

Council Assembly

Wednesday 25 February 2015

7.00 pm

Council Offices, 160 Tooley Street, London SE1 2QH

Tabled Items

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Date: 25 February 2015

SOUTHWARK COUNCIL
COUNCIL ASSEMBLY
(COUNCIL TAX SETTING MEETING)
WEDNESDAY 25 FEBRUARY 2015

PROGRAMME MOTION

That the meeting be conducted as follows:

Item 2.1: Council Plan - Time limit for item - Up to 60 minutes

Debate to include the following business:

- Questions on report
- Leader of the Council to present recommendations
- Amendment A moved and seconded
- Report and Amendment to be debated as a single debate
- Debate to hear six other speakers: Labour 3, Liberal Democrat 2 and Conservatives 1
- The leader's right of reply will then be heard and the votes taken.

Item 2.2 Policy and Resources Strategy

Item to be debated until 9.30pm at the latest, at which time the right of reply will be heard and votes taken.

Debate to include:

- Questions on reports
- Councillor Fiona Colley to present recommendations
- Councillor Anood Al-Samerai to reply on behalf of opposition
- Three amendments to be moved and seconded
- Report and Amendments to be debated as a single debate
- Separate vote on each Amendment
- Recorded vote on substantive motion.

Item 3.1 Setting the Council Tax

To be considered as normal but with the legal requirement to take a recorded vote on the substantive motion.

Other reports

To be considered as normal.

COUNCIL ASSEMBLY
(COUNCIL TAX SETTING MEETING)

WEDNESDAY 25 FEBRUARY 2015

QUESTIONS ON REPORTS: 2.1 – COUNCIL PLAN 2014/2015 – 2017/2018

1. QUESTION TO THE LEADER FROM COUNCILLOR HELEN HAYES

Is the leader confident that the council will be able to deliver on the commitments set out in the council plan in the context of a £20.4m government cut to the council's spending power this year, with further cuts likely in future years?

RESPONSE

Yes, I am confident that we will deliver our plans. We knew the Conservative/Liberal Democrat government would continue to disproportionately hit the councils with the highest need and this was detailed in our manifesto. From this we developed the council plan so that the commitments that the Labour councillors made to residents in the election now become the policy of this council, and are policies that we are confident that we can deliver.

We also know that while a future Labour government will continue to make cuts to public spending, they will look again at the funding formula which has seen an increase in spending in the affluent towns of the home counties, whilst taking an axe to the areas most in need.

I had hoped that having a government Minister as a local MP, would mean that we had someone in government fighting for a fair deal for Southwark. Sadly, he has systematically failed to stand up for Southwark. The only way to make sure that people in Southwark get a fairer deal from government is to elect three MPs who will stand up for local people: Harriet Harman, Helen Hayes and Neil Coyle.

Despite this, we have not let Liberal Democrat/Conservative cuts, cut our ambition. We are presenting a council plan which is the most bold and radical in London. It will make us the first council in the country to offer free swimming and gyms to all residents, to build 11,000 new council homes and achieve some of the best school results in the country.

2. QUESTION TO THE LEADER FROM COUNCILLOR NEIL COYLE

Can the leader give an update on the council's campaign to extend the Bakerloo line to Camberwell and the Old Kent Road?

RESPONSE

Two years ago, I got agreement from the Mayor of London to recognise the potential for the Bakerloo Line Extension to deliver real growth in homes and jobs in Southwark. Since then it has become a political priority for the Mayor and last week, the Chancellor also joined in his support.

Last week the Chancellor and the Mayor set out the "Long Term Economic Plan for London". The Bakerloo Line extension has now become one of the

government's top two priorities for potential major capital infrastructure spending together with Crossrail 2. The Chancellor challenged the Mayor and TfL to bring back detailed costings and proposals for the BLE ahead of the next Comprehensive Spending Review which will take place after the election. We already know that some major work has already been undertaken in this regard, so it really looks as if the Bakerloo Line Extension has now found its way into longer-term treasury thinking.

We will continue to make the case for the Bakerloo line to run along a dual line in Southwark – along the Old Kent Road and through Camberwell and Peckham. I am confident that we can demonstrate the overwhelming case for both of these routes as well as a commitment to find a funding solution for their delivery.

This is great news for Southwark and our campaign, alongside the community to extend the Bakerloo line.

3. QUESTION TO THE LEADER FROM COUNCILLOR PAUL FLEMING

How will the leader ensure that the council's ambitious house building programme enables communities to stay together and that local people benefit from regeneration of their local area?

RESPONSE

The council has committed to build 1,500 new council homes by 2018. Many of these homes will be built on underutilised land on housing estates. In order for local residents to directly benefit from these new homes the council introduced a local lettings policy which will allocate 50% of these new homes to those with a housing need on that estate. This will enable the elderly to downsize into a brand new home which meets their need as well as freeing up their existing home for reallocation. Others with a housing need like over crowding will also be a priority when allocating these high quality new homes. This will help give an additional housing option for those wishing to stay within their local community. Contractors working on the delivery of new homes will also have to provide local labour opportunities to enable local people to benefit from apprenticeships and construction jobs.

Regeneration provides a broad spectrum of benefits to all local residents existing and new. These include jobs, new homes, investment in public facilities like leisure centres, libraries, schools and public spaces as well as new homes and public transport improvements.

4. QUESTION TO THE LEADER FROM COUNCILLOR CHRIS GONDE

The Liberal Democrats have suggested that the council's free swimming and gyms policy should not be a priority for public health, just as they did with free healthy school meals. Can the leader assure me that free swimming and gym use will remain a top priority for this administration?

RESPONSE

Councillor Gonde is quite right to highlight the Liberal Democrats' consistent opposition to Free Healthy School Meals. However, when they saw what a success it was, and when their own national party was about to adopt a similar

policy to the one they had so vehemently opposed, they performed a u-turn and claimed to back it.

With free swimming and gyms we can expect more of the same. Liberal Democrat Councillors oppose a policy and then when we make it a success claim that they support it.

I am happy to assure Councillor Gonde that free swim and gyms remains a top priority for this administration. This is a phased process, and we are starting off by targeting particular groups, before rolling out a universal offer. As a first step, cabinet agreed to begin a pilot offer in spring this year. We have agreed:

- 18s and under free swim – all day Friday; afternoons from 2pm until 6pm on Saturday and Sunday
- 16 to 18 years free gym – all day Friday; afternoons from 2pm until 6pm on Saturday and Sunday
- 14 to 16 years free youth gym sessions – at selected times on Friday evenings, Saturday and Sunday afternoons
- Free ‘Silver Sessions’ – access to the 60+ sessions all week
- Free access to The Castle for those with disabilities (from Summer 2015) – all day Friday, afternoons from 2pm until close on Saturday and Sunday
- Free gym and swim for referrals to key healthy lifestyle schemes (from April 2016)
 - o MEND family weight management programmed
 - o GP physical activity referral scheme including Kickstart
 - o NHS Health Checks fitness passport scheme.

Cabinet also agreed for the next stage of the roll out to be in June next year. We have asked officers to explore free access to gym and swimming for all residents – all day Friday; afternoons on Saturday and Sunday. We will continue to be ambitious to roll this out as far and as fast as we can to give people access to gyms and swimming improving health in our borough.

5. QUESTION TO THE LEADER FROM COUNCILLOR JAMES OKOSUN

Can the leader update us on progress with the council’s childcare commission and when the outcomes will be published?

RESPONSE

The report has now been completed and is due to be published next week.

6. QUESTION TO THE LEADER FROM COUNCILLOR ADELE MORRIS

Can the leader update us on work identifying site options for a new secondary school in the north of the borough, as mentioned in the Quarter 2 2014/2015 commentary on BSL7?

RESPONSE

The council has made clear that it wishes to see a new secondary school on the Dulwich Hospital site. Officers now believe that the site has space for up to 8FE (1200 plus a 400 place sixth form). In October 2014, the cabinet agreed that the site should be included in the new Southwark Plan as the council’s priority for

providing secondary school places. The site is a short walk from East Dulwich Station and offers excellent transport links throughout the borough.

The council expects to hear the results of the Education Funding Agency (EFA) interviews with potential sponsors in March. We also understand that heads of terms have been agreed with NHS Property to sell the site, alongside the re-provision of new health facilities on the same site.

In terms of sites to the north of the borough, the Mayor of London has recently indicated that the Fire Training site on Southwark Bridge Road should be sold to the EFA for a new school. I strongly support using this site for a school.

There is one other potential site, which is currently the subject of confidential commercial discussions with the EFA. Officers are also opening discussions with all borough secondary schools to explore opportunities for expansion. I have asked officers to prepare a comprehensive report on secondary school places for consideration by cabinet in July 2015, so I will be able to give a further update in the summer.

7. QUESTION TO THE LEADER FROM COUNCILLOR DAVID NOAKES

Can the leader explain why there are no commitments or milestones in the council plan on reducing health inequalities caused by air pollution, obesity, consumption of alcohol/illegal drugs, or sexually transmitted infections?

RESPONSE

The Council Plan does not contain all the business of the council. Measuring impact on health inequalities is the responsibility of the Health and Wellbeing Board as success in this area requires a multi-agency approach and not just Southwark Council working in isolation. As Chair of the Health and Wellbeing Board, I have focused the work into a few areas to ensure that in those, all agencies are working together to achieve real outcomes for people in the borough.

Tackling health inequalities is the responsibility of almost every part of the council. Health and wellbeing are influenced by social and environmental determinants, income, employment, health behaviour and health services. The Council Plan reflects the approach taken in the Health and Wellbeing Strategy which is to develop a public health perspective to mainstreaming services so that within the broader headings of the Council Plan there will be specific public health outcomes.

COUNCIL ASSEMBLY
(COUNCIL TAX SETTING MEETING)

WEDNESDAY 25 FEBRUARY 2015

**QUESTIONS ON REPORTS: 2.2 – POLICY AND RESOURCE STRATEGY – 2015/16 TO
2017/18: REVENUE BUDGET**

**1. QUESTION TO THE CABINET MEMBER FOR FINANCE, RESOURCES AND
CORPORATE STRATEGY FROM COUNCILLOR NEIL COYLE**

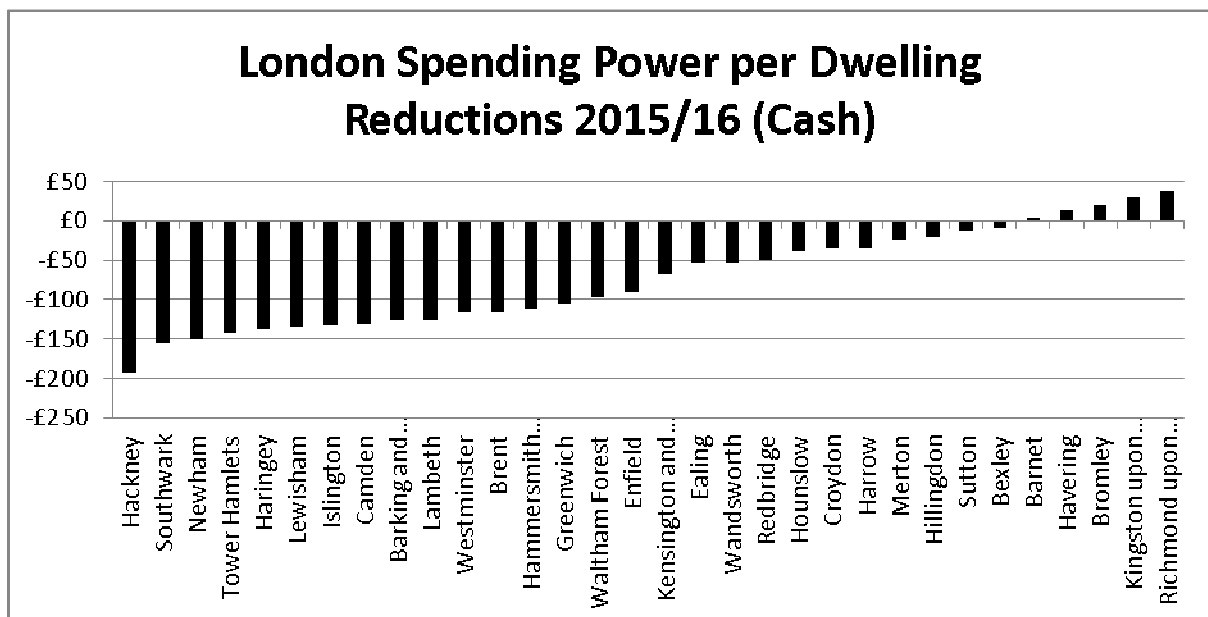
In the foreword to the cabinet report at Appendix 1, the cabinet member notes that Southwark is the third hardest hit local authority in the country in 2015/16 in terms of reduction in spending power. Does the cabinet member agree that it is unfair that government cuts to local authorities are hitting the most deprived boroughs the hardest?

RESPONSE

I do indeed.

The government's own figures show that in 2015-16 Southwark, the 25th most deprived local authority area in the country, is due to suffer the third highest spending power reduction – losing £155 per dwelling. Meanwhile many others areas are seeing far smaller reductions or even a spending power increase. For instance by the same per dwelling measure London's two least deprived boroughs, Kingston and Richmond, are gaining £29 and £37 respectively.

Across London, and indeed the country, we can clearly see a pattern of the poorest areas being the hardest hit.



2. QUESTION TO THE CABINET MEMBER FOR FINANCE, RESOURCES AND CORPORATE STRATEGY FROM COUNCILLOR CATHERINE DALE

Paragraph 11 of the report proposes a one off use of reserves of £6.2 million to the revenue budget. Given the uncertainty about future government funding to local authorities, is the cabinet member confident this proposal will not significantly affect the council's ability to manage potential risks?

RESPONSE

Since 2010 local authorities across the country have faced the most dramatic reductions in government funding that have ever been seen. The reductions in funding for Southwark have consistently been amongst the highest in the country. These funding cuts have demanded substantial measures to ensure the savings and efficiencies can be made to deliver balanced budgets while protecting the services residents value the most.

In 2010/11 the previous Liberal Democrat/Conservative administration created a contingency within the base budget to mitigate future funding risks that were expected from the 2010 Comprehensive Spending Review. This contingency was recommended specifically by the s151 officer in the context of the threatened austerity measures and was accepted as a concept by council assembly. Since then the risks have only grown as local government has seen the biggest cuts in the public sector. The 2014 Autumn Statement has confirmed that it would be prudent for local government to prepare for yet more funding cuts in the period up to 2020.

3. QUESTION TO THE CABINET MEMBER FOR FINANCE, RESOURCES AND CORPORATE STRATEGY FROM COUNCILLOR ANOOD AL-SAMERAI

How much historic council tax and business rate debt has been collected or written off in each of the past four years?

RESPONSE

The council has a duty to recover all council tax and business rates that are owing to it. I'm pleased to report that we are making great in-roads into our historic debt position with a view to minimising outstanding debt in our accounts.

In carrying out our responsibilities there are circumstances and events that inevitably arise that make the 100% collection of this debt impossible. It is important that we regularly write off uncollectable debt as not to do so permits an overstatement of the amount we actually stand to receive and overstates the council's financial position.

Over recent years write-off activity has been particularly influenced by the need to cleanse outstanding debt dating back to the previous outsourced arrangement.

Council Tax

Year	Collection for current year	Collection for past years	Total collection	Total written off
2014/15 as at Dec 2014	87,720,133.77	3,680,852.92	91,400,986.69	943,338.08
2013/14	97,570,538.05	4,951,195.95	102,521,734.00	6,043,715.65
2012/13	91,865,105.04	4,976,398.45	96,841,503.49	1,004,953.19

Year	Collection for current year	Collection for past years	Total collection	Total written off
2011/12	88,240,197.76	5,537,234.62	93,777,432.38	9,436,750.11
2010/11	87,384,252.11	5,180,822.75	92,565,074.86	2,017,361.23

Business Rates

Year	Collection for current year	Collection for past years	Total collection	Total written off
2014/15 as at Dec 2014	175,280,143.24	2,061,392.45	177,341,535.69	420,903.65
2013/14	198,887,867.81	4,034,703.05	202,922,570.86	2,141,513.01
2012/13	192,134,035.05	5,218,709.69	197,352,744.74	7,075,477.19
2011/12	184,212,030.94	3,350,971.78	187,563,002.72	6,750,097.01
2010/11	166,234,360.96	6,884,279.90	173,118,640.86	1,384,356.08

4. QUESTION TO THE CABINET MEMBER FOR FINANCE, RESOURCES AND CORPORATE STRATEGY FROM COUNCILLOR LISA RAJAN

What research has been carried out as part of the budget challenge process into the impact on recycling levels in other boroughs that have scrapped the free provision of biodegradable food waste bags to residents?

RESPONSE

Officers reviewed what other boroughs in London offered in terms of food waste recycling before proposing this saving. For the 2014/15 financial year we found:

- 10 boroughs did not operate a separate food waste collection, including Sutton who ended their pilot and did not extend due to cost in 2012
- 11 boroughs operated food waste collection but did not supply bags at all – directing customers to buy their own, or suggesting alternatives such as newspaper
- 6 offered bags but charged, including Bexley, London's highest performing borough for recycling.
- 6 supplied bags free, including Southwark Council.

Of the five other boroughs providing free food waste bags last financial year, three stated they were reviewing this offer in light of the ongoing need to find savings and may not be able to continue free provision. They have not yet published their decision in this matter.

Residents will still be able to recycle food waste and can use newspaper to line the caddies or buy food waste bags from most supermarkets. They cost between 8 to 10p per bag so would cost the typical household between 20p and 30p per week. Alternatively, the food waste can be placed directly into the caddie.

This will not adversely impact the recycling rate and comprehensive communication will be carried out to make sure all residents know of the changes and the alternatives that are available to allow them to continue to recycle food waste.

5. QUESTION TO THE CABINET MEMBER FOR FINANCE, RESOURCES AND CORPORATE STRATEGY FROM COUNCILLOR ROSIE SHIMELL

What work is currently underway to identify efficiencies within the public health budget to ensure more funding for preventative work to reduce health inequalities in Southwark?

RESPONSE

There are a series of specific workstreams that have already been identified to drive efficiencies within the public health budget in order to re-invest in preventative programmes to improve health outcomes.

As reported to cabinet in January and February, both the healthchecks and the adult integrated drug and alcohol treatment system are being re-commissioned with the expectation of reduced costs and better outcomes. In addition, the council is jointly investing in the development of SH24, which aims to revolutionise sexual health care in Lambeth and Southwark by using internet and telephone technologies to deliver sexual and reproductive health care remotely, 24 hours a day, seven days a week. Further to these specific projects, the existing commissioning arrangements are scrutinised for both cost effectiveness and service outcomes.

6. QUESTION TO THE CABINET MEMBER FOR FINANCE, RESOURCES AND CORPORATE STRATEGY FROM COUNCILLOR ELIZA MANN

How much is the current corporate 'telephony refresh' costing and what levels of savings is it expected to produce?

RESPONSE

The recent refresh of mobile telephony is still in progress and involves the replacement of previous contracts and tariffs with O2 being the new provider. This arrangement that is defined as a core enabling project has been undertaken to rationalise the support and maintenance activity relating to mobile telephony and especially e mail integration on the mobile devices that requires intervention by the provider.

The cost savings related to the new arrangements for supporting mobile devices are part of the consolidated contract but are not explicit to those functions. The costs of the transfer are neutral to the council, with new handsets being provided free of charge; termination costs on old arrangements where necessary are being funded from the residual replacement fund for mobile devices. Where no longer required, devices are not being replaced.

Once the programme is fully rolled out, officers will be assessing the impact of fewer devices and the benefits of lower tariffs and budget savings will be offered as part of the 2016/17 budget setting process.

7. QUESTION TO THE CABINET MEMBER FOR FINANCE, RESOURCES AND CORPORATE STRATEGY FROM COUNCILLOR JAMES BARBER

In addition to the council's waste management facility, what work has the council carried out so far on the scope for further installation of photovoltaic or solar panels across its estate to reduce the council's energy costs and carbon footprint?

RESPONSE

The council has endeavoured to maximise all possibilities to use and incorporate solar panels where feasible.

Solar panel systems can create both savings on electricity bills and revenue by way of government subsidies known as the Feed in Tariff. Under this scheme the government pays a set rate for every kWh of electricity the solar panels generate. However there is a cap of 25 sites, after which the rate per kWh reduces significantly, which would most significantly impact on the economic viability of the initial investment for projects above this number.

Key considerations are sites that have the right type of roof, which does not receive any shade and which is facing in a southerly direction. Consideration and installation of photovoltaic panels (PVs) is not straightforward requiring detailed examination of practicality, payback, initial cost and long term benefit.

We have solar thermal panels on the roof at Canada Water Library and Dulwich Leisure Centre. We have identified some scope for additional PV panels on 160 Tooley Street above and beyond the existing solar thermal panels, and this is being reviewed as part of the 2015/16 schedule of repair/investment works. We are also looking at the potential for Queens Road 1 and Queens Road 2.

Panels will be installed on the Peckham Pulse as part of the environmental works in summer 2015 and on The Castle. We are also looking into the possibility of installing panels on Surrey Docks Watersports Centre.