

PERFORMANCE AND FINANCE SCRUTINY SUB-COMMITTEE MINUTES

6 APRIL 2011

Chair: * Councillor Sue Anderson

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

* Denotes Member present

28. Attendance by Reserve Members

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

29. Declarations of Interest

RESOLVED: To note that the following interests were declared:

Agenda Item 13 - Response to Recommendations on Community Sustainability made by the Overview and Scrutiny Sustainability Review

Councillor Sue Anderson declared a personal interest in that she was a volunteer walk leader, health trainer and neighbourhood champion. She would remain in the room whilst the matter was considered and voted upon.

Councillors Tony Ferrari and Varsha Parmar declared a personal interest in that they were neighbourhood champions. They would remain in the room whilst the matter was considered and voted upon.

30. Minutes

RESOLVED: That the minutes of the meeting held on 18 January 2011, be taken as read and signed as a correct record.

31. Public Questions, Petitions and Deputations

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

32. References from Council and Other Committees/Panels

RESOLVED: To note that there were no references.

RESOLVED ITEMS

33. Chair's Report

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

In response to questions raised by the Committee, the Divisional Director of Finance and Procurement advised that:

- in response to the concerns raised by the Sub-Committee in relation to budget forecasting compliance at the previous meeting, compliance matters were included in the reports prepared by Finance Business Partners for each Directorate. It considered that this was the most effective and efficient way of managing non-compliance. The Divisional Director indicated that she would be able to provide a fuller report on forecasting compliance at the end of Quarter 1. Members considered that their understanding of the issue would be assisted by having the figures for non-compliance in departments in monetary as well as in percentage terms;
- the budget was approved annually by Council and considered and monitored by Cabinet on a quarterly basis. The Capital and Revenue accounts were monitored by finance officers on a monthly basis in accordance with the accounting principles that applied;
- with regard to payment to suppliers, officers had initiated a number of actions that would tighten controls within the system used to raise purchase orders. This would be closely monitored to ensure that the correct procedures to raise purchase orders and pay invoices received from suppliers were being followed. The Chair and Vice-Chairman of the Sub-Committee would be briefed further on areas of non-compliance.

Members requested that officers provide more detailed monitoring information on the budget to the Sub-Committee. In response, officers advised that this information would be presented quarterly to the briefing meetings with the Chair and Vice-Chairman of the Sub-Committee. It was agreed that any concerns identified, would be brought to the attention of other Members of the Sub-Committee.

RESOLVED: That the report be noted.

34. Draft Performance and Finance Scrutiny Sub-Committee section of the Annual Report 2010/11

The Sub-Committee received a report that contained the draft of the Sub-Committee's section of the Scrutiny annual report for 2010/11.

Members commented that the draft was a fair representation of the Sub-Committee's work over the past municipal year.

RESOLVED: That the details of the draft report be noted.

35. Revenue and Capital Monitoring for Quarter 3 as at 31 December 2010

An officer presented a report that set out the Council's revenue and capital monitoring position as at 31 December 2010. She stated that the report had previously been discussed at the Cabinet meeting on 10 February 2010.

The Sub-Committee were advised that:

- the total projected revenue outturn for the Council was £175.159m which represented an underspend of £0.866m, comprising a forecast overspend by Directorates of £0.416m and an underspend of £1.282m on corporate budgets;
- from the total revenue carry forwards from 2009/10 of £2.153m, £1.978m had now been allocated. However, as some of these projects did not go ahead, this money was reabsorbed by the general balance and used to support other Council projects.

Members sought clarification on some key matters outlined in the report to which officers responded to as follows:

- there was always a level of prudence in financial forecasts as there was an underlying assumption that directorates would take appropriate action to ensure they delivered within budget. It was considered that this would improve the year end position on the balance sheet and reduce financial pressures on ongoing projects;
- officers were keen to limit the number of carry forwards in the future. This would encourage directorates to continue to support projects that delivered on priorities and provided efficiencies.

The Sub-Committee requested a reconciliation between the reduction in the forecast capital financing costs and the forecast spend on the capital programme.

RESOLVED: That the report be noted.

36. Update on actions arising from the scrutiny review 'Delivering a Strengthened Voluntary Sector'

The Sub-Committee received a report that presented an update on actions taken to address the recommendations of the Overview and Scrutiny Committee report 'Delivering a strengthened voluntary sector' completed in December 2008.

The Sub-Committee noted the positive progress made, and its incorporation into the Third Sector Strategy working group action plan. In addition, the Sub-committee noted the progress against the recommendations that were adopted by Cabinet in March 2009.

The Sub-Committee commented that the report did not fully consider the impact that the demise of Harrow Association of Voluntary Services (HAVS) would have on the recommendations outlined in the report. The Sub-Committee considered that the report should contain information that outlined any interim arrangements that had been put into place.

In response, an officer advised that:

- the Voluntary Sector Compact contained a set of principles that govern the relationship between the voluntary sector and the Council. The delivery of actions around the Compact had been completed in partnership with the voluntary sector in Harrow which included HAVS as well as other organisations;
- Compact challenges were monitored by the Service Manager of Policy and Partnerships. Officers would seek clarification on how the voluntary sector would continue to be involved;
- the funding code for the Compact document was subject to consultation with Councillors, officers and external colleagues. It was anticipated that the final draft would be ready by July 2011;
- officers would clarify whether a register of community premises for use by the voluntary and community sector had been compiled;
- the Council had entered into an informal agreement for joint line management responsibility of the funding officer. Although the post was jointly funded by the Council, HAVS had overall responsibility for the day-to-day management of the post;
- officers would provide a further update on the implications of the closure of HAVS on the delivery of recommendations made by Overview and Scrutiny.

Following the discussion, the Sub-Committee agreed that officers prepare a revised report on the impact of the HAVS closure and delivery of recommendations made by Overview and Scrutiny to a future meeting of the Overview and Scrutiny Committee.

RESOLVED: That

- (1) the report be noted;
- (2) officers prepare a report for the Overview and Scrutiny Committee that outlined the implications of HAVS closure on the delivery of recommendations made by Overview and Scrutiny.

37. Updated Response to Scrutiny Standing Review of the Budget (Report from Phase Two)

An officer presented a report that provided an update to the recommendations in the report from Phase Two of the Scrutiny Standing Review of the Budget. An updated version of Appendix 1 to the report, which included the Corporate Director of Place Shaping's response to the recommendations, was tabled at the meeting. The Sub-Committee agreed to consider it as a matter of urgency to ensure that the responses to the recommendations from the Corporate Director of Place Shaping could be considered.

The officer referred to the recommendations and reported that:

- the Council had compiled a property strategy that had been used as a guide for asset development and disposal decisions during 2010/11. Following changes in relation to the localism agenda and within the National Health Service (NHS) by the coalition government, Harrow's Strategic Partnership (HSP) wide strategy had not been developed further;
- engagement with partners, including the police, Primary Care Trust (PCT) and doctors would influence future asset planning. This ongoing collaboration would contribute to the redevelopment of the Civic Centre and integration of the children's strategy;
- officers had made good progress in finalising the planning documents that formed the Local Development Framework (LDF) Core Strategy. The strategy had been revised and restructured on an area basis. An area action plan for the Harrow and Wealdstone Intensification Area had been incorporated in the Local Development Scheme (LDS). The scheme set out the timetable for the preparation of documents that supported the implementation of the Core Strategy;
- in response to the fourth recommendation, co-location arrangements with the Council's partners' had taken place. Examples of these arrangements included Alexandra Avenue Health Centre, Neighbourhood Resource Centres and Safer Neighbourhood Offices. The 2011/12 capital Medium Term Financial Strategy (MTFS) provided an opportunity for the acquisition of property to develop further strategic objectives;

- an Area Action Plan (AAP) for Central Harrow had incorporated the Strategic Sites Development Programme recommended by the review. Consultation on the AAP was programmed to commence in Spring 2011. The final AAP would identify key development sites owned by the Council and would support a strategy on how to develop these sites in the future;
- in the current economic climate, the commercial property portfolio continued to be managed and maintained with a high level of occupancy which was currently held at 99%. Leases and rents totalled £2 million and officers would explore whether these premises could be used by the third sector.

In response to a request from Members, an officer confirmed that the Sub-Committee would receive an update on whether the Council was receiving the best value out of the existing property portfolio.

RESOLVED: That the report be noted.

38. Response to Recommendations on Community Sustainability made by the Overview and Scrutiny Sustainability Review

The Sub-Committee received a report that set out the Council's response to the recommendations for the community sustainability set out in the Overview and Scrutiny Committee's 'Sustainability Review' completed in February 2010. An officer reported that the actions taken in response to the recommendations outlined in the review supported the Council's vision of 'Working together: Our Harrow, Our Community' and its corporate priorities. She added that officers were continuing to promote community cohesion by supporting new arrivals in the borough and undertaking neighbourhood projects.

Members sought clarification on a number of matters outlined in the appendix to the report, to which the officer responded as follows:

- some strands of the action plan outlined proposals that should improve community engagement. It was noted that the demonstration in September 2009 had been successfully managed by the Council in partnership with leaders of the Muslim community. This success was partly attributed to the intelligence gathering and planning completed by the Council and its partners. Other local authorities had cited the management of the demonstration as an example of good practice;
- officers had considered and implemented appropriate intervention measures that addressed extremism and provided support to vulnerable individuals. Schools and communities worked in partnership with the police by identifying those at risk of extremism and taking necessary action;
- community cohesion activity within schools might be affected by some schools being awarded academy status as these schools would be

independent of local authority control. Changes within OFSTED would also impact on how this could be delivered in the future;

- officers would present an updated Community cohesion action plan that reflected changes that had been made, to the next meeting of the Chair and Vice-Chairman.

RESOLVED: That the update be noted.

39. Sustainability review (2009-10) - Progress report on Climate Change

The Sub-Committee were asked to accept the Information Report that provided an update on the actions taken in relation to the recommendations arising from the sustainability review completed by Overview and Scrutiny Committee.

It was agreed that the Chair and Vice-Chairman would receive a briefing on the report. Members requested that a more comprehensive report, that included comments from the Cabinet meeting on 19 April 2011, be presented at a future meeting.

RESOLVED: That

- (1) the item be deferred;
- (2) the Chair and Vice-Chairman receive a briefing on the report;
- (3) officers present a comprehensive report to a future meeting of the Sub-Committee.

(Note: The meeting, having commenced at 7.35 pm, closed at 9.35 pm).

(Signed) COUNCILLOR SUE ANDERSON
Chair