



# AGENDA

## MAYOR AND CABINET

**Date: WEDNESDAY, 13 JULY 2016 at 6.00 pm, or upon the rising of Mayor & Cabinet Contracts, whichever is the later**

**Committee Rooms 1 & 2  
Civic Suite  
Lewisham Town Hall  
London SE6 4RU**

**Enquiries to: Kevin Flaherty 0208 3149327  
Telephone: 0208 314 9327 (direct line)  
Email: kevin.flaherty@lewisham.gov.uk**

### MEMBERS

Sir Steve Bullock	Mayor	L
Councillor Alan Smith	Deputy Mayor - Growth & Regeneration	L
Councillor Chris Best	Health, Well-Being & Older People	L
Councillor Kevin Bonavia	Resources	L
Councillor Janet Daby	Community Safety	L
Councillor Joe Dromey	Policy and Performance	L
Councillor Damien Egan	Housing	L
Councillor Paul Maslin	Children & Young People	L
Councillor Joan Millbank	Third Sector and Community	L
Councillor Rachel Onikosi	Public Realm	L

**Members are summoned to attend this meeting**

**Barry Quirk  
Chief Executive  
Lewisham Town Hall  
Catford  
London SE6 4RU  
Date: Thursday, 07 July 2016**



INVESTOR IN PEOPLE

The public are welcome to attend our committee meetings, however occasionally committees may have to consider some business in private. Copies of reports can be made available in additional formats on request.

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## RECORDING AND USE OF SOCIAL MEDIA

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- only focus cameras/recordings on councillors, Council officers, and those members of the public who are participating in the conduct of the meeting and avoid other areas of the room, particularly where non-participating members of the public may be sitting; and
- ensure that you never leave your recording equipment unattended in the meeting room.

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**The public are welcome to attend our Committee meetings, however, occasionally, committees may have to consider some business in private. Copies of reports can be made available in additional formats on request.**

MAYOR & CABINET		
<b>Report Title</b>	Declarations of Interests	
<b>Key Decision</b>	No	Item No. 1
<b>Ward</b>	n/a	
<b>Contributors</b>	Chief Executive	
<b>Class</b>	Part 1	Date: July 13 2016

## Declaration of interests

Members are asked to declare any personal interest they have in any item on the agenda.

### 1 Personal interests

There are three types of personal interest referred to in the Council's Member Code of Conduct :-

- (1) Disclosable pecuniary interests
- (2) Other registerable interests
- (3) Non-registerable interests

### 2 Disclosable pecuniary interests are defined by regulation as:-

- (a) Employment, trade, profession or vocation of a relevant person\* for profit or gain
- (b) Sponsorship –payment or provision of any other financial benefit (other than by the Council) within the 12 months prior to giving notice for inclusion in the register in respect of expenses incurred by you in carrying out duties as a member or towards your election expenses (including payment or financial benefit from a Trade Union).
- (c) Undischarged contracts between a relevant person\* (or a firm in which they are a partner or a body corporate in which they are a director, or in the securities of which they have a beneficial interest) and the Council for goods, services or works.
- (d) Beneficial interests in land in the borough.

- (e) Licence to occupy land in the borough for one month or more.
- (f) Corporate tenancies – any tenancy, where to the member’s knowledge, the Council is landlord and the tenant is a firm in which the relevant person\* is a partner, a body corporate in which they are a director, or in the securities of which they have a beneficial interest.
- (g) Beneficial interest in securities of a body where:-
  - (a) that body to the member’s knowledge has a place of business or land in the borough; and
  - (b) either
    - (i) the total nominal value of the securities exceeds £25,000 or 1/100 of the total issued share capital of that body; or
    - (ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person\* has a beneficial interest exceeds 1/100 of the total issued share capital of that class.

\*A relevant person is the member, their spouse or civil partner, or a person with whom they live as spouse or civil partner.

### **(3) Other registerable interests**

The Lewisham Member Code of Conduct requires members also to register the following interests:-

- (a) Membership or position of control or management in a body to which you were appointed or nominated by the Council
- (b) Any body exercising functions of a public nature or directed to charitable purposes , or whose principal purposes include the influence of public opinion or policy, including any political party
- (c) Any person from whom you have received a gift or hospitality with an estimated value of at least £25

### **(4) Non registerable interests**

Occasions may arise when a matter under consideration would or would be likely to affect the wellbeing of a member, their family, friend or close associate more than it would affect the wellbeing of those in the local area generally, but which is not required to be registered in the Register of Members’ Interests (for example a matter concerning the closure of a school at which a Member’s child attends).

## (5) Declaration and Impact of interest on members' participation

- (a) Where a member has any registerable interest in a matter and they are present at a meeting at which that matter is to be discussed, they must declare the nature of the interest at the earliest opportunity and in any event before the matter is considered. The declaration will be recorded in the minutes of the meeting. If the matter is a disclosable pecuniary interest the member must take no part in consideration of the matter and withdraw from the room before it is considered. They must not seek improperly to influence the decision in any way. **Failure to declare such an interest which has not already been entered in the Register of Members' Interests, or participation where such an interest exists, is liable to prosecution and on conviction carries a fine of up to £5000**
- (b) Where a member has a registerable interest which falls short of a disclosable pecuniary interest they must still declare the nature of the interest to the meeting at the earliest opportunity and in any event before the matter is considered, but they may stay in the room, participate in consideration of the matter and vote on it unless paragraph (c) below applies.
- (c) Where a member has a registerable interest which falls short of a disclosable pecuniary interest, the member must consider whether a reasonable member of the public in possession of the facts would think that their interest is so significant that it would be likely to impair the member's judgement of the public interest. If so, the member must withdraw and take no part in consideration of the matter nor seek to influence the outcome improperly.
- (d) If a non-registerable interest arises which affects the wellbeing of a member, their, family, friend or close associate more than it would affect those in the local area generally, then the provisions relating to the declarations of interest and withdrawal apply as if it were a registerable interest.
- (e) Decisions relating to declarations of interests are for the member's personal judgement, though in cases of doubt they may wish to seek the advice of the Monitoring Officer.

## (6) Sensitive information

There are special provisions relating to sensitive interests. These are interests the disclosure of which would be likely to expose the member to risk of violence or intimidation where the Monitoring Officer has agreed that such interest need not be registered. Members with such an interest are referred to the Code and advised to seek advice from the Monitoring Officer in advance.

## (7) Exempt categories

There are exemptions to these provisions allowing members to participate in decisions notwithstanding interests that would otherwise prevent them doing so. These include:-

- (a) Housing – holding a tenancy or lease with the Council unless the matter relates to your particular tenancy or lease; (subject to arrears exception)
- (b) School meals, school transport and travelling expenses; if you are a parent or guardian of a child in full time education, or a school governor unless the matter relates particularly to the school your child attends or of which you are a governor;
- (c) Statutory sick pay; if you are in receipt
- (d) Allowances, payment or indemnity for members
- (e) Ceremonial honours for members
- (f) Setting Council Tax or precept (subject to arrears exception)

# Agenda Item 2

MAYOR AND CABINET		
<b>Report Title</b>	Minutes	
<b>Key Decision</b>		Item No.2
<b>Ward</b>		
<b>Contributors</b>	Chief Executive	
<b>Class</b>	Part 1	Date: July 13 2016

## Recommendation

It is recommended that the minutes of that part of the meeting of the Mayor and Cabinet which was open to the press and public, held on June 29 2016 (copy attached) be confirmed and signed as a correct record.

# Public Document Pack

## MINUTES OF THE MAYOR AND CABINET

Wednesday, 29 June 2016 at 6.00 pm

PRESENT: Sir Steve Bullock (Mayor), Councillors Alan Smith, Chris Best, Kevin Bonavia, Janet Daby, Joe Dromey and Paul Maslin.

Apologies for absence were received from Councillor Damien Egan, Councillor Joan Millbank and Councillor Rachel Onikosi.

### 433. Declaration of Interests

None were made.

### 434. Minutes

RESOLVED that the minutes of the meeting held on June 1 2016 be confirmed and signed as a correct record.

### 435. Matters Raised by Scrutiny and other Constitutional Bodies

The Mayor received a written representation from the Overview & Scrutiny Business Panel on two issues and gave the following responses:

*The Saville Centre*

*i. instruct officers to put to put a strategy in place that will see the Council retain the freehold of its disposed properties going forward.*

The Mayor indicated Freehold disposal was the Council's normal current practice but the Executive Director for Customer Services was asked to examine strategy going forwards.

*ii. instruct officers to sensitively consider the use of the Saville Centre site given its proximity to the hospital and other public services to ensure optimum community use.*

The Mayor accepted the recommendation.

*iii. Instruct officers to investigate the feasibility of jointly developing the British Legion Site.*

The Mayor was advised attempts had been made to secure a joint development but the British Legion site had been disposed of to a private owner so a comprehensive redevelopment was not possible.

*Decision made at Mayor and Cabinet on 1 June 2016 – New Homes Better Places*

*Business Panel noted that the Ladywell Pools development had been under consideration for over a decade and would like to reiterate a request that the*

*Mayor instruct officers to bring forward plans as soon as possible to ensure adequate progress is made on this site.*

The Mayor said this was being progressed.

*Business panel also noted that the planning process had identified issues and recommended that ward members be consulted at an early stage when Lewisham Homes had new building developments in mind as this could jeopardise the Council's new homes targets.*

The Mayor asked the Executive Director for Customer Services to ensure engagement with ward members took place on all new developments.

RESOLVED that the Business Panel be informed of the Mayoral responses.

#### **436. Outstanding Scrutiny Matters**

The Mayor observed that the one delayed item was due for consideration later in the agenda.

RESOLVED that the report be noted.

#### **437. Lewisham Education Commission**

Councillor Maslin and the Mayor both asked for their thanks to be offered to Christine Gilbert and the Commission team for producing a highly useful and valuable report. The Mayor said the report not only set out issues but also gave steers towards future required actions. The Mayor said he expected to see a series of reports deriving from the Commission's work.

The Executive Director for Children and Young People highlighted the referral received from the Children and Young People Select Committee and advised the Mayor that it could be accepted in full with the necessary additions being added to the Select Committee's Work Programme in September.

Having considered an officer report, a referral from the Children & Young People Select Committee and a presentation by the Cabinet Member for Children & Young People, Councillor Paul Maslin, the Mayor, for the reasons set out in the report:

RESOLVED that:

(1) the challenge and insight provided by the Commission, their endorsement of Lewisham's collaborative approach to schools, their focus on strategic school place planning and on school-led school improvement be welcomed;

(2) officers be asked to develop a detailed response to the findings and recommendations alongside an action plan which would first be considered by CYP Select Committee; and

(3) any action plan to take forward the recommendations from the Education

Commission Report be presented to the Children and Young People Select Committee for consultation.

#### **438. Street Naming and Numbering Charging**

A number of Cabinet members queried the current design of street signs in the borough which appeared subject to wide variations in terms of quality, appearance, materials, colour, and design.

In response the Mayor said he was not prepared to authorise expenditure on a standard approach that replaced perfectly good signs. He noted a recent change in colour was for the aid of persons with visual impairments and he praised the erection of new signage in streets named after former members Ron Stockbridge and Alan Pegg.

Having considered an officer report, and a presentation by the Deputy Mayor, Councillor Alan Smith, the Mayor agreed that:

- (1) the introduction of charging for the discretionary elements of the Street Naming and Numbering function be approved;
- (2) the scale of charges as set out in connection with the Council's Street Naming and Numbering function be approved; and
- (3) these charges should take immediate effect.

#### **439. Talkback Action Plan**

The Head of Human Resources advised the Mayor that the Safer, Stronger Communities Select Committee had submitted a referral report and that all the points raised by the Select Committee had been addressed in the Action Plan.

Councillor Daby asked if the Investors In People standard was to be pursued and was informed that it would not be as it had been changed substantially in the previous year and that instead in house developments were being advanced.

Having considered an officer report, and a presentation by the Cabinet Member for Resources, Councillor Kevin Bonavia, the Mayor, for the reasons set out in the report:

RESOLVED that:

- (i) the following actions contained in the action plan be approved in respect of the quantitative questions asked of staff

##### **Career Development**

- Develop manager's skills and confidence to have the necessary conversations with employees about their career development.
- Create an online career development portal for employees to access and utilise.
- Change employee career expectations – i.e. focus to be about developing

themselves so that they have 'transferable' and 'portable' skills.

### **Performance Management**

- Create greater link between corporate and employee performance management
- Improve appraisal (PES) usage and monitoring
- Develop managers' abilities to manage performance

### **Communication and Engagement**

- Improve exposure to senior management
- Feedback themes and actions from Talkback
- Develop regular staff briefings

(ii) the following actions contained in the action plan be approved in respect of the qualitative questions asked of staff

### **Organisational performance**

- Identify areas where improvements to the working environment may be undertaken through a more reliable remote desktop environment
- Improve the 'back end' IT infrastructure
- Link individual performance with organisational performance more explicitly
- Use data more effectively to manage performance of teams and services.
- Improve the quality of workforce management, especially absence and performance management

### **Change**

- Improve the communication of change throughout the Council, paying particular attention to groups based away from the Catford complex.
- Increase staff involvement in the decision making regarding change across the Council
- Communicate change more effectively and transparently

#### **Making savings**

- Improve equipment (e.g. IT), training and other resources / Increasing the use of online methods
- Support more collaborative and partnership working with both internal and external partners to create efficiencies and cost savings
- Consider suggestions made by staff in the Talkback survey

### **Senior Management engagement**

- Develop more open channels of communication for employees with senior management teams including:
  - o Meetings
  - o Briefings and information
- Increase senior manager general presence, visibility and availability

(iii) the Safer, Stronger Communities Select Committee be informed that the Action Plan be accepted in full.

## **440. 2016 SoP and Adoption Children's Guides**

Having considered an officer report, and a presentation by the Cabinet Member for Children & Young People, Councillor Paul Maslin, the Mayor, for

the reasons set out in the report:

RESOLVED that:

- (1) the report of the work of the Adoption Service be noted;
- (2) the review of the Statement of Purpose 2016-17 be approved; and
- (3) the updated Children's Guides to Adoption and Adoption Support Services be noted.

**441. SOP Fostering Report 2016-17**

Having considered an officer report, and a presentation by the Cabinet Member for Children & Young People, Councillor Paul Maslin, the Mayor, for the reasons set out in the report:

RESOLVED that:

- (1) the report of the work of the Fostering Service be noted;
- (2) the review of the Statement of Purpose for the Fostering Service for 2016 – 2017 be approved;
- (3) the updated Children's Guides – "My Fostering Booklet" and "My Fostering Guide" be noted.

**442. St Saviours Catholic Primary School Instrument of Government**

Having considered an officer report, and a presentation by the Cabinet Member for Children & Young People, Councillor Paul Maslin, the Mayor, for the reasons set out in the report:

RESOLVED that the Instrument of Government for St. Saviours Catholic Primary School be made by Local Authority order dated 13 July 2016.

**443. Launcelot Primary School Instrument of Government**

Having considered an officer report, and a presentation by the Cabinet Member for Children & Young People, Councillor Paul Maslin, the Mayor, for the reasons set out in the report:

RESOLVED that the Instrument of Government for Launcelot Primary School be made by Local Authority order dated 1 September 2016.

**444. Local Authority Governor Nominations**

Having considered an officer report, and a presentation by the Cabinet Member for Children & Young People, Councillor Paul Maslin, the Mayor, having considered the information supplied in respect of each candidate,

RESOLVED that the following persons be nominated to be school governors:

Joyce Greene	Grinling Gibbons & Lucas Vale Federation
Heidi Watson	Stillness Infant
James Rene	Brent Knoll

#### **445. Response SDSC Biodiversity Action Plan**

Having considered an officer report, and a presentation by the Deputy Mayor, the Mayor:

RESOLVED that the proposed response to the comments and views of the Sustainable Development Select Committee as set out be approved and reported to the Select Committee.

#### **446. IAG Review**

Having considered an officer report, the Mayor:

RESOLVED that the comments and views of the Children & Young People Select Committee be received, and the Executive Director Children & Young People be asked to prepare a response.

#### **447. Disposal of Land at Creekside Part 1**

The Mayor was addressed by Andrea Hughes, the Chair of the Deptford Neighbourhood Forum who asked that the decision be delayed given the perceived lack of consultation over what was viewed as a valuable green space in a heavily urbanised environment.

The Mayor received confirmation from the a local ward member, Councillor Joe Dromey, that this was designated housing land but was currently waste land attracting rough sleepers. He acknowledged there were air quality problems in Deptford but believed this housing development would not make matters worse. He stated that on balance the proposed development was reasonable.

Having considered an open and a confidential officer report, and presentations by the Chair of the Deptford Neighbourhood Forum and by the Deputy Mayor, Councillor Alan Smith, the Mayor, for the reasons set out in the report:

RESOLVED that:

- (1) the Council land be declared surplus to requirements;
- (2) the disposal of the Council land in question to Bluecroft Creekside Ltd, be approved subject to planning, in accordance with the terms set out in the confidential section of the report and Heads of Terms contained therein.
- (3) authority be delegated to the Executive Director for Resources and Regeneration, in consultation with the Head of Law, to negotiate and agree the final terms of the land transactions.

#### **448. Exclusion of Press and Public**

RESOLVED that in accordance with Regulation 4(2)(b) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information)(England) Regulations 2012 and under Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraphs [3, 4 and 5] of Part 1 of Schedule 12(A) of the Act, and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

17. Disposal of Land at Creekside Part 2

#### **449. Disposal of Land at Creekside Part 2**

This report was considered in conjunction with the open report on the same subject.

The meeting closed at 7.12pm

# Agenda Item 3

MAYOR AND CABINET		
<b>Report Title</b>	Report Back On Matters Raised By The Overview And Scrutiny Business Panel or other Constitutional bodies	
<b>Key Decision</b>	No	Item No.
<b>Ward</b>		
<b>Contributors</b>	Head of Business & Committee	
<b>Class</b>	Open	Date: July 13 2016

## Purpose of Report

To report back on any matters raised by the Overview and Scrutiny Business Panel following their consideration of the decisions made by the Mayor on June 29 2016 or on other matters raised by Select Committees or other Constitutional bodies.

<b>Mayor and Cabinet</b>			
<b>Title</b>	Comments of the Safer Stronger Communities Select Committee on the Lewisham metropolitan police service update		
<b>Contributors</b>	Safer Stronger Communities Select Committee	<b>Item No.</b>	3
<b>Class</b>	Part 1	<b>Date</b>	13 July 2016

## **1. Summary**

- 1.1 This report informs the Mayor and Cabinet meeting of the comments and views of the Safer Stronger Communities Select Committee, arising from discussions held with the Lewisham police borough commander under the Lewisham metropolitan police service update item at its meeting on 4 July 2016.

## **2. Recommendation**

- 2.1 Mayor and Cabinet are recommended to note the views of the Safer Stronger Communities Select Committee as set out in this referral and ask the Executive Director for Community Services to provide a response.

## **3. Safer Stronger Communities Select Committee views**

- 3.1 On 4 July 2016, the Safer Stronger Communities Select Committee considered an item entitled Lewisham metropolitan police service update. The Committee resolved to advise Mayor and Cabinet of the following:
- 3.2 The Committee was interested to hear about the plans expressed by London's new Deputy Mayor for Policing and Crime to run an extensive consultation on proposals to remodel police services in London. The Committee was concerned about proposals, developed before the 2016 London mayoral election, for a potential merger of the 32 Borough Command Units across London. This would mean that there would not one borough commander responsible to policing in the borough of Lewisham.
- 3.3 The Committee expressed its concern at these plans, as cooperation between local authorities and the metropolitan police is strengthened by having the boundaries of local police forces in London correspond with borough boundaries.
- 3.4 The Committee welcomed the support for Police Community Support Officers (PCSOs) expressed by the Lewisham police borough commander. The Committee values the work done by PCSOs and would welcome an opportunity to increase their numbers.
- 3.5 The Committee requested that they were formally asked to comment on any consultation responses on behalf of the Council to plans by the Mayor of London or Greater London Assembly for changes to the discharge of crime and disorder function in the borough.

#### **4. Financial Implications**

- 4.1 There are no financial implications arising out of this report per se; but there may financial implications arising from carrying out the action proposed by the Committee.

#### **5. Legal Implications**

- 5.1 The Constitution provides for Select Committees to refer reports to the Mayor and Cabinet, who are obliged to consider the report and the proposed response from the relevant Executive Director; and report back to the Committee within two months (not including recess).

#### **Background papers**

[Council's Employee Survey - Talkback 2015](#) at the meeting of the Safer Stronger Communities Select Committee on 11 May 2016.

If you have any queries on this report, please contact Simone van Elk, Scrutiny Manager (0208 3146441).

# Agenda Item 4

MAYOR & CABINET		
<b>Report Title</b>	Outstanding Scrutiny Matters	
<b>Key Decision</b>	No	Item No. 3
<b>Ward</b>	n/a	
<b>Contributors</b>	Head of Business and Committee	
<b>Class</b>	Part 1	Date: 13 July 2016

## 1. Purpose of Report

To report on items previously reported to the Mayor for response by directorates and to indicate the likely future reporting date.

## 2. Recommendation

That the reporting date of the items shown in the table below be noted.

Report Title	Responding Author	Date Considered by Mayor & Cabinet	Scheduled Reporting Date	Slippage since last report
Safer, Stronger, Communities Select Committee - Crime Enforcement and Regulatory Service	ED Community	18 May 2016	13 July 2016	No
Safer, Stronger, Communities Select Committee - Poverty Review	ED Resources & Regeneration	1 June 2016	7 September 2016	No
Safer, Stronger, Communities Select Committee Council's Employee Survey	ED Resources & Regeneration	1 June 2016	7 September 2016	No
Sustainable Development Select Committee	ED Resources & Regeneration	1 June 2016	7 September 2016	No

- Street Lighting Variable Lighting Policy				
Sustainable Development Select Committee – Catford Regeneration	ED Resources & Regeneration	1 June 2016	7 September 2016	No
Children and young People Select Committee - Information Advice and Guidance Review	ED Children & Young People	29 June 2016	28 September 2016	No

### **BACKGROUND PAPERS and AUTHOR**

Mayor & Cabinet minutes 18 May, 1 and 29 June 2016 available from Kevin Flaherty 0208 3149327.

<http://councilmeetings.lewisham.gov.uk/ieListMeetings.aspx?CId=139&Year=0>

# Agenda Item 5

<b>Chief Officer Confirmation of Report Submission</b>		
<b>Cabinet Member Confirmation of Briefing</b>		
Report for: Mayor		<input type="checkbox"/>
Mayor and Cabinet		<input checked="" type="checkbox"/>
Mayor and Cabinet (Contracts)		<input type="checkbox"/>
Executive Director		<input type="checkbox"/>
Information <input type="checkbox"/>	Part 1 <input checked="" type="checkbox"/>	Part 2 <input type="checkbox"/>
Key Decision		<input type="checkbox"/>

<b>Date of Meeting</b>	13 <sup>th</sup> July 2016
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<b>Title of Report</b>	Financial Forecasts 2016/17
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<b>Originator of Report</b>	Selwyn Thompson	<b>Ext.</b> 46932
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At the time of submission for the Agenda, I confirm that the report has:

Category	Yes	No
Financial Comments from Exec Director for Resources	✓	
Legal Comments from the Head of Law	✓	
Crime & Disorder Implications	✓	
Environmental Implications	✓	
Equality Implications/Impact Assessment (as appropriate)	✓	
Confirmed Adherence to Budget & Policy Framework	✓	
Risk Assessment Comments (as appropriate)		
Reason for Urgency (as appropriate)		

Signed:  Executive Member (nominee)

Date:

Signed:  Director/Head of Service

Date: 4/7/16

<b>Control Record by Committee Support</b>	
Action	Date
Listed on Schedule of Business/Forward Plan (if appropriate)	
Draft Report Cleared at Agenda Planning Meeting (not delegated decisions)	
Submitted Report from CO Received by Committee Support	
Scheduled Date for Call-in (if appropriate)	
To be Referred to Full Council	

<b>MAYOR &amp; CABINET</b>			
<b>REPORT TITLE</b>	Financial Forecasts 2016/17		
<b>KEY DECISION</b>	No	<b>Item No.</b>	
<b>WARD</b>	N/A		
<b>CONTRIBUTORS</b>	Executive Director for Resources and Regeneration		
<b>CLASS</b>	Part 1	<b>Date</b>	13 July 2016

## **1. EXECUTIVE SUMMARY**

- 1.1 This report sets out the financial forecasts for 2016/17 as at 31 May 2016. The key areas to note are as follows:
- i. There is a forecast overspend of £7.7m against the directorates' net general fund revenue budget. This is set out in more detail in sections five to nine of this report. This compares to a final outturn of £3.1m for 2015/16 which resulted after applying £3.2m of funding for 'risks and other budget pressures' against the directorates' year-end overspend of £6.3m for that year.
  - ii. The Dedicated Schools Grant (DSG) is expected to balance at the year end.
  - iii. It is expected that there will be eight schools that require a licensed deficit. This is set out in more detail in section 11 of this report.
  - iv. It is expected that following the academy conversion order for Sedgehill School the school's deficit will be written off against the schools' contingency.
  - v. The Housing Revenue Account (HRA) is currently projecting a balanced budget position. This is set out in more detail in section 12 of this report.
  - vi. As at 31 May 2016, some 19.1% of council tax due and 27.9% of business rates due had been collected. At this point last year, 19.4% of council tax due and 30.6% of business rates due had been collected. This is set out in more detail in section 13 of this report.
  - vii. For the 2016/17 capital programme, the revised budget is now £157.2m, compared to the figure presented in the Budget Report 2016 of £129.2m. The budget has been amended to take into account the rolling forward of unspent budgets at the end of the last financial year and to update for known changes to grants and new projects. At 31 May 2016, some £5.5m or 3% of the budget had been spent, which is below the profile figure expected if the programme is to be delivered in full. This is set out in more detail in section 14 of this report. The comparable figure to 31 May last year was 7% of the budget of £154.8m, with the final outturn being 80% of the revised budget of £118.1m.

## 2. PURPOSE

- 2.1 The purpose of this report is set out the financial forecasts for 2016/17 as at the end of May 2016, projected to the year end.

## 3. RECOMMENDATIONS

- 3.1 The Mayor is recommended to:
- 3.3.1 Note the current financial forecasts for the year ending 31 March 2016 and the action being taken by the Executive Directors to manage down the forecasted year-end overspend.
- 3.3.2 Note the updated capital programme budgets which have been set out in section 14 of this report.

## 4. POLICY CONTEXT

- 4.1 Reporting financial results in a clear and meaningful format contributes directly to the council's tenth corporate priority: inspiring efficiency, effectiveness and equity.

## 5. DIRECTORATE FORECAST OUTTURN

- 5.1 The forecasts against the directorates' general fund revenue budgets are shown in Table 1 below. In summary, a forecast year end overspend of £7.7m is being reported as at the end of May 2016. At the same time last year, an overspend of some £8.6m was forecast. Members should note that for 2016/17, there is a sum of £3.75m held corporately for managing 'risks and other budget pressures' which emerge during the year. As in previous years, the Executive Director for Resources and Regeneration will give due consideration as to when it might be appropriate to apply this sum to alleviate budget pressures. This consideration will happen towards the end of the financial year, after assessing the progress that has been made to manage down the current forecast overspend.

**Table 1 – Overall Directorate position for 2016/17**

Directorate	Gross budgeted spend	Gross budgeted income	Net budget	Forecast Outturn 2016/17	Final Outturn 2015/16
	£m	£m	£m	£m	£m
Children & Young People (1)	57.8	(8.9)	48.9	4.6	7.4
Community Services	170.0	(76.9)	93.1	1.6	(1.2)
Customer Services (2)	101.5	(57.0)	44.5	1.6	3.9
Resources & Regeneration	41.2	(15.5)	25.7	(0.1)	(3.8)
<b>Directorate Totals</b>	<b>370.5</b>	<b>(158.3)</b>	<b>212.2</b>	<b>7.7</b>	<b>6.3</b>
Corporate Items	24.0	0.0	24.0	0.0	(3.2)
<b>Net Revenue Budget</b>	<b>394.5</b>	<b>(158.3)</b>	<b>236.2</b>	<b>7.7</b>	<b>3.1</b>

(1) – gross figures exclude £276m Dedicated Schools' Grant expenditure and matching grant income

(2) – gross figures exclude approximately £220m of matching income and expenditure for housing benefits.

- 5.2 For various reasons the financial forecasts at this stage of the year are usually higher than resulting outturn. However, similar to the scale of the variances projected last year, the current overspending projections are significantly greater than those in recent earlier years. This suggests that the council continues to face budget pressures of a different order than normal.
- 5.3 Directorate Expenditure Panels (DEPs) have been in operation throughout 2015/16, with the Corporate Expenditure Panel (CEP) becoming operational in October 2014. Towards the end of last year, the operation of the CEP in terms of its effectiveness was reviewed by the Chief Executive and the Executive Director for Resources and Regeneration. This concluded that the CEP would continue to remain in operation for at least the first half of the 2016/17 financial year. This will ensure that a regular corporate oversight of the council's financial spending position remains. Although the council ended last year with an overall overspend of £3.1m, these measures ensured that the variance was no worse. Although some of the budget pressures reported throughout the course of the last year have been alleviated with the allocation of corporate funding, a number of pressures have continued into this financial year. Therefore, close scrutiny of the financial position will again be very important.
- 5.4 Furthermore, delivering a large package of revenue budget savings for 2016/17 is managerially complex and challenging. There is an inherent risk that some savings will be delivered later than planned, which would result in overspends within the year. As a result, officers will continue to focus on monitoring the progress of savings being implemented.
- 5.5 The table below sets out the proportion of agreed revenue budget savings delivered in the year. Any variances are included in the overall forecasts shown in the table above.

**Table 2 – Forecast Savings Delivery**

Directorate	Savings Agreed for 2016/17	Forecast Delivery	Variance	
			£m	%
	£m	£m	£m	%
Children & Young People	2.8	2.8	0.0	0.0
Community Services	5.3	4.6	0.7	13.0
Customer Services	3.2	3.2	0.0	0.0
Resources & Regeneration	3.0	2.4	0.6	20.0
Corporate	2.9	2.9	0.0	0.0
<b>Total</b>	<b>17.2</b>	<b>15.9</b>	<b>1.3</b>	<b>8.0</b>

## 6. CHILDREN AND YOUNG PEOPLE'S SERVICES

- 6.1 As at the end of May 2016, the Children and Young People's directorate is forecasting a £4.6m overspend. At the same time last year, the year-end forecast was an overspend of £4.7m, with the actual year-end outturn being an overspend of £7.4m.

**Table 3 – Children & Young People Directorate**

Service Area	Gross budgeted spend	Gross budgeted income – including grants*	Net budget	Forecast Outturn 2016/17	Forecast over/ (under) spend
	£m	£m	£m	£m	£m
Children's Social Care – includes No Recourse to Public Funds	43.5	(1.5)	42.0	45.9	3.9
Education, Standards and Inclusion	3.0	(1.8)	1.2	1.2	0.0
Targeted Services and Joint Commissioning	11.3	(4.3)	7.0	7.7	0.7
Schools	0.0	(1.3)	(1.3)	(1.3)	0.0
<b>Total</b>	<b>57.8</b>	<b>(8.9)</b>	<b>48.9</b>	<b>53.5</b>	<b>4.6</b>

\* The government grants include the Adoption Reform Grant, SEND reform grant, Troubled Families grant and Music grant

- 6.2 The most significant cost pressures for the directorate fall within the *children's social care* division which amounts to £3.9m. It is expected that this year, the *no recourse to public funds* budget will be in a balanced position by the year end. The key issues relating to the directorate's budget pressures have been set out in the following paragraphs.
- 6.3 The placement budget for *looked after children* is currently forecast to overspend by £2.1m with the current number of looked after children totalling 442.
- 6.4 *Children leaving care* is currently forecast to overspend by £0.7m. The overspend as at the end of last year was £1.3m. The reduction has been achieved through better procurement of accommodation and reducing numbers.
- 6.5 There is an additional pressure on the *Section 17* unrelated to no recourse to public funds of £0.4m and on salaries and wages which show a forecast overspend of £0.7m. This has mainly been created by greater use of agency of the last three months.
- 6.6 The only other budget pressure in the rest of the directorate is on schools' transport within the partnerships and targeted services area. The final outturn on schools' transport at end of 2015/16 was an overspend of £0.9m. In 2016/17, it is expected to be £0.7m. Members should note that there is currently a review of fleet and passenger transport services underway. This is a cross council review and is expected to report back on its initial findings later this year.
- 6.7 The key unit costs and activity levels within children's social care are summarised in the following table.

**Table 4 – Fostering Client Numbers**

Placement type	Average weekly unit costs		Client numbers
	May 2016 (£)	May 2015 (£)	May 2016
Local authority fostering	421	409	219
Agency fostering	911	908	187
Residential homes	3410	3,486	53

6.8 The unit cost information set out in the table above demonstrates the importance of the directorate's strategy for shifting the balance of provision towards fostering, as well as reducing costs.

## 7. COMMUNITY SERVICES

7.1 As at the end of May 2016, the community services directorate is forecasting an overspend on £1.6m. At the same time last year, the year-end forecast was an overspend of £2.0m, with the actual year-end outturn being an underspend of £1.2m.

**Table 5 – Community Services Directorate**

Service Area	Gross budgeted expenditure	Gross budgeted income	Net budget	Forecast Outturn 2016/17	Forecast over/ (under) spend
	£m	£m	£m	£m	£m
Adult Services Division	101.5	(31.1)	70.4	71.5	1.1
Cultural and Community Development	19.1	(7.6)	11.5	11.2	(0.3)
Public Health	17.6	(17.9)	(0.3)	1.2	1.5
Crime Reduction & Supporting People	18.9	(9.0)	9.9	9.3	(0.6)
Strategy & Performance	12.9	(11.3)	1.6	1.5	(0.1)
<b>Total</b>	<b>170.0</b>	<b>(76.9)</b>	<b>93.1</b>	<b>94.7</b>	<b>1.6</b>

7.2 The *adult services* division is forecast to overspend by £1.1m. The placement budgets, which has a projected overspend £0.7m, remains volatile in particular. These projections are based on only two months of activity and will not necessarily provide a reliable guide to expenditure later in the year, but costs are monitored closely and any changes will be reported during the course of the year.

7.3 The projected overspend includes expected pressures, identified as budget risks, from learning disability transition cases of £0.3m and Deprivation of Liberty Safeguards (DOLS) work of £0.1m. Revenue budget savings of £2.5m have been agreed for adult social care for 2016/17. Most of these have either already been achieved in full or will be achieved in the next three months. Proposals to achieve the largest remaining savings areas will be brought to members in coming months. Once achieved, these can be expected to reduce the projected overspend. The current projections assume use of £0.4m of the Care Act funding which is being held corporately.

- 7.4 In 2015/16, underspends on the original Better Care Fund (BCF) plan were used to address pressures within adult social care. In 2016/17, there are again likely to be underspends against the BCF programme as several larger schemes have yet to start. No formal decisions have yet been taken about the application of this underspend. Therefore, the figures in this report make no assumption about any impact on social care budgets.
- 7.5 The *cultural and community services division* is forecasting an underspend of £0.3m. This is primarily due to a projected underspend on the budget for the main leisure management contract. This contract reduces in value each year to reflect the increases in projected usage included in the contract profile. The contract underspend forms part of an agreed package of savings for the 2017/18 financial year. Other variances within the division are expected to come in on budget at this stage.
- 7.6 In addition to the Council's £2m savings target across 2016/17 and 2017/18 for *public health*, these services are also subject to deliver a £2.08m reduction in grant funding in 2016/17 with further reductions expected in the next two financial years. Across 16/17 and 17/18, the service therefore has to identify savings in excess of £4m. Action has already been taken to reduce discretionary spend and a report to M&C in July 2016 will propose consultation on a further set of disinvestments. However, it will not be possible to reduce spend in the current financial year by the full level of the funding reduction and at the end of May 2016 an overspend of £1.5m is projected. This includes a pressure on sexual health or genitourinary medicine (GUM) services budgets of £0.3m.
- 7.7 An underspend of £0.6m is projected on *crime reduction and supporting people*. There is a £0.3m projected underspend on the Supporting People Programme from an expected early achievement of the agreed 2017/18 contract savings. Elsewhere in the division there are projected staffing underspends of £0.2m across the crime, enforcement and regulation and prevention & inclusion services. There is an underspend of £0.15m on drugs & alcohol services resulting from the enforcement of contract penalties on performance by results contracts. These underspends are offset by a small overspend projected on the youth offending budget reflecting the reduction in government grant funding for secure remand placements.
- 7.8 The *strategy and performance* service which included the directorate management team budget is projected to underspend by £0.1m due to staff vacancies. This budget also includes the proportion of the Better Care Fund budget managed by the Clinical Commissioning Group.

## **8. CUSTOMER SERVICES**

- 8.1 As at the end of May 2016, the customer services directorate is forecasting an overspend of £1.6m. At the same time last year, the year-end forecast was an overspend of £3.0m, with the actual year-end outturn being an overspend of £3.9m.

**Table 6 – Customer Services Directorate**

Service Area	Gross budgeted spend	Gross budgeted income	Net budget	Forecast Outturn 2016/17	Forecast over/ (under) spend
	£m	£m	£m	£m	£m
Strategic Housing	25.7	(20.2)	5.5	6.1	0.6
Environment	35.7	(16.8)	18.9	19.9	1.0
Public Services*	32.5	(19.0)	13.5	13.5	0
Strategy & Technology and Change	7.6	(1.0)	6.6	6.6	0
<b>Total</b>	<b>101.5</b>	<b>(57.0)</b>	<b>44.5</b>	<b>46.1</b>	<b>1.6</b>

\* -excludes £220m of matching income and expenditure in respect of housing benefits

- 8.2 The *strategic housing service* is projecting an overspend of £0.6m. This relates to the number of people in nightly paid accommodation and action taken to manage that number. The number of bed and breakfast tenancies as at end of May 2016 was 566, compared to 546 reported in March 2016. This compares to 586 reported at the same period in 2015/16.
- 8.3 As is previous years, the cost mostly arises from the Housing Benefit limitation recharge. That is, where the cost of nightly paid accommodation exceeds the rent levels covered by Housing Benefits. Action taken to keep these costs to a minimum include allocating a higher percentage of temporary accommodation places to those in nightly paid accommodation and incentives to landlords in order to prevent eviction. Both courses of action still incur costs to the council, but at a lower level than the cost of nightly paid accommodation.
- 8.4 The *environment division* is forecasting an overspend of £1m. This projection assumes the £1.0m cost of the disposal of dry recyclables will be met from corporate resources.
- 8.5 The largest proportion of the overspend, £0.7m, relates to additional vehicle hire costs as a result of a number of vehicles coming to the end of their operational life. Officers are currently considering options for leasing or purchasing vehicles which may reduce the pressure going forward.
- 8.6 The *green scene* budgets are projecting an overspend of £0.1m largely as a result of the loss of income from the former Foxgrove Club. The future use of the premises is being considered as a part of the plans for Beckenham Place Park, but at present there is no clear scope for attracting the budgeted level of rental income.
- 8.7 For *bereavement services* this is projecting an overspend of £0.1m, largely arising from increased crematorium maintenance costs. Income levels are currently higher than in previous years as a result of issues at a local crematorium in a neighbouring borough. This will need close monitoring as there has been significant pressure on the services income budgets over several years and the risk of not achieving the budgeted income levels remain.
- 8.8 The provision of automated public conveniences no longer funded as a part of the JC Decaux highways contract will result in a £0.1m overspend in the street management budgets.

- 8.9 The *public services division* is forecasting a balanced position at this point in the year. A number of risks have been identified, in particular, the levels of income raised by the internal enforcement service, but at this stage every effort is being made to achieve budgeted income levels.
- 8.10 The *strategy* and *technology and change* divisions are also forecasting a balanced position.

## 9. RESOURCES AND REGENERATION

- 9.1 As at the end of May 2016, the resources and regeneration directorate is forecasting an underspend of £0.1m. At the same time last year, the year-end forecast was an underspend of £1.1m, with the actual year-end outturn being an underspend of £3.8m.

**Table 7 – Resources and Regeneration Directorate**

Service Area	Gross budgeted spend	Gross budgeted income	Net budget	Forecast Outturn 2016/17	Forecast over/ (under) spend
	£m	£m	£m	£m	£m
Corporate Resources	4.9	(2.5)	2.4	2.4	0.0
Corporate Policy & Governance	3.8	0.0	3.8	3.5	(0.3)
Financial Services	5.0	(1.4)	3.6	3.6	0.0
Executive Office	0.2	0.0	0.2	0.2	0.0
Human Resources	3.0	(0.4)	2.6	2.3	(0.3)
Legal Services	3.0	(0.4)	2.6	2.6	0.0
Strategy	2.3	(0.4)	1.9	1.7	(0.2)
Planning	3.0	(1.6)	1.4	1.3	(0.1)
Regeneration & Asset Management	16.0	(8.4)	7.6	8.4	0.8
Reserves	0.0	(0.4)	(0.4)	(0.4)	0.0
<b>Total</b>	<b>41.2</b>	<b>(15.5)</b>	<b>25.7</b>	<b>25.6</b>	<b>(0.1)</b>

- 9.2 The *corporate policy & governance* division and the *human resources* division are both forecasting underspends of £0.3m, principally driven by underspending on salaries costs. This is also the main reason for the forecast underspend of £0.2m within the *strategy* division.
- 9.3 The *planning* division is forecasting an underspend of £0.1m. The high levels of Planning Fee income are again being forecast for 2016/17, but this is being partly offset by higher salaries and supplies and services costs in order to manage the additional workload.
- 9.4 The *regeneration & asset management* division is forecasting an overspend of £0.8m. There is currently a £0.3m underachievement of income forecast against the budget which relates to large format advertising. This income target was agreed as part of setting the 2016/17 budget. Officer will continue to progress with the options for this proposal and will continue to update members as the year progresses. There is also an underachievement of income from utilities companies against the network management budget of £0.3m. There are other

areas of budget pressure including the costs of running the corporate estate of £0.5m which are partly offset by areas of underspending including on salaries costs to result in the overall position for the division.

- 9.5 There are no significant variances currently being forecast within the *corporate resources*, *financial services* or *legal services* divisions.

## **10. CORPORATE PROVISIONS**

- 10.1 The *corporate financial provisions* include working balances, capital expenditure charged to the revenue account (CERA), and interest on revenue balances. These provisions are not expected to overspend although, with the impact of continued reductions in service budgets, there is ever greater pressure on working balances. Certainty on their outturn only becomes clear towards the end of the financial year.
- 10.2 With the United Kingdom electorate having recently voted to leave the European Union and the pending uncertainty this brings, there will continue to be concerns about the stability of the banking sector. The council's treasury management strategy continues to be focused on avoiding risk, wherever possible. With investment returns still at historically low levels, albeit with indications of modest rate rises possible by the end of the calendar year, there is little opportunity to seek higher returns. However, the council continues to keep its strategy under review and assess alternative investment strategies to find the appropriate balance in the trade off between return and risk. Members should note that similar to last year, a sum of £3.75m is being held corporately to help manage 'risks and other pressures' during 2016/17.
- 10.3 For the pension fund, Members should note that the triennial valuation as at 31 March 2013 revealed that the Fund's assets as at 31 March 2013 were sufficient to meet 71.4% of the current liabilities. The next actuarial valuation of the Fund is currently underway in this financial year and will be carried out as at 31 March 2016, with new employer contribution rates taking effect from 1 April 2017 for the 2017/18 financial year. The value of the Pension Fund's assets as at 31 March 2016 was £1.042bn.

## **11. DEDICATED SCHOOLS' GRANT**

- 11.1 The Dedicated Schools Grant (DSG) for 2016/17 has provisionally been set by the Department for Education at £283.5m, although this will change during the year to reflect updated pupil numbers. The DSG is now £47m (or 20%) larger than the council's net general fund budget. Further grants are given to schools and routed through the local authority. These include the pupil premium (£17m), post 16 funding (£6m) and the universal free school meals grant (£3m) making total funds of £309m. In total, this is £73m higher than the council's net general fund.

### Schools

- 11.2 The deadline for schools to submit budget returns to the local authority is 31 May 2016. At the end of the financial year 2015/16, there were 11 schools that had deficits. This compares with the three schools that had a licensed deficit agreement in place for the end of that year. Not all schools have submitted budget

returns for this year, but of those that have, there are three schools showing a deficit. It is believed that this will at least grow to eight schools, although indications suggest that it could be higher.

- 11.3 To date, there are 20 schools which have not made their budget return to the local authority finance team. All these schools have been written to by the Head of Education, Standards and Inclusion. If a return is not received by Monday 4 July 2016, then the schools' Chair of Governors and Headteacher will be written to by the Executive Director of Children and Young People.
- 11.4 Looking further, the summary of budget returns show another seven schools going into deficit in 2017/18.
- 11.5 Currently, officers are performing 'reasonableness' checks on the information provided by schools which is likely to have an impact on the overall schools deemed to be in deficit by the year end. These checks are in place to ensure that the following questions are asked and responses to them are provided. These include:
- Does the budget plan income agree to funding notification?
  - Is the carry forward quoted in the budget plan incorrect?
  - Reasonableness check, such as whether the budgets set align to previous year's budget and or expenditure?
- 11.6 The Government is proposing to introduce a new national funding formula for schools in April 2017. With the current details available through the release of the first stage consultation earlier in the spring, it is not possible to see the exact impact on Lewisham. The most likely scenario is that schools in Lewisham will see a circa 10%, or £17m reduction in funding over the next three years. This is likely to impact on the level of traded services schools buy from the council. Likewise there is a review of the high needs block funding and it is expected the funding in the high needs block could also be reduced by some 10%, or £4.5m.

#### DSG central expenditure

- 11.7 Currently, there are no overspends forecast for the DSH central expenditure. The High Needs block is currently showing a balanced position, although this budget will be subject to pressure of growing numbers during the year and will need to be closely monitored.

#### Mutual Funds

- 11.8 Sedgehill School will transfer to an academy by order, although the exact date for conversion has not yet been confirmed. The national regulations under this type of academy conversion is that the deficit remains the responsibility of the local authority. In the first instance, it can be charged to the schools contingency if there are sufficient funds. Otherwise it is left as the responsibility of the council to meet the cost.
- 11.9 In Lewisham, the schools contingency is held by the Schools Forum as a mutual fund for all schools. The deficit to this school which is circa £1.3m, will be charged to this contingency.

## 12. HOUSING REVENUE ACCOUNT

- 12.1 The table below sets out the current budget for the Housing Revenue Account (HRA) in 2016/17. At this relatively early stage of the new financial year, no variation is being reported.

**Table 8 – Housing Revenue Account**

Service Area	Expenditure Budget	Income Budget	2016/17 budget	Forecast over/ (under) spend
	£m	£m	£m	£m
Customer Services – Housing	11.7	(3.1)	8.6	0
Lewisham Homes & R&M	36.6	0	36.6	0
Resources	2.1	0	2.1	0
Centrally Managed Budgets	50.3	(97.6)	(47.3)	0
<b>Total</b>	<b>100.7</b>	<b>(100.7)</b>	<b>0</b>	<b>0</b>

## 13. COLLECTION FUND

- 13.1 As at 31 May 2016, £23.2m of council tax had been collected. This represents 19.1% of the total amount due for the year of £114.3m. This is marginally below the profiled collection rate of 19.4% if the overall target for the year of 96% is to be met. At the same time last year, the collection rate to date was 19.4%, which is 0.3% higher than this year.
- 13.2 Business rates collection is at 27.9%, a decrease of 2.7% compared to the same period last year, but 1.6% higher than the profiled collection rate if the overall target rate for the year of 99% is to be achieved.

## 14. CAPITAL EXPENDITURE

- 14.1 The overall spend to 31 May 2016 is £5.5m. This represents 3% of the revised budget of £157.2m. The figures agreed at Council when the budget was set have been updated and are proposed for agreement as the revised budget by way of this report. The proposed amendments relate only to the rolling forward of unspent budgets at the end of the last financial year and to update figures for known changes to grants and new projects. At this point last year, 7% of the budget of £154.8m has been spent, with the final outturn being 80% of the revised budget of £118.1m
- 14.2 During 2015/16, the council established the Regeneration and Capital Programme Delivery Board comprising key officers involved in the planning and delivery of the capital programme. This Board has responsibility and accountability for the delivery of all regeneration and capital projects and programmes of the built environment and is also responsible for ensuring that all projects and programmes are adequately and appropriately resourced.
- 14.3 The key objectives of the Board are to ensure that a consistent and corporate approach is taken to the development and authorisation of all project and programme initiation documents and the associated financing and funding of

projects and programmes. It meets every two months and ensures that a corporate approach is taken to the monitoring, management and delivery of all projects and programmes. It reports through to the Regeneration Board which is chaired by the Executive Director for Resources and Regeneration.

**Table 9 – Capital Programme**

2016/17 Capital Programme	Budget Report (February 2016)	Revised Budget	Spend to 31 May 2016	Spent to Date (Revised Budget)
	£m	£m	£m	%
Community Services	0.4	1.2	0.1	8%
Resources & Regeneration	17.8	22.5	0.9	4%
CYP	9.4	28.4	1.9	7%
Customer Services	0.7	1.9	0.0	1%
Housing (Gen Fund)	14.7	17.5	0.8	5%
<b>Total General Fund</b>	<b>43.0</b>	<b>71.5</b>	<b>3.7</b>	<b>5%</b>
Housing Matters Programme	51.3	50.8	1.0	2%
Decent Homes Programme	34.8	34.8	0.8	2%
<b>Total HRA</b>	<b>86.1</b>	<b>85.6</b>	<b>1.8</b>	<b>2%</b>
<b>Total Expenditure</b>	<b>129.1</b>	<b>157.1</b>	<b>5.5</b>	<b>3%</b>

14.4 The table below shows the current position on the major projects in the 2016/17 general fund capital programme (i.e. those over £1m in 2016/17).

**Table 10 – Major Capital Projects**

2016/17 Capital Programme	Budget Report (February 2016)	Revised Budget	Spend to 31 May 2016	Spent to Date (Revised Budget)
	£m	£m	£m	%
Housing Regeneration Schemes (Kender, Excalibur, Heathside and Lethbridge)	2.9	5.0	0.0	0%
Primary Places Programme	6.0	17.2	1.6	9%
BSF – Sydenham	1.2	2.2	0.0	0%
Other Schools Capital Works	1.5	7.8	0.1	1%
Disabled Facilities / Private Sector Grants	1.3	1.7	0.1	6%
Highways and Bridges (TfL)	2.0	4.0	0.0	0%
Catford Town Centre	8.5	8.6	0.0	0%
Asset Management Programme	3.1	3.2	0.2	6%
Highways and Bridges (LBL)	4.0	4.0	0.1	3%
Travellers Site Relocation	1.0	1.1	0.0	0%
Acquisition – Hostels Programme	1.5	1.6	0.5	31%
Grove Park Street Improvements	1.2	1.2	0.0	0%
Property Acquisition–Lewisham Homes	4.0	3.0	0.0	0%
Surrey Canal	0.6	1.0	0.3	30%
<b>Total Major Projects</b>	<b>38.8</b>	<b>61.6</b>	<b>2.9</b>	<b>5%</b>
Other Projects	4.3	10.0	0.8	8%
<b>Total Projects – General Fund</b>	<b>43.1</b>	<b>71.6</b>	<b>3.7</b>	<b>5%</b>

14.5 The main sources of financing the programme are grants and contributions and capital receipts from the sale of property assets. A total of £5.1m has been received so far this year, comprising £1.3m of usable receipts and £3.8m of grants.

## **15. FINANCIAL IMPLICATIONS**

15.1 This report concerns the financial forecasts for the 2016/17 financial year. However, there are no direct financial implications in noting these.

## **16. LEGAL IMPLICATIONS**

16.1 The Council must act prudently in relation to the stewardship of Council taxpayers' funds. The Council must set and maintain a balanced budget.

## **17. CRIME AND DISORDER ACT IMPLICATIONS**

17.1 There are no crime and disorder implications directly arising from this report.

## **18. EQUALITIES AND ENVIRONMENTAL IMPLICATIONS**

18.1 There are no equalities or environmental implications directly arising from this report.

## **19. CONCLUSION**

19.1 The council has continued to apply sound financial controls. However, the short and medium-term outlook remains difficult and continued strong management and fiscal discipline will be required to enable the council to meet its financial targets for 2016/17 and beyond.

## **BACKGROUND PAPERS AND APPENDICES**

<b>Short Title of Report</b>	<b>Date</b>	<b>Location</b>	<b>Contact</b>
Financial Outturn for 2015/16	1 <sup>st</sup> June 2016 (M&C)	5 <sup>th</sup> Floor Laurence House	Selwyn Thompson
2016/17 Budget	24 <sup>th</sup> February 2016 (Council)	5 <sup>th</sup> Floor Laurence House	David Austin

For further information on this report, please contact Selwyn Thompson, Head of Financial Services on 020 8314 6932

# Agenda Item 6

<b>Chief Officer Confirmation of Report Submission</b>		<input type="checkbox"/>
<b>Cabinet Member Confirmation of Briefing</b>		<input type="checkbox"/>
<b>Report for: Mayor</b>		<input type="checkbox"/>
<b>Mayor and Cabinet</b>		<input checked="" type="checkbox"/>
<b>Mayor and Cabinet (Contracts)</b>		<input type="checkbox"/>
<b>Executive Director</b>		<input type="checkbox"/>
<b>Information</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Part 1</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Part 2</b>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Key Decision</b>	<input type="checkbox"/>	<input type="checkbox"/>

<b>Date of Meeting</b>	13 July 2016
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<b>Title of Report</b>	2017/18 to 2019/20 Medium Term Financial Strategy
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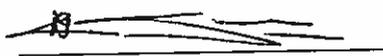
<b>Originator of Report</b>	Executive Director for Resources & Regeneration
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At the time of submission for the Agenda, I confirm that the report has:

Category	Yes	No
Financial Comments from Exec Director for Resources	✓	
Legal Comments from the Head of Law	✓	
Crime & Disorder Implications	✓	
Environmental Implications	✓	
Equality Implications/Impact Assessment (as appropriate)		
Confirmed Adherence to Budget & Policy Framework	✓	
Risk Assessment Comments (as appropriate)	✓	
Reason for Urgency (as appropriate)		

Signed:  Executive Member

Date:

Signed:  Director/Head of Service

Date 5/7/16

**Control Record by Committee Support**

Action	Date
Listed on Schedule of Business/Forward Plan (if appropriate)	
Draft Report Cleared at Agenda Planning Meeting (not delegated decisions)	
Submitted Report from CO Received by Committee Support	
Scheduled Date for Call-in (if appropriate)	
To be Referred to Full Council	

<b>MAYOR AND CABINET</b>			
<b>REPORT TITLE</b>	2017/18 to 2019/20 Medium Term Financial Strategy		
<b>KEY DECISION</b>		<b>Item No.</b>	
<b>WARD</b>	All		
<b>CONTIBUTORS</b>	Executive Director for Resources & Regeneration		
<b>CLASS</b>	Part 1	<b>Date:</b>	13 July 2016

## **1. EXECUTIVE SUMMARY**

- 1.1. The Medium Term Financial Strategy (MTFS) for 2017/18 to 2019/20 sets out the Council's medium term financial plan over the next three years. It includes a review of the Council's overall financial position bringing together the outturn for 2015/16, the forecast for the current financial year of 2016/17, and considers prospects for 2017/18 and future years.
- 1.2. The strategy forecasts a further reduction in funding of a minimum of £15m (6%) between 2016/17 and 2019/20. At the same time spending projections, including pay and prices inflation and provision for budget pressures related to an increasing population and changing demographic needs, estimate that minimum additional spending of £30m (13%) will be required to meet those needs.
- 1.3. In the March 2016 budget, the Chancellor of the Exchequer announced further as yet unallocated efficiency savings of £3.5bn for the public sector in 2019/20. It is expected that this, combined with any austerity measures arising from the EU referendum, will have a further detrimental effect on the Council's funding.
- 1.4. The Secretary of State announced in his speech to the House of Commons, that Councils will have until 14 October 2016 to agree funding allocations for the remaining years of the Spending Review period (2017/18 to 2019/20).
- 1.5. No forecast beyond 2019/20 is made given the uncertainty for local government financing. This includes: the £8bn of as yet unallocated Public Sector spending reductions for 2020/21; changes proposed regarding the local government funding formula and business rate arrangements; future arrangements for other funding streams (such as New Homes Bonus and improved Better Care Fund); and economic uncertainties (such as nationally the implications arising from EU referendum result and regionally a possible London devolution deal).
- 1.6. The Council estimates the level of savings required for the three year period 2017/18 to 2019/20 at £62m. Of this £17m of savings were agreed in the 2016/17 budget. The budget model therefore estimates the remaining savings requirement over the next three years to 2019/20 at £45m.
- 1.7. The Lewisham Future Programme continues to work to address the budget gap. The immediate target is now to deliver up to £15m of savings to bridge the budget gap for 2017/18, review the current four year efficiency plan, and decide whether to accept the government's offer in respect of RSG grant to 2019/20.

## **2. PURPOSE**

- 2.1. The main purpose of this report is to set out the medium term financial position for the Council over the next three years and the assumptions on which it is based. It also provides an overview of the current financial situation and provides an update on the delivery of the savings programme for 2017/18.
- 2.2. The MTFFS covers the following areas:
  - It sets out the expected resource envelope that the Council's General Fund must operate within in 2017/18, attempts to project funding in future years, and identifies the main factors that might affect this.
  - It sets out service and other spending projections (e.g. Housing Revenue Account, Capital Programme, Dedicated Schools Grant, and other funding streams) and the main factors that may affect these.
  - It projects the General Fund budget gap which is the difference between the resource envelope and spending projections. This includes some sensitivity analysis for a best, base and worst projection for each year, depending on the assumptions made, the base representing the most likely outcome.
  - It sets out the measures the Council needs to take to address the budget gap through the Lewisham Future Programme.

## **3. RECOMMENDATIONS**

- 3.1. The Mayor is recommended to:
  - 3.1.1. Note the 2017/18 to 2019/20 Medium Term Financial Strategy;
  - 3.1.2. Request that a further update is brought back as part of the savings and budget setting process to reflect any changes arising from the local government finance settlement.

## **4. STRUCTURE OF THE REPORT**

- 4.1. The Report is structured as follows:
  1. Executive Summary
  2. Purpose
  3. Recommendations
  4. Structure of the report

### **STRATEGIC REVIEW**

5. Introduction
6. Local Policy Context
7. National Policy Context

## 8. Budget Update

### **MEDIUM TERM FINANCIAL STRATEGY**

9. Introduction
10. Resource Envelope
11. Revenue Expenditure Assumptions
12. General Fund Budget Gap
13. Addressing the Budget Gap
14. Housing Revenue Account
15. Dedicated Schools Grant
16. Capital Programme
17. Risk Management

### **SUMMARY AND IMPLICATIONS**

18. Conclusion
19. Financial Implications
20. Legal Implications
21. Equalities Implications
22. Environmental Implications
23. Crime & Disorder Implications
24. Background Papers
25. Appendices

### **STRATEGIC REVIEW**

#### **5. INTRODUCTION**

- 5.1. The MTFs represents the start of the Council's formal budget process, which concludes with the setting of the overall Budget each year. The Budget Report for 2017/18 will be presented to Mayor & Cabinet in January 2017 and full Council in February 2017.
- 5.2. This report sets out the scope of the Council's financial planning which includes: the General Fund; Housing Revenue Account; the Dedicated Schools Grant, other funding streams and the Capital Programme.
- 5.3. The key objectives of the 2017/18 to 2019/20 Strategy are to:
  - plan the Council's finances over a three year period to take account of local improvement priorities and national priorities;

- ensure that the Council's corporate priorities continue to drive its financial strategy and resource allocation;
- assist the alignment of business and financial planning processes;
- ensure that the plan takes account of: stakeholder and partner consultation; external drivers; capital investment; budget risk assessments; and expected developments in services;
- ensure that the Council's medium term financial strategy is linked to other internal strategies and plans; and
- ensure that the final agreed budget reflects all these considerations.

- 5.4. Over the last seven years, the Council has undertaken a major budget reduction programme to manage the difficult financial challenge it has been faced with. In the period 2010/11 to 2016/17 the Council has implemented savings of £138m. The financial outlook for the Council and the public sector as a whole remains extremely challenging. The Government has re-affirmed the need for significant reductions in public sector expenditure over the medium term. The Council has already seen the effects of these in its revenue budget settlements for the previous and current financial years and in the reduction of capital resources provided to the Council.
- 5.5. The Government is planning to change the way local authorities are funded by the end of this Parliament. The main local government grant, the Revenue Support Grant (RSG) will be phased out, 100% business rates to be devolved, and additional responsibilities transferred to local authorities.
- 5.6. It is expected that the system of top ups and tariffs which redistributes revenues between local authorities will be retained and updated following consultation in 2017/18 on the funding formula for local authorities. The government has also begun consultation on refreshing the national funding formula for schools. This will impact the level of Dedicated Schools Grant (DSG) the Council receives to support local schools. The consultation on the future of the New Homes Bonus scheme has closed and confirmation on how this will operate is pending. A consultation on the purpose and allocation of the proposed improved Better Care Fund is also expected. Existing Better Care Fund funding and Public Health grant expenditure is expected to be managed within the levels negotiated with partners.
- 5.7. The focus of the MTFs is the Council's General Fund budget. Whilst it is very important, particularly at a time of financial constraint, to identify ways in which all services can be delivered more effectively across traditional organisational and financial boundaries, the nature of the current financial austerity regime is such that most of the budget reductions have to come from Council General Fund services. Having a sound General Fund MTFs, and a strategy for responding to the challenges it presents, is an essential pre-requisite to ensuring effective responses from all of the services the Council directs and influences.

## **6. LOCAL POLICY CONTEXT**

- 6.1. The Council's strategy and priorities drive the medium term financial planning process, with changes in resource allocation determined in accordance with policies and priorities. *Shaping our future* is Lewisham's Sustainable Community Strategy. It covers the period for 2008 to 2020 and sets out a vision for Lewisham and the priority outcomes that organisations, communities and individuals can work towards to make this vision a reality. The key priorities are set out at Appendix 1 for reference.
- 6.2. In taking forward the Council's Budget Strategy, in engaging our residents, service users and employees, and in deciding on the future shape, scale and quality of services, we will be driven by the Council's four core values:
- We put service to the public first.
  - We respect all people and all communities.
  - We invest in employees.
  - We are open, honest and fair in all we do.

## **7. THE NATIONAL POLICY CONTEXT**

- 7.1. The Chancellor of the Exchequer made his 2016 Budget speech on 16 March this year. Subsequently the results of the EU referendum and decision to leave are likely to have a significant impact on national financial assumptions
- 7.2. The global economic position continues to be one of growth (3% in 2015) with the UK performing well amongst the larger economies. Nonetheless there remain some key risks to continued global growth which bear on the UK economy. These include:
- geo-political uncertainties for example in the Middle East and former Soviet states;
  - risk of UK recession and declining rates of growth in global trade;
  - potential vulnerabilities in the Euro Zone and related global ramifications from the UK referendum on its membership of the EU; and
  - economic shocks as US withdrawal from quantitative easing and return rising interest rates take effect.
- 7.3. The Office for Budget Responsibility (OBR) forecast GDP growth of 2.0% in 2016, 2.2% in 2017 and 2.1% to the end of the forecast period. It forecasts employment to be 31.5 million in 2016, rising each year to 32.1 million in 2020. Consumer Price Index (CPI) is forecast to be below the 2.0% inflation target in 2016, returning gradually to 2.0% by 2018.
- 7.4. Public sector net borrowing is forecast to fall to 3.8% of Gross Domestic Product (GDP) in 2015/16 and then to fall each year for the remainder of the forecast period. The OBR forecasts that the public finances will deliver a surplus of £10.4

billion in 2019/20 and £11.0 billion in 2020/21. Public sector net debt is forecast to fall to 74.7% of GDP in 2020/21.

- 7.5. The Government remains committed to cutting public sector spending by an anticipated £20 billion to 2019/20. It has also reaffirmed its on-going protection for key spending areas, including health, defence and overseas development. This means spending cuts fall on other un-protected spending areas, including local authorities. Within the local authority sector, the Government has reversed some of the mechanisms in the local government finance system for equalising needs and resources. The consequence has been a much larger reduction in resources for areas of higher deprivation, typically poorer urban areas. While Lewisham's position improved in the most recent deprivation index (September 2015) it remains in the lower quartile of authorities.
- 7.6. The consequence for Lewisham is plain. The Settlement Funding Assessment (the total amount the government assumes to come from Revenue Support Grant and business rates) fell by 9% in 2016/17 and is set to fall, as per the provisional settlement published by the DCLG, by an additional 8% in 2017/18. The current Comprehensive Spending Review provides some indication of expected government funding for local authorities to 2019/20. For Lewisham this is forecast to decrease to 54% of the Council's annual net general fund revenue budget (was 65% in 2012/13) thereby transferring a greater element of risk onto the Council's own sources of income (in particular Council Tax and Business Rates) with the business rates regime from 2020/21 still to be defined and Council Tax rises capped without a local referendum.
- 7.7. Longer term there are further national uncertainties and with less financial support more of the risk to funding Council services will be put on local tax payers from local taxes. More widely from the Chancellor's March budget there remains £3.5bn of unallocated national public sector efficiencies to be delivered in 2019/20 and a further £8bn of public sector spending reductions pencilled in for 2020/21. In addition, changes are proposed to the local government funding formula and business rate arrangements; future arrangements for other funding streams (such as New Homes Bonus and improved Better Care Fund); and economic uncertainties (such as nationally the implications arising from the EU referendum result and regionally a possible London devolution deal). All will impact the Council's financial planning.
- 7.8. Improvement in economic activity will have a beneficial impact on aspects of the Council's services. It should help drive regeneration within the borough, leading to more businesses and jobs as well as additional housing. The Council will achieve some direct financial benefits from these developments, including additional Council tax, New Homes Bonus and a share of increased business rates. There will also be benefits to Lewisham residents in terms of more jobs and more housing. However, the consequence of other aspects of government policy, such as failure to curb rising house prices and welfare reform impact on levels of homelessness, will have a significant continuing adverse impact on Lewisham residents and, together with demographic pressures, will lead to increased pressure on services.
- 7.9. Other economic indicators will have an impact on the Council's spending. Inflation is expected to remain at around 2% but real wages are increasing. The

March Budget 2016 assumes public sector wages will be held to annual 1% rises for the three years to 2019/20. In addition, the expected increase in interest rates, with the governor of the Bank of England forecasting interest rates in the region of 2.5% by 2017/8, will affect the authority's finances. In this case it should be beneficial since interest on the Council's cash balances will rise while interest on Council debt, which is mainly funded from long term fixed interest loans, should remain largely unaffected.

- 7.10. As noted above, all of these forecasts were made before the EU referendum results were known. They are now subject to the uncertainties that follow that decision and may change significantly and quickly. The Council will therefore need to pay close attention to these indicators in the coming months and adjust the financial assumptions and actions for the future sustainability of the Council.

## **8. BUDGET UPDATE**

### **2015/16 Financial accounts**

- 8.1. The Council's draft final accounts for 2015/16 have been prepared and were reviewed by the Audit Panel on 8 June 2016, before being submitted for audit by the Council's external auditor, Grant Thornton. A separate report on the Council's final outturn position for revenue and capital budgets was presented to Mayor & Cabinet at the 1 June 2016 meeting.
- 8.2. The Council's final 2015/16 Directorate revenue outturn position was a Directorate overspend of £6.3m, reduced to £3.1m after applying a corporately held provision for pressures and risks of £3.2m. The Housing Revenue Account (HRA) is predicting a surplus of £3.2m. This surplus is expected to be transferred to reserves at the end of the year which will ensure that there are sufficient resources available to fund the current housing programme over the medium term. For the Dedicated Schools Grant (DSG) of £279.4m for 2015/16, there were three schools which applied for a licensed deficit in the year. There are a further nine schools which overspent by the year-end and will need to apply for a licensed deficit in the future. Capital expenditure for the year was £94.1m. This represents is 80% of the revised budget of £118.1m. The comparable figure last year was a final spend of £122.6m, which was 89% of the revised budget of £137.3m.

### **2016/17 Budget**

- 8.3. The 2016/17 budget was approved by Council on the 24 February 2016. The overall budget position for the Council is a net General Fund Budget Requirement of £236.218m, as set out in Table1 below.

**Table 1 - Overall Budget Position for 2016/17**

Detail	Expenditure / (Income) £m	Expenditure / (Income) £m
Settlement Funding Assessment (SFA) for 2016/17	(146.691)	
Council Tax 2016/17 at 3.99% increase	(86.590)	
Surplus on Collection Fund	(2.937)	
<b>Assumed Budget Requirement for 2016/17</b>		<b>(236.218)</b>
<b>Total Resources available for 2016/17</b>		
Base Budget for 2015/16	246.224	
<b>Plus:</b> Reversal of reserves drawn in 15/16 (once off)	6.959	
<b>Plus:</b> additional Pay inflation	0.623	
<b>Plus:</b> Non-pay Inflation	2.663	
<b>Plus:</b> Grant adjustments for changes 15/16 to 16/17	1.405	
<b>Plus:</b> Budget pressures to be funded from 16/17 fund	3.750	
<b>Plus:</b> Risks and other potential budget pressures	3.750	
<b>Less:</b> MRP and debt adjustment measures	(1.000)	
<b>Less:</b> Previously agreed savings for 2016/17	(6.462)	
<b>Less:</b> New savings for 2016/17	(10.752)	
<b>Less:</b> Use of New Homes Bonus reserve	(5.000)	
<b>Less:</b> Once off use of provisions and reserves	(5.942)	
<b>Total</b>		<b>236.218</b>

**2016/17 General Fund Revenue Budget Monitoring**

- 8.4. Officers continue to undertake regular revenue budget monitoring in 2016/17. The first revenue budget monitoring report will be presented to the Public Accounts Select Committee on 5 July. The report is based on information to the end of May 2016 and forecasts a year-end overspend of £7.7m. The main service areas overspending are:
- Children's Social Care £3.9m,
  - Adult Social Care £1.1m,
  - Public Health £1.5m
  - Environment £1.0m.
- 8.5. The Executive Director noted that, in setting the Council's budget for 2016, a sum of £3.75m was set aside and is being held corporately for managing 'risks and other budget pressures'. This is for items which although difficult to quantify with absolute certainty, could prove significant should they materialise. Amounts required will be confirmed by the year end.

**Housing Revenue Account Monitoring**

- 8.6. The forecast position for the Housing Revenue Account is to spend to budget for 2016/17.

### **Dedicated Schools Grant**

- 8.7. The forecast position for the Dedicated Schools Grant overall is to spend to budget for 2016/17.
- 8.8. However, it should be noted that there were three schools which applied for a licensed deficit in the year 2015/16 and a further nine schools which overspent by the year-end and will need to apply for a licensed deficit in the future.

### **Capital Programme**

- 8.9. The overall spend to 31 May is £5.5m, which is 3% of the revised 2016/17 budget of £157.2m.

## **MEDIUM TERM FINANCIAL STRATEGY (MTFS)**

### **9. INTRODUCTION**

- 9.1. The MTFS takes a forward view of the likely financial position of the Council over the next three years. The intention would usually be to project forward four to five years. However, the current levels of structural uncertainty and anticipated change for the years 2020/21 and 2021/22 (for the reasons noted above) does not make this possible at this time. This strategy does not seek to duplicate or replace any of the Council's other policies and strategies.
- 9.2. The financial strategy has produced a model with financial forecasts that aim to deliver the Council's priorities and identifies the constraints of the significant financial challenges it faces.
- 9.3. The MTFS projects:
  - a. the resource envelope the Council's General Fund must operate within in future years;
  - b. service and other spending pressures and the main factors that may affect these; and
  - c. the General Fund budget gap which is the difference between the resource envelope and the spending projections.
- 9.4. As the level of uncertainty regarding funding is relatively high for all years to 2019/20, the strategy has again modelled three indicative scenarios, the best case, the base case, and the worst case scenarios. The base case is assumed to be the most likely expected to happen. These scenarios are formulated on a number of local and national assumptions made based on the information available.
- 9.5. These are discussed below and summarised in Appendix 2. In addition, the four year efficiency plan will use the base case as the most likely and the one the Council is planning for in terms of savings required.

## 10. RESOURCE ENVELOPE

- 10.1. The resource envelope set out in this section of the report consists of the following elements:
- The 'Settlement Funding Assessment' (SFA) which is the total of Revenue Support Grant, business rate top-up, and retained business rate income; and
  - Council Tax income.

### Settlement Funding Assessment (SFA)

- 10.2. Local authorities currently receive funding from the government via the Settlement Funding Assessment (SFA). This consists of the local share of business rates, and Revenue Support Grant.
- 10.3. The Government announced the provisional figures for 2016/17 to 2019/20 on the 8 February 2016. Table 2 below sets out the provisional SFA for Lewisham from 2016/17 to 2019/20:

**Table 2: Make-up of Lewisham's Provisional Settlement Funding Assessment, 2016/17 to 2019/20**

Settlement Funding Assessment	2016/17	2017/18	2018/19	2019/20
	£'000	£'000	£'000	£'000
Revenue Support Grant	59.6	46.2	36.9	27.6
Business Rate Top-up (to reflect Lewisham's low business rate base)	71.6	73.0	75.1	77.5
Retained Business Rates	15.5	15.8	16.3	16.8
<b>Total SFA</b>	<b>146.7</b>	<b>135.0</b>	<b>128.3</b>	<b>121.9</b>

- 10.4. The Government will offer any Council that wishes to take it up a four-year funding settlement to 2019-20 which will provide funding certainty and stability in respect of the Revenue Support Grant only. The intention is to enable more proactive planning of service delivery and support strategic collaboration with local partners. The government has pledged to support this offer subject to exceptional economic circumstances preventing it doing so. Local Authorities have until the 14 October 2016 to decide whether to accept this offer.

### Business rate income

- 10.5. Following changes to the local government finance system which came into effect in 2013/14, the Council retains 30% of the business rate income it receives, with 20% going to the GLA and 50% paid to government. Each year the Council receives an amount (the top-up) from central government. The Council's business rate income is therefore materially impacted by the national tax take and to a lesser degree by growth in business rates locally (see Table 2 above).

- 10.6. The government is expected to consult soon on a revised business rates approach to devolve 100% of the tax take to local government. This will also first require a review of the top-up and tariff arrangements in line with the announced funding formula review and the transfer of additional responsibilities to local government in line with the additional funding. However, some £6.7bn of the available £13bn of this additional funding was distributed in the Chancellor's March 2016 budget by making permanent various reliefs and raising the business turnover thresholds at which business rates become due.
- 10.7. In addition, 2017/18 is the year when the next five year valuation to 2015 will come into force. The work by the Valuations Office Agency to finalise the 2015 list is currently underway. Typically the release of a new list generates a high level of appeals. Also while the valuation process is being undertaken, open appeals on the previous list are on hold and when processed can be backdated to the start of that list. As noted in the 2015/16 draft financial statements. Lewisham potentially has some large changes pending on the old list and expects additional work from new appeals, under the new 'check, challenge and appeal' process, from the 2015 list when it is published.
- 10.8. As a higher proportion of the total business rates tax take is devolved to local authorities the risk to their incomes from changes in business rate valuations increases. The base case assumption is therefore a conservative 1% rise above inflation in business rate valuations in the borough and nationally.

### **Council Tax income**

- 10.9. In considering savings proposals and the level of Council Tax, Members make political judgements, balancing these with their specific legal responsibilities to set a balanced budget for 2017/18 and their general responsibilities to steward the Council's finances over the medium term.
- 10.10. Council Tax income is also affected by growth in the number of properties in the borough, the rate of Council Tax collection, as well as decisions about the level of Council Tax.
- 10.11. In the November 2015 Spending Review, the Government announced the creation of a social care precept to give local authorities who are responsible for social care the ability to raise new funding to spend exclusively on social care. The precept works by giving local authorities the flexibility to raise council tax in their area by up to 2% above the existing referendum threshold. In Lewisham this provided additional funding of £1.665m ring fenced for adult social care spend in 2016/17.
- 10.12. The current position is still that Council Tax may not be increased by 2% or more (inclusive of levies) without a referendum. The 2% Social Care Precept is in addition to this. The government's assumptions in the local government financial settlement to 2019/20 include the raising of both Council Tax and the social care precept in each and every year to meet the recognised funding pressures faced by the sector.

- 10.13. In 2016/17, Council Tax was raised by 3.99% in total, i.e. a 1.99% general increase and a 2% social care precept increase. This generated additional funding of £3.3m.
- 10.14. For the purposes of the MTFs base case, it has been assumed that there will be a 3.99% increase in Council Tax for 2017/18 and each year thereafter. This reflects the assumption that the Council will continue to apply the 2% Social Care precept established for 2016/17, as well as the maximum increase allowed without a referendum. Combined this will generate additional Council Tax income of approximately £3.5m each year.
- 10.15. Forecast Council Tax income from 2017/18 to 2019/20 is set out in Table 3 using the assumptions in Appendix 2. The amounts collected here are after allowing for the cost of the Council Tax Reduction Scheme (some £25m annually) and any uncollected debts.

**Table 3: Council Tax Income Future Year Projections**

	2016/17 Expected	2017/18 projection	2018/19 projection	2019/20 projection
	£m	£m	£m	£m
<b>Best case</b>	-	91.4	96.5	101.8
<b>Base case</b>	86.6	91.4	96.5	101.8
<b>Worst case</b>	-	87.9	89.2	90.5

## 11. REVENUE EXPENDITURE ASSUMPTIONS

- 11.1. In addition to the reduction in the level of resources available over the next three years, the Council faces a number of budget pressures which will add to the overall revenue expenditure. This section of the report considers the effect such pressures will have on the future years' revenue expenditure.

### Pay

- 11.2. A pay award of 1% was agreed for 2016/17 and 2017/18. The base model has assumed that pay awards will remain at 1% in future years in line with the Chancellor's stated expectations for public sector pay to 2019/20.
- 11.3. In addition, from 2017/18 the government will introduce the new apprenticeship levy at 0.5% of the pay bill for all employers with an annual pay bill of more than £3m. This money will be available to fund the training and development costs to organisations of apprenticeships, not their salaries. For the Council (excluding schools) the cost will be in the region of £0.35m per year.

### **Employer pension contributions**

- 11.4. As with most Councils, the Lewisham Pension Fund has a deficit reflecting the nature of a final salary scheme, the available return on investments, and the increased longevity of staff who have retired. Changes to the scheme affecting the contributions made by employees, the age at which benefits can be taken, and the calculation of the benefits and indexing arrangements have helped to address pressures on the Pension Fund but not eliminated the deficit.
- 11.5. As a result of the last Valuation of the Pension Fund assets and liabilities at 31 March 2013, an additional £1m per annum may be needed to be put into the Pension Fund. This is on top of the 22.5% of basic pay that the Council contributes for those staff who are members of the Fund in 2016/17. The next valuation is currently underway and is based on the value of the fund as at 31 March 2016 and has effect from 1 April 2017. Until the results are available the assumption continues the existing arrangement through to 2019/20.

### **General price inflation assumptions**

- 11.6. General price inflation is calculated on non-pay expenditure on General Fund services (excluding internal recharges and housing benefit payments). A proportion of this expenditure is contractual with indices linked to inflation but in many cases the Council is in a position to re-negotiate increases. For the purposes of these projections, it is assumed that all prices go up by inflation, which in 2017/18 has been estimated at 2%.

### **General fees and charges assumptions**

- 11.7. The Council's approach in the past has been to expect fees and charges it makes to rise in line with inflation unless there is a specific decision to increase them by more or less. In some cases, this will be outside the control of the Council (for example, where charge rates are set by statute). However, for the purposes of these projections of spending, it is assumed that on average fees and charges in aggregate will increase by inflation.

### **Further budget pressures and risks**

- 11.8. Forecasting the impact of demand changes is the most difficult aspect of the MTFs. But the MTFs needs to make allowance for the potential impact of these. The key challenges that impact on the demand for Council services are as follows:
- Population growth – this particularly affects people based services such as adult and children's social care. But it also affects general demand for universal services such as leisure and cultural services and school places;
  - Ageing population – this affects care for the very elderly but also impacts on care for younger adults and children with disabilities who are living longer as a result of improvements in medical care. It also has a direct impact on the

funding the Council needs to provide for the London-wide concessionary fares scheme;

- Household growth – this impacts on General Fund property based services such as refuse collection and waste disposal; highways, footpaths and street lighting; and more school places and additional health and care needs.
- Impact of government policy – improvements in economic well-being and reduction in crime should potentially mean less demand for Council services. However, the shortage of housing, the impact of welfare changes, and policy toward people with No Recourse to Public Funds are all having a major impact on social needs within the borough. This is reflected directly through the number of families the Council has to accommodate in bed and breakfast and expenditure incurred on families with No Recourse to Public Funds. It also affects the ability of families to cope with economic and social pressures, with potential consequences for the number of children at risk or who need to be placed in care; and
- Impact of reducing preventative services – reductions in budgets for preventative services such as early years, the youth service and aspects of adult social care provision are likely to affect demand for more acute services including children at risk, children involved in crime, adults with drug and alcohol problems, adults in residential accommodation and so on.

11.9. The Council is pro-actively trying to address these demand pressures and seeks to ensure wherever possible that the changes it has to make to services reduce rather than increase demand. These include, for example, measures to support people with a social care need at home, prevent children coming into care, increase the supply of affordable housing, reduce household and commercial waste disposal, as well as rigorous application of criteria for access to services.

11.10. Other pressures, such as the cost of transition of children with disabilities into adult services or when specific grants are withdrawn, are assumed to be managed within service budgets.

11.11. Nevertheless, with significant population growth forecast additional demand in some services is unavoidable. Therefore, the Council annually provides £7.5m corporately for growth from demand and other unavoidable pressures in the budget. The model assumes this will continue for future years.

### **Specific grant assumptions**

11.12. The following assumptions have been made in the projections on specific grants which fund services:

- The Public Health grant – this grant is currently £25.6m in 2016/17 and now includes early years health visiting since 2015/16. The Chancellor's Autumn Statement confirmed that LAs' funding for public health would be reduced by an average of 3.9 per cent in real terms per annum until 2020. This equates to a reduction in cash terms of 9.6 per cent over the same period. The Autumn Statement also confirmed that a central government grant, ring-

fenced for use on public health functions, would continue for at least two more years. The provisional allocation for 2017/18 is £24.9m.

- The Better Care Fund (BCF) – this funding increased slightly in 2016/17 but larger increases are expected by 2019/20 with the introduction of the improved BCF (iBCF). The difference between the BCF and iBCF is expected to be that the iBCF comes directly to Local Authorities to fund adult social care services while BCF spending has to be jointly agreed with the local Clinical Commissioning Group (CCG). The Spending review indicated that over this period an extra £1.5bn would be made available nationally to support integrated services through the iBCF. Firm details of the iBCF funding per area and of any conditions of use are not yet available but it is expected that this money, combined with revenue raised from the Adult Social Care precept, should address the recognised pressures on adult social care budgets.
- Adult Social Care new burdens funding – the government has increased funding for Lewisham for implementing the Care Act 2014 from £1.1m in 2015/16 to £1.5m 2016/17. This funding is currently held corporately and is available to support adult social care if required. The spending review indicated that this funding will increase to £2.4m by 2019/20.
- The Council receives a number of other grants but most are relatively small or directly related to specific projects. A number of these come from the Greater London Authority; for example, funding we receive from the London Mayor's Office for Policing and Crime (MOPAC) to support crime reduction work. As the new Mayor for London sets his priorities, any changes to these other grants will have to be met with an equivalent reduction in service spend to ensure it will have a neutral impact on the budget gap.

### **Other Income and Expenditure Items**

11.13. There are other income and expenditure items in the Council's budget which are mainly non-service specific. These consist of the following elements:

#### Capital financing charges

- 11.14. Capital financing costs include all revenue costs relating to the Council's outstanding borrowing which comprises repayment of principal and interest charges. It also includes provision for capital spending which is charged directly to revenue and repayment of historic debt in respect of the former Inner London Education Authority. These costs are offset by principal and interest repayments from the Catford Regeneration Partnership Limited Lewisham Homes, and interest on the Council's investment balances.
- 11.15. The main factors that affect the forecasting of capital financing costs are the level of borrowing for capital purposes, the level of the Council's cash balances, and interest rates. The MTFS assumes that capital spending will be funded either from grant, capital receipts, capital reserves, be charged direct to revenue or borrowing.

11.16. Changes to interest rates should not affect borrowing costs as the Council borrows long term (typically 30 plus years) at fixed rates. It also assumes that cash balances remain at their current level. If interest rates rise the Council receives more interest on balances invested. However, the projections have not built in any assumptions about changes to interest rates as scale is likely to be very limited and timing remains uncertain. The Bank of England's statement following the EU referendum highlighted the option to reduce interest rates from the current historic low of 0.5% and markets are currently assuming no increase in interest rates before 2020 and any rise is likely to be small in the near term.

#### Levies

11.17. These cover the London Pension Fund Authority, the Environment Agency and Lee Valley. The Council has not yet been provided indicative totals for levies in 2017/18. It is therefore assumed these will stay at similar levels for future years.

#### Added years pension costs

11.18. In the past, staff who retired early were awarded additional assumed years in the Pension Fund with the additional cost being charged to the General Fund. Although added years stopped being awarded some years ago, the Council has an on-going commitment for those staff who were awarded added years in the past.

#### **Other known future years budget adjustments**

11.19. There are three further adjustments that are included within the budget projections for future years, funded from the £7.5m provision stated in para 11.10 above:

- Concessionary fares – the cost of concessionary fares to the Council changes each year to reflect increases in population entitled to concessionary fares, increases in fares themselves, and changes to the basis for allocation of costs between boroughs. The projections assume an increase of £0.5m each year.
- Highways and footways maintenance – the 2014/15 budget report included a proposal to switch highways and footways maintenance funding from capital to revenue in order to avoid the build up of prudential borrowing charges. To fund this, it was agreed that £0.35m growth would be provided each year in the revenue budget together with funding that would be released within the capital financing charges budget as a result of prudential borrowing no longer being required.
- Licencing - in 2015/16 Lewisham introduced its first private sector landlord licencing scheme. It is expected that this will cost £0.2m annually to run. The intention is to help coordinate and raise the standard and safety of properties being let in the borough but providing a quality assurance scheme for landlords and tenants.

### **Education Services Grant**

- 11.20. This is a non-ring fenced grant carved out of Revenue Support Grant which is an assessment of the amount the Council needs to fund local authority education functions which it would no longer be responsible for if all schools in its area were Academies or Free Schools. Lewisham's 2016/17 allocation is £3.6m an £0.35m reduction from 2015/16. The 2017/18 grant has not yet been announced, however it is anticipated that this grant will be phased out within the next three years as the government's policy for schools to move to become academies accelerates. Following the first phase consultation on future schools funding, it is possible the grant may be stopped completely in 2017/18.

### **New Homes Bonus**

- 11.21. The New Homes Bonus (NHB) is a grant paid by central government to local councils for increasing the number of homes in use. The grant is currently paid each year for six years. It is based on the amount of extra Council Tax revenue raised for new-build homes, conversions, and long-term empty homes brought back into use. There is also an extra payment for providing affordable homes.
- 11.22. Growth in the number of properties in Lewisham will lead to an increase in the New Homes Bonus although this will be offset from 2017/18 onwards as funding for properties for which New Homes Bonus was allocated in earlier years of the system drop out of the calculation.
- 11.23. In 2016/17 the Council's allocation is £9.3m. £0.65m of this has been committed within the revenue budget to additional spending requirements resulting from the provision of new housing. The balance is held in provisions for anticipated growth in Lewisham. The funding will be used to improve the borough's town centres, increase in the number of jobs in the borough, provide improved transport links to the rest of London and build upon the necessary infrastructure such as schools, health facilities and open spaces.
- 11.24. The Government has consulted on changes to the distribution of the NHB with effect from 2017/18, notably a reduction in the number of years the bonus is paid on a property. At present, each year's allocation under the Bonus leads to "legacy" payments over six years. The Government consulted on whether from 2017/18, the number of years for which legacy payments are to be paid should be reduced from six years to four years. This is the Government's preferred option, but it is also considering whether to move further and reduce payments to three or two years. The results of the consultation are yet to be announced.
- 11.25. For this reason the Council has taken the prudent approach of putting this funding to reserves first and only making commitments against it once received. This means that while the Council will receive less grant in the future which may limit options it will not add to the savings burden.

### **GENERAL FUND BUDGET GAP**

- 11.26. Using the medium term resource envelope and revenue expenditure projections stated above the resulting overall forecast position for the authority is shown in Table 4 below

**Table 4: Summary of Projected Financial Position**

	Best Case			Base Case (Efficiency plan)			Worst Case		
	17/18	18/19	19/20	17/18	18/19	19/20	17/18	18/19	19/20
	£m	£m	£m	£m	£m	£m	£m	£m	£m
<b>Total Resources</b>	230.0	228.3	229.3	<b>227.0</b>	<b>225.1</b>	<b>224.2</b>	222.0	215.9	209.8
<b>Total Revenue Expenditure</b>	258.2	242.1	241.5	<b>259.3</b>	<b>239.4</b>	<b>237.2</b>	261.7	234.3	228.2
<b>Approved Savings</b>	(17.3)	0	0	<b>(17.3)</b>	<b>0</b>	<b>0</b>	(17.3)	0	0
<b>Additional Annual Savings Required</b>	10.8	12.9	10.3	<b>15.0</b>	<b>14.2</b>	<b>13.4</b>	22.3	18.5	18.4
<b>Cumulative Savings Required</b>	10.8	23.6	34.0	<b>15.0</b>	<b>29.2</b>	<b>42.6</b>	22.3	40.8	59.2

- 11.27. Taking the base case scenario as the expected position, it shows the annual measures required to bridge the budget gap from 2017/18 to 2019/20 are £15m, £14.2m, £13.4m. A total of £42.6m over the three years to 2019/20. This is being rounded to a £45m headline figure as to date the success rate of delivering savings has been around 95% so this provides a small contingency for proposals brought forward that may fall short. This is a substantial budget gap for the Council, especially as savings agreed to date have total £155.7m.
- 11.28. The best case scenario has been modelled to show the effect that positive changes in the assumptions will have on the overall budget gap. Here the cumulative budget gap to 2019/20 reduces by £8.6m to £34.0m. This is based on higher projected Council Tax collection levels and a £2.0m surplus in the collection fund.
- 11.29. The worst case scenario is the most unlikely scenario projected. The cumulative budget gap to 2019/20 increases by £16.6m to £59.2m. This scenario demonstrates the difficulty the Council could potentially face if the very worst happens or it opts not to use all available options to maintain its local tax base now that the government has removed the Council Tax freeze grant.
- 11.30. The next section of this report looks at how the Council continues to address the gap in order to produce a balanced budget.

## **12. ADDRESSING THE BUDGET GAP**

### **Lewisham Future Programme**

- 12.1. The Lewisham Future Programme, established in the Autumn of 2013, is the Council's organisational approach to deliver savings in order to address the budget gap. The Programme focuses on the areas of greatest spend, recognising that in many consecutive years of spending reductions even greater innovation, focus on the customer, and cross-cutting thinking is required to deliver savings whilst attempting to minimise the impact on residents and customers of Lewisham.

### **The Lewisham Future Programme (LFP) Board**

- 12.2. The Lewisham Future Programme Board was established to transform the way Council services are delivered by 2020. The Board manages delivery of these changes and develops options for the Mayor and Council to consider. The Board is chaired by the Chief Executive and consists of all Executive Directors plus the Head of Corporate Resources and the Head of Technology and Change.
- 12.3. Its objective is to oversee a programme of change which will ensure that Lewisham's public services continue to be relevant and responsive to the community, in a way that provides opportunities and meets the Council's statutory obligations. It is recognised that the impact of the LFP will be fundamental and require innovative solutions that re-focus and re-shape services to meet this objective.
- 12.4. The role of the Board is in two parts: 1) to develop savings options for Mayor and Council to consider and then, once consulted upon and agreed; 2) to implement the changes.
- 12.5. Work to date has focused on developing options via 18 service and cross-cutting based reviews, each led by Heads of Service across the organisation. Each review has been provided an indicative target to help frame the scale of change needed. These targets are set with a focus on front line services and recognition of the pressures of meeting statutory requirements.
- 12.6. To support the work of the Lewisham Future Programme and following a large scale consultation with the community (the Big Budget Challenge), in 2015 the Council adopted its Lewisham 2020 strategy. This focuses on four themes for transformation and enabling approaches to support the implementation of service reductions. They are:

- Creating the conditions where communities will be able to support themselves;
- Actively exploring all opportunities to share services;
- Digitising our services and our interactions with residents (to help simplify and manage demand); and
- Developing entrepreneurial approaches to income generation, particularly in relation to assets.

### **Progress to Date**

- 12.7. The Board continues to assess, challenge and support work strand leads to bringing forward a range of possible savings options. The focus since the budget in February 2016 has been on implementing the £35m of savings agreed for 2016/17 and 2017/18 and developing proposals for the £45m of anticipated savings required by 2019/20 (£15m in each year 17/18, 18/19, and 19/20).
- 12.8. After making £138m of savings in the seven years from 2010/11 to 2016/17 there are few 'efficiencies' still to be delivered. Savings proposals now relate to changing the operation of the Council and the services it is able to provide. The identification, implementation and sustainability of proposed savings is becoming much harder to predict, both from a financial and timing perspective. This increases the risk for the Council's underlying financial position.
- 12.9. The Council holds various revenue reserves for the risk of events that may disrupt 'business as usual' activities. These were used again in setting the budget for 2016/17 to enable time to develop, consult with stakeholders and implement the scale of savings required. The level of remaining reserves is being maintained given the continuing uncertainty prevailing from austerity, future local government finance changes, and now the results of the EU referendum.
- 12.10. The Council holds £13m of un-earmarked reserves and corporate provisions for unforeseen events. A review of the current reserves and provisions was undertaken as part of the 2016/17 budget setting process. This evaluated how they might best be used to mitigate the financial risks to the Council as it transforms and reshapes services. The position will be reviewed as part of the 2017/18 budget or before if there is an emergency budget.

### **Revenue Budget Savings Process**

- 12.11. The next steps are for the:
- 1) proposals to be presented to members for scrutiny and decision;
  - 2) LFP to continue informal member level discussions around key service areas; and
  - 3) Board to continue to develop further savings proposals for 2017/18 and future years.
- 12.12. The Board has agreed to putting savings forward as they are ready this year, and the provisional timetable for scrutiny and decision making is shown in Table 5

below. These savings decisions and any further savings that may be identified after these rounds will then be collated and included in the usual budget process in February 2017.

**Table 5: Budget Timetable – Key Dates**

Month	Key Stage
September 2016	Select Committees - Revenue Budget Savings report
	PAC and Mayor & Cabinet - Treasury Management Mid Year report
	PAC and Mayor Cabinet - Revenue Budget Savings
December 2016	Provisional Local Government Finance Settlement
	Council Tax Reduction Scheme to M&C
January 2017	Final Local Government Finance Settlement
	PASC - the 2017/18 Budget Report
	Council Tax Base agreed by M&C and then Council
February 2017	National Non Domestic Rates consultation session
	Greater London Authority sets the Budget and Precept for 2017/18
	Notification of Precepts and Levies
	Mayor & Cabinet agrees the Budget & Council Tax 2017/18
	Council approves Budget & Council Tax for 2017/18

### **13. HOUSING REVENUE ACCOUNT**

- 13.1. The Housing Revenue Account (HRA) is a statutory account which sets the Landlord costs and income for the housing stock. The HRA now operates with a 30 year business plan which allows the housing strategy to be updated and implements long term planning on resources and asset maintenance.
- 13.2. The plan contains a long-term assessment of the need for investment in assets, such as Decent Homes and other cyclical maintenance requirements, as well as forecasts on income streams such as rents, in line with rent restructuring, and future developments. The plan also recognises certain risks. For example; the impact of government policy changes in respect of types of tenancy, rent levels, right to buy, pay to stay, and treatment of voids.
- 13.3. These risks are discussed below and officers continue to test the flexibility and robustness of the HRA to meet such risks and the implications of any further government policy changes.

- 13.4. As reported in the 2016/17 budget report, the HRA has been undergoing a major revision following the Government's announcement in the July 2015 of a 1% reduction in social rents to be applied each year for the next four years from 2016/17, contained in the Welfare Reform and Work Act 2016. The impact of the change in policy is a total reduction of forecast rental income within the business plan of £1.90m for 2016/17. The expected cumulative rent reduction over the next four years is £25.0m, with £374.0m being lost over the life of the 30 year business plan. As the Government's proposals are enacted by primary legislation, the authority has no choice other than to implement the rent reduction. In order to protect the business plan to provide the same level of investment and services, the reduction in income will need to be off-set through increased efficiencies and reprioritisation of investment requirements.
- 13.5. A review of investment needs and priorities has been undertaken, based on updated surveys and inflation estimates has enabled officers to produce a balanced plan, as set out in the attached appendices. Appendix 4 shows the detailed plan for the next five years, including the current year.
- 13.6. The Housing and Planning Act 2016 has presented the HRA with two further risks. The first the obligation of councils to make a contribution to the Treasury for the disposal of High Value Assets. Whilst the details are still to be determined, it is expected that this will operate by means of a formula from which will assess how much each Council should receive from selling high value voids every year. Councils will be expected to pay this sum to the Treasury.
- 13.7. The second key risk arising from 2016 is the 'pay to stay policy' which requires tenants with a household income of over £40k per annum to pay 80% of market rents and those with an income over £50k to pay full market rents. This will present the Council with a significantly increased administrative burden although the Council will not be able to keep any of the additional income raised. This may lead to an increase in Right to Buy applications and higher void costs as tenants chose to move from the social housing sector.

#### **14. DEDICATED SCHOOLS GRANT**

- 14.1. The Dedicated Schools Grants 2016/17 for Lewisham has provisionally been set by the Department for Education (DfE) at £283.5m, although this will change during the year to reflect updated pupil numbers.
- 14.2. Further grants are given to schools and routed through the Local Authority. This includes the Pupil Premium (£17m), Post 16 funding (£6m), Universal Free School Meals Grant (£3m). Making total available funds for schools in 2016/17 of £309m.
- 14.3. The Government is consulting on a revised National Funding Formula for schools and High Needs Pupils. It is expected that the new formula will be introduced in April 2017.
- 14.4. There is now a real possibility that there will be a redistribution of funds between the Local Authorities with the highest per pupil funding to the lowest. Lewisham is the 11th highest per pupil funded authority in the country. The F40 group (a group of the 40 lowest funded Local Authorities) have put forward a model which

if implemented would see a reduction of around 10% per pupil in Lewisham. The proposals would likely be phased in over a three-year period and would present a significant management challenge for schools in Lewisham.

- 14.5. If this happens, then schools would see the following reductions where pupil numbers do not change:

School Type	Primary School		Secondary School	
Size of School	210 Pupils	400 Pupils	850 pupils	1200 pupils
Typical Budget	£ 1,130,000	£ 2,180,000	£ 6,130,000	£ 9,360,000
7% Reduction	79,100	152,600	429,100	655,200

- 14.6. Overall, this would represent a £17m reduction in funding in real terms for state funded schools within Lewisham. It is expected that the funding Lewisham receives for High Needs pupils would also reduce by 10% or £4.5m.

## 15. CAPITAL PROGRAMME

- 15.1. The Capital Programme is a financial expression of the Council's priorities for investment. It has strategic links to the Council's Community Strategy and the Corporate Plan. The Asset Management Strategy sets out the Council's approach to the assets required to deliver excellent services to local people and this also influences the content of the Capital Programme.

### Capital Programme Schemes and Resources 2016/17 to 2019/2020

- 15.2. The estimated resources available, the forecast spend and the under programming within the 2016/17 to 2019/20 Committed Capital Programme are set out in Table 6 below:

**Table 6: Capital Programme Resources and Forecast Expenditure 2016/17 to 2019/20 (as at June 2016)**

	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	Total £000
<b>SCHEMES</b>					
General Fund	71,578	15,522	8,900	14,823	110,823
HRA	85,693	89,655	37,610	38,471	251,429
	<b>157,271</b>	<b>105,177</b>	<b>46,510</b>	<b>53,294</b>	<b>362,252</b>
<b>RESOURCES</b>					

	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	Total £000
Prudential Borrowing	22,845	0	0	0	22,845
Grants & Contributions	22,911	1,300	1,300	0	25,511
General (capital receipt, reserves, revenue)	111,515	103,877	45,210	53,294	313,896
	<b>157,271</b>	<b>105,177</b>	<b>46,510</b>	<b>53,294</b>	<b>362,252</b>

- 15.3. The proposed 2016/17 to 2019/20 Capital Programme totals £362m and brings together all capital projects across the Council. It sets out the key priorities for the Council over the next five years and is the subject of regular review.
- 15.4. Over the next five years the Council faces a period of financial uncertainty as revenue funding is cut and Government grants are reduced or terminated. This places increased reliance on the Council's capacity to generate capital receipts from asset sales to fund infrastructure development or can be afforded through long term borrowing. For this reason, any new projects or programmes will need to clearly demonstrate a sound business case for investment.

## **16. RISK MANAGEMENT**

- 16.1. The risk landscape facing local authorities continues to change as a result of policy and practice. All of which bring further financial uncertainty and pressure to bear on plans and may require further and more radical efficiencies to be made. As the Council continues to make significant budget cuts it is increasingly juggling the challenges from taking more risk while avoiding service or financial failure.
- 16.2. A critical element of the Council's medium term financial planning processes is to ensure that the financial consequences of risk are adequately reflected in the Council's budgets. The Council's risk register sets out those strategic and corporate risks which could materialise, together with the key risk areas in service budgets and associated mitigating measures. These include failure to contain expenditure within agreed cash limits, not meeting the revenue budget savings target and under achievement of income, as well as more specific risks on certain budgets.

## **SUMMARY AND IMPLICATIONS**

## **17. CONCLUSION**

- 17.1. The Medium Term Financial Strategy sets out initial estimates of the scale of financial challenge the Council will face over the medium term to 2019/20. It presents the outturn for 2015/16, summarises the current financial position for 2016/17, and looks forward to 2017/18 and later years.

- 17.2. The next stages in the development of the financial strategy will be further refinement of the Council's longer term forecasting in light of the next Spending Round, local government finance settlement, or a revised budget following the EU referendum decision – whichever comes first. This, in turn, will inform the Council's development of the proposals by the Lewisham Future Programme.
- 17.3. The Council will have to make further difficult decisions to prepare for future shortfalls. Local authorities have largely acknowledged that deep changes are required if they are to continue to deliver positive outcomes for their citizens. What is not yet clear is how authorities can continue to make this happen in practice and what local government will look like in future.

## **18. FINANCIAL IMPLICATIONS**

- 18.1. This report is concerned with the Council's medium term financial strategy and as such, the financial implications are contained within the body of the report.

## **19. LEGAL IMPLICATIONS**

- 19.1. The purpose of this report is to develop a medium term approach in support of better service and financial planning. Members are reminded that the legal requirements are centred on annual budget production, and that indicative decisions made for future years are not binding.
- 19.2. The Local Government Act 2000 and subsequent regulations and guidance says that it is the responsibility of the full Council to set Lewisham's budget, including all of its components and any plan or strategy for the control of the Council's capital expenditure. Regulations provide that it is for the Executive to have overall responsibility for preparing the draft budget for submission to the full Council to consider. Once the budget has been set, it is for the Mayor & Cabinet to make decisions in accordance with the statutory policy framework and the budgetary framework set by the Council.
- 19.3. Where there are proposals for a reduction to a service which the Council is either under a statutory duty to provide, or which it is providing in the exercise of its discretionary powers and there is a legitimate expectation that it will consult, then consultation with all service users will be required before any decision to implement the proposed saving is taken. The outcome of such consultation must be reported to the Mayor. Where the proposed savings will have an impact upon staff, then the Council will have to consult the staff affected and their representatives in compliance with all employment legislative requirements and the Council's own employment policies.

## **20. EQUALITIES IMPLICATIONS**

- 20.1. The Council's budget is of primary importance as a means of delivering Lewisham's objectives. When the budget savings and resources allocation

proposals are considered during the latter part of this year, they will be assessed in terms of their impact on service delivery and equalities implications.

## **21. ENVIRONMENTAL IMPLICATIONS**

21.1. There are no environmental implications directly arising from the report.

## **22. CRIME & DISORDER IMPLICATIONS**

22.1. There are no crime and disorder implications directly arising from this report.

## **23. BACKGROUND PAPERS**

<b>Title of Document</b>	<b>Date</b>	<b>File Location</b>	<b>Contact Officer</b>
Budget Report 2016/17	24 February 2016 (Full Council)	5 <sup>th</sup> Floor Laurence House, Corporate Resources	David Austin
Final Revenue and Capital Outturn 2015/16	1 June 2016 (Mayor & Cabinet)	5 <sup>th</sup> Floor Laurence House, Financial Services	Selwyn Thompson
2016/17 Budget Monitoring Report	5 July 2016 (PASC)	5 <sup>th</sup> Floor Laurence House, Financial Services	Selwyn Thompson

## **APPENDICES**

Appendix 1 – Corporate Priorities

Appendix 2 – Summary of MTFS Assumptions

Appendix 3 – Glossary of Terms

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## APPENDIX 1 – LEWISHAM CORPORATE PRIORITIES

The six Sustainable Community Priority outcomes, agreed with the Lewisham Strategic Partnership and the Council's 10 Corporate Priorities are set out as follows:

### Sustainable Community Strategy

- **Ambitious and achieving:** where people are inspired and supported to fulfil their potential.
- **Safer:** where people feel safe and are able to live free from crime, anti-social behaviour and abuse.
- **Empowered and responsible:** where people can be actively involved in their local area and contribute to supportive communities.
- **Clean, green and liveable:** where people live in high quality housing and can care for and enjoy their environment.
- **Healthy, active and enjoyable:** where people can actively participate in maintaining and improving their health and well being.
- **Dynamic and prosperous:** where people are part of vibrant localities and town centres well-connected to London and beyond.

### Corporate Priorities

- **Community Leadership and Empowerment:** developing opportunities for the active participation and engagement of people in the life of the community.
- **Young people's achievement and involvement:** raising educational attainment and improving facilities for young people through partnership working.
- **Clean, green and liveable:** improving environmental management, the cleanliness and care for roads and pavements, and promoting a sustainable environment.
- **Safety, security and a visible presence:** partnership working with the police and others to further reduce crime levels and using Council powers to combat anti-social behaviour.
- **Strengthening the local economy:** gaining resources to regenerate key localities, strengthen employment skills and promote public transport.
- **Decent Homes for all:** investment in social and affordable housing to achieve the decent homes standard, tackle homelessness and supply key worker housing.
- **Protection of children:** better safeguarding and joined up services for children at risk.
- **Caring for adults and older people:** working with health services to support older people and adults in need of care.
- **Active, healthy citizens:** leisure, sporting, learning and creative activities for everyone
- **Inspiring efficiency, effectiveness and equity:** ensuring efficiency and equity in the delivery of excellent services to meet the needs of the community.

## APPENDIX 2 - SUMMARY OF ASSUMPTIONS

	Best Case	Base case	Worst case
<b>RESOURCE ENVELOPE</b>			
Settlement Funding Assessment	<ul style="list-style-type: none"> <li>February 2016 Provisional figures used</li> </ul>	<ul style="list-style-type: none"> <li>February 2016 Provisional figures used</li> </ul>	<ul style="list-style-type: none"> <li>February 2016 Provisional figures used</li> </ul>
Retained business rates	<ul style="list-style-type: none"> <li>2% real terms increase each year from 2017/18 from growth in rateable value base</li> </ul>	<ul style="list-style-type: none"> <li>1% real terms increase each year from 2017/18 from growth in rateable value base</li> </ul>	<ul style="list-style-type: none"> <li>No real terms change in rateable value base</li> </ul>
Council Tax income	<ul style="list-style-type: none"> <li>3.99% change in Council Tax level</li> <li>3% increase each year in Council Tax base from 2017/18 onwards</li> <li>CT collection rate of 96.5% each year from 2017/18 onwards</li> </ul>	<ul style="list-style-type: none"> <li>3.99% change in Council Tax level</li> <li>1.5% increase each year in Council Tax base from 2016/17 onwards</li> <li>CT collection rate of 96% each year from 2016/17 onwards</li> </ul>	<ul style="list-style-type: none"> <li>No change in Council Tax level</li> <li>0.5% increase each year in Council Tax base from 2016/17 onwards</li> <li>CT collection rate of 95.5% each year from 2016/17 onwards</li> </ul>
Settlement Funding Assessment Adjustment Grant	<ul style="list-style-type: none"> <li>Consolidated in RSG from 2017/18</li> </ul>	<ul style="list-style-type: none"> <li>Consolidated in RSG from 2017/18</li> </ul>	<ul style="list-style-type: none"> <li>Consolidated in RSG from 2017/18</li> </ul>
Surpluses/deficits on Collection Fund	<ul style="list-style-type: none"> <li>£2m estimated surplus in 2017/18</li> </ul>	<ul style="list-style-type: none"> <li>£0.5m estimated surplus in 2017/18</li> </ul>	<ul style="list-style-type: none"> <li>No surplus declared in 2017/18</li> </ul>
Pay awards	<ul style="list-style-type: none"> <li>1% from 2017/18 onwards</li> </ul>	<ul style="list-style-type: none"> <li>1% through to 2019/20</li> </ul>	<ul style="list-style-type: none"> <li>1% for 2017/18 and 2% from 2018/19 onwards</li> </ul>
Employer pension contributions	<ul style="list-style-type: none"> <li>£1m added each year until 2019/20</li> </ul>	<ul style="list-style-type: none"> <li>£1m added each year until 2019/20</li> </ul>	<ul style="list-style-type: none"> <li>£1m added each year until 2019/20</li> </ul>
General price inflation (incl. fees	<ul style="list-style-type: none"> <li>2.5% increase each year in non-pay budgets</li> </ul>	<ul style="list-style-type: none"> <li>2.5% increase each year in non-pay budgets</li> </ul>	<ul style="list-style-type: none"> <li>2.5% increase each year in non-pay budgets</li> </ul>

	<b>Best Case</b>	<b>Base case</b>	<b>Worst case</b>
and charges)			
Pressures and risks	<ul style="list-style-type: none"> <li>£6.5m growth each year (in addition to increase in Pension Fund contributions)</li> </ul>	<ul style="list-style-type: none"> <li>£6.5m growth each year (in addition to increase in Pension Fund contributions)</li> </ul>	<ul style="list-style-type: none"> <li>£6.5m growth each year (in addition to increase in Pension Fund contributions)</li> </ul>
New legislation	<ul style="list-style-type: none"> <li>Nothing allowed</li> </ul>	<ul style="list-style-type: none"> <li>Nothing allowed</li> </ul>	<ul style="list-style-type: none"> <li>Nothing allowed</li> </ul>
2017/18 budget pressures and risks	<ul style="list-style-type: none"> <li>All used and allocated to service spend</li> </ul>	<ul style="list-style-type: none"> <li>All used and allocated to service spend</li> </ul>	<ul style="list-style-type: none"> <li>All used and allocated to service spend</li> </ul>
Education Services Grant	<ul style="list-style-type: none"> <li>No national reduction from 2017/18 onwards</li> </ul>	<ul style="list-style-type: none"> <li>Reduction of £1.190m a year from 2017/18</li> </ul>	<ul style="list-style-type: none"> <li>Total grant withdrawal in 2017/18</li> </ul>

## **APPENDIX 3 - GLOSSARY OF TERMS**

### **Actuarial valuation**

An independent report of the financial position of the Pension Fund carried out by an actuary every three years. The actuary reviews the Pension Fund assets and liabilities as at the date of the valuation and makes recommendations such as, employer's contribution rates and deficit recovery period, to the Council.

### **Baseline funding level**

The amount of a local authority's start-up funding allocation which is provided through the local share of the estimated business rates aggregate (England) at the outset of the scheme as forecast by the Government. It forms the baseline against which tariffs and top-ups are calculated.

### **Budget Requirement**

The Council's revenue budget on general fund services after deducting funding streams such as fees and charges and any funding from reserves. (Excluding Council Tax, RSG and Business Rates)

### **Capital expenditure**

Spend on assets that have a lasting value, for example, land, buildings and large items of equipment such as vehicles. This can also include indirect expenditure in the form of grants or loans to other persons or bodies.

### **Capital Programme**

The Council's plan of future spending on capital projects such as buying land, buildings, vehicles and equipment.

### **Capital Receipts**

These are proceeds from the disposal of land or other assets and can be used to finance new capital expenditure but cannot be used to finance revenue expenditure.

### **Capping**

This is the power under which the Government may limit the maximum level of local authority spending or increases in the level of spending year on year, which it considers excessive. It is a tool used by the Government to restrain increases in Council Tax. The Council Tax cap, currently 2%, means that any local authority in England wanting to raise Council Tax by more than 2% in 2015/16 must consult the public in a referendum, Councils losing a referendum would have to revert to a lower increase in their bills.

### **CIPFA**

The Chartered Institute of Public Finance and Accountancy are one of the UK accountancy institutes. Uniquely, CIPFA specialise in the public sector. Consequently CIPFA holds the responsibility for setting accounting standards for local government.

## **Collection fund**

A statutory account maintained by the Council recording the amounts collected from Council Tax and Business Rates and from which it pays the precept to the Greater London Authority.

## **Collection Fund surplus (or deficit)**

If the Council collects more or less than it expected at the start of the financial year, the surplus or deficit is shared with the major precepting authority, in Lewisham's case this is the GLA, in proportion to the respective Council Taxes. These surpluses or deficits have to be returned to the Council taxpayer in the following year through lower or higher Council taxes. If, for example, the number of properties or the allowance for discounts, exemptions or appeals vary from those used in the Council Tax base, a surplus or deficit will arise. The Council generally achieves a surplus, which is shared with the GLA.

## **Contingency**

This is money set-aside centrally in the Council's base budget to meet the cost of unforeseen items of expenditure, such as higher than expected inflation or new responsibilities.

## **Council Tax Base**

The Council Tax base for a Council is used in the calculation of Council Tax and is equal to the number of Band D equivalent properties. To work this out, the Council counts the number of properties in each band and works out an equivalent number of Band D equivalent properties. The band proportions are expressed in ninths and are specified in the Local Government Finance Act 1992. They are: A 6/9, B 7/9, C 8/9, D 9/9, E 11/9, F 13/9, G 15/9 and H 18/9, so that Band A is six ninths of the 'standard' Band D, and so on.

## **CPI and RPI**

The main inflation rate used in the UK is the CPI (Consumer Price Index), the Chancellor of the Exchequer bases the UK inflation target on the CPI. The CPI inflation target is currently set at 2%. The CPI differs from the RPI (Retail Price Index) in that CPI excludes housing costs. Also used is RPIX, which is a variation on RPI, one that removes mortgage interest payments.

## **Dedicated schools grant (DSG)**

This is the ring-fenced specific grant that provides most of the Government's funding for schools. This is distributed to schools by the Council using a formula agreed by the schools forum.

## **Financial Regulations**

These are a written code of procedures set by a local authority, which provide a framework for the proper financial management of the authority. They cover rules for accounting and audit procedures, and set out administrative controls over the authorisation of payments, etc.

## **Financial Year**

The local authority financial year commences on 1st April and finishes on the following

## **General Fund**

This is the main revenue fund of the local authority, day-to-day spending on services is met from the fund. Spending on the provision of housing however, must be charged to the separate Housing Revenue Account (HRA).

## **Gross Domestic Product (GDP)**

GDP is defined as the value of all goods and services produced within the overall economy.

## **Gross expenditure**

The total cost of providing the Council's services, before deducting income from Government grants, or fees and charges for services.

## **Housing Revenue Account (HRA)**

A separate account of expenditure and income on housing that Lewisham must keep. The account is kept ring-fenced from other Council activities. The Government introduced a new funding regime for social housing within the HRA from April 2012.

## **Individual authority business rates baseline**

This is derived by apportioning the billing authority business rates baseline between billing and major precepting authorities on the basis of major precepting authority shares.

## **Levies**

A levy is an amount of money a local authority is compelled to collect (and include in its budget) on behalf of another organisation. Lewisham is required to pay levies to a number of bodies such as the London Pensions Fund Authority.

## **Local share**

This is the percentage share of locally collected business rates that will be retained by local government, currently 50%.

## **Net Expenditure**

This is gross expenditure less services income, but before deduction of government grant.

## **New Homes Bonus**

Under this scheme Councils receive a new homes bonus (NHB) per each new property built in the borough for the first six years following completion. Payments are based on match funding the Council Tax raised on each property with an additional amount for affordable homes. It is paid in the form of an un-ringfenced grant.

## **Prudential Borrowing**

Set of rules governing local authority borrowing for funding capital projects under a professional code of practice developed by CIPFA to ensure the Council's capital investment plans are affordable, prudent and sustainable.

## **Revenue Expenditure**

The day-to-day running expenses on services provided by Council.

### **Revenue Support Grant (RSG)**

All authorities receive Revenue Support Grant from central government in addition to its baseline funding level under the local government finance system. An authority's Revenue Support Grant amount plus its baseline funding level together comprises its Settlement Funding Assessment.

### **Section 151 officer**

Legally Councils must appoint under section 151 of the Local Government Act 1972 a named chief finance officer to give them financial advice, in Lewisham's case this is the post of the Executive Director for Resources and Regeneration.

### **Settlement Funding Assessment (SFA)**

A local authority's share of the local government spending control total which comprises its Revenue Support Grant for the year in question and its baseline funding level.

### **Specific Grants**

As the name suggests funding through a specific grant is provided for a specific purpose and cannot be spent on anything else e.g. The Dedicated Schools Grant (DSG) for schools.

### **Spending Review**

The Spending Review is an internal Government process in which the Treasury negotiates budgets for each Government Department. The 2010 SR set government spending for the four financial years up to 2014/15, the 2013 SR set spending for a single year 2015/16. The next spending review is expected in 2016.

### **Start-up funding allocation (SUFA)**

Refer to Settlement Funding Assessment.

### **Treasury Management**

The process of managing the Council's cash flows, borrowing and cash investments to support Lewisham's finances. Details are set out in the Treasury Management Strategy which is approved by Mayor and Cabinet and Full Council in February each year.

## APPENDIX 4

### HOUSING REVENUE ACCOUNT 30 YEAR PLAN – YEARS ONE TO FIVE AS AT JUNE 2016

PROJECTED INCOME & EXPENDITURE STREAMS						
	SHORT TERM INCOME & EXPENDITURE FORECAST					
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL 1 to 5
	£M's	£M's	£M's	£M's	£M's	£M's
-						
Rents	68.4	70.8	73.1	73.7	71.7	357.7
Tenants service charges	4.5	4.6	4.6	4.6	5.7	24.0
Leasehold service charges	4.0	4.2	4.4	4.4	4.2	21.2
Hostel charges and grants	0.9	1.4	1.3	1.3	1.3	6.3
Major Works recoveries	1.2	1.2	2.2	2.3	5.5	12.4
Other income	3.9	4.1	3.0	2.5	1.5	15.0
<b>Operating Income</b>	<b>82.9</b>	<b>86.3</b>	<b>88.6</b>	<b>88.8</b>	<b>89.9</b>	<b>436.6</b>
<b>Less:</b>						
Management costs	-29.7	-30.2	-29.9	-29.2	-34.5	-153.6
Repairs & maintenance	-16.7	-15.4	-14.6	-14.2	-15.4	-76.3
PFI Costs	-4.7	-5.1	-5.3	-5.5	-5.4	-26.0
	<b>-51.1</b>	<b>-50.7</b>	<b>-49.8</b>	<b>-48.9</b>	<b>-55.3</b>	<b>-255.8</b>
Interest & other finance costs	-4.6	-4.5	-3.7	-3.6	-4.3	-20.7
Depreciation	-16.9	-21.8	-26.3	-30.1	-30.3	-125.4
<b>Operating surplus/(deficit) after financing</b>	<b>10.3</b>	<b>9.3</b>	<b>8.8</b>	<b>6.2</b>	<b>0.0</b>	<b>34.6</b>
RCCO	-3.2	-6.0	0.0	0.0	0.0	-9.2
Debt Repayment	0.0	0.0	0.0	0.0	0.0	0.0
Interest on balances	0.2	0.2	0.4	0.6	0.9	2.4
<b>Surplus/(deficit) after appropriations</b>	<b>7.3</b>	<b>3.5</b>	<b>9.2</b>	<b>6.8</b>	<b>1.0</b>	<b>27.9</b>
Opening reserves	7.8	15.1	21.2	30.4	37.2	7.8
Other Reserve Contributions	0.0	2.5	0.0	0.0	0.0	0.0
<b>HRA Reserves</b>	<b>15.1</b>	<b>18.7</b>	<b>30.4</b>	<b>37.2</b>	<b>38.2</b>	<b>35.7</b>

CAPITAL PROGRAMME & RESOURCING	SHORT TERM CAPITAL PROGRAMME & RESOURCING					
	YEAR	YEAR	YEAR	YEAR	YEAR	TOTAL
	1	2	3	4	5	1 to 5
	£M's	£M's	£M's	£M's	£M's	£M's
Capital programme	36.2	44.3	51.0	19.4	28.6	179.6
Sheltered Housing	0.0	0.0	0.0	0.0	0.0	0.0
New Build construction	0.1	0.4	1.7	2.6	9.8	14.6
New Build ongoing capital costs	0.0	0.0	0.0	0.0	0.0	0.0
Capital programme slippage (RPI uplift)	0.0	0.0	0.0	0.0	0.0	0.0
Capital slippage	<b>36.3</b>	<b>44.7</b>	<b>52.8</b>	<b>22.0</b>	<b>38.4</b>	<b>194.2</b>
<b>Funded By:</b>						
MRR Opening Balance	-4.5	-12.7	-19.8	-29.4	-37.5	-103.9
Decent Homes Funding	-20.5	-24.0	-36.0	0.0	0.0	-80.5
RCCO	-7.1	-6.0	0.0	0.0	0.0	-13.1
Depreciation	-16.9	-21.8	-26.3	-30.1	-30.3	-125.4
Borrowing	0.0	0.0	0.0	0.0	0.0	0.0
Capital shortfall	<b>-12.7</b>	<b>-19.8</b>	<b>-29.4</b>	<b>-37.5</b>	<b>-29.4</b>	<b>-128.7</b>
Debt Level	<b>83.5</b>	<b>83.5</b>	<b>74.8</b>	<b>74.8</b>	<b>74.8</b>	<b>74.8</b>

# Agenda Item 7

<b>Chief Officer Confirmation of Report Submission</b>	
<b>Report for:</b> Mayor	<input type="checkbox"/>
Mayor and Cabinet	<input checked="" type="checkbox"/>
Mayor and Cabinet (Contracts)	<input type="checkbox"/>
Executive Director	<input type="checkbox"/>
<b>Information</b> <input type="checkbox"/> Part 1 <input checked="" type="checkbox"/> Part 2 <input type="checkbox"/> <b>Key Decision</b> <input type="checkbox"/>	

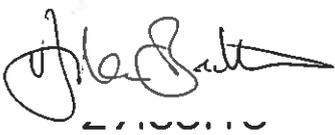
**Date of Meeting** 13 July 2016

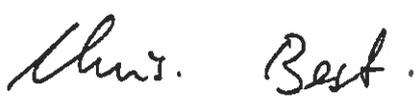
**Title of Report** Consultation on Public Health Savings

<b>Originator of Report</b>	Danny Ruta, Director of Public Health James Lee, Service Manager - Prevention, Inclusion and Public Health	<b>Ext.</b> 49094 46548
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At the time of submission for the Agenda, I confirm that the report has:

Category	Yes	No
Financial Comments from Exec Director for Resources	X	
Legal Comments from the Head of Law	X	
Crime & Disorder Implications	X	
Environmental Implications	X	
Equality Implications/Impact Assessment (as appropriate)	X	
Confirmed Adherence to Budget & Policy Framework	X	
Risk Assessment Comments (as appropriate)		
Reason for Urgency (as appropriate)		

Signed  Director/Head of Service

Date  Cabinet Member

Date 05.07.16

Control Record by Committee Support

Action	Date
Listed on Schedule of Business/Forward Plan (if appropriate)	
Draft Report Cleared at Agenda Planning Meeting (not delegated decisions)	
Submitted Report from CO Received by Committee Support	
Scheduled Date for Call-in (if appropriate)	
To be Referred to Full Council	

<b>MAYOR AND CABINET</b>		
<b>Report Title</b>	Public Health Savings Consultation	
<b>Key decision</b>	Yes	Item No.
<b>Ward</b>	All	
<b>Contributors</b>	Executive Director for Community Services, Executive Director for Children and Young People, Executive Director for Resources and Regeneration, Head of Law	
<b>Class</b>	Part 1 (open)	Date: 13 July 2016

## 1. Summary and Purpose of the Report

The purpose of the report is to seek Mayor & Cabinet approval to consult on a range of activity to realise the savings agreed by Mayor & Cabinet on September 30th 2015, and to balance the reduction to the Public Health grant announced in the 2015 spending review.

## 2. Structure of the Report

2.1 The report is structured as follows:

**Section 3** sets out the recommendations

**Section 4** sets out the policy context

**Section 5** sets out the background

**Section 6** sets out the consultation areas:

**6.1 preventative health services**

**6.2 health visiting and school nursing**

**6.3 sexual health services**

**6.4 substance misuse**

**Section 7** sets out procurement arrangements

**Section 8** sets out the financial implications

**Section 9** sets out the legal implications

**Section 10** sets out the crime and disorder implications

**Section 11** sets out the equalities implications

**Section 12** sets out the environmental implications

**Appendix 1** Lewisham's 9 health and wellbeing priorities

**Appendix 2** 2016-17 allocation of the Public Health grant

**Appendix 3** the Public Health Outcomes Framework

**Appendix 4** Public Health England's grant reduction letter to local authorities

**Appendix 5** Substance misuse Joint Strategic Needs Assessment (JSNA)

## 3. Recommendations

3.1 The Mayor is recommended to approve:

- 3.1.1 The consultation activity for preventative health services outlined below following consideration by Healthier Communities Select Committee on 28 June 2016.
- 3.1.2 The consultation activity for health visiting and school nursing services outlined below following consideration by Healthier Communities Select Committee on 28 June 2016.
- 3.1.3 The consultation activity for sexual health services outlined below following consideration by Healthier Communities Select Committee on 28 June 2016.
- 3.1.4 The procurement activity for substance misuse services outlined below as following consideration by Healthier Communities Select Committee on 28 June 2016.

#### **4. Policy Context**

- 4.1 The services within this paper meet the two key principles of the Lewisham's Sustainable Community Strategy 2008-2020:
- Reducing inequality – narrowing the gap in outcomes for citizens
  - Delivering together efficiently, effectively and equitably – ensuring that all citizens have appropriate access to and choice of high-quality local services
- 4.2 These services also contribute to the following priority outcomes:
- Safer – where people feel safe and live free from crime, antisocial behaviour and abuse
  - Empowered and responsible – where people are actively involved in their local area and contribute to supportive communities
  - Healthy, active and enjoyable – where people can actively participate in maintaining and improving their health and well-being
- 4.3 The services in this report support the council's corporate priorities of:
- Community Leadership and empowerment- developing opportunities for the active participation and engagement of people in the life of the community
  - Caring for adults and older people- working with health services to support older people and adults in need of care
  - Active, healthy citizens- leisure, sporting, learning and creative activities for everyone

- 4.4 The Health and Well Being Strategy 2012/22 has been developed by Lewisham's Health and Wellbeing Board (HWB) and sets out the improvements and changes that the board, in partnership with others, will focus on to achieve the board's vision of achieving a healthier and happier future for all. Sexual health, preventing the uptake of smoking among children and young people and reducing the numbers of people smoking, reducing alcohol harm and promoting healthy weight are all priorities identified in the Health and Well Being Strategy.
- 4.5 Sexual Health is an important public health priority at both a national and local level. Lewisham continues to experience high demand and need for sexual health services reflected as high rates of teenage pregnancy, abortion and sexually transmitted infections.
- 4.6 Although smoking prevalence has reduced there are higher rates of smoking in Lewisham than London and England. More than 1 in 5 of the adult Lewisham population are smokers and 1 in 4 people in routine and manual occupations still smoke. There are currently about 50,000 adult smokers in Lewisham with a high proportion who are heavily dependent, such as pregnant women, people with long term conditions and people with mental health problems. Smoking is a contributory factor to the main causes of death in Lewisham and it is the single largest factor associated with health inequalities. Smoking is responsible for half the difference in life expectancy between Lewisham's richest and poorest residents. Forty eight percent of Lewisham school children said they lived in a household with a smoker<sup>1</sup> and Lewisham's asthma admission rates for children are significantly higher than England.
- 4.7 Lewisham has a higher proportion of smoking related hospital admissions and early deaths due to smoking. Babies and children exposed to a smoky atmosphere are more likely to need hospital care in the first year of life. Passive smoking can put children at an increased risk of sudden infant death syndrome (SIDS), developing asthma or having asthma attacks when the condition is already present, middle ear infection, and coughs and colds. In households where mothers smoke, for example, young children have a 72% increased risk of respiratory illnesses.
- 4.8 The estimated local societal cost of smoking for Lewisham is £73.4m each year, and passive smoking costs a further £1m annually, including £9m on healthcare and £4m on social care directly attributable to smoking.
- 4.9 Lewisham's Children and Young People's Strategic Partnership vision is: "Together with families, we will improve the lives and life chances of the children and young people in Lewisham". This is achieved through a focus

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<sup>1</sup> School Health Education Unit survey

upon closing the gaps in outcomes achieved by our children and young people and agreement to ensure that children's and families' needs are prevented from escalating and are instead lowered. The ideal is for all children and young people to require only universal services and where further support is needed this should be identified and provided as early as possible.

4.10 The National Drug Strategy 2010 puts a key focus on recovery. Whilst recognising that recovering from dependent substance misuse is an individual person-centred journey, there are high aspirations for increasing recovery outcomes. Drug and alcohol recovery systems are increasingly being geared towards the achievement of the following outcomes:

- Freedom from dependence on drugs or alcohol
- Prevention of drug related deaths and blood borne viruses
- A reduction in crime and re-offending
- Sustained employment
- The ability to access and sustain suitable accommodation
- Improvement in mental and physical health and wellbeing
- Improved relationships with family members, partners and friends
- The capacity to be an effective and caring parent

4.11 The National Alcohol Strategy sets a range of outcomes intended to:

- Ensure everyone is aware of the risks of excessive alcohol consumption and can make informed choices about responsible drinking; and
- Recognise that some people will need support to change their behaviour and ensuring that this is available, particularly for the most vulnerable in our communities.

4.12 There are an estimated 43,432 high risk & increasing risk drinkers in Lewisham.

The rate of hospital admissions for alcohol related harm is higher in Lewisham than

England and increasing at a faster rate.

4.13 Reported obesity rates among adults in Lewisham show a steady upward trend with 60% of adults with excess weight (obese and overweight) in 2014. This equates to 53,000 people with a BMI above 30 (obese) and 137,500 people with a BMI above 25 (excess weight). Estimated prevalence of morbid obesity (BMI above 40) is 2.5% (5000 people). Nationally obesity is projected to increase from 29% in 2015 to 32% in 2020 and 41% in 2035, with prevalence projected to rise most markedly from the lowest income groups. If current trends continue 72% of the adult population would be predicted to be overweight or obese by 2035.

- 4.14 In Lewisham childhood obesity rates remain significantly higher than the England rate with a quarter of children in Reception (age 4-5) and over a third of children in Year 6 (age 10-11) being overweight or obese. Maternal obesity is a risk factor for childhood obesity and nearly half of women are overweight or obese at their booking appointment. It is estimated that there are over 8,500 children at risk of obesity in Lewisham with over 900 children identified each year through the National Child Measurement programme.
- 4.15 Obesity prevalence is associated with socioeconomic status with a higher level of obesity found among more deprived groups.

## **5. Background**

- 5.1 The Health and Social Care Act (2012) transferred the bulk of public health functions to local authorities. The Council is responsible for delivering public health outcomes through commissioning and building partnerships within the borough, region and city.
- 5.2 In September 2015 Mayor & Cabinet approved £2m of savings by 17/18. In the Spending Review and Autumn Statement 2015 the government announced cuts to public health services. For Lewisham this has resulted in a grant reduction of £2.7m by 2017/18. The Council therefore needs to save £4.7m by 1 April 2017.
- 5.3 At its meeting on 26 November 2014, Council agreed to set up a time limited Public Health Working Group to operate until the end of February 2015 to consider the proposals to change public health services being proposed as part of the Council's budget process for 2015/16. This was intended to make a contribution to the Council's debate about the future of public health services in Lewisham and reported in February 2015
- 5.4 This report describes the consultation activity needed to achieve the necessary level of savings.

## **6. Consultation areas**

### **6.1 Preventative health services**

- 6.1.1 The Council currently commissions a range of preventative health services to support behaviour change in residents at high risk of ill health and reduce health inequalities, including smoking, eating, physical activity and wellbeing. These are delivered in partnership with local healthcare and voluntary sector providers, and have a total value of £2.1m. These services are in addition to broader policies which promote health such as those relating to the environment and the regulation of supply.

- The Lewisham Stop Smoking service is an addiction treatment service, which assists dependent smokers to quit and is delivered by Lewisham and Greenwich Healthcare Trust for £461,000 per annum with a further £240,000 of medication costs. Last year 1297 people quit smoking through a combination of a specialist team and primary care provision through GPs and pharmacies. The primary role of the Stop Smoking Service is to deliver high quality, evidence-based stop smoking interventions to dependent smokers living in Lewisham. This includes a more intensive service for highly dependent smokers provided through group and one to one sessions, and support for moderately dependent smokers through GPs & pharmacies including a hub based model in each neighbourhood. This service is primarily targeted at heavily dependent smokers, including pregnant smokers, smokers with mental health problems and smokers with long term conditions. This service has recently been redesigned due to a 30% reduction in funding from the Council in 2015/16.
  
- The Community Health Improvement Service is delivered by Lewisham and Greenwich Trust for £571,518 per annum to provide a range of health promotion activities targeted at those with poorer health outcomes. It provides behaviour change and healthy lifestyle support through: a lifestyle hub delivering motivational interventions and referrals to 950 people identified as at risk following an NHS Health check; Health Trainers providing one to one and group motivational interviewing and lifestyle coach support to 300 people (over 80% of those supported by the service sustain behavioural change after 24 weeks) and the Healthy Walks programme, which trains walk leaders, develops, promotes and ensures regular health walks to increase participation and uptake of physical activity (200 new walkers per annum and just under 600 regular walkers). It also engages, develops and empowers communities through community development for health improvement and neighbourhood based activities including outreach, participatory budgeting/small grants, networks, negotiating and developing referral pathways into preventative lifestyle activities and interventions, and linking providers of preventative initiatives with community groups (reaching at least 500 people per year).
  
- The £400,000 per annum NHS Health Check programme is commissioned to identify 40-74 year olds with a high risk of developing cardiovascular and other conditions. This includes direct commissioning of health checks provided by GPs, pharmacies and To Health (outreach); a call/recall system (every 5 years) and IT. This is a mandatory programme, assessing risk and facilitating early intervention. More than 6,000 Health checks were conducted in Lewisham last year.
  
- The Breastfeeding Network project manages the community breastfeeding groups and provision of a breastfeeding peer support service for £48,895 per annum. This includes training 24 new breastfeeding peer supporters and

providing on-going supervision to all active volunteer peer supporters (around 30). The peer supporters support mothers attending the community breastfeeding groups and on the postnatal ward (total 1200 hours of volunteer time per annum). The community breastfeeding groups support 900 new women a year.

- MyTime Active deliver a children's weight management programme (MEND) for £230,000 per annum. The service delivers a range of age-specific evidence-based family interventions for 375 overweight and obese children. The service includes specialist support (dietician, psychologist and physical activity specialist) for obese children with co-morbidities or with complex needs (180 children per annum). The service also delivers a range of bespoke workforce training sessions (100 staff per annum). The children's weight management service supports the mandatory National Child Measurement Programme which identifies that Lewisham has consistently high prevalence of childhood obesity.
- Weightwatchers deliver 795 adult weight management interventions at a cost of £42,930 per annum or £54 per person. This entitles individuals that are overweight or obese (BMI of 28 or more) to attend 12 weeks of Weight Watchers meetings and access 16 weeks online support free of charge. The service has shown successful outcomes with 54% of clients completing the programme and 91% successfully losing weight.

6.1.2 **Proposal:** The Council will consult on delivering savings of £800k, which will be achieved through a combination of re-commissioning, redesign and potential termination of some services across the areas outlined below. These proposals have been drawn up with an emphasis on effectiveness in terms of outcome and increased alignment between services and pathways to reduce costs.

**1) Savings from the Stop Smoking Service:**

The Council will be consulting on re-design and potential re-commissioning incorporating different delivery models including a greater use of digital and telephone support for less heavily dependent smokers; face to face support from specialists for heavily dependent smokers such as pregnant women, smokers with mental health problems and/or long term conditions and more efficient and effective prescribing of stop smoking medication. The number of smokers able to access the service is likely to reduce.

**2) Savings from the Community Health Improvement Service (CHIS):**

To deliver this saving the Council will be consulting on a significant reduction including potential reconfiguration or removal of the services currently delivered by CHIS:

Removal of the health trainer programme could be mitigated by the new community nutrition and physical activity service delivered by GCDAs and commercial weight management (e.g. weightwatchers vouchers).

Delivering the community development element differently, for example by re-focusing the council and local voluntary sector's community development resource across all four neighbourhoods.

An alternative referral model for NHS Health checks, for example through redesign of the lifestyle hub function or potentially through re-commissioning the NHS Healthchecks programme

Priority will be given to supporting emerging neighbourhood delivery models and alignment with wellbeing community development programmes such as Well London, which is an external funding stream.

### **3) Savings from the children's weight management service:**

The Council will consult on integrating through investment into a new contract for school nursing. This would require serving notice on the existing service.

The Council will also consult on potential removal of the specialist element of the service: in this scenario children with complex needs would be offered the core programme in the same way as other children. The service will provide a limited range of age-specific targeted programmes with focus on children under the age of 12 with a reach reduced to under 200 families.

### **4) Savings from the breastfeeding support service**

To deliver this saving the Council will consult on incorporating this service within a new contract for health visiting. This would require serving notice on the existing service.

### **5) Savings from the NHS Healthchecks programme**

The Council will consult on redesign and potential re-commissioning of the programme, including different delivery models for follow-up for those identified as at risk following an NHS Health check. We are aiming for a better integrated pathway, targeting of at risk populations and more effective follow-up for those identified as at risk.

6.1.3 **Consultation Plan:** The Council will consult with the public, service users and stakeholders from July to September on the options and priorities outlined above.

The Council will conduct online engagement through Uengage with the public and users of the different services. We propose to outline the financial challenge and need to reconfigure services differently and ask a number of questions in order to:

- a) Identify service areas which are considered priorities
- b) Obtain views on different ways in which services could be accessed with less or no funding for that area
- c) Obtain views on how the council could facilitate this

The Council will consult with fellow health commissioners on each proposal area for savings. We propose to outline the financial challenge and ask:

- 1) What impact the proposals might have on the ability of partners to commission and deliver services
- 2) Are there any commissioning plans, service reconfigurations in partner organisations which may impact on the ability of the council to deliver the savings proposed
- 3) Are there any further mitigating actions which partners could suggest which may support the Council to minimise any adverse impact of the proposals without incurring additional costs.

The Council will consult healthcare partners and expert stakeholders through Uengage and an engagement event to allow them to consider-

- 1) What health impact will proposals have on residents and how might these be mitigated
- 2) What impact proposals will have on partners
- 3) What alternative models or proposals might allow the Council to deliver the required savings with a lesser impact

The Council proposes to work with Healthwatch Lewisham and consult existing neighbourhood health forums and other relevant organisations with a health interest.

#### 6.1.4 Timetable

Preventative health services timetable
Consultation plans to healthier communities select committee 28/6/16
Consultation approval at Mayor & Cabinet 13/7/16
Approved further consultation starts w/b 18/7/16

Consultation outcome to healthier select 13/9/16
Mayor & Cabinet for approval to procure 28/9/16
Issue tender documentation 14/10/16
Tender evaluation w/b 21/11/16
Award Mayor & Cabinet (contracts) 7/12/16
Potential overview and scrutiny 21/12/16
Mobilisation (and any TUPE) for service start 1/4/17

## 6.2 Health visiting and school nursing

6.2.1 Over the last six months, Lewisham's Children and Young People joint commissioning team, in common with many other local authorities, has begun to review the services and pathways between some of the core universal and targeted services for children and families. In particular, the focus has been on a review of public health nursing functions (health visiting and school nursing) and how these align with children's centres.

### 6.2.2 Overview of Current Services:

- **Health visiting** - provides public health services for children aged 0 to 5, including a universal health review service in line with the Healthy Child Programme for children aged up to 2 ½ years, alongside targeted work for vulnerable families. The service costs £7.35m per annum and is provided by LGT.
- **School nursing** - provides support to school age children including specific support for children with particular health conditions and 1:1 support including safeguarding and early help. The service is also responsible for the delivery of the National Child Measurement Programme. The total cost of the service is £1.75m per annum and is provided by LGT.
- In addition, our **children's centres** provide universal and targeted services for children and families covering health and general welfare via a range of community and school based buildings. These are delivered across 16 sites in a mixed provider model and contracts cost £1.8m per annum.

6.2.3 There are already some strong links between the three services through informal co- location and, in some areas, joint delivery of children's centre services and health visiting.

6.2.4 The following factors have prompted a review of services:

- The annual spending review announcements on the public health grant mean the council will have a reduction in income of £2.7m by 17/18; Mayor and

Cabinet approved £2m of savings by 17/18. Assuming pro-rating of savings, CYP will need to save £2m from health visiting and school nursing services.

- Levels of need are rising due to a sustained rise in birth rates (now c. 5,000 per year) and an increase in the number of children and families identified as vulnerable. Currently there are 2,000 children on our health visiting targeted caseload and 400 children subject to child protection plans in Lewisham.
- The Council's current contracts for school nursing, health visiting and children's centres are all due for recommissioning in April 2017.

6.2.5 There are also key opportunities for change:

- **Changes to commissioning and statutory arrangements for health visiting** – from 1<sup>st</sup> October 2015 responsibility for commissioning health visiting services passed from CCGs to local authorities. The transfer was made on a 'lift and shift' basis with local authorities mandated to deliver the five health child programme reviews. From April 2017, this mandate will be lifted (unless new legislation is passed) enabling authorities to review the effectiveness of current pathways and to specify a service which is relevant for their local populations.
- **Redesign of our early help offer** – the local authority is currently reviewing its early help pathway in line with the recommendations made by Ofsted. This includes recommissioning family support services and moving towards a single point of access model for social care referrals to allow better co-ordination of the pathways for parents requiring additional support. There is an opportunity to consider how public health and children's centre services fit within this model.
- **Our Healthier South East London** – Lewisham CCG are currently reviewing the way in which they provide services to identify opportunities to deliver more health services in community settings via neighbourhood care network models. The Council has an opportunity to consider how children's centres might act as a core hub for the neighbourhood care network model.

6.2.6 Between January 2016 and June 2016 an initial review of existing health visiting and school nursing services was carried out by a project team comprising officers from CYP commissioning, Early Intervention and Public Health. The review aims were to get a clear understanding of the current service delivery models and costs including key pressures, impact and effectiveness of interventions. Officers also aimed to engage partners and service users in shaping a new model for more integrated services.

6.2.7 Between February and June 2016 the project team completed the following consultation exercises:-

- Engagement through meetings and two half-day workshops with service managers and staff from across current commissioned services on current models and opportunities for change.
- Activity Based Costing exercises across health visiting, school nursing and Children's Centres' staff
- Engagement with other London local authorities who are redesigning their health visiting and school nursing services, including visits with our existing provider to Hackney, meetings with several other London local authorities, and participation in two workshops on the future of 0 to 5 years' services organised by the London Councils.
- Engagement with key stakeholders (including members, schools, voluntary sector, LGT, and SLAM) through the CYP Strategic Partnership Board and the Joint Commissioning Group.

6.2.8 In addition, officers have undertaken direct service user consultation with parents and young people. This included a six-week online survey for parents and a six-week online survey for young people. Officers also interviewed parents in children's centres over two half days. The surveys and interviews asked questions about current services and expectations, priorities for what services should be delivering in future, and opportunities for change.

6.2.9 The surveys were distributed via health visitors and schools, as well as cascaded through local organisations such as Lewisham Youth Service; HealthWatch Lewisham; Young Mayor's and Advisors; Mummy's Gin Fund; and Voluntary Action Lewisham.

6.2.10 176 responses were received to the survey, 95% of which were from mums and 5% from dads; 13% had a child with special educational needs; 79% were white and 71% had a child aged five or younger. 19 mothers and 1 father took part in semi-structured interviews when officers attended children's centres.

#### 6.2.11 ***Key findings from service mapping work***

All three of these core services form a critical part of our Early Help offer across the borough. Together they provide:

- Early identification of need in a range of settings: home (health visiting), community (children's centres) & school (school nursing)
- Targeted support for both children and parents, preventing poor outcomes in health and preventing the escalation of need to social care.

- The physical infrastructure for parents and children to meet and develop in a safe environment and spaces for professionals to come together to deliver services jointly.
- Universal health services – i.e. immunisations and targeted health interventions (i.e. disability care plans)
- Core safeguarding function for our most vulnerable young people.

The provision of all of these functions will continue to be a critical part of the Council’s early help offer locally in the future. However, there are some opportunities/requirements for change which will influence **HOW** these services are delivered in the future to maximise efficiency, reduce duplication and improve pathways.

### 6.2.12 **Key findings from consultation work**

- There was significant overlap between the role that parents felt health visiting and children’s centres should play, with the additional emphasis on the role of children’s centres in providing space for parents to meet.

Health visiting	Children’s centres
<ul style="list-style-type: none"> <li>• Support for mother and baby, and the family</li> <li>• Ensure baby and mother are healthy</li> <li>• Reassurance</li> <li>• Morale and Emotional Support</li> <li>• Make referrals</li> <li>• Health Checks</li> <li>• Breastfeeding support and other evidence based advice</li> </ul>	<ul style="list-style-type: none"> <li>• Pre-school activities</li> <li>• Parenting Advice</li> <li>• Support for breastfeeding and weaning</li> <li>• Place for carers and parents to meet, reduce isolation</li> <li>• Free Support</li> <li>• Warm and welcoming environment</li> <li>• Provide English support</li> </ul>

- For school nursing, young people responding said that the key areas they wanted support on from a school nursing service were: sexual health, mental health and drugs and alcohol. For parents responding, there was a greater emphasis on the role of school nurses in supporting physical health and minor illness. Officers asked about the role of online services; whilst young people responding were positive about this, parents said they preferred a face to face service.
- Officers gave respondents an opportunity to tell officers about their priorities and opportunities for change. The majority of responses

focused on health visiting and children's centres which officers expect relates to the profile of respondents. The responses included:

- The important role of children's centres as multifunctional spaces for both the parents and child.
- Opportunities to deliver health visiting and children's centre services together. Examples of good practice like Bellingham Children's Centre were cited.
- Making the children's centre offer clearer to parents
- Improving consistency of messages to parents, particularly for the health visiting service
- Increasing the number of visits for parents who had less family or friend support in the early years.

#### **6.2.13 Proposals**

The following are areas identified from the work above as possible areas for redesign when services are recommissioned:

#### **6.2.14 Health visiting**

- Accelerating existing integration between health visiting and children's centres so that parents in need have a single integrated core offer.
- Delivering some universal health visiting reviews in groups from children's centres for parents who are able to access services in this way.
- Reducing duplication across services (maternity, health visiting and children's centres) so that families do not receive multiple visits across service pathways.
- Remodelling our health visitor clinics to ensure that supply matches demand and delivering more of these clinics from children's centres.
- By delivering services to the universal caseload in a more streamlined way, create the capacity for a greater role for health visiting in supporting the targeted caseload.

#### **6.2.15 School Nursing**

- Continue with a core school nursing service to deliver safeguarding, school entry health checks, screening, and the National Child Measurement Programme. Ensure that this service is integrated with specialist weight management support.

- Consider whether there is scope for commissioning an additional specialist support service for secondary schools to enable young people to have access to areas of unmet need including support and advice on sexual health, mental health, and drug and alcohol misuse.
- Consider the use of online channels for young people to access some support services.

#### 6.2.16 **Consultation Plan**

The consultation exercise to date has provided valuable insight into current services and opportunities for change and has enabled the project team to develop some high level options for change.

A second phase of consultation is now planned with providers, stakeholders and service users to inform the development of service specifications for the recommissioning of new services from April 2017.

The feedback from consultation so far has highlighted the importance of aligning services with children's centres. We will continue to explore this through further consultation and build this into the children's centre re-commissioning which runs to the same timescale as the health visiting and school nursing services.

#### 6.2.17 **Proposed consultation areas**

The key focus for this phase will be based around the following questions:

- What a more integrated health visiting and children's centre offer might look like in practice
- Which services should be delivered jointly or co-located?
- How can the Council utilise groups effectively to deliver health visiting support?
- How can the Council reduce duplication across services and pathways?
- What is the role for children's centres within the neighbourhood care network model?
- What an effective single pathway for targeted 1:1 support for families should look like across children's centres and health visiting.

- How an integrated 1:1 support offer for children and young people could work in practice, including the role of online channels.

### 6.2.18 Consultation timetable

The proposed timescale for consultation activities in order to meet our April 2017 implementation date for new contracts is set out below:

<p>Second phase of consultation to inform proposals:</p> <ul style="list-style-type: none"> <li>• CCG governing body, CCG membership forum (August)</li> <li>• GPs – four GP neighbourhood meetings (June and July) and online survey for GPs</li> <li>• Teachers - Primary and Secondary Heads strategic forums (June/July), teachers' working group, and online survey for teachers (July)</li> <li>• Meetings with children's centre providers, maternity service managers, and community children's services (LGT) (July)</li> <li>• Meeting with Healthwatch (July)</li> <li>• Further online surveys for parents, carers and young people (July/August)</li> </ul>	<p><b>June to August 2016</b></p>
<p>Development of final proposals and Equalities Analysis Assessment</p>	<p><b>July &amp; August 2016</b></p>
<p>Report on consultation to healthier select committee</p>	<p><b>13<sup>th</sup> September 2016</b></p>
<p>Final savings and redesign proposals presented to Mayor and Cabinet</p>	<p><b>28<sup>th</sup> September 2016</b></p>
<p>Development of specifications and tender documentation for new service models:</p> <ul style="list-style-type: none"> <li>• Workshops with key stakeholders and providers</li> <li>• Market testing</li> <li>• Developing tender documentation</li> </ul>	<p><b>September – October 2016</b></p>
<p>External tender process</p>	<p><b>October- December 2016</b></p>

Tender evaluation and contract award	<b>December- January 2016</b>
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### **6.3 Sexual Health**

6.3.1 Sexual Health commissioning moved to Local Authorities in 2013/14 following the implementation of the Health and Social Care Act. Budgets for sexual health services, were amalgamated into the public health grant and were based on previous expenditure in PCTs.

6.3.2 Genitourinary Medicine Services (GUM) and Contraception and Sexual Health services (CaSH) are statutory services. They are “open access” which means that residents are entitled to use them in any part of the country without the need for a referral from GP or other clinician. This accessibility requirement impacts on the ability of all Councils to predict service demand and manage budgets.

6.3.3 In Lewisham sexual health services are provided through:

- 4 Contraception and Sexual Health (CaSH) clinics which offer a full range of contraception and sexually transmitted infection (STI) services (2 of which are targeted at under 25s) – (46,760 attendances in 2015/16)
- A specialist GUM clinic at the Waldron (5,176 attendances in 2015/16)
- A website [www.checkyourself.org.uk](http://www.checkyourself.org.uk) offering chlamydia and gonorrhoea screening for 16-24 year olds (886 screens in 2015/16)
- GPs providing contraception, condoms, pregnancy testing, HIV testing and STI testing and treatment
- Pharmacies providing free emergency contraception and chlamydia and gonorrhoea screening.

6.3.4 Lewisham sexual health services are used by residents of neighbouring boroughs (with the exception of GP services which are limited to their registered patients), and Lewisham residents also access services in other boroughs.

6.3.5 Only the GUM elements of cross border flows are currently cross charged (online services are billed to the borough of residence). The CaSH contract is negotiated annually as a fixed contract value between Lewisham and Greenwich NHS Trust and the Council. The value of CaSH element of this

contract in 2016/17 will be £3.2m. The value of GUM across is likely to be £2.5M, but is dependent on activity levels. In 2015/16 The Lewisham and Greenwich NHS Trust GUM element was £0.5M.

### **6.3.6 Case for Change**

6.3.7 In London there has been significant growth in GUM activity over the last 5 years. This has been driven by a young and increasingly diverse London population, with high rates of STIs and increased demand for services. Between 2014/15 and 15/16 Lewisham saw a 22% rise in GUM activity.

6.3.8 Due to the nature of the cross charging arrangements for GUM, individual boroughs are unable to manage demand and therefore costs of sexual health services independently of other London boroughs. Lewisham residents access specialist Sexual Health (GUM) services across London including in central London clinics at Guys and St Thomas's, Kings College Hospital and Chelsea and Westminster NHS FT as well as local provision provided by Lewisham and Greenwich NHS Trust.

6.3.9 The increase in demand for services combined with the reduction in the public health grant has led to collaboration across London on sexual health commissioning and the development of the London Sexual Health Transformation Programme. The programme sets out a case for change and a new model for sexual health services. An overview of these proposals was brought to Mayor and Cabinet (contracts) on 21 October 2015.

### **6.3.10 Proposals**

6.3.11 The key components of the new London service model are:

- Increase existing online STI testing and sexual health information offer
- Increase in primary care pharmacy and GP sexual health service provision
- Reduction in the number of highly specialised services across London achieved through improving access to STI testing for patients without symptoms
- Use of Integrated Sexual Health Tariff to finance for sexual health services.

6.3.12 One of the mechanisms to deliver savings across the sexual health system in London is the introduction of an integrated sexual health tariff (ISHT). This changes the way local authorities pay for sexual health services. It will remove the fixed contract value arrangement for CaSH services and the NHS tariff for GUM, and replace it with a sexual health tariff which can be cross charged between boroughs. The integrated sexual health tariff reflects the actual costs of delivering the patient care rather than an estimated crude average cost. This is a fairer way of paying providers for the services they deliver.

6.3.13 An example of how this might work is as follows:

A 20 year old female would like a chlamydia and gonorrhoea STI screen:  
Currently the cost of this would vary depending where she goes to be screened:

- In a Lewisham CaSH service this would cost around £67
- In a specialist GUM service e.g. Dean Street or Burrell Street this would cost £157
- Online through [www.checkyourself.org](http://www.checkyourself.org) this would cost around £16
- Under ISHT this would cost £48.57

In the first scenario Lewisham would be paying for the cost of the service regardless of whether the service user was a Lewisham resident. Under the ISHT (and the current GUM and online provision) her borough of residence would be charged for this service.

6.3.14 The 2015/16 projected spend for sexual health (GUM and CaSH) elements was £6.35M. The ISHT was modelled and showed an estimated charge for the same activity of £5.69M (10% reduction) in costs. Based on some projections and further refinement to the ISHT it has been estimated that this may save Lewisham Council £0.5M in 2017/18. A considerable amount of due diligence and further audit has been carried out to try and ensure that the financial risk to commissioners is minimal.

6.3.15 As part of the recommissioning of sexual health services across London there is broad agreement that this (IHST) will be the payment mechanism for sexual health services from 1<sup>st</sup> April 2017. This change should have no impact on service users or service delivery. The new arrangement will be built into contracts from the 1<sup>st</sup> April 2017. This decision was delegated to officers at 21 October 2015 Mayor and Cabinet (contracts).

6.3.16 Lewisham is part of the SE London Sub region for the London Sexual Health Transformation Programme. The Lambeth Sexual Health Commissioning Team are working with existing NHS providers on the redesign of clinical services. The next step of this process is procurement of sexual health services for the SE London sub region will be undertaken over the next 6 months.

#### 6.3.17 **Consultation to date**

6.3.18 As part of the London Sexual Health Transformation Programme a number of consultation and engagement exercises have been undertaken. These include:

- A clinic user survey across 12 London GUM clinics including the central London clinics most frequently used by Lewisham residents (Feb 2015).

- Sexual Health clinician engagement events to inform the model of service provision
- A Clinical steering group to inform the development of the service specification, which includes expert clinical input from sexual health professional bodies.

6.3.19 There has been some local engagement on likely future service models including:

- Survey of Lewisham sexual health clinic users
- Public Health attending Lewisham and Greenwich NHS Trust Sexual Health Services staff meeting to discuss London Sexual Health Transformation Programme proposals
- Local SE London provider/ commissioner transformation meetings

### 6.3.20 **Planned Consultation**

6.3.21 The local proposals being consulted on are:

- Increased use of home testing/self-sampling for sexually transmitted infections through an online service
- Increased and more comprehensive offer of contraception and STI testing services offered by community pharmacies and GPs
- Service user and public views on the provision of specific services for young people (under 25).

6.3.22A 6 week public consultation on proposals for sexual health services redesign has recently concluded in Lambeth and one is currently underway in Southwark. A similar exercise is being planned for Lewisham. Activities include:

- online questionnaire
- public meetings
- service users meetings and surveys
- provider and network meetings.

6.3.23 Following this consultation, a report with options and recommendations for commissioning across SE London will be taken through the LSL Sexual Health Commissioning Board. Once the final service model is agreed across SE London, Lewisham will undertake a procurement exercise either in partnership with Lambeth and Southwark, or independently depending on the outcomes and recommendations of the final commissioning report.

6.3.24 The SE London service model will be subject to further consultation and engagement with local partners. This would include as a minimum, service users, providers, GPs and pharmacists and their representative organisations, Lewisham and other SE London CCGs.

6.3.25 The authority to award the contract for new GUM and CaSH services was delegated to the Director for Resources and Regeneration at the Mayor and Cabinet (Contracts) meeting of 21 October 2015.

#### 6.3.26 Timetable

<b>Sexual Health Consultation/Procurement Timetable</b>
Consultation plans to healthier communities select committee 28/6/16
Consultation approval at Mayor & Cabinet 13/7/16
Approved further consultation starts w/b 18/7/16
Consultation outcome to healthier select 13/9/16
Mayor & Cabinet for approval to procure 28/9/16
Develop final specification and service model 14/10/16
Agree final specification and service model 21/11/16
Officer delegated Contract Award 7/12/16
Potential overview and scrutiny 21/12/16
Mobilisation (and any TUPE) for service start 1/4/17

## 6.4 Substance Misuse

6.4.1 Substance (drug and alcohol) misuse provision differs from other aspects of this paper in that it has been commissioned by the local authority since 2000 and did not form part of the Public Health transfer in 2012

6.4.2 The commissioning and procurement of these services has been undertaken several times during that period with Mayor and Cabinet agreeing the current contracting arrangements in 2009 and 2014

6.4.3 The Public Health grant contributes £4,402,100 to the overall treatment budget of £4,913,100 for 2016/17, with a further £511,000 coming from the Mayor's Office for Policing and Crime (MOPAC) in recognition of the links between substance misuse and crime. At the time of writing it is unclear whether MOPAC funding will be available from 2017/18. This report therefore outlines proposals for a £500,000 saving should MOPAC funding be retained, and a £1,011,000 saving should this cease.

6.4.4 The vast majority of the services are provided by charities who work with the council to align with the ambition of Public Health England (PHE) to reduce health inequalities and the Government's Drug and Alcohol Strategies to increase the number of individuals recovering from addiction. This partnership works to reduce drug and alcohol related offending as it is well demonstrated that cessation of drug use reduces re-offending significantly. This in turn will

have benefits to a range of wider services and will help reduce harm in local communities.

6.4.5 In order to develop savings proposals regarding these services officers have undertaken significant activity to ensure that the remaining resources are correctly targeted and dedicated to meeting agreed priorities.

6.4.6 This has included the development of a detailed Joint Strategic Needs Assessment (JSNA) to establish the overall trends in local and national data, as well as examining performance data which gives an up to date picture of the activity with the local services. The development of the JSNA also included consultation with local stakeholders as well as a range of service user feedback. The full substance misuse JSNA is attached as appendix 5.

6.4.7 The findings of this work formed the basis of further consultation with service users and a range of stakeholders including:

- Public Health England
- Lewisham Clinical Commissioning Group
- Police
- National Probation Service
- Community Rehabilitation Company
- Lewisham Service User Council
- LB Lewisham Departments – Customer Services/Children and Young People

#### 6.4.8 **Proposal:**

In light of findings from the JSNA, current performance data and service user views officers are recommending two scenarios subject to available funding. Overall these scenarios are intended to protect resources within the core and complex treatment service and the primary care service for both drug and alcohol users. These core services form the backbone of treatment services and offer economies of scale as well as significant resource to provide crucial clinical governance infrastructure required for high risk treatment work and links to the broader health service. The broad assumption is that it would be more effective to bolster these services to mitigate for the loss of smaller services rather than apply salami slice reductions across all services. The details of the scenarios are explored below:

Scenario A – MOPAC funding retained:

- Reduced investment in YP services due to poor levels of engagement and value for money.
- Decommissioning the REaL service due to poor levels of engagement and the existence of a significant pattern of mutual aid provision in the borough

- Increase investment in the PCRS service to create a mutual aid coordination role
- Re-procurement of the core contract with increased investment to recognise the increased demands from 18 – 25 year olds and the need for outreach to minority communities. The service would retain an IOM element although this would be remodelled
- A reduction in the commissioning team and general staffing overheads

#### Scenario B – MOPAC funding withdrawn

- Reduced investment in YP services due to poor levels of engagement and value for money.
- Decommissioning the REaL service due to poor levels of engagement and the existence of a significant pattern of mutual aid provision in the borough
- Increase investment in the PCRS service to create a mutual aid coordination role
- Re-procurement of the core contract with decreased investment. The service would no longer contain an IOM element but retain the capability to support court issued treatment orders
- A reduction in the commissioning team and general staffing overheads
- A reduction in the funding available for residential rehabilitation

#### 6.4.9 *Reduced investment in YP services due to poor levels of engagement and value for money (Scenario A and B)*

- Despite increased investment from April 2015 the Young Persons service has failed to attract significant numbers of YP into treatment with the latest performance figures confirming a long term picture highlighted in the needs assessment. Current data shows that there has been a sharp decline in young people accessing drug services nationally.
- The increase in the upper age limit to 25 has also had little effect with only 37 over 18s and 46 over 21 year olds accessing the service during 2015/16
- The majority of the clients who do access the service do so for cannabis and alcohol use and the issues are often ‘broadly social’ rather than linked to a physical addiction
- In order to mitigate the impact of this closure officers are recommending that £200,000 be ring-fenced for investment to enhance the specialism in a new specialist 1:1 support service for secondary school age children, to be commissioned jointly with CYP as outlined above. This would allow for greater integration of drug and alcohol treatment with other services such as sexual health in order to focus on a range of risk factors. The service will deliver a range of interventions from training to direct support and would include closer liaison with schools and other educational services.

- Due to changing nature of substance misuse for young people (New Psychoactive Substances, Club Drugs etc.) and the limited uptake of the current offer the new service will need to ensure that it is fully integrated with other service offers and develops modern and responsive engagement techniques e.g. phone apps, Whatsapp groups and video appointments. We must have a flexible community delivery model, able to deliver at a range of venues dependant on the need of the young person. This should include the YOS, schools, home and other community venues.
- A dedicated resource should be made available to particular priority groups such as the Youth Offending Service and Looked after Children with a focus on one to one psychosocial interventions
- Officers are recommending that investment in core contracts is increased to cope with any demand from the 18-25 who would become eligible for the service.

6.4.10 It is important to note that this recommendation is no reflection of the quality of the work of Lifeline, who have delivered excellent interventions since the start of the service, but mirrors national patterns of YP drug use and service engagement.

6.4.11 *Decommissioning the REaL service due to poor levels of engagement and the existence of a significant pattern of mutual aid provision in the borough (Scenario A and B):*

- The needs assessment is relatively silent on the impact of aftercare but the most recent performance data shows that despite increased investment from April 2015, only 156 clients had accessed the service during 2015/16 and at the end of April 2016 there were 54 clients actively engaged within the service, 41 for alcohol recovery and 13 for drug recovery. This is against the 2015/16 Key Performance Indicator of 350 new starts.
- Given the level of saving required the service is not considered to represent sufficient value for money.
- Officers are confident that the needs of those leaving treatment can effectively be met through the comprehensive network of mutual aid groups in the borough – see table below. Mutual aid is typically provided outside formal treatment agencies and is one of the most commonly travelled pathways to recovery. Mutual aid groups come in different types, with the most widely provided being based on 12-Step principles, for example Narcotics Anonymous and Cocaine Anonymous. Other forms include SMART Recovery and locally derived peer support networks.
- Officers are recommending increased resource be made available to the Primary Care Recovery Service (PCRS) in order to build capacity and create an environment where these mutual aid services can

flourish in line with the community development charter and workstreams.

### Mutual Aid currently available in Lewisham

Monday:	NA	11am	New Direction 410 Lewisham high street SE13 6LJ
	NA	7pm	Deptford Salvation Army MaryAnn Gardens SE8 3DP
	AA	4.30pm	Goldsmith College Lewisham Way SE14 6NW
	AA	8pm	All Saints Community Centre 105 New Cross Road, SE14 5DJ
Tuesday:	AA	6pm	New Direction 410 Lewisham High St SE13 6LJ
	NA	1pm	PCRS Blenheim CDP 55 Dartmouth Road, SE23 3HN
	NA	6pm	PCRS Blenheim CDP (Women's Meeting) 55 Dartmouth Road, SE23 3HN
	AA	8pm	The Grove Centre 2 Jews Walk, SE26 6JL
	AL-NON	12pm	The Crypt, St Mary the Virgin Church 346 Lewisham High Street, SE13 6LE
Wednesday:	NA	11am	PCRS Blenheim CDP 55 Dartmouth Road, SE23 3HN
	NA	7.30pm	Forest Hill Methodist Church Normanton Street, SE23 2DS
	AA	8.15pm	Telegraph Hill Centre Kitto Rd SE14 5TY
	AA	12pm	The Crypt, St Mary the Virgin Church 346 Lewisham High St, SE13 6LE
Thursday	SMART	7.30 pm	'Friends & Families' New Directions 410 Lewisham High St, SE13 6LJ
	AA	8pm	Trinity United Reformed Church Stanstead Road, SE6 4XE
	AA	1pm	St Andrews United Reformed Church Wickham RD SE4 2SA
	AA	7.15pm	Armada Court Community Hall 21 McMillan St, SE8 3EZ
Friday	NA	6pm	New Direction 410 Lewisham high street SE13 6LJ
	AL-NON	8pm	Friends Meeting House 34 Sunderland Road, SE23 2QA
Saturday:	NA	6pm	New Direction 410 Lewisham High St SE13 6LJ
	AA	9.30pm	New Testament Church of God 141 Newland Park SE26 5PP
	AA	1pm	St Marys Community Centre 69 Brockley Rise SE23 1JN
	AA	7.45pm	St James Hatcham Church St James's, London, SE14 6AD
Sunday	CA	9am	PCRS Blenheim CDP 55 Dartmouth Road, SE23 3HN
	AA	6pm	St Saviours Church 175 Lewisham High St, London SE13 6AA
	AA	7.30pm	Kings Church Catford Hill, London SE6 4PS
	AA	11am	Armada Court Community Hall 21 McMillan St, SE8 3EZ

\* This is not an exhaustive list – further work is required to fully understand the existing provision.

6.4.12 As with the YP service this recommendation should not be taken as comment on the quality of the work delivered by REaL but rather a reflection of the budgetary pressures facing the authority and the fact that the borough is fortunately very well serviced by mutual aid groups.

6.4.13 *Increase investment in the PCRS service to create a community development role.* These coordinators would be based within the existing hubs and work across all 4 neighbourhoods. Part of this work would be to coordinate community development across the borough. (*Scenario A and B*):

- NICE clearly recommends that the benefits of these groups can be further enhanced if keyworkers and other staff in services facilitate contact with them, for example by making an initial appointment, arranging transport or possibly accompanying patients to the first meeting and dealing with any subsequent concerns. These interventions can be of benefit to a wide range of people at different levels of the care and treatment system. As such officers are recommending increased investment in the PCRS to deliver this support.
- It is important that this coordination function focuses attention on the south of the borough where provision is currently limited.

6.4.14 *Re-procurement of the core contract with increased investment to recognise the increased demands from 18 – 25 year olds, the need for BME outreach and to increase the offer for women.* The re-tendering of the Core Adult Contract is necessary under procurement rules as it has not been tendered since 2010 and will be subject to a competitive tender during 2016/17 with the new contract in place by 1<sup>st</sup> April 2017. Given the complexity of the clients seen by the core service no reduction in service provision is recommended with key features such as:

- Hospital Liaison Service - due to increasing numbers of hospital related admissions, particularly due to alcohol misuse
- Outreach Team – increase investment to target hard to reach groups and improve Lewisham’s low penetration rate
- Dual Diagnosis – increase investment due to the increased complexities within this cohort.
- Harm reduction links to be maintained including BBV vaccination and testing, Needle exchange provisions and the continuation with the naloxone programme (Naloxone is a medication called an “opioid antagonist” used to counter the effects of opioid overdose, for example morphine and heroin overdose)
- Increased investment is recommended to deal with the 18-25 cohort currently seen within the YP service who may need to be absorbed into the core contract
- Increased investment would also be targeted at specific outreach projects to increase the number of BME residents accessing the service
- The service would be commissioned to increase the differential in the offer for women in response to service user feedback.

- The Integrated Offender Management (IOM) service would be retained and funded via MOPAC but would be remodelled to increase its effectiveness
- The homeless pathway post retained and links to housing providers prioritised
- The service will work with sexual health service providers to understand the impact legal highs and or club drugs have on sexual health and Men who have Sex with Men (MSM), as they are more likely to use recreation drugs and participate in poly-drug use, and not access mainstream treatment provisions.
- The service will ensure that it is informed on a range of developments including models for violence prevention. Evaluation has shown that using such models enhances the effectiveness of targeted policing and local authority effort.

*6.4.15 Re-procurement of the core contract with decreased investment. The service would no longer contain an IOM element but retain the capability to support court issued treatment orders (Scenario B only)*

- The service would be re-commissioned as above but with the removal of the majority of the IOM service
- This would mean no presence in police custody suites or prison settings and only a minimal resource available for assessing for/and delivering court treatment requirements.

*6.4.16 A reduction in the commissioning team and general staffing overheads (Scenario A and B)*

- Given the level of savings required it is important that the local authority commissioning function is considered as part of the savings proposals
- Posts that are currently being held vacant will be deleted and a wider restructure will deliver further efficiencies including greater joint work with other authorities

*6.4.17 A reduction in the funding available for residential rehabilitation (Scenario B only)*

- Should MOPAC funding be withdrawn it will be necessary to reduce the level of funding available for residential rehabilitation to create the resource required to maintain core services that would otherwise be lost
- It is anticipated that this loss of capacity could be absorbed through more effective use of community detoxification for alcohol clients but this would need to be closely monitored to ensure that those that needed residential treatment were still able to access it.

6.4.18 **Consultation Plan:** given the level of consultation already undertaken regarding these changes it is not proposed that further activity is specifically focused in this area. This is due to the following factors:

- Service users views have been sought using a range of means and proposals have been endorsed by the local Service User organisation
- All relevant stakeholders have been consulted and have endorsed the proposals
- Changes to provision for young people will be covered in the consultation activity regarding the new specialist 1:1 support service for secondary school age children outlined above
- Services delivered by GPs and Pharmacies will be unaffected
- Services delivered in partnership with GPs will be unaffected
- The main health interfaces within the core service will be either unaffected or strengthened
- Overall the changes are not considered to be a substantial variation

#### 6.4.19 Timetable

<b>Substance misuse services timetable</b>	
Consultation plans to healthier communities select committee	28/6/16
Approval to tender at Mayor & Cabinet	13/7/16
Potential overview & scrutiny	26/7/16
Issue tender documentation	1/8/16
Tender evaluation w/b	24/10/16
Evaluation interviews w/b	7/11/16
Award Mayor & Cabinet (contracts)	7/12/16
Potential overview and scrutiny	21/12/16
Mobilisation (and any TUPE) for service start	1/4/17

## 7 Procurement Arrangements

7.1 The proposed activity on which the Council is consulting would necessitate a range of procurement activity.

7.2 Overall procurement summary timeline

	2015	2016								2017			
	Sept '15 to May '16	June	July	Aug	Sept	Oct	Nov	December	Jan	Feb	March	April 1st	
Substance misuse	Consultation to date	Approval	Further Consultation	Approval	Procurement	Approval	Award	Mobilisation	New services start				
Sexual Health													
health visiting and school nursing													
Preventative health services													

## **8. Financial Implications**

- 8.1 The consultations outlined in this report are on activity to realise the savings agreed by Mayor & Cabinet on September 30th 2015 and to balance the reduction to the Public Health grant announced in the annual spending review. The proposals would achieve a balanced budget in 2017/18 but would leave an estimated overspend of £1.5m on Public Health budgets in 2016/17.

## **9. Legal Implications**

- 9.1 The Health and Social Care Act 2012 (“the Act”) sets out the Council’s statutory responsibilities for public health services. The Act conferred new duties on the Council to improve public health. The Council has a duty to take such steps as it considers appropriate for improving the health of people in its area.
- 9.2 Under the Local Authority (Public Health, Health and Wellbeing Boards and Health Scrutiny) Regulations 2013 (“the Regulations”), where the Council has under consideration any proposal for a substantial development of health services or substantial variation in the provision of such service the Council must undertake a formal consultation process, including, In Lewisham’s case, the Overview and Scrutiny Committee where the statutory scrutiny role for health functions lies. Any consultation carried out by the Council must be carried out at a formative stage, with sufficient reasons to allow intelligent consideration and response, adequate time to consider and respond and responses must be given conscientious consideration when making a decision.
- 9.3 Since the Council has been responsible for the exercise of certain public health duties, by virtue of s242 (1B) of the NHS Act 2006, as amended by the 2007 Local Government and Public Health Act, each relevant English body responsible for Health services must make arrangements with respect for those health services for which it is responsible, to ensure that users of those services, directly or through representatives, and whether by consultation or by being provided with information, or in other ways, are involved in:-
- 1.The planning and provision of those services
  - 2.The development and consideration of proposals for change in the way those services are provided and
  3. Decisions to be made affecting the operation of those services.

1 and 2 must be observed when there are proposals being made which would have an impact on the manner of service delivery to users of the service, or the range of health services available to those users

Guidance on the s242 duty sets out the principles of the involvement. This must be that it is clear, open and transparent, accessible, inclusive, responsive, sustainable, proactive and focussed on improvement

Different methods of involvement are suggested, depending upon the nature of the proposal and the community affected - so this may include focus groups, interviews, questionnaires, leaflets etc and formal consultation.

The Local Authority must correctly identify the people who should be involved as this is crucial to effective engagement.

All of the guidance makes it clear that the information and engagement dialogue is and should be ongoing.

- 9.4 In addition, the duty to consult the community may well arise separately from the " usual conduct " of any particular Local Authority, and its usual approach to service changes. The Health consultation duties do not add any extra issues to those which must already be considered in scoping an effective consultation strategy, which should be adequate in time and content and appropriate to the scale of the issue being considered. In Lewisham we also have a history of proper consultation when considering service changes, Recent caselaw also provides further guidance on the scope of lawful consultation and the requirements upon Local Authorities necessary to meet it.
- 9.5 The Equality Act 2010 (the Act) introduced a new public sector equality duty (the equality duty or the duty). It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 9.6 In summary, the Council must, in the exercise of its functions, have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
  - advance equality of opportunity between people who share a protected characteristic and those who do not.
  - foster good relations between people who share a protected characteristic and those who do not.
  -
- 9.7 The duty continues to be a "have regard duty", and the weight to be attached to it is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations.

- 9.8 The Equality and Human Rights Commission has recently issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled “Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice”. The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at: <http://www.equalityhumanrights.com/legal-and-policy/equality-act/equality-act-codes-of-practice-and-technical-guidance/>
- 9.9 The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:
1. The essential guide to the public sector equality duty
  2. Meeting the equality duty in policy and decision-making
  3. Engagement and the equality duty
  4. Equality objectives and the equality duty
  5. Equality information and the equality duty
- 9.10 The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at: <http://www.equalityhumanrights.com/advice-and-guidance/public-sector-equality-duty/guidance-on-the-equality-duty/>

## **10. Crime and Disorder Act Implications**

- 10.1 Section 17 of the Act of the Crime and Disorder Act recognises that there are key stakeholder groups who have responsibility for the provision of a wide and varied range of support services to and within the community. In carrying out these functions, section 17 places a duty on partners to do all they can to reasonably prevent crime and disorder in their area.
- 10.2 The purpose of section 17 is simple: the level of crime and its impact is influenced by the decisions and activities taken in the day-to-day of local bodies and organisations. The responsible authorities are required to provide a range of services in their community. Section 17 is aimed at giving the vital work of crime and disorder reduction a focus across the wide range of local services and putting it at the heart of local decision-making.

10.3 The Government's recent Modern Crime Strategy highlighted drugs and alcohol of 2 of the 6 major drivers of crime in Britain with the social and economic cost of drug use and supply to society is estimated to be £10.7billion of which about £6 billion is attributable to drug-related crime. 45% of acquisitive offences (c. 2 million offences) are thought to be committed by heroin and/or crack users. The delivery of efficient substance misuse services is key to fighting crime in the borough as services to treat addictions are widely recognised as the most effective route to tackling associated crime and disorder issues.

## **11. Equalities Implications and human rights**

11.7 The consultations outlined in this report are designed to gather a wide range of views across the borough to inform the development of an Equalities Analysis Assessment of procurement proposals for delivery on April 1<sup>st</sup> 2017, which will be reported to Mayor & Cabinet on the 24<sup>th</sup> of September 2016.

## **12. Environmental Implications**

12.1 There are no environmental implications.

## **13 Conclusion**

13.1 This report lays out a range of consultation activity on proposals to realise the savings agreed by Mayor & Cabinet on September 30<sup>th</sup> 2015, and to balance the reduction to the Public Health grant announced in the 2015 spending review. The report seeks Mayor & Cabinet approval to conduct this consultation activity.

13.2 Consultation will be carried out in the different areas as laid out in section 6, and the outcomes will be reported to the Healthier Communities Select Committee on the 13<sup>th</sup> of September 2016 before proposals are taken to Mayor & Cabinet 24<sup>th</sup> September 2016.

## **Appendix 1: Lewisham's 9 health and wellbeing priorities**

1. achieving a healthy weight
2. increasing the number of people who survive colorectal, breast and lung cancer for 1 and 5 years
3. improving immunisation uptake
4. reducing alcohol harm
5. preventing the uptake of smoking among children and young people and reducing the numbers of people smoking
6. improving mental health and wellbeing
7. improving sexual health
8. delaying and reducing the need for long term care and support.
9. reducing the number of emergency admissions for people with long-term conditions.

## Appendix 2: Allocation of the Public Health grant for 2016/17

PH service area	Includes	value	grant %
CHILDREN 5-19 PUBLIC HEALTH PROGRAMMES	mental health promotion, sexual health education	£40,000	0.2%
HEALTH PROTECTION	immunisation, child death review	£85,992	0.3%
SEXUAL HEALTH	local clinics, prescribing , GUM, sexual health promotion	£6,257,270	24.4%
SUBSTANCE MISUSE	core & YP treatment service, rehab, medication, GPs, aftercare	£4,402,000	17.2%
NHS HEALTH CHECK PROGRAMME	Healthchecks, health improvement training	£420,238	1.6%
OBESITY	nutrition, vitamin D, breastfeeding	£463,800	1.8%
PHYSICAL ACTIVITY	Physical activity programmes	£70,800	0.3%
OTHER PUBLIC HEALTH SERVICES	CHIS, Area programmes, administration	£739,408	2.9%
PRESCRIBING	smoking medication, LARC, GP substance use medication	£373,256	1.5%
MEASUREMENT PROGRAMME	health visiting & school nursing	£8,910,238	34.8%
PUBLIC HEALTH ADVICE	support to CCG	£60,000	0.2%
PUBLIC HEALTH STAFFING TEAM	staff	£1,097,740	4.3%
SMOKING AND TOBACCO	smoking service, tobacco control	£473,738	1.9%
<b>total 16/17 allocated services spend</b>		<b>£23,394,480</b>	<b>91%</b>
<b>Corporate Reallocations</b>			
	LEISURE	£400,000	
	CHILDREN'S CENTRE	£550,000	
	HOMELESSNESS	£245,000	
	VAWG	£400,000	
	FOOD & SAFETY	£187,000	
	ENVIRONMENTAL PROTECTION	£77,000	
	CAMHS	£313,000	
	BENEFITS ADVICE	£200,000	
	ADULT CARE: PREVENT ISOLATION	£750,000	
	NEW 16-17 REALLOCATION	£557,000	
<b>Total 16/17 corporate reallocation</b>		<b>£3,679,000</b>	<b>14%</b>
<b>total allocated spend against PH grant</b>		<b>£27,073,480</b>	<b>106%</b>

## Appendix 3: Public Health Outcomes Framework 2016-19

VISION
To improve and protect the nation's health and wellbeing and improve the health of the poorest fastest
<b>Outcome measures</b>
Outcome 1) Increased healthy life expectancy, i.e. taking account of the health quality as well as the length of life
Outcome 2) Reduced differences in life expectancy and healthy life expectancy between communities (through greater improvements in more disadvantaged communities)

### Alignment across the Health and Care System

- \* Indicator shared with the NHS Outcomes Framework
- \*\* Complementary to indicators in the NHS Outcomes Framework
- † Indicator shared with the Adult Social Care Outcomes Framework
- †† Complementary to indicators in the Adult Social Care Outcomes Framework

## Public Health Outcomes Framework 2016–2019 At a glance

1 Improving the wider determinants of health
<b>Objective</b>
Improvements against wider factors which affect health and wellbeing and health inequalities
<b>Indicators</b>
1.01 Children in low income families
1.02 School readiness
1.03 Pupil absence
1.04 First time entrants to the youth justice system
1.05 16-18 year olds not in education, employment or training
1.06 Adults with a learning disability / in contact with secondary mental health services who live in stable and appropriate accommodation* (ASCOF 1G and 1H) *(NHSOF 2.5ii)
1.07 Proportion of people in prison aged 18 or over who have a mental illness
1.08 Employment for those with long-term health conditions including adults with a learning disability or who are in contact with secondary mental health services *(i-NHSOF 2.2) ††(ii-ASCOF 1E) *(iii-NHSOF 2.5i) †† (iii-ASCOF 1F)
1.09 Sickness absence rate
1.10 Killed and seriously injured casualties on England's roads
1.11 Domestic abuse
1.12 Violent crime (including sexual violence)
1.13 Levels of offending and re-offending
1.14 The percentage of the population affected by noise
1.15 Statutory homelessness
1.16 Utilisation of outdoor space for exercise / health reasons
1.17 Fuel poverty
1.18 Social isolation † (ASCOF 1f)

2 Health improvement
<b>Objective</b>
People are helped to live healthy lifestyles, make healthy choices and reduce health inequalities
<b>Indicators</b>
2.01 Low birth weight of term babies
2.02 Breastfeeding
2.03 Smoking status at time of delivery
2.04 Under 18 conceptions
2.05 Child development at 2 – 2 ½ years
2.06 Child excess weight in 4-5 and 10-11 year olds
2.07 Hospital admissions caused by unintentional and deliberate injuries for children and young people under 25
2.08 Emotional well-being of looked after children
2.09 Smoking prevalence – 15 year olds
2.10 Self-harm
2.11 Diet
2.12 Excess weight in adults
2.13 Proportion of physically active and inactive adults
2.14 Smoking prevalence – adults (over 18s)
2.15 Drug and alcohol treatment completion and drug misuse deaths
2.16 Adults with substance misuse treatment need who successfully engage in community-based structured treatment following release from prison
2.17 Estimated diagnosis rate for people with diabetes mellitus
2.18 Alcohol-related admissions to hospital
2.19 Cancer diagnosed at stage 1 and 2*(NHSOF 1.4v 1.4vi)
2.20 National Screening Programmes
2.22 Take up of the NHS Health Check programme – by those eligible
2.23 Self-reported well-being
2.24 Injuries due to falls in people aged 65 and over

3 Health protection
<b>Objective</b>
The population's health is protected from major incidents and other threats, whilst reducing health inequalities
<b>Indicators</b>
3.01 Fraction of mortality attributable to particulate air pollution
3.02 Chlamydia diagnoses (15-24 year olds)
3.03 Population vaccination coverage
3.04 People presenting with HIV at a late stage of infection
3.05 Treatment completion for TB
3.06 Public sector organisations with board approved sustainable development management plan
3.08 Antimicrobial Resistance

4 Healthcare public health and preventing premature mortality
<b>Objective</b>
Reduced numbers of people living with preventable ill health and people dying prematurely, whilst reducing the gap between communities
<b>Indicators</b>
4.01 Infant mortality* (NHSOF 1.6i)
4.02 Proportion of five year old children free from dental decay** (NHSOF 3.7i)
4.03 Mortality rate from causes considered preventable ** (NHSOF 1a)
4.04 Under 75 mortality rate from all cardiovascular diseases (including heart disease and stroke)* (NHSOF 1.1)
4.05 Under 75 mortality rate from cancer* (NHSOF 1.4)
4.06 Under 75 mortality rate from liver disease* (NHSOF 1.3)
4.07 Under 75 mortality rate from respiratory diseases* (NHSOF 1.2)
4.08 Mortality rate from a range of specified communicable diseases, including influenza
4.09 Excess under 75 mortality rate in adults with serious mental illness* (NHSOF 1.5i)
4.10 Suicide rate** (NHSOF 1.5ii)
4.11 Emergency readmissions within 30 days of discharge from hospital* (NHSOF 3b)
4.12 Preventable sight loss
4.13 Health-related quality of life for older people
4.14 Hip fractures in people aged 65 and over
4.15 Excess winter deaths
4.16 Estimated diagnosis rate for people with dementia † (NHSOF 2.6)



To: Local Authority Chief Executives  
Cc: Directors of Public Health

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PHE Gateway Number: 2015-502

27 November 2015

Dear everyone

### **Spending Review**

I wanted to write to you following Wednesday's Spending Review announcement about the public health grant to share my thoughts on what this means for the next five years.

First, as anticipated, there will be a reduction. The Chancellor talked about savings in the public health grant, which will be an average real terms saving of 3.9% each year to 2020/21. This translates into a further cash reduction of 9.6% in addition to the £200 million of savings that were announced earlier this year. From the baseline of £3,461m (which includes 0-5 commissioning and takes account of the £200m savings) the savings will be phased in at 2.2% in 16/17, 2.5% in 17/18, 2.6% in each of the two following years, and flat cash in 20/21.

Cuts are never welcome, and this is by no means the only challenge that local authorities face. However, you and your colleagues have already proved that you are capable of managing reductions on this scale. I am confident that you will find ways of continuing the very real progress of the past three years in protecting and improving the public's health and in working to reduce health inequalities.

We do not yet know the implications for individual local authorities. This will depend on decisions about the funding formula, on which the Department of Health has consulted on behalf of ACRA and the political decision on pace of change (how fast we move from historic spend to the formula based target shares). My advice to the Government throughout has been to prioritise stability and certainty for the next two years and concentrate on getting the arrangements right for the transition to full funding through business rates. I believe this reflects what your colleagues have told me on my visits to local authorities across the country.

The Spending Review made a number of further commitments including:

- a commitment to retain the public health grant for 16/17 and 17/18 in order to complete the transition of 0-5s and to work through what we will all need in a world without a ringfence.
- a clear signal that the public health grant will be replaced as we move to a model based on retained business rates. The detail of how this will work needs to be worked through and will be subject to full consultation. We will obviously be keen to ensure that any redistribution mechanism reflects health need and does not exacerbate health inequalities.

- the Government is not proposing to change the statutory prescribed functions for local authorities for 16/17. It is right that local government is trusted to make the best decisions about how to use the resources available.

As you know, improving the public's health is about so much more than services secured through the public health grant – it is about jobs, decent housing, a safe environment and companionship. Following the Spending Review, we can work together to build a far wider programme of action on prevention and improving health and wellbeing, including:

- the settlement for the NHS fully funds the Five Year Forward View, and its commitment to getting serious about prevention.
- understanding how we can best use the additional £1.5 billion invested in the Better Care Fund to maximise system-wide efforts to prevent the preventable.
- the importance of Government action, and in particular action on childhood obesity, is signalled. As you know, PHE have provided clear evidence on how we could reduce sugar consumption. We are now working with the Department of Health to produce an effective Childhood Obesity Strategy.
- the importance of work to health. The provision of new national funds to develop approaches to help people with health problems get back to work speaks to an agenda that I know is important to all of you.
- developing a place-based approach to NHS planning; the planning round for 16/17 and beyond will move to a place-based approach and properly engage local authorities in the decisions about future health services.
- the Government's commitment to real and meaningful devolution provides opportunities for local authorities to join up public services to address the real problems in our communities.

You will be considering the impact of the Spending Review for your authority. I am clear that we have the basis for making a real difference to the public's health in the coming years. I do not underestimate the challenges, but they are nothing to what you have already shown you are capable of.

PHE stands ready to help in whatever way we can.

Best wishes

Yours sincerely

A handwritten signature in black ink, appearing to read 'Duncan Selbie'. The signature is written in a cursive, flowing style.

Duncan Selbie  
Chief Executive

# **Adult and Young Peoples Substance Misuse Needs Assessment 2016**

**Completed by the Prevention, Inclusion and  
Public Health Team - April 2016**

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## WHAT DO WE KNOW?

### 1.0 Introduction

This needs assessment forms part of the Lewisham Joint Strategic Needs Assessment (JSNA) and informs the implementation of the Health and Wellbeing strategy and the Drug and Alcohol delivery plans. It provides an up-to-date picture about alcohol and drug related harm in Lewisham and suggests how it can be addressed. It allows Lewisham to demonstrate the effectiveness of the existing treatment system and highlights any gaps in treatment delivery, which prevent an individual from moving through and out of treatment and on to live a substance free life in the community.

This needs assessment was conducted between October 2015 and March 2016, by the Prevention and Inclusion Team (P&I) and Public Health, drawing on a variety of data sources.

Unless otherwise stated the needs assessment examines treatment data from 2014/15. Due to changes in treatment methodology (adults only) this report does not compare adult performance in 2014/15 with previous years, but looks at progress in Q2 2015/16.

### 2.0 Facts and figures

Alcohol and drugs use has a major impact on health, anti-social behavior, crime and other important social issues, including the well-being and development of children and young people.

According to the findings of the Drug Misuse Crime Survey 2014/15<sup>1</sup>:

- Around 1 in 12 (8.6%) adults aged 16 to 59 had taken an illicit drug in the last year. This equated to around 2.8 million people.
- Around 1 in 5 (19.4%) young adults aged 16 to 24 had taken an illicit drug in the last year. This proportion was more than double that of the wider age group, and equated to around 1.2 million people.
- Just over one-third (34.7%) of adults aged 16 to 59 had taken drugs at some point during their lifetime.

There is a wealth of information available regarding the prevalence and impact of drug and alcohol use including:

- An estimated 300,000 people are dependent on crack and/or heroin in England
- There are reports of an increasing use of other psychoactive substances ('legal highs') and image and performance enhancing drugs and a growing concern about dependence on prescribed and over the counter medicines
- Alcohol is the leading risk factor for deaths among men and women aged 15 to 49 in the UK and alcohol impacts on other public health outcomes
- Over 9 million people in the UK drink at levels harmful to their health, with 1.9m showing some signs of dependence

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<sup>1</sup> The Crime survey measures levels of drug use (only) in a national sample of 16 to 59 year olds. Figures refer to drug treatment in the last month and last year prior to interview, as well as drug use at any point in the respondents lifetime.

- Alcohol has been associated as a causal factor in over 60 conditions including liver disease, circulatory diseases, cancers and depression in those drinking at harmful levels and also those increasing risk drinkers
- Early deaths from liver disease are increasing. It is of concern that England has one of the highest death rates from liver disease in Western Europe and it is the only disease where the death rate among those under 65 has been rising.
- Drinking at higher risk levels increases the risk of alcohol-related disease. For example, the risk of liver disease is increased by 13 times and risk of coronary heart disease is increased by 1.7 times for men and 1.3 times for women.<sup>2</sup>
- An individual's drug use or dependence on drugs can significantly affect people around them including their family, friends, communities and society.
- An estimated one in three of the English treatment population has a child living with them at least some of the time.
- Presentations to treatment for opiates (all ages) have been falling over the last six years (55,494 to 44,356), reflecting the downward trend in prevalence of heroin use.
- Non-opiate-only clients had the highest rates of successful exits with almost two thirds (64%) completing treatment, followed by 61% of alcohol clients. Opiate clients had a completion rate of 30%.
- Sixty one percent of people who died while in contact with services in 2014-15 were opiate clients
- Overall numbers accessing treatment for alcohol have increased by 3% since 2009-10
- The estimated cost to the NHS of caring for an injecting drug user is £35,000 over their lifetime.
- Cannabis is the most common drug that young people, with more than four-fifths (86%) of young people in specialist services say they have a problem with this drug
- Alcohol is the next biggest problem substance with just over half the young people in treatment (51%) seeking help for its misuse during 2014-15.
- The number of deaths due to substance misuse over a seven year period from 2009 to November 2015 (latest data) was 183. Most of these (130 - 71%) were alcohol clients. Among those accessing treatment for drug use, there were 35 (19.1%) deaths, whilst deaths for substance misuser's dependant on a combination of both alcohol and drugs was 18 (9.8%) (Appendix 16).
- 34% of all drug related deaths are due to mixed drug and alcohol poisoning. 61% of all mixed drug and alcohol poisoning is due to opiates mixed with alcohol. Overall, 76% of all deaths (alcohol related and drug related and mixed drug and alcohol related) were in males. The age range all deaths related to drug and alcohol use was 20 to 93 years old. Most drug and mixed drug and alcohol deaths for men and women occurred in those younger than 60.

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<sup>2</sup> PHE JSNA Support Pack

## Local Prevalence Estimates

### Drugs

The estimated number of opiate and/or crack users (OCU) and injectors in Lewisham is set out below:

	Lewisham	London		England
	Prevalence estimate (15-64)	Rate per 1000 of population		
OCU	2438	12.41	9.55	8.40
Opiate	1875	9.54	7.63	7.32
Crack	1823	9.28	6.96	4.76
Injecting	599	3.05	1.97	2.49

Source: PHE Prevalence Estimate 2011/12

Figures suggest Lewisham has a higher prevalence of opiate and/or crack users (OCU) and injectors (per 1000 of population) compared with the region and England average.

### Alcohol

Estimates of abstainers, lower risk, increasing risk and higher risk drinkers:

	Population estimate for all groups			Population estimate for drinkers only	
	Lewisham	London		Lewisham	London
	n	%	%	%	%
Abstainers	46029	22.2	24.5	-	-
Lower risk	118194	57.0	52.1	73.2	69.1
Increasing risk	31873	15.4	15.8	19.7	20.9
Higher risk	11365	5.5	7.6	7.0	10.0

Source: NW England Public Health Observatory, Topography of Drinking Behaviours in England - August 2011

Figures suggest Lewisham has a higher proportion of lower risk drinkers (Appendix 13) in both cohorts compared with the London average. Estimates of drinkers and abstainers are broadly similar compared with the London average.

In Lewisham the rate of hospital admissions for alcohol related harm have increased from 1836 to 2300, per 100,000 residents since 2008/09<sup>3</sup>. The upward trajectory follows a similar trend compared with other geographic, but the rate in Lewisham is higher (and rising) (Appendix 14).

<sup>3</sup> Public Health Lewisham

Admissions to hospital for mental and behavioural disorders due to alcohol for Lewisham was 116.5 per 100,000 population, the rate for England was 84.1 per 100,000<sup>4</sup>.

13% of those screened for health checks have excess alcohol intake (about 90 per quarter)<sup>5</sup>.

## Young People

While the majority of young people do not use drugs nor alcohol, and most of those that do are not dependent, drug and alcohol misuse can have a major impact on young people's education, their health, their families and their long-term chances in life<sup>6</sup>.

Despite recent declines, the proportion of children in the UK drinking alcohol remains well above the European average. We continue to rank among the countries with the highest levels of consumption among those who do drink, and British children are more likely to binge drink or get drunk compared to children in most other European countries<sup>7</sup>.

The main prevalence data for trends in alcohol, drug and tobacco use amongst young people is the annual schools survey in England<sup>8</sup>.

- 46% of pupils aged 11-15 said they had drunk alcohol, smoked or tried drugs at least once.
- 38% drunk alcohol, 18% have smoked and 15% have taken drugs.
- 4% of pupils aged 11 were more likely to have sniffed volatile substances and (1%) taken cannabis

Prevalence data from other sources say:

- 11% of 15 year olds had tried cannabis at least once<sup>9</sup>.
- The proportion of young adults aged 16 to 24 who had taken an illicit drug in the last year is similar to the findings of the 2013/14 survey, at 19.4% (around 1 in 5) from 19.0%<sup>10</sup>.

Although the latest report shows declining trends in substance use overall, it highlights the increased risk of drug use among pupils who truant or who have been excluded from school and whose circumstances or behaviour already make them a focus of concern. The same survey also indicates that young people at risk of misusing drugs and alcohol are also likely to be smoking and that one of the factors linked to increased initiation of smoking is experimentation with drugs and alcohol<sup>11</sup>.

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<sup>4</sup> Public Health Lewisham

<sup>5</sup> Public Health Lewisham

<sup>6</sup> YP JSNA Support pack Public Health England 2015/16

<sup>7</sup> Hibell B, Guttormson U, Ahlstrom S, et al (2012) The 2011 ESPAD report: substance use among students in 36 European countries

<sup>8</sup> Smoking, drinking and drug use among young people in England in 2014, Health and Social Care Information Centre

<sup>9</sup> What About YOUth survey

<sup>10</sup> [www.crimesurvey.co.uk/index.html](http://www.crimesurvey.co.uk/index.html)

<sup>11</sup> Public Health England 2014

Admissions to hospital due to substance misuse for young people aged 15 to 24 in Lewisham, was 92.3 per 100,000 population against 70.3 in London and 88.8 in England – 2012/13 to 2014/15. The confidence intervals are quite wide for this indicator as it's only looking at a small section of the population, Lewisham are therefore deemed to be statistically similar to England.<sup>12</sup>

### **Accommodation Need**

In order for an individual to sustain recovery it is imperative that they are able to reintegrate into the community and one way of enabling them to achieve this is to provide them with somewhere to live.

Many homeless people have one or more support need: 41 per cent alcohol; 31 per cent drugs; 45 per cent mental health<sup>13</sup>.

Lewisham has almost double (16%) the proportion of adults reporting an urgent housing need (those with NFA and a housing problem) at the start of treatment compared with national average (9%), the majority of this cohort are males (Appendix 7).

According to PHE there are no young people in Lewisham reporting an urgent housing need. This is in line with the national picture. The majority of young people in treatment in Lewisham year to date reported living with their parents, other relatives or independent settled accommodation (85%), this is similar to the national average 82%.

Ensuring access to housing and housing related support services at the different stages of recovery can present a number of challenges for local partners as people may have a range of complex housing-related needs and therefore require a wide range of responses.

An individual may find it difficult to become stable in their treatment programme without access to suitable housing or housing support. They may also find it difficult to sustain their recovery post treatment, without a stable place to live<sup>14</sup>

### **Single Homeless Intervention Programme (SHIP)**

Most of the housing stock and supported housing for homeless people comes under the umbrella of the Single Homelessness Intervention Programme (SHIP). Any homeless clients requiring 'supported' or other accommodation must apply through SHIP.

In 2015/16 there were a total of 535 units<sup>15</sup> in the Lewisham housing pathway. A snapshot exercise of 169 service users from the above cohort highlighted:

- 33 (20%) had a primary alcohol need
- 33 (20%) had a primary drugs need

### **Employment, Training & Education**

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<sup>12</sup> Public Health Lewisham

<sup>13</sup> <http://www.crisis.org.uk/pages/rough-sleeping.html>

<sup>14</sup> Public Health England

<sup>15</sup> Accommodation spaces

The Department of Work and Pensions (DWP) reports 1 in 15 benefit claimants has a drug or substance misuse problem. 1 in 25 benefit claimants has an alcohol misuse problem. Employment is a key component to establishing a stable life and allowing people to live independently.

NOMS Labour Market Profile for Lewisham<sup>16</sup>:

In 2014/15 the unemployment/economically inactive<sup>17</sup> rate for clients in treatment mirrored the national average (47%). Of this cohort, Lewisham has a higher proportion of individuals who are long term sick or disabled, at 29% against a national average of 21%.

Those in regular employment are lower, at 14% against 19% nationally. Being in work or accessing education and training is linked to better treatment outcomes (Appendix 7).

### **Jobcentreplus (JCP)**

2014-2015 saw the success of partnership working between treatment agency and JCP partners seeing an increase of Treatment Provider Referral (TPR2)<sup>18</sup>, Key Performance Indicators (KPI) being set for treatment providers to increase Employment Training and Education (ETE) activity and outcomes.

The drug strategy recognises ETE as a key indicator to successful outcomes and sustained recovery, recent work has seen an improved relationship between JCP Partnerships. The government has implemented a number of significant welfare reforms affecting every significant working age benefit claimant.

There are two key reforms, impacting a large percentage of service users locally:

- the transfer of claimants from Incapacity Benefit (IB) to either Employment & Support Allowance (ESA) or Jobseeker's Allowance (often referred to as 'ESA migration')
- the staged introduction of Universal Credit Start in February 2016

NOMS Labour Market Profile for Lewisham<sup>19</sup>:

On the 31<sup>st</sup> March 2012 Lewisham had a similar proportion of individuals in treatment on benefits, at 65% (561/862), against a national average of 61%. The majority were Employment Support Allowance, Incapacity Benefit and Income Support.

### **Employment, Education and Training at Start of Treatment (ETE - Young People under 18)**

Over half (51%) of young people in treatment year to date are in school or further education college, this is similar to the national average (52%). A further (24%) are receiving education in a pupil referral unit or at home, again similar to the national average (20%).

Lewisham has a lower proportion of young people NEET, at 10% against 15% nationally.

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<sup>16</sup> Lewisham Employed (74% in Employment, 64% employees & 10% self-employed) 6% Unemployed  
<https://www.nomisweb.co.uk/reports/lmp/la/1946157254/report.aspx>

<sup>17</sup> Not in employment or unemployed

<sup>18</sup> Form used by the treatment provider to share information with JCP

<sup>19</sup> <https://www.nomisweb.co.uk/reports/lmp/la/1946157254/report.aspx>

Young people are 2.1<sup>20</sup> times more likely to become NEET (six months or more) if they are using substances.

### **Local views - Service User & Carer Involvement**

The prevention and Inclusion team remains committed to meaningful service user and carer involvement, working in partnership to build a robust, service user driven, recovery community that is valued and normalised practice.

In 2014-15 Lewisham established a growing recovery community, with the reach of involvement from SU from diverse backgrounds increasing, complex care, shared care, aftercare, YP and supported housing services. SU's were involved in co-production, engagement, development and commissioning activities.

A local pharmacy audit conducted in 2015 showed, service user were positive about their experiences of supervised consumption and OST pick up's.

Mutual Aid partners continue to be a valued partner in delivering recovery peer lead focus to the local drug and alcohol population. Mutual aid is bridging the gap for treatment naïve and offering an out of hour's service which creates recovery community opportunities. Local attendance has increased averaging 20-30 attendees per meeting.

Feedback from SU has highlighted the following gaps in treatment: lack of women's provision's and early opportunity to engage in treatment, financial hardship as a result sanctions introduced with changes to the benefit system, skills gap - lack of computer skills/ literacy.

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<sup>20</sup> <http://researchbriefings.files.parliament.uk/documents/SN06705/SN06705.pdf>

### **3.0 What are the key inequalities?**

#### **Socio-economic status**

Drug and alcohol related harms fall disproportionately on the poorest in society.

On the 31<sup>st</sup> March 2012 Lewisham had a higher proportion of individuals in treatment on benefits, at 65% against a national average of 61%. The majority were Employment Support Allowance, Incapacity Benefit and Income Support.

For the most deprived tenth of the population, hospital admissions, where the main reason for admission is alcohol, are 55% higher and alcohol related deaths 53% higher than the least deprived tenth of the population.

In 2014/15 the unemployment/economically inactive<sup>21</sup> rate for clients in treatment mirrored the national average (47%). Of this cohort, Lewisham has a higher proportion of individuals who are long term sick or disabled, at 29% against a national average of 21%.

Lewisham had almost double (16%) the proportion of adults reporting an urgent housing need at the start of treatment compared with national average (9%). The majority of this cohort were male.

An individual may find it difficult to become stable in their treatment programme without access to suitable housing or housing support. They may also find it difficult to sustain their recovery post treatment, without a stable place to live<sup>22</sup>

#### **Sexual orientation**

##### **Lesbian, Gay, Bisexual, Transgender, Transsexual & Questioning (LGBTQ) clients**

0.4%<sup>23</sup> of Lewisham households are made up of same sex couples in civil partnerships (Census 2011). This is more than double the average for England.

Gay or bisexual adults were more likely to have taken any illicit drug in the last year than heterosexual adults. In particular, gay or bisexual men were the group most likely to have taken any illicit drug in the last year (33.0 per cent had taken drugs in the last year), with higher levels of illicit drug use than gay or bisexual women (22.9 per cent) and heterosexual men (11.1 per cent)<sup>24</sup>.

Local intelligence confirm the proportion of individuals from LGBTQ communities accessing specialist treatment services in Lewisham remains low 5%, similar to the previous year.

<sup>25</sup>There is a substantial body of evidence demonstrating that LGBT people experience significant health inequalities, which impact both their health outcomes and their experiences

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<sup>21</sup> Not in employment or unemployed

<sup>22</sup> Public Health England

<sup>23</sup> <http://www.lewishamsna.org.uk/a-profile-of-lewisham/social-and-environmental-context/sexual-orientation>

<sup>24</sup> Health & Social Care Information Centre (hscic) – Statistics on Drug Misuse – 2014

<sup>25</sup> Williams et al (2013) The LGB&T Public Health Outcomes Framework Companion Document

of the healthcare system.<sup>26</sup> Has substance misuse been considered as part of a wider investigation into the health inequalities affecting LGBT people?

## **Gender**

Men are more likely to take drugs than women. Around one in eight (11.9%) men aged 16 to 59 had taken an illicit drug in the last year, compared with around one in eighteen (5.4%) women<sup>27</sup>.

In Lewisham, in 2014/15, the ratio of adult males to females in the treatment population was 74% to 31%<sup>28</sup>. Males remain significantly over-represented in treatment compared with the national (70%) and population average<sup>29</sup>. The three groups - opiate, non-opiate and non-opiate and alcohol have a very similar distribution with just under three quarters of each group being male. It appears that the gap between men and women in treatment is widening as in Q2 2015/16 proportions increased to 79%, whilst females have decreased to 21% (Appendix 1).

In 2014/15 the ratio of male to female YP (aged 10-25) in the treatment population was 57% to 43%. Males made up the majority young people in treatment, higher than the general population in Lewisham in this age group (49%), but lower than the national average (65%). In Q2 2015/16 proportions have decreased for both cohorts to 53% and 21% respectively (Appendix 9).

Men (67%) are twice as likely to attend A&E due to an alcohol and violence incident than women, who make up just a third of attendances.

## **Vulnerabilities and gender differences**

Self-harm<sup>30</sup> and sexual exploitation<sup>31</sup> are specific issues facing females in Young People's drug treatment in Lewisham, at 43% and 15%, against 5% and 0% respectively males. Nationally proportions for females are 33% and 12% respectively (Appendix 12).

Based on the national prevalence of 7%, an estimated 1,302 children in Lewisham self harm between the ages of 11-16<sup>32</sup>.<sup>33</sup>As with all types of abuse, it can have a devastating impact on the child or young person who is being exploited. A number of reports have highlighted that substance misuse could be an indicator of child sexual exploitation and abuse.

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<sup>26</sup> . The Lesbian and Gay Foundation [www.lgf.org.uk/policy-research/the-lgbt-public-health-outcomes-framework-companion-document](http://www.lgf.org.uk/policy-research/the-lgbt-public-health-outcomes-framework-companion-document)

<sup>16</sup> [www.lgf.org.uk/policy-research/JSNA](http://www.lgf.org.uk/policy-research/JSNA)

<sup>27</sup> Drug Misuse Crime Survey For England & Wales 2014/15

<sup>28</sup> PHE NDTMS statistics report

<sup>29</sup> Lewisham, Male 49% Female 51%

<sup>30</sup> Self-harm refers to the deliberate self-infliction of damage to body tissue. Association of YP Health – Adolescent Self Harm - 2013

<sup>31</sup> The sexual exploitation of children and young people is a form of child sexual abuse – HM Gov Safeguarding Children & YP from Sexual Exploitation

<sup>32</sup> Public Health Lewisham

<sup>33</sup> Public Health England 2014/15

## Age

Younger people are more likely to take drugs than older people. The level of any drug use in the last year was highest among 16 to 19 year olds (18.8%) and 20 to 24 year olds (19.8%). The level of drug use was much lower in the oldest age group (2.4% of 55 to 59 year olds)<sup>34</sup>. Those who use other substances tend to be younger, as can be seen in the 20/14/15 Crime Survey for England and Wales. This survey shows that cannabis, ecstasy and powder cocaine are more commonly used by 16-24, with 16.3% using in the last year (compared with 6.7% for the general population aged 16-9).

According to PHE individuals are more likely to start using drugs in their late teens and early twenties and, seek treatment within eight years of first use. Non-opiate clients and Non-opiate and alcohol tend to be younger than clients who present for opiate use. A larger proportion will have started their heroin/opiate use in the 80's and 90s and are now in their 40s<sup>35</sup>. The number aged 40 and over accessing services in England has risen by 21% and the number aged 50 and over by 44%.

The median age of Opiate clients is 41 (38 national), slightly younger than non-opiates clients at 43 years of age (29 national) and alcohol & non-opiate clients at 44 years of age (34 national). Clients presenting with problematic alcohol use are the oldest with a median age of 45, in-line with the national average. The majority of clients in treatment 2014/15 were between the ages of 30 and 49 (Appendix 1). This compares with 35%<sup>36</sup> of the population.

However, the pattern of young people engaging in drug and alcohol use does not translate into numbers into treatment. The current young person's service works with 11-25 year olds and only 52% of the current clients are under 18 and the overall number in treatment is very small. Lewisham young people aged 16-17 represent the age group with the highest reported substance misuse need (40%) (Appendix 9).

## Ethnicity

According to a substance misuse report from the Health and Social Care Information Centre – 2014, the prevalence of drug dependence varies with ethnicity. Black men are more likely (12.4%) and South Asian men are least likely (1.5%) than men from other ethnic groups surveyed, to report symptoms of dependence. In women this ranged from 4.8% of Black women to 0.2% of South Asian women<sup>37</sup>.

Individuals recorded as white British made up the largest ethnic group in treatment (60%, 690) in Lewisham with a further 11% (130) from other white groups. This compares with a general population of 42% and 12% respectively.

In Lewisham Black African (11.6%) residents are now more numerous than Black Caribbean (11.2%) and Black Other have also seen a sizable increase from 2.1% to 4.1%. Yet Black African and Black Caribbean residents appear to be less well represented in treatment at 2.9%, 6.1% respectively (Appendix 2).

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<sup>34</sup> Drug Misuse Crime Survey For England & Wales 2014/15

<sup>35</sup> Adult substance misuse statistics from NDTMS 2014/15

<sup>36</sup> ONS 2014

<sup>37</sup> Health & Social Care Information Centre (hscic) – Statistics on Drug Misuse – 2014

## Borough Comparisons – Proportion in treatment:

	Lewisham	London
	Black African	Black Caribbean
Greenwich	1.8%	1.9%
Lambeth	1.6%	6.6%
Lewisham	2.9%	6.1%
Southwark	2.6%	6.1%

Source: NDTMS PHE

These figures (when taken in conjunction with the report from the Health and Social Care Information Centre) suggests that Lewisham is not alone in failing to engage Black Communities in treatment but that this represents a key inequality.

The majority of young people in treatment under the age of 18 are Black Caribbean, at 30% (24/79) against 6% of under 18's in general population. White British are second, at 22% against 15% of under 18's in general population and Black African third, at 10% against 8% of under 18's in general population. There are currently zero Mixed Asian, Indian or Bangladeshi young people in treatment (Appendix 10).

## Clients in contact with the Criminal Justice System (CJS)

Lewisham has a significantly lower proportion of clients in treatment with an offending history, at 16% drugs and 4% alcohol only, against 58% and 6% nationally (Appendix 6).

These figures should be viewed with an air of caution due to organisational changes at the National Probation Service (NPS) and the Community Rehabilitation Company (CRC) which may be impacting on figures.

<sup>38</sup>The relationship between problem drug use and crime is complex. Even so, all the evidence indicates that problem drug users are responsible for a large percentage of acquisitive crime, such as shoplifting and burglary

## 4. Targets and Performance

### Specialist treatment service - Adults

Individuals achieving the Public Health Outcome indicator 2.15 for Opiate and Non-opiate users demonstrate a significant improvement in health and well-being in terms of increased longevity, reduced blood-borne virus transmission, improved parenting skills and improved physical and psychological health. Successful completions are a key measure of a recovery focussed treatment system.

In Lewisham this remains similar to the national average, with 7.3% (58/791) Opiate users and 39.7% (160/403) Non-opiate users successfully completing<sup>39</sup> treatment in the twelve months up to 31<sup>st</sup> March 2015, against 7.2% and 38.5% respectively nationally.

<sup>38</sup> Public health England

<sup>39</sup> Free from substance misuse dependency or substance misuse is no longer problematic (the latter does not apply to heroin or crack)

Recent data covering the twelve month period to 30th September 2015 shows a decline in the numbers of adults successfully completing their treatment since the baseline, with only Non-opiates remaining in the top quartile at 47.4% (93/196). Alcohol only users successfully completing have fallen below the national average at 31.1% against 39.1% (Appendix 3).

Re-presentation<sup>40</sup> rates are relatively high in Lewisham compared with top quartile range, particularly for poly substance users and dependent drinkers. With 9/41 (22%) and 11/61 (18%), returning to treatment having successfully completed (Appendix 3).

<sup>41</sup> Individuals who re-present (i.e. those who have had many goes round the system) are less likely to complete treatment successfully. Circumstances can change, as does the ability to cope. Re-presentation is not necessarily a failure, individuals should be quickly re-assessed and a new care plan prepared to addresses changed needs.

Overall penetration rates for opiate and/or crack use in Lewisham are lower than the national average, with 34.4% of the estimated number of opiate and/or crack users in treatment compared with 52.1% nationally.

### **Treatment outcomes**

Treatment outcome data in Lewisham shows that with exception of crack users, all other cohorts stop using in the first six months of treatment. 84 Lewisham clients reported using crack at treatment start and 24 (29%) were no longer using by 6 month review. This is just under the lower expected range 31% to 52%. Alcohol abstinence is within expected range.

<sup>42</sup>Evidence suggests that clients who stop using opiates in the first 6 months of treatment are 4.3 times more likely to complete successfully than those that continue to use.

Employment and housing outcomes (treatment exit) have improved in the latest period but remain lower than national average for all adults (Appendix 4).

Access to suitable stable housing and housing related services contributes to a successful completion and sustained recovery. In addition, being in work or accessing education and training is linked to better treatment outcomes.

Further investigation is needed to understand why Lewisham has a larger proportion of opiate users still using at six month review, also with the following complexity factors that negatively impact on successful completions: using on top, injecting, unemployment and a housing problems, compared with the national average (Appendix 4). In addition, we need to address the large number using the substance longer than 21 years (career length), at 48% compared with a cluster average of 31% (Appendix 5).

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<sup>40</sup> Individuals who have returned to treatment after completing treatment successfully

<sup>41</sup> Public Health England

<sup>42</sup> Public Health England

## **Harm Reduction**

Blood Bourn Virus (BBV) testing presents an excellent opportunity to reduce long term harm to individuals in this high risk group through providing a pathway to treatment for those who carry a BBV, in addition to reducing long-term costs to health services.

Data on harm reduction initiatives around hepatitis in Lewisham shows that the rate of acceptance of HBV vaccination is above the national average (32.9% compared to 21.9%) with 30 starting and 35 completing a course of the 115 who accepted the offer. HCV testing rates for injecting drug users exceed national rates at 90% against 71%.

## **Clients in contact with the Criminal Justice System (CJS)**

Lewisham have seen a considerable increase in referrals of offending clients from criminal justice services in the community to community treatment this quarter (from 12% to 45%), an indication that pathways between criminal justice and treatment agencies and are improving. However, there is still work to be done to increase numbers in treatment as Lewisham has a significantly lower proportion of clients in treatment with an offending history 47%, against 64% nationally (Appendix 5).

These figures should be viewed with an air of caution due to organisational changes at the National Probation Service (NPS) and the Community Rehabilitation Company (CRC) which may be impacting on figures.

## **Drugs & Alcohol – Lewisham Police Intelligence - 2012 to 2016**

Under the Misuse of Drugs Act 1971 it is an offence to:<sup>43</sup>

- possess a controlled substance
- possess a controlled substance with the intent to supply
- unlawfully supply a controlled drug (even when there's no charge made for the drug)
- allow premises you occupy or manage to be used for the purpose of drug taking

The total number of drugs recovered by Lewisham Police under the Misuse of Drugs Act has increased from 1394 to 1706 (22%) since 2014.

As in previous years, cannabis was the most commonly recovered drug, at 80% (1367/1706) of all possessions recorded, second was cocaine at 10% (165/1706) and third heroin at 5% (79/1706). Proportions are similar to 2014, at 84%, 7% and 4% respectively.

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<sup>43</sup> Police UK

## **Referral Sources into Drug & Alcohol Treatment in Lewisham in 2014/15**

The most common referral route into treatment in 2014/15 was self for all individuals across all substance groups. This is consistent with the national picture. Opiate referrals from this source were highest at 65% against 47% nationally. In Q2 2015/16 referrals from this source have fallen to 53%.

These figures should be viewed with an air of caution as individuals may not disclose the correct referral route at assessment, and will therefore be recorded on NDTMS as a self-referral.

For alcohol only clients, the next common referral from this source was through health services 19% (GP 12%, Hospital & A&E 3% and other Health 4%). This compares with 33% nationally. In Q2 2015/16 referrals from this source have grown to 26%.

In contrast, health services accounted for 6% of opiate client referrals against 10% nationally. The criminal justice system was the second most common referrals source for opiate clients (22%). This compares with 9% of referrals coming from the criminal justice system for alcohol only clients. Overall 4% of referrals came from substance misuse services, against 9% nationally (Appendix 6).

## **Prescription Only Medication and Over the Counter Medication (POM/OTC)**

The 2010 Drug Strategy<sup>44</sup> covers dependence on all drugs, including addiction to medicines (ATM), individual's dependant on prescription only medicines (POM) or over-the-counter (OTC) medicines.

According to the Addiction to Medicine (ATM)<sup>45</sup> report published in 2011, between 1991 and 2009, community prescribing of Opioid medicines, has increased from 228.3 million to 1384.6 million items.

In 2014/15 147 (12%) of clients in treatment reported an addiction to medicines (ATM). Including 130 dependant on a combination of illicit drugs and POM and OTC, and an additional 17 whose primary substance of choice is POM and OTC - only. The majority are Male at 69%. The proportion in Lewisham is generally similar to the national average (Appendix 6).

Given the changing trends in substance misuse and the increase in dependence on medicines (ATM), it is important that commissioners of substance misuse treatment in Lewisham have an understanding of not only illicit drug use, but also addiction to medicines, in order to ensure services have the capacity to support local needs.

## **Young People (young people under 18)**

Lewisham has seen the number of YP receiving specialist treatment fall by 18 % from 199 to 163 (12 month rolling). The direction of travel in Lewisham is three times the national (-6%),

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<sup>44</sup> <http://www.nta.nhs.uk/search.aspx?query=Drug+Strategy+2010>

<sup>45</sup> <http://www.nta.nhs.uk/uploads/addictiontomedicinesmay2011a.pdf>

although other like boroughs have also experienced significant decline (Southwark -50% and Greenwich -27%).

This could be for a number of reasons including, the reduction of YP in alcohol and drug treatment across all geographic has fallen to 18,349 from 19,126 since 2013/14, it is also suggested that the pull on resources and closure of YP provisions may have impacted on referral pathways into treatment and the reconfiguration of the treatment system in Lewisham.

### **Treatment Exit**

Planned exits remain above baseline and national average, at 86% (44 out of 51 young people exiting the treatment system successfully), against 80% nationally. This suggests that services are responding to the needs of YP and helping them to overcome dependency.

### **Referral Source**

Referrals to services in Lewisham are widely spread from a variety of sources, with 33% of referrals from 'self, family and friends' against a national average of 12%. The biggest increase in referrals came from Youth Justice Service, at 22% from 9% in previous quarter. Referrals from A&E remain low, similar to the national picture (appendix 11).

Effective partnership working will help to unblock referral pathways and increase numbers in treatment.

### **Vulnerabilities of YP in treatment**

The majority of YP who present to substance misuse treatment in Lewisham have at least one vulnerability, which together reduces the social tools most YP would be able to draw upon to help them overcome difficult periods.

The proportion of YP in Lewisham who began using problem substances before the age of 15 has reduced from 99% to 84% (93% nationally) and those not in education, employment or training (NEET) from 18% to 14% (18% nationally) since 2014/15.

Those involved in offending/ anti-social behaviour has increased from 36% to 54% in the same period (33% nationally) (Appendix12).

### **Gender differences**

In 2014/15 self harm and sexual exploitation are highlighted as specific issues facing females in YP treatment in Lewisham, at 43% and 15% (5% and 0% males). Nationally proportions are 33% and 12% respectively (Appendix 11).

Based on the national prevalence of 7%, an estimated 1,302 children in Lewisham self harm between the ages of 11-16<sup>46</sup>.

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<sup>46</sup> Public Health - Lewisham 2015

Child sexual exploitation is a form of child sexual abuse. As with all types of abuse, it can have a devastating impact on the child or young person who is being exploited. A number of reports have highlighted that substance misuse could be an indicator of child sexual exploitation and abuse<sup>47</sup>.

Although these figures suggest a large difference between sexual exploitation experienced by boys and girls, research from Barnardo's has highlighted difficulties in identifying sexual exploitation of boys and young men because they often do not disclose abuse.

Substance misuse services need to consider gender specific treatment interventions where the need is highlighted.

### **Youth Offending**

The majority of young people who present to Lewisham's treatment services have at least one aggravating factor to their personal circumstances which increases their likelihood of substance misuse and reduces the social tools that most young people would be able to draw upon to help them overcome difficult periods such as addiction.

In 2014/15 the proportion of YP in substance misuse treatment involved in offending/antisocial was similar to the national average, at 36% against 32% nationally (Appendix 14).

### **Alcohol**

The overall proportion of clients in treatment with problematic alcohol use in 2014/15 mirrors the national average (51%), 287 of these individuals presented with alcohol alone, with the other 454 individuals reported use of other substances. In Q2 2015/16 presentations have fallen to 45%<sup>48</sup>.

Lewisham had a significantly higher proportion of clients in treatment drinking at higher risk levels at treatment start, compared with the national average, at 81% against 75% nationally (Appendix 14)<sup>49</sup>.

Lewisham had a higher proportion of individuals in alcohol treatment consuming 1000+ units at treatment start, at 27%, against 19% nationally (Appendix 14)<sup>50</sup>.

Lewisham had a significantly higher proportion of adults attending residential rehabilitation for alcohol treatment compared with the national average, at 11% against 3% nationally (Appendix 14)<sup>51</sup>.

Lewisham had higher proportion of opiate clients new to treatment, reporting problematic drinking 9 days or more (26%), compared with the national average 21% (Appendix 15)<sup>52</sup>.

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<sup>47</sup> Public Health England 2014/15

<sup>48</sup> PHE Recovery Diagnostic Tool 2014/15

<sup>49</sup> PHE Alcohol JSNA Support Pack

<sup>50</sup> PHE Alcohol JSNA Support Pack

<sup>51</sup> PHE Alcohol JSNA Support Pack

<sup>52</sup> PHE Alcohol JSNA Support Pack

Admission to hospital for mental and behavioural disorders due to alcohol for Lewisham was 116.5 per 100,000 of the population, the rate for England was 84.1 per 100,000 of the population<sup>53</sup>.

Lewisham have seen the number of alcohol and violence related attendances at Lewisham A&E, fall from 108 to 60 (44%) since records started in July 2010 (appendix 16)<sup>54</sup>.

Men (67%) are twice as likely to attend A&E due to an alcohol and violence incident than women, who make up just a third of attendances. Those aged 16-35 are over represented in such A&E attendances, contributing over half of the total number of attendances, despite comprising only a third of the total population.

Saturdays and Sundays have the most number of attendances throughout the whole period analysed. Attendances tend to be clustered between 5-7pm, 10-11pm and 12-1am. After 4am, attendances are lower and gradually increase after 10am towards lunch time.

## **5.0 National and local strategies**

### **National Drug Strategy 2010<sup>55</sup>**

The National Drug Strategy, 2010 puts a key focus on recovery. Whilst recognising that recovering from dependent substance misuse is an individual person-centred journey, there are high aspirations for increasing recovery outcomes. Drug and alcohol recovery systems are increasingly being geared towards the achievement of the outcomes highlighted;

- Freedom from dependence on drugs or alcohol
- Prevention of drug related deaths and blood borne viruses
- A reduction in crime and re-offending
- Sustained employment
- The ability to access and sustain suitable accommodation
- Improvement in mental and physical health and wellbeing
- Improved relationships with family members, partners and friends
- The capacity to be an effective and caring parent

The Home Office is currently consulting on the development of the new 2016 Drug Strategy; where it is assumed that the focus will continue to remain on abstinence and recovery but with an emphasis on providing holistic interventions and treatment services with less financial resources.

### **Public Health Outcomes Framework (PHOF)<sup>56</sup>**

The Public Health Outcomes Framework Healthy lives, healthy people: Part 1 'Improving Outcomes and Supporting Transparency sets the overall context. There are two high-level outcomes, linked to further indicators four 'domains' across public health. The specific outcomes which relate to drugs and alcohol include:

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<sup>53</sup> Public Health Lewisham

<sup>54</sup> Public Health Lewisham

<sup>55</sup> Drug Strategy 2010 – Reducing demand, restricting supply, building recovery: supporting people to live a drug-free life

<sup>56</sup> <http://www.phoutcomes.info/>

- 1) 2.15: Successful completion of drug treatment – Individuals achieving this outcome demonstrate a significant improvement in health and well being in terms of increased longevity, reduced blood-borne virus transmission, improved parenting skills and improved physical and psychological health.
- 2) 2.16: People entering prison with substance dependence issues who are previously not known to community treatment - There is significant evidence that treatment interventions for the management of substance misuse can help to reduce re-offending'
- 3) 2.18: Alcohol related hospital admissions – This indicator measures progress made in reducing alcohol-related accidents, injuries, assaults and self-harm.
- 4) 4.06: Under 75 mortality rate from liver disease.

**Lewisham Health and Well Being Strategy - "Health and Wellbeing for all Lewisham residents by 2013"**

Over the next three years (2015-18): the overall priorities for action are:

- to accelerate the integration of adult, children’s and young people’s care;
- to shift the focus of action and resources to preventing ill health and promoting independence;
- supporting our communities and families to become healthier and more resilient, which will include addressing the wider determinants of health.

Collective and concerted action on these three priorities, working with local communities, could bring about significant population level improvements. These priorities align with, and support delivery of, key national and local policies and programmes. These include the NHS five year Forward View, the Care Act, the Our Healthier South East London Consolidated Strategy, Lewisham’s Adult Integrated Care Programme, and Lewisham’s new Children & Young People’s Plan. All these policies and programmes prioritise integration, prevention, collective action and stronger communities.

Reducing Alcohol Harm from is one of the key priorities in the ten year Lewisham Health and Well Being Strategy. The key actions to be delivered from 2015-18 on Reducing Alcohol Harm are:

- Practitioners to be skilled in identifying those at risk from alcohol harm and in delivering brief interventions
- Fewer drinkers at increased or higher risk of harm from alcohol and a decrease in the number of alcohol-related hospital admissions
- More people accessing and completing alcohol treatment services.
- Young people successfully exiting treatment in a planned way.
- A decrease in alcohol use by adults and young people across the borough
- Stabilise the number of early deaths from liver disease in Lewisham and, to achieve the same or lower levels as England

An Alcohol Delivery Group meets on a quarterly basis to develop, refine and monitor these actions. Progress to date is as follows:

- There has been a continued focus on enforcement regarding the availability and supply of alcohol and the Licensing Policy has been reviewed
- Increase in numbers screened for alcohol: All pregnant women are now screened for alcohol. Proportion of those having NHS Health checks screened for alcohol has increased significantly to almost 100% and is now embedded in programme.
- Increase in the number of front line workers trained to identify alcohol misuse and deliver brief interventions
- The Specialist alcohol care team at Lewisham hospital has become increasingly effective at reaching dependent drinkers in A & E and as inpatients, although their capacity is stretched and below the national average
- From April 2015 Specialist services for young people and shared care with GPs were re-commissioned from new providers

An Alcohol Harm performance Dashboard is used by the group to measure success and there are a number of indicators which are reported to the Health and Well Being Board on a regular basis:

- Alcohol related admissions rate
- Number of practitioners skilled in identifying those at risk from alcohol harm and delivering brief interventions
- Mortality from liver disease in males under 75

#### Health and Wellbeing Strategy Delivery Plan 2015-18:

Performance measure	Current performance	Comparator performance	Target 2017/18	Who is monitoring this?
Alcohol related admissions (ASR per 100,000 pop)	606	645	N/A	Alcohol Delivery Group
Number of practitioners skilled in identifying those at risk from alcohol harm and delivering brief interventions (Local source)	500	N/A	1000	Alcohol Delivery Group
Mortality from liver disease in males under 75 (DSR per 100,000)	31.3	23.4	N/A	Alcohol Delivery Group
Mortality from liver disease in females under 75 (DSR per 100,000)	13.2	12.4	N/A	Alcohol Delivery Group

Source: Public Health Lewisham

#### The Safer Lewisham Partnership (SLP)<sup>57</sup>

The Safer Lewisham Partnership is the statutory crime and disorder partnership for Lewisham. The Partnership has a duty to conduct an audit of crime, disorder, anti-social behaviour and drug misuse in Lewisham, to consult widely on the findings and set strategies to tackle the issues identified. The Partnership meets quarterly and is chaired by the Mayor of Lewisham.

<sup>57</sup> [http://www.lewishamstrategicpartnership.org.uk/partnership\\_safer.asp](http://www.lewishamstrategicpartnership.org.uk/partnership_safer.asp)

## Lewisham Children and Young People Plan (CYP) – 2015/2018<sup>58</sup>

The Lewisham's Children and Young People's Plan 2015 – 2018 sets out the aims and priorities for all agencies working with children and young people across the borough. The specific outcome area which relate to drugs and alcohol is Be Healthy & Active' – HA5: which aims to reduce the prevalence and impact of alcohol, smoking and substance misuse.

Success is measured by the following performance indicators:

Performance measure	2014/15 baseline	Comparator baseline	Target 2017/18
5 Lewisham 15 year olds classified as smokers (regular & occasional)	8%	8% (national)	7%
No. of young people under 18 in substance misuse services	127	N/A	
% of Lewisham children accessing substance misuse services with positive outcomes	62%	80%	90%

Source: 'It's Everybody's Business' Lewisham's Children & Young People's Plan 2015 – 2018

### 6. What works?

Investing in effective prevention, treatment and recovery interventions is essential for tackling the harm that drugs and alcohol can cause, helping users overcome their addiction, reducing involvement in crime, sustaining their recovery, and enabling them to make a positive contribution to their family and community.

Treatment works. <sup>59</sup>The link between crime and drug and alcohol misuse is well established. There is significant evidence that treatment interventions for the management of substance misuse can help to reduce re-offending<sup>60</sup>. For every pound spent on treatment there is a saving of £3 pounds on crime. As well as saving on costs associated with social problems and poor health. Specialist interventions for young people's substance misuse are effective and provide value for money. A Department for Education cost-benefit analysis found that every £1 invested saved £1.93 within two years and up to £8.38 in the long term. Specialist services engage young people quickly, the majority of whom leave in a planned way and do not return to treatment services<sup>61</sup>.

<sup>62</sup>Effective health and public-health commissioning of specialist treatment that achieves positive outcomes for individuals, families and communities by:

<sup>58</sup> <http://www.lewisham.gov.uk>

<sup>59</sup> Public Health England

<sup>60</sup> <http://www.nta.nhs.uk/prison-based.aspx>

<sup>61</sup> Public Health England 2014

<sup>62</sup> PHE Adult Drug and Alcohol Prevention and Treatment – Good Practice 2015/16

- Effective partnership working between local authority-led public health, the NHS (clinical commissioning groups and NHS England local area teams), mental health services, Jobcentre Plus, Work Programme providers, adult social care, children's services and criminal justice agencies
- Drugs misuse and dependence are prevented through early identification and interventions
- There is prompt access to effective treatment
- Operating transparently according to assessed need
- Bringing providers and mutual aid together
- Service user and local communities involvement, including through Healthwatch
- Access to suitable accommodation
- Support into work
- Integrated recovery support around training, education, voluntary work and general improvement of skills and work experience

## Alcohol

Evidence points to a multi faceted and integrated response aimed at individual drinkers, at risk groups and whole populations and best practice includes the following:

- a) Effective population level approaches are in place which will reduce the aggregate level of alcohol consumed and therefore lower the whole population's risk of alcohol related harm.
- b) Large scale delivery of identification and brief advice (IBA) to those at the most risk of alcohol related ill-health. Early interventions aimed at individuals in at risk groups can make people aware of the harm they may be doing and prevent extensive damage to health and well-being.
- c) Specialist alcohol care services for people in hospital.
- d) Prompt access to effective alcohol treatment. There are packages of psycho social support, pharmaco-therapeutic and recovery interventions that are accessed by target populations and deliver sustained recovery from alcohol dependency

## Young People

Intervening early works and saves money:<sup>63</sup>

- Young people's drug and alcohol interventions result in £4.3m health savings and £100m crime savings per year
- Drug and alcohol interventions can help young people get into education, employment and training, bringing a total lifetime benefit of up to £159m
- Every £1 spent on young people's drug and alcohol interventions brings a benefit of £5-£8
- <sup>64</sup>Patterns of young people's drug and alcohol use often change, so services need to be flexible and respond effectively to changing needs. Cannabis and alcohol are the most common substances that young people say they have a problem with when they present to specialist substance misuse services. However, organisations working with young people should be prepared to deal with all substances, including tobacco and novel psychoactive substances. A small minority will present with class A drug problems (such as heroin and cocaine).

<sup>63</sup> PHE Alcohol and drugs prevention, treatment and recovery: why invest?

<sup>64</sup> PHE YP Drug and Alcohol Prevention and Treatment – Good Practice 2015/16

Whilst not all young people's substance misuse is problematic, and not all of those who do have problematic use go on to become entrenched addicts, there is clearly a need to provide exceptional interventions providing both prevention and specialist treatment to reduce harm and to ensure young people who have problematic substance misuse overcome this.

There are a number of specific issues facing girls; including increased citation of alcohol as a problematic substance, involvement in self-harm, being affected by domestic violence, and involvement in sexual exploitation. Services available need to be tailored to the specific needs of girls and boys within these services and ensure that young people with multiple vulnerabilities or a high risk of substance misuse-related harm get extra support with clear referral pathways and joint working protocols<sup>65</sup>.

Evidence suggests that specialist substance misuse interventions contribute to improved health and wellbeing, better educational attendance and achievement, reductions in the numbers of young people not in education, employment or training and reduced risk taking behaviour, such as offending, smoking and unprotected sex<sup>66</sup>.

A good public health approach should however consider the needs of developing young adults up to the age of 24, a period which includes heightened stages of exposure to health and wellbeing risks. Clear transitions and joint care plans with adult services will help under 18s who require on-going support beyond their 18th birthday<sup>67</sup>.

## **7 Current activities and services**

Lewisham actively seeks to meet the changing needs of Lewisham residents in relation to those seeking help and treatment to address substance misuse issues.

In February 2014 the DAAT Board agreed that the system be re-designed in order to better meet the needs of the following groups:

- Alcohol users
- Young people under the age of 25
- People who wish to access services in primary care settings
- People who come into contact with the criminal justice service
- Minority groups who do not wish to access a mainstream integrated drug service

This redesign led to the creation of the following commissioned services in Lewisham:

- Core Adult Treatment Service
- Community based/shared care service for people with drug and alcohol problems
- Reintegration & Aftercare Service

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<sup>65</sup> Public Health England 2014

<sup>66</sup> The Health of Lewisham Children and Young People, The Annual Report of the DPH of Lewisham 2015

<sup>67</sup> Public Health England 2014

- Drug and alcohol treatment service for young people under 25

### **Core Adult Treatment Service**

The treatment system had at its heart a large integrated service delivering interventions for adults aged 18 and over (those aged under 25 can also access the young person's service described below) provided by CRI (now known as CGL)<sup>68</sup>. The service delivers support, treatment and rehabilitation interventions to promote recovery and encourage individuals to maintain their recovery through engagement in positive activities such as employment and training.

The service provides prescriptions for substitute medications such as methadone as well as community alcohol detoxification and managing the interface with the Criminal Justice System and all health services including GPs, hospitals, and pharmacies. CGL provide a lead nurse to work with the Liaison Antenatal Drug Service (LANDS) midwife, a consultant addictions psychiatrist in the women's health clinic, Midwifery department at University Hospital Lewisham. Social workers and health visitors also work with patients to address some of their wider support needs, i.e. child protection issues, parenting issues and financial support and advice.

CGL also delivers a needle exchange programme throughout the borough. The service comprises of 7 pharmacies and 5 non-pharmacy sites, including CGL's treatment base in Lewisham High Street.

In accordance with NICE guidelines, all sites offer a range of disposable equipment including needles and sharps bins and advice about safe injecting practice<sup>17</sup>. At each contact, clients are advised about how to minimise the risk of infection and arrangements for testing can be made.

### **Primary Care Recovery Service (PSRS)**

The Lewisham Primary Care Recovery Service is a community based treatment service for people with drug and alcohol problems, working alongside GPs, Pharmacists, Nurse and Health Care Workers to deliver shared care.

Services include: assessment, titration, alcohol screening, brief/extended interventions nurse led community detoxifications, Intensive key-working, pre and post detox support, group work peer support and BBV screening.

### **Reintegration & Aftercare Service (ReAL)**

ReAL is an abstinence-based service offering support and advice to people working on their recovery from drugs and/or alcohol, by building resilience and relapse prevention; alongside opportunities to gain and build skills to move on and out of treatment. The service also provides support and opportunities to access employment, training and education.

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<sup>68</sup> CRI changed their name from Crime Reduction Initiatives (CRI) to 'change, grow, live'(cgl) w.e.f 1<sup>st</sup> April 2016

## **Drug and alcohol treatment service for young people under 25**

Lifeline – The Hub is a drug and alcohol service for young people up to the age of 25. There is a specialist transition worker and an agreement to use a common triage assessment with adult services for 18-25 year olds.

Much of the work is carried out in satellite sites across the borough including youth centres, YOS, Probation, housing providers and Lewisham Hospital.

In addition to these commissioned services the council also provides a range of services and interventions via other means:

### **Detoxification and rehabilitation**

Residential detoxification is delivered via core contracts with 3 providers while rehabilitation provision is procured on a needs led basis via a framework agreement.

### **Hidden Harm Service**

It is important to provide smooth pathways into specialist treatment for possible hidden harm population(s) of alcohol-dependent parents, or those with childcare responsibilities. <sup>69</sup> Over a quarter of the English treatment population has a child living with them at least some of the time. The overall number of substance using parents or those with childcare responsibilities in treatment in Lewisham is lower than the national average (Appendix 8).

The Hidden Harm Service<sup>70</sup> was created in 2010 in response to the rising issue of parental substance misuse. In Lewisham this service effectively links adult services with children and family services ensuring that the family receives a holistic, co-ordinated and comprehensive approach with easy access to appropriate services to address their needs.

28%-33% of all Children's Social Care cases involve parental substance abuse, each case has an average of 2 children affected and 57% of the cases are Child protection. 18% of all children's social care cases have parental mental health and substance misuse. Children's social care caseloads show that in 29% of cases parental mental health is a significant problem, in each case an average 1.4 children is effected and 61% of these cases are child protection, if there is parental substance misuse as well this child protection figure rises to 90%.

The Hidden Harm service has worked with 73 parents in 2014/15 and supported them to access drug or alcohol treatment within the borough. In 42.3% of all referrals to Hidden Harm, alcohol is the primary substance; it plays a part in 57.6% of the total referrals.

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<sup>69</sup> PHE JSNA Support Pack

<sup>70</sup> The service works with all children and young people from ages 0-18

**There are a number of effective population level approaches in place which reduce the aggregate level of alcohol consumed and therefore lower the whole population's risk of alcohol related harm:**

### **Crime, Enforcement & Regulation (CER) Service**

The new service, which commenced in August 2015, sits within the Crime Reduction Service and works to deliver strategic objectives set by the Safer Lewisham Partnership. It amalgamates four previously existing service areas within the council and their related functions, including trading standards, licensing, community safety and public health and nuisance. The CER service is responsible for responding to complaints and meeting statutory requirements and responsibilities across these thematic areas. It has four teams of officers who have delegated authority to enforce relevant legislation across those areas.

The service also acts as the licensing authority for the London borough of Lewisham and is responsible for delivering all licensing functions of the council. This involves, processing applications to statutory deadlines, supporting the licensing committee in its duties and enforcing and where necessary prosecuting against breaches of licensing conditions. A new Statement of Licensing Policy has recently been agreed, which includes a review of the Cumulative Impact Zones, with a view to extending or increasing the number in Lewisham.

The Director of Public Health is now a Responsible Authority under the Licensing Act and utilises intelligence about alcohol harm to different population groups, including geographical areas within Lewisham to make representations to the Licensing Committee and to inform the future development of Cumulative Impact Zones.

### **Schools**

Lewisham Public Health provide a whole school and wider community approach to drug and alcohol education, within Primary and Secondary Schools for a fee. Along with workshops to help parents/carers gain accurate information and dispel the myths around drugs and alcohol under a Service Level Agreement with each school.

### **Alcohol Identification Brief Advice Training programme**

A training programme to enable large scale delivery of identification and brief advice (IBA) to those at the most risk of alcohol related ill-health contributes to the Health and Well Being board's plan to increase the number of brief interventions delivered in a range of lifestyle areas. It started in July 2013 and has trained over 750 front line staff so far and offered briefing sessions to managers. The aim of IBA is to introduce the concepts of alcohol related harm and how to deliver an evidence based intervention. The training explores the learning and provides participants with practical skills needed to deliver alcohol IBA with their everyday work routine.

The IBA training is delivered by the Alcohol Academy aimed at non – specialist workers (i.e. not alcohol workers) to a wide range of groups and settings, who have face to face contact with the public. The training includes post training evaluation to monitor outcomes.

## WHAT IS THIS TELLING US?

### 8.0 What are the key gaps in knowledge and/or services?

(Percentages may equal more than 100% due to rounding)

The ratio of adult Males to Females in treatment population was 74% to 31%.

The ratio of Males to Females (aged 10-25) in the treatment population was 57% to 43%.

Lewisham has a significantly lower proportion of under 18's in treatment at 52% against 83% nationally. Young people aged 16-17 represent the age group with the highest reported substance misuse need (40% - 107/270) in Lewisham.

African (11.6%) adult residents are now also more numerous than Caribbean (11.2%), yet these client groups appear to be less well represented in treatment at 2.9% (33/1155) and 6.1% (71/1155) respectively.

The majority of young people in treatment under the age of 18 are Black Caribbean, at 30% (24/79) against 6% of under 18's in general population. White British are second, at 22% against 15% of under 18's in general population and Black African third, at 10% against 8% of under 18's in general population. There are currently zero Mixed Asian, Indian or Bangladeshi young people in treatment.

Recent data covering the twelve month period to 30th September 2015 shows a decline in the numbers of adults successfully completing their treatment since the baseline. Alcohol only users successfully completing have fallen below the national average at 31.1% against 39.1%.

Re-presentation rates are relatively high in Lewisham compared with top quartile range, particularly for poly substance users and dependent drinkers. With 9/41 (22%) and 11/61 (18%), returning to treatment having successfully completed.

The number of YP receiving specialist treatment has fallen by 18 % from 199 to 163 (12 month rolling).

Self-harm and sexual exploitation are specific issues facing females in YP treatment in Lewisham, at 43% (20/46) and 15% (7/46), against 5% (5/97) and 0% (0/97) respectively males. Nationally proportions are 33% and 12% respectively

Lewisham had a large proportion of opiate clients using the substance longer than 21 years (48% - 372/780), compared with a cluster average of 31%

Lewisham has a significantly lower proportion of clients in treatment with an offending history, at 16% (191/1193) drugs and 4% (11/286) alcohol only, against 58% and 6% nationally.

Lewisham had a significantly higher proportion of clients in treatment drinking at higher risk levels at treatment start, compared with the national average, at 81% (234/289) against 75% nationally.

Lewisham had a higher proportion of individuals in alcohol treatment consuming 1000+ units at treatment start, at 27% (78/289), against 19% nationally.

Lewisham had a significantly higher proportion of adults attending Resi Rehab for alcohol treatment compared with the national average, at 11% (31/294) against 3% nationally.

Lewisham had higher proportion of opiate clients new to treatment, reporting problematic drinking 9 days or more (26% -101/387 ), compared with the national average 21%.

Admission to hospital for mental and behavioural disorders due to alcohol for Lewisham was 116.5 per 100,000 population, the rate for England was 84.1 per 100,000.

Lewisham had almost double (16% - 87/533) the proportion of individuals reporting an urgent housing need (those with NFA and a housing problem) at the start of treatment compared with national average (9%).

Lewisham had a higher proportion of individuals were long term sick or disabled, at 29% (154/533) against a national average of 21%.

Those in regular employment are lower, at 14% (73/533) against 19% nationally. Being in work or accessing education and training is linked to better treatment outcomes.

On the 31<sup>st</sup> March 2012 Lewisham had a similar proportion of individuals in treatment on benefits, at 65% (561/862), against a national average of 61%.

Lewisham had a larger proportion of opiate users still using at six month review, also with the following complexity factors that negatively impact on successful completions: using on top, injecting, unemployment and a housing problems, compared with the national average.

The overall number of substance using parents or those with childcare responsibilities in treatment in Lewisham is lower than the national average.

It is of concern that deaths from liver disease among people under 75 are increasing in Lewisham as in England. Most of these deaths are due to alcohol misuse. Deaths among under 75s for all other causes are decreasing.

The proportion of individuals from LGBTQ communities accessing specialist treatment services in Lewisham remains low, similar to the previous year.

Given the changing trends in substance misuse and the increase in dependence on medicines (ATM), it is important that commissioners of substance misuse treatment in Lewisham have an understanding of not only illicit drug use, but also addiction to medicines, in order to ensure services have the capacity to support local needs.

Feedback from service user has highlighted the following gaps in treatment delivery:

- lack of women's provision's and early opportunity to engage in treatment
- financial hardship as a result sanctions introduced with changes to the benefit system
- skills gap - lack of computer skills/ literacy.

## **9.0 What is coming on the horizon?**

The Home Office is currently consulting on the development of the new 2016 Drug Strategy; where it is assumed that the focus will continue to remain on abstinence and recovery but with an emphasis on providing holistic interventions and treatment services with less financial resources.

At the time of writing the New Psychoactive Substances (NPS) Bill had just been delayed and it is unclear when this will return to Parliament but it seems clear that this area of substance misuse is likely to increase over the coming years.

Given the changing trends in substance misuse and the increase in dependence on medicines (ATM), it is important that commissioners of substance misuse treatment in Lewisham have an understanding of not only illicit drug use, but also addiction to medicines, in order to ensure services have the capacity to support local needs.

### **Pregabalin misuse**

Local intelligence has highlighted an increase in the misuse of pregabalin<sup>71</sup>, which has resulted in an increase in issues with local treatment providers and other partnership agencies. A Pregabalin Dependency Pathway has been developed in Lewisham to ensure a consistent approach to prescribing, especially where patients are requesting increasing doses, younger male patients are presenting with vague symptoms of nerve pain/anxiety or newly registered patients are specifically requesting pregabalin.

### **Understanding the interdependency of sex and substance misuse**

There is a changing demographic profile of Lewisham and increasing number of men who have sex with men living in Lewisham. Understanding the interdependency of sex and substance misuse, including chemsex and risks associated with each will be required in addition to ensuring that any commissioning of specialist services ensures effective working with sexual health services.

### **Updated alcohol consumption guidelines**

The Department of Health has released updated alcohol consumption guidelines that will take effect immediately (although the wording is being consulted on until April 1st 2016). The new guidelines state that:

- There should be single guideline for men and women: This will now be 14 units a week for both men and women.
- There is an additional recommendation not to 'save up' 14 units for one or two days - but instead to spread them over three or more days
- A 'protective effect' is less significant than it was - i.e. one or two glasses of red wine does not prevent you from getting heart disease, as is often reported
- Alcohol and pregnancy: The previous line 'If pregnant women choose to drink they should limit their drinking to one or two units once or twice a week' will be removed to remove the current ambiguity around drinking in pregnancy

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<sup>71</sup> Pregabalin was first developed as an anticonvulsant drug but is now mainly used for neuropathic pain and as an adjunct therapy for partial seizures

- The new guidelines will present new evidence about the clear links between alcohol consumption and cancer

### **Licensing**

Lewisham Council has recently published a new Statement of Licensing Policy and will be reviewing the number and extent of the Cumulative Impact Zones within the policy, drawing on local intelligence about alcohol related violence and alcohol related harm.

### **Public Health allocation**

The reduced Public Health allocation to local authorities is likely to have an impact on the resource available to fund preventive and specialist services.

### **Welfare Reforms**

The Welfare Reforms which are currently being implemented are likely to lead to reduced disposable income for many people misusing substances and may affect recovery rates.

### **Substance misuse service 2016**

The core specialist substance misuse service will be re-tendered in 2016, with a view to commissioning a new service from April 2017.

## **10.0 What should we do next?**

### **Priorities for 2016/17:**

- Investigate the under-represented groups in treatment i.e. older adults, women & certain BAME groups; with the aim to increase active participation for underrepresented groups in the Borough
- Work with JCP to investigate benefits profile of clients in treatment
- Investigate the increasing number of adults in treatment for 6 years or more; in addition to the examining the growing number of service users receiving treatment for Opiate use 21 years or more.
- Utilise 'phasing and layering' approach recommended by 'Medications in Recovery' and target treatment according to need.
- Minimise/reduce using on top as a recognised risk factor in DRD and also unsuccessful treatment, continue to provide Naloxone provision for those at risk of overdose.

- Review primary care services & pathways in order to work more collaboratively with GPs. i.e. to review opioid substitution therapy management with the view to improve the number of service users successfully completing treatment.
- Investigate what may be contributing to the reduction of treatment naïve clients and improve engagement.
- Establish the number of individuals who may be using and not accessing treatment, in order to ensure services can adapt to meet the needs of the community.
- Develop and implement a partnership marketing and communications plan/strategy that enables access to clear understandable information about services available and how to access
- Gather intelligence on new drugs/new psychoactive substances and develop effective responses to deal with the need.
- Explore how we might work with Sexual Health to understand the impact legal highs and or club drugs have on sexual health and Men who have Sex with Men (MSM), as they are more likely to use recreation drugs and participate in poly-drug use, and not access mainstream treatment provisions.
- Establish electronic recording for all needle exchange services in Lewisham.
- Investigate Tier 4 activity with regard to high numbers of alcohol clients accessing tier 4 treatment. .
- Improve referral pathways and expand interventions to support those most at risk through: identification; early intervention and brief advice by key professionals; interventions through the criminal justice system; primary care/pharmacist helping people onto treatment pathways; accessible levels of treatment.
- Make treatment providers aware of low penetration rate figures, and ensure they roll out an advertising campaign to expand awareness of treatment and to increase referrals from all sectors, specifically A&E and to consider placing a worker in A&E over weekend evenings
- Investigate the increase in older adults in alcohol treatment and Improve alcohol provision for this cohort and those who are increasing risk and higher risk drinkers in Lewisham.
- Consult with service users to improve and develop future service provision.
- Review pharmacy-based services and evaluate current activity.
- Increase number of individuals accessing BBV testing in order to: Maximise identification of BBV and facilitate treatment to enhance awareness and prevent BBV transmission. Explore testing for Hepatitis A, HIV, tuberculosis and other communicable diseases.

- Developing integrated pathways for family services as it is apparent that family services need to be central to Lewisham's treatment system in order to help overcome the wider harms caused by substance misuse.
- With the reduction in overall funding investigate structures for early interventions to reduce the long-term demand for treatment.
- Improve recording of users' recovery capital
- Continue to have multi-faceted approach to alcohol with a focus on population level enforcement regarding supply of alcohol, targeted scaled delivery of brief interventions and a specialist service with an increased focus on alcohol treatment, recovery and treatment completion in addition to completion of treatment for long term drug users.
- Continue to protect children and young people by reducing the supply of illegal alcohol and underage sales through a sustained focus on the enforcement of statutory regulations
- Selling alcohol to under age consumers must be identified and appropriate legal action taken to help reduce under age alcohol consumption.
- Optimise the use of social media, working in partnership with young people, to get key messages across to young people about smoking, drinking alcohol and using drugs
- Making it less easy to buy alcohol, by reducing the number of outlets selling it in a given area & the day and hours when it can be sold, is an effective way of reducing alcohol-related harm.
- Effective partnership working will help to unblock referral pathways and increase numbers in treatment.
- Decrease the number of referrals into treatment for alcohol at an earlier stage through increasing number of very brief interventions delivered and refining care pathways.
- Given the low numbers in the criminal justice system cohort, increase the number of referrals through improving the referral pathway
- Ensure services address the high rates of tobacco use among users and staff through referrals to the Stop Smoking Service and robust smoke free policies. Develop referral pathways into cessation services.
- Ensure service users access other lifestyle interventions such as health checks, health trainers, healthy walks and healthy eating & cookery classes
- Improve treatment completion rates for alcohol
- Reduce numbers of re-presentations via Mutual Aid support.

- Explore additional treatment pathways for service users i.e. access to Mutual Aid groups
- Given the changing trends in substance misuse and the increase in dependence on medicines (ATM), it is important that commissioners in Lewisham have an understanding of not only illicit drug use, but also addiction to medicines, in order to ensure services have the capacity to support local needs.
- Ensure service users access other lifestyle interventions such as health checks, health trainers, healthy walks and healthy eating & cookery classes.

# Appendices

## Appendix 1

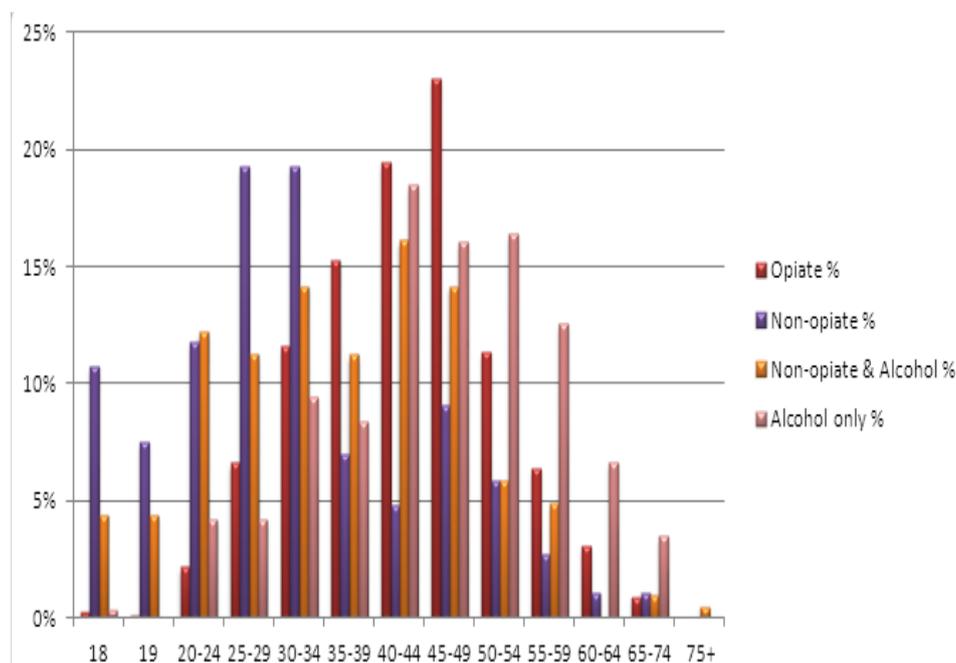
### Adults

The table shows gender distribution of clients in treatment 2014/15 by four substance types (with a year to date update at quarter 2 2015/16):

	2014/15						Q2 2015/16					
	Male		Nat	Female		Nat	All	Male		Female		All
	n	%	%	n	%	%	n	n	%	n	%	n
Opiate	579	74	73	208	26	27	797	489	73	45	27	534
Non-opiate only	127	68	75	60	32	25	187	86	66	45	34	131
Non-opiate & alcohol	138	67	74	67	33	26	205	98	68	47	32	145
Alcohol only	185	65	62	102	35	38	207	132	63	76	37	208
<b>Total</b>	<b>1029</b>	<b>74%</b>	<b>70%</b>	<b>437</b>	<b>31%</b>	<b>30%</b>	<b>1396</b>	<b>805</b>	<b>79%</b>	<b>213</b>	<b>21%</b>	<b>1018</b>

Source: PHE Adult Partnership Activity Report & National Stats

The table shows age distribution of clients in treatment 2014/15 by four substance types:



Source: PHE Adult Partnership Activity Report & National Stats (Percentages may equal 0% or >100% due to rounding)

The table shows ethnic distribution of clients in treatment 2014/15 (with a year to date update at quarter 2 2015/16):

	In treatment in Lewisham				Lewisham Borough Profile			
	2014/15		Q2 2015/16		2011 Census		2001 Census	
All	1466		1155		275,885		248,922	
	n	%	n.	%	No.	%	No.	%
White - British	840	57.356	690	59.7	114,446	41.5	141,814	56.9
White - Irish	58	4.0	43	3.7	5,206	1.9	6,990	2.8
White - Gypsy or Irish Traveller	-	-	-	-	208	0.1	-	-
White - Other	129	8.8	87	7.5	27,826	10.1	15,294	6.1
White and Black Caribbean	49	3.3	46	4.0	8,539	3.1	4,760	1.9
White and Black African	8	0.5	7	0.6	3,559	1.3	1,599	0.6
White and Asian	4	0.3	5	0.4	3,045	1.1	1,565	0.6
Other mixed	25	1.7	18	1.6	5,329	1.9	2,475	1.0
Indian	4	0.3	6	0.5	4,600	1.7	3,487	1.4
Pakistani	1	0.1	1	0.1	1,596	0.6	1,090	0.4
Bangladeshi	1	0.1	1	0.1	1,388	0.5	1,229	0.5
Chinese	1	0.1	0	0.0	6,164	2.2	3,431	1.4
Other Asian	21	1.4	13	1.1	11,786	4.3	3,644	1.5
African	38	2.6	33	2.9	32,025	11.6	22,571	9.0
Caribbean	101	6.9	71	6.1	30,854	11.2	30,543	12.3
Black - Other	120	8.2	73	6.3	12,063	4.4	5,146	2.1
Arab	-	-	-	-	1,456	0.5	-	-
Other Ethnic Group	35	2.4	27	2.3	5,795	2.1	3,284	1.3
Not stated/missing	31	2.1	33	3	-	-	-	-

Source: PHE Adult Partnership Activity Report and Local Census data (percentages may equal 0% or >100% due to rounding)

The table shows latest successful completions covering a 12 month period:

	Baseline period		D.O.T		Latest period		Top Quartile range for Comparator LAs	Range to achieve Top Quartile
	(%)	(n)	B	LQ	(%)	(n)		
Opiate	7.2%	57 / 787	▼	▼	5.9%	46 / 777	10.07% - 13.59%	79 to 105
Non-opiate	48.1%	90 / 187	▼	▼	47.4%	93 / 196	44.44% - 58.28%	88 to 114
Alcohol	43.6%	125 / 287	▼	▼	31.1%	89 / 286	39.12%*	-
Alcohol and non-opiate	36.1%	74 / 205	▼	▼	33.2%	73 / 220	42.47% - 56.52%	94 to 124

Source: PHE DOMES

The table shows latest successful completions who have returned to treatment within 6 months:

	Baseline period		D.O.T		Latest period		Top Quartile range for Comparator LAs	Range to achieve Top Quartile
	(%)	(n)	B	LQ	(%)	(n)		
Opiate	8.3%	3 / 36	▼	▼	13.8%	4 / 29	11.54% - 0.00%	3 to 0
Non-opiate	2.5%	1 / 40	▲	■	0.0%	0 / 51	0.00% - 0.00%	0 to 0
Alcohol	11.8%	9 / 76	▼	▼	18.0%	11 / 61	10.73%*	-
Alcohol and non-opiate	2.7%	1 / 37	▼	▼	22.0%	9 / 41	4.26% - 0.00%	1 to 0

Source – PHE DOMES

The table shows latest treatment outcomes at 6 month review:

**1.4 Abstinence and reliably improved rates at 6 months review in the last 12 months**

	Abstinence rates		Expected range for your clients	Reliably improved (%)
	(%)	(n)		
Opiate abstinence and reliably improved rates	30.8%	33 / 107	24.1% - 41.9%	29.0%
Crack abstinence and reliably improved rates	28.6%	24 / 84	31.0% - 52.0%	16.7%
Cocaine abstinence and reliably improved rates	47.8%	11 / 23	35.8% - 76.3%	17.4%
Alcohol abstinence and reliably improved rates	16.0%	24 / 150	15.8% - 29.1%	23.3%

**1.5 No longer injecting: 6 month review in last 12 months**

48.8%	20 / 41	47.3% - 77.0%	14.6%
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**1.6 Housing and employment outcomes at successful completion of treatment**

**Opiate Clients**

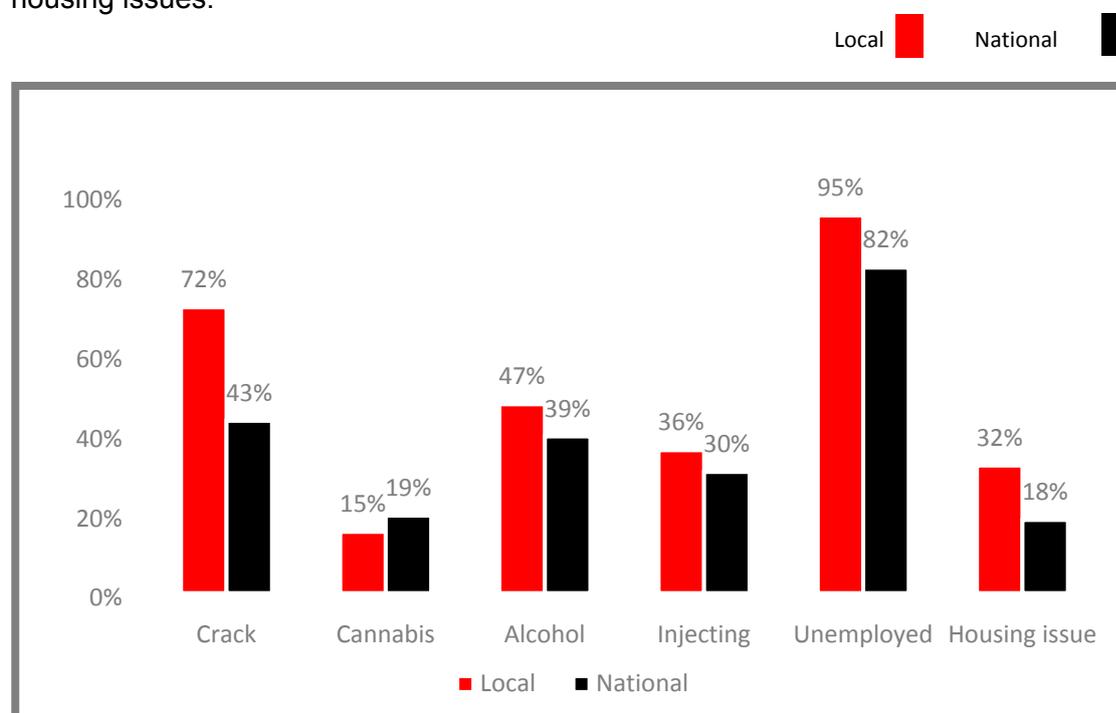
	(%)	(n)	National average
Clients with no reported housing need (Exit TOP)	86.5%	32 / 37	96.0%
Clients working >= 10 days in last 28 at exit	23.1%	9 / 39	24.3%

**Non-Opiate Clients**

Clients with no reported housing need (Exit TOP)	90.3%	121 / 134	96.3%
Clients working >= 10 days in last 28 at exit	22.3%	29 / 130	32.9%

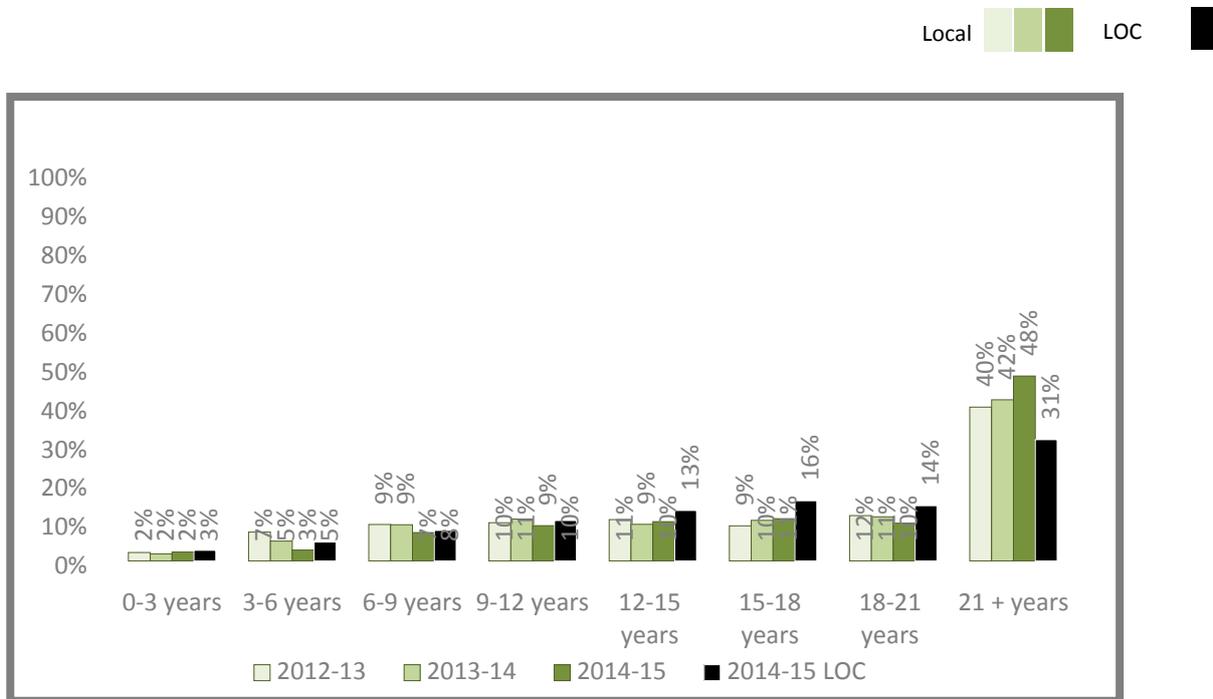
Source: PHE DOMES

The graph below gives the percentage of opiate clients in Lewisham who are still using opiates at six month review and also using other drugs, injecting, are unemployed or having housing issues:



Source: PHE Recovery Diagnostic Tool (RDT)

This chart shows the drug-using career length of opiate clients in treatment:



Source: PHE Recovery Diagnostic Tool 2014/15

The table shows the proportion of the treatment population in with an offending history:

	Latest period		National average
	(%)	(n)	
<b>Opiate</b>	<b>18.9%</b>	147 / 777	<b>23.0%</b>
<b>Non-opiate</b>	<b>14.3%</b>	28 / 196	<b>20.5%</b>
<b>Alcohol</b>	<b>3.8%</b>	11 / 286	<b>6.3%</b>
<b>Alcohol and non-opiate</b>	<b>7.3%</b>	16 / 220	<b>14.6%</b>

Source: PHE DOMES

The table shows routes taken by drug and alcohol users to access structured treatment, by four substance groups:

Referral Source	Alcohol & Non-opiate		Non-opiate (only)		Alcohol (only)		Opiate		Total		
									LBL		Nat
Self, family & friends	83	60%	76	52%	138	60%	152	65%	449	60%	47%
GP	12	9%	7	5%	28	12%	4	2%	51	7%	13%
Hospital (including A&E)	1	1%	0	0%	7	3%	4	2%	12	2%	3%
Health (other)	15	11%	16	11%	9	4%	4	2%	44	6%	6%
Substance misuse service	6	4%	1	1%	12	5%	13	6%	32	4%	9%
CJS	16	12%	35	24%	21	9%	52	22%	124	17%	17%
Other	5	4%	10	7%	16	7%	5	2%	36	5%	5%
Subtotal Total	138	100%	145	100%	231	100%	234	100%	748	100%	100%
Missing or unknown	1		0		0		0		1		
Total	139		145		231		234		749		14646

Source: PHE Adult Partnership Activity Report & Adult substance misuse from NDTMS

This table shows the number of clients in treatment who cited prescription-only or over-the-counter medicine use at any point in latest treatment journey - 2014/15:

	Local	Proportion of treatment population	Numerical split by gender		National	Proportion of treatment population
			M	F		
Number of adults citing	n				n	
Illicit use	130	11%	90	40	26,266	13%
No illicit use	17	1%	12	5	6,173	3%
POM/OTC use:						
Total	147	12%	102	45	32,439	16%

Source: PHE Drug JSNA Support Pack

The table shows individuals with an accommodation need (new treatment journeys) – 2014/15:

Accommodation status at the start of treatment	Local		Proportion of new presentations		National	
	n	Proportion of new presentations	Proportion by gender		n	Proportion of new presentations
			M	F		
Urgent problem (NFA)	87	16%	19%	9%	7,188	9%
Housing problem	84	16%	14%	20%	10,973	14%
No housing problem	328	62%	63%	59%	58,801	73%
Other	33	6%	4%	12%	1,467	2%
Not stated/Missing	1	0%	0%	0%	1,813	2%

Source: PHE Drug JSNA Support Pack

The table shows employment status for individuals in treatment (start of treatment) – 2014/15:

Employment status at the start of treatment	Local	Proportion of new presentations	National	Proportion of new presentations
	n		n	
Regular employment	73	14%	15,080	19%
Unemployed/Economically inactive	252	47%	37,893	47%
Unpaid voluntary work	3	1%	197	0%
Long term sick or disabled	154	29%	17,135	21%
In education	18	3%	1,181	1%
Other	13	2%	2,062	3%
Not stated/Missing	20	4%	6,694	8%

Source: PHE Drug JSNA Support Pack

The table shows the benefits profile of individuals in treatment – 31<sup>st</sup> March 12:

Benefit profile of treatment population	Local n	Proportion of all in treatment on 31/03/2012	National n	Proportion of all in treatment on 31/03/2012
Number of individuals in drug treatment on 31/03/2012	862		134,090	
Number of individuals in drug treatment on 31/03/2012 recorded as being on benefits (of any type) on the 31/03/2012	561	65%	82,347	61%
Number of individuals in treatment recorded as being on benefits on the 31/03/2012 (by type)*:				
Jobseekers Allowance (JSA)	78	9%	19,178	14%
Employment Support Allowance (ESA)	216	25%	28,378	21%
Incapacity Benefit (IB)	212	25%	25,552	19%
Income Support (IS)	217	25%	26,315	20%
Disability Living Allowance (DLA)	148	17%	19,167	14%
Other	22	3%	4,308	3%

PHE Drug JSNA Support Pack

Proportion of adults in treatment living with children under the age of 18 - Q2 2015/16:

	Latest period		National average
	(%)	(n)	(%)
<b>Opiate</b>	<b>19.7%</b>	153 / 777	<b>30.1%</b>
<b>Non-opiate</b>	<b>13.8%</b>	27 / 196	<b>24.2%</b>
<b>Alcohol</b>	<b>21.3%</b>	61 / 286	<b>25.2%</b>
<b>Alcohol and non-opiate</b>	<b>20.0%</b>	44 / 220	<b>23.7%</b>

Source: PHE DOMES

## Young People

The table shows YP (up to age 25) gender distribution of clients in treatment 2013/14 - 2014/15 (with a year to date update at quarter 2 2015/16):

	2013/14		2014/15		Q2 2015/16		National
	no.	%	no.	%	no.	%	%
Male	158	58%	153	57%	80	53%	65%
Female	114	42%	116	43%	70	47%	35%
All	272	100%	269	100%	150	100%	100%

Source: PHE YP Activity Report

The table shows YP (up to age 25) age distribution of clients in treatment 2013/14 - 2014/15 (with a year to date update at quarter 2 2015/16):

	2013/14		2014/15		Q2 2015/16		National
	no.	%	no.	%	no.	%	%
Under 13	0	0%	0	0%	1	1%	1%
13-14	43	16%	47	17%	12	8%	16%
15	67	25%	44	16%	25	17%	21%
16	54	20%	57	21%	17	11%	23%
17	46	17%	50	19%	23	15%	22%
18	32	12%	30	11%	15	10%	9%
19	14	5%	20	7%	9	6%	3%
20-21	15	6%	19	7%	28	19%	3%
22-24	1	0%	2	1%	18	12%	3%
25	0	0%	0	0%	2	1%	0%
All	272	100%	269	100%	150	100%	100%

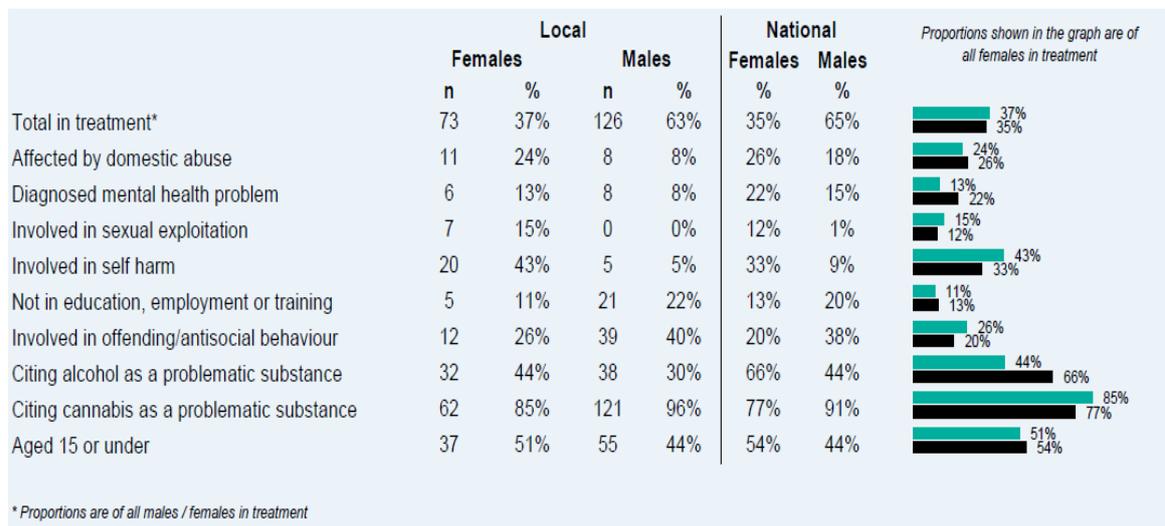
Source: PHE YP Activity Report

The table shows ethnicity (young people up to age 17)

	In treatment						Lewisham Borough Profile
	2013/14		2014/15		Q2 2015/16		2011 Census
	n	%	n	%	n	%	
White British	73	35%	57	29%	17	22%	14.8%
White Irish	3	1%	2	1%	1	1%	0.2%
White Gypsy or Irish Traveller							0.0%
White Other	10	5%	7	4%	4	5%	2.9%
White & Black Caribbean	24	11%	19	10%	6	8%	3.3%
White & Black African	2	1%	4	2%	1	1%	1.4%
White & Asian	0	0%	1	1%	0	0%	1.2%
Other Mixed	12	6%	16	8%	3	4%	2.3%
Indian	0	0%	0	0%	0	0%	0.6%
Pakistani	1	0%	1	1%	1	1%	0.4%
Bangladeshi	0	0%	0	0%	0	0%	0.3%
Chinese	1	0%	0	0%	1	1%	0.8%
Other Asian	4	2%	3	2%	2	3%	2.4%
Black African	14	7%	19	10%	8	10%	8.0%
Black Caribbean	40	19%	45	23%	24	30%	5.8%
Black Other	25	12%	21	11%	7	9%	4.3%
Arab							0.3%
Other ethnic group	0	0%	0	0%	2	3%	1.1%
Not stated	1	0%	4	2%	1	1%	
Missing/inconsistent	0	0%	0	0%	1	1%	
All Ethnic groups	210		199		79		

Source: PHE YP Activity Report

This table shows some areas where the presenting needs of young females differs from young males in treatment:



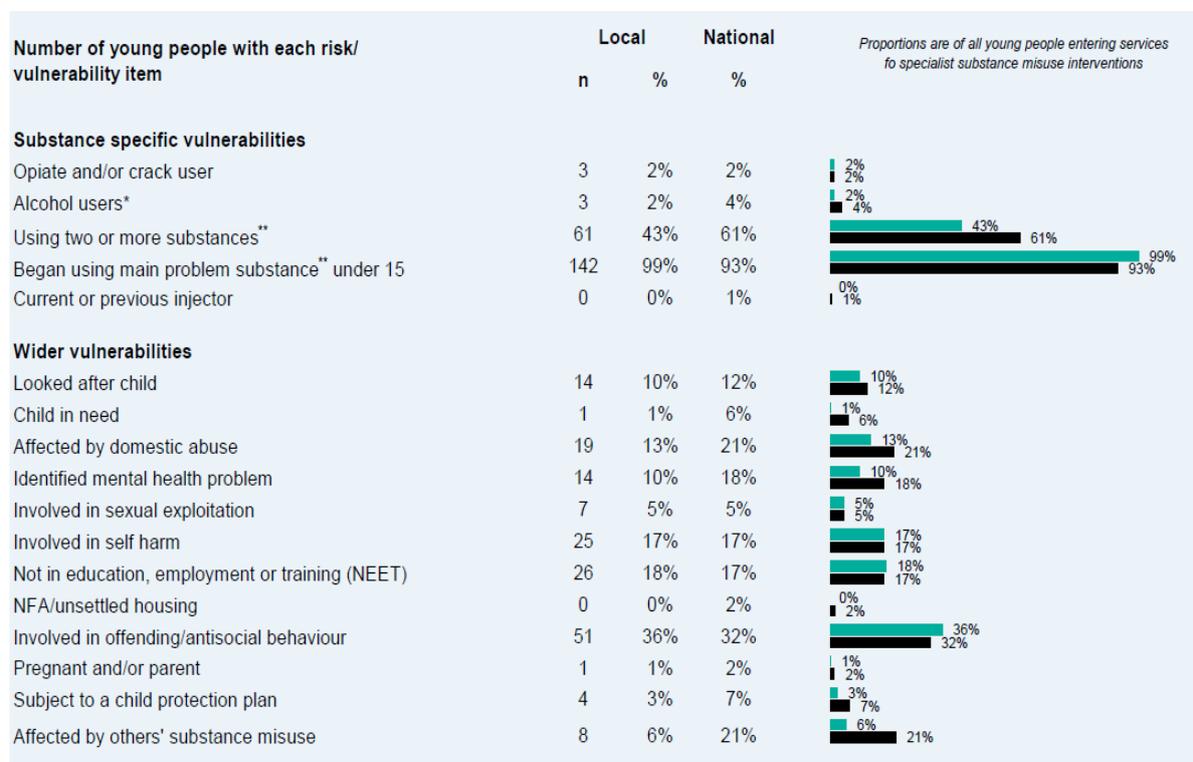
Source: Source: PHE YP JSNA Support Pack (a YP may report more than one vulnerability therefore the % may be >100%)

The table shows referral routes into treatment for YP under 18 YTD (new presentations):

Referral Source	Lewisham				National
	Baseline 2014/15	Q1	Q2		
Children & family Services	10%	15%	12/79	15%	20%
Education Services	22%	19%	16/79	20%	22%
Health & Mental Health	7%	6%	4/79	5%	8%
Accident & emergency	1%	1%	1/79	1%	2%
Substance Misuse Services	1%	0%	1/79	1%	3%
Youth Justice Service	50%	9%	17/79	22%	29%
Self, family & Friends	4%	47%	26/79	33%	12%
Other (inc blank)	4%	3%	2/79	3%	4%

Source: PHE YP Partnership Activity Report (by age)

The table shows the range of vulnerabilities of YP in substance misuse treatment in Lewisham 2014/15:



Source: PHE YP JSNA Support Pack (YP may report more than one vulnerability therefore the % may be >100%)

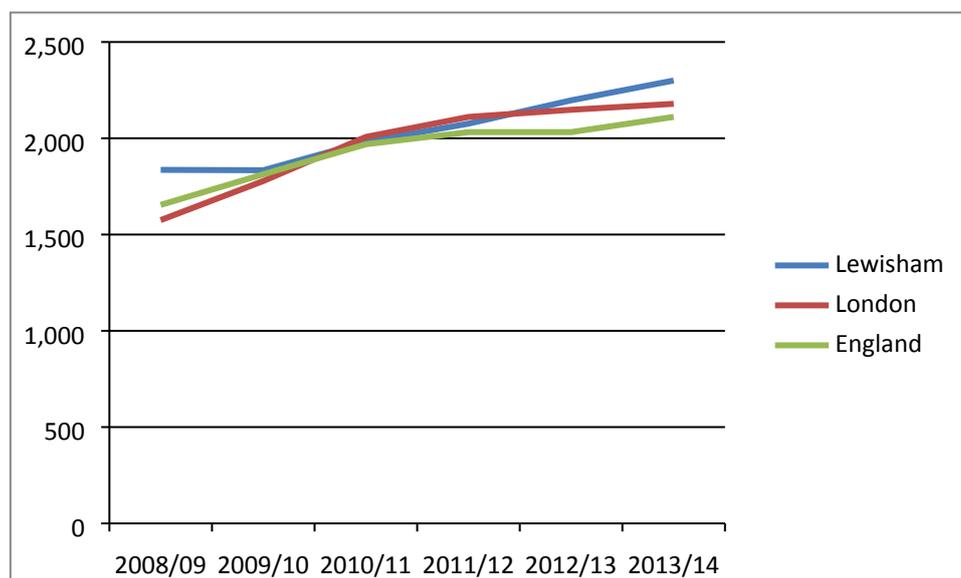
## Alcohol

### Alcohol drinking categorisation and definitions

Drinking Category	Government definition	Operational definition
Abstainers	No Government definition for abstinence exists.	A person whose weekly alcohol consumption was reported in the General Lifestyle Survey as 0 units over the previous 12 months.
Lower risk	Men who regularly drink no more than 3 to 4 units per day and women who regularly drink no more than 2 to 3 units per day.* Weekly limits are no more than 21 units per week for a man and 14 units per week for a woman .**	A man whose average weekly alcohol consumption was reported in the General Lifestyle Survey as >0 and <=21 units in the previous 12 months. A woman whose average weekly alcohol consumption was reported in the General Lifestyle Survey as >0 and <=14 units in the previous 12 months.
Increasing risk	Men who regularly drink over 3 to 4 units per day and women who regularly drink over 2 to 3 units per day.* Weekly limits are more than 21units to 50 units for a man and more than 14 units to 35 units for a women.**	A man whose average weekly alcohol consumption was reported in the General Lifestyle Survey as being >21 units to <=50 units in the previous 12 months. A woman whose average weekly alcohol consumption was reported in the General Lifestyle Survey as >14 units to <=35 units in the previous 12 months.
Higher risk	Men who regularly drink over 8 units per day or over 50 units per week and women who regularly drink over 6 units per day and over 35 units per week.*	A man whose average weekly alcohol consumption was reported in the General Lifestyle Survey as >50 units in the previous 12 months. A woman whose average weekly alcohol consumption was reported in the General Lifestyle Survey as >35 units in the previous 12 months.

Source: NW England Public Health Observatory, Topography of Drinking Behaviours in England - August 2011

The figure below shows hospital admissions where the primary diagnosis or any of the secondary diagnoses are an alcohol-attributable 2008/09 to 2013/14:



Source: Public Health Lewisham

The table show the number in treatment drinking at higher risk levels and units consumed at start of treatment 2014/15

	Local		% all in treatment	Proportion by gender		National		% all in treatment	Proportion by gender		% drinking at higher risk levels					
	n	n		M	F	n	n		M	F						
Drinking at higher risk levels in the 28 days prior to entering treatment	234	234	81%	82%	79%	65,180	65,180	75%	75%	75%						
Units consumed in the 28 days prior to entering treatment:	Proportion by gender															
	Male	Female	0 units		1-199		200-399		400-599		600-799		800-399		1000+	
	n	n	M	F	M	F	M	F	M	F	M	F	M	F	M	F
Local	190	99	3%	3%	15%	26%	16%	24%	19%	23%	15%	7%	12%	8%	19%	8%
National	53,656	33,238	7%	7%	18%	25%	19%	25%	20%	22%	13%	10%	10%	6%	13%	6%

Individuals with missing units data are not included in this section

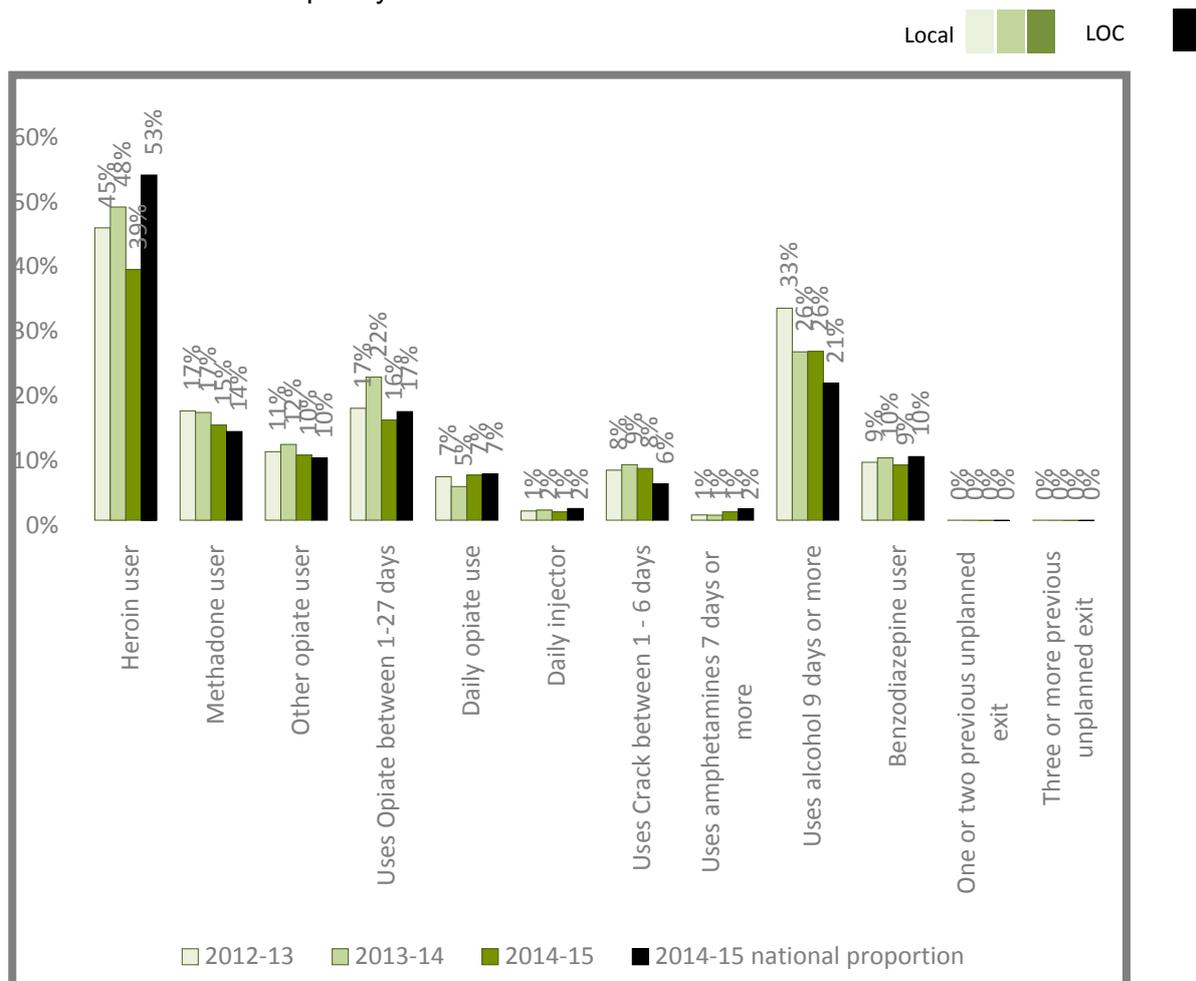
Source: PHE Alcohol JSNA Support Pack

The table show the number dependant drinkers who have been to residential rehabilitation 2014/15:

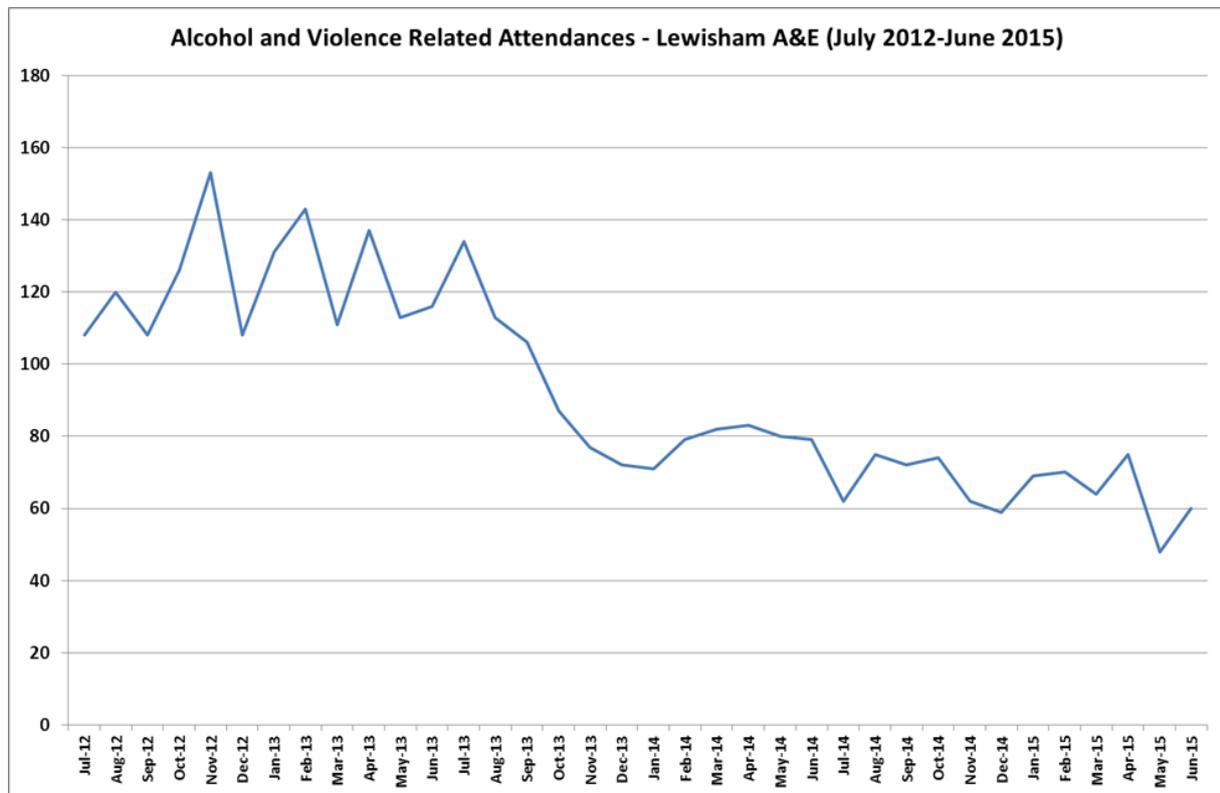
	Local n	% of all in treatment	National n	% of all in treatment
Number of adults who attended residential rehabilitation	31	11%	2,630	3%

Source: PHE Alcohol JSNA Support Pack

This chart shows the proportion of treatment naïve clients, who reported each of the factors that increase their complexity:



Source: PHE Recovery Diagnostic Tool 2014/15



Source: Public Health Lewisham

This table death due to drugs and alcohol in Lewisham – 2009 to November:

Year	Alcohol	Drugs	Mixed	Total
2015 (to Nov)	33	5	0	34
2014	17	3	2	21
2013	17	0	2	19
2012	16	5	0	21
2011	15	8	5	28
2010	16	7	1	24
2009	16	7	8	31
<b>Total</b>	<b>130</b>	<b>35</b>	<b>18</b>	<b>183</b>

Source: Primary Care Mortality Database, ONS (local analysis)

Key contact: Lorna Thomas

Date written: May 2016

# Agenda Item 8

<b>Chief Officer Confirmation of Report Submission</b>	
<b>Report for:</b> Mayor	<input type="checkbox"/>
Mayor and Cabinet	<input checked="" type="checkbox"/>
Mayor and Cabinet (Contracts)	<input type="checkbox"/>
Executive Director	<input type="checkbox"/>
<b>Information</b> <input type="checkbox"/> <b>Part 1</b> <input checked="" type="checkbox"/> <b>Part 2</b> <input type="checkbox"/> <b>Key Decision</b> <input type="checkbox"/>	

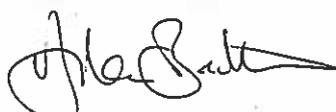
<b>Date of Meeting</b>	13 July 2016
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<b>Title of Report</b>	Library Savings Programme Update
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<b>Originator of Report</b>	Liz Dart, Head of Culture and Community Services	<b>Ext.</b> 46115
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At the time of submission for the Agenda, I confirm that the report has:

Category	Yes	No
Financial Comments from Exec Director for Resources	X	
Legal Comments from the Head of Law	X	
Crime & Disorder Implications	X	
Environmental Implications	X	
Equality Implications/Impact Assessment (as appropriate)	X	
Confirmed Adherence to Budget & Policy Framework	X	
Risk Assessment Comments (as appropriate)		
Reason for Urgency (as appropriate)		

Signed		Director/Head of Service
Date	29.06.16	
Signed		Cabinet Member
Date	05.07.16	

### Control Record by Committee Support

Action	Date
Listed on Schedule of Business/Forward Plan (if appropriate)	
Draft Report Cleared at Agenda Planning Meeting (not delegated decisions)	
Submitted Report from CO Received by Committee Support	
Scheduled Date for Call-in (if appropriate)	
To be Referred to Full Council	

<b>Mayor and Cabinet</b>			
<b>Report Title</b>	Libraries Savings Programme Update		
<b>Key Decision</b>	Yes	Item No.	
<b>Ward</b>	Forest Hill, Catford South, Rushey Green and Lee Green		
<b>Contributors</b>	Executive Director for Community Services, Executive Director for Resources and Regeneration		
<b>Class</b>	Part 1	Date:	13 July 2016

## **1. Introduction**

- 1.1. On 9 December 2015, Mayor and Cabinet resolved to extend the Community Library model to Forest Hill, Torricon and Manor House libraries and instructed officers to identify suitable partner organisations. Officers were also asked to bring back more detailed plans on the proposed reconfiguration of the library in the ground floor of Laurence House, Catford.

## **2. Purpose**

- 2.1. This report provides information about progress in identifying partner organisations for the community libraries and of the reconfiguration of the ground floor of Laurence House.

## **3. Recommendations**

- 3.1. The Mayor is recommended to:

- 3.1.1. Approve V22 as the preferred partner for Forest Hill and delegate authority to the Executive Director for Regeneration, in consultation with the Executive Director for Community Services and the Head of Law, to negotiate the terms of a lease for the Forest Hill Library building with V22 for a minimum term of 25 years at a nil rent to enable the provision of a community library in partnership with Lewisham Council.
- 3.1.2. Approve The Archibald Corbett Society working with the Corbett Residents Association as the preferred partners for Torricon Road Library building and delegate authority to the Executive Director for Community Services to negotiate the terms of a premises management agreement for an interim period whilst their business plan for the building is further developed in order to be considered for a lease.
- 3.1.3. Instruct officers to carry out a further exercise as described in paragraph 8.7 to identify a suitable partner organisation for Manor House Library and that interim arrangements for the management of the building be put in place as described at para 8.8.
- 3.1.4. To note that an update on progress of the exercise for Manor House Library will be reported to Safer Stronger Select Committee in September 2016 and the final outcome will be reported back to Mayor and Cabinet for approval.

- 3.1.4. Note the proposed arrangement for the provision of library services in Laurence House, Catford as described in section 10.

#### **4. Policy context**

- 4.1. Shaping the Future, the Council's Sustainable Community Strategy includes the following priority outcomes which relate to the work of the Library and Information Service and reflect the Council's aspirations for the service:
- Ambitious and Achieving – where people are inspired and supported to fulfil their potential.
  - Empowered and Responsible – where people can be actively involved in their local area and contribute to supportive communities.
  - Healthy, Active and Enjoyable – where people can actively participate in maintaining and improving their health and wellbeing.
  - Dynamic and Prosperous – where people are part of vibrant localities and town centres, well connected to London and beyond.
- 4.2. The Library and Information Service also contributes to the following Council Priorities:
- Community leadership and empowerment – developing opportunities for the active participation and engagement of people in the life of the community.
  - Strengthening the local economy – gaining resources to regenerate key localities, strengthen employment skills and promote public transport.
  - Active, healthy citizens – leisure, sporting, learning and creative activities for everyone.

#### **5. The Proposal**

- 5.1. The Budget Savings Proposal presented to Mayor and Cabinet in November 2015 was based on:
- The creation of three Hub Libraries – Deptford Lounge, Lewisham and Downham Health & Leisure Centre—which will carry an enhanced role for face to face contact between the Local Authority and the public to support the digital by default agenda.
  - The extension of the Lewisham Community Library Model to Forest Hill, Torridon, and Manor House, in partnership with other council services and community organisations. And the integration of the library provision into the repurposed ground floor space within the Catford complex (Laurence House).
  - The review of front line staff to include new functions through the re-training and enhancement of front line roles
- 5.2. Implementation of this proposal will release revenue savings of £950,000 to the Library budget. The proposal also includes efficiencies to be realised on the Deptford Lounge budget which would produce savings of £50,000.

#### **6. Identifying Partner Organisations**

- 6.1. The Council conducted a soft market test to gauge the interest in the transfer of the Forest Hill, Manor House, and Torridon Road buildings to potential partners. The Test attracted a number of organisations from the commercial,

public, and voluntary sectors.

6.2. A full tender pack was produced and made available through the London Procurement Portal and the Council website. Twenty organisations registered through the portal. Officers facilitated visits to the library buildings, responded to questions and met with interested organisations.

6.3. Potential partner organisations and their proposals were assessed using the following five criteria:

6.4.

- Proposed use of the building and associated community benefits including community library service
- Organisational Capacity
- Capital funding plan
- Ability to take on financial responsibilities of running the library building including income and expenditure forecast
- Plans to involve the community

## 7. **Forest Hill**

7.1. Two organisations developed proposals for the Forest Hill Library. One of these stated that they would require ongoing revenue support from the council and that proposal was therefore not taken forward.

7.2. The preferred bidder is V22, an arts organisation with a shared ownership model that specialises in the collection of contemporary art, the production of exhibitions and events, the provision of artists' studios, workspaces and artisans' workshops at affordable rates, and the running of community engagement and education programmes. V22 includes V22 plc, V22 London Ltd, and the V22 Foundation. It would be the V22 Foundation that would take on the lease for Forest Hill Library. V22 have extensive experience of managing buildings. They hold the lease for Louise House which is adjacent to Forest Hill Library and have successfully raised the capital funding to refurbish the building and create artist studios and community spaces. The bid clearly demonstrated that V22 has the organisational capacity to manage Forest Hill Library building.

7.3. V22 submitted a comprehensive and well-structured proposal aimed at creating "a community hub for the advancement of art, education, and the personal and physical wellbeing of local residents". V22 suggested to retain the fundamental role of the library building, to enhance it through the development of specific, art-related material and activities, and to integrate the building in the complex that includes Louise House and the Forest Hill pools. They would do this by:

7.4.

- Developing a specialist art section
- Hosting talks and symposia as well as small classes
- Introducing The Philosophy Foundation as an anchor tenant to the building
- Hosting activities on topics of interest to local residents, including ancestry, Lego clubs, Code Clubs, and others
- Using available spaces other than the library for hireable studios and workspace areas
- Reinstating the writer-in-residence programme, and

- Developing activities for children and young people

- 7.5. The proposed uses will complement and enhance the library services whilst providing an income stream for the building.
- 7.6. The income and expenditure plan submitted as part of the bid was realistic with the main source of income coming from studio rental income. The expenditure efficiencies will be realised through managing the Forest Hill Library building jointly with Louise House. V22 have demonstrated that they have the skills to attract and manage capital funding. It is proposed that V22 take on a full repairing lease. There would be no rent in return for working in partnership with the council to ensure the continued provision of a community library within the building.
- 7.7. The bid clearly showed that V22 had engaged thoroughly with the local community. A number of key local organisations are active partners in the bid. V22 propose to formalise their relationship with local organisations through a Management Agreement that will include the V22 Foundation as the proposed lessee and V22 London, the Forest Hill Society, the Forest Hill Traders Association, and the newly created Friends of the Forest Hill Library. The day to day running of the building will be overseen by this consortium of organisations bringing a great deal of local knowledge and community contacts.
- 7.8. It is recommended that officers work with V22 and others to progress the lease for the Forest Hill building and enable the extension of the community library model to Forest Hill.

## **8. Manor House**

- 8.1. While a number of organisations expressed an interest in the Manor House building, only one proposal from Greenwich Leisure Limited (GLL) was submitted.
- 8.2. GLL is a national leading charitable social enterprise and large leisure and cultural service provider established in 1993. Their track record clearly demonstrated that they have the organisational capacity to take on the management of Manor House.
- 8.3. GLL's proposal looked at retaining the library space and using their own expertise in library management to enhance the community library offer in conjunction with developing strong income streams to support the running costs of the building. A key component of their income generation strategy was to create an Ofsted registered day nursery in the lower ground floor.
- 8.4. In order to fulfil Ofsted requirements the day nursery would need to have access to a dedicated outdoor play space for the children. This would have required the fencing off of part of the library grounds at the rear of the building. Manor House is a Grade II\* listed building. Discussions with planning and conservation officers were held and although the required internal alterations could have been accommodated without damaging the historic fabric of the building it became clear that Listed Building Consent for the fence required to enclose the play area was unlikely to be forthcoming.
- 8.5. The requirement for external play space surrounded by a high level, close-boarded or opaque enclosure would obscure the views of the building from the

Garden. This barrier would detract from the overall aesthetic quality of the rear of the building and its relationship with Manor House Gardens. Had the proposal presented a high quality enclosure of reduced height, which allowed greater views of the building, this may have been supported. However it was not possible to secure this given the operators requirements and the time restraints of the tender process.

- 8.6. Without being able to develop the income stream from the Day Nursery it was felt that the GLL proposal was not viable. Officers were therefore unable to support this proposal but would be happy to discuss alternative suggestions from GLL should they come forward.
- 8.7. There is therefore not a preferred bid for Manor House Library Building. Officers feel that given that the partnership arrangement could be for 25 years it is important that time is taken to ensure the right proposal is taken forward that works within the restrictions of the Grade II\* listing status. Feedback from potential bidders suggests that the prospect of taking on the responsibility of a lease for such an important building has proved to be a disincentive. It is therefore recommended that officers undertake a further exercise to identify suitable partner organisations for Manor House building but include a clear option to occupy the building with a premises management agreement, where the partner organisation would have responsibility for the day to day running costs and the council would retain responsibility for the statutory maintenance. Officers will also engage the services of a specialist agency to broaden the search for a suitable partner.
- 8.8. The search for a new partner will re-commence immediately and an update on progress will be provided to Safer Stronger Select Committee in September 2016. The timetable for the service wide staff reorganisation will remain unchanged. Implementation will take effect in mid-September and from that time the library service will no longer be responsible for the day to day management of the building. The council however, will retain this responsibility and will put in place alternative building management resource. The building will continue to open to the public on a reduced number of hours. Library services will be available on a self-service basis, supported by visits from the peripatetic library team that supports the community libraries and there will be the possibility of accommodating community uses. Further details of these interim management arrangements will be reported to Safer Stronger in September and the period for the interim arrangements will be kept as short as possible.

## **9. Torrison Road**

- 9.1. GLL also submitted a proposal for the Torrison Road building that they would have managed in tandem with Manor House. They did not think it was feasible to manage Torrison Road in isolation and therefore this proposal was not taken forward for the reasons outlined above.
- 9.2. However, a number of local organisations led by the Archibald Corbett Society expressed an interest in the building but, being themselves in a development phase at the time of the procurement, were unable to submit a full bid.
- 9.3. The Archibald Corbett Society and Corbett Residents Association have since contacted the council reiterating the interest of their in taking on the management of the library building in Torrison Road. The initial proposal has

been assessed against the five criteria and it is considered that there is a strong enough case to take the proposal forward although further work will be required before a full lease could be negotiated.

- 9.4. It is proposed that the Archibald Corbett Society and the Corbett Residents Association work together to establish a Community Interest Company to manage the Torridon Rd Library Building. The two partners have a wide range of skills sets between them, including community development, finance, fundraising, community assets and managing volunteers. Officers will need to do further work to establish the exact governance arrangements but the track record of the two organisations and key individuals suggest that sufficient organisational capacity could be developed to support the management of the building.
- 9.5. The proposal is to retain the library as the core of the building, but to develop additional services that would make the organisation sustainable in the longer term. These services may include a café, developing existing office spaces into work spaces for renting out to local business people, afternoon music recitals with cream teas from the café and evening jazz and music recitals with a bar, digital inclusion to include IT for children and the older people, a Kumon educational centre, childcare and children's activities, film shows, healthy eating cookery clubs and an arts, heritage and history centre. The proposed activities would complement and enhance the community library whilst offering opportunity for income generation. One of the strengths of this proposal is that it has grown from two of the key local community organisations. The proposed activities have come from the interests and needs of their memberships who are all local residents. The continued involvement of local residents is an integral part of the project.
- 9.6. A detailed business plan has not yet been fully developed but it is felt that the proposed activities could provide sufficient income streams to sustain the building in the long term. It is recommended that officers work initially with the Archibald Corbett Society and Corbett Residents Association to put in place a premises management agreement enabling them to take on the day to day management of the building, but with the council retaining responsibility for statutory maintenance of the building. This would be an interim arrangement whilst the business plan was further developed prior to a lease being negotiated. There would be no rent payable in return for working in partnership with the council to ensure the continued provision of a community library within the building.
- 9.7. It is recommended that officers work with the Archibald Corbett Society and others to develop a Premises Management Agreement for the building to enable the extension of the community library model to Torridon Road.

## **10. Catford**

- 10.1. Officers have further developed proposals for Catford Library as part of a newly integrated ground floor space within the Laurence House building. Some agreed principles include:
- 10.2.
- The integration of receptions and the relocation of the main reception area.
  - The opening up of the ground floor space as one public area but with the majority of the library floor space remaining unchanged.

- The introduction of a comfortable self-service lounge area where residents can use technology to access services for themselves.
- The increased opening hours for the library using self-service terminals from 8am.
- The allocation of two full time equivalent Library Assistants and the support of the Community Engagement Team to support the library provision in the space.

10.3. Appendix 1 offers a draft layout for the space.

## **11. Stakeholder Engagement**

11.1. Officers have worked with local community stakeholders in developing the library proposals. Meetings were held to discuss the draft tender pack and ideas and information about the kinds of community activities that stakeholders felt would be appropriate were included.

11.2. It was initially intended to hold a community stakeholder event so that officers could obtain feedback on bids. However, it was decided due to the small number of bids that individual meetings for each library would be more productive. Officers met with ward councillors and representatives from local community organisations (where they were not directly involved in a bid). In some instances there was still concern about how the community library model would work in their locality but there was also a great deal of support particularly with the strong involvement of local community organisations within the two preferred bids.

11.3. In addition officers attended the Lee Green Assembly stall at the Manor House Gardens Festival on 18 June, and the Forest Hill Assembly and the Rushey Green Assembly on 28 June. Unfortunately Catford South Assembly did not have a meeting that fitted within the timetable of the tender process.

## **12. Comments of Regeneration and Asset Management**

12.1. The Market Rental Value of Forest Hill Library is assessed as being £50,000 per annum. A 25 year lease at nil rent would therefore result in the Council foregoing a total rent of £1.25m. However it is noted that the Council will also benefit from the reduction in property related management and staff costs which result from progressing with this proposal.

## **13. Equalities implications**

13.1. Partner organisations working with the council to enable community libraries are required to have comprehensive equalities policies and procedures to ensure that library services remain accessible to residents from all protected characteristics. V22 and the Archibald Corbett Society are able to demonstrate that they meet this requirement.

13.2. The reduced interim opening hours at Manor House Library will make it more difficult for residents to access library services. However, this is intended to be a short-term measure and officers will consider the pattern of opening hours

that ensures a range of users with different needs are accommodated.

## **14. Legal implications**

- 14.1. The Public Libraries and Museums Act 1964 makes provision for regulating and improving library services.  
Section 7(1) sets out the duty of every library authority to provide a “comprehensive and efficient library service for all persons desiring to make use thereof”.  
Section 7(2) provides that, in fulfilling its duties, a library authority should have regard to the desirability “of securing ....by any other appropriate means” that facilities are available for the borrowing of, or reference to, books and other printed matter, pictures, records, films and other materials in sufficient number, range and quality to meet the general requirements and any special requirements of adults and children.  
Section 9(1) provides that “a library authority may make contributions towards the expenses of .....any person providing library facilities for members of the public”.
- 14.2. This report recommends that a 25 year full repairing and insuring lease of Forest Hill Library is given to V22. The final terms of the lease will need to be agreed with V22. However, the lease will contain obligations for V22 to deliver agreed community library services in the form of specified outputs, failing which the Council will have the ability to terminate the lease and take the property back.
- 14.3. Under Section 123 of the Local Government Act 1972 the Council may not dispose of non-housing land otherwise than for the best consideration reasonably obtainable except with the consent of the Secretary of State. The Council will not be receiving best consideration for the lease. However the Secretary of State has issued a general consent under Section 123 which applies where:
- (a) the authority considers that the purpose for which the land is to be disposed is likely to contribute to the achievement of any one or more of the following objects in respect of the whole or any part of its area, or all or any of the persons resident or present in its area:
- the promotion or improvement of economic well-being  
the promotion or improvement of social well-being  
the promotion or improvement of environmental well-being; and
- (b) the difference between the unrestricted value of the land to be disposed of and the consideration for the disposal does not exceed £2,000,000.
- The Mayor should therefore be satisfied for the reasons set out in this report, the grant of the lease to V22 will contribute to the improvement of the social well-being of persons resident in the borough.
- 14.4. The Equality Act 2010 (the Act) introduced a new public sector equality duty (the equality duty or the duty). It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

- 14.5 In summary, the Council must, in the exercise of its functions, have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation and
  - other conduct prohibited by the Act.
  - advance equality of opportunity between people who share a protected characteristic and those who do not.
  - foster good relations between people who share a protected characteristic and those who do not.
- 14.6 The duty continues to be a “have regard duty”, and the weight to be attached to it is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations.
- 14.7 The Equality and Human Rights Commission has recently issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled “Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice”. The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value.
- The statutory code and the technical guidance can be found at:  
<http://www.equalityhumanrights.com/legal-and-policy/equality-act/equality-act-codes-of-practice-and-technical-guidance/>
- 14.8 The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:
1. The essential guide to the public sector equality duty
  2. Meeting the equality duty in policy and decision making
  3. Engagement and the equality duty
  4. Equality objectives and the equality duty
  5. Equality information and the equality duty
- 14.9 The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at:  
<http://www.equalityhumanrights.com/advice-and-guidance/public-sector-equality-duty/guidance-on-the-equality-duty/>
- 15. Financial implications**
- 15.1. This report relates to savings proposal L6 considered by Mayor and Cabinet on 16 September 2015. The proposal is for a reduction of £1m against the current net library budget of £4.18m, phased £400k in 2016/17 and £600k in 2017/18.

**16. Crime and disorder implications**

16.1. There are no direct crime and disorder implications arising from this report.

**17. Environmental implications**

17.1. There are no direct environmental implications in this report.

**18. Conclusion**

18.1. Good progress has been made on implementing the libraries savings programme. The local community led approaches for Forest Hill Library and Torridon Road Library will ensure that those buildings continue to provide an important resource within their communities whilst ensuring access to library services. The scale and historic importance of Manor House Library has made it a more challenging proposition, but with the proposed changes to the tender pack and support from a specialist agency to broaden the search it is anticipated that an appropriate partner will be identified.

**Background Papers**

30 November 2015 Safer Stronger Select Committee Proposed changes to the Lewisham Library and Information Service  
[http://councilmeetings.lewisham.gov.uk/documents/s40112/4\\_LibrariesConsultation2015Update\\_30112015.pdf](http://councilmeetings.lewisham.gov.uk/documents/s40112/4_LibrariesConsultation2015Update_30112015.pdf)

9 December 2015 Mayor and Cabinet Revenue Budget Savings Report  
<http://councilmeetings.lewisham.gov.uk/documents/s40314/Appendix%20i%20-%20SSSC%20libraries%20consultation%20outcome.pdf>

*Resolved:*

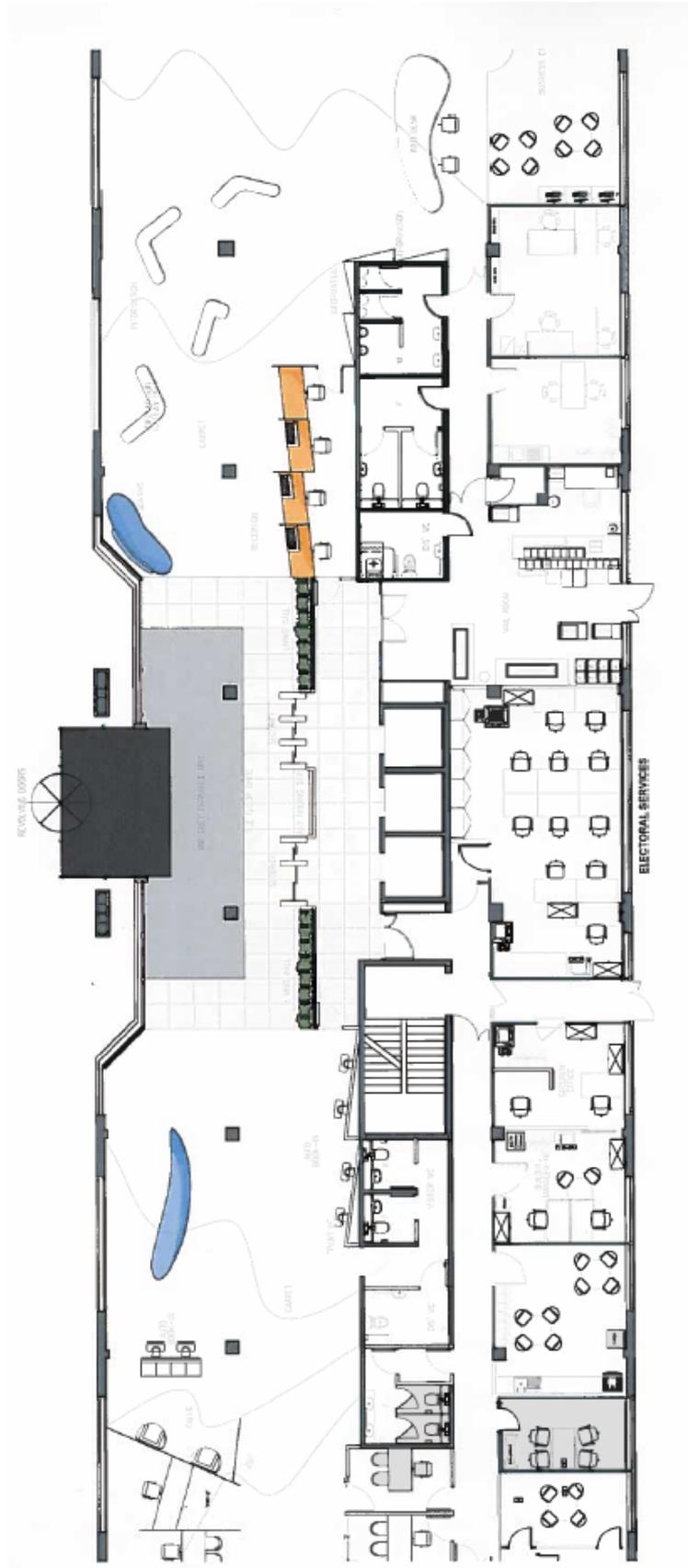
*(2) For saving L6 – Libraries and Information Services the recommendations set out in the separate full report and appendices at Appendix 1 be approved; namely:*

- the results of the consultation set out in sections 6 and 7 of the report and in appendix 1 be noted;*
- the proposed saving of £1million from the Library and Information Service budget be approved;*
- the retention of three hub libraries at Deptford Lounge, Lewisham and Downham Health and Leisure Centre as set out at paragraph 5.1 be approved;*
- the Lewisham Community Library model as described in paragraph 5.1 be extended to Forest Hill, Torridon and Manor House libraries and for a formal tender process to be undertaken to identify partner organisations to work with the council to deliver this. The council will work with local stakeholders as part of this process;*
- the development of detailed plans for the reconfiguration of the library and public reception area at the ground floor of Laurence House in Catford as set out at para 5.1 and 6.10 be approved;*

For further information please contact, Liz Dart, Head of Culture and Community Development on 020 8314 6115.

# Appendix 1

## Laurence House – Ground floor



<b>Mayor and Cabinet</b>			
<b>Title</b>	Comments of the Safer Stronger Communities Select Committee on the Library savings programme update		
<b>Contributors</b>	Safer Stronger Communities Select Committee	<b>Item No.</b>	8
<b>Class</b>	Part 1	<b>Date</b>	13 July 2016

## **1. Summary**

- 1.1 This report informs the Mayor and Cabinet meeting of the comments and views of the Safer Stronger Communities Select Committee, arising from discussions held on the officer report entitled Library savings programme update at its meeting on 4 July 2016.

## **2. Recommendation**

- 2.1 Mayor and Cabinet are recommended to note the views of the Safer Stronger Communities Select Committee as set out in this referral and ask the Executive Director for Community Services to provide a response.

## **3. Safer Stronger Communities Select Committee views**

- 3.1 On 4 July 2016, the Safer Stronger Communities Select Committee considered a report entitled Library savings programme update. The Committee resolved to advise Mayor and Cabinet of the following:
- 3.2 The Committee felt that it was important that libraries could offer assistance to members of the public with the use of computers and IT, especially in light of the Council's aim to increasingly digitise its services.
- 3.3 The Committee therefore recommends that, as far as is practicable, agreements with the partners organisations for the community libraries include provisions to ensure that technical support by trained staff and/or trained volunteers is available to residents.

## **4. Financial Implications**

- 4.1 There are no financial implications arising out of this report per se; but there may financial implications arising from carrying out the action proposed by the Committee.

## **5. Legal Implications**

- 5.1 The Constitution provides for Select Committees to refer reports to the Mayor and Cabinet, who are obliged to consider the report and the proposed response from the relevant Executive Director; and report back to the Committee within two months (not including recess).

## **Background papers**

[Library savings programme update](#) at the meeting of the Safer Stronger Communities Select Committee on 4 July 2016.

If you have any queries on this report, please contact Simone van Elk, Scrutiny Manager (0208 3146441).

<b>Mayor and Cabinet</b>			
<b>Title</b>	Comments of the Safer Stronger Communities Select Committee on DBS checks for library staff.		
<b>Contributors</b>	Safer Stronger Communities Select Committee	<b>Item No.</b>	8
<b>Class</b>	Part 1	<b>Date</b>	13 July 2016

## **1. Summary**

- 1.1 This report informs the Mayor and Cabinet meeting of the comments and views of the Safer Stronger Communities Select Committee, arising from discussions held on the officer report entitled Library savings programme update at its meeting on 4 July 2016.

## **2. Recommendation**

- 2.1 Mayor and Cabinet are recommended to note the views of the Safer Stronger Communities Select Committee as set out in this referral and ask the Executive Director for Resources and Regeneration to provide a response.

## **3. Safer Stronger Communities Select Committee views**

- 3.1 On 11 May 2016, the Safer Stronger Communities Select Committee considered a report entitled Library savings programme update. The Committee resolved to advise Mayor and Cabinet of the following:
- 3.2 The Committee was advised that the Council's library staff were not required to undergo Disclosure and Barring Service (DBS) checks, based on advice from the Council's Human Resources department. Partner organisations that would be approved to manage the community-led libraries would also not be required to perform DBS checks on their staff and volunteers.
- 3.3 The Committee was concerned about this viewpoint, as school governors and some staff responsible for managing community centres were required to undergo DBS checks. The Committee noted that library staff often worked with children and could at times find themselves alone with a child.
- 3.4 The Committee therefore requests that outside legal advice is sought on whether Council staff, staff paid by partner organisations and volunteers working in libraries would need to undergo DBS checks.

## **4. Financial Implications**

- 4.1 There are no financial implications arising out of this report per se; but there may financial implications arising from carrying out the action proposed by the Committee.

## **5. Legal Implications**

- 5.1 The Constitution provides for Select Committees to refer reports to the Mayor and Cabinet, who are obliged to consider the report and the proposed response from the relevant Executive Director; and report back to the Committee within two months (not including recess).

### **Background papers**

[Library savings programme update](#) at the meeting of the Safer Stronger Communities Select Committee on 4 July 2016.

If you have any queries on this report, please contact Simone van Elk, Scrutiny Manager (0208 3146441).

# Agenda Item 9

<b>Chief Officer Confirmation of Report Submission</b>		
<b>Cabinet Member Confirmation of Briefing</b>		
<b>Report for: Mayor</b>		<input type="checkbox"/>
<b>Mayor and Cabinet</b>		<input checked="" type="checkbox"/>
<b>Mayor and Cabinet (Contracts)</b>		<input type="checkbox"/>
<b>Executive Director</b>		<input type="checkbox"/>
<b>Information</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Part 1</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Part 2</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Key Decision</b>		<input checked="" type="checkbox"/>

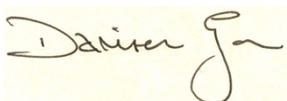
<b>Date of Meeting</b>	13 July 2016
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<b>Title of Report</b>	Phoenix Community Housing
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<b>Originator of Report</b>	Genevieve Macklin	<b>Ext.</b> <b>46057</b>
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At the time of submission for the Agenda, I confirm that the report has:

Category	Yes	No
Financial Comments from Exec Director for Resources	✓	
Legal Comments from the Head of Law	✓	
Crime & Disorder Implications	✓	
Environmental Implications	✓	
Equality Implications/Impact Assessment (as appropriate)	✓	
Confirmed Adherence to Budget & Policy Framework	✓	
Risk Assessment Comments (as appropriate)	N/A	
Reason for Urgency (as appropriate)	N/A	

Signed:  Executive Member

Date:

Signed:  Director/Head of Service

Date 3/7/16

### Control Record by Committee Support

Action	Date
Listed on Schedule of Business/Forward Plan (if appropriate)	
Draft Report Cleared at Agenda Planning Meeting (not delegated decisions)	
Submitted Report from CO Received by Committee Support	
Scheduled Date for Call-in (if appropriate)	
To be Referred to Full Council	

<b>MAYOR AND CABINET</b>			
<b>Title</b>	Phoenix Community Housing		
<b>Key decision</b>	Yes	<b>Item no</b>	
<b>Wards</b>	Bellingham, Downham, Whitefoot		
<b>Contributors</b>	Executive Director for Customer Services, Executive Director for Resources and Regeneration, Head of Law		
<b>Class</b>	Part 1	13 July 2016	

## **1 Summary**

- 1.1 In December 2007, Lewisham Council's properties in Bellingham, Downham and Whitefoot were transferred to a new organisation, Phoenix Community Housing. This formed a part of the Council's strategy to ensure that its homes received the investment they needed to be brought up to the Decent Homes standard. In addition, the council enabled a new kind of housing provider – a community gateway organisation designed to provide residents with stronger influence over the way their homes are managed.
- 1.2 As part of the negotiations around the transfer, the Council and Phoenix entered into a number of agreements governing the properties which were transferred. One of these means that where a Phoenix tenant completes a Right to Buy, the majority of the money they pay is returned to the Council.
- 1.3 Since 2008, the housing policy landscape has changed significantly. Due to changes in the level of discount offered to tenants who wish to exercise their right to buy, the number of completions has increased substantially from 4 in 2010/11 to 38 in 2014/15. As Phoenix does not receive the whole sales receipt, it is not able to build a sufficient number of new homes to replace those lost under the Right to Buy.
- 1.4 More recently, the government has announced further policy changes which have had a significant impact on housing providers. For example, the Right to Buy is being extended to tenants of housing associations. Under the current Right to Buy, only Phoenix tenants who had previously been Lewisham Council tenants were eligible to buy their home. Under the new scheme, all Phoenix tenants would in principle be eligible to exercise a Right to Buy. This means that over the next few years, Phoenix is likely to sell more homes under the Right to Buy.
- 1.5 Additionally, the Welfare Reform and Work Act mandated that all housing providers reduce rents by one per cent rent from April 2016. This reduces

Phoenix's rental income by over £9 million over the next four years and, like all providers, Phoenix will need to adjust its business plan to manage the impact.

- 1.6 These changes are taking place in the wider context of an urgent need to increase the supply of affordable housing in the borough. There are currently over 1,700 homeless Lewisham households in temporary accommodation, and over 9,000 households on the waiting list for social housing.
- 1.7 In response to this challenge, officers have been working in partnership with Phoenix to develop proposals which will support Phoenix to develop new homes. The Mayor has already approved two schemes of this kind. Mayor and Cabinet approved funding to enable Hazelhurst Court. More recently, on 23 March 2016 Mayor and Cabinet approved that the Council contributes £1.32m from section 106 funds to support the development at Forster House which will provide 22 new homes for affordable rent.
- 1.8 On 23 March Mayor and Cabinet also agreed that officers should review options for the longer term funding of housing development by Phoenix Community Housing and report these back to Mayor and Cabinet. This report outlines recommendations from officers based on that review.
- 1.9 This report proposes that the Council waives its right to payments under the transfer agreement and allows Phoenix to retain this money and uses it to provide new housing in the borough. This will not only allow Phoenix to replace homes sold under the Right to Buy, but will also allow it to work-up long-term proposals to develop new homes. As the main provider of affordable housing in the south of the borough, this also means that by working together the Council and Phoenix can bring forward potential sites in these wards. The Council will have nomination rights over the new Phoenix homes built for affordable rent.
- 1.10 Furthermore, new homes developed by Phoenix will assist the Council in meeting its targets for developing new affordable homes, and meeting the housing needs of residents in the south of the borough. Officers believe that providing new homes for people in the area who wish to down-size could free up larger homes for families in housing need.
- 1.11 The rest of this report sets out the background to the issue and provides more detail about the proposals to support the recommendations.

## **2 Recommendations**

- 2.1 The Mayor is recommended to:
- 2.2 Note the rationale for allowing Phoenix Community Housing to retain Right to Buy receipts for sales in its stock in light of the changing housing context and to enable it to develop new affordable homes.
- 2.3 Note that this will increase the number of new homes in the borough, and especially in the Bellingham, Downham and Whitefoot wards, and that the Council will have the right to nominate tenants to the new properties.

- 2.4 Agree that the Council waives its right to any payments of Right to Buy receipts due to it under the Transfer Contract between the Council and Phoenix Community Housing from 1 April 2016, subject to any conditions agreed by the Council and Phoenix Community Housing.
- 2.5 Delegate authority to the Executive Director for Resources and Regeneration on the advice of the Head of Law to finalise the terms of the waiver.

### **3 Policy Context**

3.1 The contents of this report are consistent with the Council's policy framework. It supports the achievements of the Sustainable Community Strategy policy objectives:

- Ambitious and achieving: where people are inspired and supported to fulfil their potential.
- Empowered and responsible: where people can be actively involved in their local area and contribute to tolerant, caring and supportive local communities.
- Healthy, active and enjoyable: where people can actively participate in maintaining and improving their health and well-being, supported by high quality health and care services, leisure, culture and recreational activities.

3.2 The proposed recommendations are also in line with the Council policy priorities:

- Decent homes for all – investment in social and affordable housing, improve housing conditions and tackle homelessness
- Strengthening the local economy – gaining resources to regenerate key localities, strengthen employment skills and promote public transport.

3.3 Lewisham's Housing Strategy was approved at Full Council in May 2015. This strategy sets out the Council's ambition to address the challenges in the borough through the following objectives:

- Helping residents at times of severe and urgent housing need
- Building the homes our residents need
- Greater security and quality for private renters
- Promoting greater quality in the social and private rented sectors

3.4 Lewisham's Core Strategy has the objective to make provision for the completion of an additional 18,165 net new dwellings from all sources between 2009/10 and 2025/26, to meet local housing need and accommodate the borough's share of London's housing needs. This aims to exceed the London Plan target for the borough. The Core Strategy also has the objective to make provision to meet the housing needs of Lewisham's new and existing population, which will include:

- Provision of affordable housing
- A mix of dwelling sizes and types, including family housing
- Lifetime homes, and specific accommodation to meet the needs of an ageing population and those with special housing needs
- Bringing vacant dwellings back into use

#### **4 Phoenix Community Housing**

4.1 Previous government policy required Local Authorities to undertake a stock options appraisal to develop a strategy by which all their stock could meet the Decent Homes Standard. In order to bring in the investment needed to achieve this objective, the government provided three main ways to support local authorities who need additional funding to make their homes decent. These were:

- Setting up an Arms-Length Management Organisation (ALMO)
- Entering into a Private Finance Initiative (PFI) contract
- Transferring properties to a Registered Provider of social housing

4.2 The approach taken by Lewisham's Decent Homes Strategy was to pursue a mix of these options, with the council's retained stock being managed by Lewisham Homes as an ALMO and the Brockley PFI, whilst some stock was transferred to Housing Associations such as L&Q and Affinity Sutton following tenant ballots.

4.3 As part of this stock transfer process, residents in the Bellingham and Downham wards showed an interest in becoming more involved in controlling the future management of their homes. Residents approached the Council in late 2004 to explore a stock transfer to a community-led Registered Provider as a means of achieving Decent Homes on their estate.

4.4 On 6 September 2006 Mayor and Cabinet agreed the principles behind a proposed stock transfer to a newly created community led registered social landlord, Phoenix Community Housing. There was a subsequent ballot of tenants in the affected area; 68.7% of tenants were in favour of the transfer and 31.3% were against. Approval for the stock transfer was granted by the Secretary of State on 29 November 2007 and the stock transfer took place in December 2007.

4.5 Phoenix was established as a Community gateway organisation. This approach is designed to provide residents with stronger and clearer ways to influence the way their homes are managed than they would normally have.

4.6 Phoenix now manages approximately 5,400 tenanted and 840 leasehold properties. The area is dominated by 'cottage style' estates – mainly houses, low rise flats and maisonettes built between 1919 and 1945 – with a relatively small number of medium rise flats. At the time of the transfer, the properties were identified as having a high investment need and high level of non-decency compared to the rest of the borough.

- 4.7 Since the transfer, Phoenix has invested over £148m in the community bringing homes up to decent homes standards, achieved high levels of tenant satisfaction with services and delivered their transfer promises. Overall tenant satisfaction is currently at upper quartile compared to peers at 82% increasing 11% since 2009 and satisfaction with the ‘quality of your home’ has increased by 14%, since 2009 to 76% in 2015.
- 4.8 As the major landlord in the south of the borough, Phoenix is an important strategic partner in meeting the Council’s aim to provide the homes our residents need. It is, for instance, developing a new state of the art extra care housing scheme at Hazelhurst Court in Bellingham, which is supported by both the Council and the GLA. Hazelhurst Court is currently on site and will complete in mid-2017.
- 4.9 On 23rd March 2016, Mayor and Cabinet agreed that the Council should provide financial support to Phoenix to help enable the development of Forster House, a new development which will provide 22 new homes, made up of nine 1-bed flats and 13 2-bed flats, of which two flats will be especially configured to be wheelchair accessible. The development is intended to be 100% affordable, with all of the homes available for rent. Mayor and Cabinet agreed to provide subsidy of £1.32m funded through S106 monies held by the Council. It is anticipated that Forster House will start on site later this year.

## 5 The impact of Right to Buy on Phoenix

- 5.1 Lewisham Council tenants who transferred to Phoenix Community Housing in 2007 will usually have preserved Right to Buy.
- 5.2 When the transfer agreement between the Council and Phoenix was signed on 3rd December 2007, the amount of discount available to tenants who wished to exercise their Right to Buy was much less than it is today. Consequently, the number of Right to Buys which completed were also much fewer.
- 5.3 Since April 2012, the maximum Right to Buy discount in London has increased from £16,000 to £103,900. Since the discounts were increased, the number of Right to Buys undertaken by Phoenix tenants has increased

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Number of tenants who exercised the Right to Buy	4	3	9	36	38*	19*
Receipt received by LBL	£467,626	£377,728	£595,676	£1,803,109	£2,220,698	£1,661,065

\* Figures includes Right To Acquire transactions (3 in 2015-16 and 1 in 2014-15) – Right to Acquire is a scheme open to some Housing Association tenants where the property was funded using government subsidy. The level of discount for Right to Acquire is still limited to a maximum of £16,000.

## **6 Further national policy change**

- 6.1 Since the general election in May 2015, the Conservative government has announced a large number of changes in housing policy which have significant implications for all providers of social housing.
- 6.2 For example, the government has legislated in the Welfare Reform and Work Act for social rents to reduce by one per cent each year for four years from April 2016. For the Council, this will reduce rental income by £25m in this period. For Phoenix, rental income will reduce by over £9 million during this period.
- 6.3 The government also announced that it wished to extend the Right to Buy to Housing Association tenants. In October 2015, the National Housing Federation, which represents Housing Associations, announced that it had agreed to work with the Government to extend the Right to Buy to Housing Association tenants by way of voluntary agreement instead of legislation.
- 6.4 Under the voluntary agreement, Housing Associations will have the discretion not to sell a property, but where it does so it will commit to offer the tenant a suitable alternative property either from within their own stock or by working with another association to offer a property from their stock.

## **7 Transfer Contract and Right to Buy Sales**

- 7.1 The terms of the stock transfer are set out in the Transfer Contract dated 3 December 2007 between Lewisham Council and Phoenix Community Housing. Under the terms of the agreement, the proceeds of any Right to Buy sales in the Phoenix stock are subject to a sharing agreement where the Council receives the majority of the sale receipt, less an amount for the loss to Phoenix's business plan.
- 7.2 The transfer contract also contains a provision where any future voluntary disposals would also be subject to this sharing agreement, which may include properties sold under the voluntary Right to Buy.
- 7.3 Therefore the mechanism of the transfer agreement along with the extension of the Right to Buy means that Phoenix are exposed to a continuing risk around Right to Buy sales, and are unable to use the receipts from sales to fund the building of replacement properties.
- 7.4 The transfer contract contains provision for the Council to waive its right to payments where Phoenix agrees to invest the Council's share of the proceeds of any disposal in the provision of social housing in the borough. The Council will also retain the right to nominate households to new Phoenix properties. Following discussions with Phoenix, officers recommend that the Council now waives its right to the payments to enable the development of new affordable housing in the south of the borough where Phoenix is the main social landlord.

## **8 Overview of early PCH Programme**

- 8.1 The supply of new, affordable homes in the Lewisham area is a priority for the Council and for Phoenix Community Housing. In addition to the 82 units under development or proposed at Hazelhurst Court and Forster House over the next four years Phoenix proposes to increase its housing stock through the development of over 200 new build homes. Most of these new homes will be built on sites already within Phoenix ownership, but Phoenix will also seek to purchase sites for development.
- 8.2 As Phoenix's capacity to develop new homes has been limited by the nature of the transfer contract, Phoenix will begin to draw up a more detailed pipeline of developments to bring forward over the coming years subject to Mayor and Cabinet approving the recommendations in the report.

## **9 Legal Implications**

- 9.1 The Council has a wide general power of competence under Section 1 of the Localism Act 2011 to do anything that individuals generally may do. The existence of the general power is not limited by the existence of any other power of the Council which (to any extent) overlaps the general power. The Council can therefore rely on this power to carry out housing development, to act in an "enabling" manner with other housing partners and to provide financial assistance to housing partners for the provision of new affordable housing. Accordingly the Council can agree to waive payments of right to buy receipts due to it under the transfer contract on the basis that they are then used by Phoenix to fund the provision of new affordable housing in the borough. In accordance with the transfer contract, the existing nomination rights that the Council has to Phoenix properties will automatically apply to any new properties provided in this way.
- 9.2 This report recommends that authority is delegated to the Executive Director for Resources and Regeneration, in consultation with the Head of Law, to finalise the terms of the waiver. This will be on the basis that there will need to be continuing reporting and monitoring arrangements so that the Council can ascertain the amount of payments that would otherwise have been due and satisfy itself that they are being used for the provision of new affordable housing in the borough.
- 9.3 The waiver of payments due from Phoenix under the transfer contract in connection with the development of new housing would fall within the European Commission definition of state aid. However, grants or funding allocated to services of general economic interest (SGEI) are not state aid. The European Court (EC) has determined that social housing is an SGEI. The EC's Decision is such that SGEI grants do not require prior notification to the EC, and it is up to member states to decide what is and what not a SGEI. Social housing is not defined in the EC decision. However, in this case, the payments are to be used for the provision of new affordable housing. In order to comply with the relevant conditions, the relevant grant-assisted part of a housing project needs to be quantified to demonstrate that there will be no "overcompensation" (excess

payment). If it transpires that there has been overcompensation, then there should be a claw back mechanism in place to recoup overpayments. This will be satisfied by the reporting and monitoring arrangements set out above and provision for any payments not used as agreed to be repaid by Phoenix.

- 9.4 The Equality Act 2010 (the Act) introduced a new public sector equality duty (the equality duty or the duty). It covers the following nine protected characteristics: gender, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 9.5 In summary, the Council must, in the exercise of its functions, have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
  - advance equality of opportunity between people who share a protected characteristic and those who do not.
  - foster good relations between people who share a protected characteristic and those who do not.
- 9.6 The duty continues to be a “have regard duty”, and the weight to be attached to it is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations.
- 9.7 The Equality and Human Rights Commission has recently issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled “Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice”. The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value.

The statutory code and the technical guidance can be found at: <http://www.equalityhumanrights.com/legal-and-policy/equality-act/equality-act-codes-of-practice-and-technical-guidance/>

- 9.8 The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:
1. The essential guide to the public sector equality duty
  2. Meeting the equality duty in policy and decision-making
  3. Engagement and the equality duty
  4. Equality objectives and the equality duty
  5. Equality information and the equality duty

- 9.9 The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at: <http://www.equalityhumanrights.com/advice-and-guidance/public-sector-equality-duty/guidance-on-the-equality-duty/>

## **10 Financial implications**

- 10.1 The table in paragraph 5.3 shows that the Council have received £7.1m income from Right to Buy sales in respect of properties transferred to Phoenix Community Housing between 2010/11 and 2015/16. Income received by Lewisham had been used to finance capital works within the Council's Housing Revenue Account (HRA).
- 10.2 The irregular nature of the income means that, going forward, the Council's HRA 30 year plan contains no assumptions in respect of future receipts so would be unaffected by agreeing to recommendation 2.4, as it currently stands. The loss of income does, however, reduce the capacity to deal with future risks arising from policies relating to "pay to stay" and the sale of high value voids.
- 10.3 The Council's nomination rights to the new properties will assist in containing pressures on the General Fund in respect of temporary accommodation.

## **11 Crime and disorder implications**

- 11.1 There are no crime and disorder implications arising from this report.

## **12 Equalities implications**

- 12.1 There are no equalities implications arising from this report.

## **13 Environmental implications**

- 13.1 There are no environmental implications arising from this report.

## **14 Background Documents and Report Originator**

- 14.1 There are no background documents to this report.
- 14.2 If you have any queries relating to this report please contact Jeff Endean on 020 8314 6213.

# Agenda Item 10

<b>Chief Officer Confirmation of Report Submission</b>		
<b>Cabinet Member Confirmation of Briefing</b>		
<b>Report for: Mayor</b>		<input type="checkbox"/>
<b>Mayor and Cabinet</b>		<input checked="" type="checkbox"/>
<b>Mayor and Cabinet (Contracts)</b>		<input type="checkbox"/>
<b>Executive Director</b>		<input type="checkbox"/>
<b>Information</b> <input type="checkbox"/>	<b>Part 1</b> <input checked="" type="checkbox"/>	<b>Part 2</b> <input type="checkbox"/>
		<b>Key Decision</b> <input checked="" type="checkbox"/>

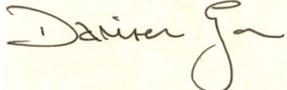
<b>Date of Meeting</b>	13 July 2016
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<b>Title of Report</b>	Hostels/PSL transfer to Lewisham Homes
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<b>Originator of Report</b>	Genevieve Macklin	<b>Ext.</b> <b>46057</b>
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At the time of submission for the Agenda, I confirm that the report has:

Category	Yes	No
<b>Financial Comments from Exec Director for Resources</b>	✓	
<b>Legal Comments from the Head of Law</b>	✓	
<b>Crime &amp; Disorder Implications</b>	✓	
<b>Environmental Implications</b>	✓	
<b>Equality Implications/Impact Assessment (as appropriate)</b>	✓	
<b>Confirmed Adherence to Budget &amp; Policy Framework</b>	✓	
<b>Risk Assessment Comments (as appropriate)</b>	N/A	
<b>Reason for Urgency (as appropriate)</b>	N/A	

Signed:  Executive Member  
 Date: \_\_\_\_\_

Signed:  Director/Head of Service  
 Date: 03/07/16

### Control Record by Committee Support

Action	Date
Listed on Schedule of Business/Forward Plan (if appropriate)	
Draft Report Cleared at Agenda Planning Meeting (not delegated decisions)	
Submitted Report from CO Received by Committee Support	
Scheduled Date for Call-in (if appropriate)	
To be Referred to Full Council	

<b>MAYOR AND CABINET</b>		
<b>Report Title</b>	Hostels/PSL (Private Sector Leased) transfer to Lewisham Homes	
<b>Key Decision</b>	Yes	Item No.
<b>Ward</b>	All	
<b>Contributors</b>	Executive Director of Customer Services, Head of Law	
<b>Class</b>	Part 1	Date: 13 July 2016

## **1 Summary**

- 1.1 This report seeks approval for the transfer of the operational management of the council's homeless hostels and its Private Sector Leased (PSL) portfolio on or after 1 September 2016.
- 1.2 This recommendation reflects a wider review of the provision of housing management services. The principle behind the approach is to combine all housing management services under single management – Lewisham Homes – in order to make best use of specialist teams and to achieve operational and management efficiencies.
- 1.3 The management of Sheltered Housing, grounds maintenance and bulk waste on estates have already been transferred to Lewisham Homes for the same rationale. Strategic housing management functions – such as in this case the procurement of new Hostels/PSL – will remain with the Council to help it meet its statutory duties as regards to homelessness.

## **2 Policy Context**

- 2.1 The contents of this report are consistent with the Council's policy framework. It supports the achievements of the Sustainable Community Strategy policy objectives:
  - Ambitious and achieving: where people are inspired and supported to fulfil their potential.
  - Empowered and responsible: where people can be actively involved in their local area and contribute to tolerant, caring and supportive local communities.
  - Healthy, active and enjoyable: where people can actively participate in maintaining and improving their health and well-being, supported by high quality health and care services, leisure, culture and recreational activities.

- 2.2 The proposed recommendations are also in line with the Council policy priorities:
- Decent homes for all - investment in social and affordable housing, improve housing conditions and tackle homelessness
- 2.3 It will also help meet the Council's Housing Strategy 2015-2020 in which the Council commits to the following key objectives:
- Helping residents at times of severe and urgent housing need
  - Greater security and quality for private renters

### **3 Recommendations**

- 3.1 The Mayor is recommended to:
- 3.2 Note the rationale for enabling Lewisham Homes to manage homeless hostels and the Private Sector Leased (PSL) portfolio.
- 3.3 Agree that Lewisham Homes take over the management of the homeless hostels and the Private Sector Leased (PSL) portfolio on or after 1 September 2016.

### **4 Background**

- 4.1 Hostels and Private Sector Leased (PSL) properties form an important part of the Council's homelessness strategy, providing temporary accommodation for homeless households whilst they find more secure accommodation. The Council has 354 hostel units over 33 sites within the borough and 637 PSL units. The operational management of these properties is currently undertaken by Lewisham Council staff within the Strategic Housing division.
- 4.2 Whilst the operational functions would transfer to Lewisham Homes, the strategic management of Hostels and PSL – such as the procurement of new supply – would remain with the Council. This will ensure that the procurement strategy fits in with the demand for temporary accommodation as experienced by the Housing Needs service, and will help the Council to meet its statutory duties as regards to homelessness. The Council will also retain the management of the relationship with the owners of existing PSL properties.
- 4.3 The transfer of operational management – such as tenancy management and income management – to Lewisham Homes is reflective of a wider review of the provision of housing management services. The principle behind the approach is to combine all housing management services under single management, in order to make best use of specialist teams and to achieve operational and management efficiencies.

- 4.4 This principle is reflected in the review of the Management Agreement between the Council and Lewisham Homes, which expires in 2017. On 18 May 2016, Mayor and Cabinet approved a ten year extension to the management agreement.
- 4.5 The proposed number of posts to transfer is 21, although five of these posts are currently vacant and being covered by agency members of staff. All permanent staff would be subject to TUPE transfer. A full consultation process will be carried out for affected officers in accordance with TUPE regulations and as part of our standard process, prior to transfer taking place.
- 4.6 The posts which would be transferred to Lewisham Homes if Mayor and Cabinet approve the transfer are listed below.

<b>Post name</b>	<b>Number of posts</b>	<b>Grade of posts</b>	<b>Comments &amp; Impact</b>
Technical surveyor	1	P02	1 agency
Hostel Caretaker Manager	1	P03	
Senior Caretaker	1	S01	
Caretaker	11	Sc4	
Temporary Accommodation Housing Manager	1	P05	Vacant
Temporary Accommodation Officer	6	S01	2 agency
<b>TOTAL</b>	<b>21</b>		<b>17 FTE in post</b>

- 4.7 A total budget including staffing, materials and equipment of £1.040m will be allocated to Lewisham Homes if this proposal is agreed.

## **5 Proposed change, implications and timetable**

- 5.1 Officers have worked with Lewisham Homes to define where responsibilities would lie if the transfer is approved. A table of the separation of responsibilities for LBL and LH can be found in appendix 1.
- 5.2 As part of the proposal, it is accepted by Lewisham Homes that the TUPE Regulations would apply to staff who are currently directly employed by the Council to deliver these services therefore their employment would transfer to Lewisham Homes. The precise arrangements for this transfer will be the subject of negotiations between the Council and Lewisham Homes.

## **6 Financial implications**

- 6.1 Budgets for the mainstream Hostels service currently sit within the Housing Revenue Account (HRA), whereas budgets for the Private Sector Leasing Scheme & Newly Acquired Hostels sit within the councils General Fund Accounts.
- 6.2 The total 2016/17 direct budget allocation for Hostels is a net income of £0.535m made up of £2.549m income through rents and tenant charges and £2.014m on expenditure items such as staffing, repairs and running costs. Other costs such as Capital, Bad Debt and interest charges totalling £0.535m are accounted for corporately. The hostel service operating within the HRA account is therefore currently self-sufficient with expenditure being matched by income.
- 6.3 The Private Sector Leasing Service & Hostels General Fund currently generates an overall income stream for the housing needs group of £0.527m which is reinvested back into service provision. The budget comprises of £8.307m of rental charges to tenants and £7.780m of expenditure on landlord charges, staffing costs, repairs and running costs.
- 6.4 The total budget allocations for these services therefore totals £0.527m made up of £10.856m in income and £10.329m in expenditure.
- 6.5 Under the proposals of this transfer of services, some budgets such as rental income streams, repairs and energy costs, will remain with the councils overall budget structure but will be managed by Lewisham Homes and other budgets such as staffing, and other costs will transfer to Lewisham Homes.
- 6.6 A staffing budget of £0.791m will be transferred to Lewisham Homes to cover the staff costs of the 21 posts identified for TUPE transfer.
- 6.7 The following table provides a breakdown of the current budget by main heading and the envisaged responsibility.

Area	LBL Retained	LBL Retained but Managed by LH	Transfer to LH	Total
	£'m	£'m	£'m	£'m
Rental Income	0	-9,556	0	-9,556
Service Charges	0	-1,218	0	-1,218
Tenant Charges	0	-90	0	-90
Income (Other)	-51	0	0	-51
Landlord Charges	6,699	0	0	6,699

Staffing Costs	424	0	799	1,223
Repairs	0	778	0	778
Running costs	346	31	241	618
Energy	0	345	0	345
Capital	0	364	0	364
Bad Debts	101	171	0	272
Interest Charges	89	0	0	89
<b>Totals</b>	<b>7,567</b>	<b>-9,175</b>	<b>1,040</b>	<b>-527</b>

6.8 The accounting arrangements will change slightly with budgets being moved within each fund to recognise this transfer of service, with Lewisham Homes' fee payment being increased as noted in the above table. However, the transfer will not affect the overall HRA or General Fund total budget allocations.

## 7 Legal Implications

- 7.1 A tenancy granted in pursuance of any function under Part 7 of the Housing Act 1996 [homelessness] is not a secure tenancy unless the local housing authority concerned notify the tenant that the tenancy is to be secure.
- 7.2 Under arrangements made by local housing authorities to whom homeless applicants have applied to for assistance under Part 7 of the Housing Act 1996, many homeless households are placed temporarily in the private rented sector in hostels, hotels or bed and breakfast accommodation. Where such accommodation is provided by way of interim accommodation pending the authority's decision on the household's application for accommodation or under one of the authority's other duties or powers to provide temporary accommodation, it does not attract the protection of even the minimum requirements of the Protection from Eviction Act 1977.
- 7.3 In addition a local authority may take a lease of vacant privately owned property for use as temporary accommodation for the homeless. This is known as private sector leased accommodation [PSL]. Here the occupier is entitled to basic protection from eviction namely the service of a formal Notice to Quit and the right not be evicted without a Court Order.
- 7.4 The local authority sublets the [PSL] accommodation to the homeless applicant [sub-tenant].
- 7.5 The Housing Act 1985 Schedule 1 paragraph 6 [Short term arrangements] exempts from secure status the [non secure] tenancy granted to the homeless person. In addition the Housing Act 1985 Schedule 1 paragraph 4 [Accommodation for homeless persons] states

that a tenancy granted in pursuance of any function under Part 7 of the Housing Act 1996 [homelessness] is not a secure tenancy unless the local housing authority concerned notify the tenant that the tenancy is to be regarded as a secure tenancy

- 7.6 If the recommendation is agreed, then the staff undertaking the Hostel and PSL management services will transfer to Lewisham Homes under TUPE if they spend most of their time undertaking this work.
- 7.7 Both staff and unions will need to be informed of the potential transfer in good time in accordance with Transfer of Undertakings Protection of Employment Regulations 2006. Appropriate consultation will also need to take place with unions and staff. The Council will also need to ensure it provides the required employee liability information to Lewisham Homes not less than 28 days before the relevant transfer.
- 7.8 The Equality Act 2010 (“the Act”) introduced a new public sector equality duty (the equality duty or the duty). It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 7.9 In summary, the Council must, in the exercise of its functions, have due regard to the need to: eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act, advance equality of opportunity between people who share a protected characteristic and those who do not, foster good relations between people who share a protected characteristic and those who do not. The duty continues to be a “have regard duty”, and the weight to be attached to it is a matter for the Mayor, bearing in mind the issues of relevance and proportionality

## **8 Crime and Disorder Implications**

- 8.1 There are no crime and disorder implications arising directly from this report.

## **9 Equalities Implications**

- 9.1 There are no equalities implications arising directly from this report.

## **10 Background documents and originator**

- 10.1 If you would like any further information on this report please contact:

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[antoinette.stasaitis@lewisham.gov.uk](mailto:antoinette.stasaitis@lewisham.gov.uk)

Madeleine Jeffery 0208 314 9484  
[Madeleine.jeffery@lewisham.gov.uk](mailto:Madeleine.jeffery@lewisham.gov.uk)



## Appendix 1

Responsibilities for functions post transfer:

<b>LBL responsibility</b>	<b>LH responsibility</b>
Procuring new PSL, PMA and hostel units including initial safety checks (gas, electric etc)	Caretaking in hostel units
Liaison with owner of PSL property regarding handback of property at end of lease term	Rent collection – current and former tenants & nightly paid
Liaison with owner of PSL property if relationship is affected. To support continued positive relationship.	All repairs and void works to managed.
Liaison with owner of PSL properties and/or freeholders to obtain FRSSAs	Tenancy management and support
Nominating tenants for PSL and hostel units	Fire safety inspections and fire drills in hostel units
Clienting and monitoring of LH performance	Performance reporting
Rent and service charge setting (with input from LH)	Ensuring valid gas safety certificate for each property

<b>Chief Officer Confirmation of Report Submission</b>	
<b>Cabinet Member Confirmation of Briefing</b>	
Report for: Mayor	<input checked="" type="checkbox"/>
Mayor and Cabinet	<input type="checkbox"/>
Mayor and Cabinet (Contracts)	<input type="checkbox"/>
Executive Director	<input type="checkbox"/>
Information <input type="checkbox"/> Part 1 <input checked="" type="checkbox"/> Part 2 <input type="checkbox"/> Key Decision <input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

<b>Date of Meeting</b>	13 July 2016
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<b>Title of Report</b>	Consultation on Gypsy and Traveller site(s) Local Plan
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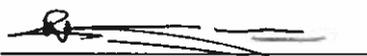
<b>Originator of Report</b>	Claire Gray		x47186
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At the time of submission for the Agenda, I confirm that the report has:

Category	Yes	No
Financial Comments from Exec Director for Resources	X	
Legal Comments from the Head of Law	X	
Crime & Disorder Implications	X	
Environmental Implications	X	
Equality Implications/Impact Assessment (as appropriate)	X	
Confirmed Adherence to Budget & Policy Framework	X	
Risk Assessment Comments (as appropriate)		
Reason for Urgency (as appropriate)		

Signed:  Executive Member

Date:

Signed:  Director/Head of Service

Date 5/7/16

**Control Record by Committee Support**

Action	Date
Listed on Schedule of Business/Forward Plan (if appropriate)	
Draft Report Cleared at Agenda Planning Meeting (not delegated decisions)	
Submitted Report from CO Received by Committee Support	
Scheduled Date for Call-in (if appropriate)	
To be Referred to Full Council	

## MAYOR AND CABINET

<b>Report Title</b>	Consultation on Gypsy and Traveller Site(s) Local Plan		
<b>Key Decision</b>	Yes		Item No.
<b>Ward</b>	All		
<b>Contributors</b>	Executive Director for Resources and Regeneration and Executive Director for Customer Services		
<b>Class</b>	Part 1	Date: 13 July 2016	

### 1. Summary

- 1.1 The Planning Service has undertaken a first round of public consultation on the production of a new Gypsy and Traveller Site(s) Local Plan (GTLP). There are statutory requirements which specify the process for adopting a Local Plan. These involve an initial round of consultation to notify the public and specified bodies about the Council's intention to prepare a plan, identify the main issues to be addressed in the plan and invite representations on these issues.
- 1.2 At its meeting on 13 January 2016, Mayor and Cabinet approved consultation arrangements on the preparation of a GTLP (including scope, search parameters, site selection criteria and timetable for identifying a site or sites) as set out in a Regulation 18 Consultation Report. It also approved consultation on the associated Sustainability Appraisal Scoping Report.
- 1.3 This report outlines the results of consultation and the officers' response to comments received and seeks approval for the final search parameters and site selection criteria. The search parameters remain unchanged however one change is made to the site selection criteria in response to comments from the Environment Agency.
- 1.4. As part of the development plan process it is appropriate for these matters to be approved by Full Council.

### 2. Purpose

- 2.1 This report seeks the Mayor's agreement to the final search parameters and site selection criteria.

### 3. Recommendation

- 3.1 The Mayor is recommended to approve the final search parameters and site selection criteria as set out in Sections 7 and 8 of this report and recommend that Full Council do the same.

### 4. Policy Context

- 4.1 The contents of this report are consistent with the Council's policy framework. When adopted it will become part of the Lewisham policy framework and will contribute to the implementation of each of the Council's ten priorities as follows:
- community leadership and empowerment
  - young people's achievement and involvement
  - clean, green and liveable
  - safety, security and a visible presence
  - strengthening the local economy
  - decent homes for all
  - protection of children
  - caring for adults and older people
  - active, healthy citizens
  - inspiring efficiency, effectiveness and equity
- 4.2 The GTLP will help give spatial expression to the Sustainable Community Strategy (Shaping Our Future) (SCS), which was prepared by the Local Strategic Partnership and adopted by the Council in May 2008. The Plan will also play a role in the implementation of the SCS vision *'Together we will make Lewisham the best place to live, work and learn'* and all of the six strategic priorities, which are:
- Ambitious and achieving – where people are inspired and supported to fulfil their potential
  - Safer – where people feel safe and live free from crime, antisocial behaviour and abuse
  - Empowered and responsible – where people are actively involved in their local area and contribute to supportive communities
  - Clean, green and liveable – where people live in high quality housing and can care for their environment
  - Healthy, active and enjoyable – where people can actively participate in maintaining and improving their health and well-being
  - Dynamic and prosperous – where people are part of vibrant communities and town centres, well connected to London and beyond

## **5. Background and purpose**

- 5.1 The Town and Country Planning (Local Planning) (England) Regulations 2012 (Regulation 18) require an early round of consultation with the public and other stakeholders to notify interested people about the intention to produce a Local Plan and identify the main issues that the Local Plan will address and invite representations on these issues.
- 5.2 At its meeting on 13 January 2016, Mayor and Cabinet approved the consultation procedure for the preparation of a Gypsy and Traveller Site(s) Local Plan (GTLP), including the search parameters, site selection criteria and timetable for identifying a site or sites. It also approved the same consultation arrangements for the associated

Sustainability Appraisal Scoping Report. The Council approve these arrangements at its meeting on 24 February 2016.

- 5.3 Consultation on the proposed parameters, criteria, timetable and scope of the associated Sustainability Appraisal period ran from 3 March to 22 April 2016. In accordance with the Council's Statement of Community Involvement (SCI), the Regulation 18 consultation document and Sustainability Appraisal Scoping Report were posted on the Council's website and a number of organisations and individuals were sent letters or e-mailed a link to the documents and invited to comment. These included the 'specific' and 'general' consultation bodies required by the relevant Regulations, organisations representing the interests of the gypsy and traveller community, and local residents and businesses. In addition, officers attended a specially arranged Lewisham Traveller Forum (24 February 2016) and met with representatives of the London Gypsy and Traveller Unit (13 April 2016).
- 5.4 The purpose of this report is to set out the comments that have been received and seek approval for a finalised set of search parameters and selection criteria, to enable officers to progress the preparation of the GTLP.

## **6. Comments received and officers' response**

- 6.1 In total, 17 different organisations and individuals commented on either the draft site selection criteria and/or the draft Sustainability Scoping Report. These comments and officers' response are set out in Appendix 1. No comments were received on the draft search parameters. The search parameters remain unchanged to those presented at the 13 January 2016 Mayor and Cabinet meetings however one change is made to the site selection criteria in response to comments from the Environment Agency.

## **7. Final Search Parameters**

- 7.1 No comments were received on the draft search parameters and officers are not recommending any changes to those that were consulted on. As such, the proposed final search parameters are unchanged and are set out below.
- 7.2 Council-owned housing land. Land held by the Council for housing purposes is clearly suitable, in principle, as a gypsy and traveller site, which is a form of housing. As such, LBL Housing land is to be included in the search.
- 7.3 Council-owned non-housing land. Land held by the Council for non-housing purposes may be suitable as a gypsy and traveller site, and as such, LBL non-housing land is to be included in the search.
- 7.4 Private and other publicly owned land. Given this and recent Government initiatives to encourage additional housing, it is considered very unlikely that private or other public landowners would choose to bring forward and manage a gypsy and traveller

site. In any event, the Council does not have resources available to buy additional land for the purposes of developing a gypsy and traveller site.

- 7.5 For these reasons, it is proposed to focus on Council owned, other than, possibly, adjacent land in other ownerships that may be necessary to develop a Council asset.
- 7.6 One or more sites? Subject to the findings of a revised GTANA, the need for additional pitches in Lewisham is likely to be relatively small. If this is confirmed, it is proposed that a single site be identified as this would provide economies of scale in terms of design, development and future management costs.
- 7.7 Type of site. The intention is to consider the full range of potential sites, including vacant open land, open land that is in use, vacant and occupied buildings and any combination.
- 7.8 Size of site. The findings of the 'Net Density and Gypsy & Traveller Sites' working paper, prepared by the London Gypsy & Traveller Unit in (July 2009), suggest that that for a new site in Inner London, the density should be within the range of 14 to 25 pitches per hectare (between 400 and 714sqm per pitch). Taking account of this and other advice in this working paper, the requirements set out in the CLG 'Designing Gypsy & Traveller Sites' Good Practice Guidance (May 2008), the Government's PPTS (August 2015) and the need to optimise the use of scarce urban land, it is proposed to base a search for sites on 400sqm per pitch.
- 7.9 Location of site. There are no known particular locational needs for gypsy and travellers who may wish to live on a site in Lewisham and given the difficulties in identifying a site, it is not proposed that any geographical preferences are identified (other than those in the selection criteria).
- 7.10 Whilst previous searches have sought to identify potential sites outside of the borough but close to its boundary, for practical and deliverability considerations, it is proposed to limit the search to land within the LB Lewisham.

## 8. Final Site Selection Criteria

- 8.1 A number of comments were made on the draft Site Selection Criteria. Officers have carefully considered these comments and responses are outlined in Appendix 1. As a result, officers are recommending that *one* change be made in response to a comment by the Environment Agency. This is highlighted in bold in the recommended final site selection criteria, set out in the table below.

Site Selection Criteria	Explanation and application
1. Effective and efficient use of public assets.	(a) Effective use of public assets – Judgement, taking account of existing service commitments and use, running costs, investment requirements, reasonable alternative use(s) for the provision of other services and the SAMP.

Site Selection Criteria	Explanation and application
	(b) Efficient use of public assets– Judgement, taking account of reasonable alternative use(s) and the Council's need to minimise opportunity costs and optimise capital receipts.
2. Reasonable access to local shops, services and community facilities in particular schools and health services.	(a) Site within 800m of bus stop and/or station. (b) The following services within 1,500m: (i) Local shop; (ii) Primary School; and (iii) Health facility.
3. Safe and reasonably convenient access to the road network.	(a) Safe vehicular access or capable of creating safe vehicular access for 15m long caravan to/off a public highway. (b) Access for emergency services. (c) Clearance height of 3.7m.
4. Capable of satisfactory provision for parking, turning, service and emergency vehicles.	(a) Judgement (size and shape of site). (b) Infrequent access needed for 15m long caravan.
5. Mixed residential and business use opportunities.	(a) Mixed-use residential and business use acceptable in principle (b) Any likely adverse impacts are acceptable (assuming <b>environmental permitting regulations</b> , appropriate licensing and planning conditions manage activities that could be carried out).
6. Supply of essential services such as water, sewerage and drainage and waste disposal.	Assume all sites have access to all essential services or are capable of being connected (NB cost of doing so may vary and affect deliverability). N.B. All sites to be given a score of 'Average' for this criterion.
7. Scope for healthy lifestyles and integration.	(a) Opportunities for healthy lifestyles such as adequate landscaping & play areas - Judgement (size and shape of site). (b) High standard design and landscaped which facilitates the integration of the site with the surrounding environment and amenity of the occupiers adjoining the site - Judgement (size and shape of site).
8. Local environmental quality	(a) Contamination – Free from significant contamination or able to be cleaned up (consult LBL Environmental Health) ((NB cost of doing so may vary and affect deliverability). (b) Noise – Acceptable internal noise environment (consult LBL Environmental Health) (c) Air quality – Acceptable air quality (consult LBL Environmental Health) (d) Flooding – Reasonable prospect of sequential test and exceptions tests being met(See below)
9. Spatial planning & development management considerations.	(a) Key relevant site specific development plan policies – both for the site itself and adjoining land (b) Key relevant general policies (c) Key relevant policies in emerging Local Plan and any

Site Selection Criteria	Explanation and application
	emerging Neighbourhood Plan (d) Key relevant planning guidance (e) Planning history – identification of any key relevant planning history. (f) Summary – overall conclusion, taking account of the above.
10. Deliverability.	Taking account of all of the previous criteria, sites should be: (a) Available now; (b) Offer a suitable location for development; and (c) Be achievable with a realistic prospect that development will be delivered on the site within five years.

## 9. Sustainability Appraisal Scoping Report

- 9.1 Local plans need to be informed and supported by an appraisal of the sustainability of the proposals. Sustainability Appraisal is an integral part of the plan preparation process and helps the Council assess how the plan will contribute to the achievement of sustainable development.
- 9.2 A number of comments were made on the draft Scoping Report, officers have considered the comments and the responses are set out in Appendix 1. The Sustainability Appraisal will be drafted taking these comments into account and will be consulted on alongside the consultation on a preferred site or sites in September/October 2016.

## 10. Financial Implications

- 10.1 There are no direct financial implications arising from this report. The consultation will be delivered within the agreed Planning Service budget.

## 11. Legal Implications

- 11.1 The Town and Country Planning (Local Planning) (England) Regulations 2012 sets out the main steps in the procedure for the production and adoption of planning documents, as explained in the report.
- 11.2 This report seeks authority to consult on a new Gypsy and Traveller local plan encapsulating the final search parameters and site selection criteria as set out in Sections 7 and 8 of this report.
- 11.3 The Equality Act 2010 (the Act) introduced a new public sector equality duty (the equality duty or the duty). It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation. In summary, the Council must, in the exercise of its functions, have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- advance equality of opportunity between people who share a protected characteristic and those who do not.
- foster good relations between people who share a protected characteristic and those who do not.

11.4 The duty continues to be a “have regard duty”, and the weight to be attached to it is a matter for the decision maker, bearing in mind the issues of relevance and proportionality. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations.

11.5 The Equality and Human Rights Commission provides Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled “Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice”. The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at:  
<http://www.equalityhumanrights.com/legal-and-policy/equality-act/equality-act-codes-of-practice-and-technical-guidance/>

11.6 The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:

1. The essential guide to the public sector equality duty
2. Meeting the equality duty in policy and decision-making
3. Engagement and the equality duty
4. Equality objectives and the equality duty
5. Equality information and the equality duty

11.7 The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at:  
<http://www.equalityhumanrights.com/advice-and-guidance/public-sector-equality-duty/guidance-on-the-equality-duty/>

## **12. Crime and Disorder Implications**

12.1 There are no direct implications relating to crime and disorder issues.

## **13. Equalities Implications**

13.1 The Council's Comprehensive Equality Scheme for 2012-16 provides an overarching framework and focus for the Council's work on equalities and helps ensure compliance with the Equality Act 2010. The proposals set out in this report accord with the Council's Comprehensive Equalities Scheme; particularly as they relating to: 'increasing participation and engagement'.

13.2 The process of producing the new GTLP will include an equalities appraisal to identify equalities impacts and implications of emerging policy options.

#### 14. Environmental Implications

14.1 There are no direct environmental impacts arising from this report.

#### 15. Conclusion

15.1 The Planning Service will be preparing a draft GTLP in accordance with the final search parameters, site selection criteria and Sustainability Scoping Report. In accordance with the timetable set out in the Regulation 18 Consultation Report, and subject to further approval from Mayor and Cabinet and Full Council, officers intend to carry out consultation on a preferred site or sites in September/October 2016.

#### 16. Background documents and originator

Short Title Document	Date	File Location	File Reference	Contact Officer	Exempt
<a href="#">Planning &amp; Compulsory Purchase Act 2004</a>	2004	Laurence House	Planning Policy	Claire Gray	No
<a href="#">Localism Act 2011</a>	2011	Laurence House	Planning Policy	Claire Gray	No
<a href="#">National Planning Policy Framework (NPPF) 2012</a>	2012	Laurence House	Planning Policy	Claire Gray	No
<a href="#">Town and Country Planning (Local Planning) (England) Regulations 2012</a>	2012	Laurence House	Planning Policy	Claire Gray	No
<a href="#">Planning policy for</a>	2015	Laurence House	Planning Policy	Claire Gray	No

<a href="#">traveller sites 2015</a>					
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If you have any queries on this report, please contact Claire Gray, Interim Planning Policy Manager, 3<sup>rd</sup> floor Laurence House, 1 Catford Road, Catford SE6 4RU – telephone 020 8314 71



# **Gypsy and Traveller Site(s) Local Plan**

## **Intention to prepare a Local Plan: Regulation 18 Consultation Report**

### **Consultation Statement**

Town and Country Planning (Local Planning) (England) Regulations 2012

July 2016



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## 1.0 Introduction

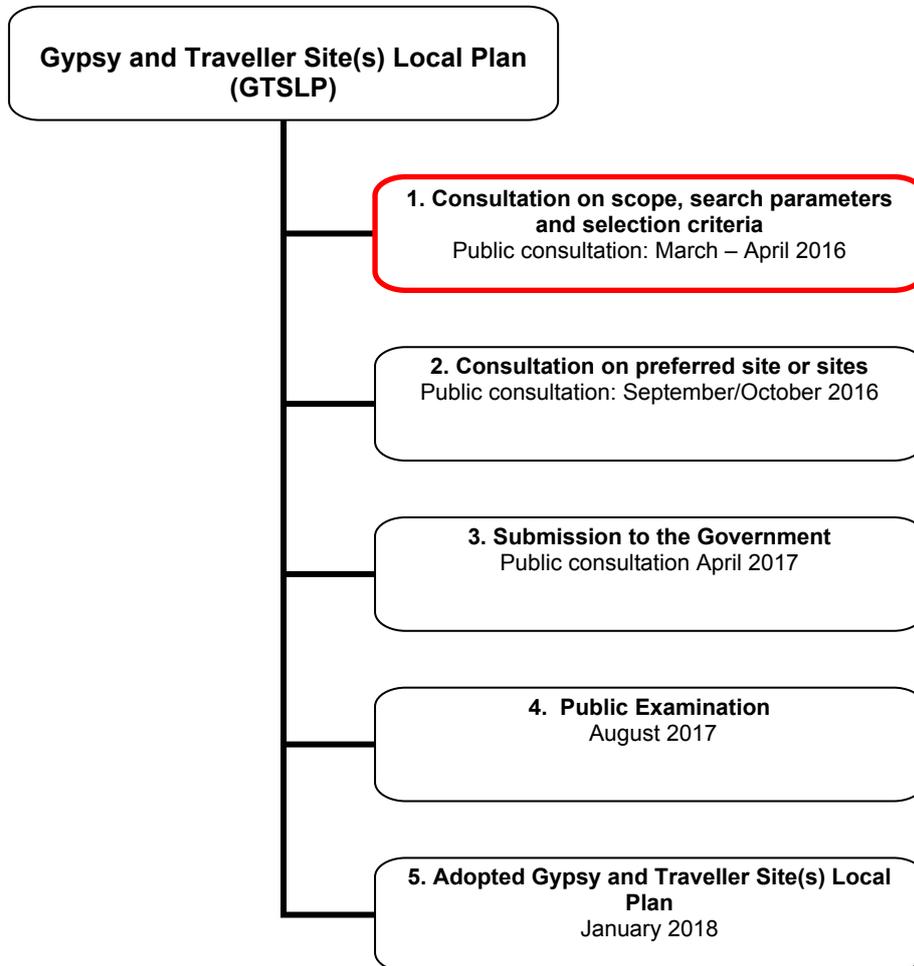
- 1.1 The Gypsy and Traveller Site(s) Local Plan (GTSLP) is being prepared as a single-issue Local Plan in order to allocate a site or sites to meet the identified local accommodation needs of Gypsy and Traveller communities in the borough. The legislative requirement for local authorities to assess the need for Gypsy and Traveller accommodation in their areas was outlined in the [Consultation Report](#). The GTSLP will set out how the Council will meet the needs of Gypsy and Traveller and Travelling Showpeople accommodation in Lewisham over the next 15 years.
- 1.2 The process for preparing statutory Local Plans is stipulated in the Town and Country Planning (Local Planning) (England) Regulations 2012. Regulation 18 establishes the consultation requirements for the preparation of a local plan and the need for local planning authorities to take into account the representations received. Lewisham's Statement of Community Involvement (adopted 2006) (SCI) defines the Council's standards in relation to involving the community in the preparation of all local development documents. The purpose of the SCI is to ensure that all sections of the community and other interested parties have a reasonable opportunity to get involved from the earliest stage of policy proposals.
- 1.3 With respect to the Regulation 18 Consultation Report and the accompanying Sustainability Appraisal Scoping Report this statement sets out the following:
- **Section 2:** the process of consultation in relation to the overall preparation of the plan
  - **Section 3:** which bodies and persons were invited to make representations under Regulation 18 (2012)
  - **Section 4:** how those bodies and persons were invited to make such representations
  - **Section 5:** the channels available for respondents to reply
  - **Section 6:** the process for consultation on the SA Scoping report
  - **Section 7:** a summary of the main issues raised by the representations on the Regulation 18 Consultation Report and the Council's response to and consideration of those issues
  - **Section 8:** A summary of the issues raised in a meeting with Gypsy and Traveller Forum (24.02.2016)
  - **Section 9:** A summary of the issues raised in meeting with London Gypsy and Traveller Forum (LGTU) (14.04.2016)
  - **Section 10:** a summary of the main issues raised by the representations in response to the SA Scoping report

- **Section 11:** the conclusions and a statement of compliance with the requirements of Regulation 18

## 2.0 Consultation Process

2.1 Regulation 18 represents the first (statutory) stage in the process of preparing the GTSLP.

Figure 1: Key stages in the preparation of the GTSLP



2.2 Stage One is the initial “scoping” phase of the plan preparation process and, in accordance with Regulation 18 (1), Lewisham Council asked key stakeholders and interested people about the intention to produce the Gypsy and Traveller Site(s) Local Plan and invited representations about they thought it should contain.

2.3 Specifically, representations were sought regarding:

- the scope of the plan (the preparation of the GTSLP as a single-issue Local Plan to allocate a site or sites to meet the identified local accommodation needs of Gypsy and Traveller communities in the borough)
- the proposed search parameters and selection criteria to be used to identify a site or sites
- the proposed timetable for preparing the plan

- 2.4 The official public consultation on the GTSLP – Stage One: Scope, Search Parameters and Selection Criteria Report, and Sustainability Scoping Report was originally advertised from 3rd March 2016 to 14 April 2016 which met the minimum six week time period set out in the Statement of Community Involvement (SCI) and the Planning Regulations 2012. The consultation period was subsequently extended for an additional week, to 22 April 2016. The methods of consultation used during this time are set out in section 4 of this report.

### **3.0 Consultees**

- 3.1 The National Planning Policy Framework (NPPF) states that a wide section of the community should be engaged in the preparation of Local Plans so that, as far as possible, they reflect a set of agreed priorities for the sustainable development of the area (para. 155).
- 3.2 Regulation 18 (2) requires local planning authorities to consult any 'specific consultation bodies' such as national agencies and neighbouring planning authorities that they consider may have an interest in the subject of a proposed local plan. They are required to do the same for general consultation bodies, such as organizations that represent the interests of different ethnic groups, and finally, with respect to residents or other persons conducting business with the area from whom representations would also be pertinent.
- 3.3 The GTSLP will show how the Council will meet Gypsy and Traveller and Travelling Showpeople accommodation needs in Lewisham over the next 15 years and will therefore have an impact on residents across the borough. London Borough of Lewisham carried out early and meaning engagement and collaboration with neighbourhoods, local organisations and businesses, in line with paragraph 155 of the NPPF. Specifically, it was identified that the following stakeholders should be invited to make representations on the GTSLP: Stage One: Scope, Search Parameters and Selection Criteria Report:
- Existing residents and businesses within the borough
  - Representatives for and members of the Gypsy and Traveller and Travelling Showpeople community with the borough
  - Local service providers
  - Consultees listed on the planning policy database
  - Landowners
- 3.4 The contact list was taken from the planning consultation database, which has been compiled over a number of years, and is continuously amended and updated. A list of the specific consultation bodies that were consulted as required by the Regulations is provided in Appendix 1. A list of all the types general consultation groups consulted is in Appendix 2.

## **4.0 Methods of Consultation**

4.1 Regulation 35 (Part 9) of the Town and Country Planning (Local Planning) Regulations 2012 specifies the minimum requirements for ensuring the availability of local plan consultation documents.

4.2 In addition, Lewisham's Statement of Community Involvement outlines a range of possible mechanisms to involve and engage the Lewisham's diverse population. These consultation methods were adapted to meet the requirements and needs of the GTSP: Stage One: Scope, Search Parameters and Selection Criteria Report and are listed below.

### **Public Display of Documents**

4.3 In compliance with Regulation 35 (1a) hard copies of the documents were displayed at all the Borough libraries and the AccessPoint, at Laurence House, Catford for the duration of the consultation period.

### **Publish on Council Website & Consultation Portal**

4.4 In compliance with Regulation 35 (1b), the plans were put on the [Council website](#) and the [Consultation Portal](#) from the start of the consultation period.

### **Press Notices**

4.5 The SCI identifies the use of a press notice as one of the consultation tools at the disposal of Lewisham Borough Council with the potential to reach a borough-wide audience. Thus, a press notice was published in the local newspaper, the South London Press, on the 1st March 2016 for the start of the consultation period.

### **Mail-out to prescribed and non-statutory bodies in the planning policy consultation database**

4.6 The planning policy database contains consultee addresses and is updated regularly. Letter and e-mails were used to notify consultees about the GTSLP – Stage One: Scope, Search Parameters and Selection Criteria Consultation Report.

### **Liaison with Neighbouring Boroughs**

4.7 Neighbouring Boroughs (Greenwich, Southwark, Bromley and Tower Hamlets) were sent a letter inviting them to contact the Planning Policy Team in relation to the consultation.

### **Meetings with key stakeholders**

4.8 Given the subject of the GTSLP it was considered appropriate to meet directly with members and representatives of the Gypsy and Traveller and Travelling showpeople Community. To this end meetings were held with the Lewisham Gypsy and Traveller Forum (24.02.16) and the London Gypsy and Traveller Unit (12.04.16) to obtain their views and discuss the subject of the consultation in detail.

### **Copies of documents**

4.9 In addition, interested parties were able to obtain hard copies of the report by contacting the Planning Policy Team. The team were also available to answer questions.

## 5.0 Methods of Response

### Communication Channels

5.1 Respondents were able to comment and made representations via the following communication channels:

**Online** via: [https://lewisham-consult.objective.co.uk/portal/planning\\_policy](https://lewisham-consult.objective.co.uk/portal/planning_policy)

**Email** at: [planning.policy@lewisham.gov.uk](mailto:planning.policy@lewisham.gov.uk)

**Post** to: Planning Policy, London Borough of Lewisham, 3rd Floor, Laurence House, 1 Catford Road, SE6 4RU

**Verbally** Comments made by participants at meetings (see previous section) were taken down as notes.

## **6.0 Sustainability Appraisal Scoping Report Consultation**

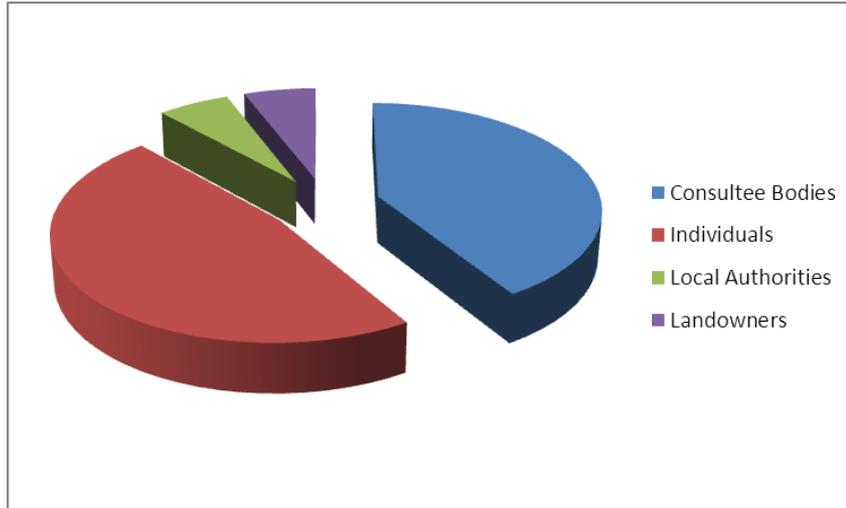
- 6.1 Section 19 of the Planning and Compulsory Purchase Act 2004 requires a local planning authority to carry out a Sustainability Appraisal (SA) of each of the proposals in a Local Plan during its preparation. The SA involves identifying and evaluating a plan's impacts and assessing the social, environmental and economic effects to help ensure that the plan accords with sustainable development principles. Scoping forms the initial stage of the SA process and incorporates the collection of baseline data and information on other plans, policies and programmes that can influence the preparation of the Gypsy & Traveller Site(s) Local Plan. The data presented in the [Sustainability Appraisal Scoping Report](#) identified key sustainability issues, objectives and targets.
- 6.2 The Council consulted on the SA Scoping Report at the same time as consulting on the Regulation 18 Consultation Report. It was, likewise, published on the website and the consultation portal, and copies were made available at all the borough libraries and the AccessPoint at the Council offices.
- 6.3 On 8<sup>th</sup> March 2016 the Council sent the 'Sustainability Appraisal Scoping Report' to the following authorities with environmental responsibilities:
- Natural England
  - Historic England
  - Sport England
  - The Environment Agency
  - Greater London Authority

A copy of the covering letter sent to these bodies, dated 8<sup>th</sup> March 2016, is contained in Appendix 4.

## 7.0 Consultation Responses

7.1 The Council received a total of 17 written responses during the public consultation process. In the chart below the written representations are broken down by type of respondent. As can be seen the responses are divided equally between consultee bodies/Local authorities and individuals/landowners.

**Figure 2: Breakdown of Consultation Responses by Type of Respondent**



7.2 Full details of all comments received during the consultation can be obtained from the Planning Service and Appendix 6 contains a summary and response to each respondent. However, the main issues raised in the responses are summarised in the table below. Regulation 18 (3) requires Local planning authorities to take into account the representations made to them in response to local plan preparation and, after each distinct issue raised by through the written representations, the Council has given its response.

**Table 1: Reg 18 Consultation Report: Written Representations - Summary of Main Issues**

Flood Risk
<p><u>Comments:</u> The Environment Agency (EA) reiterated the national policy requirements for sequential testing and, where required, the application of the exception test for sites in flood risk locations, as well as emphasizing the vulnerability to flooding of this particular use.</p> <p>The Agency also highlighted the need for the Sustainability Appraisal and the GTSLP to be informed by updated flood modelling for the area and higher allowances for the potential impacts of climate change - indicating greater future flood impact. The EA expressed the desire to discuss how these issues would inform the preparation of the GTSLP.</p> <p><u>Council Response:</u> The Council will liaise closely with the Environment Agency to</p>

ensure the most up-to-date data on flood risk is taken account of within the plan preparation.

### **River Corridors and Biodiversity**

Comments: The Environment Agency recommended that the following additional site selection criteria be included:

*Any business activities follow regulations/ good practice and do not have a negative impact on the quality of the river corridor or on the biodiversity value of any neighbouring sites which support protected or priority habitats or species.*

Council Response: The Council will consider the inclusion of this in the policies for the site or sites.

Comments: The Environment Agency requested that the explanation and application of Table 5.1 Proposed Site Selection Criteria point 5 (Mixed residential and business use opportunities) be amended as highlighted in bold below:

*(b) Any likely adverse impacts are acceptable (assuming **environmental permitting regulations**, licensing and planning conditions manage activities that could be carried out).*

Council Response: The text will be amended as proposed.

### **Land Contamination**

Comments: The Environment Agency noted the potential beneficial effects of the return to use of brownfield land in terms of improvements to land and water quality. However, they stressed that the condition of the land could restrict the use of SUDS and engender additional costs through the need to address contamination.

Council Response: The Council will take this into account.

### **Impact on Local Community Services and Infrastructure**

Comments: There were a number of comments from local residents regarding the potential impact on the surrounding people and local services and infrastructure caused by the introduction of this land use in an area. One specific suggestion put forward by a number of residents (3) was for the inclusion of criterion that a new site should not be located within a three mile radius of any existing Gypsy and Traveller sites.

Council Response: In accordance with the Government's *Planning Policy for traveller sites* (para.4.k) the evaluation of a site would have due regard to the protection of local amenity and the local environment and 'protect local amenity and environment' (para.10.e).

Given the size of the borough and the difficulties involved in locating a site for Gypsy

and Traveller use, it is not proposed to apply an exclusion zone. Such a restriction would be excessively restrictive in terms of site identification and the justification in terms of the impact on local services and resources unsubstantiated. It is not envisaged that the occupancy population generated by the provision of the site would be of a level that would significantly add to pressure on local services.

Integration with the existing communities in terms of the access of the site to services and community facilities, such as schools and health services, is set out in criterion 2 of the Proposed Site Selection Criteria and criteria 3, 6 and 7 satisfactorily deal with other aspects of local infrastructure. .

However, as stated in the Consultation Report, Lewisham will explore constructive approaches to the identification of a Gypsy and Traveller site or sites with neighbouring authorities and other public bodies.

### **Impact on Social Deprivation**

Comments: One response from a local authority highlighted the need to consider the possible impact of the location of a Gypsy and Traveller site in an area where there is an existing high level of social deprivation. The response called into question the siting of a new Gypsy and Traveller settlement in an area where services are already under pressure and suggested that this issue be incorporated amongst the criteria for site selection.

Council Response: Given the difficulties in identifying a site, it is not proposed to apply additional geographical constraints to the process of site selection. It is not envisaged that the occupancy population generated by the provision of the site will be of a level that will significantly add to pressure on local services. In addition, criterion 2 of the proposed site selection criteria will ensure any occupants of a proposed site or sites will have access to essential local services and community facilities. Criteria 3, 6 and 7 satisfactorily deal with other aspects of local infrastructure.

### **Accommodation Need**

Comments: One respondent expressed their opposition to the provision of a Gypsy and Traveller site(s) due to the potential recipients currently already being adequately accommodated in permanent buildings in the form of houses and council flats.

Council Response: The Lewisham Gypsy and Traveller Accommodation Needs Assessment (GTANA) will be revised to take account of the new definition of “gypsies and travellers’ set out in Annex 1 to the Government’s ‘Planning policy for traveller sites,’ and will consider whether Gypsies and Travellers have previously led a nomadic habit of life, the reasons for ceasing their nomadic habit of life, whether they intend to live a nomadic habit of life in the future, and if so, how soon, and in what circumstances.

Comments: The London Gypsy and Traveller Unit (LGTU) voiced their concern that a

review of the Gypsy and Traveller Accommodation Needs Assessment might result in a lower figure of accommodation need for two reasons. Firstly, due to difficulties in securing the same number of households for further interviews. Secondly, through the potential application of an incorrect interpretation of the planning definition of travellers which failed to take account of:

- the need to accommodate young Gypsy and Traveller families in the future
- the reasons why travellers have stopped travelling related to education, healthcare and access to employment opportunities, plus tenancy restrictions, as well as the lack of currently available site accommodation and limited possibilities to travel
- The diverse reasons for travelling, including cultural and traditional reasons such as visiting family, attending weddings and funerals, attending religious events and pilgrimages, and going to fairs.

Council Response: The Council notes these concerns.

### **Proposed Sites**

Comments: A request, on behalf of the landowner, was made for land at Hither Green to the rear of St Mildred's Road and Rayford Avenue / Ronver Road. Oceanwave Estates Ltd. to be considered as a potential gypsy and traveller site.

Council Response: The Council has noted the information regarding this site and the agreed site selection criteria will be applied to assess its suitability.

Comments: One respondent suggested the Council consider locating a site on 'plot A Catford resi development by the station.'

Council Response: Planning permission was granted in 2014 for the redevelopment of the Catford Stadium site for 589 homes (DC/13/84895) and the scheme is currently being built-out. There is a current planning application (DC/15/94002) for the redevelopment of Plot A (to the north of the site, in between Catford and Catford Bridge Stations) for a part 18/part 19 residential tower.

### **Water Infrastructure**

Comments: Extensive comments were provided by Thames Water regarding water supply, wastewater and sewerage infrastructure, including a recommendation for the content of a specific policy on these matters.

Council Response: Proposed Site Selection 6 satisfactorily deals with the supply of essential services (including water, sewerage and drainage). A detailed study may be necessary to support a planning application for a gypsy and traveller site.

### **Strategic Transport Infrastructure Plans**

Comments: Transport for London stated that there was a need to have regard to the

development of strategic infrastructure in the assessment of the location of sites for Gypsy and Traveller accommodation and cited the example of the proposed Bakerloo line extension through to Lewisham.

Council Response: Criterion 9 of the Proposed Site Selection criteria satisfactorily addresses spatial planning and development management considerations. A reference to the constraints purposed the development of key strategic infrastructure *could* be included.

#### **Application of Selection Criteria**

Comments: The London Gypsy and Traveller Unit (LGTU) commented that the site selection criteria should not unduly hinder the selection of a site and that if a number of constraints were identified for the options resulting from the site search, the Council should demonstrate how these could be mitigated.

Council Response: The Council will take into account the potential for constraints to be mitigated in the development of a site for Gypsy and Traveller use.

#### **Site Design**

Comments:  
The London Gypsy and Traveller Unit (LGTU) stated that the shape of the plot(s) and how the pitches can be accommodated on them needed to be evaluated in the assessment of the potential sites.

Council Response:  
Criteria 4 and 7 of the Proposed Site Selection Criteria incorporate judgements about size and shape of potential sites with regards to for highways and parking issues (4) and as well as landscaping and play areas (7).

## 8.0 Gypsy and Traveller Forum Meeting (24.02.2016)

- 8.1 On the 24<sup>th</sup> February 2016 a Gypsy and Traveller Forum meeting was convened to discuss the consultation issues. The key issues identified are summarised in the table below.

**Table 2: Gypsy and Traveller Forum Meeting (24.02.2016) – Summary of Key Issues**

<b>Accommodation Need</b>
<p><u>Comments:</u> Concerns were expressed within the Gypsy and Traveller community that their needs had not been prioritised and that many of them had moved to surrounding boroughs to access housing, but wished to return. Moreover, it was stated that many members of the community had been living in temporary accommodation since a previous site closed in 2009.</p> <p><u>Council Response:</u> The purpose of the Gypsy and Traveller Site(s) Local Plan is to ensure identified need is provided for within the borough.</p>
<b>Assessment of Need</b>
<p><u>Comments:</u> Concern was expressed regarding the implications of the revised planning definition of Gypsies and Travellers in terms of identifying need for a new site within the borough.</p> <p><u>Council Response:</u> It was agreed that the needs assessment would need to be revisited in the light of the new definition.</p>
<b>Site Requirements</b>
<p><u>Comments:</u> Key requirements identified for a new site included children's play provision and access to day-care facilities.</p> <p><u>Council Response:</u> Within the published Regulation 18 Consultation Report, site selection criterion 7 'Scope for healthy lifestyles and integration' includes opportunities for the incorporation of adequate play areas. Criterion 2 specifies the need for the site to afford reasonable access to community facilities which includes day-case facilities.</p>
<b>Site Design</b>
<p><u>Comments:</u> The Coldharbour Lane site Maidstone, the proposed design for the Church Grove site, and the relocated Olympic site in Tower Hamlets were all identified as best practice examples of modern permanent Gypsy and Traveller sites.</p> <p><u>Council Response:</u> The Council notes the examples given.</p>

## 9.0 London Gypsy and Traveller Unit Meeting (LGTU) (14.04.2016)

- 9.1 On the 14<sup>th</sup> April 2016 representatives of the Council's planning team met with representatives of the London Gypsy and Traveller Unit (LGTU) to discuss the consultation issues. The key issues discussed are summarised in the table below.

**Table 3: London Gypsy and Traveller Forum Meeting (14.04.2016) – Summary of Key Issues**

<b>Definition of Need</b>
<p><u>Comments:</u> Concerns were expressed regarding the interpretation of the definition of Gypsies and Travellers. Members of the London Gypsy and Traveller Unit stated that they felt that had been inconsistencies with respect to the Consultants' application of the definition of need. They stated that the Consultants were employing a restrictive definition which was based solely on whether Gypsies and Travellers had travelled for work purposes in the last 12 months. The members of the London Gypsy and Traveller Unit stated that in other boroughs travelling for family reasons or access to fairs was encompassed in the needs assessments. They identified other Gypsy and Traveller studies for other London boroughs, undertaken by the same consultants commissioned for Lewisham, which had produced a zero figure for need.</p> <p><u>Council Response:</u> The Council acknowledges the concern expressed by the members of the LGTU. The methodology to be used to re-survey the community will seek to collect a range of information about the participants in order to obtain a full picture of their lifestyle as it relates to the definition of Gypsy and Traveller.</p>
<b>Site Size and Layout</b>
<p><u>Comments:</u> The representatives of the London Gypsy and Traveller Unit commented on the physical configuration of a site and any pitches to be provided. They commented that 400 sqm would be somewhat tight, if it included turning, and added that feasibility work would need to be done on the site layout.</p> <p><u>Council Response:</u> In reviewing the options for potential sites, the Council would take account of issues of size and configuration.</p>
<b>Allocations/Waiting List Policy</b>
<p><u>Comments</u> There was some discussion regarding an allocations policy and associated waiting list to decide on the occupants of any identified pitch provision. The London Gypsy and Traveller Unit representatives cited examples of the policies of other London boroughs and asked to be consulted on a draft allocations policy for Lewisham.</p>

Council Response:

The Council representatives responded that an allocations policy and associated waiting list would be produced. The Council's planning team representatives undertook to inform the Corporate Working Group that the LGTU wish to be consulted on the draft allocations policy.

## 10.0 SA Scoping Report Consultation Responses

- 10.1 Responses commenting on the Sustainable Appraisal Scoping Report were received from the Environment Agency and Natural England.

**Table 4: SA Scoping Report: Written Representations - Summary of Main Issues**

<b>Environment Agency</b>
<p><u>Comments:</u> The Environment Agency made a number of requests for additions and amendments to the pertinent plans, policies and programmes identified in Tables 3.1 and 5.1 and in Appendix A to the report. Full details of their comments are contained in Appendix 6. They also requested that the following be included as a key issue in table 5.1:</p> <p style="text-align: center;"><i>Spaces and places need to be of high design quality, respecting historical and natural features and promoting local distinctiveness, providing access for all.</i></p> <p><u>Council Response:</u> The London Borough of Lewisham will address the matters raised through the Sustainability Appraisal process, which will be documented in the Sustainability Appraisal Report.</p>
<b>Natural England</b>
<p><u>Comments:</u> Natural England stated that they were broadly supportive of the sustainability objectives, but recommended the inclusion of an objective relating to the creation, management and enhancement of green infrastructure. Natural England also suggested that it might be advantageous for the scoping report to look at greenspace provision to assist in the targeting of where new green infrastructure and greenspace provision, would have most benefits, particularly in relation to biodiversity, human wellbeing and health.</p> <p><u>Council Response:</u> The London Borough of Lewisham will address the matters raised through the Sustainability Appraisal process, which will be documented in the Sustainability Appraisal Report.</p>

## 11.0 Conclusions and Statement of Compliance

- 11.1 This Consultation Statement serves as a record of the consultation undertaken by the London Borough of Lewisham for Stage One: Scope, Search Parameters and Selection in the preparation of the Gypsy and Traveller Site (s) Local Plan (GTSLP). It demonstrates that public consultation undertaken by the Council on the Regulation 18 Consultation Report, between the 3<sup>rd</sup> March 2016 and 22<sup>nd</sup> April 2016, exceeded the minimum Government requirements for consultation on DPDS set out in Regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations 2012<sup>1</sup> and followed the Council's standards for community participation set out in the Statement of Community Involvement (SCI), adopted in 2006.
- 11.2 There was a modest response to the consultation. In general there was a mix of written representations from statutory organisations and the general public. The thoughts of Gypsies and Travellers were effectively captured via targeted meetings with members of this community.
- 11.3 The responses to the consultation will be used to shape and inform the next stage of the preparation of the GTSLP. The following are ways in which responses to this consultation may be taken account of:
- Where appropriate, emails will be exchanged with respondents to discuss the issues raised and share information to improve the quality of the emerging Gypsy and Traveller Site(s) Local Plan
  - Further meetings will be arranged to take the plan forward and deal with the issues raised
  - Work that has already been drafted is being reviewed and changes made where appropriate to address the issues that have been raised.
  - All comments submitted are being considered in the light of on-going work and our ability to address the issues raised
- 11.4 The Planning Policy team will work to ensure that the report on the preferred site or sites addresses the points raised before it is issued for consultation later this year.

## **Appendix 1: Specific Consultation Bodies**

The Town and Country Planning (Local Planning) (England) Regulations 2012 define the following organisations as 'specific consultation bodies':

- The Coal Authority
- The Environment Agency
- Historic England
- Marine Management Organisation
- Natural England
- Network Rail Infrastructure Limited
- The Highways Agency
- Adjoining Local Planning Authorities
- Relevant telecommunications companies
- Lewisham Clinical Commissioning Group
- NHS Property Services
- Relevant electricity and gas companies
- Thames Water
- The Mayor of London (including the designated housing function and TfL)

The Council consulted as a minimum the following bodies on the scope of the Sustainability Appraisal:

- Environment Agency
- Natural England
- Historic England
- Sport England

### **Local Policing Body**

- The Mayor's Office for Policing and Crime

## Appendix 2: General Consultation Bodies

The Government has defined General Consultation Bodies as voluntary bodies some or all of whose activities benefit any part of the authority's area and other bodies who represent, in the authority's area, the interests of different racial, ethnic or national groups, different religious groups, disabled persons, and business interests. The Lewisham Planning Policy database contains over 1,500 groups, organisations and companies from the following categories:

- Adjoining boroughs
- Advice and information groups
- Amenity groups 21
- Architects, planners and other professionals
- Black and Minority Ethnic Groups
- Builders
- Community groups
- Conservation and heritage groups
- Developers
- Disability groups
- Education/children/young people's groups
- Elderly groups
- Employment/business interests
- Environmental and ecology groups
- Faith groups
- Health organisations including NHS Trusts
- House builders
- Housing associations
- Landowners
- Police and other emergency services
- Political parties
- Regeneration groups and partnerships
- Rivers and riverside interest groups
- Shopkeepers
- Sport and leisure groups
- Statutory consultees
- Tenants and residents associations
- Town centre partnerships
- Transport groups
- Utility companies
- Women's groups
- Youth Groups

## Appendix 3: Notification of Public Consultation



**LONDON BOROUGH OF LEWISHAM**  
**Planning and Compulsory Purchase Act 2004**  
**Town and Country Planning (Local Planning) (England) Regulations 2012**  
**Public participation on the preparation of a local plan**

The Council intends to prepare a **Gypsy and Traveller Site(s) Local Plan (GTSLP)** which will allocate a site or sites to accommodate Gypsies and Travellers in the borough. The Council has identified issues the GTSLP is likely to include and would like to hear your views about the scope, search parameters and selection criteria.

The relevant documents will be available at the following locations and times: **Thursday 3rd March 2016 to Friday 22nd April 2016:**

- **On line** at <http://lewisham-consult.objective.co.uk/portal> or [www.lewisham.gov.uk/myservices/planning/policy/LDF/Pages/Gypsy-and-Traveller-local-plan.aspx](http://www.lewisham.gov.uk/myservices/planning/policy/LDF/Pages/Gypsy-and-Traveller-local-plan.aspx)
- **London Borough of Lewisham** Ground Floor, Laurence House, 1 Catford Road, London, SE6 4RU (Monday to Friday 8.30am to 5pm).
- **All Public and Community Libraries** for details of locations and opening hours visit [www.lewisham.gov.uk/libraries](http://www.lewisham.gov.uk/libraries) or telephone 020 8314 6399

Representations must be in writing (either online or by hand) and will need to arrive at the addresses specified below by **5pm, Friday 22nd April 2016**.

- Online at <http://lewisham-consult.objective.co.uk/portal>
- By e-mail to [planning.policy@lewisham.gov.uk](mailto:planning.policy@lewisham.gov.uk)
- By post to Planning Service, London Borough of Lewisham, 3<sup>rd</sup> Floor Laurence House, 1 Catford Road, London, SE6 4RU

All representations received will be considered through the process of preparing the draft local plan.

**If you have any queries please contact the Planning Service on 020 8314 7400.**

M. KIELY  
Head of Planning (acting)  
Laurence House  
1 Catford Road  
SE6 4RU

## Appendix 4: Consultation on Sustainability Appraisal Scoping Report - Example of Letter Sent to Authorities with Environmental Responsibilities



Department for Environment,  
Food and Rural Affairs  
Nobel House  
17 Smith Square  
SW1P 3JR

Brian Regan

[planning.policy@lewisham.gov.uk](mailto:planning.policy@lewisham.gov.uk)  
Tel: 020 8314 7400

Date: 8<sup>th</sup> March 2016

Dear Sir/Madam

### **Lewisham Gypsy & Traveller's Site Local Plan (GTSLP) – Consultation on Sustainability Appraisal Scoping Report**

We are currently consulting on the Sustainability Appraisal Scoping Report for the Lewisham Gypsy & Traveller's Site Local Plan (GTSLP).

Scoping forms the initial stage of the Sustainability Appraisal (SA) process and incorporates the collection of baseline data and information on other plans, policies and programmes that can influence the preparation of the Gypsy & Traveller Sites Local Plan. The data presented in the Sustainability Appraisal Scoping Report identifies key sustainability issues, objectives and targets. The information contained within the report will be used to inform the SA framework.

We are consulting on the Sustainability Appraisal and Scoping Report for a period of 6 weeks between **Thursday 3<sup>rd</sup> March 2016 to Friday 22<sup>nd</sup> April 2016**. During the consultation period, we encourage comments to be submitted, where you can suggest improvements or point out if there is anything we have missed.

The relevant documents are available at the following locations:

- On our website at:  
<https://www.lewisham.gov.uk/myservices/planning/policy/LDF/Pages/Gypsy-and-Traveller-local-plan.aspx>
- On our Objective portal at:  
<http://lewisham-consult.objective.co.uk/portal>
- **London Borough of Lewisham** Ground Floor, Laurence House, 1 Catford Road, London, SE6 4RU (Monday to Friday 8.30am to 5pm).
- **All Public and Community Libraries** for details of locations and opening hours visit [www.lewisham.gov.uk/libraries](http://www.lewisham.gov.uk/libraries) or telephone 020 8314 6399

Representations must be made in writing (including electronically) and will need to arrive at the addresses specified below by **5pm, Friday 22<sup>nd</sup> April 2016**.

- By e-mail to [planning.policy@lewisham.gov.uk](mailto:planning.policy@lewisham.gov.uk)
- By post to Planning Service, London Borough of Lewisham, 3<sup>rd</sup> Floor Laurence House, 1 Catford Road, London, SE6 4RU

**If you have any queries please contact the Planning Service on 020 8314 7400.**

Yours Sincerely

Brian M Regan, Planning Policy Manager

## Appendix 5: Press Notice - South London Press, 1<sup>st</sup> March 2016



**LONDON BOROUGH OF LEWISHAM**  
**Planning and Compulsory Purchase Act 2004**  
**Town and Country Planning (Local Planning)**  
**(England) Regulations 2012**  
**Public participation on the preparation of**  
**a local plan**

The Council intends to prepare a **Gypsy and Traveller Site(s) Local Plan (GTLP)** which will allocate a site or sites to accommodate Gypsies and Travellers in the borough. The Council has identified issues the GTLP is likely to include and would like to hear your views about the scope, search parameters and selection criteria.

The relevant documents will be available at the following locations and times: **Thursday 3rd March 2016 to Thursday 14 April 2016:**

- **On line** at <http://lewisham-consult.objective.co.uk/portal> or [www.lewisham.gov.uk/myservices/planning/policy/LDF/Pages/Gypsy-and-Traveller-local-plan.aspx](http://www.lewisham.gov.uk/myservices/planning/policy/LDF/Pages/Gypsy-and-Traveller-local-plan.aspx)
- **London Borough of Lewisham** Ground Floor, Laurence House, 1 Catford Road, London, SE6 4RU (Monday to Friday 8.30am to 5pm).
- **All Public and Community Libraries** for details of locations and opening hours visit [www.lewisham.gov.uk/libraries](http://www.lewisham.gov.uk/libraries) or telephone 020 8314 6399

Representations must be in writing (including electronically) and will need to arrive at the addresses specified below by **5pm, Thursday 14th April 2016.**

- Online at <http://lewisham-consult.objective.co.uk/portal>
- By e-mail to [planning.policy@lewisham.gov.uk](mailto:planning.policy@lewisham.gov.uk)
- By post to Planning Service, London Borough of Lewisham, 3rd Floor Laurence House, 1 Catford Road, London, SE6 4RU

All representations received will be considered through the process of preparing the draft local plan.

**If you have any queries please contact the Planning Service on 020 8314 7400.**

M. KIELY  
Head of Planning (Acting)

Laurence House  
1 Catford Road  
SE6 4RU

## Appendix 6: Table of Written Representations made on the GTSLP and Sustainability Appraisal Scoping Report during the Regulation 18 public consultation

There were 17 respondents to the consultation. Officers have reviewed the representations received and provided comments in response.

Number	Respondent's Name	Capacity of Response	Summary of representation	Officers' response
1	Miss Judith Cooke, Planning Advisor	Environment Agency (EA)	<p><u>Flood risk</u></p> <ul style="list-style-type: none"> <li>Flood risks from all sources need to be included in the Sustainability Appraisal (SA). SA needs to demonstrate how sites in flood risk locations have been sequentially tested and that it will be feasible, in principle, to meet the requirements of the Exception Test where necessary.</li> <li>When assessing sites the council should be mindful of the highly vulnerable nature of this use to flooding identified within the supporting technical guidance to the National Planning Policy Framework.</li> <li>The SA appraisal needs to be informed by an up to date strategic flood risk assessment (SFRA). Since the publication of the council's latest version in 2015, The EA has completed updated flood modelling of the risk of flooding from the River Ravensbourne and its tributaries. This new information has not yet been transferred into the EA's published Flood Map for Planning. This is expected to be updated later this year. In the meantime it should be considered as the best available data and considered in the assessment of flood risk to the site allocations.</li> <li>New EA guidance issued on revised, higher allowances for the potential impacts of climate</li> </ul>	<ul style="list-style-type: none"> <li>Noted.</li> <li>Noted</li> <li>The Council will work closely with the EA to ensure the new data is taken account of in the site selection process.</li> <li>The Council will work closely with the EA to ensure the new guidance is taken account of in the site selection process and the</li> </ul>

Number	Respondent's Name	Capacity of Response	Summary of representation	Officers' response
			<p><a href="https://www.gov.uk/guidance/flood-risk-assessments-climate-change-allowances">https://www.gov.uk/guidance/flood-risk-assessments-climate-change-allowances</a>) Allowances indicate greater future flood impact and need to be included. The EA would welcome the opportunity to discuss how this would inform the SFRA and the preparation of the GTLP.</p> <p><u>River corridors and biodiversity</u></p> <ul style="list-style-type: none"> <li>EA agree there is a need to augment the Core Strategy criteria for Gypsy and Traveller to respond more robustly to local environmental quality issues</li> <li>EA Recommend that Core Strategy Policy 2 is amended to include the following additional specific selection criterion:  <i>Any business activities follow regulations/ good practice and do not have a negative impact on the quality of the river corridor or on the biodiversity value of any neighbouring sites which support protected or priority habitats or species.</i></li> <li>Request that the explanation and application of Table 5.1 Proposed Site Selection Criteria point 5 (Mixed residential and business use opportunities) be amended as highlighted in bold below  <i>(b) Any likely adverse impacts are acceptable (assuming <b>environmental permitting regulations</b>, licensing and planning conditions manage activities that could be carried out).</i></li> </ul> <p><u>Land contamination</u></p> <ul style="list-style-type: none"> <li>Pleased proposed site selection criteria will address the importance of considering the condition of</li> </ul>	<p>preparation of the GTLP.</p> <ul style="list-style-type: none"> <li>Noted. The Council will consider the inclusion of this in the policies for the site or sites.</li> <li>Agree. Text will be amended.</li> <li>Noted</li> </ul>

Number	Respondent's Name	Capacity of Response	Summary of representation	Officers' response
			<p>brownfield sites. The condition of the land could restrict the use of SUDS and could incur additional costs through the need to address contamination issues.</p> <ul style="list-style-type: none"> <li>• Note potential beneficial effects of return to use of brownfield land in terms of improvements in land and water quality.</li> <li>• The Environment Agency also made comments on the Sustainability Appraisal Scoping Report. These will be addressed in a respond to that document.</li> </ul> <p><b>Lewisham Gypsy &amp; Traveller's Site Local Plan (GTSLP) – Consultation on Sustainability Appraisal Scoping Report</b></p> <p><u>Table 3.1 Plans, Policies and Programmes</u></p> <p>Please add the following to the National section:</p> <ul style="list-style-type: none"> <li>• Natural Environment and Rural Communities (NERC) Act, 2006</li> <li>• Wildlife and Countryside Act, 1981 (as amended)</li> <li>• Countryside and Rights of Way Act, 2000</li> <li>• National Flood Risk Assessment, Environment Agency</li> <li>• Thames Flood Risk Management Plan, Environment Agency 2015</li> </ul> <p>and change:</p> <ul style="list-style-type: none"> <li>• Environment Agency, Creating a better place strategy 2010-2015</li> </ul> <p>to</p> <ul style="list-style-type: none"> <li>• Environment Agency Corporate Plan, Creating a</li> </ul>	<ul style="list-style-type: none"> <li>• The London Borough of Lewisham will address the matters raised through the Sustainability Appraisal process, which will be documented in the Sustainability Appraisal Report.</li> </ul>

Number	Respondent's Name	Capacity of Response	Summary of representation	Officers' response
			<p>better place 2014 to 2016.</p> <ul style="list-style-type: none"> <li>• Thames River Basin Management Plan (2009)</li> </ul> <p>to</p> <ul style="list-style-type: none"> <li>• Thames River Basin Management Plan, December 2015.</li> </ul> <p>Please add to the Lewisham section:</p> <ul style="list-style-type: none"> <li>• Local Flood Risk Strategy, London Borough of Lewisham 2015</li> <li>• Local Flood Risk Management Plan, London Borough of Lewisham 2015 (Objectives are published within the Environment Agency Thames Flood Risk Management Plan).</li> </ul> <p><u>Table 5.1: Sustainability Requirements, Issues and Trends</u> Under Effective protection of the Environment and prudent use of resources, please add the following sources:</p> <ul style="list-style-type: none"> <li>• Natural Environment and Rural Communities (NERC) Act, 2006, Sections 40 and 41</li> <li>• Wildlife and Countryside Act, 1981 (as amended)</li> <li>• Countryside and Rights of Way Act, 2000</li> <li>• Pollution Prevention Guidelines</li> </ul> <p>to the list against the key issue, “Gypsy and Traveller sites should be provided at locations with good access to open space. The adequacy and quality of open space should be considered. The provision of Gypsy and Traveller sites should be balanced with the protection of designated nature conservation sites, biodiversity, flora and</p>	

Number	Respondent's Name	Capacity of Response	Summary of representation	Officers' response
Page 234			<p>fauna.”</p> <p>We ask that the following key issue be amended as highlighted below in bold:</p> <p style="padding-left: 40px;">“Spaces and places need to be of high design quality, respecting historical and natural features and promoting local distinctiveness, providing access for all.”</p> <p>and that the Lewisham River Corridor Improvement Plan (2015) be included with the corresponding policy context.</p> <p><u>Appendix A Plans, Policies and Programmes</u></p> <p>Please make the corresponding changes here that we have mentioned above for Table 3.1</p>	
2	Local Resident (Identify <b>Confidential</b> )	Individual	<ul style="list-style-type: none"> <li>• <b>Confidential</b> - Comments omitted due to requirements of the Local Government (Access to Information) Act 1985 and the Equalities Act 2010.</li> </ul>	<ul style="list-style-type: none"> <li>• The Local Government (Access to Information) Act 1985 requires any material which is defamatory or likely to incite racial hatred or contempt, to be marked 'confidential' and not disclosed to the public. The Equalities Act 2010 makes it unlawful for anyone to induce or attempt to induce another person to discriminate on the grounds of race.</li> </ul>

Number	Respondent's Name	Capacity of Response	Summary of representation	Officers' response
3.	Stewart Murray, Assistant Director – Planning	Greater London Authority	<ul style="list-style-type: none"> <li>No specific comments regarding the scope, search parameters and selection criteria.</li> <li>Borough needs to meet Government's Planning Policy for Traveller sites and London Plan policy including policy 3.8</li> </ul>	<ul style="list-style-type: none"> <li>Agreed.</li> </ul>
4.	Ian Duffy	Individual	<ul style="list-style-type: none"> <li>Sensible Approach</li> <li>Request for clarification regarding 'relative weighting of judgement on impact on existing local users by the travellers versus impact of the local users on the travelling community.'</li> </ul>	<ul style="list-style-type: none"> <li>In accordance with the Government's Planning Policy for traveller sites (para.4.k) the evaluation of a site would have due regard to the protection of local amenity and the local environment and 'protect local amenity and environment' (para.10.e).</li> </ul>
5.	Lee Longhurst, Deputy team leader of Plan Making	Croydon Borough Council	<ul style="list-style-type: none"> <li>Need to consider the possible impact of the location of sites in areas where there is already a high level of social deprivation. Where services are already under pressure it may not be advisable to compound this by siting a new gypsy and traveller site in such an area. Suggest consideration of above criterion for site selection.</li> </ul>	<ul style="list-style-type: none"> <li>Given the difficulties in identifying a site, it is not proposed that additional geographical constraints are identified.</li> <li>It is not envisaged that the occupancy population generated by the provision of the site will be of a level that will significantly add to pressure on local services. In addition, criterion 2 of the proposed site selection criteria will ensure any occupants of a proposed site or sites will have access to essential local services and community facilities. Criteria 3, 6 and 7 satisfactorily deal with other aspects of local infrastructure.</li> </ul>

Number	Respondent's Name	Capacity of Response	Summary of representation	Officers' response
6.	Respondent's name not given.	Marine Management Organisation (MMO)	<ul style="list-style-type: none"> <li>No specific comments. General guidance for development outlined with respect to the areas covered by the MMO.</li> </ul>	<ul style="list-style-type: none"> <li>Noted.</li> </ul>
7.	Mats Staafgard	Individual	<ul style="list-style-type: none"> <li>Request for clarification regarding the location of potential Ladywell site.</li> <li>Opposition to the provision of Traveller's sites due to potential recipients currently being already accommodated in permanent buildings in the form of houses and council flats.</li> </ul>	<ul style="list-style-type: none"> <li>The public consultation on a preferred site or sites is scheduled for Autumn 2016. This will identify the location of the potential site or sites.</li> <li>The Lewisham Gypsy and Traveller Accommodation Needs Assessment (GTANA) will be revised to take account of the new definition of "gypsies and travellers" set out in Annex 1 to the Government's 'Planning policy for traveller sites,' and will consider whether Gypsies and Travellers have previously led a nomadic habit of life, the reasons for ceasing their nomadic habit of life, whether they intend to live a nomadic habit of life in the future, and if so, how soon and in what circumstances.</li> </ul>

Number	Respondent's Name	Capacity of Response	Summary of representation	Officers' response
8.	Mrs Trang Dinh	Individual	<ul style="list-style-type: none"> <li>Request to include reference to a sites not being located with a three mile radius of existing Gypsy and Traveller sites.</li> </ul> <p>Proposed text:  <i>New Gypsy &amp; Traveller Sites should not be located within three miles of existing Gypsy &amp; Traveller Sites whether in Lewisham or a neighbouring borough. This will ensure better integration of Gypsies &amp; Travellers into existing communities and ensure there are enough resources to support Gypsies &amp; Travellers locally.</i></p>	<ul style="list-style-type: none"> <li>Given the size of the borough and the difficulties involved in locating a site, it is not proposed to apply this constraint; such a radius (3 miles/5 km) would be excessively restrictive in terms of site identification and the justification in terms of the impact on local services and resources unsubstantiated. It is not envisaged that the occupancy population generated by the provision of the site will be of a level that will significantly add to pressure on local services.</li> </ul> <p>Integration with the existing communities in terms of the access of the site to services and community facilities such as schools and health services it is set out in criterion 2 of the Proposed Site Selection Criteria and criteria 3, 6 and 7 satisfactorily deal with other aspects of local infrastructure. .</p> <p>However, as stated in the Consultation Report, Lewisham will explore constructive approaches to the identification of a Gypsy and Traveller site or sites with neighbouring authorities and other public bodies.</p>
9.	Mr Jamie Melvin Planning Adviser West Anglia Team	Natural England	<p><b>Lewisham Gypsy &amp; Traveller's Site Local Plan (GTSLP) – Consultation on Sustainability Appraisal Scoping Report</b></p> <ul style="list-style-type: none"> <li>Natural England is broadly supportive of the Sustainability objectives, but would recommend that there is an objective relating to the creation, management and enhancement of green infrastructure. It may also be helpful for the scoping</li> </ul>	<ul style="list-style-type: none"> <li>The London Borough of Lewisham will address the matters raised through the Sustainability Appraisal process, which will be documented in the Sustainability Appraisal Report.</li> </ul>

Number	Respondent's Name	Capacity of Response	Summary of representation	Officers' response
10			<p>report to look at greenspace provision to assist in the targeting of where new green infrastructure and greenspace provision would have the most benefits, particularly in relation to biodiversity, human wellbeing and health.</p> <ul style="list-style-type: none"> <li>The Gypsy and Traveller Local Plan appears to be of relatively low risk to the ecological assets which compose our statutory purpose. We therefore have no detailed comments to make on the document presented.</li> </ul>	
			<p>Claire Parker Assistant Planning Consultant for and on behalf of Cassidy + Ashton Group Ltd</p>	<p>Oceanwave Estates Ltd. (Owners of land at Hither Green to the rear of St Mildred's Road and Rayford Avenue / Ronver Road)</p>
11.	Scott Barkwith	Individual	<ul style="list-style-type: none"> <li>Request to include reference to a sites not being located with a three mile radius of existing Gypsy and Traveller sites to ensure that resources are available to support them and ensure better integration of this community.</li> </ul>	<ul style="list-style-type: none"> <li>Given the size of the borough and the difficulties involved in locating a site, it is not proposed to apply this constraint; such a radius (3 miles/5 km) would be excessively restrictive in terms of site identification and the justification in terms of the impact on local services and resources unsubstantiated. It is not envisaged that the occupancy population generated by the provision of the site will be of a level that</li> </ul>

Number	Respondent's Name	Capacity of Response	Summary of representation	Officers' response
1239				<p>will significantly add to pressure on local services.</p> <p>Integration with the existing communities in terms of the access of the site to services and community facilities such as schools and health services it is set out in criterion 2 of the Proposed Site Selection Criteria and criteria 3, 6 and 7 satisfactorily deal with other aspects of local infrastructure. .</p> <p>However, as stated in the Consultation Report, Lewisham will explore constructive approaches to the identification of a Gypsy and Traveller site or sites with neighbouring authorities and other public bodies.</p>
	Trina Lynskey	Individual	<ul style="list-style-type: none"> <li>Request to include reference to a sites not being located with a three mile radius of existing Gypsy and Traveller sites to ensure that resources are available to support them and ensure better integration of this community.</li> </ul>	<ul style="list-style-type: none"> <li>Given the size of the borough and the difficulties involved in locating a site, it is not proposed to apply this constraint; such a radius (3 miles/5 km) would be excessively restrictive in terms of site identification and the justification in terms of the impact on local services and resources unsubstantiated. It is not envisaged that the occupancy population generated by the provision of the site will be of a level that will significantly add to pressure on local services.</li> </ul> <p>Integration with the existing communities in terms of the access of the site to services and community facilities such as schools and health services it is set out in criterion 2 of the Proposed Site Selection Criteria and</p>

Number	Respondent's Name	Capacity of Response	Summary of representation	Officers' response
				<p>criteria 3, 6 and 7 satisfactorily deal with other aspects of local infrastructure. .</p> <p>However, as stated in the Consultation Report, Lewisham will explore constructive approaches to the identification of a Gypsy and Traveller site or sites with neighbouring authorities and other public bodies.</p>
13. <b>Page 240</b>	Cameron Wallace Planner – Borough Planning	Transport for London	<ul style="list-style-type: none"> <li>• Need to have regard to the development of strategic transport infrastructure in the assessment of specific sites for gypsy and traveller accommodation. For example, the proposed Bakerloo line extension to Lewisham.</li> </ul>	<ul style="list-style-type: none"> <li>• Criterion 9 of the Proposed Site Selection Criteria satisfactorily addresses spatial planning and development management considerations.</li> </ul>
14.	David Wilson BA (Hons), BTP, MRTPI Associate Director Planning, Savills	Thames Water	<ul style="list-style-type: none"> <li>• To comment on the sewerage requirements an indication of the location and number of pitches being proposed would be necessary in order to model the impacts on the existing systems.</li> <li>• Noted: generally quicker to deliver infrastructure on a small number of clearly defined large sites than it is in a large number of less clearly defined small sites.</li> <li>• In the absence of sewers within the vicinity, the developer of the accommodation will be required to make provision for wastewater services either via connection to public sewerage network or on-site provision via, for example , a septic tank.</li> <li>• Recommend a specific Policy dealing with water and sewerage infrastructure along the lines of the</li> </ul>	<ul style="list-style-type: none"> <li>• Noted. This will be forthcoming at the next stage of consultation.</li> <li>• Noted</li> <li>• Noted</li> <li>• Proposed Site Selection 6 satisfactorily</li> </ul>

Number	Respondent's Name	Capacity of Response	Summary of representation	Officers' response
Page 241			<p>following:</p> <p><u>“Water Supply, Wastewater &amp; Sewerage Infrastructure</u></p> <p><i>Developers will be required to demonstrate that there is adequate water supply, waste water capacity and surface water drainage both on and off the site to serve the development and that it would not lead to problems for existing or new users. In some circumstances it may be necessary for developers to fund studies to ascertain whether the proposed development will lead to overloading of existing water and/or waste water infrastructure.</i></p> <p><i>Drainage on the site must maintain separation of foul and surface flows.</i></p> <p><i>Where there is an infrastructure capacity constraint the Council will require the developer to set out what appropriate improvements are required and how they will be delivered.</i></p>	<p>deals with the supply of essential services (including water, sewerage and drainage). A detailed study may be necessary to support a planning application for a gypsy and traveller site.</p>
15.	Brenda Johnson	Individual	<ul style="list-style-type: none"> <li>• Request for clarification regarding location of potential sites</li>   <li>• Request for clarification regarding work schedule and timescales for plan production</li> </ul>	<ul style="list-style-type: none"> <li>• The Consultation Report proposes a set of criteria to identify an appropriate site or sites. The identity and location of the preferred site or sites will be published at the next round of public consultation.</li>   <li>• The proposed timescales for the plan are outlined in the Consultation Report (Table 6.1 Proposed Timetable, p12).</li> </ul>



Number	Respondent's Name	Capacity of Response	Summary of representation	Officers' response
			<p>constraints are identified for the options resulting from the site search, the council should demonstrate how these could be mitigated.</p> <ul style="list-style-type: none"> <li>• Site selection criteria: in assessment of potential sites the shape of the site, the shape of the pitches and what can fit on them need to be evaluated.</li> <li>• Need for a clear, transparent mechanism for establishing who will be a priority for accessing the pitch.</li> </ul>	<ul style="list-style-type: none"> <li>• Criteria 4 and 7 of the Proposed Site Selection Criteria incorporate judgements about size and shape of potential sites with regards to for highways and parking issues (4) and as also landscaping and play areas (7).</li> <li>• Noted. The Director of Customer Services is intending to prepare a waiting list and allocations policy.</li> </ul>

# Agenda Item 12

<b>Chief Officer Confirmation of Report Submission</b>		
<b>Cabinet Member Confirmation of Briefing</b>		
<b>Report for: Mayor</b>		<input type="checkbox"/>
<b>Mayor and Cabinet</b>		<input checked="" type="checkbox"/>
<b>Mayor and Cabinet (Contracts)</b>		<input type="checkbox"/>
<b>Executive Director</b>		<input type="checkbox"/>
<b>Information</b>	<input type="checkbox"/>	<b>Part 1</b> <input checked="" type="checkbox"/>
		<b>Part 2</b> <input type="checkbox"/>
		<b>Key Decision</b> <input type="checkbox"/>

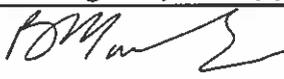
<b>Date of Meeting</b>	13 <sup>th</sup> July 2016
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<b>Title of Report</b>	Local Authority Governor Nominations
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<b>Originator of Report</b>	Kate Bond	<b>Ext 46142</b>
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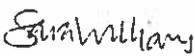
At the time of submission for the Agenda, I confirm that the report has:

Category	Yes	No
Financial Comments from Exec Director for Resources		X
Legal Comments from the Head of Law	X	
Crime & Disorder Implications		X
Environmental Implications		X
Equality Implications/Impact Assessment (as appropriate)	X	
Confirmed Adherence to Budget & Policy Framework		
Risk Assessment Comments (as appropriate)		
Reason for Urgency (as appropriate)		

Signed: 

Executive Member

Date: 1<sup>st</sup> July 2016

Signed: 

Executive Director

Date: 1<sup>st</sup> July 2016

### Control Record by Committee Support

Action	Date
Listed on Schedule of Business/Forward Plan (if appropriate)	
Draft Report Cleared at Agenda Planning Meeting (not delegated decisions)	
Submitted Report from CO Received by Committee Support	
Scheduled Date for Call-in (if appropriate)	
To be Referred to Full Council	

<b>MAYOR AND CABINET</b>			
<b>Report Title</b>	Local Authority Governor Nominations		
<b>Key Decision</b>	No	Item No.	
<b>Ward</b>	Catford South		
<b>Contributors</b>	Executive Director for Children and Young People Head of Law		
<b>Class</b>	Part 1	Date:	13 July 2016

## **1. Summary**

- 1.1 In May 2014, amendments to the School Governance (Constitution) (England) Regulations 2012 (The Constitution Regulations 2012) were made and laid before Parliament. The Department for Education (DfE) also published statutory guidance on the constitution of maintained schools which governing bodies and Local Authorities must have regard to. The most recent version of this Guidance was issued in August 2015.
- 1.2 The Constitution Regulations 2012 determine the size and membership of governing bodies. Previously the Local Authority was able to appoint Local Authority governors to governing bodies, however amendments to the Regulations now permit a Local Authority only to nominate such a person, with it being a matter for the governing body to appoint. For the Local Authority governor position, the Local Authority nominates a governor for "appointment" by the governing body.
- 1.3 This report is to request the nomination of a Local Authority governors for the school listed in paragraph 6 below.

## **2. Purpose**

- 2.1 To consider and approve the nomination of the Local Authority governor detailed in paragraph 6 below.

## **3. Recommendation**

The Mayor is recommended to:

- 3.1 agree to nominate the person set out in paragraph 6 as a Local Authority governor;
- 3.2 note the information concerning the recommended nominated governor in Appendix 1.

#### **4. Policy Context**

- 4.1 Lewisham's Children & Young People's Plan sets out our vision for improving outcomes for all children. The main purpose of a governing body is to account for the achievement of children and young people in their schools.
- 4.2 The appointment of governors supports the broad priorities within Lewisham's Sustainable Community strategy, in particular those of being "ambitious and achieving" and "empowered and responsible". Governors help inspire our young people to achieve their full potential and they also promote volunteering which allows them to be involved in their local area.
- 4.3 Two specific corporate priorities that are relevant pertain to "community leadership and empowerment" and "young people's achievement and involvement".

#### **5. Background**

- 5.1 Under Section 19 of the Education Act 2002 and School Governance (Constitution) (England) Regulations 2012, every governing body is required to have at least one representative of the Local Authority as part of its membership. Governing bodies reconstituted under The School Governance (Constitution) (England) Regulations 2012 only allows for one Local Authority governor. Free schools and Academies are exempt from this requirement.
- 5.2 The Constitution Regulations 2012 and associated Guidance highlight the importance of governors having the appropriate skills to contribute to the effective governance and success of the school.
- 5.3 The suggested nominee has the requisite skills and experience required to be effective in their role as a Local Authority nominated governor.
- 5.4 A Local Authority governor vacancy will arise on the governing body of the school listed in paragraph 6. Appointments to school governing bodies are usually for a four-year term, unless stipulated otherwise in the Instrument of Government. The individual set out in paragraph 6 would serve the normal 4 years if appointed. The governing body of the school would like to appoint them to the role of Local Authority governor at the next governing body meeting and thus a nomination is required to enable this to happen.
- 5.5 Appendix 1 highlights the skills and experience that the individual possesses which will enable them to be an effective member of a governing body.

**6. Candidate recommended for Nomination as Local Authority governor for governing bodies constituted under the School Governance (Constitution) (England) Regulations 2012.**

<b>Name</b>	<b>School</b>
Emilie Lemons	Torridon Junior

**7. Financial implications**

7.1 There are no financial implications arising from this report.

**8. Legal implications**

8.1 Section 19 of the Education Act 2002 and the School Governance (Constitution) (England) Regulations 2012( as amended) requires every governing body of a maintained school to have one representative of the Local Authority as part of its membership.

8.2 The Equality Act 2010 (the Act) introduced a new public sector equality duty (the equality duty or the duty). It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

8.3 In summary, the Council must, in the exercise of its functions, have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- advance equality of opportunity between people who share a protected characteristic and those who do not.
- foster good relations between people who share a protected characteristic and those who do not.

8.4 The duty continues to be a “have regard duty”, and the weight to be attached to it is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations.

8.5 The Equality and Human Rights Commission has recently issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled “Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice”. The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as

recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at:

<http://www.equalityhumanrights.com/legal-and-policy/equality-act/equality-act-codes-of-practice-and-technical-guidance/>

8.6 The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:

1. The essential guide to the public sector equality duty
2. Meeting the equality duty in policy and decision-making
3. Engagement and the equality duty
4. Equality objectives and the equality duty
5. Equality information and the equality duty

8.7 The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at: <http://www.equalityhumanrights.com/advice-and-guidance/public-sector-equality-duty/guidance-on-the-equality-duty/>

## **9 Crime and Disorder Implications**

9.1 There are no specific crime and disorder implications arising from this report.

## **10. Equalities Implications**

10.1 Lewisham Council's policy is to encourage all sections of the community to be represented as Local Authority governors. In particular, we would encourage further representation from the black community and minority groups including disabled people, who are currently under-represented as governors. The numbers of governors in these groups is kept under review

## **11. Environmental Implications**

11.1 There are no specific environmental implications arising from this report.

## **12. Conclusion**

12.1 The individual detailed in Appendix 1 views being a governor as a way of utilising their skills and experience to make a difference to the lives of children and young people in Lewisham schools. Section 19 of the Education Act 2002 and School Governance (Constitution) (England) Regulations 2007 made under it require every governing body to have at

least one representative of the Local Authority as part of its membership. Governing bodies reconstituting under The School Governance (Constitution) (England) Regulations 2012 only require one Local Authority governor. Academies are exempt from this requirement.

- 12.2 Appointments to school governing bodies are usually for a four-year term, unless stipulated otherwise in the Instrument of Government. The person listed in paragraph 6 would serve the normal 4 years.

### **Background Documents**

There are no background papers.

If there are any queries arising from this report, please contact Suhaib Saeed, Service Manager – School Services, 3<sup>rd</sup> Floor, Laurence House, telephone 020 8314 767

**LA Governor nominations**

**APPENDIX 1**

Name	School	Occupation	Residential Area	Précis of Suitability and Skills to be considered as a school governor	Governor Monitoring Information
Emilie Lemons	Torridon Junior	Director of Marketing Company	SE6	Emilie is currently a parent governor, elected in 2014, and her child will be leaving Torridon this summer. Emile is a committed governor at the school and is currently one of the Vice Chairs of the governing body. She is also taking the lead on a working group to consider possible expansion. Her skill set, marketing and communications consultancy for architects and creatives, is precisely what the governing body requires. The governing body feel it is vital to retain Emilie on the governing body as she provides a very proactive approach with an excellent skill set. They thus wish for her to be nominated as their local authority governor for appointment at their next meeting. Emilie lives locally and is involved in the local community.	Female White / British

<b>Chief Officer Confirmation of Report Submission</b>		
<b>Cabinet Member Confirmation of Briefing</b>		
<b>Report for: Mayor</b>		<input type="checkbox"/>
<b>Mayor and Cabinet</b>		<input checked="" type="checkbox"/>
<b>Mayor and Cabinet (Contracts)</b>		<input type="checkbox"/>
<b>Executive Director</b>		<input type="checkbox"/>
<b>Information</b>	<input type="checkbox"/> <b>Part 1</b>	<input checked="" type="checkbox"/> <b>Part 2</b>
		<input type="checkbox"/> <b>Key Decision</b>

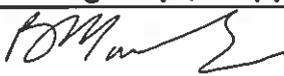
<b>Date of Meeting</b>	13 <sup>TH</sup> July 2016
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<b>Title of Report</b>	Federations – Revisions to Instruments of Government
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<b>Originator of Report</b>	Kate Bond	<b>Ext 46142</b>
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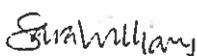
At the time of submission for the Agenda, I confirm that the report has:

Category	Yes	No
Financial Comments from Exec Director for Resources		X
Legal Comments from the Head of Law	X	
Crime & Disorder Implications		X
Environmental Implications		X
Equality Implications/Impact Assessment (as appropriate)	X	
Confirmed Adherence to Budget & Policy Framework		
Risk Assessment Comments (as appropriate)		
Reason for Urgency (as appropriate)		

Signed: 

Executive Member

Date: 1<sup>ST</sup> July 2016

Signed: 

Executive Director

Date: 1<sup>ST</sup> July 2016

**Control Record by Committee Support**

Action	Date
Listed on Schedule of Business/Forward Plan (if appropriate)	
Draft Report Cleared at Agenda Planning Meeting (not delegated decisions)	
Submitted Report from CO Received by Committee Support	
Scheduled Date for Call-in (if appropriate)	
To be Referred to Full Council	

<b>MAYOR &amp; CABINET</b>			
<b>Report Title</b>	Federations – Revisions to Instruments of Government		
<b>Key Decision</b>	Yes	Item No.	
<b>Ward</b>	Lee Green, Lewisham Central, Forest Hill, Ladywell, Evelyn, Brockley, Whitefoot, Downham		
<b>Contributors</b>	Service Manager School Services and Head of Law		
<b>Class</b>	Part 1	Date:	13 July 2016

## 1. Summary

- 1.1 The School Governance (Constitution and Federations) (England) (Amendment) Regulations 2016 amends the School Governance (Federations) ( England) Regulations 2012 (“Federation Regulations”) to provide that, by 1 September 2016, the governing body of every federation must include two parent governors, to be elected by parents of any federated school or appointed by the governing body of the federation. Under the current regulations, federations have to seek a parent governor from each of the schools in the federation.

## 2. Purpose

- 2.1 To seek agreement to amend the Instrument of Government for the federation of schools listed below.

## 3. Recommendation

The Mayor is recommended to:

- 3.1 Approve that the Instrument of Government for the federation of schools identified below be made by Local Authority order dated 13 July 2016.
- |       |   |            |
|-------|---|------------|
| 3.1.1 | The Brindishe Federation                                  | Appendix 1 |
| 3.1.2 | The Eliot Bank and Gordonbrock Primary Schools Federation | Appendix 2 |
| 3.1.3 | Grinling Gibbons and Lucas Vale Federation                | Appendix 3 |
| 3.1.4 | The Oakbridge Federation                                  | Appendix 4 |

## 4. Policy Context

- 4.1 Each federation has to have an Instrument of Government. The local authority must satisfy itself that the Instrument of Government for the federation conforms to the legislation. The local authority must also agree its content.

- 4.2 Lewisham's Children & Young People's Plan sets out our vision for improving outcomes for all children. The main purpose of a governing body is to account for the achievement of children and young people in their schools.
- 4.3 The appointment of governors supports the broad priorities within Lewisham's Sustainable Community strategy, in particular those of being "ambitious and achieving" and "empowered and responsible". Governors help inspire our young people to achieve their full potential and they also promote volunteering which allows them to be involved in their local area.
- 4.4 Two specific corporate priorities that are relevant pertain to "community leadership and empowerment" and "young people's achievement and involvement".

## **5. Background**

- 5.1 The School Governance (Constitution and Federations) (England) (Amendment) Regulations 2016 amends the "Federations Regulations" to provide that, by 1 September 2016, the governing body of every federation must include two parent governors, to be elected by parents of any federated school or appointed by the governing body of the federation. Under the current regulations, federations have to seek a parent governor from each of the schools in the federation.
- 5.2 If a federation consists of three or more schools it will currently have a parent governor place for each of the schools in the federation and reflected on its Instrument of Government. Thus the action required is for the federation to reconstitute in order to reduce to two parent places
- 5.3 If a federation consists of only two schools then the amendment to the regulations means it will no longer be required to have a parent governor from each school, enabling boards to seek nominations from parents; informed by the skills required, irrespective of which school their child is a pupil at.
- 5.4 This report sets out variations to the Instruments of Government for federations whose Governing Bodies are required to amend their Instrument of Government under The School Governance (Constitution and Federations) (England) (Amendment) Regulations 2016.
- 5.5 At a governing body meeting which took place between April and June 2016, the governing bodies of the federation of schools listed in section 3 of this report each made a decision to amend their Instrument of Government.
- 5.6 The governing body must be constituted in accordance with regulations made by virtue of section 19 of the Education Act 2002 namely The School Governance (Federations) (England) Regulations 2012, as amended by The School Governance (Constitution and Federations) (England) (Amendment) Regulations 2014 and 2016 respectively.

- 5.7 The total membership of the governing body of all federations is to have at least seven governors.
- 5.8 The governing body of a federation must include the following:-
- (a) two parent governors;
  - (b) The headteacher of each federated school unless they resign office as a governor
  - (c) one staff governor,
  - (d) one local authority governor
- 5.9 In addition, federations comprising foundation and voluntary schools are required to have foundation or partnership governors.
- 5.10 The governing body may also appoint as many co-opted governors as they consider necessary, but in doing so, it must take into account the additional requirement for federations comprising foundation and voluntary schools where there may be a requirement to have a majority of foundation governors.
- 5.11 The total number of co-opted governors who are also eligible to be elected or appointed as staff governors (when counted with the staff governor and the headteacher/s) must not exceed one third of the total membership of the board of the federation.
- 5.12 Appendices 1 to 4 detail each Instrument of Government the local authority is proposing to make by order for each of the 4 federations.

## **6. Financial implications**

- 6.1 There are no financial implications arising from this report.

## **7. Legal implications**

- 7.1 Section 20 of the Education Act 2002 requires all maintained schools to have an Instrument of Government which determines the constitution of the school and other matters relating to the school.
- 7.2 Each federation must have an Instrument of Government detailing the name of the federation, the type of school and the membership of the Governing Body. The category of governor and the number in each category is specified in the "Federation Regulations".
- 7.3 The Instrument of Government proposed in Appendices 1 to 4, for the governing body of each federation of schools listed in section 3 of this report, conforms to The School Governance (Federations) (England) Regulations 2012 as amended.

### Equalities Legislation

- 7.4 The Equality Act 2010 (the Act) introduced a new public sector equality duty (the equality duty or the duty). It covers the following nine protected

characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

7.5 In summary, the Council must, in the exercise of its functions, have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- advance equality of opportunity between people who share a protected characteristic and those who do not.
- foster good relations between people who share a protected characteristic and those who do not.

7.6 The duty continues to be a “have regard duty”, and the weight to be attached to it is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations.

7.7 The Equality and Human Rights Commission has recently issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled “Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice”. The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at:

<http://www.equalityhumanrights.com/legal-and-policy/equality-act/equality-act-codes-of-practice-and-technical-guidance/>

7.8 The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:

- 1 The essential guide to the public sector equality duty
- 2 Meeting the equality duty in policy and decision-making
3. Engagement and the equality duty
4. Equality objectives and the equality duty
5. Equality information and the equality duty

7.9 The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at: <http://www.equalityhumanrights.com/advice-and-guidance/public-sector-equality-duty/guidance-on-the-equality-duty/>

## 8. Crime and Disorder Implications

8.1 There are no specific crime and disorder implications.

## 9. Equalities Implications

9.1 Governors will have enough flexibility in their choice of constitutional models to enable them to address issues of representation of stakeholder groups and to ensure that Governing Bodies reflect the communities they serve.

9.2 Lewisham Council's policy is to encourage all sections of the community to be represented as Local Authority governors. In particular, we would encourage further representation from the black community and minority groups including disabled people, who are currently under-represented as governors. The numbers of governors in these groups is kept under review

## 10. Environmental Implications

10.1 There are no specific environmental implications.

### Background Documents

Short Title of Document	Date	File Location	Contact Officer
The School Governance (Federations) (England) Regulations 2012	2012	<a href="http://www.legislation.gov.uk/ukxi/2012/1035/contents/made">http://www.legislation.gov.uk/ukxi/2012/1035/contents/made</a>	Suhaib Saeed
The School Governance (Constitution and Federations) (England) (Amendment) Regulations 2014	2014	<a href="http://www.legislation.gov.uk/ukxi/2014/1257/contents/made">http://www.legislation.gov.uk/ukxi/2014/1257/contents/made</a>	Suhaib Saeed
The School Governance (Constitution and Federations) (England) (Amendment) (No. 2) Regulations 2014	2014	<a href="http://www.legislation.gov.uk/ukxi/2014/1959/contents/made">http://www.legislation.gov.uk/ukxi/2014/1959/contents/made</a>	Suhaib Saeed
The School Governance (Constitution and Federations) (England) (Amendment) Regulations 2016	2016	<a href="http://www.legislation.gov.uk/ukxi/2016/204/contents/made">http://www.legislation.gov.uk/ukxi/2016/204/contents/made</a>	Suhaib Saeed

If there are any queries arising from this report, please contact Suhaib Saeed, Service Manager School Services , 3<sup>rd</sup> Floor, Laurence House, telephone 020 8314 767

**INSTRUMENT OF GOVERNMENT FOR FEDERATED GOVERNING BODIES**

1. The name of the federation is: **The Brindishe Federation**
2. The names and categories of the schools in the federation are:

Name	Category
1. Brindishe Lee	Community
2. Brindishe Green	Community
3. Brindishe Manor	Community

3. The name of the Governing Body is: **'The governing body of The Brindishe Federation'**.
4. The Governing Body shall consist of the following.

Category of governor (state where the term of office is less than four years)	No. of governors in each category
Parent governors	<b>2</b>
Executive Headteacher	<b>1</b>
Staff governor	<b>1</b>
LA governor	<b>1</b>
Co-opted governors	<b>7</b>

5. Total number of governors: **12**
6. This instrument comes into effect on **1 September 2016**
7. This instrument was made by order of Lewisham Local Authority on 13 July 2016
8. A copy of the instrument must be supplied to every member of the Governing Body (and the Headteacher if not a governor).

**INSTRUMENT OF GOVERNMENT FOR FEDERATED GOVERNING BODIES**

1. The name of the federation is: **The Eliot Bank and Gordonbrock Primary Schools Federation.**
2. The names and categories of the schools in the federation are:

Name	Category
1. Eliot Bank Primary School	Community
2. Gordonbrock Primary School	Community

3. The name of the Governing Body is: **'The Governing Body of the Eliot Bank and Gordonbrock Primary Schools Federation'**
4. The Governing Body shall consist of the following.

<b>Category of governor (state where the term of office is less than four years)</b>	<b>No. of governors in each category</b>
Parent governors	<b>2</b>
Executive Headteacher	<b>1</b>
Staff governor	<b>1</b>
LA governor	<b>1</b>
Co-opted governors	<b>12</b>

5. Total number of governors: **17**
6. This instrument comes into effect on **1 September 2016**
7. This instrument was made by order of Lewisham Local Authority on 13 July 2016
8. A copy of the instrument must be supplied to every member of the Governing Body (and the headteacher if not a governor).

**INSTRUMENT OF GOVERNMENT FOR FEDERATED GOVERNING BODIES**

1. The name of the federation is: **Grinling Gibbons and Lucas Vale Federation**
2. The names and categories of the schools in the federation are:

Name	Category
1. Grinling Gibbons Primary School	Community
2. Lucas Vale Primary School	Community

3. The name of the Governing Body is: '**The Governing Body of Grinling Gibbons and Lucas Vale Federation**'.
4. The Governing Body shall consist of the following.

<b>Category of governor (state where the term of office is less than four years)</b>	<b>No. of governors in each category</b>
Parent governors	<b>2</b>
Executive Headteacher	<b>1</b>
Staff governor	<b>1</b>
LA governor	<b>1</b>
Co-opted governors	<b>6</b>

5. Total number of governors: **11**
6. This instrument comes into effect on **1 September 2016**
7. This instrument was made by order of Lewisham Local Authority on 13 July 2016
8. A copy of the instrument must be supplied to every member of the Governing Body (and the headteacher if not a governor).

**INSTRUMENT OF GOVERNMENT FOR FEDERATED GOVERNING BODIES**

1. The name of the federation is: **The Oakbridge Federation**
2. The names and categories of the schools in the federation are:

Name	Category
1. Forster Park	Community
2. Rangefield	Community

3. The name of the Governing Body is: **'The Governing Body of the Oakbridge Federation'**.
4. The Governing Body shall consist of the following.

<b>Category of governor (state where the term of office is less than four years)</b>	<b>No. of governors in each category</b>
Parent governors	<b>2</b>
Executive Headteacher	<b>1</b>
Staff governor	<b>1</b>
LA governor	<b>1</b>
Co-opted governors	<b>9</b>

5. Total number of governors: **14**
6. This instrument comes into effect on **1 September 2016**
7. This instrument was made by order of Lewisham Local Authority on 13 July 2016
8. A copy of the instrument must be supplied to every member of the Governing Body (and the Headteacher if not a governor).

<b>Chief Officer Confirmation of Report Submission</b>	
<b>Cabinet Member Confirmation of Briefing</b>	
Report for: Mayor	<input type="checkbox"/>
Mayor and Cabinet	<input checked="" type="checkbox"/>
Mayor and Cabinet (Contracts)	<input type="checkbox"/>
Executive Director	<input type="checkbox"/>
Information <input type="checkbox"/> Part 1 <input checked="" type="checkbox"/> Part 2 <input type="checkbox"/> Key Decision <input type="checkbox"/>	

<b>Date of Meeting</b>	13 <sup>th</sup> July 2016
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<b>Title of Report</b>	Council Tax Reduction Scheme - consultation proposal for 2017/18
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<b>Originator of Report</b>	Ralph Wilkinson, Head of Public Services	<b>Ext. 46040</b>
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At the time of submission for the Agenda, I confirm that the report has:

Category	Yes	No
Financial Comments from Exec Director for Resources		X
Legal Comments from the Head of Law	X	
Crime & Disorder Implications		X
Environmental Implications	X	
Equality Implications/Impact Assessment (as appropriate)		X
Confirmed Adherence to Budget & Policy Framework		
Risk Assessment Comments (as appropriate)		
Reason for Urgency (as appropriate)		

Signed:  Executive Member

Date: 05.07.16  
 Signed:  Executive Director

Date: 05.07.16

Control Record by Committee Support	
Action	Date
Listed on Schedule of Business/Forward Plan (if appropriate)	
Draft Report Cleared at Agenda Planning Meeting (not delegated decisions)	
Submitted Report from CO Received by Committee Support	
Scheduled Date for Call-in (if appropriate)	
To be Referred to Full Council	

<b>Mayor and Cabinet</b>			
<b>Report Title</b>	Council Tax Reduction Scheme – consultation proposal for 2017/18		
<b>Ward</b>	All	<b>Item No.</b>	
<b>Contributors</b>	Executive Director for Customer Services and Head of Public Services		
<b>Class</b>	Open	<b>Date</b>	13 July 2016

## **1. Purpose**

- 1.1 To propose a Council Tax Reduction Scheme (CTRS) for 2017/18 that the Council should consult on.

## **2. Executive Summary**

- 2.1 On 1 April 2013 the Council implemented a local CTRS which passed on the government cut in grant of £3.28m in full to 24,648 working age households previously in receipt of Council Tax Benefit. The Council also implemented a Discretionary Hardship Scheme to help those suffering exceptional financial hardship.
- 2.2 The Council has continued to pass on the government cut in grant for the Council Tax Reduction Schemes since April 2013. Discretionary hardship provision is being met through existing legislation under Section 13(A) of the Local Government Finance Act (LGFA) (2012).
- 2.3 This report recommends that the Council consult on a CTRS for 2017/18 that continues to pass on the government cut in funding and maintain a scheme for supporting those suffering exceptional hardship through Section 13(A) of LGFA (2012). In addition, to consult on amending the scheme to calculate the Council Tax Reduction (CTR) award for those of working-age who are working and in receipt of Universal Credit (UC) using a means test, to maintain the existing arrangements and mitigate any increase in expenditure resulting from the ongoing rollout of UC. Pensioners will continue to be protected by legislation from the cuts in government funding.

## **3. Recommendations**

It is recommended that the Mayor agrees to:

- 3.1 Consult on a local CTRS for 2017/18 that passes on a cut in government funding to working age claimants.
- 3.2 Consult on introducing a means test for applicants of working-age who receive UC in addition to their earnings. This will maintain the current position where all those with earnings are means tested.
- 3.3 Continue providing discretionary support in cases of exceptional hardship using Section 13(A) of the LGFA (2012).

## **4. Policy context**

- 4.1 One of the primary functions of the Council is to promote the social, economic and environmental wellbeing of the borough and its people. In discharging this important role the Council has a specific duty to safeguard the most vulnerable from harm and to regulate access to public services and to provide social protection for those that might otherwise be put at risk.

- 4.2 As Council funding is provided through public resources (grants from central Government; Business Rates and Council Tax) the local authority must also demonstrate both responsibility and accountability in the stewardship of public resources.
- 4.3 The overarching policy and decision making framework for the discharge of the Council's many functions and duties is Lewisham's Sustainable Community Strategy. The Strategy contains two overarching principles which are:
- Reducing inequality – narrowing the gap in outcomes; and
  - delivering together efficiently, effectively and equitably – ensuring that all citizens have appropriate access to and choice of high quality local services.
- 4.4 Also contained within this overarching policy framework are the Council's ten priorities. These priorities describe the specific contribution that the local authority will make to the delivery of the Sustainable Community Strategy.

## **5. Background**

- 5.1 The government abolished Council Tax Benefit on 1 April 2013, from which point local authorities were required to define their own local CTRS. The government also reduced funding by 10% (£3.28m) and made a fixed amount available. Previously the Council Tax Benefit scheme funding had been fully covered by a government subsidy.
- 5.2 The Council has since agreed that Lewisham's Council Tax Reduction Scheme would pass on the grant cut to working-age claimants. Pensioners have been protected by legislation since the scheme's inception and so continue to receive the same amount of help as before.
- 5.3 From 1 April 2013, the funding for the CTRS was included in the Settlement Funding Assessment (SFA). Since then the SFA has been reduced by 30%, which is a loss to the council of £62m in grant funding. In 2016/17 the reduction of 8.4% was fully passed on to working age claimants. Subject to any change in the chancellor's forthcoming budget, a further reduction of 8% is expected for 2017/18.
- 5.4 Since 2015/16, the Council also agreed to make discretionary provision for those asked to contribute towards their Council Tax but who are experiencing exceptional hardship, through Section 13(A) of the LGFA (2012).
- 5.5 In February 2016, Lewisham and Forest Hill jobcentres commenced delivering UC and since then 552 UC claims have been made in the borough. Of these, 171 claimants are not in employment and 384 are employed.
- 5.6 Lewisham's current CTRS treats all those in receipt of UC and of working-age, regardless of their employment status, as being entitled to the maximum Council Tax Reduction without the need for a means-test – this means covering 97% of their Council Tax liability. Until UC those working have always had their income means-tested to determine the amount of Council Tax Reduction that they receive. The CTRS needs to be amended to maintain the current position where all those including those with earnings on UC are means tested.
- 5.7 If the CTRS is not amended the difference in the treatment of earned income between those not on UC and those now receiving UC would not be equitable and also it would result in increased CTR expenditure as UC rollout continues in Lewisham. Whilst it is difficult to estimate the precise nature of the increase, estimates suggest it could be in the region of an additional £1.87m per year over the course of the UC rollout which is due to complete in 2021.

5.8 In view of the existing and future pressures on the Council's budget, it is recommended that consultation is carried out to explore an alternative calculation of the CTR award for those of working-age, receiving UC and who are in employment. The calculation would be the same means test as the one currently in place for those of working-age and in employment but not receiving UC, whereby for every £1.00 of income they have above a specified amount they "need" to live on, they contribute 20% of the excess towards their Council Tax liability.

## **6. Proposed Council Tax Reduction Scheme for 2017/18**

6.1 The Council has the following options when developing its CTRS for 2017/18:

- To pass on the cut in government grant to those of working age as the Council has done in the four previous years.
- To absorb the cut in government grant. However, the Council is having to make significant savings over the next 4 years so absorbing further cuts in government grant it is not considered possible without making further cuts on the services it delivers.
- To use reserves to deal with the cut in government grant. It is not considered prudent to use reserves as a way of dealing with any shortfall in government funding as the majority of reserves are earmarked for other purposes with the remainder needed for any urgent one-off unavoidable expenditure.
- To increase Council Tax. If the Council were to deal with the shortfall in funding by increasing the Council Tax for everyone, the impact would be likely to be in excess of the 2% threshold set by the Secretary of State beyond which a binding referendum would need to be held.

6.2 The Council's financial position is such that it is having to make savings of around £60m by the financial year 2019/20. Having considered the different options the Council has to deal with, and given the shortfall in funding, officers advise that the Council Tax Reduction Scheme be retained in its current form for 2017/18. In addition the Council should consult on introducing a means test for applicants of working-age who receive UC in addition to their earnings. It is recommended that the Council carry out a consultation accordingly.

## **7. Consultation**

7.1 This report proposes to carry out a proportionate consultation on the CTRS for 2017/18.

7.2 Residents will be asked to consider two points, namely whether the local CTRS for 2017/18 continues to pass on the cut in government funding to working age claimants and whether to introduce a means test for applicants of working-age who receive UC in addition to their earnings.

7.3 The consultation will be proportionate in approach and will consist of the following:

- A self-completion survey – promoted across the Council's website, and available in hard copy upon request;
- A letter sent out to a sample of households – some being council tax payers and the remainder being in receipt of CTR - inviting them to participate in the survey;
- A general press release from Communications promoting the survey, which will be emailed to local media, blogs and websites;

- Targeted communication to local community groups representing the interests of those residents identified as most vulnerable to any of the proposed changes in the CTRS for 2017/18.

7.3 It is anticipated that this consultation will be undertaken between August and September 2016.

## 8. Proposed implementation timetable on the Council Tax Reduction Scheme 2017/18

Date	Action	Responsibility
December 2016	Mayor and Cabinet agree Council Tax Reduction Scheme for 2017/18	Customer Services
January 2017	Testing for annual Billing	Customer Services/Capita
January 2017	Council Tax Reduction Scheme agreed as part of budget process and before 31 January 2017	Council
January 2017	Council Tax base set	Customer Services
February 2017	Council sets its budget	Resources
March 2017	Council Tax bills issued	Customer Services

## 9. Financial implications

9.1 There are no financial implications at this stage as the recommendation is only to consult on the proposed CTRS for 2017/18.

## 10. Legal implications

10.1 Section 33 of the Welfare Reform Act 2012 abolished Council Tax Benefit. The Local Government Finance Act 2012 amends the Local Government Finance Act 1992 to make provision for council tax support through locally adopted CTRSs.

10.2 Section 13A of the 1992 Act requires every local authority to adopt a CTRS. Paragraph 2 of s. 13A sets out the two principal factors which are determined by the CTRS; namely, "eligibility" and "reductions". A CTRS therefore defines the amount of council tax paid by residents of a local authority by reference to i) those persons who are defined as eligible for a reduction in council tax liability and ii) the extent of that reduction.

10.3 Paragraph 5 of Schedule 1A sets out the obligations imposed on the Council in respect of revising and replacing a CTRS. Para 5(1) "For each financial year, each billing authority must consider whether to revise its scheme or to replace it with another scheme. Para 5(2) provides that "The authority must make any revision to its

scheme... no later than 31 January in the financial year preceding that for which the revision ...is to have effect.”

- 10.4 Paragraph 3 of Schedule 1 contains obligations in respect of consultation. It applies to an authority when revising a scheme as it applies to an authority when making a scheme. (para. 5(5). Para. 3 requires the authority, before [revising a] scheme to, “...a) consult any major precepting authority which has power to issue a precept to it, b) publish a draft scheme in such manner as it thinks fit, and c) consult such other persons as it considers are likely to have an interest in the operation of the scheme.”.
- 10.5 The Supreme Court Judgement R –v- London Borough of Haringey (29.10.14 ) makes it clear, that whilst consultation needs always to be proportionate, “even when the subject of the requisite consultation is limited to the preferred option, fairness may nevertheless require passing reference to be made to arguable yet discarded alternative options.” (Lord Wilson Para. 28,)
- 10.6 By way of some assistance it is stated within the Judgment (at para. 41 by Lord Reed that) “...a requirement to provide information about other options [does not] ...mean that there must be a detailed discussion of the alternatives or of the reasons for their rejection. The consultation required in the present context is in respect of the draft scheme, not the rejected alternatives; and it is important, not least in the context of a public consultation exercise, that the consultation documents should be clear and understandable, and therefore should not be unduly complex or lengthy. Nevertheless, enough must be said about realistic alternatives, and the reasons for the local authority’s preferred choice, to enable the consultees to make an intelligent response in respect of the scheme on which their views are sought.”
- 10.7 The Equality Act 2010 (the Act) introduced a new public sector equality duty (the equality duty or the duty). It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 10.8 In summary, the Council must, in the exercise of its functions, have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
  - advance equality of opportunity between people who share a protected characteristic and those who do not.
  - foster good relations between people who share a protected characteristic and those who do not.
- 10.9 The duty continues to be a “have regard duty”, and the weight to be attached to it is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations.
- 10.10 The Equality and Human Rights Commission has recently issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled “Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice”. The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at:

10.11 The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:

1. The essential guide to the public sector equality duty
2. Meeting the equality duty in policy and decision-making
3. Engagement and the equality duty
4. Equality objectives and the equality duty
5. Equality information and the equality duty

10.12 The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at:

<http://www.equalityhumanrights.com/advice-and-guidance/public-sector-equality-duty/guidance-on-the-equality-duty/>

## **11. Crime and disorder implications**

11.1 There are no direct crime and disorder implications arising from this report.

## **12. Equalities implications**

12.1 In the discharge of their functions, the Equality Act 2010 places a Duty on public bodies to have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation;
- foster good relations between those who share a protected characteristic and those who do not share that characteristic; and
- advance equality of opportunity between those who share a protected characteristic and those who do not share that characteristic.

12.2 A full analysis was done in 2013/14. To build a picture of CTR claimants' propensity to pay their liability, Council Tax accounts were matched with CTR benefit accounts where possible. Across the two data sets it was possible to match 87% of all the records. Thus analysis was done for comparator purposes and only to indicate if any of the claimant types have been disproportionately impacted by the scheme.

12.3 Accounts were also flagged as having a zero, credit or debit balance (account status) and the assumption was made that an account with either a zero or credit balance contains no outstanding Council Tax liability.

12.4 It is important to note that the applicants receiving CTR today may not be the same as those receiving it in a months time, or their award may be greater or less depending on how their circumstances change. This analysis has also only taken CTR into account and it is worth bearing in mind that a number of these claimants may also be in receipt of additional benefits which may have been subject to caps or changes as part of Welfare Reform.

12.5 Claimants that are in receipt of other benefits are known as passported and may either be of working age or they or their partner may be in receipt of state pension credit. Claimants that are only in receipt of CTR are known as non-passported and again can either be of working age or they or their partner may be in receipt of state pension credit.

12.6 There are very few CTR claimant types that have not settled their Council Tax liability to a satisfactory level once the award has been applied. Therefore the Council Tax Reduction Scheme appears to be working well and has not had an adverse impact on any particular group or equalities characteristic (where data is available).

### **13. Environmental implications**

13.1 There are no environmental implications arising from this report.

### **14. Background papers and report author**

14.1 If you require further information about this report, please contact Ralph Wilkinson, Head of Public Services, on 020 8314 6040.

14.2 The Council Tax Reduction Scheme for 2016/17 can be found at:  
<http://www.lewisham.gov.uk/myservices/benefits/council-tax-reduction-scheme/Pages/default.aspx>

<b>Chief Officer Confirmation of Report Submission</b>		
<b>Cabinet Member Confirmation of Briefing</b>		
<b>Report for: Mayor</b>		<input type="checkbox"/>
<b>Mayor and Cabinet</b>		<input checked="" type="checkbox"/>
<b>Mayor and Cabinet (Contracts)</b>		<input type="checkbox"/>
<b>Executive Director</b>		<input type="checkbox"/>
<b>Information</b> <input type="checkbox"/>	<b>Part 1</b> <input checked="" type="checkbox"/>	<b>Part 2</b> <input type="checkbox"/>
		<b>Key Decision</b> <input checked="" type="checkbox"/>

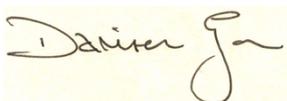
<b>Date of Meeting</b>	13 July 2016
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<b>Title of Report</b>	Besson Street
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<b>Originator of Report</b>	Genevieve Macklin	<b>Ext.</b>	46057
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At the time of submission for the Agenda, I confirm that the report has:

Category	Yes	No
<b>Financial Comments from Exec Director for Resources</b>	✓	
<b>Legal Comments from the Head of Law</b>	✓	
<b>Crime &amp; Disorder Implications</b>	✓	
<b>Environmental Implications</b>	✓	
<b>Equality Implications/Impact Assessment (as appropriate)</b>	✓	
<b>Confirmed Adherence to Budget &amp; Policy Framework</b>	✓	
<b>Risk Assessment Comments (as appropriate)</b>	N/A	
<b>Reason for Urgency (as appropriate)</b>	N/A	

Signed:  Executive Member  
 Date: \_\_\_\_\_

Signed:  Director/Head of Service  
 Date: 03/07/16

**Control Record by Committee Support**

Action	Date
Listed on Schedule of Business/Forward Plan (if appropriate)	
Draft Report Cleared at Agenda Planning Meeting (not delegated decisions)	
Submitted Report from CO Received by Committee Support	
Scheduled Date for Call-in (if appropriate)	
To be Referred to Full Council	

<b>MAYOR AND CABINET</b>			
<b>Title</b>	Besson Street Re-development and Private Rented Sector Housing		
<b>Key decision</b>	Yes	<b>Item no</b>	
<b>Wards</b>	Telegraph Hill		
<b>Contributors</b>	Executive Director for Customer Services, Executive Director for Resources and Regeneration, Head of Law		
<b>Class</b>	Part 1	13 July 2016	

## **1 Summary**

- 1.1 It is widely acknowledged that London is experiencing a housing crisis, with a chronic lack of supply of new homes driving higher prices and decreasing levels of affordability. This crisis affects all tenures, ranging from the introduction of affordable rents in the social housing sector, through rapidly growing rents in the private rented sector, to median house prices in Lewisham that are more than ten times the median income.
- 1.2 In 2015 the Council approved its five year housing strategy, Homes for Lewisham, which committed the Council to taking action across all housing tenures to drive up supply and improve conditions. This includes a commitment to working in partnership to secure 2,000 new affordable homes in the borough by 2018, of which at least 500 will be new Council homes, in a programme which includes a range of innovative and community-led developments to provide the type and quality of homes that Lewisham needs. The strategy also includes a new landlord licensing scheme to drive up quality in the private rented sector. The Council will work in partnership across the private and public sectors to meet the overall housing target of 1,200 new homes every year.
- 1.3 Homes for Lewisham also committed to supporting the development of new models of private renting which offer a more stable, higher quality PRS offer by professional landlords, potentially including the Council itself. In this way, the Council can contribute to creating a more sustainable private rented sector in the borough, and design interventions which mean that council-led PRS schemes achieve the following aims:
- Provide high quality new homes
  - Provide an additional form of stable and affordable housing to support low income households in the PRS, who would neither

qualify for social housing nor be able to access home ownership, by developing a “Living Rent” product to provide sub-market PRS tenancies with rents linked to incomes;

- Provide longer-term tenancies to give greater stability to renters
- Create new places, including community facilities, open spaces and retail/leisure
- Provide a high quality property management and maintenance service
- Attract institutional investment into the borough at a time of financial challenges
- Seek to structure projects so that they deliver best value to the council depending on the scheme, including the potential to generate an ongoing income for the Council

- 1.4 A report was bought to Mayor and Cabinet in December 2015, with a proposal that the Council undertake a pilot project, at Besson Street in New Cross, in which the Council would handle public land in a new manner in order to enable the site to be developed for high quality, secure PRS homes let at a range of rents. This pilot project would see the Council participating in a Joint Venture vehicle specifically for the purpose of developing PRS homes and the regeneration of the Besson Street area. The Joint Venture vehicle would be between the Council and an experienced organisation which would bring expertise, housing management and development funding. In order to create this Joint Venture vehicle the Council would select an investment partner with an excellent track record of developing high quality places, with a PRS offer to tenants that can set the standard for the PRS in the borough, and with sound financial backing from institutional funders.
- 1.5 This policy intervention is designed to introduce a new type of housing development into the Council’s development programme, beyond and in addition to the 500 Council homes on which progress is well underway. It is designed to create around 250 homes. 65 per cent of these homes will be let at an initial market rent, but with rent increases capped in line with inflation. This will provide renters with more certainty about their rent at a time when market rents can increase by 10 per cent a year. A further 35 per cent of homes will be affordable homes based on a new “Living Rent” product, which would be linked to 35% of net income at London Living Wage levels.
- 1.6 All of these homes would provide much more certainty for renters, with the removal of lettings fees and provision of clarity about future rent increases. They would provide a higher quality rented home, as well as on-site community uses and facilities that reflect the rents that are paid. A key difference between PRS build to rent and other rented options is that there are no service charges, and all costs are contained within the rent, further improving the offer to tenants.
- 1.7 Overall this proposal would enable the Council to make an innovative intervention into the Private Rented Sector in order to provide a better

deal for renters. It would set a high standard for the quality of PRS that other developments and landlords can be judged against. It would introduce a new affordable housing product, "Living Rent", aimed at households who struggle to sustain themselves in the PRS but who, given the nature of the housing crisis, do not meet the criteria to be allocated social housing. At the same time, the programme of Council house building will continue, on other sites, in order to achieve the 500 home target.

- 1.8 This report is in two parts. This part one report updates Mayor and Cabinet on the work carried out on the recommended approach, as well as the timetable and the next steps, and deals with the appropriation of part of the site from housing purposes to planning purposes.

## **2 Recommendations**

- 2.1 It is recommended that the Mayor:
- 2.2 Notes the process carried to date as set out in section 6.
- 2.3 Agrees that the Council pursue the scheme for Besson Street, to deliver around 230 homes for private rent with 35% at "living rent" levels through partnership with a joint venture partner, as set out in paragraph 6.8.
- 2.4 Notes the Strategic case for this approach in sections 4 and 5.
- 2.5 Agrees to the appropriation of the Council owned land shown hatched black on the attached plan 1, from housing purposes to planning purposes under Section 122 of the Local Government Act 1972 as set out in section 10.
- 2.6 Agrees that Officers investigate future sites for further delivery as set out in section 11.
- 2.7 Note the position and work carried out to date on the Achilles Street estate as set out in section 12.

## **3 Policy Context**

- 3.1 The contents of this report are consistent with the Council's policy framework. It supports the achievements of the Sustainable Community Strategy policy objectives:
  - Ambitious and achieving: where people are inspired and supported to fulfil their potential.
  - Empowered and responsible: where people can be actively involved in their local area and contribute to tolerant, caring and supportive local communities.
  - Healthy, active and enjoyable: where people can actively participate in

maintaining and improving their health and well-being, supported by high quality health and care services, leisure, culture and recreational activities.

3.2 The proposed recommendations are also in line with the Council policy priorities:

- Strengthening the local economy – gaining resources to regenerate key localities, strengthen employment skills and promote public transport.
- Clean, green and liveable – improving environmental management, the cleanliness and care for roads and pavements and promoting a sustainable environment.

3.3 Lewisham's Housing Strategy was approved at Full Council in May 2015. This strategy sets out the Council's ambition to address the challenges in the borough through the following objectives:

- Helping residents at times of severe and urgent housing need
- Building the homes our residents need
- Greater security and quality for private renters
- Promoting greater quality in the social and private rented sectors

3.4 Lewisham's Core Strategy has the objective to make provision for the completion of an additional 18,165 net new dwellings from all sources between 2009/10 and 2025/26, to meet local housing need and accommodate the borough's share of London's housing needs. This aims to exceed the London Plan target for the borough. The Core Strategy also has the objective to make provision to meet the housing needs of Lewisham's new and existing population, which will include:

- provision of affordable housing
- a mix of dwelling sizes and types, including family housing
- lifetime homes, and specific accommodation to meet the needs of an ageing population and those with special housing needs
- bringing vacant dwellings back into use

3.5 In response to this, the Council has started to deliver homes directly itself for the first time in a generation, and will deliver 500 new Council homes by 2018. In addition, the Council is working with partners to deliver an additional 1,500 new affordable homes in the same time period.

3.6 Despite this, there remains an undersupply of housing in the borough and the Council remains ambitious to do more to address this directly, as well as continuing to work with partners to maximise the number of new homes they deliver.

3.7 A number of recent policy announcements by the government have

made the delivery of new homes by the Council more challenging, and require the Council to explore new ways of delivering homes. The reduction of social rents by one per cent, contained in the Welfare Reform and Work Act, will reduce the financial capacity of the Council's Housing Revenue Account by approximately £25 million over the next four years. This means that the capacity to deliver new social housing beyond the current 500 home programme funded within the Council's Housing Revenue Account is limited.

3.8 This context requires the Council to explore new ways of developing new homes. The 2011 Localism Act gave local authorities a general power of competence. This creates new opportunities in terms of the Council's strategy for delivering new homes.

3.9 Homes for Lewisham, the Council's Housing Strategy for 2015 to 2020, committed to supporting the development of new models of private renting which offers a more stable, higher quality PRS offer by professional landlords, potentially including the Council itself. In this way, the Council can contribute to creating a more sustainable private rented sector in the borough, and design interventions which mean that council-led PRS schemes achieve the following aims:

- Provide high quality new homes
- Create new places, including community facilities, open spaces and retail/leisure
- Provide longer-term tenancies to give greater stability to renters
- Provide a high quality property management and maintenance service
- Cap rent increases in line with inflation to provide certainty for renters
- Provide properties which are let at a Living Rent linked to local incomes.
- Attract institutional investment into the borough at a time of financial challenges
- Seek to structure projects so that they deliver best value to the council depending on the scheme, including the potential to generate an ongoing income for the Council

## **4 Background**

4.1 The housing situation in Lewisham is part of the wider picture of housing in London. London's housing market is characterised by an enduring undersupply of new homes against a growing population. This has caused house prices to increase significantly – higher than they were before the economic crisis.

4.2 London's population is forecast to increase by 1.5 million people by 2030 to a population of 10 million. London is currently growing by 50,000 – 60,000 households a year. This means that London needs 500,000 new homes over the next decade. Currently, an average of 27,000 new

homes are delivered each year in London whilst in the last decade 194,000 new homes were built.

- 4.3 The average house price in London is now £530,000, a 13.5% increase in the past year, whilst research by Halifax bank showed that the average deposit of a first time buyer in London is now over £90,000. Rising house prices have caused a significant increase of the private rented sector (PRS). The PRS in London has doubled in the last ten years – and in some boroughs increased by over 200%.
- 4.4 In Lewisham the Private Rented Sector has doubled in size in the past ten years and around 25 per cent of Lewisham’s population now lives in the PRS. Over half of residents who live in the Private Rented Sector in Lewisham are under the age of 34, whilst a further 35 per cent are aged 35 to 49. A third of PRS households in Lewisham are families with children whilst a quarter are occupied by single adults. Therefore the supply and quality of homes in the PRS is an issue which is particularly pertinent to younger people in the borough and young families.
- 4.5 Most tenancies in the PRS are Assured Shorthold Tenancies with little security of tenure and with a fixed period of as little of 6 months. These tenancies may be brought to an end by the landlord on a ‘no-fault’ basis, by service of a section 21 Housing Act 1988 notice of seeking possession. The nature of the current housing market means that individual landlords may evict tenants through this process in order to seek to charge higher rents to new tenants, or to sell the property. The sector also has challenges in relation to the cost of access and lettings fees, whilst many renters often receive a poor service in terms of repairs and property management.
- 4.6 PRS rents are increasing much more quickly than incomes and many tenants pay more than half their net income in rent. As of March 2016 the median weekly rent for a two-bedroom property in Lewisham was around £300. This represents an increase of over 30% on the median monthly rent for a two-bedroom property in 2010/11. In SE14 where the Besson Street site is located, rental growth in has averaged 21.3% over the last 12 months and 34.6% over the last 2 years.
- 4.7 In the July 2015 budget, the Local Housing Allowance (LHA) – which is the maximum amount of housing benefit which can be claimed in the private rented sector – was frozen until 2020. This means that more and more properties in the PRS will be unaffordable to households which rely on housing benefit, as rents in Lewisham are forecast to continue to rise but LHA rates remain frozen.
- 4.8 All of the factors outlined above concerning housing supply and affordability have contributed to an increase in homelessness. In Lewisham there has been an 89% increase in the number of households in temporary accommodation between 2010/11 and 2015/16 – as at the end of March 2016 there are currently 1,750 homeless households in

temporary accommodation. Over the same period, the number of households on the waiting list for social housing has grown from approximately 7,500 to over 9,250, of which 1,750 were those owed the main housing duty. It is projected that during 2016/17, 901 properties will become available to let of which 548 will be suitable for households with children.

4.9 In over 54% of acceptances the main reason for homelessness was the end of a private rented sector assured shorthold tenancy, and in the majority of these cases the AST was terminated. This represents a continuation of the trend seen in previous years.

4.10 The Council has taken a number of steps to address this challenge, principally by committing to build 500 new Council homes – the first Council homes built in Lewisham in a generation. It is bringing forward new homes in a wide range of approaches, as part of a wider strategy for ensuring that sufficient new homes are developed, across all tenures, and that new supply of homes meets the boroughs needs in particular for affordable housing. The wide-range of approaches being deployed at present are set out in the table below:

	Programme	Model	Example	Comments
1	Housing Revenue Account Programme	This programme is funded through the Council's Housing Revenue Account, making use of Right To Buy receipts and reserves/borrowing.	The element of the Council Homes programme managed by Lewisham Homes is funded through the HRA.	The one per cent rent cut has reduced the forecast income of the HRA by approx. £25m, whilst the HRA is already subject to a number of rules around how much it can borrow. The Council will also be required to consider selling high value properties in the near future, with the proceeds sent to central government. These factors limit the capacity to build new homes in the HRA beyond the current programme.
2	Estate Regeneration	Due to the scale and complexity of estate regeneration, the Council usually partners with a Housing Association to manage the process from decanting existing tenants through to the various phases being built and let.	Current regeneration projects include Heathside and Lethbridge (with Family Mosaic) and Excalibur (with L&Q).	In these projects, the Council brings in external financing and project management to deliver new and improved homes, with the Housing Association owning and managing the estate at the end.
3	Sell land to partner	In some cases the Council will sell land to a selected partner in order to facilitate a certain type of	The Council has worked with Pocket Living to bring about a development of 26 new homes for affordable	This approach is considered where the Council's priorities around housing supply can be best met by working with a specialist partner, eg low cost

	Programme	Model	Example	Comments
		development.	home ownership at Marischal Road.	home ownership, Extra Care housing
4	Community Land Trust	Community Land Trusts are an innovative form of delivery where the Council transfers land into community ownership.	The council is currently working with RUSS to create a CLT at Church Grove (a fully affordable self-build CLT) and also with Lewisham Citizens to create a possible second CLT at Brasted Close.	CLTs form a major part of the Council's delivery strategy, and Lewisham is currently the only borough with two CLTs in its pipeline. The nature of this model means that currently developments tend to be small due to the capacity of the community organisations to raise finance etc, but the Council will continue to support CLTs as the model matures.
5	Joint Venture	This is a different way of working with a partner organisation, where the Council enters into a joint venture in which it retains a stake in the development.	Proposed model for Besson Street	This approach is most appropriate for large and high value developments where the council needs to bring in external finance and expertise, and to share risks that otherwise could jeopardise mainstream service delivery. The advantage of the joint venture model is that the council retains a stake in the development so can seek longer-term benefits, and exercise much greater influence over tenure, rents and build quality.
6	Working with Housing Associations	The Council continues to work with Housing Associations to facilitate their development programmes.	The Council has provided grant funding to Phoenix Community Housing on two of their schemes: Hazelhurst Court Extra Care scheme and Forster House.	Housing Associations are important delivery partners and the council will always look at what role it can play to help them increase the supply of affordable housing in the borough.

4.11 Given the scale and complexity of the Besson Street site, the pressure on Council resources from the wide range of development options set out above, the priority to intervene in the private rented sector to drive up standards and quality, and yet to manage risk and complexity, it is proposed that the Besson Street development be taken forward as a joint venture with a private sector partner.

4.12 The full background to this report can be seen in the report Besson Street Re-development and Private Rented Sector Housing, approved by Mayor and Cabinet on the 9th December 2015.

<http://councilmeetings.lewisham.gov.uk/documents/s40265/Besson%20Str>

## **5 Background to Besson Street Project, and proposed development**

- 5.1 The Besson Street site is a 2.5 acre plot of land within the 'Kender triangle' in New Cross. The site was previously assembled as part of the New Cross New Deal for Communities (NDC), although is wholly owned by the Council. The site has been vacant since 2007, as the previous planning permission for the site developed by the NDC was not built due to financial constraints.
- 5.2 The brief for the site includes some of the key original concepts from the NDC initiative of healthy living; the replacement Queens Road Doctors surgery; outdoor gym and community space. This was added to Council objectives such as maximising the quantum of development while creating a new place and access routes.
- 5.3 In December 2015, officers presented proposals for developing the Besson Street site to the Housing Select Committee and subsequently to Mayor and Cabinet. The scheme proposal was to deliver:
- 230 to 250 homes for purpose built as "build to rent" homes to be brought forward by a new joint venture company in which the Council would have a stake and from which it would derive an on-going revenue stream;
  - Approximately 35 per cent, or between 80 and 90 of these, to be affordable homes let at "living rent" linked to the London Living Wage, distributed throughout the entire development rather than in a separate block
  - A replacement health centre for the Queens Road Surgery
  - New office space for the New Cross Gate Trust
  - High quality amenity spaces, public realm and an outdoor gym
- 5.4 The agreed principle was that the site should be delivered through a joint venture (JV) partnership between the Council and an experienced private sector partner, in order to bring in expertise and share risk.
- 5.5 Mayor and Cabinet agreed that officers should develop the proposals in more detail, working alongside specialist legal, financial and property advisors in order to make final recommendations in relation to:
- The optimal commercial and legal structure of the partnership;
  - The preferred governance and decision making structures;
  - The proposed approach to selecting a private sector partner, and a timetable for doing so.

## **6 Progress and Update**

- 6.1 Since the December 2015 Officers have been developing these final recommendations, such as the expected rent levels, optimal bed size

mix, specification of the units and car parking. A bespoke financial model has been created to test the viability of the scheme and the relative investment levels required of the partners, alongside the potential returns once the project has completed. The culmination of all of this work is a clear understanding of how the scheme will work, what the outcomes could be for the Council, and a comprehensive commercial proposition to enable the Council to select an investment partner.

- 6.2 The assessment of the financial model is that the scheme, including the affordable housing parameters set out above would be acceptable to potential funding partners. On that basis officers have carried out a second round of soft market testing to test the scheme and assumptions to ensure that proposals are attractive to the market and therefore deliverable. Meetings were held with eight organisations, a range of PRS developers/ operators and investors. Key aspects discussed included the scheme characteristics, rent and discount levels, JV structure, required levels of return and procurement process.
- 6.3 This exercise created valuable feedback from the market about some specific aspects of the scheme, including procurement. Feedback from the potential partners was positive around a transparent procurement process, however all advised that a limited number of three organisations should be invited to tender to gain maximum buy-in. Overall, discussions have shown that the proposals are attractive to the market
- 6.4 It should be noted that the actual scheme design as developed by Assael Architects and consulted on with the local community in December 2015 has not changed.
- 6.5 In summary, officers propose to recommend to take a scheme to market with the following key attributes:
  - The scheme currently has 232 homes, with 55 per cent as two-beds, 25 per cent as one-beds and 20 per cent as three-beds;
  - 35 per cent of homes will be affordable, and will be let at “living rent” to people who live or work in Lewisham and who meet the income criteria;
  - “living rent” is based on the London Living Wage. It assumes that two earners occupy each flat, each paying 35 per cent of their net income on rent;
  - The Doctors surgery, community and amenity space aspects all remain;
  - The scheme is intended to be exemplar and so working with our partner Officers will seek to maximise tenancy length and promote stability for residents.
  - That the procurement of an investment partner take place on this basis, using a process which:

- Has an open initial stage, to be followed a sifting process and then a more detailed final stage in which the number of potential partners is limited to three;
- enables decisions to be made at a later point about the level of investment the Council makes, albeit where the Council's preference is to create a 50:50 joint venture partnership.

## **7 Rents, security of tenure, affordability and nominations**

- 7.1 The proposals agreed by Mayor and Cabinet in December 2015 set out that 65% of the new homes would be let at a market rate and that 35% of the properties will be affordable homes, let at "living rent" linked to the London Living Wage. It assumes that two earners occupy each flat, each paying 35 per cent of their net income on rent;
- 7.2 The scheme has been taken forward using these principles, as described in paragraph 6.5 above. It will be essential to be able to deliver housing as part of this development that is genuinely affordable for local people. This does not present a barrier to the market; many of the current market leaders are already familiar with the requirement to provide affordable housing as an integral part of build to rent developments, and in some cases are already doing so.
- 7.3 As outlined in 4.5 above, security of tenure is a general problem in the private rented sector. A significant advantage of bespoke build-to-rent developments is the additional security that renters can benefit from. The industry is in its infancy, yet already tenancies tend to be for a minimum of five years. As part of this development, officers will seek to extend that tenancy period, to provide even greater levels of security, and intend to use this as one part of the procurement and negotiation process that will follow in the next stage of this project
- 7.4 It is likely that these new homes affordable homes will not be allocated through the Council's existing process for allocating social housing. Nonetheless they will still make a valuable contribution to meeting the Council's housing objectives. This could be achieved, for instance, by signposting clients attending the Housing Options Centre (HOC) to the development, particularly as half of the people seen by HOC are currently resident in the PRS. Additionally the development could be advertised to particular potential target markets, including by advertising their availability in Lewisham Life, local schools and to key worker groups.

## **8 Consultation**

- 8.1 Officers carried out initial public consultation in the lead up to the December 2015 Mayor and Cabinet report and this included talking to local people about the type of development this would be and the way in which it would be delivered. Since this time there has been no design development and the work has focused on technical and delivery

aspects and as such there has been no further public consultation.

- 8.2 Officers will develop a comprehensive consultation strategy, this will be delivered together with the delivery partner ahead of and throughout the statutory Planning process.

## **9 Timetable and next steps**

- 9.1 Officers are seeking approval for the process to select a development partner and set up a Joint Venture vehicle, the detailed basis for which is set out in the Part 2 section of this report. Should this be agreed, the indicative programme is set out below:

Procurement of partner	July 2016 – January 2017
Submission of Planning application	Mid 2017
Start on Site	Early 2018
Completion	Spring/ Summer 2020

- 9.2 Officers are mindful of timescales and the need to deliver the scheme as quickly as possible while ensuring that proper processes are in place to select the right partner, to ensure effective consultation and to develop the design in more detail before a planning application is made. The current timescales that are provided are only indicative and it is possible that certain aspects of this project will take more time than envisaged.
- 9.3 Officers will be able to provide a more detailed and accurate programme as part of the next Mayor and Cabinet report to recommend the selection of a partner and agree the final terms of the scheme following the completion of the procurement process.

## **10 Appropriating the Land**

- 10.1 The Council owns the freehold interest of the site shown on the attached plan. The Council acquires and holds property for various statutory purposes in order to provide its various functions. The site is currently held by the Council for a mixture of housing purposes within the Housing Revenue Account and planning purposes within the General Fund. In accordance with Section 122 of the Local Government Act 1972, an authority may appropriate land from one purpose to another, when it is no longer required for the purpose for which it was previously held.
- 10.2 The housing land within the scheme was originally part of the Kender Estate. The housing blocks on the land were decanted as part of the Kender Triangle housing masterplan and were demolished in 2008 and the site has been vacant since then. Accordingly, the land is no longer required for the purpose for which it was originally held. The remainder of the land within the scheme is already held for planning purposes as it was specifically acquired by the Council for this purpose when the site was originally assembled.

- 10.3 Land is held by the Council subject to any existing interests and rights belonging to third parties and the land will be sold subject to any such interests and rights on disposal. However, under Section 237 of the Town and Country Planning Act 1990, the development of land which has been acquired or appropriated for planning purposes in accordance with planning permission is authorised even if that development would interfere with any interests or rights affecting the land. The effect of the appropriation is to extinguish any such interests or rights.
- 10.4 The purpose of the appropriation of the housing land within the scheme to planning purposes is to facilitate the comprehensive re-development of the Site by ensuring that third party rights do not impede the carrying out of the development and to ensure that all of the land within the scheme is protected and treated in the same way.
- 10.5 Where rights are extinguished, the owners of any such interests are entitled to compensation calculated under the compulsory purchase compensation rules for injurious affection. However, appropriation removes the potential for excessive compensation claims and the ability for owners to obtain injunctions preventing the redevelopment or claim damages.
- 10.6 The precise design of the scheme is yet to be finalised and consultation with residents and community groups will take place prior to and alongside the formal Planning process. This will include undertaking daylight and sunlight studies to assess and seek to minimise the impact on local properties. Further, the architect will be expected to use key principles of maximising daylight and sunlight, creating attractive amenity spaces and ensuring careful consideration of relationships to neighbouring properties.
- 10.7 Assessment of compensation for the loss of rights would be calculated on the basis of the before and after market value of the affected properties. It will be for the owners to demonstrate that the loss is likely to cause inconvenience to them and affect the enjoyment of their properties and to substantiate any claim for compensation.

#### **Comments of Head of Planning**

- 10.8 The site is located within the New Cross/ New Cross Gate Regeneration and Growth Area of the Council's adopted Core Strategy (2011) and is a designated site allocation for redevelopment in the Site Allocation Local Plan (2013).
- 10.9 The site forms part of the New Cross/ New Cross Gate district centre and is allocated for mixed use development comprising a doctor's surgery, library, gym, community spaces, crèche and a public square with residential accommodation.
- 10.10 The principle of redeveloping the site for mixed use purposes is

therefore accepted, subject to satisfactorily addressing other planning policy objectives including design, affordable housing and sustainability.

- 10.11 The scheme has yet to be submitted for planning approval, however, officers are in early pre-application discussions and the scheme has been reviewed by the Lewisham Design Review Panel. These discussions remain at an early stage but the scheme will be developed through extensive pre-application discussions and public consultation ahead of a planning application submission.

## **11 Future Sites**

- 11.1 While this new method for delivering a significant amount of housing has been developed for Besson Street there is also the intention to be able to replicate the arrangement as a means of bringing forward new housing developments and the creation of new places. Officers are therefore seeking approval to investigate future sites to test the potential to deliver other opportunities through the same model.
- 11.2 These sites would be tested for their suitability for a build to rent development, based on the learning derived from piloting the approach on Besson Street, in relation to location, size and land value. Officers would seek to create options in relation to a medium-term development programme of build to rent development, to enable further decision making by Mayor and Cabinet in due course.

## **12 Achilles Street**

- 12.1 The Achilles Street Estate is also situated in the North of the borough, on the other side of New Cross to Besson Street. The estate currently provides 87 homes across four blocks: Azalea, Fenton, Austin Houses and 363 New Cross Road. Within the estate there are 56 tenants and 31 leaseholders; approximately half of whom do not live on the estate.
- 12.2 Achilles Street is being considered for development as part of the New Homes, Better Places programme, and it was initially there was a proposal to deliver an infill development on a garage site within the estate boundary. However after initial investigations into the quality of the existing blocks and the use of space on the estate, it has been reassessed for potential wider scale regeneration.
- 14.3 Officers are currently in the early stages of developing proposals for the regeneration of the estate. Early design work that has been carried out in partnership with Karakusevic Carson Architects, Bell Philips Architects and 5th Studio Architects indicates that there is the potential to re-provide the existing accommodation to a higher standard, increase the number of homes on the site and meet wider place making and regeneration objectives in this key part of New Cross.
- 14.4 Two consultation events about proposals to deliver new homes on

Achilles Street have been held with residents and other key stakeholders. The first event in February 2016, which was followed up by officers with visits to residents on the estate, asked residents their views on their homes and local area. The second consultation event was held in May and discussed potential options for regenerating the estate and the implications this would have for current residents. Officers are currently using the feedback gained from these consultations to further develop proposals for the regeneration of the estate.

14.5 Should Achilles Street be taken forward as a regeneration scheme it will be essential to re-provide Council homes for tenants and provide options for resident leaseholders to remain in home ownership. Beyond this, there could be potential to provide new homes in a variety of tenures including private rent and at London Living Rent levels. Given the potential for the area and proximity to Besson Street it may be possible for the Achilles Street to be delivered through the same joint venture structure as Besson Street.

14.6 A further consultation event is to be held in the autumn this year once further design and cost analysis has been carried out, to update residents on how the proposals are progressing. Officers propose to bring a report to Mayor and Cabinet following this to consider whether the scheme is taken forward.

### **13 Financial Implications**

13.1 The financial implications are contained within the Part 2 report.

### **14 Legal Implications**

14.1 The Council has a wide general power of competence under Section 1 of the Localism Act 2011 to do anything that individuals generally may do. The existence of the general power is not limited by the existence of any other power of the Council which (to any extent) overlaps the general power. The Council can therefore rely on this power to establish and participate in a Joint Venture vehicle as proposed.

14.2 There are a number of advantages for the Council with using a Joint Venture approach, whilst still enabling the Council to exercise the necessary controls as an equity investor in the Joint Venture vehicle and through the governance arrangements and structure that will be put in place.

14.3 The Council has power under the Local Government Act 1972 to appropriate land which is no longer required for the purpose for which it was acquired to use for any other purpose for which it has power to acquire land.

14.4 Section 237 of the Town and Country Planning Act 1990 is engaged by an acquisition or appropriation of land by a local authority for planning

purposes. Reference to the appropriation of land for planning purposes is a reference to the appropriation of it for purposes for which the Council could have acquired the land for planning purposes contained in Sections 226 (compulsory acquisition) and 227 (acquisition by agreement) of the 1990 Act.

14.5 Section 226(1)(a) empowers the Council, on being authorised by the Secretary of State, to acquire compulsorily land in its area if it thinks that the acquisition will facilitate the carrying out of development, redevelopment or improvement on or in relation to the land. The Council must not, however, use this power unless it also thinks that the development, redevelopment or improvement is likely to contribute to the achievement of any one or more of the following objects:

- (a) the promotion or improvement of the economic well-being of the Council's area;
  - (b) the promotion or improvement of the social well-being of the Council's area;
  - (c) the promotion or improvement of the environmental well-being of the Council's area.
- (Section 226(1A) of the 1990 Act).

14.6 Officers consider that the appropriation of the land for planning purposes, with the consequence that this will engage Section 237 of the 1990 Act, will facilitate the carrying out of the development, redevelopment or improvement of the site. It will enable the development to be constructed pursuant to planning permission which notwithstanding it involves interference with third party rights which might otherwise impede the development.

14.7 In the case of land held for housing purposes, that power is subject to Section 19 of the Housing Act 1985. Under Section 19(1), an authority may not appropriate housing land with dwellings on it for other purposes without the consent of the Secretary of State. In this case, Section 19(1) is not engaged as all the original dwellings have been demolished.

14.8 Other legal implications associated with the appropriation of the site to planning purposes and the effect of Section 237 of the Town and Country Planning Act 1990 are set out in full in Section 10 of this report.

14.9 Further legal implications are contained in the Part 2 report.

## **15 Human Rights Act 1998 Implications**

15.1 The Act effectively incorporates the European Convention on Human Rights into UK law and requires all public authorities to have regard to Convention Rights. In making decisions Members therefore need to have regard to the Convention.

15.2 The rights that are of particular significance to the Mayor's decision in

this matter are those contained in Articles 8 (right to home life) and Article 1 of Protocol 1 (peaceful enjoyment of possessions).

15.3 Article 8 provides that there should be no interference with the existence of the right except in accordance with the law and, as necessary in a democratic society in the interest of the economic well-being of the country, protection of health and the protection of the rights and freedoms of others. Article 1 of the 1st Protocol provides that no-one shall be deprived of their possessions except in the public interest and subject to the conditions provided for by law although it is qualified to the effect that it should not in any way impair the right of a state to enforce such laws as it deems necessary to control the uses of property in accordance with the general interest.

15.4 In determining the level of permissible interference with enjoyment the courts have held that any interference must achieve a fair balance between the general interests of the community and the protection of the rights of individuals. There must be reasonable proportionality between the means employed and the aim pursued. The availability of an effective remedy and compensation to affected persons is relevant in assessing whether a fair balance has been struck.

15.5 Therefore, in reaching his decision, the Mayor needs to consider the extent to which the decision may impact upon the Human Rights of estate residents and other affected persons and to balance this against the overall benefits to the community which the redevelopment of the site will bring. The Mayor will wish to be satisfied that interference with the rights under Article 8 and Article 1 of Protocol 1 is justified in all the circumstances and that a fair balance would be struck in the present case between the protection of the rights of individuals and the public interest.

15.6 The Mayor should have regard to the matters referred to at paragraph 10.4 above. It is also relevant to the consideration of this issue, that affected owners will be entitled to compensation for any diminution in the value of their properties resulting from the extinguishment of these rights.

15.7 Crime and disorder implications

15.8 The design for any new homes will incorporate recommendations from the police via the Secured by Design principles.

## **16 Equalities implications**

16.1 An Equalities Analysis Assessment will be undertaken as part of the further work in order to assess the impacts of the proposals and this will be presented to Mayor and Cabinet for consideration in a future report should the scheme be agreed.

16.2 The Equality Act 2010 (the Act) introduced a new public sector equality duty (the equality duty or the duty). It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

16.3 In summary, the Council must, in the exercise of its functions, have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- advance equality of opportunity between people who share a protected characteristic and those who do not.
- foster good relations between people who share a protected characteristic and those who do not.

16.4 The duty continues to be a “have regard duty”, and the weight to be attached to it is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations.

16.5 The Equality and Human Rights Commission has recently issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled “Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice”. The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at:

<http://www.equalityhumanrights.com/legaland-policy/equality-act/equality-act-codes-of-practice-and-technical-guidance/>

16.6 The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:

1. The essential guide to the public sector equality duty
2. Meeting the equality duty in policy and decision-making
3. Engagement and the equality duty
4. Equality objectives and the equality duty
5. Equality information and the equality duty

16.7 The essential guide provides an overview of the equality duty requirement including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the

duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at:

<http://www.equalityhumanrights.com/advice-and-guidance/public-sector-equality-duty/guidance-on-the-equality-duty/>

## **17 Environmental implications**

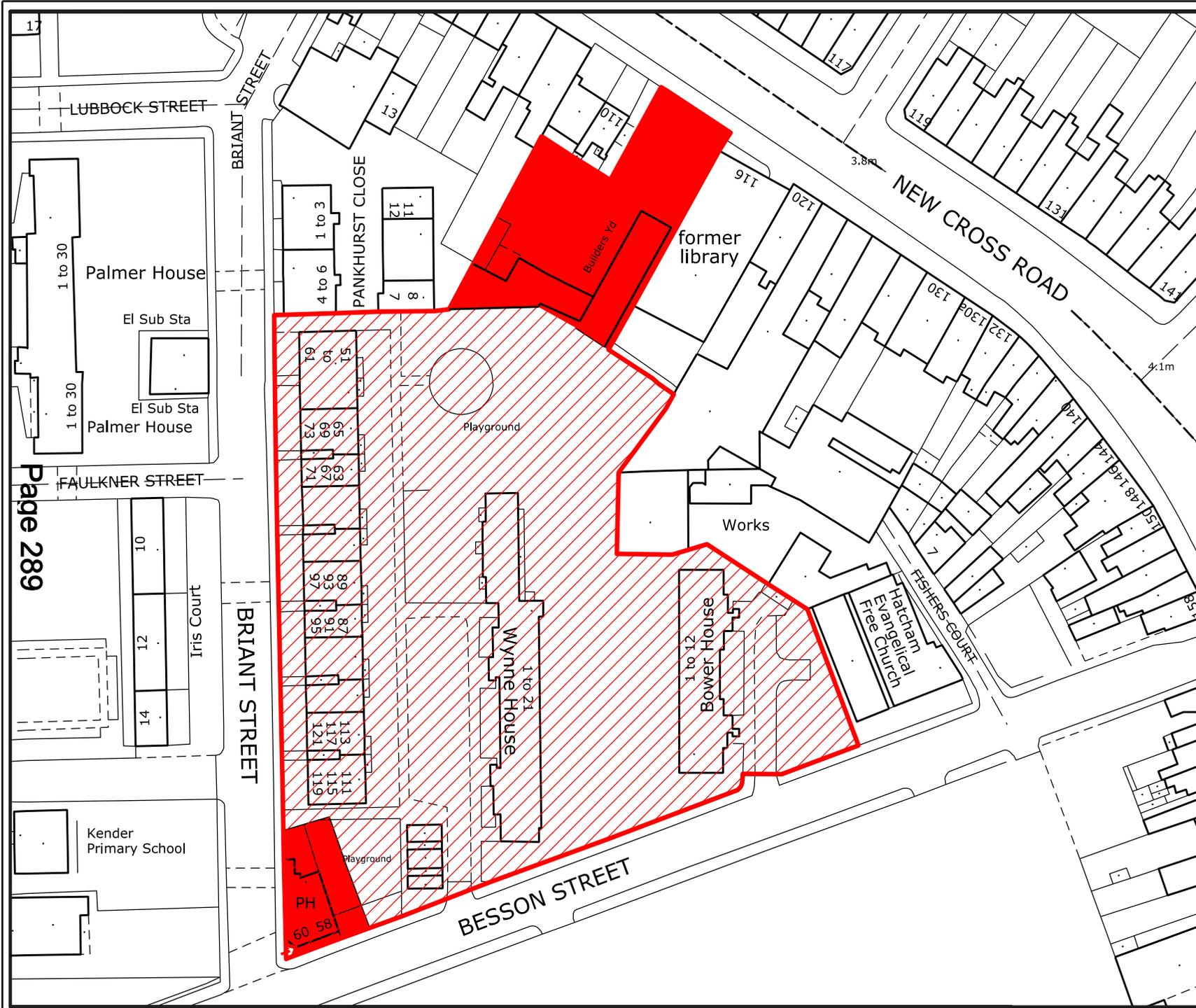
17.1 There are no environmental implications arising directly from the recommendations set out in this report. The design stages will address environmental issues through the procurement of design partners and the planning process.

## **18 Background Documents and Report Originator**

18.1 Besson Street Re-development and Private Rented Sector Housing, approved by Mayor and Cabinet on the 9<sup>th</sup> December 2015.

<http://councilmeetings.lewisham.gov.uk/documents/s40265/Besson%20Street%20PRS%20Development%20Part%201.pdf>

18.2 If you have any queries relating to this report please contact Jeff Endean on 020 8314 6213.



HRH Land to be appropriated to planning purposes

# A4

- G Funded
- HRA

A4 location plan scale 1:1000  
 A2 location plan scale 1:500

date: 07.07.2016  
 drawn: drjp  
 coloured: drjp  
 checked:  
 amended: acm  
 drawing ref: CPO Kender

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# Agenda Item 16

<b>Chief Officer Confirmation of Report Submission</b>		
<b>Cabinet Member Confirmation of Briefing</b>		
Report for: Mayor		<input type="checkbox"/>
Mayor and Cabinet		<input checked="" type="checkbox"/>
Mayor and Cabinet (Contracts)		<input type="checkbox"/>
Executive Director		<input type="checkbox"/>
Information <input type="checkbox"/>	Part 1 <input checked="" type="checkbox"/>	Part 2 <input type="checkbox"/>
Key Decision		<input type="checkbox"/>

<b>Date of Meeting</b>	13 <sup>TH</sup> July 2016
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<b>Title of Report</b>	Response to the comments of the Safer Stronger Communities Select Committee on the review of Lewisham's Crime, Enforcement and Regulation Service (CER) and the Environmental Health Service
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<b>Originator of Report</b>	Geeta Subramaniam-Mooney	<b>Ext. 49569</b>
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At the time of submission for the Agenda, I confirm that the report has:

Category	Yes	No
Financial Comments from Exec Director for Resources	X	
Legal Comments from the Head of Law	X	
Crime & Disorder Implications		X
Environmental Implications	X	
Equality Implications/Impact Assessment (as appropriate)	X	
Confirmed Adherence to Budget & Policy Framework		
Risk Assessment Comments (as appropriate)		
Reason for Urgency (as appropriate)		

Signed: 

Executive Member

Date: 29.06.16



Signed:

Executive Director

Date: 27.06.16

### Control Record by Committee Support

Action	Date
Listed on Schedule of Business/Forward Plan (if appropriate)	
Draft Report Cleared at Agenda Planning Meeting (not delegated decisions)	
Submitted Report from CO Received by Committee Support	
Scheduled Date for Call-in (if appropriate)	

<b>MAYOR AND CABINET</b>		
<b>Report Title</b>	Response to the Comments of the Safer Stronger Communities Select Committee on the Review of Lewisham's Crime, Enforcement & Regulation Service (CER) and the Environmental Health Service	
<b>Key Decision</b>	No	Item No.
<b>Ward</b>	All	
<b>Contributors</b>	Executive Director for Community Services	
<b>Class</b>	Part 1	Date: 13 July 2016

## 1. Purpose

- 1.1 This report sets out the response to the views and comments arising from the Safer Stronger Communities Select Committee about discussions held on the officer report entitled Review of Lewisham's Crime, Enforcement & Regulation Service (CER) and the Environmental Health Service at its meeting on 14 April 2016.

## 2. Recommendations

It is recommended that the Mayor:

- 2.1 Approve the responses from the Executive Director for Community Services to the comments from the Safer Stronger Communities Select Committee.
- 2.2 Agree that this report should be forwarded to the Safer Stronger Communities Select Committee.

## 3. Background

- 3.1 The Crime, Enforcement & Regulation Service was developed as a new and streamlined service, intended to contribute to the Community Safety and wider Safety agenda by ensuring that a range of officers are delivering on a range of outcomes across a number of cross cutting agendas. The aim of this new team was fundamentally to enable a much more flexible approach to service delivery, and hopefully, ultimately assist the public in accessing better services. The Crime, Enforcement & Regulation Service works to ensure better coordination and consistent execution of the Local Authority's duties across the areas of Crime Reduction, Licensing, Trading Standards and Public Health & Nuisance, whilst maintaining areas of specific expertise and a general focus on casework.
- 3.2 The Environmental Health Service (EH) consists of Environmental Protection (EP) and Food and Safety Team (FST). These services include Food Hygiene and Standards, Commercial Health and Safety, Infectious Disease Control, the Regulation and Enforcement of Sports Grounds and Stadia and also encompasses Special Treatment Licensing. The new EH service continues to provide professional advice and protection to the public of Lewisham (both residents and visitors). It undertakes delegated functions including enforcement from Government departments, agencies and legal statutes. It strives to provide a level playing field for local and national

businesses working locally and also provides technical support advice and enforcement to a wide range of internal departments within the Council.

- 3.3 It was agreed that the merging and development of these two distinct and new services was as a response to the significant financial challenges the Council faces whilst also considering how some of the services could be better aligned to deliver statutory services more efficiently but with a shift to delivering ONLY those which were deemed high risk / greatest volume / significant impact. This moved the delivery model to a risk-based approach and not a regular and routine service.

#### **4. Responses to the Referral from the Safer Stronger Communities Select Committee**

- 4.1 The Safer Stronger Communities Select Committee received a report on the 14 April which updated them on the new Crime, Enforcement and Regulation Service and the Environmental Health Service after 6 months of the new service being in operation.
- 4.2 Following the Committee a referral was made to Mayor and Cabinet on the 14 April 2016. Set out below are the concerns raised by the Committee and our response to each.

##### Referral 1

- 4.3 The Committee was concerned about the depleted resources available to the environmental services including those areas dealing with contaminated land. The Committee sought assurances that adequate resources have been put in place to both minimise the risk of a major incident occurring and, should a major incident occur, that sufficient resources are in place to respond given the potentially serious consequences.

##### Response

- 4.3.1 The Council has a statutory responsibility under Part 2A of the Environmental Protection Act 1990 concerning contaminated land. Part 2A requires that local authorities cause their areas to be inspected with a view to identifying contaminated land. It operates on a risk assessment basis where the Council prioritises areas where inspections may be necessary. Only land where unacceptable risks are clearly identified, after a risk assessment has been undertaken, should be considered as meeting the Part 2A definition of contaminated land.
- 4.3.2 Guidance from DEFRA however has also stated that 'Enforcing authorities should seek to use Part 2A only where no appropriate alternative solution exists. The Part 2A regime is one of several ways in which land contamination can be addressed. For example, land contamination can be addressed when land is developed (or redeveloped) under the planning system, during the building control process, or where action is taken independently by landowners.' Contaminated Land Statutory Guidance, DEFRA, April 2012.
- 4.3.3 To this end the Environmental Protection Team has continued to provide a service to the Development Control Team, in assessment of site contamination reports for new developments. This service has not been altered since the reorganisation, in fact Environmental Protection have received acknowledgement from Planning that there has been an improved service

since the reorganisation. It is however acknowledged that this has been largely due to the assistance and support of an external consultant working for the Council. This consultancy is provided on request and over the last year or so this has resulted in one day a week consultancy costs, with additional resources and time provided from the existing members of the Team.

- 4.3.4 In addition to the above the Environmental Protection Team are seeking to upgrade their existing GIS system. With this upgrade it will be possible to identify on a prioritised basis, areas of land that may need inspection. The local authority needs to take a strategic approach to carrying out its inspection duty under section 78B(1) and guidance states that this approach should be 'rational, ordered and efficient, and it should reflect local circumstances' also the local authority should set out its approach as a written strategy, which it should formally adopt.
- 4.3.5 With the improvement/upgrade to the existing GIS system, the Environmental Protection Team will over the coming year review the existing strategy and publish a revised strategy for the Council to adopt. At this stage a further review of the Team's staffing capacity will be undertaken to ensure it can meet the further demands on the service. It will also continue to provide the same level of service to Planning, so that ongoing remediation of land in the borough continues to happen.

#### Referral 2

- 4.4 The Committee was also concerned about the increased reliance by the service on external agencies to provide advice and support to residents (such as Consumer Advice). The Committee specifically highlighted the dependence on organisations in the voluntary sector in light of reducing budgets in both the voluntary sector and public sector more generally.

#### Response

- 4.4.1 In 2006, Consumer Direct was created by the Office of Fair Trading to provide a central point of contact for the residents of all participating Trading Standards regions across the country. The service was created as local Trading Standards teams were receiving high volumes of calls for civil advice, the information provided by consumers was only being recorded locally (which meant that organised regional crime was not being identified effectively) and also because local authority budgets were slowly reducing. In 2010 bids were opened up to private companies in order to ensure value for money and to aid the evolution of the resources available. The Citizens Advice Bureau bid for the opportunity to participate in this scheme which fits exactly with their purpose and it meant they would receive a central government grant strengthening their ability to help people solve their civil disputes. They won the bid and created the Citizens Advice Consumer Service. By participating in this service, which was created with the sole purpose of supporting the trading standards functions of all local authorities, we are contributing to the national intelligence lead approach to enforcement allowing us to tackle more serious crime locally and contribute to protecting the consumers across the country without any detriment to our local populous
- 4.4.2 Whilst the Crime, Enforcement & Regulation Service will continue to utilise all and any positive opportunities, engagement and support from Lewisham's voluntary sector in this current climate of reducing budgets, the service has not seen any increased reliance by the service on external agencies to provide advice and support to residents over the past year.

### Referral 3

- 4.5 The Committee noted the good work done by the new Crime, Enforcement & Regulation Service (CER) and the Environmental Health Service during and following reorganisation. The Committee felt this work should be adequately supported by a dedicated communications strategy as well as general support from the Council's communications service, especially with regards to information on the service being available in one place on the Council's website.

### Response

- 4.5.1 The Crime Enforcement & Regulation Service and the Environmental Health Service Managers have met with the Council's Head of Communications to progress the development of a dedicated communications strategy for these service areas. All of the key information which the public would / may need on these service areas has now been collated and we are currently working with a dedicated communications officer to develop how this will be presented on the website. A diary of key dates for these services across the calendar year is also being collated, which will assist in ascertaining the level of communications support needed throughout the year and feed into the Safer Lewisham Board's Communications and Campaign plan for 2016/17.

## **5. Financial Implications**

- 5.1 There are financial implications in respect of implementation of the above which will be delivered within the current financial envelope.

## **6. Legal Implications**

- 6.1 There are no specific legal implications arising from this response, save for noting that the Council's Constitution provides that the Executive may respond to reports and recommendations by the Overview and Scrutiny Committee.

## **7. Crime and Disorder Implications**

- 7.1 There are none of specific reference to the referrals made.

## **8. Equalities Implications**

- 8.1 One of the Partnership's key outcomes is to ensure equity in representation and that equality and diversity issues are followed in the work of the Partnership.

## **9. Environmental Implications**

- 9.1 Environmental implications in respect of contaminated land is critical and due regard and consideration is given as outlined above.

## **Background papers**

[Review of Lewisham's Crime, Enforcement & Regulation Service \(CER\) and the Environmental Health Service](#) at the meeting of the Safer Stronger Communities Select Committee on 14 April 2016.

Referral from Safer Stronger Communities Select Committee to Mayor and Cabinet – 18 May 2016.

<http://councilmeetings.lewisham.gov.uk/documents/s43546/SSCSC%20Referral%20to%20MC%20on%20Enforcement%20Service%2014042016.pdf>

For further information please contact Geeta Subramaniam-Mooney, Head of Crime Reduction and Supporting People on 020 8314 9569.

# Agenda Item 17

Mayor and Cabinet		
<b>Title</b>	Comments of the Sustainable Development Select Committee on the Lewisham Cyclists' Cycling Strategy.	
<b>Contributor</b>	Sustainable Development Select Committee	Item
<b>Class</b>	Part 1 (open)	

## 1. Summary

- 1.1 This report informs the Mayor and Cabinet of the comments and views of the Sustainable Development Select Committee, arising from discussions held on the Lewisham Cyclists' Cycling Strategy considered at its meeting on 29 June 2016.

## 2. Recommendation

- 2.1 Mayor and Cabinet is recommended to note the views of the Sustainable Development Select Committee as set out in this report and ask the Executive Director for Resources and Regeneration to provide a response.

## 3. Sustainable Development Select Committee's views

- 3.1 On 29 June 2016, the Sustainable Development Select Committee considered the Lewisham Cyclists Cycling Strategy. The Committee resolved to advise Mayor and Cabinet of the following:
- 3.2 The Committee commends the Lewisham Cyclists' Lewisham Borough Cycling Strategy to Mayor and Cabinet.
- 3.3 The Committee recommends that the strategy be formally adopted as Council policy and is also referred to in the local development management plan.

## 4. Financial implications

- 4.1 There are no financial implications arising out of this report per se; but there may financial implications arising from carrying out the action proposed by the Committee.

## 5. Legal implications

- 5.1 The Constitution provides for Select Committees to refer reports to the Mayor and Cabinet, who are obliged to consider the report and the proposed response from the relevant Executive Director; and report back to the Committee within two months (not including recess).

## 6. Further implications

- 6.1 At this stage there are no specific environmental, equalities or crime and disorder implications to consider. However, there may be implications arising from the implementation of the Committee's recommendations.

## **Background documents**

Report to Sustainable Development Select Committee, 29 June 2016, Item 7: [Lewisham Cyclists' Lewisham Borough Cycling Strategy](#)

If you have any queries on this report, please contact Simone van Elk, Scrutiny Manager (0208 3146441).

# Agenda Item 18

Mayor and Cabinet		
<b>Title</b>	Comments of the Sustainable Development Select Committee on the Catford Review Interim report and Creative Lewisham 2001 report.	
<b>Contributor</b>	Sustainable Development Select Committee	Item
<b>Class</b>	Part 1 (open)	

## 1. Summary

- 1.1 This report informs the Mayor and Cabinet of the comments and views of the Sustainable Development Select Committee, arising from discussions held on the Sustainable Development Select Committee review of the Catford regeneration programme Interim report and Creative Lewisham 2001 report considered at its meeting on 29 June 2016.

## 2. Recommendation

- 2.1 Mayor and Cabinet is recommended to note the views of the Sustainable Development Select Committee as set out in this report and ask the Executive Director for Resources and Regeneration to provide a response.

## 3. Sustainable Development Select Committee's views

- 3.1 On 29 June 2016, the Sustainable Development Select Committee considered the Catford regeneration programme Interim report and Creative Lewisham 2001 report. The Committee resolved to advise Mayor and Cabinet of the following:
- 3.2 The Committee commends the Creative Lewisham 2001 report to Mayor and Cabinet, and particularly its call for a vision for urban developments in the borough and its call for high ambitions.
- 3.3 The Committee endorses the comments from the Lewisham Culture & Urban Development Commission's report about the benefits of a piazza in the centre of Catford:
- 3.4 *"The square's main café will be a central meeting point and the library will put on events, often outside, which give a sense that libraries are innovative. The Council's offices, as a consequence, will become for citizens 'our place' and the interactions between ordinary people and officials will happen often by chance encounter. St Modwen's shopping centre will have had a dramatic overhaul having decided that, with these new developments, it can no longer hang back. The market will wend itself round into the square by putting on niche markets to appeal to varied tastes. The route down from the station will feel processional engender a sense of expectation of what is to come. The setting of the Catford stations will be vastly improved so making arrival a joyful experience and the open spaces will not feel cut off by fencing, and will at special moments become an entertainments venue relating well to what is going on in the square. At night the lighting of major civic buildings will create a feeling of drama."* (Creative Lewisham: the report of the Lewisham Culture & Urban Development Commission, page 39).

#### **4. Financial implications**

- 4.1 There are no financial implications arising out of this report per se; but there may be financial implications arising from carrying out the action proposed by the Committee.

#### **5. Legal implications**

- 5.1 The Constitution provides for Select Committees to refer reports to the Mayor and Cabinet, who are obliged to consider the report and the proposed response from the relevant Executive Director; and report back to the Committee within two months (not including recess).

#### **6. Further implications**

- 6.1 At this stage there are no specific environmental, equalities or crime and disorder implications to consider. However, there may be implications arising from the implementation of the Committee's recommendations.

#### **Background documents**

Reports to Sustainable Development Select Committee, 29 June 2016,  
Item 10: [Sustainable Development Select Committee review of Catford regeneration programme Interim report](#)

Item 11: [Creative Lewisham 2001 report](#)

If you have any queries on this report, please contact Simone van Elk, Scrutiny Manager (0208 3146441).

# Agenda Item 19

MAYOR & CABINET		
<b>Report Title</b>	Exclusion of the Press and Public	
<b>Key Decision</b>	No	Item No.
<b>Ward</b>		
<b>Contributors</b>	Chief Executive (Head of Business & Committee)	
<b>Class</b>	Part 1	Date: July 13 2016

## Recommendation

It is recommended that in accordance with Regulation 4(2)(b) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information)(England) Regulations 2012 and under Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraphs [3, 4 and 5] of Part 1 of Schedule 12(A) of the Act, and the public interest in maintaining the exemption outweighs the public interest in disclosing the information

20. Beeson Street Re-development Part 2
21. Campshill Road Extra Care Scheme

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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# Agenda Item 21

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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