

CABINET MINUTES

22 JUNE 2011

Chairman: * Councillor Bill Stephenson

Councillors:

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

In attendance:	Kam Chana	Minute 229
(Councillors)	Susan Hall	Minute 229
	Paul Osborn	Minute 229

* Denotes Member present
† Denotes apologies received

225. Declarations of Interest

RESOLVED: To note that there were no declarations of interests.

226. Minutes

RESOLVED: That the minutes of the special meeting held on 17 May and of the ordinary meeting held on 19 May 2011, be taken as read and signed as a correct record.

227. Petitions

RESOLVED: To note that no petitions were submitted.

228. Public Questions

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

1.

Questioner: Mrs Marilyn Ashton

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

Question: "In the Draft Site Allocations Document, which is part of the LDF Consultation May 13 through June 24, 2011, it makes reference to Site H23 Anmer Lodge and Stanmore Car Park, The Broadway, Stanmore. In paragraph 5.55 it states that 'In 2010 the Council commissioned Savilles to prepare a brief of options for the comprehensive redevelopment of the car park and former care home site'. Has this piece of work been completed?"

Answer: Yes, this piece of work was completed in March 2010.

Supplemental Question: Is it not the case that the Council is putting the vitality of Stanmore District Centre at greater risk by allowing for those with a commercial interest to inform the type of development on a site rather than engaging with the residents of Stanmore by way of a meaningful consultation and in the spirit of localism, and to then adopt a planning brief?

Supplemental Answer: In September 2009 Savilles were commissioned to prepare a Planning Brief for the combined Anmer Lodge and Stanmore Car Park site, "to assist marketing process and inform the discussions with potential development partners".

The intention at that time, having identified this location as a significant development opportunity, was to ensure that the Council would be positioned to embrace an improving commercial market in the context of nationwide recession.

It was only recently that officers felt confident in advising that marketing of the site could be taken forward in a positive way.

Early indications from the agents are that the market has responded positively to the advertised opportunity.

The essential planning requirements established in the marketing brief, are reflected in the draft site allocations Development Plan Document which you referred to, currently subject to public consultation.

The adoption of the DPD is expected in November 2012. This will give considerable weight to the Council's requirements for the site and establish the planning parameters that would be used to determine planning applications relevant to this location.

This Administration is committed to bringing forward exciting and innovative proposals for this key site. We will only allow appropriate development at Stanmore District Centre. Every planning document that the Council produces is subject to extensive public consultation and, when it is decided that this site should be marketed, the Council will ensure that the people of Stanmore are consulted.

2.

Questioner: Mark Gillham, Chief Executive, Mind in Harrow

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

Question: "Will the Council Cabinet commit to these six pledges to improve mental health social care services for Harrow residents for the duration of its term in power?"

- 1) Make mental health a priority across the Council;
- 2) Make personal budgets for people with mental health problems more equitable and accessible by investing properly in its infrastructure;
- 3) Conduct a thorough and detailed impact assessment of the Draft Contributions Policy for people with mental health problems;
- 4) Increase mental health service user engagement in monitoring the Discretionary Freedom Pass Policy, Personalisation and Contributions Policy implementation;
- 5) Transform the culture of services with NHS partners to create a genuinely recovery-orientated and preventative approach for Harrow residents rather than the current predominately medical approach.
- 6) Maintain a fair assessment process and eligibility criteria for people with mental health problems applying for the Freedom Pass."

Answer: Whilst I could say “Yes” to all, I would like to respond a bit more in detail.

The administration has put mental health as a top priority for adult social care in this year and we will continue to work with partners and strive for improvements.

On personal budgets, the Council has performed well, particularly in relation to personalisation of social care and the provision of personal budgets to date. It is true that at the beginning of last year I did find that there was less focus on Mental Health than in any other place and I have tried to address that. We have achieved 33%, which is positive in comparison to other boroughs and surrounding areas and in the coming year, the Council is aiming to be amongst the best performers in London.

The Council has invested in the provision of mental health infrastructure, for instance the provision of a brokerage pilot which is covered in our Section 75 agreement. Whilst I could say that the Council needs to improve, get better and do more, I believe that we should continue to work with partners as we try to increase the number of personal budgets to people with mental health problems.

In relation to the draft Contributions Policy for all social care users, the Council is not conducting a separate impact assessment but mental health is a strand going through that and it is a multi agency group which includes representatives from the Mental Health community.

If you do not feel there is a large enough contingent of Mental Health representatives on any of our Equality Impact Assessments the Council is carrying out through consultation, we would be happy to have more but there are people from Mental Health involved. The Equality Impact Assessment is a live document up until September and which is being monitored by the multi agency group to ensure that the process is reversed. Impacts from any proposed changes will be presented to Cabinet later in the year. I would re-iterate that if you feel that we are thin on the ground in that group with Mental Health representatives, we would be very happy to have some more.

With regard to the Discretionary Freedom Pass, the Council is committed to engaging service users and residents in the way it plans, delivers and monitors services. We have arrangements in place and have

consulted widely on all areas of development including personalisation and contributions. We have a strong relationship with the Social Care Action Group (SCAG) who is working on this area and they will continue to be influential. The Group will not be disbanded even when the consultation finishes and the Council is committed to continue to build on that engagement.

Transforming the culture of services with NHS partners to move to a genuinely recovery orientated and preventative approach is something I am extremely keen on and want to see happen, rather than people who begin with low mental health problems getting involved in medical solutions and drug therapy and sometimes that can lead to more problems rather than not. So I am very keen to make sure that that happens and I will work with our partners within the NHS but I cannot be responsible for the direction they go in. I think CNWL is very keen at the moment to move towards more recovery and reablement, which is at the heart of our own approach. The work we are doing with social care users is aligned with the recovery model for people, and I believe that it will under-pin the way we take that work forward in the future.

Additionally, the Council has recently contracted for a new independent organisation to manage the discretionary Freedom Pass application process and the contractor has been brought in so that we have a real professional look at those people with more complex needs than apply for the straightforward travel concessions.

The Council will continue to monitor this service with random sampling to ensure that the standards are achieved.

Supplemental Question: I really welcome the Council's commitment to Mental Health being a priority and also Mental Health personalisation you say being one of the best in the country this year. So my question is, how much of the £2.1m that the Council is legally obliged to spend on adult social care, will be invested in Mental Health personalisation?

Supplemental Answer: In the area in which I am currently working (increasing personalisation of budgets for Mental Health Users), it is with our Section 75 partners, CNWL, and they have to be ready to take people on. I am hoping this works and I will get back to you.

3.

Questioner: Neil Smith

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

Question: “Harrow Council has issued 2,703 National Disabled Freedom Passes, one of the lowest in London, and has issued the lowest number of National Disabled Freedom Passes and Discretionary Freedom Passes combined compared to other NW London boroughs (Ref: Transport for London data, May 2010). Are Councillors aware how empowering it is having a Freedom Pass for people with mental health problems, such as me, and how imprisoning and costly to social care services in the long-term if withdrawn?”

Answer: Yes, we do. I too am a Freedom Pass holder and realise how much a Freedom Pass empowers people.

Harrow indeed has issued 2,703 National Disabled Freedom Passes. We are not the lowest in London, we are about the 8th or 9th lowest but we also issued 1,623 Discretionary Freedom Passes and that is actually the highest number in all of the London Boroughs, with only two others apart from Harrow issuing more than 1,000 and 12 out of 32 of the Councils have issued less than 25 such passes. So I think your question really applies to the National Disabled Freedom Passes.

These are assessed against national criteria over which Harrow has no control. The Council has recently procured, as Councillor Davine was mentioning, a contractor to carry out mobility assessments against the national criteria which will improve our service further and we have brought all the concessionary fares into one form. Harrow issues less National Disabled Freedom Passes than some other Councils. There is no specific reason why this should be so and if you take the number of Freedom Passes and the number of residences and take the proportion, we are roughly the same as other London boroughs. We are aware that not all boroughs adhere to the criteria and guidance which is of course an audit requirement and, as part of our planned review; we found that many of our qualifying candidates for National Disabled Freedom Passes were also over the age of 65. Therefore, to stop them having to be reviewed, we just assess them as an “over 65” once and that may be another reason why the award of passes is rather lower than elsewhere.

There is no monetary difference in the way the passes are categorised and our strategy is to minimise the inconvenience for the customer. However what is clear, as far as I am concerned, is that Harrow Council is ensuring that any genuine applicant gets their relevant travel concession regardless how it may be categorised.

Supplemental Question: Can the Portfolio Holder reassure residents that the new fair and transparent assessment form and process for concessionary travel, designed between the Finance Directorate and Adult Service Consultation Steering Group, will be adopted by Access Harrow and Reablement Services?

Supplemental Answer: As far as I am concerned, we have negotiated and discussed this with the stakeholders, residents and people like yourself. The Council will be going ahead with that form and I have no reason to think that the Council would want to change it. However, the Council will look at it again once the form is in use. We will be starting to do that in a couple of months.

4.

Questioner: Alan Brown (asked by Jayshree Shah)

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

Question: "In Care Quality Commission 'Community based care patient survey 2010' (ref: CQC website) CNWL NHS Foundation Trust scored in the lowest 20% of trusts in the country in helping service users 'find or keep work'. What is the Council doing to improve Harrow's performance of employment related support for people with mental health problems through the day services review?"

Answer: The survey you speak of does not just relate to Harrow. It relates to the whole Trust, so it is all the areas supported by organisation and it is all the areas of the Trust within Harrow, which includes the hospitals, etc. The survey asks 48 questions, and it covers all the areas.

CNWL score for the question "Have you received enough help from anyone in mental health services with finding or keeping work?" is 63, which places it in the middle 60s, not in the bottom 20%. So I do not agree with the premise of your question. I would be happy to go through the report with you afterwards, I do have it with me, or at some other time to see exactly where that fits.

However, I must say that it is really important that we do work to help people with mental health problems into employment. So it is not that I do not feel that is a priority, it is just that I do not see that that report is actually saying what you thought it was.

5.

Questioner: Raksha Pandya, Mind in Harrow

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

Question: “In Care Quality Commission 'Community based care patient survey 2010' (ref: CQC website) overall CNWL NHS Foundation Trust scored as one of the worst performing trusts in the country 'on the care they have provided to patients in past 12 months' (ref: Patient survey report 2010). In addition, CNWL scored the lowest across all its own service areas on 'day to day living' support, a Council responsibility. When will the Council invest in the infrastructure for personal budgets for people with mental health problems to rectify this low performance?”

Answer: To save time, I will not say what I did about the report again but, once again, I would acknowledge that the Council has got a lot of work to do in this area. However, the score for the question: “Overall, how would you rate the care that you have received from Mental Health Services in the past 12 months?” is 69, so again it is not in the bottom 20%. There are six questions that relate to “Day to Day living” and CNWL score within the middle 60% in five of these questions. So again, I am very happy to sit down with you to discuss the report and see where you think I might be reading it wrong or otherwise.

The Council does have a challenging target to increase, of which personalisation is that will help most people. As mentioned previously, the Council will be working on that and raise its profile that in the Mental Health area.

Supplemental Question: Currently there is no independent source of information, advice and support for mental health service users to know their rights and understand the complex personal budget system. What will the Council do to ensure this situation is improved?

Supplemental Answer: I think we have a good support service explaining personal budgets in general and I will certainly look and work with Chief Executive of Mind in Harrow to see if we

can extend that to be more specific in directing it towards Mental Health service users.

229. Councillor Questions

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

1.

Questioner: Councillor Paul Osborn

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

Question: Why are you transferring £2.1 million that you are legally obligated to spend on Adult Social Care into the Transformation and Priority Initiatives Fund, to be spent at the discretion of the Leader?

Answer: There is a reasonably simple answer. The Government publicly stated in its funding settlement for local authorities that no Council would suffer a cut in funding in 2011/12 of more than 8.9% and the Rt Hon. Eric Pickles MP, Secretary of State for Communities and Local Government, in his calculation, specifically included the funding that it had directed towards PCTs to pay to local authorities for Social Care, which in our case was £2.6m.

The expectation of NHS London was, and is, that this money should be passed over to Local Authorities in full and it should be used to meet the costs of existing social care provision and not to fund new and additional services.

The £2.6m due to Harrow Council from the PCT was not included in the Council's 2011/12 budget approved in February because of the uncertainty over the PCT's finances and whether the money would indeed actually be transferred to the Council. The rising costs of existing Adult Social Care provision, for example the demographic growth of £1.5m and the contingency of £1m for 2011/12, were met by other funding sources of the Council in drawing up the budget.

Had the Council known at the time that the money and how much would be forthcoming from the PCT it would have used it to fund the Adult Social Care budget and used the Council's own funding allocation for other purposes.

In fact, by building the costs of Adult Social Care provision in to our base budget, we have a more sound and sustainable funding strategy as the PCT money has only been allocated to the Council for a 2 year period and this is essentially of two one-off payments. There is no guarantee or commitment from the government that this will be continued.

Having successfully negotiated a Section 256 Agreement with the PCT and received the £2.6m, we immediately gave the PCT £0.5m back to help it meet its social care provision, which of course, is our social care provision as well. This is a measure of the close and good working relationship we continue to have with the PCT.

This leaves us with the £2.1m that your question refers to. What we are actually doing is putting that money into the Adult Social Care budget and taking out £2.1m of the Council's own funding allocation that had been put into the budget originally.

I am advised that what we are doing is legal, to answer your question. I believe that it is totally consistent with our budget setting and it is in line with what many other councils are doing.

Supplemental Question: Are you aware that that is not what the recommendation says? The recommendation explicitly says to take the money from the PCT and put it into the Transformation and Priority Initiatives Fund. Are you further aware that the agreement that you sign or that the Chief Executive, the Interim Director of Finance and the Director of Adults and Housing signed with the PCT on 30 March, after the budget setting, said and I quote "funding will be used to meet the rising costs of existing social care and not fund new and additional services outside of Adult Social Care". Were you further aware that in the budget that we passed in March it explicitly talks about this £2.6m and says how the Council hopes to spend that money on Adult Social Care?

Supplemental Answer: That is exactly what we are doing. You are absolutely right that the recommendation we have in the papers is incorrect and we have an amended version which I have asked to be done.

2.

Questioner: Councillor Paul Osborn

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

Question Could you give some specific examples of the sort of projects you hope to fund with the newly established £2.5 million Transformation and Priority Initiatives Fund?

Answer: The general guidelines for use of the Transformation and Priority Initiatives Fund are given in paragraph 5 of the report on page 88 of the Cabinet agenda. However, it is early days yet as a major part of the fund still requires approval of the Council.

Areas which are under active consideration include some support for a bid to the Mayor's Outer London Commission Town Centre Initiative, a £50m fund; a one-off further development of the web both to increase channel migration and for more efficient methods for customers to transact business with us as well as improving our ability to engage with residents through the web.

Another possible example to fund a project to help modernise the terms and conditions of our staff and to fund further voluntary redundancy schemes in support of Invest to Save schemes.

Of course, as we embark on the second phase of Transformation and set about our budget and medium term planning process for 2012/13 and beyond, there are likely to be a number of other such initiatives that will undoubtedly require up front funding to enable us to make significant cost savings in the future. Any proposals will be very carefully vetted before being approved. Any use of the fund as indicated will be reported in the next quarterly Monitoring Report to Cabinet.

Supplemental Question: Given that you have now admitted that the recommendation on the Cabinet report is wrong, could you tell me where the Equality Impact Assessment is for taking the money out of the Adult Social Care budget and what regard you have given to your equality duty under the Equalities Act if you spend this money on anything other than Adult Social Care?

Supplemental Answer: The Council is not taking any money out of the Social Care budget but, putting in the money, which if we had known we were going to get, we would have put in at the time. The Council had to get extra money from elsewhere when setting the budget to put in to protect Social Care. The Council now has that money and is able to put that into the Social Care budget. The money we release will help us to fund schemes, such as Invest to Save and voluntary redundancy; and that includes from Social Care, it could include from Children's or from Community and Environment.

3.

Questioner: Councillor Susan Hall

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

Question: What are you doing to promote the Council's 'Adopt a Bed' scheme in the months ahead?

Answer: Promotional material is available throughout the Council, including its libraries. Officers will continue to follow up enquiries made by residents and stakeholders as result of our publicity.

Supplemental Question: What new and innovative plans do you have for similar environment boosting schemes over the next 3 years?

Supplemental Answer: It is as the Leader has pointed out above and the administration is setting up funding for this. I have also asked officers to come forward with schemes. The Council has got some quite successful other schemes, such as the sponsorship of roundabouts, of which there are 35 going ahead.

4.

Questioner: Councillor Susan Hall

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

Question: The 2011/12 budget suggests nearly £1.7 million of savings will be made from the Environment Department over the next year, as well as nearly £2 million of 'transformation savings'. Now this budget is being enacted, can you provide a more comprehensive breakdown than what appeared in the budget papers of the nature and detail of these savings?

Answer: Firstly, I would like to make it clear to Members that the savings that Councillor Hall has mentioned come from both the Community and Cultural Services Portfolio not just the Environment Portfolio. The savings of £1.7m mentioned includes £1.1m from West London Waste Authority. This is a one-off distinct expenditure saving on precepts and levies. This leaves £0.6m of other savings of which almost £0.5m is income related.

Secondly, I should cover the £2m transformation savings of which only £1.3m relates to the Environment department. £200,000 of this has already been achieved by negotiating the Trading Standards service provided in conjunction with the London Borough of Brent. £700,000 relates to the Public Realm Transformation Programme, which is being deploying new technology and operating practice. £300,000 relates to a Property Review, which is currently in progress. The remaining £700,000 relates to the Libraries RFID case and is on track to being achieved.

Supplemental Question: I can remind you of course, that you used to say “look around Harrow, it is shabby, streets are not swept properly”, “potholes in the road, unmended and broken pavements” and you said that you were going to, in your manifesto pledge, concentrate investment on more resources to improve road sweeping pavements and potholes. What money are you actually putting in to accommodate some of these manifesto pledges?

Supplemental Answer: As in my previous supplementary answer, the Council were minded to set up a fund which is mentioned in the Cabinet papers. I would like to remind Members that the Council has approved an additional £2.5m for roads maintenance, which will cover the backlog inherited from the previous administration in under investment.

It was through our campaign with central government, that chose to take away investment in our parks, through the Playbuilder Scheme, that we successfully lobbied and changed the government’s mind. That has now been delivered successfully throughout the parks in Harrow and has delivered much better play facilities than the under-investment we inherited from the last administration.

5.

Questioner: Councillor Kam Chana

Asked of: Councillor David Perry, Portfolio Holder for Community and Cultural Services (responded to by Councillor Bill Stephenson)

Question: Regarding the proposed Arts Centre café, will there be any cost implications for the Council if, as is given as an example in the report, the business venture is not a success or fails to deliver on the profit-share?

Answer: The establishment of a 'proper' café and bistro bar at Harrow Arts Centre is a wonderful development, which will really bring the Arts Centre alive during the day and in the evening and provide a very welcome facility, not only for Arts Centre users but, also for users to Hatch End Pool and the Hatch End Library and the public at large.

The proposed provider is a local business which has an outstanding record. Anybody who has been to Pinner Memorial Park, the company concerned is running "Daisies in the Park" there.

Financially it also very good news. The contract stipulates that in the first year the operator will pay the Council a guaranteed minimum rent of £18,000. In future years, the operator will pay 5% of total income as profit share. The Council can terminate the agreement if the profit share falls below this minimum guaranteed level of £18,000. Should the operator decide to withdraw because the operation is not financially sustainable the only cost implications for the Council will be the loss of additional income that the arrangement is designed to bring in, as well as providing a really good facility.

6.

Questioner: Councillor Kam Chana

Asked of: Councillor David Perry, Portfolio Holder for Community and Cultural Services (responded to by Councillor Bill Stephenson)

Question: Regarding paragraph 2.2.2, can you confirm what 'future years' means or whether the term is yet to be defined, and whether the plan to increase the guaranteed income to "5% of the total café and catering income" means that said guaranteed income also has the capacity to

decrease should the café's business not meet expectations?

Answer: I refer you to my answer to the previous question.

Supplemental Question: Could we have a copy of the Business Plan please?

Supplemental Answer: I will check whether or not it is confidential and see whether this is possible or not.

The following question was not reached in the time limit of 15 minutes. It was noted that a written response would be provided. The written response provided is reproduced below:

7.

Questioner: Councillor Paul Osborn

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

Question: Why was the Remote and Flexible Working Business Case moved from coming to this meeting to being scheduled for Cabinet in September?

Answer: The Mobile and Flexible working project will have a profound and positive impact across the entire Council business and is therefore and understandably extremely complex.

This project has been designed to fundamentally modernise our operational model and in so doing it is intended that significant customer service and staff motivation benefits will follow.

The overarching objective for this project is the achievement of significant and sustainable customer service, business efficiency and cost gains. The Outline Business Case was approved in July 2010 and work to develop the detailed Full Business Case commenced thereafter.

The focus of our work over recent months has included engagement with private and public sector organisations, which is intended to enable us to demonstrate that the proposed solution, which is based on tried and tested technology, will actually deliver its operational objectives.

The information gained through this engagement has

helped to refine solution proposals and to ensure that the considerable investment, is capable of delivering the necessary business outcomes, in a cost effective and value for money way.

Additionally, further detailed work with Service Directorates has also been undertaken to refine the solution.

Over next few weeks, which includes the holiday period, officers will finalise the full business case, and the current intention is to present this at the September meeting of Cabinet.

As I have already said, this is an exceptionally complex and also challenging project, which requires careful and detailed planning. Officers will report to Cabinet when they believe that all relevant investigations and design work have been completed to their, and my, entire satisfaction.

Put simply, there is no need to rush this important piece of work. Better “we rush slowly” and get everything right at the planning stages, thereby ensuring potential pitfalls can be avoided.

230. Forward Plan 1 June 2011 - 30 September 2011

The Leader of the Council reported that the item on 'Review of Discretionary Rate Relief' had been deferred and would be combined with a report on 'Support to the Voluntary Sector' and submitted to a future meeting of Cabinet.

RESOLVED: To note the contents of the Forward Plan for the period 1 June – 30 September 2011.

231. Progress on Scrutiny Projects

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

RECOMMENDED ITEMS

232. Key Decision: Community Safety Plan

Cabinet received a report of the Assistant Chief Executive, which set out a joint response of the Council, the Police and other partners to the crime and anti-social behaviour issues identified in the Strategic Assessment, which examined trends in crime.

An officer reported that the Community Safety Plan 2011/14 brought together the strategic responses of various agencies to address crime and anti-social

behaviour issues, as required under the Police and Justice Act 2006, and outlined the key components of the Plan. He added that the Plan concentrated on residential burglary, violent crime, anti social behaviour, youth offending, drug and alcohol misuse and re-offending as a means of ensuring that everyone in Harrow stayed safe and had the best possible quality of life in line with the outcomes in the Strategic Assessment. Members' attention was also drawn to the reference from the Overview and Scrutiny Committee which was tabled at the meeting, as due to the proximity of meetings it was not available for circulation with the agenda.

Cabinet was informed that the government would be abolishing the requirement for the production of Community Safety Plans, which could provide an opportunity for the agencies concerned to explore new and innovative means of producing 'informal' Plans to help tackle crime and ensure public safety.

Resolved to RECOMMEND: (to Council)

That the Community Safety Plan be adopted.

Reason for Decision: To meet statutory requirements that requires the Council to adopt a Community Safety Plan which forms part of the policy framework.

RESOLVED: That the reference from the Overview and Scrutiny Committee be noted.

[Call-in does not apply to the Recommendation]

233. Key Decision: Revenue and Capital Outturn 2010/11

Cabinet received a report of the Corporate Director of Finance, which set out the Council's revenue and capital outturn position for 2010/11.

The Leader of the Council welcomed the report, a 'good news' item, noting that the majority of the Directorates had achieved an underspend. He added that as a result, the level of reserves to be held by the Council would rise from £6.3m to £7m in addition to the current Contingency Fund. The administration would also be in a position to set up a Transformation and Priority Initiatives Fund.

In relation to Capital, the Leader stated that although a considerable potential overspend had been identified last year, this had now been considerably reduced. The Housing Revenue Account (HRA) was also showing an improvement from previous years. There has also been a favourable variance of over £1 million in Treasury Management. Additionally, the Council Tax collection rate had been favourable during difficult times. He commended the current management team, the former Corporate Director of Finance and the Portfolio Holders for their achievements in ensuring many positive outcomes in what had been a challenging year.

The Leader added that the administration had faced several challenges when it came into power in May 2010, such as various pressures in the Children's Services Directorate where a potential overspend of approximately £2m had been identified, a dysfunctional Housing Revenue Account (HRA) and an IT system that needed upgrading. The situation had been compounded by government settlements and the disappointing news that the Local Area Agreement Reward Grant would no longer be available due to government policy changes. However, the administration had made a good start but would continue to face many challenges.

The Leader added that the recommendations would require amending, which the Interim Director of Finance would allude to.

The Interim Director of Finance noted that a correction to the text in the 'Introduction' to the report, which should read as follows: "The total reported revenue outturn for the Council is **£170.550m** which represents an underspend of £1.135m, a **0.7%** variation to budget". As the Council's Section 151 officer, she was pleased that the reserves held by the Council would be increased, and clarified the position in relation to the money received from the Primary Care Trust (PCT) that would be used for the purposes of the adult social care budget, as a result of which one of the recommendations in the report would require amending to make it absolutely clear how the money was being treated.

Resolved to RECOMMEND: (to Council) That

- (1) the allocation of the net £2.1m received from the Primary Care Trust (PCT) in 2011/12 to the Adult Social Care Budget be approved;
- (2) the transfer of £2.1m of funding previously allocated by the Council to the Adult Social Care Budget to the Transformation and Priority Initiatives Fund be approved;
- (3) the addition of £1.0m to the 2011/12 capital budget to fund disabled adaptations to housing in Harrow be approved, with the proviso that overall spend on the Council's general fund capital budget in 2011/12 does not exceed the previously agreed amount.

RESOLVED: That

- (1) the revenue and capital outturn position for 2010/11 be noted;
- (2) the proposed revenue carry forwards of £2.008m, as discussed in paragraphs 1 and 15 and detailed in Appendix 4 to the report, be approved;
- (3) the movements between reserves and provisions, as outlined in paragraph 12 of the report, be approved;
- (4) the net remaining revenue underspend of £1.135m be utilised by increasing the general reserves by £0.706m to £7million, and by

establishing a Transformation and Priority Initiatives Fund of £0.429m, as outlined in paragraphs 3 and 16 of the report;

- (5) the carry forward to 2011/12 of £0.522m on the HRA to fund external redecoration works not completed in 2010/11, as outlined in paragraph 13 of the report, be approved;
- (6) Cabinet's intention that the £2.5m receivable from the PCT in 2012/13 be used to fund social care cost pressures in that year or beyond be noted;
- (7) the permissible uses and governance of the Transformation and Priority Initiatives Fund, as outlined in paragraphs 4 and 5 of the report, be approved;
- (8) the additions during the quarter and carry forward on Capital Projects, set out in paragraphs 27 - 30 and Appendix 2 of the report, be approved;
- (9) the debt write off, as detailed in paragraphs 35 and 36 of the report, be approved;
- (10) the timetable for accounts completion and external audit review, as outlined in paragraph 37 of the report, be noted;

Reason for Decision: To confirm the financial position as at 31 March 2011.

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

RESOLVED ITEMS

234. Treasury Management Outturn Report 2010/11

Cabinet considered a report of the Interim Director of Finance setting out a summary of Treasury Management activities for 2010/11. Treasury Management was the management of the Council's investments and cash flows, its banking, money market and debt transactions together with effective control of the risks associated with those activities.

The Interim Director of Finance introduced the report and was pleased to inform Members of a favourable variance of £1.1m on the updated capital financing budget of £23.3m. In relation to the investment outturn, the interest earned had remained low due to low market rates but Harrow's investment portfolio, which was managed in-house, had performed better than the benchmark set. She was also pleased to report that the Council had performed within the treasury and prudential indicators.

RESOLVED: That the outturn position for Treasury Management activities for 2010/11 be noted, and the report be submitted 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. To inform Members of Treasury Management activities and performance.

[Call-in does not apply to this Decision, which is for noting.]

235. Key Decision: Tendering for the Provision of Care and Education Services delivered in Gange Children's Centre

The Portfolio Holder for Children's Services introduced the report, which set out a proposal to procure the provision of early education and care at Gange Children's Centre through a local tendering process. The proposed new operating model for the Centre would ensure a local delivery point for a range of childhood and early intervention services and would expand the early years and childcare provision available to the local community.

The Divisional Director, Early Years, Childcare and Parents, reported that Harrow had a strong record for developing sustainable services and the proposal would provide a significant benefit to residents and enhance the lives of children in Harrow. She added that the proposal would drive quality, and build on the work carried out by the existing Children's Centres, such as Stanmore Park, Cedars and Pinner, all of which had an external pre-school provider that had demonstrated the benefits that could be achieved from such an arrangement and the ability to develop strong working relationships with providers. The proposal would also maintain the excellent levels of services provided to children with Special Education Needs (SEN).

The Divisional Director added that wide consultations had been carried out and the proposal would ensure minimum disruptions to services provided.

RESOLVED: That Option 3, which sets out a new operating model for early education and care at Gange Children's Centre, be approved.

Reason for Decision: To support the overall strategy for the sustainability of Children's Centre services in Harrow.

236. Key Decision: Provision for a Café at Harrow Arts Centre

The Corporate Director Community and Environment introduced the report, which set out a proposal to provide a commercially operated café and catering service at the Harrow Arts Centre (HAC). He added that the new facility would improve the offer to customers at HAC, making it more competitive, increasing new and repeat business, and provide a complete package for new areas of business such as conferences. Moreover, the HAC would benefit from the provision of a fully refurbished café/bar area, which would be provided at no cost to the Council. It would guarantee an annual rental plus a profit share arrangement.

The Corporate Director added that three options had been examined. Following their consideration, a decision was taken to seek a commercial partner and, after a selection process, a company, JAMS Kitchens Limited,

was appointed. The company was an established local business with a good reputation.

Cabinet was informed that JAMS Kitchens Limited would provide the Council with a guaranteed minimum income of £18,000 per annum or 5% of the profit, whichever was the greater. The Council also retained the option of terminating the lease.

Having considered the report, Cabinet agreed that any granting of the lease should be in consultation with the relevant Portfolio Holders.

RESOLVED: That the appointment of JAMS Kitchens Ltd for the operation of a café and catering business at Harrow Arts Centre be approved, and the Corporate Director Place Shaping, in consultation with the Portfolio Holders for Property and Major Contracts and Community and Cultural Services, be authorised to grant a lease of suitable premises at Harrow Arts Centre for a period of fifteen years.

Reason for Decision: To respond to an identified business opportunity to support the operation of the Arts Centre and to customer feedback.

(Note: The meeting, having commenced at 7.30 pm, closed at 8.31 pm).

(Signed) COUNCILLOR BILL STEPHENSON
Chairman