

## OVERVIEW AND SCRUTINY COMMITTEE

Thursday 16 July 2020 at 7.00 pm

### MINUTES

PRESENT: Councillor Tim Briggs, Councillor Liz Atkins (Chair), Councillor Mary Atkins (Vice-Chair), Councillor Jonathan Bartley, Councillor Joshua Lindsey, Councillor Marianna Masters (Vice-Chair), Councillor Lucy Caldicott, Councillor Joanna Reynolds and Councillor Irfan Mohammed (Substitute)

APOLOGIES: Councillor Stephen Donnelly

ALSO PRESENT: Councillor Claire Holland, Councillor Jack Hopkins and Councillor Maria Kay

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required by*

#### 1. **DECLARATION OF PECUNIARY INTERESTS**

Councillor Liz Atkins, Chair, opened the meeting and welcomed all attendees.

There were no declarations of pecuniary interest.

#### 2. **MINUTES OF PREVIOUS MEETINGS**

RESOLVED: That the minutes of the meetings held on 4 May 2020 (Call In) and 19 May 2020 be approved as accurate records of the meetings.

#### 3. **FINANCIAL PLANNING AND MEDIUM TERM STRATEGY 2020/21 TO 2024/25**

Councillor Maria Kay, Cabinet Member for Finance & Performance, introduced the report and made the following points:

- Since the coronavirus lockdown, council income from sales, fees and charges had fallen while spending had increased, including on food packages, care homes, personal protective equipment and support for local businesses. This had led to a significant budget shortfall
- The Government had stated at the beginning of the pandemic that councils would be fully recompensed but currently reimbursements covered less than half of the deficit. While an additional £3.5m had just been announced, this still left the Council £24m short

- Prudent financial management in recent years meant this could be covered with reserves; a Section 114 notice would not have to be issued
- Local government was already faced with a lack of financial clarity prior to the pandemic, due to uncertainty over the fair funding review, business rates and adult social care funding, leading to a series of one-year settlements. These issues, along with Brexit, were still firmly on the horizon
- The Council had tried to do what was necessary during Covid-19 and would continue to work on a recovery which worked for everyone, including investing in jobs, affordable workspace, cultural facilities and digital infrastructure

In response to questions from members, Councillor Maria Kay, Cabinet Member for Finance & Performance; Councillor Jack Hopkins, Leader of the Council; and Christina Thompson, Director of Finance & Property, stated that:

- It was unclear currently which of the scenarios set out in the report was the most likely. Ongoing planning was taking place involving finding mitigations and savings for all three scenarios. The Chancellor's autumn statement may offer some clarification
- In order to help visualise the level of deficit, it was explained that the total mental health budget was £15m, as was the fostering and parenting service
- In response to a query from members, the Director of Finance and Property stated that she was happy to hold a briefing for members on the overall 'big picture' in terms of the Council's finances
- The majority of the unavoidable growth set out in the report did not relate to Covid-19 but was identified as part of the closure of the 2019/20 accounts. Temporary accommodation was a particular issue, which was expected to continue into next year, while the Council was reducing the number of court cases brought in relation to council tax arrears, meaning the income target was not being met. There was also an ongoing problem with the way the Electoral Services budget was set which was being rectified
- With regards to the irrecoverable loss of income figure, it was clarified that the Council was now expected to receive compensation for loss of income but further details were being awaited from Government
- While it was always a last resort to use reserves, it was likely to be necessary on this occasion. It was also possible to use some balances and earmarked reserves. Any reserves used would need to be replaced to bring them back up to a prudent level
- With regards to income streams, the performance in respect of parking and licensing had been encouraging since lockdown restrictions began to be lifted
- It was necessary to keep a watching brief regarding the extent of additional spending pressures and this would involve all members
- The governance process in relation to the emergency spending involved a Gold management board, decision reports being produced in the usual way, and the oversight of the OSC chair in respect of approving the need for urgency. In response to a point of order raised by Cllr Bartley querying whether this amounted to a conflict of interest for the Chair, the Legal Officer stated that he was satisfied there was no such conflict as the Chair had no decision-making powers in this process
- As per Government instructions, the Council had redeployed staff who

were unable to do their usual duties – into areas such as enforcement, call handling and the food hub – as opposed to using the furlough scheme. The furlough scheme had been used for some school staff whose work involved income activities they could not carry out

- The report set out the medium term financial situation with respect to the potential funding gaps. Work would then commence over the summer to identify ways to achieve the necessary savings, involving the usual equalities impact assessment process
- The senior leadership was looking at identifying lessons from the last few months via the New Beginnings programme, on which a report was going to Cabinet on 20 July
- The Infrastructure and Capital Delivery Studio was an initiative aimed at bringing together all capital spend into one place to align projects around broader outcomes
- It was necessary to look at new ways of doing things to manage the Children's Services budget, including more collaborative working with other councils. It was noted that the new Director of Children's Services had experience of adopting framework models to successfully manage placements and move children from residential care into fostering
- It was necessary to build more homes to reduce reliance on temporary accommodation

The Chair thanked the Leader of the Council, the Cabinet Member for Finance & Performance and the Director of Finance & Property for their contributions and summarised the discussions on this item, resulting in the following recommendations:

**RESOLVED:**

1. That a briefing be arranged for committee members regarding an overall 'big picture' view of the Council's finances
2. That the need to maintain a level of reserves commensurate with the Council's spending plans and the current high level of financial risk be highlighted, especially in light of the potential need to use reserves to address the in-year budget gap
3. That the committee be updated regularly on income generation performance, including mitigations in the event that income falls below expected levels
4. That clarity be provided regarding the shortfall between Covid-19 related costs (incorporating additional expenditure and lost income) and compensation levels from Government as and when figures become known
5. That the committee is concerned about the potential impacts of the Council's financial position on the borough's most vulnerable residents, especially those with protected characteristics under the Equality Act, and wishes to be kept informed regarding the process of identifying savings measures, with a particular focus on the related Equalities Impact Assessments
6. That an evaluation of the cost and performance of Covid-19 specific measures put in place during the lockdown period, such as the food hub operation and actions to tackle homelessness, be carried out and reported back to the committee, in order that lessons can be learned and implemented in case of a second wave of Covid-19
7. That the committee urges greater co-operation between boroughs on addressing Children's Services budget pressures
8. That the assumptions underpinning the Children's Social Care budget

be reviewed to ascertain whether any revision is necessary, in light of consistent overspends in recent years

9. That clarity be provided on temporary accommodation spend and how it envisaged this will change over time
10. That the committee notes the unprecedented nature of the current situation in terms of budget pressures and risks, and stresses the need for robust governance underpinning decision making processes, including greater engagement with members
11. That the committee wishes to monitor the Capital Investment Programme and therefore requests that this be included in future budget-related reports
12. That the committee expresses concern at the level of additional budget pressures unrelated to Covid-19 which have been identified since the budget was passed in February, and requests further information regarding how these arose and why they were not foreseen

#### **4. TACKLING CLIMATE CHANGE IN LIGHT OF COVID-19**

At the beginning of this item the Chair stated that requests to speak had been received from Cllr Nicole Griffiths and Cllr Pete Elliott. Since these requests were received after the published deadline, they were declined, but a written submission was invited and subsequently received.

Councillor Claire Holland, Deputy Leader of the Council (Sustainable Transport, Environment & Clean Air) introduced the report and made the following points:

- Since Lambeth declared a climate emergency in January 2019, work had not stopped on progressing this agenda, which now ran throughout the council's strategic operations
- Investment in the team leading the climate change work had occurred prior to the pandemic
- The corporate carbon reduction plan had been published, as had the carbon emissions baseline for both the council and the borough as a whole. This work was done in house, which had helped develop skills, and had also been peer reviewed
- The Transport Strategy launched in 2019 set out various projects including Low Traffic Neighbourhoods (LTNs) and joint initiatives with Transport for London (TfL) which, along with work on electric vehicle charging, solar panels on estates and tackling single use plastics, had stood the council in good stead when Covid-19 hit
- Lambeth had published the first emergency transport strategy in the country. The initial phase ran to September, after which TfL's emergency settlement would become known
- It was important to avoid a car-led recovery which would exacerbate current inequalities
- The planned Citizens' Assembly had been postponed. An online climate action hub was being launched to continue dialogue with stakeholders, share ideas and access information, all of which would help enrich the Assembly when it was able to take place
- Local government had a unique role in tackling climate change but could do so much more if the funding commitment from central government was enhanced

In response to questions from members, Councillor Claire Holland, Deputy

Leader of the Council (Sustainable Transport, Environment & Clean Air); and Hannah Jameson, Assistant Director, Sustainable Development & Climate Change Response, stated that:

- It was acknowledged that the emergency road closures may feel counter-intuitive to some people who may have ended up driving for longer as a result; however, such emergency measures were based on a huge amount of traffic flow data collected over many years
- In the original Transport Strategy, the council was going to implement three LTNs in three years; under the emergency strategy seven would be delivered in five months. Research and experience suggested there would be a bedding in phase while behaviour change took hold
- In terms of engagement, officer capacity was significantly stretched but residents were sent letters when emergency transport works were to be carried out in their neighbourhood, ward councillors were briefed, and posters and other materials were distributed in the area. There was also a named officer for each area who residents could contact with any enquiries
- One aim of the emergency transport measures was to support a local economic recovery
- The emissions baseline was a living document which would be refined over time as assumptions were clarified
- It was acknowledged that Bristol Council had invested a great deal in analytical capacity and as a result their baseline document was extremely comprehensive. Officers were aware of this work and it was stressed that local authorities were learning from each other
- The borough-wide baseline was high level and used Department of Business, Energy & Industrial Strategy (BEIS) data. This was consistent with the approach taken by most local authorities. Improving the depth and detail of the data would be a key part of ongoing work but the BEIS data gave a useful starting point
- There was scope for data sharing and partnership arrangements with London South Bank University, King's College London and major local employers. This would help build a more sophisticated picture
- The biggest proportion of emissions in terms of the council baseline came from heating and powering buildings. The baseline for Lambeth's council housing used data from communal heating systems and energy consumption in relation to communal areas but individual household data could not be obtained due to data protection
- Officers were conscious that climate change was an important part of people's thinking when engaging with residents around LTNs
- LTNs were being implemented under temporary orders and a full consultation would need to follow if it was proposed to make them permanent
- Future funding in this area was unclear, though TfL were renegotiating with the government in September
- The Citizens' Assembly would likely involve 50-60 people who would be chosen to be representative of the borough population in terms of demographics as well as views on climate change
- It was acknowledged that a comprehensive communications plan was needed that went beyond online
- The council was committed to eliminating Glyphosate. The delay of the waste contract procurement had impacted this, though the street opt-out was proving popular
- The council was looking to draw up an energy strategy but funding was required for this

- The work going on in Islington regarding heat transfer was interesting and Lambeth was keen to innovate

### **Guillotine**

At this point in the meeting 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

The Chair thanked the Deputy Leader of the Council (Sustainable Transport, Environment & Clean Air) and the Assistant Director, Sustainable Development & Climate Change Response for their contributions, and also thanked Cllr Elliott for his very helpful written submission, before summarising the discussions on this item, resulting in the following recommendations:

**RESOLVED:**

1. That the importance of learning from best practice be highlighted, in particular the emissions baseline document produced by Bristol City Council and the organisation and transparency of the work being done by Devon Council to implement its climate emergency plan
2. To urge officers to ensure that the public are fully engaged and consulted on the Citizens' Assembly and Low Traffic Neighbourhoods – including via a variety of communications methods, not just online – and that such communications be appropriately coordinated in order that residents' views on one can be used to inform the other. This communications plan should be reported back to the committee
3. That further information be provided to the committee regarding how the council is working jointly with the Western Riverside Waste Authority on the use of its work within the climate change agenda but particularly its work on the use of incineration methods as a source of waste disposal
4. That the importance of refining the emissions baseline document as current assumptions evolve be highlighted, and that the process for doing this be reported back to the committee
5. That further information regarding the evaluation of Low Traffic Neighbourhoods and the criteria and process for making these permanent (as appropriate) be provided to the committee
6. That an update on future funding streams for emergency transport works be provided to the committee as and when further information becomes available
7. That the elimination of Glyphosate be accelerated and consideration be given to an opt-in (rather than opt-out) approach
8. That the committee endorses the innovative work being done by the London Borough of Islington on heat transfer and would like to see Lambeth explore similar approaches

## **5. 2020-21 OVERVIEW & SCRUTINY COMMITTEE WORK PROGRAMME**

The Chair introduced the report and outlined the expected agenda for the OSC meeting scheduled for 23 September, which would be themed around economic recovery.

A brief discussion then took place regarding possible topics for future scrutiny to be considered when planning the committee's work programme for the

2020-21 municipal year.

**RESOLVED:**

1. That the work programme as drafted and the status of actions be noted (Appendix 1).
2. That the agenda for the committee meeting scheduled for 23 September be confirmed as:
  - Inclusive Resilience Strategy (follow on from Sustainable Growth and Inclusive Opportunity Strategy item considered at OSC in November 2019)
  - Employment & Skills Strategy (carried over from cancelled meeting in March)
  - Jobs For All Scrutiny Commission Action Plan Update (carried over from cancelled meeting in March)
  - Events Scrutiny Commission Action Plan Update
3. That the committee considers bringing forward the planned health and social care themed meeting from November to October in order to feed into planning for winter pressures and a potential second wave of Covid-19
4. That the group of members involved in scoping work in relation to a Climate Change Commission be reconvened to reconsider the focus of its work in light of the discussions at this meeting
5. That the following issues be considered for future scrutiny activity:
  - Housing customer services
  - Housing benefit system and implications for residents as Covid-19 evictions suspension is lifted
  - Generation and allocation of Section 106/Community Infrastructure Levy
  - Tackling anti-social behaviour, including enforcement on housing estates

The meeting ended at 9.25 pm

CHAIR  
OVERVIEW AND SCRUTINY COMMITTEE  
Wednesday 23 September 2020

Date of Despatch: Friday 24 July 2020

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