



Mayor and Cabinet

Report title: Comments of the Public Accounts Select Committee on the financial stabilisation – budget update and medium term plan report

Date: 07 October 2020.

Key decision: No.

Class: Part 1.

Ward(s) affected: All.

Contributor: Public Accounts Select Committee

Outline and recommendations

This report informs the Mayor and Cabinet of the comments and views of the Public Accounts Select Committee, arising from discussions on financial stabilisation.

Mayor and Cabinet is asked to consider the Committee's comments and ask the relevant officers to provide a response.

Timeline of engagement and decision-making

26 February 2020 – 2020-21 Budget report to Council

10 June 2020 – Council's response to Covid-19 – financial update report to Mayor and Cabinet

9 July 2020 – First 2020/21 financial monitoring report to Mayor and Cabinet

Consideration of the financial stabilisation – budget update and medium term plan report by select committees:

9 September 2020 - Safer Stronger Communities Select Committee

15 September 2020 – Housing Select Committee/Sustainable Development Select Committee

21 September 2020 – Children and Young People Select Committee

23 September 2020 – Healthier Communities Select Committee

24 September 2020 – Public Accounts Select Committee

7 October 2020 – Mayor and Cabinet consideration of the financial stabilisation – budget update and medium term plan report

1. Summary

- 1.1. On Thursday 24 September 2020, the Public Accounts Select Committee considered a report from officers on financial stabilisation – budget update and medium term planning ([link to the agenda and reports for the Committee's meeting on 24 September](#)). The Committee reflected on the contents of the report – and received a presentation from officers. Following questions to officers, the Committee agreed to refer its views to Mayor and Cabinet.

2. Recommendation

- 2.1. Mayor and Cabinet is asked to consider the Committee's comments and ask the relevant officers to provide a response.

3. Public Accounts Select Committee views

- 3.1. The Committee is deeply concerned about the challenging financial situation facing the Council – both in the immediate term due to spending pressures and in the longer term as a result of the ongoing pandemic.
- 3.2. The Committee welcomes the management action being taken to control in-year overspending and it recommends prompt implementation of the measures that have been identified.
- 3.3. The Committee notes the difficulty of making cuts in a changing and uncertain environment. It recommends swift and effective alignment of the Council's plans for recovery from the impact of the pandemic with the development of proposals for budget cuts.
- 3.4. The Committee recommends that Mayor and Cabinet Members be focused and resolute in controlling overspending – particularly in relation to the pressures on the budgets for children's social care. The Committee also believes that attention has to be given to managing demand in social care for both children's and adult services.

4. Financial implications

- 4.1. There are no direct financial implications arising from the implementation of the recommendations in this report. However, there may be implications arising from the implementation of the Committee's recommendations. These will need to be considered as part of the response.

5. Legal implications

- 5.1. The Constitution provides for select committees to refer reports to the Mayor and Cabinet, who are obliged to consider the report and the proposed response from the relevant Executive Director; and report back to the Committee within two months (not including recess).

6. Equalities implications

- 6.1. 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.
- 6.2. 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.
- 6.3. There may be equalities implications arising from the implementation of the Committee's recommendations – these will need to be considered in the response.

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7. Climate change and environmental implications

- 7.1. There are no direct climate change or environmental implications arising from the implementation of the recommendations in this report. There may be climate change and environmental implications arising from the implementation of the Committee's recommendations – these will need to be considered in the response.

8. Crime and disorder implications

- 8.1. There are no direct crime and disorder implications arising from the implementation of the recommendations in this report. There may be implications arising from the implementation of the Committee's recommendations – these will need to be considered in the response.

9. Health and wellbeing implications

- 9.1. There are no direct health and wellbeing implications arising from the implementation of the recommendations in this report. There may be implications arising from the implementation of the Committee's recommendations – these will need to be considered in the response.

10. Background papers

- 10.1. [Financial stabilisation - budget update and medium term plan](#)

11. Report author and contact

- 11.1. If you have any questions about this report then please contact: Timothy Andrew (Scrutiny Manager) 020 8314 7916 – timothy.andrew@lewisham.gov.uk

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