

MINUTES OF THE OVERVIEW AND SCRUTINY BUSINESS PANEL

Tuesday, 24 July 2018 at 7.05 pm

PRESENT: Councillors Bill Brown, Juliet Campbell, Jim Mallory, Joan Millbank, Pauline Morrison, John Muldoon and Susan Wise

ALSO PRESENT: Councillors Barnham and Maslin.

Apologies for absence were received from Councillor Liam Curran, Councillor Alex Feis-Bryce and Councillor Luke Sorba

The meeting started at 7:20pm, adjourned and reconvened at 7.30pm.

124. Minutes

RESOLVED that the minutes of the open meeting held on 10 July 2018 be confirmed and signed as a correct record.

125. Declarations of Interests

None Received.

126. Outstanding Scrutiny Matters

RESOLVED that the report be noted.

127. Notification of Late and Urgent Items

RESOLVED that the report be noted.

128. Decisions made by the Joint Committee of the London Boroughs of Brent, Lewisham & Southwark on 4 July 2018

This report was not identified for further discussion.

129. Decisions made by Mayor and Cabinet on 11 July 2018

Financial Results 2017-18

The Head of Financial Services introduced the report.

Councillor Muldoon stated that he was concerned that an addendum that had amended a paragraph on the original report was tabled at Mayor and Cabinet. This addendum had not been circulated to Business Panel Members. He requested that in future officers should circulate all tabled addendums at Mayor and Cabinet meetings to Business Panel Members.

Action >>>>> Head of Business and Committee

Councillor Muldoon said he was concerned about the amount of overspend that had become apparent in the report, and asked why it was not detected earlier. He said that this did not inspire confidence in the reports that come before Members.

The Head of Financial Services said that since the beginning of the year there had been significant budget pressures. The projected overspend for the Children and Young People Directorate had been £7m. This then increased significantly to £15m in January. He stated there were a lot of budget assumptions which turned out not to be accurate, with the current database being adjusted by £2m. Also a £1m budget savings that was to be delivered did not materialise, and in addition there were £1m of costs relating to children placements.

Officers informed Business Panel that in January a forensic piece of work was done which uncovered the significant overspend, hence the addendum being tabled at Mayor and Cabinet. Panel Members were informed that the new Oracle Cloud that had been introduced would ensure the monitoring process was tightened, and officers would get a budget that was current. The Head of Financial Services said to address this going forward officers were proposing to re-run the first quarter figures and take a report to Mayor and Cabinet in the Autumn.

The Executive Director for Resources and Regeneration informed Panel Members that there had been overspend in CYP Directorates nationwide, and this was unprecedented. She said officers have to tighten the systems, she added that the delivery of savings and some system issues had contributed to the overspend. The Executive Director for Resources and Regeneration said she would agree that if officers had been aware of the state of the budget earlier they would have been able to address it.

The Executive Director for Resources and Regeneration said going forward officers would tighten the process, with constant monitoring, and would ensure they have accurate figures to work with.

Councillor Mallory said that a lot of work was needed to address this, and the joint CYP and PASC Select Committee would look into this further in September. He added that Members would need to know what the CYP Directorate would be doing to address this. He also questioned the accuracy of the systems being used, and whether officers were in control of actions that were being taken that would adversely affect the budget.

The Executive Director for Resources and Regeneration said that issues that led to the overspend were from Children Social Care, HR Systems and Finance Systems. She added that officers had reviewed Children Social Care Placement provision, and the decision had been made to increase the budget to match the service to give the Directorate enough resources to manage its services.

Councillor Wise agreed the budget overspend was unprecedented, and said Members were concerned that although they were told in September the overspend was £7m, this changed to £8m in January, only to be told at a later date that it had shot up to £15m. Councillor Wise said there were some things officers had control over namely, fostering, and the use of agency staff. She questioned the rationale for using an increasing number of agency staff after the Council had agreed that they would only be used in extreme circumstance.

The Executive Director for Resources and Regeneration said processes had been put in place to reduce the number of agency staff the Council appoints, but some flexibility occurred because of Children needs. She said going forward this would be tightened again, and challenged. Councillor Wise said she understood needs had to be met but believed this was a case of someone taking their eyes off the ball.

Following further discussion, the Executive Director for Resources and Regeneration stated that she recognised there had been some systems failure, hence officers were looking at tightening the process to ensure accuracy going forward. She said she was aware that proper management and monitoring had to take place.

The Chair said the Public Accounts Select Committee, and the Children and Young People Select Committee have to continue looking into this error. The Chair said Members have to believe the information they had been given. He said if Members could not have trust in the figures they get then it would be difficult for them to make the right decision. The Chair said to manage the budget Members have to know and understand the figures. He said the Children and Young People Select Committee and the Public Accounts Select Committee would be looking into the overspend in great detail.

The Chair for Public Accounts Select Committee, Councillor Mallory said for them to do their job well they would need details of what had been done to address service provision, and what the new arrangements would be. He said it would be beneficial to get the result of the joint scrutiny before the update to Mayor and Cabinet.

Action >>>>> ED CYP, ED Res & Regen.

RESOLVED that the report be noted.

130. Overview and Scrutiny Select Committees Work Programmes 2018-2019

The Scrutiny Manager introduced the report. Business Panel Members were informed that all the Select Committees had met and agreed their work programmes for this Municipal Year. He highlighted the in-depth reviews that had been agreed by the Select Committees.

Panel Members noted that their work programmes may need to be amended to accommodate the scrutiny of the savings proposals, this would mean retaining capacity in their work programmes to do this work. The Scrutiny Manager emphasised the importance of avoiding overlaps within the work programmes.

Councillor Campbell reminded Select Committee Chairs that the Administration's manifesto had included equalities as an important issue to be addressed. She said she hoped that this would be reflected in all the Select Committees programme of work, and not just Safer Stronger Select Committee.

Councillor Millbank said although equalities impact is within the template of all reports, Members would now need detailed information on equalities assessment

within reports now that the cuts were increasing. She said this would be a challenge for Lewisham as a Council. Panel Members stated that affordable housing addresses equality issues and this should be highlighted in the reports.

Councillor Muldoon, Chair of Healthier Communities Select Committee said he was open to suggestion, and that the work on blue badges would be a good starting point. Councillor Morrison, Chair of Safer, Stronger Select Committee said that equalities falls within the remit of her Select Committee, and there is a lot of work to be done hence they would be doing some informal work throughout the Summer recess, to ensure they are up and running come September.

Councillor Wise, Chair of Housing Select Committee commented that Members should be mindful of the cuts, and what areas are affected. Councillor Mallory Chair, Public Accounts Select Committee said the Select Committee would be looking at income generation. He stated that Safer, Stronger Select Committee has the responsibility to look at the impact of the budget on equalities. Councillor Mallory said Select Committee Chairs should address work that overlaps their committees. Councillor Wise responded that she expected to have a discussion with Councillor Curran about the Local Plan reviews to find a balance.

The Chair concluded the meeting saying that Select Committee Chairs should ensure equalities issues form part of their work programme items.

Action >>>>> Scrutiny Manager

RESOLVED that the work programme for the 2018-19 municipal year be agreed.

131. Exclusion of the Press and Public

This item was not needed as no confidential item was discussed at the meeting.

132. Decision made by Mayor and Cabinet on 11 July 2018

This item was not requested for discussion.

133. Decision made by an Executive Director Under Delegated Authority - To approve the appointment of Acclaim Contracts Ltd for the re-roofing of Lewisham Library

This item was not requested for discussion.

Meeting ended: 8:20pm

Chair