

# Performance and Finance Scrutiny Sub-Committee AGENDA

**DATE:** Tuesday 24 July 2012

**TIME:** 7.30 pm

**VENUE:** Committee Room 6,  
Harrow Civic Centre

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## **MEMBERSHIP** (Quorum 3)

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**Chairman:** Councillor Sue Anderson

**Councillors:**

Ann Gate  
Jerry Miles

Tony Ferrari  
Barry Macleod-Cullinane

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## **Reserve Members:**

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1. Nana Asante  
2. Varsha Parmar  
3. Zarina Khalid

1. Chris Mote  
2. Susan Hall

**Contact:** Manize Talukdar, Democratic Services Officer  
Tel: 020 8424 1323 E-mail: [manize.talukdar@harrow.gov.uk](mailto:manize.talukdar@harrow.gov.uk)

# **AGENDA - PART I**

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

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

Reserve Members may attend meetings:-

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

## **2. DECLARATIONS OF INTEREST**

To receive declarations of disclosable pecuniary or non pecuniary interests, arising from business to be transacted at this meeting, from:

- (a) all Members of the Committee,;
- (b) all other Members present in any part of the room or chamber.

## **3. MINUTES (Pages 1 - 10)**

That the minutes of the meeting held on 2 February 2012 be taken as read and signed as a correct record.

## **4. TERMS OF REFERENCE (Pages 11 - 12)**

To consider and confirm the Sub-Committee's Terms of Reference.

## **5. APPOINTMENT OF VICE-CHAIRMAN**

To appoint a Vice-Chairman of the Sub-Committee for the 2012/13 Municipal Year.

## **6. PUBLIC QUESTIONS**

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

## **7. PETITIONS**

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

## **8. REFERENCES FROM COUNCIL AND OTHER COMMITTEES/PANELS (Pages 13 - 26)**

To receive a Reference from the Overview and Scrutiny Committee meeting of 30 May 2012.

**9. CHAIR'S REPORT (Pages 27 - 38)**

Report of the Divisional Director Partnership Development and Performance.

**10. REVENUE AND CAPITAL OUTTURN REPORT 2011/12 (Pages 39 - 76)**

Report submitted to Cabinet on 20 June 2012 by the Corporate Director Resources.

**11. PRESENTATION: MAJOR CONTRACTS**

Presentation by the Interim Head of Procurement.

**12. DEVELOPMENT MANAGEMENT PERFORMANCE - HOUSEHOLDER APPLICATIONS (Pages 77 - 86)**

Report of the Divisional Director Planning.

**13. REPORT ON PROGRESS - COUNCIL'S USE OF PERFORMANCE INFORMATION SCRUTINY REVIEW (Pages 87 - 102)**

Report of Divisional Director, Partnership Development and Performance.

**14. ANY OTHER BUSINESS**

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

**AGENDA - PART II - NIL**

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# PERFORMANCE AND FINANCE SCRUTINY SUB-COMMITTEE MINUTES

## 2 FEBRUARY 2012

**Chairman:** \* Councillor Sue Anderson

**Councillors:** \* Tony Ferrari \* Jerry Miles  
\* Barry Macleod-Cullinane \* Varsha Parmar

**In attendance:** Thaya Idaikkadar Minute 71  
**(Councillors)** David Perry Minute 71

\* Denotes Member present

### 61. Attendance by Reserve Members

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

### 62. Declarations of Interest

**RESOLVED:** To note that there were no declarations of interests made by Members.

### 63. Minutes

**RESOLVED:** That the minutes of the meeting held on 22 November 2011 be taken as read and signed as a correct record.

### 64. Public Questions, Petitions and Deputations

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

## **65. References from Council and Other Committees/Panels**

None received.

## **RECOMMENDED ITEMS**

### **66. Chair's Report**

The Sub-Committee received a report that set out issues considered by the Chair since the last meeting of the Performance and Finance Scrutiny Sub-Committee.

Referring to the update on indicators selected for further monitoring at the previous meeting, specifically the 'housing voids', a Member queried why the report stated that no further monitoring of this issue was required. The Chair responded that the length of time taken for empty Council properties to return back into use had been cause for concern, however, this situation was now in hand. Further information on the number of voids was included in the appendix to the report.

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

### **67. Revenue and Capital Monitoring Report for Quarter 2**

The Sub-Committee received a report of the Interim Director of Finance, which had been previously considered at Cabinet on 15 December 2011. The report set out the Council's revenue and capital monitoring position for Quarter 2 as at 30 September 2011. The Interim Director stated that this report had been superseded by the Quarter 3 report which was just about to be considered by Cabinet and which covered the period up to 31 December 2011 and she would be referring to this later report.

The Interim Director stated that:

- she was pleased to inform Members that the overall forecast position was now a revenue underspend of £190,000 compared to a forecast overspend at Quarter 2 of £1.566 million. This was partly due to a virement of £300,000 from a specific reserve for homelessness, but nevertheless the swing was a very positive outcome and demonstrated the impact the Spending Protocol was having;
- an underspend of at least £1.4 million was now being targeted and there were still some risks in some areas of the budget and therefore the Spending Protocol would continue to operate until the year end;
- there was also a significant underspend in the capital programme amounting to approximately £16 million due to projects being rephased. However rather than the usual methodology of Directorates requesting carry-forwards, Directorates had been asked to re-bid for these projects in the new capital programme for 2012/13,

therefore there was effectively a one-off saving of this amount of capital spend.

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

#### **68. Access Harrow - Customer Service Performance**

The Sub-Committee received a report of the Divisional Director for Business Transformation and Customer Service which set out information on Access Harrow performance, included details of popular service requests and levels of avoidable contact.

An officer stated that Access Harrow used both the SAP CRM (Customer Relationship Management) and Cisco telephony systems to capture and manage data relating to Harrow residents and their contact with Council. The report highlighted the level of performance sustained by Access Harrow over Quarter 3, the most common enquiries handled and the areas of higher avoidable contact.

The officer stated that avoidable contact focused on unnecessary contact made by the customer. He added that the reasons behind the high levels of avoidable contact figures could be as follows:

- where the caller was progress-chasing;
- where the Council had not delivered a service as expected;
- where information provided by the Council had been unclear.

The officer added that the following measures had been implemented in response to the above and to improve Contact Avoidance:

- the supply of information through cheaper channels, for example, the introduction of a payment line or 'auto-attendants', the use of other artificial intelligence means, the promotion of the 'My Harrow Services Account', pro-active messaging, and managing customer expectations;
- analysis of CRM data had shown that a large proportion of customer telephone calls to the Parking Team related to parking tickets, and the automated phone message had therefore been adapted to take this information into account;
- a brief explanatory covering letter had been included with the Housing Benefits letter sent to residents and had led to a 40% reduction in calls regarding Housing Benefits;
- an increase in the levels of staffing at periods of high demand through the multi-skilling of staff;
- the webpage relating to fly tipping now allowed residents to see what had already been reported and provided updates on progress;

- data was collated on a monthly basis and both he and the Team Leaders met regularly to discuss further strategy with the relevant Service Managers.

A Member questioned why the percentage of phone calls answered within 30 seconds was lower for enquiries relating to Council Tax and Housing Benefits than any of the other categories listed. The officer responded that twelve months ago this figure had been 20% lower. He added that Access Harrow dealt with a high volume of calls relating to these two areas, where the initial call may take longer to deal with in order to resolve the issue and prevent further enquiries, and which meant the queues for these service areas were longer. However, Harrow's record was good when benchmarked against other neighbouring authorities. The telephone system let callers know where they were in the queue and an expected answer time, which allowed them to choose whether to hold on or call back later. Three Kier staff were now part of Access Harrow, which enabled better response to those customers who were progress-chasing about repairs.

A Member sought clarification as to whether additional staffing and resources had been identified to deal with the new service areas which had recently joined Access Harrow. The officer responded that staff also transferred with the service and relevant data (volume, reason and failure demand) would be collected and analysed over the next six months. This would be reported to the Sub-Committee in Quarter 4.

A Member stated that the data failed to give information about non-avoidable contact and asked what processes were in place for evaluating and dealing with these, in particular where information from calls could provide intelligence that would inform improvements to service delivery. The officer responded that in the case of a non-avoidable call, for example, when a resident required a plumber, officers worked to reduce the level of demand, which was call avoidance rather than avoidable contact. He stated that calls related to plumbing repairs were often seasonal. He added that information was relayed to the relevant service delivery team who discussed how to prevent these in the future and that officers were looking to make this process more robust.

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

#### **69. Update on Review of the Council's Use of Performance Information Phase 1**

The Sub-Committee received a report of the Divisional Director of Partnership Development and Performance which provided an update against the implementation of the recommendations made in phase 1 of the Scrutiny Review.

The Divisional Director of Partnership Development and Performance stated that the recommendations of Phase 1 of the Review had been considered by Cabinet in April 2011 and the responses agreed. Directorates had reported on progress through Improvement Boards during the Quarter 2 reporting cycle. The next report on progress against agreed actions would address



both Phases 1 and 2. He added that not all the actions set out in the report had been completed and officers were consulting Scrutiny and Executive Members on specific aspects.

A Member queried if the indicators relating to Licensing had been added yet. The Divisional Director responded that these would be picked up in the next round of improvement boards.

**RESOLVED:** That

- (1) the report be noted;
- (2) that a further update be combined with the first progress report against Phase 2 of the Review, when programmed.

**70. Progress Report - Response to recommendations made by the Standing Scrutiny Review of the Better Deal for Residents Programme - Interim Report, Project Management**

The Sub-Committee received a report of the Director of Business Transformation and Customer Services which provided an update against the recommendations made by the Standing Scrutiny Review of the Better Deal for Residents Programme in June 2011 and responses made to Cabinet in July 2011.

An officer stated that the Project Management Office (PMO) had:

- put a robust project management process in place;
- offered dedicated support to project managers;
- developed a new project management framework, with a new online tool to help officers manage their projects;
- offered Corporate training in this area and commissioned Prince 2 training;
- implemented lessons learnt from Phase 2 of the Transformation Programme.

The officer added that the Standing Scrutiny Review had contributed to raising the profile of the Project Management initiative and she would welcome additional feedback from the Sub-Committee.

A Member requested clarification as to the link between project management and projects that had budget savings built into them and questioned whether the system would automatically flag up any projects that were in danger of going off track. The officer responded that savings and benefits were tracked through the Transformation Programme and that the Transformation Board reviewed progress, risk-management and its impact on savings and identified areas for improvement.

The Interim Director of Finance added that the link between the two areas was evolving. Some significant savings that were built into the Budget may not be reflected in some Transformation Projects. Officers were working closely with PMO colleagues to track any significant savings programmes.

A Member queried whether there was any regular reporting and monitoring mechanism in place to evaluate these projects. The officer responded that a monthly progress report was submitted to the Transformation Board regarding each project.

The Interim Director of Finance stated that this reporting process was evolving and that not all projects were currently linked to the Budget. Officers were evaluating any projects with savings of over £250k on an informal basis, and that although these had been reported to the Corporate Strategy Board, this data was not yet in the public domain. However, officers would be willing to share this information with Members of the Sub-Committee at future meetings.

A Member stated that recommendation 10 of the summary of progress, which dealt with additional points of political oversight, reporting and challenge should be built into the project management criteria, was lacking in clarity and transparency and that this should be highlighted. The Divisional Director of Partnership Development and Performance responded that this would be taken forward and officers would request the relevant Portfolio Holders to feedback to the Leader.

The Chair of the Sub-Committee asked how many projects were currently going through this process. An officer responded that there were currently approximately 25 to 30 projects, with more likely to be added at the next phase. Most projects were planned over three years. The PMO might not be aware of any small projects within Directorates, however, the Commissioning Panel process and the VERTO system would help to enhance the overall process and increase the visibility of smaller projects in the future.

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

## **RESOLVED ITEMS**

### **71. INFORMATION REPORT - Leisure Management Contract Performance May - December 2011**

The Sub-Committee received a report of the Corporate Director of Community and Environment setting out information on the performance of the new leisure management contract for the period May to December 2011.

The Divisional Director of Community and Culture stated that:

- the handover process from the previous to the new contractor, Greenwich Leisure Ltd (GLL) had been successful, without any loss of service to the public;

- officers and contractors had established a strong working partnership and a more robust client team was now in place;
- regular monitoring visits were undertaken and the relevant Portfolio Holders were updated on a suite of performance indicators;
- under the new contract, the number of customers had increased as had the number of visits by customers;
- there had been a number of other improvements such as staff training, new promotions and membership schemes, repairs and investment in Harrow Leisure Centre (HLC);
- the recent increase in the number of complaints could be attributed to the increased numbers of visitors, however, a robust system of complaint monitoring was in place;
- there had been some unforeseen financial implications, such as increased utilities costs.

A Member questioned what level of support had been given to the staff at HLC during the change of contractor. The Divisional Director responded that most staff had been transferred over to GLL under the Transfer of Undertakings (Protection of Employment) TUPE, the previous centre manager was still in post, and additional staff had been hired.

A Member asked the following questions with regard to evaluating the performance of the GLL contract:

- what benchmarking was being used to evaluate the performance of the contract and whether more robust targets should be set;
- how the contract was performing in terms of income generation in comparison to private sports clubs and whether increased membership of HLC was due to a decrease in membership of private sports clubs, and therefore a seasonal blip caused by the recession;
- the financial implications of any necessary major repairs to the leisure centre in the future, particularly in view of its asbestos content and the age of the building.

The Divisional Director responded that a full asbestos and building survey had been carried out recently. The Leisure Centre was one of four major development sites identified in Harrow for re-development. It had been part of the 'Heart of Harrow' consultation. Officers had not compared the Leisure Centre to private sports clubs, however, this data would be included as part of the monitoring of the contract over the next six months. The 'Active People' survey had shown that more residents in Harrow were becoming active and the contract with GLL stipulated that membership should be maintained and increased. She added that GLL were currently exceeding their monthly sales

targets and that their targets might need to be raised. She added that the Police had confirmed that crime rates at the HLC were reducing.

The Portfolio Holder for Community and Cultural Services made the following points about the GLL contract:

- joining rates were competitive and surveys captured information about new members;
- he wanted to see real benefits for Harrow residents;
- the next update report about the performance of the contract should evaluate if expectations and targets were sufficiently high.

A Member sought clarification as to the financial implications of building maintenance costs being shared between the Council and GLL and what incentives, if any, had been built into the leisure contract. The Divisional Director stated that:

- there was £100k set aside annually for essential repairs. The Council had paid for repairs to a leak that had been in existence for some time;
- the current contract was on a fixed fee open-book basis whereby all income surplus to costs accrued back to the Council;
- GLL had been set income targets, and the recent increase in the number of customers and the number of visits, the implementation of new programmes and sales targets indicated that incentives were in operation.

A Member stated that the figures in the report relating to visits and membership suggested that the previous contract had been significantly under-performing and that officers should be looking into ways of reducing operating costs. The Divisional Director responded that as the GLL contract had been agreed for 2 years and was currently only in its first six months of operation. GLL had introduced self-service machines and were considering the introduction of online bookings. Officers had requested further benchmarking data, including equalities monitoring, which would provide a clearer indication of how the contract was performing. The fixed management fee meant that if GLL's costs were reduced then the Council would reap the benefit by way of increased profits.

The Chair of the Sub-Committee stated that in her view a two-hour training session on customer service for staff at HLC was not sufficient, asked if further staff training was planned and if an NVQ was available in this area of work. The Divisional Director stated that positive comments about staff had been received and the number of complaints relating to them had also reduced.

**RESOLVED:** That

- (1) the report be noted;
- (2) a further report be submitted to the sub-committee in six months' time.

(Note: The meeting, having commenced at 7.30 pm, closed at 9.15 pm).

(Signed) COUNCILLOR SUE ANDERSON  
Chairman

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The Performance and Finance Sub-Committee has the following powers and duties:

1. To be the key driver of the scrutiny function's work programme and the body responsible for monitoring the performance of the council and partners in relation to their stated priorities
2. To consider/monitor, on an exception basis, the financial and service performance of the organisation;
3. To consider/monitor the performance of the Local Area Agreement;
4. To undertake specific investigation of identified 'hot spots' through Q&A, reports or challenge panels – subject to endorsement by Overview and Scrutiny Committee;
5. To refer 'hot spots' to Overview & Scrutiny for more detailed investigation where necessary;
6. To consider such urgent items as are appropriate – ad hoc, Councillor Calls for Action, area scrutiny.

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**LONDON BOROUGH OF HARROW**

**PERFORMANCE AND FINANCE SCRUTINY SUB-COMMITTEE – 24 JULY 2012**

**REFERENCE FROM OVERVIEW AND SCRUTINY COMMITTEE – 30 MAY 2012**

**Redefining Youth Engagement – Report from Scrutiny Review Group**

The Chair welcomed Councillor Victoria Silver, Chair of the Scrutiny Review Group, Hannah Nathanson, Chair of Harrow Youth Parliament, Ladan Dirie, Harrow's Member of UK Youth Parliament, and David Howes, Harrow Mencap, to the meeting.

The Chair of the Review Group introduced the report which set out the findings and recommendations from the scrutiny review. The review had explored ways in which the Council could most effectively communicate with young people in decision making and community activity. She emphasised that the report was the young peoples and that they wanted to have an input into policy, have their opinions valued and that they wanted to be leaders. She added that the Council could learn from young people who were questioning whether the right policies and politicians were in place.

The Committee then received a presentation from Hannah Nathanson and Ladan Dirie which set out the background to the review, the process and results and finally, their recommendations. The recommendations related to the Youth Summit, commissioning decisions, Harrow Youth website and the Summer Uni. The recommendations are set out in detail in the presentation which is attached at Appendix 2 to these minutes.

David Howes advised that Harrow Youth Parliament and Harrow Mencap provided a wider view as to the needs of all young people. Young people with learning difficulties had been having a more difficult time than many other young people as they had a higher support need. He stated that report could make a significant difference to the young people of Harrow.

All Members of the Committee congratulated the young people on their report and the presentation. Members then made comments and asked questions of the young people and the Chair of the Review Group which were responded to as follows:

- In response to a question as to the role of parents, schools and clubs in the review, the Chair of the Review Group advised that it was one of the key challenges in gathering evidence. It was a difficult time in Harrow due to many schools converting to academy status and it was hard to establish an integrated view.
- A Member stated that it was important for young people to be aware of what the Council did. He suggested that work experience was invaluable and assisted the development of business acumen.
- The consensus was that young people could be defined as within the 16-25 age range.

- The recommendations on engagement could be taken more generally rather than just specifically youth and a the Member suggested that Cabinet might wish to consider applying them across the Council.
- Referring to recommendation 1, a Member stated that it needed to be clear as to which Councillor was taking the lead.
- Responding to a comment in relation to recommendation 10 on Cabinet meeting with young people, a representative of the young people stated that such a meeting would be more productive if it was on the young people's terms.
- A Member agreed that the Harrow Youth website required work and suggested that it needed a clear focus and mission statement. In terms of social media he had yet to see any good examples of Councils using this effectively. A representative of the young people responded that whilst it would be good to get young people involved in design of, for example, the Facebook page, they also needed face to face contact. The Chair of the Review Group added that young people had stated that whilst they used social media they would not necessarily trust the Council. In terms of the website, the student room had conversation and the Council needed to improve its conversations with young people so that they had more influence.
- A Member questioned how they could be an improvement to the press about young people and a representative of the young people stated that, in her view, bad press was due to young people having nowhere to go. Work needed to be done in order to open up community centres to young people.
- In terms of advertising the positives of young people, Members were advised that Harrow Youth Parliament had a page in the Harrow People and a monthly column in the Harrow Observer. Young people were viewed negatively due to a minority and it was therefore necessary to address the issues facing the minority.
- School assemblies were a good way of reaching young people and could be used to provide information as to the work of the Council. Councillors could also visit schools. This initial engagement may then ensure continued engagement with the Council. For those young people not at school the Youth Summit, if well advertised, could be a good way of reaching those individuals. The representative of Harrow Mencap added that if Councillors were to attend their forum it would encourage young people to attend.
- It was important that the Council made itself appear interesting in order to encourage youth engagement. It was important to gain the respect of young people.
- A Member suggested that as a follow up to the review work could be done to look at the costs of the proposals and to identify any opportunity costs/benefits. The Chair of the Review responded that the review had tried to explore this area but could not get the necessary information although there was other external evidence. She added that awards for young people could generate a step change in the way they were viewed. A representative of the

young people stated that they understood that there were cost constraints but that the balance was that young people were part of the community and if a recommendation was scrapped based on cost alone it could have implications in the future.

- A Member suggested that the Performance and Finance Scrutiny Sub-Committee in monitoring the implementation of the recommendations approved by Cabinet could meet in a community centre in order to engage with young people.

The Chair thanked the young people and the Chair of the review group for their attendance, presentation and responses. He explained that whilst Cabinet would receive the reference from the Committee on 20 June it would not be responded to until their meeting on 19 July 2012.

The Committee, having agreed some additions to the recommendations

**RESOLVED:** That

- (1) the Scrutiny team involve young people in their projects and investigations;
- (2) **the Performance and Finance Scrutiny Sub-Committee be requested to give consideration as to how young people could be involved in the follow up work on this review;**
- (3) the report of the review group be agreed and forwarded to Cabinet for consideration with a request that consideration also be given to officer time and resources, such as meeting rooms, being made available to enable implementation of the recommendations.

## **FOR CONSIDERATION**

### Background Documents:

Report submitted to Overview and Scrutiny Committee held on 30 May 2012

Draft minutes of the Overview and Scrutiny Committee – 30 May 2012

### Contact Officer:

Alison Atherton, Senior Professional Democratic Services  
Tel: 020 8424 1266  
Email: [alison.atherton@harrow.gov.uk](mailto:alison.atherton@harrow.gov.uk)

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# Redefining Youth Engagement

# Overview

- A range of government grants have been terminated
- More than £1m removed from Harrow's Young People's Services budget to meet savings targets
- This scrutiny review looks at how the council can most effectively communicate and engage with young people in decision making and volunteering activity



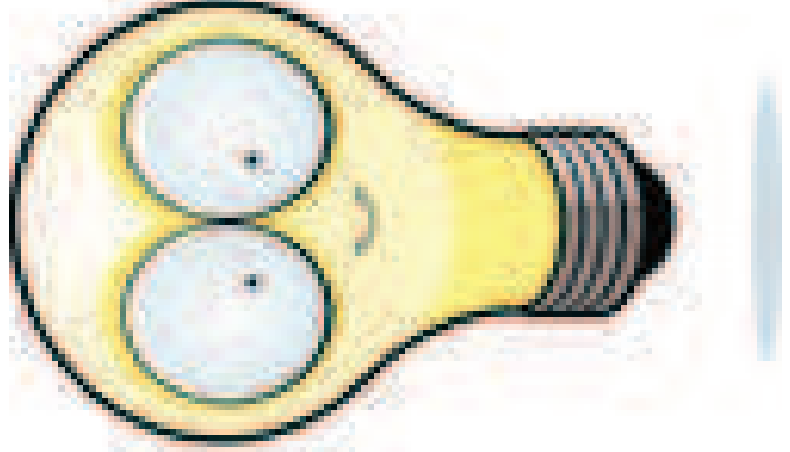
# Process

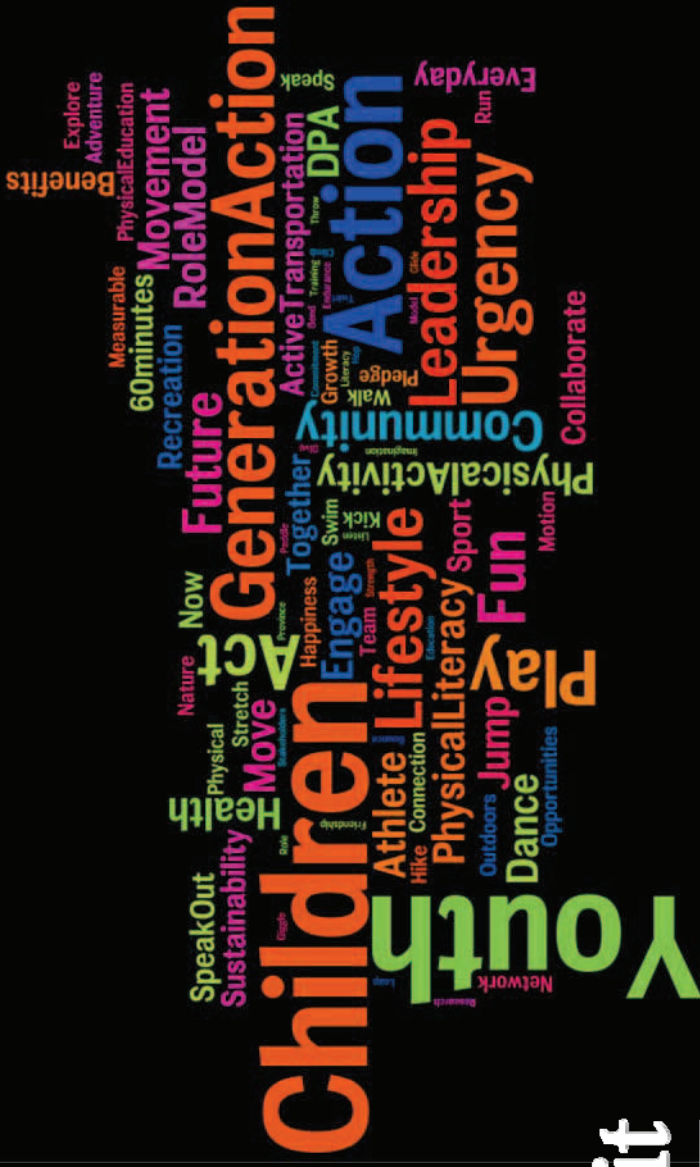
- Meeting and conversing with a number of national experts, local authorities
- Holding a drop-in session for young people at the Wealdstone Youth Centre
- Focus group meetings with Harrow Youth Parliament, British Youth Council, National Children's Bureau, the National Youth Agency and young people with disabilities and their carers.
- Written survey for young people and residents, distributed through a school council to be used as a basis of conversations between youth workers and young people.
- Use of the scrutiny's Facebook and Twitter pages.





# RECOMMENDATIONS





## Youth Summit

- For the council to lead a major borough ‘youth summit’ with partners, politicians, and local business
- Part of a “Harrow Youth Week” as part of the council’s ongoing ‘Let’s Talk’ programme
- Young people should help in the design and delivery of this.

# Commissioning Decisions

- “ The council should involve young people from design to implementation wherever appropriate
- “ Part of a wider involvement scheme which rewards youth engagement
- “ Used by Hammersmith and Fulham councils
- “ More likely to meet young people’s needs with successful outcomes

# Harrowyouth Website



- To be overhauled
- Made similar to the ‘student room’ which offers useful opportunities for conversations about local issues,
- To provide clear links to volunteering, jobs, skills development opportunities and community events
- work with young people and facilitate development of the website

# Summer Uni

- free courses to young people providing them with skills and volunteering opportunities
- Backed by a commercial and/or charitable partner
- Camden's summer university and Tower Hamlets' Futureversity
- To help their future employability as well as providing positive activities during summer holidays, bringing together different groups of young people



You have a role to play in giving young people support and direction and in doing so the council can learn from us and gain valuable insights to help you plan ahead with our services.



**REPORT FOR: PERFORMANCE AND  
FINANCE SCRUTINY  
SUB-COMMITTEE**

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<b>Date of Meeting:</b>	24 July 2012
<b>Subject:</b>	Chair's report
<b>Responsible Officer:</b>	Alex Dewsnap, Divisional Director, Partnership, Development and Performance
<b>Scrutiny Lead Member area:</b>	All areas
<b>Exempt:</b>	No
<b>Enclosures:</b>	<i>Appendix A: Note of Chair's briefing held on 27 February 2012</i>  <i>Appendix B: Note of Chair's briefing held on 28 May 2012</i>  <i>Appendix C: Summary of issues selected for further monitoring at Q3 2011/12 and Q4 2011/12</i>

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

This report sets out issues considered by the Chair since the last meeting of the Performance and Finance scrutiny sub-committee.

**RECOMMENDATIONS:**

The sub-committee is requested to:

- Note the report.

## **Section 2 – Report**

### **Introductory paragraph**

This report outlines the work of the Chair and Vice-Chairman since the last meeting of the sub-committee, held on 2 February 2012.

### **Background**

#### **1. Chair’s briefing – 27 February 2012**

A briefing for the Chair and Vice-Chairman was held on 27 February. A note of the briefing is available at Appendix A. The meeting covered:

- Performance update – residential burglary and serious acquisitive crime
- Update – payment of invoices
- Budget forecasting compliance, as at period 9, 2011/12
- Revenue and Capital Monitoring for Q3 as at 31 December 2011
- Update on indicators selected for further monitoring at the previous meeting (see Appendix C)
- Update – Council’s Use of Performance Information – Phase 2

As detailed in the note of the meeting, the Chair and Vice-Chairman agreed to postpone the sub-committee meeting scheduled for 27 March 2012 due to lack of substantive business. The meeting had been expected to receive progress on a number of scrutiny reviews but these were deferred because of the original reports reaching Cabinet later than anticipated.

#### **2. Chair’s briefing – 28 May 2012**

The next briefing was held on 28 May. A note of the briefing is available at Appendix B. The meeting covered:

- Update – payment of invoices
- Budget outturn 2011/12
- Budget holder forecasting compliance
- Update on indicators selected for further monitoring at the previous meeting (see Appendix C).

It was agreed that the Annual Scorecard for 2011/12 be reviewed at the next Chair’s briefing (likely to take place in mid-August).

#### **3. Agenda items for 24 July 2012**

Items were agreed as follows:

- P&F chair's report
- Revenue and Capital outturn 2011/12
- Contracts and procurement savings – year-end report
- Exception report: householder planning application performance
- Report on progress – council’s use of performance information scrutiny review



#### **4. Future chair's briefings**

The next Chair's briefing is likely to be held in mid-August 2012.

#### **Financial Implications**

This report deals with matters of financial and service performance throughout.

#### **Performance Issues**

This report deals with matters of financial and service performance throughout.

#### **Environmental Impact**

Not applicable.

#### **Risk Management Implications**

Not applicable.

#### **Corporate Priorities**

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

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

Not required for this report.

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

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

#### **Background Papers:**

**Strategic Performance Report for Q3** – available at:

<http://www.harrow.gov.uk/www2/documents/s96520/StrategicPerformanceReport-%20Q3.pdf> (Cabinet, 8 March 2012)

**Strategic Performance report for Q4** – available at:

<http://www.harrow.gov.uk/www2/ieListDocuments.aspx?CId=249&MId=61070&Ver=4> (Cabinet, 19 July 2012)

**Revenue and Capital Monitoring for Q3 (as at 31 December 2011)** – available at:

<http://www.harrow.gov.uk/www2/documents/s95678/Revenue%20and%20Capital%20Monitoring%20Qtr3.pdf> (Cabinet, 9 February 2012)

**Revenue and Capital Outturn 2011/12** – available at:

<http://www.harrow.gov.uk/www2/documents/s98576/Cabinet%20Revenue%20and%20Capital%20Outturn.pdf> (Cabinet, 20 June 2012)

## APPENDIX A

### PERFORMANCE AND FINANCE SCRUTINY SUB-COMMITTEE

#### Chair's briefing – notes

**Monday 27 February 2012**

#### **Attendees:**

- Councillor Sue Anderson, Chair
- Councillor Barry Macleod-Cullinane, Vice-Chairman
- Julie Alderson, Interim Corporate Director of Resources (items 1-5 (part))
- Susan Dixson, Service Manager - Internal Audit (items 1-2)
- Mike Howes, Service Manager - Policy & Partnership (item 1)
- Jennifer Hydari, Divisional Director, Corporate Finance and Procurement (items 1-3)
- Martin Randall, Senior Professional, Corporate Performance and Planning
- Heather Smith, Scrutiny Officer

#### **NOTES**

##### **1. Performance update – residential burglary and serious acquisitive crime**

The Service Manager – Policy and Partnership attended to provide an update on partnership activity in place to tackle the rates of serious acquisitive crime and residential burglary.

The Police have a number of initiatives including Operation Vegas (burglary), a trap house and Operation Colorado Springs (robbery). Intelligence-led high visibility patrols are also used to deter robbery. Police officers visit burglary offenders on release from prison.

A preliminary assessment of the Smartwater programme has been made but indicated that it is too early to ascertain its impact on burglary rates. This is because of the short length of time that the scheme has been in place coupled with the low probability of an individual property being burgled. So far 27,000 kits have been deployed; up to 40,000 kits are available.

The Council has an agreement with the Police whereby the Council will provide funds and the Safer Neighbourhood Teams will promote the scheme and install it; each team has adopted its own approach. Kits have been provided to burgled homes and surrounding homes. Kits have not, therefore, been distributed randomly and there are more kits in more susceptible properties.

The Vice-Chairman commented that there needed to be greater publicity of areas that were protected with Smartwater to improve deterrence.

Following screening in second hand shops, so far two items have been found with Smartwater markings.

#### *Olympics*

While security for the Olympics itself has been outsourced, there will be a call on Harrow to provide officers for policing the games. The armed forces will also be involved and Police from elsewhere are likely to be deployed to Harrow to back fill officers abstracted to police the games.

The Vice-Chairman commented that it would be beneficial to compare crime rates during the period of the games with the same period in previous years. It would also be helpful if council staff fulfilling roles around the Borough such as street cleaning could be given high visibility clothing, to increase uniformed presence.

It was agreed that the Chair and Vice-Chairman be provided with an update on policing for the Games after the next Safer Harrow Management Group where policing for the games would be discussed.

## **2. Update – payment of invoices**

The Service Manager - Internal Audit provided an update on the Internal Audit report which examined the Application of Contract Procedure Rules. The objective of the review was to establish reasons why Contract Procedure Rules (CPR) are not being followed using a list of orders identified by Corporate Accounts Payable Receivable (CAP/CAR) as being raised after the invoice date. A red report was issued and seven recommendations made to improve control.

Internal Audit will be reviewing action taken on the recommendations in April and will be in a position to provide an update on implementation at that stage. It was agreed that an update be provided to a future briefing.

## **3. Budget holder forecasting compliance**

The Chair and Vice-Chairman were provided with information detailing forecasting compliance as at period 9.

The Divisional Director Corporate Finance and Procurement advised that comprehensive, mandatory training had been provided to all managers in 2009, followed by a refresh in 2010. No training had been offered in 2011 but it was intended that a further mandatory session be run in 2012. It was likely that this would be built into the action plan arising from the forthcoming CIPFA review of the financial management of the council.

Members reviewed the information. The Vice-Chairman commented that he was most concerned where it appeared that the same manager was not forecasting from one period to the next, rather than where the KP06 forecast was missed on a one-off basis. The Divisional Director responded that in some areas this had been the result of setting up a totally new budget; the emphasis had been on setting a good budget rather than pushing managers to comply with forecasting against an incorrect budget. When the budget was agreed, appropriate training could then be provided.

The Interim Corporate Director of Resources added that KP06 was the first look, highlighting areas in need of further investigation. The Cabinet report provided detail of the position across all directorates with regard to forecast variation. The methodology was not systematic but did ensure that all areas were examined by the finance teams.

## **4. Revenue and Capital Monitoring for Q3 as at 31 December 2011**

This item had been discussed at the recent sub-committee meeting. Overall an underspend is forecast at year-end. There has been an increase in the forecast underspend in Children's Services; pressures in Community and Environment are continuing.

## **5. Update on indicators selected for further monitoring at previous meeting**

Please see Appendix C. The following additional information was discussed:

*NI 32 repeat incidents of domestic violence*

The assessment is for the period between Q3 2010/11 and Q3 2011/12 as the indicator is a count of repeat referrals to the Multi Agency Risk Assessment Conference (MARAC). There were 44 referrals in total in Q3 2010/11, and 15 repeat referrals back to MARAC in the subsequent 12 months. The repeat referrals included one victim who was referred back four times and four re-referrals who were referred back on two occasions. The recently appointed Violence Against Women and Girls Coordinator is currently undertaking a review of the MARAC, including its data recording practices and its case management procedures.

*BV 8 - % of undisputed invoices paid within 30 working days*

Information from SAP that populates this indicator relates to all invoices, not those that are undisputed. Officers have removed the indicator from the authority's submission to the LAPS (London Authority Performance Solution) benchmarking tool.

**6. Council's Use of Performance Information – Phase 2**

The Scrutiny Officer provided an update on implementation of the recommendations. Headway has been made in discussions with the Executive with regard to securing the earlier sight of the Corporate Scorecard by the P&F Chair and Vice-Chairman, which should enable more timely agenda planning along with the opportunity to submit comments to the CSB performance morning on areas of focus for scrutiny.

This adjustment may mean that the Chair's briefings will need to be de-coupled from the agenda planning process for committee. As such, the scrutiny team have also reviewed the scheduling of committees to try to facilitate a better fit and this has been discussed with the Scrutiny Leadership Group.

The Senior Professional, Corporate Performance and Planning advised that a review of the current Improvement Board and performance review process is being undertaken. Any changes arising from this could potentially impact upon the scrutiny process.

**7. Agenda – Performance and Finance scrutiny sub-committee – 27 March 2012**

The following items have been deferred due to the original scrutiny reports reaching Cabinet later than had been originally anticipated:

- Report on progress – snow clearance review
- Report on progress – engaging young people review
- Report on progress – debt recovery review
- Report on progress – Council's use of performance information – phase 2

The Chair and Vice-Chairman therefore agreed to postpone the meeting.

The P&F section of the draft annual report will be reviewed by the Chair and Vice-Chairman before being finalised by the Overview and Scrutiny Committee.

**Heather Smith**  
Scrutiny Officer  
March 2012

## **APPENDIX B**

### **PERFORMANCE AND FINANCE SCRUTINY SUB-COMMITTEE**

#### **Chair's briefing – notes**

**Monday 28 May 2012**

#### **Attendees:**

- Councillor Sue Anderson, Chair
- Councillor Barry Macleod-Cullinane, Vice-Chairman (items 4-5)
- Julie Alderson, Corporate Director of Resources (items 1-3)
- Liz Defries, Service Manager – Performance & Data Services
- Adam Rogers, Xcite Graduate Scheme (observer)
- Heather Smith, Scrutiny Officer

#### **NOTES**

##### **1. Update – payment of invoices**

The Service Manager – Internal Audit provided a written update on the Internal Audit report which examined the Application of Contract Procedure Rules.

She reported that she was unable to provide a complete update on the implementation of the recommendations from this review as her team is still awaiting responses from two officers. They had both been chased and made aware that P&F had requested an update at the briefing. Of the five recommendations for which a response had been received, only one had been implemented in CAP/CAR. Four recommendations within Procurement had not been implemented (owing to the delay in the SAP project) and an extended deadline has been requested for the end of August.

Internal Audit will continue to chase the outstanding follow-up information and will undertake further follow-up until the assurance rating can be re-assessed to at least Amber.

It was agreed that an update be provided to a future briefing.

##### **2. Budget Outturn 2011/12**

The Corporate Director of Resources advised that the council was likely to use the expected underspend in 2011/12 to cover costs of redundancy and costs of change. She reported that she would also be proposing a contribution from the underspend to general reserves. The outturn report is currently scheduled for Cabinet in June so will be available for the July meeting of P&F, where an update will be provided.

##### **3. Budget holder forecasting compliance**

The Corporate Director of Resources reported that she had considered examining forecasting against budget position for the last financial year, but this analysis had not been prioritised as it was considered better to focus on the present rather than the historic position.

The report of the CIPFA review of the financial management of the council was currently being finalised for discussion with the Chief Executive and Portfolio Holder. From this review, a financial transformation programme and action plan will be developed, and will include actions on budget control and management.

The Chair commented that it was the accuracy of forecasting that had originally drawn this area to the sub-committee's attention, in particular how actuals mirrored forecasts that had been provided. The officer responded that the action plan was likely to include improving budget monitoring by including year to date (YTD) actuals against the YTD phased budget as well as the year-end forecast.

#### **4. Update on indicators selected for further monitoring at previous meeting**

Please see Appendix 1. The following additional information was discussed:

##### ***Quarterly Scorecard – Q4, 2011-12***

- *Residential burglary and serious acquisitive crime rate (NI16)*  
While Harrow is a low crime area across all crime types, for burglary the rate is relatively high. Looking at *serious acquisitive crime* (which includes residential burglary) Harrow is in the top quartile for London, but the council is *High Red* against its own target. These indicators use Metropolitan Police data.

Members requested sight of analysis of the Metropolitan Police data for these indicators (including hotspot mapping) and details of the target for 2012/13.

With regard to Smartwater, new analysis up to May 2012 will enable two years' worth of data to be analysed. Analysis up to November 2011 was not able to demonstrate whether the deployment of kits has had a statistically measurable impact on burglary. This analysis was likely to be available in the autumn. In addition, the vice-chairman also requested an update on the take-up of kits.

The chair and vice-chairman agreed that these indicators should be referred to the Scrutiny Lead Members for further investigation.

- *Percentage of household waste sent for re-use, recycling and composting (NI 192)*  
Further to the information provided in the appendix, 6,000 flats have now been offered opportunities to recycle, including organic waste. There has also been a shift in approach to encourage residents not to generate waste in the first place. The vice-chairman expressed concern that he had not received any information at his flat in Harrow on the Hill.

##### ***Annual Scorecard – 2011/12***

- It was agreed that this be discussed at the next Chair's briefing.

#### **5. Agenda – Performance and Finance scrutiny sub-committee – 24 July 2012**

Items will be confirmed with the chair and vice-chairman by email.

**NB** – Members should note that there will be a new Corporate Scorecard for 2012/13, which may or may not include all of the indicators monitored in 2011/12. Indicators may still be able to be monitored if they remain on directorate scorecards but this would not be possible if the indicator is removed entirely.

**Heather Smith**  
Scrutiny Officer  
June 2012

**APPENDIX C**

**Indicators brought forward for further monitoring at P&F Chair's briefing**

Indicator	Selected for monitoring	Status (Q3)	Comments and action to be taken (Q3)	Status (Q4)	Comments and action to be taken (Q4)
<b>Keeping neighbourhoods clean, green and safe</b>					
NI 32 - repeat incidents of domestic violence	Q3, 2010/11	HR	Monitoring at Chair's briefing to continue (to include the number of individuals and number of repeat referrals). Information on the reasons for changing the target was also requested.	HG	Monitoring at Chair's briefing to continue. Members expressed interest in determining whether this is a blip or a trend of reduced incidents of repeat referrals. In addition, information was sought on reasons for the change to the target and the target for 2012/13.
- Residential burglaries - Serious acquisitive crime	Q2, 2011/12	HR	Monitoring at Chair's briefing to continue. An update on the impact of the abstraction of officers for Olympics policing was also requested.	HR HR	Monitoring at Chair's briefing to continue. Information was requested regarding the setting of targets, performance of the Smartwater scheme, analysis of Metropolitan police data and hotspot mapping. The Chair and Vice-Chairman also agreed to refer these indicators to the Scrutiny Leads.
NI 192 - Percentage of household waste sent for re-use, recycling and composting	Q4, 2011/12			LR	<b>NEWLY IDENTIFIED THIS QUARTER.</b> Performance against this indicator dropped because of a reduction in tonnage salvaged from contaminated waste. Difficulties with the contractor have now been addressed.
Improved street and environmental cleanliness: - NI195a – litter - NI195b – detritus - NI195c – graffiti	Q2, 2011/12 (litter/detritus); Q4, 2010/11 (graffiti)	No survey	No survey data available in Q3 report - to monitor at next Chair's briefing.	HG HG HR	Monitoring at Chair's briefing to continue. Members were provided with the data for Q3 which had been unavailable at the previous meeting. The blip in performance was attributed to service redesign as staff were undertaking training on new equipment/ techniques which reduced street presence. Q4 performance had improved. [There is no survey in Q1]
<b>35</b>					
<b>ed and involved communities: a Council that listens and leads</b>					
How well informed do residents feel (Involvement Tracker)	Q1, 2011/12	LR	Monitoring at Chair's briefing to continue.	N/A (LR in Q3)	Monitoring at Chair's briefing to continue.
Number of trained neighbourhood champions	Q1, 2011/12	HR	Monitoring at Chair's briefing to continue.	HR	Monitoring at Chair's briefing to continue. Further information was requested, mapping the distribution of NCs across the borough.
<b>Supporting and protecting people who are most in need</b>					
NI 125 – Achieving independence for older people through rehabilitation (This measure is no longer on the Corporate Scorecard)	Q4, 2010/11	-	Monitoring at Chair's briefing to continue. To be reported in parallel with NI 130 (adult social care users who receive self-directed support).	LG	No further monitoring required.
Children Looked After: - % sessions absent from school amongst school age CLA in the school year to date - Rate of fixed term exclusions as a % of the Harrow CLA population	Q1, 2011/12 (sessions absent); Q4 2010/11 (FT exclusions)	HR/HR	Officers are considering whether there is a way of reflecting individuals' achievement in a performance measure. Review at next Chair's briefing.	HR HR	Monitoring at Chair's briefing to continue. The O&S committee will review the recent Ofsted report. It was noted that absence is green in comparison with the national picture.
Termly rate of permanent exclusions as % of Harrow school population	Q2, 2011/12	HG	Monitoring at Chair's briefing to continue	A	Monitoring at Chair's briefing to continue.
Termly rate of fixed term exclusions as a % of Harrow school population	Q3, 2010/11	HR	Monitoring at Chair's briefing to continue.	HR	Monitoring at Chair's briefing to continue.
Numbers of children with child protection plan for over two years	Q3, 2010/11	HR	Monitoring at Chair's briefing to continue.	HG	Monitoring at Chair's briefing to continue. Further information was requested on how plans are reviewed.

Indicator	Selected for monitoring	Status (Q3)	Comments and action to be taken (Q3) 27 February 2012 briefing	Status (Q4)	Comments and action to be taken (Q4) 28 May 2012 briefing
Homelessness: - Total number accepted as homeless and in priority need - NI 156 - Number of households living in temporary accommodation - number of households we assist with housing in the private rented sector - Number of cases where positive action is taken to prevent homelessness	Q2, 2011/12 (as a suite)	HR HG LR HG	Monitoring at Chair's briefing to continue, as a suite of indicators.	HR LG LG HG	Monitoring at Chair's briefing to continue. Information was requested on the causes of homelessness leading to acceptances by the council.
Council adaptations: average time from assessment to completion of works (weeks)	Q3 2011/12	HG	Monitoring at Chair's briefing to continue. Breakdown of simple/complex cases and/or pre/post-reform performance to be sought.	HG	Monitoring at Chair's briefing to continue. Further information was requested on 'simple' and 'complex' cases, as well as the stage of the process, whether this indicator included planning applications where required. In addition Members enquired whether a more demanding target could be set.
Average time to relet LA housing (days)	Q3 2011/12	LR	Monitoring at Chair's briefing to continue. Further information requested on the relationship between this indicator and Housing voids measure (HG).	LG	No further monitoring required
<b>Supporting our town centre, our local shopping centres and businesses</b>					
Visits to museum – number of physical visits	Q2, 2011/12	HR	Monitoring at Chair's briefing to continue.	HG	Monitoring at Chair's briefing to continue.
Libraries: number of physical visits users of use of public library computers 36 target)	Q3, 2011/12	LR -	Monitoring at Chair's briefing to continue.	A -	Monitoring at Chair's briefing to continue.
visits to leisure centre – number of physical visits	Q4, 2011/12			LG	NEWLY IDENTIFIED THIS QUARTER. Monitoring at Chair's briefing to continue. Members requested details of the target for 2012/13.
Processing of major planning applications in accordance with statutory timescales or Planning Performance Agreements (PPAs)	Q2, 2011/12	HG	No further monitoring required.	HR	
Processing of householder planning applications within 6 weeks	Q2, 2011/12	HR	Monitoring to continue, including a briefing note on reasons for underperformance, to cover what is the average time for a decision, are any statutory deadlines affected and any cost implications.	HR	Monitoring at Chair's briefing to continue. It was noted that this area would be considered by the customer care scrutiny review. Members asked that the briefing note requested at the previous meeting be provided asap.
<b>Resources perspective</b>					
Workforce IPAD in last 12 months	Q2, 2011/12	HR	Monitoring at Chair's briefing to continue.	HR	Monitoring at Chair's briefing to continue. Information by directorate was requested.
Total debt collected as a % of total debt raised [YTD]	Q1, 2011/12	A	Monitoring at Chair's briefing to continue. Information outstanding on amount of debt overdue as well as explanation of what the indicator is intended to measure.	LG	Monitoring at Chair's briefing to continue.
BV 8 - % of undisputed invoices paid within 30 working days [also % of SAP purchase orders raised before invoice date]	Q3, 2010/11	HR	Officers are considering replacing this indicator with that on payments to small businesses, which is already collected but is not on the Corporate Scorecard. Definition of "small businesses" used for this purpose to be clarified.	HR (LR)	Monitoring at Chair's briefing to continue.



Indicator	Selected for monitoring	Status (Q3)	Comments and action to be taken (Q3) 27 February 2012 briefing	Status (Q4)	Comments and action to be taken (Q4) 28 May 2012 briefing
% forecast variation from net budget	Q1, 2011/12	HG	No further monitoring required.		
ex-BV66a LA rent collection and arrears: proportion of rent collected	Q3, 2011/12	LG	Monitor at next chair's briefing, in context of benefit reform.	LG	No further monitoring required
IT customer (internal) complaints	Q2, 2011/12	HR	Information on how calculated to be supplied.	HR	Monitoring at Chair's briefing to continue. Members were advised this indicator is a monthly average. It measures formal complaints.

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**REPORT FOR: CABINET**

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<b>Date:</b>	20 June 2012
<b>Subject:</b>	Revenue and Capital Outturn 2011-12
<b>Key Decision:</b>	Yes
<b>Responsible Officer:</b>	Julie Alderson, Corporate Director Resources
<b>Portfolio Holder:</b>	Councillor Sachin Shah (Portfolio Holder for Finance)
<b>Scrutiny Lead</b>	All areas
<b>Member area:</b>	
<b>Exempt:</b>	No
<b>Decision subject to</b>	Yes
<b>Call-in:</b>	
<b>Enclosures:</b>	Appendix 1 - Revenue Commentary Appendix 2 - Transformation and Priority Initiatives Fund Appendix 3 - Capital Monitoring Appendix 4 - Housing Revenue Account Appendix 5 – Carry Forwards and Commitments Appendix 6 – Technical adjustments

## Section 1 – Summary and Recommendations

This report sets out the Council's revenue and capital outturn position for 2011-12.

### **Recommendations:**

- (a) Note the revenue and capital outturn position for 2011-12;
- (b) Approve the proposed revenue carry forwards of £2.8m as discussed in paragraph 28 and detailed in Appendix 5;
- (c) Approve the movements between reserves and provisions as outlined in paragraph 27;
- (d) Approve that the net remaining revenue under spend of £1.3m is allocated £0.5m to the general reserves and £0.8m to the Transformation and Priority Initiatives Fund;
- (e) Approve the additions, movements and virements on the capital programme during quarter 4 as set out at Tables 2 and 3 of Appendix 3;
- (f) Approve the carry forward on capital projects as set out in paragraph 35 and Table 4, Appendix 3;
- (g) Note the timetable for accounts completion and external audit review as outlined in paragraph 38.

### **Reason**

To confirm the financial position as at 31 March 2012

## Section 2 – Report

### **Executive Summary**

1. The Council has managed a difficult financial year and delivered an overall under spend of £1.3m after allowing for £1.8m recommended to be carried forward. The carry forwards requested for approval are explained in paragraph 28 of the main report and listed in Appendix 5. The under spend is the result of careful financial management in year, including the issuance of a Spending Protocol to eliminate emergent pressures in year. The end of year position allows the Council to allocate £0.5m to General Reserves as a contribution towards the General Reserves policy adopted by Council at its 16 February meeting, and £0.8m relating to the under spend on the Transformation and Priority Initiatives Fund (TPIF) to be carried forward to bolster the fund and support invest to save and other initiatives in 2012-13.
2. The Corporate Strategy Board issued a Spending protocol in year, when it became clear that there were emergent pressures in Adults and Housing and Community and Environment. The position in Adults and Housing was managed back down to an under spend through early identification of the issues and focussed management action supported by the finance team. The Spending Protocol was strictly observed in the directorates resulting in some areas holding back expenditure on non frontline services, which will be required in 2012-13. There are therefore planned under spends of £1.056m which are part of the carry forward recommended.
3. The Directorate net position is an under spend of £0.295m. This position is reached after creating provisions in relation to known liabilities, for which a reliable estimate can

be made. These specifically relate to: planned redundancies included in the 2012-13 Budget and the MTFs, which were communicated in 2011-12, of £3.5m cross council; and £1.1m in relation to Municipal Mutual Insurance (MMI) based upon the minimum liability recommended by the actuarial review undertaken in March this year. Further explanation is set out in paragraphs 9 and 10 of the main report.

4. Specific reserves of £2.1m were earmarked in the 2011-12 budget to fund anticipated redundancies. £0.6m was allocated in year from the TPIF, leaving £1.5m split between the TPIF (£0.907m) and an earmarked reserve for employment and litigation (£0.555m) available to allocate at year end. The £1.462m is no longer required for this purpose as the redundancy provision has been charged directly to the relevant Directorates as part of the year end accounting adjustments. This is explained further in paragraphs, 23 - 24 and 27 in the main report.
5. The carry forward position represents three distinct categories:
  - (a) Income received in 2011-12 which relates to 2012-13, but under the accounting rules for IFRS is recorded in the year of receipt, rather than the year for which it is awarded. This relates to any income or grant received which is not ring fenced and not repayable. The total in this category is £0.331m;
  - (b) Delayed expenditure of £1.056m which was held back in order to comply with the Spending Protocol which was issued by CSB alongside the quarter 2 forecast, due to the emergence of pressures in year, but which is required to complete outstanding projects;
  - (c) £1.199 m in relation to pressures on the 2012-13 budget, which were not known about at the time of setting the budget;

The carry forward requests recommended for approval are set out in Appendix 5.

## Introduction

6. The total reported revenue outturn for the Council is £171.010m against a budget of £176.954m which represents an under spend of £5.944m, a 3.3% variation to budget. This is the position before the required year end accounting adjustments of £4.644m in respect of making adequate provisions as set out in paragraphs 9 and 10 leaving a £1.3m under spend to be allocated £0.5m to General Reserves and £0.8m in relation to the under spend on the Transformation and Priority Initiatives Fund (TPIF) to be carried forward and reallocated to the fund.

The table below summarises the position:

**Table 1.**

Original Budget		Latest Budget	Outturn	Variation	% variation	Charge to provisions	Adjusted 2011/12 outturn	2010/11 outturn
£000		£000	£000	£000	%	£000	£000	£000
12,275	Assistant Chief Executive	14,684	13,054	-1,630	-11.1	703	-927	-1,333
	ACE Corporate Items	-54	544	598	1100	0	598	
3,566	Legal and Governance	3,443	3,392	-51	-1.5	280	229	8

8,528	Corporate Finance	10,384	9,955	-429	-4.1	100	-329	-887
-694	CF Corporate Items	-840	-1,186	-346	-41.2	750*	404	0
<b>23,675</b>	<b>Sub Total Corporate</b>	<b>27,617</b>	<b>25,759</b>	<b>-1,858</b>	<b>-6.7</b>	<b>1,833</b>	<b>-25</b>	<b>-2,212</b>
67,508	Adults & Housing	65,740	65,690	-50	-0.1	0	-50	-618
43,986	Community and Environment	47,254	47,780	526	1.1	1,355	1,881	-307
40,852	Children's	41,514	38,093	-3,421	-8.2	876*	-2,545	-588
4,382	Place Shaping	4,628	4,492	-136	-2.9	580	444	-347
<b>180,403</b>	<b>Sub Total Directorate</b>	<b>186,753</b>	<b>181,814</b>	<b>-4,939</b>	<b>-2.6</b>	<b>4,644</b>	<b>-295</b>	<b>-4,072</b>
823	Inflation and Corporate Items	907	0	-907	-100	0	-907	-1,884
1,000	Contingency	300	0	-300	-100	0	-300	
-4,462	Capital Financing	-8,590	-10,192	-1602	-18.65	0	-1,602	2,601
-2,580	Council Tax Support Grant	-2,580	-2,580	0	0	0	0	0
0	Carry Forwards	106	1,910	1,804	-	0	1,804	2,213
325	Provisions	58	58	0		0	0	7
<b>175,509</b>	<b>Total Budget Requirement</b>	<b>176,954</b>	<b>171,010</b>	<b>-5944</b>	<b>-3.3</b>	<b>4,644</b>	<b>-1300</b>	<b>-1,135</b>

\* indicates £0.750m in CF Corporate Items and £0.350m in Children's allocation to MMI provision. All other adjustments relate to redundancy provisions.

## Directorates' Position

- The outturn position for the Directorates is £181.814m against a latest budget of £186.753m, which represents an under spend of £4.939m, a variance of 2.6% of the net budget. This reduces to £0.295m after the required year end accounting adjustments explained in paragraphs 9 and 10 below.
- The outturn has been achieved through a concerted effort throughout the year by the Directorates to contain and reduce spend, both to eliminate emergent pressures in year, and in the wake of the Spending Protocol issued by CSB. The Spending Protocol issued by CSB and mandated by the Leader gave a clear message that all spending which did not impact vital services and vulnerable clients must be restrained; Directorates with emergent or actual pressures acted to eliminate the pressures as far as possible; and Directorates were also mandated to endeavour to deliver an under spend to fund future redundancy commitments of £1.4m as a minimum. The under spend is mainly made up of income received in advance (£0.3m) and delayed expenditure (£1.1m), which are one off in nature and the early delivery of the Budget 2012-13 savings, which are already built into base budget.
- The Council had already provided for expected redundancy costs of £2.1m comprising £1.563m from the TPIF and £0.555m employment and litigation reserve set up as earmarked reserves. The Corporate Director of Resources requested a further £1.4m to be held back as under spend to meet further costs identified, as the business cases included in the Budget and MTFs were developed in year. Accounting adjustments made at year end allocated the known redundancy costs of £3.5m against the relevant Directorates, in order to set up specific provisions. This has enabled £1.462m of

earmarked reserves, made up of the balance for invest to save/severance of £0.907m on the TPIF and £0.555m earmarked employment and litigation reserve to be released: £0.800m to be reallocated to the TPIF and the balance of £0.107m on the TPIF and the £0.555m to support the requested carry forwards. The position on the TPIF and its proposed reallocation is further explained at paragraphs 23 and 24 and Appendix 2, and for the employment and litigation reserve at paragraph 27.

10. In respect of the requirement for a provision of £1.1m; Municipal Mutual Insurance was the predominant insurer of public sector bodies prior to ceasing its underwriting operations in September 1992. It entered into a Scheme of Arrangement in 1993. With many elements of uncertainty surrounding MMI's liabilities, if insolvency is considered unavoidable, then the Scheme Creditors (of which Harrow Council is one) would be subject to a levy. The size of the levy depends on the amount paid to the Creditors since September 1993. Subsequent to this levy, any liabilities or elective defence costs payments made by MMI will be made at a reduced rate, leaving their Creditors to fund the shortfall. Therefore, the Council has taken the advice of the actuary, who considers it to be wholly appropriate and justifiable, as well as in line with other local authorities to provide for £1.1m of the £1.4m minimum future liability in relation to MMI, uninsured future insurance claims. This charge, to cover the future liability, has been allocated £0.350m to Children's and £0.750m to Corporate, in recognition of the corporate liability. It is unlikely that the £1.4m would be required immediately, and so it is considered that £1.1m is a prudent minimum amount to provide for.
11. The creation of specific provisions at year end is an accounting adjustment which is required under the correct implementation of International Financial Reporting Standards. The requirement for these adjustments based upon a proper interpretation of the appropriate recognition criteria, measurement bases and disclosure requirements for provisions is determined by the Section 151 Officer and is responsible for the major changes to the directorate outturns as shown in Table 1.
12. The position for each Directorate is set out below. The explanation for the under and over spends are consistent with the management accounting reports received by the Cabinet quarterly. The actual final position is after the accounting adjustments required, explained in paragraph 11 above.

### **Corporate Directorates**

13. The Corporate Directorates are reporting a final net under spend of £0.025m after accounting adjustments. The main variances before the accounting adjustments are explained as follows:
  - (a) Corporate Finance outturn is an under spend of £0.429m mainly resulting from Housing Benefits staffing savings and government grant of £0.082m in respect of 2012-13, the latter which will be carried forward. There are other offsetting over and under spends;
  - (b) Finance corporate items is reporting an over spend of £0.404m. This emanates from an under spend of £0.346m before making a corporate contribution of £0.750m to MMI; the under spend mainly results from; £0.139m in relation to New Homes Bonus in 2012-13, to be carried forward; various offsetting under and over spends; £0.180m saving on the Carbon Reduction commitment scheme where costs have been funded by schools; £0.072m saving from over accruals;

- (c) Legal is reporting an under spend of £0.051m;
- (d) Assistant Chief Executive's (ACE) department is reporting a favourable variance of £1.630m; the main variances are:
- (e) £0.272m saving on Concessionary Fares including assessment and issue costs; £0.300m saving on Shared Services through vacancy management; £0.153m on Partnerships, Development and Performance including £0.040m from additional SLA income; Business Transformation Programme is under spent by £0.396m, of which £0.343m relates to projects deliberately held back as part of the spending protocol, and which are rephased into 2012-13; £0.257m on IT of which £0.065m relates to delayed work with the balance resulting from maintaining vacancies and savings on communications.;
- (f) ACE Corporate items has overspent by £0.598m, mainly relating to; the shortfall in anticipated savings on the Resourcing Contract £0.190m; a pressure of £0.145m relating to a final payment due at the end of the corporate print contract in 2012-13; partly offset by grant of £0.219m not built into the budget;
- (g) The Business Support project over spent by £0.444m. This is a cross council project and is recorded against ACE for practical purposes.

## **Adults and Housing**

14. Adults' social care and Housing homelessness experienced significant emergent pressures in year, which were reported to the Cabinet in quarter 2. Early management action in tandem with finance support have ensured that those pressures have been contained, and overall there is a net under spend of £0.050m. The success achieved in containing the pressures means that Housing did not ultimately need to call on the earmarked reserve of £0.300m for Homelessness set up as part of the 2011-12 budget, and which the Cabinet had agreed at its meeting of 15 December could be released. There is a growth item of £0.740m to tackle homelessness pressures in the 2012-13 budget and therefore, the unutilised reserve has been re-designated as part of the Section 151 officer's year end proposals as set out in paragraph 27. Adults called upon some one off funding, mainly Supporting People grant brought forward and also received £0.600m winter pressures money from the PCT in year, as well as making savings across all services on contracts and other non frontline services in order to deliver an under spend of £0.104m. Demographic growth of £3m is built into the 2012-13 budgets to tackle the underlying pressures.
15. The outturn position for Adults is therefore, a favourable variance of £0.104m on Adults and an over spend on Housing of £0.054m; the main variations are as follows;
- (a) Commissioning and Partnership reported an under spend of £1.139m and strategic management £0.202m which mainly offset over spends on Long Term Care & Safeguarding of £0.441m and personalisation and reablement £0.709m;
  - (b) Housing over spent by £0.054m which was achieved despite pressures on homelessness, bed and breakfast clients of £0.339m. Management action found offsetting savings elsewhere in the budget without affecting frontline services. This would have been an under spend had it not been for the year end proposal by the Section 151 officer not to release the reserve that the Cabinet had previously agreed to.



## **Community and Environment Services**

16. The Community and Environment outturn final position is an over spend of £1.881m. The position before accounting adjustments is an over spend of £0.526m. The main reason for the over spend which has been reported in year is due to the reduction in the capital programme which has meant that staff no longer able to work on capital projects have become a revenue pressure. A restructure of Property Services is underway which is due to complete in July 2012 which will eliminate this pressure. Other areas of over spend have occurred mainly in Public Realm (£0.240m) and the Leisure Centre (£0.381m), partly resulting from plant failures at the Leisure Centre swimming pool. The Directorate have taken management action, supported by finance to mitigate some of this pressure and reduce the amount of over spends through compliance with the Spending Protocol and benefiting from some additional income. The 2012-13 budget includes growth of £0.513m to cover income pressures in Public Realm and parking enforcement; and £0.080m for pressures in the Property budget.

## **Place Shaping**

17. The final outturn position shows an over spend of £0.444m. The Directorate achieved an under spend of £0.136m before accounting adjustments, which largely comprised of an under spend of £0.080m in relation to repairs and maintenance at Pinner Park Farm, which will still need to be carried out and is requested as a carry forward. The outturn position has also contained pressures arising on planning income and an additional £0.075m incurred in respect of the ST George's Field appeal.

## **Children's Services**

18. The Children's Services outturn is an under spend of £2.545m after year end accounting adjustments. It should be noted that there are budget areas within Children's which are volatile by nature and can not be easily predicted during the year, such as Children Looked After placements. Whilst there is a significant under spend in 2011-12, this generally reflects the early delivery of 2012/13 budget savings and does not necessarily indicate that this level of under spend will continue or that it would be prudent to reduce the current budget. The under spend occurs on all services and the main factors are detailed below.

(a) £0.854m ( before accounting adjustment of £0.426m) on Quality Assurance, Commissioning and Schools arising from London wide delays in implementing London Grid for Learning (£0.246m), requested to be carried forward, and £0.092m on commissioning which has arisen as old service contracts and SLA's have expired and there is an inevitable lag in developing and negotiating replacement provision;

(b) £0.788m (before accounting adjustment of £0.100m) on Early Intervention Service, mainly arising on Children's Centres (£0.575m) reflecting the early successful delivery of the planned 2012-13 MTFs savings;

(c) £0.963m on Targeted Services in Children Looked After placements (one of the most volatile budget areas); arising on Asylum Client costs £0.178m, mostly due to a larger number of leaving care clients leaving the service; and £0.548m on Leaving Care client costs due to the increase in age from 16 to 18 that young people transfer to

the Leaving Care team, coupled with a lean review that has significantly reduced costs;

(d) £0.199m on Special Needs Transport due to the rationalisation of routes.

19. Children's are requesting carry forwards of £0.7m which reduces their under spend further to around £1.8m. The Directorate reported that it would be £1.4m under spent in the quarter 3 Financial Monitoring report to the Cabinet, this assumed a £0.7m carry forward which was not reflected in the forecast under spend.

### **Housing Revenue Account (HRA)**

20. The Housing Revenue Account is included at Appendix 4. Net revenue expenditure was £0.988m against budget of £1.343m resulting in an under spend of £0.355m. The HRA revenue balances at year end are £2.8m, an improvement of £0.4m over budget. The under spend against budget relates primarily to:

(i) lower than anticipated contribution to bad debt provision as a result of a review driven by changes in accounting standards.

(ii) reduced charges for capital resulting from lower than expected spend on capital programme (£6.1m spent against budget of £11.2m)

### **Capital Financing, Inflation and Corporate items**

21. The capital financing budget has out performed by £1.6m. Of this £0.4m is the improvement on investment returns and costs of borrowing; £1.1m is in relation to Minimum Revenue Provision (MRP) being lower than expected; and £0.1m is in respect of capitalising borrowing costs which is permitted under the IFRS code of practice.

22. There is an under spend of £0.3m in relation to the Contingency and £0.9m in relation to the Transformation and Priority Initiatives (TPIF) fund. This is the remainder of the Fund in relation to severance costs only, and it is recommended that £0.8m of the under spend be carried forward and reallocated to the fund, as all redundancies have been provided for as part of the outturn.

### **Transformation and Priority Initiatives Fund (TPIF)**

23. The TPIF started the year with a balance of £2.529m. The balance on the fund at quarter 3 as reported to the Cabinet at its meeting of 9 February 2012 is attached at Appendix 2. £0.130m has been requested to be drawn down in quarter 4, leaving £0.383m in relation to transformation and £0.907m on invest to save/ severance costs.

24. It is recommended that £0.800m of the remaining balance of £0.907m is carried forward and added to the £0.383m remaining on the transformation part of the fund as set out in table 3 below. This leaves the balance on the TPIF at £1.184m at year end.

### **Provisions and Reserves**

25. The Council is required to make an adequate and appropriate level of provisions and reserves. The tables below show the level of provisions and reserves which are recommended as the level required by the Council.

26. The level of provisions arrived at in the table below sets out the allocations to the Employee Related Provision in respect of redundancies of £3.5m, and the £1.1m allocation to insurance in respect of MMI future liabilities. The provisions as set out in Table 2 are at the required level to meet the Council's known liabilities and comply with the accounting requirements for provisions.

**Table 2**

	Balance before adjustments	Transfers In – as per paragraphs 8&9		Balance at 31.3.12
		£000	£000	
<b>Provisions</b>				
Litigation Provision	1,121			1,121
HRA - Disrepair Provision	46			46
Mental Health Act (S117) Provisions	205			205
GF - Private Landlord Scheme Disrepair	48			48
Employee Related Provision	272	3,544		3,816
Insurance Fund Provision	4,966	1,100		6,066
				-
<b>Total Provisions</b>	<b>6,658</b>	<b>4,644</b>		<b>11,302</b>

**Table 3**

<b>Earmarked Reserves</b>	Balance before adjustments £000	Balance from outturn £000	Budget Adjustment £000	Re-designated reserves and under spend £000	Balance at 31.3.12 £000
Transformation and Priority Initiatives Fund – Transformation Appendix 3	384				384
TPIF carry forward 11-12 invest to save/severance – Appendix 3				800	800
<b>Total TPIF</b>					<b>1,184</b>
Homelessness re-designated to Carry Forward Reserve	300			-300	0
Litigation and Employment Related Reserve – re-designated to Carry Forward Reserve	555			-555	0
Carry Forward Reserve 11-12		1,804	*143	855	2,802
	1,239	1,804	143	800	3,986

\* Borough Election Provision £106k plus technical adjustment £37k

27. The recommended reallocation of the earmarked reserves is shown above in table 3 and the recommended carry forward on the TPIF. £2.8m is required to fund carry forward requests (£2.568m), TPIF projects approved but not spent (£0.110m), and £0.106m budget provision for borough elections as detailed in Appendix 5. It is recommended that the following reserves are re-designated as they are no longer required: the reserve of £0.555m in relation to litigation and employment can be re-designated as there is adequate provision set up as part of the year end accounting adjustments; and £0.300m allocated as a homelessness reserve has not ultimately been required to balance the budget in year and can also be re-designated. Growth of £0.740m for homelessness is allocated in the 2012-13 budget.

## **Carry forward Requests**

28. There are recommended carry forwards of £2.802m included in Appendix 5. The requests relate to: grants and income received in 2011-12 in relation to 2012-13 of £0.331m; £0.110m in relation to TPIF drawn down but not spent; £1.056m in relation to planned under spends; £1.199m in relation to budget pressures which have emerged since the budget was set; and £0.106m planned budget provision for borough elections. The carry forwards are recommended to be funded as set out in paragraph 27 above.

## **Collection Fund**

29. The Council Tax collection fund has performed well against its target rate. The actual surplus for 2011-12 is £1.727mm against an estimated surplus of £1.684m resulting in a small favourable variance of £0.043m.

## **General Balances**

30. The opportunity has been identified to increase general reserves by £0.5m and Cabinet is therefore recommended to allocate £0.5m to balances from the net under spend in order to increase balances from their present level of £7m to £7.5m. The policy for General Reserves is that the minimum level must be £6m with an upper target of £8m. The recommended allocation is in keeping with the agreed policy on the contingency, which requires that the first consideration for any unspent balance on the contingency be added to general reserves at the end of the year. The under spend on the contingency is £0.300m, and it is recommended that the allocation to general reserves be increased to £0.5m. It is the strong advice of the Section 151 officer that this is done.

## **Capital Programme**

31. The total Capital Programme at the end of period 12 stands at £74.8m (£63.6m GF and £11.2m HRA), an increase of £0.9m from the quarter 3 position reported to February Cabinet.

32. The General Fund Outturn is £29.2m and the HRA Outturn is £6.1m, resulting in a total variance of £39.5m; £34.4m on GF projects and £5.1m on HRA projects. However, within the above variances, £18.7m relates to "carry forward requests" and thus the under spend after carry forwards is £17.0m on General Fund projects and £1.7m on HRA projects. This compares with a forecast outturn of £47.4m at quarter 3 (£39.3m GF and £8.1m HRA), resulting in a forecast variance of £26.4m; and a forecast under spend after carry forwards of £7.4m, of £16m on GF and £3m on HRA.

33. The general fund £17.0m under spend by directorate programmes is explained as follows :

- a) Chief Executive £13.2m under spend: Mainly due to £10.3m under spend on Business Transformation projects, £2.5m under spend on ITO milestone payments and software licences, and £0.413m on ICT milestones.

- b) Adults & Housing GF £393k under spend : Mainly due to £217k under spend on Residential Provision works/Social Care sites, £73k on Renovation Grants and £100k under spend on Empty Property Grants.
- c) Place Shaping £2.9m under spend : Mainly due to under spend from the Civic Centre site development project (£404k) and £2.4m from non commencing projects such as City Farm, Heritage projects, Asset Development and Land Acquisition).
- d) Children's - £0.578m under spend : Mainly due to projects where the final account costs are expected to be lower than the accruals set up/allocations carried forward from 2010/11. This contributed approximately £0.350m and includes Whitmore School, Priestmead, Norbury, Gayton Road and Sacred Heart.
- e) The remainder of the under spends come from:
  - (i) Satellite Kitchens £122k – where the full Harrow contribution was not required
  - (ii) IT projects £44k – where all anticipated upgrades were not required
  - (iii) Review/utilisation of prior year/current year grants resulting in £43k lower Harrow contributions.
- f) Community and Environment £0.7m under spend: Mainly due to under spends of £102k on NIS, £95k on Carbon Commitment, £95k on Affordable Warmth and £356k on School Landlord Works for only real capital works.

34. The HRA under spend is £1.7m which is requested to be carried forward.

35. The capital carry forward requests total £18.7m (detailed within Appendix 3 – Table 4). £17.044m relates to General Fund of which 45% will be externally funded and 55% from borrowings; of the HRA carry forward of £1.7m, 21% will be externally funded and 79% funded from borrowings. The Corporate Director of Resources recommends that all of these carry forward requests be approved.

36. The Capital Programme details included at Appendix 3 are:

Table 1: details the summary position and provides information by directorate and projects;

Table 2: shows additions and movements in quarter 4 which sum to £0.9m;

Table 3: shows virements in the 4th quarter, and

Table 4 shows the recommended carry forwards of £18.7m.

## **Technical Adjustments**

37. The Council produces its accounts in accordance with the CIPFA /LASAAC Code of Practice which incorporates IFRS. This requires a number of technical adjustments for items that have to be included in the figures on an accounting basis but excluded from the accounts on a funding basis as these costs do not impact on the final position of the Council in terms of changing reserves and balances and have no relevance to the management reporting. However, in order to show the full audit trail on technical adjustments, these are detailed at Appendix 6.

### **Timetable for accounts completion and external audit review**

38. The draft accounts will be completed by the regulatory deadline of 30th June. The audit will commence in early July. The final accounts will be considered by the Governance, Audit and Risk Management Committee (GARM) on 04 September 2012 and must be signed off by the Council and the Auditor by the end of September.

### **Financial Implications**

39. Financial matters are integral to the report.

### **Environmental Impact**

40. There are none directly related to this report.

### **Performance Issues**

41. Good financial performance is essential to achieving a balanced budget. The financial performance is integrated with the strategic performance of the Council through quarterly Improvement Boards for each Directorate where the financial position is considered at the same time as performance against key projects, service KPIs (including customer data and complaints) and workforce. Monitoring of finance and performance is reported regularly to the Corporate Strategic Board and Cabinet and is also considered by the Council's Performance and Finance Scrutiny Committee.

### **Risk Management Implications**

42. The risks to the council and how they are being managed are clearly set out in the report:

Risk included on Directorate risk register? Yes

Separate risk register in place? No

### **Equalities Implications**

43. There are no direct equalities impacts arising from the decisions within this report.

### **Corporate Priorities**

44. This report deals with the Revenue and Capital monitoring which is key to delivering the Council's corporate priorities.

### Section 3 - Statutory Officer Clearance

Name: Julie Alderson	<input checked="" type="checkbox"/>	Chief Financial Officer
Date: 14 June 2012		
Name: Jessica Farmer	<input checked="" type="checkbox"/>	on behalf of the Monitoring Officer
Date: 14 June 2012		

### Section 4 – Performance Officer Clearance

Name: Alex Dewsnap	<input checked="" type="checkbox"/>	On behalf of Assistant Chief Executive
Date: 14 June 2012		

### Section 5 – Environmental Impact Officer Clearance

Name: John Edwards	<input checked="" type="checkbox"/>	Divisional Director
Date: 14 June 2012		

### Section 6 - Contact Details and Background Papers

**Contact:** Julie Alderson Email: [julie.alderson@harrow.gov.uk](mailto:julie.alderson@harrow.gov.uk)

**Background Papers:** Revenue Budget 2010-11 to 2012-13 and Capital Programme 2010-11 to 2012-13 to February 2010 Cabinet.

<b>Call-In Waived by the Chairman of Overview and Scrutiny Committee</b>	<b>YES/ NO / NOT APPLICABLE*</b>
<i>(for completion by Democratic Services staff only)</i>	<i>* Delete as appropriate</i>

## APPENDIX 1 REVENUE COMMENTARY

### Corporate Directorates

Service	Revised Budget	Outturn	Variance		
			Quarter 4		2010/11
			£000	%	£000
	£000	£000	£000	%	£000
Corporate Finance - main	10,384	10,055	-329	-3.2	-566
Corporate Items - CF	-840	-436	404	48.1	-321
<b>Corporate Finance Total</b>	<b>9,544</b>	<b>9,619</b>	<b>75</b>	<b>0.8</b>	<b>-887</b>
<b>Legal &amp; Governance</b>	<b>3,443</b>	<b>3,672</b>	<b>229</b>	<b>6.7</b>	<b>8</b>
Asst Chief Exec Dept	14,684	13,757	-927	-6.3	-1,337
Corporate Items - ACE	-54	544	598	1107.4	4
<b>Chief Executive Total</b>	<b>14,630</b>	<b>14,301</b>	<b>-329</b>	<b>-2.2</b>	<b>-1,333</b>
<b>Total</b>	<b>27,617</b>	<b>27,592</b>	<b>-25</b>	<b>-0.1</b>	<b>-2,212</b>

The corporate directorates had an under spend of £1,858k prior to making provisions of £1,083k for redundancy within the directorates and £750k in relation to anticipated costs arising from the anticipated insolvency of Municipal Mutual Insurance. After making provision for these amounts the corporate directorates are under spent by £-25k. The main variances are as follows:

#### Corporate Finance Directorate

1. Additional costs of Procurement Transformation £279k.
2. Council Tax Rebates. There is a favourable variance of £-254k. This arises from additional grant on overpayments and recovery of overpayments.
3. Housing Benefits. There is an under spend of £-320k. This arises from a combination of staffing savings and additional government grant. £82k of the additional grant relates to 2012-13 and a carry forward will be requested.
4. Pension augmentation. Saving £-87k There has been a reduction in payments made to former employees together with additional income from colleges.
5. A provision has been made in respect of anticipated redundancies of £100k.

#### Chief Executive

6. Learning and Development is under spent by £-134k as a result of a reduced volume of work undertaken in response to the spending protocol.
7. HR is under spent by £-98k split between staff savings (£-30k) and £-26k additional SLA income and £42k applying the spending protocol.
8. There is a saving of £-272k on Concessionary Fares. £-172k of this relates to a rebate of Taxi card expenditure, and £-100k to savings on assessment costs and issue costs.
9. There is an under spend of £-277k across Shared Services primarily arising from vacancy management.



10. Partnerships Development and Performance are £-153k under spent, £-40k from additional SLA income and the balance from vacancy management.
11. BTP is under spent by £-396k. Of this £-343k relates to projects where work has been rephased to 2012-13, with the balance being savings on project implementation (£-23k) and a saving on periodic payments (£-30k).
12. There is an under spend of £-257k on IT. £65k of this relates to delayed work on the ITO and will be requested as a carry forward. The balance relates to savings against the Capita contract and recharges made.
13. Risk, Audit and Fraud have an under spend of £-105k. £-40k relates to savings on the Occupational Health contract and the balance from vacancy management.
14. Unbudgeted grant received from the GLA in respect of Safer Stronger Communities £-219k.
15. A provision of £703k has been made in respect of anticipated redundancies.

### **Legal & Governance**

16. Register of Births Deaths and Marriages over achievement of fee income £-75k.
17. Citizenships. Over recovery of fee income £-39k.
18. Member's allowances. £-24k under claimed.
19. Land Charges. £-19k additional income achieved.
20. Legal division Administration. £77k overspend on set up costs for the new Shared Service practice.
21. Staffing savings arising from vacancy management across the directorate £-139k.
22. Register of electors. Net overspend of £23k arising from 2 unbudgeted by-elections.
23. A provision of £280k has been made in respect of anticipated redundancy costs.

### **Corporate Departments Corporate Budgets**

#### **Finance Corporate Budgets**

24. There is a net under spend of £-118k in relation to New Homes bonus. There was an adverse budget variance of £21k at the start of the year resulting from the final allocation for the year being less than the indicative allocation. We have since received £139k in relation to the 2012-13 allocation which will be requested as a carry forward.
25. There has been a shortfall of £370k against the corporate procurement savings target where it has not been possible to reduce directorate budgets.
26. An additional call of £22k has arisen from the need for boroughs to contribute to additional costs incurred as a result of a Judicial Review of the London Boroughs

Grant Scheme. The balance of further costs arising from the review has been met from reserves held by London Councils.

27. The council, as part of West London Alliance have committed to a collaborative procurement hub which will cost £21k.
28. Costs of £16k have been incurred in respect of the management investigation into Capital.
29. There is a saving of £-337k in relation to the goods received / invoice received suspense account.
30. There are savings against accruals from 2011-12 of £-72k.
31. There is a saving of £-180k in relation to the Carbon reduction commitment scheme whereby the cost in relation to schools has been funded by them.
32. There has been a saving on the bad debt provision of £-27k resulting from a change in the methodology applied.
33. A provision has been made of £750k on the advice of the insurance actuary in respect of costs that are anticipated in relation to claims that the Council's former insurer Municipal Mutual Insurance will not be able to pay.

#### **Assistant Chief Executive Corporate Budgets**

34. Terms and Conditions. £88k has been allocated from the Transformation Fund for this project. £-18k has not yet been spent and a carry forward will be requested, together with a request for a further £50k to complete the project.
35. Resourcing Contract. There has been a shortfall of £190k on the anticipated saving from the new contract. This reflects a reduction in the use of agency staff since the budget for the saving was set.
36. There is a requirement to contribute £145k in 2011-12 towards the balloon payment due at the end of the corporate print contract in 2012-13.
37. Safer Stronger Communities Fund Grant £-219k. Due to the uncertainty over whether Harrow would receive an allocation, it was assumed that there would be no grant when setting the budget for 2011-12. In the end £219k was received.

#### **Business Support**

38. There are adverse variances on the Business Support business case totalling £444k as follows:
39. £158k arising from the Business Support business case agreed at March Cabinet showing lower savings than assumed in the MTFs agreed at February Cabinet.
40. £100k as a result of the business case assuming that 4 posts vacant from the 2010 VSS would contribute to the Business Support saving from April 2010. In practice these savings are being retained by service directorates until implementation.
41. £186k as a result of delays in implementation and hence later realisation of savings.

## Children's Services

Children's Services outturn for 2011/12 is an under spend of £2,545k on Council funded services. From this under spend there is a carry forward request, totalling £694k, which includes some liabilities that have slipped into 2012/13.

The under spend reflects the Directorate's commitment to deliver 2012/13 budget savings from their transformational projects and procurement activity as soon as possible. In addition there were one off savings from transitory staff vacancies as staff went through the process of being appointed into the new model plus staff vacancies were held to help meet the in year council budget pressures.

Service	Revised Budget £000	Draft Outturn £000	Variance		
			Quarter 4		2010/11
			£000	%	£000
Quality Assurance, Commissioning and Schools	5,081	4,653	(428)	(8.4)	(140)
Early Intervention Service	3,172	2,484	(688)	(21.7)	(675)
Targeted Services	16,815	15,687	(1,128)	(6.7)	900
Special Needs Service	8,983	8,761	(222)	(2.5)	169
Children's Services Management	1,144	720	(424)	(37.1)	(890)
Schools	6,319	6,664	345	5.5	48
<b>Total</b>	<b>41,514</b>	<b>38,969</b>	<b>(2,545)</b>	<b>(6.1)</b>	<b>(588)</b>
C/F Requests			694		
<b>Total</b>			<b>1,851</b>		

### Significant outturn variances

The under spend is made up of the following significant variances:

#### Quality Assurance, Commissioning and Schools:

- Under spend of £264k resulting from London wide delays in implementing the new arrangements for the London Grid for Learning. A budget carry forward to provide for these liabilities in 2012/13 has been requested.
- An overspend in the Capital Team of £220k related to staffing costs following the capital investigation. These costs were partly offset by an under spend of £72k on the private finance initiative costs due to a rebate of insurance costs.
- Under spend of £92k in Commissioning. As part of the new operating model the new commissioning service is reviewing all commissioned services. A number of under spends have arisen as old services & SLAs are decommissioned and there is an inevitable lag in developing and negotiating the replacement provision.
- An under spend of £220k arose from staffing vacancies held in anticipation of the new Business Support model.

### **Early Intervention Service:**

- An under spend of £575k on Children's' Centres reflecting the early delivery of the 2012/13 MTFS savings.
- One off under spend totalling £63k resulted from slippage of ICT works on the children's centres. A budget carry forward to provide for these liabilities in 2012/13 has been requested.

### **Targeted Services:**

An under spend of £963k in Children Looked After placements resulting from:-

- Asylum Client Costs £178k  
£31k of this results from the final 2010/11 grant settlement being more favourable than previously assumed. An additional under spend of £144k has resulted from a number of leaving care clients leaving the service.
- Leaving Care Client Costs £548k  
Following the increase in the age that young people transfer to the Leaving Care Team, from 16 to 18, coupled with the lean review the number of clients has significantly reduced and only two remain in high cost placements.
- The CORAM adoption contract under spent by £53k.
- In House Fostering under spent by £74k.
- Honeypot Lane under spent by £94k mainly on staffing costs and agency costs following the reconfiguration of the service to provide semi independent living.

The remaining under spend of £165k results mainly from staffing vacancies that are yet to be filled following the restructure in the Children Looked after and Children in Need Teams.

### **Special Needs Service**

- Under spend of £199k on Special Needs Transport due to the rationalisation of routes.
- Overspend of £123k on Children with Disabilities however this was mainly contained by delivery of an under spend on the portage service and a staffing vacancy on SEN assessment.

### **Management**

- Early delivery of staffing savings from the implementation of the new operating model. Following the restructure Children's Services is now reporting under the new operating model. The new budgets still need refinement as the final staff are assimilated into the new structure.

### **Schools**

- Overspend of £345k following provision for school related liabilities resulting from the Council's obligations in respect of MMI. This provision relates to the Council's claw back amount should the Scheme of Arrangement be triggered.

## Adults Directorate – Outturn 2011/12

The Adults Directorate under-spend in 2011/12 is £0.104m,

	Revised Budget	Draft Outturn	Variance		
			Quarter 4		Prev. Year
			£'000	%	£'000
A& H Transformation	1,195	1,182	(13)	(1.0)	(56)
Commissioning & Partnership	15,013	13,874	(1,139)	(7.6)	(857)
Long Term Care & Safeguarding	26,100	26,541	441	1.7	903
Personalisation & Reablement	19,855	20,564	709	3.6	(186)
Strategic Management	(613)	(715)	(102)	(33.0)	(165)
<b>Adult Services</b>	<b>61,550</b>	<b>61,446</b>	<b>(104)</b>	<b>(0.2)</b>	<b>(361)</b>
<b>Public Health Carry Forward Requests:</b>					
Project Officer		50	50		
IT Feasibility Study		8	8		
HR Support & Advice		15	15		
WLA Procurement Hub		35	35		
Accommodation		6	6		

### 1) Significant outturn variances:

#### a) A&H Transformation:

£0.013m under-spend due to;

- i) Under-spends on Complaints of £0.024m, mainly in relation to consultants
- ii) Under-spend on Service Development £0.026m, mainly in relation to reduced cost of leasing equipment.
- iii) Over-spend on Transformation £0.037m in relation to secondee costs, offset by carry forward requests.

#### b) Commissioning & Partnership:

£1,139m under-spend due to;

- i) £0.474m under-spend on Supporting People Grant [in addition to £250k MTFS efficiency achieved] as a result of renegotiating and terminating contracts.
- ii) £0.197m under-spend on Prevention and Carers, £0.114k of which is unallocated growth from 2009-10.
- iii) £0.214m under-spend in ICES equipment, £0.065m of which relates to 2010-11 and £0.140m savings as a result of the introduction of SADL.
- iv) £0.026m over spend on FWI
- v) £0.010m under-spend on Mental Health, mainly in relation to £0.012m savings on Mental Health daycare.
- vi) £0.047m savings on Support for Living contract funded by supporting people [double funding]
- vii) £0.024m income from Pan London towards support from Contracts & Brokerage team.
- viii) £0.026m under-spend on Catering mainly in relation to Adults Catering.

- ix) £0.147m under-spends in relation to savings as a result of the spending protocol and salaries underspends

c) Long Term Care & Safeguarding:

£0.441m over-spend due to;

- i) £0.601m over-spend on Purchasing Budgets,
- ii) £0.066m under-spend on In House Residential units in relation to staff cost savings as a result of placement vacancies at Woodlands. It is anticipated that these placements will be at capacity by 1 April 2012, so this will not be an ongoing under-spend.
- iii) £0.021m under-spend on Mental Health non pooled budget in relation to underspend on the IMCA Grant.
- iv) £0.062m under-spend on NRC Day centres. This reflects an underspend on the NRC PFI costs, under-spends in relation to gas and electricity costs at the Learning Disability NRC's offset by savings as a result of agency staff reductions in the Physical Disability NRC.
- v) £0.011m under-spend on Long Term Care and Safeguarding salaries.

d) Personalisation & Reablement:

£0.709m over-spend due to;

- i) £0.952m over-spend on Purchasing Budgets.
- ii) £0.072m over-spend on Joint Assessment team salaries in relation to agency cover for sickness and increasing work load of team.
- iii) £0.023m under-spend on care management salaries.
- iv) £0.100m under-spend on training in relation to spending protocol.
- v) £0.154m under-spend on transport in relation to reduced costs of vehicles.
- vi) £0.025m under-spend on Northwick Park Hospital
- vii) £0.013m under-spend on Millman day centre from more efficient catering expenditure.

e) Strategic Management

£0.102m under-spend relates to;

- i) £0.127m under-spend in relation to monies vired from framework-I code to fund costs of Framework-I consultants. These costs were subsequently capitalised, so this remains unutilised.
- ii) £0.045 redundancy provision in relation to restructuring costs.
- iii) £0.013m overspend on legal costs and back dated car user allowance.
- iv) £0.020m additional resourcing contract costs.
- v) £0.048m under-spend on LDDF
- vi) £0.016m under-spend on capital projects revenue code.
- vii) £0.010 under-spend on other salaries costs

## Housing Services - Outturn 2011/12

### Housing General Fund

The table below summarises revenue position for Housing GF.

This is followed by key assumptions and variations.

	Revised Budget	Draft Outturn	Variance		
			Quarter 4		Prev. Year
			£'000	%	£'000
Housing Needs	2,514	2,605	91	3.6	2,464
Housing Partnerships	584	547	(37)	(6.3)	795
Travellers Site	26	6	(20)	(76.9)	6
Other GF Services	595	545	(50)	(8.4)	2,237
Resident Services	471	541	70	14.9	493
<b>Housing GF</b>	<b>4,190</b>	<b>4,244</b>	<b>54</b>	<b>1.3</b>	<b>5,995</b>
Budget adjustment – not yet actioned	(55)	-	55	-	-
<b>Housing GF if carry forward request agreed</b>	<b>4,135</b>	<b>4,244</b>	<b>109</b>	<b>2.6</b>	<b>5,995</b>

#### Key assumptions – included in above figures

- Housing Benefit provision of £300k is not utilised to offset B&B pressures
- Depreciation of £196k assumed for Housing Needs (not yet posted to ledger)
- Mortgage repossession grant £55k received in 2011-12 assumed to be carried forward as earmarked reserve therefore budget required (not yet posted to ledger)

#### Key variations (+ve = adverse, -ve = favourable)

- B&B – budget assumed average 4 families vs 51 on average during 2011-12 + £339k
  - Help 2 Let & Private Sector leasing underspends - £96k
  - Staffing underspend - £35k
  - Watkins House – consultancy spend to conform with CQC requirements + £40k
  - Legal fees – mainly from Out of London moves not challenged - £33k
  - Security & repairs – mainly works for vulnerable persons' accommodation not necessary - £39k
  - Central recharges - £30k
  - Other – various items - £37k
- Total variation against budget + £109k**

## COMMUNITY AND ENVIRONMENT SERVICES OUTTURN 2011-12

The final position for C&E Directorate shows a variance of £1,881k which includes a redundancy provision of £1,355k. The main reason for the variance is due to capitalisation issues and the availability of projects for staff time to be recharged to capital (£818k), pressure within Public Realm (£240k), overspends at the Leisure Centre (£381k) due to plant failures at the Leisure centre swimming pool, irrecoverable VAT and disputed venue hire income bookings inherited from the previous contract, and reduced LOPs income following six month delay from Central Government (£110k). The directorate has been taking firm and robust steps to tackle historic issues going back a number of years which the downturn in capital programme has made far more pressing. The directorate has been able to mitigate some of this pressure by exercising expenditure controls and benefiting from additional income (£1,023k). Please see below for further details.

For the longer term a restructure for Property Services has been announced and will minimise the risk in future years. The transfer of the management of the leisure service to a new provider GLL has identified and resolved some issues that were inherited.

### Summary

□	Revised Budget	Outturn	Variance		
			Quarter 4		2010/11
□	£'000	£'000	Var. £'000	% (1dp)	£'000
Community & Culture	8,704	9,218	514	5.9%	-308
Environment	37,575	39,136	1,561	4.2%	239
Directorate Management	975	781	-194	-19.9%	-245
<b>Total</b>	<b>47,254</b>	<b>49,135</b>	<b>1,881</b>	<b>4.0%</b>	<b>-314</b>
c/fwd request for TPIF-CSPAN			<b>30</b>		
C/fwd request free swim grant			<b>54</b>		
<b>Total</b>			<b>1,965</b>		

### Community and Culture

The reported out turn variance is mainly due to the under recovery of income from the Leisure Contract see below

- Community Development is £142k overspent which is a movement of £125k on period 11 mainly due £179k redundancy provision offset by reduced spend on the Diamond Jubilee (£24k).
- Cultural Services is forecasting a £396k overspend, largely as a result of overspends at the leisure centre (£381k) which relates to utilities pressures for Leisure Centre Swimming Pool caused by plant failures (£100k), disputed venue hire income (£129k) inherited from the previous contractor and irrecoverable VAT (£144k).



- Libraries and Museum is £24k underspent against budget, a movement of £78k on period 11 and relates largely to lower than anticipated income.

## **Environment**

- i) **Community Safety** is reporting a variance of £226k. The main variances are due to:

- Parking Revenue Account is £505k lower income recovery than budgeted resulting from decline income from parking enforcement, resulting from general increase in compliance. This is consistent with the general London wide trend.
- This is has been offset by managing costs across the service and also seeking new sources of incomes (£728k). New income streams included licencing income from Housing of Multiple Occupation (HMO), Profit share from Proceeds of Crime Act within Trading Standards and vacancy management across the service.

- ii) **Property & Infrastructure** is forecasting a £1,553k overspend

The outturn for Property & Infrastructure is £1,553k variance against budget and includes £1,147k redundancy provision. The variance is mainly due to lack of capital recharges (£818k) as a result of de-capitalisation and uncertainty over the level of service required from the Major Works team.

In addition, there was an under recovery in income due to the late implementation of the new London Permit Scheme (£110k); and the Directorate's contribution of costs for the re-tender of planned and reactive maintenance services (£58k). Housing's contribution towards this re-tender is £138k.

In order to minimise risk and reduce the overspend, Management have contained costs across the service (£580k) including reviewing staffing levels within Property Services and deferring works to the next financial year.

- iii) **Public Realm Service** is reporting a £234k overspend.

Public Realm Services variance is primarily due £234k due to the increase in pay as you throw (PAYT) charges due to the higher than budgeted waste tonnages.

The pressure on income have been contained by managing costs, the main area are:

- Trade Waste - £585k variance primarily due to ongoing economic down turn. Trade Refuse income is showing for the third year running decline in income, from adverse variance in 2009 of £208k it has declined to a variance of £585k this year. Also in previous years the under recovery was offset by the lower S52.(9) costs, resulting from the lower tonnages being disposed. However the mechanism for payment to WLWA has changed from this year and all disposal costs are now fixed.

- CA Sites - £109k variance against budget due to reduction in commercial waste tonnages (in particular building waste) deposited at the CA site, leading to reduction in income. This income stream is again impacted by the down turn in the economy.
- Cemeteries - £231k – Income has been declining over the years and management of and charging of these services is being reviewed.

These under recoveries follow trends of previous years and costs relating to the above income streams have been managed to minimise the overall net position in the current year. For the longer term working with the service, MTFs growth and budget realignments have been worked out to help mitigate the above pressures.

#### b) Directorate Management

Directorate Management is £194k under spend is due to managing expenditure to mitigate the overall overspend within the directorate.

### Place Shaping – Outturn - 2011/12

The 2011/12 outturn position indicates that the service shows an outturn of £136k, and £444k with the inclusion of the redundancy provision of £580k offset by costs (£80k) to fence off buildings in disrepair and weather proof other Grade II listed structures at Pinner Park Farm which did not materialise. The outturn includes a budget virement of £275k budget to earmarked reserves relating to the Planning Development Grant. Carry forwards have been requested, which if approved will show a revised outturn of £524k.

The outturn has also managed to contain the pressure of additional £50k for planning income following the delays from Central Government to lay the bill before Parliament which would allow local authorities to set their own charge and an additional £75k in respect of the St Georges' Field appeal.

	Revised	Outturn	Variance		
			Quarter 4		2010-11
			Budget	Actual	Variance
	£'000	£'000	£'000	(1dp)	£'000
Business Management	1,611	1,660	49	3%	1,170
Planning Services	2,198	2,418	220	10%	2,749
Economic Development Research & Enterprise	837	859	22	3%	1,026
Major Development Projects	328	690	362	110%	175
Corporate Estate	-346	-555	-209	60%	-587
<b>Total</b>	<b>4,628</b>	<b>5,072</b>	<b>444</b>	<b>9.6%</b>	<b>4,533</b>
Carry Forward Requests					
Pinner Park Farm			80		
<b>Total</b>			<b>524</b>		

- **Business Management:**  
The 2011-12 outturn is £49k variance due to the redundancy provision (£74k) offset by salary savings following the temporary secondment of an employee to Business Support, and a reduction on consumable costs.
- **Planning Services:**  
In total the outturn position for Planning Services is under recovered by £220k primarily due to Building Control income pressure of £347k (of which the Division has absorbed £189k) caused by the adverse economic conditions and a redundancy provision of £61k. This has been offset in year by additional one off income from planning applications (including £75k from Kodak) to give an above target income of £22k. The division has undergone budget realignment for 2012/13 to address the pressures on achieving build control income targets in future years.
- **Economic Development Research & Enterprise:**  
The outturn at period 12 is £22k variance against budget and includes £31k redundancy provision.
- **Major Development Projects:**  
Major Development Projects has an overspend of £362k due to redundancy provisions (£269k), salary costs (£47k) and a reduction in income from capital re-charges (£48k) due to several capital projects which will no longer go ahead. There is also a small underspend (£2k) on other costs.
- **Corporate Estate:**  
Corporate Estate's outturn is £209k and takes into account redundancy provisions of £145k. The under spend against budget due in the main to savings in security costs, rates and an increase in rental income. The under spend also includes a compensation payment from Persimmon Homes in respect of Lower Road.

## Transformation and Priority Initiatives Fund

- 1) The remaining balance on the TPIF is £1.405m reported to the Cabinet at its meeting of 9 February 2012 in the Revenue and Capital monitoring for Quarter 3. The approved bids are shown below..

<b>No.</b>	<b>Directorate</b>	<b>Description</b>	<b>£'000</b>	<b>Status</b>
1	Place-Shaping	Redundancy costs brought forward to secure greater savings	47.4	Repayable
2	Chief Executive	Costs of modernising terms and conditions of Harrow pay	88.0	Repayable
<b>Subtotal</b>			<b>135.4</b>	Repayable
3	Adults	Additional capacity for annual and financial reviews	200.0	
4.	CEX	Let's talk III	27.5	
5.	CEX	Web Development	54.5	
6	Finance	Development of Policy on SLA charging and trading	30.0	
7	Place Shaping	Outer London Fund	25.0	
8.	C&E Public Realm	Pride in Harrow – Caring for the Borough, Behaviour Change	40.0	Request for carry forward
9.	C&E Community & Culture	Community Sports and Physical Activity Network funding	30.0	
10.	Adults	Mental Health Personalisation – secondment from voluntary sector	40.0	
<b>Sub -total</b>			<b>447.0</b>	Not Repayable
<b>Overall total bids Transformation</b>			<b>582.4</b>	
			Fund Available	966.0
			Remaining	383.6
11.	CEX	CCAD Severance	126.0	
12.	CS	A&I Severance	400.0	
<b>Subtotal Invest to Save/severance</b>			<b>526.0</b>	
			Fund Available	1,563
			Remaining	1,037
<b>Total overall T&amp;PIF Remaining</b>			<b>1,420.6</b>	<b>Quarter 3</b>
Drawdown in Quarter 4 in relation to redundancy costs in Community and Environment			130.0	<b>Quarter 4</b>
<b>Subtotal Invest to Save/severance</b>			<b>907.0</b>	
<b>Total overall T&amp;PIF Remaining</b>			<b>1,290.6</b>	<b>Quarter 4</b>
<b>Recommended carry forward balance of £383.6k plus £800k (of the £907k)</b>			<b>1.183.6</b>	
<b>Difference surrendered to support carry forward requests</b>			<b>107.0</b>	

There is a further call of £0.130m on the invest to save / severance part of the fund in quarter 4. This reduces the remaining part of the invest to save/severance to £0.907m. The Transformation part of the fund is £0.384m as £0.016m has been returned since quarter 3.. The total remaining at quarter 4 is £1.290.6m. The total to be carried forward is the £0.384m and £0.800m, resulting in a TPIF of £1.184m.

	Revised Capital Programme end Q3	Q4 - Additions / Reductions	Q4 - Virements	Revised 2011/12 Capital Programme	Outturn	Variance (before Carry Forward requests)	Variance Analysis - Total Carry Forward Requests	Variance Analysis - (Underspend) / overspend due to project completion with (lower)/higher project costs	Variance Analysis - Underspend due to project cancellation or part delivery	Variance Analysis - Underspend due to project deferment (excluding any c/f)
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>General Fund</b>										
Chief Executive's Directorate	25,599	(1,000)	4	24,602	7,154	(17,448)	(4,306)	(7,743)	(1,672)	(3,743)
Adults and Housing GF	5,465	315	0	5,780	3,699	(2,081)	(1,708)	(5)	(388)	0
Place Shaping	4,913	460	(50)	5,323	1,989	(3,333)	(432)	(189)	(2,725)	0
Children's Services	14,382	153	0	14,535	5,748	(8,787)	(8,545)	(578)	0	0
Community and Environment	13,306	(6)	46	13,346	10,636	(2,710)	(2,043)	(591)	(125)	0
Amounts to be found for £1m DFG programme increase & roundings	(999)	1,000		1		(1)		(1)		
<b>Total GF Programme</b>	<b>62,665</b>	<b>921</b>	<b>0</b>	<b>63,586</b>	<b>29,226</b>	<b>(34,360)</b>	<b>(17,034)</b>	<b>(9,106)</b>	<b>(4,911)</b>	<b>(3,743)</b>
HRA	11,194	0	0	11,194	6,094	(5,100)	(1,686)	(1,981)	(1,434)	0
<b>Total Capital Programme</b>	<b>73,859</b>	<b>921</b>	<b>0</b>	<b>74,780</b>	<b>35,320</b>	<b>(39,461)</b>	<b>(18,720)</b>	<b>(11,087)</b>	<b>(6,345)</b>	<b>(3,743)</b>

	Revised Capital Programme - end Q3	Q4 - Additions / Reductions	Revised 2011/12 Capital Programme	Outturn	Variance (before Carry Forward requests)	Variance Analysis - Total Carry Forward Requests	Variance Analysis - (Underspend) / overspend due to project completion with (lower)/higher project costs	Variance Analysis - Underspend due to project cancellation or part delivery	Actuals & Commitments
<b>Chief Executive's Directorate</b>									
BTP - New Projects - Streets	1,052	0	1,073	907	(166)	0	(166)	0	907
BTP - New Projects - Libraries	1,297	0	1,318	1,197	(120)	0	(120)	0	1,199
BTP - New Projects - Corporate Services	251	0	333	299	(33)	0	(33)	0	299
BTP - New Projects - CCAD	2,449	0	2,063	1,594	(470)	(254)	(216)	0	2,336
BTP - New Projects - Business Support	1,448	0	1,469	1,034	(434)	(341)	(93)	0	1,376
BTP - New Projects - Mobile & Flex	3,743	0	3,743	0	(3,743)	0	0	0	0
BTP - New Projects - HARP 1 Refresh project	85	0	85	0	(85)	(85)	0	0	0
BTP - New Projects - HARP 1 set up	24	0	24	22	(2)	0	(2)	0	22
BTP - New Projects - HR L&D	27	0	27	21	(5)	0	(5)	0	21
BTP - Outline Business Cases	157	0	157	148	(8)	0	(8)	0	148
BTP - New Projects - New business cases	5,230	(583)	4,672	78	(4,594)	(364)	(4,230)	0	78
BTP - New Projects - Projects to be defined	3,000	(417)	2,483	0	(2,483)	(811)	0	(1,672)	0
BTP - New Projects	0	0	0	5	5	0	5	0	5
LBH Anywhere - ITO Milestone Payments	4,906	0	5,124	1,469	(3,655)	(1,195)	(2,460)	0	4,522
LBH Anywhere	8	0	8	8	(0)	0	(0)	0	8
ICT - Milestones	413	0	413	0	(413)	0	(413)	0	0
ICT - Infrastructure	0	0	0	0	0	0	0	0	0
LAA Performance Reward Grant	748	0	752	90	(663)	(653)	0	0	539
BTP - New Projects - Finance Systems Developments aris	250	0	250	0	(250)	(250)	0	0	0
SAP Minor Developments	219	0	219	99	(120)	(120)	0	0	119
Small Projects	291	0	291	159	(132)	(132)	(0)	0	194
My Harrow Services Account	0	0	100	0	(100)	(100)	0	0	100
<b>Total</b>	<b>25,599</b>	<b>(1,000)</b>	<b>24,602</b>	<b>7,128</b>	<b>(17,474)</b>	<b>(4,306)</b>	<b>(7,743)</b>	<b>(1,672)</b>	<b>11,872</b>
<b>Adults</b>									
Bentley Reablement centre	150	0	150	0	(150)	(150)	0	0	0
Millmans (Neighbourhood Resource Centre)	350	(0)	350	0	(350)	(347)	(3)	0	0
Residential Provision works	600	0	600	360	(240)	(86)	(154)	0	394
Social Care Sites	150	0	150	39	(111)	(47)	(62)	0	48
Supported Housing (HIV)	1,448	0	1,262	710	(552)	(551)	(1)	0	710
Stabilisation and development of Framework-i	56	0	241	242	1	0	1	0	242
<b>Housing GF</b>									
Affordable Warmth	0	0	0	0	0	0	0	0	0
Disabled Facilities Grants (owner occupiers)	2,245	72	2,317	2,031	(286)	(286)	0	0	2,031
Empty Property Grants	297	211	507	188	(319)	(219)	0	(100)	188
Private Sector Rented Housing (Renovation Grants)	115	0	115	42	(73)	0	0	(73)	42
Better Homes Grants	35	32	67	66	(1)	(1)	(0)	0	66
Social Reform Grant	20	0	20	0	(20)	(20)	0	0	12
<b>Total</b>	<b>5,465</b>	<b>315</b>	<b>5,780</b>	<b>3,679</b>	<b>(2,101)</b>	<b>(1,708)</b>	<b>(5)</b>	<b>(388)</b>	<b>3,734</b>

	Revised Capital Programme - end Q3	Q4 - Additions / Reductions	Revised 2011/12 Capital Programme	Outturn	Variance (before Carry Forward requests)	Variance Analysis - Total Carry Forward Requests	Variance Analysis - (Underspend) / overspend due to project completion with (lower)/higher project costs	Variance Analysis - Underspend due to project cancellation or part delivery	
<b>Place Shaping</b>									
Civic Centre site development	500	0	500	96	(404)	0	(129)	(275)	96
Development of a Consolidated, Integrated Civic 1 Building	945	505	1,450	1,263	(187)	(187)	0	0	1,315
Heritage Projects	500	0	450	0	(450)	0	0	(450)	0
Town Centre Infrastructure	400	0	400	150	(250)	(245)	(5)	0	163
Green Grid	200	0	200	145	(55)	0	(55)	0	145
City Farm	250	0	250	0	(250)	0	0	(250)	0
Asset Development	250	0	250	0	(250)	0	0	(250)	0
Land Acquisition	1,500	0	1,500	0	(1,500)	0	0	(1,500)	0
Outer London Fund	368	(45)	323	323	0	0	0	0	323
<b>Total</b>	<b>4,913</b>	<b>460</b>	<b>5,323</b>	<b>1,976</b>	<b>(3,346)</b>	<b>(432)</b>	<b>(189)</b>	<b>(2,725)</b>	<b>2,042</b>
<b>Childrens Services</b>									
Catering in schools	1,791	0	1,791	1,378	(413)	(290)	(122)	0	1,497
Catering in schools - Park High	950	0	950	24	(926)	(926)	0	0	39
School Amalgamation - Grange	755	0	755	725	(30)	(30)	0	0	745
School Amalgamation - Longfield	745	0	745	638	(107)	(107)	0	0	668
School Amalgamation - Elmgrove	1,300	0	1,300	172	(1,128)	(1,128)	0	0	991
School Amalgamation support	19	0	19	(69)	(88)	0	(88)	0	(54)
Primary Development - Marlborough phase 1	1,900	0	1,900	0	(1,900)	(1,900)	0	0	0
Primary Development - Weald	1,500	0	1,500	4	(1,496)	(1,496)	0	0	9
High School Development	350	0	350	10	(340)	(340)	0	0	12
IT	75	0	75	31	(44)	0	(44)	0	31
Capital Maintenance incl Scheme Developments	665	(62)	603	73	(529)	(529)	0	0	74
Independent Schools Works	0	90	90	1	(89)	(89)	0	0	1
Schools Expansion Programme	0	105	105	5	(100)	(100)	0	0	5
Short Breaks for Disabled Children	147	0	147	0	(147)	(147)	0	0	0
Autistic Spectrum Disorder provision in schools	0	0	0	(9)	(9)	0	(9)	0	200
Year 7 - Education Modernisation Improvements	65	0	65	(7)	(72)	0	(72)	0	(6)
Primary Capital	253	20	273	(5)	(278)	0	(278)	0	56
Devolved Formula Non VA schools	2,939	0	2,939	1,564	(1,375)	(1,375)	0	0	1,564
Whitmore (High School No.1)	537	0	537	378	(159)	(63)	(96)	0	869
Children's Centre	0	0	0	157	157	0	157	0	168
Targeted Capital	0	0	0	28	28	0	28	0	28
Practical Cooking	84	0	84	64	(20)	0	(20)	0	64
Project fees during defects period	62	0	62	39	(23)	(23)	0	0	39
Relocation of 80-82 Gayton Road	245	0	245	212	(32)	0	(32)	0	235
<b>Total</b>	<b>14,382</b>	<b>153</b>	<b>14,535</b>	<b>5,412</b>	<b>(9,123)</b>	<b>(8,545)</b>	<b>(578)</b>	<b>0</b>	<b>7,236</b>

	Revised Capital Programme - end Q3	Q4 - Additions / Reductions	Revised 2011/12 Capital Programme	Outturn	Variance (before Carry Forward requests)	Variance Analysis - Total Carry Forward Requests	Variance Analysis - (Underspend) / overspend due to project completion with (lower)/higher project costs	Variance Analysis - Underspend due to project cancellation or part delivery	
<b>Community and Environment</b>									
Tree Planting & Parks, etc.	110	0	110	110	(0)	0	(0)	0	110
Corporate Accommodation	250	0	202	186	(16)	0	(16)	0	188
Carbon commitment	119	0	114	19	(95)	0	(0)	(95)	19
Affordable Warmth	150	0	150	45	(105)	(10)	(95)	0	148
High Priority Major Works Corporate Buildings	440	0	440	411	(29)	0	0	(29)	420
Neighbourhood Investment Scheme	310	0	310	189	(121)	(19)	(102)	0	196
Public Realm Infrastructure - Highways Programme	4,340	0	4,340	3,657	(683)	(683)	0	0	3,657
Public Realm Infrastructure - Drainage Programme	350	0	350	296	(54)	(54)	(0)	0	296
Public Realm Infrastructure - Lighting Programme	974	0	1,064	363	(702)	(702)	0	0	368
Public Realm Infrastructure - Traffic & Parking	355	0	355	348	(7)	0	(6)	(1)	348
Public Realm Infrastructure	78	0	74	71	(2)	0	(2)	0	71
Recycling Schemes	431	(46)	390	390	(0)	0	(0)	0	390
School Landlord Works	750	0	648	292	(356)	0	(356)	0	292
Transport for London Schemes	4,011	(249)	3,762	3,745	(17)	(17)	(0)	0	3,764
s106 Schemes	50	289	339	163	(176)	(176)	0	0	163
Leisure Centre and other sites	167	0	167	83	(83)	(83)	0	0	84
Harrow Arts Centre Refurbishment	25	0	99	98	(1)	0	(1)	0	98
Headstone Manor Refurbishment	250	0	300	0	(300)	(300)	0	0	0
Hatch End Pool Modernisation	0	0	0	0	0	0	0	0	0
Hatch End Site Modernisation	146	0	132	119	(13)	0	(13)	0	119
<b>Total</b>	<b>13,306</b>	<b>(6)</b>	<b>13,346</b>	<b>10,587</b>	<b>(2,759)</b>	<b>(2,043)</b>	<b>(591)</b>	<b>(125)</b>	<b>10,732</b>
<b>Housing Revenue Account</b>									
Extensions Grant	302	0	302	125	(177)	(186)	9	0	142
Aids and Adaptations	1,100	0	1,100	641	(459)	0	(359)	(100)	744
Housing Programme	9,793	0	9,793	5,328	(4,465)	(1,500)	(1,631)	(1,334)	8,262
<b>Total</b>	<b>11,194</b>	<b>0</b>	<b>11,194</b>	<b>6,094</b>	<b>(5,100)</b>	<b>(1,686)</b>	<b>(1,981)</b>	<b>(1,434)</b>	<b>9,148</b>



**Table 2 – Additions/(Reductions)**

Project/Scheme	£m
General Fund Projects :	
BTP - New Projects - New business cases	(1.000)
Disabled Facilities Grants (owner occupiers)	0.072
Empty Property Grants	0.211
Better Homes Grants	0.032
Development of a Consolidated, Integrated Civic 1 Building	0.505
Outer London Fund	(0.045)
Capital Maintenance incl Scheme Developments	(0.062)
Independent Schools Works	0.090
Schools Expansion Programme	0.105
Primary Capital	0.020
Recycling Schemes	(0.046)
Transport for London Schemes	(0.249)
s106 Schemes	0.289
Programme adjustment	1.000
Roundings	-
General Fund Total	<u>0.921</u>

**Table 3 - Virements**

Project/Scheme	£m
General Fund Projects :	
BTP - New Projects - Streets	0.021
BTP - New Projects - Libraries	0.021
BTP - New Projects - Corporate Services	0.082
BTP - New Projects - CCAD	(0.386)
BTP - New Projects - Business Support	0.021
BTP - New Projects - New business cases	0.025
BTP - New Projects - Projects to be defined	(0.100)
LBH Anywhere - ITO Milestone Payments	0.218
LAA Performance Reward Grant	0.004
My Harrow Services Account	0.100
Supported Housing (HIV)	(0.185)
Stabilisation and development of Framework-i	0.185
Heritage Projects	(0.050)
Corporate Accommodation	(0.048)
Carbon commitment	(0.005)
Public Realm Infrastructure - Lighting Programme	0.090
Public Realm Infrastructure	(0.004)
Recycling Schemes	0.005
School Landlord Works	(0.102)
Harrow Arts Centre Refurbishment	0.074
Headstone Manor Refurbishment	0.050
Hatch End Site Modernisation	(0.014)
General Fund Total	<u>(0.000)</u>

**Table 4 - Carry Forward Requests**

Project/Scheme	£m
General Fund Projects :	
LBH Anywhere - ITO Milestone Payments	1.195
LAA Performance Reward Grant	0.653
BTP - New Projects - Finance Systems Developments arising from Cap	0.250
SAP Minor Developments	0.120
Small Projects	0.132
BTP - New Projects - CCAD	0.254
BTP - New Projects - Business Support	0.341
BTP - New Projects - HARP 1 Refresh project	0.085
BTP - New Projects - New business cases	0.364
BTP - New Projects - Projects to be defined	0.811
My Harrow Services Account	0.100
Bentley Reablement centre	0.150
Millmans (Neighbourhood Resource Centre)	0.347
Residential Provision works	0.086
Social Care Sites	0.047
Supported Housing (HIV)	0.551
Disabled Facilities Grants (owner occupiers)	0.286
Empty Property Grants	0.219
Better Homes Grants	0.001
Social Reform Grant	0.020
Development of a Consolidated, Integrated Civic 1 Building	0.187
Town Centre Infrastructure	0.245
Catering in schools	0.266
Catering in schools	0.024
Catering in schools - Park High	0.926
School Amalgamation - Grange	0.030
School Amalgamation - Longfield	0.107
School Amalgamation - Elmgrove	1.128
Primary Development - Marlborough phase 1	1.900
Primary Development - Weald	1.496
High School Development	0.340
Capital Maintenance incl Scheme Developments	0.529
Independent Schools Works	0.089
Schools Expansion Programme	0.100
Short Breaks for Disabled Children	0.147
Devolved Formula Non VA schools	1.375
Whitmore (High School No.1)	0.063
Project fees during defects period	0.023
Affordable Warmth	0.010
Public Realm Infrastructure - Highways Programme	0.683
Public Realm Infrastructure - Drainage Programme	0.054
Public Realm Infrastructure - Lighting Programme	0.702
Transport for London Schemes	0.017
s106 Schemes	0.176
Headstone Manor Refurbishment	0.300
Neighbourhood Investment Scheme	0.019
Leisure Centre and other sites	0.083
Roundings	0.003
General Fund Total	<hr/> 17.034
HRA Projects :	
Extensions Grant	0.186
Housing Programme	1.500
HRA Total	<hr/> 1.686
TOTAL CARRY FORWARD REQUEST	<hr/> <hr/> 18.720

## Housing Revenue Account (HRA)

Description	Outturn variation 2010-11	Revised Budget 2011-12 £000	Outturn 2011-12 £000	Variation £000
<b>Operating expenditure :</b>				
Employee Costs	(134)	1,988	1,994	5
Supplies & Services	35	603	559	(45)
Utility cost (Water, Gas, Electricity)	(320)	679	580	(99)
Estate & Sheltered Services	250	2,227	2,218	(9)
Central Recharges	52	3,028	2,969	(59)
<b>Total Operating Expenditure</b>	<b>(117)</b>	<b>8,526</b>	<b>8,319</b>	<b>(207)</b>
<b>Repairs expenditure :</b>				
Repairs - Voids	156	619	821	201
Repairs - Responsive	149	2,611	3,175	564
Repairs - Other	(489)	2,492	1,837	(655)
<b>Total Repairs expenditure</b>	<b>(184)</b>	<b>5,722</b>	<b>5,833</b>	<b>110</b>
<b>Other expenditure:</b>				
Contingency - general	140	174	61	(114)
Charges for Capital	(556)	8,899	8,431	(468)
RCCO	(500)	0	0	0
Bad or Doubtful Debts	(102)	200	65	(135)
HRA Subsidy	404	6,988	7,258	269
<b>Total Other expenditure</b>	<b>(614)</b>	<b>16,262</b>	<b>15,815</b>	<b>(447)</b>
<b>Total Expenditure</b>	<b>(915)</b>	<b>30,510</b>	<b>29,967</b>	<b>(544)</b>
<b>Income</b>				
Rent Income – Dwellings	224	(24,501)	(24,553)	(52)
Rent Income – Non Dwellings	47	(754)	(756)	(1)
Service Charges - Tenants	(16)	(649)	(628)	21
Service Charges - Leaseholders	275	(487)	(368)	119
Facility Charges (Water & Gas)	9	(507)	(503)	4
Interest	0	(6)	7	13
Other Income	(145)	(183)	(98)	85
Transfer from General Fund	(1)	(163)	(163)	(0)
<b>Total Income</b>	<b>393</b>	<b>(27,251)</b>	<b>(27,063)</b>	<b>188</b>
Statutory adjustments	0	(1,916)	(1,916)	(0)
<b>In Year Deficit / (Surplus)</b>	<b>(522)</b>	<b>1,343</b>	<b>988</b>	<b>(355)</b>
<b>BALANCE brought forward</b>		<b>(3,779)</b>	<b>(3,779)</b>	
<b>BALANCE carried forward</b>		<b>(2,436)</b>	<b>(2,791)</b>	

## Revenue Carry Forward Requests

	Grants or income unapplied	Planned under spend	Budget pressure/	Total	Rationale
			adjustment		
	£000	£000	£000	£000	
<b>Housing Sub Total</b>	55			55	Relates to early receipt of the Preventing Repossession Fund
<b>Resources</b>					
Customer Services		200		200	BTP – CCAD. Project related training activities not yet taken place
Customer Services		143		143	BTP Business support. Project related costs outstanding inc £72k re training and £71k re various project related activities
HRD		18	50	68	Terms and conditions project delayed so under spent by £18k in 2011-12. Further £50k required to take the project to completion.
HRD			50	50	L&D for MDP programme
HRD			16	16	CSB Development Programme
HRD			31	31	Cashiers – increased cost of ICON system that was not budgeted.
Performance			14	14	Disabled Go forward payment for two years to support the Council's equalities policy.
Performance			50	50	2012-13 Allocation of Safer Stronger Communities Grant lower than budgeted in 2012-13. This was included in the MTFS as a technical change in 2012-13.
Legal		106		106	Borough Elections - budgeted on an annual basis but spent every third year
<b>Finance</b>					
Collections and Benefits	83			83	HB Transitional reform monies re 12-13 (ring-fenced grant but not reclaimable)
<b>Finance and Resources Sub Total</b>	<b>83</b>	<b>467</b>	<b>211</b>	<b>761</b>	
<b>Cross Council/ Corporate</b>					
Corporate	139			139	New Homes Bonus Scheme – first instalment of 2012-13 allocation received in march but budgeted 2012-13. Non ring fenced so accounted for in 2011-12.
Corporate			300	300	Provision for the additional costs of the CIPFA Review recommendations
Corporate			205	205	Balance of £2m 2011-12 corporate procurement target not extracted from base budgets.
Corporate			131	131	Shortfall on budgeted saving for Business support.
Public Health			114	114	In order to carry out new responsibilities for Public Health, there is a requirement for the following: project officer; IT feasibility study; HR support and advice; WLA procurement contribution; Hub development.
<b>Cross Council / Corporate Sub -total</b>	<b>139</b>	<b>0</b>	<b>750</b>	<b>889</b>	

Children's					
		265		265	LGFL Amount required to fund contractual liabilities caused by the delay to switch LGFL to new provider. Rather than send money back to school need to carry forward and use to fund future liabilities
		151		151	SNT III Project Costs (project manager/ 96 days of HR support)
			70	70	YJB - Shortfall in 12/13 YJB grant
			50	50	Summer Youth Projects
		63		63	ICT works in Children's Centre - needed for Business support and Children's Centre new operating model. Due to happen in 2011/12 however Capita unable to complete. Period 11 assumed spend in 11/12. Spend in 12/13 but budget given up to meet the 12/13 £800
			55	55	Kids Can Achieve - due to significant safeguarding concerns services are being recommissioned. This has resulted in some dual costs for first 6 months
			20	20	Telephony Cost including introducing call centre 'Hunt' system to Social Care phones & set up costs of relocated CAMHS
			21	21	2 Weekend Overtime - preparation for Ofsted on 8 May
			22	22	Interim support May – July to review implications of changes to Formula Funding Grant for Schools, and liaise with Schools Forum
<b>Childrens Services Sub Total</b>	<b>0</b>	<b>479</b>	<b>238</b>	<b>717</b>	
<b>Community Environment</b>					
	54			54	Unringfenced grant for swimming received in year
		30		30	Community Sports and Physical Activity Programme Network Funding granted from the Transformation Initiatives Fund in 11/12 – held back.
<b>C&amp;E subtotal</b>	<b>54</b>	<b>30</b>	<b>0</b>	<b>84</b>	
<b>Place shaping</b>					
			80	80	Pinner Park Farm to fence off buildings in disrepair and weather proof other Grade II listed structures
<b>Place Shaping Sub Total</b>	<b>0</b>	<b>80</b>	<b>0</b>	<b>80</b>	
<b>Service Sub Total</b>	<b>331</b>	<b>1,056</b>	<b>1,199</b>	<b>2,586</b>	
<b>TPIF</b>				<b>110</b>	
<b>Sub total Carry Forward Requests</b>				<b>2,696</b>	
<b>Borough Elections</b>				<b>106</b>	

<b>Total Carry Forward Requests</b>				<b>2,802</b>	See paragraph 28 of the report
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## Technical Adjustments

## Appendix 6

The Council produces its accounts in accordance with the CIPFA /LASAAC Code of Practice which incorporates IFRS. This requires a number of technical adjustments for items that have to be included in the figures on an accounting basis but excluded from the accounts on a funding basis as these costs do not impact on the final position of the Council in terms of changing reserves and balances.

The technical adjustments that will be made to directorate outturn figures are summarised in the following table:

Item	Adjustment between accounting and funding basis
	£000
Accumulated Absence	-1,760
IAS19 Pension Costs	-10,413
PFI Schemes	-2,157
Leased Equipment	-295
Impairment	121,576
Depreciation	-1,741
Rev Exp Financed by Capital Under Statute	1,293
Other Adjustments	61
<b>Total Corporate Items</b>	<b>106,564</b>

The effect of these adjustments on net Directorate expenditure is as follows:

Directorate	Reported Outturn for Services	Adjustment between accounting and funding basis	Final Total to Agree to Financial System
	£000	£000	£000
Assistant Chief Executive	14,301	-814	13,487
Legal and Governance	3,672	-38	3,634
Corporate Finance	9,619	-9,786	-167
<b>Sub total Corporate</b>	<b>27,592</b>	<b>-10,638</b>	<b>16,954</b>
Adults & Housing	65,690	1,418	67,108
Community and Environment	49,135	2,089	51,224
Children's	38,969	114,383	153,352
Place Shaping	5,072	-688	4,384
<b>Sub Total Directorate</b>	<b>186,458</b>	<b>106,564</b>	<b>293,022</b>

A full reconciliation between Directorate outturn including these technical adjustments and the final published Comprehensive Income and Expenditure Statement will be included in the 2011-12 Statement of Accounts.

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**REPORT FOR: PERFORMANCE AND  
FINANCE SCRUTINY  
SUB-COMMITTEE**

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<b>Date of Meeting:</b>	24 July 2012
<b>Subject:</b>	Development Management Performance - Householder Applications
<b>Responsible Officer:</b>	Stephen Kelly – Divisional Director - Planning
<b>Scrutiny Lead Member area:</b>	Councillors Stephen Wright and Sue Anderson, Lead Members for Environment and Enterprise
<b>Exempt:</b>	No
<b>Enclosures:</b>	Planning Process stages chart

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

This report explains the basis for the under performance of the Planning Service against the published 6 week target determination period for householder planning applications and outlines the actions being undertaken by the service to respond to the performance issues raised.

**Recommendations:**

That the actions proposed be noted.

## Section 2 – Report

### Introduction

Harrow Planning Service is a high performing service. Rated 5<sup>th</sup> and 7<sup>th</sup> (out of 26 London Boroughs) for our performance on minor and “other” applications (including householders) respectively by London Councils (April 11 – March 12) Harrow’s planning service has also reduced its staff costs by £354,000 over the last 18 months and significantly increased “earned” income through discretionary charges to enable strategic development in the borough.

The Planning Service has a suite of performance indicators against which performance, through the Improvement Board, is reported quarterly. For 2011/12, the service introduced a new indicator, relating to the percentage of planning decisions on householder applications made during the first 6 weeks (out of 8) of a planning application. This was in response to the introduction of charges for pre-application advice for householder development and related changes to the planning process which served to prevent amendment of applications following their submission.

For the four quarters of 2010/11, the service fell considerably short of this target decision date, albeit that it met performance targets for determination against the statutory determination date (see table 1 below).

**Table1: Householder statutory/non statutory performance**

Period 2011/12	% householder applications determined in 6 weeks (target 60%)	% householder applications determined in 8 weeks
April – June (Q1)	1%	87%
July – September (Q2)	4%	83%
October – December (Q3)	2%	83%
January – March (Q4)	3%	87%

### Background

Performance and finance committee have requested that they receive a report setting out reasons for any under performance, including information about what are the average time for a decision, whether any statutory deadlines were affected and any cost implications.

### The Planning application process

The planning application process is comprised of a sequence of processes which start with “pre-application” and conclude with implementation of a planning permission. The key stages of the “formal” part of this process, against which government has historically set a timetable of 8 weeks from “start to finish” is set out in the appended slide (appendix 1).

This process largely comprises back office technical administration (stages 1, 2 and 5) and the officer’s professional assessment of the proposals. Within the administration process, a range of external and legal checks are

undertaken, associated with both regulatory compliance (and an assessment of the degree to which the proposals meet locally determined standards for the quality of the submission), and the capture of data via scanning and indexing as part of the creation of an electronic record of the application, against which both consultation and assessment then takes place. The planning officer contribution, (stages 3 and 4) involves a site visit, assessment of the merits of a proposal against development plan policy and site specific material considerations, and the preparation of a professional officer report either for committee, or for consideration and “approval” by a senior officer in accordance with the adopted scheme of delegation.

The appended slide sets out the proposed targets which underpinned the 6 week target set. These target times reflected officers assessment at that time of the appropriate apportionment of time for processing and assessment, in part determined from industry “norms” surrounding the administration of planning applications, and a belief that the assessment process could be improved through targeted interventions aimed at reducing officer inputs on each application and assuming “normal” systems, officer workloads and staffing.

The purpose of the 6 week target was to provide a demonstrable improvement for residents, in the time taken for a decision in response to a process change that removed the option to amend applications post submission. This was seen to provide an element of added value, in exchange for the loss of flexibility within the process.

### **Actual performance**

The planning service has met its target statutory determination times (see table below). The table also highlights the trend in householder application numbers over the last 3 years. The government no longer provides any incentive to LPA’s to make decisions in accordance with statutory timetables (through Planning Delivery Grant) and there is no financial benefit in making decisions ahead of the 8 week target date. Whilst decisions made after 8 weeks can be appealed (on ground of non determination) this is rare. In the last 3 years, the Councils have not received an award of costs at an appeal into its failure to reach a decision within 8 weeks.

Notwithstanding the above, it is clear that the Planning service has not been able to make progress against the 6 week target. The average number of days for determination of a householder application during the four quarters has been steady.

### **Assessment of performance measured**

Officers were aware that the 6 week target represented a stretch goal for the service during 2011/12. A number of significant operational and capability issues have nevertheless emerged during the year which serve to explain in part the reasons for the services failure to meet this challenging target.

### **Processing**

The Planning service was included within the Customer Contact, Assess and Decide project (CCAD) in 2011/12. This project served to transfer the

processing function (and 4 staff) into Access Harrow. The transition took place between March and July 2011 and required significant resources in addition to the change champions (both officer and administration) to be devoted to the “lifting and shifting” of technical/administrative staff, as well as system mapping and development. Phase 1 of this project was completed in July 2011.

The transfer of this resource, and loss of key technical staff, together with the requirements for up-skilling of the processing team has meant that the target 7 day turnaround date at the front end of the process has not been able to be achieved. Given that the “clock” starts upon date of receipt of a valid application (not upon its checking as valid) this has meant that time has been lost at the front end of the process before consultation is carried out and planning officers receive an application for consideration. Challenges associated with the technical content of the applications and their consistent capture and indexing as part of the corporate scanning service (within Business Support) has also contributed to these challenges.

### **Officer Assessment**

Case officer’s prompt assessment of the applications has been compromised by their engagement in the validation process, as well as by a range of operational challenges associated with the workloads, process efficiencies and turnover of planning officer resources. This has meant that case officers are carrying high workloads, which has limited their ability to manage their caseload effectively and support the up-skilling of officers in Access Harrow. Further structural changes within the service (and the reduction in manager resource over recent years) has also impacted upon managers capacity to make quick adjustments to processes to increase efficiency and effectiveness.

The planning service has also seen an increase in staff turnover, notably amongst agency staff, and Harrow has found some difficulty in recruiting replacement agency staff (who can leave at 5 days notice) promptly to ensure continuity of case management. Not only is the recruitment, induction and training process time consuming for existing staff and managers, but Harrow has seen competition for high quality experienced staff intensify in recent months – with five staff members leaving to take up more lucrative opportunities elsewhere.

### **Decisions issued**

The service has been effective in working to increase delegation and turnaround planning decisions at the end of the process promptly. This improvement (which accords with the target of 2 days) has not however been sufficient to offset the consequential effects of earlier challenges.

### **Response to under performance**

The Planning Service MTFS proposes the further reduction of planning officer resources over the next 2 years as follows:

**Table 2: Planning Service MTF5 commitment**

<b>Proposals for 2012/13</b>	<b>Proposals for 2013/14</b>
Delete Head of DM and BC and replace with single post	Delete 2 X planning officer posts
Delete Head of Enforcement post	Delete 1 X Planning policy officer
Delete Heritage Projects officer post	£200K from LDF team (this will require reduction/deletion of conservation, landscape and ecology resources)
Delete conservation officer post	

Against a background of reducing resources and future budget reductions, it is now considered unlikely that the target 6 week decision date will be capable of being achieved in the short term. For 2012/13, the target has therefore been deleted. Nevertheless, in order to address the issues that underpin the performance of the service, and to meet the challenges associated with a 16% reduction in professional officer resources the following measures are underway in 2012 to respond to the challenges facing the service as a result of the need to optimise efficiency in the medium and long term to meet funding challenges.

### **LEAN**

The development management service and Access Harrow have engaged with the Councils LEAN champion to undertake an end to end review of the process in order to drive out inefficiencies within the existing systems, and to provide a focus for targeted interventions that remove existing barriers to improved performance.

### **Application policy review**

The efficacy of charging for pre-application advice to householders in being reviewed, following a year of charges, to establish the overall effectiveness of the process. In particular, the impact of the policy not to amend applications once submitted, which is partly associated with the introduction of charges appears to be having an impact upon overall approval rates for householder applications. Given the impact that this has on rework (resubmission) of applications and the need to run the process again as a free go, there is considered to be some evidence of a significant, and potentially avoidable cost, being incurred.

### **Officer workloads**

Planning officer workloads are towards the upper end of recommended workload levels of between 150 -200 cases per officer per year, particularly amongst those officers dealing with householder applications. The high turnover of agency staff (because of the competition for skills with other London Councils) is also affecting the workloads of permanent staff – who find themselves taking on work from departing staff at short notice. The service has secured approval to recruit permanent staff (to replace agency cover) and anticipates this taking place shortly. The planning service has also ordered a pool car, to be made available to officers who currently use public transport, in order to bring down the time spent travelling to and from sites to undertake site visits. A review of the duty planner service, and the web site – in an attempt to provide more targeted, self service, information to reduce avoidable contact, is also underway.

## **IT/Software**

The introduction of the mayors CIL has created additional administrative burdens upon professional and technical staff that cannot currently be addressed by the Councils software provider. Harrow also proposes to introduce a CIL from next year. The Councils IT contract with Northgate is due to expire in September and further work with the Councils IT partner, and integrated with LEAN above is anticipated to provide opportunities for both enhanced IT capability (through a new contract) which will assist in reducing the amount of time spent by officers in the assessment, determination and decision issue phases of the process.

## **Consultation**

The challenges facing the Planning Service affect both direct users of the services (applicants, developers) and those who seek to engage with officers as consultees or where they are seeking information on planning activities (including members and amenity associations). Over 2012/13, officers are therefore beginning to carry out a series of targeted exercises to discuss the challenges facing the service over the medium term (in line with the savings identified already, and expected to have to be identified in the future) in order to determine users priorities. These priorities will then be used to inform an “optimised” service offer commensurate with the financial resource available.

## **Financial Implications**

The failure to meet the local performance indicator relating to household applications has no direct financial consequences for the Council. The review of the planning service outlined above will have wider financial implications that will be considered through the commissioning process in the autumn.

## **Performance Issues**

In this section of the report you should consider the following:

The performance indicator relating to householder applications reflects the corporate priorities for united and involved communities. Some of the households affected by the wider performance may be awaiting the carrying out of building works associated with adaptation of their homes to meet specific identified needs. The additional 2 weeks associated with the missed local indicator is not considered to amount to a significant adverse impact upon the delivery against this corporate priority.

## **Environmental Impact**

There is no direct consequential environmental impact arising from the report. Planning applications are assessed on their specific individual merits in the context of a regulatory regime that places environmental considerations at the heart of a definition of “sustainable development.”

## **Risk Management Implications**

Risk included on Directorate risk register? No

Separate risk register in place? No

The failure to meet the local indicator target is not considered to present any significant additional risks. The indicator has helped to drive discussion in the service around the barriers to performance and failure to meet the target has exposed the Council to reputational risks which may have adverse consequences for Building Control services, who are in competition for work following the grant of planning permission.

## **Equalities implications**

Was an Equality Impact Assessment carried out? No (delete as appropriate)

The Planning Service indicator is not related to a protected category – it is a universal indicator covering all householder applications. The Planning service is currently in discussion with the Corporate Equalities team surrounding the capture of equalities data in order to better monitor outcomes from the planning application process.

## **Corporate Priorities**

This report addresses householder planning application performance. This indicator relates to corporate priorities concerning:

- United and involved communities: A Council that listens and leads.
- Supporting and protecting people who are most in need.

The performance of the indicator has potential adverse consequences in respect of those households who submit applicants, and those residents of the borough who live adjacent to an application site. The overall impact of the indicator, given that the service continues to meet statutory performance targets on these priorities is considered to be limited.

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

None required

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

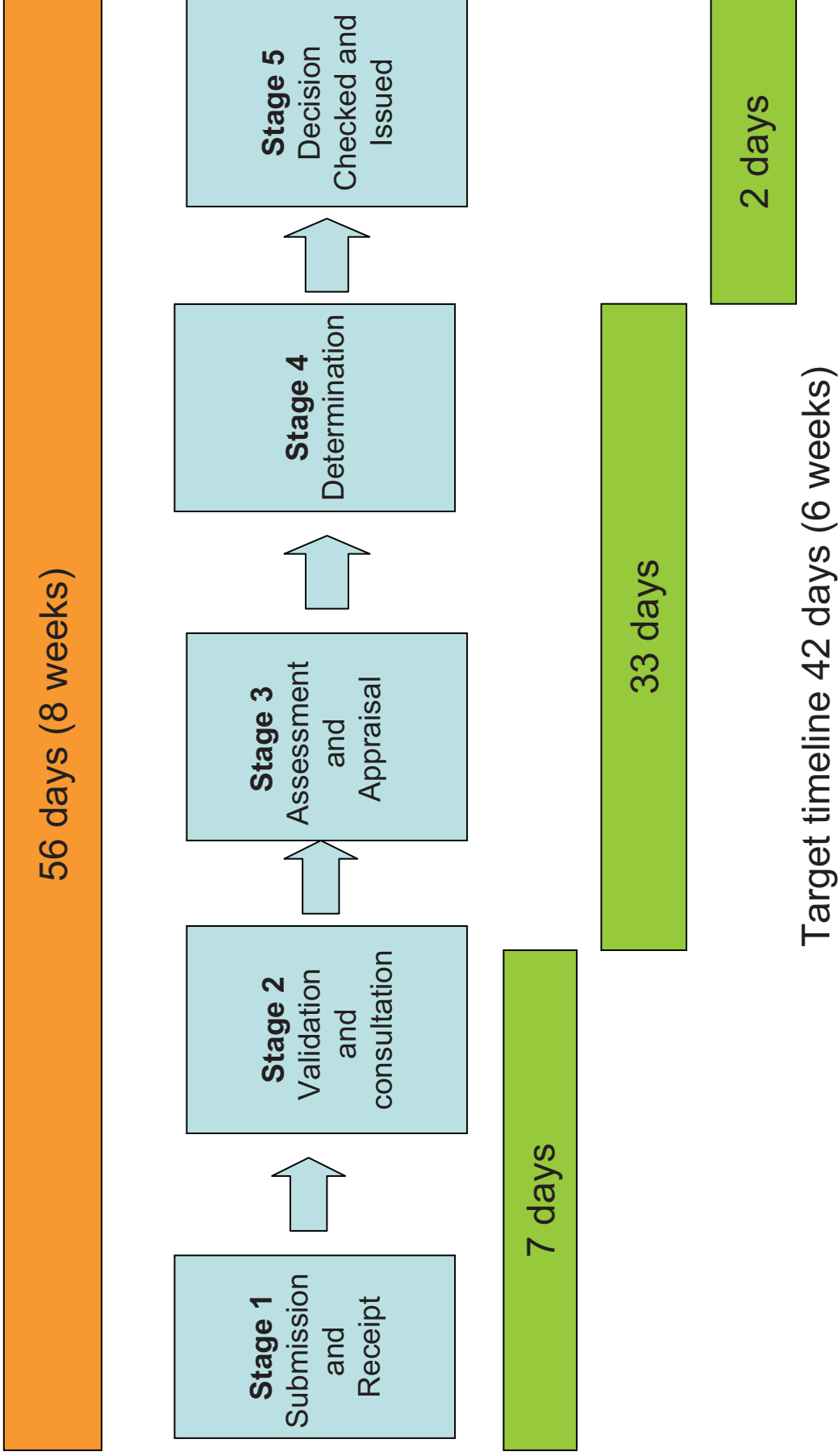
**Contact:** Stephen Kelly Divisional Director – Planning 020 8736 6149

**Background Papers:** None



# Planning Process

Statutory requirement



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**REPORT FOR: PERFORMANCE AND  
FINANCE SCRUTINY  
SUB-COMMITTEE**

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<b>Date of Meeting:</b>	24 July 2012
<b>Subject:</b>	Report on progress - Council's use of performance information scrutiny review
<b>Responsible Officer:</b>	Alex Dewsnap, Divisional Director, Partnership Development and Performance
<b>Scrutiny Lead Member area:</b>	Councillors Jerry Miles and Tony Ferrari, Corporate Resources Scrutiny Lead Members
<b>Exempt:</b>	No
<b>Enclosures:</b>	Appendix 1 – Update on implementation of final (phase 2) Scrutiny review report – July 2012

**Section 1 – Summary and Recommendations**

This report provides an update against the implementation of the recommendations made in the final report (phase 2) of the Scrutiny Review.

**Recommendations:**

That i) the report be noted;  
ii) that a further report, to include an update in relation to Phase 1 of the Review, be programmed in consultation with the Chair and Vice-Chairman.

## **Section 2 – Report**

### **Introduction**

The recommendations of the final report (phase 2) of the Review were considered at the meeting of Cabinet on 15 December 2011 and responses agreed.

This report summarises progress on the actions set out in the response to the review.

### **Financial Implications**

None arising from this report.

### **Performance Issues**

This report is concerned with performance issues.

### **Environmental Impact**

Not applicable to this report.

### **Risk Management Implications**

None arising from this report.

### **Equalities implications**

Not applicable to this report.

### **Corporate Priorities**

The review and hence this report deal with performance information about service delivery across all Council Priorities.

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

Not required for this report.

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

**Contact:** Martin Randall, Senior Professional, Corporate Performance and Planning, 020 8424 1815

**Background Papers:** Report to Cabinet, 15 December 2011, available at:

<http://www.harrow.gov.uk/www2/documents/g60643/Public%20reports%20pack,%20Thursday%2015-Dec-2011%2019.30,%20Cabinet.pdf?T=10>

## Measuring up: Harrow Council's Use of Performance Information

### Update on implementation of final (phase 2) Scrutiny review report – July 2012

#### Overall principles recommended for adoption by Cabinet

- **Performance information and data is the start of the conversation.** Both Members and officers must be active rather than passive users of information. Councillors should be more demanding of data and officers should consider what they are trying to demonstrate and how best to present it.
- **Managing performance with data rather than with too many indicators.** Given that there is less national pressure to monitor specific performance indicators the Council should shift its focus to identifying indicators that are locally useful and making better use of data to understand performance and support decision-making.
- **To make more data public.** By doing so the Council can improve transparency and accountability as well as encouraging others to share data by leading the way.
- **A positive performance management culture.** This is one that is not 'red adverse'. Improvement is much more than just measuring. The improvement cycle encompasses leading, setting priorities, planning, measuring impact, learning and revising. It is continuous and iterative – making things better step-by-step. Scrutiny has a constructive role to play in supporting such processes.

#### Response agreed by Cabinet

The abolition of the National Indicator Set has not resulted in the scale of reduction in central government requirements for data that was originally anticipated. However, the opportunity has been taken to revise performance measures across the Council to focus more on local priorities and this objective will continue. The recommended principles are accepted and officers will work with Executive and Scrutiny members to put them into effect in the ongoing development of the Council's performance framework and the implementation of the recommendations below. Release of more data is of course subject to any legal considerations.

#### Update at July 2012:

The 2011/12 Corporate Scorecard included more local performance indicators than in previous years. However a significant number of National Indicators have been retained where they have been felt to be useful and/or where Inspectors have indicated that they still want them to be collected. The London Councils' LAPS benchmarking data also uses National Indicators (and the older BVPs) as the definitions are widely understood by councils and this ensures a consistent approach.

The 2011/12 Corporate Scorecard has been retained into 2012/13 with only minor changes in anticipation of a more extensive review when the work to develop a greater outcomes approach has been completed.

**Specific recommendations**

**Recommendation**

**Response**

**Update**

**BEST PRACTICE For Cabinet:**

- A) We recommend that steps be taken to improve the timeliness of the performance reporting processes. By this we mean:
  - i. The speed at which Improvement Boards take place at the end of the quarter. This includes, but is not limited to, streamlining the performance approach, for example by greater or more effective use of IT or by automating processes.

Recommendation accepted in principle. There are a wide range of contributions to the management information which is presented to Improvement Boards, some of which take longer to produce than others. For Quarter 1 2011/12, the pace was forced to allow earlier meetings but some information was partial, for instance sickness absence data was missing and financial data was for two months of the quarter. The possibilities for enabling earlier meetings will be assessed in conjunction with recommendation R). This will include the potential for increased use of IT, although there could be a cost and some of the causes of delay would not be addressed by IT: for example, complex indicators that require additional processing or validation, those that rely on external sources such as partners. The aim will be a balance between speed and accuracy.

**Update at July 2012**

Although the aim for Quarter 1 2012/13 was to arrange all Improvement Boards for the last week in July, this has not been possible due to diary commitments and some will not

## Recommendation

## Response

### Update

take place until the end of August or early September. Improvement Boards for Quarters 2 and 3 have yet to be scheduled and will be a better test of the balance between earlier and full submission of data. The Improvement Board Guidance has been reviewed to remove unnecessary duplication and streamline the process as far as possible without further resources.

Performance and Scrutiny staff will discuss and provide options for consideration by Executive and Scrutiny members by end January 2012.

### **Update at July 2012**

A new process has been agreed for the issue of Corporate Scorecard information to the Chair and Vice-Chairman of Performance and Finance Sub-Committee (P&F) and Scrutiny leads as soon as practicable after Improvement Boards. The P&F briefings are now fixed so as to enable consideration of this information at the earliest opportunity and in time for any urgent comments to be fed through to Corporate Strategic Board in time to influence the Strategic Performance Report to Cabinet, where appropriate. To enable this, it has been necessary to decouple the briefing meeting from the agenda setting process for P&F in some cycles. Timetabling remains a challenge.

The Strategic Performance Report is published on the web in its own right as well as in the Cabinet agenda and, over the last couple of years, the aim has been to make the Report more accessible to a general readership. However, a review will be carried out of how performance information is

ii. The speed at which information reaches Scrutiny – the Executive and Scrutiny, in partnership, should examine the way in which potential barriers for information sharing could be overcome, for example by allowing the scrutiny process to overlap more with Executive review or by moving away from an approach that treats all information the same, regardless of the level of sensitivity.

B) We recommend that the format in which performance information reaches the public domain be reviewed and improved. While we agree that publishing a public scorecard is laudable, we believe that the Corporate Scorecard should be published online separately, as well as forming part of the

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## Recommendation

## Response

### Update

Cabinet papers. See also Recommendation J/K.

published, taking into account the issues raised by the focus groups and referred to under K) below. This will feed into quarter 1 reporting for 2012/13.

### **Update at July 2012**

The Local Information System (LIS) is now on line, though not yet officially launched, and we are currently exploring whether it could be used to enhance the presentation of the Corporate Scorecard online. This has therefore delayed our review of public reporting, which was originally aimed at quarter 1 reporting. With the LIS now in place, we will aim for enhanced public reporting from Q3 2012/13.

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C) We recommend that comments from scrutiny on performance issues be incorporated into the Corporate Strategic Board's (CSB) performance morning and reflected in the Strategic Performance Report (SPR), thereby more formally integrating scrutiny into the quarterly performance cycle.

Options for enabling this input will be examined in conjunction with Executive and Scrutiny members as per Recommendation A ii.

### **Update at July 2012**

See A.ii.

D) We recommend that the Council's Corporate Leadership Group<sup>1</sup> be renamed and charged with a stronger remit for addressing cross-departmental operational issues.

This recommendation will be addressed in the response to the proposals for the Senior Management Restructure, reported at December Cabinet.

### **Update at July 2012**

Two new CLG Operations Boards have been set up, first meeting in June 2012. These will look respectively at internal and external cross-cutting issues and, with membership on

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<sup>1</sup> The Corporate Leadership Group is made up of the Chief Executive, Corporate Directors and Divisional Directors, and senior managers who report direct to the Corporate Directors from across the Council.



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**Recommendation****Response****Update**

each Board covering each Directorate, the focus is on resolution and problem solving. The CLG itself will now meet quarterly rather than six-weekly.

E) We recommend that there is greater integration of performance and financial reporting to Scrutiny, in a format similar to that received by the Executive.

Agreed in principle and a proposal will be developed by performance and finance staff and discussed with Scrutiny lead members by end January 2012.

**Update at July 2012**

The Performance and Finance Scrutiny Sub-Committee Chair's briefing now receives both the Corporate Scorecard and finance report each quarter.

**For the Overview and Scrutiny Committee**

F) We recommend that the Better Deal for Residents Review consider how effectively the Council's transformation projects incorporate use of performance information and data – thereby providing tools for evidence-based policy making.

**Update at July 2012**

The Better Deal for Residents review considers how effectively the transformation projects are achieving their stated ambitions. Phase one of this review made a number of specific recommendations, which were accepted, about the establishment of accurate baseline information and measurement of outcomes.

G) We recommend that the Scrutiny chairs and vice-chairs review arrangements for monitoring the performance of partners, in particular that of the police and health partners. While partnership scrutiny is already taking place, changes to the policy environment offers opportunities for the development of new approaches.

Scrutiny of health services is well established; however more systematic consideration of financial and service performance information still needs to be developed in order to deliver more proactive scrutiny of health services.

With regard to scrutiny of the police and crime, an agreed suite of indicators will be reported to the Community Health

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**Recommendation****Response****Update**

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H) We recommend that Scrutiny Lead Members adopt a stronger role for their policy area in order to ensure:

- That Lead Members take a greater responsibility for escalating and sharing of information pertaining to their brief;
- That wherever possible Scrutiny Lead Members attend committee meetings for relevant items where they are not ordinarily a Member;
- That Lead Members make use of the new Local Information System (LIS) in order to inform the scrutiny process.

**CUSTOMER ENGAGEMENT****For Cabinet**

- I) The review group supports the development of the Local Information System (LIS) as a means of making public data more available to residents as part of Harrow's transparency policies. We recommend that the Council should examine how

and Well Being Leads and the Chair and Vice Chairman of the Performance and Finance sub committee on a quarterly basis and the same suite of indicators will accompany the annual community safety plan when it is considered by the Overview and Scrutiny committee.

The scrutiny leads are timetabling meetings with relevant corporate directors, partners, portfolio holders in order to identify the key policy drivers and priorities for their respective services. This will ensure a more specific focus for scrutiny activity and ensure that the key issues are considered. The scrutiny lead areas have also been rationalised to link them more closely to the council's structure.

This is being implemented

This is something which could be included in a corporate member development session – scrutiny no longer runs a separate member development process. See also N below.

Agreed. An initial meeting has been held between performance and communications staff and has identified a number of possibilities. Further discussions are required with Access Harrow management to ensure alignment of customer

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**Recommendation****Response****Update**

to reach residents without access to the internet.

contact strategies. A developed proposal will be made to Scrutiny leads by March 2012.

**Update at July 2012**

A number of technological problems have delayed the launch of the LIS; however, the delay time has been used to improve the customer experience in response to feedback from interested testers in the Council and partner agencies. The LIS is now in “soft launch” stage and available on the internet, though not yet through a link from the Council’s homepage. An action plan to promote and support the use of the LIS will include working with schools, libraries and community groups to widen access. The full launch is planned for September. Work has not yet started on how to reach residents without access to the internet. This will commence following launch of the LIS and in alignment with customer contact strategies.

J) We recommend that the Council adopt a cost effective approach and use existing communication methods to offer signposts to publicly available data and performance information. This should include links within the Harrow e-newsletter and other publications and could also include social media.

Approach agreed and opportunities will be explored in conjunction with Recommendation I) above.

**Update at July 2012**

As above, this will be explored in conjunction with Recommendation I)

K) We recommend that the following general principles, arising from the focus group, should be reflected in the Council’s approach to communicating performance information:

Agreed in principle and, in association with B) above and L), M) and N) below, the options in terms of content and method of publication will be explored to the set timetables and progress will be reported back to Scrutiny leads by January 2012.

**Update at July 2012**

The LIS provides the opportunity for users to “drill down” into

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**Recommendation****Response****Update**

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more detailed information. Testers felt that initially there was too much information on the LIS so we have simplified the data and some of the terminology to make it more accessible. Users are invited to give their feedback on the site and we will use this to guide future developments. Given that we see the LIS as the long term solution to enabling this recommendation to be delivered effectively, the delay in its launch has therefore had a knock-on effect on meeting this recommendation.

- The Council should provide 'honest' information – not just carefully collected soundbites or what the Council wants residents to hear.
- As much information as possible should be made accessible but it should be provided proportionately – i.e. the detail (including raw data) should be accessible for those who need/want it but not universally. Summary information, with signposts to more detail, should be developed.
- The Council should provide what is cost effective – the Council should not waste money on providing everyone with detailed information as not everyone wants this (some focus group attendees perceived that the Council committed significant resource to producing detailed publications) but should focus on offering signposts to those wanting it.
- The Council should provide contextual information to enable residents to understand what the detail actually means.
- Information must be accessible to all – not everyone accesses the Internet – Harrow People, leaflets, notice

<b>Recommendation</b>	<b>Response</b>
<p>boards, public meeting places.</p> <ul style="list-style-type: none"> <li>• Information provided must be attractive and easy to read and understand, but not too simplistic.</li> <li>• The Council should consider organisational blogs and Twitter to give residents a more real-time insight into how services work and the challenges faced.</li> <li>• The Council must commit to responding to residents who offer an opinion.</li> </ul> <p>L) We recommend that Directorates should take steps to embed performance reporting alongside service information. For example, performance against bin collections could, for example, be reported alongside or linked to information about bin collection days.</p>	<p><b>Update</b></p> <p>Agreed in principle and to be taken forward with Directorates, initially through the High Performing Harrow group, and progress to be reviewed by Improvement Boards as from Q1 2012/13.</p> <p><b>Update at July 2012</b></p> <p>Discussions will be held with Communications and the web team to explore possibilities for how this can be presented publicly; to be considered in conjunction with M) below. The refresh of Improvement Board guidance is also encouraging directorates to consider reporting performance and service information side by side.</p>
<p>M) We recommend that a sample of performance indicators be included in borough-wide publications such as Harrow People or the Council tax leaflet in order to give residents a flavour of local performance.</p>	<p>To be considered in conjunction with K) and related issues, above.</p> <p><b>Update at July 2012</b></p> <p>The Council Tax leaflet 2012/13 contained information on seven key achievements and summary plans under each Corporate Priority for the next year. It is recognised that more work needs to be done and discussions will be held with</p>

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## Recommendation

## Response

### Update

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Communications to explore what further information could be provided and how.

N) We recommend that further work should be undertaken to analyse the information needs of Councillors in their ward role. It may be that Members' access to the Local Information System will address this going forward, but an annual pack of information for ward councillors might be a useful development. For example, councillors could be provided with a detailed spatial map of their ward, for example, on election, in order to support their understanding of their constituents and their needs.

Agreed and will be taken forward as part of the development of the Local Information System strategy. Ward profiles will be developed by June 2012.

### **Update at July 2012**

Draft ward profiles have been loaded into the LIS based on the information which Members have previously received in static ward profiles.. LIS information is updated regularly throughout the year as it becomes available. There is a need to work with Members on developing the profiles to meet their needs and Scrutiny members are asked whether they are interested in taking part in a focus group for this purpose.

## TECHNOLOGY AND DATA PRESENTATION

### For Cabinet

O) We recommend that the Harrow Local Information System (LIS) be linked into other sources – for example the London datastore<sup>2</sup> in order to increase the profile of Harrow's information.

Agreed - Officers are in contact with London Datastore to take this forward.

### **Update at July 2012**

Officers are in contact with the London Datastore and are looking at how the LIS could be enhanced through links, with a view to implementation at quarter 3. Data from government sources (eg ONS) is included for all London Boroughs for comparison.

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<sup>2</sup> <http://data.london.gov.uk/>

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## Recommendation

## Response

### Update

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P) In keeping with the new *Code of Recommended Practice for Local Authorities on Data Transparency*,<sup>3</sup> we recommend that the Council adopt the following three key principles when publishing data:

- responding to public demand;
- releasing data in open formats available for re-use;
- releasing data in a timely way.

Recommended that Cabinet adopt the principles listed, subject to the limitations of resources. The full implications of the Code of Recommended Practice are still being assessed. Meanwhile current practice aligns to these principles as below:

The Council's Publication Scheme is maintained to provide access to classes of information. Individual information requests are handled using dedicated software, which has the potential to add the results to the website, effectively expanding on the Publication Scheme. This facility is under development.

Data published under transparency expectations is now provided as CSV<sup>4</sup> files as well as PDF<sup>5</sup>. As more data is made available this convention will be maintained.

The Council aims always to comply with Freedom of Information timescales. With other data, the Council will aim to release it as soon as practical and appropriate.

### **Update at July 2012**

No further update

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<sup>3</sup> CLG (September 2011), *Code of Recommended Practice for Local Authorities on Data Transparency*. Available at: <http://www.communities.gov.uk/publications/localgovernment/transparencycode>

<sup>4</sup> Comma Separated Variable or Comma Separated Value – a file format that is not dependent on particular software to read it, and such that the data can be imported into spreadsheet or database programs for analysis

<sup>5</sup> Portable Document Format – a type of file that is not machine-dependant and for which free readers are readily available, to view or print the contents. Does not lend itself easily, however, to further analysis of data contained in the file.

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**Recommendation****Response****Update**

Q) We recommend that there needs to be greater ownership of the role that good information plays in ensuring good customer service. For example, that a standard approach be set up to allow Access Harrow to report areas where the website is in need of updating.

We will investigate with colleagues in Access Harrow and update leads on progress by January 2012.

**Update at July 2012**

Work is in progress with Access Harrow on the extent and quality of reporting from the CRM system but there remains work to do on this recommendation and proposals will be developed over the next quarter.

R) We recommend that Members and officers also need to be more demanding consumers of data, asking, and if necessary insisting, that data is presented in a way that gives them as complete a picture as possible, making interpretation as straightforward as possible. Information in reports and at Improvement Boards should be relevant, of high quality and presented well.

Supported. Presentation, especially for Improvement Boards, has been improved over a period of time. An overhaul of documentation for Improvement Boards was carried out at quarter 1, 2010/11 and a further review will be conducted for quarter 1, 2012/13, i.e. with the benefit of two years' experience.

**Update at July 2012**

A review was carried out earlier this year and the Improvement Board guidance revised accordingly. Within this guidance a greater emphasis is placed on the insight drawn from the data in each Directorate.

S) We recommend that all service transformation projects consider how services can become more data-rich and how this intelligence can be used to improve services and performance reporting.

Linked to recommendation L). We will explore how the Business Case process could incorporate this objective and report back to Scrutiny leads by January 2012.

**Update at July 2012**

From Quarter 1 2012/13 the CSB performance morning will encompass performance, project and finance reporting. (This approach was piloted at Quarter 4 with performance and



Recommendation	Response
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**Update**

project reporting)  
Discussions have taken place with the Business Transformation team to ensure that appropriate performance indicators are in place to monitor post-project outcomes.

**For the Overview and Scrutiny Committee**

- T) We recommend that the Performance and Finance scrutiny sub-committee review the Corporate Finance scorecard with the Director of Finance. This was a recommendation for this review group in our phase 1 report but given the different emphasis of the phase 2 project plan we did not undertake this exercise.
- U) We recommend that the Performance and Finance scrutiny sub-committee receive a report at its February 2012 meeting on customer contact information in order to explore how this information might help to inform scrutiny activity.

*[See comments under Best Practice above]*

**Update at July 2012**

Meeting subsequently held with interim Corporate Director of Finance and Assistant Chief Executive.

**Update at July 2012**

Report provided as indicated.

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