

OVERVIEW AND SCRUTINY COMMITTEE (SPECIAL) MINUTES

3 JULY 2012

Chairman: * Councillor Jerry Miles

Councillors:

* Sue Anderson	* Krishna James
* Kam Chana	* Zarina Khalid
* Ann Gate	* Barry Macleod-Cullinane
* Susan Hall (4)	* Paul Osborn

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

† Mrs J Rammelt	Mrs A Khan
† Reverend P Reece	

In attendance: Sachin Shah Minute 287
(Councillors)

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

284. Attendance by Reserve Members

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

Ordinary Member

Reserve Member

Councillor Stephen Wright

Councillor Susan Hall

285. Declarations of Interest

RESOLVED: To note that the following interests were declared:

Agenda Item 4 – Question and Answer Session with the Leader and Chief Executive

Councillor Sue Anderson declared a disclosable pecuniary interest in that she was employed by NHS Harrow. She would remain in the room during the question and answer session unless there was discussion in relation to changes in health provision and she would then leave the room.

Councillor Ann Gate declared a disclosable pecuniary interest in that she was married to the Portfolio Holder for Children, Schools and Families. She would remain in the room during the question and answer session unless there was discussion in relation to the portfolio and she would then leave the room.

Councillor Susan Hall declared a disclosable pecuniary interest in that she had a Special Treatment Licence. She would remain in the room during the question and answer session unless there was discussion in relation to these matters and she would then leave the room.

Councillor Krishna Jones declared a disclosable pecuniary interest in that her sister was employed by the NHS and she had other siblings that worked for institutions in Harrow. She also declared that she had previously been in receipt of direct payments. She would remain in the room during the question and answer session.

Councillor Barry Macleod-Cullinane declared a disclosable pecuniary interest in that his sister was employed in a Harrow School and a non pecuniary interest due to his involvement, as former Portfolio Holder, with the establishment of Shop4Support. He would remain in the room during the question and answer session.

Councillor Chris Mote declared a disclosable pecuniary interest in that he was a Qualified Clinical Hypnotherapist and held a Dry Needling Licence. He would remain in the room during the question and answer session unless there was discussion in relation to these matters and he would then leave the room.

Councillor Paul Osborn declared disclosable pecuniary interests in that he had received hospitality from Capita and as he had been portfolio holder at the time the MyHarrow account was introduced. He would remain in the room during the question and answer session unless there was discussion in relation to these matters and he would then leave the room.

286. Deputations

RESOLVED: To note that no deputations were received at the meeting under the provisions of Committee Procedure Rule 16.

RESOLVED ITEMS

287. QUESTION AND ANSWER SESSION WITH THE LEADER OF THE COUNCIL AND CHIEF EXECUTIVE

The Chair welcomed the Leader of the Council, the Chief Executive, the Portfolio Holder for Finance and Corporate Director of Resources to the meeting. He outlined the procedure for the meeting and then invited the Leader and Chief Executive to give a brief introduction.

The Leader of the Council, during his introduction, referred to the difficult financial position the Council was in and the demographic pressures it faced. He stated that the ambition was to defend and enhance frontline services but that there would be difficult decisions to make. Services were, however, being enhanced despite the difficulties and he outlined the savings targets and referred to the appointment of the new Finance Portfolio Holder who was looking at financial procedures. In addition to this, shared services with other local authorities were being considered, work was being done on modernising terms and conditions, there was to be a restructure of senior staff and the regeneration of Harrow was being considered by way of the Area Action Plan. The Leader also referred to the recent Municipal Journal award for the MyHarrow account and the commendation for Adults Services.

The Chief Executive reported that the financial environment remained difficult but that progress was being made towards the target of £62m savings. There were, however, likely to be further cuts with a 6% per annum reduction in budgets in the next decade. Outer London boroughs such as Harrow, with a higher proportion of older people, would feel the effects of these budget reductions more acutely.

In addition to the work outlined by the Leader, the Chief Executive reported that there were currently many legislative changes and changes to partner organisations which provided both challenges and opportunities. The Chief Executive stressed the fact that there were opportunities for growth which should not be lost. In terms of capacity, he requested that Members be mindful that as the Council reduced its staff numbers there would be a reduction in capacity. There would therefore need to be a focus on delivering the priorities.

Members asked a series of questions which were duly responded to as follows:

The results of the CIPFA review of financial management were recently published. What is your opinion of the report's findings? How does the council propose to implement these findings and what role do the Leader and Chief Executive see for scrutiny in contributing to the delivery of the improvement proposals?

The Portfolio Holder for Finance reported that an action plan was being prepared and that the Chair and Vice Chair of the Performance and Finance Scrutiny Sub-Committee would receive a briefing on the CIPFA report. The

Corporate Director of Resources added that there would, as part of the action plan, be a restructure of the Finance department and a focus on the training and development of budget holders. The Portfolio Holder and Corporate Director undertook to take on board the Member's comment that it would be helpful if CIPFA could make a presentation at a future meeting of the Committee. The Member added that, in his view, the Council's financial strategy should be for 3 rather than 5 years.

Please can you provide a copy of the original CIPFA report?

The Corporate Director of Resources advised that CIPFA had indicated that they were not prepared to circulate an early draft of their report and that as drafts were their intellectual property it was not possible to gain a copy under the Freedom of Information Act. The Member expressed the view that if the Council had paid for the report they should be entitled to receive it.

How many qualified accountants are there in the Council's Finance department?

The Corporate Director of Resources undertook to provide a written answer.

The Chief Executive has spoken of the 700 services provided by the council. I would like to see a baseline for each service and will you be providing a measure for each of these services?

The Chief Executive responded that the number of services reflected the complexity of the organisation and its impact on people's lives and quality of life. For next year it was intended to draw up a set of outcomes to support the administration's priorities. It was hoped to analyse the Council's spend to see how it contributed to those outcomes. This would assist in deciding those areas/services which best contributed to the administration's priorities.

The next few years will see significant changes in financial policy. How is the council planning to respond to such issues as Localisation of Council Tax Benefit, Business Rate Retention and Community Infrastructure Levy to ensure the best outcomes for Harrow residents and which parts of the Localism Act do the Council intend to implement, and why?

The Leader responded that the effects of all the welfare reforms required consideration and that he would be working with the Portfolio Holder on this. There would be impacts across all directorates. In terms of Business Rate Retention, he was unable to give the current position and he advised that Harrow was likely to be a 'top up' borough. Indications were that Harrow would lose business rates due to the loss of Kodak and Colart, for example.

In relation to the Localism Act, the Leader advised that there were a number of changes and that he particularly welcomed the general power of competence. He was, however, concerned about the impact personalisation would have on the community. The Chief Executive added that many of the changes provided opportunities – specifically the changes to housing which allowed the Council's HRA to be self financing and allowed the Council greater flexibility to look at its tenancy strategy, allocations policy etc. In terms

of personalisation, he stated that this would improve the quality of life for residents but that there could be an impact on the Council in that individuals may decide to go elsewhere for a service.

The Portfolio Holder advised that, in terms of Council Tax Benefit localisation, there was a steering group and that Harrow was well ahead of other boroughs in this area. The decision on the level of Council Tax would be taken by Council in February 2013.

What organisational methods/studies are informing the transformation process?

The Chief Executive responded that customer need was driving the programme as well as consideration of the funding gap. CRM and Experian data as well as benchmarking was being used. There was also a peer review system across London with the aim of providing constructive challenge.

What are the adults' social care priorities for the next year in Harrow?

The Leader advised that the Council was trying to move to 100% personal budgets but that there were still issues with the Primary Care Trust's finances. Integrated care was being considered and Reablement was being supported.

The Chief Executive stated that the personalisation agenda offered significant opportunities and gave individuals the ability to decide what was important to them rather than what the Council thought was important. There was also an emphasis on prevention and keeping people in their own homes eg Reablement. The aging population was, however, going to put budgets under pressure in the years ahead unless there was agreement as to the future financing of social care, for example, Dilnott.

Significant changes are underway in health provision locally. What progress is being made in terms of the transfer of resources across from NHS Harrow? What governance arrangements are now in place for the provision of health services and what role do the Leader and Chief Executive think scrutiny can play in these arrangements?

The Leader responded that public health would shortly become the responsibility of the Council and would have a ring-fenced budget. Discussions were also underway with Barnet, as a prospective partner, about public health delivery. In terms of the concern expressed in relation to demographic differences, he advised that the Shadow Health and Well being Board had done a joint strategic needs assessment and produced a Health and Wellbeing Strategy.

The Chief Executive reported that public health was embedded in the services the Council provided, for example, linked with leisure and housing. He expressed his disappointment that resources had been based on historic spend and not been based on need. The West London Alliance was considering a model for public health which the Chief Executive was leading on and the six councils were looking to procure services together. He added that the aim was to spend money in the most efficient and effective way.

What is the council doing to reduce the number of youths re-offending within the borough? Do we have adequate counselling sessions in place for each offender?

The Chief Executive reported that work was on-going to reduce re-offending. The offender group re-conviction scale was used to identify those most at risk when they left prison. These individuals were met at the prison gates and offered support and assistance, for example, housing advice, benefits advice, and help to gain a job.

What rationale is driving decisions to develop shared service solutions in some areas, market testing in others and ceasing other services?

The Leader responded that the Council was looking to defend front line services such as public health. The Chief Executive added that the interests of Harrow residents was paramount and that through the West London Alliance (WLA) work was being done on joined up services.

The Chief Executive advised that every decision was based on a business case and a set of criteria. He had advocated a greater vision for WLA shared working and questioned the level of Member involvement in the work being done by the Alliance as he felt that greater political input was required. Work was now being done on this.

What impact will the commissioning process have on personalisation?

The Leader advised that he wanted a more developmental approach where problems were shared across directorates. Each commissioning panel would report into the budget process.

The Chief Executive stated the importance of outcomes rather than outputs and of the need to recognise that the officer skill set required for commissioning was different. Pathways, such as a child moving through to adulthood, would need to be considered with a greater focus on the person or the user of the service. In response to the question as to the difference between challenge panels and commissioning panels, he advised that commissioning involved consideration of outcomes that supported the Council's priorities. The Member challenged that the papers were indistinguishable between last year and this.

The steering group for Council Tax Benefit Localisation, the Shadow Health and Wellbeing Board and the Safer Harrow Management Board did not include any Opposition Group Members. Can you explain why?

The Leader stated that he had raised the issue of membership of the Shadow Health and Well being Board but that at this stage the Board wanted to work closely with GPs. The Members on the Board were appointed due to their role. He undertook to take the comments about membership of bodies on board.

The Portfolio Holder advised that the Council Tax Benefit Localisation Steering Group was listening to representatives from the voluntary sector but that he would attend a challenge panel on this if required.

How is the Council's transformation programme now constituted?

The Leader advised that it was the same as the previous year in that there was a full business case and outline business case. The Chief Executive added that 6 or 7 principles underpinned the programme including sharing and collaborating, exploring different ways to deliver services, emphasis on prevention, access to services, growth, and a more commercial approach. It was important to consider why a service was costing more than that provided by another organisation and he advised that London Councils were doing some benchmarking which would enable Harrow to learn from others.

In relation to transformation, what consultation and negotiations are being carried out with the trade unions in respect to the new structures and working practices?

The Chief Executive reported that a specific Trades' Union forum met regularly to discuss items in the Transformation programme. The Chief Executive also reported that as not all staff were members of a Trades' Union, staff forums and the Chief Executive newsletter were used to inform staff.

With the legislative programme being so heavy at the moment, especially around localism, welfare and health, how will the council ensure that residents understand the implications for them and how will the council manage the impact on residents' lives, especially the most vulnerable in society?

The Leader advised that there had been discussions with the Citizens' Advice Bureau and major charities with regard to the Localisation of Council Tax benefit and that the Council had been congratulated on its literature. In addition, road shows were being held in the most deprived areas of Harrow. The Portfolio Holder added that as the Council had limited resources, the road shows were being held in those wards with the most claimants. This was challenged by a Member who questioned the location of the roadshows.

In response to a Member's question about communicating information in relation to neighbourhood forums, the Chief Executive advised that communication through the Council's website and use had been made of the Harrow People magazine.

Are we communicating the financial changes the Council was making to residents?

The Portfolio Holder responded that it was important that the Council ensured that it spoke to residents about the changes and advised that the first consultation would be on the Council Tax Benefit Localisation.

What did the organisation learn from the original transformation programme processes and how will these lessons inform the T2 programme?

The Chief Executive stated that the positives included the monitoring of the programme by the Corporate Strategy Board every six weeks, the work done outside of that meeting to ensure that issues were addressed and programme tracking to identify items were being progressed and links between the strands within the programme were identified. The lessons included recognising that there were too many groups/boards, issues around the role of sponsors, some sponsors were more effective than others and that there had been inconsistencies in the timeliness of some reports.

A Member made a concluding statement that Members had a view as to how communication with residents should be done and commented that the Communications Working Group had only met once in the last two years. It was necessary to have cross party involvement in order to best serve the needs of residents. The Leader undertook to take these comments on board.

The Chair thanked the Leader of the Council, the Chief Executive, the Portfolio Holder for Finance and the Corporate Director of Resources for their attendance and responses.

(Note: The meeting, having commenced at 7.32 pm, closed at 9.25 pm).

(Signed) COUNCILLOR JERRY MILES
Chairman