

CABINET MINUTES

15 DECEMBER 2011

Chairman: * Councillor Bill Stephenson

Councillors:	* Bob Currie	* Graham Henson
	* Margaret Davine	* Thaya Idaikkadar
	* Keith Ferry	* Phillip O'Dell
	* Brian Gate	* David Perry
	* Mitzi Green	

In attendance: (Councillors)	Sue Anderson	Minute 322 and 325
	Susan Hall	Minute 316
	Barry Macleod-Cullinane	Minute 316
	Paul Osborn	Minute 316, 322, 325, 334 and 338

* Denotes Member present
† Denotes apologies received

312. Declarations of Interest

RESOLVED: To note that the following interests were declared:

Agenda Item 5 – Councillor Questions

Councillor Paul Osborn declared a personal interest in that he had received hospitality from Capita. His interest related to question 7, which made reference to the Council's spend with Capita. He would remain in the room whilst the question was answered.

Agenda Item 19 – Primary School Expansion Programme

Councillor David Perry declared a personal interest in that he was a governor of Marlborough School, which featured in the report. He would remain in the room whilst the matter was considered and voted upon.

Agenda Item 23 – Heart of Harrow Area Action Plan

Councillor Susan Hall declared a personal interest in that her business was situated in the area covered by the Area Action Plan. She would remain in the room to listen to the discussion on the item.

313. Minutes

RESOLVED: That the minutes of the meeting held on 17 November 2011, be taken as read and signed as a correct record.

314. Petitions

RESOLVED: To note that the following petition, containing an additional 64 signatures to the one submitted to Council on 3 November 2011, was presented to Cabinet by Councillor Margaret Davine and referred to the Corporate Director Community and Environment for consideration:

Campaign to Achieve Fair Trade Borough Status

“We, the undersigned residents and users of Harrow’s shopping centres, would like to draw your attention to Harrow’s Campaign to become a Fairtrade Borough. We would like each of the 21 Wards in the Borough to become a Fairtrade Ward, demonstrating that Harrow cares about social justice and Fairtrade. We would like to see our elected representatives encouraging schools, businesses and faith communities to embrace Fairtrade.”

315. Public Questions

RESOLVED: To note that no public questions had been received.

316. Councillor Questions

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

1.

Questioner: Councillor Susan Hall

Asked of: Councillor Bill Stephenson, Leader of the Council and Portfolio Holder for Finance and Business Transformation

Question: “Has an assessment been done to determine the cost to the Council as well as the impact on services of the extra staff day off on 28th December, announced at short notice earlier this week and, if so, what is this impact and cost?”

Answer: The answer to the first part of your question is yes and the answer to the second part of your question is very little.

Supplemental Question: Is it not true that since the budget is not balancing, we should be looking for ways of saving money, not spending money?

Supplemental Answer: There have been some inaccurate figures quoted in the Harrow Times of £320,000. Giving staff a day's extra holiday is not payment to staff, it is a notional cost of the total loss of productive time and the Harrow Times' number is based on the workforce of 2009, which is out of date.

The majority of Council employees are paid on the basis of an annual salary, so for these staff there is neither a direct cost nor saving associated with providing an additional day's leave. The majority of our staff go the extra mile and work additional hours every week without getting overtime. A small minority of staff who work irregular work patterns will receive additional paid leave costing in the region of about £15,000.

On the other side there will be compensatory savings in services which close for the day where temporary staff would otherwise have been employed. Where premises are closed there will also be savings on utility bills, for example on lighting/heating costs.

It is also worth noting that our staff receive a basic leave entitlement of 23 days a year, whereas most London boroughs give between 24 and 28 days a year.

I would also remind you that the Conservative administration also awarded the staff an extra day's holiday on 2 January 2009. This also was at a very difficult financial time for the Council when the staff had gone that extra mile. We, in opposition, supported this and I wonder why you did not make the comments you are making now, at that time.

This gesture is a way of thanking staff as we had done in 2009 and we supported that, for all their hard work for Harrow residents in what was a very tough year.

You and I were together earlier this afternoon at the CREATE awards congratulating staff for outstanding work. The day before we were congratulating staff for who worked over the odds dealing with the Belmont fire incident and not so long ago we were congratulating our youth workers and other staff for their efforts during the London riots. I have to say I am disappointed and I am sure the staff will also be, that you cannot support them and your denigration of their efforts is totally unserved.

However, I am pleased to say that your view is not all supported by members of your Group as I received an email from one of your Group Member which says "Well deserved. Delighted the staff are being rewarded for their excellent work. With regards."

Let me quote two more emails that we received from staff.

"Dear Michael and Bill,

Thank you and Merry Christmas from a very happy member of staff. Such a gesture of goodwill and recognition by management that our efforts is appreciated is very rewarding and goes a long way to help foster a positive environment in difficult times.

Thank you again and wishing you, and us a happy and positive 2012."

"Dear Michael and Bill,

Despite the current climate, I did not expect such a kind gesture. I was resigned that I would be working over the Christmas period as I have no leave left. I have a young family and can at least work one day for Crisis at Christmas which I do every year."

I hope that you will reflect hard and long on this issue and issue an apology to the staff you have so undermined.

2.

Questioner: Councillor Susan Hall

Asked of: Councillor Phillip O'Dell, Portfolio Holder for Environment and Community Safety

Question: "According to page 36 of the Draft Revenue Budget, you intend to make £90,000 of savings by moving penalty charge notice appeals and parking permits to an online only format. Do you not have concerns that this will cause difficulties for some of our more vulnerable residents, and those without access to a computer?"

Answer: This administration takes equality duties very seriously and is committed to achieving excellence under the Equality Framework for Local Government by March 2013 and, to fully support that, all Cabinet Members and senior officers, including second line managers have received equality assessment training.

With regard to the specifics of the question that you have asked, the changes being made will enable us to close both the face to face and telephone channels for handling PCN payments and appeals. The option to pay is available online (whereby they can see all relevant photographs of the offence), via the automated payment line (for those who do not have internet access) or by using the payment kiosk in the One Stop Shop. An appeal has always had to be made in writing and customers have the option to do this either online or by post.

Over 85% of residents have domestic access to broadband internet. For vulnerable people and those residents who do not have access at home, PCs are available in both the Civic buildings and the local libraries where staff are able to assist them complete the web forms.

Staff will be available in the One Stop Shop or on the phone to discuss more complex issues such as bailiff enquiries.

Supplemental Question: Have you done an Equalities Impact Assessment?

Supplemental Answer: I did say that we have been trained on Equality Impact Assessments and I will say, as well, that the initial Equality Impact Assessments have taken place for all the items within the draft budget.

3.

Questioner: Councillor Susan Hall

Asked of: Councillor Phillip O'Dell, Portfolio Holder for Environment and Community Safety

Question: "With the Community and Environment department enduring over £3.4 million of cuts in 2013-14 (according to page 22 of the Draft Revenue Budget), and with proposals being considered to reduce its staff on a 1 in 4 basis, are you not concerned that the department is bearing a disproportionate load of budget cuts and efficiencies?"

Answer: The difficult situation facing Harrow Council and all local authorities is not of this Council's making but, requires Harrow to make real cuts in expenditure.

This Council is facing a budget gap of over £31million

for the next 3 years. The draft budget proposals, one of which you have quoted, sets out proposals being considered to close the wider gap for consultation.

Supplemental Question: Right, I have here a news report that quotes you as saying that you will fight tooth and nail to defend frontline services. Given that this is in the proposals, the budget proposals, can you guarantee that frontline services will not be affected?

Supplemental Answer: No, I cannot guarantee that frontline services will be protected but this administration is on record to try and defend frontline services.

As I was saying, the cuts that are being forced on this Council are not of its making.

4.

Questioner: Councillor Barry Macleod-Cullinane

Asked of: Councillor Bob Currie, Portfolio Holder for Housing

Question: "Doesn't the fact that Council tenants face a 6.75% rent increase for 2012-13 (page 280), despite your much-vaunted rent strategy in March 2011 approving an increase of just 3.7%, demonstrate that your underlying assumptions about inflation have been hopelessly wide of the mark and tenants are now being asked to carry the can for your failure to control costs and make adequate provision against rising inflation?"

Answer: It is right that the Administration are considering changing the Rent Strategy. However, I must advise you that there will be no decisions on rents until the New Year and following the annual consultation with tenants at the beginning of January.

When the rents were set last year, the government inflation figure was not known in relation to rent setting for 2012/13, and as a result, the rent strategy assumed inflation at 2.5% within the rent formula and to reach conveyance within the Government intended guidelines.

Community and Local Government announced on 21 November that the September 2011 inflation figures of 5.6% should be used in calculating rents, which when used in the rent calculation resulted in this average increase.

The fundamental principles around the rental strategy enables a substantial Housing Revenue Account, whilst

maintaining affordability for the tenants, remains unchanged. However, some of the assumptions, not least inflation, need to be updated.

I am sure that you will appreciate the difficulty in estimating inflation in the current financial climate but what I would say is that this is the first time in a number of years, the three year rental strategy will help to bring the HRA into balance as a consequence of careful management.

Supplemental Question: Given the fact that it is a very harsh climate, will you undertake firstly that where you have got a fall in the inflation rates before the rents are actually set, that you will pass on any savings to tenants and further, given the fact that it is Cabinet with collective responsibility and the assumptions on inflation have been so out of whack, do you have any confidence in the Portfolio Holder for Finance and Business Transformation's ability to manage the finances correctly?

Supplemental Answer: The last part of your question is Yes, I do, and the other part is there have been no decisions taken about the rent increase until the consultation with the tenants is completed. I am amazed at this question when the Conservative administration previously raised the level of rents by 17.3%.

5.

Questioner: Councillor Paul Osborn

Asked of: Councillor Bill Stephenson, Leader of the Council and Portfolio Holder for Finance and Business Transformation

Question: "The Draft Revenue Budget contains a total of around £2.1 million in procurement savings from various departments. Can you clarify if these savings are on top or part of the £2 million in procurement review savings that were included in last year's budget for 2012-13?"

Answer: I can clarify that the £2.1m of savings replace the £2m which was included in the MTFs last year. That £2m was, of course, the round-sum estimate. Again, I hope we are going to make more savings but we will have to wait and see. For the whole Council, it was not broken down into specific categories or Directorates. It has now been replaced with specific procurement savings which are, as you have identified, included in the relevant Directorate budgets.

6.

Questioner: Councillor Paul Osborn

Asked of: Councillor Bill Stephenson, Leader of the Council and Portfolio Holder for Finance and Business Transformation

Question: “According to paragraph 52 of the Draft Revenue Budget, the section 256 money from Harrow PCT will be used to support additional Adults expenditure in 2012/13. Last year you channelled this money into your Transformation and Priority Initiatives Fund, but have yet to spend over half of it. Do you now accept this was a poor decision, particularly at a time when you are increasing the costs to residents for Adult services?”

Answer: I am inclined not to answer this question because I totally reject the premise of your question. I do not know why you continue to peddle the myth that we channeled the PCT money into the Transformation and Priority Initiatives Fund.

As I have repeatedly explained to you and so has the Interim Director of Finance, the PCT money received was used to contribute to the funding of adult social care. The Council money that was allocated within the 2011/12 Budget when we were unsure of whether or not we would receive the PCT money was therefore able to be released and transferred to the Transformation and Priority Initiatives Fund.

Moreover, I must add we ensured that the money that we put into the budget was actually written into the base budget which the PCT money would not have been and was not simply a one-off payment, thereby making sure that we were really protecting adult social care spending pressures.

I regard it as a matter of prudence and good budget management that we have deliberately not yet allocated all the Transformation and Priority Initiatives Fund and are taking a cautious and sensible approach to its usage. I remain firmly of the view that setting up this Fund was an extremely good decision.

Supplemental Question: Is it not the case that in fact, all of that money was used, or largely all of it, for just redundancies when it should have been used for adult social care and that you said in July 2011 in the Harrow Times that “now we have got this money, other departments that had to make savings to have a balanced budget could now be put back in the

pot” and as far as you were concerned, you had already provided for adult social care in your budget?

Supplemental Answer: I said that when we set the draft budget. We put in the amount of money we were expecting to get from there. We then, when we did get the money, transfer it. We put £2.1 million in but we did not get the correct amount.

All departments are able to bid for that money and as I said, they would be there, we benefited, we are receiving monies for the previous year, the next few years, we believe but again there is always the problem they are one-off so we have to make sure that we put the right money into the adult social care budget. If you look at the budget, we are putting in £3 million this year because there are serious pressures on adult social care and part of that will be the PCT money.

7.

Questioner: Councillor Susan Hall

Asked of: Councillor Bill Stephenson, Leader of the Council and Portfolio Holder for Finance and Business Transformation

Question: Could you provide a breakdown of how much the Council has spent with PriceWaterhouse Coopers and Capita on consultancy work over the last five years?

Answer: I am surprised that you have asked for this information again when I know you have already been provided with it.

Different people have different views on what exactly is meant by consultancy and both Capita and PwC have provided us with a wide range of services over the last few years, including a key role in our Transformation Programme and the implementation of modern information technology solutions.

The total spend with the two organisations over the last years, are as follows but I would not necessarily emphasise that they were all consultancy:

2006/07: Capita £9,256,000, PwC £74,000;
2007/08: Capita £8,265,000, PwC £127,000;
2008/09: Capita £9,011,000, PwC £500,000;
2009/10: Capita £10,275,000, PwC £747,000;
2010/11: Capita £9,456,000, PwC £811,000; and
Capita in 2011 to 4 Oct 2011 £6,640,00, PwC £109,000.

I would add that the Capita figures include the costs of running our IT from October 2010 and the PwC costs in 2011 did include the costs of the capital investigation.

A supplemental question asked was not considered by the Leader of the Council as arising directly out of the original question or rely given and was therefore not answered.

The Leader asked that Councillor Hall raise this matter up with him directly and he would take it forward.

The following questions were not reached in the time limit of 15 minutes. It was noted that written responses would be provided and these have been reproduced below.

8.

Questioner: Councillor Susan Hall

Asked of: Councillor Bill Stephenson, Leader of the Council and Portfolio Holder for Finance and Business Transformation

Question: “Could you please provide both the headline figures and a department by department breakdown of the number of Council salaries which have been capitalised, as well as their departmental and total values?”

Answer: Set out below is the information from 08/09 to 10/11.

Please note that details of the Community and Environment Directorate (numbers of staff capitalised) has been extracted from the financial system which does not include the number of staff in the journal postings to capital.

Capitalised Council Salaries

Directorate	2008-	2008-	2009-	2009-	2010-	2010-
	9	9	10	10	11	11
	FTE	£000	FTE	£000	FTE	£000
Children's Services	0	0	5	401	3	173
Chief Executive	17.25	962	10.5	571	2	116
Adults	2.5	112	0	0	0	0
Housing	0.3	13	0	0	2	72
Finance	0.25	45	0	0	0	0
Community & Environment	n/a	6,374	n/a	5,480	n/a	3,618
Place Shaping	7	356	17	600	2	95
Total	27.3	7,862	32.5	7,052	9	4,074

9.

Questioner: Councillor Barry Macleod-Cullinane

Asked of: Councillor Thaya Idaikkadar, Portfolio Holder for Property and Major Contracts

Question “Can you provide figures and details of the opportunity costs faced by Harrow Council taxpayers and residents (in terms of higher prices and lower service standards) of your decision to exercise the option for an extension (by one year) of the maintenance contract with Mouchel rather than to formally re-tender the contract under OJEU rules in sufficient time that a new contractor could have been in place prior to the contract’s original expiry (in Summer 2011)?”

Answer: The contract extension was for nine months, for the period 1 July 2011 to 31 March 2012. As I have stated previously at Cabinet meetings, consideration of the contracting arrangements began in May 2010, with a full appraisal of future contracting options. Discussions were held with EM to determine extension options exploring possible savings/discounts, etc.

The decision to award an extension was made by Cabinet, on the basis of the time required for a full procurement process in accordance with the OJEU restricted regulations.

Tender analysis suggests the procurement exercise has been successful in obtaining cost reductions from the new supplier over what we pay at present. This was one of the objectives of the action, and indicates the approach to the market was well timed. What the situation may have been if procurement had been at another time could only be a guess.

10.

Questioner: Councillor Barry Macleod-Cullinane

Asked of: Councillor Thaya Idaikkadar, Portfolio Holder for Property and Major Contracts

Question: “Did consideration of Mouchel's financial performance and declining share price factor into your decision to renew the contract with them?”

Answer: I have to emphasise that the current partnership is with EnterpriseMouchel, not solely Mouchel. EnterpriseMouchel is jointly owned by Enterprise and

Mouchel, as the name might suggest, but is a separate entity. Mouchel's increasing struggles were noted earlier this year and assurances were sought from EnterpriseMouchel. Assurances were provided that there would be no impact that would affect their performance in Harrow. There has been no impact to date. The decision to extend EM's contract was not based on Mouchel's current or future performance.

11.

Questioner: Councillor Barry Macleod-Cullinane

Asked of: Councillor Thaya Idaikkadar, Portfolio Holder for Property and Major Contracts

Question: "In light of Mouchel's financial fortunes, what contingencies and controls have you caused to be put in place to ensure that Mouchel will deliver their contracted services, on time and on budget, in Harrow for the remainder of the one-year extension you agreed to the contract?"

Answer: EnterpriseMouchel deliver contracted services to Harrow with performance measured monthly through a number of key performance indicators. In the sixth month of the given extension performance has been satisfactory with KPI's being monitored closely. Programmes of work for the period are pre agreed with EM and to date there have been no significant issues.

12.

Questioner: Councillor Barry Macleod-Cullinane

Asked of: Councillor Thaya Idaikkadar, Portfolio Holder for Property and Major Contracts

Question: "In light of the repeated references at the Call-In on December 5th 2011, could the Portfolio Holder please set out, in detail, the full "consultation" results that the Council collected at the two presentation events held in the summer of 2009 (24/06/09 and 01/07/09) regarding the future Whitchurch Pavilion and Playing Fields, along with Place Shaping's thorough and detailed analysis of those results in its entirety?"

Answer: The Cabinet report of the 17 November 2011, in respect of Whitchurch Playing Field, clearly states under section 2.2 (Background), that both consortiums were required to carry out a public presentation during June and July 2009, for local residents.

As stated at the Call-In on 5 December 2011, this was not a Council Consultation but an opportunity for residents to be consulted by the preferred bidders regarding their proposals.

The Senior Professional for Estate Development attended both meetings and the notes in his day book confirm that approximately 45 people attended the first two sessions on 24 June 2009 and approximately 50 people attended the two sessions held on 1 July 2009. The notes also confirm that the main areas of concern raised by residents, related to parking, traffic congestion, flooding and late night use of any new facility.

These material factors were clearly and properly reported to Cabinet within the Officer report presented on 17 November 2011.

Additionally, I am advised by Officers that a member of your Administration's Cabinet, who attended the presentation on 24 June 2009, issued an email on 25 June 2009, which listed the main areas of concern as being parking, noise, general concerns re the floodplain and impact, particularly on Abercorn Road, concerns over flood lighting, who would continue to have access to the playing fields, and concerns about the inclusion of a licensed bar.

Given that this was a consultation exercise undertaken by the preferred bidders, at that time to help shape their final proposals, there was no requirement for Council Officers to compile 'a thorough and detailed analysis of those results in their entirety'.

Given that your Administration suspended the Project in November 2009, there does not appear to be any information to demonstrate how your Administration chose to use the information gleaned by the preferred bidders through these engagement events.

This Administration is keen to enable development of superb new leisure and recreational facilities, even in these difficult economic times, to ensure that we can keep our promises to the community of Harrow.

However, we will ensure that meaningful consultation takes place with all relevant parties, but in particular local residents. I have given my absolutely clear assurances that nothing will happen on this site, unless and until myself and my Cabinet colleagues, have

carefully considered the product of the consultation, which The Whitchurch Consortium are now required to undertake, if they wish to further the development of their proposals for this important site.

The decision which was taken on 17 November 2011, and subsequently confirmed at Call-In on 5 December 2011, will now enable our single preferred bidder, to engage in the necessary meaningful consultation, as this Administration had intended from the point at which we chose to consider the delivery of this project.

13.

Questioner: Councillor Barry Macleod-Cullinane

Asked of: Councillor Bill Stephenson, Leader of the Council and Portfolio Holder for Finance and Business Transformation

Question: “When it comes to public consultations by the Let’s Talk Council, what have you set as the bar for each department to attain when they do consultations and what measures have you set in place to ensure and monitor that this minimum standard is reached?”

Answer: We launched Let’s Talk in order to engage and involve our residents, partners and users in a very different way than the Council had done in the past. This was a deliberate move away from ‘Have you heard’ and our approach has been enshrined in our vision and priorities:

- Working together: our Harrow, our community
- Involved and united communities; a Council which listens and leads.

As set out in our Corporate Plan this year, 2011 has been the year of community conversation with a significant number of our services having embarked on a series of consultations with Harrow residents which are now feeding into and shaping our budget proposals for 2012/2013.

To name but a few we have:

- launched major localised consultations with tenants and leaseholders and as a result are involving them more and more in the decisions that affect them;

- run our Let's Talk II campaign to find out what residents think about our parks and open spaces, leisure and recreation facilities and libraries;
- consulted on our Children's services; a new model for Children Centres which means that we were able to open three new such centres and still make good the cuts made by the Government to our Sure Start grant - thoroughly consulted on and discussed with all concerned;
- consulted on Adult social care: contributions; transport; meals on wheels; concessionary fares; personalised budgets - difficult issues thoroughly discussed and everyone's views taken into account, savings made and front-line services protected and enhanced;
- consulted on the Town Centre: immediately on coming to power we set up the Major Developments Panel and have encouraged an open dialogue with developers, businesses and traders, young people and community groups with the aim of re-generating the Town Centre and District Shopping Centres bringing in new homes, new facilities and local jobs.

I believe this approach has begun to resonate with residents and our net satisfaction with the Council rose by 15% earlier this year, despite the very difficult financial situation.

The Council has an agreed consultation strategy which sets out how the Council should manage consultations. We are in the process of reviewing this strategy, and are committed to ensuring that all our consultations are relevant, timely and help us to develop and deliver services with and for our residents and communities. The Council's Better Together Board (a Cross Directorate group made up of senior managers) reviews progress on major consultations on a monthly basis, to ensure that we are on track and relevant Portfolio Holders are involved in the sign off of consultations before going into the field. As part of our service planning for 2012/13 we will develop a comprehensive programme of consultations to help us with the decisions we have to make on services in 2013 and beyond, which in effect will mean we continue our year of community conversation well into the future.

The results of our consultations to date are helping us to

make some tough decisions on the budget and on the services we provide. The fact that we have been able to develop such robust proposals as a result of our involvement and engagement this year is a robust measure of the quality of these consultations. I am therefore confident that in the years ahead we will continue to run our consultations to a high level of quality refining and honing as we learn lessons on the way.

14.

Questioner: Councillor Paul Osborn

Asked of: Councillor Bill Stephenson, Leader of the Council and Portfolio Holder for Finance and Business Transformation

Question: "Why have you not been able to match Hammersmith and Fulham's 3.75% cut in Council Tax?"

Answer: I do not have the full details of what is proposed by the London Borough of Hammersmith and Fulham as part of its budget for 2012/13. However my understanding is that they do include significant cuts to services, which will not be a surprise to anyone.

In the past we have campaigned for a fair grant for Harrow which has been treated very unfairly compared to other boroughs such as Hammersmith and Fulham, which receives £2,448 per head compared with £1570 per head for Harrow. If we had the extra £978 per head, what couldn't we do?

I hope you will join us in continuing the previous Administration's campaign for a Fair Grant for Harrow. Harrow' grant per head remains one of the lowest in London. This all seems to have grown very quiet with the Conservative / Liberal Democrat coalition government. Indeed it would seem that we are in fact moving backwards with the government's Local Government Resource Review which looks to make Harrow even worse off.

15.

Questioner: Councillor Paul Osborn

Asked of: Councillor Keith Ferry, Portfolio Holder for Planning, Development and Enterprise

Question: “Can you confirm how much Johnny Robinson was paid to turn on Harrow's Christmas lights, given the number of negative comments from residents regarding how long he stayed for?”

Answer: Johnny Robinson was paid £300 to switch the Town Centre Christmas tree lights on, on Thursday 1 December.

The evening provided an opportunity for residents to see St Ann's Road, which in my opinion has never looked better at Christmas, and to take the opportunity to begin their Christmas festivities.

The evening also provided an opportunity for shops to benefit from additional footfall, on our normal weekly late night shopping evening.

In addition to Johnny Robinson, there was an opportunity to interact with the Light Garden outside St George's, Sparky the robot, Balloon-a-matic (balloon modellers), together with the local choir

Your question suggests that a lot of people have complained about Johnny Robinson's appearance. To my knowledge only three people complained to the Harrow Times – hardly a large number!

I am advised that more than 300 people showed up to see the lights being switched on – that's 300 people coming into the town centre who might not have otherwise done so, and many of them will have spent money on something to eat, or in the shops.

This Administration is doing everything that it possibly can, to support our Town Centre through these difficult times.

Paul, I'd like to read you some feedback from Darren Harman who is the manager of St George's.

"I think the OLF is having a positive impact and showing as a town centre that we are moving forward. I believe the issues on the night of the switch on were weather led - despite the fact it was cold and wet, it created a buzz ..."

"I think it was good value for money and it's great we have a Council that is proactive in driving the high street to where we all want it to be. The Christmas Lights switch on was part of an ongoing programme that the OLF is paying for, with events and activities that Harrow

Town Centre has not had for a while, trying to drive footfall into the area."

This Administration has enthusiastically embraced the Outer London Fund and is committed to responding appropriately to the fund's criteria, to dress our High Streets.

The Festive Lights, Diwali Light installation of giant tulips and Christmas installation of giant snowdrops, lotus flowers and allium are examples of what has been achieved to date.

On 15 December, we will be launching the Shop Local campaign with St George's and St Ann's and on Thursday and Saturday afternoons music will be playing from the Light Garden.

Behind the scenes, MUF internationally renowned architects are working with Harrow Council to advise on how Harrow Town Centre and the public realm can be configured to stage public events. MUF won the European Prize for public space in 2008, and were nominated for the Mies van der Rohe Prize.

If you tune into 87.7FM you will hear Harrow Community Radio, supported by Harrow Council, through the Outer London Fund. HCR includes features on business support, including a pitch from North West London's Chamber of Commerce Marketing Director stars this week.

I hope that you will support this fantastic initiative. HCR would welcome your suggestions if you want to promote a particular event, or raise awareness, about a group or association that serves the community and the town centre.

In November, the Council entered into contracts respectively with Town Talk and Vision On, to help promote Harrow Town Centre.

Town Talk will be developing a web site to promote Harrow Town Centre. Town Talk have received a number of prestigious awards for their work. This includes

- Association of Town Centre Management Best Project;
- Property Week Property Awards Winner; Regeneration.

Vision On will be delivering a visual merchandising programme to independent businesses in Harrow Town Centre. The programme aims to bring "West End" display skills to our smaller businesses. Vision On are also an award winning company. Their awards include:

- Finalist for Best London Regeneration Project, the London Business Awards 2010;
- Association of Town Centre Managers Award, 'Enhancing the Retail Offer' 2007;
- British Female Inventor & Innovation Award, Diamond Award for Building Capacity 2007;
- Runner-up Award Enterprising London, LDA Enterprising Britain Award 2007.

In the Spring, the council will be organising a dance showcase and food festival for St Patrick's Day, which we expect will bring additional footfall and spend to the Town Centre and all being well we will have bright springtime weather for what I know will be a wonderful event.

Any ideas that you have, please do not hesitate to contact me.

317. Forward Plan 1 December 2011 - 31 March 2012

The Leader of the Council informed Cabinet that:

1. the Shared Legal Practice and Capital Programme items had been deferred to January and February 2012 Cabinet meetings, respectively;
2. the reference to 'Open Spaces Strategy and Action Plan' ought to be deleted, as this matter was considered by Cabinet in November 2011;
3. the report on 'Half Year 2011/12 Treasury Management Activity' was considered to be Key but was not listed on the December Forward Plan. Necessary notifications/approvals had been obtained to allow Cabinet to consider this item;
4. in relation to the report on 'Collection Fund Calculation of Tax Base for 2012 - 2013 and Collection Fund Surplus/Deficit', the two reports had been amalgamated. Necessary notifications/approvals had been obtained to allow Cabinet to consider this item, as the December 2011 Forward Plan only made reference to the Council Tax Base. The Collection Fund was included for January 2012.

RESOLVED: To note the contents of the Forward Plan for the period 1 December 2011 to 31 March 2012.

318. Progress on Scrutiny Projects

RESOLVED: To receive and note the current progress of scrutiny reports.

319. Harrow Partnership Board

Cabinet received an information report of the Assistant Chief Executive, which set out a summary of the business considered by the Harrow Partnership Board at its meeting held on 7 December 2011.

The Leader of the Council reported that the minutes of the Board were available on the Council's website. He welcomed the report, which provided a flavour of the substantive business discussed by the Board.

RESOLVED: That the report be noted.

[Call-in does not apply to decisions that have been noted].

RECOMMENDED ITEMS

320. Half Year 2011/12 Treasury Management Activity

The Interim Director Finance introduced the half year summary of Treasury Management activities for 2011/12. The report also proposed changes to the external debt limits and Counterparty Policy. A minor amendment was made to paragraph 28 of the report increasing the range for recommended maximum maturities for major UK banks from 0 to 36 months instead of the 24 months stated.

The Interim Director informed Members that the outturn position was favourable and the budget was prudent. She referred to the policy on credit ratings and the need to invest money where the returns were higher than those received currently by the Council. The report therefore proposed a change in the investment policy, which the Governance Audit and Risk Management Committee had also agreed following advice from Sector, a leading and independent provider of capital financing, treasury advisory and strategic consulting services to UK public service organisations.

Resolved to RECOMMEND: (to Council) That

- (1) the revised Counterparty Policy for investments, shown in appendix 1 to the report, be approved;
- (2) the increase in authorised limit (£378m) and operational boundary (£366m) for external debt be approved.

RESOLVED: That

- (1) the Half Year Treasury Management activity for 2011/12 be noted;
- (2) the Governance, Audit and Risk Management Committee be asked to review the report.

Reason for Decision: To promote effective financial management and comply with the Local Authorities (Capital Finance and Accounting) Regulations 2003 and other relevant guidance. To note the Treasury Management activities and performance.

[Call-in does not apply to a Recommendation to Council].

321. West London Waste Plan: Pre-Submission Consultation Document

The Portfolio Holder for Planning, Development and Enterprise introduced the report, which set out the results of the consultation held in February and March 2011 on the West London Waste Plan (WLWP) Proposed Sites and Policies Consultation Document and introduced the next version of the Plan, the Pre-Submission Document, proposed for public consultation in January 2012.

The Portfolio Holder referred to the report of the Local Development Framework Panel, which proposed amendments to the draft West London Waste Plan: Pre-submission Consultation Document prior to its publication. The main changes being proposed were that the WLWP Policy 1 be split into two policies and that the resultant Policy 2 be amended, as described in detail in the LDF report. Observations of the Overview and Scrutiny Committee were also received.

Resolved to RECOMMEND: (to Council) That

- (1) subject to the changes in the existing draft document as recommended by the Local Development Framework Panel meeting held on 8 December 2011, the West London Waste Plan: Pre-Submission Consultation Document and the associated Sustainability Appraisal be approved for the purposes of public consultation;
- (2) authority be delegated to the Divisional Director of Planning in consultation with the Portfolio Holders for Planning, Development and Enterprise and Environment and Community Safety, to agree the Sustainability Appraisal and Equalities Impact Assessment and to make any minor editing/textual changes to the Pre-Submission Draft of the West London Waste Plan prior to public consultation.

RESOLVED: That

- (1) the responses received to the consultations held during February and March 2011 on the West London Waste Plan: Proposed Sites and Policies Consultation Document be noted;

- (2) the contents of the West London Waste Plan: Pre-Submission Consultation Document, in particular, the continued inclusion of the Council's Depot site on Forward Drive as a proposed new waste management site in Harrow be noted;
- (3) it be noted that approval was also being sought to undertake consultations on the West London Waste Plan: Pre-Submission Consultation Document by five other west London councils, namely Brent, Ealing, Hillingdon, Hounslow and Richmond upon Thames, as members of the West London Waste Authority partnership.

Reason for Decision: To enable the Council to make meaningful progress on the West London Waste Plan (WLWP) in order to meet targets set out in the London Plan 2011, and Planning Policy Statements 10 and 12.

[Call-in does not apply to a Recommendation to Council].

RESOLVED ITEMS

322. Senior Management Structure

Cabinet received a report of the Chief Executive, which set out the outcome of the consultation on changes to the Council's Senior Management Structure and proposed a revised Structure to better enable it to achieve its strategic objectives. Observations from the Overview and Scrutiny Committee meeting held on 13 December 2011 were also tabled at the meeting.

The Leader of the Council advised that a Scrutiny Challenge Panel had considered the proposals and invited two Members of the Challenge Panel to address Cabinet. The Chairman of the Panel thanked Cabinet for this opportunity and stated that, broadly, the Challenge Panel was in favour of the proposals and had particularly welcomed:

- the proposed move towards a more strategic leadership, which would involve the examination of issues cross-Council;
- the suggested setting up of Operation Boards, which aimed to benefit the Council to better deal with the day-to-day issues, thus freeing the Corporate Directors to focus on key strategic issues. This proposal would also help to eradicate silo-working.

The Chairman of the Challenge Panel outlined some reservations on the proposals, including the role of the Section 151 Officer in the proposed new Structure and the need for the Structure to reflect the diversity of Harrow's community. Another Member of the Challenge Panel agreed with the sentiments and was of the view that further discussions on the process ought to take place at the Chief Officers' Employment Panel, which was the appropriate forum for considering matters such as ring-fencing and assimilation. He was also concerned about the role that the Monitoring Officer would play as he was keen to ensure that statutory officers had

appropriate authority within the organisation to provide challenge at the highest level.

The Chief Executive provided some background to the report since Cabinet's consideration of an information report on the initial proposals at its meeting on 17 November. He added that the consultation period had finished on 18 November and further consultations had been undertaken with the existing Corporate Directors on 24 November. He thanked staff and the Trade Unions for their contributions and advice on the proposals, and informed Cabinet that he had met with a number of contributors at their request to discuss their responses. Written responses had been circulated with the report and with their agreement. It was noted that the Chief Executive had attended the Scrutiny Challenge Panel meeting to discuss his proposals, as part of the consultation process.

The Chief Executive thanked his management team their involvement and contributions with regard to the proposals. He was grateful for their positive comments.

The Chief Executive then explained to Cabinet the context of his proposals that the Council needed to respond to a new environment and the proposals were integral to the delivery of the type of organisation the Council ought to be in order to meet these new challenges. The proposals would enable the Council to respond to the challenges and opportunities that lay ahead whilst continuing to make step changes in improvement. Moreover, he was mindful of the need to make savings of £16m in 2012/13, which included his commitment to reduce senior officers from 30 to 20. His initial proposals would help achieve these goals.

The Chief Executive referred to the responses received from staff and Trade Unions which were positive and supportive of his proposals. He was not recommending any changes to the creation of the four Corporate Director posts proposed initially, as he considered this would help achieve better horizontal and cross-working within the organisation at a more strategic level. It would be for the Chief Officers' Employment Panel to agree the selection criteria and process for appointing to posts in the new structure and he would ensure that the Scrutiny Challenge Panel report was included in his submission to the Panel.

The Chief Executive added that he was mindful of the comments made in regard to the roles of the statutory officers and that he had reflected on and listened to the comments made. The organisation should have the best candidate for the Corporate Director of Resources' post. Should the statutory roles of the Section 151 Officer and the Monitoring Officer be represented below the Corporate Director tier, arrangements would be put in place to ensure that these roles were able to discharge their responsibilities effectively. There would be an open invitation to the post holders to attend meetings of the Corporate Strategy Board, including a 'dotted' reporting line directly to him and monthly meetings with him to allow them to discharge their statutory responsibilities. These proposed changes had been introduced in light of the comments received from the Scrutiny Challenge Panel. Additionally, the Chief Executive had consulted both CIPFA (Chartered Institute of Public

Finance Accountants) and the Council's external auditors who were content with the proposals.

In summing up, the Chief Executive stated that the proposals would be reviewed 18 months after implementation. He would be discussing the 3rd Tier Structure once the Corporate Directors were appointed to the new posts with a view to developing synergies across the organisation. The proposals for Operating Boards would also be discussed once the new management team was in place.

The Chairman of the Challenge Panel thanked the Chief Executive for taking on board the Panel's comments.

The Leader of the Council suggested that Scrutiny, as a 'critical friend', might want to explore further aspects of their comments. The Leader welcomed the Chief Executive's proposals, which would give the Statutory Officers direct access to the Chief Executive and the relevant Portfolio Holders. Additionally, the proposals would help eradicate silo working and ensure that the organisation was working across Directorates. The proposal to set up Operations Boards was creative and could be mirrored on the existing Adults and Children Services Think Tank. The proposal would help further transparent working. Finally, he invited Scrutiny to provide any further thoughts after the Corporate Directors were in place, particularly in relation to the 3rd Tier Management Structure.

RESOLVED: That

- (1) the proposed Senior Management Structure, as set out in the Consultation Pack, attached at appendix 1 to the report, be approved;
- (2) the job descriptions, as set out in the Consultation Pack attached at appendix 1 to the report, be approved.

Reason for Decision: To enable implementation of a more cost effective and strategically focused Senior Management Structure.

323. Calendar of Meetings 2012/13

Cabinet received a report of the Director of Legal and Governance Services, which set out proposals for the Council's Calendar of Meetings for the Municipal Year 2012/13. A minor amendment was made and it was

RESOLVED: That the Calendar of Meetings for the Municipal Year 2012/13 be approved.

Reason for Decision: To approve the Calendar for the succeeding Municipal Year. To facilitate the planning and forward commitments of both Members and officers, and allow the room booking arrangements to be put in place at the earliest opportunity.

324. Strategic Performance Report - Quarter 2

Cabinet received a report of the Assistant Chief Executive, which summarised Council and service performance against key measures and drew attention to areas requiring action.

The Portfolio Holder for Performance, Customer Services and Corporate Services set out the context in which the presentation was being made to Cabinet. He added that the presentation would show a balanced view of areas where the Council was performing well and those where improvements were needed, against a changing national policy agenda which created some uncertainty combined with an adverse financial climate.

As part of the presentation, the Portfolio Holders outlined the notable achievements and challenges in each of their Portfolios and against the Council's Corporate Priorities. Of particular note were:

- comparative data across London had confirmed that Harrow was a low funded, low spending, high performing authority and, given the adverse financial climate, this was notable. Additionally, the Council had set itself challenging 'stretch' targets;
- in relation to the Council Priority on 'Keeping Neighbourhoods Clean, Green and Safe', household waste recycled and composted had reached 53% and 55% in August and September 2011 respectively and Harrow was in the top quartile in London. However, removal of graffiti was below target but over the London median. In relation to dealing with repeat incidents of domestic violence, Harrow's performance was poor and below the London median. As a result, sustainable funding for this service area had been identified and it was pleasing that the Violence Against Women and Girls postholder was now in post;
- in relation to the Council Priority on 'United and Involved Communities: A Council that Listens and Leads', the involvement of adult social care users and carers in the design and assessment of services was on track and had helped to feed into important and difficult decisions on the future shape of the service. The number of volunteers that actively engaged in developing the Housing Service had increased, the number of Neighbourhood Champions was expected to reach 1,200 by March 2012 and the number of people satisfied with the way the Council provided its services was above target;
- in relation to the Council Priority on 'Supporting and Protecting People who are Most in Need', the outcomes in the social care area were generally good. The percentage of adults in employment with both learning and mental health disabilities was high and Harrow was in the top quartile for London. The average time for assessment to completion for work for adaptations was within the target set and a dramatic improvement from the previous year. The percentage of adults services clients reviewed during the year was amber against

target set but progress was being made to ensure that the target was achieved. Corporate Parenting had seen a success in a number of areas such as in the adoption and teenage placements process but it was recognised that there was a need to improve life chances for Children Looked After for instance in educational achievement. Children's Services had also received an excellent rating from Ofsted. School absence in both primary and secondary schools was below target, whilst school exclusions figures varied. However, there had been a reduction in the number of permanent exclusions, which may have contributed to the rise in fixed term exclusions. The number of cases where positive action had been taken to prevent homelessness was better than the target set, including the number of households in temporary accommodation. However, the number of homeless and in priority need had increased and some people had been placed in temporary accommodation outside London. There was positive news in relation to the number of affordable homes delivered, which had exceeded the target by 160.

- in relation to the Council Priority on 'Supporting our Town Centre, local Shopping Centres and Businesses', the number of vacant commercial property figures were better than the target set, but continued to be under pressure from the adverse economic climate the UK was facing. Public consultation on the options for the Town Centre and the Kodak site had been completed and further consultation was planned. Various events held in the Town Centre had received national coverage and further events were planned, including those that related to the 2012 Olympic Games. Visits to the Leisure Centre and the libraries had increased and the self-service system in libraries had been welcomed and residents had adapted to it. It had also empowered staff. Adult participation in sporting activities had increased and the Sports Development Programme was ongoing with particular interest shown by local schools.

The Portfolio Holder for Performance, Customer Services and Corporate Services outlined the Council's performance in terms of the service provided to customers and the overall corporate health. Access Harrow continued to perform well. Congratulations should go to the Chief Executive's Directorate and Housing Services for achieving the Silver Award for Investor in People, with very positive feedback from the assessor. In addition, the innovative 'My Account' ought to be commended. The number of planning applications determined had also exceeded the targets set. Staff sickness was the lowest in London. However, not all staff had received timely Personal Development reviews and this could be contributed to the re-organisations within the Council.

The Leader of the Council applauded staff in the Directorates for their work in ensuring that Harrow remained in the top quartile within London. The Leader was pleased to report that Council Tax collection rates, including business rates, housing rents and arrears, had been excellent given the current adverse financial climate. There were areas that needed further work and work was being done in relation to the overspend on the revenue budget. Overall, when compared with the London benchmark, Harrow's position was

in the top quartile in many areas. The Leader added that further changes in the culture of the organisation was necessary, including silo working. However, he was encouraged by the creativity and innovation, including the development of the Let's Talk initiative. The recent staff survey had shown high levels of satisfaction amongst staff.

In conclusion, the Leader stated that the results in Quarter 2 had been pleasing but recognised that difficult challenges lay ahead.

RESOLVED: That

- (1) an aspect of Priority Action 2.1, "Roll out a Tenants' Charter for Housing" be deferred until 2012/13;
- (2) Portfolio Holders continue working with officers to achieve improvement against identified key challenges;
- (3) the report be noted.

Reason for Decision: Given the numerous changes in Housing Policy currently being explored and consulted upon it was considered appropriate to delay production of the Tenants' Charter until decisions were made. To note that the roll out would not commence until 2012/13. To note performance against key measures and identify and assign corrective action where necessary.

325. Scrutiny Review - Use of Performance Information Phase 2 - Response

Cabinet received a draft response to the recommendations in Phase 2 of the Scrutiny Review titled "Project Report – Measuring Up: Harrow Council's Use of Performance Information". The Leader of the Council invited the Chairman of the Scrutiny Challenge Panel to address the meeting.

The Chairman of the Challenge Panel stated that good performance management was critical in the delivery of services and to improve public perception. It was vital to measure what the Council had decided to do, what had been done and what had been done correctly. It was essential that good performance management was forward looking and that it was meeting the priorities set. He added that the timeliness of data was important and that information requested by Scrutiny had been delayed. It was important that there was a partnership between the Executive and Scrutiny rather than Cabinet working in isolation.

Additionally, it was essential that, in meeting performance targets, adequate information was available for use by both Councillors and residents. The Chairman of the Challenge Panel cited examples where information given to Councillors could have been more proactive. He added that the format in which data was presented needed to be improved so that it was helpful, as poor presentation had had a huge impact. For example, the data presented in relation to sickness absence provided little meaningful information. The role of the Improvement Boards ought to be enhanced, including the timely availability of performance data.

Another Member of the Challenge Panel stated that the Performance and Finance Scrutiny Sub-Committee would monitor the progress made in relation to the responses given to the recommendations.

The Portfolio Holder for Performance, Customer Services and Corporate Services welcomed the response report, including the recommendations of the Scrutiny Challenge Panel. He considered that some data was limited due to the lack of available resources.

In response, the Chairman of the Challenge Panel stated that the Panel had, at all times, been mindful of not making recommendations that were unrealistic or had resource implications. Rather, the Panel was of the view that information already available could be better presented in a more meaningful way, thereby minimising any false economies.

The Leader of the Council thanked all for their contributions in this regard.

RESOLVED: That the responses recommended by officers be endorsed.

Reason for Decision: To respond to the scrutiny recommendations and improve the effectiveness and accessibility of performance information for different audiences.

326. Draft Revenue Budget 2012/13 - 2014/15

The Leader of the Council introduced the report, which set out the draft revenue budget for 2012/13 and Medium Term Financial Strategy (MTFS) for 2012/13 to 2014/15. It was noted that the final budget would initially be reported to Cabinet in February 2012 and thereafter to Council for final approval.

The Leader identified the challenges that lay ahead, particularly the levels of savings required over the next 3 years. He commended some of the innovative thinking, which had helped to achieve some savings, such as in procurement where the extent of savings was even greater than had previously been envisaged. Other examples of savings were the Chief Executive's revised Senior Management Structure and the proposed Revised Terms and Conditions of staff. He also wanted to be upfront with residents should it become necessary to increase Council Tax. Other legislative changes, such as the requirements of the Localism Act and the proposals within the Welfare Reform Bill would result in additional financial challenges for the Council.

The Interim Director Finance reported that this year's budget setting had taken place within the context of one of the most difficult financial environment's local government had ever had to face. Local government had been adversely affected when compared to the remainder of the public sector, and had had to deal with government policy changes. The Interim Director added that the Council had identified a large number of savings against these challenges.

The Interim Director informed Cabinet that the funding gap for 2012/13 would be affected by the local government settlement, which had recently been announced. Further analysis was required but it was likely that the settlement would have significant implications for Harrow. There was a reduction in the amount of money received for schools following the adoption to Academy status by 7 schools. She was pleased to report that the New Homes Bonus would not be top sliced as had been anticipated. Furthermore, in relation to staff pay, the MTFs had assumed a nil increase in 2011/12 and 2% for the following two years. The Unions had, however, requested a pay increase in line with inflation for 2011/12 but the autumn budget had stated that pay increases would be capped at 1% for the following two years.

The budget requirements for 2012/13 were drawn to Members' attention, including the funding gaps. The ongoing pressures in relation to adult care and the issues surrounding the Primary Care Trust (PCT) money under the Section 256 Agreement. There was also the consideration of a 2.5% increase in Council Tax for future years and the 2% inflationary figure. There were other pressures such as increase in the levels of homelessness and costs related to West London Waste. There was also a need to keep sufficient contingency levels.

In summing up, the Interim Director Finance stated that:

- a detailed equality impact assessment would be carried out on the final budget to ensure awareness of the impact on various communities in Harrow;
- Directorates were working closely to identify savings and reduce the gaps in the budget and the process would lead to difficult choices which could have a major impact on services;
- no change would be proposed to the existing Reserves Policy, and a detailed risk assessment of the budget would be submitted to the February Cabinet meeting;
- a report on the Capital Programme would be submitted to the February 2012 Cabinet meeting proposing a new bidding process. Further discussions in relation to capital funding for schools would be necessary.

RESOLVED: That

- (1) the draft Revenue Budget for 2012/13 and the Medium Term Financial Strategy be approved for consultation;
- (2) the remaining budget gaps of £2.387m in 2012/13, £6.109m in 2013/14 and £5.805m in 2014/15 be noted;
- (3) the planned investment in services and efficiency programme be noted.

Reason for Decision: To publish a draft budget for 2012/13.

327. Revenue and Capital Monitoring Report for Quarter 2 as at 30 September 2011

The Leader of the Council introduced the report, which set out the Council's revenue and capital monitoring position as at 30 September 2011. He referred to the Spending Protocol, which he considered had had the desired effect of containing expenditure within allocated budgets. However, the unexpected pressures in the Adult and Housing Directorate and the consequential potential overspend would need further examination.

The Interim Director Finance stated that the majority of the overspend had been identified in February 2011 and risks anticipated. Looking ahead to periods 7 and 8, there was a downward trend in overspend. She briefed Members on the contingency, need for virements, debt management position and capital programme; the latter of which was showing a significant underspend.

RESOLVED: That

- (1) the revenue and capital forecast outturn position for 2011/12 be noted;
- (2) the actions being taken to ensure that the forecast overspend is eliminated be noted;
- (3) the virements, detailed in paragraph 22 of the report, and the amendments to the Capital Programme, as set out in appendix 2 Table 1, be approved.

Reason for Decision: To note the forecast financial position and actions required to be taken.

328. Calculation of Tax Base for 2012/13 and Collection Fund Surplus/Deficit

Cabinet received a report of the Interim Director Finance and noted that the Local Government Finance Act 1992, as amended by the Local Government Act 2003, required local authorities to formally calculate the Council Tax Base for 2012-2013 and pass this information to precepting authorities by 31 January 2012. The tax base had to be set between 1 December 2011 and 31 January 2012.

The Interim Director Finance commended the report to Cabinet. She referred to the proposed increase in the Council Tax collection rate of 98.5% and was of the view that this was prudent despite the current adverse economic climate. The Leader of the Council praised officers for their excellent work in the recovery rate of Council Tax.

RESOLVED: That

- (1) it be agreed that Band D equivalent number of taxable properties be calculated, as shown in accordance with the government regulations;
- (2) the provision for uncollectable amounts of Council Tax for 2012/13 be agreed at 1.50%, producing an expected collection rate of 98.50%;
- (3) subject to resolutions (1) and (2) above, a Council Tax Base for 2012/13 of 88,140 Band D equivalent properties (being 89,482 x 98.5%) be approved, allowing for payment in lieu of Ministry of Defence properties;
- (4) an estimated surplus of £1,683,703 on the Collection Fund, of which £1,335,176 is the Harrow share, as at 31 March 2012, be noted;
- (5) an amount of £1,335,176 be transferred to the General Fund in 2012/13;
- (6) the Interim Director Finance, in consultation with the Portfolio Holder for Finance and Business Transformation, be authorised to review and change as necessary the calculation rates for the bad debt provision relating to the Collection Fund.

Reason for Decision: To fulfill the Council's statutory obligation to set the Council Tax Base for 2012/13.

329. Housing Reform and Revenue Account Budget Setting 2012/13 - 2016/17

The Interim Director Finance introduced the report, which provided an update on Housing Revenue Account (HRA) Reform, the Housing policy changes which were being introduced by the government and the next steps in relation to the setting of the HRA Budget for 2012/13 to 2016/17.

The Interim Director informed Cabinet that, historically, the draft HRA budget had been agreed by Cabinet in December. However, given the scale of changes surrounding the Housing Service and the delay in relation to the self-financing settlement it had not been possible to model all of the variables and present the draft budget report at this meeting. It was also expected that the Council's HRA would come within the control of the Council; the Council would collect rental and service charge income and control spending. For Harrow, this would entail additional debt.

Cabinet was aware that the government's intentions on HRA reform had been published in November 2011. The annual determination which set out the change in the way Council housing was financed was the subject of consultation which would end on 6 January 2012. Councils would have to develop a 30 year model based on scenarios around income and expenditure and to translate the annual cash flows into the amount of money required to exit from the current subsidy system, and small changes could have a considerable impact. The Interim Director explained the impact this would have on the Council's debt and the need for imaginative solutions to be found.

She advised that a single loans pool and additional debt at a 50-year rate to ensure flexibility whilst taking advantage of the exceptionally attractive Public Works Loan Board (PWLB) rates of interest. She explained the relationship between the HRA reform, the Council's Rent Strategy and the Investment in Stock, details of which were set out in her report. Cabinet was also informed of the discussions at the Tenants', Leaseholders' and Residents' Consultative Forum relating to a possible increases in rents.

The Corporate Director Adults and Housing stated that the report to the February 2012 Cabinet meeting would include a perspective from tenants following consultation on a range of issues. A 30 year Business Plan would be central to this.

RESOLVED: That

- (1) the changes to the way the Housing Revenue Account (HRA) would be managed in the future be noted;
- (2) it be agreed that the key points laid out in paragraph 9 of the report inform the Council response to the government's consultation paper on HRA reform;
- (3) the anticipated CLG self-financing settlement, and borrowing options, referred to in paragraphs 7 and 14 of the report respectively, to fund the additional debt that the Council would need to borrow as a consequence of the HRA reform, be noted;
- (4) the options for spending any additional resources that would be available as a consequence of HRA reform, as referenced at paragraph 30 of the report, be noted;
- (5) consultation on a revision to the current rent strategy, including proposals to increase rent and service charges from April 2012, together with the borrowing options arising from self financing settlement and potential investment options, be agreed;
- (6) the Interim Director Finance, Corporate Director Adults and Housing and Portfolio Holders for Finance and Business Transformation and Housing Services be authorised to consult on the options and bring a report to February 2012 Cabinet proposing an appropriate borrowing option and revised Rent Strategy and recommended rent increases to be implemented from April 2012.

Reason for Decision: To enable further work to be undertaken to develop and subsequently recommend an appropriate approach to borrowing and a new Rent Strategy.

330. Housing Changes Review

The Portfolio Holder for Housing introduced the report, which set out the outcomes from the Housing Changes consultation on the changes to housing policy changes introduced by the government and the next steps on how these might be implemented in Harrow.

The Portfolio Holder added that the Localism Act introduced a range of housing policy changes and provided new opportunities to local authorities to decide who should be placed in social housing and introduced a flexible tenancy for new tenants. Improved satisfaction for tenants was the fundamental message. He outlined other changes, such as the concept of a Universal Credit which would incorporate a range of benefits into a single capped benefit. Cabinet Members were briefed on the various strategies which were contained in the overarching Housing Ambition Plan, and the need to develop a private Sector Housing Strategy to ensure that privately rented housing was of good quality. A number of policies were already in place and provided a sound foundation to work from. An Action Plan attached to the report set out the next steps.

The Corporate Director Adults and Housing referred to the direction of travel and the consultations that would be undertaken. He recommended participation in the pan-London Mobility Scheme.

The Portfolio Holder for Performance, Customer Services and Corporate Services referred to the large number of equality impact assessments required in the review and development of strategies and policies through the proposed Housing Changes Review. The Leader of the Council stated that the report illustrated the amount of work required, as a result of the housing policy changes being introduced by the government. He commended the Corporate Director of Adults and Housing and the Divisional Director Housing Services for their work.

RESOLVED: That

- (1) the Housing Policy changes arising from the Localism Act and other reforms and the related requirements on Local Authorities arising from this be noted;
- (2) the outcomes from the Housing Changes consultation be noted;
- (3) the revised Housing Strategy objectives, set out in paragraphs 33-39 of the report, be agreed for consultation alongside the proposed policy options;
- (4) the policy options set out in paragraphs 40-45 to the report, and the Next Steps Action Plan, set out in Appendix 3 to the report, be agreed for further consideration;
- (5) the Corporate Director Adults and Housing, in consultation with the Portfolio Holder for Housing, be authorised to approve draft policies for formal consultation;

- (6) Harrow participate in the Pan-London Mobility Scheme by putting 5% of lettings into the Scheme together reducing the number of lettings that go into the West London cross-borough Scheme, so that the total number of lettings available for non-Harrow residents wishing to move to Harrow did not change and the existing Allocation Scheme be amended as set out in Appendix 5 to the report.

Reason for Decision: To enable the completion of key Housing Policy and Strategy documents required by the Localism Act.

331. Primary School Expansion Programme

The Portfolio Holder for Schools and Colleges referred to the report setting out the outcomes of the consultation on the primary school expansion programme agreed by Cabinet in July 2011, which proposed the next stages of the process. In addition, information on other related school organisation matters, including school admissions arrangements, was provided within the report. The Portfolio Holder thanked officers, particularly the Head of Service, Achievement and Inclusion, for their excellent work in this area.

An officer informed Cabinet that local authorities had a statutory duty to provide sufficient school places in their areas thereby addressing the issue of increasing pupil population across Primary, Secondary and Special school provision. The report before Cabinet focused on the Primary School expansion and there were plans to bring forward strategies for Special School and High School provision in 2012.

The officer referred to the School Placement Strategy agreed previously and how data had resulted in skewed results. The revised proposals before Cabinet identified the schools that were being recommended for permanent expansion following consultation and feasibility study outcomes. There would be a phased approach to expansion, and all schools had to be part of the solution despite pressures from the governing bodies. Voluntary Aided Schools had also been invited to consider their contribution to increasing school places and dialogues with these schools would continue.

In relation to funding, the government had allocated £6.2m for Basic Need and Capital Maintenance for 2013, which was disappointing. Harrow had received poor allocations, including funding for additional spaces. Further announcements in funding were awaited in relation to the Priority School Building Programme, including other funding opportunities.

The Portfolio Holder was critical of the amount of funding given to Harrow, which had been severely disadvantaged as a result. The Council would need to examine other funding avenues in order to close the gap in relation to Capital Funding available. He would seek cross party support to allow the Council to make representations to Nick Gibbs MP, Minister of State for Schools, protesting against the appalling settlement received by Harrow and enquiring about the methodology used. He would also be seeking the support of the local MPs. The Corporate Director Children's Services advised that the

funding formula was not transparent and she felt that Harrow had been hugely disadvantaged.

The Portfolio Holder stated that it was important that every child was placed in a school, as the Council would be judged on this measure.

RESOLVED: That

- (1) the outcomes of the consultation on proposals for primary school expansion be noted;
- (2) it be agreed the recommended schools be moved to the statutory process for permanent expansion, as set out in Annexe D to the report, subject to government capital funding announcements; the recommended schools being: Camrose Primary School with Nursery, Cedars Manor School, Glebe Primary School, Marlborough Primary School, Pinner Park Infant and Nursery School, Pinner Park Junior School, Stanburn First School, Stanburn Junior School, Vaughan Primary School, Welldon Park Infant and Nursery School, and Welldon Park Junior School;
- (3) the Corporate Director Children's Services, in consultation with the Portfolio Holder for Schools and Colleges, be delegated authority to make the decision about the final list of schools that should be moved to the statutory process for permanent expansion following government capital funding announcements;
- (4) Cabinet receive a report in April 2012, following the statutory consultations, to decide those schools about which statutory expansion proposals would be published;
- (5) the Corporate Director Children's Services, in consultation with the Portfolio Holder for Schools and Colleges, be delegated authority to make the decision to open additional bulge classes across all community schools as required for September 2012 onwards;
- (6) it be agreed that the Schools Capital Strategy priority would be for primary school expansion and to address essential condition work where this was affordable;
- (7) the draft Admission Arrangements for entry to school in September 2013 be agreed for consultation purposes.

Reason for Decision: To enable the Council to fulfill its statutory duties to provide sufficient school places in its area and to consult on the School Admission Arrangements for entry to school in September 2013.

332. A Sustainable Future for Children's Centres

The Portfolio Holder for Children's Services introduced the report, which set out proposals for ensuring sustainability of Harrow's Children's Centres to ensure that valuable services for families with young children could continue

whilst delivering on significant budget savings. The Portfolio Holder referred to the proposed Hub and Spoke Operating Model to help provide the framework for delivery.

The Divisional Director, Early Years, Childcare and Parent, drew Members' attention to the proposed new operating structures of Harrow Children's Centres which would divide the 16 Children's Centres into 4 Hubs which accounted for the geographical location, size of the Centre and nature of services currently being delivered. The proposal included 6 designated Children's Centres within the 4 Hubs providing a full range of services. The other delivery sites through the Hub would also deliver services but more efficiently, reducing duplication and allowing Centres to close during certain periods, as appropriate. The proposed new Framework would also involve partnership working.

The Leader of the Council highlighted the proposal as an example where innovation was helping the Council to make savings whilst ensuring that services remained sustainable.

RESOLVED: That

- (1) the proposed Hub and Spoke Operating Model for Harrow Council's Children's Centres, which will provide the framework for delivering Children's Centre Services ensuring geographical coverage, be agreed;
- (2) the Corporate Director Children's Services implement the new Operating Model in consultation with the Portfolio Holder for Children's Services.
- (3) a Governance Board for each Hub be put in place with representation from service users, staff, partners and Ward Councillors.

Reason for Decision: To improve ways of working in Harrow Council's Children's Services following changes in government policy and funding.

333. Highways Construction Contract

Cabinet considered a report of the Corporate Director Community and Environment, which set out the procurement and evaluation process undertaken with a recommendation to award a contract for the delivery of all the Council's Highway Works to May Gurney Limited. A confidential appendix, appearing elsewhere on the agenda, setting out the tender evaluation data was also referred to.

The Portfolio Holder for Property and Major Contracts set out the context in which this project had been developed and thanked the Corporate Director Community and Environment and the procurement team for bringing this contract to fruition.

RESOLVED: That

- (1) the Council enter into a contract with May Gurney Limited for the delivery of all the Council's Highway works;
- (2) authority to negotiate and agree the final terms and conditions of the contract be delegated to the Corporate Director Community and Environment, in consultation with the Portfolio Holders for Property and Major Projects and Environment and Community Safety;
- (3) the Interim Director Finance and Corporate Director Community and Environment be delegated authority to realign budgets following the award of contract.

Reason for Decision: The Council had a statutory duty to maintain its Highway assets, achieving this through engaging and working with external contractors. The condition of the Public Highway impacted upon everyone, residents, businesses and visitors to Harrow. It must be kept fit for use and safe for users at all times, contributing significantly to the Corporate Priorities, in particular. Keeping neighbourhoods clean, green and safe. To ensure a continuous service and effective mobilisation for the new contract by early February 2012, the Council needed to make the contract award decision before the end of December 2011.

334. Snow Clearance Challenge Panel Response

Cabinet received a report of the Corporate Director Community and Environment, which provided responses to the recommendations and actions arising from the Scrutiny Challenge Panel report on Snow Clearance. The report of the Challenge Panel examined the current policy on Snow Clearance and whether more could be done to improve the way in which the borough dealt with the clearance of heavy snow.

The Chairman of the Snow Clearance Scrutiny Challenge Panel addressed the meeting and thanked officers for their excellent work. He referred to the two issues that he felt needed to be explored further, as follows:

- Role of Neighbourhood Champions – Neighbourhood Champions should be seen as an additional resource to the Council and their role ought to be enhanced. They should be supported, encouraged and briefed.
- Role of Access Harrow – Access Harrow should be provided with clear guidance and information on the facts and figures so that they were in a position to pass the information on to residents. The Chairman of the Challenge Panel was of the view that whilst Access Harrow was able to provide general information, for example, on snow clearance they ought also to be able to provide information on what would happen if refuse collections were missed and give a commitment to the caller. He accepted that this would be challenging in inclement weather conditions but it was possible to provide additional information to residents and respond positively to their expectations.

The Corporate Director Community and Environment agreed that the role of the Neighbourhood Champions could be enhanced further. He explained the difficulties in providing real time information but assured Members that the issues would continue to be examined further.

In response, the Chairman of the Challenge Panel referred to the value of the data already collected by the Council, which he felt was difficult to analyse. He was of the view that policy decisions needed to be made earlier and communicated to residents. The Assistant Chief Executive agreed to examine the data captured and review the existing communication channels in place. He informed Members that the information communicated through the Council's Website and 'My Account' would be examined further.

RESOLVED: That the recommendations of the Scrutiny Challenge Panel together with the actions arising from the Challenge Panel report be accepted.

Reason for Decision: To ensure that the Winter service could continue to be delivered in the best possible way within the current financial constraints.

335. Heart of Harrow Area Action Plan

Cabinet received a report of the Corporate Director Place Shaping setting out the draft Harrow and Wealdstone Area Action Plan: Preferred Option consultation document, which was to be the subject of public consultation in January 2012.

The Portfolio Holder for Planning, Development and Enterprise referred to the report from the Local Development Framework Panel, which recommended that the draft Harrow and Wealdstone Area Action Plan: Preferred Option consultation document be approved for a six week period of public consultation. Cabinet also received contributions of the Overview and Scrutiny Committee in this regard.

The Corporate Director Place Shaping commended the Action Plan to Cabinet, which had been prepared with input from other Directorates and Partners. He praised the cross-cutting work of officers based in the Planning Service.

RESOLVED: That

- (1) the draft Harrow and Wealdstone Area Action Plan: Preferred Option consultation document be noted;
- (2) the draft Harrow and Wealdstone Area Action Plan: Preferred Option consultation document and the Sustainability Appraisal be approved for the purposes of a six week public consultation;
- (3) the Divisional Director of Planning, in consultation with the Portfolio Holder for Planning, Development and Enterprise, be authorised to agree the Sustainability Appraisal and Equalities Impact Assessment

and to make any minor editing and textual changes to the document before public consultation.

Reason for Decision: To progress the Harrow and Wealdstone Area Action Plan through the various stages of informal and formal consultation on its way to adoption as part of Harrow's Local Plan.

336. Draft Local Development Order North Harrow Consultation Document

The Portfolio Holder for Planning, Development and Enterprise introduced the report, which set out the Council's intention to create a Local Development Order to help regenerate North Harrow District Shopping Centre. The intention was to enable changes of use within parts of the Centre between different use classes without the need for planning permission to help revitalise this important shopping centre which was currently suffering from a high rate of empty shop units. The Portfolio Holder added that the report proposed a four week consultation period.

Reducing the time taken to enable occupancy of existing vacant units would help address a reported barrier to new business occupying uses and support other activities being promoted in North Harrow to help its vitality and regeneration.

Cabinet received a report from the Local Development Framework Panel, which recommended that the draft Local Development Order, and the accompanying documents, be approved for the purposes of a four week period of public consultation.

RESOLVED: That

- (1) the Draft Local Development Order and the accompanying documents be approved for purposes of a four week period of public consultation;
- (2) the Divisional Director Planning, in consultation with the Portfolio Holder for Planning, Development and Enterprise, be authorised to make minor drafting or typographical changes to the content of the documents, if required, prior to public consultation.

Reason for Decision: To enable consultation to commence on proposals for a Local Development Order in North Harrow to support the regeneration of this important District Shopping Centre in line with the Corporate Policies of supporting our town centre, local shopping centres, and businesses.

337. Annual Monitoring Report

The Portfolio Holder for Planning, Development and Enterprise presented the Annual Monitoring Report (AMR) for the period 1 April 2010 to 31 March 2011. The AMR indicated the performance of Harrow Council against a set of nationally and locally defined indicators designed to monitor the implementation of planning policies.

Cabinet received a report from the Local Development Framework Panel, which recommended that the Annual Monitoring Report 2010/11 be approved for submission to the Secretary of State.

RESOLVED: That

- (1) the Annual Monitoring Report 2010/11, attached at appendix 1 to the report, be approved for submission to the Secretary of State;
- (2) the Divisional Director Planning be authorised to make minor amendments to the Annual Monitoring Report 2010/11, if necessary, prior to its submission to the Secretary of State.

Reason for Decision: To enable the Council to comply with the requirement under the Planning and Compulsory Purchase Act 2004 for submission of the Annual Monitoring report to the Secretary of State before the 31 December 2011 deadline.

338. Any Other Business

Presentation of Scrutiny Projects to Cabinet

During the course of the meeting, the Leader of the Council referred to an informal arrangement between Scrutiny and Cabinet to allow interaction between these two bodies at meetings of Cabinet. He explained that the draft Protocol allowed up to two Scrutiny Councillors, normally one from each political party, to present projects that had been referred to Cabinet. The Scrutiny Councillors would be expected to make comments that did not overlap, following which the relevant Portfolio Holder or officers would be given the opportunity to outline their response to the recommendations included in the projects. The Chairman of the Review will then be given the opportunity to comment on the response and Officers or the Portfolio Holder would conclude by providing a final response. He advised that there were some matters within the Protocol which needed 'tidying up' but that it was currently being trialled.

339. Exclusion of Press and Public

RESOLVED: That, in accordance with Part I of Schedule 12A to the Local Government Act 1972, the press and public be excluded from the meeting for the following item for the reason set out below:

<u>Item</u>	<u>Title</u>	<u>Reason</u>
29	Highways Construction Contract – Appendix B	Paragraph 3, as it contains information relating to the financial or business affairs of the Council and the tenderers.

340. Highways Construction Contract

Cabinet considered a confidential appendix to the report of the Corporate Director Community and Environment, which appeared elsewhere on the agenda.

RESOLVED: That the report be noted.

Reason for Decision: To allow the appendix to be considered in conjunction with the main report at agenda item 21.

341. Termination of Meeting

In accordance with the provisions of Executive Procedure Rule 9.2 (Part 4B of the Constitution) it was

RESOLVED: At 9.59 pm to continue until 10.15 pm and at 10.15 pm to continue until 10.30 pm.

(Note: The meeting, having commenced at 7.30 pm, closed at 10.30 pm).

(Signed) COUNCILLOR BILL STEPHENSON
Chairman