

<b>Mayor &amp; Cabinet</b>			
<b>Title</b>	<b>Response to the recommendations from the Public Spending in Lewisham Working Group</b>		
<b>Contributors</b>	Executive Director for Resources and Regeneration	<b>Item No.</b>	
<b>Class</b>	Part 1	<b>Date</b>	13 January 2016

## **1. Summary**

- 1.1 This report responds to the recommendations of the Public Spending in Lewisham Working Group.

## **2. Recommendation**

- 2.1 The Mayor is recommended to approve the proposed responses to the recommendations of the Public Spending in Lewisham Working Group as set out in section 3 of this report and report these to the Overview & Scrutiny Committee.

## **3. Public Spending in Lewisham Working Group**

- 3.1 The Public Spending in Lewisham Working Group made the following recommendations for the attention of Mayor and Cabinet: recommendations 1 – 7; 11; 13; 14 and 15. Appended to each recommendation is the officer response.

### **Recommendation 1**

**This review has highlighted both the steep reductions in spending being made by a wide range of organisations spending public money in Lewisham and the potential impact they may have on services to Lewisham residents. When agreeing its own budget and any proposals for savings, the Council must take into account the impact of the savings being made by other organisations and how these link to its own programme of expenditure reduction.**

The Council considers the macro economic, wider public sector and the local government financial landscape when preparing its Medium Term Financial Strategy (MTFS) in July and budget in February each year. In addition, when bringing forward individual savings proposals the potential risks are identified, including any impact on partners. Following this recommendation, attention will continue to be paid to the savings being made by other organisations and their impact on the residents of Lewisham through the MTFS, Budget and Savings reports to members.

### **Recommendation 2**

**The Council and the other organisations that took part in this review should provide the following financial information to the Overview and Scrutiny**

**Committee on an annual basis (at the July meeting) in order to enable meaningful monitoring and comparison:**

- **Actual gross revenue expenditure and gross capital spend for the last three complete financial years**
- **Gross budgeted revenue expenditure and gross budgeted capital expenditure for the current financial year and following two years.**

As part of preparing the Medium Term Financial Strategy in July each year, and as noted for question 1 above, the Council will request and, when made available, consider the actual and forecast spending (revenue and capital) of other public sector partners in the Borough.

### **Recommendation 3**

**The Council needs to make sure it fully understands the complex public finances of the NHS and healthcare delivery when considering the changes that will be put forward as part of the Our Healthier South East London Strategy.**

The Council has a number of strong relationships with Health in the Borough from the secondment of senior officers between organisations to formal governance structures such as the Health and Wellbeing Board.

In respect of the finances, the Council has established the Lewisham Future Programme to coordinate the delivery of its savings requirements, including understanding the boundaries and impacts of so doing with key partners (of which Health is the biggest financially). The work of the Lewisham Future Programme is reported to members via the regular revenue budget savings reports.

### **Recommendation 4**

**The formal partnership arrangements between the Mayor, Executive Members and Officers should be reviewed to ensure that they are robust enough to recognise the potential conflicts and solutions required to address the scale of the challenges that this review has identified.**

This is a challenge recognised by the Mayor, Executive Members and Officers. Namely that, whether as a result of financial constraint or policy choice, services are being reconfigured across London through the existing governance models.

The operation and ways of working of the two statutory partnership boards, the Health and Well-being Board and the Safer Lewisham Partnership are reviewed on a regular basis. Although formal partnership boards, neither are decision-making. Decision-making powers rest with the individual bodies that make up the partnerships, and so the Partnerships are able to make recommendations or develop proposals back through the existing governance of each body.

This is an area that is kept under review and the governance arrangements assessed as and when plans - be they for spending reduction, devolution, public sector integration, or shared services – are agreed.

## **Recommendation 5**

**The Council should reiterate its support for public consultation where major service changes are under consideration to ensure public confidence in our public services especially emergency services.**

The Council's commitment to consultation has been demonstrated in practice over recent years, whether with the public, service stakeholders or staff, on any large changes to Council services that will impact the public.

## **Recommendation 6**

**The Council should review the Housing Strategy to ensure proposed legislative, financial and regional policy changes are fully reflected.**

The Housing Strategy is kept under regular review, with the next update on the agreed action plan being presented for scrutiny in January 2016. The present Government's legislative, financial and regional policy changes contained in the Housing and Planning Bill are on their passage through parliament, with Royal Assent expected in July 2016 and Statutory Instruments to follow. The Housing Strategy will be updated to reflect these once they are known.

## **Recommendation 7**

**If proposals for devolution in London are accepted by the Government, the Mayor and Executive Members should share their proposals with Overview and Scrutiny Committee as soon as possible to facilitate constructive scrutiny and the most effective constitutional arrangements.**

Should proposals for devolution in London be accepted by the Government, the Council will prepare analysis of the implications, risks and changes for the London Borough of Lewisham and submit these for scrutiny and decision in the usual way. For example; Lewisham is part of one of the Health devolution pilots announced in December 2015 for 2016/17 and which is to be discussed at the Healthier Select Committee in January.

## **Recommendation 11**

**The [London] Mayoral Direction requiring the 13 appliances from across London currently being held for contingency purposes, to not be returned pending decisions on 2016/17 savings proposals, which could include their permanent removal, is of grave concern. The Mayor has already been asked to request a full briefing on Forest Hill Station's second fire appliance and the relevant Mayoral Direction, from the London Fire Brigade, to be shared with the Overview and Scrutiny Committee. (Recommendation for the Mayor)**

The London Fire Brigade are currently consulting on two proposals with all the relevant documentation available at [www.london-fire.gov.uk](http://www.london-fire.gov.uk). The consultations close on the 1 February and officers are coordinating a proposed Council response which will include the concern about appliance numbers.

### **Recommendation 13**

**Police Community Support Officers (PCSOs) are valuable to the Community. However recruitment is currently on hold and the number of PCSOs in Lewisham is going down due to natural attrition. In light of the cuts over the last five years, plans to potentially abolish the PCSOs in safer neighbourhood teams are of particular concern and the Mayor is asked to request a full briefing on the future of PCSOs in Lewisham from the MPS. It is expected that the Council will be fully consulted prior to any decisions being taken on this issue. (Recommendation for the Mayor)**

Since this report was finalised the Government has published the Comprehensive Spending Review and the Metropolitan Police Service have confirmed that the role of Police Community Support Officers will not be deleted at this time.

**The Metropolitan Police Service Commissioner has publically stated that the projected £800m of savings scheduled for the MPS over the next four years may put public safety at risk. The Mayor is asked to request a full briefing on any modelling that has been done to date to assess the likely impact that the savings will have on the borough of Lewisham. (Recommendation for the Mayor)**

The funding prospects for the Metropolitan Police Service has changed significantly following the Chancellor of the Exchequer's Comprehensive Spending Review in November. There are now to be no further reduction to police budgets in this parliament.

In respect of recommendations 11 and 13, both the London Fire Brigade and Metropolitan Police Service are attending the Safer and Stronger Select Committee in February. This will include an update on their budget plans following the Comprehensive Spending Review.

### **Recommendation 14**

**The Council should develop a closer working relationship with Goldsmiths University, for example around community development issues.**

Many officers and departments across the council have regular interactions and joint work with Goldsmiths College. A recent audit showed that every Directorate had links and undertakes joint work.

Formalising these links and our relationship with Goldsmiths and exploring how our joint work can be expanded particularly in relation to economic development, skills and community development is underway. A formal Memorandum of Understanding is being developed between the council and the college.

## **4. Financial Implications**

4.1 There are no direct or immediate financial implications arising from this report.

## **5. Legal Implications**

- 5.1 The Constitution provides for scrutiny bodies to make recommendations to the Executive or appropriate committee and/or Council arising from the outcome of the scrutiny process.

### **Background Documents**

The Public Spending in Lewisham working group report, chaired by Councillor Hall and presented to Council on the 25 November 2015.

If you have any queries on this report, please contact David Austin, Head of Corporate Resources, 0208 3149114