

# MINUTES OF THE TELEGRAPH HILL ASSEMBLY

Tuesday, 14 October 2014 at 7.30 pm

PRESENT: Councillors Joan Millbank and Luke Sorba

Apologies for absence were received from Councillor Paul Bell

## 1. Welcome from the Chair

Cllr Luke Sorba welcomed everyone to the assembly meeting and introduced Cllr Joan Millbank. He then gave apologies on behalf of Cllr Paul Bell who was in Cardiff on work business.

## 2. Lewisham's Big Budget Challenge

Cllr Sorba told the meeting that whilst everyone is aware of the austerity programme from the Coalition Government, the fact is that the poorest areas have suffered the biggest cuts and the current reductions in funding from the Government are the worst that there has ever been. He explained that Local Government in particular has been targeted and that this is a political agenda to erode the capacity to provide public services.

Aileen Buckton explained that the challenge Lewisham faces is that the Council has to reduce its spending by a considerable amount; £1 in every £3. This is driven by central Government reducing its grants within Lewisham and every other local authority across England. In Lewisham, savings of £85 million need to be found over the next 3 years. She explained that this was not a formal consultation but a means to get a conversation started and gain initial feedback on the subject and what lies ahead.

The purpose of the presentation was to explain:

- How the Council currently spends its money
- Where that money comes from
- How our income is being cut
- How and when decisions will be made
- How you can influence those decisions

For a copy of the presentation contact Paul Gale on 020 8314 3387 or Email [paul.gale@lewisham.gov.uk](mailto:paul.gale@lewisham.gov.uk)

To give your views or have a go on the online budget simulator go to [www.lewisham.gov.uk/bigbudgetchallenge](http://www.lewisham.gov.uk/bigbudgetchallenge)

Questions were invited (NOTE: These are not a verbatim record)

**Q** Lewisham also needs to think about the way that it provides its services and how they are paid, for example Economic Development receives £0.3 million pounds. If Lewisham put more into this it may generate more business rates and funds such as the Community Interest Levy. Lewisham needs to spend more on public health so that it can take the pressure off

social care. We need to think more about rental income and liaise with the voluntary and private sector about running things. Next Monday I am running a training session on Local Government at the LGIU, guests will include a former treasurer from Newcastle and a senior person from East Herts District Council on these issues. People are welcome to attend.

**A (Aileen)** It would be really helpful if you could complete the form with these points as they are very good. Many of these are points rather than questions, but I can assure you that we are looking at the way that we work with the voluntary and private sector.

**Q** What are the Council's reserves in the bank, reserves are for rainy days so shouldn't we be using the reserves to help tackle the deficit?

**A (Cllr Sorba)** We will look into this, Cllr Bell has asked the same question.

**Q** Where is the opposition here, you have 53 Labour Cllrs, why not fight back like you did in the 1980s. If they do send in an administrator, it would draw attention to the situation. What is not mentioned in the presentation is the PFI's, Lewisham is paying a huge amount for these. In addition why is Lewisham spending £1.2 million pounds per year on security for empty buildings, why not let people use them. Finally, Lewisham said that it was going to set up a registration of Landlords, why has this not happened?

**A (Cllr Sorba)** We had the voluntary registration of landlords in the manifesto in year one and if this failed the plan was to implement a compulsory registration, but I am not sure where this is at. I myself was involved in the 1980s at Lambeth when the Council refused to pass on the cuts. The consequences were that the Cllrs were barred from office for 5 years and the Council fell to the Liberal Democrats. Cuts went through.

**A (Aileen)** The Council has never entered into PFI contracts without thinking very carefully about them and they are constantly being reviewed and renegotiated. We are presently looking at our building security costs.

**Q** Lewisham is a dormitory borough with people going elsewhere for work, how can business rates be increased with so little business infrastructure?

**A (Aileen)** Business Rates are problem for us as we have a small business infrastructure, yet we have one of the largest numbers of 1- 2 person small businesses in the London and obviously this means that they will not pay large business rates.

**Q** I am part of an organisation called Access for Profit which is based in the City, we work with lots of local councils. Who would we need to approach as to how we can work with this Council?

**A (Aileen)** I would welcome your input and I will pass you the information after the meeting

**Q** Is debt included in these figures?

**A** Yes

**Q** Why isn't innovation taking place?

**Cllr Sorba** – We are fire fighting these cuts every year and it does make it very difficult for us to be pro-active, we have already cut £93 million from the budget.

**A (Cllr Millbank)** Innovation is taking place. For example we have worked closely with the third sector as we are keeping the Main Grants Scheme which we have reconfigured with a £2.5 million Investment Fund to help the sector think and identify leads that were emerging for example Adult Social Care. This means that we have got them to anticipate what the needs actually are, this is a very creative way of doing things. We funded an Arts Organisation at the Albany in Deptford to look at how they can use their Arts skills to work with vulnerable adults. Overall I am very pleased with what has happened with the third sector and there are lots of good examples of very creative ways of working. At present we are again consulting with the third sector as to how we can work with them. Lots of local authorities have cut their support to the third sector, we have not done this. We are going to reduce this budget slightly as the scale here is so big, but we are consulting with them about this.

**Q** Where were these cuts made?

**A (Cllr Millbank)** We prioritised cutting the back office services and protected the front line. We lost about 1000 posts and streamlined the management, officers now have a much wider range of duties and we moth-balled the Town Hall. Our Chief Executive has gone part time and we brought in more shared services with other boroughs.

**Q** We cannot just fire fight we do need to come up with ideas, can we not find some other people outside of the Council?

**A (Cllr Sorba)** Yes we do and I have tried to invite the Association Public Sector Excellence. We are continuing to try and be innovative.

**A (Cllr Millbank)** There is lots of creativity going on for example Meanwhile use with empty spaces.

**A (Aileen)** For example, we are looking at Adult Social Care and community based Health Services doing more together and our enforcement teams are doing joint work exercises

**Q** Are these cuts based upon the assumption that there will be no change of Government?

**A (Aileen)** It assumes the level of income that we know currently, whatever happens in local government the level of resourcing will go down in relation to demand

**A (Cllr Millbank)** As already been stated, it is the local authorities that have suffered the most. The Local Government Association have been lobbying the Government about this and this is almost regardless of their political party.

**A (Cllr Sorba)** We know that if there was to be a Labour Government there will be no extra borrowing in the first year. We need to have another look at Council Tax and local government should be getting a share of the money relating to the boom in property prices as income has not risen.

**Q** Does Lewisham charge Council Tax on empty properties?

**A (Cllr Millbank)** Yes we charge after the statutory period.

**Q** That has changed, you can charge from day one now

**A (Cllr Millbank)** We will look into this.

**Q** Can you confirm that you are not getting involved in land lease schemes such as Aylesbury Estate in Southwark?

**A (Cllr Millbank)** The Council does work with developers and Housing Associations, but now we are also looking to build our own houses due to changes in the funding rules. The borough's population is going up and this leads to pressure on houses and schools. We are looking at all our sites due to this pressure.

**Q** Can you increase Council Tax?

**A (Cllr Sorba)** We debated raising Council Tax and we decided to freeze it for 2 years and after that not to raise it by more than 1%. If you raise Council Tax by more than 1% you are penalised by the Government and they take money away from the Revenue Support Grant. It is also one of the most regressive taxes, you pay less as a proportion of your wealth if you live in a higher band, so if you increase the Council Tax you are disproportionately charging the poorer members of Lewisham.

**A (Aileen)** People are often surprised as to how little a Council Tax raise would bring in, a 1% rise would only provide about £700,000 - £800,000

**Q** What about affordable housing and using Lewisham Homes to build more homes directly?

**A (Cllr Millbank)** In Lewisham we have a target of 50 but I think that it is fair to say that we have not hit this because of the economic situation. Of course things are complicated as we are in London and the Mayor of London has a policy that we are part of. We have lost a lot of in-house expertise within the Council. Ideally we would like Lewisham Homes to have the direct building skills rather than just the maintenance and management, but these things take time, skills and capital investment.

Cllr Sorba then drew the discussion to a close. He advised the meeting that all the information and proposals relating to the budget are online and many of the proposals are now under scrutiny in Council meetings open to the public to attend. He thanked Aileen for the presentation.

### **3. Community Information / Any other business**

**Deptford Cinema** – Jameela Khan told the assembly that they are a volunteer community-led cinema that hopes to be running by the end of the year. They are currently based at 39 Deptford Broadway but are looking for a more permanent premises, any help will be welcome. For more information contact [jameela.khan@gmail.com](mailto:jameela.khan@gmail.com)

**Assembly Fund** – There are forms on the table with all the details and funding will be relating to the following areas:

- Children and young people
- Community Wellbeing
- Local community organisations

The deadline date is 6 January 2015.

**Parents Standing Together** – This is a group of parents who are working in collaboration with the police and Lewisham Council, the aim is to help the borough become safer for a young people and prevent them being involved with gangs and violence. There is a meeting this Friday at the Honor Oak Youth Centre at lunch time. More information is on the tabl

Cllr Sorba then thanked everyone for coming to the meeting, Jacqui Shimidzu for the excellent refreshments and Ken Wakeman at Barnes Wallis Community Centre for hosting the meeting. He then stated that the next meeting of the Telegraph Assembly will be on Thursday 5 February 2015 from 7pm at a venue to be confirmed.

There being no other business the meeting closed at 9pm with no declarations of interest.