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CABINET

Monday 6 February 2017 at 5.00 pm

MINUTES

PRESENT:

Cabinet Members:

Councillor Jennifer
Brathwaite
Councillor Jim Dickson

Councillor Jack Hopkins
Councillor Paul McGlone
Councillor Lib Peck
Councillor Jane Pickard
Councillor Mohammed
Seedat
Councillor Imogen Walker

Portfolio:

Cabinet Member for Environment & Transport

Cabinet Member for Healthier and Stronger Communities
(job-share)
Cabinet Member for Regeneration, Business and Culture
Deputy Leader of the Council (Investment and Partnerships)
Leader of the Council
Cabinet Member for Families and Young People
Cabinet Member for Healthier and Stronger Communities
(job-share)
Deputy Leader of the Council (Finance)

Apologies for absence

Councillor Matthew Bennett, Councillor Jane Edbrooke and
Councillor Jackie Meldrum

1. DECLARATIONS OF PECUNIARY INTEREST

There were none.

2. MINUTES OF PREVIOUS MEETING

RESOLVED: That the minutes of the previous meeting held on 16 January 2017 be approved and signed by the Chair as a correct record of the proceedings.

3. REVENUE AND CAPITAL BUDGET 2018/19 TO 2019/20

The Deputy Leader of the Council (Finance), Councillor Imogen Walker, introduced the report and noted:

- The budget addressed local needs and should be understood in

the national context. Lambeth faced some of the most severe cuts to local government imposed under the Government's austerity agenda.

- Central government funding cuts would affect all local services.
- The budget would help Lambeth's most vulnerable residents remain in their homes, encourage new foster carers to come forward, promote investment in the local economy and help staff and community groups deliver essential services.
- The Resident's Survey indicated overall satisfaction in the council's delivery of services.
- Savings would be made partly through efficiency savings and moving services online. The council would also invest wisely and look to generate additional streams of income to mitigate the loss of central funding.
- Whilst many local services would change fundamentally, the council was committed to protecting the most vulnerable members of society and would preserve the boroughs parks and public spaces.

The Strategic Director for Corporate Resources said that the council would continue to review the way it worked and bring savings forward when at all possible.

The Vice-Chair of the Overview and Scrutiny Committee (OSC), Councillor Andy Wilson, addressed the committee and noted the following:

- The forecasted overspend of £9m on Children's Services was in part due to the number of agency workers employed in the department. The Chief Executive had previously made a commitment to reduce the number of agency staff but levels remained high. Reassurance around the management of this issue was required to instil confidence in the budget.
- Concerns were raised about the Government's forthcoming Business Rates Retention Scheme, particularly around the council's ability to collect and retain business rates. This should be considered a risk within the budget report.
- OSC had pressed the administration to pursue income generation as a way of mitigating the cuts to local services. This did not appear to be high priority in the budget.

The Chief Executive, Sean Harriss, responded to comments about confidence in the Children's Services:

- He had spoken with the Deputy Leader for Finance and Cabinet Member for Children and Schools to ensure that the Children's Services Improvement Plan was aligned with the budget.
- The recent Ofsted monitoring visit and LGA peer review had highlighted progress made in Children's Social Care but it had taken longer to address the levels of agency staff which continued to push up the cost of the service.
- New senior leaders had been appointed in Children's Services and the number of team managers employed on a permanent basis had risen significantly. Efforts were being made to increase the number of carers and social workers on permanent contracts.
- The Strategic Director of Children's Services was currently attending a local event aimed at driving up permanent recruitment.
- Placement costs were another challenge for the service but the reduced number of placements provided was positive.

- Some of the savings targets had been extended into 2018/19 and 2019/20 in order to maximise the realism and provide the maximum amount of time to stabilise the service.

The Director of Finance, Christina Thompson, then responded to the concerns raised and provided the following information:

- Moving forward into the Medium Term Financial Strategy, the council would become more reliant on the collection of tax and business rates.
- The full effect of the Government's changes to business rates remained unknown because comprehensive details of the scheme had not been published.
- The council was developing investment principles to help deliver a consistent base income. Such action was required in order to replace funding lost through cuts to Government grants.
- Lambeth had some of the lowest reserves of any local authority in London. Despite this, officers were confident there were sufficient reserves to support the council through the next stage of the financial strategy.

The Deputy Leader of the Council (Investment and Partnerships), Councillor Paul McGlone, provided further information in response to the points made by Councillor Wilson:

- A range of income generating strategies would need to be pursued to mitigate Government cuts.
- The council tax base was growing due to the Council's commitment to developing new housing. The collection rate was at the highest point in Lambeth's history.
- Government policy was introducing risk to business rates.
- The fees and charges strategy would contribute to council income.
- Borrowing powers would be used carefully with suitable investment principles.
- Rental income was increasingly contributing to council income.
- Cabinet welcomed the involvement of OSC in the production of income generating strategies.

Members then made the following comments in relation to the Revenue and Capital Budget:

- Cabinet members expressed a sense of anger at the financial state of affairs imposed by central Government. In particular, Government had failed to support and manage Adult Social Care, which was now a national problem with wider implications on NHS finances. Local councils across the political spectrum were opposed to the Government's stance on Adult Social Care.
- All local health services would be placed under pressure as a result of the budget but the council would continue to work alongside Lambeth CCG to minimise the impact on residents.
- The Government's austerity agenda had made it increasingly difficult to support important preventative services for children and families. As a result of the budget, some funding would be cut from local Children's Centres but with assistance from the voluntary sector and health service, the council would be able to keep these open.
- Whilst Government policy was damaging prospects for independent businesses, Lambeth Council would continue to invest in the local business community.

- The Equality Impact Assessment Panel had scrutinised the impact of the Government cuts and found that the most detrimental impacts were felt by vulnerable people at the fringes of society. All local councillors should support residents and oppose the cuts.
- The proposed budget demonstrated the council's ongoing commitment to the most vulnerable members of the community. There would be no increase in the costs of domiciliary care or meals on wheels.
- Fees and charges would be changed to discourage vehicle pollution and fly-tipping in the borough.
- The Popes Road public toilets would remain open.

The Leader of the Council, Councillor Lib Peck, said that the Government's cuts to local services, police, schools and the NHS were having a profound impact on the lives of residents. The shared view of administrations across London was that cuts of over 50% had devastated local services. Government grants such as the New Homes Bonus had been significantly reduced at short notice and the future prosperity of the local economy threatened by changes to business rates. Above all, the Government's mismanagement of Adult Social Care had become a crisis in need of a national solution. All local councillors had a duty to support residents and oppose the cuts.

The Deputy Leader of the Council (Finance), Councillor Imogen Walker, concluded the discussion and reaffirmed the council's commitment to the people of Lambeth.

RESOLVED:

1. To recommend Council to note and adopt the recommendations listed in the report.
2. To approve the disposal of the properties identified as 'new disposals' in Appendix 8b of the report.

The meeting ended at 5.50 pm

CHAIR
CABINET
Monday 13 March 2017

Date of Despatch: Friday 10 February 2017

Call-in Date: Friday 17 February 2017

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