

**COUNCIL ASSEMBLY**  
**(COUNCIL TAX SETTING)**  
**TUESDAY 23 FEBRUARY 2010**  
**QUESTIONS ON REPORT**

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**QUESTIONS ON ITEM 2.1: POLICY AND RESOURCES STRATEGY - THE 2010-11 REVENUE BUDGET (THE BUDGET AND POLICY FRAMEWORK)**

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**1. QUESTION FROM COUNCILLOR BARRIE HARGROVE**

Please identify what new commitments have been identified to improve the borough's recycling rate from the sixth worst in the country?

**RESPONSE**

I am sure that the councillor has read the budget in detail, so will be aware of the various initiatives that the council is backing to boost recycling rates. In February 2008, Southwark Council signed a contract with Veolia to increase the recycling rate to 50% by 2020 – fourteen times the figure it was under the previous Labour administration when a pitiful 3.6% of what local people threw away was collected for recycling.

In addition, planning permission for a new recycling facility has now been granted – despite opposition from Labour's former Mayor of London - and the new facility is due to be operational by the end of 2011. In addition, the capital budget includes an additional £5.4 million for phase 2 of the development plans for the new site over the next three years.

**SUPPLEMENTAL QUESTION FROM COUNCILLOR BARRIE HARGROVE**

Thank you Mr Mayor. Thank you to the executive member for his response. My follow-up question is - I would like to know why under the first two years of the Veolia contract that the recycling targets had fallen below what was expected?

**RESPONSE FROM COUNCILLOR TIM McNALLY**

Thank you Mr Mayor and I would like to thank Councillor Hargrove for his supplemental the answer to which will be given by the executive member for environment.

**RESPONSE FROM COUNCILLOR PAUL KYRIACOU**

I thank you Councillor Hargrove for your supplemental question, I am not too sure what you think the figures were before but once a waste management site comes on board it will be at 30% in 2011. I can get further details and get back to you on that.

## 2. QUESTION FROM COUNCILLOR RICHARD LIVINGSTONE

Please report the amounts in the council's current reserves and balances?

### RESPONSE

The council's revenue reserves and balances as presented in the 2008-09 statement of accounts are as follows:

| General Fund |  | £000    |
|--------------|--|---------|
|              | Modernisation, Service & Operational Improvement Reserve | 13,768  |
|              | Regeneration & Development Reserve                       | 6,382   |
|              | Financial Risk Reserve                                   | 8,352   |
|              | Capital Contingency Reserve                              | 2,703   |
|              | Other Earmarked reserves                                 | 40,407  |
|              | Collection Fund  | 3,028   |
|              | Schools' balances  | 14,087  |
|              | General Fund balance                                     | 18,271  |
|              |  |         |
|              | Total  | 106,998 |

As a percentage of our budget we have the second lowest reserve balances in inner London. Only Islington has a lower percentage balance.

Reserves and balances for 2009-10 will be reported as part of the council's statement of accounts to be published in the summer.

### SUPPLEMENTAL QUESTION FROM COUNCILLOR RICHARD LIVINGSTONE

I would like to thank the executive member for his answer. Given that we introduced the contingency budget for the first time in the budget that we agreed this time last year of £1.2m, and given that we have a £107m sitting in our reserves and balances, do you really think that a new addition to that contingency budget of £4m is justified this year?

### RESPONSE FROM COUNCILLOR TIM McNALLY

Thank you Mr Mayor – I would like to thank Councillor Livingstone for his supplemental. Last year we put aside about £3m into contingency and during this year we have met several challenges such as the response to the Baby P, the Southwark judgement and a much higher call on child protection and children's services. We have also seen a significant uplift in adult care and sure enough we have spent just over £3m we set aside last year. That's why this year on the advice of the finance director we will be setting aside £4m for the contingency.

## 3. QUESTION FROM COUNCILLOR FIONA COLLEY

The council has recently printed and issued posters boasting of the current administration's 'achievements' in a way that appears contrary to government's Code of Recommended Practice for local government publicity and potentially

falls foul of paragraph 2 of chapter 10 of the Local Government Act 1986. Given this, can maintaining the current level of the council's communications budget be justified?

## **RESPONSE**

All council communications adhere to all relevant guidance on local government publicity, as well as the council's own communications protocol. Statements of this nature are not normally dealt with at council meetings, but through a formal complaints procedure.

Given that the communications budget has been reduced by £1.6 million (25%) over the last three years and Southwark spends less than Labour Lambeth and half of Labour Lewisham on our council magazine/newspaper, it's clear from any reasonable reading of the facts the council's communications budget is entirely justified.

## **SUPPLEMENTAL QUESTION FROM COUNCILLOR FIONA COLLEY**

Thank you Mr Mayor. I would like to thank the executive member for his answer and would he not agree with me that £4.8m is still a massive amount to be spending on communications. I am sure that the people of the borough seeing those ridiculous posters going up on bus stops around this borough, which serves no purpose than to try and promote this council and prop-up this failing administration, would he not agree with us that that budget should be slashed?

## **RESPONSE FROM COUNCILLOR TIM McNALLY**

Thank you Mr Mayor - I would like to thank Councillor Colley for her supplemental. The posters to which she refers, the 'My Council' posters and the 'You Said We Did', follow all the government guidance on local government publicity. And the 'My Council' posters are initiatives from the Local Government Association to encourage local councils to tell people what is going on in their area. The chairs of the community councils have only last month asked us to communicate more about what is going on in their areas and the role of community councils and we are promoting that as well. Over the last 3 years we have actually cut the communications budget by £1.6m, that is 25%, and we have reduced the number of communication staff from about 80 down to the low 20s. So actually we have cut the communications budget year-on-year, we are spending less than Labour Lambeth and we are spending less than half that Labour is spending in Lewisham.

## **4. QUESTION FROM COUNCILLOR JOHN FRIARY**

Can you identify what new commitments have been identified to help the police maintain the current staffing levels of safer neighbourhood teams in light of the Mayor of London's decision to cut police numbers in the capital by 455 by 2012?

## **RESPONSE**

The Metropolitan Police Service is funded as part of the Greater London Authority (GLA) precept.

### **SUPPLEMENTAL QUESTION FROM COUNCILLOR JOHN FRIARY**

Thank you Mr Mayor – thanks to the executive member for his statement of the blindingly obvious. My question is - can he confirm or otherwise that his colleague the executive member for community safety has written to the Mayor of London to object to the proposed police cuts, if not, why not and is he concerned if the executive are not seen to take a view objecting to the cuts then people in the community might think that you support them?

### **RESPONSE FROM COUNCILLOR TIM MCNALLY**

Thank you Mr Mayor. This supplemental will be answered by my colleague, the executive member for community safety.

### **RESPONSE FROM COUNCILLOR LINDA MANCHESTER**

I thank Councillor Friary for his question. The Liberal Democrats actually proposed at the London Assembly group that Boris Johnson restore the £16.4m cut that he made and I also have the assurances of the Borough Commander that no frontline staff will be cut in Southwark.