

Public Accounts Select Committee Agenda

Wednesday, 27 September 2017

7:30pm

Committee room 4

Civic Suite

Catford

London, SE6 4RU

For more information contact: Timothy Andrew (Tel: 0208 31 47916)

This meeting is an open meeting and all items on the agenda may be audio recorded and/or filmed.

Part 1

Item	Pages
1. Minutes of the meeting held on 13 July 2017	1 - 10
2. Declarations of interest	11 - 14
3. Responses from Mayor and Cabinet There are none.	
4. Social care budgets Report on children's social care budgets to follow.	15 - 26
5. Communicating the Council's budget position To follow.	
6. Management report The most recent management report is available online here: https://tinyurl.com/ydboiq6m	
7. Income generation and commercialisation update	27 - 28
8. Select Committee work programme	29 - 62
9. Referrals to Mayor and Cabinet	

Public Accounts Select Committee Members

Members of the committee, listed below, are summoned to attend the meeting to be held on Wednesday, 27 September 2017.

Barry Quirk, Chief Executive
Tuesday, 19 September 2017

Councillor Maja Hilton (Chair)	
Councillor Chris Barnham (Vice-Chair)	
Councillor Paul Bell	
Councillor Brenda Dacres	
Councillor Amanda De Ryk	
Councillor Carl Handley	
Councillor Simon Hooks	
Councillor Mark Ingleby	
Councillor Roy Kennedy	
Councillor Sophie McGeevor	
Councillor Alan Hall (ex-Officio)	
Councillor Gareth Siddorn (ex-Officio)	

MINUTES OF THE PUBLIC ACCOUNTS SELECT COMMITTEE

Thursday, 13 July 2017 at 7.30 pm

PRESENT: Councillors Maja Hilton (Chair), Chris Barnham (Vice-Chair), Paul Bell, Amanda De Ryk, Carl Handley, Simon Hooks and Mark Ingleby

APOLOGIES: Councillors Brenda Dacres, Roy Kennedy and Sophie McGeevor

ALSO PRESENT: Councillor Kevin Bonavia (Cabinet Member for Resources), Timothy Andrew (Scrutiny Manager), David Austin (Head of Corporate Resources), Robert Mellors (Finance Manager, Community Services and Adult Social Care), David Minahan (Digital Transformation Manager), Dave Richards (CYP Group Finance Manager), Janet Senior (Executive Director for Resources & Regeneration) and Selwyn Thompson (Head of Financial Services)

1. Minutes of the meeting held on 28 June 2017

- 1.1 The Committee requested additional information about the cost of the Lewisham Homes management agreement and the Brockley PFI.
- 1.2 A minor amendment was required at 7.3 for an irregular capitalisation and the correction of the title for Lewisham Homes.
- 1.3 **Resolved:** that subject to a minor typographical amendment, the minutes be agreed as an accurate record of the meeting. It was also agreed that additional information would be provided about the cost of the Lewisham Homes management agreement and the Brockley PFI.

2. Declarations of interest

- 2.1 Councillor Handley declared a non-prejudicial interest in relation to item five as a governor of Watergate school and as a member of the Bent Knoll and Watergate co-operative trust.
- 2.2 Councillor Hooks declared a non-prejudicial interest in relation to item six as a governor of Conisborough College (a school applying for a licenced deficit).

3. Responses from Mayor and Cabinet

- 3.1 **Resolved:** that the response from Mayor and Cabinet be noted.

4. IT strategy update

- 4.1 David Minahan (Digital Transformation Manager) introduced the presentation. The following key points were noted:
 - The paper on the changes to the applications support service had been delayed and a decision would not be taken by Mayor and Cabinet until the autumn.
 - Work had been taking place through the shared service with the London Borough of Brent to improve Lewisham's IT infrastructure.

- Efficiencies had been achieved across the organisation. Mobile working was taking place in all directorates.
- All social workers could access information from their key databases whilst they were out of the office on visits.
- Services were being moved from face to face and telephone contact to online access. The most recent move to online access was for the benefits service.
- Work was taking place to modernise other aspects of the organisation, including the development of paperless working and the use of the Modern.Gov application for meetings.
- A decision on the expansion of the shared service to include the London Borough of Southwark would be taken by the Mayor next week. Decision makers in LB Southwark and Brent had already agreed to progress with the expansion of the service.
- The expansion of the service would enable authorities to reduce and share fixed costs for infrastructure. It would also improve resilience and offer a better route of progression for staff members.
- There was no risk to Lewisham in terms of costs from the expansion of the service, there was a potential risk of impact on the delivery of support for business as usual. Additional resources would be provided in Brent to mitigate this risk to enable the transition.
- Further work would take place in the coming months (including the roll out of Office 365 and the development of a new SharePoint).

4.2 David Minahan responded to questions from the Committee. The following key points were noted:

- The costs of providing telephone support for people out of hours would be prohibitively expensive. Consideration would need to be given in future about the support provided for Councillors and for people working out of hours, this was particularly the case in social care, where some officers might work in periods of 24 hours.
- Support for some new systems was currently provided by project teams in the Digital Transformation group. Work needed to take place to determine how ongoing support would be provided.
- In future, IT support would be provided by the shared service, with a local presence in Lewisham.
- LB Brent was the provider for IT services to the other Councils in the shared service. Management and accountability of the Service was overseen by through the joint governance arrangement.
- Partners in the shared service could leave with 18 months' notice.
- Information governance rules prevented staff from printing documents at home but Councillors could be added to a list of people who had exception to these rules.

4.3 Councillor Bonavia (Cabinet Member for Resources) responded to a question from the Committee, the following key points were noted:

- He had been attending meetings of the joint governance committee for the shared service. No decisions had yet been taken about overall budgets.
- Decisions on budgets above a certain level had to be made by the executive at each of the councils.
- A new arrangement would need to be reached for the joint governance arrangements to incorporate LB Southwark.

4.4 **Resolved:** that the update be noted. It was also agreed that officers would provide additional information regarding:

- the length of time annotated private documents could be kept in the Modern.Gov application.
- the ability of Councillors to access home printing.
- frequently asked questions relating to the use of the Modern.Gov application.

5. Financial forecasts 2017-18

5.1 Selwyn Thompson (Head of Financial Services) introduced the report. The following key points were noted:

- The general fund revenue position was showing an overspend of £12.8m, this was greater than in previous years.
- This time last year (2016-17) the overspend was £7.7m, it was £8.6m the year before that (2015-16) and £11.2m the year before that (2014-15), making the current overspend the worst position for some years.
- The housing revenue account was projected to be at a balanced position at the end of the year.
- Council tax and business rate collections were being received in line with expectations.
- There were budget pressures at the end of 2016-17 that had continued into 2017-18.
- Greater focus would be placed on areas of budget pressure, including: social care (particularly children's social care), environment, and technology and change.
- A number of schools continued to face financial difficulties. The finance team was providing support where it could and scrutinising budget plans with rigour.

5.2 Selwyn Thompson, Janet Senior (Executive Director for Resources and Regeneration), David Austin (Head of Corporate Resources), Robert Mellors (Group Finance Manager, Community Services) and Dave Richards (Group Finance Manager, Children and Young People) responded to questions from the Committee. The following key points were noted:

- A programme reviewing transport costs had been ongoing for two/three years to deliver savings. Passenger services would still be provided to children with learning difficulties.
- In adult services, the review considered how savings could be delivered by changing the way in which service users travelled.
- In children's services work was taking place to review eligibility thresholds for services as well as to give consideration of the options for more independence for service users.
- The troubled families programme was grant funded scheme from central government to engage with families with complex needs to engage with services and to support them back into work. It worked on a system of payment by results.
- Families might have a range of different needs but the criteria for defining a 'troubled' family were decided on by central government.
- Last year – the Council did not get as many families as it thought it would into work.

- Government had tightened the criteria for achieving results with troubled families.
- The Council had missed the target for working with troubled families. It was anticipated that this gap would be made up – but the timetable for closing the deficit was not yet clear.
- The Council was required to set a balanced budget at the beginning of the year. Some additional funds had been put into services facing pressures, but a number of areas were facing pressures that were greater than had been anticipated.
- Some savings still needed to be delivered from previous years in addition to savings for the next two years that had been identified but not yet implemented.
- There was some uncertainty about some areas of budget, including government rules about spending of the Better Care Fund and the savings that might be achieved from the expansion of the shared service.
- Officers would be using data to more closely examine some of the areas of overspend and pressure, including children’s social care and environmental services.
- Officers predicted that £50m of savings needed to be made between now and 2022, this was in addition to pressures and services that required funding.
- In order to ‘stand still’ in terms of the delivery of Council services funding of at least this amount would need to be made available.
- There was very little certainty about the likely funding position in 2020-21 and 2021-22.
- £32m of savings were required in the next two years in order to balance the budget. This was in addition to the delivery of the savings that had already been identified.
- There was great amount of uncertainty in projections beyond the next two years.
- Further information would be provided regarding the budget for the running of Beckenham Place Park.
- In previous years there had been an overspend of approximately £100k in the running of the park.
- There was an error in the paper relating to the under/overspends for adult social care, which would be clarified following the meeting. There was not a £3.3m underspend at the end of 2016-17.
- There had been a delay in the introduction of the food waste and fortnightly residual waste collection. This would now happen in September.

5.3 In the Committee discussions, the following key points were also noted:

- It recognised the benefits of the troubled families programme – and the wider positive aspects there might be of working with families facing difficulties.
- It was concerned that the budget set at the beginning of the year was unachievable.
- The Council might need a major strategic re-think in order to balance its budgets in the coming years.

5.4 **Resolved:** that the report be noted. It was also agreed that additional information would be provided regarding:

- the numbers of families identified through the troubled families programme and the success in receiving funding for these families.
- the overspend relating to Beckenham Place Park and Green Scene.
- prosecutions for fly-tipping.
- the figures for over/underspend in the adult social care budget.

6. Medium term financial strategy

6.1 David Austin (Head of Corporate Resources) introduced the report. The following key points were noted:

- The medium term financial strategy began the budget process for the year, which would culminate in February (2018) at Council.
- The report looked toward the medium term (four years) forecasts and focused back on the budget for the upcoming year.
- The context for the whole report was uncertainty at the international, national, regional and local levels.
- The pace of austerity had slowed but the overall direction remained consistent. National government modelling in the four year settlement expected local government to increase taxes and to reduce spending.
- The budget position at the end of last year (2016/17) meant that the Council had to use its reserves. This year there was already a forecast overspend.
- In terms of income, there was uncertainty about the future local government financing, in particular the revenue support grant and the devolution of business rates.
- There were demographic pressures and inflation (non-pay and pay) uncertainties and the possibility of some transfer of responsibilities from central government.
- The assumption was that services with defined budgets (public health grant, dedicated schools grant and housing revenue account) would balance their budgets.
- There were also risks that might need to be managed in these defined budgets, such as the potential for additional fire safety expenditure from the housing revenue account – or loans, deficits and redundancies from the dedicated schools grant.
- Pessimistic and optimistic assumptions for future budgets had been included in the report.
- The main case at present was that £32m of savings would be required to 2020 and a further £20m beyond that to 2022 in order to set a balanced budget.
- In terms of the timetable, savings needed to be brought forward to scrutiny in October/November in order to present a balanced budget.
- In November the government would produce its budget and in December there would be the local government finance settlement, which might change the assumptions made in order to produce the budget.

6.2 David Austin, Dave Richards, Janet Senior and Selwyn Thompson responded to questions from the Committee. The following key points were noted:

- Demographic projections were based on data from the previous census, incorporating Greater London Authority and Office of National Statistics projections rather than the numbers of people on the electoral register.

- The government was likely to follow through on its fair funding changes. The fair funding rules had not been updated. A number of dynamics and demographics, including age, deprivation, need, vulnerability, earning potential and economic potential could be factored in to future projections, depending on the indicators chosen by government.
- The government weighting for these various factors would influence how much the Council would receive in terms of business rates top-up. Lewisham was becoming proportionately less disadvantaged but its population was growing quickly, which entailed uncertainty for future fair funding decisions.
- The capital budget could not be used to balance the general fund.
- Some councils were getting close to the limits cuts they could make to discretionary services. It was expected that there would be Councils that needed to fall back to providing only statutory service in order to set a balanced budget.
- The Council was regularly challenged by service users on the delivery of services. There were review processes in a number of areas to manage demands.
- There was a tension being played out at councils between statutory officers responsible for managing budgets and those with statutory responsibilities to provide services.
- The prudential borrowing for the highways programme lasted for 10 years. A combination of prudential borrowing and revenue budgets were being considered to maintain Lewisham's highways and footways.
- Council tax collection rates and exemptions were reviewed every year.
- The collection rate for council tax remained consistent. Work was taking place across the Council to improve debt collection.
- The Government recently consulted on restricting the making of loans by local authorities to schools in favour of allowing schools licenced deficits.
- Schools acquiring academy status were not required to pay back their licenced deficits – whereas they were required to pay back loans.
- Should all schools with outstanding licenced deficits convert to academy status, there would be a £4m budget pressure on the Council's general fund.
- The most common rate of council tax was collected at band D.
- Any increase in properties would increase the council tax base.
- The level of council tax required to cover the costs of services to residents was dependent on the services being used by individual residents. There was no average level of council tax which would provide services for the average citizen.
- The Council was developing a programme to build assets to generate ongoing revenue streams rather than selling assets in order to achieve one off capital receipts.

6.3 Councillor Bonavia addressed the Committee, the following key points were noted:

- National government's broad trajectory since 2010 had been to focus a disproportionate level of cuts on local government whilst increasing regulation and demands for provision of services.
- This was combined with a pressure for councils to provide more of their own resources.
- Government recognised that there was a crisis in the funding of social care but it had provided a patchy response to mounting pressures.

- There was potential that the government would change its approach in the autumn statement, but this should be viewed cautiously.
- At the Council, a number of approaches had been tried to manage the cuts, including incremental cuts to services, increased use of shared services, income generation (which had proved difficult), community resilience and digitisation.
- The Council had to consider what it was for and then determine how to gather the resources to deliver services. Unfortunately much of this was out of the Council's hands.
- Services also needed to be challenged about their requirement for funding and the delivery of savings, cabinet members were leading on this work.
- A review of council tax would take place over the summer.
- There were half the number of Council officers in Lewisham that there were in 2010. In discussions with residents who were concerned about the delivery of services or the speed of responses from officers, it was important to highlight the pressures facing the remaining officers.

6.4 In Committee discussions, the following key points were also noted:

- Members recognised that financial climate was very difficult and uncertain.
- There was a discussion about the potential to use planning policy to maximise income so that the delivery of services was cost neutral to the borough.
- Members were concerned about the level of communication with residents regarding the financial pressures facing the Council. It was agreed that the Head of Communications and the Cabinet Member would be invited to the Committee's meeting in September to discuss the Council's communication with residents.

6.5 **Resolved:** that the report be noted.

7. Select Committee work programme

7.1 The Chair introduced the work programme item, in the discussion that followed these key points were noted:

- The savings report would not be available for the September meeting. The Committee would need to keep some space at its November meeting to consider the Lewisham Future Programme report.
- An item would be added at the September meeting on the cost pressures in adults and children's social care. It was agreed that the item would also include:
 - information about areas of highest costs (residential placements were discussed);
 - numbers of service users and costs, including projections for future demand;
 - comparisons with activity and costs at other London boroughs, including approaches being taken by other councils to manage cost pressures;
 - suggestions about possible radical changes to services and the potential statutory implications of making these changes.
- It was agreed that the Committee would receive the children's social care road map document that would be considered at children and young people select committee in September.

- Executive Directors for Children and Young People and Community Services (responsible for adult social care) would be invited to the meeting.

7.2 Standing orders were suspended until the completion of business.

- It was also agreed that the Head of Communications and the Cabinet Member would be invited to the meeting in September to talk about the Council's approach to communicating the Council's budget challenge to residents.
- A further discussion about the in-depth review would be held in September. The Committee discussed the changes overtime in the thresholds for the receipt of Council services.

7.3 **Resolved:** that the following items be agreed for the Select Committee's meeting in September:

- Management report;
- Cost pressures in the children's and adult social care budgets;
- Income generation update;
- Communicating the Councils budget challenge.

8. Referrals to Mayor and Cabinet

8.1 There were none.

The meeting ended at 10.05 pm

Chair:

Date:

Public Accounts Select Committee		
Title	Declaration of interests	
Contributor	Chief Executive	Item 2
Class	Part 1 (open)	27 September 2017

Declaration of interests

Members are asked to declare any personal interest they have in any item on the agenda.

1. Personal interests

There are three types of personal interest referred to in the Council's Member Code of Conduct:

- (1) Disclosable pecuniary interests
- (2) Other registerable interests
- (3) Non-registerable interests

2. Disclosable pecuniary interests are defined by regulation as:-

- (a) Employment, trade, profession or vocation of a relevant person* for profit or gain
- (b) Sponsorship – payment or provision of any other financial benefit (other than by the Council) within the 12 months prior to giving notice for inclusion in the register in respect of expenses incurred by you in carrying out duties as a member or towards your election expenses (including payment or financial benefit from a Trade Union).
- (c) Undischarged contracts between a relevant person* (or a firm in which they are a partner or a body corporate in which they are a director, or in the securities of which they have a beneficial interest) and the Council for goods, services or works.
- (d) Beneficial interests in land in the borough.
- (e) Licence to occupy land in the borough for one month or more.
- (f) Corporate tenancies – any tenancy, where to the member's knowledge, the Council is landlord and the tenant is a firm in which the relevant person* is a partner, a body corporate in which they are a director, or in the securities of which they have a beneficial interest.
- (g) Beneficial interest in securities of a body where:
 - (a) that body to the member's knowledge has a place of business or land in the borough;

(b) and either

- (i) the total nominal value of the securities exceeds £25,000 or 1/100 of the total issued share capital of that body; or
- (ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person* has a beneficial interest exceeds 1/100 of the total issued share capital of that class.

*A relevant person is the member, their spouse or civil partner, or a person with whom they live as spouse or civil partner.

3. Other registerable interests

The Lewisham Member Code of Conduct requires members also to register the following interests:-

- (a) Membership or position of control or management in a body to which you were appointed or nominated by the Council
- (b) Any body exercising functions of a public nature or directed to charitable purposes, or whose principal purposes include the influence of public opinion or policy, including any political party
- (c) Any person from whom you have received a gift or hospitality with an estimated value of at least £25

4. Non registerable interests

Occasions may arise when a matter under consideration would or would be likely to affect the wellbeing of a member, their family, friend or close associate more than it would affect the wellbeing of those in the local area generally, but which is not required to be registered in the Register of Members' Interests (for example a matter concerning the closure of a school at which a Member's child attends).

5. Declaration and Impact of interest on members' participation

- (a) Where a member has any registerable interest in a matter and they are present at a meeting at which that matter is to be discussed, they must declare the nature of the interest at the earliest opportunity and in any event before the matter is considered. The declaration will be recorded in the minutes of the meeting. If the matter is a disclosable pecuniary interest the member must take no part in consideration of the matter and withdraw from the room before it is considered. They must not seek improperly to influence the decision in any way. **Failure to declare such an interest which has not already been entered in the Register of Members' Interests, or participation where such an interest exists, is liable to prosecution and on conviction carries a fine of up to £5000**
- (b) Where a member has a registerable interest which falls short of a disclosable pecuniary interest they must still declare the nature of the interest to the meeting at the earliest opportunity and in any event before the matter is considered, but they may stay in the room, participate in

consideration of the matter and vote on it unless paragraph (c) below applies.

- (c) Where a member has a registerable interest which falls short of a disclosable pecuniary interest, the member must consider whether a reasonable member of the public in possession of the facts would think that their interest is so significant that it would be likely to impair the member's judgement of the public interest. If so, the member must withdraw and take no part in consideration of the matter nor seek to influence the outcome improperly.
- (d) If a non-registerable interest arises which affects the wellbeing of a member, their, family, friend or close associate more than it would affect those in the local area generally, then the provisions relating to the declarations of interest and withdrawal apply as if it were a registerable interest.
- (e) Decisions relating to declarations of interests are for the member's personal judgement, though in cases of doubt they may wish to seek the advice of the Monitoring Officer.

6. Sensitive information

There are special provisions relating to sensitive interests. These are interests the disclosure of which would be likely to expose the member to risk of violence or intimidation where the Monitoring Officer has agreed that such interest need not be registered. Members with such an interest are referred to the Code and advised to seek advice from the Monitoring Officer in advance.

7. Exempt categories

There are exemptions to these provisions allowing members to participate in decisions notwithstanding interests that would otherwise prevent them doing so. These include:-

- (a) Housing – holding a tenancy or lease with the Council unless the matter relates to your particular tenancy or lease; (subject to arrears exception)
- (b) School meals, school transport and travelling expenses; if you are a parent or guardian of a child in full time education, or a school governor unless the matter relates particularly to the school your child attends or of which you are a governor;
- (c) Statutory sick pay; if you are in receipt
- (d) Allowances, payment or indemnity for members
- (e) Ceremonial honours for members
- (f) Setting Council Tax or precept (subject to arrears exception)

This page is intentionally left blank

Public Accounts Select Committee		
Title	Adult social care budget	
Contributor	Executive Director for Community Services/Executive Director for Resources and Regeneration	Item 4
Class	Part 1 (open)	27 September 2017

1. Purpose

- 1.1 In advance of consideration of the next round of savings proposals, the Committee has requested more information about the current cost pressures on the ASC budget. This report provides a summary of the statutory context for adult social care, and how the costs are managed. In addition, further detail on the key lines of enquiry are listed below.

2. Recommendations

- 2.1 Members of the Select Committee are asked to note the content of the report.

3. Background

- 3.1 On 13 July, 2017 members of the Committee raised their concerns about the scale and direction of travel in respect of the ASC budget and the impact this has on the Council's decisions regarding future savings.

4. Key lines of enquiry

- 4.1 The Committee has asked for information on the following to be included in this report:
- Current budget, funding and savings;
 - Benchmarking and demographic information;
 - Pressure and trends;
 - Benchmarking with other London boroughs;
 - The market position;
 - Actions being taken to achieve savings;

5. Policy Context

5.1 Statutory Requirements Care Act 2014

- The Care Act 2014, provides guidance as to how a Local Authority should go about performing its care and support responsibilities for those with care needs and their carers. The overall challenge set out by the Act is to promote wellbeing and independence of the whole adult population by working collaboratively with Health.

- The Council has a duty to provide the public with a wide range of information and advice regardless of whether they are eligible for a social care assessment.
- The Care and Support (Eligibility Criteria) Regulations 2014 sets out the eligibility threshold for adults with care and support needs and their carers. The threshold is based on identifying how a person's needs affect their ability to achieve relevant outcomes, and how this impacts on their wellbeing. Where local authorities have determined that a person has any eligible needs, they must meet these needs.
- The Care Act 2014 gives local authorities a legal responsibility to provide a care and support plan. The care and support plan should consider what the person has what they want to achieve, and what they can do by themselves. The support plan may include a personal budget which is the money the Council has worked out it will cost to arrange the necessary care and support for that person.
- Everyone whose needs the local authority meets must receive a personal budget as part of the care and support plan. The personal budget gives the person clear information about the money allocated to meet the needs identified in the assessment and recorded in the plan.

6. The Adult Social Care Budget

- 6.1 The Council's General Fund budget for 2017/18, agreed by Council in February 2017, is £232.7m. The net Adult Social Care (ASC) budget as part of this is £68.8m, or 30%. The ASC budget comprises:

	<u>£m</u>
Employees	15.711
Premises	0.402
Transport	2.179
Supplies & Services	6,635
Third Party Payments (packages & placements)	72,336
Transfer Payments (Direct payments)	<u>6.246</u>
Gross	<u>103.509</u>
Government Grants	-1.552
Other Reimbursements*	-21.897
Fees & Charges	<u>-11.223</u>
Income	<u>-34.672</u>
Net	<u><u>68.837</u></u>

* Other reimbursements includes Better Care Fund (approx. £9m), and improved Better Care Fund and additional government grant (approx. £7.6m) as well as income for Funded Nursing Care.

NB: These figures exclude £11.5m expenditure and income for Continuing Health Care (CHC) packages and placements paid by the Council on behalf of the CCG.

6.2 Overspends

At period 2 an overspend of £1.1m was projected on Adult Social Care budgets. This is a reduction on the 2016/17 position although given the level of additional investment in the service in this financial year from additional government grant and the improved Better Care Fund a balanced position had been expected.

In 2016/17 the Adult Social Care budget overspent by £5.3m, the main reasons for this overspend are set out below:

	£m
Unachieved savings	0.6
Mental health	0.8
Social Work staffing	0.3
LD inc Transition	2.4
OA volume pressure	0.3
Transport	1.0
Price pressure	0.6
one-off BCF underspend	(0.7)
	<u><u>5.3</u></u>

Movements between 16/17 and 17/18

	£m
2016/17 overspend	5.3
Add: BCF underspend (not expected in 17/18)	0.7
Add: older adults volume pressures	0.6
Add: transition costs	0.7
Add: increased cost of DOLS	0.2
Less: 3% precept	(2.7)
Add: Price pressures	2.4
Less: Adult Social Care Support Grant	(1.2)
Less: iBCF (net of £1m spend on HICM)	(6.6)
Add: savings underachievement	2.5
Less: recurrent increase in BCF	(0.3)
Less: other cost control measure	(0.5)
	<u><u>1.1</u></u>

6.3 Savings

As adult social care is the largest General Fund service the council will inevitably seek savings from the service as part of its budget strategy. Despite some relative protection the savings sought from the service have been considerable. Since 2011/12 savings totalling almost £30m have been taken from the adult social care budget. The table below provides on the year on year level of savings made since 2011/12.

Year	Savings Made / Proposed
11/12	2.9m
12/13	2.0m
13/14	3.5m
14/15	6.8m
15/16	7.5m
16/17	2.8m
17/18	4.1m
TOTAL:	29.6m

This £30m of ASC savings is in the context of the more than £160m of savings made by the Council in the same period, or 18% of the total savings. Had the ASC savings been in proportion to their share of the net budget (30%) the savings required would have been £50m.

This £20m difference is consistent with the budget decisions taken by Council to protect front line services where possible to ensure that statutory obligations are met and honour the commitment to being a London Living Wage employer.

Since 2010/11 Adult Social Care has received budget growth of £3.5m. This was made up of:

- £1.0m for demographic growth in 2010/11;
- £0.6m for transition cases in 2010/11, £1.0m in 2012/13, and £0.9m in 2013/14.

Adult Social Care has paid the London Living Wage since 2013/14, Since 2016/17 the ASC budget has benefitted from the Adult Social Care Precept adding £4.9m to the base to fund the above inflationary costs of rises in the London Living Wage.

In respect of ASC, full achievement of the savings offered has proved increasingly difficult. There is a limit to the extent that service user numbers can be reduced with national eligibility criteria and the commitment to the payment of the London Living Wage which reduces scope for the reduction in unit costs.

For 2017/18 there is a savings target of £4.1m. £2.5m of savings are funded from the IBCF money. A further saving of £700k will be achieved during the year, which totals £3.2m of the planned saving. It is recognised that £900k will remain unachievable in 17/18.

6.4 Use of new funding

Three new sources of funding have been made available to support adult social care in 2017/18

- The Adult Social Care Support Grant is £1.2m. This is being used to address base budget pressures.
- Improved Better Care Fund (in 2 parts totalling £7.6m)
- Adult Social Care precept (agreed locally at 3% = £2.7m). This is being used to fund annual provider rate increases.

The BCF plan in 2017/18 will principally be used to address volume and other pressures, allowing the service to continue to support the local health system through prompt hospital discharges, enablement etc. Part is used to lessen the need to make savings to balance the budget. Finally, £1m is used to invest in new services required to implement the government's High Impact Change Model to further support the system in relation to hospital discharge activity.

6.5 How we monitor and control expenditure on care

Adult Social care has put measures in place to ensure costs are controlled and resources are spent in the most appropriate and efficient way.

The gateway to social care provides increasing levels of information and advice to people that help them make decisions regarding the support they need. This ensures that the people who are able, use community and their own resources before they enter into longer term care provided by the council.

The Enablement Service is available to support people who are experiencing problems for the first time or are recovering from illness or operations. A programme of reablement and rehabilitation is available for up to 6 weeks free of charge to help recovery and reduce the need for and level of ongoing long term care.

Senior managers convene daily panels in which Social Care practitioners present applications for the funding of packages of care. This is in conjunction with our Resource Allocation system (RAS) costing tool that ensures the care required is costed appropriately.

The Joint Commissioning team undertake re-commissioning of services and regular negotiation of fees for spot purchased care.

6.6 Pressures and Trends

- About a quarter of adult population aged 65 plus in Lewisham attended accident and emergency (A&E) in the last three years. Almost 70% of people aged 90 or

over are likely to be admitted to hospital when they attend A&E

- Hospital Discharge: National pressures on the NHS has meant that there is an increase in numbers of people requiring an assessment following a stay in hospital. Hospital admission and readmission rates for older people are higher in Lewisham than the overall rate for England. Hospital Discharges has increased from an average of 270 – 320 per month. In addition, the length of stay in hospital is shorter and people are identified for discharge sooner, resulting in the need for more intensive and expensive packages of care.
- Reducing Delayed Transfers of Care (DToc) The numbers of patients on the Ready for Discharge (RFD) list have fallen from 55 to 13 per week since last year. The national target is to have 14 or fewer patients on the RFD at any one time. Assuming an average residential or intensive home care cost of £500 p.w. this accounts for an additional cost to the council of approx. £1m per year.

The Council has been set clear targets regarding Dtoc which are conditional to the funding in the IBCF. The IBCF conditions clear states that if we do not meet the DtoC Targets set for both Adult Social Care and the NHS, some if not all of the money can be claimed by the government.

- Mental Health and Dementia: Lewisham has a higher proportion of people with serious dementia problems than neighbouring areas. The cost of managing the needs of people with dementia in the community, either in accommodation based services or in an individuals own home are significantly higher than the cost of care for individuals who are elderly and frail.

LB Lewisham has one of the highest rates of serious mental illness in London. Admission rates to acute psychiatric beds are high resulting in a significant pressure on the local authority as there is a statutory duty to provide aftercare for those individuals who have been detained under specific sections of the Mental Health Act. Pressure to reduce admissions to inpatient beds and a focus on reducing the length of stay has impacted on the spend on mental health placements as costs have increased in response to the level of complexity of people's needs

Lewisham is expected to see a 23% increase in the numbers of people presenting with Dementia and an increase of 28% of people with a Services Mental Illness by 2026.

In 16/17 the cost pressure in the Adult Social Care Mental Health placements budget is £0.8m, there is a recovery plan in place in partnership with SLaM to manage this pressure down in 17/18.

- Transitions: The number of young adults with complex disabilities transitioning from Children's Services continues to increase, year on year. Lewisham has the 4th highest Autism level in the U.K. This is materialising as a demand/ pressure as there is also an increase in the number of families with more than one sibling with autism, learning disability or ADHD diagnosis making increasing difficult for

families to cope. The increasing number of young adults needing more complex support is currently adding a pressure of £1.1 to the budget.

- Learning Disabilities: The estimated total number of adults with a learning disability aged 18 to 64 in Lewisham is estimated at 1,120, this is projected to rise to 1,190 in 2020. Currently, 755 people with a learning disability are receiving services funded by Lewisham Council. Data that relates to our comparator borough suggest that we spend more per head of population on people with a Learning Disability, and our in year pressure on the budget is £500k. Contract negotiations with all current providers is taking place as cases are being reviewed.
- Deprivation of Liberty Safeguards: There has been a year on year increase in requests to carry out statutory assessments of Deprivation of Liberty (DoLS), in 16/17 we carried out approximately 800 assessments, in 17/18 we are forecasting for this to rise over 1000, this will cause a further budget pressure of 200k on the existing 500k cost pressure that this new statutory duty presents.
- Unit costs. As both national living wage and London Living Wage have increased above Retail Price and Consumer Price Index (RPICPI) over recent years commissioners have been faced with pressure from providers to increase contractual rates. For our contracts with the four lead domiciliary care providers increases have been approx 2.9% and equivalent increases have been necessary for direct payments.
- Numbers of people in receipt of home care services and direct payments have increased from 1434 in July 2016 to 1517 in July 2017. Unit costs have also increased, with above inflationary increases to fund London Living Wage (average £174 per week for home care and DPs in July 2016 to £204 in July 2017). The combined effect of these Increases has been a 23% increase in weekly cost of home care and direct payments (from £250k per week in July 2016 to £309k in July 2017).
- Negotiations have taken place contain the uplift for residential and nursing care to 3%, but provision in this sector has shrunk considerably, with a loss of three nursing homes and three residential homes since 2013. With little interest in the market to open new homes, and the growing need for placements the market remains fragile and the costs continue to rise.
- Over the last 2 1/2 years Lewisham has seen a reduced number of deaths leading to a growth of people who receive services.

6.7 Other Pressures

Following legal challenge there is a new requirement for sleep-in shifts to be paid the National Minimum Wage for the hours worked. Four (4) providers (7 individual placements) have formally approached the Council in this respect and they have asked for an average 4.8% uplift on top of the 3% 17/18 uplift offered. The cost of meeting these specific requests is just over £22K for 2017/18. However, the possible financial risk if all providers make similar representation is an estimated additional £500K 2017/18.

6.8 Cost of Care and benchmarking

The most detailed return is the Adult Social Care Finance Return (ASC- FR) submitted in July with a second submission in late August. Full data is only published in November so comparative analysis for 16/17 is not yet available. However, we have the analysis completed on the 15/16 returns. This shows Lewisham to be a mid-level spender compared to our group of CIPFA comparators. At £359.97 p.a. per capita aged 18+, Lewisham's spend is the 8th highest of our comparator group of 16 Councils.

(Some of these Councils do not all pay the London Living Wage)

CIPFA Comparator Group	
Greenwich	Ealing
Hackney	Enfield
Islington	Haringey
Lambeth	Hounslow
Southwark	Newham
Tower Hamlets	Redbridge
Brent	Waltham Forest
Croydon	

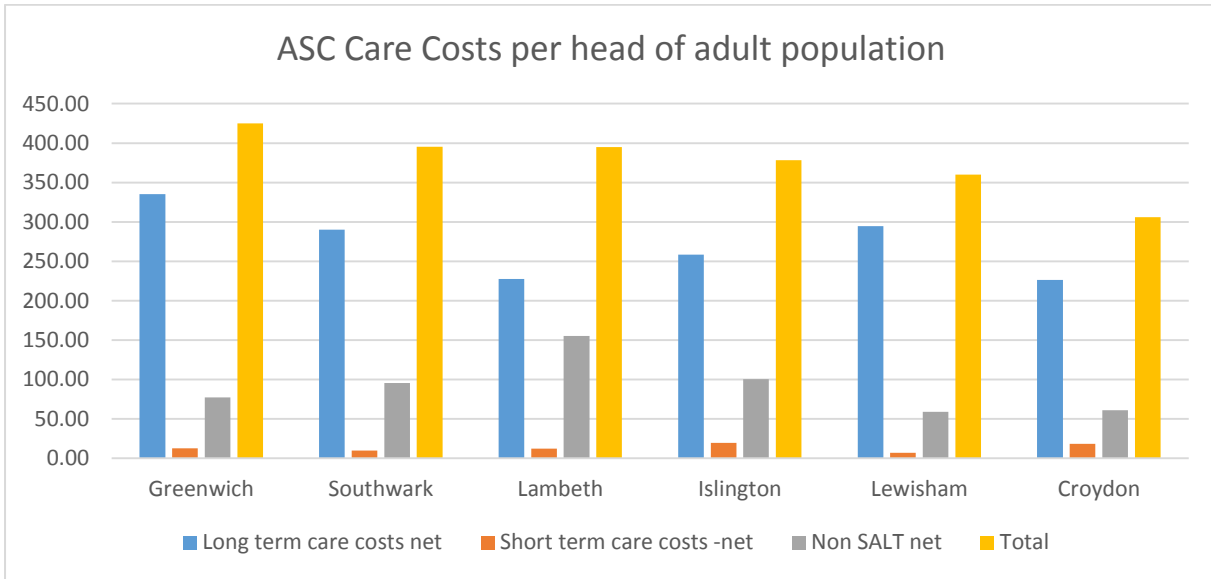
	Lewisham – annual spend per population 18+	Comparator group – annual spend per population 18+	Difference (£)	Difference (%)
Long term net	294.60	253.92	40.68	16.02%
Short term net	6.68	10.65	-3.97	-37.28%
Non SALT net	58.69	78.34	-19.65	-25.08%
Total	359.97	342.91	17.06	4.98%

Lewisham's spend on short-term and non-SALT services is below average. This partly reflects the use of Better Care Fund to support social work services and enablement whereas in other boroughs more of this fund is used to fund nursing and other placement costs. (Lewisham shows as a high net spender on nursing for this reason). Low spend on non-SALT may also reflect the fact that some boroughs show all overheads as non-SALT rather than allocating them across all services. Lewisham's relatively high spend on long-term services would then be partly explained by the inclusion of overheads.

However, when benchmarking with our London local comparator boroughs (Greenwich, Islington, Lambeth, Southwark and Croydon) who have similar demographics it suggests our overall spend per capita of the adult population is the second lowest.

Adult Social Care Finance Return 15/16						
Category	Greenwich	Southwark	Lambeth	Islington	Lewisham	Croydon
Long term care costs net	335.24	289.96	227.58	258.39	294.60	226.44
Short term care costs –net	12.60	9.82	12.32	19.49	6.68	18.35
Non SALT net	77.34	95.56	155.11	100.38	58.69	61.07
Total	425.18	395.34	395.01	378.26	359.97	305.86

All the boroughs listed in the table above pay the London Living Wage.



The ASC-FR allows us to breakdown further the spend highlighted above by age and client group, the results are highlighted in the table below:

	Greenwich	Islington	Lambeth	Lewisham	Southwark	Croydon
Net Expend Age 18 to 64 Learning Disability support	156.99	109.50	100.35	145.71	135.67	140.61
Net Expend Age 18 to 64 Mental Health support	47.53	25.33	37.20	20.83	6.83	12.54
Net Expend Age 18 to 64 Support with Physical, Memory and Cognition	45.41	35.37	33.95	38.45	45.73	29.79
Net Expend Age 18 to 64 Sensory support	4.07	0.18	0.99	0.85	0.00	0.23
Net Expend Age 65 and over Learning Disability support	55.89	45.96	75.05	94.90	31.31	65.99
Net Expend Age 65 and over Mental Health support	18.84	193.69	112.12	123.20	152.24	23.25
Net Expend Age 65 and over Support with Physical, Memory and Cognition	745.14	740.72	543.57	699.15	1,004.02	328.79
Net Expend Age 65 and over Sensory support	11.54	5.68	1.30	5.70	0.00	7.47

6.9 Actions being taken to achieve savings:

The following areas of service delivery are the focus of further work to reduce the overspend and achieve the current planned savings:

- Demand management – there is a continued focus on how demand for social care is managed more effectively yet safely. There is a programme of work in place that is building on the improvements to how information and advice is provided by connecting people to solutions within the wider community, by providing immediate and intensive short term support to stabilise a crisis and regain independence if possible. There is ongoing support for those who need it which promotes independence and self management where possible. The improvements resulting from digital transformation will enhance our approach to demand management.
- Mental Health review of social care expenditure with South London and Maudsley Foundation Trust . Joint commissioners are undertaking a formal review of staffing resources, expenditure on care packages and placements.
- Transition and preparing for adulthood: Good progress has been made in this area from the partnership work across Adult Social care, Children’s Services and Education. Young people are worked with at an earlier stage are plans in place to build on this work by identifying children and working with them and their families from Year 9. Further work will focus on strategic commissioning of resources within the borough to support young people and their families to develop their potential closer to home.
- Integration across Health and Social Care: The four Neighbourhoods are the focus for the pilots of multi-disciplinary work with GP practices. The purpose of the pilots is to develop more co-ordinated person centred care and support, a new

model of case management that reduces duplication and develops a joint approach to assessment.

- Shared Lives: Further development is in place to recruit more Shared Lives carers who offer a more person centred and cost effective option to those people who require respite or long term care.
- Assistance to travel: Working across the boundary with Children's Services, there is work in place to develop alternative options that support people to travel independently where possible. Efficiencies have already been achieved and there is further work in place on this going forward.
- Developing further the personal assistants market to support the Direct Payment option.
- Work with housing to bring on line the new Extra Care Schemes reduces the reliance on residential care placements.
- Review of the DOLs service to explore more cost effective options.
- Explore more cost effective options for the delivery of Enablement Care.

6.10 Prospects for future years

The Council's budget strategy continues to rely on savings from all services including Adult Social Care. The savings targets for ASC have been set out in the four year Efficiency Plan provided to government and the medium term financial strategy agreed at Mayor and Cabinet in July 2017.

The target set for ASC is £6.1m in 18/19 and £3.1m in 19/20. This target is based on a percentage reduction of the overall ASC budget.

Further work needs to be undertaken to identify how the programmes of service transformation highlighted previously in this report will contribute towards the 18/19 and 19/20 savings. However, given the increasing complexity of need, the costs associated with the provision of care and the savings already achieved, it will be challenging to achieve a further £9m in totality across these two years.

7. Financial implications

7.1 The financial implications are contained within the body of the report.

8. Legal implications

8.1 There are no further legal implications arising from the context of this report, save that specific budgetary proposals will require further report with legal implications as to the process and proposals.

9. Crime and Disorder Implications

9.1 There are no specific crime and disorder implications.

10. Equalities Implications

10.1 There are no specific equalities implications.

11. Environmental Implications

11.1 There are no specific environmental implications.

If there are any queries on this report please contact Joan Hutton, Head of Adult Social Care (Tel: 020 8314 8364) or Robert Mellors, Group Finance Manager on 020 8314 6628.

Public Accounts Select Committee		
Title	Income generation and commercialisation update	
Contributor	Scrutiny Manager	Item 7
Class	Part 1 (open)	27 September 2017

1. Summary

- 1.1 The Committee has agreed that it will receive regular updates on the Council's income generation and commercialisation activities.

2. Recommendations

- 2.1 The Committee is asked to:
- Note the brief update, below.
 - Direct questions to officers in attendance at the meeting on 27 September.

3. Update

- 3.1 At the Committee's meeting in June 2017, it considered an update report on the Council's activities in relation to income generation and commercialisation. The Committee recommended that the posts outlined in that report to be filled as soon as possible. The Committee also recommended that the appointees to these should have the relevant experience of- commercial strategy, innovative business models and procurement in order to maximise the opportunities available.
- 3.2 Since the committee meeting and over the course of the summer, officers have developed a job description and person specification for the main post. This post will be advertised internally and the post-holder is expected to work with others in the Council to re-establish the in-house procurement function. It is intended that this will, in turn, provide the appropriate platform for the development of a more commercial approach to income generating activities for the Council.
- 3.3 The job description and person specification have now been evaluated and officers intend to advertise the post internally. As part of the Council's approach, officers are currently liaising with a company of recruitment consultants specialising in procurement and commercial personnel for an individual who could be engaged for a short term period to support the new appointment in building the procurement and commercial base.

4. Implications

- 4.1 There are no additional implications to note as a result of the implementation of the recommendations in this report.

This page is intentionally left blank

Public Accounts Select Committee		
Title	Select Committee work programme 2017-18	
Contributor	Scrutiny Manager	Item 8
Class	Part 1 (open)	27 September 2017

1. Purpose

- 1.1 To advise Committee members of the work programme for the 2017-18 municipal year, and to agree the agenda items for the next meeting.

2. Summary

- 2.1 In April, the committee drew up a draft work programme for the municipal year 2017-18.
- 2.2 The work programme can be reviewed at each Select Committee meeting to take account of changing priorities.

3. Recommendations

- 3.1 The Committee is asked to:

- Note the work plan attached at **Appendix B** and discuss any issues arising from the programme;
- look at the items scheduled for the next meeting and clearly specify the information and analysis required, based on desired outcomes, so that officers are able to meet expectations;
- review all forthcoming key decisions, attached at **Appendix C**, and consider any items for further scrutiny.
- give consideration to the report at **Appendix D**, which sets out the policy and legislative programme of the newly elected government.

4. Work programme

- 4.1 The work programme for 2017-18 was agreed at the 19 April 2017 meeting.
- 4.2 The Committee is asked to consider if any urgent issues have arisen that require scrutiny and if any existing items are no longer a priority and can be removed from the work programme. Before adding additional items, each item should be considered against agreed criteria. The flow chart attached at **Appendix A** may help Members decide if proposed additional items should be added to the work programme. The Committee's work programme needs to be achievable in terms of the amount of meeting time available. If the Committee agrees to add additional item(s) because they are urgent and high priority, Members will need to consider which medium/low

priority item(s) should be removed in order to create sufficient capacity for the new item(s).

5. The next meeting

5.1. The following reports are scheduled for the meeting on 16 November 2017:

Agenda item	Review type	Link to corporate priority	Priority
Lewisham Future Programme	Performance monitoring	Inspiring efficiency, effectiveness and equity	High
Management report	Performance monitoring	Inspiring efficiency, effectiveness and equity	High
Income generation and commercialisation update	Performance monitoring	Inspiring efficiency, effectiveness and equity	Medium
Financial forecasts 2017-18	Performance monitoring	Inspiring efficiency, effectiveness and equity	High
Mid-year treasury management review	Performance monitoring	Inspiring efficiency, effectiveness and equity	High

5.2. The Committee is asked to specify the information and analysis it would like to see in the reports for these item, based on the outcomes the committee would like to achieve, so that officers are clear on what they need to provide for the next meeting.

5.3 The report at **Appendix D** was considered by the Overview and Scrutiny Committee in July 2017. It sets out the policy and legislative programme of the new Conservative government. The programme reflects the commitments set out in the Conservative Party Election manifesto published in May as well as the contents of the Queen's Speech and the Conservative-Democratic Unionist Party Agreement, both of which were released in June 2017. In addition, the report includes an update on Brexit. It was agreed at Overview and Scrutiny Committee that all select committees should consider this report in order to inform their work programmes going forward.

6. Financial implications

6.1. There are no financial implications arising from the implementation of the recommendations in this report. There may be financial implications arising from some of the items on the work programme (especially reviews) and these will need to be considered when preparing those items/scoping those reviews.

7. Legal implications

7.1. In accordance with the Council's Constitution, all scrutiny select committees must devise and submit a work programme to the Business Panel at the start of each municipal year.

8. Equalities implications

8.1. The Equality Act 2010 brought together all previous equality legislation in England, Scotland and Wales. The Act included a new public sector equality duty, replacing the separate duties relating to race, disability and gender equality. The duty came into force on 6 April 2011. It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

8.2. The Council must, in the exercise of its functions, have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act
- advance equality of opportunity between people who share a protected characteristic and those who do not.
- foster good relations between people who share a protected characteristic and those who do not.

8.3. There may be equalities implications arising from items on the work programme and all activities undertaken by the Committee will need to give due consideration to this.

Background documents

Lewisham Council's Constitution

Centre for Public Scrutiny: The Good Scrutiny Guide

Appendices

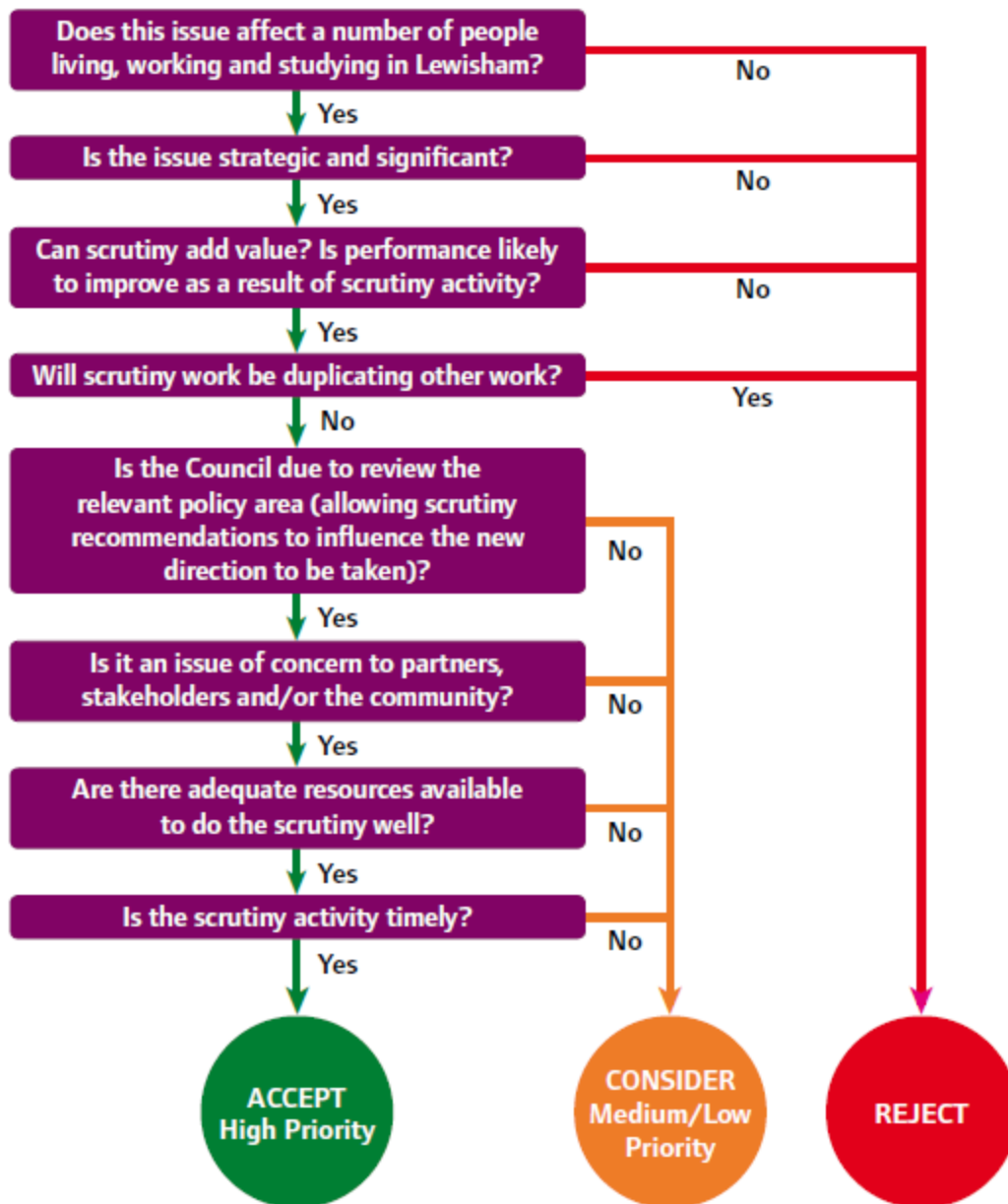
Appendix A – Scrutiny work programme – prioritisation process

Appendix B – 2017-18 work plan

Appendix C – Key decision plan

Appendix D - Conservative Party Manifesto, Conservative-DUP Agreement, Queen's Speech and Brexit Update

Scrutiny work programme – prioritisation process



Public Accounts Select Committee Work Programme 2017/18

Programme of work

Work Item	Type of review	Priority	Strategic priority	Delivery deadline	19-Apr	28-Jun	13-Jul	27-Sep	16-Nov	20-Dec	06-Feb	21-Mar
Lewisham Future Programme	Performance monitoring	High	CP10	Ongoing					Savings			
Election of Chair and Vice-Chair	Constitutional requirement	High	CP10	Apr								
Select committee work programme 2017/18	Constitutional requirement	High	CP10	Ongoing								
Income generation and commercialisation	Performance monitoring	High	CP10	Jun								
Management report	Performance monitoring	Medium	CP10	Ongoing								
School budgets (Jointly with CYP select committee)	Performance monitoring	High	CP 2	Jun								
IT Strategy update	Standard item	High	CP10	Jun								
Final outturn 2016/17	Performance monitoring	Medium	CP10	Jun								
Medium term financial strategy	Standard item	Medium	CP10	Jul								
Financial forecasts 2017/18	Performance monitoring	High	CP10	Ongoing								
Mid-year treasury management review	Performance monitoring	Medium	CP10	Nov								
Cost pressures in adult and children's social care	Performance monitoring	High	CP10	Sep								
Communicating the Council's budget position	Policy development	High	CP10	Sep								
Household budgets review	Rapid review	High	CP10	Dec		Scope				Evidence	Report	
Private finance initiatives	Standard item	Medium	CP10	Jun								
Annual complaints report	Performance monitoring	Low	CP10	Dec								
Asset management update	Performance monitoring	Medium	CP10	Dec								
Annual budget 2018/19	Standard item	High	CP10	Jan								
Business rates consultation	Standard item	High	CP10	Tbc								
Audit panel update	Constitutional Requirement	Low	CP10	Mar								

	Item completed
	Item on-going
	Item outstanding
	Proposed timeframe
	Item added

Meetings						
1)	Wed	19 Apr		5)	Thu	16 Nov
2)	Wed	28 Jun		6)	Wed	20 Dec
3)	Thu	13 Jul		7)	Tue	6 Feb
4)	Wed	27 Sep		8)	Wed	21 Mar

Shaping Our Future: Lewisham's Sustainable Community Strategy 2008-2020		
	Priority	
1	Ambitious and achieving	SCS 1
2	Safer	SCS 2
3	Empowered and responsible	SCS 3
4	Clean, green and liveable	SCS 4
5	Healthy, active and enjoyable	SCS 5
6	Dynamic and prosperous	SCS 6

Corporate Priorities		
	Priority	
1	Community Leadership	CP 1
2	Young people's achievement and involvement	CP 2
3	Clean, green and liveable	CP 3
4	Safety, security and a visible presence	CP 4
5	Strengthening the local economy	CP 5
6	Decent homes for all	CP 6
7	Protection of children	CP 7
8	Caring for adults and older people	CP 8
9	Active, healthy citizens	CP 9
10	Inspiring efficiency, effectiveness and equity	CP 10

FORWARD PLAN OF KEY DECISIONS

Forward Plan October 2017 - January 2018

This Forward Plan sets out the key decisions the Council expects to take during the next four months.

Anyone wishing to make representations on a decision should submit them in writing as soon as possible to the relevant contact officer (shown as number (7) in the key overleaf). Any representations made less than 3 days before the meeting should be sent to Kevin Flaherty, the Local Democracy Officer, at the Council Offices or kevin.flaherty@lewisham.gov.uk. However the deadline will be 4pm on the working day prior to the meeting.

A "key decision"* means an executive decision which is likely to:

- (a) result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council's budget for the service or function to which the decision relates;
- (b) be significant in terms of its effects on communities living or working in an area comprising two or more wards.

August 2017	Housing Infrastructure Fund - Bids for Catford town centre, Lewisham Interchange and Lewisham Gateway	13/09/17 Mayor and Cabinet	Janet Senior, Executive Director for Resources & Regeneration and Councillor Alan Smith, Deputy Mayor		
	Training and Work Experience Programme Good Hope Cafes	13/09/17 Mayor and Cabinet	Janet Senior, Executive Director for Resources & Regeneration and Councillor Alan Smith, Deputy Mayor		

FORWARD PLAN – KEY DECISIONS

Date included in forward plan	Description of matter under consideration	Date of Decision Decision maker	Responsible Officers / Portfolios	Consultation Details	Background papers / materials
February 2017	Telephony re-procurement	13/09/17 Mayor and Cabinet (Contracts)	Kevin Sheehan, Executive Director for Customer Services and Councillor Kevin Bonavia, Cabinet Member Resources		
August 2017	Agreement to enter into a contract to deliver a Training and Work Experience Programme in Good Hope Cafes with For Jimmy	13/09/17 Mayor and Cabinet (Contracts)	Janet Senior, Executive Director for Resources & Regeneration and Councillor Kevin Bonavia, Cabinet Member Resources		
May 2017	Sangley and Sandhurst Road Highway Improvement Scheme Contract Award	13/09/17 Mayor and Cabinet (Contracts)	Janet Senior, Executive Director for Resources & Regeneration and Councillor Alan Smith, Deputy Mayor		
August 2017	Foster Care Preferred Provider Framework Extension	13/09/17 Mayor and Cabinet (Contracts)	Sara Williams, Executive Director, Children and Young People and Councillor Paul Maslin, Cabinet Member for Children and Young People		
May 2017	Audited Accounts and Pension Fund Accounts 2016/17	20/09/17 Council	Janet Senior, Executive Director for Resources & Regeneration and Councillor Kevin Bonavia, Cabinet Member Resources		

FORWARD PLAN – KEY DECISIONS

Date included in forward plan	Description of matter under consideration	Date of Decision Decision maker	Responsible Officers / Portfolios	Consultation Details	Background papers / materials
May 2017	Financial Regulations and Directorate Schemes of Delegation	20/09/17 Council	Janet Senior, Executive Director for Resources & Regeneration and Councillor Kevin Bonavia, Cabinet Member Resources		
	LCTEC Agreement Amendment Delegated Authority Form	20/09/17 Council	Kath Nicholson, Head of Law and Councillor Alan Smith, Deputy Mayor		
August 2017	Insurance Renewal Contracts	26/09/17 Overview and Scrutiny Business Panel	Janet Senior, Executive Director for Resources & Regeneration and Councillor Kevin Bonavia, Cabinet Member Resources		
March 2017	Achilles Street Regeneration Proposals	04/10/17 Mayor and Cabinet	Kevin Sheehan, Executive Director for Customer Services and Councillor Damien Egan, Cabinet Member Housing		
	Adoption of Lewisham Cycling Strategy	04/10/17 Mayor and Cabinet	Janet Senior, Executive Director for Resources & Regeneration and Councillor Alan Smith, Deputy Mayor		
	Agreed Syllabus Review and Syllabus Launch	04/10/17 Mayor and Cabinet	Sara Williams, Executive Director, Children and Young People and Councillor Paul Maslin, Cabinet Member for Children and Young		

FORWARD PLAN – KEY DECISIONS

Date included in forward plan	Description of matter under consideration	Date of Decision Decision maker	Responsible Officers / Portfolios	Consultation Details	Background papers / materials
			People		
	Review of Implementation of the Armed Forces Community Covenant	04/10/17 Mayor and Cabinet	Janet Senior, Executive Director for Resources & Regeneration and Councillor Damien Egan, Cabinet Member Housing		
August 2017	Blackheath Joint Events Policy 2017-2020	04/10/17 Mayor and Cabinet	Kevin Sheehan, Executive Director for Customer Services and Councillor Rachel Onikosi, Cabinet Member Public Realm		
August 2017	Discretionary Business Rates Scheme 2017/2018 Revaluation Support	04/10/17 Mayor and Cabinet	Kevin Sheehan, Executive Director for Customer Services and Councillor Kevin Bonavia, Cabinet Member Resources		
August 2017	Fostering Strategy	04/10/17 Mayor and Cabinet	Sara Williams, Executive Director, Children and Young People and Councillor Paul Maslin, Cabinet Member for Children and Young People		
	Good Growth Fund Expression of Interest	04/10/17 Mayor and Cabinet	Janet Senior, Executive Director for Resources & Regeneration and Councillor Alan Smith, Deputy Mayor		

FORWARD PLAN – KEY DECISIONS					
Date included in forward plan	Description of matter under consideration	Date of Decision Decision maker	Responsible Officers / Portfolios	Consultation Details	Background papers / materials
	LGO finding against the Council	04/10/17 Mayor and Cabinet	Sara Williams, Executive Director, Children and Young People and Councillor Paul Maslin, Cabinet Member for Children and Young People		
August 2017	New Homes Programme	04/10/17 Mayor and Cabinet	Kevin Sheehan, Executive Director for Customer Services and Councillor Damien Egan, Cabinet Member Housing		
June 2017	Joint Strategic Depot Review	04/10/17 Mayor and Cabinet	Kevin Sheehan, Executive Director for Customer Services and Councillor Rachel Onikosi, Cabinet Member Public Realm		
June 2017	Update and preferred provider position refurbishment of Ladywell Playtower.	04/10/17 Mayor and Cabinet	Janet Senior, Executive Director for Resources & Regeneration and Councillor Alan Smith, Deputy Mayor		
August 2017	Write off bad debts for expenditure on High Needs Children	04/10/17 Mayor and Cabinet	Sara Williams, Executive Director, Children and Young People and Councillor Paul Maslin, Cabinet Member for Children and Young People		
	LIP Annual	04/10/17	Janet Senior, Executive		

FORWARD PLAN – KEY DECISIONS

Date included in forward plan	Description of matter under consideration	Date of Decision Decision maker	Responsible Officers / Portfolios	Consultation Details	Background papers / materials
	Spending Submission 2018/19	Mayor and Cabinet	Director for Resources & Regeneration and Councillor Alan Smith, Deputy Mayor		
	Extension of Existing contract plus contract variation for the delivery of day services at the Calabash Centre	04/10/17 Mayor and Cabinet (Contracts)	Aileen Buckton, Executive Director for Community Services and Councillor Joan Millbank, Cabinet Member Third Sector & Community		
May 2017	Community Services Youth Theatre and Performing Arts Review	04/10/17 Mayor and Cabinet (Contracts)	Aileen Buckton, Executive Director for Community Services and Councillor Joan Millbank, Cabinet Member Third Sector & Community		
April 2017	Proposed revision to the contract structure of the Downham Health & Leisure Centre PFI	04/10/17 Mayor and Cabinet (Contracts)	Aileen Buckton, Executive Director for Community Services and Councillor Joan Millbank, Cabinet Member Third Sector & Community		
	Contract Award for Schools Property Condition Surveys	10/10/17 Overview and Scrutiny Education Business Panel	Janet Senior, Executive Director for Resources & Regeneration and Councillor Paul Maslin, Cabinet Member for Children and Young People		
May 2017	Transfer of the Applications Support Function to the LB	25/10/17 Mayor and Cabinet	Janet Senior, Executive Director for Resources &		

FORWARD PLAN – KEY DECISIONS					
Date included in forward plan	Description of matter under consideration	Date of Decision Decision maker	Responsible Officers / Portfolios	Consultation Details	Background papers / materials
	Brent Shared Service		Regeneration and Councillor Kevin Bonavia, Cabinet Member Resources		
August 2017	Lewisham Homes Business Plan	25/10/17 Mayor and Cabinet	Kevin Sheehan, Executive Director for Customer Services and Councillor Damien Egan, Cabinet Member Housing		
June 2017	Edward Street Update: Precision Manufactured Temporary Accommodation	25/10/17 Mayor and Cabinet	Kevin Sheehan, Executive Director for Customer Services and Councillor Damien Egan, Cabinet Member Housing		
	Precision Manufactured Homes and GLA Innovation Fund Update	25/10/17 Mayor and Cabinet	Kevin Sheehan, Executive Director for Customer Services and Councillor Damien Egan, Cabinet Member Housing		
June 2017	Gypsy and Traveller Local Plan Update	25/10/17 Mayor and Cabinet	Janet Senior, Executive Director for Resources & Regeneration and Councillor Alan Smith, Deputy Mayor		
August 2017	School Improvement Partnership	25/10/17 Mayor and Cabinet	Sara Williams, Executive Director, Children and Young People and Councillor Paul Maslin, Cabinet Member for Children and Young People		

FORWARD PLAN – KEY DECISIONS					
Date included in forward plan	Description of matter under consideration	Date of Decision Decision maker	Responsible Officers / Portfolios	Consultation Details	Background papers / materials
August 2017	Introduction of a new Public Space Protection Order	25/10/17 Mayor and Cabinet	Aileen Buckton, Executive Director for Community Services and Councillor Janet Daby, Cabinet Member Community Safety		
August 2017	Response to Consultation regarding changes to Targeted Short Breaks Provision	25/10/17 Mayor and Cabinet	Sara Williams, Executive Director, Children and Young People and Councillor Paul Maslin, Cabinet Member for Children and Young People		
	Consultation on removal of subsidies for Day Care meals	15/11/17 Mayor and Cabinet	Aileen Buckton, Executive Director for Community Services and Councillor Chris Best, Cabinet Member for Health, Wellbeing and Older People		
May 2017	Report of the Barriers to Participation Working Party	22/11/17 Council	Janet Senior, Executive Director for Resources & Regeneration and Councillor Suzannah Clarke, Chair Planning Committee C		
May 2017	Lewisham Future Programme 2018/19 Revenue Budget Savings	06/12/17 Mayor and Cabinet	Janet Senior, Executive Director for Resources & Regeneration and Councillor Kevin Bonavia, Cabinet Member		

FORWARD PLAN – KEY DECISIONS

Date included in forward plan	Description of matter under consideration	Date of Decision Decision maker	Responsible Officers / Portfolios	Consultation Details	Background papers / materials
			Resources		
June 2017	Deptford Lounge & Tidemill School Facilities and Centre Management	06/12/17 Mayor and Cabinet	Sara Williams, Executive Director, Children and Young People and Councillor Paul Maslin, Cabinet Member for Children and Young People		
	Contract Awards for Support Services for Young People with Housing and Support Needs	06/12/17 Mayor and Cabinet (Contracts)	Aileen Buckton, Executive Director for Community Services and Councillor Chris Best, Cabinet Member for Health, Wellbeing and Older People		
	Contract Extension for Shared Care Adult Substance Misuse Services	06/12/17 Mayor and Cabinet (Contracts)	Aileen Buckton, Executive Director for Community Services and Councillor Janet Daby, Cabinet Member Community Safety		
	Council Tax Base	10/01/18 Mayor and Cabinet	Janet Senior, Executive Director for Resources & Regeneration and Councillor Kevin Bonavia, Cabinet Member Resources		
	Council Tax Base	17/01/18 Council	Janet Senior, Executive Director for Resources & Regeneration and Councillor Kevin Bonavia,		

FORWARD PLAN – KEY DECISIONS

Date included in forward plan	Description of matter under consideration	Date of Decision Decision maker	Responsible Officers / Portfolios	Consultation Details	Background papers / materials
			Cabinet Member Resources		

FORWARD PLAN – KEY DECISIONS

Date included in forward plan	Description of matter under consideration	Date of Decision Decision maker	Responsible Officers / Portfolios	Consultation Details	Background papers / materials

This page is intentionally left blank

Overview and Scrutiny Committee			
Report Title	Conservative Party Manifesto, Conservative-DUP Agreement, Queen's Speech and Brexit Update		
Contributors	Executive Director for Resources and Regeneration	Item	
Class	Part 1 (Open)	Date	11 July 2017

Introduction

1. This report sets out the policy and legislative programme of the new Conservative administration. The above mentioned programme reflects the commitments set out in the Conservative Party Election manifesto published in May as well as the contents of the Queen's Speech and the Conservative-Democratic Unionist Party Agreement, both of which were released in June 2017. In addition, this report includes an update on Brexit.

Background and context

2. The 2017 UK General Election was called just two months after the Government had triggered Article 50, signalling the UK's intention to leave the European Union. Citing the need for a clear mandate to commence the Brexit negotiations as a rationale, on 18 April 2017, the Prime Minister Theresa May announced she would seek an Election on 8 June.
3. The Prime Minister had previously indicated that she had no plans to call a snap poll. However, a House of Commons motion to allow this was passed on 19 April, with 522 votes for and 13 against (a majority of 509) meeting the required two-thirds majority to permit the early dissolution of Parliament as required by the Fixed Term Parliaments Act of 2011.
4. The Election result, saw the Conservative Party win the largest number of seats in Parliament (318) but short of the 326 required to form a majority Government. In total the Conservatives lost 13 seats compared to 2015. By contrast, Labour won 262 seats (up 30 compared to 2015), the Liberal Democrats 12 seats (up 4 on 2015), whilst the Scottish Nationalists won 35 seats (down 21 on the last General Election). The Green Party held on to the one seat secured in 2015.
5. Crucially in the context of this Election, the Democratic Unionist Party (DUP) won 10 seats. Following days of negotiation, it was to the DUP that the Conservatives turned to secure the working majority necessary to form a Government.

Policy programme

6. This section of the report covers the manifesto commitments made by the Conservative Party that specifically affect local government or the broader public

sector. Some of these manifesto commitments have made their way into the Government's legislative programme over the term of the new administration.

7. The Conservative Party manifesto set out, what it describes as, the five giant challenges as follows:
 - the need for a strong economy
 - Brexit and a changing world
 - enduring social divisions
 - an ageing society
 - fast-changing technology
8. Set out under the sub-headings below (taken directly from the manifesto text) is a summary of key elements of the broader policy programme of the new Government.

A strong economy that works for everyone

9. The manifesto sets out that a strong economy is the basis for everything the Conservatives want to achieve for the nation. Key commitments under this theme are as follows:

9.1 The economy

- increase the personal allowance to £12,500 and the higher rate to £50,000
- continue to ensure that local residents can veto high increases in Council Tax via a referendum
- make longer term reforms to the business rates system to address concerns about the way it currently works (to include a full review of the system to make sure that it is up to date for a world in which people increasingly shop online)
- simplify the tax system
- continue to increase the National Living Wage to 60 per cent of median earnings by 2020 and after that, by the rate of median earnings
- take steps to ensure that people working in the 'gig' economy are properly protected
- ask the independent Migration Advisory Committee to make recommendations to the Government about how the visa system can become better aligned with the administration's modern industrial strategy

A strong and united nation in a changing world

10. The manifesto pledges: an orderly and smooth exit from the European Union, to strengthen democracy and recognise the role played by the public sector. Key commitments under this theme are as follows:

10.1 Brexit legislation

- enact a Great Repeal Bill that will convert EU law into UK law, allowing Parliament the ability to pass legislation to amend, repeal or improve any piece of EU law that it chooses
- bring forward additional bills to ensure that when the UK has left the EU, there is a clear statutory basis for UK authorities to exercise powers that are currently exercised through EU law and institutions

10.2 Democratic institutions

- legislate to ensure that a form of identification must be presented before voting
- continue with the current boundary review, enshrining the principle of equal seats, while reducing the number of MPs to 600
- make sure that Councils receive help to deal with asylum seekers and refugees as they arrive and establish schemes to help individuals, charities, faith groups, churches and businesses to provide housing and other support for refugees
- take new powers to force Councils to remove roadside litter and prosecute offenders
- place new duties on Councils to consult when they wish to cut down street trees
- establish in law, the freedom for employees to mutualise, where appropriate within the public sector

The world's great meritocracy

11. The manifesto pledges to make Britain the world's Great Meritocracy, with "more" to be done to support millions of people who live in "ordinary working families". Key commitments under this theme are as follows:

11.1 Education and employment

- prohibit Councils from creating any new places in schools that have been rated either 'inadequate' or 'requires improvement' by Ofsted
- introduce new funding arrangements so that a specialist maths school can be opened in every major city in England
- lift the ban on the establishment of selective schools, subject to conditions, such as allowing pupils to join at other ages as well as eleven
- strengthen the teaching of literacy in the early years so that all pupils regardless of background get the best possible start in life
- make funding fairer and ensure that no school has its budget cut as a result of the new formula
- increase the overall schools budget by £4 billion by 2022 and continue to protect the Pupil Premium to support those who need it
- offer a free school breakfast to every child in every year of primary school, while children from low-income families will continue to receive free school lunches
- break down the barriers to public sector workers taking on more qualified roles because of their prior educational attainment (eg: teaching assistants)

can become qualified teachers and healthcare assistants can become qualified nurses via a degree apprenticeship route)

- offer a full-year National Insurance Contributions holiday to those employing former wards of the care system, ex-offenders, those with disabilities, people with chronic mental health problems and those who have been unemployed for a year

11.2 Communities and social integration

- bring forward a new integration strategy
- work with schools to ensure that those with intakes from one predominant racial, cultural or religious background teach their students about pluralistic British values
- take further steps to reduce immigration from outside the European Union

11.3 Tackling crime and criminal justice

- consider what new criminal offences and aggravated offences need to be established to defeat extremists
- takes steps to address pay gaps for gender and race as well as the experiences of those affected by mental health problems of who are disabled
- legislate to enshrine a definition of domestic violence and abuse in law, providing the legal underpinning for everything in the new act
- create a domestic violence and abuse commissioner in law to stand up for victims and survivors
- ensure that victims who have life-time tenancies and flee violence are able to secure a new lifetime tenancy automatically
- enshrine victims entitlements in law, making it clear what level of service they should expect from the police, courts and criminal justice system
- widen the role of police and crime commissioners to help them cut crime for their local communities
- create a national community sentencing framework that punishes offenders and focuses on the measures that have a better chance of turning people around and preventing crime such as curfews and orders to tackle drug and alcohol abuse

A restored contract between the generations

12. The manifesto sets out a commitment to restore the contract between generations, providing older people with security against ill health, whilst ensuring that the promise of opportunity and prosperity for young people is maintained. Key commitments under this theme are as follows:

12.1 Social care and health

- maintain the pensions triple lock until 2020, thereafter introduce a new double lock – meaning that pensions will rise with earnings or inflation
- align the future means-testing for domiciliary care with that for residential care so that people are looked after in the place that is best for them

- introduce a single capital floor, for care costs, set at £100,000 (more than four times the current means test threshold)
- extend freedom to defer payments for residential care to those receiving care at home, so that no-one will have to sell their home in their life-time to pay for care
- introduce a new statutory entitlement to carers leave – in recognition of the fact that the majority of care is informally provided mainly by families
- as part of Brexit negotiations, make it a priority that the 140,000 staff from EU countries can continue to work in the NHS
- enable more care to be delivered closer to home by building and upgrading primary care facilities, mental health clinics and hospitals
- increase the Immigration Health Surcharge to £600 for migrant workers and £450 for international students
- implement the recommendations of the Accelerated Access Review to make sure that patients get new drugs and treatments faster while the NHS gets better value for money and remains at the forefront of innovation
- retain the 95 per cent Accident & Emergency target, and the 18 week elective care standards, so that those needing care receive it in a timely fashion
- review the NHS' own internal market and, in time for the start of the 2018 financial year, make non-legislative changes to remove barriers to the integration of care
- extend the scope of the Care Quality Commission to cover the health-related services commissioned by local authorities
- legislate for an independent healthcare safety investigations body in the NHS
- recruit up to 10,000 more mental health professionals and require medical staff to have a deeper understanding of mental health

12.2 Housing

- deliver on the reforms proposed in the Housing White Paper to free up more land for new homes in the right places, speed up build-out by encouraging modern methods of construction and give Councils powers to intervene where developers do not act on their planning permissions
- enter into new Council Housing Deals with ambitious, pro-development local authorities to help them build more social housing
- reform Compulsory Purchase Orders to make them easier and less expensive for Councils to use and to make it easier to determine the true market value of sites
- give housing associations greater flexibility to increase their housing stock, building on their considerable track record in recent years
- reform and modernise the home-buying process so that it is more efficient and less costly

12.3 Children and families

- introduce, in 2017, thirty hours of free childcare for three and four year olds for working parents who find it difficult to manage the costs of childcare
- institute a capital fund to help primary schools to develop nurseries where they do not currently have the facilities to provide one

- publish a Green paper on young people’s mental health before the end of this year
- ensure that Councils provide consistency of care and cannot relocate vulnerable children far from their home when it is not in their best interests to do so
- demand all local authorities be commissioners of the highest quality family support and child protection services, removing these responsibilities from the weakest Councils and placing them in trust

Prosperity and security in a digital age

13. Responding to the opportunities, challenges and threats of the digital age, the manifesto commits to assure the British people of security and fairness and strengthen the UK’s position as one of the world’s leading digital economies. Key commitments under this theme are as follows:

- develop a digital charter, working with industry and charities to establish a new framework that balances freedom with protection for users and offers opportunities alongside obligations for businesses and platforms
- publish operational performance data of all public-facing services for open comparison as a matter of course – helping people to hold their local services to account or choose other better services if they prefer
- set out a strategy to rationalise the use of personal data within Government, so that the wider public services comply with the ‘once-only’ principle by 2025
- support new providers seeking to use digital technology to monitor long-term conditions better, deploy carers to patients or support domiciliary care away from hospitals

The Conservative- Democratic Unionist Agreement

14. Following the General Election, the Conservatives emerged as the party with the largest number of seats. Unable to meet the threshold of 326 seats (required to form a Government outright) the Conservatives approached the DUP in an effort to form a governing majority. As part of the agreement, that facilitated the deal, the DUP will support the Conservatives in Parliament in an arrangement commonly known as ‘confidence and supply’.

15. A confidence and supply agreement is one whereby a party or independent members of parliament will support the Government in motions of confidence and appropriation or budget (supply) votes, either by voting in favour or abstaining. However parties and independent members normally retain the right to otherwise vote in favour of their own policies or on conscience on legislative bills.

16. The main elements of the above-mentioned agreement, which were revealed on 26 June 2017 are as set out under the sub headers below.

confidence and supply agreement in the UK Parliament

17. The DUP agrees to support the Government on all motions of confidence; and on the Queen's Speech; the Budget; finance bills; money bills, supply and appropriation legislation and estimates.
18. In line with the parties' shared priorities for negotiating a successful exit from the European Union and protecting the country in the light of recent terrorist attacks, the DUP also agrees to support the Government on legislation pertaining to the United Kingdom's exit from the European Union; and legislation pertaining to national security. Support on other matters will be agreed on a case by case basis.
19. The DUP agrees to support the Government in votes in the UK Parliament, in line with this agreement.

policy agreement

20. Both parties have agreed that there will be no change to the Pensions Triple Lock and the universal nature of the Winter Fuel Payment. The parties agree to meet the NATO commitment of spending 2% of GDP on the armed forces. Both parties are committed to the Armed Forces Covenant and to its implementation throughout the United Kingdom.
21. Both parties agree to work together to consider options to support the highly successful reserve forces in Northern Ireland. The parties recognise the importance of the agriculture sector to Northern Ireland and the opportunities for growth that exist. Agriculture will be a critical policy area during the EU exit negotiations.
22. The parties agree to continue to commit the same cash total in funds for farm support until the end of the Parliament. Further discussions will take place on the future framework for farming support.

financial support

23. The UK government will allocate £200 million per year for 2 years and with sufficient flexibility as to the choice of project to ensure the Executive is able to deliver the York Street Interchange (infrastructure) Project and other priorities.
24. The UK government will contribute £75 million per year for 2 years to help provide ultra-fast broadband for Northern Ireland. In order to target pockets of severe deprivation, the UK government will provide £20 million per year for 5 years to support the Northern Ireland Executive to deliver this measure.
25. The UK government will, allocate an additional £50 million per year for 2 years to enable the Executive to address immediate pressure in health and education. The UK government will allocate £100 million per year for 2 years to support the Northern Ireland Executive's delivery of its priority of health service

transformation. The UK government will provide £10 million per year for 5 years to support the Northern Ireland Executive for mental health.

The Queen's Speech 2017

26. The Queen's Speech, which sets out the Government's legislative programme for the Parliamentary session, was delivered on 21 June 2017. A briefing paper circulated by the Cabinet Office set out that: *this Queen's Speech is about recognising and grasping the opportunities that lie ahead for the United Kingdom as we leave the European Union:*

- *delivering a Brexit deal that works for all parts of the United Kingdom;*
- *building a stronger, fairer country by strengthening our economy, tackling injustice and promoting opportunity and aspiration.*

27. In total the Government is proposing to bring forward 27 Bills in this Parliament. A number of these (eight in total) focus specifically on Brexit. Notable Bills in the Queen's Speech are as follows:

- **Repeal Bill** - this Bill will allow for a smooth and orderly transition as the UK leaves the EU, ensuring that, wherever practical, the same rules and laws apply after exit and therefore maximising certainty for individuals and businesses.
- **Customs Bill** - the Bill will ensure that the UK has a standalone UK customs regime on exit; provides flexibility to accommodate future trade agreements with the EU and others and ensures that changes can be made to the UK's VAT and excise regimes to ensure that the UK has standalone regimes on EU-exit.
- **Trade Bill** - the Bill will cement the United Kingdom's status as a leading trading nation, driving positive global change through trade, whilst ensuring UK businesses are protected from unfair trading practices.
- **Immigration Bill** - With the repeal of the European Communities Act, it will be necessary to establish new powers concerning the immigration status of EEA nationals. The Bill will allow the Government to control the number of people coming here from Europe while still allowing us to attract the brightest and the best.

28. A summary of other key Bills introduced in the Queen's Speech are attached to this report as an Appendix A, whilst a summary of relevant non-legislative measures is set out at Appendix B.

Brexit update

29. The following paragraphs summarise the legislative and policy and decision-making framework guiding Britain's exit from the European Union. These

summaries update the position, since the last briefing to the Overview and Scrutiny Committee in January 2017.

The United Kingdom's Exit from and New Partnership with the European Union: White Paper

30. In February 2017, the Government published a White Paper which set out the Government's broader vision for Brexit going forward. The document achieved three things; firstly it underlined the Government's commitment to follow through with plans to withdraw from the EU and honour the outcome of the EU Referendum; secondly, it set out the first stage in the legislative process for EU withdrawal and finally, it set out the 12 key priorities for the UK's exit.

European Union (notification of withdrawal) Act

31. The European Union (notification of withdrawal) Bill was introduced in Parliament on 31 January 2017 and sought to confer power on the Prime Minister to notify, under Article 50(2) of the Treaty on European Union, the United Kingdom's intention to withdraw from the EU. The Bill received Royal Assent and became an Act of Parliament on 16 March 2017.

Article 50

32. Article 50 of the EU Treaty is a basic five-point plan of action, should any country wish to leave the European Union. Once Article 50 is activated a nation state is cut out of EU decision-making at the highest level and there will be no way back unless by unanimous consent from all other member states. Article 50 was triggered on 29 March 2017.

Great Repeal Bill White Paper

33. Building on the formal triggering of Article 50 the day before, on 30 March 2017, the Great Repeal Bill White Paper was published. The Bill sets out the Government's proposals for ensuring a functioning statute book once the UK has left the EU. In simple terms, the Great Repeal Bill will convert the body of European legislation – into UK law at the moment the European Communities Act (the governing charter for EU law) is repealed.

Formal negotiation

34. Formal Brexit negotiations commenced on the 19 June 2017. The initial focus of the discussions has been the rights of some 3 million EU nationals living in the UK and the 1 million UK citizens living in the EU. On 26 June, the Government published a policy paper, which sets out proposals for addressing this issue specifically. As part of this, the paper makes clear that EU citizens looking to remain in the UK can do so. The paper also confirms the creation of a new 'settled status' for EU citizens who arrive before a cut-off date, which is yet to be specified and will be agreed as part of the negotiations with the EU.

35. Under the proposals, applicants who already have five years' continuous residence in the UK will be immediately eligible for settled status. Those who arrived before the specified date but do not yet meet the five year threshold by exit day will be allowed to stay until they reach that milestone and can also secure settled status. EU citizens who are granted settled status will be treated like a comparable UK national, entitled to broadly the same rights and benefits.
36. A grace period of up to two years will be in place for all EU citizens, including those who arrive after the cut-off date, allowing them to regularise their status to remain in the country.
37. In terms of the UK's wider negotiating stance, a statement to Parliament by Brexit Secretary David Davis, after the Queen's Speech, underlined the Government's commitment to exit both the Single Market and the Customs Union. Although in the same statement, the Secretary of State made clear that leaving the Single Market does not mean losing access to the Single Market.

Legal implications

38. At the time of writing, it is premature to be specific as to exact legal implications, save for noting that we will need to keep this under review. In any event, the obligations for us as a Local Authority pursuant to, for example, the provisions of the Equality Act, will continue.
39. The Equality Act 2010 (the Act) introduced a public sector equality duty (the equality duty or the duty). It covers the following protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
40. In summary, the Council must, in the exercise of its functions, have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
 - advance equality of opportunity between people who share a protected characteristic and those who do not.
 - foster good relations between people who share a protected characteristic and those who do not.
41. It is not an absolute requirement to eliminate unlawful discrimination, harassment, victimisation or other prohibited conduct, or to promote equality of opportunity or foster good relations between persons who share a protected characteristic and those who do not. It is a duty to have due regard to the need to achieve the goals listed above.
42. The weight to be attached to the duty will be dependent on the nature of the decision and the circumstances in which it is made. This is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. The Mayor

must understand the impact or likely impact of the decision on those with protected characteristics who are potentially affected by the decision. The extent of the duty will necessarily vary from case to case and due regard is such regard as is appropriate in all the circumstances.

43. The Equality and Human Rights Commission has issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled “Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice”. The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at:

<https://www.equalityhumanrights.com/en/advice-and-guidance/equality-act-codes-practice>

<https://www.equalityhumanrights.com/en/advice-and-guidance/equality-act-technical-guidance>

44. The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:

- [The essential guide to the public sector equality duty](#)
- [Meeting the equality duty in policy and decision-making](#)
- [Engagement and the equality duty: A guide for public authorities](#)
- [Objectives and the equality duty. A guide for public authorities](#)
- [Equality Information and the Equality Duty: A Guide for Public Authorities](#)

45. The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice.

Further information and resources are available at:

<https://www.equalityhumanrights.com/en/advice-and-guidance/public-sector-equality-duty-guidance#h1>

Financial implications

46. There are no direct financial implications in noting this report.

Crime and disorder implications

47. Section 17 of the Crime and Disorder Act 1988, as amended, places a duty upon Local Authorities to consider crime and disorder implications and in particular, “to exercise its various functions with due regard to the likely effect of the exercise of

those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area.” This statutory obligation is the same for the Authorities “responsible partners” too. The level of crime and its impact is influenced by the decisions and activities taken through the day-to-day functions of local bodies and organisations.

48. The Queen’s Speech outlined that new legislation will be brought forward to protect the victims of domestic violence and abuse. This may have implications for a range of statutory services when the detail is laid out.

Information relied upon in the preparation of this report	
1.	Forward Together: Our Plan for a Stronger Britain and Prosperous Future; The Conservative and Unionist Party Manifesto, May 2017
2.	Standing Strong for Northern Ireland: the DUP Manifesto for the 2017 Westminster Election
3.	The United Kingdom’s Exit from and Partnership with the European Union, March 2017
4.	The Great Repeal Bill White Paper, UK Parliament, March 2017
5.	The Queen’s Speech and Associated Background Briefing, on the Occasion of the Opening of Parliament, June 2017
6.	Conservative-DUP Agreement, June 2017
7.	Safeguarding the position of EU citizens in the UK and UK nationals living in the EU, June 2017

Appendix A: Queen's Speech - Key Bills

Repeal Bill

This Bill will allow for a smooth and orderly transition as the UK leaves the EU, ensuring that, wherever practical, the same rules and laws apply after exit and therefore maximising certainty for individuals and businesses.

Customs Bill

The Bill will ensure that the UK has a standalone UK customs regime on exit; provides flexibility to accommodate future trade agreements with the EU and others and ensures that changes can be made to the UK's VAT and excise regimes to ensure that the UK has standalone regimes on EU-exit.

Trade Bill

The Bill will cement the United Kingdom's status as a leading trading nation, driving positive global change through trade, whilst ensuring UK businesses are protected from unfair trading practices.

Immigration Bill

With the repeal of the European Communities Act, it will be necessary to establish new powers concerning the immigration status of EEA nationals. The Bill will allow the Government to control the number of people coming here from Europe while still allowing us to attract the brightest and the best.

Smart Meter Bill

In order to help deliver more transparent energy bills and allow households to monitor their use effectively.

National Insurance Contributions Bill

The Bill will legislate for National Insurance contributions (NICs) changes announced at previous fiscal events (Budget 2016 and Autumn Statement 2016).

Courts Bill

The Bill will reform the courts system in England and Wales to ensure it is more efficient and accessible, and in doing so utilise more modern technology.

Draft Tenants' Fees Bill

Tackling unfair fees on tenants will make the private rental market more affordable and competitive.

Draft Domestic Violence and Abuse Bill

In line with the manifesto commitment, draft proposals will be published to update the law to help tackle the evil of domestic abuse and violence. Proposals will be published in draft for scrutiny by MPs and peers to help build a consensus and raise the profile of this issue.

Civil Liability Bill

This Bill will crack down on fraudulent whiplash claims and is expected to reduce motor insurance premiums by about £35 per year.

Financial Guidance and Claims Bill

The Bill will combine three financial advice bodies into one, ensuring that people across the UK are able to seek the help and advice they need to manage their finances.

Goods Mortgage Bill

The Bill will implement recommendations from the Law Commission to update Victorian era law on logbook loans.

Data Protection Bill

The Bill will fulfil a manifesto commitment to ensure the UK has a data protection regime that is fit for the 21st century.

Draft Patient Safety Bill

The draft Bill will set out a framework to help improve patient safety in the NHS and instil greater public confidence in the provision of healthcare services in England.

Appendix B: Queen's Speech - Non legislative measures

Counter Terrorism Review

This review of counter-terrorism legislation is part of a broader review of our whole approach to counter-terrorism. Urgent work is already underway which will ensure that Government is doing everything possible to address the threat from terrorism and keep the public safe, drawing on lessons from the recent attacks in London and Manchester.

Commission for Countering Extremism

This Government is committed to identifying and stamping out extremism across society, promoting pluralistic British values and reducing tolerance of extremism. To support this we will be establishing a statutory Commission for Countering Extremism that will play a key role in supporting communities and the public sector to identify and confront extremism wherever it exists.

Public Inquiry into the Grenfell Tower Fire

On 15 June 2017, the Prime Minister announced a full public inquiry would take place to look into the circumstances behind the tragic fire which broke out in Grenfell Tower in the Royal Borough of Kensington and Chelsea.

Independent Public Advocate

The purpose of the Independent Public Advocate is to keep the bereaved and surviving victims of disasters informed of progress in any relevant investigation and make them fully aware how they can contribute to that investigation. The Public Advocate will be able to access information held by public bodies and will, where appropriate, report on or share that information with representatives of the victims.

Mental Health Reform

The Mental Health Act 1983 sets out the legal framework in England and Wales for the treatment and detention of people with mental ill health, including when such action may be compulsory. The Act has not been fully updated for 34 years, although the Mental Health Act 2007 made changes. The Government will now begin to consider what further reform of mental health legislation is necessary, including changes in how the Act is implemented on the ground.

Social Care

The Government will work to address the challenges of social care for our ageing population, bringing forward proposals for consultation to build widespread support.

Digital Charter

The Government will develop a Digital Charter that will create a new framework which balances users' and businesses' freedom and security online. The Charter will have two core objectives: making the UK the best place to start and run a digital business and the safest place in the world to be online.

Public Finances

The Government will reflect on the message voters sent at the General Election – while always remembering that we have to balance the books and eliminate the

deficit we inherited following the financial crisis. This is to ensure that future generations do not pay when we fail to live within our means. The Government values the important work that public sector workers do in delivering essential public services. We can only have well-funded public services and high standards of living if we deliver a stronger economy and increase our productivity.

Schools and Technical Education

The Government will continue to encourage more people, schools and institutions with something to offer to come forward and help deliver more good school places. To continue the growth of good or outstanding school places, we have made available to academies and maintained schools a £140 million Strategic School Improvement Fund. We will continue to convert failing maintained schools into academies so that they can benefit from the support of a strong sponsor, and we are focused on building capacity across the system to enable this, including through growing new multi academy trusts.

National Living Wage

We want to make sure employment rules and rights keep up to date to reflect new ways of working, and that is why in October we asked Matthew Taylor to conduct an independent review into modern employment practices. The Matthew Taylor Review of Employment Practices is an important step towards us ensuring fairness for everyone in work and we look forward to receiving the report shortly.

Tackling the Gender Pay Gap and Discrimination

The Government will make further progress to tackle the gender pay gap and discrimination against people on the basis of their race, faith, gender, disability or sexual orientation.

Housing

The Government will deliver the reforms proposed in the White Paper to increase transparency around the control of land, to “free up more land for new homes in the right places, speed up build-out by encouraging modern methods of construction and diversify who builds homes in the country. The Government will consult and look to take action to promote transparency and fairness for leaseholders. We will look at the sale of leasehold houses and onerous ground rents, working with property developers, the Competition and Markets Authority and others as outlined in the Housing White Paper.

Consumer Markets, including the Energy Market

The Government will publish a green paper that will closely examine markets which are not working fairly for consumers, and is prepared to act where necessary.