



## OVERVIEW & SCRUTINY COMMITTEE

MINUTES of the Overview & Scrutiny Committee held on Wednesday 10 August 2011  
at 6.00 pm at 160 Tooley Street, London SE1 2QH

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**PRESENT:** Councillor Catherine Bowman (Chair)  
Councillor Andy Simmons (Vice-Chair)  
Councillor Gavin Edwards  
Councillor Dan Garfield  
Councillor David Hubber  
Councillor Tim McNally  
Councillor Victoria Mills  
Councillor David Noakes  
Councillor the Right Revd Emmanuel Oyewole  
Councillor Mark Williams

**OTHER MEMBERS PRESENT:** Councillor Dora Dixon-Fyle, Cabinet Member, Health & Adult Social Care

**OFFICER SUPPORT:** Shelley Burke, Head of Overview & Scrutiny  
Doreen Forrester-Brown, Legal Services  
Sarah McClinton, Deputy Director, Adult Social Care  
Susanna White, Strategic Director of Health and Community Services  
Peter Roberts, Scrutiny Project Manager

### 1. APOLOGIES

1.1 Apologies for absence were received from Councillor Toby Eckersley.

### 2. NOTIFICATION OF ANY ITEMS OF BUSINESS WHICH THE CHAIR DEEMS URGENT

2.1 There were none.

### 3. DISCLOSURE OF INTERESTS AND DISPENSATIONS

3.1 There were no disclosures of interests or dispensations.

**4. CALL-IN: VOLUNTARY SECTOR DAY SERVICES AND LUNCH CLUBS AND COMMUNITY SUPPORT (CABINET DECISION 19 JULY 2011)**

Deputation – Age Concern, Lewisham & Southwark

- 4.1 Leon Kreitzman, chair of Age Concern Lewisham & Southwark, addressed the committee. He was concerned whether the council valued day centres or understood the needs of vulnerable users for a familiar environment and staff. In particular, Mr Kreitzman questioned the inclusion of Stones End Day Centre with other day centres as he believed that 90% of its users had eligible needs and asked whether this suggested a lack of knowledge within the council.
- 4.2 In response to questions, Mr Kreitzman confirmed that the day centres were working together to address the budget cut and to build networks. In his opinion, some groups might not be able to last out the year financially. In response to further questions, Jacky Bourke explained that for financial reasons the decision had already been taken to close Stones End Day Centre on Saturdays and Sundays. It was not possible to maintain the same level of services at a fraction of the cost. Mr Kreitzman added that it was a huge leap into the dark to break down a previously integrated system on the basis that it would be replaced with personal budgets. He also stated that he had not been invited to put his views and that he did not get replies to letters to the council.
- 4.3 Members asked questions about Age Concern's level of reserves and the likely impact on its funding of the introduction of personal budgets. Mr Kreitzman indicated that there was a policy of maintaining three months' reserves. Ms Bourke explained that Age Concern was waiting for the council to report back on the reviews with users which would provide an indication of the possible level of funding. Age Concern had already made some staff redundant, reduced its core and given up its central office on Walworth Road. The chief executive's salary had been reduced, the administrative bill had been cut by 50%, a tier of management had been removed in day centres and two front line posts had been deleted.
- 4.4 In response to further questions, Ms Bourke explained that the situation in respect of funding by Lewisham Council was different to that in Southwark as Age Concern did not provide day centres in Lewisham. She also explained that Age Concern was talking to Black Elderly Group Southwark about locating an information and advice service in their building and generally about how to work together. Working across organisations could be difficult as they often had different legal remits.
- 4.5 Ms Bourke outlined the different services offered by Stones End Day Centre and Yalding Healthy Ageing Centre. Stones End provided day care for people with substantial and high needs while the Healthy Ageing Centre was a cheaper model for people with lower needs but still provided an important service to the community. Ms Bourke was concerned that in the current climate many groups would not be able to continue providing a service and that in the future there might be no day centres in Southwark.

#### Deputation – South Asian Elderly Organisation (SAEO)

- 4.6 The chair of the SAEO and the manager of its day centre addressed the committee. The chair was concerned about the number of people who couldn't speak English or found using public transport difficult and who might end up not leaving the house. The manager explained that the SAEO was a very small charity with only two staff. The level of care provided was unlikely to attract personal budgets. Funding would cease at the end of the month and the charity only had six months' reserves.
- 4.7 In response to questions from members of the committee, the chair explained that as the SAEO was a small charity it did not have a fundraiser. The SAEO had been talking to the Chinese and Vietnamese Group about joint use of premises. This could bring in revenue of around £10,000. The manager explained that it was difficult to develop a business plan without knowing how many users would have a personal budget. He agreed with some members that there would be a case for the council extending its transitional fund.
- 4.8 Members asked how many volunteers worked at the centre and wondered if there was potential to recruit more from the South East Asian community in Southwark. The manager felt that it was difficult to ask for volunteers at a time when it was unclear how long the centre could continue to operate.

Councillor Dora Dixon-Fyle, Cabinet Member, Health & Adult Social Care

- 4.9 Councillor Dixon-Fyle thanked all luncheon clubs and day centres for the valuable work that they did. She stressed that all eligible service users would continue to get a service. The national agenda had changed the way services were delivered, giving choice to users and putting them in control. She also stressed that everything being done within the department was framed by the spending review and settlement. Savings of £8 million had to be achieved.
- 4.10 Susanna White, strategic director, health & community services, emphasised that the council was in an unprecedented situation with regards to its budget. There were no other possible options that would deliver the required level of saving. Susanna White also commented that the council had had less than twelve weeks in which to agree a lawful budget.
- 4.11 Susanna White explained that luncheon clubs were aimed at those with moderate needs while day centres served people with substantial needs. The council's approach had been to look first at its statutory duty to those with substantial and critical needs. The council's current policy was to protect the most vulnerable. Susanna White also explained that the personalisation agenda and personal budgets had been years in coming and were supported at national level across all parties. She stated that experience elsewhere in the country suggested that day centres were a service for a minority of users and that when users took the option of a personal budget they often did not choose day centre services. Users would be determining the future of service providers.
- 4.12 Sarah McClinton, deputy director, adult social care, confirmed that extensive discussions had been held with groups about how to implement changes. The

council aimed to complete assessments of individual users by the end of August and was on track to deliver this. A scoping exercise had been carried out at an earlier stage to give groups an indication of how many users might be eligible for personal budgets.

- 4.13 Some members were concerned that the forward planning of voluntary groups was dependent on the results of assessments and asked whether funding could be extended to take account of this. Sarah McClinton confirmed that assessments were being done rapidly and added that in the council's view the initial scoping exercise provided a reasonable basis for financial planning. The council's community engagement team and Community Action Southwark had provided support to all groups, some of which already had advanced plans. In the original consultation it had been clear that there would need to be discussions between groups about rationalisation and better use of resources.
- 4.14 Some members remained concerned that the result of cuts would be that within six to eight months half of the current day centres might no longer be open with the loss of dedicated voluntary sector staff. Groups were taking desperate measures to sustain themselves but in many cases this would not be enough. Councillor Dora Dixon-Fyle stressed that the council's priority was to protect the most vulnerable. All eligible service users would be able to access a service. It was a shame that the government had targeted the public sector in the way that it had.
- 4.15 Members asked what would be the short-term impact of suddenly losing funding, for instance if a number of personal budgets were removed from a service for whatever reason. Sarah McClinton responded that this would depend on the charging structure, for example membership fees, pay as you go or payment for a block of sessions.
- 4.16 Some members highlighted the level of the proposed cuts. The council was due to make savings of 25% over three years but Age Concern was effectively taking a 50% cut in funding. The members questioned whether any money could be found from the council's contingencies in order to maintain funding of the Stones End Day Centre. Councillor Dixon-Fyle responded that the budget process had been difficult and closely examined. She stressed again that the priority was to protect the most vulnerable in the borough.
- 4.17 Members expressed concern at the speed at which funding had to be withdrawn and whether the council had communicated effectively with organisations, particularly as to claims that letters to senior officers had not been answered. Susanna White was unaware of any letters not being answered. Councillor Dixon-Fyle added that, in response to groups, the consultation period had been extended. She also stated that she had responded to a letter received from Age Concern.
- 4.18 In response to further questions, Susanna White explained that the vast majority of the council's expenditure related to statutory requirements and services for users with substantial and critical needs. Luncheon clubs were aimed at those with moderate needs. Generally, the effect of the personalisation agenda was a move away from services like day centres to more individual services around people's needs. Susanna White acknowledged that the council had been behind in implementing the personalisation agenda, partly because there had not been a

great demand from service users in Southwark. The council had been working with users and providers in order to understand the benefits. Some groups were anxious, for instance about handling budgets, but the council was exploring ways of users having the benefits without necessarily having to handle funds. It was no longer the case that the council was behind with the agenda and it was on track to meet the government's April 2013 target of 30% personalised budgets.

- 4.19 A member indicated that a report to cabinet in July had stated that up to two hundred and forty people might be eligible for personal budgets. Sarah McClinton reported that the assessment process to date suggested that a lower number was likely but probably still over two hundred people. One member's view was that some of the services provided by the voluntary sector were discretionary in terms of council funding but highly valued by service users. These services represented just over 1% of the health and adult care budget and the member felt that the proposed cut was disproportionate and queried why it could not be spread around. Susanna White stressed again that the voluntary sector was not being targeted above other areas but that savings had to be achieved and that there were not many choices open to the council.
- 4.20 A member suggested that it would be essential for all organisations to have business support once the assessments were completed on 24 August. Sarah McClinton emphasised that groups had already received a lot of information and a clear indication of the numbers of users with personal budgets. She was not sure that she would agree that the current assessments would provide a critical piece of information.
- 4.21 Some members had the view that the council was using the cuts as a way to overhaul a model of service provision which it did not support. Susanna White stressed again that the council was working in line with the national policy view. There was a continuing role for day care, especially for people with dementia. Where dementia was not an issue, experience across the country showed that more non-specialist facilities were being chosen and not specifically those set aside for older people.
- 4.22 The following motion was moved by Councillor David Noakes and formally seconded:
- “That the Cabinet reconsiders the decision to end funding for the voluntary day centres and lunch clubs at the end of August, in light of the fact that such a cut puts at risk the future of our voluntary day centre partners in Southwark, and considers the careful use of contingency funds to smooth the defunding of the day centres across a longer period.”
- 4.23 The motion was put to the vote and declared lost.
- 4.24 A further motion was moved by Councillor Andy Simmons, formally seconded and agreed.

**RESOLVED:**

That Overview & Scrutiny Committee:

1. Notes the independent report by the National Council for Voluntary Organisations that the government's cuts will lead to a reduction in funding to the voluntary and community sector of £2.8 billion.
2. Notes the disproportionate impact of the government's cuts on Southwark with £34 million of cuts in 2011/12 compared to just £1 million in London's most affluent borough, Richmond-on-Thames.
3. Notes that the council's statutory responsibilities mean that difficult decisions must be made in terms of discretionary spending.
4. Notes the government's strong commitment to the personalisation agenda and that the council is obliged to provide personal budgets to service users.
5. Asks the cabinet to ensure that the assessment of current service users for personal budgets is completed as soon as possible.
6. Asks the cabinet to continue engaging with voluntary groups during the transitional period and to ensure that officers continue to provide advice and support to the voluntary groups.
7. Agrees not to refer the decision back to the cabinet.

The meeting ended at 9.05 pm