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| <b>Item No:</b><br>7.              | <b>Classification:</b><br>Open | <b>Date:</b><br>17 March 2022                 | <b>Meeting Name:</b><br>Audit, Governance and Standards Committee |
| <b>Report title:</b>               |                                | Governance Conversation – Caroline Bruce      |   |
| <b>Ward(s) or groups affected:</b> |                                | All   |   |
| <b>From:</b>                       |                                | Strategic Director of Environment and Leisure |   |

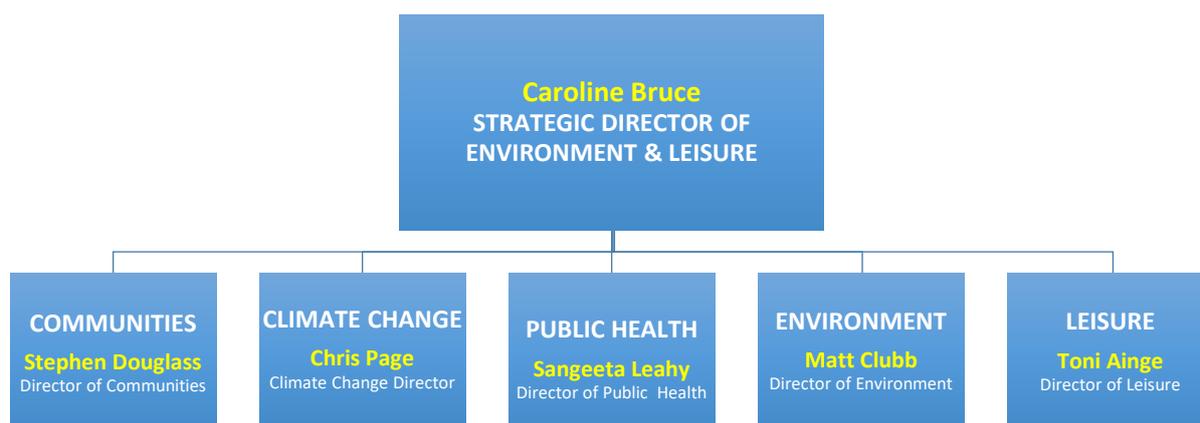
### **Introduction to the Department**

The Environment and Leisure department delivers services that make a real difference to the lives of all residents and visitors - many of our universal services are those that our residents are most familiar with: managing waste, improving our parks and open spaces, running libraries and leisure centres. But this is just some of what we do, and services delivered by Environment and Leisure include parking and highways, bereavement services, culture and events, sexual health services, violence and community harm reduction, tenant and resident involvement, civic services and private housing standards, to name but a few. We are also leading the borough's response to tackling the climate emergency, and a very significant proportion of the borough plan commitments are delivered by the department.

The Environment and Leisure Department is made up of five divisions:

- Environment
- Leisure
- Public Health
- Climate Change
- Communities

Public Health became part of the department in April 2019 and Communities in August 2020. A new Climate Change division, incorporating our business and sustainability team, was established in January 2020. The management team is set out below and has been in place since April 2021 following the recruitment of the three directors for Public Health, Environment and Leisure in the autumn of 2020.



### The Department in numbers

The gross expenditure budget for Environment and Leisure in 2021-22 is £196m with an income budget of £108m from grants, fees and charges. The biggest single source of external funding is the Public Health grant and the rest is determined through the annual review of fees and charges with this income covering discretionary charges (burial fees, parking charges, sport pitch charges for example) and statutory charges for elements of regulatory services.

| Directorate                     | Gross Expenditure | Income           | Net Expenditure Budgets |
|---------------------------------|-------------------|------------------|-------------------------|
|                                 | £'000             | £'000            | £'000                   |
| Communities                     | 17,508            | (5,245)          | 12,263                  |
| Environment                     | 119,058           | (65,933)         | 53,124                  |
| Leisure                         | 29,393            | (6,673)          | 22,720                  |
| Sustainability / Climate Change | 845               | (1,140)          | (295)                   |
| Public Health                   | 28,731            | (28,731)         | (0)                     |
| <b>TOTAL E&amp;L</b>            | <b>195,535</b>    | <b>(107,722)</b> | <b>87,812</b>           |

The department also has a 10-year Capital Programme budget for 2021/22 of £140m.

The department has fully adopted the agreed corporate practices in all financial systems, financial management arrangements, financial governance arrangements and financial practices. The budget monitoring system adopted in Southwark requires each chief officer to produce a budget monitoring report monthly (with a four monthly report to Cabinet) in accordance with the corporate timetable.

The department has a bottom-up monthly budget monitoring process (from budget holders reviews right through to chief officer) with rigorous challenges at each step of the process. This ensures that all projections are robust, sound and clearly owned by service managers in line with council objectives. The rigorous challenge process results in a complete, timely and accurate record of the use of resources and gives the assurance of reliable financial information for the council.

The department's proposals for achieving savings required as part of the annual budget setting process follows budget principles and the priorities of the Council by focusing on the core provision of quality services, efficiency savings, smarter procurement and robust contract management. The department also seeks to maximise income through fees and charges for discretionary services.

### **Our workforce**

Almost 1500 colleagues work in Environment and Leisure.

In contrast to the (almost) 50:50 ratio of men and women across the council, the department has a 75:25 ratio, and women are underrepresented in our front-line, depot based services. The department also has a significantly larger number of staff in grades 1 to 6 compared with the rest of the council, and more of our staff are in the age ranges 16 to 24 and over 55 when compared with the rest of the council.

### **Departmental Governance Arrangements**

#### **Risk Management/Registers**

The departmental risk register and associated controls and mitigations are being reassessed in line with corporate requirements. These will be fully refreshed during the first quarter of 22/23 and monitored regularly.

Departmental management teams have been undertaking individual risk assessments with all staff alongside Health and Wellbeing conversations throughout the pandemic, and work practices have changed throughout the pandemic to ensure that our services are safe for staff and residents whilst remaining responsive to need.

#### **Assurance Statements**

Departmental Assurance Statements are completed on an annual basis. This year, as requested, a slimmed down version of the usual statement has been completed.

#### **Scheme of Management**

The Scheme of Management was updated in Q1 21/22 to reflect corporate updates, changes to SAP authorisation levels and recruitment of new permanent Divisional Directors into the department.

## Regular Governance Meetings

- Departmental Liaison Committee (DLC) meetings are held quarterly, and follow divisional and directorate DLCs, attended by:
  - Strategic Director (chair)
  - Departmental Management Team
  - HR Strategic Business Partner
  - Union Representatives
  
- Health and Safety Committee meetings are held quarterly, attended by:
  - Strategic Director (chair)
  - Health and Safety Manager
  - Departmental Management Team
  - Union Representatives
  
- Departmental Contract Review Boards are held monthly, attended by:
  - Strategic Director (chair)
  - Departmental Management Team
  - Legal, Procurement and Finance colleagues
  - Report Authors
  
- Departmental Management Team meetings are held weekly, attended by:
  - Strategic Director (chair)
  - Divisional Directors
  - Strategic HR Business Partner (as appropriate)
  - Departmental Finance Manager (as appropriate)

Regular Standing Agenda Items include Departmental and Corporate Forward Plans, Financial Monitors and Contract Registers

- The Department's Senior Management Team is held monthly with attendance as above plus heads of service from across the department.

## Current Governance Issues

### Covid

As with all council departments, Covid was the most significant governance event for the department in 2020-21 and for 2021-22.

In order to protect Southwark's residents, Public Health established strong outbreak prevention control measures such as local testing facilities including targeted 'surge' testing for Variants of Concerns, local contact tracing, a response centre for outbreaks and incident management and community prevention schemes such as community health ambassadors.

In 2020-21, Public Health completed the following review work:

- The Director of Public Health undertook a PHE led review and assurance process of the Southwark Outbreak Prevention Control Plan. This was managed together with the London Convenor as well as the lead London Council Chief Executive and Regional Director of Public Health to ensure that we provide high standards of outbreak prevention and control measures for our population.
- An epidemiological assessment was conducted into vaccination rates together with deep dives into under vaccinated areas to inform targeted activities to address vaccine take up and hesitancy. This included an assurance process carried out with the CCG and reported to PHE and NHSE.
- The impact of the pandemic on Southwark's population was reviewed using national and local surveillance data to identify lessons to inform the development of actions and policies with regard to tackling health inequalities and Black Lives Matter.
- Weekly review and assessment of epidemiological data sources to ensure that high standards of public health surveillance are maintained.
- As needs assessment was carried out on food poverty to inform the development of a network of food insecurity measures such as food banks, community larders and holiday hunger programmes.
- Working with partners to ensure data governance:
- GP held records were reviewed to identify patients at higher CVD risk for health checks.
- NCMP records were reviewed to identify overweight and obese children to provide online support.

Alongside Public Health, Regulatory Services worked with residents and businesses to engage, support and enforce social distancing and covid-safe workplaces. And highways and network management teams implemented streetspace initiatives.

As a result of Covid, and its impact, some urgent actions were required to extend contracts that were due to expire or where values needed to be increased, and other contracts have been extended where previously re-tendering may have been a preferred option, for example where market conditions had changed. All were in accordance with the council's contract standing orders, financial regulations and scheme of management. In a very small number of cases the gateway processes were used to formalise actions that had been taken under emergency powers.

### **Key projects**

There are a number of projects and programmes which are being delivered by the department and are significant for the council. These require active management, and political oversight through fortnightly lead member briefings, to ensure that they deliver the desired outcomes. Non exhaustive examples include:

- Insourcing the leisure service;
- The Youth New Deal;
- Delivering the climate change strategy and action plan;
- Continuing the improvements to the tree service;
- Private sector licensing schemes and the resultant application to the Secretary of State;
- Community Harm and Exploitation Hub – reducing youth violence;
- Streets for People including Streetspace measures. School Street closures and improved air quality;
- Borough plan commitments;
- Projects and programmes which form part of Southwark Stands Together.