

# OVERVIEW AND SCRUTINY COMMITTEE MINUTES

## 17 SEPTEMBER 2018

<b>Chair:</b>	* Councillor Jeff Anderson	
<b>Councillors:</b>	* Richard Almond * Dan Anderson * Peymana Assad * Honey Jamie	* Jean Lammiman * Jerry Miles * Chris Mote * Kanti Rabadia
<b>Voting</b>	(Voluntary Aided)	(Parent Governors)
<b>Co-opted:</b>	None in attendance	None appointed
<b>In attendance:</b>	Keith Ferry	Minute 25
<b>(Councillors)</b>	Adam Swersky	Minute 25

\* Denotes Member present

† Denotes apologies received

### 21. Attendance by Reserve Members

**RESOLVED:** To note that no Reserve Members had been nominated to attend the meeting.

An apology for absence had been received from Neville Ransley.

### 22. Declarations of Interest

**RESOLVED:** To note that no declarations were made by Members of the Committee.

### 23. Minutes

**RESOLVED:** That the minutes of the meeting held on 5 June 2018 and of the two meetings held on 10 July 2018 be taken as read and signed as a correct record, subject to the following amendment:

The minutes of the meeting held on 10 July 2018 commencing at 8.14 pm (Question and Answer Session with the Leader of the Council and Interim Chief Executive): Minute No. 19, Minute Page 25 – second paragraph, after the phrase “The Interim Chief Executive added that he could not recall a financial year when the Council had not underspent; ...” add the following words: “...; the fact that the Council had underspent was an achievement”.

## 24. Public Questions and Petitions

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

## 25. Reference from Cabinet - Regeneration Financing

The Committee received a report concerning the Cabinet’s response to the Scrutiny Review of Regeneration Financing. The Chair welcomed the Portfolio Holders for Finance and Resources and for Regeneration, Planning and Employment to the meeting.

Referring to the table of responses to the scrutiny review recommendations, Members raised the following questions:

Recommendation 2: *what is the expected timing of the officer report on risks and mitigations?* The Portfolio Holder for Finance and Resources reported that late Autumn was still the anticipated timescale. A Member asked that members of the Committee be advised of any alteration to this plan.

Recommendation 3: *when would the strategy for lobbying about transport links be completed?* The Portfolio Holder for Regeneration, Planning and Employment explained that the plans for lobbying related not only to the Council’s regeneration programme, but also the proposals from private developers. The Council was using population projections produced for the current electoral review by the Local Government Boundary Commission for England (LGBCE); these were estimates for the year 2024. It was hoped that the transport operators would use these projections to plan services, though they often seemed to be demand-led in such decisions (he explained that population estimates produced by the GLA were different from those used in the LGBCE exercise which encompassed anticipated development sites). He hoped that the transport operators would respond to the Council’s approaches so that the lobbying strategy could then be developed, but he could not give a timeline.

Recommendation 4: *had the letter from the Leader of the Council and Leader of the Opposition been sent to the Mayor of London and TfL?* The Portfolio Holder for Regeneration, Planning and Employment understood it had not been sent and expected that the necessary information to make the case for improved transport links would be available by Christmas. The Portfolio Holder for Finance and Resources added that the Cabinet had not committed to writing that letter as such, but to using the data on transport pressures to support engagement with providers and stakeholders.

The Portfolio Holders confirmed that the plans mentioned in the responses to recommendations 2 and 5 were the same plan rather than two separate ones.

Recommendation 8: A Member asked about references in previous Cabinet reports to a yield of 8% from property investment in the regeneration programme, when it now appeared to have reduced to 5%. The Portfolio Holder for Regeneration, Planning and Employment advised that the 8% figure was the expected gross yield before accounting for financing charges. The Portfolio Holder for Finance and Resources explained that interest payments and minimum revenue provision for the life of the asset would give rise to a lower net yield; equally, the exact timing of transactions in relation to interest rates at the time would affect yields. The Member who had asked the question suggested that reports should make clear whether references were to gross or net figures.

The Member also asked about assessment of the traffic impacts of developments. The Portfolio Holder for Regeneration, Planning and Employment advised that information about development proposals would be fed into the GLA's traffic modelling system. He gave the example of the new Avanti House High School in Whitchurch Lane where the modelling results had led to a Section 106 agreement for junction improvements. He expected a similar process in respect of the Quadrant area of the Kodak site.

Recommendation 14: *how would the Council address the question of cost-shunting from the health sector and seek to avoid the consequent adverse impacts on social care services?* The Portfolio Holder for Regeneration, Planning and Employment agreed that this was a problem and a risk for the Council. He gave examples of the Council securing new health facilities as a result of site developments (a GP surgery in Lyon Road and a dental surgery at Fairview), only to find that the CCG were not prepared to occupy the facilities. A Member asked if there had been any advance discussions with the NHS about the building of these GP and dental surgeries; the Portfolio Holder said there had not been in those cases. The Council had to base its decisions on anticipated need so as not to lose opportunities created by development; however, it was impractical in many cases to reach prior agreement with the NHS given the slowness of response. The Portfolio Holder also referred to discussions about a new primary care facility at the new Civic Centre following which the CCG had decided not to go ahead with the scheme, and to years of discussions about a possible facility at Belmont Library. The Member who had raised the question referred to three recent individual cases of clear cost-shunting which he had come across.

In respect of the pressures on local health services, a Member pointed to the announcement that the Alexandra Avenue "walk-in" health care facility would be moving to an appointments system from 1 November 2018. The Chair understood that the CCG was having to half the throughput of cases there as they had insufficient staff resources to cope. Another Member reported that the doors of the facility were being locked and patients were being turned away when arriving later in the day; the long delays in securing appointments at local GP surgeries were causing these pressures.

Recommendation 15: *what was the Council's approach to monitoring risks in relation to interest rate changes through the Treasury Management model?* The Portfolio Holder for Finance and Resources explained that the model and professional advisors helped the Council to track these changes, allowing it to adopt "de-risking" strategies and bring revenues on stream more quickly. The

regeneration programme had potential for substantial benefits, but the Council was equally aware of the inherent risks. The Portfolio Holder for Regeneration, Planning and Employment added that the Council's advisors, Faithful & Gould and Lambert Smith Hampton, provided professional analysis of trends to improve the management of financial risk. In response to a reference to the recent statement by the Governor of the Bank of England to the possible impact on property prices of a "no deal" departure of the UK from the European Union, the Portfolio Holder for Finance and Resources underlined that the Council would make no apologies for reacting quickly to developing circumstances and that plans were potentially subject to change.

Recommendations 3 & 4: *what was the position in relation to securing step-free access to more train stations in the Borough?* The Portfolio Holder for Regeneration, Planning and Employment acknowledged the efforts to secure this for Sudbury Hill and South Harrow stations, but he also considered that it could and should be provided at Rayners Lane, where the Council owned some land and could agree an appropriate scheme with TfL. The Portfolio Holder for Finance and Resources added West Harrow to the list of sites for access improvements. The Portfolio Holder for Regeneration, Planning and Employment would welcome ward councillor support in lobbying for these schemes, but he could not be confident about timescales as TfL tended not to respond readily. A Member also raised the issue of links to Heathrow Airport. In reply, the Portfolio Holder for Regeneration, Planning and Employment had reported the inadequacy of the 140 bus service, particularly for passengers with luggage; a couple of years ago, he had proposed an express bus service linking Heathrow, Harrow, Watford and Luton Airport, but TfL and operators had not taken this up.

A Member asked about the uncertainties over Brexit and the borrowing plans for the regeneration programme. The Portfolio Holder for Finance and Resources advised that there was no intention to delay borrowing plans for these reasons alone, but as individual sites came up for consideration, the Council might have to adjust its approach in view of the circumstances at the time. Some decisions could be deferred so that advantage could be taken of better borrowing costs and an improved investment climate. It would be necessary to be flexible and agile in decision-making as the programme unfolded.

Recommendation 6: *had the CSB report template been updated?* The Portfolio Holder for Finance and Resources reported that it had been.

Recommendation 7: *when would the financial model results next be reported to Cabinet?* The Portfolio Holder for Finance and Resources understood this would be in December 2018.

A Member asked whether the Administration was giving effect to a "pause" in the regeneration programme at this stage and queried what the impacts would be. The Portfolio Holder for Regeneration, Planning and Employment explained that the local elections had understandably created a hiatus and discussions in the Administration afterwards had led to a decision that, with a Regeneration team of only six staff, it would be unrealistic to adopt anything but a phased approach concentrating on priorities rather than attempting to pursue a wide range of site developments at the same time. In response to

the Member's suggestion that this indicated the Administration had "bitten off more than it could chew", the Portfolio Holder for Regeneration, Planning and Employment confirmed that the Administration was ambitious but also recognised that the practical demands of progressing development proposals, for example the detailed work on planning applications, required a carefully phased and structured approach.

Recommendation 8: *what stage had the discussions on the "break-even point" at project level reached?* The Portfolio Holder for Finance and Resources advised that discussions had been held over many months and for each project, financial modelling would take place to inform a decision on whether the Council would proceed.

Recommendation 9: *was the Council lobbying Government on the question of business rates?* The Portfolio Holder for Finance and Resources advised that there were still many uncertainties about how the Fair Funding Review and the business rate pilot schemes would pan out. The Council would continue to track the outcome of these and argue the case for Harrow's regeneration objectives.

Recommendation 10: *had there been any revision in the estimated timeline and projected costs of the new Civic Centre?* The Portfolio Holder for Regeneration, Planning and Employment advised that the current cost estimate was £63m and there had been no further change to the timescale.

Recommendation 11: *what was intended in respect of the role of the Major Developments Panel (MDP)?* The Portfolio Holder for Regeneration, Planning and Employment foresaw a change in the MDP's role to focus more closely on the design of regeneration schemes; he felt this should be subject to cross-party discussions over the next few months. It was hoped to put forward a proposal in the next six months.

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

## **RESOLVED ITEMS**

### **26. Scrutiny Work Programme 2018-22**

The Committee received a report concerning the Scrutiny Work Programme proposed for the period to the next Council elections in May 2022. It was confirmed that a number of Members on the Committee had been involved in discussions about the content of the programme and that it reflected the priorities and phasing which been supported by them.

A Member who had been elected for the first time in May, asked about the approach taken in framing the programme. The Divisional Director, Strategic Commissioning, reported that discussions with councillors in the political groups had commenced in January focusing on a list of some 12 to 15 key topics; these had been generated through evidence and research, residents feedback and consideration of Council priorities. The Divisional Director would circulate this list.

The Member suggested that the programme could also include examination of equalities issues; she pointed to the reference to considering the impact of ethnicity on in-work poverty, but wondered whether this meant such aspects were not addressed elsewhere. Other Members stated that equalities should be an integral part of the work in any scrutiny review and that this had always been the case. The Divisional Director, Strategic Commissioning underlined that the Committee were in control of the work programme and could adapt it as they considered appropriate from year to year; it was discussed at regular Scrutiny Leadership Group meetings. Sometimes, the programme would be impacted by significant external events affecting local government, an example of which was the collapse of Carillion. He and the Chair encouraged all non-executive councillors to become involved in scrutiny work.

A Member gave an example of a middle management review undertaken by Overview and Scrutiny councillors some time ago and explained how it had developed from a “light touch” review to a more in-depth analysis as a result of the nature of the some of the issues initially discovered. Another Member explained how the review of health visiting had, in effect, been used to create a contract specification for a revised service; he emphasised the importance of Cabinet using scrutiny in this way to improve services for residents.

A Member commended the work programme and asked questions about the way in which the views of resident and staff had informed its preparation. The Divisional Director, Strategic Commissioning reported that a company called the Campaign Company had carried out a 500-person telephone survey of residents using standard market research methodology; the sample size meant that there was a confidence level of plus or minus 3% in the results. The Corporate Leadership Group had suggested a number of key topics for research and investigation, and trends in the annual complaints reports had also been examined.

A Member referred to the important role of scrutiny lead Members in carrying out initial work to frame and develop the later formal scrutiny reviews. He underlined the need to keep alert to key issues arising, for example, in the business reported to Cabinet, so that these could inform the evolution of the scrutiny work programme across the term of the Administration.

The Committee thanked the Head of Policy for her significant work in developing the scrutiny work programme.

**RESOLVED:** That the scrutiny work programme 2018- 2022, as set out in the report, be approved.

(Note: The meeting, having commenced at 7.33 pm, closed at 8.58 pm).

(Signed) COUNCILLOR JEFF ANDERSON  
Chair