

OVERVIEW AND SCRUTINY COMMITTEE MINUTES

5 JULY 2011

Chairman: * Councillor Jerry Miles

Councillors:

* Sue Anderson	* Paul Osborn
* Kam Chana	* Sachin Shah
* Tony Ferrari (2)	* Victoria Silver
* Ann Gate	* Stephen Wright

Voting Co-opted: (Voluntary Aided) (Parent Governors)

* Mrs J Rammelt
Reverend P Reece

In attendance: * Brian Gate Minutes 156, 159 and 161
(Councillors) * Mitzi Green Minutes 156 and 160

* Denotes Member present
(2) Denote category of Reserve Member
† Denotes apologies received

154. Welcome

The Chairman welcomed everyone to this meeting, which was themed around children and young people, including Councillor Mitzi Green, Children's Services Portfolio Holder, Councillor Brian Gate, Portfolio Holder for Schools and Colleges, and Julia Rammelt, Co-opted Member for the Roman Catholic Diocesan Education Service.

155. Attendance by Reserve Members

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

Ordinary Member

Reserve Member

Councillor Barry Macleod-Cullinane

Councillor Tony Ferrari

156. Declarations of Interest

RESOLVED: To note that the following interests were declared:

Agenda Item 8 – Transfer of Harrow High Schools to Academy Status

Councillors Tony Ferrari, Jerry Miles, Sachin Shah and Stephen Wright declared personal and prejudicial interests in that they were governors at high schools which were converting to Academy status. They would leave the room whilst the matter was considered and voted upon. Councillor Stephen Wright also declared a personal interest in that his wife was a teacher at a Harrow school.

Councillor Sue Anderson declared personal interests in that her son was at one of the high schools which was converting to Academy status, and she was a member of UNISON. She would remain in the room whilst the matter was considered and voted upon.

Councillor Ann Gate declared a personal interest in that her husband, Councillor Brian Gate, was the Portfolio Holder for Schools and Colleges, with responsibility for this issue. She would remain in the room whilst the matter was considered and voted upon.

Councillor Brian Gate, who was not a member of the Committee, declared a personal interest in that he was a Governor of a primary school, which was not converting to Academy status. He would remain in the room whilst the matter was considered and voted upon.

Agenda Item 10 – School Place Planning in Harrow Schools

Councillor Ann Gate declared a personal interest in that her husband, Councillor Brian Gate, was the Portfolio Holder for Schools and Colleges, with responsibility for this issue. She would remain in the room whilst the matter was considered and voted upon.

Councillor Tony Ferrari declared a personal interest in that he was a governor at a primary school which had taken one of the 'bulge' classes. Councillor Mitzi Green, who was not a member of the Committee, also declared a personal interest in that she was a governor at a primary school which had taken one of the 'bulge' classes. They would remain in the room whilst the matter was considered and voted upon.

157. Minutes

RESOLVED: That the minutes of the meeting held on 14 June 2011 be taken as read and signed as a correct record.

158. Public Questions/Petitions/Deputations

RESOLVED: To note that no public questions were put, or petitions or deputations received at this meeting under the provisions of Committee Procedure Rules 17, 15 and 16 (Part 4B of the Constitution) respectively.

RESOLVED ITEMS

159. Transfer of Harrow High Schools to Academy Status

The Chairman having declared a personal and prejudicial interest in this item and left the room, the Vice Chairman, Councillor Paul Osborn, took the chair.

The Committee considered a report of the Corporate Director of Children's Services, which set out the context, history, Harrow Council response and work undertaken relating to the transfer of seven Harrow high schools to Academy status.

It was reported that Harrow had embarked on one of the largest transfers to Academy status in the country, and the Portfolio Holder for Schools and Colleges, who was present, stated that this had required a huge effort across the Council. He was very proud of the officers and what had been achieved. He was also pleased that procedures had been put in place and lessons learnt from the process, which could be drawn on in the event that other schools wished to transfer in the future.

Members expressed surprise that so many Harrow high schools had wished to transfer given that the Council had historically had a good relationship with its schools and had provided them with good quality support. They questioned the reasons for this and whether any primary schools had expressed an interest in following suit. The Corporate Director of Children's Services highlighted that only schools rated by Ofsted as 'outstanding', or 'good' with one or more outstanding features, could apply for Academy status, and that Harrow was one of few Boroughs with a large number of schools fulfilling those criteria. She also suggested that there might be a view among the schools that the Authority had spent more capital expenditure on secondary schools in recent years and that future capital programmes were likely to focus on primary schools; the secondary schools might therefore feel that they could secure more funding for capital improvements from central government. To date, two primary schools had shown some interest in transfer to Academy status. It was nationally recognized however that most primary schools did not operate at a scale that made transfer financially straightforward. Primary schools, in partnership with the Council had established the Harrow Schools' Improvement Partnership in order to support and assist primary schools.

There was concern about the impact on those schools which were not converting to Academy status. It was advised that schools, including Whitmore High School and the special schools, would continue to operate as a collegiate, for example buying as one group. If the new Academies changed their admissions criteria, however, this would have an impact. Members also queried the impact on exclusions policy, and where excluded pupils would be admitted to. It was advised that officers had had discussions with the Academies that would help to move pupils that were at risk of exclusion, but that a protocol for those pupils who were permanently excluded had yet to be finalised, and this was a concern as there would be only one mainstream community high school remaining.

Members were concerned about the adequacy of the consultation undertaken by the governing bodies considering transfer to Academy status, and sought further information on this. It was stated that the Academies Act 2010 contained only minimal requirements for consultation. The Portfolio Holder for Schools and Colleges felt that the requirements should have been more stringent, as Academies were funded from the public purse and ultimately affected the lives of young people. However, the Council had been successful in working with the schools to broaden their consultation processes and, as a result, hundreds of responses had been received. The number of parents who had responded varied, and attendance at public meetings had ranged from 20-30 to 200. Members felt it would be helpful to know more about which methods of consultation were most effective so that this could be included in the Council's information on the lessons learnt from the transfer process, and officers undertook to ask the schools to provide this.

An update on the position with regard to Service Level Agreements (SLAs) was requested and whether it was cost-effective for the Authority to continue providing all the services it currently provided was queried. Members suggested that this might be an opportunity to stop providing some services, given the Council's financial situation. In response, it was advised that the Academies were working on the basis of the academic year, so some of those already signed up to SLAs until April next year were looking to extend them to September. There were areas where SLAs had not previously existed, for example in relation to admissions and safeguarding, so these were still being developed. £4.4m was currently invested in SLAs across the Council, however, and it would place budgets at risk if the Academies withdrew from them. In addition, the Council had a responsibility to provide the services to other schools which had not transferred to Academy status, and if the Academies withdrew from services, unit costs for the remaining schools would increase. Members sought assurance that the SLAs would include all of the Council's fixed costs, and it was advised that all direct costs were currently being recovered, but there was a delicate balance to be struck between recovering the Council's full costs and the Council pricing itself out of the market. The position would vary for each SLA. A Member was concerned whether the Council's model was as robust as it should be, and requested that a further report on SLAs be submitted to a future meeting.

In response to other questions and concerns raised by Members, it was reported that:

- relationships between the converting high schools and the Council were in tact, although they had been tested, particularly in relation to a pensions issue where a Council decision, which had later been changed, would have meant that the new Academies were unsustainable. This had been overcome, however, by involving the headteachers in the democratic process, and making them aware of the issues;
- the corporate nature of the work had required the bringing together of expertise from across the Council, and the Portfolio Holder for Schools and Colleges was grateful to other Portfolio Holders for this;
- with regard to any outstanding risks which might cause the transfer date of 1 August 2011 to slip, the only reason for this to happen would be if the Secretary of State did not enter into the agreement. From the Council's perspective, there would also be risks if the schools went ahead without resolving some of the technical legal issues prior to conversion;
- the land which was being transferred to the Academies on a 125-year lease was unlikely to ever be transferred back to the Authority, but in the event that it did it would have to be returned in the same state in which it was originally transferred;
- up until now the Authority had had an over-riding responsibility with regard to equalities, but from 1 August 2011 each governing body would become a free-standing public body to which the equality duty applied. The Authority had not seen all the documentation submitted to the governing bodies, but so far as it was aware, they were taking equalities implications into account when making decisions;
- clarification as to responsibility for carbon reduction targets following academy conversion was still awaited from the Department for Education;
- there was no formal mechanism for sharing experiences and information with other London boroughs, but Members may wish to raise this through London Councils, particularly as there may be some cross-borough issues, for example relating to admissions. Officers had spoken to their counterparts in other Boroughs, however, and also with the Department for Education, with whom they had offered to share any information.

It was noted that, in light of the change in the role of the Authority in relation to the Academies, there was a developing role for scrutiny in holding the Academies to account. Members suggested that it would be useful to have a briefing for scrutiny members on their role going forward, following which they would need to start building relationships with the schools. The Corporate Director of Children's Services suggested that it might be helpful to seek advice on this from other Boroughs which had had academies for some time, such as Hackney.

Members also noted the report's proposal that the Committee suggest to Cabinet that officers write to the Department for Education (DfE) setting out the difficulties inherent in handling a number of potential transfers

concurrently. Members endorsed this idea but expressed concern about the tone of the letter, and felt that it would need to be framed in such a way as to not be immediately dismissed by the DfE. It was therefore agreed that the Council's Scrutiny Officer draft the letter outside of the meeting, in consultation with the Vice Chairman and the Scrutiny Policy Lead for Health and Social Care. The letter should then be submitted to Cabinet for approval and onwards forwarding to the Department for Education.

The Vice-Chairman in the Chair thanked the Portfolio Holders and officers for their attendance.

RESOLVED: That

- (1) a letter to the Department for Education, setting out the difficulties inherent in handling a number of potential transfers to Academy status concurrently, be drafted by the Scrutiny Officer, in consultation with the Vice Chairman and Scrutiny Policy Lead for Health and Social Care and submitted to Cabinet for approval; and
- (2) the report of the Corporate Director of Children's Services and the Committee's comments thereon be noted.

160. Integrated Children's Services

The Chairman having resumed the chair, Members received a report of the Corporate Director of Children's Services which set out progress towards delivering a new operating model for Children's Services from 31 October 2011.

The Corporate Director outlined the background to the re-organisation of Children's Services, which was driven not only by the need to make efficiencies, but also the changing nature of children's services, the new relationship with schools and the need to address areas of poor performance. The Portfolio Holder for Children's Services, who was also present, acknowledged that this was a major re-organisation, but stressed that the focus was on providing the best possible services, and having only one point of contact for children and families.

Members considered that this was a high risk project, given the scale of change and the potentially life-threatening impact of any service failures, and that the report should have provided more detail on the risks, in order that Members could be satisfied with how they were being mitigated. In response, the Corporate Director of Children's Services stated that she was happy to share the risk register with the Committee, and that the biggest risk was at the point at which staff moved offices. However, she stated that there would have been huge risks had the re-organisation not gone ahead, as the Department was unsustainable in its existing format: it had a budget overspend of £2m, there was no appropriate commissioning, and quality assurance mechanisms were lacking when she joined the Department in March 2010.

Members sought assurance with regard to the equalities impacts of the re-organisation. It was advised that there were two aspects to this: the impact

on staff and the impact on service users. In relation to staff, best practice in HR procedures was being followed. In relation to service users, equalities impact work had focused on the vulnerable and analysing gaps in services. Officers were also doing a lot of work on the joint commissioning strategy with the Primary Care Trust to identify inequalities. Members highlighted the need, however, not only to carry out equalities impact assessments but also to ensure that the resulting information was submitted to the decision-makers, in line with the recent Birmingham judgement.

In response to Members' queries, clarification was provided on the scope of the re-organisation, and a detailed structure chart was tabled. Excluding special needs transport, over 300 staff were affected, and the re-organisation was likely to result in the loss of 12 FTE staff. In addition, some staff had already been lost the previous year due to savings and there would be a further reduction in the Achievement and Inclusion Service, in light of the transfer of some schools to Academy status. The Department had a budget of £40.8m, which included purchasing a whole range of services such as foster carers and placements, besides staffing costs. The Department would continue to provide the same services but be organised more holistically: for example, there would be multi-disciplinary teams providing prevention services, rather than discrete youth and early years services. This would result in the Department having one 'front door', for example, for information sharing with the police. The Portfolio Holder for Children's Services added that the Department dealt with complex cases, and that there were families that had multiple issues such as Special Educational Needs (SEN), domestic violence and substance abuse; this model would better address those cases.

The re-organisation would result in savings of £552K per year, once the new model was fully implemented in three years' time, of which £452K was from reductions in staffing and £100K was from reductions in premises costs. £1.4m in savings was already being delivered this year. The staffing reductions were predominantly in management. There was £120K in training and change management costs in 2011/12 that was not reflected in the figures as they would be funded from in-year savings. However, Members were assured that only real cost savings had been assumed in the savings figures.

During the discussion, the following points and queries were also raised:

- in response to questions, it was advised that there had been a targeted consultation on the changes with users who had been nominated by individual services. Officers had also gone back and tested out the proposals for the new model, and there was a review period built in to go back to service users;
- a Member congratulated officers on the report, and felt that the re-organisation had a clear concept. She was concerned, however, as to whether the vision put the business model before emotional and social capability. In response, it was advised that there was a real focus for the new teams around the family, and on emotional resilience, that was not reflected in the narrative around the vision;

- there was concern as to whether the model of multiple single pathways leading to one 'front door', would result in deficiencies, but it was advised that a multi-disciplinary team had been involved in the proposals for the re-organisation, and the model of multiple single pathways had been proposed by the staff themselves;
- it was queried whether the re-organisation represented a cultural shift across the Council. It was advised that it represented a culture change in Children's Services, and would also be a challenge for other agencies;
- whether users had been involved in the renaming of the early intervention service was also questioned. In response, it was reported that this was a more common name for the service but users had not been involved in the re-naming; officers would take this on board when doing the review and consultation;
- the number of statemented children, and the expenditure on Special Educational Needs (SEN) were queried. It was reported that there were around 1,000 statements, and the Department was looking at amalgamating the assessment processes for families. Officers did not have details of SEN expenditure to hand at the meeting. The Portfolio Holder for Children's Services added that the number of children with SEN was difficult to quantify. Children's Centres could pick this up early, but sometimes what was perceived as SEN was in fact a social issue;
- further information was sought on the Child and Adolescent Mental Health Service (CAMHS), with which there was some dissatisfaction, and on the Parent Partnership service. With regard to CAMHS, the Council was working with its providers to re-negotiate the services received. The service was jointly commissioned with the Primary Care Trust (PCT), but the Council had ended up subsidising primary CAMHS. The Parent Partnership service had gone out to tender following a £30K reduction in its budget the year before last, which had made the in-house service unviable.

RESOLVED: That the progress towards delivering a new operating model for Children's Services, and Members' comments thereon, be noted.

161. School Place Planning in Harrow Schools

Members considered a report of the Corporate Director of Children's Services which set out the processes for school place planning in Harrow, detailed the Greater London Authority (GLA) School Roll Projection Service, and outlined the proposed school expansion programme, in the light of a projected significant shortfall in school places over the next few years.

A Member queried, given that applications had been above GLA projections for the last few years, the risk that the Authority would not be able to provide sufficient school places had not been identified in the risk register. He also felt that the information on performance implications was lacking, for example, providing no information on the impact on schools' performance of opening

'bulge' classes. The Corporate Director of Children's Services acknowledged these points and advised that information on performance about 'bulge' classes was complex and could be discussed with the schools and the risks would be included on the risk register. She stated, however, that she had inherited a lot of challenging issues. The capital programme in the past few years had focused funding on secondary schools whereas the immediate shortfall was in primary places, so officers were now trying to get back to a needs-led position. In addition, the Council had not historically invested in schools as it had devolved virtually all of the central government funding direct to schools. The change in the age of primary to secondary transfer from year 8 to year 7 had created capacity in primary schools, but there was still a lot of work to do with primary schools re-classifying classrooms and on costs, with no indication of what the government's capital strategy would be or how much capital funding would be available next year.

It was noted that the shortfall in places would feed through to secondary level in the 2016/17 academic year. Members were concerned that the Authority had a duty to provide school places, but that most of the Borough's high schools would be Academies outside the Authority's control: any extra classes would therefore require the agreement of the governing bodies. The Schools and Colleges Portfolio Holder shared Members' concerns and was of the view that there had been a lack of joined up thinking in government: the policies on the creation of Academies and free schools had not taken into account the statutory obligations on Local Authorities to provide school places.

Officers advised that they were waiting to hear how these issues would be resolved by government, but that the Council would have to look at other solutions besides expanding existing schools, such as inviting the creation of free schools, as the government would not be building any new schools except free schools. Officers would be talking to a range of providers including the Academies. It was clear that capital investment would follow place planning. There was a risk that the Academies would use control over their admissions policies to restrict places, but there was also the possibility that schools would transfer to Academy status in order to get more capital funding. All Councils were facing the same problem, and some Councils were beginning to come up with creative solutions, such as successful schools setting up satellite schools.

Members queried whether Councils could set up free schools, but it was advised that this was unlikely as schools that had applied for Academy status jointly with Councils had not been agreed. The Portfolio Holder for Schools and Colleges added that free schools did not have to have qualified teachers, and this was a concern, as all Harrow's children should receive a quality education. A Member suggested that another solution would be for the Council to offer a subsidy for parents wishing to send their children to private school. He felt that it could be an effective solution if the rising pupil numbers were a temporary bulge, and pointed out that there were already many private companies providing other public services, such as operations in the NHS. The Portfolio Holder stated that this was an interesting idea, but it was not something that he could agree to.

Members noted that the GLA had under-estimated demand for the last few years, and were concerned as to how the Council could have confidence in the future roll projections. Officers advised that the place planning strategy had to achieve several different objectives: it had to meet baseline demand, accommodate any peaks and incorporate a contingency, but not create over-capacity as this was penalised. Members felt that they needed more information on the timelines for this issue and the impact on secondary schools, and requested that a further, more detailed, report be submitted to a future meeting.

RESOLVED: That

- (1) a further, more detailed report be submitted to the Committee at a future meeting; and
- (2) the report and the Committee's comments thereon be noted.

162. Extension of the Meeting

In accordance with the provisions of Committee Procedure Rule 14 (Part 4B of the Constitution), during the above item it was

RESOLVED:

- (1) At 9.58 pm to continue until 10.15 pm, and
- (2) at 10.15 pm to continue until 10.30 pm.

(Note: The meeting, having commenced at 7.30 pm, closed at 10.23 pm).

(Signed) COUNCILLOR JERRY MILES
Chairman