



OVERVIEW & SCRUTINY COMMITTEE

MINUTES of the Overview & Scrutiny Committee held on Monday 1 December 2014
at 7.00 pm at 160 Tooley Street, London SE1 2QH

PRESENT: Councillor Gavin Edwards (Chair)
Councillor Rosie Shimell (Vice-Chair)
Councillor Anood Al-Samerai
Councillor Jasmine Ali
Councillor Karl Eastham
Councillor Tom Flynn
Councillor Claire Maugham
Councillor Adele Morris (Reserve)
Councillor Martin Seaton
Councillor Johnson Situ

EDUCATION REPRESENTATIVES: Martin Brecknell, Church of England Diocese

OTHER MEMBERS PRESENT: Councillor Fiona Colley, Cabinet Member for Finance, Strategy & Performance

ALSO PRESENT: Chris Randall, Director of New Developments, Harris Federation

OFFICER SUPPORT: Shelley Burke, Head of Overview & Scrutiny
Norman Coombe, Legal Services
Duncan Whitfield, Strategic Director of Finance & Corporate Services
Peter Roberts, Scrutiny Project Manager

1. APOLOGIES

- 1.1 Apologies for absence were received from Councillors Catherine Dale and Rebecca Lury. Councillor Martin Seaton attended as a reserve.

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

2.1 There were no urgent items of business.

3. DISCLOSURE OF INTERESTS AND DISPENSATIONS

3.1 The chair, Councillor Gavin Edwards, and Councillor Jasmine Ali indicated that they both had two children of pre-school age.

4. MINUTES

RESOLVED:

That the minutes of the meeting held on 20 October 2014 be agreed as a correct record.

5. SCHOOL PLACES

5.1 Chris Randall, Director of New Developments at the Harris Federation, addressed the committee. The Federation was particularly interested in free schools and academy conversions. It also liaised with local authorities to look for involvement in new projects. Where there was an existing school, such as the Peckham Academy or East Dulwich Boys or Girls, the Federation would ideally be looking at primary schools with the aim of developing these into feeder schools. One or two of the Federation's schools had opened as all-through schools. Mr Randall commented that the Federation's relationship with Southwark was very good at officer level but that it had a slightly better relationship with some other authorities.

5.2 Mr Randall stated that, locally, the Federation had been of the view that it would like to open a free school in East Dulwich and Nunhead. It had engaged with local parents and had got as much support in Nunhead as in East Dulwich. The availability of sites was limited with Peckham Rye and park tending to divide things. There were planning implications for the Harris Girls East Dulwich site, which would be an ideal location, as it was not possible to put another school there as it would take up metropolitan open land. The Federation had begun to look at the Dulwich Hospital site before the Education Funding Agency had found the former police station site. Mr Randall explained that while this served East Dulwich the Federation had the opportunity to bid for a free school to serve Nunhead parents. It had engaged with the Education Funding Agency (EFA) and had discussions with Southwark officers but had not come up with an alternative site for a two form entry primary school so was still looking at the hospital site. In urban areas the availability of good sites often drove the location of the school – and admissions arrangements then needed to enable them to serve the areas of demand. Mr Randall added that early in the process of the proposal for a new secondary school the Federation had been asked if it was interested in putting itself forward to operate it. The Federation thought that this was not appropriate for it with nearby schools that were already Harris operated, and that diversity would not be helped

by getting involved, and chose not to be involved. The Federation had talked with the EFA and the latter was of the view that it was possible to develop both a primary and secondary school on the hospital site.

- 5.3 Councillor Karl Eastham asked what made a Harris School unique, how autonomous were heads and what was the input from parents. Mr Randall responded that, in terms of secondary schools, it would not be possible to recruit outstanding principals unless they were given a lot of freedom in the curriculum. There were a number of basic tenets across Harris schools including good behaviour, excellent teaching and learning and systems for assessing achievement and progress. After that there could be specialism in curriculum and ethos. In terms of primary schools there was less opportunity to develop the curriculum in different ways. Unlike some free schools, Harris schools did not move away from the national curriculum or use non-qualified teachers. There was freedom for principals to run schools the way they wanted, providing the school was achieving the required outcome, excellent progress and achievement for its pupils. Mr Randall acknowledged that the underlying Harris approach was more developed at the secondary level because it had operated secondary schools for longer.
- 5.4 Councillor Eastham asked about internal inspections and assessment. Mr Randall explained that Harris used its own consultants (professionals in delivering English, mathematics and science) to support principals and look at the quality of teaching and learning. The Federation also bought in OFSTED inspection teams who visited schools and fed back to principals and the leadership team on areas which might need improvement.
- 5.5 Councillor Anood Al-Samerai thanked the Harris Federation for turning around some schools in Southwark. She felt that there was good progress in the council in understanding the school places issue. She wondered if the old Harvester site on Lordship Lane would be suitable for a school and whether there were any other sites that the Harris Federation would like the council to push for a primary school. Mr Randall replied that the Harvester site was not big enough and neither was the Copeland car park. It was important to have sufficient play space. Councillor Al-Samerai asked whether the hospital site was the only one on the table. Mr Randall responded that he was not sure what was happening with Bellenden school and that the Federation would be interested if a site might be freed up there.
- 5.6 Councillor Johnson Situ asked whether the process of finding a new site was more demand or more supply led. Mr Randall responded that both land and pupils were important. Three years ago, when free schools came in, it was necessary to show the demand for a new school among parents but not necessarily basic need. Now it was necessary to look at pupil planning, identify a need, and prove that parents wanted the Federation's sort of school or that there were failing schools in the immediate area. The Federation used polling companies to do interviews with nursery parents to establish whether they wanted a Harris School in their area. In terms of demand, a basic need had to be demonstrated and it had to be shown that there was parental support for a Federation school to open. Sites could be outside the area but needed to respond to and serve a basic need. Mr Randall explained that in another borough a site could perhaps be found just outside the area it needed to serve and the Federation could look at ways of making admissions work. In Croydon the Federation had looked at nodal admissions.

- 5.7 The chair asked whether, in terms of applications for a Nunhead primary school, the Federation would have made its application if it had known about plans to expand Ivydale. Mr Randall felt that it was difficult to say. There needed to be a basic need and diversity. Large primary schools were a challenge to run and the Federation would not ideally expand a school beyond two or three forms of entry. In a school of around 600 or 700 pupils, an individual head could know all the pupils and this was particularly important at primary level. It was also a challenge to run a school over two sites.
- 5.8 The chair highlighted Mr Randall's comment that it was important to engage with a local authority. When Southwark officers had attended a committee meeting, they had said that the Federation's application had come out of the blue. It seemed that the Nunhead free school had been approved but with no site available and then that the free school was challenging for the Dulwich Hospital site. The chair wondered if this was the result of the Federation and the council not talking to each other. Mr Randall stated that it had been known to Southwark that the Federation was interested in a school to serve Nunhead. No-one had asked if the Federation was interested in a school on the Ivydale site. Mr Randall acknowledged that there could have been better consultation and that there were faults on both sides. The Federation had informed Southwark when it had put its application in and had met officers. In the assessment process the DFE always consulted Southwark.
- 5.9 Councillor Tom Flynn reported that he was regularly made aware of issues at Harris Academy Peckham and asked if Mr Randall was confident that enough was being done to meet these issues. Mr Randall responded that the principal from Harris Academy Purley was now at Peckham, that he had worked with her to establish that Academy as Outstanding and that he had confidence that she was doing everything to continue to improve the school. He urged members of the committee to go and visit the school and to let the principal know immediately about any concerns that were raised with them so that she could address them. Mr Randall commented that the school was seen as generally serving challenging pupils and that it was difficult to get parents of less challenging children to send them there.
- 5.10 The vice-chair, Councillor Rosie Shimell, was particularly interested in admissions and admissions policies. She commented that the council had lots of data available and wondered if the Federation had access to this. Mr Randall replied that the Federation received information from the council in terms of pupil place planning. Some authorities were interested in the Federation opening new schools with them but this was not necessarily the case in Southwark. In other authorities there was discussion with officers about where opportunities existed and the Federation might delay applications to take account of this. In Haringey there was an agreement to open a primary school. The EFA found a site in the west of the borough but the council said that there was no need in this area and therefore the Federation was holding off until a site was found in the east of the borough. The Federation had an open dialogue with Merton about demand for a secondary school and was shaping its application to suit the council's needs.
- 5.11 Councillor Jasmine Ali took up the issue of the Federation's relationships in Southwark, both with the council and with other schools. She explained that she

was the chair of the Education & Children's Services Scrutiny Sub-committee and stated that there had not been any response from Federation schools to a recent survey that the sub-committee had initiated. She also asked what the Federation's relationship was with the head teachers' executive and whether there was a capacity to build relationships. Mr Randall responded that, while he did not represent the principals, one of them had commented that she had a problem with the timing of meetings which were on a Friday lunchtime when she felt that she could not justify being out of her school. Councillor Ali said that she would feed this back but that she would still like to speak to heads of Federation schools. She asked how else the schools worked with other schools. Mr Randall emphasised that there were four schools in Southwark that worked together and within the bigger Federation. All of these wanted to get the best outcomes for pupils. He asked Councillor Ali to provide details of the survey and again invited members to visit the schools. Councillor Ali stressed that the question of how to bridge the achievement and attainment gap between the richest and the most deprived children was a major concern for the council. She was of the opinion that if the Harris Federation believed that it provided good schools then it should be in partnership with other schools in the borough.

- 5.12 Councillor Claire Maugham highlighted the difference between the Federation's plans for the Dulwich Hospital site and Southwark's plans for secondary school places. She sought clarification of the proposed admissions policy and nodal points. She also emphasised that primary school children needed to be taken to school. Mr Randall responded that the Federation would need to look at helping children to get to school if parents were not able to do so. However, the Federation would much prefer a site in Nunhead. Statutory consultation would be key in terms of the Nunhead School and the Federation was holding off until the EFA had agreed heads of terms with the NHS in respect of the hospital site. Since the case for the school was originally made by demand from Nunhead parents, if there was insufficient demand from the parents for a primary school given the site location then the Federation would withdraw its application.
- 5.13 Councillor Situ asked whether the Federation looked for any particular figures to indicate demand and need for a school. He also wondered about the Federation's relationships with local communities in other boroughs. Mr Randall explained that the Federation looked to see parents signing up for a half to two thirds of the places that a school would open with. The expectation was that once a school was up and running more parents would show interest. The relationship with local communities was different for each academy. Harris Girls and Harris Boys East Dulwich probably did not have as strong a local connection as pupils were drawn more from Peckham. However in South Norwood all students were drawn from three quarters of a mile away and the new secondary school in Croydon had a high level of engagement with local communities and groups.
- 5.14 Councillor Al-Samerai commented that in the past there had been tension between the council and the Harris Federation and that she and Councillor Shimell had raised the need for the council to talk to the Federation. She believed that there had been progress and that the council accepted that it had to deal with free schools. She suggested that members should all visit the local Harris schools and that there should be more regular contact between the council and the Federation. This could be a recommendation to the Director of Children & Adults. The chair

agreed that regular meetings between senior officers, the relevant Cabinet member and the Harris Federation could be very productive. Mr Randall stressed that meetings should not just involve the Harris Federation but other organisations such as ARK. Councillor Al-Samerai agreed that there should be a dialogue between all interested providers. Councillor Fiona Colley, Cabinet Member for Finance, Strategy & Performance, also agreed that the relationship could be refreshed. She commented that, as a Nunhead councillor and a parent of a child under five years old, the first she had heard of a proposed primary school for Nunhead was when the Federation had put in its application. She also said that the Federation had an image problem in Nunhead and was disappointed that Federation heads did not feel that it was a good idea to go to meetings of head teachers in the borough.

- 5.15 Councillor Evelyn Akoto asked whether there was demand for Harris academies. Mr Randall confirmed that there was and that in every other authority that the Federation was working in schools were oversubscribed and really successful. In Southwark, Harris schools served very deprived areas and children and he felt that the tipping point had not been reached where enough parents of other children were sending them to Harris schools. Councillor Al-Samerai commented that Harris Bermondsey was very successful.
- 5.16 Councillor Martin Seaton indicated that he had been a school governor for twenty years. He was interested in what was distinctive about Harris schools. He also agreed that there was a strong relationship between the Federation and the Department of Education but less so with the council. Mr Randall emphasised that the relationship was different in other authorities. In response to further questions from Councillor Seaton, Mr Randall clarified that schools in Southwark were not oversubscribed to the same extent as Harris schools in other authorities. None of the secondary schools were oversubscribed with first preferences and this was in contrast to other schools in other authorities. He agreed again that there might be a tension because of the distances that parents would be asked to travel to a primary school on the Dulwich Hospital site and stated again that if there was not a demand from Nunhead parents then the Federation would have to consider withdrawing its application.
- 5.17 The chair stated that as a ward councillor in Peckham Rye he had spoken to many local parents. The view was very strong that people wanted Ivydale to be expanded and for there to be a secondary school on the Dulwich Hospital site. He would be grateful if that could be taken back to the Harris Federation. Mr Randall responded that the Federation had worked hard with the EFA to find a suitable site and emphasised that a primary school did not preclude a secondary school on the hospital site. Councillor Al-Samerai stated that parents were desperate for primary school places in East Dulwich and that she would like to see a recommendation for both a primary and a secondary school on the hospital site.
- 5.18 The chair thanked Mr Randall for coming to speak to the meeting and stressed the council's desire for more engagement.

6. CABINET MEMBER INTERVIEW - COUNCILLOR FIONA COLLEY, FINANCE, STRATEGY & PERFORMANCE

- 6.1 Councillor Fiona Colley, Cabinet Member for Finance, Strategy & Performance, stated that the greatest challenge for the council was to set a balanced budget. Currently there was around a £31 million budget gap and the forecast was for similar budget gaps over the next two years. Councillor Colley explained that consultation on the budget had been taking place at community councils, the Pensioners' Forum and the Youth Council, amongst others, in order to establish priorities. Another challenge was the council's IT which had been taken over by Capita in June and which had experienced a big change over the preceding weekend. The strategic director of finance & corporate services, Duncan Whitfield, reported that additional people had been put onto the service desk. Councillor Coley added that the call centre would move over the next few weeks and social care systems were yet to move. It was hoped that this would be completed by the end of March 2015. Councillor Colley concluded that a third challenge in her portfolio was modernisation, transforming the way the council did its business. Digital services and multi agency working were a part of this in addition to reducing any duplication across the council.
- 6.2 Councillor Jasmine Ali asked whether there were working groups to progress the IT project. Councillor Colley explained that a leadership network was in place, every member of which was on a group working on a thematic budget saving area. Work was underway putting together a digital business strategy. Some progress has been made with both the housing repairs system and leaseholders' accounts being on line. 2800 people had already tried to access the housing portal in order to sign up and, in only two weeks, one hundred repairs requests had already been registered.
- 6.3 Councillor Anood Al-Samerai indicated that lots of councillors had raised difficulties in managing their emails, for instance many would like emails to come to their iPhones rather than their blackberries. Councillor Colley stated that she would look into this. Councillor Al-Samerai stressed that the needs of councillors might be different to those of staff and that Capita needed to understand this. She also asked what was being done in terms of the pensions fund where the council was investing in, for instance, tobacco companies. The strategic director explained that Capita was instigating a project towards bringing your own devices. This morning he had received documentation that would allow access to Citrix and emails through iPhones and iPads, supported by Capita. The chair asked for an email to be sent from members services informing members about this and sending instructions. In terms of the pensions fund, Councillor Colley agreed that it was wrong to invest in tobacco companies but that, in respect of ethical investment, everyone had a different opinion. The intention was to launch a survey asking for views and this would be fed into any changes to the pension fund. The strategic director added that it would be necessary to keep the survey open for a reasonable length of time in order to reach, for instance, retired members.
- 6.4 Councillor Al-Samerai hoped that members would get help from Capita with their personal iPads. In terms of allocating funding she asked how the council viewed

the role of the voluntary sector and how its value in procurement and commissioning would be retained. Councillor Colley responded that in some areas the voluntary sector delivered better on the ground than the council and in ways which the council could not do. She added that bringing services in-house was not always the right answer in terms of procurement but that the question should always be asked as to whether this would be appropriate. She stressed that Capita would be available to attend a meeting of the committee if that was what members wished.

- 6.5 Councillor Tom Flynn was concerned that the council had upgraded to a relatively old version of office. Office 365 was set up for bringing your own devices. He stressed the importance of people thinking of digital solutions such as how best to use the council's Twitter account and apps. He commented that in Southampton it was possible to report something such as fly tipping by GPS location and scanning an item could tell you whether or not it could be recycled. Web-casting publicised what the council did to the biggest number of people. The SE1 Forum had live webcast a meeting of the housing & community safety sub-committee which had been listened to by fifty-seven people. Councillor Colley stated that her biggest concern was how well processes worked end to end. The digital business strategy was very important to this.
- 6.6 The vice-chair, Councillor Rosie Shimell, returned to the consultation on funding and asked how the outcomes of this would be published and taken on board. Councillor Colley said that there were no interim findings as yet but that she had hoped to report to the cabinet meeting the following week. She was keen to feedback to community councils for example in order to show their impact on decisions. Councillor Martin Seaton commented that it would be very useful to publish feedback to community councils. He also highlighted possible staffing implications. Councillor Colley stressed that the problem facing the council was that it had far less money to spend. There would be implications for staffing but the council would try to avoid compulsory redundancies.
- 6.7 With respect to procurement, the chair reported that one of the suggestions the committee was looking at was to introduce a policy making it clear that the council's preferred way of providing a service was in-house and therefore that any other decision needed to be justified. He asked Councillor Colley's opinion on this. Councillor Colley indicated that it was her inclination to agree with this. There had been real successes in-house. However the statement as suggested could be misunderstood and should not mean that everything was always awarded in-house. She would be concerned if that impression was given and would not want to suggest stopping delivery through the voluntary sector. The council needed to be careful how it described any policy but she would favour one where the question was always asked as to whether a service should be run in-house.

7. BUDGET SCRUTINY

- 7.1 Councillor Fiona Colley, cabinet member, circulated a report due to go to the cabinet on 9 December. She explained that the Autumn statement had not been issued yet and that she expected there to be an addendum to the cabinet report. She added that the council anticipated a growth in business rates of from £2.5 to

£5 million. Councillor Colley clarified that in January the council would decide the council tax base and collection rate and that this would feed into budget decisions taken in February. The strategic director for finance and resources, Duncan Whitfield, commented that this was the most difficult budget he had ever seen and that it came on top of the last two or three years. The Better Care money had not been directed to local authorities. Southwark had £31 million less to spend in addition to changes in demand for particular services and increased inflation. There were uncertainties around business rate retention and the 30% New Homes Bonus had gone to the GLA.

7.2 The chair, Councillor Gavin Edwards, explained that this was an early session for the committee to get members thinking about the issues and possible ways to save money. The committee would come back to the budget at its meeting on 2 February 2015.

7.3 Councillor Tom Flynn reported that in Westminster George Osborne was considering enforcing in law that any council's deficit be eliminated by 2018. This could lead to budget cuts of up to 50% for every department. Councillor Flynn wondered how prepared Southwark residents were for this level of cuts. Councillor Colley responded that as a council Southwark was trying to be optimistic and was sure it could balance its budget for the coming year. At the same time, if some of the predictions came true, some councils might go bust. The strategic director felt that there had to be a tipping point. At the moment if the council was positive and strong and took difficult decisions, it would come out stronger. But this level of cuts could not go on forever and there would be continuing issues about social care. Councillor Claire Maugham felt that an honest conversation needed to be had with residents about what a local authority is for and what it could do. She was concerned that scenario planning was taking place and asked whether there were areas in which local authorities might have more freedom. Councillor Colley was not sure that it was likely that local authorities in London would get more financial freedoms although there might be more devolved powers which might come with funding.

7.4 In response to a question from the vice-chair, Councillor Rosie Shimell, Councillor Colley clarified point 54 in the report. Councillor Shimell asked whether there was potential to fund the proposed free swim and gym from the public health grant and, if not, where funding would come from. She referred to the leader's answer to a question at council assembly which had suggested that there might be external funding, for instance from Sport England. Councillor Colley indicated that nothing had changed since the leader's answer. Public health spending had been taken on a year ago and funding would be allocated to priorities set by the Health and Well-being Board. It was not anticipated that free swim and gym would be fully launched in the next financial year.

7.5 Councillor Jasmine Ali stated that deprivation and child poverty were on the

increase. Without innovation it would not be possible to convince people in the council that they could work differently and in a more integrated way. Councillor Colley responded that the strategic director was suggesting that integration would not be enough on its own. Councillor Ali asked whether the budget would enable the council to help the children in its care. The strategic director stressed that every healthy organisation must continue to innovate and that digital innovation was part of that. A lot of efficiency savings had been taken in the last ten years. Councillor Colley added that innovation needed to deliver savings.

7.6 Councillor Martin Seaton stated that cuts affected certain groups of people and highlighted direct legal services in paragraphs 92 to 96 of the report. He wondered if reductions had been subject to an equality impact assessment and was concerned that the council might be acting unlawfully. Councillor Colley emphasised that legal opinion was necessary and that equalities impact assessment work had been started. Guidance had been issued to officers coming up with budget proposals.

7.7 Councillor Anood Al-Samerai highlighted the leaflet which had been distributed to the public on the different ways that the council could allocate its funding. She commented that it did not refer to catering, cabs or consultants and that she would be grateful if officers would look at how the leaflet could be improved. Councillor Al-Samerai also highlighted proposals for free swim and gym and was concerned about investment in the Seven Islands Leisure Centre and asked the cabinet member whether she would make a commitment to reviewing this. She also asked the cabinet member whether she regretted the majority group's unfunded manifesto and expensive commitments. Councillor Colley responded that the manifesto commitments were important to the public's health and the future of residents and would be managed within the available funding. Councillor Al-Samerai stressed her view that it was difficult to support free services when the council was cutting staff. Councillor Colley stated that it was important to be ambitious and that progress had been made on reducing spend on the areas highlighted by Councillor Al-Samerai and that departments were pushed to contain costs within their budgets. She added that some cab costs related to children in care. In respect of Seven Islands, Councillor Colley explained that difficult decisions had been taken over a period of time. The council had a long held aspiration for a new leisure centre at Canada Water and was close to achieving this. In this context, it was a difficult question as to what was a reasonable amount to spend on Seven Islands so that it could continue to function. It would not be right to invest £8 million when Seven Islands would only be around for five years at most. £2 million investment would ensure that the centre remained operational and of a decent quality.

7.8 Councillor Adele Morris stated that the council should be focussing on the most vulnerable sections of the community. She referred to the leader's response to a question at council assembly which had suggested the need for cuts and better and more innovative services. Councillor Morris felt that the council needed to be optimistic. Councillor Colley replied that the council need not be overly negative as it would be able to set a balanced budget but that there would be reductions,

savings and cuts. Councillor Johnson Situ asked for an update on shared working with neighbouring boroughs and whether staff had been consulted on savings proposals. Councillor Colley explained that staff were encouraged to bring forward ideas for innovations in working and that specific proposals were subject to the staff consultation mechanism. In terms of shared working, there were a few projects ongoing such as shared legal services with Lambeth and the council was exploring whether these could be taken further. There might be opportunities to work with Lewisham and Lambeth in the area of economic development. Councillor Tom Flynn asked whether consideration was being given to council-wide voluntary redundancies. Councillor Colley indicated that this was being actively looked at.

- 7.9 Councillor Ali emphasised that free school meals were tremendously positive and that free swim and gym would help Southwark residents towards a healthier lifestyle. The chair asked whether any reduction in the hours of the call centre was being considered. Councillor Colley responded that she would take away any suggestions for savings but that an out of hours service would need to be continued. In response to questions from Councillor Claire Maugham, Councillor Colley explained that the workforce strategy allowed every member of staff to meet with their chief officer and cabinet member in order to understand the vision for the council. She agreed that rent collection was key but that tenants should be entitled to help if they were unable to pay.

The meeting ended at 9.40 pm