

REPORT FOR: OVERVIEW AND SCRUTINY COMMITTEE

Date: 1st November 2011

Subject: Scrutiny Lead Member Report

Responsible Officer: Alex Dewsnap, Divisional Director, Partnership Development and Performance

Scrutiny Lead Member area: All

Exempt: No

Enclosures: *Reports from the Scrutiny Lead Members*

Section 1 – Summary and Recommendations

The report accompanies the reports from the Scrutiny Lead Members.

Recommendations:

The Committee is requested to consider the reports from the Scrutiny Lead Members and agree the actions proposed therein.

Section 2 – Report

Introductory paragraph

This report outlines details of the work of the Scrutiny Lead Members for Corporate Effectiveness, Safer and Stronger Communities and Sustainable Development and Enterprise. There are no reports from Adult Health and Social Care or Children and Young People.

Financial Implications

There are no financial implications associated with this report

Performance Issues

There are no performance issues associated with this report.

Environmental Impact

There is no environmental impact associated with this report

Risk Management Implications

There are no risks associated with this report.

Equalities implications

Was an Equality Impact Assessment carried out? No

This report outlines the activities of the scrutiny lead councillors, it makes no proposals to change service delivery.

Corporate Priorities

The Scrutiny Lead Members' responsibilities cover all areas of the council's activity.

Section 3 - Statutory Officer Clearance

Not required for this report.

Section 4 - Contact Details and Background Papers

Contact: Lynne Margetts, Service Manager Scrutiny, 020 8420 9387, lynne.margetts@harrow.gov.uk

Background Papers: None

SCRUTINY LEAD MEMBERS' REPORT: **CORPORATE EFFECTIVENESS**

Lead Members: Councillors Jerry Miles and Tony Ferrari

The lead members met on 26th July 2011.

Attendees

- Councillor Jerry Miles, Scrutiny Policy Lead Member
- Councillor Tony Ferrari, Scrutiny Performance Lead Member
- Julie Alderson, Interim Corporate Director, Finance
- Tom Whiting, Assistant Chief Executive
- Lynne Margetts, Service Manager Scrutiny

Financial Update

Julie Alderson updated the Corporate Effectiveness leads on the latest budget monitoring position. She advised that early prognosis suggests a slight overspend for 11/12 in two or three areas but that there is significant opportunity to remedy this before year-end. She also advised that the cost of redundancies in relation to transformation projects included in the MTFs had now been accommodated in the budget. With regard to capital, she advised that there is likely to be some underspend which will also deliver some savings with regard to revenue. £30m of capital approvals had been made to date by the Capital Forum and unless the capital forum has approved spend it cannot be incorporated into the SAP system and therefore cannot be spent. Julie also clarified that the organisation is being prudent with regard to the estimated capital to be generated by the disposals programme, though income generated in the most recent sale was more than had been anticipated. A specific amount of capital receipt is being assumed for capital financing purposes.

For Action

The Corporate Effectiveness leads will continue to monitor this. Meetings will in future be timed to facilitate the release of information.

Cllr Ferrari enquired as to the impact of the loss of a number of primary schools if applications for academy status are pursued. Julie advised that this had been included as a risk factor in the MTFs. There is also an issue for the council with regard to the recoupment of overheads – if the council cannot persuade academies to utilise council services then unit costs will increase.

Performance Management

Tom Whiting, Assistant Chief Executive, provided the following information. The annual processes with Ofsted and Care Quality Commission continue but are expected to be changed in the future. The CQC process has been significantly downgraded in 2011/12 and the Council will produce its own assessment of its performance. The direction will be towards more user-led performance management.

The Ofsted process is likely to retain many of its performance indicators. An Ofsted inspection of Children's Services is expected in autumn 2011.

The Council has established a replacement indicator set following the abolition of the National Indicator Set and this forms the basis of the corporate scorecard for 2011/12.

London Councils has adopted a core set of 33 indicators that it wants to use for benchmarking performance across London. Further work has also been done on the Local Area Performance Solution tool.

The Performance Management process at Harrow is based on the following process:

- Regular monitoring of performance indicators (weekly, monthly, quarterly, annual)
- Quarterly improvement boards
- Quarterly CSB performance morning
- Quarterly reporting to Cabinet
- Performance and Finance Committee

The Improvement Board cycle considers the following set of performance information and will remain in place for 2011/12:

- Performance indicators
 - Directorate scorecard performance vs targets
- Project delivery (inc Flagship Actions)
 - Project reporting on Flagship Actions and major projects
- Financial performance
 - Quarterly financial forecast
 - Forecasting compliance
- Workforce performance
 - Sickness
 - Appraisals
 - Capability cases
 - Agency spend
 - Starters and leavers
 - Representativeness
- Risks
 - Quarterly risk register
- Customer Performance
 - Complaints numbers, timescales to respond, number upheld, lessons learned
 - CRM information on call volumes, avoidable contact, first time resolution
 - Customer service standards

More work is being done on the quality of customer reporting to pick up more real time issues from Customer Relationship Management system and Avoidable Contact

Issues to Consider

In general, the Council's performance process is effective and processes are not in place just to meet a regulatory need. The main concerns relate to performance indicators:

- There is still no London-wide replacement for the Place Survey – locally the Council will have to rely upon the Engagement Tracker
- There is still more work to be done on Complaints and Customer reporting
- Performance largely held up / improved during 2010/11

HR Performance

Tom advised that the principle issues to consider with regard to current HR performance are as follows:

- Staff Survey – overall the results were very good. In the previous survey Dec 2009 84% of questions had improved and this level of performance has been maintained. Some of the key improvements include:
 - The Council is good at managing change 16 % to 32%
 - Staff feel well informed about changes 27% to 54%

- A sense of personal achievement from work 58% to 70%
- Interesting and enjoyable work 70% to 78%
- Senior management provide effective leadership 28% to 42%
- Staff Survey Challenges – there are a number of areas where we are below the Work Foundation benchmark:
 - Positive about the future of Harrow Council
 - My personal views and opinions count
 - The changes we are making will make us more effective
- Redundancy management – the Better Deal for Residents Programme will lead to a large number of staff leaving the organisation. The potential redundancy bill is significant. The initial severance scheme has made a major contribution to mitigating the Council's redundancy bill.
- Agency spend – The Resourcing Project is expected to deliver £500k + savings on our 3 main Agency contracts. However there is still agency spend outside of the main contracts.
- Sickness – performance has improved compared to last year. Overall Council performance is 7.34 days / FTE Q4 2010/11 compared to 7.91 in Q4 2009/10.
- IPADs – completion rates across the Council are currently 92% up from 87% in Q4 2009/10.
- Health & Safety – a new improvement plan is in place and recruitment will now go ahead for a new in house team

Customer Performance

Tom provided the following information. Contact centre performance is improving steadily in terms of answering calls, reducing waiting times, managing avoidable contact and resolving queries at first point of contact. The key issues in relation to customer contact include:

- Roll out of Access Harrow – Place Shaping, Help Line and Adults Services have now transferred to Access Harrow as part of the Customer Contact Assess and Decide project.
- One Stop Shop - Average waiting times in the One Stop Shop are now 9 minutes 50 seconds compared to 16 minutes 13 seconds in Q1
- Call Centre – The number of calls answered in 30 seconds is 87% down slightly from 89% in the previous quarter
- Resolution – Resolution at first point of contact is currently 90% compared with a target of 80%.
- The number of electronic forms received and processed per month has improved to 5300 Q1 2011/12 from 1311 in Q1 last year following the launch of a new Penalty Charge Notice web form.
- One Stop Shop and Call Centre Waiting Times for Council Tax and Housing Benefits have been the most challenging but are now improving
- The further roll out of online accounts and the expansion of services into online accounts

For Action

These areas will continue to be monitored

Date of Next Meeting

To be confirmed but planned to take place in early October

SCRUTINY LEAD MEMBERS' REPORT: SAFER AND STRONGER COMMUNITIES

Lead Members: Councillors Nana Asante and Chris Mote

The lead members met on 6th September 2011.

Attendees

- Councillor Nana Asante, Scrutiny Performance Lead Member
- Councillor Chris Mote, Scrutiny Policy Lead Member
- Chief Inspector Nick Davies, Harrow Police Service
- Finlay Flett, Head of Community Safety Services
- Mike Howes, Service Manager Policy and Partnerships
- Lynne Margetts, Service Manager Scrutiny

Civil Unrest

The main item for discussion at this briefing was the incidents of civil unrest across the country during August and in particular why Harrow had remained predominantly calm.

Chief Inspector Davies suggested that the main contributor to the borough's success in dealing with potential civil unrest during August is the extensive work which has been undertaken prior to these events. The police have made significant effort in terms of developing an effective partnership in particular with the Council. Nick also pointed out that previous work to address anti-social behaviour in the town centre such as the dispersal order and the town centre policing team, also placed Harrow in good stead to deal with any disruption.

When it became clear that disruption was spreading beyond Tottenham, the police and council took immediate steps to minimise the potential for violence in the two major centres - Harrow Town Centre and Wealdstone.

- Police three shift pattern changed to two shift pattern with the 12 noon – midnight shift undertaking a range of preventative work
- Weapon sweeps in the street removing potential missiles and working with utilities, business owners etc to remove potential missiles in the event of disturbance.
- Negotiations with businesses to close early – including two shopping centres with restaurants and cinema – as this resulted in limited footfall, any additional gatherings would become immediately visible and crowds could thus be dispersed
- Targeting specific individuals known to the police, making clear their prospects if involved in violent behaviour – thus removing potential leadership
- Twice daily conferences between relevant officers/organisations
- Working closely with young people – discussion with Ignite and Flash, Safer Neighbourhood Teams discussions with young people, meeting between Borough Commander and Youth Parliament, joint patrolling with the Youth Service
- Deployment of significant numbers of special constables/community police support officers
- Proactive use of warrants for searches of known criminals to make quick arrests.

Finlay also commented on the work which had been undertaken, again emphasising the importance of the work had been done over recent years to develop the successful partnership which now exists and the solid base which this has developed from which to deal with such issues. The council had supported the weapon's sweep via the public realm and highways maintenance services and all premises were

advised to move mobile cages and bins into one of the two shopping centres which were then secured. The Borough Commander also sent personal messages to local businesses which were hand delivered by SNTs.

One of the most successful components of the response in Harrow was the communications messages which were shared with residents/businesses. Whilst on day one, agencies felt there was nothing to report, as Harrow remained calm, it became apparent that a more robust communication message was required in the face of the rumour and misinformation which was circulating around the borough. Thus as the violence continued in other parts of London/England, the police and Council were publishing positive information regarding the calm in the borough, but doing so in a proportionate way which would not encourage violence as a result.

Finlay also confirmed the positive response from different council services:

- Already mentioned but the response from the Youth Service was excellent – and proved to be a very positive experience for both police and council officers which has encouraged greater understanding between the two and will enhance partnership working for the future
- The Housing Department was able to make ‘warden accommodation’ available to the many police officers who arrived in the borough from different parts of the country and also for those officers unable to reach their homes because of transport disruption.
- Special Needs Transport was made available to transport officers around the borough – a number of police vehicles had been moved out of the borough.

The results of this activity meant that:

- On day one, 50 people were dispersed in line with the existing dispersal unit
- Four people were subsequently arrested on day two for breaches of this dispersal instruction
- Overall, apart from these numbers, only two other people with a Harrow connection were arrested in connection with the riots.

Cllr Mote enquired when the dispersal order is to be renewed. He was advised it is renewed on an annual basis. He also commented that his own discussions with young people had revealed that they did not want to be involved in any trouble.

Nick commented in this regard that officers had reviewed the 36 young people who are on their radar and had proactively written to these young people and their families to outline that involvement in these activities would put them at risk of arrest. They also outlined the kind of support which could be offered to them to prevent their involvement. Their ambition is to be able to provide an alternative route for young people who are in danger of moving towards gangs. In this context they have been working with Ignite and received Local Area Agreement funding to work with the Young Foundation to provide diversionary activities. He commented that we need more than just ASBOs and must fill the vacuums so easily filled by gang culture.

Mike commented on the effectiveness of the partnership which had been built over recent years, which he felt is now sustainable as it reaches beyond the leadership of local organisations and means that frontline officers from the council, police and probation recognise the importance of joint work. He also commented that a more detailed understanding of the demographic/sociological profile of the areas in which rioting had taken place might be helpful, he didn't think that the reasons for riots in Tottenham were the same as the reasons for the riots in the rest of the country – he pointed out that recent information had suggested that not all of those involved in the riots came from ‘deprived’ backgrounds and 2/3s had previous convictions. It thus becomes important to break the cycle/offer diversionary activities.

Cllr Mote raised the importance of ensuring that the views of victims of crime are understood by perpetrators, not simply to allow victims to express their feelings but also as a means of diverting people from future criminal activity. Nick confirmed his personal commitment to a restorative justice process and advised the meeting that he had volunteered Harrow for a trial programme for a restorative justice programme. Cllr Mote commented that often when cases are presented to Magistrates, no victim impact statement is available, Mike advised that Brent Magistrate Court is introducing a system which will see victim impact statements taken as a matter of course when evidence is given.

Cllr Asante commented that it was excellent to hear how well the borough had been able to respond to the civil unrest. She asked how far the cuts to the police funding would damage this. Nick responded that the majority of cuts had been to back office functions and police officer reductions generally involved the expansion of supervisory responsibilities – the number of sergeants in the SNTs had been reduced but the officer support available remains constant. The changes had in fact produced an additional flexibility in policing resources, which had proved extremely useful for the borough in dealing with the unrest. It was pointed out that the police service had learnt from the experience of previous reductions, which had reduced Safer Neighbourhood Team officers. This means that reductions in community resources will be resisted. Nick confirmed that there have been ongoing dialogues with ward chairs throughout the period of change.

Officers pointed out that the introduction of the ‘integrated offender management’ process will support the reduction in criminal activity – regular risk assessment to both disrupt criminal activity and the availability of diversionary activities through this integrated approach will be welcome. A partnership approach is critical to the successful delivery of integrated offender management and Harrow is well placed to deliver this.

Officers pointed out that one area which continues to require attention, in terms of intelligence gathering analysis is the impact of social media. They have employed young cadets to support them, but this remains an area of concern.

Cllrs Asante and Mote thanked the officers for an extremely informative and positive briefing.

For action – None specific in relation to the particular issues discussed.

Date of Next Meeting

4th October 2011

SCRUTINY LEAD MEMBERS' REPORT: SUSTAINABLE DEVELOPMENT AND ENTERPRISE

The Lead Members met on 7th September 2011

PLACE SHAPING BRIEFING

Attendees:

- Councillor Sue Anderson, Scrutiny Performance Lead, SDE
- Councillor Stephen Wright, Scrutiny Policy Lead, SDE
- Councillor Keith Ferry, Planning, Development and Enterprise Portfolio Holder
- Councillor Thaya Idaikkadar, Property and Major Contracts Portfolio Holder
- Andrew Trehern, Corporate Director, Place Shaping
- Mark Billington, Head of Economic Development and Research
- Phil Greenwood, Head of Major Development Projects
- Phil Loveland-Cooper, Head of Corporate Estate
- Andy Parsons, Head of Service, Business Management
- Heather Smith, Scrutiny Officer

Introduction

The Corporate Director outlined the major areas of focus for the directorate, which include:

- The Local Development Framework Core Strategy.
- The Economic Development Action Plan and associated bids to the Mayor's Outer London Fund.
- The disposals programme – there is £12m revenue fund target
- The Mobile and Flexible working project – on which a report will be considered at Cabinet in October 2011.

The directorate service plan for 2011/14 was tabled.

Economic Development and Research

The Head of Service advised that the bid to round one of the Mayor's Outer London fund had been successful. It had secured £496k for the Town Centre and £360,400 for North Harrow district centre. The town centre managers for both areas have now been appointed; it is hoped that these posts will be retained after the end of the funding but this will be dependent on private sector input. A bid is being prepared for round two for the Town Centre and Wealdstone (part of the intensification area), Lowlands recreation ground (to create a performance space) and for Rayners Lane and North Harrow (areas with the highest vacancy rates).

In response to a question about the impact of the Recession Busting Group, the Head of Service advised that success could be judged on whether the increase in vacancy rates had been arrested and whether the gap between Harrow and the rest of London with regard to unemployment rates had been maintained. He added that impact was being made through the cumulative effects of small actions such as creating pre-apprenticeships with colleges and working with Job Centre Plus.

Major projects

The Area Action Plan was subject to a six week consultation; a preferred option has been developed and will enter the committee process.

Plans for town centre infrastructure including the streetscape and Lowlands Recreation Ground could be affected by the bids to the Outer London fund.

Other projects include commercial master planning.

Planning

Local Development Framework – the Core Strategy has been subject to an examination in public as well as an issues and options consultation. It will reach O&S in November.

National policy – these include changes to the National Planning Policy Framework and in particular the presumption in favour of sustainable development. The critical issue will be having an up to date framework, meaning that it is imperative that the council keeps to the LDF programme.

Building Control – performance remains in the top quartile for both performance and value for money. New fee legislation will mean that there is greater pressure relating to income generation because of the need to breakeven, especially in the current economic context.

Corporate Property

A target of £12m capital receipt is included in the MTFs for 2011/12. Key sites include Anmer Lodge and Wood Farm. The division aims to maximise rental income, keep voids to a minimum and deliver £2m revenue receipt.

The introduction of new IFRS¹ accounting standards required a corporate valuation for both the General Fund and the Housing Revenue Account, involving close working with Corporate Finance. This process has required 6,500 valuations as part of the sign off of the annual accounts. Valuations had to be re-stated in both old and new formats. There is a new level of regulation for valuation and the division is now a registered 'firm'. CIPFA has cited Harrow's approach as a model of good practice.

Discussions regarding four key sites within the Area Action Plan will conclude with a report to Cabinet in January 2012.

Mobile and flexible working

This transformation project will require a change in culture and will impact of the delivery of services and the use of the Civic Centre complex. The project will link to the IT transformation. There is potential for greater sharing with other partners and other boroughs. The Scrutiny Policy Lead agreed to meet with the Head of Service in order to discuss the project further.

Discussion

The Scrutiny Performance Lead asked how the directorate put the needs of the customer at the heart of its activity. The Corporate Director highlighted improvement in Planning performance that had been achieved (partly through technological developments), despite a high case load in comparison with others, as well as the potential for further improving productivity through flexible working. Performance by Building Control was fourth best in London, a rating which included customer

¹ International Financial Reporting Standards

feedback. With regard to property, the lack of debt issues highlighted that the Council is a good landlord.

SUSTAINABLE DEVELOPMENT AND ENTERPRISE

The Lead Members met on 19th September 2011

CARBON REDUCTION COMMITMENT BRIEFING

Attendees:

- Councillor Sue Anderson, Scrutiny Performance Lead
- Councillor Stephen Wright, Scrutiny Policy Lead
- John Edwards, Divisional Director, Environmental Services
- Andrew Baker, Head of Climate Change
- Heather Smith, Scrutiny Officer

NOTES

The Divisional Director introduced the briefing. Members had requested an update on the carbon reduction commitment (CRC) in schools.

There had been plans for discussions at the Headteachers' Forum but this was overtaken by the capital overspend in 2010/11 as well as the introduction of the Government's Academies policy.

Schools' energy use is funded from the Schools Budget rather than the General Fund so there is an incentive for schools to reduce energy costs. The council is liable for the CRC rather than the schools. However, the council would need to be sure of a return before investing council funds.

The main proposal for reducing carbon emissions is through the GLA's RE:FIT programme, which is designed to reduce carbon emissions within the public sector in London. In year one it is intended that 10 or 11 schemes be progressed, which would include 8 schools (excluding Academies). Schools will sign up to repay the capital invested from the money saved by reduced energy costs. The overall programme will take 4-6 year. It is estimated that £2m per annum will need to be invested over 5 years for projects in schools and council buildings. The next stage will be the development of business cases and then detailed proposals. All scheme should be pay back their investment in 10 years.

The Department of Energy and Climate Change (DECC) is in the process of reviewing Academies' participation in the CRC energy efficiency scheme.² The department is consulting on four options. Some would keep arrangements the same, maintaining the council's exposure to CRC but also bringing more emissions into the scope (good from the carbon reduction perspective) while others would place more responsibility on individual schools.

Draft Corporate Carbon Reduction Strategy

Analysis of the greenhouse gas emissions (GHG) demonstrates that, across the directorates, gas represents 67% and electricity 33%. With regard to CO₂ emissions, gas represents 41% and electricity 59%.

The council had budgeted £300k to buy carbon allowances. However, as street lights are now excluded from the calculation until 2013, this reduces the council's budget requirement by £80k. Although the council's street lighting is powered by green energy, which does not have a carbon footprint under Greenhouse Gas (GHG) emissions reporting, it will have a CO₂ footprint under CRC. The council's

² Available at: <http://www.decc.gov.uk/assets/decc/11/cutting-emissions/crc-efficiency/2449-review-crc-energy-scheme-academies.pdf>

CRC amounts to 19416 tonnes (excluding social housing and transport) which will cost £233k at £12 per tonne.

The council's target for carbon reduction is an average of 4% per annum, in keeping with the Mayor's target of a 60% reduction by 2025.

The Head of Climate Change introduced two graphs outlining future energy demand and carbon footprint. While demand for electricity is set to remain fairly constant over the period 2011/12 – 2036/37, the carbon footprint of electricity production is set to decline, assuming that the Government reduces the carbon intensity of electricity production. This will be through switching to methods of production such as biomass (wood chip) and nuclear. In Harrow the decarbonisation of electricity and the conversion of half of the boilers to biomass will drive the reduction in emissions.

While solar photovoltaic (PV) energy production will generate revenue for the council, it will have a very small impact because of the large surface area required to deliver relatively low amounts of energy in terms of kilowatt hours (kWh). The average panel generates 0.25 kW, meaning four panels are needed to deliver 1kW; which would only produce 850kWh per annum. There are financial incentives for fuel switching, under the Renewable Heat Incentive (RHI), which produced a guaranteed income in addition to a carbon reduction.

A Member enquired what the impact of rising fuel prices were likely to be on the commercial sector in comparison with the domestic sector. The Head of Climate Change responded that the domestic users are more sensitive to price increases than commercial users. DECC's modelling assumes that over the next four years there will be 50% increase in gas prices and a 70% increase in electricity prices. This means that it will cost the council to do nothing; the cost of change is substantially less than the cost of increased utilities. Rising prices are therefore a spur to invest in energy saving.

The RE:FIT programme is necessary because normal maintenance budgets do not hold sufficient funds to make programmed improvements. In addition, RE:FIT allows the holistic consideration of the whole building.

A Member asked whether there was likely to be an increased demand for electricity. The Head of Climate change responded that non-domestic users were experiencing an upward pressure because of technological developments. Some of this can be addressed, for example through changes to lighting, but there is a need to set targets for procurement. Energy use is being included in the business case for capital projects; for example a project that could reduce emissions by 10% could score additional points.

A Member enquired whether Academies had expressed a preference with regard to CRC policy options. The Head of Climate Change commented that the Government appeared to be trying to balance its two policies and how they might best fit together. There was a possibility that individual schools might not meet the qualifying thresholds of CRC but in any event the Government might just choose to readjust the thresholds in response.

The intention of CRC is that emissions are reduced. Initially the price for carbon will be set a level in order to deliver reductions. It is still the government's stated intention to introduce a carbon trading scheme under the CRC. Each organisation will be required to bid for allowances based on the Marginal Cost of abating the carbon emission. The price would be set nationally each year at a level that delivered the required reduction in emissions. Where the bid price was lower than the national

price organisations would be expected to invest in the relevant energy saving initiatives. Tonnage emitted without a carbon allowance would incur a heavy financial penalty.

A Member asked about the carbon footprint of capital work. At this stage there is no requirement to measure embedded carbon in buildings but the construction industry is in the process of reviewing this; there would be little point in expending vast quantities of carbon to produce a carbon neutral home, for example.