



London Borough of Hammersmith & Fulham

# Overview & Scrutiny Board Minutes

Wednesday 21 September 2011

## PRESENT

**Committee members:** Councillors Alex Karmel (Chairman), Victoria Brocklebank-Fowler, Georgie Cooney, Rachel Ford, Lucy Ivimy, Donald Johnson, Andrew Jones and PJ Murphy

**Other Councillors:** Councillor Mark Loveday (Cabinet Member for Strategy).

**Officers:** Andrew Christie (Director of Children's Services), Hitesh Jolapara (Deputy Director of Finance), Michael Sloniowski (Principal Consultant Risk Management), Jane West (Director of Finance and Corporate Services), Michael Carr (Scrutiny Development Officer).

## 16. MINUTES AND ACTIONS

### RESOLVED:

that the minutes of the meeting held 26<sup>th</sup> July 2011 be agreed as a correct record.

## 17. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Sally Powell.

## 18. DECLARATIONS OF INTEREST

Councillor Karmel made a declaration of interest under agenda item 11 High Level Revenue and Capital Budget Monitoring Report 2011-2012, as he had previously served as Chairman of the New Deal for Communities committee mentioned in the report.

Councillor Donald Johnson made a declaration of interest under agenda item 4 Overview and Scrutiny Task Groups, as he was employed by one of the utility companies being interviewed by the Get H&F Moving Public Utilities Lane Rental Scrutiny Task Group.

## **19. OVERVIEW AND SCRUTINY TASK GROUPS**

An update was provided on the status of Overview and Scrutiny Task Groups. The Committee was informed that the Task Group established on 26<sup>th</sup> July 2011; Get H&F Moving: Public Utilities Lane Rental Task Group, which was conducting an inquiry into a possible scheme to regulate road works, had convened twice and was receiving evidence from stakeholders including the Cabinet Member for Environment, Thames Water, residents associations and other interest groups. The Task Group was considering the desirability and feasibility of the scheme, including any technical aspects of a possible scheme. The Task Group would then agree a report for submission to the Overview and Scrutiny Board on 30<sup>th</sup> November 2011.

The Committee was also informed that the Children's Oral Health Task Group report, agreed by the Committee on 26<sup>th</sup> July 2011, was due to be considered by Cabinet on 10<sup>th</sup> October 2011, which would agree the Cabinet's Executive Response. The report had also been submitted to the NHS PCT and an Executive Response requested and it was anticipated that the report would also be considered by the Shadow Health and Well Being Board.

## **20. SELECT COMMITTEE REPORTS**

The Committee received update reports from the Education Select Committee, the Environment and Residents Services Select Committee and the Housing, Health and Adult Social Care Select Committee.

## **21. TRI-BOROUGH MANAGED SERVICES PROGRAMME**

A report of the Director of Finance and Corporate Services was received to provide an update on the Tri-Borough services programme.

It was asked if, as Programme Athena was a pan London programme, the Tri-Borough partnership was in concordance with this. It was responded that it was and that the other London boroughs were attempting to co-ordinate software platforms, like the SAP system, through Programme Athena.

It was asked if there are any additional risks identified for services managed through the Tri-Borough managed services solution. It was responded that there was not a risk free option and that the Member challenge arrangements will help to mitigate risks.

It was asked what savings were envisaged through Programme Athena. It was responded that cost estimates were available to Cabinet in June 2011. This included £200,000 saving on Human Resources (HR) costs, although there were at that time no detailed plans on how this would be delivered. Savings from transitional HR systems might include the advice line and transference to self service systems delivered, for example, through the internet.

It was asked if it was correct to say that activity generated in HR had been high to deliver single status but that now it was returning to a more stable

rate. It was responded that in fact HR was now reaching a peak of activity due to work on change management. Savings in finance and HR was not anticipated until 2014.

It was asked if there had been any benchmarking against the private sector for finance as a percentage of turnover. It was responded that this had taken place as far as feasible within existing resources. It was anticipated that some costs reduced as a result of joint services in HR under the Tri-Borough arrangements.

It was asked if the number of part time trade union officials was to be reduced. It was responded that the strategy was to reduce the number of trade union paid officials.

A question was asked about maintaining and improving the quality of services under the Tri-Borough arrangements. There was an aspiration to improve quality across the three boroughs through shared services.

It was asked if the Tri-Borough managed services provided opportunities to secure better value for money when commissioning services and whether this had been evaluated. It was replied that this had not been possible at that moment as it was not possible to evaluate a comparison. The Cabinet Member for Strategy commented that the administration had engaged in the externalisation of services five years previously to reduce costs, which had also prepared the ground for the Tri-Borough joint services arrangements. It was therefore not possible to distinguish accurately between the savings accrued in preparation through efficiencies and further savings accrued after the Tri-Borough arrangements had been introduced; these were joint strategies towards more efficient services.

#### **RESOLVED:**

that the Tri-Borough Managed Services Programme update report be noted.

## **22. TRI-BOROUGH SERVICE PROVISION**

The Committee received a report of the Director of Finance and Corporate Services to summarise how services were to be provided across the geographical areas and how it was ensured that Hammersmith and Fulham services were not adversely affected by a crisis at either Westminster Council or Kensington and Chelsea Council.

It was asked what the guarantees were that, in the case of a crisis, services would be maintained. It was responded that all services had an agreed mandate agreed by the respective Cabinet Member of the local authority, scrutinised by the respective scrutiny committees. It was explained that, under the Tri-Borough arrangements, there was in fact a more transparent system of agreed service delivery levels. The Section 105 officer, which was the Director of Finance and Corporate Services, had the responsibility to ensure that the correct allocation of resources was maintained at each local authority according to the agreed mandates and budgets.

The Director of Children's Services said that the Tri-Borough shared service arrangements also provided an opportunity to improve arrangements for the greater security of service provision across partner authorities, as there were already occasions when local authorities were called upon to help each other in a crisis. Tri-Borough arrangements were an opportunity to provide better co-ordination and secure service provision in such eventualities.

Clarification was sought on the meaning of "host" authority under Tri-Borough arrangements. Each of the shared local authority services had a designated "host" authority, which is the main base of the delivery of that shared service. Responsibilities for hosting shared services were allocated between the participating authorities.

It was asked what the arrangements were for scrutiny of the shared services. There was an expectation that sovereignty would be maintained in each of the participating councils and that each council will follow its own constitutional scrutiny arrangements, as was currently practiced.

**RESOLVED:**

that the Tri-Borough Service Provision report be noted.

**23. TRI-BOROUGH - CORPORATE SERVICES**

The Committee received a report of the Director of Finance and Corporate Services to provide an update on the implementation of the Tri-Borough arrangements for corporate services.

A question was asked about ownership of the corporate website. It was clarified that each council will retain ownership of its website and that although the websites may move to a shared platform the brand images of each council will be retained.

Reference was made to the medium term approach from 2013 onwards. It was asked who currently owned the property management database. It was replied that there were three property management databases for the three councils and that a new database was to be set up that would work across the three local authorities.

**RESOLVED:**

that the Tri-Borough Corporate Services Update report be noted.

**24. TRI-BOROUGH - RISK MANAGEMENT**

A report was received on Tri-Borough risk management and presented by the Principal Consultant Risk Management.

It was asked who made up the membership of the Member Steering Group. The steering group is made up of Cabinet Members and other councillor representatives from each council.

It was reported that financial sovereignty would be maintained as budget and performance monitoring remaining with individual council's arrangements. The Accounts section would be working on this closely over the following six months.

The difference in costs given in the report was queried, between £35m in one section and £33.4m in another. It was clarified that the £35m figure was given as the planned amount and the £33.4m as the actual amount according to the current analysis.

**RESOLVED:**

that the Tri-Borough Risk Management report be noted.

**25. TRI-BOROUGH - SAVINGS ANALYSIS**

The Committee received a report of the Director of Finance and Corporate Services on Tri-Borough implementation plans savings analysis, which provided an update on the savings for the Tri-Borough proposals.

It was asked if it was possible to have a breakdown of the Savings Attributable to Hammersmith and Fulham provided in Table 2 of the report. A breakdown of these savings items would be provided to members of the Committee, as requested.

**RESOLVED:**

that the Tri-Borough implementation plans savings analysis be noted.

**26. HIGH LEVEL REVENUE AND CAPITAL BUDGET MONITORING REPORT 2011-2012**

The Committee received a report of the Director of Finance and Corporate Services to set out the forecast outturn position for 2011-2012 revenue and capital budgets, as at the first quarter, and explain any significant variances.

**RESOLVED:**

that the report be noted.

**27. MONITORING PERFORMANCE 2011-2012**

A report was received to update the Committee on the first quarter status on financial, HR, Electoral Registration and Contact Centre performance indicators (PIs) and the process on reporting key PIs contained in the Council's Local Area Agreement and Community Strategy.

It was queried why PI NI181, the time taken to process housing benefit and Council Tax benefit new claims and change events, was "Not Improving". It was responded that this performance issue had been reviewed and that it was expected that there would be a turnaround in this PI by the end of the year.

It was asked how important targets were to the management of council services. It was responded that they were very important and that performance against targets were reviewed quarterly in management meetings, where it was identified when targets were not met.

It was suggested that consideration be given to redrafting the PI on rolling registration.

**RESOLVED:**

that the report be noted.

**28. WORK PROGRAMME AND FORWARD PLAN 2010/2011**

The Committee received a report to outline the updated Overview and Scrutiny Board Work Programme 2011-2012. It was queried why items had been deferred from the 21<sup>st</sup> September 2011. It was clarified that those items had been deferred to the next meeting of the Committee.

**RESOLVED:**

that the updated Overview and Scrutiny Board Work Programme 2011-2012 be noted.

**29. DATES OF NEXT MEETING**

The date of the next meeting was 30<sup>th</sup> November 2011.

Meeting started: 7.07pm  
Meeting ended: 8.40

Chairman .....

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Minutes are subject to confirmation at the next meeting as a correct record of the proceedings and any amendments arising will be recorded in the minutes of that subsequent meeting.