

PERFORMANCE AND FINANCE SCRUTINY SUB-COMMITTEE**20 JULY 2009**

Chairman: * Councillor Mark Versallion

Councillors:	* Mrs Margaret Davine (2)	* Phillip O'Dell
	* B E Gate	* Anthony Seymour
	* Ashok Kulkarni	* Mrs Rekha Shah
	* Janet Mote	* Dinesh Solanki
	* Christopher Noyce	* Yogesh Teli

* Denotes Member present

(2) Denotes category of Reserve Member

[Note: The Portfolio Holder for Performance, Communication and Corporate Services also attended this meeting to speak on the item indicated at Minute 132 below.

The Portfolio Holder for Adults and Housing also attended this meeting to speak on the items indicated at Minutes 132, 133, 134 and 135 below].

PART I - RECOMMENDATIONS - NIL**PART II - MINUTES**123. **Appointment of Chairman:**

RESOLVED: To note the appointment (of Councillor Mark Versallion) at the special meeting of the Overview and Scrutiny Committee on 11 May 2009 under the provisions of Overview and Scrutiny Procedure Rule 11.2 as Chairman of the Sub Committee for the Municipal Year 2009/2010.

124. **Attendance by Reserve Members:**

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

<u>Ordinary Member</u>	<u>Reserve Member</u>
Councillor Ms Nana Asante	Councillor Mrs Margaret Davine

125. **Declarations of Interest:**

RESOLVED: To note that the following interests were declared:

Agenda Item 11 – Scrutiny Review of Obesity – Eighteen Month Update

Councillor B E Gate declared a personal interest in that his wife worked in a General Practice and his daughter occasionally worked in another. He would remain in the room to take part in the discussion and decision relating to this item.

Councillor Janet Mote declared a personal interest in that her daughter was a paediatric nurse. She would remain in the room to take part in the discussion and decision relating to this item.

Councillor Mark Versallion declared a personal interest in that he was a non-executive board Director of the North West London NHS Hospitals Trust. He would remain in the room to take part in the discussion and decision relating to this item.

Agenda Item 12 – Progress Update – Lean Housing Responsive Repairs Project

Councillor Yogesh Teli declared a personal interest in that he was Assistant (Support Member) to the Portfolio Holder for Adults and Housing. He would remain in the room to take part in the discussion and decision relating to this item.

Councillor Dinesh Solanki declared a personal interest in that, from September 2009, he would be Assistant (Support Member) to the Portfolio Holder for Adults and Housing. He would remain in the room to take part in the discussion and decision relating to this item.

Councillor Barry Macleod-Cullinane declared a prejudicial interest in that as the Adults and Housing Portfolio Holder and a Member of the Executive, he had been involved in decisions relating to this matter. Under the provisions set out under the Code of

Conduct for paragraph 12.1 (2) (Part 5A of the Council's Constitution), and at the Chairman's invitation, he would remain in the room for the purposes of making representations, answering questions or giving evidence relating to the business.

Councillor Paul Osborn declared a prejudicial interest in that he was the Performance, Communication and Corporate Services Portfolio Holder and a Member of the Executive, he had been involved in decisions relating to this matter. Under the provisions set out under the Code of Conduct for paragraph 12.1 (2) (Part 5A of the Council's Constitution), and at the Chairman's invitation, he would remain in the room for the purposes of making representations, answering questions or giving evidence relating to the business..

Agenda Items 13/14/15: Decent Homes/Right to Manage/Housing Revenue Account
Councillor Yogesh Teli declared a personal interest in that he was Assistant (Support Member) to the Portfolio Holder for Adults and Housing. He would remain in the room to take part in the discussions and decisions relating to these items.

Councillor Dinesh Solanki declared a personal interest in that, from September 2009, he would be Assistant (Support Member) to the Portfolio Holder for Adults and Housing. He would remain in the room to take part in the discussion and decision relating to this item.

Councillor Barry Macleod-Cullinane declared a prejudicial interest in that as the Adults and Housing Portfolio Holder and a Member of the Executive, he had been involved in decisions relating to this matter. Under the provisions set out under the Code of Conduct for paragraph 12.1 (2) (Part 5A of the Council's Constitution), and at the Chairman's invitation, he would remain in the room for the purposes of making representations, answering questions or giving evidence relating to the business.

126. **Appointment of Vice-Chairman:**

RESOLVED: To appoint Councillor B E Gate as Vice-Chairman of the Sub-Committee for the 2009/2010 Municipal Year.

127. **Minutes:**

RESOLVED: That the minutes of the meeting held on 31 March 2009 be taken as read and signed as a correct record.

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

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

129. **References from Council and Other Committees/Panels:**

RESOLVED: To note that there were no references from Council or other Committees.

130. **Chairman's Report:**

In accordance with the Local Government (Access to Information) Act 1985, this item was admitted late to the agenda in order that the Sub-Committee could agree any actions arising for implementation. The report had not been available at the time the agenda was dispatched and circulated due to the proximity of the Chairman's Briefing to the meeting.

The Chairman introduced a report, which set out issues considered by him since the last meeting of the Sub-Committee.

A Member suggested that, in relation to the proportion of gas servicing certificates outstanding, as identified in the Improvement Board Housing Scorecard, Kier be encouraged to address the problem. The Chairman replied that the issue could be included in the next quarterly review if it remained unresolved.

RESOLVED: That (1) the report be endorsed;

(2) the following issues be examined when the 2009-10 Q1 scorecards become available:

- Improved street and environmental cleanliness – litter, detritus and graffiti

- Average time in B&B (weeks)
- Tenants with more than 7 weeks rent arrears (as a percentage of total number of tenants)
- Provision of Gas Servicing Certificates outstanding
- Reviews for clients 18+ as a percentage of total service users
- Percentage in residential accommodation.

(3) the Chairman submit a summary of Harrow-wide performance issues, as identified through the Chairman's meetings and the performance and Finance Scrutiny Sub-Committee, to the next available meeting of the Overview and Scrutiny Committee.

131. **Scrutiny Review of Obesity - Eighteen Month Update:**

In accordance with the Local Government (Access to Information) Act 1985, this item was admitted late to the agenda in order that the Sub-Committee could consider the update provided. The report had not been available at the time the agenda was dispatched and circulated due to the need to compile a large number of contributions from different directorates and external partners.

The Sub-Committee considered a joint report of various Council Directorates and the Harrow Primary Care Trust, which provided an update on progress with implementing the recommendations of the scrutiny review of obesity, completed in January 2008.

The location of vending machines in council buildings was queried. There was concern that the Council's aim to encourage healthy eating options was not being adequately promoted, and the installation of machines dispensing chocolate and crisps went against the answers given by the Leader of the Council's and the Chief Executive's assurance that such machines would not be installed. It was noted that where the machines were located there was always a healthy option available. Members also acknowledged that adults had the ability to make informed choices regarding what they ate.

A Member commented that the development of the obesity strategy had been planned before the scrutiny review of obesity began and expressed concern that there had not been a published account of overall developments. It was stated that the latest indication from the Harrow Primary Care Trust was that the obesity strategy would be delivered over three years, but that the latest version of the strategy had not yet been reported to a scrutiny committee. It was noted that, as it was a joint venture, a proactive approach was required by all relevant parties.

A Member commented that the Council-run Men's Health Week was well organised and he would enquire if there were plans to repeat the event. Another Member added that it appeared that men were less likely to approach their doctors for check-ups, which might identify cancer in its early stages. The Chairman stated that the issue of communicating the importance for men to attend check-ups would remain on the agenda until everybody was satisfied that sufficient gains had been made.

A Member suggested that the obesity strategy might benefit from a visible conclusion, one where an evaluation could be made as to whether the process had been successful or not, thereby providing a platform for further recommendations. It was noted that, due to the multi-disciplinary approach it might appear that the obesity strategy was unfocused. The Vice-Chairman added that, as the obesity strategy would be wrapped up in 2010, it would be advisable that a report on the progress of the obesity strategy be presented to the next Sub-Committee after the May 2010 Local Government elections.

RESOLVED: That the report be noted.

(See also Minute 125).

132. **Progress Update - Lean Housing Responsive Repairs Project:**

The Corporate Director of Adults and Housing introduced a report, which provided the background and an introduction to the processes involved in a Lean Project and the decision to engage with a number of Directorates to commence a pilot review of the Housing Responsive Repairs service. The report set out areas where there was significant potential for improving the service, in addition to an outline of the progress made to date.

The Corporate Director informed the Sub-Committee that, as part of the Council's service improvement drive, a Lean Thinking Pilot Project had been commissioned with the aim of training the team to be able to identify and establish new approaches to service improvement and efficiency as well as capacity building across the Housing Responsive Repairs service. He added that there were two factors driving this Project: (i) significant budget pressures on the repairs service (ii) the results of the tenants' satisfaction survey, highlight the poor quality of repairs.

The Lean Thinking Pilot Project was also concerned with analysing, in a methodical and sensible manner, the complex relationship between the Council, its contractors and its stakeholders. An internal perspective would be eschewed in favour of the tenants' points of view, which it was hoped would better highlight what was working effectively and what was not working. The project consisted of four stages, of which two were currently underway:

- Mobilisation phase: providing an overall view of the Housing Response Repairs system;
- Analysis phase: taking a more detailed view by bringing together front line staff and managers to analyse the nature of demand, capacity, flow and waste across all aspects of the Housing Response Repairs system.

The Corporate Director of Adults and Housing added that three problems had been identified:

- the financial control process: this was a large area with over 50% of orders requiring variance (where Kier had to report back when work was perceived to cost more than initially advertised). Variances had been highlighted as an issue which caused delays;
- parts availability: Kier did not hold spare parts locally which could lead to further delays;
- workman quality and recalls: the team had identified that variable work quality and the need for customers to request a recall to a property to address problems was responsible for 15% of waste in the system.

Implementation would be the third phase of the Project, which would look to review and address the financial control process by early October 2009, with the following two areas addressed one after the other.

The Portfolio Holder for Adults and Housing commented that if the Project was a success it could be used as a toolkit which could be rolled out across the Council in an effort to aid the Transformation Project.

In response to questions it was confirmed that:

- the Lean Thinking Pilot Project was a radical concept which aimed to view the responsive repairs service from the tenants' perspective;
- removing the variances would help drive down costs, with inspectors freed up to inspect jobs and improve quality and operators able to undertake a greater proportion of jobs at first visit;
- approximately 2,000 repairs out of the 15,000 completed a year would be affected by the variation;
- Kier had acknowledged that availability of parts was a failing area. The project would help identify key parts that ought to be stocked;
- presently, parts for repairs were largely ordered and purchased on an 'as-and-when-needed' basis;
- Kier were looking into the possibility of sharing stock with their contracts in other local authorities;
- repairs were classified on a priority basis. A review of the classifications had been suggested in an effort to reduce delays and improve the workflow;

- the Housing Revenue Account (HRA) negative subsidy and the budgetary constraints on Harrow Council resulted in a large proportion of time and effort being focused on what was a relatively small service area;
- the Council was not interested in outsourcing the management of properties. It felt that a close relationship between the authority and its tenants was extremely important;
- it was felt that tenants had high expectations of the quality of repairs;
- repair work needed to be completed where possible in the first instance;
- the Project had identified that overly bureaucratic processes linked to financial control, were keeping surveyors in the office and not on-site;
- the focus of the project would be more on the customer and less on the structure of the responsive repairs service. However, structural issues would be addressed should any potential gains be identified;
- for the vast majority of repairs, a pre-tendered schedule of rates was applied, which broke down the cost of the job;
- to respond quicker to repairs, contractors with appropriate tools aimed to attend properties during the first visit. It was felt that significant delays and additional cost would occur if an inspection by a surveyor were to take place first on all occasions;
- all feedback from customers was of value. An effort would be made to improve the quality and methods of collecting information;
- a challenge panel would be established before the end of the calendar year. The Chairman and Vice-Chairman would meet with officers to draft the scope of the challenge panel. This would then be distributed to the scrutiny volunteers.

RESOLVED: That (1) the report be noted;

(2) a challenge panel would be established before the end of the calendar year. The Chairman and Vice-Chairman would meet with officers to draft the scope of the challenge panel. This would then be distributed to the scrutiny volunteers.

(See also Minute 125).

133. **Decent Homes:**

The Corporate Director of Adults and Housing introduced a report, which provided an update on the 2009-2011 decent homes project. A Stock Condition Survey (SCS) had been completed at the end of April 2009 and an analysis of information was continuing with the aim of developing the most cost effective programmes of work to deliver the decent homes target by December 2010. An additional investment of £4.5 million had been allocated to the project in order to bring the stock to the required level.

In response to questions, officers confirmed that:

- further work would be undertaken to merge the known completed works into the cloned SCS data to ensure that it provided the most accurate possible reflection of the condition of the stock;
- there was a distinction between the Harrow standard of decent homes and that of the government. It was regarded that the Harrow standard was of a higher quality;
- the quality of the data held on stock in 2008 was not satisfactory. Improvements had been made for 2009;
- the Mill Farm estate might be bought by the Housing Association. Therefore, the report provided an approximate view of the current condition of the project.

RESOLVED: That the report be noted.

(See also Minute 125).

134. **Right to Manage:**

The Corporate Director of Adults and Housing reported orally on the status of the Right to Manage project. In response to scrutiny's recommendation to improve communications with tenants involved in the project, a number of points were clarified:

- the project was not officer-led, with legislation placing the onus on tenants to take responsibility for the management of their involvement;
- there was no evidence from tenants that they believed the project would be beneficial;
- officers felt that if tenants did not wish to be involved in the project then there was little need for promoting it;
- there had been complaints from many tenants' associations regarding First Call, the organisation handling the Right to Manage project. Residents had also expressed concerns about the overall aims of the project;
- the Council could communicate the option of Right to Manage to tenants' associations on a yearly basis in order to keep the dialogue open without placing them under any undue pressure.

RESOLVED: That the report be noted.

(See also Minute 125).

135. **Housing Revenue Account:**

The Portfolio Holder for Adults and Housing reported orally on the Housing Revenue Account (HRA). Overall the HRA had seen improvements, with the number of repairs, void properties and costs being reduced. Financial control had been tightened compared to 2008 and it was anticipated that a balanced budget would be delivered at the end of the next fiscal year.

The HRA negative subsidy accounted for the loss of approximately £6.5 million from the budget, with the amount being paid to other authorities in England. Although the government was looking to abolish the HRA Negative Subsidy, such proposals had been put forward before with no action taken. If changes were made to the primary legislation and the HRA Negative Subsidy was abolished, it was expected that Harrow Council would not see any effect until the 2011/12 financial year. Such a change would, however, allow new options for the investment of capital.

The Portfolio Holder for Adults and Housing concluded that evidence from a 'light-touch' challenge panel could be used as the basis for submission to government, and that cross-party lobbying was needed to give a clear indication that a change to the HRA Negative Subsidy was greatly desired.

RESOLVED: That (1) the report be noted;

(2) the Overview and Scrutiny Committee consider undertaking a challenge panel on the HRA negative subsidy issues, to feed into the Council's overall lobbying position around loss of monies in HRA.

(Note: The meeting having commenced at 7.32 pm, closed at 9.57 pm)

(Signed) COUNCILLOR MARK VERSALLION
Chairman