

ROYAL BOROUGH OF GREENWICH

OVERVIEW AND SCRUTINY

TUESDAY, 28 JANUARY 2020 AT 7.00 PM

MINUTES

PRESENT:

Members:

Councillor Chris Lloyd (Chair), Councillor John Fahy (Vice-Chair), Councillors Mark James, Adel Khaireh, Clive Mardner, Gary Parker, Spencer Drury and Matt Hartley.

Under Standing Orders

Councillor Christine Grice

Officers

Chief Executive, Director of Finance, Director of Communities & Environment, Director of Children's Services, Director of Health & Adult Services, Director of Regeneration, Enterprise & Skills, Director of Housing & Safer Communities, Head of Corporate Governance & Democratic Services, Head of Legal Services.

Item

No.

1 Apologies for Absence

Apologies for absence were received from Councillor Ivis Williams.
Apologies for lateness were received from Councillor Mark James.

2 Urgent Business

There was no urgent business.

3 Declarations of Interest

Resolved -

That the list of Councillors' memberships as Council appointed representatives on outside bodies, joint committees and school governing bodies be noted.

4 Minutes

Resolved -

That the minutes of the meeting of the Overview and Scrutiny Committee held on 04 November 2019 be agreed and signed as a true and accurate record.

5 Medium Term Financial Strategy (MTFS) 2020-21

This was presented by the Cabinet Member for Finance and Resources and the Director of Finance.

The Cabinet Member advised that there was currently a gap of about £57m in the budget which needed to be bridged. Initially the Council was looking at a 4-year MTFS but then the calling of the General Election in December suspended further work and consultation going ahead and so this was now a one-year Spending Round by the government, leading Greenwich to another one-year transitional budget, including some proposals of how to bridge the shortfall in funds.

A consultation has started and well over 200 responses have already been received. Initially, the Strategy was to be taken to the meeting of Cabinet tomorrow, but it has been decided to extend the consultation for a further two weeks. The final recommendations will now be taken to the meeting of Cabinet on 19 February 2020.

The proposals for the budget include the administration's priorities including meeting the cost of returning 100% Council Tax support to the most vulnerable in the borough (£1.5m) (Section 8.20). Funding is also being put aside for climate emergency work.

The proformas attached to the report identify savings by reshaping services and cutting back on expenditure. There is however, still a gap to find. £250k has been put into the base of the budget due to more efficiency being achieved in the collection of Council Tax for which the Director of Finance and his team should be congratulated. It is proposed that the Council Tax rate will rise by 1.99% and that there is a 2% precept for social care.

There is currently a £12m deficit in social care which is not sustainable and it is hoped that as many Members as possible attend the briefing being held tomorrow night advising how we hope to start finding a long-term solution.

The Chair and Councillor Hartley also both offered their congratulations and thanks to the Director of Finance and his team for their work on increasing the collection of Council Tax.

The Chair asked that Members first ask any strategic questions that they had and then he would ask each Director to answer any proforma-specific ones afterwards.

Responses to questions included the following points:

- The Fair Funding Review was expected which the Local Government Agency (LGA) had done quite a lot of work on. The projection for Greenwich was that there would be a loss of c£800k, albeit this was felt to be some way off the final figure. The Area Cost Adjustments would also affect us although there could be some flexibility with the use of the Deprivation Factor.
- It was difficult to predict the level of new build going forward as it was predicated on so many factors. However, the government figures were based on previous performance and did not take into account any slow-down.
- Several Members then queried how the £6.146m social care grant would be spent which was highlighted in paragraph 7.26. It was explained that this money was unringfenced grant. Because extensive work was being undertaken by Newton within the social care environment which portrayed a picture where spending could be contained within resources provided to date, the Council would be able to reallocate some resources between directorates. However, if the expected outcomes for social care were not achieved, that figure could be reconsidered.

Councillors James and Parker joined the meeting.

- The Cabinet Member did regard the Continuous Improvement Team as being extremely important. With regard to the work by Newton Europe, she was expecting them to generate at least £8m reduction in spend. All functions across the Council would be under review and carefully monitored.

There being no more general questions, the Chair asked Members if they had any questions for the Director of Health & Adult Services.

Responses to questions were as follows:

- The Director of Children's Services confirmed that saving HAS-01 did not relate to Children's Centres.
- HAS-04 – the team was now much more established and would still have access to the advice of the Home Office staff member even if they became part time.

There then followed a discussion on whether the Home Office staff member was actually needed at all. Following discussion, it was agreed that a recommendation was put to Cabinet that this post be deleted creating a higher saving.

Action: Chair of O&S

- HAS-05 – this was an ongoing saving and formed part of the MTFS. The service was used by a very small number of people and offered a £75k ongoing saving.
- The Director advised that as a new person to the organisation, she did not feel that the best results were being achieved for our residents and that resources could be used a lot better. When asked about her staffing she said that there was not a particularly high vacancy rate. The agency staff number, however, was too high - around 56 out of 700 posts - and she was starting to address this. She was also engaging more with all staff and making changes from the bottom up rather than from top down and believed this would create much better job satisfaction.
- The Cabinet member also advised that a lot of agency staff were in high skilled posts. Two graduates were currently working with universities on the recruitment of high skilled workers.
- When asked if there was potentially any more that could be saved in public health the Director said that as she had only been in post such a short time, she was not currently in a position to answer that but a lot of work had been done on identifying those savings brought in the report and would be monitored.

The Chair then asked Members to give any questions they had to the Director of Children's Services: -

- CS02 – Members asked that in the report for Cabinet the total funding including that from the DSG be shown on the proforma.

Action – Dir Finance / Dir Children’s Services

- CS01 – the Director stressed that there was a statutory responsibility and none of that was being cut. This saving was achieved by looking at bringing the Council in line with other authorities who offer a traded service to schools.
- In response to a question about what potential there was in the directorate for income generation, the Director replied that officers constantly applied for grants and always explored different ways of bringing in income. She said that she was happy to explore partnership work that was suggested by Cllr Parker and would speak to him about it outside of the meeting.
- CS05 – responding to a question about whether £80k was really the maximum saving that could be obtained from the integration of The Family Information Service with other services, the Director advised she was confident that it was but was happy to go back and check the figures.
- CS03 – The Director advised that of all her proposed savings, this one on Community Based Interventions was the most ambitious and may not be achievable in total by the end of the first year. There was currently a consultation underway and an EIA would be undertaken.

There being no further questions, the Chair asked for any questions on the savings proposed by the Director of Communities & Environment:

- C&E 5 – The Director of Finance advised that there was currently a process being undertaken to update records of what mobile devices were held by officers and it may be that this could result in further savings being found.
- C&E 16 – a number of Members had some concerns about the proposal to stop locking park gates overnight and advised that this had been tried once before and resulted in increased anti-social and criminal behaviour. The Director of Communities & Environment assured Members that if agreed by Cabinet, it would be tried again but kept under review. The Chair also suggested that Scrutiny add this to their work programme to monitor going forward.

Action – Chair O&S

- C&E 7 – The Director advised Members that dog waste bins in parks would only be removed when there was already a normal park bin in the vicinity as dog waste could be disposed of in the general waste bins.
- C&E 24 – the reduction in grass cutting frequency in parks would create a substantial saving but would also support biodiversity. It would be trialled and kept under review.
- C&E 40 & 41 – the Director advised that these proformas would be changed before being taken to Cabinet. On reflection, she had decided it should be a more general proposal that did not mention any specific play centres. The service would be looked at across the board and a decision taken on how to provide it at a better cost.

Action Director C&E / Director Finance

- C&E 29 – several Members voiced their concerns about this proposal to stop the use of jet washing pavements except after any specific incident necessitating it. The Director explained that there had never been a budget for it and that it had to be undertaken out of hours meaning officers were paid overtime. She was open to keeping it under review but explained that the budget was stretched in every direction. One Member queried whether the £79k cost could not be paid out of business rates. The Director of Finance advised that business rates were unpredictable and at this point in time could only be used for one-off funding. The mechanism for payment of business rates was also changing and the Council was awaiting details from Government. Members then agreed to make a recommendation to Cabinet that they look to see if there was any way of halting this saving and funding it by other means.

Action – Chair O&S

- C&E 40 – Councillor Hartley requested it be put on record that he had serious concerns about the proposal. He understood that Coldharbour library was not used by a high number of people, but felt it was very important to the estate. He also did not understand why it was not promoted more and local schools encouraged to come and use it.

There being no further questions about these proposals, the Chair asked for questions to the Director of Housing & Safer Communities:

- H&SC p.79 – Members asked for clarification of this proposal and the Director explained that there were different sorts of temporary accommodation used. These were in properties that the council owned – about 250; properties on long-term lease – about 140; and the rest were currently emergency overnight places (bed and breakfasts). The latter was extremely expensive. The new strategy to reduce their use and buy and lease more properties would obviously not be achievable overnight, but would gradually produce a substantial saving. He also hoped it would reduce the need to place people out of borough. When asked about 30 new street properties which were currently void, the Director explained that some of them were not habitable and needed a substantial amount of work done on them but he was aware that this process needed to be quicker.

Questions to the Director of Regeneration, Enterprise & Skills:

- DRES 12 – the Director agreed that the figures on this proforma needed to be changed. The amount for 2020/21 should read £300k and this would be changed before the report was taken to Cabinet.

Action Director DRES / Director Finance

- DRES 12B – Councillor Mardner said that he disagreed with this proposal to charge the same amount for a PCN across the borough as the residents in some areas were better off than others. The Director advised that this proposal had actually already been agreed by Cabinet and London Councils and was expected to be approved by the Mayor of London.

Councillor Hartley said that with both of these proposals as well as bringing in income, they were also to stop illegal activity. That being the case, had the possibility that the charges meant less people undertook this illegal activity been taken into consideration. The Director advised that it had and that these were conservative estimates.

There were no questions to the Director of Finance about the proposals for this directorate.

Resolved –

- 1.1 Agreed to submit any comments to Cabinet on the 19th February 2020 in respect of an updated set of Budget Principles (Section 2.3 refers).

- I.2 Noted that the impact of a decade of government austerity combined with demographic pressures has led to a structural deficit of £25m in gross service spending (Section 3.2).
- I.3 Agreed to submit any comments to Cabinet on the 19th February 2020 in respect of the proposed service changes to assist with bringing spending back in line with budget (Appendix A refers) and noting the end to end review within “health and adults’ services” – a combined spend reduction in excess of £15m over the MTFS period. (Section 5).

The comments of the Overview and Scrutiny Committee to the Cabinet meeting of 19th February 2020 are as follows:

- a. That the Cabinet consider deleting the post of the Home Office Worker under proforma HAS-04 rather than reducing it to a part-time post thus creating a greater saving.
 - b. That the Cabinet consider the concerns of the members of the Overview and Scrutiny Committee about the proposal to stop the locking of park gates at night (C&E 16). This had been tried once before and resulted in increased anti-social and criminal behaviour. That if Cabinet still decided to go ahead with this proposal, that the Community Safety & Environment Panel add the issue to their upcoming work programme and monitor its effects.
 - c. That the Cabinet review other options to ceasing jet washing of pavements (C&E 29) including alternative funding or cheaper methods.
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- I.4 Noted the additional dwelling growth of 2,619 properties in the borough generating £2.2m of additional ongoing income (Section 7.3).
 - I.5 Noted that the council tax collection rate for the first six months of this year is the strongest for four years, allowing a further £0.3m of ongoing income into the base budget (Section 7.4).
 - I.6 Noted the impact of the Government’s Provisional Financial Settlement and related announcements on the MTFS in that it only allows certainty for a one-year period of 2020/21.
 - I.7 Agreed to submit any comments to Cabinet on the 19th February 2020 in respect of Fairer Greenwich Investment decisions.
 - I.8 Agreed to submit any comments to Cabinet on the 19th February 2020 in respect of £4m of one off investment resources on areas as set out in part 8, including £1.5m for Greener Greenwich, with £1.0m for the parks and £0.5m for a community led fund (Section 8).
 - I.9 Noted that £0.433m residual one-off resources are set aside against pressures occurring in year (Section 8.39).

- I.10 Agreed to submit any comments to Cabinet on the 19th February 2020 in respect of actions to balance the 2020/21 in year budget deficit of £3.6m (Section9).
- I.11 Noted a £20m reduction in the overall MTFS gap, down to £37m, by 2023/24 (Section 10.17).
- I.12 Noted the potentially significant financial risks to the MTFS going forward (Section 10).
- I.13 Noted the contribution that a Continuous Improvement Programme will have upon the authority's residents and finances (Section 11).
- I.14 Noted the consultation period of 14th January 2020 - 18th February 2020 (Section 12).

6 Forward Plan

Resolved -

That the upcoming executive decisions set out in the Forward Plan for the period January 2020 – March 2020 (inclusive), as set out at Appendix I be noted.

7 Action Points

Resolved -

That the actions requested at previous meetings of the Committee have been completed or updates given.

8 Commissioning Future Reports

Cllr Fahy requested that the Section 106/CIL update report included details of the existing resources available.

Resolved -

That the Committee noted the work items that are scheduled to be presented to the meeting of the Overview and Scrutiny Committee on 18 February 2020.

The meeting closed at 9.21pm

