



OVERVIEW & SCRUTINY COMMITTEE

MINUTES of the Overview & Scrutiny Committee held on Monday 2 February 2015 at 3.00 pm at Ground Floor Meeting Room G01B - 160 Tooley Street, London SE1 2QH

PRESENT:	Councillor Gavin Edwards (Chair) Councillor Rosie Shimell Councillor Jasmine Ali Councillor Catherine Dale Councillor Karl Eastham Councillor Tom Flynn Councillor Rebecca Lury Councillor Adele Morris Councillor David Noakes Councillor Martin Seaton Councillor Johnson Situ Martin Brecknell
OTHER MEMBERS PRESENT:	Councillor Peter John - Leader of the Council Councillor Fiona Colley - Cabinet Member for Finance, Strategy & Performance Councillor Barrie Hargrove - Cabinet Member for Public Health, Parks & Leisure Councillor Mark Williams - Cabinet Member for Regeneration, Planning & Transport Councillor Victoria Mills - Cabinet Member for Children & Schools Councillor Dora Dixon-Fyle - Cabinet Member for Adult Care, Arts & Culture Councillors Darren Merrill and Michael Situ - Cabinet Members for Environment, Recycling, Community Safety & Volunteering Councillor Richard Livingstone - Cabinet Member for Housing Councillor Ian Wingfield - Deputy Leader and Cabinet Member for Communities, Employment & Business
OFFICER SUPPORT:	Eleanor Kelly - The Chief Executive Ruth Wallis - The Director of Public Health Simon Bevan - The Director of Planning David Quirke-Thornton - Strategic Director of Children's and Adults' Services Deborah Collins - Strategic Director for Environment & Leisure Stephen Douglass - Head of Community Engagement Peter Roberts – Scrutiny Project Manager

1. APOLOGIES

- 1.1 Apologies for absence were received from Councillors Anood Al-Samerai and Claire Maugham.

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

- 2.1 There was no business which the chair deemed urgent.

3. DISCLOSURE OF INTERESTS AND DISPENSATIONS

- 3.1 There were no disclosures of interests or dispensations.

4. BUDGET SCRUTINY

Councillor Peter John, Leader of the Council, and Councillor Fiona Colley, Cabinet Member for Finance, Strategy & Performance

- 4.1 Councillor Fiona Colley, cabinet member for finance, strategy & performance, reminded the committee that this was the fifth consecutive year of severe cuts and that government funding of £93 million had been lost. Central Government had stopped paying consideration to need in the way it distributed funding. Southwark was the 25th most deprived of London councils but the sixth hardest hit in terms of cuts, losing £700 spending power per household. This year Southwark was the third hardest hit per household in the country. 5.9% of funding had been lost, equivalent to £21 million. Councillor Colley commented that the Better Care Fund was not simply available for the council to spend because allocation of the fund had to be decided through the Health and Wellbeing Board. She highlighted paragraph 75 in the report and the table which showed the £37 million gap that had to be filled. The council aimed to protect frontline services and those services that residents valued, including street cleaning, libraries and children's services. Councillor Colley explained that the savings would be met from efficiencies and better use of resources, from reserves and from income generation. The hours of the Call Centre would be reduced. Councillor Colley stressed that she was most sorry to see job losses of which there would be around two hundred full-time equivalents and that the council was doing its best to secure redeployments and to seek voluntary redundancies.

- 4.2 The chair, Councillor Gavin Edwards, asked whether the offer made by the current voluntary redundancy scheme was at the right level to attract enough people and whether it was sufficiently widely communicated. Councillor Colley stated that she

had been advised by the director of human resources that the voluntary redundancy scheme was sufficient but that she was keeping a close eye on whether people were coming forward. The chief executive, Eleanor Kelly, added that the voluntary redundancy policy mirrored the compulsory redundancy scheme. Voluntary redundancies were being sought in areas which were likely to be restructured. The scheme was being benchmarked against the schemes of other London boroughs.

- 4.3 Councillor David Noakes referred to a statement by the Leader at a meeting of the Southbank Forum that there was enough money in the system despite cuts and that better, more innovative services would emerge. The Leader clarified his view that there was enough money in the overall public spend, not just local government. However, central government seemed to be targeting local government and the ringfencing of health and education was unhelpful. Councillor Noakes also picked up a reference in the adults' and children's services budget to reducing spend on photocopying, printing and stationery. He commented that it was a shame that this was not done across all departments. Councillor Colley explained that this did not necessarily pop out as a headline figure in other departmental budgets.
- 4.4 Councillor Jasmine Ali asked how confident the cabinet members were that the whole organisation would respond to the culture change that would be necessary. Councillor Colley highlighted the council's workforce strategy and that efforts had been made to ensure that every member of staff had the opportunity to meet their chief officer and cabinet member.
- 4.5 Councillor Catherine Dale sought clarification of paragraph 37 of the report. The director of finance, Duncan Whitfield, stated that £2.5 million should be achieved this year. Next year there was a backlog of developments but a lot of uncertainty especially around the Valuation Office's appeals. £5 million was the best estimate. In response to questions from Councillor Martin Seaton, Councillor Colley emphasised that the council was setting a one year budget and that there was a great deal of uncertainty beyond this. A lot depended on the result of the general election. The Leader added that he was reluctant to try to take account of possible reductions in the future as this could become a self fulfilling prophecy. In terms of the level of reserves, he felt that the council was taking a prudent approach.

Councillor Barrie Hargrove, Cabinet Member for Public Health, Parks & Leisure

- 4.6 Councillor Barrie Hargrove, cabinet member for public health, parks & leisure, commented on the crippling level of cuts that the council was facing. Within his portfolio, services were being rolled out to reach into the community. In terms of the public health budget, savings were being used to realign services.

- 4.7 Councillor Johnson Situ asked the cabinet member how plans for free swim and gym facilities fitted in to budget cuts. Councillor Hargrove acknowledged the pressure on services to contract but stressed that this administration was clear that it would meet its manifesto commitments. A pilot programme would deliver free swim and gym to younger and older people and meet referrals from GPs. Councillor Noakes was concerned that the public health budget had been raided to meet manifesto promises and was not sure that free swim and gym facilities would help in attaining public health outcomes. In response, Councillor Hargrove stressed that the public health budget was currently ringfenced. In addition, he felt that the commitment to free swim and gym would meet public health aspirations. He also highlighted the sexual health action plan. In response to a question from Councillor Tom Flynn in respect of drug and alcohol services, Councillor Hargrove indicated that a report would be coming to the cabinet in February looking at the delivery of treatment for drugs and alcohol.
- 4.8 In response to a question from Councillor Rebecca Lury on savings which could be made in respect of public health across the council, Councillor Hargrove repeated that the provision of free swimming and gym facilities would have an impact as would looking at obesity and better ways to approach sexual health and HIV. The council was also looking at tobacco controls and investing in mental health, well-being and resilience. Ruth Wallis, the director of public health, added that the challenge was to shift resources from high end high cost services towards early intervention including drugs and alcohol prevention. Councillor Adele Morris hoped that public health would be looked at more effectively across all departments. In terms of licensing, she wondered whether public health would be able to submit information about new applications for licensed premises. The director hoped that there would be the capacity to do this and referred to a programme developed in Lambeth.
- 4.9 In response to a question from Councillor Seaton, the director explained that sexual health and HIV services were a big proportion of the public health budget. Councillor Colley clarified that the overall public health budget had been frozen and that this was not particular to Southwark. Councillor Seaton asked whether there was a standard formula to determine the sexual health budget. The director explained that the expectation was that the need would go up but that this had not been taken account of in the move of the sexual health commissioning budget to local authorities.
- 4.10 The chair asked Councillor Hargrove which of the savings he was most concerned about in his area. Councillor Hargrove commented that the cuts in sexual health had not yet been completely worked through and that it would be necessary to look at all possibilities. There were risks around all the savings that the council made but that there was a good quality of officers working in the council.

Councillor Mark Williams, Cabinet Member for Regeneration, Planning & Transport

- 4.11 Councillor Mark Williams, cabinet member for regeneration, planning & transport, reported that the revenue budget within his portfolio was not as large as in others but that there was an opportunity to generate income in a way that other departments could not. This included fees for hiring out lampposts for Wi-Fi providers, sponsoring of Christmas lights and increasing car park charges in the North West of the borough. As many costs as possible would be capitalised. The highways investment program totalled £21 million over three years. In terms of regeneration and planning the hope was to increase money received from developers through fees in order to make this section self-financing. Councillor Williams also pointed out that building more commercial premises and homes would increase business rates and council tax.
- 4.12 The chair asked whether developers fees could be increased. Simon Bevan, the director of planning, responded that this would be a challenge but that benchmarking fees against other boroughs would be a good starting point and allow a clearer picture of what was feasible. The Community Infrastructure Levy (CIL) was in place and should put the council in a healthy position.
- 4.13 Councillor Jasmine Ali emphasised the importance of consulting with people in the borough. Councillor Williams commented that the council needed to strive to be better and better. It was meeting its statutory obligations in terms of consultation but was also working to go over and above these requirements. Councillor Morris was concerned as to how the council could balance the need for economic development against the needs of some of its residents. Councillor Williams stressed that there were a lot of families on the housing waiting list, trapped in the private sector, that there were high levels of unemployment, that the infrastructure needed improving and that the schools programme needed to be pursued. Growth and development was essential to the borough but at the same time the council did listen to local residents. Building more affordable homes and workspace was to the good of the borough generally.
- 4.14 Councillor Morris was also concerned about planning enforcement issues. Councillor Williams responded that in an environment of cuts, frontline services such as adults' and children's services needed to be supported and that his department needed to generate as much income as possible. Planning enforcement could perhaps be reviewed in terms of its fees.
- 4.15 Councillor Rosie Shimell expressed concern about the potential impact of increased car parking charges on local shops and businesses. Councillor Williams explained that this was being proposed for the North West of the borough and

targeted visitor bays in the congestion zone with the aim of introducing a more fluid churn and discouraging people from driving to public transport. There was a pressure on car parking spaces in this area and one hour street parking was being consulted on. The impact on shops was not felt to be great.

- 4.16 Councillor Dale asked how the cabinet member would demonstrate to the public the value for money in all areas within his portfolio. Councillor Williams repeated the importance of new development schemes and new affordable homes. In response to a question from Councillor Noakes, he agreed to look into opportunities to use Section 106 and CIL for revenue purposes. Eleanor Kelly, the chief executive, highlighted page 84 of the report which looked at the possibility of recovering staff costs through capitalisation.
- 4.17 Councillor Situ asked the cabinet member what he saw as particular challenges for the future. Councillor Williams emphasised the importance of protecting the ability to generate investment and reaching the point where the regeneration and planning team was self-financing. Councillor Colley added that it was important to ensure that Southwark was an attractive place to live and work. Councillor Williams underlined the necessity to plan for future population growth, including homes and schools.

Councillor Victoria Mills, Cabinet Member for Children & Schools

- 4.18 Councillor Gavin Edwards stood down from the chair during this section of the meeting.
- 4.19 Councillor Victoria Mills, cabinet member for children & schools, explained that children's services had been relatively well protected in recent years. Services would improve the outcomes for looked after children and those on the edge of care. There was the possibility of making some savings as two years ago there had been 640 looked after children and now there were 504. The council's focus was to get this figure to around 460 and thereby pay for less of the most expensive services. David Quirke-Thornton, strategic director of children's and adults' services, added that the council was trying to bring transparency. There was a significant shift of funding from children in care to early help and a substantial saving because of work carried out over previous years.
- 4.20 Councillor Shimell highlighted reference 39 on page 78 of the report referring to the restructuring of secondary and further education provision. Councillor Mills clarified that this partly reflected changed SEN requirements and an attempt to avoid cross council duplication. In response to further questions, Councillor Mills explained that in reality there were a very small number of residential placements but that these were hugely expensive. With care, these could be unpicked and a better route arrived at. The strategic director added that fewer children were

presenting as needing residential care, partly as a result of a more enhanced early help service.

- 4.21 Councillor Noakes was concerned as to why there were not more savings within strategy and commissioning (page 61). Councillor Mills stated that there had been savings in back office costs in other areas as well. The strategic director emphasised that two thirds of the council's spend was within children's and adults' services. Some of these services had had significant reductions in the past years. Councillor Mills stressed that a child would receive a residential placement if this was necessary but that if more support could be put around families and foster carers then this would cost less than the cost of a residential placement and the outcomes for children would be far better.
- 4.22 Councillor Morris sought clarification of the difference between in-house and independent fostering. Councillor Mills explained that in-house foster carers were registered with Southwark while independent foster carers were registered with an agency. The strategic director added that it was important to the council that children were kept close to their home community if possible. It was important to the council that children were fostered by carers in Southwark and this happened to cost a lot less. Councillor Mills explained that the council worked to transfer independent foster carers in-house. The council had reviewed foster carer fees in order to make the strongest possible offer and made sure that it also offered as much ongoing support as possible. The strategic director commented that local authorities needed to engage better and to make the process of becoming a foster carer more straightforward. The challenge was to offer a good support package which included night time and weekend support. The offer to foster carers could also be enhanced for instance with the payment of council tax.
- 4.23 Councillor Gavin Edwards returned to the chair.

Councillor Dora Dixon-Fyle, Cabinet Member for Adult Care, Arts & Culture

- 4.24 Councillor Dora Dixon-Fyle, cabinet member for adult care, arts & culture , reported that adult social care had been transformed over the last couple of years, including the introduction of the personalisation agenda and the aim to help people stay at home as long as possible. The council had also adopted the Ethical Care Charter, abolished fifteen minute in and out visits, introduced the London Living Wage and paid travelling time to carers. Day care was changing as there was more choice to spend personal budgets. The council was building a state of art day centre to help with for instance dementia. The Better Care Fund helped the council to work more closely with health services.
- 4.25 Councillor Dale highlighted references 20, 24 and 88 in the report and asked whether these were related in that they referred to reablement. Councillor Dixon-

Fyle explained that reference 20 referred to adult social care and an increased use of reablement. The strategic director of children's and adults services explained that the reference at 88 was a different use of the term.

- 4.26 Councillor Noakes was concerned about the reference to day centres on page 60. He accepted that there was a decrease in demand for places but commented that a lot of people did not have personal budgets. He was not confident that references 15 and 16 on page 76 were efficiencies and not in fact a change to care. Councillor Dixon-Fyle responded that not everyone using a day centre had a personal budget. It was not possible for Southwark as an authority to continue to fund places. Services such as Golden Oldies had been referred to Community Action Southwark to help them build up a business case in order to fund themselves. Councillor Morris pointed out that the council did not charge for a lot of children's day centres. Councillor Dixon-Fyle stressed that older people were assessed by social workers before being sent home from hospital and that families were also involved. A free service could only be offered to those who were eligible and in other cases a contribution was necessary. Councillor Noakes pointed out that one of the administration's commitments was to support those most vulnerable in the borough. This was at odds with the policy in respect of day centres as people were no longer going out as they were not able to pay for use of a day centre. Councillor Dixon-Fyle emphasised that some voluntary organisations continued to be funded but that the council could not support all the groups it had supported in 2010.
- 4.27 Councillor Ali was concerned that some old people were very isolated and excluded. She asked the cabinet member whether she was satisfied that the council could protect and safeguard adults. Councillor Dixon-Fyle stated that she was confident that the council was investigating cases very quickly and that she was confident in the Safeguarding Adults Board.
- 4.28 The chair highlighted reference 15 on page 76 and asked the cabinet member whether she was confident that these savings could be delivered. Councillor Dixon-Fyle was confident in the move from residential to non-residential. The strategic director added that the move towards supported living was very popular and happened to cost less. This was responding to the aspirations and hopes of service users as well as delivering savings. The chair also asked whether there were benefits in introducing the Ethical Care Charter. The strategic director replied that benefits were significant. The offer was better for homecare workers in Southwark and people were moving from other agencies in order to work in the borough. People were also much happier with the service as there was more continuity of care and workers were spending more time with users.

Councillors Darren Merrill and Michael Situ, Cabinet Members for Environment, Recycling, Community Safety & Volunteering

- 4.29 Councillor Michael Situ explained that the proposed budget aimed to protect operational services to residents and to ensure that community safety was paramount. The most important aspect was the proposed move to a multi-disciplinary approach, rather than officers specialising in one discipline. The intention was to provide officers with a range of skills so that they could fill a number of roles. Councillor Darren Merrill stated that the expectation from the services within his portfolio was that rubbish was collected on times and streets were clean. The principle within the budget proposal was to make savings which did not affect the cleanliness of the borough. This included a restructuring of the back office, a new commercial waste and pest control offer and solar panels on the roof of the waste facility. Councillor Morris asked whether solar panels could be installed on other council buildings. Councillor Merrill indicated that this would be looked into.
- 4.30 Councillor Flynn asked whether references 9 and 76 implied a reduction in qualified front line staff. Councillor Situ replied that there was no proposal to reduce the Noise Team and that additional apprentices would boost the services of officers. A multi-disciplinary approach would allow officers across the division to do a number of functions. Councillor Situ added that he was satisfied that this approach would also benefit staff. In response to a question from Councillor Ali, he felt that this approach offered a lot of potential and flexibility and might in the future be considered in other areas of the council. Councillor Morris asked whether there would be an increase in the hours of operation. Deborah Collins, strategic director for environment & leisure, explained that this was not the case but that additional apprentices would allow a different approach to statutory and non-statutory services. Councillor Morris also asked whether a late-night levy could be a source of income. Councillor Situ responded that this had been part of the discussion around the budget and would continue to be reviewed, for instance as to whether individual venues could contribute more toward community wardens or the licensing team.
- 4.31 In response to questions, Councillor Merrill assured members that Rye Lane was a top priority and that he was pushing officers to sort out the waste problems and to get businesses on board. He also clarified references 122 and 123 on page 88 of the report, explaining that these related to commercial waste and that the council had perhaps underestimated what was possible. In response to a further question in respect of reference 63, Councillor Merrell indicated that he was confident that agency staff could be reduced. The strategic director added that cleaning staff were available and ready to be recruited. She agreed to look into the possibility of, for instance, setting up banks of temporary staff.
- 4.32 Councillor Seaton asked Councillor Situ whether there was the potential for services to be cost neutral. The cabinet member replied that it was very difficult to

be cost neutral especially in terms of services which residents expected to be free. Officers were looking at all areas where income could be maximised and at selling services to other boroughs.

Councillor Richard Livingstone, Cabinet Member for Housing

- 4.33 Councillor Richard Livingstone, cabinet member for housing, reported that his portfolio covered a huge amount of expenditure, mostly within the housing revenue account. He outlined the proposed savings in this and the general fund. The big change was the proposal to reduce the hours of the call centre. He explained that about 12% of all calls was residents confirming a booked appointment. The figure for appointments kept was around 97% and if this was made clear then the volume of calls could be reduced. Councillor Livingstone confirmed that the council was not looking at compulsory redundancies in this area but currently vacant posts and the natural turnover of staff. Councillor Colley, cabinet member for finance, strategy & performance, stated that in terms of customer services, achieving a channel shift was the real direction of travel. Approximately 90,000 accounts had been set up on MySouthwark with around 40,000 of these linked to council tax. The council's target was of a 20% channel shift away from the call centre and to support this the council was working on website improvements and looking across the whole council. Councillor Colley also stated that cash offices were the most expensive way of receiving payments with other options being available including payment through pay points and post offices. Residents wanted the council to protect frontline services and in terms of cash offices there were a lot of alternatives.
- 4.34 Members of the committee stressed the importance of text messaging to confirm appointments and gaining as much information about phone numbers as possible. It was also essential to invest in IT services, to plan for enhancing these services and to ensure appropriate feedback mechanisms. Councillor Colley agreed that there was a need to improve the website. Councillor Livingstone reported on the development of MySouthwark and that this was being widely publicised.
- 4.35 Members were concerned that the call centre would not be available outside working hours. Councillor Livingstone indicated that there was still a huge spike in the volume of calls on a Monday morning, showing that many people did not recognise that the call centre currently offered a 24/7 service. He acknowledged that people who were in work would have challenges in contacting the council but felt that these people were more likely to be IT literate. He was most concerned about people who might not be used to email or accessing council services via PC but felt that by and large these would not be working 9 to 5, for instance pensioners.
- 4.36 Councillor Noakes hoped that the council would continue to consult the public on

its budget proposals and wondered whether sending out council tax bills was an opportunity to ask for feedback. Councillor Colley responded that some councils had been criticised for spending money on consultation. Southwark was continuing to talk to people but this year council tax bills were being used to publicise MySouthwark. Councillor Livingstone added that it was important to ensure that the services linked to the call centre were working and reported that that the council was consulting the Tenants' Council on priorities around repairs.

Councillor Ian Wingfield, Deputy Leader and Cabinet Member for Communities, Employment & Business

- 4.37 Councillor Ian Wingfield, deputy leader and cabinet member for communities, employment & business, reported that his portfolio was one of the council's key priority areas. The budget proposed certain efficiencies but many of these had no impact on services. The chair asked whether the cabinet member was looking at the Living Wage. Councillor Wingfield responded that he had been focusing on this area since May. The council was committed to establishing a major business forum, partly to discuss corporate social responsibility policies and also to ensure businesses took on local people. The council had also recently signed off a two year extension to the contract of Southwark Works, an employment facilitator. Councillor Wingfield stressed that there was a tremendous need in the borough to get people back into work and he believed that local councils could help to meet and match the needs of local employers. He felt that it would be key to have a pilot for the London Living Wage in the More London complex. The task would then be to roll this out across the borough and with other employers. He also hoped that the Diversity Standard could be spread to employers generally.
- 4.38 Councillor Morris referred to an occasion at Planning Committee when the application had not provided all the office space it could have. The Economic Development Team had asked for a contribution of £300,000 as compensation but this had been waived. She asked the cabinet member whether he was aware of this and whether anything could be done to put pressure on developers. Councillor Wingfield replied that he had active discussions with the property and planning sections of the council. It was key that the council kept its priority to replace and extend employment. Councillor Ali asked whether there was any capacity in the budget to encourage small local businesses to take on school leavers and apprentices. Councillor Wingfield replied that the council had launched SEEDS which paid 50% of the London Living Wage to employers taking on young people for twelve months. Councillor Morris asked how the council was hoping to improve residents' access to higher end and higher paid office jobs. She also felt that there was a mismatch in terms of construction jobs. Councillor Winfield agreed that it was critical to assist especially young people leaving school to get jobs and reported that he had liaised with Councillor Mills about approaching schools. He wanted Southwark school leavers to be able to compete on a fair and equal basis.

Councillor Colley added that, with Lambeth and Lewisham, Southwark was bidding for funding for a Construction Skills Academy.

- 4.39 Councillor Ali asked how the council supported community groups. Councillor Wingfield responded that it was important that the council worked through partnerships to ensure that no service collapsed and that nothing fell between the gaps. The voluntary sector had risen to the challenge. Councillor Noakes asked for clarification of references 77 and 78 in the report and savings in respect of community councils. Councillor Wingfield indicated that these involved administrative efficiencies, reductions in the printing of leaflets and one redundancy in the community development section. Stephen Douglass, head of community engagement, added that the saving in question had already been achieved and that there was no impact on the level of service.
- 4.40 The committee considered the evidence it had received from cabinet members and officers and

RESOLVED:

1. That Cabinet review the voluntary redundancy offer being made to employees at the council. Overview & Scrutiny Committee believes that an enhanced offer may attract more people, and make it possible to secure more long term savings. An enhanced offer should be contained in a new, formal voluntary redundancy policy which should be pro-actively advertised to staff.
2. Overview & Scrutiny Committee notes that many of the budget proposals require savings involving demand management and changing client behaviour. This means that for some proposed savings there is a risk of that they will not be delivered. Overview & Scrutiny Committee recommends that officers bring back a report to the committee in six months' time to:
 - review the progress in making savings and monitor the risk and impact of those savings
 - update the committee on the Better Care Fund
 - clarify the impact on staff in terms of voluntary and compulsory redundancies
 - assure the committee that opportunities for the Community Infrastructure Levy are being taken advantage of
3. Overview & Scrutiny Committee notes the level of government funding and distribution across councils and recommends that the Cabinet work with London Councils to set out a fairer case for councils like Southwark and put this to the DCLG
4. Some of the savings proposed in the budget are rightly based on moving

Southwark residents to digital interaction. Councillors should also set an example in this respect. OSC recommends that the relevant Cabinet Member looks into the possibility of reducing amount of paper documents sent to members, with a view to reducing the amount of money spent on printing council agendas and papers. Proposals should be based on a “bring your own device” model which is increasingly common in the workplace.

5. That council officers look into the possibility of introducing a staff bank approach for street cleaning, rather than making use of agencies to supply staff.

The meeting ended at 7.30 p.m.

CHAIR:

DATED: