


LGA Corporate Peer Challenge

London Borough of Harrow

7th – 10th February 2023

Feedback report





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1. Executive summary

The London Borough of Harrow (LBH) has gone through a period of significant change in the last 12 months with a new administration, a new Chief Executive, and a move to a new council office. Now is an exciting time for LBH: a time of transition with new ambitious plans for the organisation and the borough.

During the Corporate Peer Challenge (CPC) the peer team recognised the fresh impetus and energy the new administration had brought, with a strong desire to improve services and to generate pride in Harrow. The Leader of the Council is well-respected and, along with his Cabinet, has developed a clear ownership of the ambitions for the council and the place. Staff and members are well-motivated and committed to delivering the council's priorities. LBH is a largely self-aware council and is able to evidence many of the challenges it faces.

A new Corporate Plan has been developed along with a series of flagship actions for delivery over the term of the administration. The new Corporate Plan is a helpful strategic document, setting out the priorities for the organisation. LBH though does have limited capacity, particularly in change and project management, meaning transformative projects will need to happen on a sequential basis. Members and officers recognise this and appreciate that lasting change will take time. An overarching improvement plan would be helpful for the council to plot out the transformation projects in order priority and urgency.

LBH is a good partner, something recognised by organisations such as the police and the Integrated Care System (ICS). LBH is engaged in the wider borough agenda and is committed to cross-organisation working. The peer team would encourage the council though to position itself to take more of a leading role in partnerships such as the ICS to ensure Harrow's voice is heard and the borough gets its fair share of resources.

In recent years the council's introduction of new human resource (HR), finance and planning systems have been problematic. These systems are not fit for purpose and are causing significant issues. The council is aware of this and has launched the 'fix the basics' programme. Improvements need to happen at pace and the council should consider contingency options if this cannot be achieved. It was clear to the

peer team that continuing to use the systems in their current state is not sustainable and urgent progress must be made.

There is a lot of work to be done to develop and modernise the council through updated and consistently applied policies, processes and a culture that allows it to act and operate as a single organisation. The peer team heard about dissatisfaction amongst staff about what they felt was an inconsistent application of policies such as hybrid working and recruitment practices, and high levels of silo working and conflicting priorities. The absence of a workforce strategy and HR capacity and capability will impact on the achievement of improvements required to deliver the Corporate Plan priorities.

Strong working practices and relationships exist between members and officers. The peer team heard that the balance in the relationship has changed somewhat under the new administration, with greater involvement from members in the detail and delivery of projects. The peer team noted that Cabinet members appeared to be involved in operational matters, it was explained that this was a temporary arrangement, while senior members gained assurance that progress was being made. The peer team stressed that care should be taken to ensure members had appropriate oversight and delegation in place and there was clarity and understanding of member and officer roles and responsibilities.

LBH has recently delivered balanced budgets in the face of funding reductions, whilst maintaining strong outcomes in certain services. Positive steps have been taken to move the council away from drawing on reserves to set balanced budgets. The 2023/24 and the projected 2024/25 budgets are forecast to be set without any draw on reserves. The council has a regularly updated Medium Term Financial Strategy (MTFS) which includes an ambitious savings programme of £17.2m. A robust monitoring and tracking system will be required to oversee the delivery of the savings.

The new administration are champions of a 'customer-first' approach and this is evidenced within each of the council's priorities. Partners told the peer team they had noticed a positive change in the responsiveness of the council to enquiries and requests. The test now for the council is to ensure these positive changes are embedded in the fabric of the organisation.

2. Key recommendations

There are a number of observations and suggestions within the main section of the report. The following are the peer team's key recommendations to the council:

2.1. Recommendation 1: Corporate Plan

Whilst the flagship actions are helpful in providing focus, the council should ensure that they do not distract from the business as usual. The council should take steps to embed the Corporate Plan across the council and establish alignment with other key policies and strategies.

2.2. Recommendation 2: Improvement, transformation and capacity

There is a need for a defined strategic improvement programme with sequenced actions, supported by further capacity for transformation and change. A properly established and resourced Project Management Office (PMO) alone will not solve this (but would be a helpful start); capacity is required across the organisation. There is a need to urgently reprioritise programmes and allocate resource accordingly. This may involve moving resource around and the revision of milestones and targets. There is also a need to acknowledge not everything that needs doing can be done now so some phasing with clear communications and expectations is required.

2.3. Recommendation 3: Organisation

A determination is needed as to whether to agree and require (or not) a standard operating model for the council and all service areas. If this is agreed clarity should be provided with clear design principles for either devolved or centralised services, and the overall model of service delivery.

At present, it is unclear what the future operating model preference is for the council. There is currently a mixture of devolved and centralised (hub and spoke) corporate services and they vary across departments.

2.4. Recommendation 4: Financial planning and management

Continue to develop alignment between the Corporate Plan, MTFs and other financial strategies.

2.5. Recommendation 5: Savings and MTFS

Ensure a relentless tracking and reporting system is in place with clear ownership of budgets with a focus on delivering the agreed savings proposals and avoiding double counts that might arise from changes to the operating model.

2.6. Recommendation 6: Internal systems

Identify, agree and implement a range of options to urgently resolve key system issues (e.g. Microsoft Dynamic 365 and planning). Consider what alternative options might be available to help deliver the necessary urgent improvements.

2.7. Recommendation 7: Performance

Introduce a consistent council-wide performance framework which provides organisational assurance. Ensure this performance monitoring is used to inform service delivery and decision making. Develop a suite of performance information and data packs which go through formal council governance arrangements e.g. reports to Cabinet and Overview and Scrutiny.

2.8. Recommendation 8: Human Resources and Organisational Development

Systems, processes and policies need to be reviewed, refreshed and made fit for purpose to deliver the council priorities as a matter of urgency. It is important that a culture is developed to ensure that all council services understand and comply with agreed corporate policies. This needs to be closely monitored and any non-compliance identified and appropriate corrective action taken. A robust annual appraisal system should be developed that aligns individual and organisational objectives, values and behaviours as set out by the new Corporate Plan.

2.9. Recommendation 9: Workforce strategy and culture

The council should develop a workforce strategy setting out plans to attract, recruit, retain and develop the workforce with the skills and capabilities required to achieve the council objectives.

LBH could also look to zone the council office by service area to enhance team working and support collaboration. The council should discuss and agree with staff a set of expectations about when and why they should be in the office, informed by

service need and job roles. Thereafter monitoring will be needed to ensure compliance is in line with the agreed approach.

2.10. Recommendation 10: Member development

The existing member training and development offer should be evaluated and in line with member feedback should be expanded, targeting key roles such as Cabinet members and committee chairs.

2.11. Recommendation 11: Governance

The council's schedule of meetings should be reviewed to allow for sufficient pre-decision engagement and the timely issuing of reports.

2.12. Recommendation 12: Commissioning

The council should develop a long-term commissioning strategy and implementation plan. Longer term planning is needed in areas such as extra care housing and leisure provision.

2.13. Recommendation 13: Health partnerships

Build on the strong relationships established locally and the role the council plays in the borough partnership. The council should look to be more influential across the ICS footprint to make sure Harrow residents get their fair share of resources.

3. Summary of the peer challenge approach

3.1. The peer team

Peer challenges are delivered by experienced elected member and officer peers. The make-up of the peer team reflected the focus of the peer challenge and peers were selected on the basis of their relevant expertise. The peers were:

- Lead Peer: Jackie Belton, Chief Executive, London Borough of Bexley
- Member Peer: Cllr Alan Jarrett, Leader, Medway Council
- Officer Peer: Sarah Ashmead, Deputy Chief Executive, Buckinghamshire Council
- Officer Peer: James Marshall, Director of Customer Experience,

- Southampton City Council
- Officer Peer: Barry Scarr, LGA Finance Improvement & Sustainability Associate
 - LGA Peer Challenge Manager: Harry Parker

3.2. Scope and focus

The peer team considered the following five themes which form the core components of all Corporate Peer Challenges. These areas are critical to councils' performance and improvement.


1. **Local priorities and outcomes** - Are the council's priorities clear and informed by the local context? Is the council delivering effectively on its priorities?
2. **Organisational and place leadership** - Does the council provide effective local leadership? Are there good relationships with partner organisations and local communities?
3. **Governance and culture** - Are there clear and robust governance arrangements? Is there a culture of challenge and scrutiny?
4. **Financial planning and management** - Does the council have a grip on its current financial position? Does the council have a strategy and a plan to address its financial challenges?
5. **Capacity for improvement** - Is the organisation able to support delivery of local priorities? Does the council have the capacity to improve?

In addition to these themes, the council asked the peer team to provide feedback on a theme focused on the customer experience:

6. **Customer experience** - Does the council demonstrate leadership and a clear vision for the customer experience?

3.3. The peer challenge process

Peer challenges are improvement focused; it is important to stress that this was not an inspection. The process is not designed to provide an in-depth or technical assessment of plans and proposals. The peer team used their experience and



knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read.

The peer team prepared by reviewing a range of documents and information to ensure they were familiar with the council and the challenges it is facing. The team then spent four days onsite at LBH, during which they:

- Gathered information and views from more than 60 meetings, in addition to further research and reading.
- Spoke to more than 140 people including a range of council staff together with members and external stakeholders.

This report provides a summary of the peer team's findings. In presenting feedback, they have done so as fellow local government officers and members.

4. Feedback

4.1. Local priorities and outcomes

Harrow is a suburban outer London borough in north-west London, approximately ten miles from central London. Harrow is bordered by four other London boroughs and Hertfordshire to the north. The borough benefits from fast links into central London, served by overground trains and three underground lines. Over a quarter of the borough is designated green belt.

Harrow's population has been steadily increasing over the past 30 years, with the 2021 census estimating the borough's population at 261,300. Harrow has a rich diversity of backgrounds, according to census data it is the fifth most diverse area in the UK¹. Across the borough's schools more than 169 languages are spoken. This diversity of backgrounds brings a multitude of different cultural identities.

In May 2022 the council changed control to a Conservative administration, and in the following months LBH set out a new vision – *Restoring Pride in Harrow* – and a new set of council priorities. The political leadership has set out a clear purpose and focus for the council to be trusted to listen and effectively respond to residents. This renewed focus on the customer and improving the council's responsiveness was something the peer team clearly felt during the peer challenge.

Since the May 2022 election the administration can point to the delivery of manifesto commitments such as introducing an hour's free parking in all council spaces and free bulky waste collection. To date more than half a million hours of free parking slots have been used by residents, with the council's intention of encouraging visits and spend across the borough's high streets.

The council's new Corporate Plan was approved in February 2023 and set out three priorities for delivery: a council that puts residents first, a borough that is clean and safe and a place that supports those in need. These priorities align with the overarching vision of prioritising residents and making Harrow a place where residents can be confident to settle, make roots and raise a family and those in need

¹ Census 2021. Office for National Statistics (2021): 2021 Census aggregate data (Edition: November 2021). <https://www.ons.gov.uk/datasets/TS021/editions/2021/versions/1/filter-outputs/4152c579-81c7-49e5-8945-164c4d6ede65?f=get-data#get-data>

are supported.

As part of the Corporate Plan a series of flagship actions across service areas have been developed to be delivered by 2026. These flagship actions are useful in providing a focus for delivery; however, it is important that they do not distract from the business-as-usual activity across service areas. This continued focus on achieving high standards of service provision is of crucial importance especially in areas such as Adults and Children's services.

Further work is required to fully communicate and embed the Corporate Plan across the council. More work is also needed to communicate and embed the priorities and flagship actions within service plans and staff appraisals.

The Corporate Plan and the flagship actions helpfully set objectives for delivery, but to turn this into a reality it is important that the council gets the basics right first. The organisation needs to be on a stable footing so it can be equipped to deliver on the council's priorities and achieve the necessary transformation. Currently the basics do not always work and this will impede progress.

In line with the new administration and the arrival of the new Chief Executive in September 2022, a renewed focus has been given to corporate performance monitoring. Performance processes were effectively 'stood down' during the pandemic in order to free up capacity to support the council's response activity. The peer team agreed with the chief internal auditor's assessment in the 2021/22 Annual Governance Statement (AGS) that the step down of performance monitoring is of concern and represents a governance issue. The peer team were pleased to hear of the reintroduction of corporate performance monitoring and the development of performance scorecards, aligned to the Corporate Plan and the flagship actions.

The peer team heard consistently during the CPC a welcoming of the renewed focus on performance "*I'm a big fan of the new performance focus.*" Positive governance processes have been developed such as the quarterly performance boards for the three directorates reporting data and information to senior officers and relevant portfolio holders.

This renewed performance focus is still relatively recent and remains underdeveloped. More work is required to build, strengthen and embed a performance culture across the organisation and build the capacity and expertise of

this function. The quality of data sources needs to be improved, the council should ensure that data is benchmarked from comparable councils and should utilise the potential of the data visualisation tool Microsoft Power BI which would help with engaging stakeholders and automating the flow of data. The council is aware of the need to improve the performance function and is undertaking a review of governance and the resultant improvement plan will focus on driving improvements in this area.

Beyond the corporate scorecards the council has also brought in new systems for recording workforce data, financial reports and risk registers, this is something the peer team welcomed. Established performance metrics are useful mechanisms for senior members and officers to increase focus and grip on service performance and establish accountability for that performance. The peer team felt that once a consistent council-wide performance framework has matured, a suite of performance information and data packs should be developed and taken through formal governance boards such as Cabinet and Overview and Scrutiny on a quarterly basis.

The peer team heard of positive work across the People Directorate. There is significant pressure across northwest London with Northwick Park Hospital having one of the busiest Accident and Emergency Departments in the country. The health and social care system has a relatively strong performance regarding discharge times.

Strong working relationships are in place and LBH plays a valued role in the borough-based partnership. The size of the northwest ICS does pose challenges, making it a difficult task to ensure the voice of Harrow is heard. Harrow receives a lower amount of NHS funding from the ICS than other boroughs. The peer team would encourage LBH to build on the strong working relationships and look to take on a more influential position in the ICS to ensure Harrow residents gets their fair share of resources.

The peer team heard of good practice with the council making strides in establishing a greater presence in local healthcare services, working closely with Harrow Together, Voluntary Action Harrow and local food banks.

The council can be proud of its Children's Services being rated as 'Good' by Ofsted in 2020. LBH faces similar challenges to councils across the country when it comes to the recruitment and retention of their social workers, higher cost and churn of

agency staff, an increasing demand, case complexity and cost of meeting vulnerable children needs and maintaining effective services to children. This must be monitored closely because of the risk this places on the in-year budget outturn position and the delivery of the MTFS.

An area where the council recognises the need for improvement is around the provision for special educational needs and disabilities (SEND). In particular the council needs to improve the timeframe for completion of Educational, Care and Health Plans (ECHPs), in quarter three of 2022/23 only 9.5 per cent were issued within the 20-week timeframe. Significant improvement is required otherwise the council will be at risk of a Department for Education written statement of action.

The peer team heard the council had effectively co-designed the recently adopted new learning disability strategy. The peer team heard of other instances of close working with the local voluntary and community sector (VCS) with organisations such as the Young Harrow Foundation.

The opportunity to further strengthen the co-design and co-delivery of services is possible with the opening on the new multi-agency safeguarding hub (MASH) on Gayton Road. This will serve as the council's new emergency front door, with people services, housing, police and citizens advice based in the same facility, offering a multi-agency response in a one-stop-shop, aligning with LBH's residents-first priority.

The council has sought to adopt a hub model in a variety of areas including the MASH, an adult social care mental health service, a wellbeing hub and the Greenhill Library. Also, within the Corporate Plan there are plans to further consolidate the council's children's centres and develop revised family hubs, and the peer team also heard about future ambitions around libraries. With this approach the peer team would encourage the council to build a strategic vision for the current and future community and partner need for these service delivery hubs and align this to an asset review to ensure best value for money.

An area where the peer team felt that there was room for improvement was with the council's approach to strategic commissioning. LBH's commissioning approach lacks innovation and the extent of strategic commissioning and market shaping is minimal. A long-term commissioning strategy and implementation plan should be developed with the council developing its approach and capability here to deliver

efficiencies, improved outcomes and revised delivery models working with partners. This will be important with key strategic decisions required in areas such as extra care housing and leisure provision.

The collaborative work undertaken to develop and strengthen the equality, diversity and inclusion (EDI) agenda is recognised and valued as a strength by the workforce and highlights and celebrates the diversity of Harrow.

LBH developed an EDI strategic framework in September 2020, commissioned an independent race report in April 2021 and in response to this developed a race equality action plan in November 2021. The action plan has looked to bring forward several positive programmes such as introducing a diversity talent programme in response to the council's ethnicity pay gap. The council also committed to producing the Race Equality Action Plan 'One Year On' report, highlighting the progress that has been made and identifying where more work is needed. In doing so, the council has demonstrated its commitment to EDI.

LBH has seven active staff network groups, providing representation, support as well as acting in a 'critical friend' role to the organisation. The networks have supported the ongoing improvement in organisational development and cultural change work. Representatives of the networks are engaged, thoughtful and appropriately challenging of the council's EDI plans and delivery. The consultative role is welcomed, embraced and working with senior managers contributes to ensuring the continued focus and ambition on EDI in Harrow.

4.2. Organisational and place leadership

LBH has gone through a period of significant change with a new administration, a new Chief Executive and a new council office. The peer team heard throughout the peer challenge a wide recognition of the positive impact the new Leader and Chief Executive have had. After a period of significant change, staff have welcomed the permanent appointments that have been made at Corporate Director and Director level. However, with the forthcoming retirements of the council's Director of Legal and Governance (Monitoring Officer) and Director of Children's Social Care experience and organisational knowledge will be leaving, important recruitment decisions will be required for these key positions.

The peer team clearly saw the enthusiasm and passion for delivery amongst the council's workforce. Staff accept the need to become a more efficient organisation, they recognise and are willing to meet the challenge ahead.

In January 2023 the council approved a new asset management strategy providing a framework for managing its housing stock efficiently and effectively in line with corporate landlord responsibilities. The council owns a stock of just under 4,800 homes managed through its Housing Revenue Account. LBH have recently commissioned a review of assets which will help in informing the medium to long term capital programme. The council are aware of the need for estate improvements to maintain compliance with the Decent Homes Standard and to improve the energy efficiency of its stock.

In September 2020 the council entered a joint venture with Wates for the development of three key sites: Bryon Quarter, Peel Road and Poets Phase 1. These schemes will contribute considerably to the council's regeneration aims bringing forward an estimated 1,700 new residential units. By entering the joint venture external expertise can be utilised for the development of the three strategic sites. However, the council should consider and look to address the limited internal capacity it has for contract oversight and for developing smaller sites in the borough.

The peer team were impressed with the quality of the council's external communications. Resident communications are well organised and innovative, with strong involvement from elected members. The council's weekly newsletter is sent out to 70,000 residents and the quarterly Harrow People magazine is distributed to over 100,000 households.

LBH has been successful in involving and tailoring communications for its diverse communities. A good example of this was during the pandemic, the council carried out partnered communications with the VCS on topics like infection control and vaccinations. There is a significant opportunity to build on the good work that has already been delivered with new campaigns around supporting the delivery of the Corporate Plan.

The council has recently conducted a residents' survey to get an honest assessment on council services and residents' opinions. It is important that LBH builds the findings from the survey into longer-term plans and feedback loops are established

with residents.

LBH is increasing capacity with its internal communications. At present the council maintains a regularly updated intranet news feed, carries out monthly virtual staff briefings and regular pulse surveys. With the adoption of the new Corporate Plan internal communications will have an important role to play in embedding these priorities.

The peer team did hear that the quality and relevance of communications for staff can vary depending on where they sit within the organisation. The council recognises the need to develop communications channels with frontline staff in particular and appreciates the importance of diversifying communications approaches and not simply relying on a cascade system of messaging.

An area that is currently hindering the effective leadership of the organisation is with the HR service. The 2021/22 AGS highlighted an absence of corporate policies which is something the peer team found as well during the CPC. Policies and procedures are outdated and ineffective, adherence with policies is patchy and compliance is not enforced. Policies are not currently fit for purpose; this needs to be urgently rectified as it poses a major risk to the council. It also causes difficulties for managers to manage effectively and consistently.

There is scope for improvement in several areas such as establishing a robust annual appraisal system for all staff. Annual appraisals are important for performance checks, setting goals and identifying development needs. An established appraisal process will help to align both individual and organisational objectives whilst promoting a healthy culture of continuous learning and improvement. This is something the peer team encourage the council to put in place at pace.

LBH's HR team of 10 full time employees is small when compared to other similar sized councils. The council recognises the need for additional investment in HR and organisational development (OD). Capacity needs to be strengthened on a sustainable basis, both HR and OD will be crucial components in the council's overall transformation programme.

The 2023/24 budget includes a growth bid of £200k for strengthening the organisation's OD offer, as well as one off funding of £300k to bring in additional HR capacity to support organisational change. The council has a good opportunity to

target this funding at a programme that supports its improvement ambitions and it will be important to agree the priorities for this spend. The development offer for staff is currently fairly limited and an investment in the development of the council's own talent could bring significant benefits to both the individuals and the organisation as a whole.

LBH is well regarded by key stakeholders across the borough, spanning the public, private and third sector. The strength of its partnership working is a source of pride, with the council recognised for taking a collaborative 'convening role' in working with anchor institutions on priorities ranging from early intervention programmes to reducing crime.

Harrow has one of the highest levels of educational attainment in London, this is a real asset for the borough. The council has established strong working relationships with schools. The high quality of educational provision within Harrow brings a sense of pride for members and officers and serves as a real pull factor for families choosing to move to Harrow to bring up children.

The council has set out plans to become more of an outward looking council, seeking out best practice across the local government sector. The council has also committed to exploring opportunities to work closer with neighbouring authorities, where there are shared priority areas. The peer team would encourage the council to explore the possibilities here whilst ensuring lessons are learned from previous shared service ventures where service delivery could have been better.

The council faces a big decision shortly with the procurement of its leisure contract in 2024/25. The council should adopt a holistic approach linking in outcomes from public health and wellbeing, the strategic asset review and regeneration aims. A decision on major capital programmes for the borough's leisure provision is needed. The existing leisure facilities are not at the highest standard, the peer team understand several options are under consideration. A new leisure strategy is being developed, within this a strategic decision will be required on the shape of the leisure offer for communities for the medium to long term.

The council has a valued cultural offer for residents with assets such as the Harrow Arts Centre providing a varied programme of activities. Programmes exist that celebrate the local diversity with previous exhibitions on Jewish life, Tamil history and

south Asian culture.

The council has strong relationships with local faith groups and the VCS. Following the May 2022 election, the new administration re-committed to a VCS representative sitting on the council's Cabinet as a non-executive member, as well as quarterly meetings as a Cabinet with a network of VCS organisations.

The peer team heard examples of strong partnership working such as during the pandemic the council partnered with local faith institutions to encourage vaccination uptake and community testing. Another demonstration of strong working practices has been the collaborative efforts in delivering the Homes for Ukraine scheme.

Harrow is blessed with many faith and VCS organisations, however there are opportunities to go even further with regards to co-delivering services – harnessing the energy of local groups – for the benefit of the borough.

LBH declared a climate emergency in July 2019 and has a stated ambition to make the organisation carbon neutral by 2030 both in terms of production and consumption of emissions. A refreshed climate strategy is currently being developed. LBH is an active participant in London partnerships on climate change, where the council led the development of a carbon reduction toolkit for all London councils. Harrow has also introduced a low carbon procurement policy and developed a toolkit on behalf of seven other west London boroughs and West London Waste.

4.3. Governance and culture

Following the arrival of the new Chief Executive an internal governance review was commissioned as part of the 2022/23 internal audit plan covering policies, procedures, compliance measurement and reporting. This review echoed the opinion of the 2021/22 AGS that the level of assurance of governance was 'reasonable'. As mentioned previously in this report policies and procedures require updating and information and performance governance can be significantly improved. The council has established a governance board to oversee the improvement and action plans following the governance review.

The relationships between members and officers are strong, with a developing but good level of trust and respect. The change of administration has altered this

relationship somewhat. The peer team heard the council prior to May 2022 was characterised as 'officer-led', with a change since then with the new administration, the agenda and the council programme now being led by senior members.

This new working arrangement has taken some getting used to. Officers felt that the parameters for member engagement were not clear with members involving themselves in quite operational matters. The council should look to provide firmer clarity on the respective roles and responsibilities of members and officers and give greater understanding on delegations. The administration recognises that the level of detail it has sought to involve itself in since the election is not typical and has shared its expectation that this level of involvement will decrease as the organisation progresses, and member/ officer relationships mature and greater assurance is provided. The council is planning on rolling out a training offer on member and officer working. This is a positive move, and the council should be aware that external support from the LGA is available to get a perspective from other councils.

Relationships between the two political groups are respectful with healthy debate and disagreement as would be expected in a political environment. Member conduct is good and meetings are well managed and aligned to the constitution and code of conduct.

The council's Overview and Scrutiny Committee has an established four-year work programme aligned to the new council and its priorities. This is a positive development; the council should make sure it reviews the workplan on an ongoing basis to ensure it reflects current and emerging priorities. The council should also consider and look to clarify the relationship and roles between Scrutiny and Cabinet. Developing a working protocol could be helpful in contributing to rounded policy development.

The council has an existing member development programme. LBH should expand the existing scope of the development offer, reflecting members' feedback, providing bespoke training for Cabinet members and committee chairs. Senior members may want to consider attending [LGA Leadership Essentials](#) programmes which are free to attend and offer specific training on a variety of policy areas.

During the CPC the peer team heard of a few instances of delays to reports being published. While not ideal, this is to be expected from time to time in a busy local

authority. However, to minimise the frequency of this happening, and to allow for sufficient engagement, robust scrutiny and good governance the council should look to review the annual calendar of meetings, the sequencing of formal meetings and timelines for the timely issuing of reports.

The peer team were pleased to hear most respondents speak positively of the culture at LBH. Staff reported a supportive environment where there “*is a sense of camaraderie*”. Officers at all levels have an appetite for developing policies and strategies to shape and improve services, there is plenty of energy that can be harnessed for the delivery of the council’s priorities and vision of restoring *Pride in Harrow*.

There were comments from both officers and members which suggested that the council was siloed and fragmented in the way that it operates. The peer team heard the authority described as three councils – place, people and resources. More work is required to promote a whole-council approach. The development of a coherent operating model for the organisation could help to encourage greater cross council collaboration and join up services to focus on achieving shared outcomes.

Clarifying the future operating model is an important step for the council to take. There is currently a mixture of devolved and centralised (hub and spoke) corporate services which vary across departments. The council should determine whether it wishes to agree and require (or not) a standard operating model, which will apply to all council services. If this is the preference, clear design principles, which support the future operating model would need to be developed, agreed, understood and consistently costed and implemented.

With the pandemic and the advent of established hybrid working arrangements there is a recognition of the difficulty in developing and evolving an organisational culture via Microsoft Teams. At present the council has an inconsistent approach to hybrid working and would benefit from establishing clear expectations for staff. The council’s new office provides a good office space and “*a good opportunity to collaborate*”. Indeed, a growing use of the Harrow Hub would help in tackling fragmentation across the organisation. The peer team heard almost universal support for zoning of the building, maximising the value of staff coming into the office.

LBH should discuss and agree with staff a set of expectations about when they

should be in the office and how hybrid working can be implemented, taking into account service needs and job roles. Once these are determined, it is important the organisation ensures compliance.

Unions noted to the peer team an improvement in the level of engagement, with the new Chief Executive and Director of HR having had a positive impact.

Given the recent and planned changes at the Corporate Leadership Team level, the peer team would encourage senior officers to seek out opportunities to increase their visibility across the council and especially with frontline staff.

4.4. Financial planning and management

LBH has a track record of good financial management, consistently spending within budget in the face of funding reductions, whilst maintaining strong outcomes in certain services. The council has one of the smaller budgets for London boroughs with a net revenue budget of circa £183m. The council's core spending power per head in 2019/20 was estimated to be £170 lower than the London average. The peer team would agree with what a respondent said during the CPC that "*Harrow is a high achiever for the funding it receives.*" Though LBH has a comparatively small finance team, the team is highly regarded by members and officers.

In previous years the council had been balancing budgets by drawing heavily on reserves. For example, the 2022/23 budget was set using £14.7m of one-off reserves. This was not a sustainable strategy, which the council recognised. There has been a significant shift towards ensuring the council returns to spending within its budget envelope and to minimise the draw-down against the planned use of reserves. The peer team were pleased to see the council move away from this approach as the council's external auditors had already raised this as an issue. The 2023/24 budget has been set without a draw on reserves.

As with all councils, the majority of the budget is spent within the People Directorate. The council has done well within the last three years to manage Adults services within budget. In Children's though, the council is facing increased costs and several challenges in areas such as placement fees, a lack of supply and an increase in the demand and complexity of cases. Pressures are also emerging amongst the

designated schools grant high needs block, which should be closely monitored and contained as much as possible. These collective challenges will make the scheduled savings of £2.9m over the MTFS within Children's difficult to achieve.

A savings programme of £17.2m over the MTFS has been agreed. The council will need to ensure a relentless tracking system with focus on the delivery of savings. Service directors and portfolio holders should be held accountable for delivery of the agreed budget savings. Regular monitoring should also cover any potential service impacts over and above those identified when the savings were risk assessed.

The council has a MTFS for 2023/24 – 2025/26 and work has been done to align this with the new Corporate Plan. The recently approved MTFS reflects the flagship actions from the Corporate Plan and the budget right sizing in the Place Directorate (£3.9m) and in Adults (£2.2m). The current MTFS and associated strategies have been developed around a small number of priority areas and existing action plans. As the Corporate Plan is further developed, and the scale and cost of ambitions are clearer, financial plans and strategies will need to be further developed and refined. This will be essential as the MTFS represents the financial envelope for delivery of the Corporate Plan, and will demonstrate robustness, prioritisation and affordability. Key decisions linked to the borough's regeneration and the impact of the new leisure and highways contract will have a considerable impact on the medium-term outlook.

Harrow has a sizable capital programme, with the Chartered Institute of Public Finance and Accountancy (CIPFA) financial resilience index showing that LBH's capital financing costs as a proportion of net revenue expenditure were amongst the highest for London boroughs. In each of the last four years there has been significant slippage in the delivery of the capital programme (2019/20, spend of £90.6m against a budget of £319m; 2020/21, spend of £54.6m against a budget of £94.8m; 2021/22, spend of £74.6m against a budget of £216.5m).

The causes of this level of slippage are manifold, but one area which the council needs to improve is its approach to programme and project management. The current approach is immature and not consistently deployed across all projects. This is something which is explored further in the capacity for improvement section of the report.

The council is having major issues with its data and finance system. In October 2021

the council implemented Microsoft Dynamics 365, this has been a difficult experience causing significant disruption. The council has a 'fixing the basics' programme in place, it is important this is progressed at pace. If, however sufficient progress cannot be made, the council should decide whether to reprocure a new system. A robust financial control environment is an imperative for an effective council, at present Harrow do not have this. Issues with financial processes are having a significant impact, with partners telling the peer team they are reluctant to work with the council as they cannot be sure the payment to them would be made on time. This is impacting on the council's reputation.

4.5. Capacity for improvement

The council has a comprehensive improvement programme planned which is due to be launched in March 2023. Improvements will be sought across all service areas but in particular around financial and performance monitoring, corporate governance improvements and the development of a workforce strategy. The appetite for change at pace was evident during the CPC. There is though recognition from members from across the chamber that sustainable change will not happen overnight and that a strategic approach is required to establish solid foundations before moving on to longer-term goals.

The council does not have the capacity to deliver concurrent improvement projects, prioritisation is a necessity as otherwise LBH will be at "*risk of doing too much, not very well.*" Prioritisation in the form of an overarching improvement plan is required sequencing transformation projects over the short-to-medium-term.

To oversee these improvements dedicated change resource is required. At present the capacity to oversee an organisational transformation is not there. Staff recognise this and told the peer team that there is a mismatch between the ambition for change and the resourcing to make this change happen.

Harrow has not undertaken organisational transformation to the same extent many other councils have. LBH is not experienced in organisational change and managers are not equipped or have the support in place to make the necessary changes. The peer team heard of a culture of non-compliance and an inconsistent approach to organisational design.

To realise the necessary transformation additional investment with dedicated change agent resource will be needed, this is something which could be funded by the flexible use of capital receipts. OD also will have an important role to play in equipping officers with the expertise to drive change.

There is insufficient capacity and skills across the council, this is impacting on the timely delivery of projects. Project management resources are currently spread across the organisation and there is a reliance on external contractors. LBH has a nominal PMO but there is an inconsistent approach to project management. Most projects are currently overseen within service areas, a consequence of this is that projects are emerging individually rather than being part of a coherent whole council strategy and programme for change. At present the PMO is hamstrung from being effective as projects are not being routed through them and there seems to be no overall prioritisation framework.

If the council is to successfully achieve the multiple improvement projects it has planned, oversight of project and programme delivery needs to be strengthened and widely owned by managers. Project governance and progress tracking is not at the required standard, the peer team heard from officers and members that *“no project has come in on budget and delivered on time.”* A project management standard needs to be established, with project gateways, a consistent methodology integrated into an internal governance board.

This said though the council has achieved some individual service successes in carrying out some large-scale service redesign in recent years. In 2020 the IT service was insourced which increased capacity and capability. The IT service migrated the council’s system to the cloud and oversaw the closure of the on-premises data centre, this enabled the exit from the previous office whilst increasing reliability and resilience of core systems.

Of pressing importance for the council to resolve are the issues with key internal systems. Remedial measures have been implemented with the planning system, which involved recommissioning a new system that is in the process of being introduced.

The issues with the council’s data and finance system are a significant risk and should be a priority for resolution. The lack of reliable information contributes to the

lack of assurance on performance and delivery. This is also causing particular challenges for the council's HR team.

The council is currently missing a workforce strategy, this is something LBH acknowledges and has committed to developing in line with the Big Conversation programme in the spring of 2023. A comprehensive workforce strategy will help to align organisational capacity, transformation and performance management with the council's priorities. A strand of the workforce strategy should focus on workforce development: attracting, recruiting and developing the workforce with the skills and capabilities required to achieve the council's objectives. Within the Corporate Plan the council has committed to accelerating the use of apprenticeships, graduates and traineeships.

Recruitment challenges in areas such as social care planning is something all councils are facing. Harrow have adopted a variety of approaches including the exploration of overseas recruitment. The council has done well to partner with eight authorities in London to establish an academy to support the recruitment and development of workers for the social care profession. This will continue to be an area of focus.

4.6. Customer experience

LBH chose to undertake this CPC with a focus on the 'customer experience', which is a key feature of its Corporate Plan and core values. Once elected the new administration made its clear priority of 'putting residents first' at the heart of all it does and driving an intent for the council to make the necessary changes to make that real.

Nearly all LBH colleagues the peer team met with were passionate, proud and committed to the notion of re-orientating the council further and deeper around customers. The new Corporate Plan and the flagship actions offer a real opportunity to promote and embed customer ambitions. The Corporate Plan is new so understandably the intentions behind these are not yet well understood across all services and partners. Therefore, now is an ideal time to develop and promote this new strategic framework for the council through the eyes of the customer.


In July 2022 the council adopted a new customer service strategy and a customer experience action plan has been developed, setting out activities that will improve things for customers.

The peer team felt it is important that customer access and the channel strategy was clarified as at present it is unclear. Some services did not have any phone lines, but various teams reported issues with this, creating extra work in different ways. While channel shift is important and good progress has been made with this, there is a tension between offering a customer focus and removing choice. There were also examples of different channels reaching different teams, with email addresses going directly to delivery teams meaning there was not a clear flow of requests with the opportunity for triage at the first stage. The peer team heard that there are multiple entry points for customers engaging with the council, leading to the duplication of effort in several instances. A customer journey mapping exercise would be useful in plotting out access points. The council can then establish what the ideal engagement roadmap would be and put steps in place to make that a reality.

During the CPC the peer team came across 'departmentalism' and associated approaches and behaviours that reinforce 'silo working', which means that the customer's end to end relationship and journey with LBH is inhibited as frequently people default to: 'my customer', 'my service', 'my department'. This makes the customer experience with the council disjointed and is not a 'one council approach'. A key challenge is to establish a consistent and coherent customer experience, irrespective of where people engage with the council and to what end.

Currently, contact centre staff are often the gatekeepers of complaints, working with different departments to co-ordinate a response but encounter on occasion insufficient information provided by services who apply a 'computer says no' attitude. The council should model the behaviours and values required to become a customer focused organisation. Managers have an important role in emphasising the council priority of 'putting residents first'.

The peer team heard from staff that current systems do not always support them to properly serve customers. An example provided was a request for a single fly-tip can be received multiple times from different routes, thus creating pressure in the system, wasting time for teams responding to the same issue multiple times and this leads to



backlogs. This is due in part to inconsistencies in the way systems are used but mainly because of issues coming in through multiple sources. If all requests came through the centralised contact centre there would be a clear view of requests and a standardised flow of cases from customer to delivery teams. Automated updates on the status of these cases would support the customer focus and reduce duplication.

The peer team heard from officers that often success is measured by the number of complaints and speed of response rate. Whilst this quantitative data is helpful it should not be the only determinant of success, as often more complex cases will take longer. Resident feedback should be sought too, giving a rounded picture on customer service.

The complaints data though are a rich resource of information which allows the organisation the opportunity to spot trends and inform continuous service improvements.

The council has recently launched a programme to improve the council's responsiveness to councillor and MP enquiries, which was a particular area of concern driving dissatisfaction from members and partners.

In recent years the council has moved to a digital by design approach, with services including Parking, Environment, School Admissions and Planning only accessible online. The strategy to move away from more traditional channels was both based on changing customer trends and on the need to manage services within a reduced budget envelope aligned to the MTF5. This is a move many councils have made which can be a challenging evolution when supporting residents.

The peer team picked up the feeling that *"to a resident, the council is uncontactable,"* with particular frustrations about the difficulty in finding telephone numbers. There was a feeling that the introduction of cashless parking could have been handled better. The council recognises the need to support residents that do not have the means or the skills to engage through digital channels and has undertaken some good work here. LBH is working with VCS partners providing digital masterclasses, supporting residents to build their skills.

The peer team heard from multiple sources the progress that has been made since the election of the new administration. The council is seen as more responsive than it was before. The council has commissioned a residents' survey and it will be

interesting to see whether the perceived progress is demonstrated in the survey findings.

Central to the new customer service strategy is the move of the customer centre to Greenhill Library. This move is an opportunity for the council to reshape how face to face customer service is done. Greenhill Library aligns with the council's strategy of modernising the cultural offer, with co-locating facilities in town centre locations. Greenhill Library is more accessible in terms of location than the old customer centre at the civic centre. The Leader was clear with the peer team his commitment to have "*a customer presence in the town centre.*" The potential for Greenhill Library is large and its roll out can be doubled as a proof-of-concept pilot, where if it is successful, the model could be used for refreshing the library offer across the borough.

5. Next steps

It is recognised that senior political and managerial leadership will want to consider, discuss and reflect on these findings.

Both the peer team and LGA are keen to build on the relationships formed through the peer challenge. The CPC process includes a six-month check-in session, which provides space for the council's senior leadership to update peers on its progress against the action plan and discuss next steps.

In the meantime, Kate Herbert, Principal Adviser for London, is the main contact between your authority and the Local Government Association. Kate is available to discuss any further support the council requires – kate.herbert@local.gov.uk.