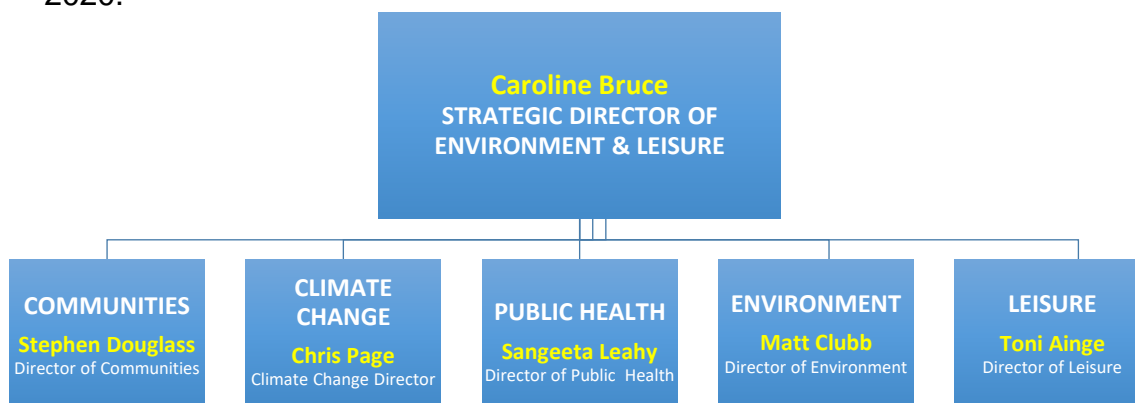


Item No: 6.	Classification: Open	Date: 18 July 2022	Meeting Name: Audit, Governance and Standards Committee
Report title:		Governance Conversation – Caroline Bruce	
Ward(s) or groups affected:		All	
From:		Strategic Director of Environment and Leisure	

Introduction to the Department

1. 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, 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 previous and emerging borough plan commitments are delivered by the department.
2. The Environment and Leisure Department is made up of five divisions:
 - Environment
 - Leisure
 - Public Health
 - Climate Change
 - Communities.
3. 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

4. The gross expenditure budget for Environment and Leisure in 2022-23 is £205m with an income budget of £113m 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	17,269	-5,195	12,074
Environment	123,676	-70,477	53,199
Leisure	33,070	-6,804	26,266
Sustainability / Climate Change	1,382	-1,140	242
Public Health	29,597	-29,597	0
TOTAL E&L	204,994	-113,213	91,781

5. The department also has a 10-year Capital Programme budget for 2022-23 of £135m.
6. The department is fully compliant with 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.
7. 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.
8. 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

9. Almost 1500 colleagues work in Environment and Leisure.
10. 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

11. Following the Council elections in May and the confirmation of Lead Member portfolios and priorities, the departmental risk register, associated controls and mitigations are being updated in line with corporate requirements. These will be fully redrafted during the second quarter of 2022/23 and monitored regularly going forward.

Assurance Statements

12. Departmental Assurance Statements are completed on an annual basis. The latest version is attached at Appendix 1.

Scheme of Management

13. The Scheme of Management was updated in March 2022 to reflect corporate updates, changes to SAP authorisation levels and recruitment of new permanent Divisional Directors into the department.

Regular Governance Meetings

14. 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
15. Health and Safety Committee meetings are held quarterly, attended by:
 - Strategic Director (chair)
 - Health and Safety Manager
 - Departmental Management Team
 - Union Representatives
16. Departmental Contract Review Boards are held monthly, attended by:
 - Strategic Director (chair)
 - Departmental Management Team
 - Legal, Procurement and Finance colleagues
 - Report Authors
17. 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)

18. Regular Standing Agenda Items include Departmental and Corporate Forward Plans, Financial Monitors and Contract Registers.
19. The Department's Senior Management Team is held bi-monthly with attendance as above plus heads of service from across the department.

Current Governance Issues

Covid

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

23. 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 regular 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, subject to the outcome of the current pilot;
 - Community Harm and Exploitation Hub – reducing youth violence;
 - Air Quality Action Plan
 - Recommissioning the services for victims of domestic abuse;
 - Waste and cleansing review;
 - Borough plan commitments;
 - Projects and programmes which form part of Southwark Stands Together. The responsibility for co-ordinating, monitoring and reviewing this programme has moved to the department as remains a key programme whilst embedded into the wider work on equalities, diversity and inclusion.