

# Overview and Scrutiny Committee

## AGENDA

**DATE:** Monday 11 October 2010

**TIME:** 7.30 pm

**VENUE:** Committee Rooms 1 & 2,  
Harrow Civic Centre

---

**MEMBERSHIP** (Quorum 4)

---

**Chairman:** Councillor Jerry Miles

**Councillors:**

Sue Anderson  
Ann Gate  
Bill Phillips  
Sachin Shah

Kam Chana  
Barry Macleod-Cullinane  
Paul Osborn (VC)  
Stephen Wright

**Representatives of Voluntary Aided Sector:** Mrs J Rammelt/Reverend P Reece

**Representatives of Parent Governors:** Mrs Despo Speel/Vacancy

(Note: Where there is a matter relating to the Council's education functions, the "church" and parent governor representatives have attendance, speaking and voting rights. They are entitled to speak but not vote on any other matter.)

---

**Reserve Members:**

---

1. Nana Asante
2. Varsha Parmar
3. Krishna Suresh
4. Sasi Suresh
5. Krishna James

1. Stanley Sheinwald
2. Mark Versallion
3. Christine Bednell
4. Susan Hall

**Contact:** Damian Markland, Acting Senior Democratic Services Officer  
Tel: 020 8424 1785 E-mail: [damian.markland@harrow.gov.uk](mailto:damian.markland@harrow.gov.uk)

# **AGENDA - PART I**

## **1. ATTENDANCE BY RESERVE MEMBERS**

To note the attendance at this meeting of any duly appointed Reserve Members.

Reserve Members may attend meetings:-

- (i) to take the place of an ordinary Member for whom they are a reserve;
- (ii) where the ordinary Member will be absent for the whole of the meeting; and
- (iii) the meeting notes at the start of the meeting at the item 'Reserves' that the Reserve Member is or will be attending as a reserve;
- (iv) if a Reserve Member whose intention to attend has been noted arrives after the commencement of the meeting, then that Reserve Member can only act as a Member from the start of the next item of business on the agenda after his/her arrival.

## **2. 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;
- (b) all other Members present in any part of the room or chamber.

## **3. MINUTES (Pages 1 - 12)**

That the minutes of the meeting held on 8 September 2010 be taken as read and signed as a correct record.

## **4. PUBLIC QUESTIONS**

To receive questions (if any) from local residents/organisations under the provisions of Committee Procedure Rule 17 (Part 4B of the Constitution).

## **5. PETITIONS**

To receive petitions (if any) submitted by members of the public/Councillors under the provisions of Committee Procedure Rule 15 (Part 4B of the Constitution).

## **6. DEPUTATIONS**

To receive deputations (if any) under the provisions of Committee Procedure Rule 16 (Part 4B) of the Constitution.

## **7. REFERENCES FROM COUNCIL/CABINET**

(if any).

## **8. COUNCIL VISION AND PRIORITIES (Pages 13 - 46)**

Report of the Assistant Chief Executive.

**9. PERFORMANCE MANAGEMENT IN HARROW (Pages 47 - 52)**

Report of the Divisional Director Partnership Development and Performance.

**10. SCRUTINY WORK PROGRAMME UPDATE (Pages 53 - 58)**

Report of the Divisional Director of Partnership Development & Performance.

**11. REPORT FROM THE SCRUTINY LEAD MEMBERS (Pages 59 - 72)**

**12. REPORT OF THE PERFORMANCE AND FINANCE SCRUTINY SUB-COMMITTEE CHAIR (Pages 73 - 78)**

**13. MINUTES OF THE PERFORMANCE AND FINANCE SCRUTINY SUB-COMMITTEE HELD ON 20 SEPTEMBER 2010 (Pages 79 - 86)**

To receive and note/agree any actions arising for this Sub-Committee

**14. ANY OTHER BUSINESS**

Which the Chairman has decided is urgent and cannot otherwise be dealt with.

**AGENDA - PART II - NIL**

This page is intentionally left blank

# OVERVIEW AND SCRUTINY COMMITTEE MINUTES

## 8 SEPTEMBER 2010

**Chairman:** \* Councillor Jerry Miles

**Councillors:**

* Sue Anderson	* Paul Osborn
* Kam Chana	* Bill Phillips
* Ann Gate	* Sachin Shah
* Barry Macleod-Cullinane	* Stephen Wright

**Voting Co-opted:**

(Voluntary Aided)	(Parent Governors)
Mrs J Rammelt Reverend P Reece	† Mrs D Speel

**In attendance:  
(Councillors)** Graham Henson  
Varsha Parmar

\* Denotes Member present  
† Denotes apologies received

### 29. Attendance by Reserve Members

**RESOLVED:** To note that there were no Reserve Members in attendance at this meeting.

### 30. Declarations of Interest

**RESOLVED:** To note that the following interests were declared:

Agenda Item 9 – Pinner Village Surgery Challenge Panel Report Update

Councillor Stephen Wright declared a personal interest in that he was a patient at the surgery. He would remain in the room whilst the matter was considered and voted upon.

Agenda Item 8 – Health White Paper – Equity and Excellence: Liberating the NHS

Agenda Item 9 – Pinner Village Surgery Challenge Panel Report Update

Councillor Sue Anderson declared a personal interest in that she worked for NHS Harrow. She would remain in the room whilst the matter was considered and voted upon.

Councillor Ann Gate declared a personal interest in that she was an employee of a GP surgery in Harrow. She would remain in the room whilst the matter was considered and voted upon.

**31. Minutes**

A Member of the Committee suggested that for future meetings involving a question and answer session with the Leader and Chief Executive, these be recorded. This would then allow for the minutes to be drafted in a similar style to how the items on public and councillor questions were composed for Full Council and Cabinet. The Chairman responded by stating that the suggestion would be investigated.

**RESOLVED:** That

- (1) the minutes of the meeting held on 21 July 2010 be taken as read and signed as a correct record subject to the following amendment:

On page 17, reference be made to a question being asked to read as follows “Why was the Portfolio Holder for Housing referring questions to the Leader?”;

- (2) the minutes of the meeting held on 27 July 2010 be taken as read and signed as a correct record.

**32. Public Questions, Petitions and Deputations**

**RESOLVED:** To note that no public questions were put, or petitions or deputations received at this meeting.

**33. References from Council/Cabinet**

There were none.

## RECOMMENDED ITEMS

### 34. Harrow Magistrates' Court Challenge Panel Report

The Committee received a report outlining the findings and recommendations from a Harrow Magistrates' Court Scrutiny Challenge Panel which took place on 19 August 2010. The Committee noted that proposed amendments from the Challenge Panel had been circulated to Members. The Chairman explained that, in his view, the Challenge Panel had been effective with a number of interesting conclusions reached.

The Chairman of the Challenge Panel commented that the Panel had thoroughly analysed the business case put forward by Her Majesty's Court Service (HMCS). Additionally a representative from HMCS had attended the Panel meeting. One of the main conclusions of the Panel was that the proposed closure would push huge costs onto other public sector organisations in the borough, such as the Council and the Police. Residents would also be severely inconvenienced. The Chairman of the Panel concluded by thanking the report author for his work.

A Member of the Committee commented that an estimate of additional cost relating to expenses for witnesses was still to be provided. It was not yet clear if this had been taken into consideration by HMCS.

Members of the Committee also expressed some concern at the perceived lack of publicity on opposition to the proposed closure. The Chairman commented that the Council would do what was required to raise its profile.

#### **RESOLVED:** That

- (1) the Challenge's Panel's report forming part of the Council's corporate response to the consultation, be recommended to Cabinet and all other Councillor colleagues;
- (2) the report be presented at Cabinet on 14 September 2010, prior to submission to Her Majesty's Court Service, as another way to raise public awareness of the proposed closure of Harrow Magistrates' Court and specifically, to formally demonstrate to Her Majesty's Court Service the Council's clear determination and commitment to retain local justice for local people;
- (3) the following recommendation of the Challenge Panel be referred to the Major Developments Panel for deliberation:

'Consideration to be given to alternative proposals, such as co-locating Harrow Magistrates' Court at Harrow Crown Court and, in the medium-longer term, whether Harrow Magistrates' Court might become part of a larger co-location of public services (police, council and courts) on the Kodak site'.

### 35. IT Service Delivery

The Corporate Director of Finance reported to the Committee that the project had been running for a significant period of time and was an important long term decision for the future of the Council. She reported that:

- the Council had reviewed its IT services. Concerns highlighted included a limited capacity to support remote and flexible working, lack of a disaster recovery system and being a constraint to future transformation;
- an IT strategy was developed in 2008 which initiated an options appraisal. This was conducted in partnership with PriceWaterHouseCoopers (PwC). This looked at the future options of the service and included soft market testing;
- the outcome of this appraisal was a recommendation to transfer responsibility for the IT service to Capita. This was considered to be the most appropriate and cost effective solution;
- the next phase involved a proposal request. This included a detailed description of the service the Council wished to receive. Capita were asked to prepare a response which was received by the Council on 1 March 2010. The proposal involved a single unified solution to deal with the core services infrastructure;
- a detailed evaluation of the bid was conducted. The evaluation involved a value for money assessment, a key part of the evaluation given that it was a single bid;
- an in-house option was also developed in order to make a comparison. This found that in order to deliver the same level of service the Council would have to spend a comparable amount but the option involved greater risk in relation to delivery;
- Cabinet at its meeting in July 2010 made an 'in principle' decision to transfer IT services to Capita. After this meeting, four additional projects were conducted. This involved consultation with staff and unions, negotiating the proposed contract, working on a transition plan and pricing model;
- a flexible pricing model had been negotiated to take into account lower fees for reduced number of users and vice versa;
- extensive consultation with staff had taken place. Consultation with individual staff would continue up to the proposed date of transfer;
- the report to Cabinet in September 2010 provided an update on the proposal and contained a recommendation to proceed with the transfer. A final decision would be made at Council;



- the transfer of IT services to Capita was integral to the transformation agenda in order to facilitate projects such as remote and flexible working. There were numerous benefits associated with transferring IT services to Capita and it would be an important tool to drive efficiencies for the Council.

During the discussion, Members raised a number of queries which officers responded to including:

- the Council had an existing partnership arrangement with Capita. The partnership agreement had been established in 2005 and would continue up until 2015. The partnership agreement had been designed in such a way so as to include delivery of services. During the initial options appraisal process, other options had been considered but it was concluded that working with Capita under the current partnership agreement would be the best option and provide value for money;
- a comparison between the Capita bid and developing an in-house option had been conducted when performing the value for money assessment. A broader tendering process was considered but it was deemed that this would have been costly to co-ordinate and therefore would not have represented value for money;
- as part of the soft market testing, the option of working with other Councils had been investigated. However the conclusion reached was that there would have to be full delegation to other Councils whose own IT strategy would set the direction of services. This was not a suitable scenario;
- consideration of other service providers had been considered in the soft market testing. However it was a reasonable assumption that other potential providers would not have been comfortable working alongside Capita as the Transformation partners;
- the Council could implement a break clause for the contract period to last for 5 years if required;
- officers would respond to the Committee on whether reduction in the cost of flexible and remote working transformation project and a reduction in the cost of email systems integration were capital or revenue costs. Savings relating to moving to a new Civic Centre related to revenue costs. It was difficult to predict which year this move would be achieved but it was estimated this would be at least 5 years given that it would involve a significant change;
- figures provided in the report relating to the net position related to the 5 year bid. If the overall Capita bid was more expensive this would initially lower the amount of capital expenditure and result in more revenue expenditure. Savings on having less capital expenditure would go on beyond 5 years;

- if the contract continued for a 10 year period, there would be additional revenue cost and an additional capital cost in year 6 for a refresh. The way in which in the bid had been structured had been divided into capital and revenue costs. Some of the projects involved some revenue and some capital costs;
- all hardware maintenance would be conducted by Capita. Licensing management would be transferred to Capita although negotiations were still being conducted on the specific details;
- in terms of business applications there were two factors to consider. Firstly the core infrastructure network would be managed and operated by Capita. Secondly there were applications where the Council had a contract with software providers. These applications would only be hosted by Capita;
- applications were currently integrated with Novell and Groupwise, which were now out of date. This had contributed towards poor service delivery. Integrating these with a modern environment would automatically improve performance. This would be the same scenario for all applications;
- in response to a request, officers would circulate a detailed risk register to the Committee on the proposals generally;
- an audit was currently being conducted into the number of computers to ensure the information was correct prior to 1 November 2010. Although there were currently more software licences than required, this was due to the fact that there was less staff than two years ago. Due diligence being conducted by the Council would involve ensuring that the Council had a complete audit of the number of computers with accurate figures;
- Eversheds had provided detailed legal advice in relation to the transfer. Eversheds had been involved in implementing the partnership contract with Capita and it was believed that the most efficient option was to utilise their services;
- up to the date of transfer, a project board would look at identified work streams on the transfer with support from Eversheds. The Divisional Director of IT was working on the transition plan and the Corporate Director of Finance was investigating costing and the pricing model along with PwC. Services had also been commissioned to deal with human resources issues. After the proposed transfer, a client team would monitor performance of the contract;
- the existing partnership contract had a performance management framework embedded into it. Penalties could be applied if the relevant terms were not adhered to. This had been enforced previously;

- the IT department currently consisted of 30 permanent members of staff. There had been a deliberate attempt in the last few months to use agency staff for vacancies to minimise the impact on permanent staff. Discussions were still ongoing with Capita about the implications for staff. There had been an attempt to provide staff with as many options as possible including applying for the Voluntary Severance Scheme. Staff had also been provided with details of opportunities within Capita;
- although Capita's bid was more expensive than the Council's current budget, it was believed that there were strong reasons for additional investment as it would underpin a significant amount of the work of the transformation of the Council for the future. Even if the service remained in-house, there would be a need for investment;
- Capita had committed to high levels of security to promote remote and flexible working. Capita would implement systems to ISO2001 standards. They had achieved ISO2001 and additionally the Council was working with Eversheds to produce a schedule to ensure Capita's Government Connect compliance. The Council had approximately 30-40 people who were required to be fully compliant with proposed requirements and this model had previously been accepted by the Government;
- the Council faced severe financial constraints. However it was vital to conduct this transfer to ensure a more robust and resilient infrastructure for the future. Other streams of the transformation programme were dependent on the infrastructure being improved;
- the Council had conducted detailed policy work in relation to confidentiality, security and care of workforce issues relating to remote working;
- the Council was maintaining a benefits tracker on the proposed transfer to Capita. This was continually updated and was a good basis to track achievements. The methods by which Capita would be monitored included via the performance management framework, the client team checking on progress made and detailed reports to Council Management Boards and Lead Members. Reports could also be presented at regular intervals to the Overview and Scrutiny Committee;
- money being utilised to fund the project had been identified to implement Government funded projects which were no longer taking place due to cuts. Additionally the transfer of IT services to Capita involved more than the provision of equipment and related to the entire IT infrastructure.

Members of the Committee made a number of comments during the discussion on this item which included:

- by implication there was risk of an extension of the proposed contract with Capita. There were difficult logistics of ending the contract after 5 years if staffs were being outsourced and there was no server infrastructure. In reality it may be a 10 year contract;
- the contract implementing the transfer of IT services to Capita should include provision for Capita to ensure that all hardware and software was kept up to date;
- it was important to ensure that the audit being conducted was accurate as any problems associated with the current system would not be solved by simply outsourcing the service;
- there were some concerns about the reductions in staff once the services had been transferred to Capita;
- there could be difficulties if the government insisted on compliance with proposed security requirements. This could have significant financial implications and affect the entire delivery model of the proposed transfer of services;
- there was not currently a consistent approach across the Council in relation to IT service delivery. This had been confirmed by PwC. The proposed transfer would remedy this situation and ensure that all aspects of IT service delivery were brought under control. Capita were the best equipped organisation to ensure good service delivery as they had the necessary expertise, background and vision;
- it was important for Member level input into monitoring the transfer of IT services to Capita. This could be done by the BTP Panel or another similar body. Contract management was an area for improvement and Member input was required.

**RESOLVED:** That the comments of the Committee be presented to Cabinet, at its meeting on 14 September 2010, as part of the consideration on the item on IT Service Delivery.

## **RESOLVED ITEMS**

### **36. Health White Paper - Equity And Excellence: Liberating The NHS**

The Chairman introduced the item and reported that the item had been considered by the Health Sub-Committee at its last meeting on 2 September 2010. The Chairman commented that the Sub-Committee had recognised that the white paper was a lengthy document. As a result the Sub-Committee had decided to conduct a workshop session whereby Members would focus on all of the specific themes raised in the white paper. Responses to the consultation were required by 11 October 2010 and a report on the outcomes of the workshop would be presented to the Committee.

During the discussion on this item, Members raised a number of issues which included:

- the issues relating to the closure of the Pinner Village Surgery had demonstrated the importance of holding the Primary Care trust to account. As part of the proposals contained in the white paper, it was important to ensure that the proposed NHS Commissioning Board could be held to account in a similar way. Additionally experience of previous issues would be an important factor when considering the response to the white paper;
- there was ambiguity in relation to proposals for aspects of commission to revert to the Local Authority. There was a view that the white paper provided more questions than answers;
- it was likely that there would be significant financial implications for the Council as a result of the proposals in the white paper. There was therefore a strong need for the Council to consider the proposals carefully;
- it was important to focus on how the proposals in the report affected the borough. An impact assessment report was required so that the Committee could analyse the white paper effectively. It was appropriate to request that the Director of Public Health, NHS Harrow, provide an impact assessment.

An officer reported that the purpose of the report was to commence the response process to the white paper. The workshop session would include the attendance of officers within the Council, who would provide specific expertise. Officers within the Council were still currently analysing details of the white paper. The Chairman confirmed that an impact assessment would be requested and the Director of Public Health could also be invited to the workshop meetings.

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

### **37. Pinner Village Surgery Challenge Panel Report Update**

The Chairman reported that the Committee had established a Challenge Panel to investigate issues into the closure of the Pinner Village Surgery. The Chairman of the Challenge Panel provided a number of updates to the Committee which included:

- it was a fair comment that Members of the Health Sub-Committee had been concerned by the responses received to questions at its meeting on 16 June 2010 when the issues were first considered;
- further to the meeting of the Challenge Panel, he had chaired a public meeting which representatives from the PCT had attended. There had been recognition from the PCT that they could have been more helpful and handled the responses provided in a better manner;

- having obtained a full understanding into the issues surrounding the closure of the surgery, it was his view that the correct decision had not been made. There were other options available which had not been properly investigated. However there was recognition that the PCT did have a legitimate reason for concern;
- it was important that in the future the PCT took into account the views of local residents. It was also important that Lead Members met regularly with key officers from the PCT to ensure that these issues would not arise again in the future;
- the PCT would now have to consider whether they would commission a new surgery to replace the Pinner Village Surgery and had to take into account local demand.

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

### **38. Scrutiny Lead Members Report**

The Committee received a report of the Scrutiny Lead Members detailing issues they had recently considered and further proposed actions.

**RESOLVED:** That

- (1) the proposal for further briefings to be provided to the Lead Members on Sustainable Development and Enterprise on the Local Economic Assessment, the refresh of the Economic Development Strategy and the Council's property disposal system be agreed;
- (2) the request for a Challenge Panel to be established on the Housing Ambition Plan, with specific focus on resident engagement, be agreed.

### **39. Exclusion of the Press and Public**

**RESOLVED:** That the press and public be excluded from the meeting for the following item for the reasons set out below:

<u>Agenda Item</u>	<u>Title</u>	<u>Reason</u>
12.	Any Other Business	Information under paragraphs 1 and 7 (contains information relating to any individual and relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime).

#### 40. Any Other Business

The Chairman and Vice-Chairman provided a verbal update on the current situation relating to the Harrow Association of Voluntary Services. They explained that they had both been briefed on the executive summary of the investigation into the organisation. They informed the Committee of the key issues which had been raised.

A Member commented that it was important for the Committee to consider wide issues such as the monitoring of grants provided by the Council and the appropriate training of Council appointed trustees. It was important to conduct some random testing relating to the monitoring of grants to check if this was a one-off occurrence or whether there was a more widespread problem.

Another Member commented that a review was required as opposed to a challenge panel as there were significant issues to be addressed. This would need to be a tighter, shorter piece of work to ensure that any relevant outcomes could be easily absorbed.

An officer confirmed that she would liaise with the Audit department and present proposals on a potential review to the next meeting of the Leadership Group.

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

(Note: The meeting, having commenced at 7.31 pm, closed at 9.57 pm).

(Signed) COUNCILLOR JERRY MILES  
Chairman

This page is intentionally left blank



## **REPORT FOR: Overview and Scrutiny Committee**

---

<b>Date of Meeting:</b>	11 October 2010
<b>Subject:</b>	Council Vision and Priorities
<b>Responsible Officer:</b>	Tom Whiting, Assistant Chief Executive
<b>Scrutiny Lead Member area:</b>	All Leads
<b>Exempt:</b>	No
<b>Enclosures:</b>	Year Ahead Statement

### **Section 1 – Summary and Recommendations**

This report sets out the draft Council vision and priorities which it is proposed will be launched for consultation in the period October to December 2010. The report also sets out the pilot programme of community involvement activity which will be used to test the draft vision and priorities with Harrow residents.

**Recommendations:**

Overview and Scrutiny is requested to:

- 1) Consider and comment on the evidence base for the draft vision and priorities set out in the Year Ahead Statement.

## **Section 2 – Report**

### **1. Introduction**

This report sets out for Overview and Scrutiny the evidence base on which recommendations are being made to Cabinet on the Council's draft vision and priorities.

The Year Ahead Statement sets out the information and data on such things as performance, demographic change and resident perceptions which has contributed to the development of the draft vision and priorities.

### **2. Financial Implications**

At a strategic level, the integrated service and financial planning process (underway for the five year period from 2011-12 to 2015-16) will ensure that the new priorities are properly resourced in the budget. An update on the medium term planning process will be presented to Cabinet later this month, and the draft budget will come forward in December.

### **3. Performance Issues**

The Year Ahead Statement sets out the data and intelligence which supports the draft priorities set out in the Leaders Report.

Establishing a new set of priorities will have implications for the Council's Corporate Scorecard. Following consultation and approval of a new set of Council priorities, performance measures will be developed for each and monitored quarterly at Cabinet through the Strategic Performance Report.

### **4. Environmental Impact**

None directly.

### **5. Risk Management Implications**

None

### **6. Equalities implications**

An Equalities Impact Assessment will be carried out on the draft vision and priorities as part of the consultation process, and will be used to advise Cabinet on the final set which they endorse.

With regards to the pilot programme of community involvement activity, an Equalities Impact Assessment will be carried out as part of the review of success to ensure that all lessons learnt through these pilot programmes will

be applied to the next stages of the Council's engagement with the community.

## 7. Corporate Priorities

The final form of priorities which will be agreed following consultation will replace the existing priorities.

### Section 3 - Statutory Officer Clearance

Name: Myfanwy Barrett	<input checked="" type="checkbox"/>	Chief Financial Officer
Date: 27/09/10.....		
Name: Hugh Peart	<input checked="" type="checkbox"/>	Monitoring Officer
Date: 28/09/10.....		

### Section 4 – Performance Officer Clearance

Name: Alex Dewsnap	<input checked="" type="checkbox"/>	Divisional Director Partnership, Development and Performance
Date: 24/09/10.....		

### Section 5 – Environmental Impact Officer Clearance

Name: John Edwards	<input checked="" type="checkbox"/>	Divisional Director (Environmental Services)
Date: 24/09/10.....		

### Section 6 - Contact Details and Background Papers

**Contact:** Alex Dewsnap, Divisional Director, Partnership Development and Performance ext: 8250

**Background Papers:**

Background papers for Year Ahead Statement Evidence Base:

- Interim Place Survey 2009
- Corporate Plan 2009- 2012
- CAA Self Assessment 2009
- Strategic Performance Report Cabinet 15<sup>th</sup> July 2010
- Better Deal for Residents Programme Cabinet Report 15<sup>th</sup> July 2010
- CIPFA Statistical Review 2010

# Supporting Information for Developing a Year Ahead Statement 2010

## Evidence Base

<b>Contents</b>	<b>Page</b>	<b>Paragraph</b>
Introduction	2	1
What this document is for	2	4
<b>The case for the Draft Corporate Priorities</b>	<b>3</b>	<b>9</b>
<b>Overall Summary:</b>		
Performance	6	27
Finance	7	32
Policy	9	42
Demographics	11	54
<b>Performance</b>		
Adults and Housing	12	60
Children's Services	14	67
Community and Environment	15	73
Place Shaping	18	82
Corporate	19	86
Overall satisfaction	20	87
Comprehensive Area Assessment	20	88
<b>Finance and Value for Money</b>	<b>21</b>	<b>92</b>
<b>Policy Context</b>		
National	22	102
Local	23	109
Partnership	28	149
Inspection/Assessment	28	151
<b>Conclusions</b>	<b>29</b>	<b>153</b>
<b>Next Steps</b>	<b>29</b>	<b>155</b>

## Introduction

1 The Year Ahead Statement reviews where the Council was at the end of 2009/10 in financial, policy and performance terms, and reviews what can already be glimpsed of the policy landscape for 2011/12 to help the Council to set priorities for the next financial year.

2 In previous years, the Statement has looked more closely at improvement opportunities than at the Council's various success stories. While successes do need to be consolidated, built on and celebrated, the bulk of service planning is usually concentrated around new legislative or policy requirements or services that are not performing as well as they could or as well the Council would like. In the past, the Statement has painted a more cautious picture of the Council and its services than, for example, self-assessment documents.

3 This year, however, the overriding policy requirement from Government is about reducing public expenditure by unprecedented amounts. The focus of the forward looking aspects of the Statement is, therefore, doing more with less, increasing efficiency and effectiveness and facing the probability of having to cease providing some services completely and reducing the level and standard of others. At the same time, there is a local focus on working more closely with our community both to help to shape the difficult decisions that lie ahead and to identify opportunities for volunteering and involvement in social action.

## What this document is used for

4 This document offers the opportunity to review the Council's vision and corporate priorities. The priorities arrived at through the Year Ahead Statement process drive detailed service planning for 2011/12 that began in late July 2010 and carries on through the autumn in parallel with the budget process. Details of what will be done next year will be included in the service plans developed as part of this process. The priorities will also inform development of the Council's corporate plan.

5 Having reviewed the Council's current position, the uncertain prospects for public services over the coming period and the needs and aspirations of local people, the Council is proposing to consult residents on the following vision for the Council and four corporate priorities for 2011/12. While these priorities will be reviewed annually in the light of changing experience and needs, it is likely that following the results of consultation they will remain in place throughout the administration's term of office.

The draft vision for the Council is:

"Working together: our Harrow, our Community"

and the draft corporate priorities are:

- Keeping neighbourhoods clean, green and safe;
- United and involved communities: a Council that listens and leads;
- Supporting and protecting people who are most in need; and
- A Town Centre to be proud of: changing Harrow for the better.

6. Cabinet will be asked to agree the draft vision and priorities for consultation.

## The case for the Draft Corporate Priorities

7 The Year Ahead Statement reviews the Council's overall performance and financial position, and places it in the context of the national and local policy agendas and the changing

demographic profile of the borough. This section, however, selects data, trends and policy currents that demonstrate why the draft corporate priorities are important and relevant to Harrow residents.

8. The corporate priorities will guide the Council in making the difficult financial decisions later in this financial year when the impact of the Coalition Government's Comprehensive Spending Review is known.

### **Keeping neighbourhoods clean, green and safe**

9 Maintaining a clean, green and safe environment is one of the core functions of a local authority and one which impacts on the quality of life of all residents. Cleanliness of public spaces encourages good and responsible behaviour and reduces anti-social activity including creating litter, vandalism and graffiti. An environment that is thought of as safe encourages people to participate in community and social activities which contribute to further increases in safety through social control of public areas. Clear green policies demonstrate the Council's commitment to improving the environment and encourage all residents to contribute through recycling, saving energy, reducing car usage, and reducing their carbon footprint.

10 Our survey evidence shows that the cleanliness of the streets and other public spaces remain the issue with the second highest level of public support amongst a list of issues that make an area a good place to live and fourth in the list of issues that most need improving in Harrow. The importance that residents place on the cleanliness of the borough can be seen from the continued high priority given to making improvements in this service on top of the significant increases in public satisfaction achieved last year. In short, the public feel that the Council is doing well but that there is more to do.

11 Work to improve cleanliness and safety come together in initiatives such as the Weeks of Action programme where an area receives special attention from the Council, the police, and other agencies to address problems and concerns in a joined-up way. The Neighbourhood Champions programme is now approaching 1,000 residents recruited with 660 already trained and 300 awaiting training. The ambition is to have one Champion for every street to let the Council or the Police know about local issues of concern. All residents also now have the opportunity to report issues to and ask questions of the Police at the Civic Centre, where a Police Information Centre has been established.

12 The Council intends to build on the success of these initiatives to continue to improve the cleanliness of the Borough, the quality of its environment and community safety.

### **United and involved communities: a Council that listens and leads**

13 Local data tells us that the Council is improving in this area, but needs to do more, especially as involving communities will become even more important with the nature of the challenges facing the Council over the coming years. The Place Survey data (from 2008 and 2009) below highlights where public perception has improved on how the Council informs and engages with residents and how residents feel that they get along with one another.

<b>Place Survey Results</b>	<b>2009 Result</b>	<b>2008 Result</b>	<b>Change from 2008 to 2009</b>	<b>London Best Quartile 2008</b>
Do you strongly or very strongly feel that you belong to your immediate neighbourhood	54%	55%	-1	51%
Do you agree that local public services promote the interests of local residents	38%	35%	+3	43%

<b>Place Survey Results</b>	<b>2009 Result</b>	<b>2008 Result</b>	<b>Change from 2008 to 2009</b>	<b>London Best Quartile 2008</b>
Do you agree that local public services act on the concerns of local people	42%	41%	+1	44%
Do you agree that local public services treat all types of people fairly	70%	68%	+2	70%
Do you agree that you can influence decisions affecting your area	33%	32%	+1	34%
Do you feel well informed about what the Council is doing	38%	31%	+7	37%
Would you like to be more involved in the decisions affecting your local area	40%	39%	+1	42%
Do you volunteer at least once a month	24%	24%	-	21%
Have you been treated with respect and consideration by your local public services all or most of the time	66%	64%	+2	67%

14 However, more recent data from the Council's Reputation Tracker in March 2010 suggests that the challenge for engagement is greater. This is evidenced in particular below by the -17% 'net agree' for residents who feel that they can influence decisions affecting their local area. This demonstrates the size of the challenge and will be an essential indicator of how the Council achieves this priority.

- 29% of residents agree that the Council takes account of residents' views when making decisions, whilst 34% disagree (a 'net agree' of -5%)
- 30% of residents agree that they can influence decisions affecting their local area, whilst 47% disagree (a 'net agree' of -17%)
- Overall satisfaction with Council fell from March 2009 to March 2010 from 58% to 52%

15 .Community involvement can be in many forms from helping us to know what sorts of services are needed, where and when and how best to arrange for people to make use of them through to helping to deliver services through a voluntary or community organisation. For many people who use our services, involvement might include completing a comments card to highlight good aspects and things that could be improved; a survey to find out what is most important to local people or joining a focus group to look at a specific service in more detail.

16 The Council will be putting additional emphasis on community involvement in the future to encourage greater participation from all parts of the community. We will try to create the conditions in which local people can have a bigger say in the development of their area and the services that are available, including getting involved in delivering some of them, for example, by becoming a Neighbourhood Champion.

17 As well as involvement with Council services, we will also encourage people to be more active in their community generally for the benefits this brings to volunteers, who can gain in confidence and self esteem and obtain additional skills, to communities, by bringing people together to share experiences and to the Borough as a whole, by increasing pride in Harrow and its people.

18 Community involvement is particularly important for Harrow, which has a very diverse population ethnically and religiously. Community cohesion is measured by how many people agree that people from different backgrounds get on well together and Harrow's score is just above the average for Outer London, with 76% agreeing. Community cohesion is built by shared activities, information and discussion and experiences. The Council will promote



events and meetings both to gather views of residents and facilitate residents getting together. It will continue to provide information, not least through its e-newsletter which now has almost 13,000 recipients.

### **Supporting and protecting people who are most in need**

19 Many people in Harrow will need the help and support of the Council at some time in their lives. The Council provides services for all children through nurseries, schools and Children's Centres and a range of activities for young people such as youth clubs, holiday play schemes and the summer university. However, we also provide additional help for young people with specific difficulties, disabilities or other problems. We safeguard young people at risk and work with young people at risk of offending. We look after Children and young people who for whatever reason, can no longer live at home and support young people who have problems with drugs or alcohol.

20 Similarly, we support older people who need help to continue living in the own homes and to extend their degree of independence. In particular, we are continuing to promote personalised budgets for people assessed as being in need of care to enable them to tailor a support package exactly to their needs. Where people agree that it would be beneficial, we will provide older people with an intensive package of support to 're-able' them to undertake everyday domestic tasks which they may otherwise feel they could not perform. We also safeguard and protect older people at risk.

21 We also provide support for people of all ages who have a disability, either by advice and information or, where appropriate, through practical help and care. Many forms of support are available through our Neighbourhood Resource Centres in the Borough. Support can take the form of help in finding and maintaining employment, access to support groups and activities or specialist equipment. We also provide support to carers through advice and information and assessments of their specific needs.

22 Other groups that receive support include people with mental health needs, families, people seeking to re-enter employment, and new arrivals.

23 For all of these groups and others not included here, the Council will undertake assessments of need to target help and support to those most in need. The pressure on public service budgets now and in the immediate future means that there will be fewer universally available services and that the resources that are available will have to be spent where they can do the most good.

### **A Town Centre to be proud of: changing Harrow for the better.**

24 Harrow Town Centre is a Metropolitan Shopping Centre – one of 11 in London. It is, however, threatened by the new development of Westfield at Shepherd's Bush, the proposed creation of a new Town Centre at Cricklewood/Brent Cross and the shopping centre at Watford. In response to these challenges and the need for further investment in the Town Centre, the Council has adopted a plan for the Harrow/Wealdstone Corridor. For this purpose, the area is known as the Intensification Area, which means that it is a place where new and additional development is expected and, provided it is of the right sort, will be welcomed. To direct the way in which this area is revitalised and other potential large developments, the Council has set up a Major Developments Panel.

25 The Town Centre is a symbol of and gateway for the whole Borough and has a significance for the success of many businesses throughout the Borough. Getting the development and expansion of the Town Centre right will provide confidence for the future

of district centres across the borough. A successful Town Centre should also provide civic pride in the borough and indicate the capacity of the Council and partners to improve the borough as a whole.

26 It is also important to recognise that the borough has many more district Town Centres and that a focus solely on Harrow Town Centre must not be to the detriment of these. The district centres are important to the prosperity of the borough and the sense of community and neighbourhood. Through the Major Developments Panel and Area Action Plans, the Council will work with local traders, residents and developers to create a network of thriving district centres and communities to manage the successful regeneration of key sites and areas of importance across the borough.

## Overall summary

### Performance

27 Residents report increased satisfaction with a range of specific services provided by the Council. This improvement trend was also recognised by the Council's inspection and assessment processes, although overall levels of satisfaction are too low. In December 2009, the Audit Commission judged Harrow Council to be one of just a handful of local authorities across the whole of the UK to have improved against their new tougher inspection regime. The Council moved up to an overall score of 3 (out of 4) – the highest score the Council has ever achieved. The Audit Commission said that the Council provides good value for money; had invested in clear priorities, which are the areas that residents want to see improved; had improved against two thirds of the performance measures; and had put in place the foundations for becoming a high performing authority.

28 In addition, Adults' Services moved up to a score of 3 (out of 4) also for the first time. The Care Quality Commission stated that *'leadership is strong and there is a clear strategic direction, with a step change in performance. Many more people received a Personal Budget, Direct Payment or Carers Service and people are noticing the differences, particularly people with learning disabilities and carers.* They specifically highlighted the following areas that they felt had delivered considerable improvements:

- Personal Budgets (one of the London and National leaders);
- Carers Services (Highest in London and top 8 Nationally);
- Engagement with Service Users (Most comprehensive consultation in Social Care Mori has ever carried out); and
- Shifts from Residential care to support in the community.

29 The Ofsted rating of 3 (out of 4) for Children's Services was maintained. Ofsted commented that *'The overall effectiveness of the majority of inspected services and settings is good or better. The proportion of schools that are good or better is higher than in similar areas and national averages.'* *'Young children get a secure start and show achievement in line with similar areas and that found nationally in the Early Years Foundation Stage. A much higher proportion of nurseries is good or better than in similar areas and the proportion nationally.'* *'Performance against the very large majority of national indicators, including those for staying safe and enjoying and achieving, is at least in line with similar areas and broadly in line with or better than the national figure.'*

30 The Council was the only highly commended finalist in the Local Government Chronicle 'Most Improved Council' awards. A range of other awards for particular services were achieved throughout the year. There is no doubt that these awards reflect the hard work of the Council's staff as well as their innovation and dedication.

31 The most prized accolade for any authority, however, is the level of resident satisfaction with the Council itself as well as with individual services. Here there was significant progress as well as some evidence of a need to understand better and respond more effectively to residents' aspirations, although overall satisfaction levels are still too low. The Interim Place Survey conducted in the autumn of 2009 measured the level of satisfaction with some of the universal services, such as street cleansing, refuse collection and recycling, which improved significantly in 2009/10 while overall satisfaction with the Council improved only very slightly and within the sampling margin for error. 16 of the 18 Flagship Actions for last year had been achieved or were forecast to have been achieved by the end of the year and data for one of the other two has still to be finalised.

## **Finance**

32 Over the last four years, the Council has delivered savings of some £45m. Despite the scale of these spending reductions, last year the Council achieved an under spend of £1.7m. The accuracy of forecasting during the year improved considerably which is an indicator that financial management is getting stronger. Financial pressures remain in the medium term but a balanced budget was agreed at Council with a 0% Council Tax increase.

33 The new Coalition Government introduced an emergency budget in June 2010 which has resulted in the Council having to make some in-year savings. Agreed budgets for a number of services have had to be reduced as grants supporting those services have been cut. In addition, other funding streams that had not been added into service budgets have been cut, reducing the Council's ability to deliver services. Most notably, the Local Area Agreement Reward Grant, which Harrow Strategic Partnership had earned by meeting stretching targets over the last three years, was reduced by at least 50% jeopardising a range of investment projects and including aspects of the Better Deal for Residents Programme. Further, some reductions in Government Departmental spending has resulted in cuts to programmes delivered by local authorities including the loss of free swimming for under 16s and over 60s. At the time of writing, the in-year cuts amount to £5.6m including £1.5m of capital and, in addition to those already mentioned, impact on education and health access programmes for migrants, and programmes supporting young people with special educational needs, harnessing technology and the 14-19 diploma.

34 Since the emergency budget, other announcements have been made that will impact on the Council and the borough. First, the Building Schools for the Future programme has been abolished with the cancellation, nationally, of 739 school rebuilding and modernisation schemes. The local impact of this announcement is limited as Harrow was not in the Building Schools for the Future programme and our investment had been restricted to the time and effort involved in demonstrating our readiness to deliver and trying to get into the programme. However, the programme offered a hope that the new and high quality accommodation could be provided at schools operating with temporary buildings.

35 Secondly, 102 Magistrates' and 59 Crown Courts have been earmarked for closure, including Harrow Magistrates' Court. If this proposal is carried through, there will be an impact on access to justice and increases in costs for Council and Police personnel attending court. It is estimated that these additional costs would amount to a minimum of £80,000 for the Council, with a significant sum for the Police and some costs falling on the Probation Service. There would also be costs arising for the Courts service from compensating prosecution witnesses for additional travelling time.

36 An announcement has also been made that capping the amount of Housing Benefit payable will be introduced and indicating that benefit levels will be reduced for claimants who

have been unemployed for a year or more. This proposal will affect 381 five bed or larger properties in Harrow where the new maximum benefit level is lower than the current rent charged. The impact of this may be increased overcrowding as families move to smaller but affordable property or increases in homelessness. There may also be an impact from families moving from inner London boroughs which will effectively become a no-go area for anybody on a low income looking to rent in the private sector. If this occurs, there will be increased competition for the stock of larger private sector properties making it more difficult for the Council to find property to accommodate families and, potentially, increase the pressure of education and social care services by increasing the number of their clients. Most recently, the Playbuilder programme for renewing playgrounds has been suspended.

37 Forecasting the financial position for the coming year or so is even more difficult than usual with the degree of uncertainty about the economy generally and public expenditure totals in particular. This may become clearer once the Comprehensive Spending Review (CSR) is published in October. Consultation about the funding formula which will be determined in the CSR has raised concerns that the 'floor' – a minimum funding level – may not be retained which could have significant consequences for the Council and other London authorities. There are also consultations about changes to the local authority pension scheme.

38 Nonetheless, the Council is planning for a budget gap in 2011/12 of £16m. The Better Deal for Residents Programme, which is described in more detail below, is in part a response to reducing revenues by seeking to organise public services in Harrow better to achieve more with less. This programme will make a substantial contribution to reducing the Council's costs although other difficult spending decisions are likely to be needed as well.

39 Spending reductions over the last four years have largely been achieved through incremental efficiencies, that is, by making each pound spent work harder through re-organisations, better IT, better processes etc. The Council is already one of the most effective in London in achieving high performance for low levels of expenditure and so there must be doubt as to the scope for this approach to yield further substantial sums. If this is the case, then the Council will need to consider reducing service levels or ceasing to provide some services at all.

40 At a macro-level, there is a danger that public expenditure reductions of the magnitude currently discussed by Government could reduce demand in the economy to such an extent that the country re-enters recession, underlining the need to continue to mitigate the impact of recession on Harrow residents and businesses. One of the impacts of the down turn has been a reduction in income the Council receives from fees and charges for services ranging from parking to planning. Other issues will also affect the way in which the Council undertakes its business including the Government's stated plans for a radical devolution of power and greater financial autonomy to local government and community groups which will include a review of local government finance. One further announcement is that increases in Council Tax above a level to be set by the Secretary of State would be subject to a binding local referendum. It is estimated that to run a referendum in Harrow would cost £200,000.

41 A recent paper detailing the impact of public spending reductions nationally has been analysed by colleagues in the Health Sector to show the possible impact on local public sector employment. It suggests that there are currently 18,100 people employed in the Public Sector (including education) in Harrow. The report then suggests that 1,534 jobs will be lost in the Public Sector in Harrow by 2016. This number of job losses places Harrow above the national average at 132 out of 408 areas, and above the average for other London Boroughs.

## Policy

42 The year to come will be dominated by the public sector expenditure reductions promised by the new coalition government. The scale of the reductions required locally is not yet clear although the Government is seeking cuts of between 25% and 40% over the next three years. There should be more clarity about the Government's intentions with the publication of the Comprehensive Spending Review scheduled for 20<sup>th</sup> October this year and details of the Local Government settlement after that. It is currently thought that the settlement will cover two financial years to the end of 2012/13.

43 The Government has also announced a review of local government finance which is expected to report before the end of the next financial settlement. The Coalition Programme for Government says that they will promote the radical devolution of power and greater financial autonomy to local government and community groups. This will include a review of local government finance. The Programme for Government also promises to phase out the ring-fencing of grants to local government and review the Housing Revenue Account (HRA) and to give councils a general power of competence. At present, local authorities can, generally, only do things that are explicitly provided for in legislation. The proposed General Power of Competence would enable the Council to do anything except things that are explicitly prohibited in law.

44 The new coalition Government has abolished the Comprehensive Area Assessment, (CAA) and the Audit Commission and is currently reviewing the way in which Ofsted and the Care Quality Commission (CQC) will work in the future. In place of a national framework for measuring local service quality and financial stewardship, there is an enhanced emphasis on localism – that is the belief that local communities should be able to decide for themselves what standards of service they want and are prepared to pay for. There is an over-riding principle that future assessment regimes will impose a less onerous burden on local authorities. Details of how far and fast these sorts of changes will be made and the impact of devolving responsibility for determining to a greater extent the range and quality of services are, as yet, unknowable.

45 The retreat from a central inspection/assessment and target-driven approach provides space to develop a locally determined agenda and method for measuring progress. Services have begun to consider how to engage residents to create more locally relevant service objectives.

46 There has, however, already been some conflict between Government action and the principle of localism. The Secretary of State has made several policy announcements which seek to set national standards for issues that have previously been determined locally such as the frequency of refuse collection and the content of Council newspapers. Similarly, the Secretary of State for Education has taken power to determine detailed matters relating to academies and the funding of 'free' schools.

47 The Coalition Government will also promote the reform of schools in order to ensure that new providers can enter the state school system in response to parental demand; that all schools have greater freedom over the curriculum; and that all schools are held properly to account. They will fund a significant premium for disadvantaged pupils from outside the schools budget by reductions in spending elsewhere and give parents, teachers, charities and local communities the chance to set up new schools, as part of plans to allow new providers to enter the state school system in response to parental demand. The Academies Act 2010 has already been passed to enable outstanding schools to opt for academy status in time for the beginning of the 2010/11 academic year. None of the schools in Harrow has applied to follow this course yet, but many are eligible because of their 'outstanding' status.

48 The intention to make very significant changes to the way in which the Health Service operates has been announced in a White Paper. This envisages the abolition of Primary Care Trusts in favour of commissioning by consortia of GPs, the creation of a National Public Health Body with local responsibility for public health transferring to local authorities, all hospitals becoming part of a Foundation Trust and the LINK, a public and patient engagement organisation, being altered and rebranded as Health Watch and becoming the responsibility of the local authority to commission. Local authorities would lose the duty to scrutinise the provision of health care which would transfer to a new Health and Well-being Board within the local authority or strategic partnership.

49 Building on the power of the local authority to promote local wellbeing, new statutory arrangements will be set up within local authorities or strategic partnerships for "health and wellbeing boards" to take on:

- assessing the needs of the local population and leading the statutory joint strategic needs assessment;
- promoting integration and partnership across areas, including through promoting joined up commissioning plans across the NHS, social care and public health;
- supporting joint commissioning and pooled budget arrangements, where all parties agree this makes sense; and
- undertaking a scrutiny role in relation to major service redesign.

50 These boards will enable a strategic approach and integration across health and adult social care, children's services, including safeguarding, and the wider local authority agenda. Each local authority will take on the function of joining up the commissioning of local NHS services, social care and health improvement. This represents a significant opportunity for local authorities and/or Partnerships to influence the provision of health services locally. Details of the funding arrangements to support the development and delivery of this function have yet to be announced.

51 There are also fundamental changes proposed for policing, particularly outside London, where there is a prospect of Police Authorities being replaced by directly elected Police and Crime Commissioners to hold Chief Constables to account and the creation of a National Crime Agency to lead the fight against organised crime, protect borders and provide those services best delivered at a national level. For London, it is planned that the Metropolitan Police Authority will be abolished with The GLA taking on scrutiny of the police.

52 Many other changes proposed nationally have exceptions and differences for London where the roles of the Mayor and the GLA are envisaged to expand including the Greater London Authority (GLA) assuming responsibility for the London Development Agency, the Homes and Communities Agency, and, potentially the Royal Parks, and the Port of London Authority. The Government Office for London has already been abolished.

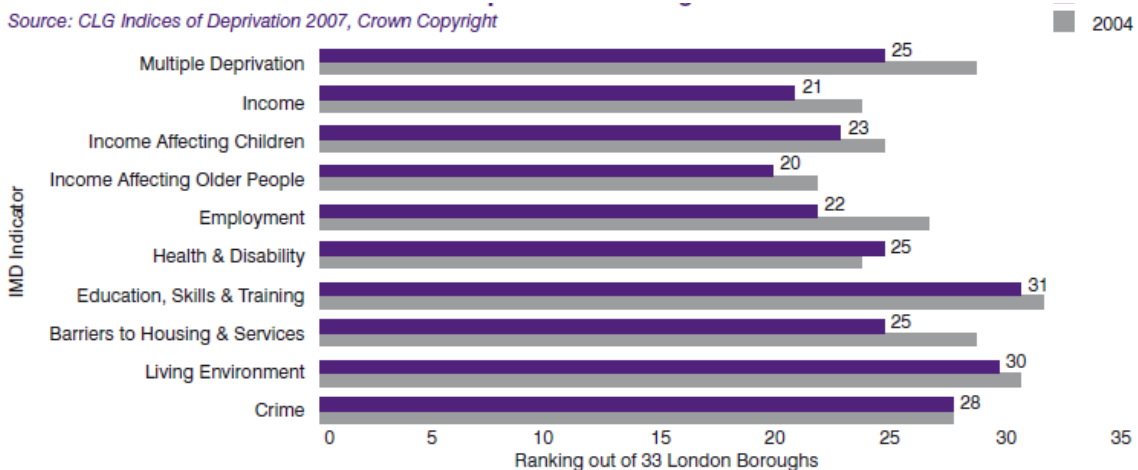
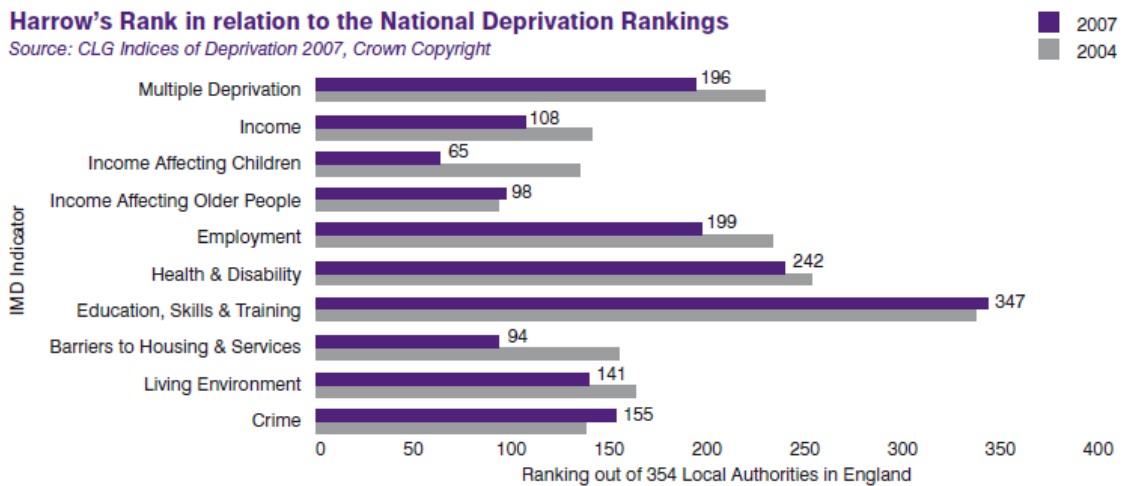
53 A devolution package prepared by the Mayor, London Councils and the London Assembly has been sent to the Secretary of State for Communities and Local Government setting out proposals for other changes relating to traffic control, waste and recycling, energy and climate change, aspects of planning and regulation, and the awarding of rail franchises. The package proposes where responsibility for these functions should lie between the Mayor, the London Assembly and the Boroughs. The package also identifies functions such as the Olympic Park Legacy and some strategic planning issues where agreement in London has still to be reached and other issues including the future for learning and skills and the London Ambulance Service where further discussion is needed before proposals can be made.



## Demographics

54 The 2008 Population Estimates suggests that there were 216,200 people living in Harrow, a 3% increase over the 2001 census figure. The 2007 population estimate by ethnic group suggests that 53% of residents are from minority ethnic groups, including white minority groups compared with 51.1% in 2001. The January 2010 school census shows that 78% of children and young people in Harrow’s schools are from minority ethnic groups.

55 The 2007 Indices of Multiple Deprivation (IMD) bring together data relating to income; employment; health and disability; education, skills and training; barriers to housing and services; living environment; and crime and show Harrow’s overall position relative to the country as a whole and to the London average. In all cases, the lower the ranking score, the greater the deprivation so a place with a ranking of 1 is the most deprived and a place with a ranking of 354 is the least deprived in England while the borough with a ranking of 1 is the most deprived and that with a score of 33 is the least deprived in London. The tables below show that, nationally, Harrow’s relative deprivation increased on all but 3 of the 10 measures and, against other London Boroughs, increased on all but 1 measure with one other measure staying at the same level.



56 The direction of travel revealed by the IMD scores shows that, on average, the nature of the borough is changing with increases in the relative income deprivation and a sharp increase in the relative income deprivation of children. The measures against which there has been a reduction in relative deprivation, nationally, relate to income for older people, education and skills and crime.

57 Estimates suggest there will be larger increases in the proportion of the population who are young people and who are 80 or more. The table shows the projected growth in whole population over the period 2006-2011 of 6,506 (3.%) but with an increase in the number of young people under 15 of 3,784 (9.8%) and of people aged 80 or more of 1,699 (19.4%)

Year	Age range	Number	Rate of Growth since 2006 %	Proportion %	Total population and % growth from 2006
<b>2006</b>	0-14	38,568	-	17.9	216,003
	80+	8,775	-	4.1	
<b>2011</b>	0-14	40,749	5.654	18.5	220,748: 2.2%
	80+	9,225	5.128	4.2	
<b>2016</b>	0-14	42,123	9.217	19	221,701: 2.6%
	80+	9,820	11.908	4.4	
<b>2021</b>	0-14	42,352	9.811	19.	222,509: 3.%
	80+	10,474	19.361	4.7	

58 An increasing proportion of young people will place additional demands on Children’s Service. More older people will be living with complex health problems as well as dementia. This will result in a corresponding increase in need for different health and social care services. More older people will be living alone, often without transport. This may lead to isolation, depression, and alcohol misuse. More older people will be caring for someone else, while in poor health themselves. The longer older people can remain in their own homes, then the greater the pressure on family accommodation.

## Performance

59 The Year Ahead Statement has, in the past, considered performance issues mainly in relation to the existing corporate priorities. However, to provide the new administration with as much scope as possible to set new priorities, this year, the Statement will look at performance on a Directorate by Directorate basis.

### Adults and Housing

#### Adult Social Care

60 Work continues on the Adults Excellence Plan “Your Future, Our Future”. Performance continues to be strong across a range of indicators and targets have been met or exceeded for the large majority of indicators. The Directorate achieved or was on track to achieve the 5 flagship actions that were within its remit. Highlights include:

- Personal Budgets (PBs) - a high number of people, including people with intensive care needs, have been supported to live in the community;
- 54% of PB holders are from Black and Minority Ethnic (BME) communities, and this reflects Harrow’s diverse community;
- Funding has been secured to develop home based reablement services;
- shop4support has gone live;
- The voluntary Carers Survey showed Harrow to have the highest percentage (just over half) of carers who felt they had all the encouragement and support they need to allow them to carry out their caring role;



- During 09/10 a full-time Employment Champion was appointed to build capacity and identify employment opportunities for Learning Disability (LD) service users. This resulted in 13.6% of Learning Disability service users in employment (compared to 7.7% last year and a target of 12.5%); and
- The IDeA team found that Harrow's Joint Strategic Needs Assessment tells the local story very effectively and has informed local commissioning.

## Housing

61 A comprehensive Housing Ambition Plan (HAP) has been developed and was launched at a Housing Services staff event in May which builds on the performance already attained and addresses the identified challenges including:

- The number of affordable homes delivered in the borough exceeded the target of 219 by 47 units (266) for 2009/10;
- The number of households living in temporary accommodation dropped from 708 at the end of 2008/09 to 552 in 2009/10 (against a target of 560), and the government target to halve the number of households in temporary accommodation was met one year ahead of schedule;
- The number of non-decent council properties surpassed our target of 30.91% of total stock, with there being only 26% reported as non-decent at year end;
- The number of families with children in Bed and Breakfast over 6 weeks was successfully maintained at 0 in 2009/10. There were also no 16/17 year olds housed in Bed and Breakfast accommodation over the year; and
- The number of private dwellings returned into use exceeded the target of 45%, with 49% being made available for letting again through the use of grants. This is a high regional priority, identified by the London Mayor.

62 Across the Directorate, performance fell below target in relation to the timeliness of provision of social care packages and the average time taken to re-let Council residential property. There were also concerns about data quality relating to the quality and timeliness of housing repairs. A Lean Review of the repairs process has been undertaken to increase the responsiveness of the services and it is intended to bring all aspects of property maintenance together to increase efficiency.

63 There is only one question relevant to Adults and Housing in the Council's public satisfaction survey which asks whether respondents think that older people in the area are able to get the support and services they need to continue to live at home for as long as they want to. The proportion of respondents that agreed that support and services were available was 40%, 1 percentage point lower than in the previous survey. This change is within the sampling margin of error. This question tends to reveal more about the respondents knowledge than satisfaction with the support services available.

## Challenges

64 The performance, financial and policy information discussed above suggest that the challenges for Adults will focus around the costs of providing social care for both the aging population and people with complex multiple needs. There will be more older people and, with increasing life expectancy, older old people who may have support and care needs for longer periods. At the same time, the costs of providing care for a small number of, sometimes, young adults with complex needs can be very high and extend over a very long period. Harrow is taking forward reablement and personalisation as critical enablers to supporting older people, both in terms of quality of care and also reducing the financial impact on the public purse.

65 The changes proposed for the National Health Service represent both challenges and opportunities. The immediate pressure for cost reductions may lead to gaps appearing in what are now joined up services and could result in the Council's costs for social care increasing. The transfer of public health responsibilities may offer increased efficiency and cost effectiveness. The review of special needs transport may include some joint provision with hospital transport.

66 For Housing, The Housing Ambition Plan has set out a service improvement programme, especially targeting areas like tenant and leaseholder satisfaction through improving services such as maintenance response rates and reducing the waiting time for major adaptations. The Council may face a challenge in sustaining these improvements over the medium term although if the reform of the Housing Revenue Account (HRA) works to the Council's advantage the risk may be mitigated.

## **Children's Services**

67 Harrow continues to improve the quality of services provided to children, young people and their families. Children and young people are generally safe, mostly in good health, achieve very well, make an outstandingly positive contribution to society and enjoy economic well-being. The Directorate fully achieved 3 of the four flagship actions within its remit and partially completed the fourth. Inspected services are above national average and similar areas for the large majority of services provided or commissioned. The very large majority of indicators are either in line with or above the average for relevant comparator groups.

Highlights include:

- 73% of schools inspected in Harrow since September 2009 have been judged to be outstanding, contrasting with 9% nationally. 100% of Harrow's schools are judged by Ofsted to have good or outstanding standards of behaviour
- Performance is in line with or above comparator averages for the very large majority of social care indicators
- LAA targets have been exceeded for indicators of core assessments, stability of placements of children looked after and the number of extended schools provided.
- 10 children's centres were fully operational by the end of the year, with services reaching nearly 9000 children and carers
- Narrowing the gap:
  - The number of permanent exclusions from Harrow schools has reduced by 14% from the 2007-8 to the 2008-9 academic year (from 57 to 49 permanent exclusions).
  - Six schools involved in Narrowing the Gap have had an "Outstanding" judgement by Ofsted and the target of engaging 50% of schools by 2010 in Harrow Council's Narrowing the Gap programme has been exceeded
  - Key stage 2 attainment of Black African pupils is above target as is ;GCSE attainment of Black African pupils
  - GCSE attainment of White pupils in receipt of free school meals is above target.
- GCSE results continue to improve year on year and are above national averages.
- 1 of 9 children looked after taking GCSEs in 2009 achieved 5 A-C including English and Maths.
- The annual recorded number of young people not in education, employment or training (NEETs) remains low (2.8%) given the continued impact of the recession on the labour market. Continued good practice in supporting the most vulnerable young people will be focused to decrease the number of care leavers and young offenders who are NEET;

- Harrow's YOT received a very positive judgement as a result of the YJB PIF review in 2010 which concluded that the YOT is 'performing excellently against national indicators with good capacity and capability to sustain and improve performance'.

Performance against the following indicators was below target:

- Key stage 2 attainment of White pupils in receipt of free school meals
- GCSE attainment of children looked after.

## Challenges

68. Narrowing the educational attainment gap – the nature of Harrow's school performance and the relatively small size of cohorts we are trying to support in narrowing the attainment gap make this a continual challenge, despite 2010 seeing some positive movement across some cohorts. This area was also raised by both Ofsted and the Audit Commission in their 2009 reviews. Educational attainment of children looked after continues to be below target.

Other key challenges include:

- Managing increased pressure on social care – notably around initial assessments and progressing Child Protection Plans
- Providing hot school meals across all schools.
- Reducing authorised absence and continuing to reduce permanent exclusions
- Overrepresentation of some ethnic groups amongst young offenders
- Increasing the take up rate of formal childcare

69. The population projections for 2006 and 2011 show the rate of increase in the number of young people in the borough will be more than twice the rate of increase of the population as a whole and the increase in the proportion of young people in the borough increases volume of demand for children's and young peoples services.

70. Changes in the school population reflect significant incoming population to Harrow, with new arrivals replacing some of the more established and stable communities in the borough. The incoming population tends to have a higher level of vulnerability and this is reflected in increasing levels of deprivation affecting children and young families (IMD 2007). This presents challenges for Harrow's schools and other services for children.

71. Referrals to social care increased significantly during 2009-10 and although some high profile national cases contributed to this, the rates show no signs of returning to previous levels. The numbers of children with Child Protection Plans at the end of 2009-10 was over 180, a major increase on previous years.

72. A particular challenge is faced in continuing to provide high quality young people's services; these are often seen as lower priority than schools and child protection when funding decisions are taken. However, it is important to recognise the positive long-term effect of young people's engagement in positive activities, and the contribution this makes locally in areas such as community cohesion and low crime rates.

## Community and Environment

73. There were 6 Flagship Actions associated with the Directorate, all of which were achieved.

74. Beyond the flagship actions, performance was very good with 82% of the indicators in the Corporate Scorecard above target, and these included:

- The Council's target for planting an additional 850 trees was exceeded by almost 6%;
- Improved street and environmental cleanliness – litter;
- Improved street and environmental cleanliness - detritus;
- Improved street and environmental cleanliness - fly posting;
- Building resilience to violent extremism;
- Adult participation in sport;
- % of people who believe that people from different backgrounds get on well together in their local area; and
- Migrants' English Language skills and knowledge.

The exceptions included

- Participation in regular volunteering; and
- Engagement in the Arts.

75 Many of the services delivered by the Community and Environment Directorate are included in the Council's public satisfaction survey. The relevant results are:

Question: Are you satisfied or very satisfied with the Council's service of	2009 Result	2008 Result	Change from 08 to 09
keeping public land free from litter and refuse	55%	46%	+9
Refuse collection	72%	65%	+7
Doorstep recycling	70%	65%	+5
Local tips/household waste recycling centres	72%	67%	+5
Parks and Open spaces	63%	59%	+4
Do you think that the following are not a problem at all or not a big problem			
Noisy neighbours or loud parties	85%	86%	-1
Teenagers hanging about the streets	58%	55%	+3
Rubbish and litter lying around	54%	50%	+4
Vandalism, graffiti and deliberate damage to property or vehicles	66%	61%	+5
People using or dealing drugs	67%	65%	+2
People being drunk or rowdy in public places	72%	67%	+5
Abandoned or burnt out cars	90%	88%	+2
Are you satisfied with your area as a place to live	72%	71	+1
Do you strongly or very strongly feel that you belong to your immediate neighbourhood	54%	55%	-1
Do you agree that local public services promote the interests of local residents	38%	35%	+3
Do you agree that local public services act on the concerns of local people	42%	41%	+1
Do you agree that local public services treat all types of people fairly	70%	68%	+2
Do you agree that you can influence decisions affecting your area	33%	32%	+1

Question	2009 Result	2008 Result	Change from 08 to 09
Would you like to be more involved in the decisions affecting your local area	40%	39%	+1
Do you volunteer at least once a month	24%	24%	-
Do you agree that people from different backgrounds get on well together	76%	76%	-
Is there a problem in your local area about people treating each other without respect and consideration	Yes 29% No 71%	Yes 31% No 69%	Yes +2 No -2
Have you been treated with respect and consideration by your local public services all or most of the time	66%	64%	+2

76 The survey results show a very positive response to the investment made in public realm services over recent years with satisfaction with services now at or slightly above the Outer London average.

### Challenges

77 The scores for community cohesion measures including people from different background as getting on well together and people being treated fairly and with respect by each other and by public services which are better than the Outer London average. These may be threatened by increasing demand for public services driven by increases in relative deprivation at the same time as decreasing access to public services driven by expenditure reductions. Reductions in public spending could lead to a greater competition for public services, which in turn may adversely impact our current levels of community cohesion. With Harrow's level of both ethnic and religious diversity, this will remain a challenge.

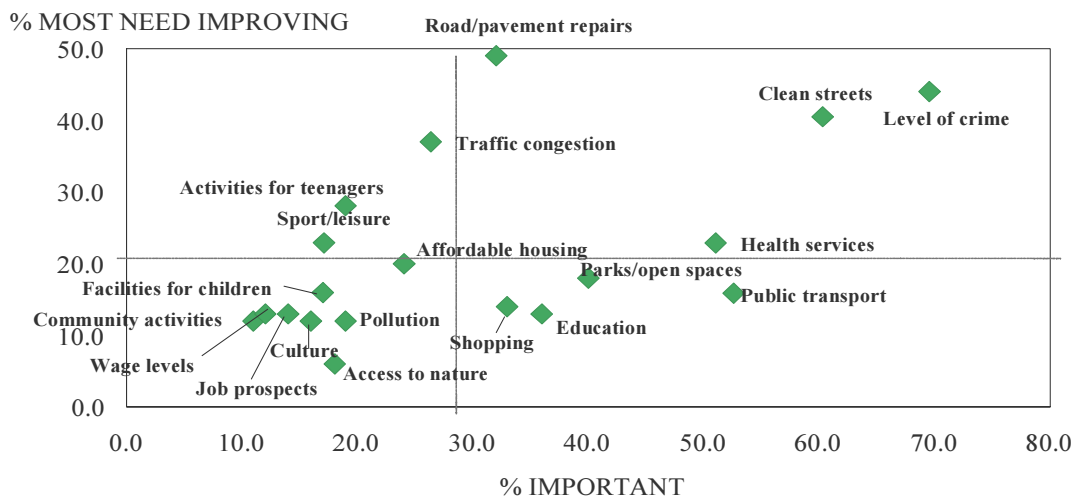
78 Sports activity may be a challenge in the face of significant funding reductions given that Harrow has the fourth lowest adult participation rate in sport amongst London Boroughs (Active People Survey October 2009).

79 The Council's public satisfaction survey asks respondents what, from a list of services, is most important in making a place a good place to live and, from the same list of services, what most needs improving in Harrow. When these results are plotted together, services in the bottom half of the chart below are regarded as performing well or satisfactorily, with those to the right hand end being thought of as important to the quality of life.

80 Climate Change – this was an area that the Audit Commission suggested the Council and partners focus on as part of the last CAA. The local impact the Council and partners can have is relatively small for the borough as a whole, but improvements in physical infrastructure will support this, as will reducing road traffic and congestion.

81 Services in the top half of the chart are thought of as being in need of improvement with those to the right, and especially those in the top right hand quadrant being those that both need improving locally and are of high significance in determining attitudes towards the area. For the last three years, of the things that are most important to make an area a good place to live, roads and pavement repairs have been the most in need of improvement followed by the level of crime and the cleanliness of the streets. In response to these findings, the Council has promoted the creation of Neighbourhood Champions to help address environmental and community safety issues and is making Smartwater – a proprietary property making product – available at no cost to residents throughout the borough.

## Place Survey – important vs needs improving: 2009



Ipsos MORI

Source: Ipsos MORI



### Place Shaping

82 There were three Flagship Actions associated with the Directorate of which, two have been fully achieved and the other, partially achieved. Beyond flagship actions, performance is very good with 75% of the indicators being above target including processing major, minor and other planning applications within the relevant target time. The one indicator where performance is below target relates to the milestones in adopting the Local Development Framework.

83 Work has continued to support the property aspects of the Better Deal for Residents Programme and the following milestones have been achieved:

- Consultation on the Core Strategy Preferred Option, which includes the Harrow Intensification Area, closed in mid January 2010 with broad, if qualified, support for the spatial vision;
- Work began on a delivery programme and a revised Local Development Scheme (LDS) (to reflect Draft London Plan) recommended by GLA. A revised timetable is being prepared in order to align this with Council transformation programme;
- The Harrow Town Centre Design Guide has evolved into a wider project reflecting the London Plan and Core Strategy aspirations for the Harrow/Wealdstone central area and will form the basis of an Intensification Area Action Plan;
- The Hardship Rate Relief Fund was promoted through Business Matters;
- The Xcite for Parents project was launched, the staff team is in place and recruitment to the project has commenced;
- The Credit Union was launched to voluntary, private and statutory sector partners, Harrow Council, NHS Harrow; and
- Harrow Citizens Advice Bureau (CAB) and Harrow Association of Disabled People (HAD) have employed between them 19 unemployed young people through the Future Job Fund.

## Challenges

84 Employment: support for businesses – although there is now data to suggest that the economy is starting to come out of recession, there are still questions as to whether this can be sustained following the retraction of public expenditure. More locally, Harrow's business make up is of small and medium size enterprises, which could be more at risk should we enter a 'double-dip' recession. Those that do prosper and seek to expand, often leave the borough, most commonly in search of suitable and affordable premises. This suggests that the challenge in this area is about both business retention and business growth.

85 Town Centre regeneration. The Town Centre needs to be improved to safeguard jobs and prosperity. In comparison with other Town Centres in north-west London, Harrow is weathering the current economic conditions very well but it is slowly losing Town Centre businesses and the vacancy rate is increasing.

## Chief Executives, Corporate Finance and Legal and Democratic Services

86 Progress in delivering the Council Improvement Programme remains strong. The corporate scorecard for customer services/corporate health shows that performance against 71% of indicators is ahead of target. Performance highlights include:

- The proportion of calls answered in 30 seconds in the contact centre overall is 82% against a target of 90%;
- Average waiting times in the One Stop Shop fell to 16 minutes and 20 seconds against a target of 15 minutes, and it is expected that a revised Housing Benefits process will reduce waiting times in the medium term;
- Satisfaction with the contact centre is ahead of target and satisfaction with the One Stop Shop remains at 95%;
- Work continues to migrate services into Access Harrow: Housing services have now been introduced; Registrars services have been integrated;
- Successful channel migration is further evidenced by the number of web forms received and processed per month increasing from 915 in Q3 to 1527 in Q4;
- Overall sickness absence across the Council fell to 7.91 days per Full Time Equivalent compared to 8.73 in 2008/09 and against a target of 8.45;
- The benefits caseload continues to grow and is now over 19,000, which is a 15% increase since April 2008. but the average time for processing new benefits claims and changes of circumstances information is better than target;
- The rate of customer issues resolved at first contact is above target;
- The satisfaction rate with the professionalism, resolution and speed of response at the Customer Contact Centre is ahead of target; and
- The percentage of Council Tax collected is also better than target.

The indicators with performance below target include:

- Email and web forms acknowledged within 24 hours and replied to within 5 working days;
- The percentage of telephone calls answered within 5 rings or 30 seconds;
- Debt collected as a percentage of net debt; and
- The percentage of invoices paid on time.

## Overall satisfaction

87 The Council's public satisfaction survey asks "Taking everything into account, how satisfied or dissatisfied are you with the way Harrow Council runs things?" In 2008, those satisfied or very satisfied were 39% of respondents compared with the Outer London average score of 42%. By 2009, the percentage satisfied or very satisfied had increased to 40%.

## Comprehensive Area Assessment

88 Although the Coalition Government has ceased work on the current Assessment and announced that the current framework for assessment and inspection will be abolished, the results from the 2009 assessment highlighted the issues that would have formed the core of the assessment for 2010. There were:

- Voluntary groups within Harrow have a low sense of being able to influence decisions, particularly of the health service;
- There is significant challenge to reduce carbon usage and pollution;
- The proportion of people who take regular exercise is lower than elsewhere in London or England;
- One in five adults in Harrow is obese and this is worse than the London average;
- Harrow has a high level of car usage and one of the highest rates in London for people driving their children to school;
- There has been an increasing trend in wounding, interference with vehicles and, more recently, a slight increase in burglaries; and
- There remains a large gap between the lowest achieving children and the rest at Foundation stage.

89 Actions were put in place to address all of these issues last year and the Council had prepared evidence of the improvements and initiatives put in place to address these highlighted areas.

## Challenges

90 There are several challenges identified that will need to be addressed on a Council-wide basis. These include:

- Service pressures and volumes – through the impact of recession and other factors the volumes of activity that the Council has to deal with in specific services is creating growth pressures, e.g. Children's Services, Adults, and Benefits with additional potential demand arising from future Government policy direction;
- Public satisfaction levels – these remain low for the Council as a whole, specifically around overall satisfaction and value for money. Individual services fare better with resident perceptions than the Council overall although, in places, these still lag behind London trends; and
- Resources - The funding pressures on the Council will have a significant impact upon what the Council can afford to deliver and how it should go about delivering services. As context, this needs to be considered against all of the other challenges.

## Conclusions

91 Overall, performance has improved over the last year with 73% of indicators included in corporate scorecards ahead of target and 86% of flagship actions achieved. Despite this success, satisfaction with the Council overall remains below the Outer London Average.



## Finance and Value for Money

92 The Council delivered a final outturn underspend of £1.7m in 2009/10, although there was an overspend in Children's Services of £1.9m. In the current year, 2010/11, pressures are being experienced in Children's and Community and Environment Services. The expectation of the funding gap is £16m in 2011/12 and £14m in 2012/13.

93 The recent Coalition Government announcement of £6.2bn in-year public sector savings has required a £5.6m (£4.1m revenue) in year contribution from the Council, equating to more than 2% of the controllable budget. The main funding cuts can be itemised as follows:

- Area based grant cut by £1.3m;
- Local Authority Business Growth Incentive (LABGI) funding cut by £350k; and
- Local Area Agreement (LAA) Reward Grant cut by 50% or £2.3m

94 The in-year cuts give an indication of what is to come in the next comprehensive spending review and local government settlement for 2011-12 to 2013-14, and of the scale of the funding reductions that the Council will face in the medium term.

### Value for money (This information is taken from the CIPFA Statistical Review)

95 Harrow's service expenditure, weighted by the resident population, is estimated to be the sixth lowest of all 32 London boroughs (excluding City of London) for 2009/10. Spend is additionally the fifth lowest in the nearest neighbour group of 16 Outer London authorities. This volume compares favourably to both the nearest neighbour and all London borough averages, with estimated total expenditure per head of £1,702 and £1,870 respectively.

96 Harrow's expenditure per head for 2009/10 was £1,510, an increased of £4 from 2008/09. The average spending per head in the nearest neighbour group was £1,702 and for all London Boroughs, £1,870. Harrow's expenditure per head on each service against our nearest neighbours is shown in the table below.

Service	Harrow spend per head (and ranking amongst nearest neighbours where 1 is the highest spend)	Average spend per head of nearest neighbours
Education	£837 (13 <sup>th</sup> out of 16)	£945
Adults Social care	£281 (8 <sup>th</sup> out of 16)	£283
Children's social care	£107 (10 <sup>th</sup> out of 16)	£132
Environmental services	£78.78 (11 <sup>th</sup> out of 16)	£96.13
Planning	£13.59 (3 <sup>rd</sup> out of 16)	£11.61
Highways and transportation	£40.75 (12 <sup>th</sup> out of 16)	£49.77
Housing	£40.41 (4 <sup>th</sup> out of 16)	£35.29
Cultural Services	£42.30 (13 <sup>th</sup> out of 16)	£55.23
Central and other services	£72.54 (7 <sup>th</sup> out of 16)	£73.07
Total spend*	£1,5103.37 (5 <sup>th</sup> out of 16)	£1,681.10

\* Totals do not match those given in the summary data and quoted elsewhere in this report.

97 Average band "D" equivalent council tax for the local services element (i.e. the element under Harrow's control) for 2009/10 is the fourth highest of all London boroughs and the fourth highest in the nearest neighbour group. The level of formula grant allocated to Harrow is the eighth lowest both within London and seventh lowest within the nearest neighbour group (in terms of per head of population), receiving an average of £53.22 less per head than the

nearest neighbour average and £223 less than the all London average. Including specific and special grants, Harrow's total grant allocation is £348 less per head than the nearest neighbour and £469 less per head than the London average, being the fifth lowest across London.

98 As in previous years, the council tax collection rate within Harrow is above average but the national non-domestic rate collection rate lags behind both the averages of the nearest neighbour group and all London boroughs. This may be due to the large number of Small and Medium Sized Enterprises (SMEs) in Harrow which can make collection more complex.

99 Capital Expenditure per head of population was the tenth highest of all London boroughs in England in 2008/09 and the highest in the nearest neighbour group. Although outstanding external debt per head of population was higher than the nearest neighbours' group average, it was significantly below the all London average.

100 The Council's public satisfaction survey showed that, in 2008, 24% of respondents agreed or strongly agreed that the Council provides value for money compared with an Outer London average score of 30% and a London-wide average 34%. By 2009, the value for money score had increased to 25%.

## **Conclusion**

101 Harrow continues to demonstrate that it achieves very good value for money with performance levels per £1 of expenditure high across most service areas, even if this is not widely appreciated by the public. This suggests that the scope for making further significant efficiency savings is limited with many of the most easily achievable economies having already been made.

## **Policy context**

### **National Policy**

102 The Policy framework for the future is not yet fully formed since the election in May 2010 of a new coalition Government and a new Labour administration locally.

103 At the Government level, the overarching theme is reducing the fiscal deficit of £156bn through spending reductions and tax rises. The greater proportion, 80%, is anticipated to be achieved by spending reductions. The Prime Minister has spoken of spending reductions that will change the British way of life, but in a way that strengthens and unites the country. Following an initial spending reduction of some £6.2bn with immediate effect leading to in-year cuts in 2010/11 of £5.6m, including £1.5m of capital, there was an emergency budget on 22<sup>nd</sup> June to announce the tax and spending changes proposed to begin addressing the deficit. This budget has begun, and those that follow, are likely to continue to reverse the growth in funding to local authorities year on year that has previously recognised increasing costs due both to inflation and new duties and responsibilities, as well as reducing some of the funding streams that currently exist. The best current estimate of the impact on the Council is that, without taking urgent and sustained action, the gap between income and expenditure will be in the region of £50m by the next Council election

104 The coalition Government has also published a 'Programme for Government' setting out their intentions in a wide range of fields. For local government, the Government states that it is time for a fundamental shift of power from Westminster to the people. It will promote localism, decentralisation and democratic engagement, and end the era of top-down

government by giving new powers to local councils, communities, neighbourhoods and individuals. Specific proposals include:

- Changes to the Planning Framework with more decision-making at Council level and the abolition of regional spatial strategies and targets, except for London;
- Providing local government with a general power of competence;
- Introducing new powers to help communities save local facilities and services threatened with closure, and give communities the right to bid to take over local state-run services;
- Freezing Council Tax in England for at least one year, and seeking to freeze it for a further year, in partnership with local authorities;
- Cutting local government inspection and abolishing the Comprehensive Area Assessment and the Audit Commission; and
- Encouraging schools to seek academy status which removes local education authority influence.

105 The last of these proposals has now passed into law and any outstanding primary or secondary school can apply for academy status without consultation with parents, pupils or the local education authority. At the time of writing, none of Harrow's schools has chosen to seek academy status.

106 Other changes that have been announced were discussed earlier in this paper including major changes to the way in which the Health Service operates and significant changes to policing, especially outside London.

107 For London, the role of the Mayor and the Greater London Authority (GLA) will become increasingly significant. The Mayor is proposing, and appears likely to succeed, in keeping a range of regional planning and strategy development responsibilities which, elsewhere in the country, are being returned to principal Councils. In seeking to influence the environment in which the Council operates, the focus seems to be shifting from Government Office for London (GOL) to City Hall. As mentioned earlier, London Borough Councils, through London Councils, have reached agreement with the London Mayor and the London Assembly over a range of devolution of power proposals which have been submitted to the Secretary of State for consideration some of which would lead to powers being devolved to borough level. Further discussions are taking place to try to reach agreement over outstanding issues.

108 There are also changes to the policy framework arising from legislation in the last Parliament. The Equality Act strengthens protection, advances equality and simplifies the law. It incorporates key provisions such as the introduction of a new strategic duty to reduce socio-economic inequalities in local communities although it is not yet known when this and other changes included in the Act will be activated. The aim of the equalities duties is that public authorities (including schools) consider diverse needs when designing and delivering public services to achieve fairer opportunities and better public services. The new duty extends the current duties in relation to race, disability and gender to cover age, sexual orientation, religion or belief, pregnancy, maternity and paternity, and gender reassignment.

## **Local policy**

### **Transformation**

109 The Better Deal for Residents Programme: Shaping Harrow for the Future was launched in July 2010. This programme sets out how services will be transformed over the

medium term and contribute substantially to the savings targets that the Council will have to meet over the next three years. The programme has three areas of focus:

### **Being a more efficient and effective organisation that can live within its means**

- Enabling staff to work more effectively and productively;
- Reducing levels of administration and overheads; and
- Services realigned to live within our means.

### **Joining up and personalising customer service for our residents**

- Improved customer service and providing more joined up services when residents contact the Council;
- More services provided in collaboration with local partners;
- Personalise services and promote independence giving power to residents to decide what services meet their needs; and
- Online citizen accounts tailored for individuals.

### **Building on the community spirit of residents to be more involved in the future of their Borough**

- Lowest cost channels used to transact with the Council cutting the cost of paper trails;
- Looking after and taking care of the environment; and
- Supporting neighbours, families and friends with needs.

110 The Council is also looking for its Better Deal for Residents Programme to lead to the spatial development and regeneration of the Borough through the development of proposals around property and place shaping. Critically this will include steps to support the regeneration of the Town Centre.

111 The following actions have been agreed as the initial steps for how this vision will be achieved and will be subject to the development of business cases and further consultation.

### **Being a more efficient and effective organisation that can live within its means.**

#### *Enabling staff to work more effectively and productively*

112 Council workers will be expected to be more mobile and flexible in how they work and how they use office space. Investment in technology will enable staff to hot desk more effectively, work from home where appropriate and update records without having to come back into the office.

113 Tiers and levels of management will be brought under tighter control so that managers are managing a larger number of people and there are fewer tiers between Corporate Directors and front line staff.

114 The Council will put the very latest technology into the hands of the Public Realm staff which will make our streets even cleaner by more efficient mobile working, tracking, route planning and improving links to our residents. Integration between Access Harrow and the Streets and Grounds Maintenance service will be improved. In addition to these technological solutions, a change management programme will review and revise current working practices and an organisational redesign will also be undertaken to align with new ways of working. The Council will also undertake an exercise to compare the various options for providing services and giving value for money.

### *Reducing levels of administration and overheads*

115 A review of administrative support at the Council will be undertaken with the aim of reducing spend by creating a new hub and spoke model for administrative staff that will also improve the quality of administrative support available.

116 A review will be undertaken to ensure that we improve further the effectiveness of functions such as performance, research and consultation across the Council.

117 In the mid to long term, plans will be developed for a new 21<sup>st</sup> century Civic Centre that will be able to contribute towards the regeneration of the Town Centre. Plans will be developed with local partners to leverage a new Civic Centre as an opportunity to join up services with local residents.

### *Services realigned to live within our means*

118 Opportunities will be progressed with the West London Alliance of Councils to improve the value for money of home care provider contracts. The West London Councils have been working together to jointly procure home care contracts and to save money, while maintaining standards, through improved negotiation and bulk purchasing.

119 A review of Special Needs Transport will be undertaken which may include the development of travel training and volunteering to support the service.

120 A consultation will be launched on the future levels of funding available to voluntary sector organisations to deliver services on behalf of the Council.

121 A review will be undertaken of the administration of concessionary travel as this is currently disjointed. This will consider the introduction of a single mobility assessment for customers.

122 The Teenage Placements Strategy will examine options for the type of provision presently in place and plans to meet the changing needs of our older Looked After Children.

123 A realignment of children's services will be completed to deliver a new multi agency front desk and redesigned services in support.

124 Property assets that are no longer core to the business of the Council will be decommissioned and disposed of when favourable market conditions are available.

125 The Property and Infrastructure service within Community and Environment was created to take on the complete technical construction and maintenance delivery role for the Council's response to the major levels of capital investment available through the Decent Homes, One School Pathfinder, Post 16, Petts Hill, Transport for London and general Harrow capital programmes. The level of capital works from 2007-9 exceeded £150M. The scale of this work is forecast to decrease significantly, and quickly. All of the programmes are now approaching their end and future short-term capital, whether external or internal, will be severely reduced to the extent that structural change is required. The challenge for Property and Infrastructure over the short to medium term is very different to that of 2 to 3 years ago. Reductions in finance within a project delivery based part of the organisation inevitably results in a need to reduce staffing levels, particularly at a senior management level within the service.

126 The Council will revive plans for combining the central and Civic Centre libraries into a community hub and also seek to create a local history centre at Headstone Manor. Where possible, the Council will develop libraries as community hubs which are open and used longer than at present and by a wider range of people. An overall blueprint proposal for Arts, Libraries and Leisure will be developed.

127 Parking provision by the Council requires continuing evaluation to look at the most efficient ways of service delivery, ways of making it easier for customers to use the service and to pay for parking, for example, through the cashless parking which has successfully been introduced elsewhere in London. There are inequalities in the costs of parking across the borough which needs to be taken into account. Parking income provides the very necessary contribution that funds the wider transport and concessionary transport programmes of the Council. The environmental effects of vehicle movements will play an increasing part of future planning for transportation and parking. The Council will seek to encourage regular turnover of parking spaces in all district centres.

128 A review will be undertaken of the activity and support given by all council departments to fund voluntary and community organisations. This will create difficult choices as the reduction in funds available to the council is reflected in future funding levels to the sector. The Council will seek to reduce its contribution to the London Council's grant scheme. The Council recognises the importance of clarity for the sector during these difficult times. In particular, the Council will consider moving to a competitive commissioning based approach for larger service level agreements which will last for up to four years once awarded. This will mean that, in future, the Council focuses commissioning on those community based services which most closely align with council priorities. The Council will carry out an impact assessment of any proposals and will meet its Compact obligations in terms of consultation before any changes are implemented.

### **Joining up and personalising customer service for our residents**

*Improved customer service and providing more joined up services when residents contact the Council*

129 Customer contact activity that is not part of Access Harrow will be migrated into Access Harrow. This will be done alongside the development of a new golden numbers strategy. Working on existing technical platforms, this will enable the Council to join up its services to residents when they make contact and resolve multiple service issues through a single contact. There will be further migration of contact onto the internet and a deepening of activity through the Council's contact channels that will allow more queries to be resolved at the first point of contact.

130 Assessment activity that is currently dispersed across the Council will be more effectively coordinated so that there is improved sharing of data and reduced contact to gather data from residents. The Council will use the information it has gathered more effectively to make life easier for families.

131 A Housing Ambition Programme will be delivered with the aim of improving the service so that by 2012 residents believe they have one of the best services in London.

132 A review of Leaseholder services will be completed using Lean process improvement techniques.

133 The Council will look to develop a new 'Commitment to Business' to demonstrate the standards of service that local business can expect to receive from the Council

### *More Services provided in collaboration with partners*

134 A new reablement and intermediate care service will be launched to help adults and older people have the confidence and skills to live independently rather than going back into hospital or going into residential accommodation. It will also reduce the levels of home care that service users need to receive. Reablement services will also be offered where appropriate to potential users of social care services when they first contact the Council.

135 Opportunities will be developed with local partners to join up service delivery locations with the Council that will provide more integrated services to local residents.

136 An analysis of the families with the most complex needs in the Borough will be undertaken to identify opportunities for improved join up of services.

### *Personalise services and promote independence giving power to residents to decide what services meet their needs*

137 Adult services are planning to launch a major consultation with stakeholders in the autumn. This will describe the financial context for the service over the next few years and consider options for delivering a sustainable service. The consultation will be fully inclusive of all stakeholders and designed to ensure all voices are heard. This process will shape the choices which may then need fuller, detailed consultation. The starting point will be a determination from the council to avoid tightening eligibility criteria. Some of the options that will be considered are users' financial contribution for services, entitlement to transport, the future shape of the meals on wheels service. Adults Services will conclude their current work reviewing voluntary sector service level agreements.

138 The Council will continue to roll out personalised budgets to users of Adult care services and to carers.

### *Improved self serve with online citizen accounts tailored for individuals*

139 Online citizen accounts will be developed to give all residents a personalised log in to Council services where they will be able to receive information, check balances and make transactions.

140 Self service will be introduced into all libraries to make it quicker and easier to borrow, renew or return books.

## **Building on the community spirit of residents to be more involved in the future of their Borough**

### *Lowest cost channels used to transact with the Council cutting the cost of paper trails*

141 The Council will make it easier for residents to adopt the lowest cost ways of transacting with the Council, accessing services over the internet and paying by direct debit.

### *Looking after and taking care of the environment*

142 Residents will be given greater opportunities to contribute to an improved environment through improved levels of recycling.

143 Residents will be encouraged to amend their lifestyles in such a way as to improve the environment e.g. by not dropping litter and by being less reliant on car usage.

144 Opportunities for residents to be involved in volunteering to help look after local assets e.g. Harrow's parks and open spaces will be explored

145 Residents will have the opportunity for taking greater levels of neighbourhood responsibility e.g. through Neighbourhood Champions.

146 A new scheme will be launched to encourage housing tenants to take greater levels of responsibility for the condition in which properties are left when they become void.

#### *Supporting neighbours, families and friends with needs*

147 The role of local residents in helping look after and support the most vulnerable in society may be developed.

148 Models for supporting Special Needs Transport will be developed which will support more independent travel for current users. Opportunities for alternative models for escorting service users will also be assessed.

### **Partnership**

149 The Sustainable Community Strategy states that "by 2020, Harrow will be recognised for:

- integrated and co-ordinated quality services, many of which focus on preventing problems from arising, especially for vulnerable groups, and all of which put users in control, offering access and choice;
- Environmental, economic and community sustainability, because we actively manage our impact on the environment and have supported inclusive communities which provide the jobs, homes, education, healthcare, transport and other services all citizens need
- Improving the quality of life, by reducing inequalities, empowering the community voice, promoting respect and being the safest borough in London."

150 It is proposed that the Sustainable Community Strategy should be refreshed before the beginning of the next financial year to take account of the changing national policy context, and its implications for Harrow, the new administration's local priorities as well as the completion of the current Local Area Agreement (LAA). While no announcement has been made about the development of new LAAs from 2011 onwards, the Government has abandoned the Public Service Agreements (PSAs) between the HM Treasury and Government Departments on which LAAs were modelled and, therefore, it seems unlikely that there will be another LAA.

### **Government Inspection/Assessment**

151 The Government has already ordered the Audit Commission to stop work on the current year's Comprehensive Area Assessment and have scrapped the Assessment process. It is still not clear whether there will be a replacement for CAA and, if so, what form it would take. The ending of CAA is linked to the principle of devolution of responsibility from Whitehall to local authorities and communities and removes the assessment of local authorities against a nationally determined benchmark. However, it does also make comparing performance and identifying beacon innovation more difficult.



152 It appears that the work of Ofsted and the Care Quality Commission that inspect and support Children's and Adult Social Care services respectively will continue, probably in a modified form. There is no definitive news on the future of the National Indicator Set although there are suggestions that at least, the number of indicators will be reduced.

## **Conclusions**

153 The retreat from inspection and assessment, linked with the promised general power of competence for local authorities, suggests that the policy environment is much more open to local determination than in previous years. This returns power and responsibility to local authorities for setting priorities, standards and outcomes, although with reduced resources to enable needs and aspirations to be met. In turn, this places a greater emphasis on understanding current and emerging local needs and aspirations to assist in framing a coherent direction for Harrow Council.

154 The Council has to continue to deliver services and perform to high standards while undertaking a far-reaching transformation programme and making very substantial savings on top of those made over the last four years. To help it focus on the issues that really matter in this context, it will need a vision and corporate priorities that, together, build into a narrative describing what the Council is for, what it wants to be famous for and how it should be judged.

## **Next Steps**

155 This paper sets out where the Council was at the end of the last financial year and identifies, as far as possibly, what is likely to significantly affect how it goes forward over the next four years. It is intended to help Members focus on setting a vision for the Council, concentrate on the Council's core purposes and determine a small number of strategic and service priorities to shape the planning of services over the coming years.

This page is intentionally left blank

**REPORT FOR: OVERVIEW AND  
SCRUTINY COMMITTEE**

---

<b>Date of Meeting:</b>	11 October 2010
<b>Subject:</b>	Performance Management In Harrow
<b>Responsible Officer:</b>	Alex Dewsnap, Divisional Director Partnership Development and Performance
<b>Scrutiny Lead Member area:</b>	All areas
<b>Exempt:</b>	No
<b>Enclosures:</b>	None

**Section 1 – Summary and Recommendations**

With the abolition of Comprehensive Area Assessment and the Audit Commission and the expectation of a reduction in the National Indicator Set, this report provides the current thinking on the Council's approach to performance management. It sets out the current challenges that the Council faces from a performance perspective.

A presentation will be given at the Committee meeting expanding on the detail within the report.

**Recommendations:**

That:

- i) the Committee note the report; and
- ii) Members indicate the areas that they would like to have wider discussion on.

## **Section 2 – Report**

### **Introduction**

The performance environment for Local Government is going through its biggest change since the introduction of the Comprehensive Performance Assessment in 2002. This is coupled with a renewed focus on 'localism' and the need for Councils to have greater local accountability. In the light of the funding challenges that Councils will also face over the life of the current Parliament which it is expected will be set out in more detail in the Comprehensive Spending Review on 20<sup>th</sup> October 2010, the importance of good, robust performance management is becoming increasingly important. This report sets out the current challenges, both nationally and locally, and discussion from Scrutiny members is welcomed on these challenges.

### **Central Government Regulation**

#### ***Comprehensive Area Assessment***

The Comprehensive Area Assessment (CAA) was abolished in June and all field work associated with it has now stopped. The CAA covered all public sector partners within a locality and was made up of the following judgements:

- Area Assessment (not scored)
- Organisational Assessment (Council specific and scored)

The Organisational Assessment (OA) was made up of two specific elements:

- Use of Resources (scored against ten specific Key Lines of Enquiry – KLOE – like financial management, governance and workforce)
- Managing Performance

The OA was significantly impacted by the scores given by Ofsted and the Care Quality Commission for Childrens Services and Adult Services respectively. The OA was also supported by the National Indicator Set which included a number of performance indicators that were measured by regular surveys e.g. Place Survey, Active People and STATUS.

### **Future Proposals**

The following are the current expectations on the regulatory agenda:

- The annual processes with Ofsted and the Care Quality Commission (CQC) continue but are expected to be changed in the future.
- The Place Survey and STATUS survey have been abolished and some elements of Active People have been abolished. Local Authorities are being given discretion to continue gathering this data should they see a value in doing so, but are not now compelled to collect and report the data.

- The National Indicator Set remains as a basis for regular measurement and performance comparison with other Councils, but there are expectations that it will change significantly in the coming months.
- We expect Local Area Agreements to be stopped as a means of Government tasking localities against national priorities.

### **Performance Management in Harrow**

The Performance Management process at Harrow is based on the following process:

- Regular monitoring of performance indicators (weekly, monthly, quarterly, annual depending)
- Quarterly improvement boards;
- Quarterly Corporate Strategic Board performance morning;
- Quarterly reporting to Cabinet, through the Strategic Performance Report;
- Regular review and challenge through the Performance and Finance Scrutiny Sub-Committee

The Improvement Board cycle considers the following set of performance information:

- Performance indicators:
  - Directorate scorecard performance vs targets
- Project delivery (inc Flagship Actions):
  - Project reporting on Flagship Actions and major projects
- Financial performance:
  - Quarterly financial forecast
  - Forecasting compliance
  - Forecasting quality
- Workforce performance:
  - Sickness
  - Appraisals
  - Capability cases
  - Agency spend
  - Starters and leavers
  - Workforce Representation
- Risks:
  - Quarterly risk register
- Customer Performance:

- Complaints numbers, timescales to respond, number upheld, lessons learned
- Customer Relationship Management (CRM) information on call volumes, avoidable contact, first time resolution
- Customer service standards

### ***Changes to Harrow Performance Management Post CAA***

After the abolition of CAA the following elements of the performance management process have changed:

- Projects that were designed to fill gaps against the Key Lines of Enquiry within the Use of Resources element of CAA have been reviewed to evaluate whether they should still be pursued. This has been relatively straightforward to evaluate
- Performance indicators which are part of the National Indicator Set that will now be dropped will be evaluated to see whether they are worthwhile measures of the outcomes important to the Council and residents and should therefore be continued

### **Issues to Consider**

The Council's performance process has large elements that are good effective performance management and are not in place to meet a regulatory need. The main issues therefore that will arise are with the expected reductions in mandatory performance indicators. The issues are as follows:

1. The loss of a steady set of indicators with historic data that can be easily benchmarked against other Councils. It takes at least three years to bed in a new set of indicators:
  - a. Time for Government to define
  - b. First year of measurement and base-lining
  - c. Time to create comparable information
  - d. Time to understand trend (particularly for annual measures)
2. The opportunity to create more local indicators that measures local outcomes that are important
3. The loss of a public survey to measure satisfaction and perceptions of area / services
4. Real uncertainty with Childrens and Adults on future of performance measurement and inspection
5. An evolving agenda with regional and national agencies which may look to create performance regimes – a number of bodies e.g. Local Government Improvement and Development (formerly IDeA), London Councils, Capital Ambition are re-evaluating their own roles going forward. For instance, the LGA Group have already launched a consultation on the future of inspection, and proposing a sector led

regime, supported by Local Government Improvement and Development.

### **Financial Implications**

None arising from this report.

### **Environmental Impact**

Not applicable to this report.

### **Risk Management Implications**

Not applicable to this report.

### **Corporate Priorities**

Robust performance information is important in helping to measure the delivery of the Council's Corporate Priorities.

### **Section 3 - Statutory Officer Clearance**

Not required.

### **Section 4 - Contact Details and Background Papers**

**Contact:** Alex Dewsnap, 020 8416 8250

**Background Papers:** none

This page is intentionally left blank



**REPORT FOR: OVERVIEW AND  
SCRUTINY COMMITTEE**

---

<b>Date of Meeting:</b>	11 October 2010
<b>Subject:</b>	Scrutiny Work Programme Update
<b>Responsible Officer:</b>	Alex Dewsnap, Divisional Director Partnership Development and Performance
<b>Scrutiny Lead Member area:</b>	All
<b>Exempt:</b>	No
<b>Enclosures:</b>	None

**Section 1 – Summary and Recommendations**

This report updates the Overview and Scrutiny committee on progress on the delivery of the scrutiny work programme.

**Recommendations:**

Councillors are asked to:

- I. Note progress on the delivery of the work programme as agreed July 27<sup>th</sup> 2010
- II. Agree that the second phase of the scrutiny work programme comprises
  - a. implications of the results of the HAVS investigation
  - b. standing review of the Better Deal for Residents Programme
  - c. standing review of the budget
  - d. Housing Ambition Plan challenge panel
- III. Request the scopes for the first three of these projects be presented to the next meeting of the committee (26<sup>th</sup> October)

## **Section 2 – Report**

On 27<sup>th</sup> July, the Overview and Scrutiny committee agreed the first phase of its work programme. This comprised:

- Reinstatement of the standing review of the budget
- Establishment of a standing review to consider the Better Deal for Residents Programme

Challenge panels to consider:

- Council's IT Strategy;
- Council's Single Equalities Scheme;
- Harrow Association of Voluntary Services;
- Housing Ambition Plan

This report updates the committee on progress on each of these projects.

### **Outstanding projects**

#### **Standing review of the budget**

Membership of this project comprises

- Cllr Anderson
- Cllr Chana
- Cllr Ferrari
- Cllr Macleod-Cullinane
- Cllr Osborn
- Cllr Phillips
- Cllr Wright,

The group has not yet met as a number of other projects have been underway over the summer months.

#### **Standing review of the Better Deal for Residents Programme**

Membership of this project comprises

- Cllr Chana
- Cllr Ann Gate
- Cllr Macleod-Cullinane
- Cllr Osborn
- Cllr Phillips
- Cllr Sashin Shah
- Cllr Wright

As per the standing review of the budget, this project has not yet started as a number of other projects have been underway over the summer months

There may be considerable overlap between these two projects and in order to determine whether they should be combined or stand alone, membership of both groups will meet to develop scopes. The outcome of this joint meeting – either single or scope or one from each project – will be presented to the Overview and Scrutiny committee on 26<sup>th</sup> October.

*It is anticipated that these two projects will form a significant proportion of the Overview and Scrutiny committee's work programme and may generate additional projects as the project plan evolves.*

### **Harrow Association of Voluntary Services challenge panel**

The following councillors will form this challenge panel

- Cllr Bednell
- Cllr Chana
- Cllr Ann Gate
- Cllr Macleod-Cullinane
- Cllr Miles
- Cllr Osborn
- Cllr Phillips
- Cllr Sashin Shah

As the final report from the investigation into events at HAVS has only recently been published, the terms of reference for this project have not yet been defined. However, from briefings received by the Chairman and Vice Chairman of the Overview and Scrutiny committee and based on initial research carried out into the grants administration process, the Chairman and Vice Chairman would like to propose three components to the review:

- grants administration– in particular monitoring processes
- training for trustees
- future arrangements for sector-wide representation.

In order to support the panel's investigation, the Internal Audit service will undertake a review of the grants administration process to identify risks and potential mitigation of these risks. The results from this piece of work, which will be incorporated into the final project report will be presented to the 23<sup>rd</sup> November meeting of the Overview and Scrutiny committee.

The committee is asked to agree this initial focus for the project and to request a formal scope for the project from the group for its next meeting (26<sup>th</sup> October)

### **Housing Ambition Plan challenge panel**

The following councillors will form this challenge panel

- Cllr Anderson
- Cllr Macleod-Cullinane
- Cllr Phillips

This project was scheduled for the end of the year.

### **Projects already undertaken**

#### **Council's IT Strategy challenge panel**

Membership of this project comprised

- Cllr Ann Gate
- Cllr Ferrari
- Cllr Macleod-Cullinane
- Cllr Osborn
- Cllr Phillips
- Cllr Wright

Unfortunately, the timeframe within which to hold a challenge panel in order to comment on the IT strategy proposals was extremely tight and it proved impossible to schedule a challenge panel within this window which all councillors could attend. As a result the Chairman and Vice Chairman of the Overview and Scrutiny committee asked for a presentation on the proposals to be made to the committee on 8<sup>th</sup> September by the Director of Corporate Finance, the Head of IT and the Performance, Customer Services and Corporate Services Portfolio Holder in order that the committee might have an opportunity to offer its views on the proposals to Cabinet. The minutes of this meeting were referred to Cabinet.

## **Council's Single Equalities Scheme challenge panel**

Membership of this project comprised:

- Cllr Macleod-Cullinane
- Cllr Miles
- Cllr Phillips

This challenge panel, to enable scrutiny to contribute to consultation on the council's new Single Equalities Scheme, took place on 6<sup>th</sup> September and the final report of the panel's findings is being prepared.

### **Additional projects undertaken**

During the first few months of this administration a number of additional projects were undertaken. In the context of the difficult economic climate in which the public sector finds itself, it is critical that sufficient flexibility is maintained within the scrutiny work programme to enable it to respond to challenges such as these as they arise.

### **Pinner Village Surgery closure**

In addition to the projects agreed at the 27<sup>th</sup> July meeting, councillors agreed to investigate the closure of Pinner Village GP surgery. Following a discussion of the issue with representatives of NHS Harrow at the Health sub committee it was decided that, in order to investigate the obvious concerns of residents at the way in which closure had been implemented, a challenge panel should take place. This panel took place on 22<sup>nd</sup> July and has been further supplemented by information gleaned at two public meetings held in Pinner. The challenge panels report is scheduled to be presented to the Overview and Scrutiny committee meeting on 26<sup>th</sup> October.

The panel comprised the following councillors:

- Cllr Paul Osborn (Chairman)
- Cllr Lurline Champagnie
- Cllr Ann Gate
- Cllr Jerry Miles
- Cllr Vina Mithani
- Cllr Simon Williams

Julian Maw, Chairman of Harrow LINK also joined the project.

### **Magistrates' Court closure**

Also in addition to the projects agreed at the 27<sup>th</sup> July meeting, the committee commissioned a challenge panel to consider the implications for local justice of the proposed closure of Harrow Magistrates' Court. The panel's report was incorporated into the council's overall response to the closure which was submitted to Her Majesty's Courts Service on 15<sup>th</sup> September.

The panel comprised the following councillors

Cllr Barry Macleod-Cullinane (Chairman)  
Cllr Susan Anderson  
Cllr Christine Bednell  
Cllr Vina Mithani  
Cllr Sachin Shah  
Cllr Stephen Wright

## **Health White Paper, 'Equity and Excellence: Liberating the NHS'**

In order to facilitate a scrutiny response to proposals in the Health White Paper a workshop comprising scrutiny councillors, the Adult Social Care, Health and Wellbeing Portfolio Holder, representatives of NHS Harrow and Harrow LINK and Council officers was held on 24<sup>th</sup> September. A detailed response from the workshop to the Department of Health has been produced following this meeting.

### **Financial Implications**

There are no financial implications associated with this report as all scrutiny projects are funded from within the existing scrutiny budget

### **Performance Issues**

There are none specific to this report.

### **Environmental Impact**

There is no environmental impact associated with this report.

### **Risk Management Implications**

There are no risk management implications associated with this report.

### **Equalities implications**

Was an Equality Impact Assessment carried out? Yes ( ) No (  )

If no, state why an EqIA was not carried out below:

This report makes no proposals with regard to service delivery.

### **Corporate Priorities**

Please identify which corporate priority the report incorporates and how:

- Deliver cleaner and safer streets
- Improve support for vulnerable people
- Build stronger communities

## **Section 3 - Statutory Officer Clearance**

Not required for this report.

## **Section 4 - Contact Details and Background Papers**

**Contact:** Lynne Margetts, Service Manager Scrutiny, 020 8420 9387

**Background Papers:** None

This page is intentionally left blank

**REPORT FOR: OVERVIEW AND  
SCRUTINY COMMITTEE**

---

<b>Date of Meeting:</b>	11 October 2010
<b>Subject:</b>	Report from the Scrutiny Lead Members
<b>Responsible Officer:</b>	Alex Dewsnap, Divisional Director Partnership Development and Performance
<b>Scrutiny Lead Member area:</b>	All Leads
<b>Exempt:</b>	No
<b>Enclosures:</b>	Reports from the lead members

**Section 1 – Summary and Recommendations**

This report provides information on the issues discussed in and recommendations from the scrutiny lead member briefings for:

- Adult Health and Social Care
- Children
- Corporate Effectiveness
- Safer and Stronger Communities
- Sustainable Development and Enterprise

**Recommendations:**

The Overview and Scrutiny committee members are asked to:

- I. Note the discussions held by the lead members
- II. Agree relevant action proposed therein

## Section 2 – Report

### Introductory paragraph

This report summarises discussions which have taken place between the scrutiny policy and performance lead members and relevant officers. These discussions are reported back to the Overview and Scrutiny committee in order that the committee is fully appraised of issues of interest to scrutiny across the authority and amongst partners and also to ensure that any action proposed by the lead members can be authorised by the committee.

This report includes reports from:

- Adult Health and Social Care
- Children
- Corporate Effectiveness
- Safer and Stronger Communities
- Sustainable Development and Enterprise

### Financial Implications

There are no financial implications associated with this report.

### Performance Issues

There are no performance issues associated with this report. However, a decision to escalate any issue raised during a briefing with the lead members to the Overview and Scrutiny committee for further investigation, will be accompanied by an analysis of the relevant performance issues.

### Environmental Impact

There is no environmental impact associated with this report.

### Risk Management Implications

There are no risk management implications associated with this report.

### Equalities implications

Was an Equality Impact Assessment carried out? Yes ( ) No (  )

If no, state why an EqIA was not carried out below:

No equalities impact has been undertaken as a consequence of this report as no specific action or service development is proposed.

### Corporate Priorities

Please identify which corporate priority the report incorporates and how:

- **Build stronger communities** by ensuring that the scrutiny lead councilors are fully briefed on the issues impacting on the Council and are thus able to champion the needs of local people

## Section 3 - Statutory Officer Clearance

Not required for this report.



## **Section 4 - Contact Details and Background Papers**

**Contact:** Lynne Margetts, Service Manager Scrutiny 020 8420 9387

**Background Papers:** None

## **OVERVIEW AND SCRUTINY COMMITTEE**

### **SCRUTINY LEAD MEMBERS' REPORT: ADULT HEALTH AND SOCIAL CARE**

**Chairman and Lead Members:** Councillors Jerry Miles, Vina Mithani and Anne Gate.

The lead members met on 9 September 2010.

#### **Attendees**

Councillor Jerry Miles, Chair of Health Sub Overview and Scrutiny Committee  
Councillor Vina Mithani, Scrutiny Lead Member for Adult Health and Social Care

Councillor Anne Gate, Scrutiny Lead Member for Adult Health and Social Care

Bernie Flaherty, Divisional Director, Community Care

Paul Najsarek, Corporate Director, Adults & Housing

Fola Irikefe, Scrutiny Officer

The Corporate Director and the Divisional Director for Community Care provided an update on the key issues for the directorate.

#### **Personalisation**

The Director of Community Care informed members that having operated the personalisation agenda since 2008, evidence has been collated about the benefits and usefulness of personal budgets to users. The personalisation agenda has been reported to have made a real difference to people's lives. There are currently approximately 650 people in the borough with personalised budgets.

The personalised budget process was explained as follows:

- Clients first carry out their own self assessment with the assistance of a carer or a neighbour rather than with a social worker
- this is then approved by a social worker
- a support plan is then developed from
- direct payments are then made for the services procured

Discussions took place relating to issues of possible abuse. It was explained that people who are at risk are flagged up and have more monitoring and financial controls and governance than other clients. If services are not procured within a certain time frame then the money is taken back by the council.

Members also raised concerns regarding how accurate people were in assessing their needs. The members learned that in general (nationally and in Harrow) it was found that older clients tended to underestimate their needs whilst some of the others tended to over-estimate their needs. Five of the older people over the age of 85 with personalised budgets became mentors soon after taking on their own personal budget to support others in filling out their personalised budget forms.

The service works in close partnership with the housing service for example in assisting disabled people to get their own home where they are supported as

and when required for example in the morning or the evening rather than having a constant carer. Personal budgets enable choice.

The way in which the service is procured was also discussed. Services can be purchased through a scheme called 'shop4support', a web-bound catalogue where there are 150 providers and services that clients can access either from home or via any computer online. The items clients purchase are then flagged up on the councils system where they are monitored in terms of both financial control and safeguarding. The 'shop4support' site offers a variety of services such as personal assistant services provided by voluntary organisations etc.

The personalisation agenda has been a success for Harrow especially as it was initially viewed with caution and a little cynicism by some. It is now believed that this is a good way of working and Harrow is quite advanced in this area. As a mark of the progress, last year the service was graded as 'performing well' by the Care Quality Commission (CQC). The next CQC report will be published in November.

#### **For Action:**

The Chair of the Health Sub Committee and the Lead Members requested to have the CQC report presented at the next Health Sub Committee meeting on 7 December 2010.

#### **Challenges within the service**

The members were briefed on the current challenges within the service which includes equipment based aid and adaptations and community equipment service and smaller aids. The problems with the service stem from initially not being managed as effectively and overspending.

The aids and adaptations service was previously delivered through property services that have a contract with Kier; part of the issue with the service is that there is a substantial gap between assessment and delivery. The service has now been moved back into Adults and Housing in order to bridge this gap. At present some improvements have been made and the service is performing better and saving money. Consultations are currently taking place with staff with regards to procuring the services of MEDEQUIP for aids and adaptations.

The Councillors were informed when enquiring whether there was a knock on effect on discharge costs that there wasn't. The council's domiciliary care is very good so this has helped to manage the problems in the process and the related indicator is good.

#### **The Budget**

There is currently a £655, 00 in year overspend in the Adult Health and Social Care revenue budget which is mainly in adult health. In real terms this figure is at £200, 00 net the corporate allocating. In month four this is now down to a £350, 00. The reduction has been as a result of a reduction in agency staff. It is anticipated that the service will be in budget by the end of the year.

The reduction in agency staff has meant that the remaining staff have found new ways to work more effectively and efficiently. There is a weekly

monitoring on whether the loss of staff is having an impact on the services provided.

For the year to come 2011/2012 (as a result of which the council will now have to find an additional £4 million savings for this year on top of the estimated £50 million over the next three years starting April 2011) the department will approach the need to deliver the savings by driving hard on prices. The North London Alliance has come together for the provision of homecare. The service is also looking at different forms of procurement and closer working with the voluntary sector. Housing & Adults amounts to 35-40% of the councils spend.

### **Re-ablement**

The re-ablement programme which is currently in place focuses on supporting people through specified intensive support for 6 weeks or so. Because of the intensiveness of the service provided it is hoped that from this people will no longer require support or need less support for over an extended period of time.

Support will be increasingly delivered through the neighbourhood resource centres, such as Byron Park Neighbourhood Resource Centre where 20-30 staff across social care and health will be stationed and it have a walk-in facility with a telecare suite. The team will work with clients for 6 weeks and their progress will be tracked on a weekly basis. The re-ablement programme is expected to see a 2 million saving over 3 years. It is expected that 30% of service users will not come back into the service having been through the re-ablement programme.

The programme aims to avert service users from becoming reliant on the services for the long term. The pilot will be launched on 25 September 2010 and the pilot will be monitored after the first 3 months, this will then be followed by an evaluation and then it will be fully implemented. There will not be any savings realised this year due to reduced HSP funding but it is expected in subsequent years that savings will follow.

### **Consultation**

The department plans to hold pre-consultation with service users in October which will include options for savings, official consultation will then take place in December and in the early part of 2011. The results of the consultation will then be considered. The department will be consulting on:

- Levels of contribution to care from users
- Meals on wheels
- Ethnically diverse meals
- Special needs transport service
- Travel Training

It is hoped that users, carers and the voluntary sector will be running the consultation and presenting it to Cabinet.

### **For Action:**

Members have requested for an update on what the results of the pre-consultation at the next Health Sub Committee meeting on 7 December 2010.

### **Harrow PCT Finances**

The members were briefed on the situation with PCT finances. There have been discussions between the council and the PCT regarding continuing care and whether they sit with health or social care in terms of resourcing these services. There are also some issues that need to be resolved in relation to intermediate care. The matters that need to be resolved relates to client cases.

### **For Action:**

Members and Health Sub Committee to consider the outcomes of the discussions at the Performance and Finance Sub Committee meeting on 20 September 2010.

### **NHS Health White Paper**

The Health White Paper was discussed in brief in relation to the PCT's future; the new proposed commissioning role for GP's and that some dialogue with some GPs in the borough has already begun. The make up of the Health and Wellbeing board that is to be established was also discussed along with resources in relation to Public Health services coming to the council. The proposed new responsibility to take on Healthwatch and its expanded remit.

### **Housing**

Changes in the housing service were considered by the members in brief. The housing service is being brought back into the council and there is currently a debate on the idea of lifetime homes. The issue of capping housing benefit was also considered. The housing repairs service is also being brought back into the council.

## **OVERVIEW AND SCRUTINY COMMITTEE**

### **SCRUTINY LEAD MEMBERS' REPORT:** **CHILDREN SERVICES**

**Lead Members:** Councillors Christine Bednell and Krishna James

The lead members met on 7<sup>th</sup> September 2010.

#### **Attendees**

- Cllr Christine Bednell
- Cllr Krishna James
- Paul Morrison, Senior Professional Scrutiny

It was noted that an announcement on the Comprehensive Spending Review was expected on 20<sup>th</sup> October.

The leads examined the latest edition of the Cabinet, Forward Plan it was noted that there were no specific children's services items at the moment, other than the two items on the agenda for the 14<sup>th</sup> September meeting. These were:-

- Amalgamation of Elmgrove Junior and Infant Schools
- Teenage Placement Strategy including change of use of Honey Pot Lane Residential Unit

and these were discussed. It was noted that the second report was not yet available; copies would be provided to the leads when available.

The leads also considered an update on Government announcements since their last meeting on 12<sup>th</sup> July. Information was requested on

- The differences between academies and free schools
- Details of the call for initiatives to reduce barriers for foster carers

These were provided subsequent to the meeting.

It was noted that a meeting of Harrow head teachers was taking place that week.

#### **For Action:**

To meet again on 9<sup>th</sup> November to consider the implications of the Spending Review

## **OVERVIEW AND SCRUTINY COMMITTEE**

### **SCRUTINY LEAD MEMBERS' REPORT: CORPORATE EFFECTIVENESS**

**Lead Members:** Councillors Jerry Miles and Tony Ferrari

The lead members met on 6<sup>th</sup> September 2010.

#### **Attendees**

- Councillor Jerry Miles, Scrutiny Lead Member
  - Myfanwy Barrett Corporate Director, Finance
  - Tom Whiting, Assistant Chief Executive
  - Lynne Margetts, Service Manager Scrutiny
- Cllr Ferrari was unable to attend the briefing and sent his apologies.

#### **Frequency and content of briefings**

It was agreed that the corporate effectiveness leads will receive quarterly briefings on the general performance of the corporate functions of the council. If specific concerns are identified via these general briefings then these will be considered in more detail.

#### **Comprehensive Area Assessment (CAA)**

Following the abolition of Comprehensive Area Assessment, Lead Members were advised that the Council is not clear what the proposals are for the future of the Place Survey and the National Indicator Set. Officers advised that the council will still be subject to the Value For Money (VFM) opinion – likely to be delivered by external auditor rather than the Audit Commission in future, which presents an opportunity for savings in the audit fee. It is likely that a London-wide tender for this function will be agreed. Retention of the VFM opinion will mean that the range of information required under the Use of Resources component of CAA will still be required. Lead members were also advised that Ofsted opinion on the performance of children's services and Care Quality Commission opinion for adults' services will remain.

In the absence of CAA the council is reviewing the indicators which it will monitor, though it is unlikely that the Council will stop monitoring many. A concern for the council is the loss of benchmarking information in the future if the National Indicator Set is abolished, Capital Ambition is developing a London indicator set but as this will require subscription, interest has so far been limited.

The absence of comparative information means that the organisation's focus will be on what matters to local people.

#### **Workforce Issues**

The lead members were provided with a range of information with regard to the council's work force management performance. Specific points:

There has been a significant reduction in staff sickness levels

There is likely to be an increase in the use of agency staff in the context of the budget reductions likely to be experienced

IPAD performance has improved

The lead members were also advised of the issues facing the council regarding redundancies. The council is looking to reduce costs by 25% over the next three years. As staffing constitutes a high proportion of the council's costs then this is likely to result in a large reduction in the number of staff. The council has introduced a number of measures to try to mitigate the impact of the budget cuts on staff:

- voluntary severance scheme
- vacancy management scheme
- use of agency staff to fill vacant posts in the short-term in order to accommodate redeployed staff in the longer-term

It is anticipated that the amount of casework held by HR will increase as industrial relations become increasingly problematic.

### **Customer Care**

Lead members were provided with information regarding a range of customer care indicators

- Avoidable contact
- Call volumes
- Service standards
- Complaints

### **Budget**

The Corporate Director of Finance briefed the lead members on the council's finances.

In 2009/10 the council had delivered a net underspend of £1.7m. £1m of this had been passed to Children's Services and £0.5m to the transformation programme £0.2m to other specific projects e.g. highway repair after the winter snowfall damage.

For 2010/11 there are a number of pressures on the budget – continuing pressure in children's services, NHS Harrow budget impact, shortfall in the parking budget. The council had also faced in-year reduction of £5.8m, £1.38m of which Directorates had had to find in year. An additional £3m pressures is also anticipated. The Performance and Finance sub committee will be receiving a report covering children's services, the parking account and the impact of NHS Harrow's financial performance at its meeting on 20<sup>th</sup> September.

In the medium term, the Council has anticipated the need to identify £50m savings over the next three years, that is 30% of controllable spend of which £16m needs to be found in 2011/12.

### **For Action:**

The Corporate Effectiveness Leads will continue to monitor performance in these areas.

The leads will meet again on 3<sup>rd</sup> November



## **OVERVIEW AND SCRUTINY COMMITTEE**

### **SCRUTINY LEAD MEMBERS' REPORT: SAFER AND STRONGER COMMUNITIES**

**Lead Members:** Councillors Nana Asante and Chris Mote

The lead members met on 21<sup>st</sup> September 2010.

#### **Attendees**

- Councillor Nana Asante, Scrutiny Lead Member
- Councillor Chris Mote, Scrutiny Lead Member
- Kashmir Takhar, Head of Services - Community Development
- Lynne Margetts, Service Manager Scrutiny

#### **Support to community groups around festivals**

Kashmir Takhar briefed the lead members on the support that is currently available to community groups in relation to the different community festivals celebrated during the year. She advised that at the beginning of each year the council produces the calendar of events from which it is able to support up to ten festivals with £1000 each. This funding is used however the festival organisers wish e.g. venue hire, leaflet production, road closures. The money derives from the Local Area Agreement reward grant and will not be available in future which means financial support will no longer be available to support the festivals. Councillors urged that this information is communicated to local groups as clearly and as soon as possible – there is a sense within the community that information provided by the council is not accurate and that decisions are made regarding funding based on ‘who shouts loudest’ or those who have previously been funded. It is critical that groups are fully aware of the reality of the funding position.

The lead members were pleased to hear that in a number of circumstances, joint work between the community development and economic development teams had resulted in local businesses and the community coming together to deliver projects around particular festivals – e.g. St George’s and St Ann’s Christmas celebrations. Councillors emphasised that care is taken when organising events in this way however, to ensure that the local traders are not inconvenienced.

The lead members expressed their concern about the provision of venues by local schools for community festivals and events. There is no consistent approach to setting charges for facilities and a number of the schools are setting prices which are beyond the resources of the local community. It was acknowledged that the issue of community lettings had not been resolved by the Council, particularly with regard to schools and the discounting/charging schemes which they offer. However there is also no consistency between the schools themselves and the role they feel they can/should play. It was suggested that perhaps a discussion with the Head Teachers Association might lead to some clarity particularly if the council could be persuasive in terms of the role of schools in the community.

Councillors acknowledged the very difficult time the council and community will face in coming years as funding for events is no longer available and suggested that the Council should consider a change in emphasis in terms of

the support offered: the Council should in future focus on enabling local communities to hold events/festivals through the provision of advice and support rather than funding these events. The production of an events management guide was suggested.

**For Action:**

- to ensure clear communication is given to Community Groups about the funding position with regards to festivals
- to suggest that supporting Community Activity through school lettings is discussed with Head Teachers
- to suggest that an events guide to support Community Activity is developed

**Policing in the 21<sup>st</sup> Century**

The lead members had received a briefing on the main components of the Policing in the 21<sup>st</sup> Century White Paper and the potential implications for the authority. They are particularly concerned to ensure that the very local direction of the Safer Neighbourhoods Teams is not undermined by the implementation of the police commissioner proposals in the White Paper or by the possible reductions in police budgets from the Comprehensive Spending Review. They were also keen to explore linkages with the Neighbourhood Champions scheme.

In order to investigate the implications of the White Paper further, the lead members will invite the borough's representative from the Metropolitan Police Authority, the Borough Commander or his deputy and a representative from the Council's crime reduction team to their next briefing. The lead members would like to understand:

- The linkages between London-wide policing priorities, the borough's priorities and the local priorities and how the White Paper will impact on this
- The impact of the white Paper on accountability – the demise of the MPA and the future monitoring role of the local authority – and links to Neighbourhood Champions scheme
- How local intelligence will be used to develop local priorities.

Following this discussion, the lead members will report back to the Overview and Scrutiny committee on the implications of the White Paper from the scrutiny perspective

**For Action:**

The Metropolitan Police Authority, the Borough Commander or his deputy and a representative from the Council's crime reduction team be invited to the next Safer and Stronger Communities Scrutiny Lead Members' briefing.

The lead members will meet again on 9<sup>th</sup> November 9.30

## **OVERVIEW AND SCRUTINY COMMITTEE**

### **SCRUTINY LEAD MEMBERS' REPORT: SUSTAINABLE DEVELOPMENT AND ENTERPRISE**

**Lead Members:** Councillors Sue Anderson and Stanley Sheinwald

#### **BRIEFING – PROPERTY**

The lead members met on 22 September 2010.

#### **Attendees**

Councillor Sue Anderson, Scrutiny Lead Member  
Councillor Stanley Sheinwald, Scrutiny Lead Member  
Councillor Thaya Idaikkadar, Portfolio Holder, Property and Major Contracts  
Philip Loveland-Cooper, Head of Corporate Estate  
Steve Tingle, Finance Business Partner  
Heather Smith, Scrutiny Officer

#### **Discussion**

The Head of Corporate Estate gave an introduction. The corporate estate covers all property. This includes:

- Day to day management of the Corporate estate
- Rent review and lease renewals
- Acquisitions
- Lettings and grant of licences
- Property strategy and policy
- Advice to all directorates on property issues
- Major projects such as Prince Edward Playing , Hindu school, KCA Cedars Hall project
- Liaison with Legal on property related issues
- Managing the commercial property portfolio both General Fund and HRA
- Right to buy process and valuations
- Managing the third party core investment portfolio
- Statutory valuation work for both the General Fund and Housing Revenue Account (HRA).
- Estate development
- Disposals capital receipt programme

Attendees discussed the principles informing property strategy, which is driven by the both the needs of the various service delivery areas and partly by estate development, for example holding property to generate revenue as well as other factors such a level of backlog maintenance.

Attendees discussed the property aspect of the transformation programme. The property portfolio is under continual review; there is a total review underway, with partners, as part of the transformation programme. –better Deal for Residents

It was noted that forthcoming changes to the structure of health provision locally will also impact on the ability to consider use of property with health partners.

The council's medium term financial strategy (MTFS) sets out a base requirement of £5m capital receipt per annum but it hoped that greater capital receipts can be achieved in order to support the transformation programme.

**For Action:**

No further action required at this stage. The lead members note that a further Cabinet report outlining disposals for 2011/12 is likely to be considered in February 2010.

**REPORT FOR: OVERVIEW AND  
SCRUTINY COMMITTEE**

---

<b>Date of Meeting:</b>	11 October 2010
<b>Subject:</b>	Report of the Performance and Finance scrutiny sub-committee chair
<b>Responsible Officer:</b>	Alex Dewsnap, Divisional Director, Partnership, Development and Performance
<b>Scrutiny Lead Member area:</b>	Cllr Sue Anderson (Chair, Performance and Finance scrutiny sub-committee) Cllr Barry Macleod-Cullinane (Vice-Chairman, Performance and Finance scrutiny sub-committee )
<b>Exempt:</b>	No
<b>Enclosures:</b>	Appendix A – scrutiny reviews completed in 2009/10

**Section 1 – Summary and Recommendations**

**Recommendations:**

That the report of the Performance and Finance sub-committee chair be noted.

## **Section 2 – Report**

### **Introductory paragraph**

This report provides a summary of issues to be taken forward by the Performance and Finance scrutiny sub-committee following the meeting held on 20 September 2010.

The minutes of the meeting are available elsewhere on this agenda.

### **Issues identified for further consideration or monitoring**

#### **Council performance at Quarter 1 – 2010/11**

Specific indicators highlighted for further monitoring were:

- NI 59 – initial assessments completed within 7 days of referral [NB the target is in the process of being increased to 10 days]
- NI 60 – core assessments for children’s social care that were carried out within 35 days of their commencement
- BV 8 – percentage of invoices paid on time
- NI 157a – processing of major planning applications
- BV 12 – proportion of working days lost to sickness absence
- BV16a – % employees declaring that they meet the DDA definition
- % managers entering budget into SAP.

#### **Scrutiny recommendations monitoring**

The sub-committee agreed to monitor the following reports:

- Standing review of the budget (2009/10)
- Sustainability review (2009/10) (with emphasis on unemployment)
- Delivering a strengthened voluntary sector (2008/09)

Details of all reports completed in 2009/10 are included as Appendix A for the information of Members of the Overview and Scrutiny Committee.

#### **Other issues highlighted for follow up by the sub-committee were:**

- Implications of the Comprehensive Spending Review;
- Progression against in-year saving, containing the projected overspend for 2010-11 and addressing the £16-18m funding gap for 2011-12
- Implications of cuts to specific grants
- Changes to the performance management framework, including the future of National Indicators.

#### **Agenda planning for the next meeting of the sub committee**

A briefing for the chair and vice-chairman of the sub-committee has been set up for 27 October 2010 to consider how recent analysis of value for money could inform future agenda planning for the sub-committee.

It is proposed that a further chair’s briefing be set up to consider performance at Quarter 2 when it becomes available.

#### **Financial Implications**

There are none specific to this report.

**Performance Issues**

There are none specific to this report.

**Environmental Impact**

There are none specific to this report.

**Risk Management Implications**

There are none specific to this report.

**Corporate Priorities**

The work of the sub-committee addresses all of the Council's corporate priorities.

**Section 3 - Statutory Officer Clearance**

Not required for this report.

**Section 4 - Contact Details and Background Papers**

**Contact:** Heather Smith, Scrutiny Officer, 020 8420 9203,  
[heather.smith@harrow.gov.uk](mailto:heather.smith@harrow.gov.uk)

**Background Papers:** None

## Appendix A – Scrutiny reviews completed in 2009/10

Review	Agreed by Scrutiny	Considered by Cabinet	Review undertaken by	Assessment by scrutiny officer
Extended schools as community resources	April 2009	17 September 2009	Performance and Finance 25 March 2010	No further follow-up recommended.  P&F received a progress report from the relevant officer and the committee was satisfied with progress made.
Housing Revenue Account	November 2009	14 January 2010  The work of scrutiny contributed to the council's response to a Communities and Local Government consultation on the future of the Housing Revenue Account.	N/A	No direct further follow up required with regard to the specific review.  However, O&S is considering undertaking work on the new Housing Ambition Plan later in the Municipal Year.  It is recommended that the SDE leads maintain a watching brief on potential changes to the HRA.
Integrated Care Organisation	January 2010	18 March 2010 (for information)	Health sub 2 September 2010	No direct further follow up required with regard to the specific review.  The Health sub intends to keep a watching brief on this area.
Response to Acute Paediatric Services NHS consultation	February 2010	N/A	Health sub 2 September 2010	No direct further follow up required with regard to the specific review.



<b>Review</b>	<b>Agreed by Scrutiny</b>	<b>Considered by Cabinet</b>	<b>Review undertaken by</b>	<b>Assessment by scrutiny officer</b>
Response to East Harrow Polysystem NHS consultation	February 2010	N/A	Health sub 16 June 2010	Developments and proposals put forward by the previous Government in relation to health are to be re-assessed against new criteria. Most proposals that are already in motion are able to go ahead.  The Health sub has asked to be kept informed of developments.
Standing review of the budget	January 2010	Received by Cabinet 11 February 2010, response report 23 June 2010	Not yet scheduled for review.	This report should be followed up either by P&F or by the new Standing Review of the Budget in the course of 2010/11.
Sustainability	February 2010	18 March 2010	Not yet scheduled for review.	This report should be followed up by P&F in the course of 2010/11.

#### **Earlier work recommended for continued review**

Delivering a strengthened voluntary and community sector	November 2008	Received by Cabinet 18 December 2008, response report 26 March 2009. Of the 22 review recommendations, 17 were agreed for immediate implementation and a further 4 as part of the Third Sector strategy. One recommendation, relating to Harrow Heroes, was not agreed.  Third Sector Strategy was agreed by Cabinet 18 March 2010.	Performance and Finance 16 November 2009. Members requested a further progress report.  Not yet scheduled for further review on 2010/11.	This report should be followed up by P&F in the course of 2010/11.  This discussion should be informed by the previous P&F discussion (16-11-09 minute 144 refers).
--	---------------	---	--	---

This page is intentionally left blank

# PERFORMANCE AND FINANCE SCRUTINY SUB-COMMITTEE MINUTES

## 20 SEPTEMBER 2010

**Chair:** \* Councillor Sue Anderson

**Councillors:** \* Tony Ferrari \* Jerry Miles  
\* Barry Macleod-Cullinane \* Sachin Shah

**In attendance:** \* Graham Henson Minute 13  
**(Councillors)**

\* Denotes Member present

### 8. **Declarations of Interest**

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

Agenda Item 12 - Revenue and Capital Monitoring for Quarter 1 – as at 30 June 2010

Councillor Sue Anderson declared a personal interest in that she worked for NHS Harrow. She would remain in the room whilst the matter was considered and voted upon.

### 9. **Attendance by Reserve Members**

**RESOLVED:** To note that there were no Reserve Members in attendance at this meeting.

### 10. **Minutes**

**RESOLVED:** That the minutes of the meeting held on 19 July 2010, be taken as read and signed as a correct record.

## **11. Public Questions, Petitions and Deputations**

**RESOLVED:** To note that no public questions were put, or petitions or deputations received at this meeting.

## **RESOLVED ITEMS**

## **12. Chair's report**

The Sub-Committee received a report of the Divisional Director of Partnership Development and Performance that set out issues considered by the Chair since the last meeting of the Performance and Finance Scrutiny Sub-Committee. An officer stated that Appendix A to the report included notes of the briefing meeting for the Chair and Vice-Chairman held on 17 August 2010.

Following a request by Members, the Sub-Committee agreed that the notes of the briefing meeting be amended to include:

- the Council strove to hold £5-7 million in reserves;
- the funding gap for 2011/12 was approximately £16-18 million.

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

## **13. Council Performance at Quarter 1 - 2010/11**

A report that provided performance information for Quarter 1 of 2010/11 (April to June) with historic comparisons against Quarter 1 and Quarter 4 in 2009/10 was presented to the Panel.

The Divisional Director of Partnership Development and Performance advised that:

- information relating to Quarter 1 and Quarter 4 in 2009/10 allowed comparisons on changes in performance for these periods to be made. The Strategic Performance Report for Quarter 1 2010/11 was being developed and would be finalised for presentation at the Cabinet meeting on 28 October 2010;
- the Council's Corporate scorecard was designed to present how the Council was performing for residents, Councillors and officers. The scorecard helped to set out what good performance levels were and included monitoring information to assist in the delivery of the Council's priorities. Many of the measures used in the scorecard included recognised National Indicators (NIs) prescribed under the previous Government as part of Comprehensive Area Assessment (CAAs). Following the abolition of the CAAs by the existing Government, the position relating to the use of performance related NIs in the Corporate Scorecard was unclear. It was felt that the Comprehensive Spending Review, due to be published in October 2010, would provide a better

framework regarding the use of NIs in the future. Given these changes, officers were reviewing the set of indicators used to manage the Council's business. The corporate scorecard would be refreshed for Quarter 3 and members of scrutiny were invited to take part;

- data collected from the Council's Corporate Scorecard performance was relatively strong although officers had identified that particular areas faced some performance challenges;

In response to questions raised by Members, officers confirmed that:

- following the Baby P case, the department had experienced an increase in the number of contacts and referrals received by front of house services, leading to pressure on the teams responsible for assessing children. This was not dissimilar to the number of cases received by other local authorities. In order to meet demands in this particular service area, a number of measures are being introduced. These include the recruitment of two additional staff members. Following the revision of existing timescales by Central Government, the original guideline of 7 days to complete an initial assessment had been increased to 10 days. It was noted that although meeting timescales was important, the quality of assessments was more critical and that improving the quality had been the immediate focus. The aim was to meet monthly targets for the second half of the 2010/11 financial year;
- there were examples of major growth in both the number of referrals and financial support relating to the safeguarding and placement of vulnerable children across London. It was understood that the Council was one of the lowest spenders in this area and had zero growth from 2009-10 to 2010-11. A comparison against the performance of other local authorities could be conducted following publication of the Chartered Institute of Public Finance and Accountancy (CIPFA) benchmarking data;
- the number of planning applications received and processed in Quarter 1 was within target. The number of major planning applications may have been delayed as any decisions on major applications received during this period could not be taken until they had been considered by the Planning Committee. The general elections in May 2010 and the change in administration at a local level had meant that a Planning Committee meeting had not taken place in May 2010. This may have been factored into the planning process in order to meet performance targets;
- the percentage of employees declaring that they met the Disability Discrimination Act 1995 (DDA) definition of "disability" was lower than expected. According to the staff survey, the reported percentage of disabled staff was 8% of the total workforce. There was a possibility that some staff did not consider that they had a disability under the DDA or may not have declared their disability in the survey. The

results were being considered by the Human Resources Department, in order to assess the most appropriate way forward. These considerations would be included as part of the current consultation on the Single Equalities Scheme report due to be presented at the Cabinet meeting on 15 December 2010;

- the percentage of invoices paid on time had fallen slightly below the target of 95%. This was due to a mid-year change in how invoices were recorded. The previous system had been amended so that invoices were recorded according to the date the invoice had been issued as opposed to the date it had been received. The Central Payment team had sole responsibility for recording and processing invoices. This was intended to provide a more efficient service and enhance the speed of payments to suppliers and service providers. Due to the financial climate, payment terms for local small business suppliers had been reduced from 30 to 10 days;
- failure to record budget information in the database, SAP, had contributed to variances in the reported Quarter 1 budget and resulted in performance fluctuations. In response, senior officers had closely monitored the timeliness of such reporting and would continue to do so until results improved;
- the proportion of working days lost to sickness absence across the organisation had increased slightly. This may have been influenced by the period of job and financial uncertainty currently experienced by public sector employees. Officers would consider how potential trends in sickness absence could be included to in the delivery of the Council's Transformation Programme.

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

#### **14. Scrutiny Recommendations Monitoring 2009/10**

An officer presented a report of the Divisional Director of Partnership Development and Performance which set out progress against recommendations made by the Performance and Finance and Health Scrutiny Sub-Committees through review reports in 2009/10.

The officer stated that three key projects had been identified as requiring future monitoring by scrutiny Members in 2010/11. These were:

- the standing review of the budget;
- Sustainability review;
- the review of delivering a strengthened voluntary and community sector.

In response to Member questions, the officer advised that:

- monitoring of the Sustainability review could include focus on unemployment;
- the standard review of the budget had been programmed for discussion at the October 2010 Overview and Scrutiny Committee meeting as part of the programme report. A response to the recommendations had been given at the Cabinet meeting in March 2010. It was recommended that progress against these be followed by Scrutiny.

**RESOLVED:** That

- 1) the report be noted;
- 2) the Performance and Finance Scrutiny Sub-Committee monitor recommendations arising from the:
  - (a) standing review of the budget;
  - (b) sustainability review; and
  - (c) delivering a strengthened voluntary and community sector review.

## **15. Future Funding Gaps**

The Corporate Director of Finance presented a report that outlined funding gaps in future years and the underlying assumptions.

The Sub-Committee were advised that:

- future funding gaps had been identified in the Medium Term Financial Strategy (MTFS) approved by Cabinet in February 2010. The funding gaps for 2010/11, 2011/12 and 2012/13 were £16 million, £14 million and £13 million respectively;
- finance officers continuously reviewed the assumptions outlined in the MTFS as funding gaps would continue to shift where new issues arose. Since February 2010 a number of developments, including a potential reduction in parking income, the recommendation to outsource the Council's IT services and the financial pressure faced by Harrow Primary Care Trust (PCT) had been identified. To plan for any future issues, all Directorates had been requested to focus on saving opportunities. The implications of a potential reduction on the grant received following the Comprehensive Spending Review would be considered alongside the increasing potential financial pressures faced by the Council;
- analysis of the emergency budget published in June 2010 suggested that public sector spending would be reduced by an average of 25% over 4 years. The Institute of Fiscal Studies (IFS) had reported that

local government should expect a reduction of 33%. As a result, some departments had made budgetary provisions in anticipation of a 40% reduction;

- calculations in the current MTFs were based on a 2% Consumer Price Index (CPI). Best and worst case scenarios outlined in the appendix to the report were based on 1% and 3%. Allowances for new investment and a prudent view of the Council Tax position for 2011/12 had been included in the final calculation for the middle case scenario of £17.25 million.

Members of the Sub-Committee asked a number of questions, to which the Corporate Director of Finance responded as follows:

- all funding arrangements would continue to be tracked through monitoring reports. In order to minimise levels of overspend, departments had been encouraged to renegotiate contract terms with suppliers and services providers;
- uncertainty relating to the proposed freeze on Council Tax in 2011/12 had been factored into calculations. The finance team had worked on the assumption that Council tax and the amount of grant received from Central Government to cover any shortfall in Council tax income would not increase for 2011/12 financial year;
- an extra £1 million had been allocated from Council funds to address outstanding issues in the Children's Services Directorate. Funding costs of outsourcing IT services had also placed an additional demand on existing funds;
- the cost of providing concessionary travel to residents was higher than other London Boroughs. Officers had reviewed this service and would be preparing a report for consideration at a future Cabinet meeting;
- officers anticipated that the Comprehensive Spending Review (CSR) would provide clarity on future funding gaps. The results of the CSR would enable the Council to plan for future years.

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

#### **16. Revenue and Capital Monitoring for Quarter 1 - as at 30 June 2010**

A report of the Corporate Director of Finance that set out the Council's revenue and capital monitoring position as at 30 June 2010 was considered by the Sub-Committee.

The Sub-Committee were advised that:

- following a review of the Council's budget in the current quarter, a saving of £700,000 had been identified. This had reduced the forecast



total overspend by the Council in 2010/11 from £3.1 million to £2.4 million;

- the main areas of pressure on the total budget included an increased demand on Social Care services and a potential reduction in parking income;
- in response to these financial pressures, directorates were continuing to develop action plans to mitigate against these by controlling the number of existing job vacancies and managing expenditure. The Council's Corporate Strategy Board monitored all measures taken by Directorates on a monthly basis.

A number of Members raised concerns relating to the potential cuts to services in some Directorates and the additional financial pressures that the Council could face following the outcome of the Comprehensive Spending Review. In response, the officers reported that:

- Harrow was amongst the lowest spenders per head of its child population compared to its statistical neighbours;
- following a review of Special Educational Needs (SEN) transport, savings had been made. It was anticipated that a review of transport provided to adult services would also provide further saving opportunities. Even though savings were projected for 2010/11 and 2011/12, transportation services would continue to face budgetary pressures as more children become eligible for this particular service;
- rates of children with protection plans were similar to the Council's statutory neighbours. The rate of children looked after by the council was comparatively low. Officers believed that this was partly due to high number of children being adopted or placed in special guardianships and preventative work;
- officers in the Children's Services directorate would monitor what impact the age of transfer to secondary schools for the 2010/11 academic year had on the net outflow of children attending schools outside of the borough;
- an outline of central costs for Children's Services Directorate following a benchmarking exercise would be completed later in the 2010/11 financial year. This would be completed once new data relating to Strategic Management and Access was made available;
- new dual purpose cameras that monitored community safety and parking matters had been introduced throughout the borough. In Quarter 4 of 2009/10, it was anticipated that this would offer efficiencies and generate additional income as more offences would be recorded. However, during the first quarter of 2010/11, Harrow had experienced a decline in parking income. This could be partly attributed to the ongoing road works in central Harrow that had made

existing parking controls temporarily unenforceable. There was also a presumption that motorists had become more careful and reduced the amount of car journeys taken. The decline in parking income appeared to be London-wide. Figures published by London Councils reported a decline in the amount of income generated by the enforcement of parking controls;

- senior officers in the Adults and Housing Services directorate had recently met with Harrow Primary Care Trust (PCT) to discuss concerns relating to the stability of the PCT and to agree future plans. Officers had written to the PCT confirming details of the discussion that had taken place and were awaiting a response. Some allowances for any resulting expenditure incurred by the Council had been included in the 2009/10 budget as part of the bad debt provision. The Council had managed to contain the budgetary pressures arising from the PCT's management of continuing care cases in 2010/11. It was likely that Adults and Housing Services would improve upon the £655,000 overspend originally forecast for 2010/11.

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

(Note: The meeting, having commenced at 7.30 pm, closed at 9.57 pm).

(Signed) COUNCILLOR SUE ANDERSON  
Chair