

MINUTES OF THE OVERVIEW AND SCRUTINY BUSINESS PANEL

Tuesday, 28 September 2021 at 7.00 pm

PRESENT: Councillors Paul Maslin, Peter Bernards, Juliet Campbell, Joan Millbank, John Muldoon and Luke Sorba.

ALSO PRESENT:

Apologies for absence were received from Councillor Octavia Holland, Councillor Louise Krupski and Councillor Susan Wise.

1. Minutes Cover Report

RESOLVED that the Minutes of the Overview and Scrutiny Business Panel held on 20 July 2021, be agreed.

2. Declarations of Interest

No declarations were made by Members.

3. Key Decision Plan

The Head of Committee Business introduced the Key Decision Plan (KDP) report to the Panel, and he enquired whether Members had questions to ask in regard to forthcoming decisions in to be taken by the Executive. He stated that requests from Members to add an explanatory note to each item on the KDP had been taken into account, and that the application would continue. Members were further asked to note that a key decision not in the KDP, which was due to be taken in relation to support for African refugees would be added in the next update report to the Panel.

RESOLVED that the report be noted.

4. Part1 Open Session Decisions by Mayor & Cabinet September 14

Councillor Paul Maslin, Chair of the Panel, informed Members that he had received a request from Councillor Luke Sorba to consider a decision taken by the Mayor and Cabinet on 14 September 2021 in light of proposals in a report relating to "Transforming and Modernising Adult and Social". The Chair invited Councillor Sorba to address the meeting in that regard, and submissions made were noted.

The Executive Director for Community Services (CS), and the Director of Finance (Corporate Services) were present to introduce the report and respond to questions.

The Panel noted responses to questions raised by Councillor Sorba as follows:

1. *Initial relationship with Newton Europe*

The Director for CS clarified that in light of financial cuts proposals, a request was made by the Public Accounts Select Committee for the Council to review the use of resources, with a view to identify opportunities to deliver cashable savings across departments. It was stated that the aim was to enable the Council in its efforts to set yearly balanced budgets. Members were advised that in light of that, Community Services department undertook a review by initiating a tendering process, and four organisations submitted bids. Thus, the Council's initial relationship with Newton Europe was not because they had recommended themselves for the work, but stemmed from the fact that the company won the contract to undertake the consultancy, with a view to help modernise adults' social care provision in Lewisham.

2. *Credibility of tendering process*

Members were advised by the Executive Director for CS that Newton Europe had gained credibility in the months they were tasked to conduct a diagnostics in Lewisham. However, the time spent alongside front-line staff would not have provided them with an added advantage because the officers who made the decision to award the contract were not involved in the diagnosis. It was confirmed that the process applied in awarding the contract was on the basis of the Crown Commercial Services Framework. Thus, the arrangements were transparent and objective in line with the Council's comprehensive tendering programme.

3. *Value for money*

a. *Financial Savings on Investments*

The Executive Director for CS reiterated to Members that the Mayor and Cabinet's decision recognised that £4.5m was a significant amount of money. However, that amount represented less than 4% of the annual revenue budget for adults' social care provision in Lewisham. Thus, the decision to award the contract to Newton Europe, which included the diagnostics, was based on an invest-to-save cumulative option of a one-off cost, with potential annual savings of between £8.5 and £11m over the course of four to five years.

The Director of Finance (Corporate Services) echoed statements about the return on investments, highlighting to the Panel that the decision to award the contract to Newton Europe was a reasonable option in financial terms. He advised the Panel that although there would be a challenge in regard to delays in the timing of implementation, for six months effectively, the £4.5m outlay of annual savings of between £8m and £11m would pay for itself within a year, in addition to structural and cultural benefits for local residents.

b. Other investment considerations

The Executive Director for CS declared an interest as a member of the Association of Directors of Adults Social Care (ADASS) in England. He advised Members that the ADASS was supportive of individual directors, and in that role, it had been instrumental in putting forward approaches to reduce expenditure in adults' social care, which the Council had adopted in recent years, with a view to deliver improvements for the benefits of Lewisham residents.

Members were advised by the Executive Director of CS that Newton Europe had an added credibility through its involvement in several contracts relating to adults' social care services with central government, other local authorities and NHS organisations across the country, and most recently, with the Royal Borough of Greenwich. Thus, awarding the contract to Newton Europe would help achieve the development investment opportunity needed in Lewisham, given that the workforce lacked the skills sets required to manage the capacity and analytics of the current review in terms of depth and pace.

In light of a concern by Councillor John Muldoon, the Executive Director expressed a view to the Panel that any increase in national insurance contributions as a result of the review in adults social care provision would likely be borne by central government.

Councillor Juliet Campbell enquired about plans to retain the expertise in light of the large sums of money involved in development opportunities for staff. In response, the Executive Director of CS informed the Panel that the Council would not restrict staff career progression as a result of the change, but given that the Assistant Chief Executive was leading the Project Management Team, there could be provision to transfer learning in specifications of future jobs.

RESOLVED that the report be noted.

5. OSBP Scrutiny Update

The Head of Overview and Scrutiny introduced the report to the Panel. She stated that the second round of Select Committee meetings had taken place. It was stated that the scheduled meeting of Sustainable Development Select Committee on 10 November 2021 would be moved to later in the year, with the date to be agreed, but the one set to take place for 23 November 2021 would be going ahead as planned. The Panel also received confirmation from the Head of Overview and Scrutiny that the task and finish groups were progressing well, and that a large number of evidence and engagement sessions had taken place, with a view to conclude the work in February 2022. Updates by Councillors Mark Ingleby, Luke Sorba, John Muldoon and Peter Bernards about the current and upcoming work being carried out their respective Select Committee were noted by the Panel.

RESOLVED that the report be noted.