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London Borough of Islington

Policy and Performance Scrutiny Committee - 24 January 2019

Non-confidential minutes of the meeting of the Policy and Performance Scrutiny Committee held at on 24 January 2019 at 7.30 pm.

Present: **Councillors:** O'Halloran (Chair), Gallagher (Vice-Chair),
O'Sullivan, Heather, Champion, Gantly, Chapman,
Bell-Bradford, Khurana, Jeapes and Wayne

Also Present: **Councillor:** Hull

Councillor Una O'Halloran in the Chair

- 71 **APOLOGIES FOR ABSENCE (Item 1)**
Councillors Spall, Debono, Chowdhury and Woodbyrne
- 72 **DECLARATION OF SUBSTITUTE MEMBERS (Item 2)**
None
- 73 **DECLARATIONS OF INTEREST (Item 3)**
None
- 74 **TO APPROVE MINUTES OF PREVIOUS MEETING (Item 4)**
RESOLVED:
That the minutes of the meeting of the Committee held on 13 December 2018 be confirmed as a correct record of the proceedings and the Chair be authorised to sign them
- 75 **MATTERS ARISING FROM THE MINUTES (Item 5)**
None
- 76 **PUBLIC QUESTIONS (Item 6)**
The Chair outlined the procedures for Public questions, filming and recording of meetings and the fire evacuation procedures
- 77 **CHAIR'S REPORT (Item 7)**
The Chair stated that the Committee had made two recent visits in relation to the Universal Credit scrutiny and notes of these meetings would be circulated at the next meeting for Members, and that these visits had been extremely informative for the Committee. The Chair thanked Ian Adams, Robbie Rainbird, and Annette Hobart for their excellent work on the scrutiny review to date
- The Chair stated that the Committee's legal representative would now be attending all future meetings of the Committee, and that if Members had any questions on particular issues they should contact her

The Chair added that the order of agenda would be as follows –

- Thames Water Flooding Scrutiny Report
- Budget 2018/19
- Financial Monitoring update
- Scrutiny Review – Universal Credit – witness evidence

The Chair also added that, as a result of the Government recent announcement on payment for applications for EU citizens, this aspect of the Budget would need to be amended

The Chair also stated that she would like to place on record her appreciation for the work of Councillor Gallagher and staff involved for their work with the foodbank over the Xmas period

78 **THAMES WATER - FLOODING UPDATE/RESPONSE TO SCRUTINY REVIEW**
(Item 8)

Councillor Claudia Webbe, Executive Member Environment and Transport, together with Kevin O’Leary and Karen Agbabakia, Environment and Regeneration Department

Representatives of Thames Water were also present

A copy of a report on the work taking place in respect of the Thames Water funding for works to Camden Passage was laid round, and Kevin O’Leary made a presentation to the Committee (copy interleaved)

The Chair also welcomed former Councillor Richard Greening, who chaired the PPS Committee during the Flooding Scrutiny Review

The Chair stated that Angel BID had asked for it to be placed on record their thanks for the work taking place between Thames Water and the relevant E&R team on the Angel Community Fund project works

During consideration of the report the following main points were made –

- The report was a response from the Executive Member in relation to progress on the recommendations of the scrutiny review in relation to the Upper Street flooding scrutiny and the work in progressing the recommendations in the report was presented to Members
- Thames Water stated that lessons had been learnt following the flood in Upper Street in how to respond more effectively to such incidents in future. The recent flood in Offord Road had been dealt with in a much better manner
- It had to be recognised that the existing Victorian pipework is ageing and is more prone to bursts, however there is now more monitoring of the networks
- Thames Water added that 7% of the network was being monitored at present, and Thames Water next submission to OFWAT proposed significant increased investment, together with a commitment not to raise customers bill. A response is awaited from OFWAT
- Thames Water has now created a rapid response team, which has a number of staff employed through the night, and staff had attended the Offord Road flood in 1hr. 20 mins, in the peak of the rush hour
- Thames Water used third party suppliers to provide water for customers affected by flooding, and more staff were being provided to assist customers on site

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- Thames Water had also purchased flood defence vehicles, which are designed to divert water into channels and away from danger, and further work would take place in future
- Councillor Jeapes made reference was made to recent work that had taken place at New River Walk and that there needed to be more communication from Thames Water and the Council's streetworks team. Councillor Jeapes stated that she would e mail details to Thames Water for them to investigate this
- In response to a question it was stated that Thames Water aimed to monitor 25% of the network by 2025, and that this would require a lot of investment, and that considerable investment had already been made since the Angel flood
- It was stated that no guarantees could be given that a major flood would not occur again, however innovation and monitoring is improving and Thames Water had put in place a faster response service when a flood occurs
- Lessons had been learnt from the Angel flood, and that better methods of pipework, valves and reduction in pressure were being used, however the power of water is so destructive where a burst occurs there can be significant damage done. Significant work on communications has been carried out by Thames Water to provide information to customers, where a burst occurs
- Thames Water expressed the view that significant improvements had been made to customer service in the past 5 years, and that lessons had been learnt, but there is still more to be done. London has a different network structure to the rest of the country that presents challenges
- In response to a question as to life of the replacement plastic pipework that has been put in place, it was stated that Thames Water would provide this information

RESOLVED:

- (a) That the report be noted and that Thames Water be requested to attend a meeting of the Committee in February 2020 to update the Committee on progress and the results of the 5 year investment plan being considered by OFWAT
- (b) That Thames Water inform Members of the estimated replacement life of the plastic pipework that has been installed to replace the ageing cast iron Victorian pipework in the Borough

The Chair thanked Thames Water, Councillor Webbe and officers for attending

79 SCRUTINY REVIEW- UNIVERSAL CREDIT - WITNESS EVIDENCE - VERBAL (Item 9)

Lesley Seary, Chief Executive L.B.Islington was present at the meeting and gave evidence to the Committee.

Robbie Rainbird, Head of Processing Corporate Resources was also present and made a presentation to the Committee (copy interleaved)

During discussion the following main points were made –

- The Government will not extend the 2 child limit on UC for children born before April 2017 when the policy came into effect, benefitting around 15000 families. This was due to take effect from 1 February 2019
- From July 2019 a pilot to support 10000 people from legacy benefits on UC in a test and learn approach
- Pilot schemes to provide more frequent payments for new claimants, a new online system for private landlords and a more flexible approach for childcare provision
- A recent high court case has found the DWP has been wrongly interpreting the UC regulations

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- There are changes to those in receipt of an existing benefit that includes the Severe Disability Premium are prevented from naturally migrating to UC following a change in circumstances. These claimants will continue to receive the relevant legacy benefit(s) appropriate to their change in circumstances and will only move to UC via managed migration, and will therefore, at that time be eligible for transitional protection; safeguarding their existing benefit entitlement
- Change from mixed age couples from 15 May 2019 – From May 2019 mixed age couples where one partner is above the State Pension age and will no longer be entitled to put in a new claim for Pension Credit
- Mixed age couples could potentially lose out on up to £7000 per year, because they will have to claim working age benefits
- The average age group for mixed-age couples is 2.6 years, meaning the cash loss incurred before the younger partner becomes old enough to claim pension credit, could be over £18000. Where the gap is greater the potential total lost will be more
- It was noted that changes from the Government on UC were received but these changes are often complex and staff had to be trained and updated on these
- Lesley Seary stated that she was the Chief Executive's voice of Local Government in relation to views on UC. She added that she had argued for a number of changes in UC
- Reference was made to the problems experienced by family carers in completing UC claim forms, and that this was often a difficult process for them emotionally and a hard copy of the form should be made available so that they could see what they had completed, if they were unable to complete the online form in the time allocated. Lesley Seary stated that she would take this issue up
- Lesley Seary stated that she represented Local Government on the Universal Credit Programming Board, and that this focused on suggesting changes to the system. Changes that had arisen as a result of this included lobbying for redundancy staff for HB staff made redundant as a result of the introduction of UC, budgeting advances, and temporary accommodation and UC. Submissions on UC had also been submitted to the Select Committee for Work and Pensions
- Discussion took place as to family carers and that the completion of on line forms was a difficult task emotionally, and it would be beneficial if a hard copy of the form was available so that this could be completed, giving more time for the online application to be completed within the timescale given
- Lesley Seary stated that it was frustrating that the DWP/Government did not seem to recognise the 'wrap around' care provided by Local Government to assist residents, particularly in relation to vulnerable residents. The cost of dealing with vulnerable clients on UC ultimately would fall on the 'public purse'
- Concern was expressed that the CAB, who had been awarded the contract to assist residents with support for UC, would not be funded or staffed adequately to do this effectively. Whilst the CAB were working in partnership with the Council,
- Reference was made to the fact that the online form had to be completed to say that a claimant is available for work, even though they had a disability that precluded this. In addition, it was stated that some claimants would view the Council as part of the state apparatus, and that they may be reluctant to discuss financial issues with them
- A Member stated that the Committee had been informed that claimants were only entitled to 12 food vouchers and that this was not enough for families.
- The view was expressed that Government did not appear to accept the co-relation between the increased use of Food Banks, and the introduction of UC

RESOLVED:

That the Chief Executive be requested to follow up the issues raised above with the Universal Credit Programming Board and other appropriate bodies, including the

increased use of food banks since UC had been introduced, the number of food vouchers that can be issued to claimants, the fact that a hard copy of the online form should be made available, and also the fact that claimants needed to state their availability for work when completing their on line claim (even though they may have a disability that precludes this).

The Chair thanked Lesley Seary and Robbie Rainbird for attending

80

BUDGET 2019/20 (Item 10)

Councillor Hull, the Executive Member (Finance, Performance and Community Safety) was present for discussion of this item and was accompanied by Steve Key, Service Director Finance.

During discussion of the report the following main points were made –

- Noted that Central Government has reduced its core funding to the Council by 70% since 2010
- The combination of Government funding cuts and rising demand for services means that the Council has to close a revenue gap of £50M over the next 3 years, and that the Council has already had to make savings of £225m since 2010
- Members noted that the Council has undertaken an extensive organisation wide exercise to re-examine every budget line, and to prioritise spend
- The Committee were pleased to note that the Council had managed to set a 3 year budget, which gave certainty to residents on services that would continue to be provided and to staff
- Welcomed the investment in new Build Council housing and the provision for tackling homelessness
- Members welcomed the additional £13.5m allocated to purchase properties to provide temporary accommodation and the £0.5K targeted support for youth provision
- Noted that the Council Tax increase would be 2.99%, which would leave LBI Council Tax still below the London average
- Noted that the Government has now agreed to fund applications for EU settled status, and that this would require a budget amendment, as the Council had already set aside provision for this payment
- Reference was made to the fact that provision needed to be made for possible Partner property repairs, when these transfer back to the Council
- Precise details were not at present known as a result of the Government's Fair Funding review
- With regard to possible staff losses (likely to be around 180 posts over a 3 year budgeting period), these could be achieved largely through the deletion of vacant posts and voluntary redundancies. Discussion was taking place with Trade Unions on the proposals. These were a mixture of more senior and lower paid grades, and spread across Departments
- Noted that the Council are not offering enhanced voluntary redundancy arrangements
- Discussion took place as the Business Rate Retention scheme, and that this was administered by the Corporation of London, and the Council had a representative on the decision making bodies
- That the above comments of the Committee be forwarded to the Executive for consideration

The Chair thanked Councillor Hull and Steve Key for attending

81 **FINANCIAL MONITORING (Item 11)**

Councillor Andy Hull, the Executive Member (Finance, Performance and Community Safety) was present for discussion of this item, and was accompanied by Steve Key, Service Director Finance.

During discussion the following main points were raised –

- Noted the forecast revenue outturn for the General Fund of £0.7m underspend, before taking into account the ongoing Corporate contingency budget
- Noted the latest capital position with forecast capital expenditure of £111.1 m in 2019/19, and the agreed slippage of capital resources between 2018/19 and future financial years and the allocation of £1.5m of Section 106 and CIL funding collected from developments in Clerkenwell ward to transport and public realm improvements in Clerkenwell Green
- Noted the breakdown of the forecast General Fund outturn by individual variance at Appendix 1 and by service area at Appendix 2 of the report
- To note the HRA forecast is a net break even position
- Concern was expressed at the underspend on the New Build programme and that there had been considerable slippage. The Executive Member stated that a Director of New Build has recently been appointed and this should assist, but there needed to be more attention to ensure that the capital programme budget remained on target, in the same manner as the General Fund
- Reference was made to the underspends in the Communications budget and that the budget has been adjusted for the next financial year to achieve savings in the 2019/20 budget

RESOLVED:

That the report be noted

The Chair thanked Councillor Hull and Steve Key for attending

The meeting ended at 10.00p.m.

CHAIR