

**This update: 04/06/2004 14:29**

## **Southwark Annual Scrutiny Report 2003/4**

### Introduction

This is the second annual report on Southwark's scrutiny work. I welcome the opportunity this report provides to celebrate scrutiny's achievements, reflect on areas for further development, and thank all the individuals, community groups and organisations who have contributed to our work over the past year. Nationally, many councillors were initially sceptical about the potential for scrutiny to be influential, but I believe that in Southwark we are demonstrating that when scrutiny committees are responsive to stakeholders, operate flexible and accessible processes, and are willing to provide the "critical friend" role that must lie at the heart of good scrutiny, we can be truly influential and ultimately play our part in delivering better services to local people.

The report is not a full account of every review, but a summary of each committee's activity.

I welcome your comments on this report and more generally your views on scrutiny in Southwark. If you would like to know more or find out how to be involved in scrutiny please refer to the contact details at the end of the report.

Kim Humphreys  
Chair of Overview and Scrutiny Committee

**This update: 04/06/2004 14:29**

### **Southwark's Scrutiny Committees**

Southwark has one co-ordinating Overview & Scrutiny Committee and six sub-committees:

- Education, Youth and Leisure
- Environment and Community Support
- Finance and Economic Development
- Health and Social Care
- Housing
- Regeneration and Transport

N.B. the scrutiny sub-committee structure has changed for 2004/5. Details available from [www.southwark.gov.uk](http://www.southwark.gov.uk) or the scrutiny team at the Town Hall on 020 7525 7238

The following pages highlight the key reviews undertaken by each of the committees during 2003/4

**This update: 04/06/2004 14:29**

## **Education, Youth and Leisure**

Councillor Andy Simmons (Chair)  
Councillor Lisa Rajan (Vice-Chair)  
Councillor Alun Hayes  
Councillor Eliza Mann  
Councillor Kenny Mizzi  
Councillor Graham Neale  
Councillor Robert Smeath

### Co-opted Voting Members:

Mr G Agomuo  
Rev D Bartle-Smith (up to 3 December 2003)  
Rev G Shaw (from 29 January 2004)  
Ms S Simpson  
Mrs J Spanswick

### **Education contract**

This sub-committee's work programme was inevitably dominated by the change of education contractor in the summer of 2003, an unprecedented situation anywhere in England and Wales. The Council appointed an interim education contractor and commissioned a long term review of education support services, led by the Office for Public Management (OPM). The scrutiny sub-committee closely shadowed both of these processes, receiving presentations from executive members, senior officers managing the transition, and OPM. This flow of information, together with the views the sub-committee heard from its co-opted church and parent governor representatives and the head teachers enabled the sub-committee to make a series of recommendations to the executive and play its part in influencing the eventual decisions. The committee also considered the implications of the Children's Green Paper "Every Child Matters" at the same time, thus ensuring that its recommendations were consistent in policy terms.

The key scrutiny recommendations focused on **performance targets for the new education contract and whether the proposed contract placed enough emphasis on the school improvement function. Throughout the process, the Sub-Committee highlighted the importance of consultation and engagement and asked that as much as possible of the final details of the contract be placed in the public domain. The Sub-Committee stressed that the operation of new school communities should be reviewed within its first year.**

The Education, Youth and Leisure Scrutiny Sub-Committee also raised questions about the Executive's approach to consultation in a number of the reviews it looked at this year.

### **School Organisation Plan**

The Sub-Committee asked the Executive to improve its consultation processes, to strengthen links between education planning and the Unitary Development Plan particularly for secondary schools, to give more consideration to issues of continuity

**This update: 04/06/2004 14:29**

into 6<sup>th</sup> form, and to add Peckham Town Centre to the list of areas in the School Organisation Plan being proposed for large increases in housing.

### **Secondary Strategy**

The Sub-Committee welcomed the overall approach set out in this strategy and asked the Executive to sharpen the targets so they can be measured; to articulate how a strategy with a mix of academies and community schools will ensure that no community school is left behind; to bring forward a recruitment and retention strategy for teachers; to raise with London Challenge the issue of co-ordination and collaboration across the five principal London Challenge boroughs, with particular reference to Lambeth, for example in the context of the cross-borough flow of pupils between Southwark and Lambeth. The sub-committee also observed that within Southwark the current focus of Neighbourhood Renewal on education is limited, and that this needed to be addressed by the Southwark Alliance.

### **Education Finance Settlement**

The Sub-Committee welcomed the settlement and recommended that the Executive fully passport education funding to schools this year. The Sub-Committee also agreed to follow up on how schools with deficit budgets are supported and the impact of central pressures. **Subsequently, the Sub-Committee considered proposals for supporting schools with deficit budgets and intends to review the current position as against the position at the time of the last OFSTED inspection, including lists of deficits and balances for all schools over the past three years. In terms of pressures on central budgets, the Sub-Committee received a briefing including proposals for reviewing funding strategies for Special Educational Needs. In future the Sub-Committee will be monitoring quarterly performance reports at the same time as quarterly budget reports.**

### **Southwark Parks – Organisation, Structure and Contracts**

This issue concerned a reorganisation of staffing and contract arrangements in the parks. The Sub-Committee was concerned that the Executive did not release the proposals in time for pre-decision scrutiny on this important issue, and that the public consultation was limited.

### **Education performance**

The Sub-Committee spent some time looking at quarterly performance reports and commissioning some reports on specific themes it wished to follow up, including: the strategy for intervention at Key Stage 2, the performance of African-Caribbean pupils at Key Stage 4 and SEN performance.

### **Exclusions/Behaviour Support Plan**

**The Sub-Committee considered the area of exclusions, both generally within Southwark and specifically as an issue to be addressed within the Behaviour Support Plan (BSP). The Sub-Committee has asked for targets within the BSP to be better quantified and will be reviewing performance against targets in the new municipal**

G:\Scrutiny\04\_05\OSC\14 JUNE  
04\WEBDOCS\040614\_ITEM\_1\_AnIRpt0304\_draft[040603].doc

**This update: 04/06/2004 14:29**

year. The Sub-Committee continues to be interested in the application of good practice in this area.

This update: 04/06/2004 14:29

## **Environment and Community Support**

Councillor Barrie Hargrove (Chair)  
Councillor Gavin O'Brien (Vice-Chair)  
Councillor Alfred Banya  
Councillor Alison Moise  
Councillor Lisa Rajan  
Councillor William Rowe  
Councillor Anne Yates

## **Community Councils**

Southwark established eight community councils in April 2003. The Community Councils are intended to take decision making out of the Town Hall and into the community. They have power to allocate some budgets and make decisions on issues including community safety, environmental improvement, traffic, planning and licensing. The principles had been laid out by the incoming administration in May 2002, and scrutiny had played a major part in developing the basis for their operation. The purpose of this year's review was to examine how community councils are working, and consider other areas of decision making that could be passed to them.

Officers commissioned the Institute of Local Government Studies at Birmingham University (Inlogov) to carry out some research for the sub-committee to draw on. Their full report is available in the Environment and Community Support Sub-Committee's documents on Southwark's web site.

The key issues that came out of this review were that there needs to be a broad member debate around the "strategic fit" between community councils and other parts of the council's governance arrangements, that the council considers how education capital money and further transport and highways issues could be devolved to Community Councils, and that there should be revenue pilots in some community councils. The sub-committee also recommended that the Executive looks at ways to encourage the profile of Community Council attendees to match the profile of the Community Council area and that the next review should consider in detail the issues of planning, licensing and school governors.

## **Fast track review of the voluntary sector**

The fast track best value review sought to clarify the Council's policy priorities in respect of funding voluntary sector organisations, including the appropriate level of delegation to officers, and whether some elements of voluntary sector funding could be allocated through an appropriate external agency. It also looked at whether the Council should continue to commission services from the voluntary sector and the appropriate form of agreement between the Council and individual voluntary sector organisations.

The sub-committee considered the results of the review, which was carried out by an internal project team, supported by an external consultant. The Sub-Committee considered the views of Southwark Action for Voluntary Organisations (SAVO) and

**This update: 04/06/2004 14:29**

recommended that the new framework of arrangements for funding of the voluntary sector should be inclusive of new and emerging voluntary groups, in particular black and minority ethnic groups; and that measures should be taken to address the 'glass ceiling', which prevents smaller groups from developing and extending their remit of services.

### **Waste management**

The Sub-Committee has been briefed at all stages of the development of the Council's Waste Management Strategy and supports proposals for an integrated waste management contract. The Sub-Committee has welcomed the views of local voluntary groups and takes the view that recycling must be widely encouraged in Southwark, by increasing public awareness and providing appropriate.

**This update: 04/06/2004 14:29**

## **Finance and Economic Development**

Councillor Toby Eckersley – Chair  
Councillor Stephen Flannery – Vice Chair  
Councillor Mark Glover  
Councillor Jeff Hook  
Councillor Jonathan Hunt  
Councillor Michelle Pearce  
Councillor Tayo Situ

## **Budget scrutiny**

The Finance and Economic Development Sub-Committee once again led on budget scrutiny, beginning the year with a training session, provided by the Institute of Public Finance. The sub-committee formally reported its findings on the budget to Overview and Scrutiny Committee in February 2004, and has followed up a number of points on the process issues. In particular, the sub-committee suggested that members explore the issues arising from the overlaps between the traditional role of the political parties in budget making, and the role of scrutiny.

## **Alleged fraud on major voids contracts**

This was a closed scrutiny looking at how officers had identified and dealt with a trading loss of some £950,000 to the Building Services Direct Labour Organisation due to alleged fraud and mismanagement of a Major Void Contract. The matter had been reported to members as part of the Statement of Accounts for 2002/3 and the purpose of the scrutiny was for the committee to understand how the fraud situation arose, the Council processes in place at the time, what actions had been implemented as a result, and how the processes could be improved. The committee prepared a series of detailed recommendations, and has suggested some areas for follow-up once the executive's response has been received.

## **Communications budget**

A short review was conducted as a result of a Council Assembly motion for a scrutiny into the lack of analysis or information as to efficiencies on a communications budget of over £3 million. The sub-committee were encouraged by steps being taken to improve cost effectiveness and quality, such as changes to framework contracts for straightforward design and print, and were particularly encouraged about an expenditure code review which would enable more informed analysis of communications spend in the future. Members suggested means for further efficiencies such as procurement arrangements.

## **Audit Commission Annual Letter**

The sub-committee scrutinised the Audit Commission Annual Letter and highlighted to the Executive key areas of performance that they were particularly disappointed with. In particular, the sub-committee recommended that Executive follow up concerns about performance management, highways and infrastructure, and audit



G:\Scrutiny\04\_05\OSC\14 JUNE

04\WEBDOCS\040614\_ITEM\_1\_AnIRpt0304\_draft[040603].doc

**This update: 04/06/2004 14:29**

fees. The Regeneration and Transport Sub-Committee subsequently picked up the issues identified for highways and infrastructure in its work programme.

**This update: 04/06/2004 14:29**

### **Health and Social Care**

Councillor Eliza Mann (Chair)

Councillor Dominic Thorncroft (Vice-Chair)

Councillor Gavin O'Brien

Councillor Vicky Naish

Councillor Dora Dixon-Fyle

Councillor Daniel McCarthy [Member w.e.f. 11/03]

Councillor Jane Salmon [Member w.e.f. 4/04]

Councillor Denise Capstick [Sub-Committee Member until appointment to the Executive in October 2003]

### **Modernising Day Care services**

This review concerns the council's work on improving day services for people with community care needs. The Sub-Committee continued to follow this topic up throughout the year in response to concerns expressed by service users and voluntary organisations. The Sub-Committee has particularly emphasised the need for more clarity regarding future plans for Aylesbury Day Centre, the need to complete the eligibility assessments so that there is accurate data on service users' levels of need, and asked the Executive Member for Health & Social Care to work proactively with other Executive Members and the Primary Care Trust [PCT] to develop alternative funding options for day centres.

### **Foundation Hospitals**

The Sub-Committee was disappointed at the lack of a structured debate within the Council, given that both the local hospitals had submitted applications for foundation status. The Sub-Committee's own comments on the proposals suggested that the Members Council or board of governors should have a majority of local members who are representative of the area's social and ethnic diversity; Foundation Hospitals should ensure that their flexibility to reward staff does not adversely affect other players in the local health economy, such as the PCT; the term contracts with the PCT resulting from Foundation Trust status need to be flexible enough to respond to changes in local need; that in principle, local patients must have priority for all medical and specialist services over nation and international patients, i.e. that a two-tier system must not be encouraged and the quality of treatment and care must be to an acceptable standard for all patients; and that transport facilities to patients between the Hospital Trusts must be improved and provided by the Trusts.

### **Prevention of Teenage Pregnancy**

The review was undertaken in the context of Southwark's teenage conception rates being the second highest in the UK and having risen by 13% since 1998. The inquiry acknowledged that a range of practical programmes aimed at reducing the amount of under-age unprotected sex reportedly contributed to falling TP rates in other countries. The inquiry focused on the prevention of teenage pregnancy although evidence necessarily touched on support to teenage parents and the broader issue

**This update: 04/06/2004 14:29**

of sexual health. Recommendations made by the Sub-Committee aimed to support the Council in achieving the ambitious TP reduction targets set by central Government and reflected Southwark's Teenage Pregnancy Strategy Action Plan themes. The inquiry was cross-cutting and was undertaken as joint scrutiny with the involvement of the Education, Youth & Leisure Scrutiny Sub-Committee. The report was successful in raising the profile of the teenage pregnancy issue and Members received a detailed response to the recommendations from the Executive and Primary Care Trust.

### **Mental Health Services to Black Male Teenagers**

This was a short review through which Members sought primarily to understand the overall "map" of cross-sectoral services to black and minority ethnic men between the ages of 12-18 years, and to identify of areas and ways in which current provision might be improved and health inequalities reduced. Approximately 15% of adolescents experience mental health problems nationally, and BME teenage men are at particular risk due to higher incidence of factors contributing to social exclusion. Southwark's BME community represents approximately 28% of the boroughs population [2001Census data].

Members drew out broad themes from the review, which had emerged in formal sessions and during site visits to projects, and framed recommendations around these themes, i.e. the importance of effective early intervention in identification of problems before they impact negatively on the individual; the impact of cultural, racial and generational differences on the provision of CAMHS; provision of care and information in non-clinical settings; the need to provide appropriate person-centred care and to hear users voices; recognition of the voluntary sector's innovative models of working; and support for cross-sectoral joint working and capacity building. Members called for further work on advocacy services to BME male teenagers, the relationship between drug abuse and mental ill-health and on mapping cross-sectoral provision to this group.

**This update: 04/06/2004 14:29**

## **Housing**

Councillor Gavin O'Brien - Chair (from December 2003)  
Councillor Ann Yates – Chair (until November 2003).  
Councillor Fiona Colley – Vice Chair  
Councillor Jonathan Hunt  
Councillor Abdul Mohamed  
Councillor Dr Abdur-Rahman Olayiwola  
Councillor Charlie Smith

### Co-opted Non-voting Members:

Mr Dave Clark  
Mr Al-Issa Munu  
Mr Lionel Wright  
Mr John Nosworthy (reserve)

## **Housing allocation policy review**

This has been a theme throughout the year. At its initial briefing, the sub-committee endorsed a choice-based lettings approach to housing allocation, having noted low levels of satisfaction with the current allocations system, high levels of refusal of officer to existing Council tenants and the success of choice-based letting schemes in other London boroughs. More recently the consultation approach for the proposed policy was scrutined, and the sub-committee made some valuable suggestions in terms of consultation avenues. It will continue to be involved in this review by scrutinising the consultation results and the final version of the policy prior to its final consideration by Executive.

## **Fire on East Dulwich Estate**

This scrutiny was initiated from concerns about the response to a fire at East Dulwich Estate which involved the temporary relocation of residents. Evidence was heard from residents, ward councillors and officers who were involved in the emergency.

The key issues that came out of this review were the need for greater participatory engagement of Tenants and Residents Associations in planning for local emergencies, the importance of a clear chain of communication during emergencies and consideration of the assessment and escalation of the scale of emergency. The Sub-Committee identified the need for regular emergency training exercises and were concerned at the limited power for officers to incur expenditure during local emergencies, suggesting that the Executive look into practical arrangements for addressing this.

Other action points from this will continue to be followed up such as the standard of temporary accommodation provided, and concerns over the performance of the utility company to the emergency situation.

### **Tenants Halls**

The sub-committee has been influential in ensuring that the best value review of tenants halls is progressed. In response to the recommendations of the sub-committee the working party has now had its initial meeting, and the process is underway for agreeing the terms of reference for the review. The sub-committee will continue to keep a watching brief on progress.

### **Major Works Contracts - Canada Water Estate**

Upon tasking from Overview and Scrutiny, a review was held into major works contracts to ensure that lessons were learnt from the experience at Canada Water Estate. The case studied involved a poorly performing contractor who went into receivership, payment for works not completed and a lengthy timeframe for the subsequent completion of the works.

While the sub-committee were satisfied that procedures and controls were now in place to prevent a reoccurrence of the Canada Water Estate situation, it suggested that major works contracts be a regular feature in the sub-committee's annual work plan, with particular focus on contract overspends.

**This update: 04/06/2004 14:29**

### **Regeneration and Transport**

Councillor Neil Watson (Chair)  
Councillor Paul Bates (Vice-Chair)  
Councillor Graham Neale  
Councillor Billy Kayada  
Councillor Sarah Welfare  
Councillor David Bradbury  
Councillor Catriona Moore

### **Elephant and Castle**

The Sub-Committee carried out a review of the proposals for regeneration of Elephant and Castle, focussing particularly on consultation and community involvement mechanisms.

### **The Southwark Plan – the Unitary Development Plan**

The committee's predecessor body, housing and regeneration scrutiny Sub-Committee, had issued a report in 2002/3 as its contribution to the Southwark Plan. Regeneration and Transport followed this work up by reviewing how those recommendations had been addressed in the development of the plan.

**This update: 04/06/2004 14:29**

### **Overview and Scrutiny Committee**

Councillor Kim Humphreys (Chair)  
Councillor Linda Manchester (Vice-Chair)  
Councillor John Friary  
Councillor Barrie Hargrove  
Councillor Eliza Mann  
Councillor Andy Simmons  
Councillor Neil Watson  
Councillor Anne Yates [to 11/03]  
Councillor Gavin O'Brien [w.e.f. 11/03]

#### Co-opted voting members:

Mr G Agomuo  
Rev D Bartle-Smith (up to 3 December 2003)  
Rev G Shaw (from 29 January 2004)  
Ms S Simpson  
Mrs J Spanswick

### **Progress on implementing Early Years Best Value Review**

The Committee has received quarterly monitoring reports from officers leading this review, together with reports from representatives of the community nurseries affected by the changes in grant and fee levels. The purpose of the review has been to maintain member oversight of these changes and provide an opportunity for the nurseries' representatives to be heard. The Committee has been concerned about the conflicting accounts it has heard of the feasibility of the changes the council is proposing, and it has agreed to continue the review, using case studies of a number of the nurseries.

### **Charter School**

The Committee conducted an inquiry into the overspend on the refurbishment programme at the Charter School. As part of its work, the committee questioned senior officers and the District Auditor, and visited the school. The Committee found that the overspend resulted from poor budgeting at the outset, particularly with regard to the assumptions and the risks around them; poor procurement; poor project management; and failure to report and act on reports from both internal and external audit. The Executive and senior officers have responded positively to scrutiny's recommendations and new arrangements have been put in place, particularly around project management, and formal progress reports on major capital projects.

### **Thames Water**

The committee carried out this review in response to a major water burst, which left large numbers of residents without water for up to five days. It heard from residents who had been affected, from council officers involved in responding, and from

**This update: 04/06/2004 14:29**

Thames Water officials. The Committee also broadened the inquiry to pick up issues brought to its attention by ward councillors and residents concerning low water pressure on some estates in the Denmark Hill/Dog Kennel Hill areas.

Thames Water acknowledged many of the Committee's concerns, especially around how it informed customers of the scale of the water burst and the logistical arrangements for providing alternative supplies. On the question of water pressure, there needs to be more work on the demarcation of responsibilities between the council and Thames Water on individual estates and blocks. The Overview & Scrutiny Committee looks forward to hearing of more progress on this topic.

### **Imperial Gardens**

In February 2004 the Audit Commission issued a public interest report and the Local Government Ombudsman reported maladministration in respect of the award of planning permissions to 295-297 Camberwell New Road and 299 Camberwell New Road. The Overview & Scrutiny Committee was asked by Council Assembly to advise on the Council's formal response and to consider possible mechanisms for compensating the complainants. The Committee appointed an independent planner to advise on the detailed questions around planning process.

**TBC when IG scrutiny report complete**

### **Post office closures**

The Committee received a briefing from Kay Dixon, the chair of London Postwatch, at its last meeting of the year. It heard that the Post Office's formal plans for Southwark are due to be published for consultation in July 2004. The Committee agreed to work with Postwatch to seek the best outcome for post office customers.

### **Call-in**

The Local Government Act 2000 gives Overview & Scrutiny Committees a formal power to call in key decisions if it believes that they are not in line with the budget and policy framework or that they have not been made within the principles of decision making as set out in the Council's constitution. The Committee called in seven such decisions during 2003/4. Call-in has served as an effective way of considering public concerns on certain decisions, especially in the area of housing. However, Overview & Scrutiny Committee has also reflected on the need to strike a balance between call-in and pre-decision scrutiny, and asked the Leader to ensure that the Executive is more positive to requests for pre-decision scrutiny in the coming year.

**TBC list call-ins ?**



**This update: 04/06/2004 14:29**

### **Developing Scrutiny in Southwark**

We have held 6 monthly away days for Committee chairs and OSC Members. Members and officers have worked together on these away days to review how our processes are working and develop themes for the coming period.

In June 2003, we held an away day to consider the Office for Public Management (OPM) review of scrutiny, and plan actions and ideas arising from it. The session was facilitated by Jacqui Barker, the OPM consultant who had led the review of scrutiny. These were then reported to OSC in a series of themes, which influenced the approach to many of the reviews in 2003/4.

The away day in January 2004 comprised a mixture of development and training. It was facilitated by Sue Charteris. In the morning, members discussed issues around budget scrutiny, communications and the balance between call-in and pre-decision scrutiny. There was also a role play exercise designed to work on members questioning skills. Sue Charteris prepared three scenarios each of which challenged members to test their skills in questioning difficult witnesses. In the afternoon, OSC members carried out a risk assessment of the project to procure Southwark's new Customer Service Centre, the council's largest project. OSC members worked through the issues systematically, suggesting areas of risk and how they could be mitigated. The committee followed up on this when they interviewed the executive member responsible for the project, and has agreed to carry the work forward into the coming year's work programme, continuing to test and challenge the risk management on the project as it progresses.

It is proposed that the away day for summer 2004 considers how to modify our approach to budget scrutiny for the coming year, how to improve scrutiny's work on performance monitoring and how to evaluate the impact of scrutiny. Officers are developing proposals for evaluation measures, which will form part of a pilot coordinated by the Centre for Public Scrutiny. The aim is to focus on the outcomes of scrutiny, rather than the process.

At officer level, we have led the establishment of an action learning set for eight London borough scrutiny managers. This group will publish a report in late 2004.

We are active in the London Scrutiny Network at member and officer level and in the health scrutiny officer group for the South East Strategic Health Authority region.

We have been successful in a bid to the Office of the Deputy Prime Minister (ODPM) capacity fund to resource joint development work on National Health Service (NHS) scrutiny with Lambeth Council and Lambeth and Southwark PCTs and the other NHS trusts. We have agreed to adopt an action learning approach to the development of our systems for NHS scrutiny.