



London Borough of Hammersmith & Fulham

Overview & Scrutiny Board Minutes

Tuesday 15 March 2011

PRESENT

Committee members: Councillors Alex Karmel (Chairman), Victoria Brocklebank-Fowler, Daryl Brown, Georgie Cooney, Robert Iggulden, Andrew Johnson, Andrew Jones (Vice-Chairman) and Sally Powell

Other Councillors: Nicholas Botterill (Deputy Leader), Marcus Ginn (Chairman, Oral Health Task Group) and Mark Loveday (Cabinet Member for Strategy)

Officers: Geoff Alltimes (Chief Executive), Andrew Christie (Director of Children's Services), Hitesh Jolapara (Deputy Director of Finance), Ben Llewellyn (Policy Consultant), Sue Perrin (Committee Co-ordinator), Peter Smith (Strategy Manager) and Jane West (Director of Finance and Corporate Services)

47. MINUTES AND ACTIONS

RESOLVED THAT:

The minutes of the meeting held on 25 January 2011 be approved and signed as a correct record of the proceedings.

The committee noted that the duplicate payments project was on-going and that just over £200k has been recovered, at this stage.

The Chairman informed that he had agreed to take the update on the Oral Health Task Group before item 5.

48. APOLOGIES FOR ABSENCE

Apologies were received from Councillors Donald Johnson and Stephen Greenhalgh.

49. DECLARATIONS OF INTEREST

There were no declarations of interest.

50. MONITORING PERFORMANCE

The committee received an updated set of performance indicators (PIs) comprising key national and local performance indicators.

Councillor Cooney queried the backlog in respect of housing benefits overpayments recovered. Ms West responded that it was difficult to collect this money, particularly during the current recession. Residents in receipt of housing benefits would find it difficult to make these payments and if residents were no longer receiving benefits or in accommodation, the overpayment would have to be recovered by raising an invoice.

Councillor Brocklebank-Fowler queried the way in which performance against partnership priorities would be monitored when the Local Area Agreement (LAA) ended with the current year. Mr Smith responded that the Council's corporate performance monitoring would continue and that partnership monitoring would be reviewed at the end of March once the national single data list, which would set out all Central Government requirements, had been published.

Councillor Cooney queried the high level of sickness in community services. Ms West responded that this had been because of the physical nature of the work, and specifically the home help service, which had now been transferred out. A gradual improvement was being seen.

Councillor Jones queried the outstanding business rates, which had largely been attributed to Westfield Shopping Centre. Ms West responded that the Valuation Office, over which the Council had few controls, had been slow in valuing the properties. The Council was now attempting to recover one years arrears in a recession, which impacted on debt collection. Ms West added that the cash was collected on behalf of Central Government.

Mr Smith responded to Councillor Karmel's query in respect of sanctions or rewards for achieving or missing LAA targets that, as part of the original negotiations in 2008, there had been a performance reward grant element to the Agreement, but this had subsequently been dropped and local authorities were no longer required to report on their performance against LAA targets to Central Government.

ACTION

Comments to be provided in respect of Tackling Crime and Anti-social Behaviour indicators, where the target had not been met.

Action: Director of Finance and Corporate Services

RESOLVED THAT:

The report be noted.

51. HIGH LEVEL REVENUE AND CAPITAL BUDGET MONITORING REPORT 2010-2011, QUARTER 3

Mr Jolapara presented the report, which set out the outturn position for 2010/2011 revenue and capital budgets as at Quarter 3 and explained significant variances.

The Housing Revenue Account was, at the end of quarter 3, projected to overspend by £20,000.

The Quarter 3 report indicated that the General Fund Revenue Account was projected to breakeven and the capital programme a year end surplus of £5.4 million. Progress was being made towards reducing the Council's debt (Capital Financing Requirement), which was forecast to reduce to £81.6million by 2014/2015.

Councillor Jones queried the opening capital financing requirement of £132 million. Ms West responded that some of this was financed by internal borrowing, generated by moving cash balances internally.

Councillor Iggulden queried the schemes under consideration in table 7 housing estates. Mr Jolapara referred to appendix 3, which set out potential schemes, which would be subject to a full business case and Cabinet decision before any expenditure was incurred. It was prudent, at this stage, to include in the programme.

Councillor Loveday stated that a considerable amount of work had been undertaken by the Cabinet Member for Housing, and that proposals would be provided to the Housing, Health & Adult Social Care Select Committee.

Councillor Iggulden queried the top-slicing of 25% of future receipts to support general investment needs and the debt reduction programme. Ms West responded that top-slicing had been agreed in the previous budget strategy. 75% would be retained in the Decent Neighbourhoods budget.

ACTION:

Further information to be provided in respect of the housing schemes under consideration.

Action: Acting Director of Housing and Regeneration

RESOLVED THAT:

1. The report be noted.
2. A report on the Local Housing Company be provided to the next meeting.

52. LOCALISM BILL 2010/2011 BRIEFING NOTE

Mr Smith updated on the progress of the Localism Bill which outlined a wide range of changes to the way local authorities should work and function. A joint

submission to the committee stage of the Bill had been made by the London Borough of Hammersmith & Fulham, the Royal Borough of Kensington & Chelsea, Wandsworth Borough Council and Westminster City Council.

Whilst the majority of the changes proposed in the Bill were warmly welcomed, there were a number of concerns, which had been set out in the response:

- Part 1: Clarification of some areas of the general power of competence was required.
- Part 2: Passing EU Fines on to local authorities was strongly opposed.
- Part 3: The power to set local discounts on non-domestic rates was welcomed but, as the reductions would be expected to be funded locally, greater retention of revenue raised through business rates was proposed.
- Part 4: The new duty to hold local referendums might be costly for local authorities, as the proposed threshold of only 5% of an area's population needing to have signed a petition in order to trigger a referendum on an issue was very low. The Committee had considered an amendment to raise this threshold to 20%, but had rejected it.
- There was also concern that the Community Right to Challenge might trigger costly procurement exercises for services and assets.
- Part 5: A submission had been made to repeal the requirement to produce a local development monitoring report for public consumption.
- Part 6: A submission had been made that local authorities should be permitted greater powers to set rents for social housing properties and establish specific terms of occupation.

In response to a query from Councillor Karmel, Mr Smith stated that there was no indication of the estimated value of the transfer of the EU fines to local authorities or which fines would be delegated, for example breaches of EU Directives around issues such as landfill or waste recycling.

Councillor Jones queried the Council's view of the proposal to enable local authority landlords to grant tenancies for a fixed length. Mr Smith responded that the Council supported the Bill's proposals to reform housing tenure regulations, but was pushing for greater powers to establish specific terms of occupation.

Councillor Iggulden considered that the continuation of central determination of the rules on eligibility for housing was inconsistent with local authorities regaining the freedom to determine who should qualify to go on their housing list. Mr Smith responded that local authorities would have greater powers to determine who should qualify for housing and there would be a higher threshold.

ACTION:

Clarification of local authorities' current and proposed freedom to determine qualification criteria for housing allocations to be provided.

Action: Strategy Manager

RECOMMENDED THAT:

1. The Board notes the report.
2. An update report be added to the work programme.

53. TRI-BOROUGH WORKING

The Board received the joint report between the London Borough of Hammersmith & Fulham, the Royal Borough of Kensington & Chelsea and the City of Westminster entitled 'Bold Ideas for Challenging Times'.

Councillor Jones queried how the savings of £34 million would be achieved, and whether an analysis of maximum and minimum savings had been undertaken.

Mr Alltimes responded that the report set out the proposals to reduce management teams and back office functions to achieve the estimated savings for the three Councils by 2014/2015. The savings would be achieved primarily through staff reductions and efficiency gains, with an estimated 50% reduction in senior levels, as opposed to front line supervisors and related savings in for example, financial systems and accommodation.

Mr Christie added that the report had provided preliminary costs and that more detailed work was being undertaken. Productivity savings would be made by sharing systems across the three boroughs, for example in fostering care substantial savings could be made in recruitment and advertising costs.

Councillor Cooney queried the comment that Fostering Agencies reported that they had successfully recruited more carers and the establishment of a single fostering panel with member representation from each borough. Mr Christie responded that there had been a tendency for Fostering Agencies to be more successful because of better support arrangements, and that the Councils would be addressing this issue. In respect of the Fostering Panel, the operation of a single panel would be considered carefully.

Councillor Brocklebank-Fowler queried how the projected savings would be shared across the three authorities. Mr Alltimes responded that both staff savings and costs would be proportionate in the way they were divided, and for example, staff savings would be offset by redundancy costs.

In respect of ICT, Ms West stated that whilst it was likely that one system would be procured in the longer term, Councils would use their existing

systems initially. Councillor Karmel recommended that the Council considered 'open source programmes' as opposed to proprietary software.

Councillor Jones referred to the merger of Local Safeguarding Children Boards and the potential for significant savings, for example one training programme for all partner agencies. Mr Christie responded that some key players, for example, a doctor from Chelsea and Westminster Hospital, were already working across more than one borough. There would be no loss of accountability to any of the local authorities, and contractual arrangements would address specific requirements.

Councillor Jones noted the importance of local knowledge and accountability. Mr Christie responded that borough specific policies would be maintained as there were specialist considerations across the boroughs.

Councillor Iggulden queried different requirements by the boroughs in respect of, for example rubbish collection. Mr Alltimes responded that the Sovereignty Guarantee was a clear commitment to continuing localised control. In respect of rubbish collection, one company could provide the service for a number of boroughs, thus providing economies of scale, but with different collection requirements. Boroughs would pay for the service required.

Councillor Brocklebank-Fowler queried the enthusiasm of the other two boroughs. Mr Alltimes responded that there had been variable responses from service areas, but since the decisions taken by the Cabinets in the three boroughs, there had been a solid commitment to develop the proposals for tri-borough working. In addition, the proposals were supported by data from the staff survey.

Councillor Powell noted that the estimated savings were shared primarily between children's services and adult social care, and queried whether they should have been rationalised previously. Mr Alltimes responded that work in these departments was more advanced: merger of children's services had commenced earlier; and adult social care had been affected by changes in health care commissioning, including the formation of cluster PCTs and GP commissioning and joint provision of services.

In contrast, work in environmental services, which were combined in different portfolios in the three councils, had commenced only in September. There tended to be relatively smaller budgets, with some existing shared posts. In addition, there were often big contracts with long term commitments, and many costs being met by the developer or TfL.

Councillor Karmel, referred to a previous re-organisation whereby staff who were 'at risk' had quickly found other jobs, and queried action being taken to retain good staff. Mr Christie responded that councils were faced with a very different situation, and all three Councils would be losing staff. Hammersmith & Fulham would lose approximately 700 staff.

ACTION

Staffing numbers across the three boroughs to be provided.

Action: Chief Executive

RESOLVED THAT:

1. The report be noted.
2. An update report be added to the work programme.

54. SELECT COMMITTEE AND TASK GROUPS REPORTS

The Board received reports from the Select Committees and the Oral Health Task Group.

Councillor Ginn presented the report from the Oral Health Task Group and outlined the rationale for the Task Group's selection of children's oral health:

- Hammersmith & Fulham had the third highest levels of dmft [decayed, missing or filled teeth] amongst 5 yr olds in the UK
- 44.5% of 5 year olds had decay experience, compared with 32.7% in London and 30.9% in The UK
- Between 2007 and 2010, 643 children under 10 years old had been admitted to Chelsea and Westminster hospital for dental caries, an avoidable disease
- 83% of these admissions had been for extraction of multiple teeth, probably under general anaesthetic
- In respect of 12 year olds, Hammersmith & Fulham had the 4th highest level of dmft in London

Councillor Cooney recommended that oral health should be included in the changes taking place in the children's services network, along a 'hub and spoke' approach.

Councillor Iggulden queried the reasons for poor dental health in Hammersmith & Fulham. Councillor Ginn responded that the work of the Task Group was still at an early stage, but possible reasons could include: children not visiting the dentist; and lack of water fluoridation.

Councillor Iggulden recommended that parents should feature higher in the list of key witnesses. Councillor Ginn responded that the list was not in order, but he would note the point.

Councillor Botterill noted that there did not appear to be a socio-economic basis to the data, and queried whether there were any specific reasons for the high numbers in Hammersmith & Fulham. Councillor Ginn responded that the data was based on a sample size of 209 five year olds.

The Chairman thanked Councillor Ginn for attending the meeting.

RESOLVED THAT:

The committee noted the reports.

55. WORK PROGRAMME AND FORWARD PLAN 2010/2011

RESOLVED THAT:

An interim report in respect of the Local Housing Company be provided to the April meeting.

56. DATE OF NEXT MEETING

Tuesday 19 April 2011

Meeting started: 7.03 pm
Meeting ended: 8.43 pm

Chairman

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