

# Council Assembly

Wednesday 26 February 2020

7.00 pm

Council Offices, 160 Tooley Street, London SE1 2QH

## Supplemental Agenda No. 2

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#### Contact

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Date:

<b>Item No.</b> 2.1	<b>Classification:</b> Open	<b>Date:</b> 26 February 2020	<b>Meeting Name:</b> Council Assembly
<b>Report title:</b>		Questions on Reports - Policy and Resources Strategy 2020-21: Revenue Budget	
<b>Ward(s) or groups affected:</b>		All	
<b>From:</b>		Proper Constitutional Officer	

## BACKGROUND INFORMATION

Responses to questions on reports will be circulated around the council chamber on the evening of the meeting.

### 1. QUESTION TO THE CABINET MEMBER FOR FINANCE, PERFORMANCE AND BREXIT FROM COUNCILLOR BILL WILLIAMS

Can the cabinet member tell us how this budget ensures we continue to meet our council plan commitments?

### 2. QUESTION TO THE CABINET MEMBER FOR FINANCE, PERFORMANCE AND BREXIT FROM COUNCILLOR LORRAINE LAUDER

Can the cabinet member explain what impact the roll out of universal credit and welfare reform has had on our council tax collection rate?

### 3. QUESTION TO THE CABINET MEMBER FOR FINANCE, PERFORMANCE AND BREXIT FROM COUNCILLOR MARTIN SEATON

How does this budget prepare for the potential impacts of the government's "Fair Funding Review" of local government finance and possible changes to business rate retention?

### 4. QUESTION TO THE CABINET MEMBER FOR FINANCE, PERFORMANCE AND BREXIT FROM COUNCILLOR VICTORIA OLISA

Can the cabinet member confirm any proposed additions to the capital programme, which will be agreed in March?

### 5. QUESTION TO THE CABINET MEMBER FOR FINANCE, PERFORMANCE AND BREXIT FROM COUNCILLOR JON HARTLEY

Can the cabinet member tell us how this budget will help the council to respond to the potential impacts of Brexit?

### 6. QUESTION TO THE CABINET MEMBER FOR FINANCE, PERFORMANCE AND BREXIT FROM COUNCILLOR RENATA HAMVAS

How does Southwark's Council Tax level compare to other London boroughs?

**7. QUESTION TO THE CABINET MEMBER FOR FINANCE, PERFORMANCE AND BREXIT FROM COUNCILLOR CLEO SOANES**

What impact has Southwark's regeneration had on the council's budget?

**AUDIT TRAIL**

<b>Lead Officer</b>	Chidilim Agada, Head of Constitutional Services
<b>Report Author</b>	Virginia Wynn-Jones, Principal Constitutional Officer
<b>Version</b>	Final
<b>Dated</b>	24 February 2020

## AMENDMENTS

### ITEM 2.1: POLICY AND RESOURCES STRATEGY 2020-21 - REVENUE BUDGET (see pages 1-69 of supplemental agenda no. 1)

#### AMENDMENT A

**Moved:** Councillor Maggie Browning

**Seconded:** Councillor Jason Ochere

To **insert** after paragraph 3 of the Policy and Resources Strategy, and renumber all subsequent points accordingly:

#### Southwark Scholars

4. Council assembly notes:
  - a. That since the Southwark Scholars scheme was established in 2011 more than 88 young people from Southwark have had their university tuition fees paid.
  - b. That these Southwark Scholars have come from lower income backgrounds and have been chosen for their academic achievement and their record of community service.
  - c. That these Southwark Scholars are ambassadors for Southwark.
  - d. That following the UK's exit from the EU, there is uncertainty about the future of the Erasmus scheme.
  
5. Council assembly further notes:
  - a. That latest capital programme spend forecasts indicate that some borrowing may be deferred, marginally reducing debt financing costs in 2020-21.
  
6. Council assembly believes:
  - a. That the Southwark Scholars scheme is transforming lives of Southwark's young people, and that this should be celebrated.
  - b. That the funding for the Southwark Scholars scheme should be made secure on a long term basis so this scheme can continue with 10 scholarships awarded each year.
  - c. That our young people should be inspired to look outward and embrace opportunities not just on our doorstep but further afield too.
  - d. That at least two Southwark scholarships per year should be reserved for students studying modern European languages, studying a course with a year abroad at an EU institution, or studying their entire course at an EU institution.
  
7. Council assembly resolves:
  - a. To commit £50,000 from reduced debt financing costs to ensure the continuation of the Southwark Scholars scheme, with a minimum of two scholarships to be for students studying modern European languages, studying a course with a year abroad at an EU institution, or studying their entire course at an EU institution.

#### Southwark Renters Union

8. Council assembly notes:

- a. That around a third of all homes in the borough are for private rental.
  - b. That as a result of the national housing crisis and the failure of this Conservative Government to properly regulate the private rental sector, too many of Southwark's residents live in insecure private rental accommodation.
  - c. The Council Plan commitment to set up a union for private sector renters to help empower tenants.
9. Council assembly resolves:
- a. To commit £100,000 from the London Devolution Fund to finance the initial costs of setting up and running a renters union.
  - b. That the costs of the renters union from 2021 onwards be included in the 2021-22 base budget estimates, to be funded by the renewal of the council's mandatory and additional licencing schemes and planned expansion of the council's selective licencing scheme.

### **Black Cultural Centre Feasibility Study**

10. Council assembly notes:
- a. That Southwark is a diverse borough – as of 2015, 48% of Southwark's population identified as Black, Asian, or from another ethnic minority.
  - b. That Southwark council has consistently celebrated this diversity, and condemned the actions of this Conservative and previous Conservative/Liberal Democrat coalition governments in creating racist and discriminatory policies like the "Hostile Environment" which have led to appalling treatment of the Windrush generation and others who identify as Black or from another other ethnic minority.
  - c. Previous Council Assembly motions on making Southwark a Borough of Sanctuary, Solidarity with the Windrush Generation, and Promoting Equality and Valuing Diversity.
11. Council assembly believes:
- a. That Southwark Council should carry out a feasibility study into developing a Black Cultural Centre in the borough, which would celebrate black heritage as well as providing space for a range of cultural and community organisations to use for meetings and events.
  - b. That this study should consider the scope for a centre, site options, and how it could become self funded and managed on a long term basis.
12. Council assembly resolves:
- a. To commit £100,000 from the London Devolution Fund to fund a feasibility study into establishing and developing a Black Cultural Centre.

13. Council Assembly resolves to amend the budget as follows:

<b>Item</b>	<b>Budget Impact (£)</b>
Southwark Scholars	50,000
Reduced debt financing costs	-50,000
Southwark Renters Union	100,000
Black Cultural Centre Feasibility Study	100,000
London Devolution Fund Reserve	-200,000
<b>Balance</b>	<b>0</b>

**Chief Finance Officer assurance on robustness of budget estimates**

14. The strategic director of finance and governance, as the statutory section 151 officer, has confirmed that these proposals are legal, implementable and overall do not impact on the total budget requirement for 2020/21.

## **AMENDMENT B – A sustainable future for Southwark**

**Moved:** Councillor Graham Neale

**Seconded:** Councillor Adele Morris

Council assembly notes that:

- a. During the Coalition Government, the Liberal Democrats did more than any other previous UK government to reduce fossil fuel usage by funding green energy solutions. Now this supplies more than 40% of our national energy needs, trebling in just 10 years and reducing the UK's reliance on coal fired power stations to less than 1%;
- b. In 2005 Southwark Council, under Liberal Democrat Leadership, set itself the target of an 80% reduction in its own carbon emissions by 2050 and has achieved an almost 40% reduction since then;
- c. Southwark Council recognises we now have to step up our activities to ensure that we are doing the best we can to preserve our environment for future generations and in April 2019, declared a Climate Emergency calling for the borough to be carbon neutral by 2030;
- d. In July 2019, Southwark Council held its first Climate Emergency Summit where it noted it is responsible for at least 14% of CO2 emissions in the borough. Suggestions at the Summit included banning all cars from Southwark (excluding disabled and electric), installing more green walls at schools, introducing plants to business environments and putting pressure on big supermarkets to stop using low grade plastics;
- e. It is widely accepted that climate change is a complex picture and not just about carbon emissions. This includes indirect and direct consequences of pollution through plastics use, poor recycling, fossil fuels and loss of green spaces, thereby reducing air quality and raising temperatures causing increasing sea levels - all of which are a threat to life on earth as we know it.

Council assembly also notes that:

- a. Since declaring a Climate Emergency in April 2019, Southwark Council has approved millions of pounds of fossil fuel based heating upgrades across the council's estate, promoted car travel by offering free parking on Saturdays and has not yet put in place the promised partnership steering group and Climate Change Strategy. A Climate Change Director has only recently been appointed after 9 months;
- b. In contrast, many other boroughs that have declared Climate Emergencies are already executing specific innovative actions. For example, Eastleigh has produced both an interim action plan and long term climate strategy, Sutton has opened the first Passivhaus school and Waltham Forest has installed CityTree stations to purify the air equivalent of 270 trees each, whilst Nottingham is raising income from a workplace levy to support public transport and Bristol is banning diesel vehicles in the city centre.

Council assembly therefore resolves to take immediate emergency climate change action for a Sustainable Future in Southwark by:

- a. Putting residents at the heart of decision-making by establishing two demographically representative Citizens' Assemblies - one for Adults and one for Young People - both advised by a panel of experts - that will come together to produce recommendations forming the basis of Southwark's Climate Emergency Action Plan;
- b. Implementing an immediate programme for Schools to bid for grants on climate change pilots from a Young People's Climate Change Emergency Fund;

- c. Taking immediate action on the impact of air pollution on the environment and public health by installing a pilot network of CityTree air purifying systems on Southwark's streets to tackle air pollution and monitor for improvements;
- d. Raising awareness of the impact of CO2 and other aspects of air pollution on the environment by installing a visual screen and air quality monitoring station outside City Hall;
- e. Leading by example in converting all its fossil fuel leased fleet to electric where available (covering at least 200 vehicles) by 1 January 2021;
- f. Recruiting a qualified Energy Efficiency and Fuel Poverty officer to work with communities, external agencies and internal colleagues to support all Southwark residents to maximise the energy efficiency of their homes in order to reduce emissions and tackle fuel poverty.

Council assembly further resolves to fund all of the above by:

- a. Savings of £826,000 from cutting waste on consultants, central services (including bank fees, financial services and legal fees), and posts in marketing;
- b. Generating £249,000 income by implementing a Workplace Parking Levy pilot to discourage commuting by car, and by allowing council staff to purchase annual leave;
- c. One off usage for one off costs of approximately 50% of the London Devolution Reserve balance as proposed for 2020/21.

**Insert** after paragraph 2:

1. [That council assembly:] Agrees to amend the budget as follows:
  - a. Insert the following budget line into Appendix 1B (Efficiencies and Improved Use of Resources):
    - Cut costs in central services at the town hall: £107K
    - Save on use of specialist advisers/consultants/agency staff: £500K
    - Reduce communications budget: £219K
    - Reduction in debt financing costs: £50K
  - b. Insert the following budget line into Appendix 1C (Income Generation)
    - Introduce a Workplace Parking Levy pilot: £100k
    - Introduce a Staff Annual Leave Purchase scheme: £149k
    - Allocate London Devolution Fund Reserves: £635K
  - c. Insert the following budget line into Appendix 1E (Commitments)
    - Replace car fleet with electric vehicles: - £957k
    - Establish Citizens' Assemblies for Adults and Young People to create a Southwark Climate Emergency Action Plan: - £150K
    - Establish a Young People's Climate Change Emergency Fund and Grant Competition: - £150K
    - Recruit an Energy Efficiency and Fuel Poverty Officer: - £40K
    - Install a pilot network of City Tree air purifying systems: - £413K
    - Raise awareness of pollution by installing an air quality monitoring station and screen outside City Hall: - £50K

Renumber all subsequent points accordingly.

**Insert** after original paragraph 15:

**Chief Finance Officer assurance on robustness of budget estimates**

16. The strategic director of finance and governance, as the statutory section 151 officer, has confirmed that these proposals are legal, implementable and overall do not impact on the total budget requirement for 2020/21.
17. The strategic director of finance and governance has confirmed that subject to the agreement to this amendment by Council Assembly, plans will need to be put in place as soon as is practically possible to review further the communications and back office savings, to implement the workplace parking levy pilot and to introduce a staff annual leave purchase scheme. In the event of any slippage on savings identified to achieve these plans in 2020/21, contingency included within the base budget would need to be set aside allowing for the plans to be fully implemented in the following year.

Renumber all subsequent points accordingly.

**AMENDMENT C – Legal advice for the most vulnerable****Moved:** Councillor Hamish McCallum**Seconded:** Councillor David Noakes

Council assembly notes that:

- a. Through its advice service contracts, the council funds free independent advice, advocacy and casework services for some of the most vulnerable people in our community;
- b. These services promote individual rights, responsibilities and access to justice, and help to ensure the council acts in accordance with the Public Sector Equality Duty and fulfils its legal duties, including those under the Human Rights Act<sup>1</sup>;
- c. High levels of satisfaction with the performance of the current providers of advice services, Southwark Law and Citizens' Advice Southwark are reported by a wide variety of groups and organisations and through contract performance monitoring<sup>2</sup>;
- d. Demand for legal advice, advocacy and support in Southwark is likely to increase, rather than decrease, following the departure of the United Kingdom from the European Union, in particularly in view of the changes to the rights and status of EU citizens;
- e. Appropriate and timely access to legal advice and support for all who need it has the dual effect of supporting the wellbeing of Southwark residents and reducing the demand on public services in the longer term.

Council assembly believes that:

- a. Southwark taxpayers want us to spend their money on maintaining front-line services, which support the most vulnerable;
- b. It is vital that those providing legal advice and representation are able to do so independently of constraints on their funding and that decisions to litigate, including against Southwark Council, should be made where it is appropriate to do so in the public interest.

Council assembly therefore resolves to:

- a. Reverse the cut to funding for information and advice services delivered by both Southwark Law and Citizens' Advice Southwark;
- b. Increase funding for information and advice services in anticipation of a likely increase in the need for advice and support from EU citizens in the run up to the end of the transitional period on 31 December 2020;
- c. Pay for these increased commitments by cutting Southwark Life magazine and the use of external software to manage media enquiries.

**Insert** after paragraph 3:

2. [That council assembly:] Agrees to amend the budget as follows:
  - a. Delete the following budget line from Appendix 1B (Efficiency savings)
    - Ref. 122: Planned reduction in the information and advice services contract. £83,000
  - b. Insert the following budget lines into Appendix 1B (Efficiency Savings)
    - Stop producing Southwark Life magazine with effect from April 2020. £81,000

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<sup>1</sup> <http://moderngov.southwark.gov.uk/documents/s86689/Report%20-%20PS%20GLAS.pdf>

<sup>2</sup> Ibid.

- Stop using an external media management database with effect from April 2020. £6,000
- c. Insert the following budget line into Appendix 1E (Commitments)
- Increase funding for information and advice services. -£4,000

Renumber all subsequent points accordingly.

**Insert** after original paragraph 15:

**Chief Finance Officer assurance on robustness of budget estimates**

16. The strategic director of finance and governance, as the statutory section 151 officer, has confirmed that these proposals are legal, implementable and overall do not impact on the total budget requirement for 2020/21.
17. The strategic director of finance and governance has confirmed that, subject to the agreement to this amendment by council assembly, plans will need to be put in place to implement the savings. In the event of any slippage on savings identified to achieve these plans in 2020/21, contingency included within the base budget would need to be set aside allowing for the plans to be fully implemented in the following year.

Renumber all subsequent points accordingly.

**AMENDMENT D – Innovative income generation**

**Moved:** Councillor Humaira Ali  
**Seconded:** Councillor William Hougbo

Council assembly notes that:

- a. Local government across the country has endured large funding cuts in grants from central government in recent years, while demand for council services continue to grow;
- b. The financial outlook for the council beyond 2020-21 remains extremely uncertain and subject to many unknowns, not least the new government's spending plans, Brexit, general economic factors and the future system of local government finance.

Council assembly also notes that:

- a. Tax-payers in Southwark will once again see their council tax bill go up in 2020/21, this year by 3.99%;
- b. Fees and charges for a range of services to residents are also due to rise in the 2020/21 financial year.

Council assembly believes that:

- a. While some increases in council tax and fees and charges may be unavoidable in this financial context, the council should also be looking to be proactive in generating income, rather than simply passing costs directly onto residents;
- b. Councillors who decide to raise taxes and fees for residents should also be willing to give up their perks as a gesture of solidarity.

Council assembly therefore resolves to:

- a. Introduce a voluntary scheme enabling hotel visitors to contribute £1 per night they stay in Southwark, as has been successfully done by other local authorities.
- b. Cut Labour's "Golden Goodbyes", reduce special responsibility allowances by 3.99% and call on the Leader to reduce the size of the Cabinet.

Council assembly further resolves to:

- a. Commit the savings and income generated by these two measures to establish a small team within the council, with a budget for researching and piloting innovative ways to generate income in order to support council services.

**Insert** after paragraph 3:

3. [That council assembly:] Agrees to amend the budget as follows:
  - a. Insert the following budget lines into Appendix 1B (Efficiencies and Improved Use of Resources):
    - Reduce special responsibility allowances by 3.99%: £21,385
    - Cancel loss of office payments to cabinet members (annualised saving): £9,112
    - Reduce the size of the cabinet by two, and abolish deputy cabinet member posts: £78,906
  - b. Insert the following budget line into Appendix 1C (Income Generation)
    - Voluntary visitor contribution scheme: £160,000
  - c. Insert the following budget line into Appendix 1E (Commitments)

- Establish a team of council officers with a budget of £100,000 for researching, piloting and implementing innovative ways of generating additional income for the council, with the aim of becoming entirely self-funding in year 2: -£269,403

Renumber all subsequent points accordingly.

**Insert after original paragraph 15:**

**Chief Finance Officer assurance on robustness of budget estimates**

16. The strategic director of finance and governance, as the statutory section 151 officer, has confirmed that these proposals are legal, implementable and overall do not impact on the total budget requirement for 2020/21.
17. The strategic director of finance and governance has confirmed that, subject to the agreement to this amendment by Council Assembly, plans will need to be put in place to implement the voluntary visitor contribution scheme as soon as is practically possible and to recruit to the proposed team. It is assumed that other changes would be implemented from April 2020. In the event of any slippage on savings or income generation identified to achieve these plans in 2020/21, contingency included within the base budget would need to be set aside allowing for the plans to be fully implemented in the following year.

Renumber all subsequent points accordingly.

**COUNCIL ASSEMBLY AGENDA DISTRIBUTION LIST (OPEN) (FULL LIST)  
MUNICIPAL YEAR 2019/20**

**NOTE:** Original held by Constitutional Team; all amendments/queries to  
Virginia Wynn-Jones Tel: 020 7525 7055

<b>ONE COPY TO ALL UNLESS OTHERWISE STATED</b>	<b>Copies</b>	<b>To</b>	<b>Copies</b>
<p><b>Councillors (1 each)</b> Councillor Jasmine Ali Councillor Radha Burgess Councillor Sunil Chopra Councillor Nick Dolezal Councillor Tom Flynn Councillor Renata Hamvas Councillor Peter John Councillor Lorraine Lauder Councillor Maria Linforth-Hall Councillor Eliza Mann Councillor Darren Merrill Councillor David Noakes Councillor Damian O'Brien Councillor Leo Pollak Councillor Sandra Rhule Councillor Martin Seaton Councillor Andy Simmons Councillor Cleo Soanes Councillor Kath Whittam</p> <p><b>Electronic Versions (No hard copy)</b> All other councillors</p>	<b>19</b>	<p><b>Press</b></p> <p>Southwark News 1 South London Press 1</p> <p><b>Group Offices</b></p> <p>Eleanor Law, Labour Group Office 1 Tamsin Hewett, Liberal Democrat Group Office 1</p> <p><b>Officers</b></p> <p>Eleanor Kelly 1 Duncan Whitfield 1 Doreen Forrester-Brown 1 Chidilim Agada 1 Caroline Bruce by email David Quirke-Thornton by email Michael Scorer by email Kevin Fenton by email</p> <p><b>Constitutional Team</b> <b>12</b></p> <p>(Copies to Virginia Wynn-Jones, 2<sup>nd</sup> Floor, Hub 2, Tooley Street)</p> <p><b>Others</b></p> <p>Matt Dean, Grant Thornton 1 Ground floor audit office, Tooley Street</p> <p><b>Total:</b> <b>40</b></p> <p><b>Last updated:</b> 4 July 2019</p>	