
REPORT OF OVERVIEW AND SCRUTINY COMMITTEE

MEETING HELD ON 27 MARCH 2006

Chair: * Councillor Jean Lammiman

Councillors: * Blann * Myra Michael (1)
 * Bluston * Osborn
 * Gate * Pinkus
 * Mitzi Green * Seymour
 * Mark Ingram * Mrs R Shah (1)

* Denotes Member present
 (1) Denotes category of Reserve Members

[Note: Councillor Mrs Kinnear also attended this meeting to speak on the item indicated at Minute 409 below. Councillor Mrs Bath also attended the meeting in a participatory role.]

PART I - RECOMMENDATIONS

RECOMMENDATION I - Overview and Scrutiny Committee Annual Report

Your Committee considered its annual report for 2005/06 which provided an overview of the work of the scrutiny bodies over the past year, together with a flavour of the work which would be undertaken over the coming year. As the 2005/06 annual report was the final report under the current administration, it also looked back over the development of Scrutiny in Harrow since its introduction in 1999. Members requested a number of amendments to the draft report. In particular, it was requested that Overview and Scrutiny review its process for the scrutiny of Children's Services.

Your Committee expressed its pride that community representatives had been involved to lead on reviews, which had proved successful. There was consensus that Scrutiny had benefited enormously from the direct involvement of community representatives. The Chair thanked Members and officers for their work on the annual report. Members of the Scrutiny Sub-Committees were also thanked for scrutinising challenging issues.

Your Committee welcomed the launch of the Annual Report which would take place on 27 April 2006.

Your Committee, having authorised the Chair and the Vice-Chair to accept any changes to the draft text of the reports from the Lifelong Learning Scrutiny Sub-Committee, which had not met at the time this report was considered, and, in order to meet its obligations under the Council's Constitution which required the Committee to present its annual report to Council, it

Resolved to RECOMMEND: (to Council)

That the Committee's annual report for 2005/06, as now amended, be noted.

(See also Minute 400).

RECOMMENDATION II - Update on the Joint Overview and Scrutiny Committee for the Northwick Park Hospital Reconfiguration

Your Committee considered a recommendation from its Health and Social Care Scrutiny Sub-Committee together with a report of the Director of People, Performance and Policy, summarising the recent activity of the Joint Overview and Scrutiny Committee for Northwick Park Hospital.

Members commended the work carried out by the Joint Committee. They agreed that the expertise represented on the Joint Committee should be retained up to and beyond the May 2006 local government election. Having noted and endorsed a change in the Joint Committee's terms of reference, your Committee

Resolved to RECOMMEND: (to Extraordinary Council)

That (1) a Joint Overview and Scrutiny Committee with Brent and Ealing Councils on the proposed re-configuration of services at the Northwick Park Hospital site be re-established for the Municipal Year 2006/07;

(2) two Harrow Council Members and two reserves be appointed to the Joint Committee for the Municipal Year 2006/07.

(See also Minutes 391 and 396).

PART II - MINUTES390. **Attendance by Reserve Members:**

RESOLVED: To note the attendance at this meeting of the following duly appointed Reserve Members:-

<u>Ordinary Member</u>	<u>Reserve Member</u>
Councillor Thammaiah Councillor Versallion	Councillor Mrs R Shah Councillor Myra Michael

391. **Declarations of Interest:**

RESOLVED: To note that the following interests were declared:

Agenda item 9(a) – Update on the Joint Overview and Scrutiny Committee for the Northwick Park Hospital Reconfiguration

Councillors Blann, Mitzi Green, Mark Ingram, Myra Michael and Jean Lammiman indicated personal interests in that either a member of their family or they had received or were in the process of receiving medical treatment at Northwick Park Hospital. They would remain in the room whilst the matter was considered and voted upon.

Councillor Mrs Rekha Shah indicated a personal interest in that she was an employee of Brent Council. She would remain in the room whilst the matter was considered and voted upon.

Councillor Bluston indicated a personal interest in that he was Chair of the Joint Overview and Scrutiny Committee for the Northwick Park Hospital Reconfiguration. He would remain in the room whilst the matter was considered and voted upon.

Agenda Item 12 - Business Transformation Partnership (BTP)

Councillor Mark Ingram indicated a prejudicial interest in that he was a Member of the BTP Partnership Board. He would leave the room whilst the matter was considered and voted upon.

During consideration of this item, Councillor Gate declared a personal interest because of his professional interest in Call Centres. He remained in the room whilst the matter was considered and voted upon.

Agenda Item 14 – Annual Audit and Inspection Letter

During consideration of this item, Councillor Bluston declared an interest in that he was Chair of the Pension Fund Investments Panel which had been referred to in the discussions relating to this item. He remained in the room whilst the matter was considered and voted upon.

Agenda Item 17 – Fairtrade

Councillor Bluston indicated a personal interest in that his daughter was a member of Fairtrade. He would remain in the room whilst the matter was considered and voted upon.

During consideration of this item, Councillor Bluston and Mrs Rekha Shah declared personal interests in that they were both Council appointed representatives of the Harrow Town Centre Forum which had been referred to in the discussions relating to Fairtrade. Councillor Bluston also declared that he was a Council approved representative of the North West London Chamber of Commerce. They remained in the room whilst the matter was considered and voted upon.

Agenda Item 19 – Role of the Best Value Advisory Panel (BVAP)

Councillor Bluston indicated a personal interest in that he had been the Chair of the BVAP. He would remain in the room whilst the matter was considered and voted upon.

Agenda Item 21 – Open Budget Process

Prior to the discussion on the Open Budget Process under 'Any Other Business', Councillor Mark Ingram declared a prejudicial interest in that he was a Member of the

Open Budget Steering Group. He left the room whilst the matter was considered and voted upon.

Agenda Item 21 – Primary Care Trust (PCT)

During consideration of this matter under 'Any Other Business', Councillor Gate indicated an interest in that his wife was employed by the PCT. He remained in the room whilst the matter was considered and voted upon.

Agenda Item 22 & 23 – MMR Scrutiny Review

Councillor Mrs Bath, who was not a member of the Committee, indicated the following interests prior to the discussion on items 22 and 23 – Middle Managers Review (MMR) Scrutiny Review – for which she was present:

- A Member of the Employees' Consultative Forum
- A Member of the Health and Safety Partnership Board
- A Member of the Safer Strategy Group.

392. **Arrangement of Agenda:**

RESOLVED: That (1) in accordance with the Local Government (Access to Information) Act 1985, the following agenda items be admitted late to the agenda by virtue of the special circumstances and grounds for urgency detailed below:-

<u>Agenda item</u>	<u>Special Circumstances / Grounds for Urgency</u>
13. Overview and Scrutiny Committee Annual Report	The report was not available at the time the main agenda was printed and circulated, as officers were required to complete the report earlier than previously anticipated in order to ensure its submission to Annual Council. Members were requested to consider this item in order to ensure its submission to Council.
	The recommendations from the Health and Social Care and Strengthening Communities Scrutiny Sub-Committees were not available at the time the main agenda was printed as the meetings only took place on 21 March and 23 March 2005 respectively. Members are requested to consider these recommendations in conjunction with the Annual Report and make any changes prior to its submission to Council.
14. Annual Audit and Inspection Letter	Members were asked to consider the Appendix, which was erroneously omitted from circulation with the officer report circulated with the main agenda. Members were asked to consider the Appendix with the officer report in order to take an informed decision.
16. Procurement Update	This report was not available at the time the main agenda was printed and circulated, as information was required to end of February 2006 to inform the report and to carry out appropriate consultations thereafter. Members were requested to consider this item, which was requested by the Committee at a previous meeting.
22 & 23. MMR Scrutiny Review	These reports were not available at the time the agenda was printed and circulated, as consultation on the reports' findings had not been completed. Members were requested to consider these reports as this Review was an important part of the Overview and Scrutiny Committee's Work Programme.

(2) all business be considered with the press and public present with the exception of the following item for the reasons set out below:-

<u>Item</u>	<u>Reason</u>
23. MMR Scrutiny Review	The report is exempt from publication under paragraph 4 of Part I of Schedule 12A to the Local Government Act 1972 (as amended) in that it contains information relation to any consultations or negotiations, or contemplated consultations or negotiations in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under the authority.

393. **Minutes:**

RESOLVED: That the minutes of the Special meeting held on 10 January 2006 and of the Ordinary meeting held on 30 January 2006, having been circulated, be taken as read and signed as correct records.

394. **Public Questions, Petitions and Deputations:**

RESOLVED: To note that no public questions were put, or petitions or deputations received at the meeting under the provisions of Overview and Scrutiny Procedure Rules 8, 9 and 10 (Part 4F of the Constitution) respectively.

395. **Appointment of Members to the Scrutiny Sub-Committees for the Remainder of the Municipal Year 2005/06:**

RESOLVED: That (1) Councillor Foulds be appointed fourth Reserve on the Health and Social Care Scrutiny Sub-Committee;

(2) Councillor Gate be appointed third Reserve on the Strengthening Communities Scrutiny Sub-Committee.

396. **Update on the Joint Overview and Scrutiny Committee for the Northwick Park Hospital Reconfiguration:**

Further to Recommendation II above, it was

RESOLVED: That the following request from the Joint Overview and Scrutiny Committee (with Brent and Ealing Councils) made at its last meeting on 14 December 2005 be noted and endorsed:-

“That the Committee’s terms of reference be amended to: “The Committee be extended until 3rd May 2006 and, subject to confirmation by each of the three councils, be re-established with new appointments being made as soon as possible in the new Municipal Year. And that the Committee recommends accordingly to each Council”.”

(See also Minute 391).

397. **Progress Reports on Reviews - Members' Verbal Updates - Hear/Say Review:**

The Committee received a verbal report from an officer on the review of community engagement, Hear/Say – Making a Difference through Listening and Talking. She reported that the recommendations arising from the review, which had been presented by the Chair to Cabinet on 16 February 2006, had been accepted.

Members were informed that review would be launched at 5.30 pm on 6 April 2006 at “the Roundhouse” at Hatch End High School and that a large number of people had been invited, including all Councillors.

Some Members commented adversely on the choice of the venue and the launch date which was on the same evening as the Cabinet meeting. In response, the Chair stated that the two venues which had been the site of the two pilot schemes under the auspices of the scrutiny review had been considered. However, the other option at the Rayners Lane Estate was not available.

The launch would finish in time to allow Members to attend Cabinet.

RESOLVED: To note that the launch of the review of community engagement, Hear/Say, would take place at 5.30 pm on 6 April 2006 at the Roundhouse at Hatch End High School.

398. **Harrow IT Services Update Report:**

An officer introduced the report which set out the work undertaken to deliver the ICT Strategy action plan and a number of tactical projects which were being progressed in advance of the initial Business Transformation Partnership (BTP).

Members were briefed on the key achievements and the IT Improvement Plan as set out in the officer report. In response to questions from Members, the officer and the Director of Business Transformation reported that:-

- Information links through the Council's web-site could be provided to local organisations and that this suggestion would be examined further and publicised;
- working groups had been set up by HITS to identify the problems associated with the service desk system, which was performing below targets set, in order to find solutions;
- it had been recognised that training of staff had been an issue and that this was being addressed;
- the projects were within budget.

RESOLVED: That the report be noted.

(See also Minute 399).

399. **Business Transformation Partnership:**

The Director of Business Transformation introduced the report which outlined the performance of the Business Transformation Partnership (BTP) projects. The Director described the position since the report was written and mentioned the following key points:-

- that working practices had been reviewed;
- that the public launch of First Contact would take place on 15 July 2006 which was later than originally intended in order to avoid the key sports events and Council activities throughout June and early July;
- that the Council was engaged with Unison and that a 'Partnership Log' which monitored progress and provided a record of both Harrow and Unison BTP staff issues was maintained and would be circulated to Members at the next meeting;
- that new BTP Projects were being considered;
- that the risks associated with the BTP were being managed;
- that the financial implications on the BTP Revenue and Capital Budgets were being monitored and that a further report on commercial and contract management aspects of the BTP would be submitted to the next meeting of the Committee;
- that a consultant had been appointed to programme manage the BTP;
- that an element of flexible working was anticipated and that negotiations with Unison were ongoing.

Members requested that the minutes of the Employees' Consultative Forum be circulated with the Overview and Scrutiny Information Circular in order to provide them with a flavour of the discussions on the BTP. It was noted that this request would be made to the Chair of the Employees' Consultative Forum.

RESOLVED: That the report be noted.

(See also Minute 391).

400. **Overview and Scrutiny Committee Annual Report:**

Further to Recommendation I above, it was

RESOLVED: That (1) the Chair and Vice-Chair of the Overview and Scrutiny Committee be authorised to accept changes to the draft text of the reports from the Lifelong Learning Scrutiny Sub-Committee scheduled to meet on 4 April 2006;

(2) subject to (1) above, the Committee's annual report for 2005/06, as amended to include the recommendations from the Environment and Economy, Health and Social Care and Lifelong Learning Scrutiny Sub-Committees and the amendments made by the Overview and Scrutiny Committee, be approved.

401. **Annual Audit and Inspection Letter:**

The Chair welcomed the Council's External Auditor from Deloitte and invited him to present the Annual Audit Letter and Inspection Letter 2004-2005.

The External Auditor highlighted the key messages set out in the Letter and reported that, in conclusion, Harrow was performing well and that the Council's services were improving. He added that, overall, Harrow was well-placed to continue to deliver sustained improvement in services that mattered to local people.

The External Auditor stated that:-

- the Council's arrangements for managing and quality assuring grant claims submitted for audit had improved;
- the audit recommendations had been accepted by officers.

A number of questions from Members were responded to as follows:-

- a timetable had been agreed in order to ensure that the accounts for 2006/07 were submitted for audit by the revised deadline of 30 September 2006;
- a late audit of the accounts would be reflected in the Council's Performance Assessment (CPA) rating;
- the Council would face a challenging year ahead with pressure on resources;
- the Director of Financial and Business Strategy had written to the Audit Commission on the Council's concerns about the timing and issuing of consultation documents, as circulated to Members at the meeting;
- there were a number of areas which could be scrutinised by the new administration.

RESOLVED: That (1) the recommendations of the Annual Audit and Inspection Letter be noted;

(2) it be noted that officers would incorporate responses to the letter in current work plans and next year's corporate and service plans as appropriate.

(See also Minute 391).

402. **2006-07 Revenue Budget and Medium Term Budget Strategy 2006-07 to 2008-09 (Risk Assessment):**

Members considered the report from the Director of Financial and Business Strategy on risk assessment in the context of the report on the Revenue Budget and Medium Term Budget Strategy approved by Cabinet on 16 February 2006.

An officer introduced the report and stated that:-

- 27 risks had been identified as set out under different categories at Appendix J to the officer report;
- the risks had been rated;
- the methodology on risk assessment would continue to be developed;

- it was difficult to compare the amount of reserves held by the Council from one year as it would not be a 'like for like' comparison.

The Chair thanked the Director of Financial and Business Strategy for the report and suggested that the Committee ought to examine the high risk areas such as energy costs which could have an adverse effect on the Council's budget.

RESOLVED: That the report be noted.

403. **Procurement Update:**

An officer highlighted some of the work carried out by the Council's procurement team and the type of support given to the Directorates. He identified the various roles performed by the procurement team such as strategic sourcing, looking at governance arrangements and the work relating to the business portal. Members noted that the Council's Contract Procedure Rules would be revised, and that the Procurement Forum had been established in order to ensure the delivery of the Procurement Strategy. They noted that the Forum would be supported by Working Groups which would investigate and resolve specific procurement issues.

Members made the following comments:-

- that publicity on waivers was essential in order to ensure that officers and Members were aware of this important element;
- that transparency was essential and that this was lacking for large contracts, as set out in the Procurement Decision Tree;
- that the efficiency of suppliers ought to be monitored proactively by the procurement function;
- that further information be provided on variances, including their impact on future budgets;
- that it was essential that the history of contracts such as the bids received, details of the contractors which had been successful and tender feedback was available on the Council's website to ensure transparency;
- that it was essential that the procurement team worked together with the voluntary sector in order to ensure benefits for all.

RESOLVED: That the report be noted and that a further report be submitted to the Committee on the issues raised at the meeting.

404. **Fairtrade:**

Members considered the report from the Chief Executive which described the actions taken by the Council since the motion on Fairtrade was passed by the Council meeting on 20 October 2005. A couple of minor amendments were made to the report at the meeting. An officer outlined the measures that had been put in place to encourage the use of Fairtrade products, including the support role provided by the procurement team.

Members welcomed the report and were encouraged by the measures that had been implemented. They asked a number of questions relating to the costs associated in implementing the measures, the budget set aside for taking the measures forward and the amount of money received by the producers, the need for the Council to take a lead on this initiative to help change the purchasing habits of its constituents including businesses to ensure that the Council's partners were involved and for a more wide-ranging business like approach to this matter.

RESOLVED: That the report be noted and that further reports be submitted to the Committee on the issues raised above.

[See also Minute 391].

405. **Strategic Performance Report - Quarter 3 2005/06:**

The Director of People, Performance and Policy introduced the report which provided Members with a coherent strategic view of the Council's performance in support of the Overview and Scrutiny Committee's role of monitoring the performance of the Council and holding the Executive to account.

The Director highlighted the challenges facing the Council and areas where improvements were required. He responded to a number of questions from Members

and explained the measures that had been put in place to address areas in which targets had not been met in order to improve performance.

Members were informed that the Local Area Agreement (LAA), which had replaced the LPSA (LPSA), would be included as a key component in reports to future meetings of the Committee.

The Director undertook to work with Members on improving the way in which information on performance was provided by the use of Information Technology (IT).

Members thanked the Director for working with the Committee in developing a comprehensive reporting system.

RESOLVED: That the report be noted.

406. **Role of the Best Value Advisory Panel:**

The Director of People, Performance and Policy introduced the report which outlined how Scrutiny would fulfil the residual duties of the Best Value Advisory Panel (BVAP), which had been dissolved, and the implications on its resources.

A Member reiterated comments that he had made at a previous meeting that he had opposed the dissolution of the Panel as he considered the functions of the Panel and Scrutiny to be different. The former was officer-led process and the latter an independent Member-led function working with local people to improve services. He suggested that officers who reported to the Panel ought to be co-opted on to scrutiny reviews.

It was noted that the Best Value review of Harrow's Economy would have to be included in the work programme by the new administration.

RESOLVED: That (1) the report be noted;

(2) that the Best Value review of Harrow's Economy be referred to the Environment and Economy Scrutiny Sub-Committee or the appropriate Scrutiny Sub-Committee set up by the new administration;

(3) that it be noted that no change was required in terms of the Overview and Scrutiny Committee's Terms of Reference.

(See also Minute 391).

407. **Preparation for the Corporate Assessment and Joint Area Review:**

Members considered the report from the Director of People, Performance and Policy which responded to reservations expressed by the Lifelong Learning Scrutiny Sub-Committee, at its joint meeting with the Health and Social Care Scrutiny Sub-Committee on 18 January 2006, on the following two inspections being carried out simultaneously:

- Joint Area Review (JAR)
- Corporate Assessment (CA).

The Director reported that the reviews had been carried out jointly in order to avoid duplication of work. He emphasised the important role of scrutiny Members in the preparations for and the conduct of the inspections by the Audit Commission and Ofsted in respect of the above reviews, and in their role in providing formal challenges to the self-assessments.

A Member stated that concerns had been expressed at the joint meeting of the Lifelong Learning and Health and Social Care Scrutiny Sub-Committees over the two inspections being undertaken simultaneously which had resulted in a lot of work for officers. She added that Members had been concerned about the impact on service delivery.

Another Member suggested that the Inspectors ought to be made aware that, at the time of the inspections, they would be dealing with a new administration and new Members.

RESOLVED: That the report be noted, in particular the role of Members in the preparations for and the conduct of the inspections.

(See also Minute 410).

408. Open Budget Process:

The Chair referred to the report on the Open Budget Process which had been circulated with the Information Circular. She stated that in her interview with the Power Inquiry, she had stressed the importance of their report on the Open Budget Process being submitted to the April 2006 meeting of the Overview and Scrutiny Committee for consideration. Members agreed with her sentiments that it was important that the report was considered under the current administration and it was

RESOLVED: That the Power Inquiry be requested to submit its findings on the Open Budget Process to the next meeting of the Committee scheduled to take place on 25 April 2006.

(See also Minute 391).

409. Joint Meeting of Scrutiny Sub-Committees:

A Member expressed concerns about holding joint meetings of the Sub-Committees, which she stated were too large and created procedural issues. It was noted that two such meetings had been programmed for the Municipal Year 2006/07 and that any review of joint meetings would be the responsibility of the new administration.

RESOLVED: That the above be noted.

410. Primary Care Trust (PCT):

Members expressed concern that they had not been made aware of the proposed closure of local clinics by the PCT which would put pressure on other front line services.

In response, the Director of People, Performance and Policy stated that the Council had been informed only that day about the threatened closures and that the Cabinet had not been made aware of this situation at an informal meeting held with the PCT on 16 February 2006. He added that the Council would ensure that the integrity of consultation was maintained and that it would respond fully and robustly to the proposals.

It was suggested that a special meeting of the Health and Social Care Scrutiny Sub-Committee be arranged to discuss the proposals with the PCT. Members agreed to discuss this suggestion outside of this meeting.

RESOLVED: That the above be noted.

(See also Minute 391).

411. Middle Management Review:

The Committee considered reports from the Director of People, Performance and Policy on phase 2 of the Scrutiny Review of the Middle Management Review (MMR) process. The reports of the Scrutiny Review Group, which had been led by Members with the assistance of an independent consultant, were also considered in both the public and private sessions of the meeting.

The review had investigated the impact of the MMR process on the organisation, specifically on middle managers who had been the subject of the process and whose dissatisfaction might have been felt in other tiers of the organisation and beyond. The Scrutiny Review Group had made a number of recommendations, which, if adopted, would help address and resolve some of the difficulties that had resulted from the MMR process thereby enabling the organisation to move forward.

Members noted that there had been general agreement across the organisation on the need for the Council to change and to re-structure its middle management tier. Members noted the key findings and endorsed the recommendations of the Review Group. They made the following comments:-

- that the review had been a challenging process;
- that the review had resulted in the loss of experienced staff;
- that improvements in the following areas were needed – project planning, project management and effective communication;
- that successful navigation of the Business Transformation Partnership (BTP) process was important and good practice was essential;

- that implementation of the recommendations of the Review Group ought to be monitored by the Overview and Scrutiny Committee;

There was consensus that the costs of the review ought to be evaluated and submitted to the Overview and Scrutiny Committee. Members sought assurance and feedback that the revised deadline (31 March 2006) for conclusion of the process would be met.

It was noted that the Committee would carry out a separate Value for Money scoping review. The Committee noted that a report would be submitted to Cabinet on 6 April 2006 for consideration. It was noted that the Corporate Management Team had been briefed on the findings of the Review Group.

The Chair thanked Members and officers for their work on the review. She also thanked participants from both within and outside the organisation for their contributions.

RESOLVED: That (1) the findings of the review of the Middle Management Review (MMR) process be noted;

(2) the recommendations of the Review Group be agreed;

(3) implementation of the review's recommendations be monitored and that monitoring reports be submitted to the Overview and Scrutiny Committee;

(4) the report be submitted to Cabinet for consideration.

412. **Sam Curling:**

The Committee noted that Sam Curling (Manager, ICT Transformation) was leaving the employ of the Council. Members thanked Sam for his contribution to the work of the Committee.

413. **Extension and Termination of the Meeting:**

In accordance with the provisions of Overview and Scrutiny Procedure Rule 67(ii)(b), it was

RESOLVED: (1) At 10.00 pm to continue until 10.30 pm;

(2) at 10.30 pm to continue until 10.40 pm;

(3) at 10.40 pm to continue until 10.45 pm.

(Note: The meeting, having commenced at 7.34 pm, closed at 10.45 pm).

(Signed) COUNCILLOR JEAN LAMMIMAN
Chair