

CABINET MINUTES

9 FEBRUARY 2012

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: Susan Hall Minute 360
(Councillors) Barry Macleod-Cullinane Minute 360

* Denotes Member present

356. Declarations of Interest

RESOLVED: To note that the following interests were declared:

General

Councillor Barry Macleod-Cullinane declared an interest in that his sister worked at Hatch End High School, which had converted to an Academy in 2011. He did not consider that any of the items on the agenda would make his interest prejudicial, but stated that he would leave the room should this happen during the course of the meeting. He remained in the room whilst the business on the agenda was concluded to listen to the discussion and decision.

Agenda Item 15 – Non-Domestic Discretionary Rate Relief – Charities and Non-Profit Making Organisations

Councillor Brian Gate declared a personal interest in that he was a Trustee of the charity, Harrow Association of Voluntary Services (HAVS). He would remain in the room whilst the matter was considered and voted upon.

357. Minutes

RESOLVED: That the minutes of the meeting held on 19 January 2012, be taken as read and signed as a correct record.

358. Petitions

RESOLVED: To note that the following petitions were received and referred to the Community and Environment Directorate:

1. Roxeth School and Safety Matters in Brickfields, Harrow on the Hill

A local resident, Eileen Kinnear, presented a petition signed by 40 people living in the vicinity of Roxeth School with the following terms of reference:

“We, the undersigned, protest to Harrow Council our concerns for the safety of children in this narrow cul-de-sac which is the only route into the rear entrance of Roxeth School. The real problem is the speed of traffic, combine with motorists lack of awareness of pedestrians and indiscriminate parking. This has previously been drawn to the attention of the traffic department.

We do not believe that the Localised Safety Parking Programme which has recently been out to consultation fully addresses these concerns. We do believe that the proposals to put in some double yellow lines around corners – while welcome – are insufficient to cope with the problems. More enforcement is required.

We formally request that the Council takes urgent action to enforce the restrictions which are already in place there: and also that it should liaise with the police to ensure their presence at the road at least on some afternoons so that they can take action to alleviate the perceived dangers to children.

We are also unhappy that during the recent bad weather the Council was apparently unable to clear the snow/ice from the pavements here. This means that children must walk in the road to get to school. This is not very good in terms of road safety training. We ask that the Council should make every effort to clear these pavements in similar bad weather in future as a necessary protection for the children.”

2. Petition from the people of West Harrow, Harrow, Middlesex in relation to Trees

A local resident, Jessica Lawrence, submitted a petition signed by 80 people of West Harrow, with the following terms of reference:

“We the people of West Harrow believe our trees are at risk due to the manner in which they are pollarded each year which we believe to be excessive and unnecessary, particularly when there are alternative methods which would enhance the appearance of the neighbourhood and be more protective to wildlife and environmentally beneficial.

Currently, the plane trees are scalped back to a stump, sometimes two or three in a row showing disregard for the urban environment and the need for harmonious integration of all elements affecting the members of the community who live there. We object to the manner in which the plane trees are managed and the insufficient notice regarding parking arrangements.

We want an investigation into the significantly increased and disproportionate budget allocated to the aboricultural department and ask why in a culture of austerity measures, payments of over eighty thousand pounds are being paid to Gristwood & Toms in a single month for questionable works. We do not approve the manner in which Gristwood and Toms carry out work in our community and want an urgent review and a public meeting held to address our concerns.”

359. Public Questions

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

1.

Questioner: Jessica Lawrence

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

Question: “When is an investigation going to be undertaken regarding the expenditures of the aboricultural department and the manner in which payments are made to contractors Gristwood & Toms and an investigation into the dissatisfactory works they carry out mismanaging the trees in the borough which in my neighbourhood of West means pollarding in an excessive and particularly unsightly manner?”

Answer: Gristwood and Toms are a respectable tree maintenance company who have worked for the London Borough of Harrow for a number of years and also hold maintenance contracts with other boroughs in West London. I see no particular reason to investigate the financial arrangements of this contract. However, by co-incidence the tree maintenance contract has been scheduled this year for a routine internal audit. Once completed the audit will contain recommendations that the Council will action according to our financial procedures.

Supplemental Question: When is there going to be public consultation regarding tree works carried out in the Borough and when are there going to be formalised channels of communication so that the Council has feedback and has the views of the neighbourhoods and the communities in which tree

works are carried out?

Supplemental Answer: I am sure that the Council with Gristwood and Toms already carry out such consultations.

2.

Questioner: Neil Smith

Asked of: Councillor Margaret Davine, Portfolio Holder for Adult Social Care, Health and Wellbeing

Question: “We have had feedback from mental health service users that the consultation process so far has been inadequate, for example the consultation period started during the Christmas break when many organisations were closed and people were on holiday, insufficient notice of the consultation was given, and many service users feel that they have not been given enough information to fully understand the implications of the proposals. How are you addressing this?”

Answer: The process of reviewing mental health day services has been on-going since September 2010, with a Steering Group that includes carers and service users. This Group has been involved extensively including visits to services elsewhere in other boroughs and to see how their day services work.

The actual consultation commenced on 12 December 2011 and yes, that was just before Christmas. I do not think most people were on holiday by that stage and it concludes on 2 March. So it is running for the complete twelve weeks that our local Compact would advise. Six hundred paper copies have been distributed to date and a range of events have taken place, which have been very well attended. An easy read version has been developed and a number of sessions are being held in order to support people who need it to fill in questionnaires. That is a relatively recent development. We have also translated the document into Hindi and Gujarati. In addition, mental health workers in the borough have been asked to discuss the consultation with the people they support and to help them to complete questionnaires, if necessary and, if you know of cases where people are having real difficulty, I know Mind in Harrow are giving some help as well.

You talk about notice beforehand. It has always been known by the Steering Group that we were leading to a consultation. I do not think that can have come as a surprise to anyone, although there may be people who

attend day services who did not realise that but, we have tried to spread the information as widely as possible. So we have actually kept to the statutory requirements and the local requirements.

We have spoken at length to the Steering Group since the consultation went out and we have taken on board as many of their views as we can and we are happy to continue with that process.

The purpose of this consultation is to make sure that all stakeholders have a chance to fully understand and contribute to the review of services. I want to make sure this is the case and, if you know of instances where there are real problems, I will look into those directly.

Supplemental Question: In view of the examples given, mental health service users feel that the day services review consultation is compromised. Will the consultation deadline of 2 March 2012 be extended in order to give mental health service users a fair chance to respond?

Supplemental Answer: That would certainly be something that I would be happy to consider. I think it comes in more to one of the other questions that is being asked this evening; provided you are sure that there are people that have not had the full opportunity to contribute. I am happy to see that the timescale is extended and a few more of those qualitative meetings that talk to people in depth are held.

3.

Questioner: Jayshree Shah (asked by Mark Gillham, Chief Executive, Mind in Harrow)

Asked of: Councillor Margaret Davine, Portfolio Holder for Adult Social Care, Health and Wellbeing

Question: "Mental health service users want re-assurance from Harrow Council that the decision-making process regarding the mental health day services review is made more transparent and accountable. Will the results of the 12 week consultation be circulated to service users in a report with the Council's recommendations before it is presented to Cabinet for approval?"

Answer: Yes, and we will certainly share the results of the consultation with service users and we want them then to contribute to how we take the matter forward. In addition, we will share them with the Steering Group before the report is submitted to Cabinet.

Supplemental Question: Part of the reason for asking the question is that the service users that we have talked to, I am sure that you have heard as well, are very concerned about the uncertainty regarding certain day centres maybe closing which are referred to in the consultation.

So the question is, in relation to the transparency and accountability of the process, what reassurance also can you give service users about their views being listened to about the potential closure of some of the services?

Supplemental Answer: We have not committed to keeping every building open but I would like to explain a little about the nature of this consultation. What we are doing at this time, and you have been involved in this process, is to consult on the Strategy, on the shape of mental health day centres so that we can adopt the best possible model. That is why we went out and looked at other places.

There will then be a whole further process of work which we will involve service users and organisations like Mind in Harrow, which will look at the service specification to take that forward. We cannot guarantee that the buildings will necessarily still be there but, this is not a cost cutting exercise. We may suggest a Hub. We will see what the outcome of this consultation is first and listen to all the people that have contributed to that and then we will carry that forward with the input of service users to build the service specification.

4.

Questioner: Alan Brown (asked by Mark Gillham, Chief Executive, Mind in Harrow)

Asked of: Councillor Margaret Davine, Portfolio Holder for Adult Social Care, Health and Wellbeing

Question: "How will Harrow Council ensure that mental health service users will co-produce the new day service specification for a tender after the consultation period is closed?"

Answer: We intend to involve the Steering Group and service users and work with them throughout the whole review and design process and that will be the completion of the service model and any tender panel (if one is recommended) and monitoring of the new services. So we will develop a plan with transparent timescales that

allow for co-production.

Supplemental Question: One proposal or suggestion that has been made to Mind in Harrow a number of times, in terms of co-production of the process of potential commissioning is that there is a panel of service users separate from professionals who would have a chance to scrutinise any bids or any proposals, or presentations that are made by potential providers and I would like to know whether you would consider that suggestion?

Supplemental Answer: I would consider it but I would have to take advice from officers. Certainly they could look at and make their suggestions, but I am hoping that we will have some users actually involved in the whole tender process.

5.

Questioner: Ann Freeman

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

Question: "The full extent of the awful neglect of people with a mental illness whilst receiving Harrow Council's Supporting People Service has continued to come to light since April 2011, when a new provider was given the task of running services within units based in Weldon Crescent, Greenhill Road, Field End Road and Floating Housing Support.

2,500 Harrow residents are linked to Harrow Adult Mental Health Services, 600 of whom have a severe disability.

Is it not time for an independent enquiry into their "Care in the Community" in order to ensure that lives are not allowed to be wasted along with vast amounts of money?"

Answer: We are concerned that the Quality Assurance we are using in Adult Social Care is strong and we are also aware that one of the houses in those shared schemes that you mentioned is below standard and we have been working with the new providers, the Richmond Fellowship, to try and find an alternative to that particular house, that is the one in Welldon Crescent.

provided by Cllr Davine, Portfolio Holder for Adult Social Care, Health and Wellbeing I have concerns about that as well but, we do think that Richmond Fellowship, since they took over, are providing a better service and a good service and I

would like to hear of real instances, cases, if you have them which we could take outside the meeting and have a look at. Despite the feeling that our shared supporting homes are better now, I am aware that not everything is good enough. When I became a Portfolio Holder, I said that I was passionate about raising the standard of mental health services in Harrow and I still am passionate. As you may be aware, I have managed to secure an additional £40,000 which will look at the whole care situation, not particularly Supported People, but how we are supporting people that go onto personal budgets. It is part of the whole care programme.

One of the things we have done with Supporting People is introduced spot checks and unannounced visits and those are going on but with these particular homes where people are living independently, so it is very important that we do respect also their privacy. That does not mean we do not have to watch the standards, I understand that completely but that is also an important point.

Supplemental Question: Of course they are not actually independent as such because they are there to learn skills, to lead them onto independence. This is an intermediate stage.

I am surprised that Richmond Fellowship has not already brought to your attention the ghastly situation they found, not only in the units but with the people, the situations in Floating Support they have uncovered.

Supplemental Answer: Well, I am not aware of any. I have been told that there have not been any direct complaints or the raising of real issues from Richmond Fellowship. I certainly will look into your comments but I would also like you to let me know of particular real cases that need to be looked into.

6.

Questioner: Mrs Joan West

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

Question: "Service users and carers on the mental health steering group have serious concerns about the Day Services Review consultation document including the proposed new services.

Will the Leader of the Council and the Portfolio Holder

for Adult Social Care, Health and Wellbeing meet with us to deal with our concerns before the consultation proceeds any further?”

**Answer:
provided by
Cllr Davine,
Portfolio
Holder for
Adult Social
Care, Health
and
Wellbeing**

I have discussed this with the Leader and we are certainly very happy to meet with you. I do not think I want to infer that the consultation would stop but I would think that we can arrange a meeting very quickly so that might suffice.

I do understand that the Steering Group had a number of concerns about the consultation document and I know that officers have discussed this at length with the Group. I also understand that there was great concern that the Steering Group were not sent the consultation before it went out and I am very concerned about that myself and was very disappointed that that happened and I apologise for that.

However, the Steering Group had been working for over a year towards a consultation document and getting a consultation going so the error was not to show it to you before it actually went out, although you had been involved for the past year in preparing it and getting the information for it.

I am really passionate that we create a better mental health day service out of this and that we do it with service users and people like yourselves and carers.

**Supplemental
Question:**

As you know, during the consultations there has been a lot of anxiety by service users about the buildings that are going. Will it be the Council who will decide which buildings will be kept rather than leaving it to tenderers to decide whether or not they want to use those buildings? Service users feel quite passionately about some of the existing buildings and how it will affect them. They are very, very worried.

**Supplemental
Answer:**

I understand the concern. What the current consultation is looking at is the shape of day services that we will have in the future and as I have already said, we cannot guarantee we will keep all the three buildings. We will be looking to see which ones people are keener to keep or not, as we go forward to the service specification but we are not committed to discontinue services at any particular building at the moment and we are waiting to see how people that contribute to the consultation advise us around the Hub and Spoke model and whether that is a good way to go forward.

We are in a tight financial situation across the whole of

the Borough, across the whole of our finances, so we are looking to get in place the best possible day service system that we can, building on the good examples we have seen elsewhere. However, this is not a cost saving process. I cannot guarantee, but also cannot say that there is any preference to keep any particular building because there is not.

Cllr Stephenson: I am happy to meet the Steering Group. I would be very interested to meet them because I am a great fan of all the work they have done.

7.

Questioner: Joan Penrose

Asked of: Councillor Margaret Davine, Portfolio Holder for Adult Social Care, Health and Wellbeing

Question: "Harrow Council's Adult Services Consultation was seen as fair and thorough by all who took part. Why are all those who are, and will be, affected by mental health disablement being denied a similar comprehensive consultation on the future of Harrow's Mental Health Day Services?"

Answer: Thank you for your kind words about the Adult Social Care Consultation but I do not think mental health people are being denied a similar standard of consultation.

As I said in the answer to question 2, the preparation for it started at the end of 2010 and has continued throughout.

What I do not think we have needed to do for this one, as much as we did in the main Adult Social Care Consultation, is the quantitative survey. We are dealing with some 7,000 users of our service and introducing a new charging system and a new way of working with them. The Adult Services consultation was addressing a different kind of problem but I do not think you have got the 'thin end of the wedge' in the way you suggest. I know we have made some mistakes and I have apologised for this.

I do think that what we have got with this one is a greater depth of qualitative responses from people and we have received 200 excellent feedback material from the meetings we have held and those will all be noted and looked at. There will be an in-depth view, I hope, that we will get and as I said, I am willing to take it

forward a few more weeks to make sure we do capture everyone.

Supplemental Question: I wondered if the following incident would have taken place in the Adult Social Care Consultation. That is in April 2011, service users and carers on the Steering Group wrote to officers, who were leading this, saying that we were unhappy with Draft 5 of the Consultation, Service Spec and we wanted to discuss this more. We were informed that the process had been transparent. We made several points. There are many unanswered questions about how the whole system is going to work, great concern that an already fragmented, dysfunctional service is to be replaced by new service with one component examined in isolation. There must be more discussion about how parts can work better together. That was just one of the points we made in April 2011. We have had no response from that email. We have raised it and the next thing we saw was the final draft. Is it going to be like that again? Would this have happened in the Adult Care?

Supplemental Answer: As we went through the whole of the Adult Social Care Consultation there were many people that raised things in the Steering Group for that consultation that it was quite difficult to deal with and we did deal with them.

I am not aware of anything that went unanswered and I apologise for that and will look into it further. I thought one of your complaints was that you had not seen the final draft?

I do not know of instances where no answers were given, but many difficult questions were asked of us and have been since we have been implementing the new Contributions Policy and we are dealing with them.

8.

Questioner: Eamon O'Connell (asked by Joan Penrose)

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

Question: "A Steering Group, involving service users and carers, was set up in 2010 to consider the future of mental health day services in Harrow. A consultation document was produced in 2011 without the knowledge or approval of the service users or carers on the Steering Group.

Will the Leader of the Council stop the consultation process on mental health day services (including the Easy-Read Version) until service users and carers on the Steering Group are satisfied that the inadequacies of the consultation documents have been addressed?"

**Answer:
provided by
Cllr Davine,
Portfolio
Holder for
Adult Social
Care, Health
and
Wellbeing**

Yes, we will meet. I have already said that I am very happy to extend the consultation and I know that amendments that were suggested by Ann Freeman to the Easy-Read Version have been taken on board and that has been distributed now to 600 people.

I feel that it would not be something that I could easily agree to, stopping the consultation and start again. What would we do with all the input we have now had from 200 people? What would we do with the responses we have already had? We would have to go back, start completely again with a new consultation document and it would not be worth the financial investment as opposed to continuing and extending the consultation to make sure we make up for some of those things that have not been right in the first place.

**Supplemental
Question:**

Can you appreciate that those of us on the Steering Group, users and carers, who have lived with mental illness for many years, feel that this document has major issues that are not put forward about the mental health service and this was our opportunity. We thought this would be a creative possibility for us to put things forward and issues like those we raised in April we were going to include. So can you appreciate how frustrated we feel?

You have received useful answers I believe but you could have got more and different answers if other issues had been raised.

**Supplemental
Answer:**

I do appreciate how frustrated you feel and you know I have talked to you about this many times. Some of those issues that you would want to raise about the service will be the very issues that are addressed in preparing the service specification and that is the next stage.

The current consultation looks at the model we may use and then goes on to develop a service specification. I have given my commitment tonight that everyone will be fully involved. A lot of these issues are more likely to be addressed under the service specification, not in the broad lines of the model.

360. 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: "You have stated your administration will be looking at increasing council tax from 2013-14 onwards. The Budget factors in a 2.5% increase for 2013-14, but p.22 details the referendum scenario that would occur should it exceed 3.5%. Can you guarantee that any council tax increases from your administration will not exceed this 3.5% threshold?"

Answer: No, I cannot guarantee it but I think it is highly unlikely.

Supplemental Question: Labour has a history of massive council tax hikes in Harrow. If you are unwilling to commit to a cap, what assurance can you give to residents that you will not repeat your 21% hike of 2003 which would add an extra £225 to our residents' Band D bills?

Supplemental Answer: As I said, the Medium Term Financial Strategy is based on modest council tax increases of 2.5%. If the Government gives us 2.5% in the base we certainly will not go ahead with that. We will certainly consult residents about it. We do not know what the cap will be for next year but all that would be taken into account when we set the budget next year.

2.

Questioner: Councillor Susan Hall

Asked of: Councillor Graham Henson, Portfolio Holder for Performance, Customer Services and Corporate Services

Question: "Given the significant total investment of over £12 million, are you confident that the savings of the Mobile and Flexible Working Programme will be fully realised?"

Answer: The Mobile and Flexible Working investment is actually only £7.3m and the benefits which will be realised are on pages 257 and 258 of the report on tonight's agenda. I have every confidence that we will achieve those wide

ranging benefits.

Supplemental Question: The Capita IT contract and Mobile and Flexible Working represent two of the biggest single investments of your administration. Do you not think residents have a right to be frustrated when they see investments in these areas but not investments in the services that they use and rely on a daily basis?

Supplemental Answer: I want to go back to July 2010 Cabinet meeting and then the full Council meeting later in 2010, where we reported the serious problems that IT was having within Harrow Council and it was at near enough risk of collapsing, at 95% risk of collapsing.

There has been a complete lack of investment over a number of years. Moreover, the following would apply:

- it had been a constraint and not an enabler to future transformation, a fragmented infrastructure that affects reliability and was difficult to adapt to new technology;
- inconsistent levels of system performance on different floors of Civic 1 and across the Council;
- an email system, Groupwise, that is difficult to support and integrate with other key systems;
- no strategic disaster recovery planning which had led to data centre in Civic 1 being a single point of failure;
- a server at a state in which 95% of the hardware has reached the end of its life and therefore operates at an increased risk of failure;
- limited capacity to support and promote remote and flexible working; and
- extremely limited support for other handheld devices.

Overall the lack of investment over a number of years, coupled with the fragmented organisational structure, meant that IT had a very poor reputation in the organisation, although the HITS team were very good at patching up. The investment we made in 2010, some of the improvements we wanted have been delayed because of difficult and problematic issues around the infrastructure that we inherited.

So I think that the money invested in our IT has been worthwhile for the benefit of all the residents of Harrow.

With regard to the Mobile and Flexible Working part of the investment, the only way we can move forward against the cuts that are coming in is to be more efficient in the way the Council operates over the next few years and on that, if you look at any business structure that comes in, they are saying that it not only improves staff morale and working practices but also brings in significant new ways of working that can benefit the Council and also the residents themselves.

So overall I think this has been a big investment on behalf of the Council. It is working in delivering the savings. Without it, we would not be able to face the future in the modern way that other big businesses and large corporations would do.

3.

Questioner: Councillor Susan Hall

Asked of: Councillor Graham Henson, Portfolio Holder for Performance, Customer Services and Corporate Services

Question: "What impact will the Mobile and Flexible Working Programme have on the savings that formed part of the Council's original IT contract with Capita, and can you also provide an update on what those savings are now expected to be?"

Answer: The IT contract was implemented to secure much needed and long overdue investment in the information and communications technology systems, which are essential to the smooth and safe running of any organisation.

The IT contract with Capita will deliver the underlying technology required to enable and facilitate the introduction of effective Mobile and Flexible Working. That has been evidenced by Capita managing those risks exceptionally well.

The Mobile and Flexible Working project, will among other things, enable all core business systems to be accessed by staff and Members, from any location, for example our residents' homes, thereby helping them to secure transformation of our services and libraries.

It was anticipated that the IT contract would reduce the cost of implementing Mobile and Flexible Working by approximately £850,000 and this objective remains unchanged.

Supplemental Question: On a scale of one to ten, one being obviously very poor, how would you rate the Capita contract in terms of value for money?

Supplemental Answer: I do not answer questions on the scale of one to ten. I have seen those surveys take place. I am just saying that the contract we have with Capita is giving us the value for money we expected.

4.

Questioner: Councillor Barry Macleod-Cullinane

Asked of: Councillor Graham Henson, Portfolio Holder for Performance, Customer Services and Corporate Services

Question: “According to p.20 of the Budget, the savings on the Agency Worker Contract have become a pressure of £115,000. Given that the impact of the Agency Workers Regulations was identified as a risk in the July 2011 report to Cabinet, how did the contract – which was intended to save £500,000 over two years – become a cost pressure?”

Answer: The Agency Worker Contract was planned to deliver savings of £290,000 in 2011/12, with a further saving in 2012/13 to deliver the total £500,000. The contract which was jointly procured with the London Borough of Hammersmith & Fulham commenced on 1 October 2011 and the savings from the new contract are being delivered in three separate ways:

- savings on management fees;
- savings from reduction in the mark up paid to the agencies;
- savings from paying market rates for agency workers which in many cases will be lower than those currently paid.

The savings on management fees and the mark up have been delivered but the full effect of savings on pay rates is yet to be achieved as a significant proportion of agency workers transferred under the new contract on

their existing pay rates. However, this was fairer for those workers and minimised disruption whilst ensuring that we were able to maintain service delivery for implementation. We anticipate the further savings to be delivered in 2012/13.

We did identify the Agency Workers' Regulations as a potential cost risk early on the regulations came in force on October 2011, the same time our new contract with our new supplier commenced. Since then we have been working hard with our new supplier to ensure all our agency workers transferred under the new contract. This has enabled us to assess the impact of the regulations and put in place systems and controls to ensure we manage our agency workers in the best interests of the Council and local residents.

The increase in costs associated with Agency Workers' Regulations would have been significantly greater if the new contract had not been in place. Throughout 2011/12 we have used agency workers to cover vacant posts which we would have held as potential redeployment opportunities for staff whose jobs had been affected by many of the changes we have introduced to reduce costs and maintain services. This approach has helped minimise numbers of compulsory redundancies. Since 2009 we have only had 31 compulsory redundancies across the Council and avoided the associated costs with redundancies that the Council would otherwise have incurred.

Agency workers are an important part of the Council's workforce resource, enabling us to flex in line with peaks and troughs of overall workloads. So we will continue to ensure we use them in a cost effective way. The average number of agency workers engaged by the Council fell last quarter, as did our agency spend, and we anticipate the numbers and spend will fall further in 2012/13 as a result of the efficiencies.

Supplemental Question: Given the press release in July 2011 in which you boasted this contract would deliver "significant reductions in our costs" as well as saying at Cabinet that you were confident that savings would be achieved; what does this say about the credibility of all the savings that you were claiming would be delivered by your departments in this budget, when the record to date has been one of your turning proposed savings into actual costs?

Supplemental Answer: The contract was delayed until 1 October, so the first part of the contract was actually dealing with the first

point about saving on management fees and the savings from reduction in the mark up paid to the agencies. So that is the part that has delivered the significant savings we have achieved so far throughout the contract.

The part around where you are saying about looking at paying the market rates for agency workers for the level of work they are doing, comparative to the outside market, has not been done. This is largely due to a reduced budget we have to work with.

As I said, we are confident of delivering most of the savings through the Agency Workers' Directive and maybe we should have looked at splitting the savings slightly differently instead of front loading it. A number of contracts across different Directorates were not centralised across the Council and some of those have now been dealt with, so now all will be within the agency contract that we have signed with Hammersmith & Fulham. There is an element of risk in some things now because of the amount of money the Government is taking away from the residents of Harrow.

5.

Questioner: Councillor Barry Macleod-Cullinane

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

Question: "You talk on p.9 of the Budget of being involved and engaged with residents, as well as making sure the services they use are 'convenient'. Can you confirm if any extra methods are being introduced or practices being changed to assist residents in paying their council tax?"

Answer: Conscious of the real financial difficulties faced by residents, our administration has introduced several changes to help local residents. For example, we have introduced multiple Direct Debit dates on the 1st, 5th, 10th, 15th, 20th and 25th of each month allowing residents to choose a suitable date to coincide with their salary payment dates, enabling them to budget more efficiently to meet their council tax bills. We have also extended all direct debit instalments from ten to twelve a year, which reduces the monthly payments, albeit over a longer period, something the previous administration resolutely refused to do.

We have also relaxed the rules so that bailiffs can

accept longer payment arrangements. Staff in the Revenues and Benefits Department also give advice on Housing and Council Tax benefits and try to maximise take up and we have run several take up campaigns last year.

We work closely with our Third Sector partners such as the CAB, to ensure debt and money management advice is given to anyone who requires it with Council staff signposting / referring residents to the relevant support when needed.

In addition, we offer advice on the website and My Harrow account allows residents quicker access to their council tax accounts to view their balance, recent payments and their payment methods. We are about to launch an alert that will allow cash payers to receive a reminder to pay a week before the payment is due.

There are various pages on the website to assist residents. A few examples are people who have money worries, they can get help and access advice and I will publish the website reference in the answer to this question.

http://www.harrow.gov.uk/info/200020/community_advice/1688/feeling_the_pinch_we_can_help/4 & http://www.harrow.gov.uk/info/200020/community_advice/1688/we_can_help/1

They can also access a credit union and the payment methods available on the online payment system being made available and again, customers may be also directed to information about entitlement to Council Tax Benefit. Residents can access Access Harrow and our own Council avatar, Harriet, who will help answer questions about payment methods.

Finally, we will be looking at further ways we can help when we respond to the Scrutiny review report on debt concerning these issues, at the next Cabinet meeting.

Supplemental Question:

Who decided to ditch the traditional grace period for people making late council tax payments over Christmas and New Year period, when you have letters going out dated 19 December asking for full payment, or partial payment, within seven days but those letters because of the Christmas shutdown and the post, not being received until 28 December, nine days later rather than seven, thus meaning summonses were issued to residents? I have had a number of residents complain about this.

Supplemental Answer: (Written Answer) There is no traditional grace period regarding recovery of Council Tax over the Christmas period. For practical reasons, officers do try and avoid sending out notices after the 15th of the month due to the fact that historically notices have indeed been delivered late due the additional volumes of seasonal cards that the post office or other carriers have to manage at this time of year.

I can confirm that 1,513 council tax reminders were posted on 19 December and that quite a few were delivered and received on the 22nd as can be confirmed by the telephone calls that our staff in Access Harrow dealt with. It is unfortunate that some clearly were delayed and that customers did not receive them until after Christmas. However notices are issued to act as deterrents and if customers acted on them once received then they clearly served their purpose. Whilst it is regrettable that some customers complained about the delay in delivery, I can assure you that a further grace period was given until the 5/1/2012. This was to allow any cash files accumulated since Christmas to be uploaded before any further recovery action took place so all cash paid was reflected.

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

6.

Questioner: Councillor Barry Macleod-Cullinane

Asked of: Councillor Bob Currie, Portfolio Holder for Housing

Question: "With the small fall in RPI inflation since the government's rent determination, will the Council pass on this fall to tenants in terms of its rent demands for 2012/13?"

Answer: Provided by the Leader of the Council: The Government has a fixed formula for determining the maximum rents to bring about 'convergence' as laid out in the Cabinet papers. It is RPI (in September) + 0.5% + £2.00. RPI in September 2011 was 5.6% and this gives an average rent increase of 6.74% and average increase of £6.45 to £102.15 a week. The lower rate of RPI is therefore irrelevant.

Consultation with TLRCF took place on 30 January 2012. Tenants accepted the increase but had concerns regarding the ability to pay rents following benefit reforms. The additional resources freed up by the

Housing Finance reforms will enable investment in services, subject to further consultation, some of which are expected to be targeted to support those most affected by the wider welfare reforms.

7.

Questioner: Councillor Susan Hall

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

Question: "Can you provide specific details on how you intend to realise the £750,000 saving from Public Realm soft market testing, identified on p.29 of the Budget?"

Answer: No, as you may appreciate this will be a transformation project with the savings identified for 2013-14 onwards. This means that it is at the stage of developing the concept for the production of an outline business case that will be communicated and subjected to challenge in the usual way. At this stage there is no expectation that the detail of the project will be developed.

I wish to remind Cabinet members that our Public Realm services have continued to achieve high levels performance and customer satisfaction. I wish to thank staff, on behalf of our residents, for their continued endeavours despite the difficult financial situation imposed by the Tory led government.

8.

Questioner: Councillor Barry Macleod-Cullinane

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

Question: "On p.19 of the Budget, Place Shaping and Legal and Governance are forecast to make savings totalling over £750,000 between them during 2012-13. Given that these departments have traditionally smaller budgets, and combined for a saving of less than £100,000 in 2011-12, how confident are you that they will achieve these more sizeable savings targets?"

Answer: The savings for 2011/2012 for the two Directorates were in total £598,000:

- Legal and Governance £30,000
- Place Shaping £568,000.

Both Directorates are on course to make these savings.

The proposed savings for 2012/2013 for the two Directorates are in total £555,000:

- Legal and Governance £322,000
- Place Shaping £233,000.

The figure quoted in the question for Place Shaping for 2012/2013 seems to include £219,000 which was a one-off in 2011/12 relating to the Local Development Framework and so is not required in 2012/13. So that 'saving' has in fact already been made.

The savings required for these two Directorates this year as for last year are challenging but I am confident as are the relevant Portfolio Holders that they are achievable.

9.

Questioner: Councillor Susan Hall

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

Question: "Given the tight financial climate, how does the Budget's proclamation that service reductions will only be considered as a 'last resort' or where the business case is 'compelling' (p.10)' fit with your administration's repeated line that 'salami slicing is not an option'?"

Answer: The Council has to deliver savings of around £62m over the period 2011/2012 to 2014/2015 amounting to around 30% of our controllable budget. We expect more cuts in 2015/2016 to 2016/2017 amounting to a possible further £20 million adding to the pressures that we already face.

Salami slicing is not an option, never has been and it has never been adopted by this Administration.

In July 2010 just after coming to power we launched the ambitious Better Deal for Residents: Shaping Harrow for the Future Programme. Far from being salami slicing this programme took forward 38 strategic projects as part of a three part cost reduction strategy

1. Being a more efficient and effective organisation that can live within its means.
2. Joining up and personalising customer service for

our residents.

3. Building on the community spirit of residents to be more involved in the future of their Borough.

This allowed us to make £31 million of savings when we set the budget last year - strategic savings, not salami slicing, not trimming. For example, we cut library funding by a third, saving £1.1 million, but were able to increase opening hours and customer satisfaction has risen. You were critical of all aspects of this non-salami slicing, strategic initiative. I believe we got it right and you were wrong.

This year the challenge has been harder. We have taken a new approach via our new Commissioning Panels. We have looked carefully at the local needs of residents and service users and identified the outcomes we would seek to achieve and how we could best commission our services to achieve them. This is neither salami slicing nor trimming.

In the Corporate Plan we have set out an ambitious plan to modernise the Council whilst preserving front-line services as best we can, making savings of nearly £19 million. We are initiating 47 projects to carry this forward. We have been able to lay out in the Cabinet reports how we see this Council taking shape in the future - developing the right approach for each service. Not one size fits all but the right solution for each service in response to local need. Again neither salami slicing nor trimming.

Of course some difficult service choices have had to be made. Each has been carefully assessed. Only as a last resort have we taken such decisions. Overall this budget has been achieved through a new approach and seeks to protect front-line services based on an understanding of local need.

Further difficult choices will have to be made to fill the £11million gap in 2013/2104 and 2014/2015 and possible further cuts in 2015/2016 and 2016/2017. We are already working on ways to deal with these.

10.

Questioner: Councillor Barry Macleod-Cullinane

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

Question: "Inflation is set at 2% in the Budget (p.5), while RPI and CPI are 4.8% and 4.2% respectively. Are there any Council contracts which are particularly susceptible to incurring costs if inflation changes and, if so, how are you mitigating this?"

Answer: While RPI and CPI are at historically high levels currently, it is anticipated that they will fall quite sharply in 2012. It should also be remembered that they are consumer inflation measures and do not necessarily reflect price changes in what the Council buys. It is anticipated that in most areas of spend inflation can be managed within the 2% allocation. Market conditions are generally favourable to the Council and the effects of inflation have been factored in to the savings achieved on our major contracts. This is not anticipated to be the case for energy and NNDR and £553k has been allowed for these additionally. While inflation on the contract with Capita was held to a level below that provided for in the contract in 2011-12, £55k has been allowed for a potential increase above 2% in 2012-13. The cost of Freedom passes has increased above 2%, primarily as a result of higher increases by Transport for London. The full £614k cost of the increase has been provided in the budget for next year.

11.

Questioner: Councillor Barry Macleod-Cullinane

Asked of: Councillor David Perry, Portfolio Holder for Community and Cultural Services

Question: "The Budget states on p14. that you will 'consider combining the Gayton and Civic Centre libraries in one town centre site'. Can you explain how this is anything but closing a library and thereby cutting the library service?"

Answer: We are committed to improving our library service and that includes making sure that our residents can access their services easily and in the best possible environment. Harrow is one of the few London Boroughs where the Central Library function is split across two sites (Civic Centre/Gayton Libraries). Currently the Civic Centre Library provides reference materials and study space. All other library stock (fiction/non-fiction/children's) is based at Gayton Library. In addition, Gayton Library is delivered from a converted

office block across four floors. This situation is both non-user friendly and staff intensive. The opportunity to relocate all services into a new purpose-built, well-located town centre library, where customers can access all of the library services on offer in one place would be a fantastic boost to the library service as well as supporting the re-animation of Harrow Town Centre.

361. Forward Plan 1 February 2012 - 31 May 2012

The Leader of the Council informed Cabinet that the decision relating to the item on 'Modernising Terms and Conditions of Employment' was taken by Cabinet in January 2012 and the item titled 'Approval for the Establishment of a Shared Legal Practice' has been deferred.

RESOLVED: To note the contents of the Forward Plan for the period 1 February – 31 March 2012.

362. Progress on Scrutiny Projects

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

363. Change in Cabinet Panel Membership

RESOLVED: To note that Councillor Chris Mote was First Reserve Member of the Corporate Parenting Panel for the Conservative Group.

RECOMMENDED ITEMS

364. Integrated Planning

The Leader of the Council and the Portfolio Holder for Finance and Business Transformation provided an overview of how the Council was moving forward in its quest to ensure an integrated approach to planning Council business, which would entail the submission of a series of papers to Cabinet; with the Corporate Plan 2012/13 and the Final Revenue Budget and Medium Term Financial Strategy (MTFS) 2012/13 to 2014/15 leading the way.

Having proposed minor amendments to two priority actions in relation to the Corporate Plan 2012/13, the Leader outlined the Council's Modernising agenda, whilst protecting front line services, in the face of an adverse economic climate; the need to make savings; a reduced grant from the government and demographic changes; which were all contributing to the various pressures on the Council. He was proud that Harrow was a low cost high performing Council and that, despite the scale and depth of the savings, it had been recognised as Best Achieving Council in the country by the Municipal Journal in 2011.

The Leader outlined the levels of savings that the Council had made year on year against considerable challenges, whilst also achieving an underspend in 2011/12. He was proud to be leading a Council which had achieved so much

and continued to look ahead with a radical agenda and initiatives that would suit the needs of a Modern and efficient Council. He outlined the main initiatives that the Council would be progressing, as follows:

- sharing and collaborating with other boroughs and partners on service delivery;
- exploring alternative ways to deliver services that allow greater engagement of residents and the voluntary sector;
- designing services so that interventions are earlier and more targeted;
- continuing to make access to our services more convenient for customers;
- adopting a more commercial approach to Council business and continuing to modernise the Council and its services by using the latest technology, business practices and processes so they were more efficient.

He added that the Council had moved forward with the implementation of a new IT system, developed proposals for Mobile and Flexible working, had plans to reduce the number of senior managers, was procuring services and introducing commercial practices where these would benefit the Council and its residents. The Council was moving towards a paradigm shift and the removal of silo-working. It was embarking on a new relationship with its residents and Partners under the "Let's Talk" initiative, which had allowed the Council to engage fully with residents who had helped to shape Harrow by participating in budget decisions. This method of engagement would be applied long term. Moreover, additional services were being provided by Access Harrow and it was intended to build on this provision. A major regeneration programme was also planned with the Town Centre, Kodak Centre and Lion House taking priority.

The Leader referred to the administration's position in relation to Council Tax, on which a nil increase had been proposed for 2012/13. However, it was unlikely that the Council would be able to place a freeze on Council Tax in 2013/14.

In summing up, the Leader paid tribute to the Chief Executive and all the staff for taking the Council forward and was assured that this momentum would continue in order to ensure that the residents of Harrow received the best service available.

364(a) Key Decision: Integrated Planning - Corporate Plan 2012/13:

Cabinet received a report of the Assistant Chief Executive, which set out the strategic direction for the Council, Priorities for Harrow, these being Modernising the Council and Protecting Frontline Services, Council Priorities and Priority Actions. The report described and illustrated the programmes against which the Council would be judged,

including how these would be funded in the context of the Council's integrated planning agenda.

Resolved to RECOMMEND: (to Council)

That the Corporate Plan 2012/13 be adopted, subject to the following amendments:

Priority Action, 'Reduce the amount waste produced by the borough', to include the following measures:

1. Number of Home Composting kits taken up by Harrow residents. Each Home Composter diverts 150 kg of waste;
2. Two West London Waste 'Let's get cooking clubs' set up in Harrow, which are projected to reduce waste by 27 tonnes.

Priority Action, 'Deliver improved performance of our Highways through a more efficient contract' to include the following measure 'Ensure the projected efficiencies are delivered'.

RESOLVED: That the Leader of the Council be authorised to make any minor amendments to the Corporate Plan 2012/13, as necessary, prior to the matter going to Council for adoption.

Reason for Decision: To update the Council's Policy Framework and set out the Council's Direction of Travel for 2012/13.

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

364(b) Key Decision: Integrated Planning - Final Revenue Budget and MTFs 2012/13 to 2014/15:

Cabinet received a report of the Interim Corporate Director Resources, which set out the final proposed Revenue Budget for 2012/13 and the Medium Term Financial Strategy (MTFS) to 2014/15.

The Revenue Budget set out the Council Tax Strategy and spending plans, including new investment and savings proposals which were challenging due to the adverse economic climate. The focus was on ensuring that further changes to service delivery were innovative, robust and deliverable whilst ensuring that they minimised the risk to the vulnerable or result in service failure.

The Interim Corporate Director Resources introduced the report, which also set out the impact of the investment and savings proposals and included information on the local government settlement, reserves policy and consultation on the budget. The report covered all of the Council's main activities, including schools.

The Interim Corporate Director outlined the financial context which underpinned the way in which the Council operated and would continue

to do so. She added that the budget for 2012/13 was balanced and identified the funding gaps for 2013/14 and 2014/15, and noted that the administration's desire was to make savings whilst minimising the overall impact on services provided. She referred to the Council Tax Support Grant Scheme and outlined how this would impact upon future years. She explained that the government had offered local authorities a similar grant in 2012/13 to enable Councils to reduce Council Tax increases by 2.5%, but that this was a significant departure from the previous year's scheme in that it was only being given for one year. The effect of this grant falling out in 2013/14 on Harrow was that it would increase the funding gap by £2.6m.

A summary of the budget proposals was given and the Interim Corporate Director briefed Cabinet on the impact of these proposals on the services provided by the Directorates. As a result, an equality impact assessment had been carried out for each proposal depending on the extent of the impact and had been made available on the intranet for the decision makers to visit in approving the budget for 2012/13. Moreover, consultation was ongoing as required by law. Flexibility had been retained within the budget to cover for any eventualities, particularly if, as a result of the consultation and equality impact assessment, some proposals could not be implemented. In such instances, the Directorates would develop alternative plans to put in place to help mitigate any impact. The Interim Corporate Director stressed that this approach would help counteract comments about predetermination.

Cabinet noted that a detailed risk assessment of the budget had been carried out, including the reserves policy being recommended. The Interim Corporate Director identified the significant risks for 2012/13 and pointed out that, overall, the types of risks were rising. As a result, it was prudent to increase the desired range of reserves held and whilst the Council was 'comfortable' with holding £7m reserves, it would be advisable to increase this sum if possible. A £1 million contingency was being held in the base and it was proposed to increase this in subsequent years.

In summing up, the Interim Corporate Director Resources, in her capacity as the Council's Chief Finance Officer and in complying with the requirements of part II of the Local Government Act 2003, commented on the robustness of the budget including the adequacy of the reserves and provision. She stated that the budget was robust and that it included a significant level of growth but that there were risks associated. She referred to the amended Council Tax resolution which had been revised and tabled at the meeting due to the changes to the GLA precept.

The Leader of the Council stated that the budget for 2012/13 was prudent, whilst acknowledging the uncertainty surrounding the budget for future years.

Resolved to RECOMMEND: (to Council) That

- (1) the budget be approved to enable the Council Tax for 2012/13 to be set;
- (2) the policy on the use of the contingency, at appendix 7 to the report, be approved;
- (3) the schools budget at appendix 8 to the report be approved;
- (4) the reserves policy at appendix 10 to the report be approved;
- (5) the virement rules, set out in Appendix 11 to the report, be approved;
- (6) Members' Allowances be frozen and the current approved Members' Allowances Scheme be adopted for 2012/13;
- (7) in the event that responsibility for Public Health is transferred to the Council during 2012/13, authority be delegated to the Interim Corporate Director Resources to incorporate the transferred amount into the budget;
- (8) the amended model Council Tax resolution tabled at the meeting and attached at appendix I to the minutes be approved.

RESOLVED: That

- (1) the Medium Term Financial Strategy, at Appendix 1 to the report, be approved;
- (2) the planned investment in services and efficiency programme be noted;
- (3) in relation to schools, the proposed changes to the formula be approved;
- (4) the risk assessment at appendix 9 to the report be agreed and referred to the Governance, Audit and Risk Management Committee for consideration and monitoring.

Reason for Decision: To ensure that the Council sets a balanced budget for 2012/13.

[Call-in does not apply to the Recommendation].

365. Key Decision: Housing Revenue Account Budget 2012/13 and MTFS 2013/14 to 2014/15

Cabinet received a joint report of the Interim Corporate Director of Resources and the Corporate Director Community Health and Wellbeing, setting out the

Housing Revenue Account (HRA) Budget for 2012/13 and Medium Term Financial Strategy (MTFS) to 2014/15.

The Portfolio Holder for Housing reported that the Council had a statutory obligation to agree and publish the HRA Budget for 2012/13. The Medium Term Financial Strategy for 2013/14 and 2014/15 set out the indicative income and expenditure for the HRA for the period and showed how the income collected would be spent in the management and maintenance of the Council's stock and in meeting its obligations as a landlord. He added that the HRA budget for 2012/13 was for a year only in order to enable the Council to analyse, consult and quantify the financial benefits of HRA reform, policy and financial implications, including changes that the government might make as part of its consultation exercise. It was intended to present a 30-year HRA Business Plan to Cabinet in May 2012 which would take all eventualities on board.

The Portfolio Holder added that the HRA budget and the MTFS showed a significantly improved position to that reported last year, the majority of which was attributable to the updated Rental Strategy and the freeing up of additional resources as a result of the reforms. The benefits associated with the HRA reforms were in the region of £2m per annum and provided an opportunity to invest in repairs, resident engagement, reducing pressures in temporary accommodation and providing new affordable housing, to name a few.

The Portfolio Holder outlined the consultation that had taken place, including with the Tenants', Leaseholders' and Residents' Consultative Forum and he outlined their aspirations. In summing up, the Portfolio Holder paid tribute to the work done by the Housing Policy Task Group and by officers, as well as Portfolio Holders who had supported the work, particularly the Leader of the Council. He commended the report to Cabinet.

The Leader of the Council welcomed the changes to the HRA budget and was pleased that the changes would benefit Harrow. The benefits to Harrow of £2m per annum would help the Council move service issues forward. In addition, the preferential rates offered by the Public Works Loans Board (PWLB) to fund additional debt for up to 50 years was welcomed and would help the Council fulfill a range of objectives that the tenants had asked for such as stock improvement, an ongoing repairs service and payment of HRA debt. He would also welcome the chance to provide additional affordable housing. He was pleased with the positive overall situation on the HRA, particularly as the administration had inherited a dysfunctional HRA.

The Portfolio Holder for Housing was commended for his work in the Housing field, include his extensive knowledge of this area.

Resolved to RECOMMEND: (to Council) That

- (1) the borrowing of additional debt as a consequence of the Housing Revenue Account (HRA) reform for a fixed rate over 50 years with the continuation of a single pooled approach to the management of debt be approved;

- (2) it be noted that the Tenants' Leaseholders' and Residents' Consultative Forum had given conditional support to a 50 year loan and single pool arrangement provided there was some form of "guarantee" that the Council would deliver the total package of measures to address housing service pressures;
- (3) the HRA budget for 2012/13, set out at appendix II to the minutes to the report, be approved;
- (4) the HRA Capital Programme, as detailed in Appendix III to the minutes, be approved and the balance of the £500k Section 106 monies allocated to extensions for Council homes approved in March 2008 for the financial years 2008/2010 be extended to 31 March 2013.

RESOLVED: That

- (1) rents and service charges be increased by 6.72% on average from 1 April 2012, as detailed in Appendix 2 to the report, resulting in an average weekly charge of £104.82 made up of an average rent £102.14 and average service charge £2.68;
- (2) the increase in garage and car parking rents, as detailed in Appendix 3 to the report, be frozen pending the outcome of the current review of garages;
- (3) an increase in energy (heating) charges by 4% from 1 April 2012, as detailed in Appendix 4 to the report, be approved;
- (4) it be noted that the current water charges, as set out in Appendix 5 to the report, will be increased as and when notified by Veolia Water;
- (5) the fees in relation to community centres be increased by 2%, as detailed in Appendix 6 to the report;
- (6) the MTFS for the HRA, as detailed in Appendix 1 to the report, be approved;
- (7) the Corporate Director Community Health and Wellbeing, in consultation with the Portfolio Holder for Housing, be authorised to consult with the leaseholders around increasing the administration fee in relation to the 2012/13 charges and implement any resulting decision;
- (8) the introduction of a Major Work Loans Policy for leaseholders, as set out at paragraph 41 of the report, be approved with authority delegated to the Corporate Director of Community Health and Wellbeing and Interim Corporate Director Resources, in consultation with the Portfolio Holders for Finance and Business Transformation and Housing, to finalise the detail of the Policy.

Reason for Decision: To publish the final HRA budget and set Council rents and other charges for 2012/13.

[Call-in does not apply to the Recommendation].

366. Key Decision: Capital Programme 2012/13 to 2014/15

Cabinet considered a report of the Interim Corporate Director Resources, which proposed the Capital Programme for 2012/13 and the indicative programmes for 2013/14 to 2014/15 that formed part of the annual budget review process.

The Leader of the Council set out the context in which the Capital Programme had been prepared, such as increased revenue pressures, reduced external funding from the government and difficult property market conditions. As a result, a 3-year rolling Capital Programme had been established and a new Capital Strategy devised to allow the Council's Capital funds to be allocated in a manner which benefited the people of Harrow in line with the priorities of the Council.

The Leader added that the bids for Capital Funding were validated by a Capital Bid Validation Panel, which was chaired by the Interim Corporate Director Resources, with the Leader having a final say on the outcomes of the bidding process. A balanced score card system was used and the Panel also scrutinised the basic details and facts on the project including revenue and capital financial implications. He considered this to be a step forward in ensuring a consistent approach across all project bids put forward.

The Interim Corporate Director Resources explained how the Capital Programme was funded and that, in the light of considerable pressures, a range of funding and accounting options had been considered. This had resulted in the inclusion over and above the main Capital Programme of four other projects, such as the School Expansion Programme, Transformation New Projects, Land Acquisitions and Re:FIT Carbon Reduction Programme. Individual projects would require Cabinet approval and that for the Transformation New Projects, a 3-year payback period had been agreed to reduce the burden on the Council. A similar approach would be taken for land acquisitions. The Re:FIT Programme would be funded from the savings from efficiency generated.

Resolved to RECOMMEND: (to Council)

That the Capital Programme, as detailed in Annex 1 to the report, and the Capital Strategy, at Annex 2 to the report, be approved.

RESOLVED: That the Capital Strategy, at Annex 2, be approved.

Reason for Decision: To enable the Council to have an approved Capital Programme for 2012/13 to 2014/15.

[Call-in does not apply to the Recommendation].

367. Key Decision: Treasury Management Strategy Statement, Prudential Indicators and Minimum Revenue Provision (MRP) Policy and Strategy 2012/13

Cabinet considered a report of the Interim Corporate Director Resources, which set out the Council's Treasury Management Strategy Statement, Prudential Indicators and Minimum Revenue Provision (MRP) Policy for 2012/13.

The Interim Corporate Director explained that Treasury Management was the management of the Council's investments and cash flows, its banking, money market and debt transactions together with the effective control of the risks associated with those activities. She added that the report correlated with the Capital Programme, which was both prudent and sustainable. She outlined the provisions of the Local Government Act 2003, which required local authorities to set out its Treasury Strategy for Borrowing and prepare an Annual Investment Strategy that established the policies for managing investments and giving priority to the security and liquidity of those investments. Moreover, the Governance, Audit and Risk Management Committee would review and scrutinise these Strategies.

Cabinet was informed that the Council was committed to the principle of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management. The proposals in the report underpinned this commitment. The Prudential Indicators provided an overview of the Capital expenditure plans which were the key drivers of the Treasury Management activity.

The Corporate Director highlighted the key aspects, as follows:

- the net borrowing in relation to the Housing Revenue Account (HRA), which examined the change in debt less investment balances year on year. She explained that the increase in the current year was due to the HRA settlement payment, whilst for future years the General Fund Programme would continue to require external borrowing;
- the proposed debt pooling arrangements would benefit the Council.

During the presentation on the report, the Interim Corporate Director made some minor amendments to the report, whilst clarifying the position in relation to the Borrowing Strategy and the Base Rate, the latter of which remained unchanged. Some minor amendments were referred to by the Interim Corporate Director to the report, including an explanation of the pooling arrangements and how these would work together with the Counterparty Policy which would help meet gaps in the Council's budget as the proposed change would allow the Council to earn more investment income without exposing the Council to a materially higher risk.

Resolved to RECOMMEND: (to Council)

That, subject to the amendments to table 8 and paragraph 31 'Borrowing and Investment Limits' and the tables at paragraph 59 'Specified Investments' and 'Non-Specified Investments' of the report as set out below,

- (1) the Treasury Management Strategy and Prudential Indicators be approved;
- (2) the Minimum Revenue Provision Policy and Strategy for 2012/13 be approved.

Table 8

Table 8	2010/11	2011/12	2012/13	2013/14	2014/15
	actual	forecast outturn	estimate	estimate	estimate
	£'m	£'m	£'m	£'m	£'m
Authorised Limit for external debt Borrowing and finance leases	288	377	432	447	455
Operational Boundary for external debt Borrowing	262	351	376	397	417
Other long term liabilities	26	26	28	25	24
Total	288	377	404	422	441
Upper limit for fixed interest rate exposure Net principal re fixed rate borrowing	262	351	376	397	417
Upper limit for variable rate exposure Net principal re variable rate borrowing	0	0	0	0	0
Upper limit for principal sums invested over 364 days	18	13	25	25	25

Paragraph 31

The final set of indicators is the debt and investment limits. The operational boundary is based on current debt plus the impact of net capital expenditure in each of the next three years. The current expectation is that the capital programme will be funded from existing cash balances. The authorised limit is based on CFR balances and includes an allowance for delayed capital receipts.

Paragraph 59

Specified investments

Instrument	Minimum Credit Criteria	Use
Debt Management Agency Deposit Facility	Government backed	In-house
Term deposits – other LAs	Local Authority issue	In-house
Term deposits – banks and building societies	AA- Long Term F1+Short-term 2 Support AA- Viability AAA Sovereign	In-house
Money Market Funds	AAA	In-house

Non-Specified Investments

	Minimum Credit Criteria	Use	Max % of total investments	Max. maturity period
Term deposits – banks and building societies	A Long Term F1 Short-term 1 Support A Viability UK or AAA Sovereign	In-house	50%	3 months
UK nationalised Banks [RBS & Lloyds / HBOS]	F1 Short-term 1 Support	In-house	30% for each of the two Groups	36 months
Callable Deposits	F1 Short term A Long Term 1 Support	In-house	20%	3 months

RESOLVED: That the report be referred to the Governance, Audit and Risk Management Committee for review.

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

[Call-in does not apply to the Recommendation].

368. Key Decision: Core Strategy Adoption

The Portfolio Holder for Planning, Development and Enterprise introduced the report, which documented the outcome of the Independent Examination in Public of Harrow's Core Strategy and advised that the Strategy would be reported to Council for adoption as part of the Development Plan for Harrow.

The Portfolio Holder was proud to be associated with the Strategy, and informed Cabinet that the provisions of the Planning and Compulsory Purchase Act made the Inspector's Report binding upon local authorities. The only option that could have been considered was the withdrawal of the Core Strategy. He drew Members' attention to the feedback received from the Local Development Framework Panel and the Overview and Scrutiny Committee on the Core Strategy.

The Portfolio Holder and the Corporate Director Place Shaping wished to place on record their thanks to the Local Development Framework Team Leader and his team for their work in ensuring successful and positive outcomes for the Core Strategy which would shape the future of the borough. Officers were also commended for their participation with other Directorates and the joint working arrangements that had been put in place.

The Leader of the Council congratulated officers on their achievements, including the transparency of the whole process.

Resolved to RECOMMEND:

That the Core Strategy be adopted, as part of the Development Plan for Harrow.

RESOLVED: That

- (1) the outcome of the independent Examination in Public of Harrow's Core Strategy be noted;
- (2) the Portfolio Holder for Planning, Development and Enterprise be notified as soon as practicable when the post-adoption statutory requirements for the Core Strategy have been complied with.

Reason for Decision: To progress the Core Strategy to adoption in accordance with the current Local Development Scheme. To ensure that an up to date Development Plan for the borough was in place and to comply with regulatory requirements.

[Call-in does not apply to the Recommendation].

RESOLVED ITEMS

369. Key Decision: Fees and Charges for Council Services

Cabinet received a report of the Interim Corporate Director Resources, which set out proposals for Fees and Charges to be made by the Council in 2012/13. It was noted that the Council had the power to set fees and charges for statutory and non-statutory services and seek to recover the full costs of providing services where appropriate.

The Leader of the Council reported that a “root and branch” review of all charges would be carried out for October and he commended the report to Cabinet.

The Interim Corporate Director Resources reported that the Fees and Charges income of £27.7m represented a substantial part of the Council’s overall budget and that these were governed by different rules and regulations. In levying the charges, due consideration was given to how any increase would affect the vulnerable and any changes in fees took account of the needs of service users and the Council’s policy objectives. She added that fees had been set at levels in line with the Fees and Charges Policy and would protect the vulnerable, deliver policy objectives and help protect vital revenue streams that support the delivery of front line services. Moreover, Equality Impact Assessments were also carried out to indicate the impact of the proposals on particular groups and any mitigating measures that could be taken.

The Corporate Director added that a systematic project approach to reviewing Fees and Charges would be taken during 2012/13 and would focus on individual Directorates, with the target being to increase overall yield and reduce costs of delivering the service and expand delivery into new markets.

RESOLVED: That

- (1) the Fees and Charges, set out in the appendices to the report, be approved;
- (2) an additional in-year price review to come into effect on or after 1 October 2012 following a price structure review in key areas be agreed;
- (3) an in-year revision to parking fees following consultation be agreed;
- (4) it be noted that there is an existing delegation to the Corporate Directors to vary fees and charges for goods and services funded by the Council and agree that in-year price reviews would be determined by the relevant Corporate Director in consultation with the relevant Portfolio Holder (Cabinet October 2010).

Reason for Decision: Council Fees & Charges have input costs that are directly affected by the wider impacts of inflation and therefore external Fees and Charges are typically adjusted annually to maintain a balanced net budget position.

Where charges can be adjusted from April 2012 and where no other price changes are recommended by the service, a general upward adjustment of 2 - 4% has been applied to all Fees and Charges to keep income aligned to expenditure. In certain areas a greater than 4% adjustment has been made to respond to wider market changes. Statutory or agreed consultation and notice periods apply to certain fees. Some have already been consulted upon and are included in the report whilst others would be reviewed in-year and impact from April 2013.

Particular care has been taken across all price rises to protect vulnerable groups and ensure that service users are not excluded through price increments. Further care has been applied to ensure that price adjustments create a maintenance or rise in yield and do not adversely effect overall demand resulting in decreased income.

Whilst across many areas, sensitively placed inflationary increases would come into effect in April 2012, a structured project approach to reviewing Fees and Charges in key areas will generate additional market based adjustments. Potential price revisions should be responded to quickly in order to maximise yield, an October 2012 mid-year review would allow some new fees to be applied quickly making a positive budget impact within the year.

The final elements of the parking review and consultation would be completed during 2012. An in-year application of the outcomes of the review would assist in making a positive in-year policy and budget impact.

Corporate Directors already hold the delegation to vary and recover fees and charges for goods and services funded by the Council within agreed policy. The in-year review would allow the Council to take a more commercial approach to income. This provides a further mechanism for a more responsive and market-sensitive approach to fees, charges and income.

370. Key Decision: Revenue and Capital Monitoring for Quarter 3 as at 31 December 2011

The Leader of the Council introduced the report, setting out the Council's Revenue and Capital Monitoring position as at 31 December 2011. He outlined the challenges to the budget, particularly during quarter 2 when an overspend was reported. However, he was pleased to report that during quarter 3, an underspend was being forecasted, and he congratulated the Corporate Directors for their work to ensure that the overall position at quarter 3 was favourable. He considered the Capital Programme to be in a healthy position.

The Interim Corporate Director Resources referred to the three additional bids that been approved, which related to the Transformation and Priority Initiative areas. The contingency budget stood at £1m and bids had been made against the contingency. She would be encouraged if an underspend of £1.4m could be delivered which would be added to the general fund at year end.

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 Outturn required is achieved be noted;

- (3) the virement detailed in paragraph 26 to the report and the amendments to the Capital Programme, as set out in appendix 2 Table 1, be approved;
- (4) the re-phasing of the Capital Programme in paragraph 31 to the report be approved.

Reason for Decision: To present the forecast financial position as at 31 December 2011 and actions required to be taken.

371. Key Decision: Non-Domestic Discretionary Rate Relief - Charities and Non Profit making Organisations

Cabinet received a report of the Interim Corporate Director Resources, which set out proposals to review the policy of Non-Domestic Discretionary Rate Relief (NDDRR) which had been granted to the same applicants for a number of years and which had not been reviewed for approximately ten years. The available budget for all of the Council's activities needed to be reviewed in light of the Council's overall savings strategy and the need to ensure that the actual expenditure did not exceed the current available budget.

The Leader of the Council referred to the report and described the role of the Council as a billing authority, how it was empowered to award discretionary rate relief from business rates occupied by charities and 'not for profit' organisations and how the costs of giving relief were shared with the government. The relief granted had not been reviewed for approximately ten years and following initial consultation, a series of proposals was being recommended to Cabinet for approval. Thereafter consultations would be carried out on further proposed changes with a report being submitted to Cabinet for consideration.

The Leader outlined the proposed changes to the discounts given to various clubs and businesses, including sports clubs and the requirements for the future. It was also intended to introduce a cap of £75,000 on the rate relief given for the financial year 2012/13. A minor amendment was made to the recommendation and it was

RESOLVED: That

- (1) educational and religious establishments be ineligible for Non-Domestic Discretionary Rate Relief (NDDRR);
- (2) businesses eligible for Small Business Rate Relief (SBRR) apply for that relief and not be eligible for NDDRR;
- (3) to be eligible for NDDRR, all Sports Clubs must apply for Community Amateur Sports Club (CASC) status, as laid out in section 2.6 of the report;
- (4) a cap of £75K for NDDRR for the financial year 2012/13 be introduced and, if necessary, awards be reduced in proportion to rateable value;

- (5) a twenty eight day appeal period be implemented;
- (6) the attached revised criteria / officer guidance be adopted;
- (7) the consultation responses be noted and it be agreed that further consultation be undertaken on other proposed changes to the eligibility criteria / officer guidance in 2012/13 and the results reported back to Cabinet.

Reason for Decision: To increase the take up of alternative mandatory rate reliefs, including Community Amateur Sports Clubs and Small Business Rate Relief which are not paid for by the local authority whilst minimising the impact of the change to process/policy on charitable and non-profit making organisations. To reduce the NDDRR budget from £130K to £75K.

372. Key Decision: Council Insurance Renewals 2012

Cabinet received a report of the Assistant Chief Executive, detailing an overview and outcome of the competitive tendering process undertaken to seek new contracts through the Insurance London Consortium (ILC) for the provision of Liability and Property Insurance. Cabinet also received confidential appendices setting out details of the tender evaluation, including the preferred company proposed to be awarded the contract.

The Portfolio Holder for Performance, Customer Services and Corporate Services informed Cabinet that the Council was a member of the Insurance London Consortium (ILC), a group of nine boroughs whose aim was to reduce the cost of risk for the public sector through long term collaborative commitment to risk management excellence. The proposal outlined would reduce the costs by £70,000.

The Divisional Director Risk, Audit and Fraud reported that each Council associated to the Consortium had submitted a bid and that Harrow Council had had the best outcome.

The Portfolio Holder for Property and Major Contracts added that, overall, the Council would be making a saving that was substantially higher than the £70,000 reported and he thanked officers for their achievements in this area.

RESOLVED: That the contract be awarded, as specified in Appendix I to the report.

Reason for Decision: Harrow is committed to the procurement of its external insurance arrangements through the Insurance London Consortium (ILC). A restricted tender process was conducted according to EU procurement rules for Part A Service contracts. A pre-defined evaluation model was constructed to fairly evaluate each tender against a set of criteria established by the ILC and their appointed insurance brokers. The bidders detailed in Appendix 1 (confidential, Part II section of the report) achieved the highest total scores in the evaluation process. The winning bids provide a comprehensive cost-effective solution offering best value to the Council at significantly reduced costs, together with enhanced insurance cover.

373. Corporate Parenting of Children Looked After by Harrow Council

The Portfolio Holder for Children's Services introduced the report, which set out the Council's cross cutting Corporate responsibilities for Looked After Children and provided examples of how these responsibilities would be discharged, including future priorities to improve and strengthen services. The Portfolio Holder added that there were significant placement challenges locally and that closer working would help the Council. Moreover, there were 22 Locata nominations for 38 Care Leavers.

RESOLVED: That

- (1) all elected Members and Reserve Members of the Corporate Parenting Panel should have a satisfactory, up to date, Criminal Records Bureau (CRB) check;
- (2) current arrangements be strengthened by increasing officer participation on the Corporate Parenting Panel, as outlined in paragraph 2.9 of the report;
- (3) Portfolio Holders attend the Corporate Parenting Panel as and when requested to do so by the Chairman of the Corporate Parenting Panel;
- (4) all elected Members attend the Corporate Parenting display on 12 April 2012 before the Council meeting;
- (5) the needs of Children Looked After and those leaving care be supported and promoted and that a statement confirming Harrow's commitment to the work set out in the report be made.

Reason for Decision: To make a positive impact on the life chances and outcomes of Harrow's children in care and those leaving care. To demonstrate how Harrow discharges its Corporate Parenting responsibilities.

374. Key Decision: Carbon Reduction - RE:FIT Tender Returns

The Portfolio Holder for Property and Major Contracts introduced the report, which set out the proposed future arrangements for purchasing energy across the Council estate, including schools and outlined the benefits of the proposal.

RESOLVED: That

- (1) the appointment of MITIE as the Preferred Supplier be agreed;
- (2) Investment Grade Proposals be sought from the Preferred Supplier;
- (3) the Corporate Director Community and Environment, in consultation with the Portfolio Holder for Property and Major Contracts, be authorised to enter into a contract subject to the Investment Grade Proposals meeting the Business Case requirements set out in the report;

- (4) the financial arrangements and potential use of LEEF (London Energy Efficiency Fund) for funding, subject to the agreement from energy budget holders to meet the repayments, be noted.

Reason for Decision: Reducing the Council's energy use is consistent with the Council's Climate Change Strategy. The proposal will reduce expenditure on utility bills and reduce the cost of complying with the Carbon Reduction Commitment Scheme.

375. Key Decision: Surface Water Management Plan

The Portfolio Holder for Environment and Community Safety introduced the report, which set out the Surface Water Management Plan for Harrow in order to meet the requirements of the Flood and Water Management Act 2010 and to comply with its duties as Lead Local Flood Authority to develop, maintain, apply and monitor a strategy for local flood risk management consistent with national strategies. He added that each Lead Local Flood Authority (LLFA) had been given an area based grant from the Department for Environment, Food and Rural Affairs (DEFRA) and there was a commitment for funding until 2015 to provide additional resources to assist in fulfilling the requirements of the Act.

The Portfolio Holder informed Cabinet that Harrow did not suffer from any serious flooding and that the long term aim was to reduce the number of properties at risk by introducing a Flood Alleviating Scheme.

RESOLVED: That the Surface Water Management Plan be approved.

Reason for Decision: To comply with the requirements of the Flood & Water Management Act 2010 and the National Flood Risk Management Strategy.

376. Key Decision: Transformation Programme Mobile and Flexible Working

The Portfolio Holder for Performance, Customer Services and Corporate Services introduced the report, which outlined the case for the Council to proceed with the implementation of the Mobile and Flexible Working project, which would ensure seamless working across all Directorates in conjunction with the residents of Harrow and the Council's Partners.

The Portfolio Holder assured Cabinet that all outcomes had been reviewed both internally and externally and the Project would provide value for money. The project had been scaled down to ensure its viability, and that it was the one of the final building blocks alongside the IT infrastructure, Customer Contact Assess and Decide (CCAD) project and the proposals for Modernising the Terms and Conditions of staff. He referred to the flexible working initiative launched by O2 with a quarter of its UK force operating remotely and gave a flavour of how this had been received:

Director of Human Resources at O2 – "We live in such a connected world today that it is far easier for employees to remain in touch, no matter where they happen to be. There are huge benefits to be gained in enabling your

workforce to be mobile. Not only does it foster trust between organisations and employees, but allows staff to shape their own working environment gives them back their most valuable resource – time. It also allows companies to overcome geographical boundaries and open new doors in terms of recruiting the best talent. So whether it is a mum that needs to be at home for the school run or an employee that working remotely three days and travels to the office for two, with the right tools, implementing flexible working policies have the potential to transform the way we do business. For companies, it is hoped that the pilot will showcase the wider economic business case for flexible working in helping to drive efficiency, productivity and innovation.”

O2 Business Director – “While more than a third of businesses say that allowing staff to work flexible hours makes their workforce more productive, and 43% believe that it helps to retain employees, existing policies are often outdated and ineffective. More than ¾ of organisations are hindering the sharing of best practice by preventing staff from working flexibly across teams, while 16% still have no flexible working policy at all.”

Andrew Marunchak, Specialist/Flexible Recruitment, Work Clever – An excellent initiative and example of the UK private sector realising the true potential of flexible working. Hopefully, encouraging many more organisations to adopt flexible working practices and recognise the efficiency it can bring to business, it might be the ‘shot in the arm’ needed by our economy.”

The Portfolio Holder considered these comments to relate to Council business and that the moving of boundaries would help develop services. He added that Mobile and Flexible Working was the last building block in the Modernisation of the Council and he commended the report to Cabinet.

RESOLVED: That

- (1) the implementation of the Mobile and Flexible Working project, as set out in the report, be approved.
- (2) the Corporate Director Place Shaping, in consultation with the Leader and Portfolio Holder for Finance and Business Transformation and the Portfolio Holder for Performance, Customer Services and Corporate Services, be authorised to take all actions necessary to implement the project.

Reason for Decision: To build on the enabling investments which are being implemented as part of the Councils IT contract, Transformation Programme, and business process and cultural change elements of the Transformation Programme. The proposed investment is a key element of the Business Transformation Programme, which will totally transform the ability of the Council to deliver the right services, within budgets, at the time and place our residents demand. To significantly contribute to the modernising of the Council’s ICT Infrastructure, business processes, data security, working practices and organisational culture, through adopting modern and proven ways of working, supported by best practice tools and techniques. This investment will, over the course of the next few years, allow the Council to realise its vision of being a community hub for all residents’ services,

collaborating and sharing with NHS, Police and partners alike, as well as facilitating a rationalisation of property assets.

377. 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>Agenda Item No</u>	<u>Title</u>	<u>Description of Exempt Information</u>
24.	Council Insurance Renewals 2012 Appendices 1 and 2	Paragraph 3, in that it contains information relating to the financial or business affairs of any particular person (including the authority holding that information).

378. Key Decision: Council Insurance Renewals 2012

Cabinet considered the confidential appendices to the report of the Assistant Chief Executive, which appeared at item 16 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 16.

(Note: The meeting, having commenced at 7.30 pm, closed at 9.36 pm).

(Signed) COUNCILLOR BILL STEPHENSON
Chairman

Model Council Tax Resolution

Harrow Council

Council Tax Resolution 2012-2013

Council is requested to determine the level of the Council Tax for 2012-2013 in the light of the information on the precept and make the calculations set out in the resolution shown below.

- (1) To note that at its meeting on 15 December 2011 Cabinet agreed the amount of 88,140 as its Council Tax Base for the year 2012-2013. [Item T in the formula in Section 31B of the Local Government Finance Act (LGFA) 1992, as amended (the "Act")].
- (2) That the following amounts be now calculated by the Council for the year 2012-2013, in accordance with Sections 31A, 31B and 34 to 36 of the Act:
- (i) Being the aggregate of the amounts which the Council estimates for items set out in Section 31A (2) (a) to (f) of the LGFA 1992 (A). £582,789,314
 - (ii) Being the aggregate of the amounts which the Council estimates for items set out on Section 31A (3) (a) to (d) of the LGFA 1992 (B). £409,676,096
 - (iii) Being the council tax requirement in accordance with Section 31A (4), by which the aggregate at (2(i)) above exceeds the aggregate at (2(ii)) above. £104,582,517
 - (iv) Being the basic amount of Council Tax for the year, being the Council Tax Requirement at(2(iii)) above, divided by the Council Tax Base set out at (1) above, in accordance with Section 31B(i) of the Act. £1,186.55

(v) Valuation Bands

	A	B	C	D	E	F	G	H
£	791.03	922.87	1,054.71	1,186.55	1,450.23	1,713.90	1,977.58	2,373.10

Being the amounts given by multiplying the amount at (iv) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D excluding precepts from any other authority.

- (3) That it be noted that for 2012-2013 the Greater London Authority stated the following amount in precept issued to the Council, in accordance with section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below.

Valuation Bands

	A	B	C	D	E	F	G	H
£	204.48	238.56	272.64	306.72	374.88	443.04	511.20	613.44

- (4) Agree that the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts of Council Tax for 2012-13 for each part of its area and for each of the categories of dwellings as shown in the table below.

Valuation Bands

	A	B	C	D	E	F	G	H
£	995.51	1,161.43	1,327.35	1,493.27	1,825.11	2,156.95	2,488.78	2,986.54

- (5) Determine that the Council's basic amount of Council Tax for 2012-13 is not excessive in accordance with the principles approved under section 52ZC Local Government Finance Act 1992.

HARROW COUNCIL
REVENUE BUDGET SUMMARY 2012-2013

	2011-2012 Original Budget £000	2012-2013 Original Budget £000
Local Demand - Borough Services		
Adults and Housing	67,508	66,431
Children's Services	40,852	39,475
Community and Environment	43,986	48,674
Place Shaping	4,382	3,547
Legal and Governance	3,566	3,379
Assistant Chief Executive	12,275	3,854
Corporate Finance	7,834	18,634
Transformation Programme	-389	-519
Total Directorate Budgets	180,014	183,475
Corporate items	2,213	148
Provisions for debt/litigation	325	425
Capital Financing adjustments	-4,463	-8,327
Council Tax Support Grant	-2,580	-2,608
Total Net Expenditure	175,509	173,113
Collection Fund Surplus b/f	-1,978	-1,335
Formula Grant	-70,126	-67,196
Local Demand on Collection Fund	103,405	104,582
Funds / Balances		
Balances Brought Forward	7,000	7,000
Adjustment to Balances	0	0
Balances Carried Forward	7,000	7,000
Council Tax for Band D Equivalent		
Harrow (£)	1,186.55	1,186.55
<u>Increase</u> Harrow (%)	0.00%	0.00%
Taxbase	87,148	88,140

HRA Budget 2012-13 and MTFS 2013-14 to 2014-15- Expenditure

	Budget 2012-13 (Feb 2011) £	Budget 2012-13 (latest) £	Budget 2013-14 (proposed) £	Budget 2014-15 (proposed) £
Operating Expenditure:				
Employee Costs	1,466,670	2,094,741	2,014,747	2,013,620
Supplies & Services	639,260	707,360	711,460	713,347
Utility cost (Water & Gas)	679,000	551,007	594,438	641,980
Estate & Sheltered Services	2,774,510	2,207,096	2,345,300	2,513,044
Central Recharges	3,088,770	3,345,714	3,412,628	3,480,880
Operating Expenditure	8,648,210	8,905,918	9,078,573	9,362,871
Repairs Expenditure:				
Repairs - Voids	636,410	689,250	730,000	700,000
Repairs - Responsive	2,744,430	2,436,612	2,578,289	2,747,751
Repairs – Other	2,091,140	2,365,521	2,341,412	2,367,105
Total Repairs Expenditure	5,471,980	5,491,383	5,649,701	5,814,856
Other Expenditure:				
Contingency - General	200,000	200,000	200,000	200,000
Investment in Services	0	900,000	1,400,000	1,300,000
Bad or Doubtful Debts	200,000	200,000	200,000	200,000
RCCO	0	0	440,372	1,979,800
Charges for Capital	2,770,420	6,420,024	6,397,124	6,349,444
Depreciation	4,148,000	5,991,190	6,111,000	6,233,200
HRA Subsidy	6,988,350	0	0	0
Total Other Expenditure	14,306,770	13,711,214	14,748,496	16,262,444
Total Expenditure	28,426,960	28,108,515	29,476,770	31,440,171

HRA Budget 2012-13 and MTFS 2013-14 to 2014-15 - Income

	Budget 2012-13 (Feb 2011) £	Budget 2012-13 (latest) £	Budget 2013- 14 (proposed) £	Budget 2014- 15 (proposed) £
Income				
Rent Income – Dwellings	-25,397,420	-26,205,980	-27,151,130	-28,129,310
Rent Income – Non Dwellings	-761,970	-684,491	-686,101	-687,706
Service Charges - Tenants	-665,540	-686,121	-703,203	-720,709
Service Charges – Leaseholders	-760,410	-548,550	-556,868	-565,589
Facility Charges (Water & Gas)	-517,320	-515,960	-526,279	-536,805
Interest	-6,120	-4,000	-4,000	-4,000
Other Income	-183,010	-83,000	-83,000	-83,000
Transfer from General Fund	-163,000	-163,000	-163,000	-163,000
Total Income	-28,454,790	-28,891,102	-29,873,581	-30,890,119
In Year Deficit / (Surplus)	-27,830	-782,587	-396,811	550,052
BALANCE brought forward	-2,681,730	-2,422,353	-3,204,940	-3,601,751
BALANCE carried forward	-2,709,560	-3,204,940	-3,601,751	-3,051,699

HRA Capital Programme

	2012-13 No. of properties	2011-12 £	2012-13 £	2013-14 £	2014-15 £
Capitalised salaries	-	310,000	310,000	317,750	326,000
Contingency	-	50,000	-	-	-
Major voids	30	50,000	75,000	76,870	78,800
Kitchens including rewiring	200 300	625,000 500,000	800,000 700,000	820,000 717,500	842,000 736,000
Bathroom including rewiring	1,000 100	625,000 500,000	500,000 250,000	512,500 256,250	525,000 263,000
Health & Safety programme	300 40	900,000 480,000	2,352,350 400,000	2,411,160 512,500	2,672,000 525,320
Gas heating programme	120 200	300,000 700,000	300,000 50,000	307,500 51,250	315,220 52,550
Enveloping programme	70	500,000	200,000	205,000	210,130
Door entry upgrade/renewal	5 7	25,000 -	25,000 50,000	25,630 51,250	26,300 52,530
Lifts	5	250,000	350,000	256,250	262,660
Digital TV aerials	120	250,000	275,000	281,880	288,920
Electric night storage heating	60 120	100,000 30,000	125,000 60,000	128,100 61,500	131,330 63,040
Water tank replacement	100	600,000	600,000	615,000	630,400
Sheltered warden voids	-	-	75,000	76,870	78,800
Structural issues / drainage	- 300	- -	- 1,500,000	256,240 -	262,000 -
Boiler replacement programme	-	(635,000)	-	-	-
Partial heating upgrade Garages Aids & Adaptations Capitalisation – response repairs Develop wider Housing initiatives Carried Forward Less : overprogramming					
Council Funded expenditure	3,175	6,160,000	8,997,350	7,941,000	8,342,000
Grant funded Extensions	3	200,000	200,000	-	-
Total HRA Capital Programme	3,175	6,360,000	9,197,350	7,941,000	8,342,000