

BEST VALUE ADVISORY PANEL**25 MARCH 2004**

Chair: * Councillor Bluston

Councillors: * Arnold (2) * Idaikkadar
 * Burchell * Vina Mithani
 * Currie * Osborn (1)

* Denotes Member present
 (2), (1) Denote category of Reserve Member

[Note: Councillors Stephenson and Davine attended the meeting in a backbenching role].

RECOMMENDATION 1: Harrow Teachers' Centre - Best Value Interim Report

The Panel received a report from the Director of Learning and Community Development, which outlined the progress of the Best Value Review of Harrow Teachers' Centre (HTC) and made interim recommendations. The Panel were reminded that the Best Value Review of HTC began in 2002. Members were asked to note that the Manager of HTC had been in post since September 2003, whilst the Director of Learning and Community Development had been in post since January 2004. The meeting heard that in February 2004 HTC had made a successful bid to the West London Learning & Skills Council for the establishment of a Professional Development Centre as part of the Skills for Life initiative. The Manager of HTC distributed a copy of a press release and a paper providing background to the Skills for Life Strategy. It was noted that young people had been the focus of the learning agenda but the Skills for Life initiative was aimed at improving the levels of adult literacy, numeracy and English for Speakers of Other Languages (ESOL). The Manager of HTC further reported that 2.4 million people across the country were not fully proficient in their jobs. It was therefore decided to carry out a feasibility study to establish whether HTC could become a Work Based Learning provider. Members were advised that an external consultant on behalf of Harrow Council was undertaking the feasibility study. The Manager of HTC read out the Centre's mission statement. The Portfolio Holder for Education felt it was important that HTC be used as a focus for the provision of Work Based Learning in order to increase the literacy, numeracy and overall competence of the Council workforce in accordance with the Council's Human Resources Strategy.

The Panel discussed the financial arrangements of HTC. Members were informed that HTC received income through Service Level Agreements (SLA) with the Borough's schools as well as room hire, catering, equipment and office charging. The software with which HTC operated its room bookings system had caused a number of problems. New software was due to be installed by August 2004. In 2002/03 HTC received 4,440 room bookings, amounting to 16,286 hours of usage. Of this the former Education Department, schools and other Council departments used 11,549 hours. During school term-times the occupancy rate of rooms at HTC by the Education Department and other Council departments was 65.8%. The Manager of HTC explained that efforts would be made to increase the use of the facilities. A publicity campaign was proposed, to raise awareness and increase the occupancy rate, whilst the new computer software was designed to enable bookings to be monitored and managed more effectively. The Manager of HTC distributed an advertisement featured in a recent edition of the Harrow People Magazine and a leaflet to highlight the services available at the HTC. The Manager of HTC was asked to update the Panel on these figures in 6 months time.

The meeting heard that the SLA, undertaken with First, Middle and High schools, could provide up to £173,000 for the 2003/04 financial year. However the Borough's High Schools had decided to opt-out of the SLA for 2003/04, which had contributed to a budget shortfall of £71,000. Members were informed that instead of the SLA, income would be provided through a new 'pay-as-you-go' system for room hire from 1st April 2004. The Manager of HTC argued that this new system would remove the hidden subsidies of the old system, which was deemed unfair as it often placed a heavy burden on users who were not frequent customers of HTC. It was explained that under the previous system schools had to pay through the SLA regardless of how much use they made of the facilities at HTC. Under the proposed 'pay-as-you-go' system schools would be paying for their actual use of the facilities. Members were referred to Appendix A but were warned to be cautious of these figures given that School Development Services, Early Years and other sections of the former Education Department were not previously charged on a 'pay-as-you-go' system but were rather given access to the facilities through the SLA. It was added that non-priority users would face a large increase, primarily because they were being heavily subsidised

beforehand by the SLAs. It was made clear that in future non-priority users would have to pay the market price for facilities at HTC. The Panel noted that the figures in Appendix A detailing the charges for non-priority users were incorrect. The Manager of HTC confirmed that the appropriate amendments would be made. Members were also advised that HTC had decided to change the phrases 'priority' and 'non priority' users and instead categorised users as 'Harrow Council' and 'external.'

The Panel were referred to page 26 of the agenda, which concluded that higher charges were required in order for the HTC to avoid serious financial difficulties. The fees agreed at Cabinet were due to cover the period from 1st April to 31st August. It was argued that fees for the remaining two-thirds of the financial year would have to be higher than those agreed at Cabinet.

The Panel discussed the competition that HTC would face if higher charges were introduced. The Manager of HTC made clear that it was not a level playing field particularly as some Council sections including the Central Training Unit, paid no fees for booking training events in rooms at the Civic Centre. The meeting went on to hear that the Best Value Group at HTC had made comparisons against local competitors, including the Watford Hilton, Cumberland Hotel and Grimsdyke Hotel. It was concluded that on the basis of the appraisal undertaken, HTC would remain competitive. Members noted a number of benefits of using HTC including free parking, which many of its competitors could not boast. The Panel also agreed that HTC needed a number of improvements in order to make it a user-friendly environment and in turn enhance its appeal to customers. A Member asked whether the demand for rooms remained high. It was reported that competition for rooms was very high, particularly in the internal market. Whereas demand for rooms had been high under the SLA the Panel agreed that it would be difficult to establish whether this was down to the low charges previously applied. Enquiries were also made in relation to the catering provision at the HTC. It was noted that eight extra places in the restaurant had already been introduced.

Members enquired as to why the High Schools had decided to opt-out of the SLA. The Manager of HTC could not answer for the High Schools but suggested that they felt they were not getting value for money. It was noted that if the High schools had opted-out of the SLA due to a lack of funds then they would be unlikely to enter the pay-as-you-go scheme. However if High schools were booking facilities at HTC under the 'pay-as-you-go' system then it would be apparent that they felt the SLA did not provide value for money. It was reported that discussions with the High Schools would take place with the hope of seeing them re-enter the SLA. The Manager of HTC would report back on any developments at a future meeting of the Panel.

Members discussed the competition HTC faced with the Committee Rooms at the Civic Centre. Although the Central Training Unit often favoured the facilities at the HTC, they received free accommodation at the Civic Centre. The need for a level playing field in terms of providing facilities was recognised by the Panel. Members noted that this issue would be discussed at a future meeting of the Grants Advisory Panel. It was further suggested that the Panel add to its recommendations, a review of the internal charging system for committee rooms.

Resolved to RECOMMEND: (To Cabinet)

That (1) the Best Value Report of Harrow Teachers' Centre be incorporated into and superseded by the feasibility study into the potential development of Harrow Council as a Work Based Learning provider;

REASON: Important changes, including the potential development of Harrow as a Work Based Learning Provider may significantly affect the outcome of the recommendations of the Best Value Review report.

(2) there be a change to the rate of fees and charges for using the Teachers' Centre above the rate of approximately 2.8% agreed at Cabinet;

REASON: The Service Level Agreement with schools for using the Teachers' Centre will cease on 31st March 2004. Use of the Teachers' Centre (e.g. attendance at INSET sessions by school staff) will instead be on a pay-as-you-go basis for all users from 1st April 2004. An interim rate of fees and charges was approved by Cabinet based on an inflationary increase of 2.8% pending the recommendations from the Best Value Report.

(3) a review of the Civic Centre committee room booking system be undertaken.

REASON: In order to determine the impact of free use of the Council committee rooms and other facilities upon the demand for facilities at the Harrow Teachers' Centre.