

SCRUTINY AND OVERVIEW COMMITTEE

Minutes of the meeting held on Tuesday 8 September 2015 at 6:30pm in the Council Chamber, the Town Hall, Croydon

This meeting was filmed for broadcast on the council's internet site at:
<http://www.croydon.public-i.tv/core/portal/home>

MINUTES – PART A

Present: Councillor Sean Fitzsimons
Councillors Sara Bashford (Vice Chairman), Emily Benn,
Carole Bonner (Deputy Chair), Shafi Khan and Mario Creatura

Also in attendance for part or all of the meeting:
Councillor Hamida Ali
Councillor Simon Hall
Councillor Joy Prince
Councillor Louisa Woodley

A11/15 APOLOGIES FOR ABSENCE

Apologies had been received from Councillor Sherwan Chowdhury.
Councillor Shafi Khan was present as his reserve.

A12/15 MINUTES

The minutes of the meeting held on 9 June 2015 were agreed by the Committee and signed by the Chair.

It was noted that the information referred to in Minute Number 09/15 had not been received. POST MEETING NOTE: This has now been forwarded to Members of the Committee and is attached as an appendix to these minutes.

A13/15 DISCLOSURES OF INTERESTS

None.

A14/15 URGENT BUSINESS

None.

A15/15 EXEMPT ITEMS

RESOLVED – that the allocation of business on Part A of the Agenda be confirmed.

A16/15 QUESTION TIME: COUNCILLOR SIMON HALL, CABINET MEMBER FOR TREASURY AND FINANCE (Agenda item 6)

Present for this item:

Councillor Simon Hall, Cabinet Member for Treasury and Finance

Councillor Hamida Ali, Deputy Cabinet Member for Treasury and Finance

Richard Simpson, Assistant Chief Executive (Corporate Resources and Section 151 Officer)

Councillor Simon Hall made a short presentation about his vision for the portfolio, its successes, delivery of services and the impact of central government actions on the borough and then answered wide-ranging questions from Members. As a result, he provided the following information:

CALAT

- In-year cuts to grants to CALAT (Croydon Adult Learning and Training service) could cost the service £400,000
- The implications were still being considered and some courses will be cut or reduced and sessional staffing will be cut
- There will be a wider impact on Croydon as most of the courses are work related

Public health

- Cuts of up to £1.3 million could affect Public Health in Croydon

Working families

- Changes in the Tax Credit formula will affect thousands of families and could see reductions of around £25 per week per working family and a £1.6m impact on Croydon next year

Unaccompanied Asylum Seeking Children (UASC)

- The council is one of three 'gateway authorities' that receive specific funding for asylum-seeking children
- Croydon is designated a gateway authority as the Home Office's main processing centre is based in the borough
- Croydon currently has 450 UASC, more than the number of looked after children in the borough
- The Home Office imposed the in-year cut in March, after the council had set its budget for this financial year

- The council has historically received about £20m to look after the children and the reduced rates meant Croydon was left with a shortfall of £4m - a 20% cut
- Croydon has the skills to manage large numbers of UASC but there needs to be a change in the funding arrangements if the borough is to take more
- Already Croydon has seen an increase of 10% UASC this year and could expect many more as a result of the Syrian migrant crisis
- If large numbers of UASC come to Croydon, the borough would need to look way beyond the borough-boundaries to find foster carers
- Croydon is encouraging the government to consider a dispersal policy similar to the arrangements for adult asylum seekers
- If it is to handle additional UASC Croydon would need significant long term funding from central government as there would be costs attached to setting up an expanded service
- The issues of the cut in current funding and the potential for large numbers of additional UASC could have a significant impact on other services too
- This is a very difficult issue as these children are very vulnerable and have many issues as a result of their experiences

Housing

- Homelessness and temporary accommodation are big issues in the borough
- The previous administration had taken a sensible approach to buying properties and the current administration had added to the property portfolio by taking 10-year leases on properties for use as temporary accommodation
- There is a reserve in the HRA for a building programme and a number of sites in the borough are being looked at for rapid delivery
- The central government decision to reduce the amount councils can charge for rents would create a financial hole in the HRA and that this has been exacerbated by the Pay to Stay policy announced in the emergency Budget (July 2015)
- The private rented sector was challenging for people in the borough
- The inflow of people coming from central London is increasing and adding to the competition for accommodation
- There was a disconnect between rents and housing allowance
- The council was considering modular housing units to help deliver additional accommodation quickly

SEN Transport

- The provision of SEN Transport is one area of overspend to the council
- The contract has been re-procured recently resulting in a contract which should save money and pay the staff the London Living Wage
- The council was encouraging independent travel to school and this also delivers social benefits to children

Deficit in the budget

- Current overspends are in the People department including in social care packages and SEN transport
- There will be an update report to the next Cabinet meeting later in September 2015
- The deficit at the end of Quarter 1 was £3 million – through this was before the UASC budget cut
- The council was behaving in an agile manner to help recoup the deficit, for example by looking at charging for green waste collection as soon as possible rather than waiting for the next spending round
- The Resources department was working on the digital enabling programme which will deliver more savings than originally forecast, through it will take longer to implement due to the extended scoping of the project

Partnership working

- Outcome-based commissioning for the Over 65s is an example of partnership working which has been very successful
- This is delivering pathways and services to improve patient and resident outcomes and services at a reduced cost
- The working relationship with the CCG is improving
- The council was looking at working more closely with the Police too

Forecasting

- The council models scenarios when considering choices and these choices are based on black and grey sky scenarios rather than a blue sky scenario
- Non ring-fenced government departments are looking at 25-40% cuts and it is in this context that local government including Croydon will be working
- The council is considering all non-statutory services, not with a view to stopping these services, but in how they are delivered for less cost
- The council is looking to provide more information about the costs of its services so that Members and residents have more visibility about the choices facing the borough and what these choices mean in practice
- The council was forecasting increases in the number of properties and that this would bring increased sums collected as Council Tax but that an increase in demand for services would also be seen

The Assistant Chief Executive stated that when looking at modelling the council's largest areas of expenditure tended to be those where demand was greatest and that many of these were statutory services.

Borrowing

- The council has taken a new loan from the European Investment Bank (EIB) for a schools building project which will save it £2 million over the next four years

- Interest is a burden for the council and the EIB offers a lower rate of interest
- The council would talk to the bank again in the future if another qualifying project arises

The Assistant Chief Executive added that the rate of interest offered by the EIB is better than traditional sources of borrowing and the loan will be repaid at the terms agreed even if a referendum results in the country's withdrawal from the EU. The EIB only lends on big projects and the Croydon project qualifies as it is the biggest school building project in the country.

Individual registration

- Individual registration comes in fully this year and the council has sent out forms to all households with 50% responding so far – though this does not include households providing information through the DWP direct registration scheme
- This compares well to the usual response rate and the council will be using some of the election reserve to help reach various hard to reach groups and those in under-represented groups
- The register as at 1 December 2015 will be used to determine the new parliamentary boundaries as well as for the mayoral elections in May 2016
- The need for households to register is being advertised through a number of routes including My Account, Council Tax bills as well as through community groups and so on

Fairness and Opportunities Commission

- The Fairness and Opportunities Commission was set up to help the council with priorities and its outcomes will be incorporated in the 3-year budget process.

Councillor Hamida Ali added that the Commission would be making an interim report in September/ October and its final report would be published in January 2016. The Commission was looking at issues that affected the whole borough, the private and voluntary sectors as well as public sector and was aiming to make practical, tested recommendations.

The Cabinet Member for Treasury and Finance also informed Members that:

- The structure of Cabinet portfolios is determined by the Leader and that most of these are aligned to the new council structure of three departments
- The council believed in the London Living Wage (LLW), it was working with schools to deliver this to non-teaching school staff as well as all other council staff and many schools have already delivered the LLW for all staff
- The council had a 97% success rate of collecting council tax and

that this was in line with outer London targets

The Committee concluded that, in relation to UASC:

- This had been a long term challenge for Croydon over the past 20 years;
- The borough had unique skills to help look after UASC due to the large numbers of children it had supported over the years;
- The sudden, in year, withdrawal of £4M funding for UASC was unfair and was a serious retrograde step;
- The withdrawal of this funding would have a detrimental effect on the provision of services to UASC in Croydon;
- Should large numbers of UASC come to Croydon a dispersal process to other boroughs across the country would need to be put in place so that an undue burden is not placed on the borough's resources;
- Croydon possessed the skills to help support the potentially large numbers of UASC resulting from the current migrant crisis in Europe here and elsewhere in the country.

More generally, the Committee welcomed the undertaking of the Cabinet Member for Finance and Treasury to provide more information about the costs of services and the practical implications of choices when budget cuts are being considered. The Committee hoped that this information would be available to Members when it considers the pre-decision scrutiny item on the 2016-17 Budget at its meeting in December.

RESOLVED – That the Committee supported lobbying the Home Office about the unfair withdrawal of funding for Unaccompanied Asylum Seeking Children (UASC); the potential impact on resources in the borough should large numbers of UASC come here in the future as a result of the current migrant crisis in Europe and the need for a dispersal process to be put in place.

Councillor Sean Fitzsimons thanked Councillor Simon Hall for the information contained in his presentation and subsequent answers to questions.

A17/15 FACILITIES MANAGEMENT CONTRACT PROCUREMENT UPDATE
(Agenda item 7)

Present for this item:

Councillor Simon Hall, Cabinet Member for Treasury and Finance
Councillor Hamida Ali, Deputy Cabinet Member for Treasury and Finance

Richard Simpson, Assistant Chief Executive (Corporate Resources and Section 151 Officer)

Mark Norrell, Head of Facilities Management

The Assistant Chief Executive introduced the report stating that the Committee had considered a pre-decision scrutiny item on the Facilities Management contract in September 2014 and that the Committee had made recommendations as a result. This report provided an update on the process including on the construction of the 'bundles' and provided confirmation that the process was on track to deliver the procurement to timetable. He added that the current provider had been co-operative throughout the process.

Following questions from Members, the Head of Facilities Management provided the following additional information:

- The council had engaged with local Small and Medium Sized Enterprises (SMEs) as part of the process
- The cleaning contract element is the most advanced in the process as it is at the Invitation to Tender (ITT) stage
- Energy services procurement forms part of bundle 4 and will be brought back in house
- The sustainability team will remain part of facilities management and the resources department

The Assistant Chief Executive informed Members that there was a wide field of businesses interested in tendering for parts of the contract from SMEs to very large national contractors.

RESOLVED – to note the report.

A18/15 OVERVIEW OF COUNCIL CONTRACTS (Agenda item 8)

Present for this item:

Councillor Simon Hall, Cabinet Member for Treasury and Finance
Councillor Hamida Ali, Deputy Cabinet Member for Treasury and Finance

Sarah Ireland, Director of Strategy Communities and Commissioning
Charlotte Rohan, Head of SCPP Adult Services Housing and Health
Robert Brown, Strategic Programme Manager

Councillor Simon Hall and Sarah Ireland introduced the report by making a short presentation. This has been added to the council website with the papers for the meeting.

Councillor Shafi Khan left the meeting at 8:35pm.

The Director of Strategy Communities and Commissioning informed Members that:

- It had not been possible to provide the Committee with the end dates of the contracts given in Appendix A of the report in time for the meeting due to issues relating to the complexities of rolling contracts and undertook to provide this information to Members

- Rolling contracts are reviewed on an annual basis, in good time and in negotiation with contractors
- It is important to the council to balance the length of a contract with the need to respond to changes in circumstances and the council has built in stepping off points and walk away points
- Good contract management is key and the council aims to be partners with its contractors in the delivery of contracts being flexible when necessary
- Very few contracts need to resort to robust legal support as the council aims to monitor contracts in a more positive way
- The new contract management hub will help ensure that contracts are managed well in a consistent manner using best practice
- Different contracts present different ways for our customers voices to be heard as part of the contract monitoring process and getting this right makes contracts better
- The aim is to provide all Members with an annual performance report for all Tier 1 contracts and that within many, service user feedback will be an integral KPI
- The council is in the process of developing a data analysis unit in conjunction with service heads and suppliers in order to stop systematic failures and to use information to improve service delivery
- The council has strong links with business organisations and is developing its relationships with suppliers and social enterprises
- Break clauses are planned for so that when contracts end there is no disruption to service delivery and decisions are made in a measured way

The Cabinet Member for Treasury and Finance informed the Committee that:

- The council aimed to monitor the performance of contracts and to make them outcome oriented or based on framework agreements
- It has a calculated appetite for risk and, as risk is priced in by suppliers, this needs to be part of the negotiation process
- The council is prepared to respond to changing circumstances or if a contractor is not delivering
- The Capita IT contract was being re-negotiated in order that the service needed is delivered
- The council was taking a different approach to new contracts and had professionalised contract management and the day-to-day operation of contracts
- In addition to listening to service users as part of contract monitoring, the council also monitors the number and type of repeat failures in order to improve service delivery
- Value Croydon has been launched to help local and small and medium sized organisations have the opportunity of tendering for council contracts
- The council has a clear commitment to the London Living Wage (LLW)

- The LLW will be on the agenda for annual contract reviews, all long term contracts, when stepping off points are negotiated and it form part of the contract management process in the future

RESOLVED – To:

- 1) Note the report;
- 2) Welcome the commitment to provide an annual performance report on Tier 1 contracts to Members
- 3) Review the effectiveness of the commercial contract management hub in approximately one year, subject to the constraints of the 2016/17 scrutiny work programme.

Councillor Sean Fitzsimons thanked all those present for attending and for their contributions to the meeting. He stated that the item on Council Contracts concluded the main business of the meeting and that the Committee would now discuss the scrutiny work programme and timetabling matters.

At 9:27 Councillor Sean Fitzsimons proposed the suspension of standing orders to extend the meeting beyond 9:30pm in order to complete the business on the agenda. The proposal was seconded by Councillor Sara Bashford.

A19/15 SCRUTINY WORK PROGRAMME 2015-16 (Agenda item 9)

Present for this item:

Solomon Agutu, Head of Democratic Services and Scrutiny

The Head of Democratic Services and Scrutiny reported that at the Scrutiny and Strategic Overview Committee meeting on 14 April 2015, the Committee asked that Cabinet's response to scrutiny recommendations be forwarded to scrutiny as soon as practicable. The recommendations made at SSOC on 11 November 2014 and 10 February 2015 were considered at the Cabinet Meeting on 22 June and the information has therefore been circulated.

Following the adoption of these recommendations by Cabinet, Members agreed to seek an update on progress from Councillor Timothy Godfrey at his question time session at the next meeting (3 November 2015).

Members agreed to accept the requests for Local Action Mini Reviews received by Councillor Andrew Rendle and Councillor Matthew Kyeremeh. Councillor Sean Fitzsimons stated that he would like to undertake a Mini Review into Surrey Street and that he would welcome support from other Members on this.

Following a short discussion about topics and timetabling items on the initial work programme, Members **RESOLVED** - to:

- 1) Agree the scrutiny work programme overview for 2015-16 as set out in Appendix 1 of the report;
- 2) Agree the scrutiny work programme for the Scrutiny and Overview Committee 2015-16 – Appendix 2 of the report;
- 3) Agree the requests for Local Action Mini Reviews received from Councillor Andrew Rendle and Councillor Matthew Kyeremeh;
- 4) Note the Cabinet response to the recommendations made by the Scrutiny and Strategic Overview Committee at its meetings on 11 November 2014 and 10 February 2015.

PART B



None



The meeting closed at 9:32pm.

Minute 09/15 Scrutiny and Overview Committee, 9 June 2015

Additional Information for Members of the Scrutiny Committee

Cycling event –levels of participation and publicity achieved

Publicity

Live spectators - The race organisers have estimated 12,500 spectators watched the Men's Tour series and Women's Matrix Fitness Grand prix race in Croydon.

TV highlights - The highlights of the races were broadcast on ITV4 on the evening after the race as an hour long programme. The highlight shows were also available to stream online through ITV.com, with additional 'catch up' service through ITV Player.

TV highlights included a feature item on Croydon the place, interview with the Leader of the Council as well as detailed coverage of the racing.

274,500 viewers watched the Croydon ITV 4 highlights and a further 42,000 watched

the repeat. These figures do not include online audiences streaming highlights or

those viewing via 'catch up'. The highlights programme was also screened across 60

territories worldwide with total potential TV reach of just under 94 million.

Web and social media - The Pearl Izumi Tour Series website, TheTour.co.uk, was the official hub for Series information throughout the 5 weeks. Displaying up-to-date news stories, race reports and photographs, TheTour.co.uk had more than 100,000 unique visitors across the event period.

The Pearl Izumi Tour Series also made use of social media tools, namely Facebook,

Twitter and YouTube; to not only reach a wider audience but to enhance the level of

interaction to fans and spectators.

Other Media coverage - The national cycling press provided significant coverage of

[REDACTED]
the event. Cycling weekly (weekly circulation around 30,000) provided detailed

[REDACTED]
coverage both print and online, alongside the likes of VeloUK, Road.cc, RoadCycling

[REDACTED]
UK, Daily Peloton and Velonation, to name a few.

[REDACTED]
Headline local press coverage was achieved in the Croydon Advertiser and Guardian

[REDACTED]
in the lead up to and following the event.

Race Participation

Top class fields of 78 women and 50 men contested the races. All the major British

[REDACTED]
domestic professional teams were represented.

Schools Participation

All schools in Croydon were invited to get involved in the race event through global e-mails, the Head-teachers' bulletin and editions of School Travel newsletter. Several activities engaged schools with the races on the day and in the lead up to the event. Schools activities included:

Rollapaluza - A static bike competition to see who can cover a set distance the fastest using only pedal power! approx. 240 pupils (from 8 schools) took part.

Year 5 Cycle Races - These races, organised by British Cycling in partnership with Croydon Council, took place from 1pm in the Town Centre. Each of 4 schools had 8 pupils taking part in the races.

Design a cycling themed banner competition - Theme – 'Why I Love Cycling'. 12 schools sent in entries and 3 schools had winning entries.

Official Race Mascots - Pupils were invited to be official race mascots for the participating teams. 7 schools took up the opportunity. The other 3 mascots were chosen on the day by Tour organisers.

British Cycling Youth Cycle Club – British Cycling has established a children's cycling club in Addington Park as a legacy of the event.

Detailed Impact Assessment

[REDACTED]

Sweetspot Event Group, the overall race organiser, is undertaking a full and [REDACTED] independent economic impact assessment of the event. This will follow the principles [REDACTED] set out in HM Treasury's 'Green Book' Appraisal and Evaluation Guidance and Event Impact Guidance. The impact assessment will include a breakdown of number of [REDACTED] spectators, destinations travelled from, length of stay, average spend, TV viewing [REDACTED] figures and other media coverage, including social media, national and regional and [REDACTED] local press coverage. [REDACTED]

Planning – information and clarification regarding Member referral rights

Pete Smith (Head of Development Management) is actively working with the Deputy Leader and the Chair of the Planning Committee to ensure that any changes in Member Referral arrangements maintain Member level scrutiny around planning application casework and also deliver potential efficiencies and associated savings.

Pete Smith has engaged with the LB Camden which operates an informal Member Level Panel to facilitate officer/Member engagement around specified planning applications, in order to determine whether such planning applications should be referred to Planning Committee/Planning Sub-Committee.

Implications for the Council's Constitution will need to be considered along with any corresponding amendments. Officers are also considering more concise Planning Committee/Planning Sub-Committee reports, especially where proposed development is relatively minor in scale and complexity.

It is hoped that replacement arrangements might well be able to be launched in the Autumn and any savings realised in 2016/17.

Queen's Gardens stage –costs and further information

This work was done by EM Highways as their contribution to the costs of the Ambition Festival. There was no charge to the Council. Now the festival has taken place, it is hoped the stage will be used more regularly for public performances, with the aim of attracting more people to the park, thus reducing anti-social behaviour.