

Council Assembly

Wednesday 15 July 2020

7.00 pm

Online/Virtual. The meeting will be livestreamed at https://www.youtube.com/channel/UCqgAueevJzRUGB_eAZia0xw/ For questions, please contact Virginia Wynn-Jones at virginia.wynn-jones@southwark.gov.uk

Tabled Items

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Date: 15 July 2020

SOUTHWARK COUNCIL**COUNCIL ASSEMBLY****(ORDINARY MEETING)****WEDNESDAY 15 JULY 2020****PROGRAMME MOTION**

The order of business and timings for the evening will be as follows:

Time	Business
19:00 - 19:15	1. Preliminary business and announcements
19:15 - 20:20	Themed debate Southwark Together: Council Response to COVID-19 pandemic
(15 minutes)	3.1 Community Evidence <ul style="list-style-type: none"> • Alhaji Tajudeen Salami, Chief Imam of Old Kent Road Mosque • Felicia Boshorin, Central Southwark Community Hub • Chris Price, Pecan • Eloise Dickens, Anima Youth
(7 minutes)	3.2 Motion on the Theme
(5 minutes)	1. Councillor Peter John
(35 minutes)	2. Councillor Nick Johnson, opposition spokesperson, to speak on the motion and move Amendment A
(3 minutes)	3. Themed debate open to all other councillors
	4. Cabinet member's right of reply to the debate
Five minute break	
20:25 - 21:30	Themed debate Southwark Stands Together: Southwark's commitment to tackle racial inequalities
(15 minutes)	3.1 Community Evidence <ul style="list-style-type: none"> • Nicholas Okwulu • Ebenezer Mensah • Dr Victor Olisa QPM • Ayesha Ahmad, Southwark Scholars • Oliur Rahman, Active Communities Network
(7 minutes)	3.2 Motion on the Theme
(5 minutes)	1. Councillor Johnson Situ
(35 minutes)	2. Councillor William Hougbo, opposition spokesperson, to speak on the motion and move Amendment A
(3 minutes)	3. Themed debate open to all other councillors
	4. Cabinet member's right of reply to the debate
21:30 – 21:40	5.1 Members' Question Time (two questions, one supplemental each) <ul style="list-style-type: none"> • Members' questions to the leader
21:40*	6. Reports
	<ul style="list-style-type: none"> • South Bank and Waterloo Neighbourhood Plan Area • Pay Policy Statement • Member Allowances Scheme 2020-21

Time	Business
	<ul style="list-style-type: none"> • Calendar of meetings • Annual Special Urgency report • Treasury Management Performance - 2019-20 annual report and prudential indicators

* subject to the guillotine rule; maximum 15 minutes debate per item.

Note: Any time left remaining on any item will be rolled into the next items.

That the meeting be conducted as follows:

Item 3 - Themed debate

Community Evidence Submissions

To receive submissions from the groups listed in the themed section of the agenda:

Southwark Together: Council Response to COVID-19 pandemic

- Alhaji Tajudeen Salami, Chief Imam of Old Kent Road Mosque
- Felicia Boshorin, Central Southwark Community Hub
- Chris Price, Pecan
- Eloise Dickens, Anima Youth

Southwark Stands Together: Southwark's commitment to tackle racial inequalities

- Nicholas Okwulu
- Ebenezer Mensah
- Dr Victor Olisa QPM
- Ayesha Ahmad, Southwark Scholars
- Oliur Rahman, Active Communities Network

And to note the written representation listed as point 10 at item 3.1.

Format

A three minute presentation from the community evidence presenter; if the presenter would like to ask a question, they will receive a written response from the cabinet member after the meeting.

Themed debate

To run as listed in the timings above.

Amendment B

To delete the words "the objectives of" as set out below:

"b. Places on record the support of Southwark Council for ~~the objectives of~~ the Black Lives Matter movement and for all similar initiatives."

Voting

For all decisions not agreed by acclaim, voting will proceed as follows:

The chair will ask all councillors in favour of a motion or amendment to click on the "Yes" button in Zoom; and all those against to click on the "No" button.

Any councillor not voting in good time will be called on individually to declare their vote.

These will be tallied and the clerk will announce the number of votes in favour and the number of votes against.

The chair will then ask all councillors who are abstaining from voting to click on the "Yes" button in Zoom, and the number of abstentions will then be tallied.

The chair will then announce the outcome of the vote.

COUNCIL ASSEMBLY

(ORDINARY MEETING)

15 JULY 2020

MEMBERS' QUESTIONS

1. QUESTION TO THE LEADER OF THE COUNCIL FROM COUNCILLOR JASON OCHERE

On 30 June 2020, Boris Johnson announced a 'new deal' to help the country recover from the impact of coronavirus. Can the Leader tell us what the likely impact of this will be for the council?

RESPONSE:

Boris Johnson's half-baked 'new deal' brings forward just £5 billion of infrastructure spending, worth only 0.2% of current UK GDP. This level of financial stimulus will simply not touch the sides of what will be needed to rebuild our economy after the devastation of COVID-19, nor will it do anything to renew our public services which are still reeling from a decade of austerity.

The £5 billion brought forward covers the whole country and Southwark will only have access to a fraction of this total allocation. At this time the basis of distribution is not known (e.g. by formula or by specific application). The package also includes sums set aside for non-council services such as £1.5 billion for hospitals and £146 million for prisons and prison places. The remainder of the allocation includes road repairs, funding for local building schemes and school repairs.

The council will of course seek to maximise any funding available but the limited extent of the government's funding should be compared to the commitment already being made by Southwark to local investment through our 10 year capital programme. This amounts to investment well in excess of £2.6 billion to be paid for by the council's own capital receipts, through existing grants, through the Community Infrastructure Levy (CIL) and Section 106 growth and through revenue contributions and debt financing.

Any discussion of a new deal must also take into account the significant financial strain local authorities have been put under during the COVID-19 crisis. Ministry of Housing, Communities and Local Government research shows that councils have already incurred £4.8 billion in additional pressures. In Southwark, we are estimating an increase of £40.5 million in spending during the pandemic. This includes £8.1 million in housing services, including work such as helping rough sleepers off the street. We estimate we will spend an additional £9.2 million on adult social care in 2020-21, providing PPE and increased demand on our services throughout the crisis. This is to say nothing of our significant package of support to those shielding, in need, and receiving support from our Community Hub, amounting to £6.2m.

In addition to increased expenditure, we have also seen an enormous loss of income to the council, amounting to a predicted £44 million. Once we take into account additional expected mitigation funding from central government, Southwark is left with a funding shortfall of around £32 million.

These figures are current projections, but we should be clear that this is an ongoing crisis and we are not expecting the situation to improve in the coming weeks and months without additional government support.

What the council needs from any government recovery package is threefold. Firstly, the government must not renege on its promise to fund councils for the full impact of COVID-19. This must cover costs, but also the huge income loss. Only this level of funding will ensure the council can confidently invest and borrow to create the growth and economic stimulus our borough will need to recover at speed.

Secondly any government 'new deal' must be of the scale needed to genuinely stimulate recovery. Compare Johnson's offer of 0.2% of UK GDP to Franklin D. Roosevelt's 'new deal', which was estimated to be worth 40% of the US national income in 1929. A better offer from Johnson does not have to be capital alone; it could also include additional affordable borrowing capacity for councils.

Finally, the government should be stimulating a green and inclusive recovery – so they should be considering far greater financial support for initiatives that will build back an economy that is stronger, cleaner and fairer.

2. QUESTION TO THE LEADER OF THE COUNCIL FROM COUNCILLOR NICK JOHNSON

As cabinet noted in their 16 June 2020 cabinet report "Policy and Resources Strategy: revenue monitoring outturn, including treasury management 2020-21", the council faces significant extra financial pressures, resulting in an estimated shortfall of £45 million, as a result of COVID-19. If this should mean cabinet considering any cuts in council services or additional charges to residents, will the Leader of the Council commit to properly consulting through meaningful and wide-ranging engagement with residents in order to:

- a) Give residents the opportunity to share any ideas they may have on where money is best raised or saved, and
- b) Give residents the opportunity to feedback on specific proposals for cuts or charges before any final decisions are made?

RESPONSE:

Ten years of austerity and the impact of COVID-19 means that the council's finances are in a precarious position. Whilst the exact impact of COVID-19 is still unclear, taking into account increased expenditure, reduced income but also central government support, we are currently estimating an in-year shortfall of around £32 million. The current 'most-likely' funding gap for planning purposes for the 2021-22 budget is £26.2 million. This figure factors in any council tax increases and use of reserves. With the speed of the recovery still unclear, and long term funding of local government still full of uncertainty, the council must be prudent in 2021-22 to ensure future year budget gaps can also be bridged.

As part of the council's Fairer Future principles, we will always be open and transparent with residents about the financial challenges we face. We are currently expecting the government's spending review in early autumn and the draft refreshed Council Plan to be agreed by cabinet in September. Taken together, there is a good opportunity to consult with residents that the priorities in the Council Plan are the right ones and that they are achievable in the tough financial times we face. This will also

be a good opportunity for residents to feed in their own suggestions for budget savings before the draft budget is published in December.

Every cabinet meeting through to budget council assembly in February will have a comprehensive report on our financial position which will be published online in the usual way. We will also ensure we are accountable to the overview and scrutiny committee in the way they deem most effective. These meetings are held in public and there is scope for residents' input here too.

In order to have the fullest engagement with residents, we need the government to agree a multi-year settlement for local government, make clear what reforms may or may not happen to local government finance, develop a long-term funding arrangement for social care and resolve school funding so that DSG deficits are paid down. The last three year financial settlement we received was in 2015 and this allowed a much more substantive engagement with residents about their priorities over the longer-term. We continue to press the government for a similar multi-year settlement in order for us to be able to plan more effectively and involve residents in that process.

It is worth emphasising that following a decade of austerity, an enormous public health crisis and the prospect of high levels of unemployment and a damaging period of recession, the choices we have about how to deploy our depleted resources will be limited. The period of the spending review and future announcements on COVID-19 funding remain critical and will necessarily shape the pitch and scope of possible consultations.