



SCRUTINY SUB-COMMITTEE C

MINUTES of the Scrutiny Sub-Committee C held on Tuesday October 13 2009 at 7.00 pm at Town Hall, Peckham Road, London SE5 8UB

PRESENT: Councillor Toby Eckersley (Chair)
Councillor Anood Al-Samerai
Councillor Susan Elan Jones
Councillor Richard Livingstone
Councillor Jane Salmon

OTHER MEMBERS

PRESENT: Councillor Adele Morris

OFFICER Duncan Whitfield, Finance Director
SUPPORT: Norman Coombe, Principal Lawyer
Stephen Douglas, Head of Community Engagement
Graeme Gordon, Head of Corporate Strategy
Barbara Selby, Head of Transport Planning
Qassim Kazaz, Public Realm Division Manager
Rachael Knight, Scrutiny Project Manager

1. APOLOGIES

Apologies were received from Councillors Mackie Sheik and Robert Smeath.

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

There were none.

3. DISCLOSURE OF INTERESTS AND DISPENSATIONS

There were none.

4. MINUTES

RESOLVED:

That approval of the July 20 2009 minutes of the scrutiny Sub-Committee C be deferred to the November 11 2009 meeting in order for paragraph 5.5 be reviewed in the interim to provide further details on the member query regarding funding for the Canada Water library, - namely how the £500,000 will be used despite the library not opening until 2010/ 11, and whether this money will be used instead for capital overrun.

5. EXECUTIVE MEMBER QUESTION TIME

- 5.1 Written answers to the questions submitted by members prior to the meeting were circulated (see Appendix A). Members were given the opportunity to briefly read these and raise supplemental questions. Key queries raised and the responses given included as follows:
- 5.2 **(1) What percentage of Southwark Council staff have completed Equalities & Diversity (E&D) Training?**
- 5.3 Members asked whether there are plans to increase the 36% of employees who have taken equality and diversity training. Cllr Morris explained that the 36% of all staff is 64% of the target group, which comprises front line staff and managers. It is predicted that by March 2010 50% of Southwark's staff (90% of the target group) will have received this training. She added that there is often an assumption that new council employees have had no related training before they start at Southwark, when in fact new staff have very often had quality E&D training at another local authority.
- 5.4 Members referred to the figure of 2810 staff who had completed the e-learning between 2005 and 2006 and asked what proportion of all staff this complement comprises. Cllr Morris commented that she understood Southwark's staff to total approximately 5,500, so that the 2810 was approximately 50%.
- 5.5 A member stated that this seems to be small proportion; that he also worked for a public sector organisation where all staff have received E&D training and that this was refreshed biannually. He asked what benchmarking had been done against other local authorities. Cllr Morris responded that the training does take time, is an ongoing process, and that it is not feasible to book 5,500 staff on a training course at the same time.
- 5.6 **(2) What work is the Council currently undertaking to promote equalities and diversity in the community?**
- 5.7 Members welcomed the promotion and celebration of St George's Day.

- 5.8 Members asked whether the council was looking at the issue of faith groups that have set up places of worship in buildings that are not always appropriate, leading to practical problems. Cllr Morris explained that a booklet produced by planning and **community engagement** officers will be launched in November. It specifically addresses Southwark's faith communities about the importance of the planning process.
- 5.9 In response to a question about what the council is doing to increase community cohesion in Bermondsey, Cllr Morris commented that the Bermondsey partnership, including representatives from the council, voluntary sector, police and local communities monitors local tensions and shares relevant intelligence with the view to alleviate problems and change attitudes.
- 5.10 **3) Are you satisfied with the nature and scope of Equalities Impact Assessments undertaken by the council before it takes major decisions?**
- No supplementals.
- 5.11 **4) Can the executive member outline her thoughts on how she thinks community councils should develop in the future, in terms of roles, responsibilities and operation?**
- 5.12 Members commented that they had not seen the draft improvement plans and asked what these looked like. Cllr Morris suggested it must be that not all chairs have yet shared the draft plans with the rest of the community council members.
- 5.13 **5) Given the relatively low level of attendance of the public at community council meetings and the high number of council officers who attend them, how can the council redress this balance to get better value for money?**
- 5.14 The chair asked whether the Executive member thought adequate opportunities were taken to promote Community Councils through 'Southwark Life'. Cllr Morris replied that in her view it is not adequate and that she would look into what had become of plans to use the newsletter to publish the meeting dates and further information.
- 5.15 Members queried how community involvement in the meetings could be deepened. Cllr Morris related that CC chairs and vice-chairs had discussed suggestions for making the meetings more engaging at a recent workshop, that there was a lot of work being done on increased involvement and that more work was now needed on publicity. Members made suggestions such as increasing the visibility of CC information on the council website, adding a footer to council letters asking residents whether they knew about their CC, and extending the relationship with local schools.
- 5.16 **(6) For Cleaner Greener Safer money, some proposals in the last round were put forward to a number of community councils for a proportion of the funds required for a project, potentially creating issues for those projects going ahead where some community councils agreed and others rejected the bid. How can we better co-ordinate processes between**

community councils around such proposals?

No supplementals.

5.17 **(7) In her recent interview with the Southwark News, she said that she was proud of the introduction this year of the Highways and Lighting Budget at community councils. How well has this operated in its first year?**

5.18 A member commented that in theory he thought that this was a good idea but that he was unhappy with how the budget allocation had been executed. He mentioned, for example, that the first 3 of 5 lighting projects listed for Peckham were not in fact located in that CC area and that there had been similar discrepancies with the Rotherhithe list. Cllr Morris agreed that the details need to be correct and invited the councillor to forward the details of the anomalies to herself and Cllr Kyriacou, whose portfolio covers this work.

5.19 **(9) Southwark spends about 50 percent of grant to SHRREB. Can you describe their role in Southwark? What are the strengths, weaknesses and challenges facing this organisation?**

5.20 Cllr Morris explained that question 8 had been removed as it was not covered by any aspect of her portfolio. She added that question 9 had been withdrawn, as the council was currently in discussions with SHRREB and that it would not be appropriate at this stage to put her views on public record.

5.21 **(10) For a considerable period of time you were engaged in auditing community halls in the borough. What is the current position on that?**

5.22 The chair asked whether any monetary efficiencies or savings were anticipated as an outcome of this exercise. Cllr Morris explained that the Executive member for Resources is leading on the review and that tenants halls come under the Executive member for Housing's portfolio. She noted however, that there has been some regularising of leases where rental values were below market rates; but that there were no plans to sell any buildings used by the voluntary sector, although a couple were being assessed due to their condition.

5.23 **(11) How can larger communities like the Sierra Leone and Latin American Communities benefit in future of having a community centre.**

5.24 Members asked whether there had been any contact to the council by these groups requesting help to identify suitable sites. Cllr Morris said that there had been a deputation from the Latin American group and that they had also been invited to further discuss the related issues with her. She emphasised that the council is not in a position to provide free or rent free premises and confirmed that there was no departure from the council's traditional policy that rent for all groups should be at the market rate.

5.25 **(12) What plans do you have for ensuring that youth community councils link in with the main community councils?**

5.26 In response to members queries, Cllr Morris stated that she does not believe at

all in segregating youth from the rest of the community, but surmised that if she were 18 again she would probably not opt to go to CC meetings.

5.27 **(13) Given the current state of the nation's economy and the inevitable spending restrictions to come, what work are you undertaking to prepare the voluntary sector?**

5.28 Regarding the "scope for mergers and consortia development" members asked whether this was simply something for voluntary sector groups to consider. Cllr Morris confirmed that the council is simply encouraging organisations to think about opportunities for sharing premises where they may have surplus space, and so reducing costs.

5.29 **(14) Can you give us an update on the restructure of your departments?**

5.30 The chair queried whether there had been any significant snags so far and whether things were on track for full implementation. Cllr Morris mentioned that there were a couple of staff vacancies that may have a temporary impact but expected that this would be resolved by the end of the year. She confirmed that full implementation was on track for January 1 2010.

6. BUDGET AND POLICY FRAMEWORK REVIEW

6.1 Southwark's Finance Director, Duncan Whitfield, provided a presentation on the budget framework, outlining its statutory, regulatory and local context; the format details of revenue budgets; the role of Council Assembly and scrutiny, and the use of reserves (see Appendix B). Members responded with questions and comments. Key points raised included as follows:

6.2 **The 10 year-old SAP system** was put in place for an organisation that was very different at the time and is difficult to adapt to urgent and precise information needs. This is influenced, for example, by the fact that the remit of some portfolio holders spans as many as five departments.

6.3 Considering the rapid turn around of information in the weeks leading up to the February budget, it is difficult to submit to scrutiny all the information that officers would like to share. The budget is also unlikely to be completely finalised until 10 days before the budget Council Assembly.

6.4 There is no requirement to take the capital programme to Council Assembly. It is understood that some local authorities do this, but this is a minority. In view of the council's 10 year capital programme, however, it may be appropriate to submit to scrutiny a revised version of the programme every three or four years, as there is more clarity on the status of disposal assets and the progress of the regeneration programme. This could also be timed to fit with the four-year political cycle.

6.5 The annual statement of accounts, which presents all reserve funds, balances and provisions, leaves itself open to Audit and Governance Committee scrutiny. Maybe scrutiny would like some view on these accounts as well? The 'capital

contingency' reserve with a threshold of £5 million, may be of interest for example: It provides for the Director of Finance and Executive members for resources to jointly sign off the draw down of reserves up to this value.

- 6.6 There are issues that the council is involved in from time to time that could cause reputational damage if reported more widely. These include legal and or insurance issues, for instance, and in such circumstances the Director of Finance has a level of discretion to be the sole signatory to permit the draw down of reserve funds. If this discretion were lost, he is unsure that it would strengthen any process.
- 6.7 The chair commented that the way in which budget estimates were recently presented to Council Assembly was quite confusing for members. He acknowledged that due to the difficulties with SAP, and the span of Executive portfolios across council departments, that it would not be feasible to present budget estimates according to the Executive remits by February 2010. He suggested however that the sub-committee encourage the Executive to move in that direction. He also asked whether it would be feasible to present for the February Council Assembly broad brush budgets with service estimates and non-service estimates, for example. The Director of Finance agreed to commit to attempting to achieve a departmental breakdown, but emphasised that this would be subject to early decisions on the budget and the time and technology issues.
- 6.8 The Director of Finance outlined the three budget reports that he sees as particularly key for scrutiny: 1) The scene setting report that was submitted annually to the former Regeneration and Resources scrutiny sub-committee. He suggested that this again become a standing annual submission to scrutiny and that other members be invited to attend. 2) A second major report could be submitted in late November or early December, following the government grant settlement announcements. This paper may be one that OSC would want to programme in to consider. 3) The Executive report recommending the budget to Council assembly, - the timing of which to scrutiny, however, would involve some complexity.
- 6.9 The chair referred to the regulations regarding Council Assembly's role in approving a local authority's capital programme (see para. 7, Appendix C), and members discussed their interpretation with a legal officer. The chair commented, that taken in a common sensical way, the regulations would require a broad brush capital programme to be approved by Council Assembly and suggested that OSC be invited to give further consideration to this.
- 6.10 The chair commented that the draw downs of reserves, if not properly defined, could cause a subversion of the revenue budget. He added that it was not appropriate to look at this issue in detail during the current meeting, but suggested that the Executive be encouraged to look carefully at the definition and conditions under which draw downs are permitted. He also suggested that OSC may alternatively recommend that some of these issues are considered by the Audit and Governance Committee. Members also discussed the recent reserves draw down example of the Southwark Circle funding and commented, for example, that the timing of this decision within a couple of month of the February budget, was worrying.
- 6.11 Members discussed the powers of the Director of Finance to make a sole officer

decision regarding the draw down of financial risk reserves. Members asked, for example, how such decisions would become known and/or later reported back to members. The Director of Finance confirmed that such draw downs would be clear within the statement of accounts. The legal officer also clarified that any interested party would be permitted to see any invoice related to the authority's accounts, and that such requests would not be subject to section 43 of the Freedom of Information Act.

RESOLVED:

That the following recommendations be submitted to OSC and the Executive, as appropriate:

Budget recommendation formatting

- i. That the budget presentation to Council Assembly should include a subjective breakdown of expenditure headings at high level.
- ii. In light of the impossibility at present of providing up front budgets for each executive portfolio, the Executive is invited to clarify the responsibility for monitoring financial performance under each executive portfolio.
- iii. We would encourage the Executive to move, as soon as practicable, towards including in the recommendation to Council Assembly a break down of budgetary allocations for each executive member's portfolio

Scene setting report

- iv. We invite OSC to arrange a budgetary scene setting meeting shortly after the 24 October Executive meeting, providing an opportunity for back bench members to be involved so that at that stage there is wide understanding of the budgetary process and financial situation facing the council.
- v. We invite OSC to consider the merits of an informal OSC at a later stage of the budget setting process.

Approval of the capital programme

- vi. We invite the Executive to take further advice on the construction of the following wording in the Local Authorities (Functions and Responsibilities) (England) Regulations 2000, regarding the provision that full council carries out the "adoption or approval of the budget and any plan or strategy for the control of the local authority's borrowing or capital expenditure (*the capital plan*)" [italics added].

- vii. We invite the Executive to submit to Council Assembly at least once every four years, and as necessary in the event of a significant change in circumstances, a programme for capital expenditure.

Use of reserves

- viii. We invite the Executive to address issues around definition, build up, and in particular draw down from the Council's various reserves, and an improved system for the monitoring of such matters.
- ix. We invite the Executive to consider whether an upper limit should be put on the sole authority of the finance director to authorise draw downs from reserves.
- x. We invite the Executive to consider the merits of referring any of these matters to the Audit and Governance Committee.

That the draft wording of the above recommendations be circulated to all sub-committee members, inviting comments and amendments.

7. 20MPH ZONES AND SPEEDING

- 7.1 The chair referred to the motivation for this review topic when first suggested at OSC:

Review the effectiveness of traffic calming measures and 20mph zones in terms of reducing speeding, improving road safety and meeting accident reduction targets. Consider best practice from other areas in terms of measures to slow down traffic and to enforce speed limits.

Work alongside the Executive Member for Environment and officers with regard to helping to make the implementation of the Road Safety Plan and plans to make Southwark a 20mph borough as effective as possible.

- 7.2 Barbara Selby, Head of Transport Planning, confirmed that the Road Safety Plan (RSP) had been approved by the Executive in May and is now council policy. She added that the RSP was underpinned by an independent study that had been commissioned from MVA Consultancy, to research the effectiveness of the proposed traffic calming measures and to gauge the public response.
- 7.3 Members discussed what evidence to consider for this review. They requested information such as the independent MVA report, best practice from other areas, and results from camera trials. It was also suggested that a consultant from MVA be invited to attend the next meeting, and that the Executive member for the Environment also be invited, in order to give feedback on his recent meeting with the Southwark Police Commissioner about traffic calming enforcement.
- 7.4 The chair requested information on the effectiveness of the changes to the

Walworth Rd. The Public Realm Division manager, Qassim Kazaz, explained that following the completion of a new road calming scheme, accident data is usually collected over a three year period to ensure sufficient data. Members consequently opted to consider other 'before and after' statistics that would be included in the MVA report. The Head of Transport Planning recommended that a police policy officer be invited and offered to provide a suitable name.

RESOLVED:

1. That the sub-committee consider at its subsequent November 11 meeting evidence and information regarding the establishment and outcomes of 20MPH zones, as follows:
 - a copy of the commissioned independent study from MVA Consultancy on the effectiveness of 20MPH zones, including the public response to this method of traffic calming;
 - a report on the progress of the implementation of the suggestion on this matter approved by Council Assembly for submission under the Sustainability Communities Act;
 - an update on speed camera trials and effective working with the police.
2. That an appropriate employee from MVA Consultancy be invited to present the findings of the commissioned study, respond to related member questions, and provide information about the effectiveness of comparative traffic calming schemes elsewhere.
3. That an officer expert be requested to attend and to provide information on the range of alternative measures to speed cameras and speed cushions/ humps that are available, as well as feedback from the related resident questionnaires. (Eamon Doran was suggested.)
4. That the Executive member for Executive member for environment, Cllr Paul Kyriacou, also be invited to attend the November 11 meeting, in order to provide feedback from his recent meeting with the Southwark Police Commissioner on related matters.
5. That a police officer be invited to attend and to explain why traffic police activity has declined significantly in recent years.
6. That an enquiry be made to establish whether there is adequate provision in the scrutiny budget to cover the anticipated charges of the MVA expert witness.

The meeting finished at 10.40pm.