

OVERVIEW AND SCRUTINY COMMITTEE MINUTES

23 NOVEMBER 2010

Chairman: * Councillor Jerry Miles

Councillors:

* Sue Anderson	* Paul Osborn
* Ann Gate	* Bill Phillips
* Susan Hall (4)	* Sachin Shah
* Barry Macleod-Cullinane	* Stephen Wright

Voting	(Voluntary Aided)	(Parent Governors)
Co-opted:	† Mrs J Rammelt	(Vacancy)
	Reverend P Reece	(Vacancy)

* Denotes Member present
(4) Denotes category of Reserve Members
† Denotes apologies received

70. Attendance by Reserve Members

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

Ordinary Member

Reserve Member

Councillor Kam Chana

Councillor Susan Hall

71. Declarations of Interest

RESOLVED: To note that the following interests were declared:

Agenda item 7a – Neighbourhood Champions – Response to Scrutiny Challenge Panel Report

Councillor Sue Anderson declared a personal interest in that she had undertaken the Neighbourhood Champion training that day. She would remain in the room whilst this matter was considered and voted upon.

Councillor Susan Hall declared a prejudicial interest in that she had been a Cabinet Member under the previous administration and had introduced the Neighbourhood Champions Scheme. She would leave the room whilst this matter was considered and voted upon.

Councillor Barry Macleod-Cullinane declared a prejudicial interest in that he had been a Cabinet Member under the previous administration and had voted in favour of the Neighbourhood Champions Scheme. He would leave the room whilst this matter was considered and voted upon.

Councillor Chris Mote, who was not a member of the Committee, declared a prejudicial interest in that he had been a Cabinet Member under the previous administration and had voted in favour of the Neighbourhood Champions Scheme. He would leave the room whilst this matter was considered and voted upon.

Councillor Paul Osborn declared a prejudicial interest in that he had been a Cabinet Member under the previous administration and had voted in favour of the Neighbourhood Champions Scheme. He would leave the room whilst this matter was considered and voted upon.

Councillor Bill Phillips declared a personal interest in that he had delivered the Neighbourhood Champion training and his wife was a Neighbourhood Champion. He would remain in the room whilst this matter was considered and voted upon.

Councillor Sachin Shah declared a personal interest in that he was a Neighbourhood Champion. He would remain in the room whilst this matter was considered and voted upon.

Councillor Stephen Wright declared a personal interest in that he had undertaken the Neighbourhood Champion training. He would remain in the room whilst this matter was considered and voted upon.

Agenda Item 8 – Implications of the Comprehensive Spending Review

During the discussion on this item, Councillor Sue Anderson declared a personal interest in that she worked part time for Harrow Primary Care Trust. She would remain in the room whilst this matter was considered and voted upon.

Agenda Item 10 – Report from the Scrutiny Lead Members

Councillor Ann Gate declared a personal interest in that her husband was a trustee of Harrow Association of Voluntary Services (HAVS). She would remain in the room whilst this matter was considered and voted upon.

Councillor Bill Phillips declared a personal interest in that he was a trustee of HAVS. He would remain in the room whilst this matter was considered and voted upon.

72. Minutes

RESOLVED: That the minutes of the meeting held on 2 November 2010 be taken as read and signed as a correct record, subject to the following amendment:

- Minute 69 – The Business Transformation Partnership – last sentence of paragraph 5 be changed to read “If the implementation of such LEAN champions was successful the aim would be to increase the number of staff members with such skills”.

73. Public Questions, Petitions and Deputations

RESOLVED: To note that no public questions were put, or petitions or deputations received at this meeting under the provisions of Committee Procedure Rules 17, 15 and 16 (Part 4B of the Constitution) respectively.

RESOLVED ITEMS

74. Neighbourhood Champions - Response to Scrutiny Challenge Panel Report

The Committee received a reference from the Cabinet meeting held on 18 October 2010 which was in response to the Scrutiny Challenge Panel report on Neighbourhood Champions. The Chairman advised that the Portfolio Holder for Environment and Community Safety had submitted his apologies as he had a prior engagement.

In considering the response from the Corporate Director of Community and Environment contained within his report to Cabinet, Members commented and raised a number of issues as follows:

- the response to recommendation 4 was a little ambiguous in terms of timescales and a Member questioned the thinking behind this response;
- there was a significant issue in that the police were taking their responsibility of protecting the identity of the neighbourhood champions to the extent that it could cause the scheme to fail. A Member stated that ward councillors were keen that there should be a proper

connection between themselves and the neighbourhood champions. The increased isolation of the champions would hinder the relationship;

- in terms of the Panel's fifth recommendation, a Member questioned why Phase 2 would not take place. An officer advised that this was in relation to child protection issues and that she would circulate the relevant report to the Member;
- a Member questioned the response to recommendation 9. An officer advised that any concerns should be referred to the Safer and Stronger Community Scrutiny leads. They could then raise those concerns with the relevant Director who could then, in turn, raise them with the Borough Commander. This suggestion was welcomed by Members;
- a Member questioned why recommendation 10 had not been agreed. There was no reason for this decision in the Corporate Director's report. Another Member added that without such a flagging process there was the likelihood that a number of people would report the same incident.

RESOLVED: That the response of Cabinet to the recommendations of the Neighbourhood Champions Scrutiny Challenge Panel be noted.

75. Implications of the Comprehensive Spending Review

The Chairman welcomed the Corporate Director of Finance to the meeting in order to make an oral report on the implications of the Comprehensive Spending Review (CSR).

The Corporate Director of Finance reported that the Local Government Settlement was currently awaited and was expected in the week commencing 6 December 2010. This was close to the publication date for the December Cabinet papers and there were likely to be timing issues in terms of the information available to submit to that meeting.

In making her oral report, the Corporate Director of Finance clarified, in so far as was possible given the information available and current uncertainty, the implications for the Council and other issues as follows:

- the Department for Communities and Local Government had fared relatively badly compared to other government departments;
- there would be a 28% reduction in local government funding in a 4 year period;
- there was currently a funding gap of £16m;
- the cash position was unknown;
- it was expected that cuts would be front loaded;

- the Council would receive equivalent funding from government in order to deliver a 0% Council Tax increase in 2012;
- in terms of specific grants, the assumption had been made that a service would be scaled back in line with grants but more work was required on this area;
- there would be additional funding for Adults and Childrens' Services and most specific grants related to these two services;
- some budget ring-fences may be removed;
- it was unknown whether some grants would be protected;
- there would continue to be reform to the Housing Revenue Account;
- there was likely to be significant changes to the benefits system, including measures to cap the total amount of housing benefit payable. The White Paper on benefits also indicated that Council Tax Benefit would become a local responsibility by 2013/14 and would be subject to a 10% cut;
- there would be big reductions in capital funding which would be of particular significance in relation to schools;
- the police and fire services would be subject to cuts but it was likely that these would be loaded in later years.
- The Council would still be required to contribute to the Carbon Reduction Scheme but would not receive any redistributed funding back.

Members asked questions, sought clarification and challenged assumptions and, in response, the Corporate Director offered clarification as follows:

- despite the best effort of officers to get a head start in the budget and associated consultation processes, this had always proved difficult. Attention tended to focus on the coming year rather than years 2 and 3. Officers had tried to do a thorough review via the Better Deal for Residents programme;
- she was not able to forecast the outcome of the consultation in relation to social care and the decision on who would receive Freedom Passes would be a political one;
- the assumption that would be fed in to the December Cabinet report was that there would be a 10% reduction in the 3 types of grant support. Compared to previous assumptions, the most difficult area would be specific grants;

- a re-calculation of the funding gap based on the new assumptions that the Council would receive assistance in maintaining a 0% Council tax increase and receive an additional £1m in relation to Adults and Children Services would be circulated to Members;
- there was, so far as she was aware, no guidance in terms of a likely capping level in relation to Council Tax;
- it was a reasonable expectation that the report submitted to Cabinet in December be detailed but, due to timings, it was likely that some clarification in relation to the tax base and settlement would be required. The draft report was being prepared and if the settlement information was not received in time for the Cabinet report publication, draft estimates would be included and then updated. The Corporate Director added that officers were planning for the worse case scenario;
- in terms of progress on the Medium Term Financial Strategy, if it were to be front loaded, the situation in years 2, 3 and 4 would be improved. The transformation programme had generated savings of £25m and the expectation was that the end of year 2 position would look quite healthy;
- in terms of the viability issue in relation to the Housing Revenue Account (HRA) raised by a Member and his comment that tenants and leaseholders appeared to be subsidising maintenance of estates, the Corporate Director advised that there was a planned reduction of the HRA and that it was not possible to draw down from balances indefinitely. Tenants and Leaseholders would be consulted on the draft budget. She added that whether or not to charge freeholders for the services they received would be a political decision;
- it was expected that less than 100 households would be affected by the £400 per week cap in terms of housing benefit but she would check the figures and advise Members accordingly;
- the additional costs arising from the IT outsourcing were factored into the current analysis of the £16m funding gap. Whilst the funding gap changed all the time, the final price for the IT contract was close to that reported to Cabinet and Council;
- in terms of the Primary Care Trust's (PCT) £30m overspend, the transfer of additional responsibility of public health to the Council and whether any contingency had been included or liability on the Council, the Corporate Director advised there had been a meeting to discuss funding issues. The PCT's problems were cause for concern. Responsibility for clients had been discussed, agreed and signed off in writing a couple of months previous. She did, however, remain concerned about risk. There was £125,000 contingency;
- from an officer point of view, there was considerable lobbying and also via London Councils, Local Government Association and London

Treasurers. There were strong views about the 'floor' level as 29 London Boroughs were below this. There was a general concern across London that funding would be moved to more rural areas. She added that Harrow did not have the capacity to respond to all consultations which was why a subscription was paid to London Councils to respond;

- there was considerable joint activity with other boroughs, in particular in relation to joint procurement, for example, resourcing project, occupational health, trading standards and adults services. Officers had investigated the opportunities for a shared service. A number of boroughs were trying to amalgamate management teams;
- Members would be provided with background templates to the budget proposals in December. If Members wished to meet with Corporate Directors to discuss a particular service area that could be arranged. She undertook to discuss, with the Administration, the Member's point that it would be helpful to Members to know what options were considered in formulating the recommendations as it would otherwise be difficult to determine whether a sensible option had been chosen. She reminded Members that officers were often somewhat constrained in terms of options;
- there was a risk that property searches may reduce;
- deliberations were required as to whether the New Homes bonus should be included in draft budget so that it was relied upon or whether to treat it as a windfall. The Corporate Director agreed that the Member's proposal to include the social housing element was helpful.

The Chairman thanked the Corporate Director of Finance for her attendance and oral report. He also thanked Members for their questions and contributions.

RESOLVED: That the oral report of the Corporate Director of Finance be noted.

76. Project Scope - Local Performance Management Framework

The Committee received a report of the Divisional Director of Partnership, Development and Performance which set out the draft scope for a review to examine the Council's use of performance information.

In considering the draft scope, Members made a number of comments and sought clarification as follows:

- a Member suggested that a version number or version history be included so that it was clear whether it was an original or revised scope that was being presented to Members. An officer undertook to take this suggestion on board;

- at a scoping meeting, there had been a comment that other, higher performing, boroughs spent more than Harrow and a Member suggested that perhaps a borough that spent a similar amount but that was also a high performer should be included in the methodology;
- if Councils spent more, it may lead to better performance but that anything that Harrow spent should be with a view to saving money. A Member questioned whether the current performance framework provided value for money;
- in terms of resource commitment, the review should be properly resourced in terms of officer time. The scope should state how much time the review would take if it was properly resourced. An officer advised that the scope clarified the resource from within the team which was available and this would be balanced against the projects being undertaken – it was difficult to be any more specific. She also advised that there was no additional support other the 3.5 scrutiny officer posts although, on occasion when the team engaged with a service, support was forthcoming from within the service itself. Another Member added that there needed to be a greater awareness of the scrutiny team's workload and, as such, this should be discussed at meetings of the scrutiny leadership group.

RESOLVED: That the Project Scope of the Local Performance Management Framework Review be approved.

77. Report from the Scrutiny Lead Members

The Committee received a report of the Divisional Director of Partnership, Development and Performance which provided information on the issues discussed in, and recommendations from, the scrutiny lead member briefings for Corporate Effectiveness, Safer and Stronger Communities and Sustainable Development and Enterprise.

RESOLVED: That

- (1) the discussions held by the lead members be noted;
- (2) the relevant actions proposed in the report be agreed.

(Note: The meeting, having commenced at 7.30 pm, closed at 9.07 pm).

(Signed) COUNCILLOR JERRY MILES
Chairman