

**MINUTES OF THE MEETING OF THE OVERVIEW & SCRUTINY COMMITTEE  
HELD ON THURSDAY, 21 MAY 2020**

**COUNCILLORS**

**PRESENT** Susan Erbil (Chair), Tolga Aramaz, Guner Aydin, Sinan Boztas, Achilleas Georgiou (Vice-Chair), Doug Taylor, Edward Smith and Lee David-Sanders

**ABSENT** Bernadette Lappage

**STATUTORY CO-OPTES:** *1 vacancy (Church of England diocese representative), Mr Simon Goulden (other faiths/denominations representative), Mr Tony Murphy (Catholic diocese representative), Alicia Meniru & 1 vacancy (Parent Governor representative) - Italics Denotes absence*

**OFFICERS:** Fay Hammond (Acting Executive Director, Resources)  
Matt Bowmer (Interim Director of Finance)  
Sue Nelson (Director of Customer Experience)  
Claire Johnson (Head of Governance & Scrutiny)  
Susan O'Connell (Governance & Scrutiny Officer)  
Stacey Gilmour (Governance & Scrutiny Secretary)  
Andy Ellis (Governance & Scrutiny Officer- Observing)  
Elaine Huckell (Governance & Scrutiny Secretary-Observing)  
Clare Bryant (Senior Governance Officer- (Producer of virtual meeting))

**Also Attending:** Councillor Nesil Caliskan (Leader of the Council)  
Councillor Mary Maguire (Cabinet Member, Finance & Procurement)  
Ian Davis - (Chief Executive - Observing)  
4 Members of the Public

**572**

**WELCOME & APOLOGIES**

**NOTED**

1. The Chair, Councillor Erbil welcomed all attendees to the first OSC virtual meeting which was also being broadcast live online. Committee members confirmed their presence and that they were able to see and hear the proceedings.
2. Apologies for absence had been received from Councillor Lappage. Councillor Taylor was substituting for Councillor Lappage.
3. Apologies for slight lateness were received from Councillor Taylor. This was due to IT difficulties as his Council iPad did not support Microsoft Team meetings and unfortunately, he had not been provided with a Council laptop to enable him to access online meetings. Fay Hammond confirmed that all Councillors who were members of the Committee

## OVERVIEW & SCRUTINY COMMITTEE - 21.5.2020

had been contacted by the IT Department in advance to arrange the necessary IT support, but because Councillor Taylor was substituting at the meeting and this had not been announced in advance, IT support had not been arranged. Officers confirmed that IT issues would be resolved to ensure access to future meetings.

4. Council Officers involved in the meeting introduced themselves.

**573**

### **DECLARATIONS OF INTEREST**

There were no declarations of interest.

**574**

### **COVID 19 - INITIAL ASSESSMENT OF THE FINANCIAL IMPACT - REFERRAL FROM CABINET**

Councillor Mary Maguire (Cabinet Member for Finance and Procurement) introduced the report of the Executive Director – Resources (No.249) outlining the initial assessment of the financial impact of dealing with the COVID-19 pandemic across both the General Fund and the Housing Revenue Account (HRA). Further information was also provided by Fay Hammond, Acting Executive Director Resources.

NOTED

1. That these were unprecedented and sombre times with many lives having been lost daily. It must be recognised that the Covid-19 pandemic was not only having a significant financial impact but a significant human cost as well. The Council's response had been immediate and comprehensive providing all the support required to the Borough's residents and to protect and help the most vulnerable. The response had been excellent from both Councillors and Officers. Local businesses had been supportive and generous donations received in seeking to support those in need.
2. That this report provided an initial assessment of the financial impact of dealing with the Covid-19 pandemic across both the General Fund and the Housing Revenue Account (HRA) and considered three areas: additional expenditure incurred; loss of income; and, the impact on 2020/21 savings. Prior to this crisis, in February 2020, the Council had agreed a balanced budget, as detailed in the report. As a direct result of the Covid-19 crisis the Council was forecasting financial pressures of £68.086m.
3. That there were uncertainties at this stage and some major financial consequences would take some time to filter through, as detailed in the report.
4. That as an initial measure the Council had set aside £3m of its reserves to create a Covid-19 Fund. At this time the total funding

## OVERVIEW & SCRUTINY COMMITTEE - 21.5.2020

received from the Government had been £17.9m. The Government had assured local government that funding would be forthcoming to meet the challenge of Covid-19; the Council would continue to seek further Government funding, alongside other local authorities, to meet the additional costs incurred; currently predicted at £68.086m, as detailed in the report.

5. That the work that had been undertaken in previous years to set a balanced budget had ensured that the Council's finances had been in a sustainable position. Rigorous processes had been undertaken and difficult decisions taken to achieve a strong, resilient and sustainable budget. This resulted in a good financial foundation, but all that work was now at risk due to the costs of dealing with Covid-19.
6. The huge financial pressures that had now arisen. A number of the most significant cost implications were highlighted including: Adult Social Care pressures and support; the implications and support for the Borough's care homes – both the staff and residents; the impact and cost of additional support to children and families social care; support of the Borough's homeless; and, the setting up of the Council's community support hub. In addition, the impact of the loss of projected income was significant including: parking fees; tax collection rates; business rates.
7. That the appendices to the report set out the financial pressures for each Council Department; an update on the impact on 2020/21 savings and income proposals; the funding allocation details for London Boroughs; and the impact on the Housing Revenue Account (HRA).
8. That section 5 of the report provided an update on 2020/21 savings and income proposals.
9. That section 6 of the report set out the anticipated impact on the Council's capital programme; and, section 7, the situation to date regarding Government funding.
10. The impact on the Housing Revenue Account (HRA) as set out in detail in section 10 of the report.
11. This was a developing situation that would continue to be closely monitored and reviewed, and necessary actions taken. It was crucial to remember that we are only six weeks in and by the Government's own admission this situation could go on for months therefore the scale of the financial pressure is unclear.
12. That the Council was undertaking scenario planning should the Government not meet the full costs incurred. The Leader of the Council had written to the Prime Minister to honour his commitments to local government to enable Council's to achieve financial resilience during and post the Covid-19 crisis. Stable and resilient local government

## OVERVIEW & SCRUTINY COMMITTEE - 21.5.2020

would be necessary for the long-term recovery of this Borough and nationwide. Section 12 of the report set out in detail the next steps for the Council. At present, the current estimated shortfall in funding was £45.186m.

13. That the Council would continue to actively review the financial impact and identify mitigating actions. Members paid tribute to Council officers who had responded quickly to the crisis. Financial pressures in relation to dealing with Covid-19 would continue to be assessed. The Government had made a clear commitment to fund the expenditure incurred by local government and the Council would continue to seek the financial support required, as set out in the report.
14. The Executive Director of Resources reiterated that the Council had a good financial base to work from with a 5-year medium term financial plan and 10-year capital programme. There were significant challenges and pressures to be met and the full costs of responding to the Covid-19 crisis would continue to be assessed and recorded. The Council would continue to work with other London Councils to lobby the Government for full recompense of the additional costs incurred by local government.
15. Cllr Caliskan informed OCS that she has written to the SoS outlining concerns regarding funding and the fact the government have rowed back from their initial commitment. Cllr Caliskan had invited the leader of the opposition to sign the letter, which Cllr Laban declined.

Questions were invited from the OSC Members and responses provided including the following points set out below.

16. Members expressed their support and appreciation to Council's officers for their response and significant work in meeting the challenges faced.
17. Information was provided on the £17.9m Government funding and how this had been allocated was detailed in the Cabinet report. Fay advised that all financial decisions in terms of recommendations had been part of the Gold Decision Process. All future financial recommendations (if over £250k) would now go through Cabinet as the Council had now moved away from the Gold Decision Process.
18. Accounting arrangements had been amended accordingly to accurately track Covid-19 related expenditure to ensure a clear financial trail. Auditing will also be undertaken by the Council's external auditors BDO to provide extra assurance.
19. The Council had been particularly quick to provide much needed support to local businesses by paying Business Grants into accounts at the earliest opportunity. Further details were provided on how many businesses had been helped to date. Some businesses however had not qualified for the grants due to Government rules and had therefore

## OVERVIEW & SCRUTINY COMMITTEE - 21.5.2020

fallen through the net. Enfield continue to lobby for extra funding, and it was hoped that more support would be forthcoming in the next round.

20. Discussions took place regarding the £5.9m Hardship Grant and information was provided on how this had been allocated to residents/households in the borough. Again, this money had quickly been paid into residents' accounts to provide financial support as soon as possible.
21. That the financial pressures on Adult Social Care provision had been at breaking point for several years. Members sought clarification on the Government funding provision for this sector. The financial pressures were recognised both in the short and long-term. The Council's support for this sector was outlined, as detailed in the report.
22. Members reiterated the need for full Government funding to meet the additional financial pressures on local government. The financial detail set out in the report was highlighted together with the continuing work that was being undertaken. It was noted that through benchmarking information, Enfield's projections were comparable with other similar Councils. Enfield was working alongside other local authorities across London as set out in the report. Finance Directors of the North London Councils were meeting on a regular basis to assess the full financial impact on their Boroughs. Work would continue to review projections against expenditure incurred.
23. That the Leaders of London Councils were communicating on a regular basis and would continue to lobby Government for sufficient funding to meet the costs being incurred. The robustness of the Council's budget and processes in place, provided a sound foundation on which to work going forward.
24. In considering the financial impact of the crisis, Members reiterated the significant human cost.
25. With regards to the Meridian Water Project there had been no report to date to any major delay in delivering Phase 1 of the project and this would continue to be closely monitored. In terms of all Capital Funding Programmes again, these were being closely monitored by Officers and if any changes/delays were noted these would be reported as soon as possible.
26. In response to a question regarding the approaches taken by different authorities in responding to the Covid-19 situation, for example; the distribution of food parcels the Leader, Councillor Caliskan said we should feel collectively proud that as a Council Enfield has enabled thousands of residents to stay safe at home when they may have otherwise been out and about . To date the Council had delivered 20,000 food packages. She therefore felt that every penny spent in

## OVERVIEW & SCRUTINY COMMITTEE - 21.5.2020

providing food and essential items to residents in the borough that can't go out has been money well spent.

27. Clarification was sought on the estimated shortfall figure; what scenario had this been based on, what projects and policies will be reviewed and what are the priorities? Matt Bowmer, Interim Director, Finance & Commercial said that this was a very challenging question as it was massively difficult to forecast how long this crisis will go on for, A wide range of timescales had been included in the forecast and these were indicated across the report. However, many of the ongoing financial impacts are going to take months to unwind.
28. An Enfield Recovery Board has been set up to support residents and help get people back into work as well as supporting local businesses in their recovery. The longer-term focus will be on recovering from this situation to put Enfield in the best place it can be.
29. In terms of the Covid-19 Risk Register Members were advised that this would be an agenda item at the next meeting of the Audit & Risk Committee and timings were currently being discussed for this committee to meet virtually in the very near future.
30. Councillor Georgiou requested responses to some questions that he had submitted to Officers prior to this meeting regarding Waste Management and Barrowell Green Recycling Centre. Fay Hammond advised that she was currently collating responses to the questions raised and these would be circulated to OSC Members as soon as possible.

**Action: Fay Hammond**

The Chair thanked everyone for attending and for the in-depth information provided. She said that as a Committee it was important to address areas that are of concern to Enfield residents and therefore encouraged any further questions for future meetings.

### 575

#### **DATES OF FUTURE MEETINGS**

NOTED the dates of future meetings and agenda items to be discussed as follows:

#### Virtual Meetings

Thursday 28 May 2020

- Call-In – Sourcing of the Road Gully Cleaning Services
- Update on Community Resilience Work Undertaken During Covid-19

Thursday 4 June 2020

- The Re-Opening of Primary Schools in Enfield

## OVERVIEW & SCRUTINY COMMITTEE - 21.5.2020

Thursday 2 July 2020

- Update from Public Health on Covid-19

Thursday 30 July 2020

- Agenda items to be confirmed.

It was agreed that all future virtual Overview & Scrutiny meetings will commence at 6:00pm.

Members made the following comments:

- (i) Councillor Aramaz felt that presentations for future OSC virtual meetings should be limited to 10 minutes to allow Members adequate time to scrutinise the reports discussed. He said it was important to adapt to this new 'normal' to ensure that every decision the Council makes is scrutinised properly and effectively. He also sought assurances that other Committees were intending to hold regular meetings in order to uphold democracy and accountability.
- (ii) Councillor Georgiou referred to earlier discussions and felt that it was important that the workstream on Meridian Water should go ahead so that scrutiny on this project could continue. He asked that a date for this be agreed as soon as possible to look at the issue of Covid-19 in relation to this project and how this might affect the project timescales.
- (iii) Councillor Smith agreed that the Meridian Water workstream should go ahead but also felt that there should be a timescale for all other major panels including Health Scrutiny and Crime Scrutiny. He also asked for an update at a future OSC meeting on the Food Distribution Hub that had been set up in the Borough to ensure vulnerable people had access to food and other essential goods during the Coronavirus outbreak.
- (iv) Councillor Georgiou suggested Members should plan how to re-open some of the workstreams and other panels and have discussions with officers about how to take this forward.
- (v) The Chair, Councillor Erbil noted the above comments and advised that with regards to the re-starting of workstreams it was important to look at officer resources to see if this could be achieved as many Council staff had been moved to other key areas to deal with the Covid-19 situation. In view of this the Chair felt it might be necessary to prioritise the importance of each workstream as to when they should re-start.
- (vi) Councillor Georgiou felt that it was up to the Overview & Scrutiny Members to decide when and what workstreams re-start as OSC should decide what it scrutinises.
- (vii) Councillor Taylor stated that if it is dependent on officer resources then there needed to be a demonstrative reason if workstreams did not continue. He felt that if Members are available and willing as well as officers being available then the workstreams should go ahead.

**OVERVIEW & SCRUTINY COMMITTEE - 21.5.2020**

- (viii) Claire Johnson, Head of Governance & Scrutiny agreed to refer this matter to the Monitoring Officer for further clarification and update Members at the next meeting of OSC.

**Action: Claire Johnson, Head of Governance & Scrutiny**