we shall discuss further in the next section – helps to deliver high-level efficiencies which results in more meaningful and targeted support for front-line staff.

Following on from this, procurement and transactional services are also far more efficiently and effectively delivered. We will go on to discuss this further in our section on performance management and financial control. However, in brief, delivery of a service in partnership which is driven by the need to improve services allows front-line resources to be focussed on those areas where improvement is most needed, and allows strategic resources to “follow” local need on the ground in a way that may not have been possible previously (certainly not to the extent that it now occurs).

¹ Published by HM Treasury in 2004.

ii) Governance

The governance arrangements for the partnership reflect its aims and principles, as outlined above.

Tenders were invited for two separate services – public realm works (for the actual operational infrastructure), and professional services (such as design work). AMP were the only organisation to bid for both contracts and they were awarded both. To all intents and purposes, governance for the works and professional services elements of the partnership are treated as one and the same.

The AMP partnership was the second of the three large agreements with private sector organisations to be entered into by the council. The first was the business transformation partnership with Capita in 2005, and the third was the partnership for the provision of the construction services² with Kier Group, in 2007.

Given the fact that the AMP and Kier partnerships cover similar areas – and given that they both involve the Property and Infrastructure Division of the council’s Community and Environment Services directorate – the decision was made upon the Kier partnership being entered into to combine the governance arrangements for Kier and AMP.

Both partnerships are managed through a Partnership Board, which meets quarterly. The purpose of the Board is to lead relationship management for both partnership (that is to say, to operate some level of oversight and control, and to ensure that information is being passed between the council and AMP appropriately). Essentially, it is there to ensure that at a high level AMP and council officers are operating as a unified “team” as envisaged in the Latham and Egan reports.

Alignment of priorities and alignment of partnership

When we spoke to the Portfolio Holder about the governance and high-level operation of the partnership, her views very much reflected the opinion of council and AMP officers that the partnership generally “got off to a shaky start”. Officers have been open and candid about this and steps have clearly been taken – primarily in relation to governance, but also connected to project and performance management – to deliver a service that has clearly seen substantial improvement in the last six to eight months.

[The Portfolio Holder’s] views very much reflected the opinion of council and AMP officers that the partnership generally ‘got off to a shaky start’

In particular, issues relating to forward planning and capacity were recognised, some of which emerged during our discussion of the Uxbridge

Road case study. The significant cultural change within the council necessary for the successful operation of the partnership happened more slowly than anticipated. However, officers insist that the partnership has always, since day one, delivered on the ground.

² This includes construction and responsive maintenance for housing, schools, libraries, social care centres and other corporate property.

FOURTH DRAFT – 14/12/07

We think that officers should be congratulated on having overcome these initial difficulties. Too much was expected of the partnership too soon, which inevitably meant that some promises were not delivered on. Initial policy decisions were made without the firm evidence to back them up. We suspect that this may have stemmed from an initial lack of baseline information on which to base proposed service standards, and on which to base targets, at the beginning of the partnership.

Officers should be congratulated on having overcome these initial difficulties

We do not consider these to be systemic problems. In many ways, they were inevitable. Partnership working is new for the council and a partnership of this kind is a fairly new departure for AccordMP. There were always going to be teething difficulties and the important fact to note is that none of the problems that did occur affected the delivery of services “on the ground”. The fact that they occurred, the fact that the shortcomings have been honestly acknowledged, and the fact that lessons have been learned from them, if anything makes the partnership that exists now a stronger one. This can only bode well for the remainder of the partnership term.

It is clear now that there is a joint vision for the partnership and a set of joint objectives which define how the partnership is going to deliver this vision.

Organisational structure and reporting

The integration of the governance arrangements for the Kier and AccordMP partnerships was an excellent decision and makes good strategic sense. The joint Board has not been running for too long and at this stage it is probably difficult to start drawing conclusions. However, consideration of work undertaken since it came into operation, and the structure that exists to

facilitate reporting of decisions up and down the management chain, lends credence to the view that it is robust.

The integration of the governance arrangements for the Kier and AccordMP partnerships was an excellent decision and makes good strategic sense.

The governance structure for both partnerships is based on a single partnership board supported by two Contract

Management Groups, one for each partnership. For AMP, the CMG is supported by an Infrastructure Operational Group, which itself provides a forum for the discussion of some key infrastructure projects. By doing so, it ensures that key information relating to the delivery of some of the partnership’s priorities – in particular, the rebuilding of Petts Hill bridge, retail-friendly parking, the proposed new PFI arrangement for replacement of street lights, Wembley Stadium event day parking and the reopening of Wealdstone High Street – can be passed easily to senior managers.

Service Improvement Groups – complementing the work carried out by the Partnership Board generally are projects undertaken by SIGs, Service Improvement Groups, which are project groups established to examine specific issues relating to governance and performance, both generally and, where necessary, in relation to specific projects.

Joint systems and structural alignment

“Structural alignment” means that both AMP and the council are working well together from strategic (senior management) down to operational (actual work in the public realm) level. The main method for achieving this has been through a combined business plan, the establishment of joint priorities (which makes joint working more straightforward, and ensures that AMP and

FOURTH DRAFT – 14/12/07

the council are not working towards different aims) and, importantly, identifying justifications for spending decisions. This provides an important strategic focus which officers have been frank in admitting did not previously exist. We consider that it was inevitable that the focus at the beginning of the partnership was on operational mobilisation – making sure that work on the ground was being carried out when required, by the right people. We do not entirely agree with the conclusion that it would have been unrealistic to set up a clear and robust business planning process from the beginning, but the important thing now is that more forward planning is going on.

We would like to sound a note of concern about the introduction of joint design standards and additional controls over delivery of individual projects, intrinsic in the development of the governance arrangements over the last six months. One of the strengths of the partnership, we feel, is its flexibility. However, it is important that its governance be robust. The easiest way to do this is to establish governance systems and management processes to monitor and control resources, and to direct strategic, tactical and operational decision-making. The partnership has taken some steps to do this. But does this top-down control risk the flexibility that has contributed to some of the partnership’s early successes?

There is inevitably a balance to be reached, but we have gained the impression that the problems which occurred in the first nine months of the partnership have encouraged partnership officers to try to circumscribe their activities through the much more robust governance framework we have described, and through more agreed standards, rates and methods of delivery, some of which we will describe later in this report. But by doing this the partnership may be limiting its own ability to be flexible, to make innovative and unusual decisions, and to allow professionals on the ground the freedom to design and deliver projects in new and effective ways. We have no specific evidence that this is happening – the new governance arrangements, and the changes made in the last few months, are so new that it is too early to draw conclusions. But we do think that this risk exists. Governance needs to be responsive and dynamic rather than overbearing. We see the Partnership Board looking at issues and projects on a “by exception” basis, looking at strategic trends and the overall direction of AMP, Kier and the council’s relationship, and ensuring that the trust that exists between AMP and the council is translated into trust between the senior levels of the partnership and operational delivery. We think that the strength of the relationships between the different levels of the partnership, as they exist now, can ensure that this can happen and that high levels of performance can be both maintained and built upon.

One of our recommendations touches upon this point, and we will come back to this issue with particular reference to design in the next section.

Further into the future

We were happy to learn that the partnership had been procured at “the right time” in the context of other changes in the construction industry. Now, pressures are significant on those with AMP’s skills and expertise, with some significant engineering projects ongoing in the London area, and

[T]he problems which occurred in the first nine months of the partnership have encouraged partnership officers to try to circumscribe their activities through the much more robust governance framework we have described, and through more agreed standards, rates and methods of delivery [...] But by doing this the partnership may be limiting its own ability to be flexible, to make innovative and unusual decisions, and to allow professionals on the ground the freedom to design and deliver projects in new and effective ways.

FOURTH DRAFT – 14/12/07

expected to continue into the foreseeable future³. However, Harrow has guaranteed access to AMP, at agreed prices, which makes the council's position much more stable.

However, we do feel that the council should start thinking now about how it is going to procure its public realm infrastructure services once the partnership comes to an end. As officers told us, the option exists to extend the partnership but once it has been in existence for ten years, EU procurement rules will require it to be re-tendered. The position of the construction industry and the capacity of infrastructure providers cannot be anticipated, but advance planning is crucial to meet any additional call on resources that will be necessitated by such a tendering process, and the potential for a change of partner once the existing arrangements conclude.

³ To name only a few, with their estimated completion times: the Thameslink Programme (2016), the Olympics (2012), Thames Gateway (ongoing), development of the Western Wedge (ongoing), Heathrow East (2010-12) and Heathrow North (around 2017 if approved), Crossrail line 1 (2015) and Crossrail line 2 (if approved, 2018) and the Transport for London Investment Programme on the Underground (projects planned through to 2025).

iii) Design quality

The quality of the work carried out by the partnership was one of the areas in which we were initially most interested. It is, after all, the most crucial (and visible) part of the partnership’s work. Paying less attention to good design affects the quality of the service being provided, leads to design solutions which are shoddy and which cut corners, and in the long run result in higher costs.

We have been happy to see the extent to which high design standards have been “built in” to the partnership. In fact, assurance of the quality of work being carried out might well be described to be a cornerstone of the relationship between the council and AMP. It certainly figures prominently in AMP’s original tender.

Design standards

The setting of design standards is an issue for the council. However, it is only now that a coherent set of standards are being developed across the entire service. Previously standards were set on a project-by-project basis. On the face of it, it makes sense to have a core set of standards to govern all work being carried out – it cuts down on costs and ensures that works are carried out on a value for money basis.

However, some of the flexibility inherent in making decisions based on individual circumstances might be lost. Furthermore, there is an argument that the setting of more and more cross-

[W]e would counsel officers to take care to ensure that these [design] standards are themselves flexible and responsive enough to deliver something close to a bespoke solution where it is required.

partnership standards and requirements will more generally hamper the flexibility of the partnership. Officers have told us of the importance of the openness, flexibility and the lack of prescription in the way that work is planned and carried out. There is always the risk that the setting of more uniform standards and requirements will build artificial barriers, making it easier to reference written standards and protocols than to think more creatively about the needs of local people. Then again, without

standards neither we nor officers can be truly sure that the service being delivered is value for money – something we look at in more depth below.

On balance, it is this value for money reasoning that leads us to believe that setting particular standards is probably a sensible move. But we would counsel officers to take care to ensure that these standards are themselves flexible and responsive enough to deliver something close to a bespoke solution where it is required. One of our recommendations relates to this important issue.

Quality itself

Having considered the theory behind standardisation, we will now move onto the actual quality of the work itself. the quality of work delivered by the partnership is high, both on large and smaller projects. We took most of our evidence on this issue from the case studies we carried out and information on the design quality of each is here presented consecutively.

FOURTH DRAFT – 14/12/07

Our site visit to Uxbridge Road⁴ impressed us with the high quality of the work, and the innovative way in which it had been carried out. The reconstruction of Uxbridge Road was a complex project which necessitated some original thinking. Officers told us that the work could not have been carried out to the standard delivered, and in the timescale achieved, without AMP’s involvement. We have been provided with what is described as the “design philosophy” for the Uxbridge Road reconstruction, which identifies the steps taken to inform the design decisions which were made. Officers were able to point towards two particular issues – traffic counts and a structural investigation – which led to a reappraisal of the scheme and the adoption of a more fundamental approach to the reconstruction which went beyond the original plans and looked holistically at the entire site. We think that this indicates a willingness and an ability to change plans in response to circumstances, a flexibility which has clearly come about because of the close working relationship between council and AMP officers.

There were a number of interesting design innovations on this project that also involved a reduction in costs. The first is in the use of traffic islands. It is usual practice for traffic islands to be installed into the fabric of the road, which can often break up the tarmac and cause additional delay and disruption during the installation process. AMP staff instead installed islands that sit on top of the road surface. These do not damage the existing road surface during the process of installation and they are also more versatile – they can be removed if damaged and replaced.

Another innovation included the use of foam concrete for the paving, which is more hard-wearing, more versatile and cheaper than standard alternatives. We were told that the use of cheaper, but more hardwearing, materials was a significant factor in the successful granting of TfL funding for this scheme. In fact, Harrow “punches above its weight” when it comes to winning TfL funding for works of this kind, because of the innovative design approaches it has been able to take along with AMP.

It is precisely this kind of creative thinking about design that the partnership has clearly fostered. That such an ambitious project as the Uxbridge Road reconstruction could be planned and delivered only around a year after the beginning of the partnership demonstrates how well officers are working together, and the extent to which good design is at the centre of so much of the work that is being carried out. The lack of significant problems is especially impressive given the unexpected circumstances leading to the late design changes. This care was reflected in the surveys that we carried out. Although there were some concerns expressed, by and large opinions were positive as to the quality of work carried out.

Figure 1: Survey responses: design

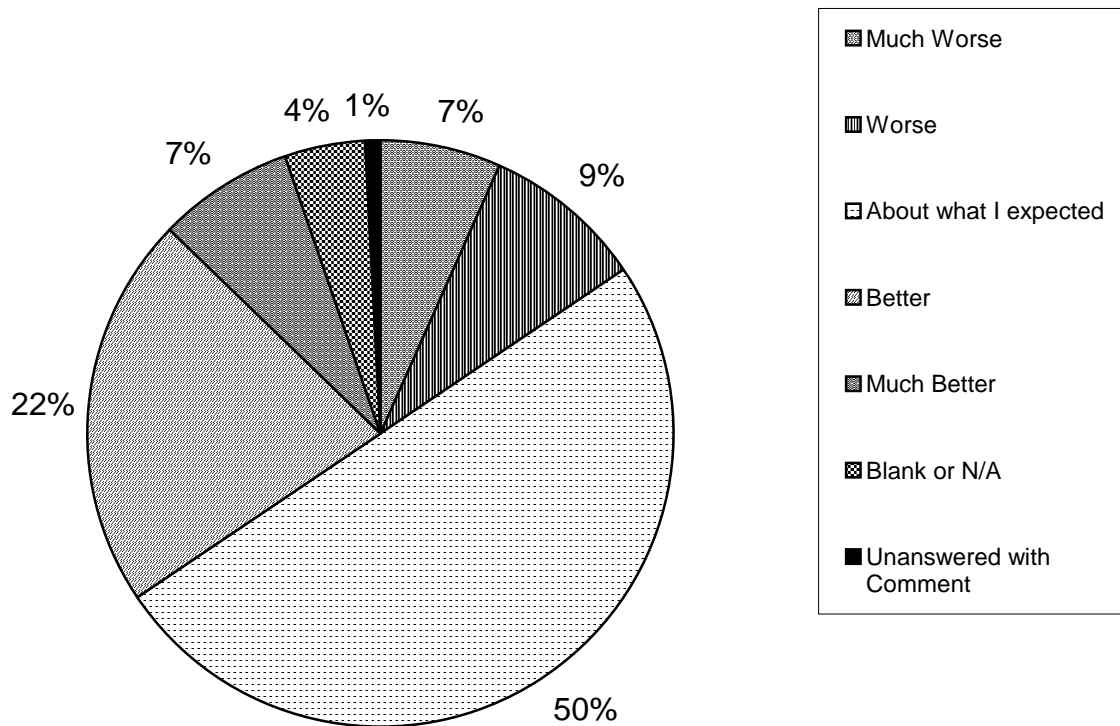
Uxbridge Road: **90%** of residents reported having seen some improvement or a large improvement to the state of the road. **88%** of residents reported that the quality of the work was as good or better than what they expected.

Emergency response: **68%** of residents reported that work was begun to solve the problem quickly or before they had even realised there was a problem. **63%** of residents reported that the quality of the work was as good or better than what they expected.

Vehicle crossings: **81%** of residents reported that they were satisfied or very satisfied with access to their property during the works. **77%** of residents reported that the quality of work was as good or better than what they expected.

⁴ In Stanmore. Detailed evidence from our site visit can be found in the appendices.

Figure 2: Aggregated answer to question, “In your opinion, was the quality of the work, when completed, better or worse than you expected?”



“Gold-plating”

Of course, the nature of “value for money” also means that public bodies have to be aware of the risk of pushing quality too far – delivering an extremely high quality service, but for a cost that is disproportionate. For example, materials may be used which are of a higher quality, and a higher cost, but which result in only a nugatory improvement in terms of the life, safety or appearance of the end product. We refer to this practice as “gold-plating”.

FOURTH DRAFT – 14/12/07

The questions of whether “gold-plating” exists might at first sight seem to be somewhat parochial but does, in fact, go to the root of whether the partnership has the robust procedures in place to allow improvements to services to be made now and in the future.

We focussed on this issue in relation to our vehicle crossings case study. To test our concerns we looked at the comparative costs of the various different techniques used to construct vehicle crossings. These are:

- Bitmac (standard road surfacing material)
- Blockwork (small stones set in gravel)
- Concrete

Officers advised that different treatments were used depending on the projected “load” that the crossing would have to bear. So, for very heavy loads, concrete would be used, and for fairly heavy roads, blockwork. Bitmac is adequate for an ordinary driveway used by cars.

We looked at the tendency to prefer blockwork over bitmac. Contrary to our initial assumptions, we found that whole-life costs as well as capital costs compare favourably. Blockwork only costs between 12 and 15% more to procure and install than bitmac and has an almost indefinite lifespan. Bitmac needs replacement every 7 to 10 years but is obviously cheaper. Even the setting depth is relatively comparable.

[C]are is taken to ensure that the solution that will provide the best value for money, suggesting that issues around quality and costs are considered in full across the totality of the partnership

In short, our concerns about “gold-plating” were not borne out. In fact, it seems that care is taken to ensure that the solution that will provide the best value for money, suggesting that issues around quality and costs are considered in full across the totality of the partnership.

Design conclusions

On the basis of our findings on design standards, quality and gold-plating, we feel confident in saying that the design quality being delivered by the partnership is both high and value for money. The development of common design standards for works, if delivered effectively and in such a way as they avoid unnecessary prescription, would add an extra level of assurance to what we consider to be a robust approach to design in all its forms.

iv) Performance management and financial control

We have been pleased to see that a robust approach to performance management is present within the partnership. Once again, the step change that resulted from the commencement of the partnership could not be more stark. Now, the partnership has a suite of KPIs against which

It is absolutely imperative not only that the existing systems are robust, but that the partnership is measuring everything it needs to measure to allow it to effectively assess its performance – not just those issues which it considers easy to measure

it is judged⁵, which complement the existing set of Best Value Performance Indicators (BVPs).

There is a defined performance management methodology which is adhered to, and which defines how the partnership will examine and take forward conclusions from performance information. From the way

it operates, it can be seen that it is not an adjunct to the running of the partnership but – as was seen in the section on governance, above – as the central means for underpinning the relationship between AMP and the council.

The importance of effective performance management is such that we have considered it in some detail. It is absolutely imperative not only that the existing systems are robust, but that the partnership is measuring everything it needs to measure to allow it to effectively assess its performance – not just those issues which it considers easy to measure. Steps are being taken to address this challenge, which we consider in more detail below.

The Key performance Indicators and Best Value Performance Indicators

The partnership KPIs cover the entire breadth of the partnership’s responsibilities, and rightly form the basis behind strategic decision-making. We have been extremely impressed by the commitment of officers to use performance information to drive forward service improvement, and we are sure that this demonstrates that a performance management culture is beginning to mature between the two partners.

The KPIs, as they stand⁶, reflect a number of key issues. There are indicators on physical performance, financial performance, “people involvement” and customer satisfaction. Targets for each measure are set between now and April 2010 and are increasingly challenging as the years go on. It is entirely appropriate that performance should drive improvement in this way and we are pleased that a robust scorecard of this type is central to the partnership. The methods used to calculate KPI performance are clear. Such is the novelty of this approach, however, that no similarly robust measures (and, importantly, measures on the same subjects measured in the same way) are available for the delivery of public realm infrastructure services before spring 2006. This makes it difficult to establish, from the KPIs, a performance baseline which we can use to assess where the partnership has come in the last eighteen months, and possible trends for the future.

The Best Value Performance Indicators (BVPs) sit above the KPIs and provide a broader context – and, importantly, a historical context – to the performance of the partnership. We have

⁵ Key Performance Indicators

⁶ They are listed in full, with the year-on-year targets, in the thirteenth schedule to the partnership agreement.

FOURTH DRAFT – 14/12/07

looked at the BVPI data for the past two or three years, to examine the effect of the partnership on the delivery of services.

The BVPIs provide only a broad-brush view but do at least allow some comparisons to be made with past performance. They reflect consistent improvement in the areas measured between 2005 and now, keeping pace with target increases. Most BVPIs are now reported as “good”. We were concerned that given the number that were performing so well, the BVPI targets should be more rigorous and challenging. However, as BVPIs are set centrally, this is not an option at the moment.

With the advent of Comprehensive Area Assessment (CAA)⁷, local authorities will have an opportunity to manage the reporting of a new, pared-down dataset comprising 35 of 198 “national indicators” (NIs). Partnership officers should take the opportunity when this occurs next year (and, in fact, when the NI definitions are published, which has now been delayed for some time) to assess how the new NIs fit in to the rest of the KPIs. Which of the NIs are taken forward for national reporting will depend very much on the priorities of the council, and so many areas will no longer be subject to the same central government examination as previously. Under these circumstances it is even more important that internal processes, and the means for using performance information to drive improvement, should be as robust as possible.

[The BVPIs] reflect consistent improvement in the areas measured between 2005 and now.

In-year spending, the capital programme and project completion

So far this year⁸, the partnership has achieved 42% of its capital programme. This is an impressive achievement that demonstrates that financial control, and project and programme management, are working well. This excellent performance is a cause for celebration. It means that all the projects planned for 2007/08 can – if this trend is continued – be delivered on time and on budget, improving our value for money performance and using our resources effectively.

Better financial control has been brought about by a suite of measures, about which we were informed by the Portfolio Holder. Firstly, we have been told that forward planning improvements have been made, setting out a work programme for a full 12 months. Naturally, this means that financial control can be kept much tighter.

We have also been advised that, although the original partnership agreement anticipated a spend by the council of between £12 and £15 million, work has been programmed in such a way that only an £8 million spend is anticipated by the end of the 2007/08 financial year. On the face of it this represents only an internal decision within the council to spend less in this year on the public realm than originally planned, but we would like to identify the possibility that this might place AMP in a potentially difficult financial position, which may risk successful delivery of the partnership in the long term. Happily, the recent agreement between AMP and the London Borough of Hillingdon for

[W]e consider that it is crucial for the council to consider the effects that this reduced spend might have on the continuing relationship with AMP

⁷ The CAA will be an inspection regime that will replace the Comprehensive Performance Assessment and which will assess all bodies involved in delivering actions under the Local Area Agreement. As such, it will have an inherent focus on partnership and on the identification of key local priorities, rather than the setting of priorities and targets centrally.

⁸ At the time of writing (December 2007).

FOURTH DRAFT – 14/12/07

the delivery of public realm services has negated any adverse fall-out that may have arisen from Harrow’s reduced spend. Notwithstanding this, we consider that it is crucial for the council to consider the effects that this reduced spend might have on the continuing relationship with AMP. Hopefully the openness inherent in the partnership will allow the council and AMP to consider this important issue further, and in depth, but we are pleased that the size of AMP and the flexibility this provides them have not resulted in adverse effects as a result of the reduced 2007/08 spend. One of our recommendations relates to this issue.

The nature of the partnership, with the long-term relationship between AMP and the council, has made this long-term planning possible. We were also told that it has been able to deliver a consistent workload.

Officers are, rightly, proud of their achievements relating to performance and project management. More innovative solutions, in design terms, have been made possible because of improvement to project management – this is how it was possible to carry out some of the larger projects such as Station Road and Uxbridge Road in one “hit”. We did learn when studying the Uxbridge Road reconstruction that the decision to undertake all the reconstruction work in one go over a very short period had caused some resource difficulties, with workloads being extreme and staff being stretched for the period in question. However, officers have learned from this experience and anticipate that in future work of this type will be programmed in with the rest of the capital programme in mind to provide the consistency which we discussed. This is a good example of shortcomings in project management being identified and being used to inform future decisions.

Benefits of “single supplier” of services - This brings us to the benefit of using a single supplier of services. The analysis and reallocation of resources depending on workload and on in-year priorities is extremely difficult, if not impossible, with a plethora of different contractors, but with AMP as the single provider this kind of strategic thinking has been available to the council. Officers admit that it has taken some months to capitalise on this, but it is clear to us that planning and project management is at a stage now that allows significant efficiency gains, and quality gains, to be made.

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Of course, AMP themselves subcontract out work to other, smaller contractors – in some cases, contractors with whom the council had a contractual

relationship to deliver services before the partnership came into existence. However, the circumstances are different – the focus on performance means that contractors have a much clearer idea of what is required, and AMP’s stewardship means that economies of scale in terms of flexibility and delivery can also be brought to bear.

Service and payment: risk and reward

As we have seen, partnership working is based on trust. Trust itself is based on openness, and to have openness it is necessary to have an equitable sharing of risk and reward between the partners.

In theory, risk and reward works in the way described in the section of this report which goes into Egan partnerships in more detail. The idea is that some of the financial risk of poor performance is shared between the partners, as is the reward. The important thing is that this sharing should be essentially equitable.

FOURTH DRAFT – 14/12/07

In practice, the operation of the risk/reward framework in the AMP partnership is quite complicated⁹.

Firstly, the “baseline” has to be established – the key point against which risk and reward are to be allocated. Achieving the KPIs constitutes this basic 100% standard – tying in risk and reward with partnership performance. Any delivery in excess of the KPIs will consequently result in a corresponding performance bonus being paid (described as “the Harrow bonus”).

However, there is also a risk element attached to non-delivery. AMP puts up a certain amount of its own money to manage this risk, divided into a number of increments. Each increment is calculated as one quarter of the total performance bonus (in percent) available, as agreed by the parties at the beginning of the partnership, as discussed above. Delivery below the KPI target will risk the loss of one or more of these increments on a rolling basis. Each month, one increment is either added to or deducted from the “total” performance payment – unless the contractor is performing at the maximum level (ie, unless all four increments are intact).

The rationale behind this incremental approach is, according to the schedule, to “ensure that there is a method and timeframe in which to correct performance rather than have a 100% or 95% fluctuation immediately. The incremental method allows the contractor to correct performance without too heavy a deduction in doing so”.

So, to provide a worked example under a hypothetical KPI:

- Month 1: All four increments are intact, and performance is delivered to the required standard, so there is no change.
- Month 2: All four increments are intact, and performance is delivered exceeding the required standard. But as all increments are intact, no additional increment is added.
- Month 3: All four increments are intact, but performance is delivered below the required standard, so one increment is lost.
- Month 4: Only three increments are intact, and performance drops below the required standard again, so another increment is lost.
- Month 5: Only two increments are intact, but performance meets the target, so an additional increment is added.
- Month 6: Three increments are intact, and performance exceeds the target, so an additional increment is added.
- Month 7: Four increments are intact, and performance exceeds the target, but because we are back to the full four increments no additional increment can be added.

Of course, where there is significant performance exceeding targets, the “performance bonus” is applied as outlined above.

This is a complicated approach, but a common-sense one. It is not as “pure” a risk/reward sharing scheme as the so-called “target cost” approach¹⁰. However, we understand that it works effectively in this situation.

Risk/reward sharing is, in fact, only one of a suite of payment options open to the partnership to use. These include:

⁹ The complete detail is provided in the thirteenth schedule to the contract between AMP and the council.

¹⁰ More detail on target cost can be found in the first background briefing, in the appendices.

FOURTH DRAFT – 14/12/07

- Schedule of rates (ie, an agreed list of rates for carrying out certain jobs)
- Fixed price (similar to the above)

Different methods of payment are used in different situations, for different kinds of job.

We recognise that a risk/reward, or target cost, scheme will not be appropriate for a number of smaller tasks for which schedule of rates or fixed price arrangements are more efficient. We accept that such a system is pragmatic but would like to highlight what we consider is a potential risk in the use of schedule or rates or fixed price arrangements, in that such arrangements will be somewhat removed from the overarching performance management framework. We have seen that the links between performance management and risk/reward are robust, but the nuances necessary in the assessment of the quality delivered might not be present in a standard schedule of rates. That said, as long as such arrangements are used only for small, defined projects or works, under specific circumstances, this risk will be reduced.

Capacity

The fact of the long-term partnership relationship, the sharing of risk and reward and the additional certainty that comes of partnering with an organisation with a large and professional skills base has capacity implications for the council itself, as a separate organisation.

Officers have informed us of the capacity issues which existed before the partnership came into force. As a collection of small teams, the council could not respond flexibly to situations and officer workload was difficult to plan in advance.

With AMP now responsible for both works and for professional services, however, we have seen that council officers are no longer obliged to spend large amounts of time on design, assessment of work being carried out on site (which is now self-certified by AMP), or indeed on the complex web of contracts necessary under the previous CCT regime (under a series of contract monitoring regimes). Officers' time has been freed and, we think, this presents an excellent opportunity to deal more effectively and efficiently with both strategic and statutory issues for which there may not have been the

Officers' time has been freed and, we think, this presents an excellent opportunity to deal more effectively and efficiently with both strategic and statutory issues for which there may not have been the time or opportunity before the partnership came into existence

time or opportunity before the partnership came into existence. There is the potential for an expansion in the quality and nature of work now carried out by directly-employed council staff, without an increase in departmental "head count" – an excellent opportunity to capitalise and build on the solid start that has been made in promoting and developing new and innovative ways of working with AMP and other partners.

One of our recommendations deals with this issue.

Potential measurement pitfalls

There are some potential risks in terms of measurement and reporting that we would like to dwell on briefly.

FOURTH DRAFT – 14/12/07

Measuring unmeasurable performance – firstly, there is a conceptual issue to consider around measurement, and what can and should be measured and fed into the partnership’s plans for improvement.

Inevitably, it is tempting under these circumstances to measure only those things that are easy to measure. To return to the KPIs themselves, the focus is on physical and financial performance. Obviously, given the nature of the partnership,

The challenge is to develop a measurement system that blends qualitative and quantitative measures [...] we are not convinced overall that the establishment of a small number of value-added PIs will address this issue adequately.

most key measures will be easily quantifiable. However, there will inevitably be a number of different aspects of performance, which cannot be measured so easily. Customer care is a good example of this. The challenge is to develop a measurement system that blends qualitative and quantitative measures.

The partnership has tried to address the concern that it has tended to measure only those things which it is easier to measure. It has proposed the development of a number of additional KPIs to measure, qualitative, “value-added” measures, and these have now by and large been implemented within the KPI framework¹¹.

However, despite these steps, we are not convinced overall that the establishment of a small number of value-added PIs will address this issue adequately. There is a case for stating that measurement of valued-added elements to projects should both be developed for and built in to the projects in question, and that current KPIs could where appropriate be amended – integrating qualitative methodologies relating to “soft” measurement – so that the reflection of value-added issues is completely and seamlessly integrated within the PI framework in its totality. We are not sure that simply “bolting on” a selection of more qualitative value-added PIs will resolve this.

Qualitative measurement is, as concepts go, a dangerous and confusing one¹². At the risk of sounding overly theoretical, measuring issues such as “customer satisfaction” and perception is difficult because the measurement of individual perception depends so widely on subjective judgment. Of course, we have used customer surveys as one of the lines of evidence in our work, but the risk of presenting these statistics in the form of a PI is that it can be given the same credence as an indicator that has been subject to the same rigorous verification as a “standard”, quantitative PI. The question is whether qualitative measures, such as customer satisfaction, can be measured well enough to justify their inclusion within a standalone PI.

The question goes beyond mere methodology and as such we have looked at it in relation to the performance management framework more generally. On balance we do not consider that alterations to the methodology of the existing PIs to integrate qualitative and quantitative evidence together would be helpful, as it would make year-on-year performance difficult to compare. Tweaking methodologies for reporting, although tempting, is not appropriate, given the importance of being able to rely on annual information to compare with historical data which has all been measured in the same way.

¹¹ We have not seen specific examples of these KPIs in operation yet.

¹² More on this issue can be found in Hayes A., *Statistical Methods for Communication Science*, (Routledge: 2005) pp24-27, also “Towards better qualitative performance measurement in organisations”, Sun P-YT, TLO 10(5) (2003), pp258-271

However, we do consider that more thought needs to be put into the measures for purely qualitative items to ensure that their methodologies are sound. If methodologies are robust we believe that qualitative measures such as these (for example, customer satisfaction) will help the partnership to perform better. The partnership needs to develop measures which are more qualitative, and for quality more generally, which are robust and depend as little as possible on subjective interpretation of the data. In and of itself, this will be a challenging task. However, the framework should also not be so prescriptive so as to fetter the ability of officers to innovate, to take risks and to develop original ideas for the delivery of projects. This makes the challenge yet more difficult; but we remain convinced that it is something that must be tackled.

One of our recommendations, outlined at the end of this report, is on this topic.

IT - secondly, we would like to touch on issues relating to IT. IT has been identified¹³ as having been a problem for the partnership. Poor integration of IT inevitably means poor integration between the partners more generally. It also means that reporting up and down the

management chain is not as seamless as it otherwise would be, potentially making it difficult for senior managers to access crucial, real-time performance and asset information.

Constant feedback from on-the-ground AMP officers to partnership officers higher up the chain must be recognised as one of the most crucial things to get right

We are pleased to see that steps are being taken to address this. An extranet is being developed for AMP and council staff which will allow this crucial information

sharing to become more straightforward. We assume, and hope, that care and attention will be taken to tie the extranet in to the council's existing systems – in particular, SAP. Automatic reporting between the two (assuming that the functionality exists to do so) ought to ensure that performance reporting is even more robust than it is already. Constant feedback from on-the-ground AMP officers to partnership officers higher up the chain must be recognised as one of the most crucial things to get right.

Self-certification - thirdly, we want to bring up the potential for difficulties with measurement “on the ground” – the practice of “self-certification”. Under self-certification, AMP are responsible for assessing their own work once completed. On a traditional reading, this seems completely counterintuitive. To have the person or organisation responsible for carrying out work assessing it at the end of the project risks all kinds of problems – chief among them the chance that the assessment will not be rigorous, and that it will be focussed on having the project “signed off” even if set standards have not been achieved.

Are these concerns borne out? We have found that stringent procedures exist for monitoring this reporting, although the thirteenth schedule of the contract only mentions that performance will be measured “by a method to be agreed between the contractor and the service manager”.

PIs themselves, once recorded, are “subject to the agreement of, and certification by, the [council] Service Manager, whose decision in such matter shall be final”. As such, the AMP KPI framework is not “self-certification” per se, but obviously AMP officers are responsible for recording the raw data, as they are delivering the service at an operational and tactical level. This data is provided monthly.

¹³ Principally at the round table meeting, although evidence received there is reflected in other evidence received in the course of the review.

FOURTH DRAFT – 14/12/07

To further assure data quality, at the beginning of the contract there was a three-month “testing and re-calibration” period of the first year’s baseline level of performance.

There is also a section of the thirteenth schedule that deals with misrepresentation of results. Section 4.1 of the thirteenth schedule states,

Checks by the [council] service manager of the contractor’s own monitoring of the KPI targets and performance payments will be carried out regularly. Should these checks find any deliberate misrepresentation on the part of the contractor, then, as well as any management action at Director level, the performance payment will be reduced by two further increments over and above any other appropriate adjustments identified.

Of course, this is a “long stop” provision which covers events which are unlikely to occur. The nature of the partnership relationship is such that such misrepresentation would not be in the contractor partner’s interests, given the governance issues discussed in the section above.

The nature of the partnership vitiates against concealment or misreporting, as without the sharing of information and the effective management of performance data it would not be able to operate

It is our view that these procedures form an effective long stop. However, this is a long-stop that we would hope are not necessary. The nature of the partnership vitiates against concealment or misreporting, as without the sharing of information and the effective management of performance data it would not be able to operate. Performance on the ground informs PIs, which inform prioritisation of future resources, which are then used to dictate work programmes. At each stage there is a pressing policy reason for partners to be forthright and truthful with each other, because not to do so would risk the long-term relationship, future performance bonuses and the ability to use resources to the best possible use by all parties. This constant interreliance between the partners is what makes Egan partnerships, and by extension the AMP partnership, so robust.

v) Communications

“Communications” covers a wide area. Involving the local community has been recognised as one of the more significant drivers of the partnership¹⁴. Identifying people’s needs is crucial to a great deal of the work that the partnership carries out, and in certain instances such consultation is a statutory requirement¹⁵.

Communication with partners

Consultation is also necessary with other partners, particularly utility companies. It is a consistent complaint¹⁶ that seems always to be made that successions of contractors dig up various parts of pavements and roadways, leading to swift degradation of the road surface. In fact, we saw some evidence of this during our site visit to Uxbridge Road, where only a couple of months after completion contractors from EDF had already dug and relaid channels following some maintenance work. Officers informed us that, now that utility companies are obliged to

We can only suggest that further dialogue with utility companies should be carried out with a view to devising some mutually agreeable solution relating to the harmonisation of work schedules and the agreement of common design standards – but we appreciate that this is easier said than done

carry out repair and remediation works themselves, using their own streetworks teams, the quality of the work is invariably lower than it would be if carried out by the council itself. However, we recognise that progress here is difficult. The situation is defined by statute, which requires utility companies to carry out remedial work which matches the existing treatment of the road or footway. Utility companies seem to interpret this requirement loosely but it is not

practical to expect that the council can challenge every instance where work is not carried out to the standards expected. We can only suggest that further dialogue with utility companies should be carried out with a view to devising some mutually agreeable solution relating to the harmonisation of work schedules and the agreement of common design standards – but we appreciate that this is easier said than done. Utility companies are regional and national in nature and high-level engagement is unlikely to be realistic. It can only be hoped that ad-hoc, relatively low-level relationships can be built which encourage a more pragmatic and consensual approach to road works.

It is clear, though, that AMP and the council are working to build such relationships with utility companies, and this was borne out by our case study work on emergency response. We looked in particular at work carried out to “make safe” Queensbury Circle and the immediate area when a water main burst there last year. In that instance, Three Valleys Water (TVW) formally put on record that they had been impressed by the work done by the partnership to support them. It is clear that both partnership and TVW officers found it possible to work closely together to solve emerging problems and that this approach directly resulted in reduced inconvenience for local road users.

¹⁴ 1st Quarter Contract Management Report 2007/08 (as reported to AMP Partnership Board)

¹⁵ For example, local authorities are obliged to consult local residents before implementing Controlled Parking Zones (CPZs) under the Local Authority Traffic Orders (Procedure) Order 1994, pursuant to ss 6 & 9, Road Traffic Regulation Act 1984.

¹⁶ In fact, it was a complaint made by a number of respondents to our surveys.

FOURTH DRAFT – 14/12/07

However, improvements to internal partnership management processes are also themselves having an impact on utilities' access to roads. The ability to carry out large projects in one go, rather than staggering different elements across a number of different months, has an impact on utilities' rights under the Traffic Management Act (TMA) to carry out planned works in the same area. After reconstruction work has been carried out utilities are forbidden from carrying out works on the same site for the next 12 months. When work is carried out in one "hit" as it was at Uxbridge Road, this means that a large area is free of periodic utility works for this time, which enhances the visual appearance of the area and also enhances public perception.

However, reliance on this approach is, we feel, no substitute for a closer working relationship with the utility companies themselves.

Communication strategy

We have seen a great deal of material emphasising how important communication is to the partnership. AMP and council officers are clearly committed to improving communication, and to this end a communication strategy has now been drafted, made possible by the augmentation of the communications and customer relationship team. We have been advised that there are further plans to build a combined partnership liaison team for Property and Infrastructure, although it is unclear when this is planned to happen.

However, on considering the communications strategy itself, we are not sure that it goes far enough. We recognise that resources are tight, and that already the communications service being provided goes beyond the initial contract specification, but a more ambitious approach would deliver significant gains in the future.

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The strategy seems to lack coherence as a high-level document. This is probably because of its limited scope. We feel that it concentrates on form and process to the exclusion of setting out a framework for ongoing resident engagement in the partnership's activities. The information that it contains – procedures for approval of press releases, information on a "house style", an assessment of the "key messages" from the partnership, and the resources to hand to deliver the strategy itself – is useful and necessary, but not in a document that is meant to set out a vision for communications in its more broad sense.

Part of the reason for this seems to be a confusion surrounding who the strategy is for. It is being distributed to all AMP and council employees involved in the partnership, and so the audience is broad and covers everyone from senior managers to customer-facing staff. The high-level strategy should, we feel, concentrate on focusing the minds of senior managers on the practice to be followed, with more low-level material being prepared and disseminated separately.

Consultation processes - We consider that the consultation processes identified in the customer care strategy and the communications strategy are too one-way in nature. Priorities and actions all deal with AMP and the council's production of information, with residents and local people as a largely passive participant. It seems that the focus of communications work at the moment is on informing the public about ongoing and planned works rather than engaging in dialogue.

FOURTH DRAFT – 14/12/07

Cllr O'Dell, the former Portfolio Holder, expressed the opinion at our round table meeting that AccordMP had not struck him at the time of his involvement as having been especially innovative in terms of consultation and involvement. Obviously steps have been taken in the meantime to address the issue, but we do still feel that although there has been a significant improvement in community engagement, we still feel the partnership does not have a sufficiently progressive approach to community involvement. The engagement with local people is not something that can realistically be undertaken on an ad-hoc, project by project basis. Instead, we feel that communications should focus on building and maintaining an ongoing relationship with local people, in particular through residents' associations, but also directly.

[A]lthough there has been a significant improvement in community engagement, we still feel the partnership does not have a sufficiently progressive approach to community involvement

What would this mean in practice, and how would it be different to what exists at the moment? By suggesting that this change needs to be made we want to build on rather than to eliminate the work that has been carried out so far. The main changes we think necessary relate to "stakeholder liaison", and the practices embodied in the communications strategy at page 15. The strategy states that a number of different means of liaison exist. These

include Access Harrow, community events, direct mailings, exhibitions, noticeboards, post-scheme questionnaires, scheme leaflets and on-site "sign boards".

We consider that more guidance is needed for officers on the appropriate circumstances to use each of these methods of engagement. Different projects may require different approaches and the current strategy does not provide the necessary evaluation or analysis to allow officers to make an informed decision as to the best technique to use. The strategy should place the different methods on a scale, from "informing" local people (the minimal activity the council should be doing) to "co-decision", complete engagement on design, timing and other issues which may be appropriate for a particularly large and complex project¹⁷. Different methods will be more or less appropriate for different situations and this approach will ensure that consultation, participation and involvement is designed to be of the most use for all stakeholders in the partnership's work.

Officers should take a step back from individual projects and think carefully about how local people can and should be involved in decision-making on public realm infrastructure more generally [...] essentially, what we are proposing is that real steps might be taken to transform the partnership from the current two-way relationship between AMP and the council into a three way partnership between AMP, the council and local people

Complementing this, the partnership also needs to develop a progressive strategy for community engagement and involvement generally. Officers

should take a step back from individual projects and think carefully about how local people can and should be involved in decision-making on public realm infrastructure more generally. This could well involve building more robust links to existing bodies and forums, including residents' associations and community groups, and encouraging them to play a meaningful role in decisions that are being made about the public realm infrastructure of their local community.

¹⁷ Essentially we are proposing the consideration of the "ladder" model of community engagement first proposed by Arnstein in 1969 and refined by Wilcox in 1994 (Wilcox, D., "Guide to Effective Participation", Joseph Rowntree Trust)

FOURTH DRAFT – 14/12/07

This links in with the council’s objectives under the Prosperity Action Teams (PATs)¹⁸. Essentially, what we are proposing is that real steps might be taken to transform the partnership from the current two-way relationship between AMP and the council into a three way partnership, between AMP, the council, and local people. This is arguably a bombastic statement but we think that it identifies, in essence, the potential that exists for improvement here.

It may well be that the best way of achieving this is the development of a joint communications strategy and structure for both the Accord MP and Kier partnerships, to ensure that community engagement and involvement activities around all aspects of the built environment are managed and delivered under one roof. This would further enhance the perception and existence of a “seamless service” between these two partnerships and makes logistical and operational sense when public realm and construction services overlap so significantly. Good practice in community involvement can be shared and community knowledge can also be passed more effectively between the partnerships in this way.

Direct mailings and leaflets – obviously, each existing method of consultation and participation can remain within the outline framework we have identified. With this in mind we have developed some thoughts on direct mailings and leaflets specifically which derive from our consideration of the material issued for Uxbridge Road, as well as a large range of other consultation material to which we have had access¹⁹.

The leaflet circulated for the Uxbridge Road reconstruction gave very basic information about the work being carried out. We think that there is a case in a large project such as this for a more concerted campaign not only of public information but of dialogue, with local residents, to ensure that works can proceed more smoothly. Many of the “free text” responses to our surveys detail a catalogue of minor complaints and confusions which could have easily been resolved, or would not have arisen in the first place, had a communications plan that focussed on involvement and participation been put in place from the outset²⁰.

Moreover, we are not convinced that the information, when made available, was done in a way that was accessible. Although we have been assured that the quality of the Uxbridge Road leaflet was not representative of other consultation work, the format of other leaflets we have

There is a case for a more personal approach with the literature produced – we suggest that leaflets be addressed from the Portfolio Holder herself

seen is largely similar. Obviously the provision of some information is far better than no information at all, but the work already done on communications could easily be capitalised upon by the provision of more accessible literature which can provide key information, perhaps supplemented with a map where appropriate. There is a case for a more personal approach with the literature produced – we suggest that leaflets be addressed from

the Portfolio Holder herself. We consider that this practice would allow the partnership, and the Portfolio Holder, to explain the context of the work more fully, and how it fits within the improvements being delivered across the borough – the important, more general issues, of why and how the council is delivering an improved public realm. This forms the basis of one of our recommendations.

¹⁸ These are local bodies responsible for the distribution of capital money to local community projects, led by ward councillors.

¹⁹ In the “AccordMP / Harrow Council Partnership Sample of Customer Relations and Communications Documents”

²⁰ This can be seen at figure xx, below.

FOURTH DRAFT – 14/12/07

We have noted that the quality and detail of consultation and information leaflets varies widely and consider that the further enhancement of the communications function within the partnership (as already planned, and as suggested above) could and should lead to a general standard for such information.

Figure 3 – Indicative free text responses relating to communications and involvement, Uxbridge Road

“Apart from road signs we had no idea what was being done.”

“Although I am satisfied with the work done I was very concerned at the start of the work. Without any notice the middle islands were taken out of the road. This is a main route and drop off area for school buses. This put children at risk without parents being made aware of the risk...”

“Some work was carried out quite late at night, it was also very noisy. It was my understanding that all works would be carried out during the day, this however was not the case, and I was never led to believe this would happen”.

“There was not much communication before and during the process”.

Customer care – we have some concerns about individual customer care. Now that a customer care strategy has been developed, we expect that some of our concerns will be resolved shortly, if they have not been already. Certainly, the partnership’s own data reflects a picture of improvement across the board in this area. Complaints, we are told, have reduced from 7 a day to 7 a month.

In general our worries relate to our vehicle crossings study. Here, individual householders paid the partnership for the construction of a vehicle crossing on their property. This is much more similar to a provider/client relationship than the more generalised information and communications we have been discussing in this section so far. Again, our surveys indicated broad satisfaction with the work carried out, but once again there were a significant minority of people who were not satisfied with the service being received. This dissatisfaction may, in many instances, have not resulted in a complaint, which may mean that the partnership is unaware of it – an important point when considering issues relating to performance management.

[M]ore effective aftercare might be needed, as a matter of course

In our view, more effective aftercare might be needed, as a matter of course, where work has been carried out on or near a particular property – or even more generally. This would usefully identify any outstanding concerns and allow quick action to be taken to solve problems. This

Effective discussion, information sharing and joint decision-making with local people will also, as discussed above, manage expectations and ensure that people know exactly what standard and nature of work they can expect – and also to ensure that the partnership fully understands people’s needs

might in some circumstances be as straightforward as a meaningful follow-up survey, or a community meeting – for more significant projects the partnership might take a more proactive approach. A continuous level of

FOURTH DRAFT – 14/12/07

involvement by the partnership in local communities would make this process even more straightforward.

Effective discussion, information sharing and joint decision-making with local people will also, as discussed above, manage expectations and ensure that people know exactly what standard and nature of work they can expect – and also to ensure that the partnership fully understands people’s needs.

By and large work is carried out to a high standard and local people are satisfied

However, we remain of the opinion that these problems are not reflective of the wider service being provided, in relation to vehicle crossings and more generally. By and large work is carried out to a high standard and local people are satisfied – but it is for those minority of situations where this does not happen that agreed consultation and involvement standards, as we described above, are necessary.

Figure 4: Indicative free text responses relating to communication and customer care, vehicle crossings case study

“Not fully satisfied with the quality of work or support to understand the procedure”.

“The size of my crossing is wrong and unjust compared to other roads and even neighbours. I complained and only after several calls someone came to see me. The person said that they could not adjust my crossing even though other roads had different sizes. Also, existing crossing was left and the drive looks bad. The person said he would take action against a neighbour and I have yet to see this happen.”

“I think I wasted my money, the crossing is not in [the] form I expected it to be.”

“The work completed was completed with minimal disruption to myself or neighbours. Good job all round.”

“Although I applied for the [vehicle crossing] at the beginning of January I heard nothing until 4th April. The [vehicle crossing] was started on 27th April but I had no communication from the engineers beforehand – the men just turned up to start out of the blue. The work was finished on 4th May. Since then, no-one has contacted me about it until this survey”.

Celebrating success

The above should not be interpreted as a criticism either of existing practice or of the partnership more generally. We certainly appreciate, as we were informed at our round table meeting with officers, that communications policy has been starting from a relatively low base, and that it has only been in the last few months that concerted action has been taken to effect improvements. Under these circumstances it is unreasonable to expect a high quality and consistency to all the issues we have raised across the entire partnership structure.

With this in mind, we also want to dwell on communications more generally relating to the nature of the partnership itself. We feel that officers within Property and Infrastructure have been hiding their collective lights under a bushel. There is, within the service, and within AMP, a passion, commitment and dedication which shows itself in the quality of the work carried out, as we have seen. This work is being carried out in a value for money manner, to a high standard,

FOURTH DRAFT – 14/12/07

with effective financial and performance controls, as part of a continually strengthening partnership. It is true that we consider policy on communications to be lacking, but there is a

There is, within the service, and within AMP, a passion, commitment and dedication which shows itself in the quality of the work carried out, as we have seen [...] this good practice should be aggregated and disseminated further so that staff’s performance can be celebrated in the rest of the organisation

wealth of good practice relating to the partnership in general which needs to be shared not only with the rest of the authority but with other councils. Officers should not be bashful about holding themselves and their performance up to others as an example to follow. There is a practice within the partnership (set

out in the communications strategy) of preparing “glory boards” to identify and celebrate good practice, but this information seems to remain within the partnership itself. This good practice should be aggregated and disseminated further so that staff’s performance can be celebrated in the rest of the organisation.

Moreover, we should not, as an authority, be embarrassed to celebrate the success of this partnership and to explain how it operates, and its benefits, to local people. There is all too often a reticence about trying to engage residents with “good news” stories. Such reticence is entirely justified if the action in question were to be merely a puff-piece in the Harrow People magazine, but if done as the first step in an ongoing dialogue with local residents – as described above – the people of Harrow can become much more engaged in the way the partnership operates. This cannot happen overnight, but the benefit of a long-term relationship with AMP is that a similarly long-term strategy can be brought into action to deliver this ambitious objective.

Recommendations

We have been impressed by the level of dedication and passion that both AMP and Council officers share. Both are convinced of the significant benefits that partnership can bring, and has brought, to the delivery of public realm. This approach has led to an open and frank relationship between the two organisations where mutual concerns and problems about performance can be discussed frankly and always with a view to improvement. We have seen the benefits of this approach first hand in the open way in which failures and problems, where they have occurred, have been acknowledged. This is a step-change in organisational culture.

Failures have been few and far between, although officers admit that the first nine months of the partnership did not run as smoothly as was expected. It is clear however, that the partnership has the potential to become a resounding success. It has enabled the Council to do things that, before April 2006, would have been unthinkable – either beyond Harrow’s resources or beyond the expertise or resource of previous contractors. For this reason, the central thrust of our review, and our five recommendations, is on further integration.

Recommendations

Performance management and financial control

- 1. That the partnership ensure the performance management framework takes full account of qualitative items over and above the development of further quantitative KPIs. This would be accompanied by robust methodologies, central to a light touch governance regime that promotes innovation and risk-taking. The review group also found that early contractor involvement has been key to delivering some of the most innovative and best value solutions and should be encouraged within the organisational culture of the partnership, as well as serving as an example to other parts of the Council’s workforce.**
- 2. That the portfolio holder may find opportunity for increased capacity with the same departmental head count due to the additional resource benefits of the AMP partnership and its innovative and specialist skills. The review group identified for example, that work has been taken off Council staff’s shoulders in areas of design and in site assessment, where AMP now conduct this work. This has freed Council staff time for more strategic and statutory work, which has been under pressure.**
- 3. That the administration reflect on the fact that the AMP agreement was done under the expectation that the annual spend would be in the region of £12-£15 million. The AMP partnership began part way through 2006 so 2007/08 is the first complete municipal year the partnership has run, and 2007/08 spend is in fact on target for £8 million, which could well present commercial issues for AMP. However, during our investigations AMP confirmed that the August 2006 agreement of Hillingdon Borough to retain AMP in a similar partnership has negated any adverse fall-out that may have arose from Harrow’s reduced spend. AMP’s economies of scale bring huge advantages to Harrow but these advantages can only be sustained with a minimum spend.**

4. That an approach to communications and community involvement be taken that allows genuine partnership in decision-making with local people. This approach would also see continuous involvement with residents on all issues relating to public realm infrastructure through a joined-up approach to communications between AccordMP, Kier and the Council. The review group discovered that some communications that went out jointly from AMP and Harrow Council were not adhering to expected criteria of production and quality. For example, although 88 per cent of residents were satisfied with the work done on Uxbridge Road, 52 per cent were not satisfied with the communications, or lack thereof, during the work.

5. That each piece of project communication to residents be used as an opportunity for the portfolio holder to explain the broader objectives of the work being done and to communicate the Council’s vision of why and how we are delivering an improved public realm.

Scope and recommendation matrix

Scope

This was the original project plan for the review, agreed by members before the start of the review itself. It demonstrates the original aims and objectives for the review.

Recommendation matrix

This is a document setting out our recommendations, how they were arrived at, and how we intend to measure whether they have been implemented, if approved at Cabinet.

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Meeting:	Cabinet
Date:	17 January 2008
Subject:	Council Tax Base 2008-09 and Collection Fund
Key Decision:	Yes
Responsible Officer:	Myfanwy Barrett (Corporate Director of Finance)
Portfolio Holder:	Councillor David Ashton (Portfolio Holder for Finance and Portfolio Co-ordination)
Exempt	No
Enclosures	Appendix 1: Calculation of Council Tax Base 2008-2009

SECTION 1: SUMMARY AND RECOMMENDATIONS

This report sets out the calculation of the Council Tax Base for 2008-2009 and the estimated financial position on the Collection Fund as at 31 March 2008.

Recommendations:

Cabinet is asked to:

- (a) Agree that the band D equivalent number of taxable properties is calculated as shown in accordance with the Government regulations;
- (b) Agree the provision for uncollectable amounts of Council Tax for 2008-2009 at 1.5% producing an expected collection rate of 98.5%;
- (c) Agree, subject to (a) and (b) above, a Council Tax Base for 2008-2009 of 85,466.5 Band D equivalent properties (being 86,768 x 98.5%), allowing for payment in lieu of Ministry of Defence properties;
- (d) Note an estimated deficit of £1,735,592 on the Collection Fund as at 31 March 2008 of which £1,365,043 is the Harrow share;
- (e) Agree that an amount of £1,365,043 be transferred from the General Fund in 2008-2009 and
- (f) Agree the revised bad debt percentage rates.

Reason:

To report to Cabinet on the Council's statutory obligation to set the Council Tax Base for 2008-2009 and make an estimate of the surplus or deficit on the Collection Fund by 15 January 2008. Approval to the recommendations set out is a major part of the annual budget review process. If the recommendations are not approved statutory requirements will not met.

SECTION 2: REPORT

1. This report covers both the Council Tax Base calculation for 2008-2009 and the estimate of the 31 March 2008 position of the Collection Fund.
2. The Collection Fund incurred a £2m deficit at the end of 2006-2007 and as part of the management of the Collection Fund a study was carried out recently on behalf of the Council by the IRRV to consider relevant issues and propose changes. The study concluded that:
 - The Collection Fund, into which the billing authority pays its Council Tax collection, should be managed so as far as possible to attain a nil balance at year-end to ensure that the actual sums collected are sufficient to meet the demands on the Fund by Harrow and the GLA;
 - Collection Fund management requires prudent decisions to be made in relation to the factors that affect the outcome performance of the Fund. In practice no authority can be absolutely precise but the year-end balance should be as small as possible, preferably with a small surplus;
 - The Government recognises that no billing authority can collect every pound of Council Tax and that an element of collection will continue after the relevant year. The legislation provides for non-collection to be compensated for by an element within the Council Tax Base itself;
 - The Council Tax in 2006-2007 and in 2007-2008, although set at a prudent level, was too low to compensate for the cumulative non-collection element. The contributory factors to the end-of-year deficit have been partly caused by factors in relation to the estimates of Council Tax yield, additional allowance made at year-end for bad debts to ensure adequate on-going provision and the process for estimating of the year-end balance on the Collection Fund;
 - In respect of 2007-2008 Harrow had recognised that the Council Tax base was too high and acted by reducing the collection rate used in the Tax Base from 99% to 98.5%. This decision will help to deliver a reduced year-end deficit at 31 March 2008 but it will not eliminate that deficit;
 - The study proposed a more robust approach to the year-end estimating of the Collection Fund balance and bad debts provision. This has been actioned.
 - Growth in the property base this year will also help to reduce the effect of the estimated year-end deficit. Whilst property base growth may assist this year it should not be over-estimated in the Council Tax Base for next year given that the property market is entering a period of uncertainty. This approach, together with professional judgment on Collection Fund accounting should enable the Fund to be effectively managed leading to a future nil balance or small surplus;

- The estimate of the year-end Collection Fund surplus or deficit should be made on 15 January and not before that date. The estimate is one of the elements in the formula for the setting of the Council Tax for the forthcoming year but does not form part of the authority's statutory Budget Requirement;
 - There is no prescribed format for the calculation of the estimated balance on the Collection Fund. It is a technical calculation using the latest information available in respect of the gross debit for the current year (including prior year adjustments), arrears collection and the adequacy of the bad debt provision. Proposals by the study for the calculation mirror current processes but which have now been reinforced.
3. As noted above and within the following sections action has been taken, or reinforced, to effectively manage the Collection Fund issues.

Council Tax Base calculation 2008-2009

Introduction

4. The Local Government Finance Act 1992, as amended by the Local Government Act 2003, requires the Authority to calculate its Council Tax Base for 2008-2009 and pass this information by 31 January 2008 to precepting authorities. The Tax Base must be set between the 1 December and 31 January.
5. The Council's Tax Base has been calculated, according to the relevant procedures and guidance for 2008-2009, at 85,466.5 net properties. The Tax Base has two parts:
- (a) The number of taxable properties shown as 'band D equivalents' and
 - (b) The expected collection rate for the year.
6. The calculation method is set out in the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as amended. The regulations require that calculations must be shown for each tax band as well as a total for all bands. The detailed calculation of the band D equivalent properties is shown at Appendix 1. For calculating the Tax Base, (and setting the Council Tax) properties in each of the eight valuation bands are given different weightings. These weightings are shown as a proportion of the band D value. These are shown below:

Band	A	B	C	D	E	F	G	H
Weighting	6/9	7/9	8/9	1	11/9	13/9	15/9	2

7. The Regulations state that the calculation of the Tax Base must be based on the Valuation list produced by the Listing Officer of the Inland Revenue as it stands on 30 November in the year preceding that for which the relevant amount is calculated (i.e. at 30 November 2007 for the financial year 2008-2009). It must show actual numbers of properties at that date and allow for the effects of discounts and exemptions. It must also show likely changes to bands, new properties, properties taken off the valuation list and likely changes to

discounts, empty properties and exemptions for 2008-2009. The Tax Base shows new properties being built in Harrow (including in-fill development and conversions).

8. For 2007-2008 the percentage collection rate used was 98.5%. For 2008-2009 a budgeted collection rate of 98.5% is still recommended. The expected collection rate is the percentage of Council Tax to be collected after estimating uncollectable amounts. The proposal in the MTFs strategy is to reduce the target collection rate built into the Tax Base calculation by 0.5% each year. This will result in a collection rate of 98% in 2009-2010, and 97.5% in 2010-2011.
9. This does not mean that collection efforts will stop once the budgeted collection levels have been reached, or that eventual losses will necessarily be 1.5% to 2.5%. It is, however, essential that an adequate non-collection allowance be made each year.

Legal Implications

10. The Council must legally agree the Council Tax Base for 2008-2009 by 31 January 2008.
11. Section 33 (1) Local Government Finance Act 1992 imposes a duty on Harrow, as a billing authority, to calculate its Council Tax by applying a formula laid down in that Section. The formula involves a figure for the Council Tax Base for the year, which must itself be calculated.
12. The Local Authority (Calculation of Council Tax Base) Regulations 1992 require a billing authority to use a given formula to calculate the Council Tax Base. This is the formula set out and followed in the appendix to this report.
13. Sections 33, and various statutory instruments, also impose a duty on the Council to calculate the Council Tax Base within a prescribed period which is laid down in the Regulations as between 1 of December and 31 of January.
14. Section 67 Local Government Act 1992 was amended by section 84 of the Local Government Act 2003 to enable the full Council to delegate the power to set the tax base to the Executive. The constitution was duly amended at full Council on 20 October 2005.

Estimated Collection Fund Surplus / Deficit at 31 March 2008

Introduction

15. The Council, as a billing authority for the Council Tax, is required to keep a special fund known as the Collection Fund. The Fund is credited with the amount of Council Tax and Non Domestic Rates (NDR) it collects. The payments out of the Fund are in respect of Harrow's own local demand (i.e. General Fund expenditure net of Revenue Support Grant and share of NDR)

and to the National NDR Pool, and the precept issued by the Greater London Authority (GLA).

16. If a surplus, or deficit, remains in the Collection Fund at the year-end it is subsequently borne by, or distributed to, the billing authority (i.e. Harrow) and the preceptor (i.e. GLA). Billing authorities are required to estimate the expected Collection Fund surplus, or deficit, for the year to 31 March in order that the sum can be taken into account by billing authorities and preceptors in calculating the amounts of Council Tax for the coming year. The difference between the estimate and the actual surplus, or deficit, at 31 March will be taken into account in the following financial year. Approval of the Council's share of the surplus or deficit is a major part of the annual budget review process. If the recommendations are not approved statutory requirements will not met.
17. The estimated financial position on the Collection Fund at 31 March 2008 is set out below.

	£
Collection Fund Deficit at 31 March 2007	2,070,848
Transfer in respect of estimated deficit at 31 March 2007	-444,470
Increase in collectable debit in 2007-2008	-292,335
Increase in provision for non-collection (BDP)	401,549
Estimated deficit at 31 March 2008	1,735,592

18. There are three factors in the calculation – any surplus or deficit brought forward from the previous financial year, the change in the collectable debit, and changes to the appropriate level of bad debt provision (BDP). The estimated deficit set out in the above table includes both Harrow's and the GLA's share.
- The Collection Fund deficit at the end of 2006-2007 was £2.071m. This was £1.626m higher than the anticipated deficit of £444,470 when the 2007-2008 budget and Council Tax was set;
 - Due to additional properties being entered onto the valuation list, and improved control of provision of discounts and exemptions, the amount to be collected from Council Tax has increased by £0.292m against the budgeted requirement of £120.8m for 2007-2008;
 - Bad debt provisions for non-collection have been rigorously reviewed in the past two years. Identified previous under-provision was reflected in the 2006-2007 accounts and contributed to last year's deficit. Together with the write-offs that have been actioned this area of uncertainty in the Collection Fund has been dealt with. The table above sets out additional BDP now required.

- As part of the examination of BDP requirements the percentage of debt to be provided for within BDP has also been reviewed and the following changes are recommended:

	Current	Proposed
	%	%
Previous year debt	54	43
Debt over 2 years	73	54
Debt over 3 years	86	73
Debt over 4 years	100	86
Debt over 5 years	100	100

19. The Regulations provide for the Council's share of the estimated deficit i.e. £1,365,043 (allocated pro rata to the Council's call on the Collection Fund in 2007-2008) to be charged to the General Fund in 2008-2009. This action, together with the provision of adequate BDP and amendments to collection rate percentages, as set out above, will manage and eliminate the deficit. The management of the Collection Fund will be kept under review and it will be reconciled on a quarterly basis as part of the budget monitoring process.
20. The sum of £1,365,043 will affect the local demand on the Collection Fund and will be taken into account in the calculation of the 2008-2009 Council Tax. The remaining sum of £370,549 is attributable to the GLA.

Legal Implications

21. The Council is required by The Local Authorities (Funds) (England) Regulations 1992 in exercise of the powers under Section 99(3) of the Local Government Finance Act 1988 to make an estimate by 15 January of the amount of the deficit or surplus on the Collection Fund as at 31 March 2008.

Financial Implications

22. This is a report from the Corporate Director of Finance and deals with Financial matters throughout.

Performance Issues

23. There are no direct implications for individual performance indicators as the Collection Fund does not form part of the General Fund finance of the Council.

SECTION 3: STATUTORY OFFICER CLEARANCE

Name: Myfanwy Barrett



Chief Finance Officer

Date: 3 January 2008

Name: Helen White



On behalf of the Monitoring Officer

Date: 3 January 2008

SECTION 4: PERFORMANCE OFFICER CLEARANCE

Name: Tom Whiting



Divisional Director (Strategy & Improvement)

Date: 3 January 2008

SECTION 5: CONTACT DETAILS AND BACKGROUND PAPERS

Contact: Council Tax Base:

Fern Silverio (Head of Service – Collections)

Tel: 020-8736-6818 / email: fern.Silverio@harrow.gov.uk

Collection Fund:

Barry Evans (Interim Divisional Director of Finance & Procurement)

Tel: 020-8424-1203 / email: barry.evans@harrow.gov.uk

Background Papers:

- The Local Authorities (Calculation of Council Tax Base) Regulations 1992, SI No.612 as amended, SI No.3012 of 2003, LGFA 1992, LGA 2003, Council resolutions of meetings held 16/12/03 & 20/10/2005.
- The Local Authorities (Funds) (England) Regulations 1992
- Statement of Accounts 2006-2007

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Line	Band	@	A	B	C	D	E	F	G	H	Total
Actual current properties											
1	Dwellings on database 30/11/07	0	280	3,162	17,638	26,954	21,625	7,585	6,023	1,122	84,389
2	Exemptions (minus)	0	14	118	495	456	342	118	132	31	1,706
Disabled Reductions of Band:											
3	Add to Lower Bands	0	2	30	204	254	116	65	20	0	691
4	Take from Higher Bands (minus)	0	0	2	30	204	254	116	65	20	691
5	Line 1-2+3-4 = H	0	268	3,072	17,317	26,548	21,145	7,416	5,846	1,071	82,683
6	Number in H above Entitled to One 25% Discount		-170	-1,949	-7,790	-6,920	-4,481	-1,369	-791	-96	-23,566
7	Line 6 x 25%		-42.50	-487.25	-1947.50	-1730.00	-1120.25	-342.25	-197.75	-24.00	-5891.50
8	Number in H above Entitled to Two 25% (50%) Discount		0	0	-3	-4	-7	-7	-19	-7	-47
9	Line 8 X 50%		0.00	0.00	-1.50	-2.00	-3.50	-3.50	-9.50	-3.50	-23.50
10	No in H above entitled to 10% discount		-1	-23	-132	-113	-84	-48	-23	-4	-428
	10% of above		-0.10	-2.30	-13.20	-11.30	-8.40	-4.80	-2.30	-0.40	-42.80
11	No in H above entitled to 0% discount		-2	-17	-62	-69	-56	-22	-31	-8	-267
	0% of above		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12	Total Discounts = Q		-42.60	-489.55	-1962.20	-1743.30	-1132.15	-350.55	-209.55	-27.90	-5957.80
13	Line 5+ Line 12	0	225.40	2,582.45	15,354.80	24,804.70	20,012.85	7,065.45	5,636.45	1,043.10	76,725.20
Estimated changes likely											
14	* Properties Awaiting Banding	0	0	0	0	0	0	0	0	0	0
15	**New Properties		0	3	13	20	4	0	0	0	40
16	Line 14 + Line 15	0	0	3	13	20	4	0	0	0	40
17	Properties to be Deleted		0	-2	-39	-69	-35	-7	-1	0	-153
18	Known Errors in Valuation List		0	0	0	0	0	0	0	0	0
19	Line 17 + Line 18	0	0	-2	-39	-69	-35	-7	-1	0	-153
20	Line 16 + Line 19	0	0	1	-26	-49	-31	-7	-1	0	-113
21	Assumed Exemptions on Ratio of Line 2 to 1		0	0	0	0	0	0	0	0	0
22	Assumed Discounts on Ratio of Line 12 to 5		0	0	-1	-1	0	0	0	0	-2
Changes to Status of Existing Properties:											
23	Change in Discounts		0	0	0	0	0	0	0	0	0
24	Change in Exemptions		0	0	0	0	0	0	0	0	0
Expected appeals against bands:											
25	Add to Lower Bands		10	54	84	67	23	18	3	0	259
26	Take from Higher Bands		0	-10	-54	-84	-67	-23	-18	-3	-259
27	Line 20+21+22+23+24+25+26 = J	0	10	45	3	-67	-75	-12	-16	-3	-115
28	H - Q + J	0	235.4	2627.5	15357.8	24737.7	19937.9	7053.5	5620.5	1040.1	76610.2
29	To calculate band equivalents		0.67	0.78	0.89	1.00	1.22	1.44	1.67	2.00	
30	Band D Equivalent: Lines 28x29	0	156.93	2043.57	13651.38	24737.70	24368.48	10188.32	9367.42	2080.20	86594.00
31	Contributions in lieu of Class O	0.0	0.0	0.0	45.0	85.0	2.0	13.0	27.0	2.0	174.0
32	Band D equivalent for Taxbase calculation										86,768.0
33	Band D Equivalent for Taxbase Calculation			line 29			Before allowance for collection rate				86768
34	Band D equivalent for Taxbase calculation after non-collection allowance (1.5%) applied										85466.5

C:\moderngov\Data\AgendaItemDocs\3\6\9\AI00041963\[\CollectionFundAppendix10.xls]2008-2009 TAXBASE CALCULATION

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Meeting:	Cabinet
Date:	17 January 2008
Subject:	Strategic Performance Report – Quarter 2, 2007/08
Key Decision: (Executive-side only)	No
Responsible Officer:	Jill Rothwell, Corporate Director, Strategy & Business Support
Portfolio Holder:	Councillor Paul Osborn, Strategy and Business Support
Exempt:	No
Enclosures:	Appendices: 1. Performance Summary 2. Strategic Performance Report Overview by key Objective* 3. Quarterly Report by Objective and Measure* 4. Annual Report by Objective and Measure* * colour copies have been circulated to Members of Cabinet and may be viewed on the Council's website – www.harrow.gov.uk

Section 1 – Summary and Recommendations

This report summarises council and service performance against key measures and draws attention to areas requiring action.

Recommendations:

1. Portfolio Holders are requested to work with officers to achieve improvement against identified key challenges and receive monthly updates
2. Cabinet is requested to note the report and to identify any changes it wishes to see in future reports.

Reason: To enable Cabinet to be informed of performance against key measures and to identify and assign corrective action where necessary.

Section 2 – Report

Cabinet on 9 September 2004 agreed to sit in the role of Performance Board on a quarterly basis and to receive the Strategic Performance Report. The report helps members to monitor progress against the council’s vision and corporate priorities and identify corrective action where necessary.

The Appendices contain the updated report for Quarter 2 of 2007/08 for members’ consideration.

Appendix 1 identifies key improvers and key challenges for members’ attention.

Financial Implications

There are no direct financial implications as a result of this report.

Performance Issues

This report deals in detail with performance issues.

Section 3 - Statutory Officer Clearance

Name: Sheela Thakrar.....	<input checked="" type="checkbox"/>	on behalf of the Chief Financial Officer
Date: 7/1/07...		
Name: Jill Travers.....	<input checked="" type="checkbox"/>	on behalf of the Monitoring Officer
Date: 27/12/07...		

Section 4 – Performance Officer Clearance

Name: Tom Whiting	<input checked="" type="checkbox"/>	Divisional Director (Strategy and Improvement)
Date: 21/12/07		

Section 5 - Contact Details and Background Papers

Contact: Emma Field, Performance & Research Analyst, Performance. 020
8424 1928

Background Papers: None

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Cabinet – 17 January 2008
Strategic Performance Report – Quarter 2, 2007/08
Performance Summary

Overall Progress

The Council has made considerable progress during the second quarter but has a number of challenges that it still faces.

A **Year Ahead Statement** was agreed at November Cabinet to set the Vision and Corporate Priorities for 2008/09. This involved an analysis of:

- Performance indicators;
- Inspection findings;
- Delivery during 2007/08;
- An annual MORI Quality of Life Survey
- Our value for money performance.

Initial proposals were consulted on with the new **Residents' Panel**. New Flagship Actions for 2008/09 require further development and project management techniques will need to be improved for the management of these projects. Relevant training has been commissioned.

In the draft budget proposals an **investment pot of £2m** has been set aside to support priorities.

Challenge panels have taken place on Service Improvement Plans and these plans are on track to be agreed at February Cabinet alongside a new Corporate Plan.

The **restructuring of the top 280 manager tier** has been completed and has resulted in the saving of 52 posts.

A **funding gap of £12m** has been identified for 2008/09 with an additional £1.5m of pressures also appearing. Revisions to technical assumptions have identified £2.9m of savings and officers have so far identified a further £6.4m. A further set of higher risk savings have been identified worth £2.2m.

Three **fundamental service reviews** are nearing completion supporting the identification of savings in Children's Services, Public realm and Culture. Initial work with PWC on revenue optimisation has identified a potential £0.5m of savings.

Further work however is still required to identify the remaining savings for 2008/09 and to start a longer term and more strategic approach to savings for 2009/10 onwards.

Capital Ambition funding has been secured to support the nine-step improvement plan worth £343k.

The Strategy and Business Support Directorate has retained its **liP status** and action plans are being developed across the whole organisation. The **Local Government Leadership Centre** is to provide capacity building support for Cabinet

and CSB. A Member development programme is being piloted with **Roffey Park** and 11 managers are to attend the **IDeA Future Leaders Programme** at Ashridge.

Childcare vouchers have been launched in support of the **work life balance** programme and a new staff benefits brochure has been launched.

There has been a further edition of The **Harrow People** and the council is in the process of negotiating with Westminster Communications to provide a **new internal and external communications service**. Manager and staff forums are taking place.

Performance Highlights

CPA Position

Regulatory outcomes are showing signs of improvement. **Children’s Services** have been upgraded to a 3 out of 4 score through the Annual Performance Assessment. **Adults’ Services** remain as 2/4 with uncertain prospects. Since October, CSCI have fed back that the service’s future prospects are now improving. The **Benefits Service** has retained its excellent rating with 12 out of 13 elements rated as excellent this year. The Adult Learning service scored a 2, being the only **Adult Learning Service** run by a Local Authority in the country to achieve this. Furthermore **54% of Direction of Travel indicators** have improved. This is the same level as the national average and was achieved in a difficult financial context.

The remaining part of this report follows the format of the Strategic Performance Reports from 2006/07 and contains the top 100+ indicators that track performance across council services.

Key Improvers - Quarterly measures

There have been a number of key improvements in our quarterly measures as shown in the table below:

Measure	Lead Member(s) Lead officer(s)
[1] <i>No. of residential burglaries where victim is over 75 yrs</i> – This LAA Stretch target remains “Excellent” in Q2. Sustained high performance is achieved through the sharing of data between agencies to target resources to sensitive areas within the borough and the implementation of awareness campaigns led by Crime Reduction officers and support to vulnerable residents with initiatives such as ‘Safer Homes’.	Cllr. Susan Hall Andrew Trehern.

Appendix 1

<p>[5-6,8-10] Performance of the majority of <i>Community Safety targets</i> are at “Excellent”</p> <p>High performance reflects the effectiveness of joint working between partner agencies to target areas of concern and to make effective utilisation of the available resources. The performance is high in comparison with London indicators and is achieved with one of the lowest level of resources in the Capital.</p>	<p>Cllr. Susan Hall Andrew Trehern.</p>
<p>[15-16] Both <i>No. of homes in Harrow that sign up to be smoke free & 4-week smoking quitters who attended NHS</i> remain “Excellent”. A review of the Smoking Cessation Scheme including linking the scheme to smokefree homes has improved performance in this area.</p>	<p>Cllr. Eric Silver Paul Najsarek</p>
<p>[40] <i>% of contact centre calls answered in 60 seconds</i> has increased from “Needs Prompt action” to “Adequate”</p> <p>A report is going to cabinet in January setting out the resources required to continue to improve the performance in this area.</p>	<p>Cllr. Paul Osborn Jill Rothwell</p>
<p>[41] <i>One Stop Shop - Queue sizes were not exceeded (at Reception Desk)</i> - performance in quarter 2 has increased from “Good” to “Excellent” and is expected to show further improvements in quarter 3.</p>	<p>Cllr. Paul Osborn Carol Cutler.</p>
<p>[43] <i>BV 109a Major applications - 13 weeks</i> - remains “Excellent” in Q2. Continuing improvement of internal performance monitoring will ensure this indicator remains at a high level. The recently published planning applications performance statistics identify Harrow as one of the 64 Planning Authorities whose performance has improved. The statistics show Harrow as the 10th best in the Country in terms of % improvement. However this area will need to be carefully monitored in the light of staffing changes.</p>	<p>Cllr Marilyn Ashton Andrew Trehern.</p>
<p>[61] <i>BV 49 PAF A1 Stability of Placements of CLA</i> - remains “Excellent” this quarter. Performance in this area will continue to be closely monitored for the remainder of the year.</p>	<p>Cllr Janet Mote Paul Clark</p>
<p>[62] <i>PAF C19 Health of Children Looked After</i> – remains “Excellent” this quarter. Improved management information and joint working between the CLA Nurse, independent reviewing officers and social workers has enabled us to continue to increase the % of looked after children who have completed all of their health checks. Targeted work with the small remaining number of children not having health checks (and their carers) is also continuing.</p>	<p>Cllr Janet Mote Paul Clark</p>
<p>[70] <i>BV 196 PAF D56 Waiting time from assessment to service start</i> – performance has continued to improve since the beginning of 2007/8 and is expected to remain high.</p>	<p>Cllr Eric Silver Paul Najsarek</p>
<p>[74] <i>PAF C62 Carers' service users as % of all service users</i> – Performance has improved from “Poor” to “Excellent” this quarter. The use of carers' vouchers and better recording of carers' information have had a positive impact in this area.</p>	<p>Cllr Eric Silver Paul Najsarek</p>

Appendix 1

[76 & 77] <i>SAS 5.3OP164 Missing client ethnicity (assessments) & SAS 5.3OP165 Missing client ethnicity (services)</i> – have improved from “Adequate” to “Excellent” this quarter. Improved record keeping, monthly monitoring and support by the Information Quality team have led to a significant improvement in this area.	Cllr Eric Silver Paul Najsarek
[79] <i>Household waste recycled/composted</i> remains ‘Excellent’. Outstanding improvement continues following the roll-out of the Blue Bin scheme and progress on the extension of recycling facilities to flats.	Cllr Susan Hall Andrew Trehern
[82] <i>BV 199b Street & environmental cleanliness (graffiti)</i> – performance is currently “Excellent”. However, there are some concerns that the budget reductions over the last two years are beginning to result in increased levels of graffiti – particularly on private flank walls. It is intended to address this issue next year to prevent any further deterioration.	Cllr Susan Hall Andrew Trehern
[66] <i>BV 163 PAF C23 Adoptions of Children Looked After</i> – has improved from “Needs prompt action” to “Poor” this quarter. The increase in adoptions is a result of work of the permanency tracking panel and partnership with Coram.	Cllr Janet Mote Paul Clark

Key Improvers - Annual measures

There are no key improvements in our annual measures updated for this quarter.

Key Challenges - Quarterly measures

There remain a number of challenges in our quarterly measures as shown in the table below:

Measure	Lead Member(s) Lead officer(s)
[3] <i>Reduction in non-residential burglary</i> – performance has moved from Adequate in Q1 to “Needs prompt action” in Q2. Priority locations have been identified, activity targeted, and liaison with cross border partners is currently being undertaken to drive down non-residential burglary figures.	Cllr Susan Hall, Andrew Trehern.
[12] <i>Breastfeeding initiation rates- performance status has been</i> has dropped from “excellent” to “needs prompt action” this quarter. This is already identified as an important area for improvement for health partners and the <i>Be Healthy</i> group.	Cllr. Janet Mote, Paul Clark.
[31] <i>BV 10 Percentage of non-domestic rates collected has slipped from “Excellent” in quarter 1 to “Adequate” in quarter 2.</i> Over the last two years strict recovery action has been educating business rate payers to pay on the due date. As such, businesses who once paid in an ad hoc fashion and were subsequently forced to pay in full once recovery action was instigated, are now settling into the	Cllr. Paul Osborn, Jill Rothwell

monthly payment plans. Although this increases in-year collection, it also has the effect of spreading the payments evenly over the 10 months, from April to January, which does not match the current monthly profile. The Q2 profile of 64% was therefore unrealistic due to the fact that, if tax payers comply with the statutory 10 instalments, the maximum possible collection should be no higher than 6/10ths [60%] of the collectible debit of £45.78m. On this basis, the actual collection rate achieved of 62.78% is therefore excellent. Future profiles will be adjusted accordingly.

[32] *BV 8 Percentage of invoices paid on time* – Performance remains at ‘Needs prompt action’. Processes have been re-engineered to reflect an improved payment % at year-end.

Cllr. David Ashton
Myfanwy Barrett

[37 &38] *One Stop Shop average waiting time* (after ticket issued at Reception)- performance has fallen from “Excellent” in quarter 1 to “Needs prompt action” in quarter 2 & % *Of one-stop shop customers surveyed satisfied/very satisfied* performance has fallen from “Excellent” to “Adequate”. A report is going to cabinet in January setting out the resources required to improve the performance in this area. Once the agreed resources are known new realistic targets will be set.

Cllr. Paul Osborn
Jill Rothwell

[52] *BV 203 % change in families in temp accommodation*

[53] *BV 183a average stay in B&B for specified households*

[54] *BV 183b average stay in hostels for specified households.*

These three interrelated indicators are at “Needs prompt action”. Homelessness demands continue at high levels. The strategic solution to this issue is through the delivery of new affordable housing, which is beginning to be addressed through the Borough’s development plans. Operational links are being strengthened with RSLs and the private sector to help ameliorate the issue. These changes will not improve performance noticeably until the next financial year.

Cllr. Camilla Bath
Paul Najsarek

[57] *% Repairs to council housing completed within gov time limits has fallen from “Good” to “Poor”.* Performance is expected to improve significantly as the partnership with Kier ‘beds down’.

Cllr. Camilla Bath
Paul Najsarek

[58] *Average time to complete non-urgent repairs to council housing-* has improved significantly but still remains at “Needs prompt action” this quarter. Average time to complete non-urgent repairs has improved in Quarter 2 following the commencement of the Kier partnership. This indicator is influenced by the management of appointments for repairs and will continue to require close monitoring. Overall performance is expected to have improved by the end of the year.

Cllr Camilla Bath
Cllr Susan Hall
Andrew Trehern.

[59] *BV 184b % change in proportion of non-decent homes* Performance remains at ‘Needs prompt action’. The council is performing well against national Decent Homes standards, but needs to do much more to deliver on our local standard. There has been little change in the % of non-decent homes in quarter 1&2 due to delay in completing works on the outstanding properties from the 2006/07 programme. Completion of works on properties

Cllr. Camilla Bath
Paul Najsarek

will mean improvements to this indicator from quarter 3 onwards.

[65] *PAF A3 Re-registrations on the Child Protection Register.* Performance remains at 'Needs prompt action'.

Cllr. Janet Mote
Paul Clark.

This quarter has seen an unexpectedly high re-registration rate, due to several sibling groups. Performance in this area should improve by year-end.

[73] *PAF C30 Helped to live at home: 18-64 with LD per 1000 pop.* Performance has dropped from "Adequate" to "Poor" this quarter. The figure fell significantly following the introduction of new IT software. Records are being reviewed: the figure will improve in Q3 and is expected to reach target in Q4.

Cllr Eric Silver
Paul Najsarek

[81] *BV 199a Street & environmental cleanliness - litter/detritus* – performance currently "Needs prompt action"

Cllr Susan Hall
Andrew Trehern.

Over the summer Capita has undertaken a fundamental service review and suggested a number of areas for action/improvement. A report to the Performance and Improvement Board, in January/February, is currently being prepared.

[93] *Initial IPADs are conducted on time* - Performance remains at 'Needs prompt action', with an actual of 65% against a target of 80%. This is an improvement compared with 61% at the same time last year, but nonetheless disappointing. Some disruption to the scheduling of IPAD interviews has been due to the structural changes under the organisational review. At present, data is still collected by a manual system and there is some under-reporting, which will be corrected next cycle. These results are now reported by Directorate through Improvement Boards, who identify any necessary action to CSB, although the majority of figures were not available for the quarter 2 cycle of Boards and will be reported to the next. In addition, the IPAD process and documentation is currently under revision to extend the use of staff competencies to the whole workforce and a new version will be piloted from April 2008.

Cllr. Paul Osborn
Jill Rothwell

Key Challenges – Annual measures

There remain challenges in our annual measures, updated for this quarter, as shown in the table below:

Measure

Lead Member(s) Lead officer(s)

[15,16] *No. of socially excluded adult volunteers in Harrow & No. of other adult volunteers in Harrow* – annual results now available show that performance for this area is currently at "Needs prompt action". A volunteering action plan has been produced which aims to improve performance in this area and an inaugural Volunteers' Awards event is being planned. See also Appendix 4.

Cllr Anjana Patel
Andrew Trehern.

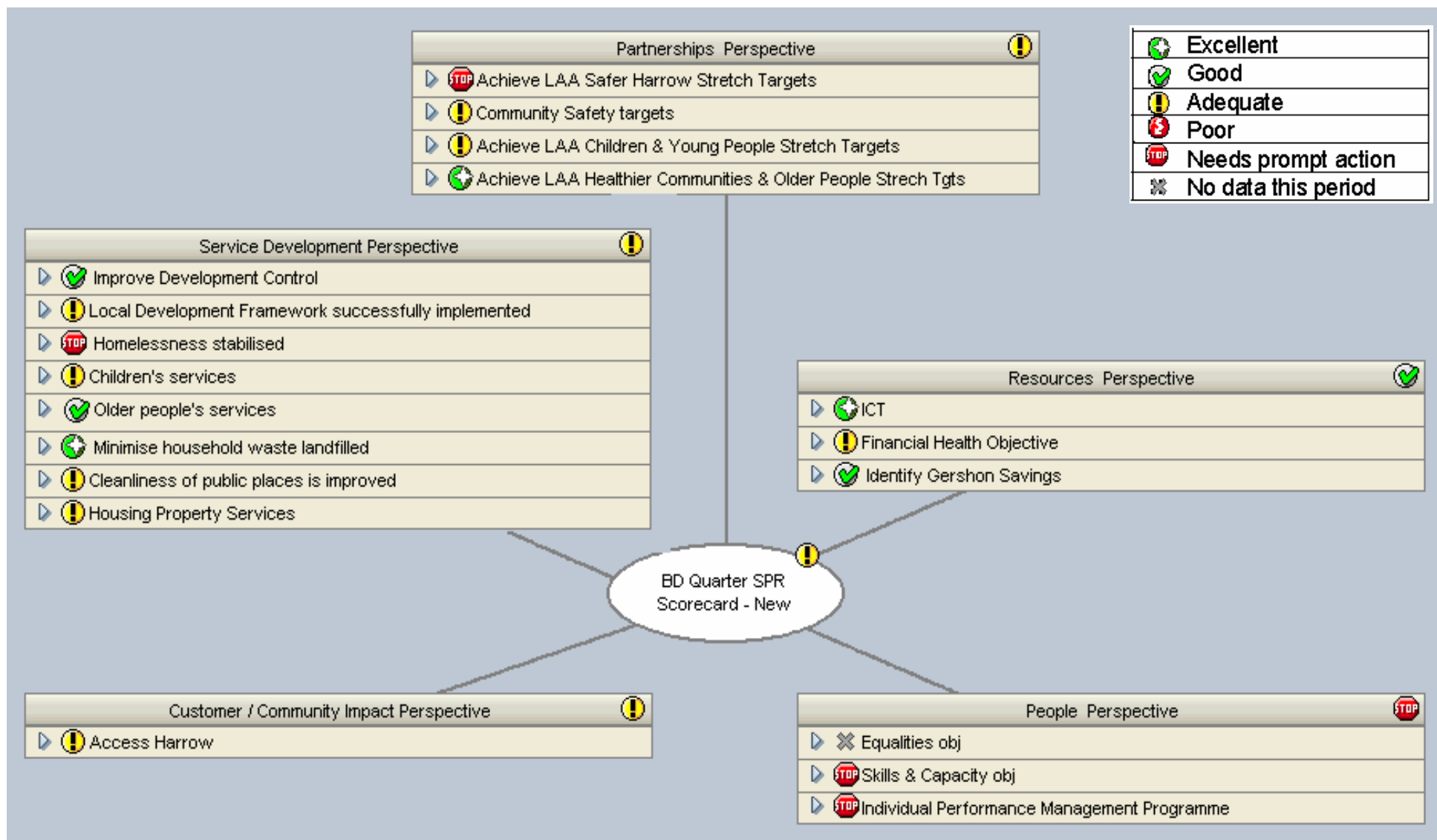
Detailed report

Appendix 3 contains details of quarterly measures and will be expanded eventually to show five quarters, so that trends and the corresponding quarter last year can be viewed. Appendix 4 shows those measures that are reportable annually, with the latest available data.

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STRATEGIC PERFORMANCE REPORT - QUARTER 2, 2007/08 – OVERVIEW BY OBJECTIVE – QUARTERLY MEASURES

95



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Ref	Perspective Overview - Perspective / Objective / Measure	Portfolio Holder	Q4 2006/07	Q1 2007/8	Q2 2007/8	Assessment
Partnerships Perspective						
1	Achieve LAA Safer Harrow Stretch Targets					
2	No. of residential burglaries where victim is over 75 yrs	Susan Hall	New to SPR 2007/8	Excellent	Excellent	Sustained high performance is achieved through the sharing of data between agencies to target resources to sensitive areas within the borough and the implementation of awareness campaigns led by Crime Reduction officers and support to vulnerable residents with initiatives such as 'Safer Homes'.
3	Reduction in non-residential burglary	Susan Hall	New to SPR 2007/8	Adequate	Needs prompt action	During this quarter's TT&CG process (Tactical Tasking & Co-ordinating through the National Intelligence Model) we have identified a couple of priority locations (hotspots), namely Burnt Oak Broadway and the Northolt Road. The crime pattern analysis completed was specific and tight and resources were subsequently tasked to the area. Individuals have also recently been targeted (and arrested) in liaison with cross border partners (Barnet being a recent example). Forensic Dockets continue to be prioritised and resources directed accordingly. Repeat victims are identified to the crime reduction unit so that appropriate advice can be given. These are some examples of the activity being undertaken to drive down the figures.
4	Community Safety targets					
5	Harrow Business Against Crime - no. of business members	Susan Hall	New to SPR 2007/8	Excellent	Excellent	High performance reflects the effectiveness of joint working between partner agencies to target areas of concern and to make effective utilisation of the available resources. The performance is high in comparison with London indicators and is achieved with one of the lowest level of resources in the Capital.
6	Achieve level 3 of Mayor for London's Dom. Violence Strategy	Susan Hall	New to SPR 2007/8	Good	Excellent	As above
7	Number of third party reporting sites	Susan Hall	New to SPR 2007/8	Adequate	Adequate	Progress slowed due to delay in recruiting Third Party Reporting project worker. Funding has now been released from the Safer & Stronger Community Fund and the project worker will commence w/c 10 December 2007.
8	Incr no of offenders assessed by DIT for drug treatment & support	Susan Hall	New to SPR 2007/8	Excellent	Excellent	High performance reflects the effectiveness of joint working between partner agencies to target areas of concern and to make effective utilisation of the available resources. The performance is high in comparison with London indicators and is achieved with one of the lowest level of resources in the Capital.
9	Incr vulnerable YP accessing substance misuse treatment & support	Susan Hall	New to SPR 2007/8	Excellent	Excellent	As above
10	Increase no of adults in substance misuse treatment services	Susan Hall	New to SPR 2007/8	Excellent	Excellent	As above

Ref	Perspective Overview - Perspective / Objective / Measure	Portfolio Holder	Q4 2006/07	Q1 2007/8	Q2 2007/8	Assessment
11	Achieve LAA Children & Young People Stretch Targets					
12	Breastfeeding initiation rates	Janet Mote	New to SPR 2007/8	Excellent	Needs prompt action	Reliable data is not available. A sample check was carried out in 2006/7 giving the result of 33% which has been carried forward. A study is currently underway at the PCT and more reliable data should be available during Q3. The result may be lower than the 2006/7 figure because this was based on data voluntarily returned by health visitors and may reflect the efforts of the 'better' workers. This is already identified as an important area for improvement for health partners and the Be Healthy group.
13	% young people 16-18 not in education/employment/training	Janet Mote Christine Bednell	New to SPR 2007/8	Excellent	Good	
14	Achieve LAA Healthier Communities & Older People Strch Tgts					
15	No. of homes in Harrow that sign up to be smoke free	Eric Silver	New to SPR 2007/8	Excellent	Excellent	Smokefree homes initiative has been successfully linked with smokers who attend smoking cessation service as well as with older people's (Age Concern) project to ensure that we tackle inequalities.
16	4-week smoking quitters who attended NHS service/100,000 pop	Eric Silver	New to SPR 2007/8	Excellent	Excellent	There has been a review of the Smoking Cessation Scheme to get a higher yield on quitters (as a proportion of those who join the service).
Resources Perspective						
17	Identify Gershon Savings					
18	Savings identified	David Ashton	Good	Good	Good	
19	Programme Management					
20	% of non conforming projects	Paul Osborn	Excellent	Next update Q3	Next update Q3	Due to the production of the Council Improvement Programme, new project reporting arrangements are being developed, with the first report under the revised arrangements being for quarter 3.
21	Effectiveness of the Corporate Programme -% projects 'green'	Paul Osborn	Excellent	Next update Q3	Next update Q3	
22	ICT					
24	Calls closed within timescale	David Ashton	New to SPR 2007/8	Excellent	Excellent	
25	Process bacs transfers within agreed timescales	David Ashton	New to SPR 2007/8	Excellent	Excellent	
27	Financial Health Objective					
28	Variance on budget (expenditure)	David Ashton	Adequate	Adequate	Poor	This indicator is a forecast to year end rather than actual spend to date.
29	Variance on planned budget (income)	David Ashton	Adequate	Adequate	Poor	As above
30	BV 9 Percentage of Council Tax collected	David Ashton	Good	Adequate	Adequate	57.58% is extremely good after 6 months. It exceeds the 57.42% achieved at the same time last year and considering that we have increased our take up of Direct Debits – which spreads payments over 12 months – is an achievement in itself. We are on target to ensure overall in-year collection remains in the top quartile for London authorities.
31	BV 10 Percentage of non-domestic rates collected	David Ashton	Adequate	Excellent	Adequate	Although below the target of 64%, 62.78% after 6 months is extremely good and sets the foundations for a good in-year collection rate. See cover report for further explanation.
32	BV 8 Percentage of invoices paid on time	David Ashton	Needs prompt action	Needs prompt action	Needs prompt action	Following transfer of Corporate Accounts Payable/Corporate Accounts Receivable to Shared Services, the Head of Service is working with the team to re-engineer the process, which should improve performance.

Ref	Perspective Overview - Perspective / Objective / Measure	Portfolio Holder	Q4 2006/07	Q1 2007/8	Q2 2007/8	Assessment
33	Annual Efficiency Statement returns on track	David Ashton	Good	Good	Good	
34	Capital expenditure on target/within tolerance	David Ashton	Adequate	Good	Good	
35	BV 66a - Rent collected as a % of rents owed on HRA dwellings	David Ashton Camilla Bath	Adequate	Adequate	Adequate	Rent receivable in Q1 was £5.8m and rent arrears at the end of the quarter had increased by £64k. This is due in part to a one-month delay in increasing the rental direct debit following the rental increase due with effect from 1 April 2007. Action to recruit to staff vacancies in the housing management team and improvements in the reports generated should ensure that rent arrears are controlled. The Q1 rental collection rate of 86.53% is below Q1 for 2006/07 when the collection rate was 89.23%.
Customer / Community Impact Perspective						
36	Access Harrow					
37	One Stop Shop average waiting time	Paul Osborn	New to SPR 2007/8	Excellent	Needs prompt action	Actual was 24.37 mins against a target of 20 mins. The target was missed because of the impact of the Council Tax Recovery runs (Reminder notices and Summonses). Without Revs/ Bens the figure is 15m 41secs. A report is going to cabinet in January setting out the resources required to improve the performance in this area. Once the agreed resources are known new realistic targets will be set.
38	% of one stop shop customers surveyed satisfied/very satisfied	Paul Osborn	New to SPR 2007/8	Excellent	Adequate	Impact of Revs & Bens wait times has resulted in a slight drop in satisfaction levels. A report is going to cabinet in January setting out the resources required to improve the performance in this area. Once the agreed resources are known new realistic targets will be set.
39	<i>Contact Centre Customer Satisfaction Survey</i>	Paul Osborn	New to SPR 2007/8	Next update Q4	Next update Q4	Target to be developed during quarter 3
40	% of contact centre calls answered in 60 seconds	Paul Osborn	New to SPR 2007/8	Needs prompt action	Adequate	Performance in quarter was 67% against a target of 70%. It has continued to improve and in November to date is 80.9%. A report is going to Cabinet in January setting out the resources required to improve the performance in this area. Once the agreed resources are known new realistic targets will be set.
41	One Stop Shop - Queue sizes were not exceeded	Paul Osborn	New to SPR 2007/8	Good	Excellent	This area is expected to show further improvements in quarter 3.
Service Development Perspective						
42	Improve Development Control					
43	BV 109a Major applications - 13 weeks	Marilyn Ashton	Excellent	Excellent	Excellent	The recently published planning applications performance statistics identify Harrow as one of the 64 Planning Authorities whose performance has improved. The statistics show Harrow as the 10th best in the Country in terms of % improvement. However this area will need to be carefully monitored in the light of staffing changes.
44	BV 109b Minor applications - 8 weeks	Marilyn Ashton	Excellent	Excellent	Good	
45	BV 109c Other applications - 8 weeks	Marilyn Ashton	Excellent	Good	Good	
46	All council homes achieve Decent Homes Standards by 2010					
47	% of Housing capital programme budget spent					
48	BV 204 Planning Appeals allowed	Marilyn Ashton	New to SPR 2007/8	Poor	Poor	
49	Local Development Framework successfully implemented					
50	BV 200b Plan Making - is council meeting LDS milestones?	Marilyn Ashton	New to SPR 2007/8	Good	Good	

Ref	Perspective Overview - Perspective / Objective / Measure	Portfolio Holder	Q4 2006/07	Q1 2007/8	Q2 2007/8	Assessment
51	Homelessness stabilised					
52	BV 203 % chnge in families in temp accomdtn vs last year (CPA)	Camilla Bath	Needs prompt action	Needs prompt action	Needs prompt action	The option of housing families in the private sector has substantially diminished. New measures to get back on target include: - B&B and Lodge forums: explaining waiting times for social housing and promoting the private sector, re-establishing a dedicated Finders Fee Team, closer performance monitoring of all critical areas of housing needs activity, new direct leasing scheme (Paradigm HA) to provide additional units of private sector accommodation. See also Appendix 1.
53	BV 183a average stay in B&B for specified households (CPA)	Camilla Bath	Needs prompt action	Needs prompt action	Needs prompt action	Bed and Breakfast accommodation use for homeless families has stayed the same since last quarter, however the overall waiting time has increased. The rise is attributed to the reduction in procurement of temporary accommodation in order to meet the Government's 2010 target, as households are taking longer to move from Bed and Breakfast or hostel accommodation into more suitable temporary accommodation. See Appendix 1 for further comment.
54	BV 183b average stay in hostels for specified households (CPA)	Camilla Bath	New to SPR 2007/8	Needs prompt action	Needs prompt action	There is limited progress that Harrow Council can achieve with this historical performance indicator, which is reflective of all London boroughs. There is now an initiative in place for households in hostel accommodation to accept direct let accommodation in the private sector, which if accepted will improve the performance levels. See also Appendix 1.
55	Housing Property Services					
56	BV 63 Energy Efficiency - av. SAP rating of LA owned dwell's	Camilla Bath Susan Hall	Adequate	Good	Adequate	No increase due to slow progress and limited number of completions by Kier on the Decent Homes Programme.
57	% repairs to council housing completed within gov time limits	Camilla Bath Susan Hall	Good	Good	Poor	New Partnering contractor, mobilising resources, should improve as contract 'beds down'.
58	Average time to complete non-urgent repairs to council housing	Camilla Bath Susan Hall	Excellent	Needs prompt action	Needs prompt action	Quarter 1 coincided with the final quarter of the housing term maintenance contract arrangements prior to Kier's engagement. Performance deteriorated as a result of existing contractors focusing on urgent repairs, failing to close down non-urgent jobs or update the Council's repair system and assigning resources elsewhere as the maintenance arrangements draw to an end. There has been a marked improvement to quarter 2 (Kier actual is 13 days against a target of 18 days), but because the data is cumulative the poor performance in quarter 1 is reflected in the overall figure.
59	BV 184b % change in proportion of non-decent homes	Camilla Bath Susan Hall	New to SPR 2007/8	Needs prompt action	Needs prompt action	As at 30/9/07 66% of properties are classed as non-decent due to the fact that 331 properties that were started in 2006/07 have now been completed. 72% were non decent at start of year with 66% non decent at 30/9/07. This is a 9% change in the proportion on non decent properties. The Kier contract for DHS works started in Sept 2007 and completion of works on properties will mean improvements to this indicator from October 2007. The percentage of non decent properties estimated for the end of Q3 is 54%.

Ref	Perspective Overview - Perspective / Objective / Measure	Portfolio Holder	Q4 2006/07	Q1 2007/8	Q2 2007/8	Assessment
60	Children's services					
61	BV 49 PAF A1 Stability of Placements of CLA	Janet Mote	Excellent	Excellent	Excellent	This indicator tracks the % of looked after children who have had 3 or more placement moves during the year, which we aim to keep to a minimum. At the mid year point, performance remained excellent (defined as below 16%). All placement moves are being monitored and require high level authorisation. As this is a cumulative indicator, it will be closely monitored for the remainder of the year.
62	PAF C19 Health of Children Looked After	Janet Mote	New to SPR 2007/8	Excellent	Excellent	Joint working between the CLA Nurse, independent reviewing officers and social workers and improved management information has enabled us to continue to increase the % of looked after children who have completed all of their health checks. In September's statutory return to the Dept Health, Harrow recorded an annual figure of 95.3% which is excellent performance, well above the national and statistical neighbour averages. Targeted work with the small remaining number of children not having health checks (and their carers) is continuing.
63	PAF C21 Duration on the Child Protection Register	Janet Mote	New to SPR 2007/8	Adequate	Adequate	Performance is improving as a result of careful management of the register.
64	PAF C64 Timing of Core Assessments	Janet Mote	New to SPR 2007/8	Good	Good	
65	PAF A3 Re-registrations on the Child Protection Register	Janet Mote	New to SPR 2007/8	Needs prompt action	Needs prompt action	There have been 50 new registrations YTD, 12 of which were re-registrations. Of the 12 re-registrations, 3 were in a family who are highly mobile and who returned to the borough unexpectedly, 3 more were in family where the abusive father returned from abroad against professional expectation and a further 4 were in a large sibling group. It could therefore be judged that the first half of the year was not typical and that subsequent quarters should not be as high, leading to a Good or Acceptable outcome for the year-end.
66	BV 163 PAF C23 Adoptions of Children Looked After	Janet Mote	Needs prompt action	Needs prompt action	Poor	There have been 6 adoptions / Guardianship Orders in the year to date which is on track to exceed the target significantly. This year's cohort looks very good, with a further 8 CLA placed for adoption. The newly established partnership with Coram and the work of PTP are yielding good results. Note that performance at this stage of the year measures 'poor' in terms of the national bandings. As the total accumulates during the year we will move through the bandings and are on course to be dark green by the year end. Our internal target for adoptions at this stage of the year is 4 and this has been exceeded.
67	Older people's services					
68	BV 54 PAF C32 Home Care users 65+ per 1000 popul. 65+	Eric Silver	Poor	Poor	Poor	Analysis of data in these areas has concluded that a substantial number of service users who have provided with services do not appear in our count. Measures have been taken to remedy this, which will result in substantial improvement on this indicator.

Ref	Perspective Overview - Perspective / Objective / Measure	Portfolio Holder	Q4 2006/07	Q1 2007/8	Q2 2007/8	Assessment
69	BV 56 PAF D54 Equipment delivered in 7 working days	Eric Silver	Good	Good	Good	This indicator has dropped because of the issues around the planned contracting out of the service and its being brought back in house, but remains within the same banding for Q2. The team is operating in temporary premises and is expected to move once again in the next few weeks. Some downturn in performance was seen as the backlog of cases had to be worked through. Performance in October continued to be around 70% which is relatively poor.
70	BV 196 PAF D56 Waiting time from assessment to service start	Eric Silver	Adequate	Excellent	Excellent	Q2 performance is up a banding from 2006/7 result and almost level with Outer London provisional average. There was no negative impact of the move to a Brokerage system for commissioning services and performance is expected to remain high.
71	BV 201 PAF C51 Direct Payments	Eric Silver	Adequate	Adequate	Adequate	From 1st November a specialist team concentrating on Direct Payments and Self Directed Care will be in place that will in the first instance focus its attention on providing Direct Payments as the first choice to meet the assessed eligible needs of their clients; the aim is to improve to 100 by the end of the year.
72	PAF C29 Helped to live at home: 18-64 with PD per 1000 pop	Eric Silver	New to SPR 2007/8	Poor	Poor	Performance reflects reductions in numbers of clients with LA funded services. Additional services identified to be added to the count include 'lapsed' services ended in error during the HOST Finance migration in July, about 60 Helpline clients not currently recorded and voluntary sector clients from several agencies. It should be possible to recover to at least the target of 3.0 by the end of the year.
73	PAF C30 Helped to live at home: 18-64 with LD per 1000 pop	Eric Silver	New to SPR 2007/8	Adequate	Poor	The figure fell significantly following the introduction of the Finance module of Framework-I which has prompted a thorough audit of client records. The Performance team has identified a large number of clients who may have incomplete service records and these are being checked by HLDT managers.
74	PAF C62 Carers' service users as % of all service users	Eric Silver	New to SPR 2007/8	Poor	Excellent	This is an estimate made at the end of Quarter 2 predicting the end of year position. The latest figure made from October's data estimates our end of year position at 9.9; light green banding. The use of carers vouchers, better recording of carers information has impacted significantly on this indicator.
75	PAF D39 People receiving a statement of needs (care plan)	Eric Silver	New to SPR 2007/8	Good	Good	Improvement continued during Quarter 2 following regular reports to teams on missing care plans. The figure continues to improve - at 99.6% by the end of October with one team recording 100% for the year to date.
76	SAS 5.3OP164 Missing client ethnicity (assessments)	Eric Silver	New to SPR 2007/8	Adequate	Excellent	Improved record keeping by teams along with monthly monitoring and support by the Info Quality team has led to a significant improvement. Main risk now is the inclusion of CNWL community mental health data, which had a high level of ethnicity data missing last year. Work is ongoing with CNWL but 07-08 data was not yet available at the mid year point (received 18 December 07 and analysis is currently underway)
77	SAS 5.3OP165 Missing client ethnicity (services)	Eric Silver	New to SPR 2007/8	Adequate	Excellent	As above
78	Minimise household waste landfilled					

Ref	Perspective Overview - Perspective / Objective / Measure	Portfolio Holder	Q4 2006/07	Q1 2007/8	Q2 2007/8	Assessment
79	Househ'd waste recycled/composted (BV 82a + BV 82b) (CPA)	Susan Hall	Excellent	Excellent	Excellent	Outstanding improvement continues following the roll-out of the Blue Bin scheme and progress on the extension of recycling facilities to flats.

Ref	Perspective Overview - Perspective / Objective / Measure	Portfolio Holder	Q4 2006/07	Q1 2007/8	Q2 2007/8	Assessment
80	Cleanliness of public places is improved					
81	BV 199a Street & environmental cleanliness - litter/detritus (CPA)	Susan Hall	New to SPR 2007/8	Next update Q2	Needs prompt action	Over the summer Capita has undertaken a fundamental service review and has suggested a number of areas for action/improvement. A report to the Improvement Board, in January/February, is currently being prepared. It is anticipated that a minimum of £600k will be invested in the service next year and further substantial bids for the years up to 2012 are also planned. The service is expected to adopt the Capital Standards target of achieving a BVPI 199a score of 12% by 2012. Current performance is 32%
82	BV 199b Street & environmental cleanliness - graffiti	Susan Hall	New to SPR 2007/8	Next update Q2	Excellent	There are some concerns that the budget reductions over the last two years are beginning to result in increased levels of graffiti – particularly on private flank walls. It is intended to address this issue next year to prevent any further deterioration.
83	BV 199c Street & environmental cleanliness - fly-posting	Susan Hall	New to SPR 2007/8	Next update Q2	Good	
People Perspective						
84	Equalities					
85	BV 11a Women in Senior Management	Paul Osborn	Good	Next update Q3	Next update Q3	These reports are not yet available from SAP/MI. Work to resolve this is ongoing with Capita.
86	BV 11b Black and minority ethnic staff in senior management	Paul Osborn	Excellent	Next update Q3	Next update Q3	As above
87	BV 11c % of top 5% of earners that have a disability	Paul Osborn	Excellent	Next update Q3	Next update Q3	As above
88	BV 16a % of staff in workforce declaring a disability	Paul Osborn	Needs prompt action	Next update Q3	Next update Q3	As above
89	BV 17a Percentage of black and ethnic minority employees	Paul Osborn	Excellent	Next update Q3	Next update Q3	As above
90	Skills & Capacity					
91	BV 12 Proportion of working days lost to sickness absence	Paul Osborn	New to SPR 2007/8	Next update Q3	Next update Q3	as above
92	Individual Performance Management Programme					
93	Initial IPADs are conducted on time	Paul Osborn	New to SPR 2007/8	Needs prompt action	Needs prompt action	Performance is 65% against a target of 96%. Reasons for the shortfall vary between directorates and a report is being made to CSB. Performance against this indicator is being monitored by the workforce strategy groups.
94	IPAD reviews are conducted on time	Paul Osborn	New to SPR 2007/8	Next update Q3	Next update Q3	

Ref	Perspective Overview - Perspective / Objective / Measure	Portfolio holder	2006/07	2007/08	Assessment
Partnerships Perspective					
1 Achieve LAA Safer Harrow Stretch Targets					
2	% adults expressing fear of being a victim of crime	Susan Hall	Excellent	Excellent	
3	% residents who see suite of ASB as fairly/very big problem	Susan Hall	Excellent	Excellent	
4 Achieve LAA Safer Harrow non-stretch targets					
5	Satisfaction rating with new ASB service fair or better	Susan Hall	New to SPR 2007/8	Next update Q4	
6 Achieve LAA Children & Young People Stretch Targets					
7	Rates of exclusive breast feeding at 6 weeks	Janet Mote	Excellent	Next update Q4	
8	Reduction of permanent exclusions	Christine Bednell	Excellent	Next update Q4	
9	Reduction of fixed term exclusions	Christine Bednell	Needs prompt action	Next update Q4	
10	Improve attendance at 25% worst performing schls - Primary	Christine Bednell	Needs prompt action	Next update Q4	
11	Improve attendance at 25% worst performing schls - Secondary	Christine Bednell	Needs prompt action	Next update Q4	
12	Average points score per pupil at level 2 at age 16	Christine Bednell	Needs prompt action	Next update Q4	
13 Achieve LAA Community Cohesion Stretch Targets					
14	% agree people from different backgrounds get on well	Anjana Patel	Adequate	Poor	This indicator continues to perform below the required level for the LAA. The lead for this indicator has produced an action plan for consideration by the HSP, which is now being considered for funding support. Q2 update: The Community Cohesion Action Plan and the Community Development Strategy have been produced. They provide a framework for delivering activity that could mitigate against negative factors, improve communication across community groups and encourage greater collaboration between local partners. Additionally, target activity will be focused on areas where cohesion indicators were low.
15	No. of socially excluded adult volunteers in Harrow	Anjana Patel	New to SPR 2007/8	Needs prompt action	The volunteering action plan aims to improve this indicator through a campaign to recognise and value those who contribute to Harrow by volunteering, and via the One-4-One scheme. An inaugural Volunteers' Awards event is also being planned.
16	No. of other adult volunteers in Harrow	Anjana Patel	New to SPR 2007/8	Needs prompt action	As above
Service Development Perspective					
17 Improve Development Control					
18	LA not designated as Planning Standards Authority (CPA- RB)	Marilyn Ashton	Needs prompt action	Next update Q4	
19 Housing Property Services					
20	BV 184a % of LA homes that are non-decent	Camilla Bath Susan Hall	New to SPR 2007/8	Next update Q4	
21	% Gas safety certificates outstanding after 12 months	Camilla Bath Susan Hall	New to SPR 2007/8	Next update Q4	

Ref	Perspective Overview - Perspective / Objective / Measure	Portfolio holder	2006/07	2007/08	Assessment
22	Repairs and maintenance satisfaction based on STATUS survey	Camilla Bath Susan Hall	New to SPR 2007/8	Next update Q4	
23	Adult Social Care				
24	BV 52 PAF B12 Cost of intensive social care for adults & 65+	Eric Silver			
25	PAF B17 Unit cost of home care for adults and older people	Eric Silver			
26	Improved Community Safety				
27	BV 174 Racial incidents involving the local authority	Susan Hall	Good	Next update Q4	
28	BV 175 Racial incidents resulting in further action	Susan Hall	Excellent	Next update Q4	
29	Targets at Key Stage 2 achieved				
30	BV 40 % pupils achieving Level 4 or above in KS2 Maths	Christine Bednell	Adequate	Next update Q3	Results continue to improve and place Harrow in the top quartile nationally and in line with statistical neighbours. DfES targets are aspirational so red or amber status does not necessarily indicate poor performance. See below table for more detail.
31	BV 41% pupils achieving Level 4 or above in KS2 English	Christine Bednell	Good	Next update Q3	
32	BV 194a % 14 yr old pupils ach L5 or above in KS2 English	Christine Bednell	Adequate	Next update Q3	
33	BV 194b % 14 yr old pupils ach L5 or above in KS2 Maths.	Christine Bednell	Adequate	Next update Q3	
34	Targets at Key Stage 4 achieved				
35	BV 39 % pupils with 5+ GCSEs A*-G including English & Maths	Christine Bednell	Needs prompt action	Next update Q3	Harrow's GCSE results have been on the up continuously for the last few years, with 2006's results increasing nearly 3 percentage points in comparison to 2005. Harrow's 5+ A*-C results ranked 19th in the country, keeping us significantly above the national average as well as in the top quartile nationally. The Local Authority provides support to schools' own improvement activities. In addition the JAR and CYPP Action sets out actions to improve the attainment of Black African, Black Caribbean and Traveller pupils.
36	BV 38 % pupils aged 15 with 5+ GCSEs A*-C	Christine Bednell	Good	Next update Q3	
37	Targets at Key Stage 3 Achieved				
38	BV 181a % 14-yr old pupils ach L5 in KS3 English	Christine Bednell	Excellent	Next update Q3	Note that the results place Harrow in the top quartile nationally and are in line with previous performance and that of statistical neighbours. DfES targets are aspirational so red or amber status does not necessarily indicate poor performance. See below table for more detail. (Result for ICT is provisional.)
39	BV 181b % 14-year olds ach L5 or above in KS3 Maths	Christine Bednell	Good	Next update Q3	
40	BV 181c % 14-year olds ach L5 or above in KS3 Science	Christine Bednell	Adequate	Next update Q3	
41	BV 181d % of 14 year olds ach L5 or above in KS3 ICT	Christine Bednell	Needs prompt action	Next update Q3	
42	Attendance Targets Achieved				
43	BV 45 % half days missed due to absence in secondary schools	Christine Bednell	Excellent	Next update Q3	The LA set challenging LPSA absence targets for 2005/6, particularly at primary level. However, attendance was described in the 2006/7 JAR as "excellent" and acknowledged as well above national averages and the best amongst London Boroughs in 2005/6. See below table for current actions.
44	BV 46 % half days missed due to absence in primary schools	Christine Bednell	Needs prompt action	Next update Q3	
45	Minimise household waste landfilled				
46	BV 84 No of kg household waste collected per head	Susan Hall	Good	Next update Q4	
47	BV 91b % pop. served by kerbside recycling - 2+ recyclables	Susan Hall	Good	Next update Q4	
48	Cleanliness of public places is improved				
49	BV 199d Street & environmental cleanliness - fly-tipping	Susan Hall	New to SPR 2007/8	Next update Q4	
50	Improved public realm infrastructure				
51	BV 224b Condition of non-principal unclassified roads	Susan Hall	Good	Next update Q4	
52	Improved Cultural Services				
53	% of 5-16 yrs in school sports partnerships engaged in PE & sport	Anjana Patel	Excellent	Next update Q4	

Ref	Perspective Overview - Perspective / Objective / Measure	Portfolio holder	2006/07	2007/08	Assessment
54	% pop within 20 mins travel time of 3 diff sports facilities	Anjana Patel	Needs prompt action	Next update Q4	
Resources Perspective					
55	Achieve Gershon Savings				
56	Savings Achieved	David Ashton	Adequate	Next update Q3	
57	VFM composite ratio indicators				
58	Satisfaction - all services to total service spend per head	Chris Mote & all	Needs prompt action	Next update Q4	Action underway includes rebuilding the communication service, service reviews in key customer facing areas and addressing resident satisfaction in the planning process for 2008/9
59	Council tax collection rates to council tax collection cost	David Ashton	Excellent	Next update Q4	
60	NNDR collection rates to NNDR collection costs per property	David Ashton	Excellent	Next update Q4	
61	Debtor days outstanding to debtors cost per invoice	David Ashton	Needs prompt action	Next update Q4	The size of the old debt (& therefore debtor days) was caused by large value disputed invoices within People First (local PCT's/Harrow Consortium) & West London Waste Authority. In 2005/06 these debts accounted for about 80% of the total debt. Currently (2007/8) the West London Waste issue has been resolved. People First Debt is an issue currently being resolved.
62	Satisfaction - housing benefits to H B spend per recipient	Paul Osborn	Excellent	Next update Q4	
63	Principal roads to maintenance spend per weighted road length	Susan Hall	Excellent	Next update Q4	
64	Satisfaction with street cleansing to SC cost per head	Susan Hall	Needs prompt action	Next update Q4	A service review of public realm services is now underway
65	Satisfaction with waste collection to waste cost per head	Susan Hall	Needs prompt action	Next update Q4	as above
66	Recycling rates to waste expenditure per tonne	Susan Hall	Excellent	Next update Q4	
67	Satisfaction - planning services to planning spend per head	Marilyn Ashton	Excellent	Next update Q4	
68	Stability of placements of CLA to C&F spend per assessment	Janet Mote	Needs prompt action	Next update Q4	see below table
69	Satisfaction with OP home care to OP spend per assessment	Eric Silver	Excellent	Next update Q4	
70	Satisfaction with libraries to libraries spend per visit	Anjana Patel	Excellent	Next update Q4	
71	Satisfaction with Sport & Leisure services to spend per head	Anjana Patel	Excellent	Next update Q4	
Customer / Community Impact Perspective					
72	Community cohesion is improved				
73	% who agree people respect ethnic differences	Anjana Patel	Poor	Poor	The MORI survey confirms the picture presented for the national BVPI resident survey in Autumn 2006. The council needs to do significant work to rebuild its brand. Action underway includes rebuilding the communication service, service reviews in key customer facing areas and addressing resident satisfaction in the planning process for 2008/9.
74	% who feel they can personally influence decisions	Anjana Patel	Good	Good	as above
75	% who agree there is strong sense of community	Anjana Patel	Good	Good	as above
76	% who agree people try to help each other	Anjana Patel	Good	Excellent	as above
77	Customer satisfaction				
78	% residents satisfied with contact (MORI)	Chris Mote Paul Osborn	Needs prompt action	Needs prompt action	as above
79	% residents feeling well informed (MORI)	Chris Mote Paul Osborn	Excellent	Good	as above
80	% residents satisfied with Quality of Life in area (MORI)	Chris Mote Paul Osborn	Adequate	Poor	as above
81	BV 3 % Citizens satisfied with overall service provided	Chris Mote & all	Needs prompt action	3 yearly survey	

Ref	Perspective Overview - Perspective / Objective / Measure	Portfolio holder	2006/07	2007/08	Assessment
People Perspective					
82	Equalities				
83	BV 2a - Level achieved in Equality Standard assessment	Anjana Patel	Good	Next update Q4	
84	BV 2b Duty to promote race equality: score against checklist	Anjana Patel	Good	Next update Q4	
85	Staff survey				
86	<i>[Measures to be identified]</i>		New to SPR 2007/8		

30-33: Targets at Key Stage 2 achieved

Harrow's Key Stage 2 2006 results are continuing to improve, with a significant achievement in the English Test result which met the very challenging target set by the DfES. (DfES education targets are aspirational so an amber or red indicator does not necessarily indicate poor performance). The 2006 results are not only above the national averages, they also place Harrow in the top quartile of the national picture as well as keeping us in-line with our Statistical Neighbours. The Local Authority provides support to schools' own improvement activities through:

- 1) a universal training programme, that schools can attend, to brief them and support their work in improvement activities;
- 2) a targeted support programme, using National Strategy curriculum consultants, aimed at those schools with lowest results or where pupils appear to make less progress;
- 3) the work of the school's attached adviser, ensuring that school priorities are appropriate and supported by the Local Authority where possible.

In addition the JAR and CYPP Action Plan sets out targeted actions to improve the attainment of Black African, Black Caribbean and Traveller pupils.

38-41: Targets at Key Stage 3 achieved

Harrow's Key Stage 3 2006 results are in line with previous years' high achievements, with the English and maths test results exceeding targets set by the DfES. The 2006 results are not only above the national averages, they also place Harrow in the top quartile of the national picture as well as keeping us in-line with our Statistical Neighbours. (DfES education targets are aspirational so an amber or a red does not necessarily indicate poor performance). Note that the ICT result is currently provisional. The Local Authority provides support to schools' own improvement activities through:

- 1) a universal training programme, that schools can attend, to brief them and support their work in improvement activities;
- 2) a targeted support programme, using National Strategy curriculum consultants, aimed at those schools with lowest results or where pupils appear to make less progress;
- 3) the work of the school's attached adviser, ensuring that school priorities are appropriate and supported by the Local Authority where possible.

43-44: Attendance targets achieved

The LA set highly challenging LPSA absence targets for 2005/06 particularly at primary level. This aside our attendance was described in the 2006/07 JAR as "excellent" and the inspectors acknowledged that we are way above the national averages as well as the best amongst London boroughs in 2005-06. The JAR and CYPP Action Plan sets out actions to improve the attendance of pupils in the 25% worst performing schools including: 1) The lowest 25% schools in relation to attendance (LAA) have been identified and will be targeted and monitored by the attached Senior Education Welfare Officer in academic year 2007/8;

2) The Education Welfare Service will continue to advise governors, schools and parents/carers on the importance of attendance and legislation in relation to holidays;

Harrow has used many strategies (i.e. naming identified travel agencies who offer discounts in school holidays) to reduce family holidays taken in term time;

3) The new attendance code in relation to religious observance (now recorded as authorised absence) impacts on primary and secondary authorised absence. We have raised this issue with our regional advisor, DfES;

4) Harrow continues to reduce absence in relation to traveller absence (now recorded as authorised absence). Harrow Education Welfare Service works closely with advisers and traveller education in relation to this

5) The Education Welfare Service has introduced a more swift response in relation to unauthorised non-attendance. Cases are being considered for legal proceedings at an earlier stage in relation to case-work. Harrow

6) Support is provided to schools' own improvement activities by the Achievement and Inclusion team

68: Stability of placements of CLA to C&F spend per assessment

This vfm ratio was calculated based on our stability of placements data for 2005/6, because comparator data is not yet available for 2006/7. In 2006/7, short term and long term stability of placements has improved. Stability of placements is being closely managed and all placement changes need senior authorisation so we would expect both figures to improve further in 2007/8.

Unit costs for residential placements and all children looked after were reduced from 2005/6 to 2006/7. Weekly residential cost is now in line with nearest neighbours but the weekly cost of all children looked after remains above the target level. Work is underway to reduce the use of high cost independent fostering agencies which lead to comparatively high unit costs for children looked after - however, once placed with a family, it is not appropriate to move a child solely for reasons of cost.



Meeting:	Cabinet
Date:	17 January 2008
Subject:	Amalgamation of First and Middle Schools
Key Decision:	No
Responsible Officer:	Heather Clements, Director of Schools and Children's Development
Portfolio Holder:	Councillor Christine Bednell Schools and Children's Development
Exempt:	No
Enclosures:	Annexe A Letter from West Lodge Middle School Governing Body - 19 November 2007 Annexe B Letter from West Lodge First School Governing Body 12 December 2007 Annexe C Letter from Belmont Middle School Governing Body 4 December 2007

Section 1 – Summary and Recommendations

This report outlines processes undertaken by the Governing Bodies of West Lodge First and West Lodge Middle Schools and Belmont First and Belmont Middle School Governing Bodies to investigate and consult with parents on amalgamation and the outcome of the Governing Bodies' decisions.

Recommendations:

The Cabinet is requested to:

- 1 Note the outcome of the decisions of the Governing Bodies of West Lodge First and West Lodge Middle Schools.
- 2 Agree that the Local Authority in response to parental representations should undertake a consultation and report the outcomes to Cabinet.
- 3 Note the outcome of the decisions of the Governing Bodies of Belmont First and Belmont Middle Schools in respect of amalgamation.

- 4 Agree that if a substantive Headteacher to Belmont First School is not appointed by April 2008, the Governing Body will be requested to apply the Amalgamation Policy October 2007.

Reason: (For recommendation)

Cabinet agreed a revised Amalgamation Policy in October 2007 to contribute to raising standards of achievement in Harrow and to establish a foundation for the implementation of a change in the age of transfer. This Policy requires Cabinet to confirm the decisions of Governing Bodies.

Section 2 – Report

Introduction

Harrow's vision is to provide high achieving schools at the centre of community services, and a corporate priority is to continue improvement in schools to make education in Harrow even better. In order to further this vision, in October 2007 Cabinet agreed its strategic approach to school organisation.

Background

Cabinet agreed the Amalgamation Policy originally in February 2005. The Policy was then reviewed by the Shaping Schools for the Future Group and amended in the light of experiences in applying the policy. This amended version was published in November 2005. Since then six schools have amalgamated to establish three combined first and middle schools. The combined school is more aligned with the National Curriculum Key Stages and there will be less impact on the school when the age of transfer is implemented. The continuation and strengthening of the policy will secure a good foundation for the implementation of a change in the age of transfer.

The Cabinet considered a report at their October 2007 meeting on the Strategic Approach to School Organisation. The Cabinet agreed the recommendations and the amended Amalgamation Policy.

In accordance with the original Amalgamation Policy, four schools, Belmont First and Belmont Middle Schools and West Lodge First and West Lodge Middle Schools, commenced the process to consider amalgamation when a Headteacher resigned in the Summer Term. The Governors have confirmed their decisions and supporting reasons to the Director of Schools and Children's Development. The details of which are included in this report.

West Lodge First and Middle Schools

- The Governing Bodies of West Lodge First and West Lodge Middle Schools commenced the process to consider amalgamating the two separate schools in April 2007 on the resignation of the Middle School Headteacher.
- The Steering Group was established in June 2007 to prepare the feasibility study for the Governing Bodies to consider.
- The relationship between the Steering Group, First School Governing Body and Middle School Governing Body deteriorated irretrievably and the study was not completed to the satisfaction of all members of the Steering Group.

- The Local Authority urged both Governing Bodies to re-start the process or begin the process again. Reconciliation was not possible.
- Without the Steering Group's completed feasibility study, the Middle School Governing Body considered amalgamation at their meeting on 17 November 2007 and decided against amalgamation. This letter is in Annexe A.
- With the evidence available and also without a completed feasibility study, the First School Governing Body also considered amalgamation. The Governors were in support of amalgamation and a copy of the letter is in Annexe B.
- The Local Authority considers that the Amalgamation Policy process has not been followed correctly.
- In accordance with the Education and Inspections Act 2006, the Local Authority has a duty to respond to parental representations.
- In the light of representations received from parents coupled with the incomplete process undertaken, it is proposed that Cabinet consider whether the Local Authority should undertake a consultation on the future organisation of West Lodge First School and West Lodge Middle School with all interested parties.

Should a consultation be undertaken the process will be as follows:

- Cabinet decision to undertake consultation January 2008.
- Local Authority undertake consultation with all stakeholders
- A report summarising the outcome of the consultation and making recommendations to Cabinet is prepared
- Cabinet determines whether to publish statutory notices at their meeting in April 2008.

Belmont First and Belmont Middle Schools

- The Governing Bodies of Belmont First and Middle Schools commenced the process to consider amalgamating the two separate schools in May 2007 when the Headteacher of the First School announced her retirement.
- A Steering Group with representatives from both schools was selected to undertake a feasibility study and present the study to the Governing Bodies separately for them to consider amalgamation.
- The Chair of Governors of the Middle School confirmed the Governors decision at their extraordinary meeting on 20 November 2007. The Governing Bodies voted separately. The First School Governors voted in favour of amalgamation. The Middle School Governors voted against.
- On the basis of these votes the schools will remain separate in accordance with the original amalgamation policy. The reasons presented by the Governing Body of the Middle School for not amalgamating are included in the letter dated 4 December 2007 in Annexe C.
- In considering the letter from the Governing Bodies confirming the details of their decisions and the process undertaken to prepare the feasibility

study for the Governing Bodies, it appears that the process has been undertaken in accordance with the Amalgamation Policy of November 2005.

- It is proposed that Cabinet notes the outcome of the Governing Bodies decisions and that the First School should initiate the process to appoint a substantive Headteacher. If, however, this appointment is not secured by April 2008, the Governing Bodies will be requested to undertake a further consultation on amalgamation in accordance with the October 2007 Amalgamation Policy.

Other Considerations

The officer support provided to schools considering the amalgamation is met from within existing budgets.

A combined school will retain the existing pupils and therefore will require the same staffing levels. As part of the combined school's development plan a new staffing structure will be developed to reflect the new organisation of the school. Appointments will be made to this structure over time.

Legal Comments

Parental Representations

The Local Authority has a duty under Section 14A of the Education Act 1996 to consider parental representations in respect of the provision of education. The guidance is issued under Section 3 of the Education and Inspections Act 2006. The Local Authority is under a duty to respond to parental demands and is "expected to provide dedicated consultancy support to help parents develop concrete proposals".

The Local Authority is compliant with the duty by asking the Governing Bodies and Steering Group to re-start the amalgamation process. Failure by the Governing Bodies to consider the overwhelming parental representations could result in referral to the Secretary of State. If the Governing Bodies can not establish a representative Steering Group then the Local Authority may have to initiate similar intervention. Throughout the process Governing Bodies must be reminded of their overriding duty towards the school and its pupils.

Changes to Schools

The Education and Inspection Act 2006 provides a framework for consultation, publication and determination of statutory notices in respect of proposals for schools, including the establishment of combined first and middle schools. The legislation has provision to amalgamate separate first and middle schools and create a combined school through two routes. Both routes retain all existing pupils and staff. The options are to close both schools and open a new school or close one school and extend the age range of the other school. However, under the Education and Inspections Act 2006 Local Authorities are required to apply to the Secretary of State for consent to establish new schools without a competition. Therefore to avoid any risk to the continuation of these successful schools it is proposed that one school is closed and the age range of the other is extended.

Financial Implications

Amalgamating schools have had a positive albeit small revenue effect, in previous cases this has resulted in net savings of approximately £40k. The principal saving results from having one head teacher instead of two. Schools will also benefit from having fewer SLA charges for some services, for instance, at

present first and middle schools are charged separately for the Schools Finance SLA. This will change to only one charge after amalgamation.

Capital expenditure, where necessary, will be financed through existing capital resources including for example Schools Devolved Formula, and other DCSF resources as they come on stream for example, the Primary Capital Programme from April 2009.

Performance Issues

Delivering School Re-organisation so that Harrow Schools are in line with the national agenda is Council Improvement Plan project IP7D and contributes to a range of performance indicators including Key Performance Indicators (KPIs) on achievement at all key stages, Local Area Agreement (LAA) targets including those for reducing NEET (Not in Education, Employment or Training), and Average Points Score at 16 (GCSE Results) and the Every Child Matters Score Card. Whilst Harrow's performance is currently above national and statistical neighbours at all Key Stages, Harrow's targets, which are set annually by the DCSF, are highly challenging. Harrow has not made as much improvement in these KPIs over recent years as statistical neighbours. This is an indication of the pressures on these targets due to a changing demography. Harrow needs to act to maintain performance, meet the challenging targets it has been set and achieve the most positive outcomes for every Harrow child

Section 3 - Statutory Officer Clearance

Name: Bharat Jashapara	<input type="checkbox"/>	on behalf of the* Chief Financial Officer
Date: 21 December 2007		
Name: Helen White	<input type="checkbox"/>	on behalf of the* Monitoring Officer
Date: 3 January 2008	—	

Section 4 – Performance Officer Clearance

Name: Mike Howes	<input type="checkbox"/>	on behalf of the* Divisional Director (Strategy and Improvement)
Date: 8 January 2008		

Section 5 - Contact Details and Background Papers

Author Contact: Johanna Morgan, Service Manager, Partnership and Well-Being, Adults and Housing Department, 020 8736 6841

Background Papers:

Report to Cabinet 17 October 2007 – Strategic Approach to School Organisation

If appropriate, does the report include the following considerations?

1.	Consultation	YES / NO
2.	Corporate Priorities	YES / NO

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West Lodge Middle School Governing Body



19th November 2007

Heather Clements Director – Schools and Children’s Development Group
London Borough of Harrow
Civic Centre
PO Box 22
Civic Centre
Harrow
HA1 2UW

Dear Heather

Re Amalgamation of West Lodge First and Middle Schools

As you are aware West Lodge Middle School Governing Body has been considering whether it would be in the best interests of the children of West Lodge to amalgamate the two schools.

At its meeting of 13th November 2007 a decision was taken by the Middle School Governing Body that it is not in the best interests of the children of West Lodge to amalgamate at this time. Our decision is primarily based on educational matters but we have also had regard to the impact of such a change on the staffing of the Schools. We have considered and discussed the findings of the Steering Group’s feasibility study and have taken its findings into account. We have also weighed up the views of all stakeholders. Whilst the response to meetings and the questionnaire from parents was good, the majority of parents did not express an opinion at all, and some parents expressed concerns about the size of an amalgamated school. Pupils were consulted and there was no overwhelming support expressed by the pupils either for or against amalgamation.

I set out our reasons briefly below but obviously we will be happy to meet with you and/or Paul Clarke to discuss further.

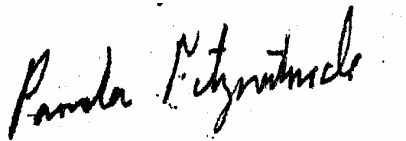
Summary of reasons

- Governors were not convinced that there were educational benefits if amalgamation took place sufficient to warrant major organisational change.
- Both schools are high achieving – much of the evidence about the benefits of amalgamation is based on schools with dissimilar i.e. lower standards of achievement.
- A much larger school may mean a loss of the currently highly individuated culture in the Schools e.g. the Headteacher of a larger school being familiar with few of the pupils
- Curriculum continuity between years 3 to 4, which already produces a high level of pupil learning and achievement, can also be further enhanced by greater liaison without the need for amalgamation.
- There are strong concerns that valuable Middle School staff may be lost or suffer a loss of morale as a result of amalgamation. This would be detrimental to the children and their education. Overall the staff group does not support amalgamation.
- Perceived benefits to school site would not be forthcoming due to expense – larger hall, dining room, new entrance and offices.
- Continuing building work – disruptive to education of children.
- No firm commitment from the LA of where money for site improvements would come from.
- The Governing Body was not convinced that the LA would provide sufficient support during any amalgamation either financially or otherwise. This is based on our experience of the support offered during the period of consideration of amalgamation and our experience at the time that the school flooded.
- Many of the stated benefits such as wider age range assemblies can be obtained through better communication between the schools – amalgamation is not necessary to achieve this.
- Harrow plans for the year 7 transfer to secondary schools remain unclear but as three form entry schools we are already amongst the largest in the borough.
- The issue of amalgamation had been considered three years ago but the First School staff at that time was very much against amalgamation. Middle School Governing Body had respected their wishes and agreed not to take the matter further.

We will be notifying parents by letter of our decision and calling a meeting to address any queries by parents.

I emailed you on 14th November asking for a meeting with you and Paul Clarke; I have not heard back from you and would be grateful if such a meeting could be set up as soon as possible.

Yours sincerely

A handwritten signature in black ink that reads "Pamela Fitzpatrick". The signature is written in a cursive style with a large initial 'P'.

Pamela Fitzpatrick
Chair of Governors
West Lodge Middle School

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**From the Governors of
WEST LODGE FIRST SCHOOL**
West End Lane, Pinner, Middlesex HA5 1AF
Tel: 0208 866 9836

Paul Clark
Corporate Director Children's Services
Harrow Council
PO Box 22
Civic Centre
Harrow HA1 2UW

12 December 2007

Dear Paul

I am writing in response to your letter of 7 December regarding the amalgamation process at the West Lodge schools.

The First School Governing Body met on 10 December in a desire to conclude our own process.

Based on the evidence before us and the strong views of parents, but in the absence of a completed Feasibility Study, we feel that amalgamation would be in the best interests of the schools. The voting was; 8 for; 0 against; 2 abstentions.

If you would like to discuss this further or need any more information, please feel free to contact me.

Kind regards

Andy Lane
Chair of Governors
West Lodge First School

Cc Heather Clements

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BELMONT MIDDLE SCHOOL

Hibbert Road, Harrow, Middlesex HA3 7JT
Telephone: 020 8427 0903
Facsimile: 020 8427 4738
Email: office@belmontmiddle.harrow.sch.uk



Headteacher:
Mrs H M Harris
Deputy Head:
Ms L Browning

→ HC
reply -

4th December 2007.

Dear Mr Clark

The Future Structure of Belmont First and Middle Schools

At the extraordinary governors meeting on Tuesday 20th November the governors of both First and Middle School discussed the future structure of the schools.

The governing bodies voted separately. First School governors voted in favour of the schools amalgamating.

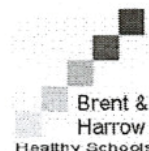
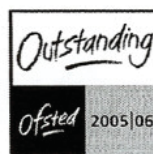
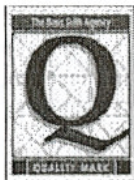
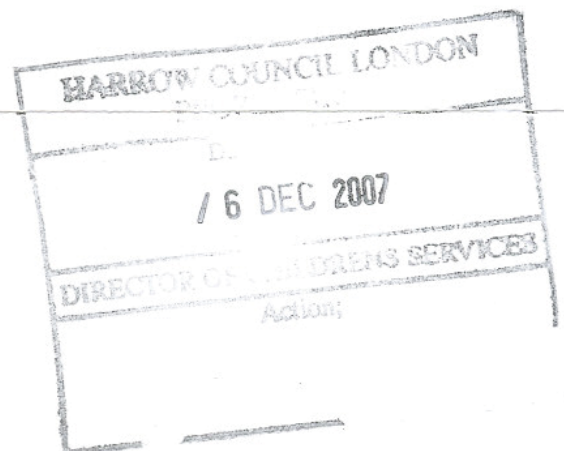
Middle School governors voted against the schools amalgamating for the following reasons:

- The outstanding Middle School Ofsted report would not be valid for an amalgamated school. Prospective parents and staff would have no benchmark to judge the school.
- Year 7 will go to high schools beginning with one high school in 2009 – this would cause further challenges for an amalgamated school.
- 88% of the responses to the formal consultation were against amalgamation.
- All five externally verified awards (plus 2 pending) would be lost and would have to be reapplied for thus increasing workload.

The schools will remain as separate First and Middle Schools.

Yours sincerely

K Rafiq
Chair, Middle School Governing Body



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Meeting:	Cabinet
Date:	17 th January 2008
Subject:	London Councils – London Borough Grants Scheme 2008-09
Key Decision:	Yes
Responsible Officer:	Javed Khan Director of Community and Cultural Services
Portfolio Holder:	Councillor Anjana Patel Portfolio Holder for Community and Cultural Services
Exempt:	No
Enclosures:	None

Section 1 – Summary and Recommendations

This report sets out the proposals received from the London Councils Grants committee for expenditure in 2008-09.

Recommendations:

To consider the proposals for expenditure and give a formal response to the recommendation.

Reason: (For recommendation)

The London Borough Grants Scheme informed the Borough through a circular dated 15th November 2007 of the recommended budget for 2008-09.

Section 2 – Report

Background

London Councils are required to contribute to any London Boroughs Grants Scheme expenditure, which has been incurred with the approval of at least two-thirds of the constituent Councils. Contributions are, under Regulation 6 (8) of the Levying Bodies (General) Regulations 1992, to be proportionate to constituent Councils' populations. For 2008-09 the apportionment is based on the ONS (Office for National Statistics) mid-year estimates for 2006 in accordance with Section 48 (4) Local Government Act 1985, which states that "the population of any areas shall be taken to be the number estimated by the Registrar General and certified by him to the Secretary of State by reference to such date as the Secretary of State may from time to time determine".

The London Councils Grants Committee considered proposals for expenditure in 2008-09 at its meeting on 12th November 2007. The Leaders' Committee concurred with the Grants Committee's recommendations on 13th November 2007 recommending to constituent Councils that the overall expenditure in 2008-09 should be £28,120,394 comprising:

Grants:	£26,400,000
Administrative expenditure	£1,720,394

Income would comprise:

Interest and balances:	£1,770,000
Borough contributions:	£26,350,394

Options considered

None

Current situation

The expenditure for 2007-08 was set at £26,564,066. Harrow Council's contribution last year was £756,177.

Why a change is needed

The London Councils Grants Committee consider their proposals for expenditure annually. Local authorities are invited to provide a formal response to these recommendations by Friday 18th January 2008.

Recommendation:

Cabinet is asked to consider the proposals for expenditure and give a formal response to the recommendation.

Resources, costs and risks

The proposal for expenditure results in a reduction in the borough's contribution of 0.8% next year compared to this year. Harrow's contribution for 2008-09 will be £752,708.

The budget must be agreed by two-thirds of constituent Councils before 1st February 2008. If it is not, the overall level of expenditure will be deemed to be the same as that approved for 2007-08.

Staffing/workforce

There are no staffing or workforce implications.

Equalities impact

Not applicable.

Legal comments

There are no legal implications.

Community safety

Not applicable.

Financial Implications

There are no significant financial implications. The Councils annual contribution to the LBGS is built into the base budget.

Performance Issues

There are no direct performance issues.

Section 3 - Statutory Officer Clearance

Name: ...Sheela Thakrar.....	<input checked="" type="checkbox"/>	on behalf of the Chief Financial Officer
Date: ...28 th December 2007		
Name: Jill Travers.....	<input checked="" type="checkbox"/>	on behalf of the Monitoring Officer
Date: 27 th December 2007...		

Section 4 – Performance Officer Clearance

Name:David Harrington.	<input checked="" type="checkbox"/>	on behalf of the* Divisional Director (Strategy and Improvement)
Date: ...20 th December 2007...		

*Delete the words "on behalf of the" if the report is cleared directly by Tom Whiting.

Section 5 - Contact Details and Background Papers

Contact: Kashmir Takhar, (Interim) Deputy Head of Service

Background Papers: London Councils Chief Executives' Circular

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