



## OVERVIEW & SCRUTINY COMMITTEE

MINUTES of the Overview & Scrutiny Committee held on Monday 3 December 2012  
at 6.30 pm at 160 Tooley Street, London SE1 2QH

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<b>PRESENT:</b>	Councillor Catherine Bowman (Chair) Councillor Dan Garfield (Vice-Chair) Councillor Neil Coyle Councillor Toby Eckersley Councillor Gavin Edwards Councillor David Hubber Councillor Paul Noblet Councillor The Right Revd Emmanuel Oyewole Councillor Mark Williams Councillor Tim McNally (Reserve) Councillor Martin Seaton (Reserve)
<b>OTHER MEMBERS PRESENT:</b>	Councillor Richard Livingstone, Cabinet Member, Finance & Resources Councillor Ian Wingfield, Deputy Leader and Cabinet Member for Housing
<b>OFFICER SUPPORT:</b>	Norman Coombe, Legal Services Brian O'Neill, Resident Involvement Manager Gerri Scott, Strategic Director for Housing & Community Services Richard Selley, Head of Customer Experience Duncan Whitfield, Strategic Director of Finance & Corporate Services Peter Roberts, Scrutiny Project Manager

### 1. APOLOGIES

- 1.1 Apologies for absence were received from Councillors Lorraine Lauder and David Noakes. Councillors Tim McNally and Martin Seaton attended as reserve members.

## **2. NOTIFICATION OF ANY ITEMS OF BUSINESS WHICH THE CHAIR DEEMS URGENT**

2.1 There were none.

## **3. DISCLOSURE OF INTERESTS AND DISPENSATIONS**

3.1 There were no disclosures of interests or dispensations.

## **4. CALL IN : A NEW WRITTEN STATEMENT (AGREEMENT) FOR COUNCIL GYPSY AND TRAVELLER SITES**

4.1 Councillor Ian Wingfield, Deputy Leader and Cabinet Member for Housing, responded to the grounds for call-in. He explained that the travellers officer had visited Southwark's four sites and had spoken to residents at Brierdale Close, Burnhill Close, Springtide Close and Ilderton Road. The council had consulted Southwark Travellers' Action Group (STAG) separately. The travellers had not expressed any real opposition to changes to the pitch agreement but had expressed concerns over the practicalities of the allocations policy and how it would be implemented. Councillor Wingfield confirmed that there had been no formal written responses to the consultation.

4.2 Members of the committee were concerned that consultation on the basis of a formal legal document was insufficient and felt that other methods of engagement had not been adequately pursued. Councillor Wingfield agreed that different methods of consultation should be explored in the future and stated that he would welcome the contribution of STAG in this. Members also reported that, while the travellers welcomed a greater security of tenure, there were details in the agreement that needed to be further considered.

4.3 The chair highlighted paragraph 10 of the Express Terms of Agreement, in respect of temporary absence from a pitch, and asked why this was not framed in accordance with the Department for Communities & Local Government (DCLG) guidelines. Councillor Wingfield responded that the terms would be amended to bring them in line with the guidelines. Members of the committee suggested that the requirement for an application to be made in writing needed to be reviewed and that this also applied to other parts of the agreement. Councillor Wingfield indicated that the council would be talking to travellers and to STAG in order to improve the agreement.

4.4 The chair also drew attention to paragraph 6 of the terms of agreement, in respect of the keeping of animals on a pitch. She again questioned the requirement for written applications and also whether the paragraph reflected general practice on pitches, in particular whether more than one animal could be kept. She also suggested that clinics for micro chipping animals could be arranged with the police and RSPCA. Councillor Wingfield responded that his issue needed to be looked at again in consultation with STAG and the travellers.

4.5 In respect of paragraph 5, relating to fire safety, the chair asked whether the requirement on travellers to provide and maintain smoke alarms and fire

extinguishers was realistic. She asked whether there was any possibility that the council or the fire authority could provide these. Councillor Wingfield indicated that this could be looked into together with any resource implications.

- 4.6 The chair was concerned that there was an ongoing problem of lack of space for pitches. She understood that the government had made money available for improvement of current pitches and increasing the number of pitches and asked whether Southwark had applied for any of this funding. The strategic director of housing and community services indicated that she would report back on this issue.
- 4.7 The committee noted the work of the Health, Adult Social Care, Communities & Citizenship Scrutiny Sub-Committee in respect of maternal and toddler health on travellers' sites.

**RESOLVED:**

1. That the decision be formally referred back to the Deputy Leader and Cabinet Member for Housing Management for reconsideration.
2. That the Deputy Leader bring back a report to the committee addressing the following areas of concern:
  - methods of future consultation
  - emphasis on requirement for various applications in writing
  - consent for keeping of animals to be for an appropriate number and consideration to be given to help in micro chipping
  - requirements and funding in respect of fire safety
3. That the Strategic Director for Housing & Community Services report back to the committee on whether the council applied for government funding to improve or increase the number of pitches and, if so, whether this was successful.

**5. CUSTOMER SERVICES CONTRACT EXIT UPDATE**

- 5.1 Richard Selley, head of customer experience, introduced the report.
- 5.2 A member reported that there was local concern that the new My Southwark customer service point at Market Place in Bermondsey was much smaller than the former Bermondsey One Stop Shop (OSS) and in particular did not have adequate space for confidential meetings. The head of customer experience responded that the footprint of the former OSS had been larger than required. The focus of the new facility was self- and assisted-self- service but with interview slots available. Five counter-points would be available together with a discrete booth. The whole of the ground floor was devoted to service delivery with staff accommodation on the first floor. The head of customer experience explained that discussions about

shared accommodation were taking place with the CAB which had offices two doors down. He also commented that visitors to the former OSS had declined as customers continued to access services in different ways.

- 5.2 Members wondered about the level of morale amongst staff who had been TUPE'd and who were yet to be TUPE'd. The head of customer experience reported his understanding that staff were looking forward to the opportunity to work directly for Southwark. He also confirmed that staff were being TUPE'd on council terms and conditions which ensured protection of equal pay. Members were also concerned about any difficulties that might be encountered in the transfer from one IT system to another. The head of customer experience explained that the exit from the contract allowed a move from SAP CRM to Microsoft Dynamics CRM. The council was considering options in terms of SAP CRM records. In addition, a new telephone system was being purchased for the contact centre.
- 5.3 In response to further questions, the head of customer experience indicated that improvements were being made to the council website. Customers would have access to their rent and service charge accounts and be able to raise repairs and book appointments online. The head of customer services also gave details of performance monitoring, which included call-listening, contacting customers by phone, letter and email and making use of feedback. If customers had provided an email they automatically received a link to an online survey. Costs were also being closely monitored.
- 5.4 A member asked whether improvements had been made to document checking. The head of customer experience explained that one stop shops had improved the way they checked IDs and ID documents. Another aim was to inconvenience customers less by checking whether ID confirmation was already in the council's possession.

## **6. CABINET MEMBER INTERVIEW - COUNCILLOR RICHARD LIVINGSTONE, FINANCE AND RESOURCES**

- 6.1 Councillor Richard Livingstone, Cabinet Member, Finance & Resources, gave a brief overview of the themes submitted for his interview. He referred to the debate at council assembly on the local council tax scheme and reported that the work of revenues and benefits continued to improve, particularly in the area of council tax collection. In terms of universal credit delivery there were significant issues to be worked through including the TUPE implications.
- 6.2 Councillor Livingstone reported that a major pressure in terms of the 2013/14 budget was that the settlement which was usually announced in October/November was not expected until the week before Christmas. This would result in a short timescale in terms of setting the council tax and undertaking consultation. He noted that the committee would be considering the budget proposals at its meeting on 14 January 2013 and indicated that a cabinet decision was likely to be taken in February, before the council tax setting meeting of council assembly at the end of that month. Councillor Livingstone reported that reserves and contingencies were relatively strong at a figure of around £18million but that some of these would be needed to fund the 2013/14 budget.

- 6.3 Councillor Livingstone stated that he was happy to take questions in respect of the housing revenue account. He informed the committee that the council had secured accreditation in respect of the London Living Wage (LLW) and had a clear plan in respect of its own staff and staff employed by contractors and sub-contractors. Every new contract would contain a LLW requirement but the challenge was how to change any contracts which were not yet falling for renewal, such as PFI arrangements with VEOLIA and the homecare contract. A member was concerned that contract prices might increase. Councillor Livingstone stated that this had not happened as yet and had not been an issue when tendering new contracts. A broader benefit of the LLW could be seen in better service quality. In response to further questions, Councillor Livingstone stated that he understood that cabinet would receive a report in the new year in respect of the homecare contract and implications of the homecare charter. A member commented that where personal assistants were paid via individuals' personal budgets there was no guarantee of payment of the LLW.
- 6.4 Councillor Livingstone updated the committee on the possibility of acquiring the freehold for 160 Tooley Street. On 5 November, the agents for the owners had published a prospectus for the building. Regardless of the outcome of the sale, Southwark's tenancy agreement was protected. The lease was for another 20.5 years, without a break clause, with rent reviews every 5 years, the first one being due next year. Councillor Livingstone had asked the head of property and the finance director to look at what options the council had to acquire the property if this would generate substantial savings and other value. The council had now made an offer, which had to remain confidential at this time, but was confident that the offer was likely to be accepted and officers were currently reviewing draft heads of terms. Councillor Livingstone reported that the vendors had accelerated their timetable for completion of a sale in the context of a number of offers. The council believed that this was a one-off opportunity to consider the relative benefits of renting versus buying the building. Buying the building would both generate significant annual savings and leave the council with a valuable asset at the end of the term of the current lease. Councillor Livingstone also clarified the council's use of buildings at Queen's Road.
- 6.5 A member was concerned at the level of staff understanding of universal credit, especially in relation to direct payments of rent, and asked whether there was any feedback from the pilot. Councillor Livingstone explained that the pilot had included some council properties and some Family Mosaic properties. The amount of rent collected had been 90%, in contrast to the council figure of 100%. There had also been a higher level of late and under payment. Councillor Livingstone also commented that the Department for Work and Pensions (DWP) had not shared the outcomes of other pilots. He acknowledged that there was a knowledge gap in some areas but that there was a good level of knowledge within revenues and benefits, finance and corporate strategy. Another member commented that, on the change to universal credit, some households would receive six to ten weeks' payments in one go. Housing associations had reported the danger of people running out of money entirely. There was also an issue about payment being made to the head of the household as this could lead to the withholding of money and financial domestic abuse. Councillor Livingstone stated that the potential for domestic abuse had been raised with senior officers at the

DWP and that the council was hoping that money would default to the female in the household. A member raised the possibility of fortnightly payments, rather than monthly, and underlined the vulnerability of disabled adults and children in the current economic climate. Councillor Livingstone agreed that certain groups needed to be protected as a priority.

- 6.6 Councillor Livingstone highlighted that the council was getting responsibility for the Social Fund and would be engaging with the voluntary sector to discuss how to make best use of this. It needed to be broader than the council's own welfare fund and than the council tax reduction scheme. Consideration also needed to be given to how best to administrate the fund. A member raised the issue of credit unions and jam jar accounts and was concerned about the possibility of failure to pay council tax and whether this would remain a criminal offence. Councillor Livingstone confirmed that the council would continue to support people with genuine difficulties but that people with the ability to pay would continue to be pursued as hard as possible. The council was working with credit unions to ensure that they were offering something more than pay-day loans and was looking at the cost of jam jar accounts. Some members felt that the council needed to look at how to lend and borrow in a different way, referring to councils which had set up banks or made use of pensions pots. Councillor Livingstone stressed the need to be careful about how pension funds were invested and what this could be used for. An alternative option might be for councils to explore how they could use their joint purchasing power in order to access better opportunities. The strategic director of finance and corporate services reported that political leaders on London Councils and respective finance directors were looking at opportunities for pooling funds in London but that governance arrangements would need to be fully thought through.
- 6.7 Members asked the strategic director of housing and community services for a briefing note to a future meeting in respect of the impact of direct payments, universal credit and changes to the Social Fund.
- 6.8 A member asked about recent press coverage of schools which had suffered from contracts with IT suppliers; whether this had been at a cost to the general fund and whether the council was helping school governors to pursue legal remedies. Councillor Livingstone indicated that he could follow this up with the relevant council department but that he was not aware of any requests for help from schools and that the first port of call would be schools' reserves.
- 6.9 Members also asked for clarification of the status of reserve contingencies in terms of flexibility of borrowing. Councillor Livingstone stated that borrowing had to be seen in terms of repayments. The purchase of the Tooley Street buildings was in the context of the substantial savings that could be achieved. Other borrowing on the General Fund reduced the amount of funding available to be spent elsewhere. Councillor Livingstone reminded the committee that Southwark had one of the highest level of cuts per head of population. There was more flexibility within the housing Revenue Account, as had been touched on by the Housing Commission, and the council wanted to hear the views of local people about possible options in this area. Councillor Livingstone gave further detail of the level of reserves, which had remained at a level of £5.5 million over the past two years. There was likely to be a call on reserves in the next financial year, especially in respect of the customer services contract, but not all would be used up.

- 6.10 In response to questions about budget priorities, Councillor Livingstone explained that the starting point would be the 2013/14 outline budget agreed in 2011 and determining whether this was still deliverable by departments. The time available for planning and consultation had been compressed by the expected late announcement by the government of the council's financial settlement. Other pressures included the end of the wage freeze and providing funding for nursery provision. Councillor Livingstone agreed with members that it was important to ensure consultation with the most vulnerable groups.
- 6.11 A member asked whether any services were targeted to be brought back in-house. Councillor Livingstone stressed that there were no plans to do this but that, given its improvements, consideration had been given to SBS. However, the council was working well with Mears and monitoring how they developed. Councillor Livingstone commented that bringing the work of Vangent and Liberata in-house had resulted in significant improvements. The council needed to squeeze out any excess costs in its services. This had been part of the motivation for the move from the Cottons centre to the Queens Road site. At the request of members, Councillor Livingstone agreed to provide details of the financial savings that could be achieved at Queens Road and the timescale for these savings.

## **7. RESIDENT INVOLVEMENT AND RESIDENT ASSOCIATION RECOGNITION AND GRANTS**

- 7.1 Brian O'Neill, resident involvement manager, introduced the report.
- 7.2 Members highlighted work being done on a web version of the grant application form and stressed that this should be completed with some urgency and an online version made available. Members also highlighted that a letter was to be sent to all council members providing them with details of the named officers responsible for supporting TRAs. Members had yet to receive this letter and asked that it be circulated as soon as possible.
- 7.3 The committee asked that the strategic director of housing and community services come back to a future meeting with an update on actions taken in response to the recommendations of the brief review of resident involvement and resident association grants.

The meeting ended at 9.45 pm