

OVERVIEW AND SCRUTINY COMMITTEE

Wednesday 13 November 2019 at 7.00 pm

MINUTES

PRESENT: Councillor Tim Briggs, Councillor Danial Adilypour (Vice-Chair), Councillor Liz Atkins (Chair), Councillor Mary Atkins (Vice-Chair), Councillor Stephen Donnelly, Councillor Joshua Lindsey and Councillor Pete Elliott

APOLOGIES: Councillor Jonathan Bartley, Councillor Maria Kay and Councillor Lucy Caldicott

ALSO PRESENT: Councillor Matthew Bennett, Councillor Jacqui Dyer, Councillor Sonia Winifred and Councillor Nigel Haselden

Action
required by

1. **MINUTES OF PREVIOUS MEETING**

Councillor Liz Atkins, Chair, welcomed everyone to the meeting and all present introduced themselves.

Apologies for absence were noted.

RESOLVED: That the minutes of the meeting held on 17 September 2019 be approved subject to an amendment received by Councillor Jonathan Bartley regarding the housing contract options appraisal.

2. **DECLARATION OF PECUNIARY INTERESTS**

There were no declarations of pecuniary interest.

3. **FINANCIAL PLANNING REPORT 2019/20 TO 2023/24**

Christina Thompson, Director of Finance and Property, introduced the report and stated that:

- The purpose of the report was to update the medium term financial strategy, setting out the local government funding situation and the Council's spending and budget monitoring
- This was a period of uncertainty for local government finance, with the

latest funding settlement from central government being a one-off

- Grant funding was continuing and in some cases expanding, such as the new social care grant. However, demand pressures were also increasing
- The overspend related mostly to Children's Services. It was noted that the Children's Services Scrutiny Sub-Committee met the previous evening to consider the budget in that area, among other issues

The Chair explained that the committee had asked the Trade Unions and People's Audit for contributions, and a written submission had been received from People's Audit raising three issues. Addressing these, the Director of Finance and Property said that:

- The work to identify savings to fill the funding gap, which this year stood at roughly £6m, was carried out with the support of Finance, and detailed proposals were tested and agreed by Cabinet Members before being signed off
- In relation to the unspecified £1m lump sum in Appendix 1 for income generation activities, work was starting now to identify opportunities for four years hence. There had been previous scrutiny from members on this which would no doubt continue
- It was correct that there had been slippage in the capital programme. Work was being done to look at ways of improving the monitoring of the programme including setting out a yearly profiled spend
- It was not possible to provide the five year CIPFA code breakdown of the budget in the way described due to changes in the number and make-up of Council directorates over that period
- It was accepted that it was good practice to include more comparative data; while some services did this it was not currently done on a whole council basis

In response to questions from Members, Christina Thompson, Director of Finance and Property; Fiona McDermott, Strategic Director for Finance and Investment; Andrew Eyres, Strategic Director for Integrated Health and Adult Care; Sara Waller, Co-Strategic Director for Sustainable Growth and Opportunity; and Fiona Connolly, Executive Director for Adult Social Care stated that:

- The London business rates pilot pool was running for a second year. Last year 100% of annual growth was pooled and distributed as agreed by the authorities involved, yielding benefits over and above what the Revenue Support Grant would have been. The advantages which accrued from the business rates pilot were being treated as one-offs rather than being set into the base budget. London Councils had estimated that the Council would gain around £700k from next year's pooling arrangement. The future 75% retention would not necessarily be a pool and would be shared with the Greater London Authority (GLA) on a 75/25 basis
- A revaluation of business rates was expected next year. This was a national government decision over which local authorities had no

control but was likely to impact on growth. The Council had certain discretionary powers to lower business rates in some cases

- Modelling had been carried out regarding the possibility of introducing a voluntary contribution from residents. There were a number of options regarding how such a fund would operate and what value it could bring which were being evaluated. The target was to launch such a scheme in the new financial year
- Assumptions had been made regarding the continuation of certain grants such as the Better Care Fund and Adult Social Care Grant and Lambeth was planning on a similar basis to other authorities. However, an ageing population with increasingly complex needs meant it was necessary to deliver better value for money in the care system. Assurance had been undertaken in this regard
- Under the Lambeth Together integration, the Council and partners were moving towards a neighbourhood model which would localise care and build resilient support
- The ongoing work to meet the Council's climate change ambitions had been costed and managed within the budget presented. There would be a further report to Cabinet in July 2020 on the climate emergency which would be fully costed and baselined and the Citizens' Assembly was planned for the early part of next year. The work being done to establish the emissions baseline would allow the Council to better understand the financial implications
- It was important to recognise that capital expenditure was already being directed at climate change issues, such as energy reduction and cycle lanes
- A piece of work was done in 2016 looking at income streams and how these compared with other authorities. As a result, a number of charges were uplifted and additional discretionary charges were introduced. Benchmarking work was ongoing and it was anticipated that fees and charges would increase in line with inflation and statutory obligations. The current target for fees and charges was £58.5m and this was forecast to be exceeded by £3.7m. This meant there was confidence future income targets would be met
- Impact analysis was carried out when proposals to increase fees and charges were brought forward. The recent decision around adult social care fees and charges had been assessed by the Corporate Equalities Impact Assessment Panel who were assured by the mitigations being put in place
- Right to buy receipts were capital so could not be applied to the revenue budget. Some receipts were recycled through the GLA but still utilised
- The interest rate charged by the Public Works Loan Board had recently increased by 1%. This would affect new borrowing only but would have an impact on the capital programme and the way in which it was funded. Work was being done with Cabinet Members to prioritise the capital programme. The funding available was forecast to support £70m borrowing over the next four years but may need to

drop by around £10m due to the rate increase

RESOLVED:

1. That budget and expenditure comparisons with other councils in Lambeth's CIPFA comparator group should be routinely included in future budget reports
2. To request further information on the London business rates pooling arrangements for 2020/21 with a particular focus on expected benefits or drawbacks for Lambeth
3. To request details of the forthcoming business rates revaluation and its effects for Lambeth, including expected mitigation, as soon as this information becomes available
4. That all future budget reports should include a detailed analysis of the financial implications of the Council's climate emergency response
5. That further detail be provided to the committee regarding the modelling work that has been done to assess options for the introduction of a voluntary contribution from residents. This should include information on forecast value, costs and governance arrangements as well as maintenance and distribution of the funds
6. That the committee continues to be concerned at the pressures on adult social care and the potential effects of increased fees and charges on service users, and requests a future update on the extent to which the service is delivering positive outcomes and value for money in the face of these pressures
7. That further details regarding the impact of the 1% increase in the Public Works Loan Board interest rate on the Council's capital programme be provided to the committee
8. That the committee notes the reliance on income generation to meet the bulk of the savings set out and wishes to receive future updates on how these proposals are progressing against the stated targets

4. DRAFT SUSTAINABLE GROWTH AND INCLUSIVE OPPORTUNITY STRATEGY

Councillor Matthew Bennett, Cabinet Member for Planning, Investment and New Homes, introduced the report and stated that:

- It was helpful to consider this strategy following the finance report as it linked strongly into the Council's future budget, which was becoming increasingly reliant on revenue and income generation – principally council tax and business rates – to fund core services. This meant decisions regarding attracting growth and investment would set a baseline for the future
- The strategy presented in the papers looked across the Council as a whole to consider what growth is and how to bring it about. It was an early draft and scrutiny members' views would assist in shaping the work. A final version was likely to go to Cabinet in the spring
- One of the aims of the strategy was to make sure the Council provided

the right skills and training to the right people to help match skills to employment opportunities while also addressing some of the disparities experienced by certain communities, such as BAME and disabled residents

- A draft action plan was presented via which the administration could be held to account
- It had to be acknowledged that this was a shared endeavour with partners

In response to questions from Members, Councillor Matthew Bennett, Cabinet Member for Planning, Investment and New Homes; Councillor Jacqui Dyer, Cabinet Member for Jobs, Skills and Community Safety (Job Share); and Sara Waller, Co-Strategic Director for Sustainable Growth and Opportunity, stated that:

- The Community Infrastructure Levy (CIL) was a tax on development which was charged per square metre. The borough was split into zones with a different charging schedule in each area. While this had previously been thought of in terms of offsetting the effects of development in the area concerned, it was now considered a broader source of funding to address need in the borough more generally. It was felt that there were opportunities to help address environmental and public realm issues via CIL using a criteria-based system of prioritisation
- It was agreed that there needed to be improved communications regarding CIL, setting out clearly and transparently how it was calculated and allocated
- While the Council did not have a dedicated small business strategy aimed at those businesses that were not part of wider networks for whatever reason, there was support offered. This included services provided via local libraries and affordable workspace schemes such as GLOWS in Tulse Hill. It was also important to support small businesses to grow and become medium sized enterprises
- More needed to be invested in addressing equalities issues with regards to business, education and employment
- Inner Circle had helped kick start this work when extra capacity was required as departmental restructures took place within the Council, while 31ten had assisted in modelling the amount of infrastructure needed to complement the growth happening in the borough
- Disparities existed for certain groups due to structural inequalities that had persisted for decades. The strategy aimed to pay particular attention to how these could be overcome; this was partly about using data and monitoring (including comparative statistics) but also leadership and promoting equality legislation
- Environmental impact assessments were carried out in relation to particular projects and were also a requirement of the planning system but no overall assessment had been done in the context of the strategy. It was acknowledged that there were tensions between enabling growth and tackling climate change but there were also

opportunities since addressing the climate emergency was potentially a huge source of employment

- Data formed a vital part of the evidence base but the importance of input from residents, businesses and ward councillors in shaping the strategy was also acknowledged
- Affordable housing in the context of this strategy referred to social rent
- In terms of employment and skills, it was important to understand residents who were furthest from the labour market while also considering how others had become successful
- It was accepted that it was challenging for people living on estates that were undergoing regeneration but the Council was working continuously to make improvements, such as the introduction of focused estate managers which had been well received

Guillotine

During the discussion of this item the guillotine fell at 9.00pm.

MOVED by the Chair and

RESOLVED: That the meeting continue for a further period of up to 30 minutes.

RESOLVED:

1. That greater transparency and more effective communication is required regarding the Community Infrastructure Levy (CIL)
2. That a clear set of criteria is needed regarding how CIL is allocated, with a particular focus on addressing identified need across the borough rather than just in the area(s) in which development takes place
3. That more consultation with residents, businesses and ward councillors is required to develop the strategy, with measurable targets and outcomes developed with stakeholders
4. That terms such as “affordable housing” need to be clearly defined in the strategy and all public documents
5. That thorough environmental impact assessments be carried out for all individual development projects and decisions made, particularly in relation to how they will impact the Council’s response to the declaration of a climate emergency, and that this be referenced in the strategy
6. That comparative data be referenced in the strategy wherever possible. This should include national employment figures and data on the economically inactive
7. That the strategy should have a clearer focus on addressing disparities experienced by the borough’s BME, Portuguese, disabled and economically inactive communities
8. That there needs to be a more coherent strategy aimed at supporting

small businesses, particularly those who are not part of Business Improvement Districts (e.g. because of geography). This should include identifying priority needs and best practice, and disseminating the latter across the borough

9. That lessons learned reports be compiled for all major projects and that identified lessons be applied to future schemes

5. **EVENTS SCRUTINY COMMISSION: DRAFT REPORT**

Councillor Mary Atkins, Overview & Scrutiny Vice Chair and Chair of the Events Scrutiny Commission, introduced the item by stating that:

- The report was a result of a great deal of work by four councillors over a number of months
- The commission came about as a result of debate over the use of public parks and open spaces for commercial events, not just in Lambeth but also more widely. It was felt that local councillors had a vital role to play in balancing competing interests and ensuring that commercial activity in public spaces delivered maximum benefits, not just to the Council but to the community more widely
- The commission considered a great deal of detailed research and best practice to arrive at its findings and recommendations, which were presented for consideration by the committee
- She believed it was a very good report and hoped Members would endorse it
- She thanked the Senior Democratic Services Officer for his work in supporting the commission

Councillor Nigel Haselden, Commission Member, added that:

- He was pleased to be given the opportunity to be part of the commission
- The four members of the commission reflected a range of geographical areas, backgrounds and perspectives and worked well together
- He hoped the report would help shape policy in this area
- It was important to deliver high quality cultural events while maximising benefits
- He expressed gratitude to the Senior Democratic Services Officer for capturing and shaping the arguments and findings
- The stakeholder consultation event referred to in the report played an important role in influencing the recommendations

Members discussed the report and made the following points:

- It was good to see reference made to the climate emergency and minimising environmental impacts
- It was queried whether part of the income for events could be ring

fenced for accessibility improvements to parks and open spaces

- It was asked what steps were taken to engage with young people who might attend the types of events referred to. Councillor Mary Atkins responded that a number of young people had been invited to the stakeholder event and input had been sought from the Young Lambeth Cooperative. While only one young person had attended the consultation, their comments were very valuable and were augmented by other related contributions – for example, from councillors reflecting back the views of young people in their areas, and by a venue owner who catered for many event goers
- It was suggested that the impact of certain recommendations – particularly numbers 1, 3 and 5 – could be strengthened and made more lasting by changing the wording to state that the Council “must” carry out the suggested action, rather than “should”

In response to the report, Councillor Sonia Winifred, Cabinet Member for Equalities and Culture, and Kevin Crook, Assistant Director, Neighbourhoods, stated that:

- Lambeth was well versed in delivering events which reflected the borough’s communities
- The programme of events was not just the work of the Council but was a joint effort with volunteers and community groups
- Parks and open spaces played an important role in promoting health and wellbeing
- The 2016 Events Strategy was being reviewed and a refreshed version was due to be produced next year to cover the period 2020-25. A Green Events Guide had also been produced
- Whilst the recommendations were generally welcomed, there were minor concerns over the feasibility of a small number of them – for example, the cost implications of impact statements (recommendation 5). It was noted that full responses, including timescales and resource implications, would be set out in an action plan when the report was taken to Cabinet
- An accessibility analysis of all park facilities had been commissioned

RESOLVED:

1. To approve the report for presentation to Cabinet subject to consideration of the following comments:
 - The potential for ring-fencing funds for accessibility improvements to parks and open spaces
 - The possibility of strengthening recommendations 1 and 3 to say “must” rather than “should”

6. 2019-20 OVERVIEW AND SCRUTINY COMMITTEE WORK PROGRAMME

It was noted that the 30 January meeting would be the annual scrutiny of the Safer Lambeth Partnership with additional items on the redevelopment of Lambeth Hospital and the Digital Accessibility Scrutiny Commission. The Chair explained that the Children’s Services Scrutiny Sub-Committee would

be taking the lead on scrutinising the Serious Youth Violence strategy at its meeting on 23 January and efforts would be made to coordinate the work of the two committees to ensure a joined-up approach to crime and disorder scrutiny.

The Chair also expressed concern at the number of people killed and seriously injured on Lambeth's roads and suggested that a briefing note be requested from officers to gauge what the issues were and what was being done to tackle them before deciding whether further, more formal scrutiny was warranted.

RESOLVED:

1. That the work programme as drafted and status of actions be noted
2. That a briefing note be requested from officers on the number of people killed and seriously injured (KSI) on Lambeth's roads, with data including KSI levels, trends and benchmarking with other boroughs, and what is being done (or is planned) to tackle this

The meeting ended at 9.25 pm

CHAIR
OVERVIEW AND SCRUTINY COMMITTEE
Thursday 30 January 2020

Date of Despatch: Thursday 21 November 2019

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