



# AGENDA

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## MAYOR AND CABINET

**Date: WEDNESDAY, 10 JANUARY 2018 at 6.00 pm**

**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**

**Janet Senior  
Acting Chief Executive  
Lewisham Town Hall  
Catford  
London SE6 4RU  
Date: Tuesday, 02 January 2018**



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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**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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- tell the clerk to the meeting before the meeting starts;
- 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.

If recording causes a disturbance or undermines the proper conduct of the meeting, then the Chair of the meeting may decide to stop the recording. In such circumstances, the decision of the Chair shall be final.

<b>MAYOR &amp; CABINET</b>		
<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: January 10 2018

**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: January 10 2018

## Recommendation

It is recommended that the minutes of that part of the meeting of the Mayor and Cabinet which were open to the press and public, held on December 6 2018 (copy attached) be confirmed and signed as a correct record.

# MINUTES OF THE MAYOR AND CABINET

Wednesday, 6 December 2017 at 6.00 pm

PRESENT: Sir Steve Bullock (Mayor), Councillors Alan Smith, Chris Best, Kevin Bonavia, Janet Daby, Joe Dromey, Damien Egan, Joan Millbank and Rachel Onikosi.

ALSO PRESENT: Councillor Mark Ingleby.

## 104. Declaration of Interests

Councillor Janet Daby declared a personal interest in Item 8 as she had a son attending Sandhurst Nursery.

## 105. Minutes

RESOLVED that the minutes of the meeting held on November 15 2017 be confirmed and signed as a correct record.

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

### *Gypsy and Traveller Local Plan Update*

The Mayor considered the written views of the Overview & Scrutiny Business Panel. The Head of Planning confirmed that as well as a direct comparison being made between the two sites under consideration, the Business Panel also wished to see a comparison with bricks and mortar sites as part of a wider site selection process.

The Mayor decided to accept the request made by the Business Panel.

RESOLVED that a direct cost comparison be made between both sites and with bricks and mortar sites before a final decision is made.

## 107. Outstanding Scrutiny Matters

RESOLVED that the report be noted.

## 108. Lewisham Future Programme Revenue Budget Savings

The report was introduced by the Cabinet Member for Resources who highlighted the enormous sums lost by the Council since 2010 and pointed out it was increasingly difficult to identify new savings. He observed that there was an in-year overspend of £13million and that more than half of this comprised savings identified in previous years which had not been taken. A new batch of savings totalling £4.5million had been proposed which were thought to have little impact on the public. He said the Council was still more than £17million short of its savings target and reserves would have to be used once again to set a balanced budget. He lamented the enormous sums being wasted nationally on the Brexit process.

The Executive Director for Resources and Regeneration's representative confirmed the proposed savings had been seen by all the Select Committees and no comments had been offered. He added that officers focus would be on attempting to deliver previously agreed savings.

The Mayor said the Council's dire financial circumstances were not a surprise after enduring eight years of austerity. He encouraged all efforts being made on delivering previously agreed savings.

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:

- (1) the progress with identifying savings, the £17m shortfall against the target for 2018/19, and the implications for the use of reserves be noted;
- (2) the new savings proposals presented in Section 10 and Appendices i to xii, totalling £4.3m and referenced: B4; D2; E8; I12, 13, 14, & 15; J3; K5; M8; O5; and P3 be approved;
- (3) the consultation with the Public Accounts Select Committee on the 16 November 2017, which incorporated the views of the respective select committees be noted;
- (4) the previously agreed savings for 2018/19 in Section 12, totalling £0.6m and referenced: A19; L8; and Q6 & 7 be noted;
- (5) the update on progress in relation to Public Health savings in Section 13 be noted;
- (6) officers be authorised to carry out consultation where staff consultation is necessary in relation to the proposal and delegate the decision to the relevant Executive Director for the service concerned;
- (7) Where no consultation is required, either:
  - agree the saving proposal,
  - delegate the decision to the relevant Executive Director for the service concerned, or
  - officers be requested to complete further work to clarify the proposal and that officers then re submit the saving proposal at the earliest possible date.

#### **109. Public Space Protection Order**

Officers confirmed enforcement of any new order could be undertaken from within existing resources.

Having considered an officer report and a presentation by the Cabinet Member for Community Safety, Councillor Janet Daby, the Mayor, for the reasons set out in the report:

RESOLVED that:

- (1) a borough wide PSPO be implemented according to the terms set out in;
- (2) authority be delegated to officers to publicly advertise the decision to implement the PSPO in the borough and provide details of when the order will come in to force with a proposal that the order commence on 18 January 2018, and last for a period of 3 years, unless reviewed, amended or revoked; and
- (3). enforcement of the order be undertaken by police officers and delegated council officers (currently powers are delegated to officers within the Crime, Enforcement & Regulation Service, Clean Streets Officers, Glendale).

**110. Delivering additional school places for Children and Young People with Special Educational Needs and Disabilities**

The Executive Director for Children & Young People's representative pointed out that paragraph 5.3 should indicate a need for 59 additional SLD places rather than 55. Subject to the Mayor's agreement officers intended to report on the results of consultation at the February 28 2018 meeting.

Having considered an officer report, the Mayor, for the reasons set out in the report:

RESOLVED that:

- (1) the results of the three initial informal consultations be noted;
- (2) officers proceed with the statutory consultation process, specifically the Publication of the following proposals to;
  - expand Greenvale School from 117 places to 210 places
  - expand Watergate School from 108 places to 167 places
  - extend the age range of New Woodlands School to accommodate KS4 pupils
- (3) officers report back to Mayor and Cabinet by the end of March 2018 so that the Mayor as statutory decision maker can make a decision on the proposals.

**111. Amalgamation of Sandhurst Infant School and Sandhurst Junior School**

The Executive Director for Children & Young People's representative confirmed there had been a 100% positive response to the proposed amalgamation.

Having considered an officer report, the Mayor, for the reasons set out in the report:

RESOLVED that

(1) The results of the consultation on the proposal to amalgamate Sandhurst Infant School and Sandhurst Junior School with effect from 1 April 2018 be noted;

(2) officers commence the formal statutory process to consult on the proposal to amalgamate Sandhurst Infant School and Sandhurst Junior School, by way of conducting the following Publication and Representation phases in parallel;

- o Closure of Sandhurst Junior School
- o Change of age range of Sandhurst Infant School

(3) officers report back to Mayor and Cabinet by the end of spring 2018 with the results of both 'Representation' periods requesting Mayoral decisions as the statutory decision maker'

## **112. Amalgamation of Torricon Infant School and Torricon Junior School**

Having considered an officer report, the Mayor for the reasons set out in the report:

RESOLVED that:there should be an initial informal consultation on the proposal to amalgamate Torricon Infant & Nursery School and Torricon Junior School with effect from September 2018, and that officers should report back to Mayor and Cabinet by the end of March 2018 with the results and next steps.

## **113. Council Tax Reduction Review**

The report was introduced by the Cabinet Member for Resources who said the financial cost would be £63,000pa and that the proposals reflected the wishes of the Poverty Commission. Councillor Millbank added that the discount for Care Leavers was supported by the Council's Corporate Parenting Panel.

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

(1) a local discount of 100% be offered (after the award of any other qualifying discounts / benefits) to Care Leavers up to the age of 25 from 1 April 2018.

(2) research and development of a policy which considers others groups of Council Tax payers who could qualify for a discretionary Council Tax discount in future years be undertaken;

(3) the current Council Tax reduction scheme be continued but to simplify the budgeting arrangements by setting a fixed % for the scheme to be agreed by Council as part of the budget setting process and consider on an annual basis any savings it might want to make to the budget by changing the % alongside other savings being considered.

#### **114. Council Tax Reduction Scheme 2018-19**

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

- (1) the outcomes of the consultation as set out be noted;
- (2) a local CTRS be retained from 1 April 2018 that passes on any reduction in government funding, reflecting the Council's financial position following the announcement of the Autumn Statement and the provisional Local Government Financial Settlement (LGFS) in December;
- (3) the delivery of additional support to the most vulnerable residents through use of the existing provision within Section 13A(1)(c) of the 1992 Local Government Finance Act be continued.

#### **115. Financial Forecasts**

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

- (1) the current financial forecasts for the year ending 31 March 2018 and action being taken by the Executive Directors to manage the forecasted year-end overspend be noted; and
- (2) the revised capital programme budget, as set out in section 14 with further detail at appendices 1 and 2 be noted.

#### **116. Treasury Mid-Year Review 2017/18**

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 the report, in particular the macroeconomic context, performance of investments to date, updates on capital expenditure and borrowing in line with CIPFA requirements and the Council's treasury management strategy be noted.

#### **117. Cycling Strategy and Response to Select Committee**

Having considered an officer report and a presentation by the Deputy Mayor, Councillor Alan Smith and by Councillor Mark Ingleby, the Mayor's Cycling Champion, the Mayor for the reasons set out in the report:

RESOLVED that

(1) the response from the Executive Director for Resources and Regeneration to the recommendations from the Sustainable Development Select Committee as set out be approved and forwarded to the Sustainable Development Select Committee; and

(2) the Lewisham Cycling Strategy (2017) be formally adopted.

#### **118. Brownfield Land Register**

The Head of Law confirmed compilation of the Register was a statutory requirement which the Council was obliged to undertake.

Having considered an officer report and a presentation by the Deputy Mayor, Councillor Alan Smith, the Mayor for the reasons set out in the report:

RESOLVED that

(1) Part 1 of Lewisham's Brownfield Land Register including the information contained in Annexes 1, 2 and 3 be noted; and

(2) the register's contents be approved and published by making a copy available at Laurence House, by placing it on the Council's website and by carrying out a notification exercise to raise awareness of the register.

#### **119. New Homes Programme Update**

Having considered an officer report and a presentation by the Cabinet Member for Housing, Councillor Damien Egan, the Mayor for the reasons set out in the report:

RESOLVED that

(1) the progress update on the New Homes, Better Places Programme be noted;

(2) the design development and consultation which has been carried out on the proposed re-development of garages and drying spaces at Knapdale Close, including the statutory Section 105 Consultation be noted; and

(3) Having considered the responses to the statutory Section 105 consultation on the proposed re-development at garages and drying spaces at Knapdale Close, Lewisham Homes should proceed to submit a planning application to deliver 17 new Council homes on the site.

#### **120. Local Authority Governor Nominations**

Having considered an officer report containing information supplied in respect of each candidate, the Mayor:

RESOLVED that the following persons be nominated as a School Governor

for the schools shown.

Sharon Gayle  
Jessica Lempp  
Raj Blanchard

St James Hatcham CE  
John Stainer  
Myatt Garden

#### **121. Response To Referral From SDSC - Catford Regeneration**

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

RESOLVED that the response from the Executive Director for Resources & Regeneration to the comments of the Sustainable Development Select Committee be approved and forwarded to the Select Committee.

#### **122. Planning Annual Monitoring Report**

The Mayor praised the efforts made by officers to produce such a positive report.

Having considered an officer report and a presentation by the Deputy Mayor Councillor Alan Smith, the Mayor for the reasons set out in the report:

RESOLVED that the content of the AMR 2016-17 in Annex 1 be noted and that it be considered by the Sustainable Development Select Committee on the 11 December 2017 and approve publication and placement on the Council's website be approved.

#### **123. Comments of the Sustainable Development Select Committee on the Broadway Theatre**

The Mayor and Councillor Best stated they would respond in person to the Select Committee in January and that a written response was not required.

Having received an officer report, the Mayor:

RESOLVED that the Select Committee's comments be noted and that he and the Cabinet Member for Health, Well Being and Older People would respond directly to the Select Committee in January 2018.

#### **124. Besson Street: Selecting a Joint Venture Partner to Deliver New Build to Rent Homes**

The report was late owing to delays in collating all the technical, commercial and legal information required, including from external advisors to properly conclude the partner selection process and to provide Mayor & Cabinet with the most up to date detail possible.

The report was deemed urgent and could not wait until the next meeting of the Mayor & Cabinet on January 10 2018 as this would have caused significant delay to the commercial timetable and further push back the achievement of the stated social and financial benefits of the scheme.



The Mayor strongly endorsed the proposals which he believed were both positive and groundbreaking. He said he saw no solution to London's housing crisis which did not involve changing how rental properties were considered.

Having considered an officer report and a presentation by the Cabinet Member for Housing, Councillor Damien Egan, the Mayor, for the reasons set out in the report:

RESOLVED that:

- (1) the summary of the structural challenges within the private rented sector, and their implications for renters, be noted;
- (2) the strategic business case for the Council intervening in this sector, utilising a Joint Venture partnership, as set out be noted;
- (3) the information contained in part 2 be received and the preferred bidder for the proposed Joint Venture to deliver the Besson Street development as recommended in that report be approved;
- (4) the housing, financial and wider social benefits that this approach with this proposed preferred bidder, are expected to deliver be noted;
- (5) the proposed Joint Venture reporting and oversight arrangements as set out be approved;
- (6) officers be authorised to carry out all necessary steps in order to implement the recommendations set out in both part 1 and part 2 of this item.

## **125. 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.

23. Besson Street: Selecting a Joint Venture Partner to Deliver New Build to Rent Homes

## **126. Besson Street: Selecting a Joint Venture Partner to Deliver New Build to Rent Homes**

The report was late owing to delays in collating all the technical, commercial and legal information required, including from external advisors to properly conclude the partner selection process and to provide Mayor & Cabinet with the most up to date detail possible.

The report was deemed urgent and could not wait until the next meeting of the Mayor & Cabinet on January 10 2018 as this would have caused significant delay to the commercial timetable and further push back the achievement of the stated social and financial benefits of the scheme.

Having considered a confidential officer report and a presentation by the Cabinet Member for Housing, Councillor Damien Egan, the Mayor, for the reasons set out in the report:

RESOLVED that

- (1) the detailed summary of the partner selection process be noted,
- (2) Grainger be appointed as preferred bidder for the proposed Joint Venture to deliver the Besson Street development;
- (3) the detailed legal and financial implications of the proposed Joint Venture as set out be noted;
- (4) the Heads of Terms for the proposed Joint Venture as set out be approved;
- (5) authority be delegated to the Executive Director for Resources and Regeneration to proceed to finalise the terms of the Joint Venture with Grainger on the basis set out in the Heads of Terms and that these be reported back to Mayor and Cabinet for approval;
- (5) the Head of Strategic Housing, Genevieve Macklin, and the Head of Corporate Resources, David Austin, be appointed to act as both the Council's two LLP Representatives on the Joint Venture Operational Board and the Council's two Directors in the wholly owned dormant member company;
- (6) the LLP Representatives' and Directors' Mandates and the final terms of the indemnity that will be provided to the LLP Representatives and Directors be reported back to Mayor and Cabinet for approval;
- (7) additional capital programme budget of £295,000 be approved (as included in the forecast capital programme) in order to fund the additional tasks that will be required to set up the Joint Venture and secure the Besson Street site until it is transferred as set out;
- (8) authority be delegated to the Executive Director for Resources and Regeneration to approve the transfer of the freehold of the Besson Street site to the Joint Venture, subject to the proposals meeting the benchmarks set out and the formation of the Joint Venture;
- (9) the land could be disposed of to the Joint Venture at less than best consideration; and
- (10) the required application to the Secretary of State be made ahead of the Executive Director for Resources and Regeneration approving the disposal of

the Besson Street site, as set out.

The meeting closed at 7.36pm.

# 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: January 10 2018

## 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 December 6 2017 or on other matters raised by Select Committees or other Constitutional bodies.

<b>MAYOR &amp; CABINET</b>		
<b>Report Title</b>	Outstanding Scrutiny Items	
<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: 10 January 2018

**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
Response to Public Account Select Committee – Adult Social Care	ED Community	October 25 2017	January 10 2018	No
Response to Public Account Select Committee – Budget Communication	ED Resources & Regeneration	October 25 2017	January 10 2018	No
Response to Public Account Select Committee – Income Generation	ED Resources & Regeneration	October 25 2017	January 10 2018	No

## **BACKGROUND PAPERS and AUTHOR**

Mayor & Cabinet minutes October 25 2017 available from Kevin Flaherty  
0208 3149327.

[http://councilmeetings.lewisham.gov.uk/ieListMeetings.aspx?CId=139&Year=  
0](http://councilmeetings.lewisham.gov.uk/ieListMeetings.aspx?CId=139&Year=0)

<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>	10 <sup>th</sup> January 2018	
<b>Title of Report</b>	Council Tax Base	
<b>Originator of Report</b>	David Austin	<b>Ext. 49114</b>

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>		
<b>Reason for Urgency (as appropriate)</b>		



Signed: \_\_\_\_\_ Executive Member

Date: 21<sup>st</sup> December 2017



Signed: \_\_\_\_\_ Director/Head of Service

Date 21<sup>st</sup> December 2017 \_\_\_\_\_

**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>	Setting the Council Tax Base, the NNDR Tax Base & Discounts for Second Homes and Empty Homes		
<b>KEY DECISION</b>	Yes	ITEM No.	
<b>WARD</b>	All		
<b>CONTRIBUTORS</b>	Executive Director for Resources & Regeneration and Executive Director for Customer Services		
<b>CLASS</b>	Part 1	Date	10 January 2018

**1. EXECUTIVE SUMMARY**

- 1.1 This report sets out the statutory calculations required in order to set the Council Tax Base and estimates the National Non-Domestic Rates (NNDR) tax base for 2018/19. The Council Tax Base and NNDR estimates are statutory obligations and are key elements in setting the General Fund revenue budget.
- 1.2 The report provides information on the Council Tax Base. There are also a series of discretionary powers which allows the Council to grant and vary discounts for various types of properties with the aim of bringing as many as possible back into use as soon as possible. These are set out in section six of this report.
- 1.3 The Council also has the ability to offer discretionary discounts to individuals, groups of individuals or, households but the cost is borne by all other Council Tax payers. The report recommends the introduction of a discretionary Council Tax discount of 100% for care leavers, this is set out in section six of this report.
- 1.4 The report recommends that the Council Tax Base for 2018/19 be agreed at 86,456.6 Band D equivalent properties, based on an assumed collection rate of 96.0%. Details of the Council Tax Base, its calculation and the estimated collection rate are set out in sections seven, eight and nine of this report.
- 1.5 The NNDR1 return, which estimates the annual business rates yield, is currently being completed and is due to be submitted to the Department of Communities & Local Government (DCLG) by the end of January 2018. There may be updates that effect the values on this return over the coming weeks before the submission deadline. It has therefore been necessary to provide an estimated income value. On this basis, the provisional NNDR net yield figure for 2018/19 is £66.3m.



- 1.6 The requirements pertaining to the NNDR Base for 2018/19 are set out in section 10 of this report.
- 1.7 The Mayor, at the Mayor & Cabinet meeting on the 6 December 2017, agreed no changes to the Council Tax Reduction Scheme (CTRS) for 2018/19. The impact of implementing this is set out in section 11.

## **2. PURPOSE OF THE REPORT**

- 2.1 The purpose of this report is to set the Council Tax Base, the NNDR base and the policy relating to discounts for second / empty homes and the introduction of a discretionary Council Tax discount for care leavers for the financial year 2018/19. The report also presents the impact of implementing the Mayor's decision in respect of the CTRS in 2018/19.

## **3. RECOMMENDATIONS**

- 3.1 The Mayor is asked to:
- 3.2 Note the Council Tax Base calculation for 2018/19, as set out in the annual Council Tax Base government return, attached at Appendix A;
- 3.3
- 3.4 Recommend that Council agree a Council Tax Base of 86,456.6 Band D equivalent properties for 2018/19;
- 3.5 Recommend that Council agree a budgeted Council Tax collection rate of 96.0%;
- 3.6 Recommend the introduction of a discretionary Council Tax discount of 100% for care leavers up to the age of 25, this is set out in section six of this report;
- 3.7 Recommend that Council agree that the existing policy of a 0% discount for second homes for 2017/18 be continued for 2018/19, as set out in section six of this report;
- 3.8 Recommend that Council agree that the existing policy of a 0% discount for empty homes Class A (an empty property undergoing structural alteration or major repair to make it habitable) be continued, as set out in section six of this report;
- 3.9 Recommend that Council agree that the existing policy of a 100% discount awarded for a period of four weeks and then a 0% discount thereafter, for empty homes – Class C (a substantially empty and unfurnished property) be continued, as set out in section six of this report;

- 3.10 Recommend that Council agree that the existing policy of an empty homes premium of 50% in respect of long term empty properties be continued, as set out in section six of this report;
- 3.11 Recommend that Council agree, consistent with the approach taken in 2017/18, to implement the Council Tax Reduction Scheme (CTRS) to reflect reductions in the Council's funding, but simplify the process by replacing the reduction in the Settlement Funding Assessment with:
- Setting a fixed percentage for the scheme (to avoid large increases and decreases as have happened to date)
  - Agreeing the percentage as part of the budget setting process
  - And considering on an annual basis any savings the Council might want to make to the budget by changing the percentage alongside other savings being considered.
- 3.12 Recommend that Council agree that a 25% liability is passed onto working age CTRS recipients in 2018/19 as detailed in section 11 of this report.
- 3.13 Recommend that Council note the proposed 2018/19 National Non Domestic Rate (NNDR) estimated net yield of £66.3m, based on current information available.
- 3.14 Recommend that Council agree to delegate the approval of the final 2018/19 NNDR1 form to the Executive Director for Resources and Regeneration for submission by the deadline of 31st January 2018.

#### **4. POLICY CONTEXT**

- 4.1 The overarching policy and decision making framework for the discharge of the Council's many functions and duties is contained in Lewisham's Sustainable Community Strategy (SCS). The Strategy contains two overarching principles which are:
- Reducing inequality – narrowing the gap in outcomes.
  - Delivering together efficiently, effectively and equitably – ensuring that all citizens have appropriate access to and choice of high quality services.
- 4.2 Also contained within the overarching policy framework are the Council's ten corporate priorities. These priorities describe the specific contribution that the Local Authority will make to the delivery of the SCS. The Council's priorities are as follows:
- Community Leadership and Empowerment.

- Young people achievement and involvement.
- Clean, green and liveable.
- Safety, security and 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.

## **5. INTRODUCTION**

- 5.1 The calculation of the Council Tax Base has been prepared in accordance with the regulations 'Local Authorities (Calculation of Council Tax Base) Regulations 2012 (SI: 2012: 2914)' which came into force on 30 November 2012, to ensure the calculation of the Council Tax Base takes account of local council tax reduction schemes. These regulations specify the formulae for calculating the tax base, which is detailed in sections seven and eight of this report.
- 5.2 The purpose of this calculation is to set the Council's Tax Base and not the Council Tax itself. The Council Tax will be set at the meeting of full Council on 21 February 2018 as part of setting the Council's annual budget.
- 5.3 The Council Tax Base is defined as the number of Band D equivalent properties in a local authority's area. An authority's Tax Base is taken into account when it calculates its Council Tax. It is calculated by adding together the 'relevant amounts' (the number of dwellings) for each valuation band, then multiplying the result by the Council's estimate of its collection rate for the year. This calculation is set out in section eight of this report.
- 5.4 Members should note that the Welfare Reform Act 2012 abolished Council Tax Benefit in March 2013 and replaced it with the Council Tax Reduction Scheme (CTRS). A report setting out the CTRS for 2018/19 was presented to the Mayor & Cabinet on 6 December 2017.

## **6. LOCAL DISCRETION**

- 6.1 The Council has the power and local discretion to grant and vary discounts for different types of properties under Section 11a of the Local Government Finance Act 1992, as amended by the Local Government Finance Act 2003 and the Local Government Finance Act 2012.
- 6.2 The local discretion to grant and vary discounts enables local authorities to create greater financial incentives for owners of empty properties to bring them back into use, either for owner occupation or letting.

- 6.3 Second Homes – Currently, local authorities have discretion to offer a discount of between 0% and 50% to owners of second homes. The Council currently offers a 0% discount. It is proposed to retain the 0% discount for 2018/19.
- 6.4 Empty Property Class A exemptions – Currently, a discount can be awarded between 0% to 100% at the Council’s discretion where the property is undergoing structural alteration or major repairs. The Council is being recommended to retain the 0% discount on these properties.
- 6.5 Empty Properties Class C exemptions – Currently, 100% discount is awarded for four weeks to substantially empty and unfurnished properties. After four weeks, the discount ceases and the full charge is applicable. The Council wants to encourage properties to be occupied as soon as possible. However, in many cases properties can be empty for a short period during a changeover, especially where the property is let. Amounts due for these short periods would be more difficult to collect. For these reasons, it is recommended that the Council continues to offer a 100% discount for four weeks followed by a 0% discount.
- 6.6 Long Term Empty Properties empty homes premium – Section 11 of the Local Government Finance Act 2012 removed the discount for long term empty properties and introduced discretion to charge up to 50% premium on this category of properties, to encourage the owners of empty properties to bring them back into use. Currently, the Council charges an ‘empty homes premium’ of 50% where a property has been empty for two years or more. Therefore, the council tax bills are 50% more than where the property is occupied and no single person discount is applicable. It is recommended that the Council continues to charge a 50% premium.
- 6.7 Section 13A(1)(c) of the 1992 Local Government Finance Act 1992 gives local authorities the ability to offer discretionary discounts to individuals, groups of individuals or households encountering exceptional financial hardship. The legislation allows the Council to reduce or write off a percentage of the amount payable or the entire sum. The cost of the write off is borne by the remaining Council Tax payers or, the Council budgeting for less Council Tax income.
- 6.8 Since 1 April 2015 this section of the Act has only been used to help those impacted by the introduction of the Council’s local Council Tax Reduction Scheme. However, other Councils use this legislation to support a number of other groups. Of the London Boroughs offering local discounts (5) all offered a discount to care leavers, with several others considering offering a carers discount from 1 April 2018.
- 6.9 The report on Local Discounts was presented to Mayor and Cabinet on 6 December 2017 detailing the various council tax reductions currently available to residents and recommending the introduction of a care leavers discount from 1 April 2018.

- 6.10 The Council, as corporate parent, is committed to improving the life chances of looked after children and care leavers and provides a range of support to children and young people leaving care. The exemption from paying Council Tax up to the age of 25 is seen as a further opportunity to provide financial support to care leavers transitioning from care into independent living. The recommendation was accepted by the Mayor and Cabinet.
- 6.11 It should be noted that approximately 22% of any additional Council Tax income generated as a result of the variation in discounts would be attributable to the Greater London Authority.
- 6.12 These discounts and exemptions form part of the Council Tax Base calculation and therefore need to be agreed at this time.

## **7. COUNCIL TAX BASE**

- 7.1 The calculation of the Council Tax Base has been prepared in accordance with the regulations 'Local Authorities (Calculation of Council Tax Base) Regulations 2012 (SI: 2012: 2914)'.
- 7.2 The regulations specify a formula for this calculation, which for 2018/19 is:

$$((H - Q + E + J) - Z) \times (F / G)$$

Where:

H is the number of chargeable dwellings in that band, calculated in accordance with the regulations.

Q is a factor to take account of the discounts to which the amount of Council Tax payable was subject in that band, estimated in accordance with the regulations.

E is a factor to take account of the premiums, if any, to which the amount of Council Tax payable was subject in that band, estimated in accordance with the regulations.

J is the estimated variations in the Tax Base from changes after 30 November 2017 from factors such as:

- New properties and properties being banded.
- Variations in numbers of exempt properties.
- Successful Appeals against bandings.
- Variations in the number of discounts.

Z is the total amount that the authority estimates will be applied in relation to the authority's Council Tax Reduction Scheme in relation to the band, expressed as an equivalent number of chargeable dwellings in that band.

F is the proportion of Council Tax to be paid for dwellings in that band.

G as compared with a Band D property, using the proportions in the 1992 Act.

- 7.3 The proportions applicable to the various Council Tax bands (the 'basic' band being D) are as follows:-

Band	A	B	C	D	E	F	G	H
Proportion (ninths)	6	7	8	9	11	13	15	18

- 7.4 The Council's basic tax is calculated in respect of Band D. Therefore, Band A properties pay 6/9 of the basic tax, Band B properties 7/9 of the basic tax and so on, up to Band H where the tax is 18/9 or twice the tax at Band D.

Band	Relevant Amount (i.e. number of dwellings)
A	3,250.5
B	19,098.0
C	31,366.5
D	22,205.5
E	8,099.0
F	3,660.7
G	2,055.8
H	323.0
<b>Aggregate of Relevant Amounts</b>	<b>90,059.0</b>

## 8. CALCULATION OF THE COUNCIL TAX BASE

- 8.1 Regulation 3 of the 'Local Authorities (Calculation of Council Tax Base) Regulations 2012 (SI: 2012: 2914), requires that the Council's Tax Base for a financial year shall be calculated by applying the formula:

$$A \times B = T$$

Where:

A - is the total of the relevant amounts for that year for each of the valuation bands, which is shown or is likely to be shown for any day in that year in the

authority's valuation list as applicable to one or more dwellings situated in its area.

B - is the Authority's estimate of its collection rate for that year.

T - is the calculated Council Tax Base for that year.

- 8.2 In accordance with the requirements of the regulations and following from the calculations in this report, the calculation of the Council Tax Base for the London Borough of Lewisham in 2018/19 is as follows:

	<b>2017/18</b>	<b>2018/19</b>
Total of relevant amounts (A)	84,466.3	90,059.0
X		
Collection rate (B) =	96.0%	96.0%
Council Tax Base (T)	81,087.65	<b>86,456.64</b>

- 8.3 The detailed calculations proposed for the London Borough of Lewisham for 2018/19 are set in the annual Council Tax Base return to government, attached at Appendix A.

## **9. ESTIMATE OF THE COLLECTION RATE**

- 9.1 The Regulations require that the Council estimates its collection rate for the financial year. This is the Council's estimate of the total amount in respect of its Council Tax for the year payable into its Collection Fund and transferable between its General Fund and Collection Fund, and which it estimates will ultimately be transferred.
- 9.2 Council Tax collection in Lewisham has been held steady in recent years, reflecting the work of the service to enforce debts more effectively against those able to pay and to make reasonable arrangements for debtors in genuine financial hardship. The baseline was moved down in 2013/14 to 95% from 96.25%, and up to 96.0% in 2015/16 to allow for the impact of the introduction of the Council Tax Reduction Scheme (CTRS). Collection of Council Tax remains challenging in the current uncertain economic environment and the Council continues to rigorously, but sensitively, collect monies it is owed. The in-year collection rate is reported to members in the regular financial monitoring. For 2017/18 the most recent forecast was 96%. It is proposed to retain the estimated collection rate at 96.0% for 2018/19 owing to the current economic financial uncertainty.
- 9.3 The initial Discretionary Hardship Fund (set up to assist those households experiencing exceptional financial hardship) was retracted at the end of March 2015. Claimants who find themselves in this financial position can make an

application under Section 13A (1)(c) of the Local Government Finance Act (1992) on the grounds of severe financial hardship. The provision is available irrespective of the Council Tax Reduction Scheme decided upon for future years.

## **10. 2018/19 NNDR TAX BASE**

- 10.1 Under the Local Government Finance Act 2012, the system of national pooling of business rates was repealed and replaced with the Business Rates Retention scheme. The new scheme commenced on 1 April 2013 and requires the meeting of full Council to formally approve the NNDR1 return to government by 31 January, immediately preceding the financial year to which it relates.
- 10.2 The NNDR1 contains details of the rateable values shown for the Authority's local rating list as at 30 September. It enables the Council to calculate the expected income in respect of business rates for the year, a proportion of which the Council retains. Under the current 2017/18 system, the London Borough of Lewisham retains 30% of all business rates collected within the borough, 20% is attributed to the Greater London Authority and the remaining 50%, known as the Central Share, is passed to the Government.
- 10.3 It was announced in the 2015 Autumn Statement that local government will be able to retain 100% Business Rates by 2020/21. The report London Business Rates Pilot Pool 2018/19 was presented to the Mayor and Cabinet on 25 October 2017 and Council on the 22 November, setting out Government's latest position on the 100% retention of local business rates and the Council's commitment to the London Councils proposal for developing a London pool.
- 10.4 The Chancellor of the Exchequer confirmed in the Budget on 22 November that the Government has endorsed the proposal to set up a pilot London pool. Subject to all 34 authorities (including the GLA) formally agreeing this through their local decision making processes, the pilot is therefore expected to proceed. This means that in terms of London's relationship with central government in 2018-19 there will be a single funding baseline, a single business rates baseline and a single net tariff payment for the pool.
- 10.5 A separate report is being presented to Mayor and Cabinet on the 10 January 2018 and Council on the 17 January 2018 to seek final agreement for Lewisham to be part of this pool.
- 10.6 The Council is in the process of completing the 2018/19 NNDR1 form which is due for submission on the 31st January 2018. The information used to calculate the net yield in this report is therefore based on the new rateable value and is an estimate.



10.7 In summary, the Council estimates that it will collect £66.3m in 2018/19. Under the new pilot pooling system, the distribution rates have now changed. 63% will be retained by the Council and 37% will go to the GLA. The full distribution is as shown below:

<b>Business Rates</b>	<b>Percentage Share</b>	<b>Amount £m</b>
Central Share	0	0
Lewisham	63	41.8
GLA	37	24.5
Total	100	66.3*

\*After allowing for transitional arrangements, small business rate uplift/relief, exemptions, allowances, business rates supplements and BRS relief, collection rate and appeals allowance.

10.8 As the figures included on the NNDR1 return (due for submission by the 31 January 2018) may vary from the estimated level disclosed in this report, delegation is sought from Council to allow the opportunity to revise the Tax Base and approve a revised and more accurate position.

10.9 The Mayor is asked to recommend that Council endorse this estimate and agree to delegate the approval of the final 2018/19 NNDR 1 return to the Executive Director for Resources and Regeneration.

10.10 The Council will keep its entire share, but will also be in receipt of a top-up, the calculation of which is based on the Business Rates Baseline, plus DCLG calculation of the Council’s baseline funding level. This provisional 2018/19 funding level was provided in the Local Government Finance Settlement announcement on 19 December 2017 of £128.5m.

**11. COUNCIL TAX REDUCTION SCHEME**

11.1 In April 2013 when Council Tax Benefit became the Council Tax Reduction Scheme (CTRS) the government granted the Council £25.8m for its local scheme. The grant was based on the national spend for 2012/13 less a cut of 10%. The Council chose to pass on this cut to the 24,648 working age claimants as pensioners are protected.

11.2 Since April 2014 the government included an amount in the Revenue Support Grant (RSG) for local Council Tax Reduction Schemes but did not identify a figure or ring fence it. The Council ‘notionally’ identified the £25.8m in the budget and ring fenced it for the CTRS. However, the Council reviews the ‘notional’ budget annually and has assumed a reduction in it in line with the government cuts which it has chosen to pass onto working age claimants.

- 11.3 To date the Council has chosen to calculate the cut (amount to pass on) by taking the actual cut in the Settlement Funding Assessment (SFA) from the previous year. The Council also chose to carry forward the surplus from the previous year and to date this has helped reduce the amount of cut passed on. In 2017/18 there was no surplus available leading to a higher percentage cut being passed on to claimants (33%), resulting in a reduction in the number of claimants qualifying for assistance.
- 11.4 At the Mayor and Cabinet meeting on the 6 December 2017, the Mayor decided that no changes will be made to the Council Tax Reduction Scheme (CTRS) for 2018/19 and that the Council will continue to pass on the government cuts in funding to working age claimants. However it was also agreed that simplifying the budgeting arrangements was necessary due to the complexities of the current arrangements.
- 11.5 The budget arrangements are to be simplified by setting a fixed percentage reduction in liability for the working age claimants of the scheme to be agreed by Council as part of the budget setting process, and to be reconsidered on an annual basis in line with any further savings that may need to be made.
- 11.6 This recommendation does not conflict with the previous recommendation in this report that the Council retains a local CTRS from 1 April 2018 that passes on any reduction in government funding, reflecting the Council's financial position following the announcement of the Autumn Statement and the provisional Local Government Financial Settlement (LGFS) in December. However, it simplifies how the amount that is passed on each year is calculated.
- 11.7 Officers are recommending that this percentage be set at 25% for 2018/19 onwards, a reduction of 8%, (to be reviewed annually). This is the optimal rate at which no further savings will have to be made to the existing budget. This is shown in the table below:

<b>Percentage Reduction in Liability</b>	<b>15%</b>	<b>20%</b>	<b>25%</b>	<b>30%</b>	<b>35%</b>
Estimated 2018/19 Budget for Working Age (WA) Claimants	£12,564k	£12,564k	£12,564k	£12,564k	£12,564k
Estimated WA cost with reduction in liability*	£14,843k	£13,567k	£12,290k	£10,398k	£9,736k
Budget Over (-) and under (+) spend	-£2,279k	-£1,003k	£274k	£2,166k	£2,828k

\*This cost includes a percentage allowance for the potential increase in the value of claims equivalent to the difference between the reduction in liability and the 2017/18 reduction of 33%.

- 11.8 An informal benchmarking exercise was undertaken to determine Lewisham's standing amongst London Boroughs. Of those that responded and that passed on the cuts in government funding, Lewisham comes out as just above the average of 20.5% with the proposed 25%.
- 11.9 Setting the fixed percentage reduction at 15 or 20% would require an additional budget of £1m to £2.2m triggering an increase in the savings requirement. At 30 to 35%, a budget surplus of between £2m and £2.8m would be generated. The aim is to be as close to the budget as possible, i.e. net neutral. 25% generates a much smaller surplus of £274k. (All figures used in the table above are based on best estimates and a review of the actual costs will be carried out annually).

## **12. FINANCIAL IMPLICATIONS**

- 12.1 This report proposes that a Council Tax Base of 86,456.64 be set for 2018/19. This represents an increase of over 5,000 chargeable dwellings from the Council Tax Base of 2017/18.
- 12.2 Officers believe that retaining the 96.0% collection rate for 2018/19 is challenging but realistic, based on the actual debt that has been collected during the course of the current financial year. In line with current policy, the collection rate target is subject to review annually.
- 12.3 In respect of the Care Leavers exemption the annual cost is estimated at £63k. This represents General Fund revenue forgone which will have to be met through reductions in expenditure in other areas of activity. In the short term at least, it cannot be met by increasing the Council Tax of others paying as the Council's Medium Term Financial strategy already assumes the maximum levels of increase (1.99% annually) without triggering the need for a referendum.
- 12.4 Consideration has also been given to the current economic uncertainty and impact of wider government policy changes. Whilst it is difficult to predict the scale of the ongoing impact, it is inevitable that councils and residents across the country will be affected in some way. People will continue to be concerned about their household finances and many people will still be experiencing financial difficulties. The Council Tax section will continue to apply a firm but fair approach when dealing with customers in arrears.

## **13. LEGAL IMPLICATIONS**

- 13.1 Members are referred to the legal requirements set out in the body of the report and particularly the changes brought in by the Local Authorities (Calculation of

Council Tax Base) Regulations 2012 (section five) and the changes introduced by the Local Government Finance Act 2012, which set out a number of changes for Council tax payers discounts removal of some exemptions relating to empty homes (section six) and the current NNDR system (section ten).

- 13.2 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. A report setting out the CTRS for 2017/18 was presented to Mayor & Cabinet on 6 December 2017. That Report contained the outcome of the consultation and determined that a local CTRS be retained from 1 April 2018 that passes on any shortfall in government funding, as set out in section 11 and additional support be delivered to the most vulnerable residents through use of the existing provision within Section 13A (1) (c) of the 1992 Local Government Finance Act.
- 13.3 Section 13A(1)(c) of the Local Government Finance Act 1992 provides that the Council may reduce the amount of council tax which a person is liable to pay in respect of any chargeable dwelling and any day (as determined in accordance with sections 10 to 13) to such extent as the billing authority for the area in which the dwelling is situated thinks fit (i.e. discretionary discounts).
- 13.4 Discretionary discounts recognise that an Authority's Local Council Tax Reduction Scheme does not always meet the household's full Council Tax liability. The Council has the right to choose whether to use its powers on a case-by-case basis or it also has the right to specify a class of use. A class of use is where several people who pay Council Tax fall into a group because their circumstances are similar.
- 13.5 In accordance with the Local Government Finance Act 1992 and related Statutory Instruments, the Authority is required to decide its Council Tax Base for 2018/19 by no later than 31 January 2018.

#### Equalities Legislation

- 13.6 The Equality Act 2010 (the Act) introduced a public sector equality duty (the equality duty or the duty). It covers the following protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 13.7 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.

13.8 It is not an absolute requirement to eliminate unlawful discrimination, harassment, victimisation or other prohibited conduct, or to promote equality of opportunity or foster good relations between persons who share a protected characteristic and those who do not. It is a duty to have due regard to the need to achieve the goals listed at 13.5 above.

13.9 The weight to be attached to the duty will be dependent on the nature of the decision and the circumstances in which it is made. This is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. The Mayor must understand the impact or likely impact of the decision on those with protected characteristics who are potentially affected by the decision. The extent of the duty will necessarily vary from case to case and due regard is such regard as is appropriate in all the circumstances.

13.10 The Equality and Human Rights Commission has 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:

<https://www.equalityhumanrights.com/en/advice-and-guidance/equality-act-codes-practice>

<https://www.equalityhumanrights.com/en/advice-and-guidance/equality-act-technical-guidance>

13.11 The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:

[The essential guide to the public sector equality duty](#)

[Meeting the equality duty in policy and decision-making](#)

[Engagement and the equality duty: A guide for public authorities](#)

[Objectives and the equality duty. A guide for public authorities](#)

[Equality Information and the Equality Duty: A Guide for Public Authorities](#)

13.12 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:

<https://www.equalityhumanrights.com/en/advice-and-guidance/public-sector-equality-duty-guidance#h1>

#### **14. CRIME AND DISORDER IMPLICATIONS**

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

#### **15. EQUALITIES IMPLICATIONS**

15.1. Every effort will be made to ensure that Council Tax payers, particularly those who are from disadvantaged groups, receive prompt and accurate Council Tax bills, and that those who are eligible for exemptions and discounts - such as the disabled people, single people and those on low incomes, are encouraged to claim them. Consistent with the Legal Implications noted above.

#### **16. ENVIRONMENTAL IMPLICATIONS**

16.1. There are no specific environmental implications directly arising from this report.

#### **17. CONCLUSION**

17.1. The recommended Council Tax Base takes account of the 'relevant amounts' for each Council Tax band and a considered view of the likely collection rate.

17.2. For further information on this report, please contact:

David Austin Head of Corporate Resources on 020 8314 9114 or;  
Lorraine Richards, Revenues Manager on 020 8314 6047

# APPENDIX 1

CTB(October 2017)

## Calculation of Council Tax Base

Please e-mail to : [ctb.statistics@communities.gsi.gov.uk](mailto:ctb.statistics@communities.gsi.gov.uk)  
Please enter your details after checking that you have selected the correct local authority name

Ver 1.0

Please select your local authority's name from this list

Lancaster
Leeds
Leicester
Lewes
<b>Lewisham</b>
Lichfield

Check that this is your authority :

E-code :

Local authority contact name :

Local authority contact telephone number :

Local authority contact e-mail address :

CTB(October 2017) form for **Lewisham**

Completed forms should be received by DCLG by Friday 13 October 2017

Dwellings shown on the Valuation List  
for the authority on  
Monday 11 September 2017

Band A entitled to disabled relief reduction  
COLUMN 1

Band A COLUMN 2

Band B COLUMN 3

Band C COLUMN 4

Band D COLUMN 5

Band E COLUMN 6

Band F COLUMN 7

Band G COLUMN 8

Band H COLUMN 9

TOTAL COLUMN 10

**Part 1**

1. Total number of dwellings on the Valuation List		8,417	34,906	45,269	26,387	7,577	2,763	1,325	179	126,823.0
2. Number of dwellings on valuation list exempt on 2 October 2017 (Class B & D to W exemptions)		675	965	908	363	98	27	20	1	3,057.0
3. Number of demolished dwellings and dwellings outside area of authority on 2 October 2017 (please see notes)		0	0	2	0	0	0	0	0	2.0
4. Number of chargeable dwellings on 2 October 2017 (treating demolished dwellings etc as exempt) (lines 1-2-3)		7,742	33,941	44,359	26,024	7,479	2,736	1,305	178	123,764.0
5. Number of chargeable dwellings in line 4 subject to disabled reduction on 2 October 2017		7	54	113	111	42	26	12	7	372.0
6. Number of dwellings effectively subject to council tax for this band by virtue of disabled relief (line 5 after reduction)	7	54	113	111	42	26	12	7		372.0
7. Number of chargeable dwellings adjusted in accordance with lines 5 and 6 (lines 4-5+6 or in the case of column 1, line 6)	7	7,789	34,000	44,357	25,955	7,463	2,722	1,300	171	123,764.0
8. Number of dwellings in line 7 entitled to a single adult household 25% discount on 2 October 2017	4	5,141	17,437	16,170	6,441	1,420	374	139	12	47,138.0
9. Number of dwellings in line 7 entitled to a 25% discount on 2 October 2017 due to all but one resident being disregarded for council tax purposes	0	56	488	681	356	90	18	4	2	1,695.0
10. Number of dwellings in line 7 entitled to a 50% discount on 2 October 2017 due to all residents being disregarded for council tax purposes	0	3	9	22	25	32	44	37	14	186.0
11. Number of dwellings in line 7 classed as second homes on 2 October 2017 (b/fwd from Flex Empty tab)		16	75	115	55	11	3	2	1	278.0
12. Number of dwellings in line 7 classed as empty and receiving a zero% discount on 2 October 2017 (b/fwd from Flex Empty tab)		148	396	483	238	65	27	15	0	1,372.0
13. Number of dwellings in line 7 classed as empty and receiving a discount on 2 October 2017 and not shown in line 12 (b/fwd from Flex Empty tab)		7	50	53	15	2	1	1	0	129.0
14. Number of dwellings in line 7 classed as empty and being charged the Empty Homes Premium on 2 October 2017 (b/fwd from Flex Empty tab)		56	183	60	22	9	3	1	2	336.0
15. Total number of dwellings in line 7 classed as empty on 2 October 2017 (lines 12, 13 & 14).		211	629	596	275	76	31	17	2	1,837.0
16. Number of dwellings that are classed as empty on 2 October 2017 and have been for more than 6 months. NB These properties should have already been included in line 15 above.		130	338	278	127	36	17	11	2	939.0
16a. The number of dwellings included in line 16 above which are empty on 2 October 2017 because of the flooding that occurred between 1 December 2013 and 31 March 2014 and are only empty because of the flooding.		0	0	0	0	0	0	0	0	0.0
16b. The number of dwellings included in line 16 above which are empty on 2 October 2017 because of the flooding that occurred between 1 December 2015 and 31 March 2016 and are only empty because of the flooding.		0	0	0	0	0	0	0	0	0.0
17. Number of dwellings that are classed as empty on 2 October 2017 and have been for more than 6 months and fall to be treated under empty homes discount class D (formerly Class A exemptions). NB These properties should have already been included in line 15 above. Do NOT include any dwellings included in line 16a and 16b above.		0	0	0	0	0	0	0	0	0.0
18 Line 16 - line 16a - line 16b - line 17. This is the equivalent of line 18 on the CTB(October 2016) and will be used in the calculation of the New Homes Bonus.		130	338	278	127	36	17	11	2	939.0
19. Number of dwellings in line 7 where there is liability to pay 100% council tax before Family Annexe discount	3	2,526	15,833	27,371	19,096	5,910	2,282	1,118	141	74,280.0

## APPENDIX 1

20. Number of dwellings in line 7 that are assumed to be subject to a discount or a premium before Family Annexe discount	4	5,263	18,167	16,986	6,859	1,553	440	182	30	49,484.0
21. Reduction in taxbase as a result of the Family Annexe discount (b/fwd from Family Annexe tab)	0.0	0.0	0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.5
22. Number of dwellings equivalents after applying discounts and premiums to calculate taxbase	6.0	6,509.3	29,555.3	40,110.3	24,239.3	7,072.0	2,602.5	1,245.3	161.5	111,501.3
23. Ratio to band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
24. Total number of band D equivalents (to 1 decimal place) (line 22 x line 23)	3.3	4,339.5	22,987.4	35,653.6	24,239.3	8,643.6	3,759.2	2,075.4	323.0	102,024.3
25. Number of band D equivalents of contributions in lieu (in respect of Class O exempt dwellings) in 2017-18 (to 1 decimal place)										0.0
<b>26. Tax base (to 1 decimal place) (line 24 col 10 + line 25)</b>										<b>102,024.3</b>

### Part 2

27. Number of dwellings equivalents after applying discounts and premiums to calculate tax base (Line 22)	6.00	6,509.25	29,555.25	40,110.25	24,239.25	7,072.00	2,602.50	1,245.25	161.50	111,501.3
28. Reduction in taxbase as a result of local council tax support (b/fwd from CT Support tab)	1.47	1,637.26	5,000.72	4,822.92	2,033.76	445.53	68.16	11.79	0.00	14,021.6
29. Number of dwellings equivalents after applying discounts, premiums and local tax support to calculate taxbase	4.5	4,872.0	24,554.5	35,287.3	22,205.5	6,626.5	2,534.3	1,233.5	161.5	97,479.6
30. Ratio to band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
31. Total number of band D equivalents after allowance for council tax support (to 1 decimal place) (line 29 x line 30)	2.5	3,248.0	19,098.0	31,366.5	22,205.5	8,099.0	3,660.7	2,055.8	323.0	90,059.0
32. Number of band D equivalents of contributions in lieu (in respect of Class O exempt dwellings) in 2017-18 (to 1 decimal place)(line 25)										0.0
<b>33. Tax base after allowance for council tax support (to 1 decimal place) (line 31 col 10 + line 32)</b>										<b>90,059.0</b>



## APPENDIX 2

### London Boroughs' CTR Schemes

<b>Q: What percentage* contribution do your working-age claimants in receipt of CTRS make towards their Council Tax liability for 2017/18? Do you have a notional figure for 2018/19?</b>			
<b>Authority</b>	<b>2017/2018</b>	<b>2018/2019</b>	<b>Comments</b>
Barking and Dagenham	25%	25%	
Barnet	20%	20%	
Bexley	20%	20%	
Brent	20%	20%	
Bromley	25%	25%	
Camden	0%	0%	
City of London	0%	0%	
City of Westminster	0%	0%	
Croydon	15%		
Ealing	25%	25%	Vulnerable households continue to receive 100% award
Enfield	26.5%		
Greenwich	15%	15%	
Hackney	15%	20%	*consulted on 20% for 2018/19, no final decision as yet
Hammersmith and Fulham	20%		
Haringey	19.8%	19.8%	
Harrow	30%		
Havering	15%	15%	
Hillingdon	10%		
Hounslow	8.5%	No decision	
Islington	8.5%		cash-back of £15 is awarded to all working age council tax support recipients who pay their council tax in full by the end of the year – <b>Now cancelled</b>
Kensington and Chelsea	0%	0%	
Kingston upon Thames	0%	0%	
Lambeth	15.86%	20%	Working age not in a protected group
Lewisham	33%	25%	
Merton	0%	0%	
Newham	20%	20%	
Redbridge	20%		
Richmond upon Thames	15%		

**APPENDIX 2**

**London Boroughs' CTR Schemes**

Southwark	15%	15%	
Sutton	20%	20%	Income band for working age
Tower Hamlets	0%		
Waltham Forest	24%	24%	
Wandsworth	30%		

<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>	10 <sup>th</sup> January 2018	
<b>Title of Report</b>	Annual complaints Report 2016-17	
<b>Originator of Report</b>	Georgina Chambers	<b>Ext.47956</b>

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>	X	
<b>Legal Comments from the Head of Law</b>	X	
<b>Crime &amp; Disorder Implications</b>		X
<b>Environmental Implications</b>		X
<b>Equality Implications/Impact Assessment (as appropriate)</b>	X	
<b>Confirmed Adherence to Budget &amp; Policy Framework</b>	X	
<b>Risk Assessment Comments (as appropriate)</b>		
<b>Reason for Urgency (as appropriate)</b>		

Signed:  \_\_\_\_\_ Executive Member

Date: \_\_\_\_\_ 12/12/2017 \_\_\_\_\_

Signed:  \_\_\_\_\_ Director/Head of Service

Date \_\_\_\_\_ 12/12/2017 \_\_\_\_\_

**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>	Annual Complaints Report 2016-17		
<b>Key decision</b>	No	<b>Item no</b>	
<b>Wards</b>	All wards		
<b>Contributors</b>	Executive Director for Customer Services and Head of Public Services		
<b>Class</b>	Part 1	10 January 2018	

## **1 Executive Summary**

- 1.1 This report provides performance information on complaints dealt with by the Council and its housing partners at stages 1 and 2 of the Corporate Complaints procedure as well as complaints and enquiries to the Mayor, Councillors and MP's received during 2016/17. There were a total of 5,743 complaints and enquiries received in 2016/17. This represents a 33% increase when compared to 2015/16.
- 1.2 This report does not include complaints or enquiries about the provision of adult and children's social care, both of which are reported individually and publicised according to statutory guidance.
- 1.3 The Independent Adjudicator's (IA) report is attached at Appendix 1. The IA dealt with 82 complaints between 1 April 2016 and 31 March 2017, of which she upheld or partly upheld 41%. The IA responded to 80% within the 30-day response standard and identified a number of issues from the complaints and makes recommendations for improvement.
- 1.4 The Local Government Ombudsman (LGO) report is attached at Appendix 2. In 2016/17, the LGO made decisions on a total of 38 cases, which is 5 more than last year – the figures are attached at Appendix 3.
- 1.5 The report summarises the progress made so far following the restructure of the Complaints and Casework function.

## **2 Purpose of Report**

- 2.1 To provide information on complaints performance in 2016/17.

## **3. Recommendation**

The Mayor is recommended to:

- 3.1 Note the contents of the report.

## **4 Introduction**

- 4.1 This report summarises how the Council and its housing partners performed when dealing with complaints and how it is using the feedback from complaints to improve services. The report does not cover statutory complaints received for adult and children's social care that are subject to separate reports.

4.2 Also included is a summary of the Independent Adjudicator's report and a summary of the LGO's Annual Review with the full reports attached as appendices.

**5. Stage 1 and Stage 2 complaints, MP, Mayor and Councillor enquiries**

5.1 The standard response times and responsibilities for responding to complaints at each stage are:

Stage 1 – 10 days by the Service Manager

Stage 2 – 20 days by the Head of Service or Executive Director

Stage 3 – 30 days by the Independent Adjudicator

MP/Mayor/Councillor – 10 days by the Head of Service or Executive Director

The new complaints process has been introduced for 2017/18.

5.2 The tables below show the number of complaints and enquiries dealt with by the Council in the last financial year. The tables are broken down by directorate and show the percentages dealt with in the standard response time. The statistics are for cases logged into iCasework between 1 April 2016 and 31 March 2017 compared with performance over the same period in 2015/2016.

**Table 1 – total volume of complaints and enquires by directorate**

	<b>Total Complaints and Enquiries</b>		
<b>Directorate</b>	<b>2015/16</b>	<b>2016/17</b>	<b>Variance</b>
<b>Children and Young People</b>	219	295	+35%
<b>Community Services</b>	254	280	+10%
<b>Customer Services</b>	2,414	3,633	+50%
<b>Lewisham Homes</b>	905	824	-9%
<b>Resources &amp; Regeneration</b>	516	711	+38%
<b>Total</b>	4,308	5,743	+33%

**Table 2 – stage 1 and stage 2 complaints by directorate with % responded on time**

Directorate	Stage 1					Stage 2				
	2015/16	%	2016/17	%	Variance	2015/16	%	2016/17	%	Variance
CYP	80	81	134	77	+54	14	79	7	86	-7
Community Services	46	72	86	53	+40	4	75	2	0	-4
Customer Services	1,075	88	2,271	90	+1,196	100	58	63	80	-37
Lewisham Homes	451	90	339	96	-1,122	108	94	71	100	-37
Resources & Regeneration	135	63	299	75	+164	22	32	27	70	+5
<b>Total</b>	<b>1,787</b>	<b>86</b>	<b>3,129</b>	<b>78</b>	<b>+1,342</b>	<b>248</b>	<b>73</b>	<b>170</b>	<b>67</b>	<b>-78</b>

**Table 3 - MP, Mayor and Members enquiries by directorate\***

Directorate	MP			Mayor			Members		
	2015/16	2016/17	Variance	2015/16	2016/17	Variance	2015/16	2016/17	Variance
CYP	85 (82)	118 (24)	+33	8 (100)	1 (100)	-7	32 (88)	28 (32)	-4
Community Services	82 (35)	79 (48)	-3	44 (64)	17 (35)	-27	78(51)	69(52)	-9
Customer Services	767 (42)	808 (79)	+41	201 (52)	136 (82)	-65	271(60)	281 (81)	+10
Lewisham Homes	190 (44)	254 (79)	+64	29 (48)	47 (87)	+18	127 (87)	99 (96)	-28
Resources & Regeneration	121 (50)	136 (74)	+15	46 (44)	47 (73)	-4	192(71)	198 (89)	+6
<b>Total</b>	<b>1,245 (45)</b>	<b>1,395 (61)</b>	<b>+150</b>	<b>328 (53)</b>	<b>243 (61)</b>	<b>-128</b>	<b>700 (68)</b>	<b>675 (70)</b>	<b>-25</b>

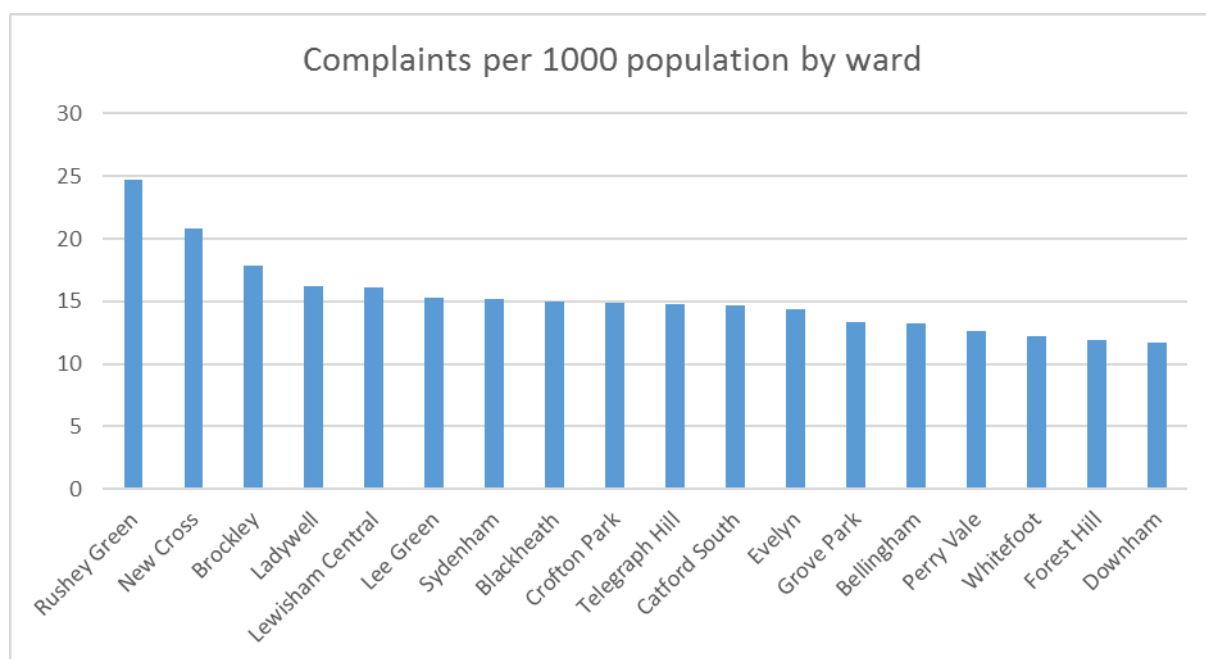
\*figures in brackets denotes the percentage of cases dealt with within the specified targets

5.3 The total number of complaints and enquiries received in 2016/17 was 5,743 which was an increase of 1,435 cases (33%) on the previous year.

## Complaints and enquiries by ward

5.4 The distribution of complaints received by Ward is shown below. The highest number of complaints received per 1,000 population were from residents in the Rushey Green Ward followed by New Cross Ward. The lowest number of complaints were received from residents in the Downham Ward.

**Chart 1 Distribution of Complaints by ward**



Source: Annual complaints data, Lewisham Council. Mid-year population Estimates by Ward for 2015, Office for National Statistics

Table 4 – Distribution of complaints by Ward  
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Ward	Complaints per 1000 population
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Ward	Complaints per 1000 population
Rushey Green	21
New Cross	20
Brockley	19
Ladywell	17
Evelyn	16
Telegraph Hill	14
Blackheath	13
Lee Green	11
Sydenham	10
Bellingham	9
Lewisham Central	9
Perry Vale	8
Crofton Park	8
Forest Hill	7
Catford South	6
Grove Park	6
Whitefoot	5
Downham	5

**2015-2016**

5.5 The top three wards to receive the highest level of complaints and enquires were Rushey Green, New Cross and Brockley.

5.5.1 In Rushey Green, Highways (street works) was the top reason why customers complained followed by refuse and then housing (advice and reviews). In 2015/16 Highways was the top reason why customers complained, followed by Housing and Council Tax benefit (advice and reviews).

5.5.2 The second highest ward to receive complaints and enquiries was New Cross. The top reason why customers complained was Lewisham Homes (tenancy team), Housing (advice and reviews) and then Refuse.

5.5.3 The third highest ward to receive complaints and enquiries was Brockley with the top reason for complaints being Refuse, Housing (advice and reviews) and then Council Tax.

5.5.4 Downham received the lowest level of complaints and enquiries in both financial years.

5.6 Trends

5.6.1 On analysing the reasons for complaints, the top three issues identified for 2016-17 were as follows:

1. Highways
2. Housing Needs
3. Environment

5.6.2 This top 3 has changed from the previous year at which time Housing Benefit and Council Tax were in the top 3, along with Housing Needs and Highways.

The services with the top three issues have provided comments on what has generated complaints within their service area.



## 5.7 Highways

- 5.7.1 There has been an increase in complaints and queries about parking in 2016-17 in part due to the implementation of new CPZs, consultation on a proposed CPZ in Deptford South and its subsequent implementation, and on consultation and implementation of two batches of minor parking amendments Orders. These Orders contain multiple new or amended parking restrictions that cover the whole borough.
- 5.7.2 In addition, there has been significant correspondence in relation to large schemes, such as the new Streetscape scheme in Dartmouth Road.
- 5.7.3 There were many enquiries centred around the creation of and enforcement of the 20mph speed limit, and requests for traffic data that has been collected in the months following the implementation
- 5.7.4 Finally, there has been an extensive programme of road resurfacing this year and that has generated some correspondence, and complaints.
- 5.7.5 Highways are receiving increasing numbers of queries on the provision of electric vehicle charging points, and more requests from residents for measures to remove traffic, in particular HGVs from residential areas. This is set to continue during 2017-18.

## 5.8 Housing Needs.

- 5.8.1 Housing Needs, encompassing the Housing Options Centre and SHIP (Single Homeless Intervention and Prevention, Homesearch, etc) remains one of the top 3 areas generating the most complaints. The reasons have generally been the same as previous years-
- the decreasing amount of social housing, coupled with an increase in housing need resulting in all housing applicants waiting very long periods for an offer of housing
  - huge numbers of households in insecure temporary accommodation awaiting more permanent housing
  - the suitability and/or location of temporary accommodation
  - dissatisfaction with being placed out of Lewisham, or out of London as a whole due to the shortage of accommodation in borough
- 5.8.2 There has been a slight spike in the number of complaints and enquiries for the Allocations & Lettings Team relating to the online housing register application process (Homesearch). Customers find it hard to navigate the system to apply for the housing register. In addition, customers are finding Homesearch adverts difficult to understand, resulting in them not bidding for the most appropriate homes.
- 5.8.3 Housing Needs believe that the new Homeless Reduction Act (HRA) may potentially increase enquiries/complaints however, most of these will be dealt with under a statutory process. They anticipate that they will have a better idea of the impact of the HRA once it is live, at which time the department will adapt and review their ways of working around any issues that arise.
- 5.8.4 Another area that is also likely to cause complaints and enquiries is the increasing number of private sector offers being made in discharge of the Council's homeless duty. Applicants are disappointed when they do not receive an offer of social housing. Again, there is a statutory process to deal with suitability reviews but

customers often approach their elected representative also to receive support with their case.

## 5.9 Environment

5.9.1 The main areas that generate complaints under Environment are waste services and cleansing (including, street sweeping abandoned vehicles and fly-tipping).

5.9.2 There has also been a slight increase in fly tipping complaints. Again, due to budget restraints, we cannot remove fly-tipping as quickly as we used to. The authority continues to pursue formal enforcement action and where appropriate, prosecutions are commenced against any individual or business carrying out fly tipping. However, officer resources are limited and therefore cases have to be prioritised. This can mean lower level fly-tips may not be investigated as quickly as we would like and in some cases a decision may have to be made that an investigation is unlikely to lead to evidence being located or that the case will not be in the public interest to take formal enforcement action on. In cases where any investigation is minimal, the Council will of course always remove the fly tipping if it is on an adopted highway for which it is responsible.

5.9.3 Although it falls outside the 2016-17 financial year, the service has received an increase in complaints about the waste service due to the major service change that was implemented at the beginning of October 2017. This was the introduction of fortnightly refuse collections and weekly food waste collections. Teething issues caused disruptions in collections across the borough, but these were/are being resolved as quickly as possible, and the number of complaints are now reducing.

## 5.10 Lewisham Homes

5.10.1 Lewisham Homes have reported the following for 2016-17:

- Complaints performance continued to improve during the year meeting the targets of 35 complaints or less per month and 90% responded to within the target time.
- Complaints about the repair service per month have halved from 26 in 2010/11 to 12 in 2016/17.
- Lewisham Homes overall performance has improved against the majority of its key performance indicators (20 out of 22), and that resident satisfaction has improved, particularly for homeowners.
- The decency level of the homes has increased from 41% in 2011 to 95% in March 2017.
- Lewisham Homes has spent £146m since 2011 delivering stock improvements and the Decent Homes programme. Despite no grant from the GLA this year, Lewisham Homes increased the decency level from 91% to 95% and will make all stock decent by April 2018.
- Work on kitchens, bathrooms and electrical rewire are now managed by the Lewisham Homes Repairs Service. They installed kitchens or bathrooms into 325 homes in 2016/17, the direct labour force who achieved 98% satisfaction from residents did a third.
- In 2016 Lewisham Homes achieved the Investors in People Gold Standard.

5.10.2 Their Business Plan achievements in 2016/17 include:

- Developing more customer focused services and more choices for resident engagement, particularly online

- Continuing conversations with residents by personal contact to find out views on services (The Big Conversation)
- Improved engagement with leaseholders to help steer service improvements
- Investment of £360,000 in environmental improvements
- Introducing a new enhanced sheltered housing support for older residents

## 5.11 Brockley PFI

5.11.1 RB3 report that they have performed well throughout the year. There were 699 items of correspondence and all of them were responded to within the ten working days target

5.11.2 RB3 received 57 complaints during the 2016/17 year, which is an increase of 1% comparing with the last year. 58% of complaints were related to housing management issues and 42% were regarding repairs. All of them were responded to within the required ten working days target.

5.11.3 Out of 85 stage 1 complaints, 11 escalated to stage 2 (13%) and 3 complaints escalated to stage 3 (4%). Brockley feel this is a reflection of how well they have performed in terms of 'getting it right first time' when responding to complaints.

5.11.4 RB3 report that satisfaction levels for resident participation have increased from 88% in 2015/16 to 96% in 2016/17.

5.11.5 To enable residents to feedback their ideas and suggestions about RB3's services, the PFI developed an online customer experience survey in 2016-17. RB3 will continue to monitor satisfaction levels using this tool, along with feedback from complaints and enquiries.

## 6 Independent Adjudicator

6.1 The Independent Adjudicator (IA) deals with stage 3 complaints on behalf of the Council. The IA report for the Council is attached at Appendix 1. This section summarises the IA's report and the action being taken in response to the issues raised. The report covers the period 1 April 2016 to 31 March 2017.

6.2 The IA received 82 complaints during the year, nine less than in 2015/16. This breaks down to 55 (67%) about the Council/Regenter (down by five from last year); and 27 (33%) about Lewisham Homes (down by 5 from last year).

6.3 The IA has prepared a separate annual report for Lewisham Homes that deals specifically with any issues relating to them. The IA will attend their management team to present the report and the Council will monitor any actions arising from it. The number of complaints about Lewisham Homes went down from 35 to 27. The IA upheld 41% of the complaints she investigated, up from 37% in 2015/16

6.5 The IA responded to 80% of cases within the 30-day standard.

### 6.6 Cases by directorate/partner

The table below sets out the number of Stage 3 complaints against each directorate and each partner (*withdrawn/out of jurisdiction complaints in brackets cases in brackets*).

**Table 6 - Total number of stage three complaints against each directorate and each partner**

Customer Services	Resources and Regeneration	Community Services	Children and Young People	Regenter	Lewisham Homes	TOTAL
28 (6)	11 (4)	1 (1)	10 (6)	5 (1)	2710)	<b>82</b>

## 6.7 Compensation

Compensation was awarded in 18 cases. The total amount of compensation paid was £13,699.80, of which £2,250 was for Lewisham Homes.

**Table 7 - Amount of Compensation**

	Up to and including £100	£100-£500	More than £500	TOTAL	
<b>2016/17</b>		7	6		<b>£13,699.80</b>
<b>2015/16</b>	2	6	10	<b>18</b>	<b>£26,523.40</b>
<b>2014/15</b>	n/a	13	6	20*	£9,241
<b>2013/14</b>	4	8	4	16*	£6,542
<b>2012/13</b>	2	8	2	12	£4,259.75
<b>2011/12</b>	2	9	1	12	£3,614

## 6.8 **Key issues highlighted by the Independent Adjudicator**

### *Communication and complaint handling*

- 6.8.1 The IA is now monitoring the time taken to respond to her requests for information, noting that any delay impacts on her own timescales, could bring the complaints process into disrepute, lead to an Ombudsman complaint and adds to the complainant's sense of grievance.
- 6.8.2 The IA has found that, on occasion, compensation is not mentioned when fault is acknowledged. The IA urges officers to think about compensation in these circumstances.

## 6.9 **The Council's response to the IA's comments**

- 6.9.1 The Council thanks the Independent Adjudicator for her comments. The Council's review of its current casework and complaint processes will address the issues raised by the IA.

## 7 **Local Government Ombudsman Annual Letter 2016/17**

- 7.1 An annual review letter is produced by the LGO each year. This gives a summary of statistics relating to complaints made against local authorities over the year

ending 31 March 2017. A copy of the LGO's annual letter is attached at Appendix 2.

- 7.2 The enclosed tables present the number of complaints and enquiries received and the decisions made about the authority during the period. In 2016/17 a total of 136 complaints and enquiries were received, 27 less than 2015/16. Of the total received only 38 'detailed enquiries' were carried out of which 26 were upheld.
- 7.3 The top 3 highest number of complaints were received about:
- Housing - 36 (37 in 2015/16)
  - Education and Children's Services – 28 (37 in 2015/16)
  - Benefits and Tax – 27 (39 in 2015/16)
- 7.4 The LGO now provide additional information to focus the statistics more on the outcome from complaints rather than just the amounts received. The LGO has also provided a breakdown of the upheld investigations to show how they were remedied. This includes the number of cases where LGO recommendations remedied the fault and the number of cases where the LGO concluded the authority had offered a satisfactory remedy during the local complaints process.
- 7.5 The LGO publish final decisions on all complaints on their website, as they consider this as an important step in increasing transparency and accountability. There was one published report regarding Housing Benefits made against the Council during the year ending 31 March 2017.
- 7.6 The Council views this as a useful exercise, which gives it the opportunity to reflect on the types of complaints made and consider where improvements might be made.

## **8 Achievements in 2016/17**

- 8.1 The Council implemented the casework review creating a new corporate complaints and casework team. Despite the disruption during this time, the team have managed to answer complaints and casework and maintain very good performance statistics.
- 8.2 The Community Services casework team use the intelligence gained from adult social care complaints to align with that from professional quality alerts, feedback from CQC and commissioned providers to improve quality across the delivery of adult social care services.
- 8.3 Following the recent restructure of the complaints teams Community Services have successfully maintained performance with their statutory complaints.
- 8.4 The CYP complaints team have had some challenges to overcome with retention of experienced complaints staff. They have a new manager in place and are now addressing some of the issues related to recent poor performance.
- Service specific bulletins continue to be produced for senior manager's consideration and action. In managing trends and detailed complaints in this manner, it is hoped that the broader picture can be influenced by addressing the smaller, frequent issues found within individual services. For example Adoption, Looked After Children Leaving Care Service were provided with a quarterly breakdown of complaints received and managers were asked to provide comments and highlight learning points to be considered by staff going into the next quarter.

- Audit forms are kept outlining upheld complaints, and recommendations arising. These forms are compiled and revisited periodically with senior management, to ensure implementation of recommendations.
- Organisational learning from the upheld and/or partially upheld complaints are fed back to staff by the Complaints Team through team meetings and bulletins distributed for the attention of all staff.

## **9 Complaints and Casework Review**

9.1 As part of the Council's savings programme it agreed to a review of its approach to Complaints and Casework with a target saving of £50K. The overall objective of the review was to resolve complaints and casework at the first point of contact, improving the service to the customer and/or representative and reducing the costs of the service to the Council. The review was led by Ralph Wilkinson, the Head of Public Services, and focussed on:

- The process the Council followed to resolve complaints and casework
- The organisational structure used to deliver the process
- The system the Council used to administer complaints and casework

9.2 The new structure was put in place February 2017. It has taken approximately 6 months to train new staff and develop a fully functioning service

9.3 The new team faced a number of challenges

- The icasework system is out of date and in need of replacing
- There was a backlog of cases
- There were a number of outstanding investigations with the Local Government Ombudsman (LGO)
- New staff were recruited who needed training
- Existing staff who were recruited into the new team needed to upskill to deal with enquires about services they were unfamiliar with

9.4 The past 6 months have been spent addressing the above challenges.

- Officers have settled into their new roles and are confident dealing with a wider range of enquires
- We have successfully managed the LGO investigations and built up a strong relationship with our investigators. We have invited our local LGO investigator to a meeting in December 2017 to further strengthen this relationship.
- The new complaints and casework system is being implemented. The project has started and we anticipate the system to be functioning by April 2018.
- Despite the recent challenges the team have managed to answer the majority of casework and complaints on time maintaining a very good level of performance

9.5 The team have been focussing on working together and building a mature team with shared knowledge of the Council's functions and the processes for effectively dealing with complaints and casework. As a result, we have delayed implementing the new process and timescales for complaints. As we move into the new year, and with the introduction of the new complaints system we will now be working with services to introduce the new process.

9.6 The new process is shown below:



9.7 We have already consulted with some Heads of Service and have identified that the best approach to successfully implementing the changes will be achieved by transitioning services individually as opposed to a ‘big bang’ approach. With this in mind, the plan is to start with a few services in the new year and gradually implement the changes

9.8 The aim of the formal stage was to carry out a more detailed investigation of a complaint that had previously been undertaken. This change has already been implemented and caseworkers in the corporate team are successfully investigating complaints at this stage.

9.9 The team are also improving learning from complaints. This will be further improved as part of the next stage of the development of the team and issues and patterns escalated as appropriate.

9.10 Most of the changes have taken place post March 2017 so next year’s report will pick up on the new arrangements in more detail.

9.11 The move away from contacting the Council’s services by telephone will be carefully managed and will support the channel shift to quicker and effective resolution of customer contact. As this transition is primarily happening post March 2017 next year’s report will pick this up in more detail.

9.12 Conclusion

Whilst the rise in the number of complaints is disappointing they still only represent a very small proportion of the millions of transactions the Council has with people living, working and learning in the borough. There can be no doubt that the savings the Council has been forced to make as a result of the government’s programme of austerity will have been a significant reason for the increase. The Council will continue to use the complaints process to assist in the development of services and get feedback on the impact of changes.

- 10.1 There are no specific legal implications directly arising from this report aside from noting that it is recommended good practice from the Local Government's Ombudsman's Office to make full and specific reference to handling complaints within a management agreement entered into under section 27 of the Housing Act 1985.
- 10.2 Given the subject and nature of this report, it is relevant here to note that 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.
- 10.3 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.
- 10.4 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.
- 10.5 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/>
- 10.6 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
- 10.7 The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and whom 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/resources are available at: <http://www.equalityhumanrights.com/advice-and-guidance/public-sector-equality-duty/guidance-on-the-equality-duty/>



## **11 Financial Implications**

- 11.1 There are no direct financial implications arising from this report. The Council has no specific budgets for compensation payments so the costs are absorbed by the relevant service as awarded.
- 11.2 There has been no major impact on the level of complaints since 2010 following the savings programme. There has been a general upwards trend in the number of complaints and casework received but this is not directly attributed to the savings programme.

## **12 Crime and Disorder Implications**

- 12.1 There are no crime and disorder implications arising from this report.

## **13 Equalities Implications**

- 13.1 The iCasework system enables the Council to collect equalities monitoring information that is used to ensure the complaints process remains accessible and that no particular parts of the community suffer inequity in service delivery.
- 13.2 The Equality Act 2010 (the Act) brings together all previous equality legislation in England, Scotland and Wales. The Act includes a new public sector equality duty (the equality duty or the duty), replacing the separate duties relating to race, disability and gender equality. The duty came into force on 6 April 2011. The new duty 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.
- 13.3 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.
- 13.4 As was the case for the original separate duties, the new 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.
- 13.5 The Equality and Human Rights Commission issued guides in January 2011 providing an overview of the new equality duty, including the general equality duty, the specific duties and whom they apply to. The guides cover what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guides were based on the then draft specific duties so are no longer fully up-to-date, although regard may still be had to them until the revised guides are produced. The guides do not have legal standing unlike the statutory Code of Practice on the public sector equality duty. However that Code is not due to be published until April 2012. The guides can be found at: <http://www.equalityhumanrights.com/advice-and-guidance/public-sector-duties/new-public-sector-equality-duty-guidance/>.

- 13.6 The Corporate Complaints team will continue to work with voluntary community groups to ensure no one is disadvantaged from using the complaints process.

#### **14 Environmental Implications**

- 14.1 There are no environmental implications arising from this report.

#### **15 Conclusion**

- 15.1 The Council has been continually improving its complaints process in response to feedback and best practice. However, there is still a lot more to do to ensure customers receive excellent services. The outcomes from the casework and complaints review will ensure continuous improvement is achieved.

#### **16 Background Documents and Report Author**

- 16.1 There are no background documents to this report.
- 16.2 If you would like more information on this report please contact Georgina Chambers, Corporate Information Casework and Complaints manager on 020 8314 7956.

## Review of Stage Three Complaints 2016-17 Lewisham Council and Regenter

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Linzi Banks Independent Adjudicator  
May 2017

The Independent Adjudicator (IA) deals with complaints at stage three of the Council's complaints process and provides a free, independent and impartial service. The IA considers complaints about the administrative actions of the Council and its partners, Lewisham Homes and Regenter. She cannot question what actions these organisations have taken simply because someone does not agree with them. But, if she finds something has gone wrong, such as poor service, service failure, delay or bad advice and that a person has suffered as a result, the IA aims to get it put right by recommending a suitable remedy.

## Contents:

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Data tables Appendices 1 and 2

## At a glance\*

\* Includes Lewisham Homes

**82 complaints received** –  
down from 91 in  
2015/16

**41% investigations upheld** –  
up from 37% in 2015/16

**24 recommendations to put things right**

### Significant changes on previous year (complaints received)

SEN



Repairs



Planning



## Introduction

This report publishes the complaint statistics of the Independent Adjudicator (IA) for the London Borough of Lewisham and its partner, Regenter, for the year ending 31 March 2017. In publishing the statistics, available in a data table at the end of this report, I aim to highlight lessons learned about the authorities' performance and their complaint handling arrangements, so that these might then be fed back into service improvement.

I have written a separate report about Lewisham Homes, though the figures for all authorities are included and attached, and some crossover issues are mentioned.

The headline messages from this year's statistics are:

- I received 82 complaints – down from 91 last year – and comprising 55 about the Council and Regenter (a decrease of one) and 27 about Lewisham Homes (a decrease of eight).
- I upheld 41% of the complaints I investigated, up from 37% in 2015/16.

- The area most complained about was Customer Services (28 complaints).
- The biggest increase in complaints was in Resources and Regeneration (up from five to 11).

I know, however, that the numbers alone do not tell everything about the attitude towards complaints and how they are responded to.

Arguably, of more importance, is to understand the impact those complaints have on people, and to learn the lessons from those complaints to improve the experience for others.

In line with my previous practice, I publish information about the recommendations I make to put things right when people have suffered. I made 24 separate recommendations to remedy injustice. These recommendations include actions for the authorities to take to remedy injustice for individuals, and to prevent injustice for others by improving practice.

My investigations can also provide the authorities with the reassurance that they

have carried out a fair investigation of a complaint, and satisfactorily offered to put things right, before the person decided to come to me.

The IA is the final stage of the authorities' complaints process – the person affected must have gone through the other stages before coming to me for an independent review of the case. So, in relation to the many thousands of exchanges happening daily between the authorities and the people in their areas, the number of stage three complaints is a tiny proportion of those exchanges, and, indeed, of the number of complaints received (% of the xxx complaints and enquiries about the Council and its partners in 2016/17); however, each one represents a problem that was not put right locally, or an experience that drove the person to pursue their complaint with me. Attached to this report is a Digest of Cases giving examples of such problems and experiences.

## Making a difference: remedying injustice

Experience suggests that the most effective and timely way to resolve a complaint is for it to be put right at the local level before the issue escalates to me.

However, my casework shows that a number of complaints are not resolved satisfactorily locally, leaving people to ask me for an independent review. I carried out 41 detailed investigations, and upheld 37% of these (15 in number).

I found fault in two planning complaints, two refuse/fly tipping complaints and two special educational needs (SEN) complaints. I upheld one complaint each in council tax, repairs, housing allocations, temporary accommodation, home improvement grants, building control, abandoned vehicles, adoption and the childminder register.

I class a complaint as upheld or partly upheld when I find some fault in the way the Council or Regenter has acted. This

includes complaints where these authorities have acknowledged fault in their local investigation and offered to take action to put it right, but the person still wanted an independent review by me.

## Types of remedy

If I decide the Council or Regenter have acted with fault, and the fault caused an injustice, I will make recommendations to put things right to remedy the fault. My recommendations are designed to place people back in the position they were in before the fault happened.

So, for example, this year, I proposed that the Council's Building Control Officers should investigate, and take action on, an unauthorised conversion of one flat into two that was causing the complainant a nuisance; that Planning Officers should expedite enforcement action on an illegal women's hostel affecting the complainant's amenity, providing the complainant with plan of action, a tentative timescale for taking that action, and regular updates; and that

SEN Officers should ensure, as a matter of urgency, the return of a child to full time provision as soon as possible, noting that two years had been missed as a result of Council failings.

In many complaints, I will also recommend an apology if this has not already been given.

If the injustice cannot be remedied through a specific action, I may recommend a financial payment.

So, in one SEN complaint, I proposed the payment of £1000 where the impact of the Council's failings in responding to the child's special educational needs was particularly severe on the family; in another, I suggested £300; and, in an adoption case, where the Council had failed to explain clearly to the complainants their rights as potential adopters and the rights of the identified

child's foster carer, I felt that £9589.80 was due to cover costs that the complainants had unnecessarily incurred in getting ready for the adoption.

## Improving services

I always consider whether the issues uncovered in an investigation may affect other local people in a similar manner, and whether I can make practical recommendations to avoid that happening. So, for example, this year, I recommended that the Council should:

- Tighten up its procedures for dealing with prior approval applications.
- Review and improve its procedures for dealing with home improvement grants.
- Take steps to ensure that its list of childminders on its website is always up to date.
- Amend its notice to remove and destroy a vehicle.



## Complaint numbers and commentary

- Complaints about the Council and Regenter that were in my jurisdiction have gone down again this year from 42 to 37.
- The number of complaints about Resources and Regeneration went up by two (from five to seven), as did complaints about Regenter (from two to four).
- Children and Young People (CYP) complaints fell from eight to four.
- Customer Service complaints fell from 26 to 22.
- There were no complaints about Community Services that fell within my remit.

Though any increases are regrettable, I am not unduly concerned as the numbers are tiny, and they will invariably fluctuate from year to year. What I will say, however, is that I am most pleased with the decrease in CYP complaints – down from eight to four - and especially those about SEN (two).

The upheld rate for complaints has gone up this year – from 35 to 37 per cent - but I find no particular cause for this other than that it suggests that, rightly, the more complex cases are coming to me; the cases where there are serious failings; and the cases where those failings have had a significant impact on the complainant.

However, I bring the following to the attention of the Council and Regenter:

- In some complaints, there was no stage one or stage two response.
- In other complaints, these authorities had missed what I considered was obvious maladministration.
- In a number of complaints, I think that officers should have proposed a remedy, but they didn't.

All of the above justified my involvement, I believe, and, crucially, they justified an adverse finding. I hope to see a decrease in such findings, and, indeed, a decrease in the number of stage three complaints, with the introduction of the Council's new

complaints process and its much more robust approach.

Even before this approach was adopted, however, the number of stage three complaints fell again this year as I report. This is welcome given the significant changes in many Council services, mentioning, for example, the stricter priorities for responding to flytipping; and the introduction of a paid green waste service. That these changes might have resulted in complaints but did not is a positive sign, in my view.

Also, the decrease can be partly explained, I think, because, despite not proposing remedies in some complaints, officers did suggest them in others without any prompting by me, and I was, consequently, persuaded that there was no case for me to investigate.

So, for example, in a council tax complaint, officers gave an apology and offered to review what had gone wrong; and, in a complaint about a home improvement grant, the Council removed the charging order from the

complainant's property  
and waived fees of £226.

In my view, these were  
eminently responsive  
remedies to the injustice  
suffered.

## Complaint handling: General

- The Council and Regenter generally met the five days timescale for responding to my enquiries, although there were exceptions and I was forced to chase.
- The replies to my enquiries were generally thorough, but in some instances, they lacked a chronology, or they lacked detail, or they were poorly written (as was the stage one and stage two response), and I felt that a meeting with officers was necessary to secure the information that I required to reach a view.
- In a number of cases, there was delay in implementing my proposed remedy, and this added to the complainant's sense of grievance (leading to an Ombudsman complaint on one occasion); it caused me time and trouble in chasing; and I was forced to seek the help of senior officers.

## CYP

Last year, I reported serious concerns about CYP, not only in the way it handled complaints, but also in the way it dealt with SEN. I had continuing concerns this year:

- In a complaint about a care assessment, referred to me by the Local Government Ombudsman (LGO), I asked the service area why it had not been dealt with under the statutory process: this was something that the LGO asked too. In my view, the issues should have been investigated under that process: they were not for me or for the Corporate Complaints procedure.
- In a second complaint about a care assessment, I explained that the service area needed to be clear why the complainant wanted a stage three investigation before referring it to me; and that they could not simply skip stage three as they proposed, and refer the matter directly to the LGO, even if this was what the complainant wanted.

- In a third complaint about a care assessment, where there were inaccuracies in a report on the complainant's children and the assessments were poor, I felt that some matters should have been considered by Information Governance, and others should have been taken under the Children Act.
- In a complaint about education admissions, and referred to me by officers, I advised the service area that this type of complaint was not for me, but for the Office of the Schools Adjudicator and the LGO (who would also take the case if an appeal had been heard). I was concerned that the service area seemed not to know this.

In response to these issues, and to the concerns that I had identified previously in my annual review of 2015/16 including poor and late replies to my enquiries (which were continuing), senior managers asked to meet me. I was reassured that they were committed to better complaint reporting; better

complaint handling; a desire to understand where a complaint might sit – with Corporate Complaints or under the statutory process; and the continued reduction in SEN complaints, noting a willingness to settle such complaints and to suggest imaginative remedies.

eventual willingness to remedy the complaint (along with Lewisham Homes).

## Temporary accommodation

In a complaint about temporary accommodation – a function that passed from the Council to Lewisham Homes in September 2016 – I found that valuable opportunities at stages one and two of the process had been missed by the Council to spot what had gone wrong and provide redress. More importantly, there were serious failings in responding to my enquiries, including delay; not providing sufficient information; the relevant officers failing to turn up to a meeting I had arranged to secure that information, so that I was forced to hold a second meeting; and, initially, a denial by the Council that it had any role whatsoever. I am highly critical of this, but I am pleased to report, that the Council showed an

## My performance and comments

I have:

- Responded to 80% of all complaints about the Council and Regenter within 30 days, missing the target of 90% because, in eight cases, complaint handling by officers was poor; or the responses from these authorities were deficient; or further enquiries and meetings with officers were necessary; or the Council's computer system was down; or officers had asked me to hold despatch of my final decision letter. I hope that such issues will not reoccur this year.
- Had no decisions overturned on complaints referred to the LGO or Housing Ombudsman (HO).
- Met the Housing Ombudsman's representative to explain my role, as well as to understand the workings of the HO and the remedies they use.
- Met even more complainants than in previous years.
- Urged officers to spot opportunities to

remedy a complaint and to discuss such remedies with me, or seek guidance from publications issued by the LGO and Housing Ombudsman.

- Encouraged well written complaint replies and apologies.
- Continued with my quarterly digest of cases to inform officers of the kinds of complaints I uphold, the remedies I suggest and the lessons that can be learned.
- Continued with my regular newsletter for senior managers to highlight any concerns and suggested service improvements.
- Met officers from Lewisham Homes to discuss complaint handling as well as my role: providing an interim complaint report for officers to consider; and offering training on dealing with complaints, good letter writing and remedies.
- Responded to the increasing pressures that officers face in their day to day work, and especially in responding to my enquiries, by trying to reach a view on the information available already, or asking for

simple facts, or organising a meeting where this is quicker and easier.

I have referred above to the Council's new complaints process. I hope that it will lead to more robust complaint handling throughout the authority, including spotting opportunities for remedies, and a reduction in the number of complaints that are escalated. I also hope to see timely and thorough complaint responses. I hope to see too the prompt implementation of my remedies, with regular updates to me and to the complainant.

I welcome this opportunity to give the Council and Regenter my reflections about the complaints I have dealt with over the past year. I hope that they find the information and assessment provided useful when seeking improvements to their services.

I would like to thank Rachael Phillips (Corporate Complaints Officer) and officers generally, for the help and support they have given me this year.

# REVIEW OF STAGE THREE COMPLAINTS 2016 – 2017 - LEWISHAM COUNCIL AND REGENER

Appendix 1

## Total cases received/open and determined: 1/4/16 – 31/3/17

TOTAL CASES RECEIVED 1/4/16 – 31/3/17	NO. OF CASES CARRIED OVER FROM 2015/16	NO. OF CASES DETERMINED	NO. OF CASES WITHDRAWN/ OUTSIDE JURISDICTION	NO. OF CASES OPEN AS OF 31/3/17
<b>*82</b>	8	59	28	3

*\*Includes Lewisham Homes*

## Number of cases determined

TOTAL CASES DETERMINED	UPHELD IN FULL	UPHELD IN PART	NOT UPHELD
<b>*59</b>	11 (19%)	13 (22%)	35 (59%)

*\*Includes Lewisham Homes*

## Time taken by the IA to resolve : target 90% of cases to be resolved within 30 days

30 days and below	31 - 50 days	More than 50 days
47* (80%)	**10 (17%)	**2 (3%)

*\*Includes Lewisham Homes*

*\*\*These complaints were particularly complex and required significant investigation. In six of them, complaint handling was poor, the responses from the Council and/or Lewisham Homes were deficient, and further enquiries were necessary sometimes more than once: in two, the IA was unable to despatch her decision letter on time because either the Council's computer system was down, or she had been asked to hold the letter pending an officer discussion with her.*

## Number of cases received: a comparison

The Council and Regenter	Lewisham Homes	Total cases received
55 (67%)	27 (33%)	<b>*82</b>

*\*Includes 28 complaints that were withdrawn or considered to be outside the IA's jurisdiction*

## Cases received by Council directorate/partner

*Total number of stage three complaints against each directorate and each partner with the number of withdrawn/out of jurisdiction complaints in brackets (28)*

Customer Services	Resources and Regeneration	Community Services	Children and Young People	Regenter	Lewisham Homes	TOTAL
28 (6)	11 (4)	1 (1)	10 (6)	5 (1)	27 (10)	<b>82</b>

## Cases determined by subject

*Number of complaints determined by subject – does not include those that were withdrawn/considered to be out of jurisdiction: number upheld in full or in part in brackets*

	All Council/Partners*	Council and Regenter	Lewisham Homes
Council Tax	9 (1)	9 (1)	
Repairs	7 (4)	1 (1)	6 (3)
Planning	6 (2)	6 (2)	
Leaseholders	5 (1)	3	2 (1)

Housing management	3 (1)		3 (1)
Housing allocations	3 (1)	3 (1)	
ASB	3 (1)		3 (1)
Refuse collection/flytipping	3 (2)	3 (2)	
SEN	2 (2)	2 (2)	
Benefits	2	2	
No Recourse to Public Funds	2	2	
Trees	2	2	
Temporary accommodation	2 (2)	1 (1)	1 (1)
Housing Improvement Grants	1 (1)	1 (1)	
Major Works	1 (1)		1 (1)
Building Control	1 (1)	1 (1)	
Parking permits	1 (1)		1 (1)
Abandoned vehicle	1 (1)	1 (1)	
Blue Badge	1	1	
Golf club closure	1	1	
Garages	1		1
Adoption	1 (1)	1 (1)	
Childminder register	1 (1)	1 (1)	
<b>Total for all Council</b>	<b>59 (24)</b>	<b>41 (15)</b>	<b>18 (9)</b>

*\*Some complaints raised more than one issue but were categorised according to the main issue*

#### **Compensation awarded in nine cases including those against Lewisham Homes\***

Up to and including £100	£101 - £500	£501 and above	TOTAL – COUNCIL/RB3	TOTAL INC LH
	£860	£10589.80	<b>£11449.80</b>	<b>£13699.80**</b>

*\*Lewisham Homes - four cases - £2250*

*\*\*In a further three cases – one about Lewisham Homes, one about the Council and a joint complaint against both authorities, the IA proposed compensation, but she was unable to determine the amount pending action by one or both of the authorities that would help her establish the level of injustice suffered and a fair and reasonable remedy in response.*

20 July 2017

*By email*

Barry Quirk  
Chief Executive  
London Borough of Lewisham

Dear Barry Quirk

### **Annual Review letter 2017**

I write to you with our annual summary of statistics on the complaints made to the Local Government and Social Care Ombudsman (LGO) about your authority for the year ended 31 March 2017. The enclosed tables present the number of complaints and enquiries received about your authority and the decisions we made during the period. I hope this information will prove helpful in assessing your authority's performance in handling complaints.

The reporting year saw the retirement of Dr Jane Martin after completing her seven year tenure as Local Government Ombudsman. I was delighted to be appointed to the role of Ombudsman in January and look forward to working with you and colleagues across the local government sector in my new role.

You may notice the inclusion of the '*Social Care Ombudsman*' in our name and logo. You will be aware that since 2010 we have operated with jurisdiction over all registered adult social care providers, able to investigate complaints about care funded and arranged privately. The change is in response to frequent feedback from care providers who tell us that our current name is a real barrier to recognition within the social care sector. We hope this change will help to give this part of our jurisdiction the profile it deserves.

### **Complaint statistics**

Last year, we provided for the first time statistics on how the complaints we upheld against your authority were remedied. This year's letter, again, includes a breakdown of upheld complaints to show how they were remedied. This includes the number of cases where our recommendations remedied the fault and the number of cases where we decided your authority had offered a satisfactory remedy during the local complaints process. In these latter cases we provide reassurance that your authority had satisfactorily attempted to resolve the complaint before the person came to us.

We have chosen not to include a 'compliance rate' this year; this indicated a council's compliance with our recommendations to remedy a fault. From April 2016, we established a new mechanism for ensuring the recommendations we make to councils are implemented, where they are agreed to. This has meant the recommendations we make are more specific, and will often include a time-frame for completion. We will then follow up with a council and seek evidence that recommendations have been implemented. As a result of this new process, we plan to report a more sophisticated suite of information about compliance and service improvement in the future.

This is likely to be just one of several changes we will make to our annual letters and the way we present our data to you in the future. We surveyed councils earlier in the year to find out, amongst other things, how they use the data in annual letters and what data is the most useful; thank you to those officers who responded. The feedback will inform new work to



provide you, your officers and elected members, and members of the public, with more meaningful data that allows for more effective scrutiny and easier comparison with other councils. We will keep in touch with you as this work progresses.

I want to emphasise that the statistics in this letter comprise the data we hold, and may not necessarily align with the data your authority holds. For example, our numbers include enquiries from people we signpost back to the authority, but who may never contact you.

In line with usual practice, we are publishing our annual data for all authorities on our website. The aim of this is to be transparent and provide information that aids the scrutiny of local services.

During the year we issued one public report against your Council. This arose from a previous complaint where the Council had failed to properly deal with a request for an appeal against a benefits decision. The Council agreed to remedy the complaint by dealing with the appeal. However the Council did not do so and instead sent bailiffs to the complainant's home seeking payment of one alleged debt and sent confusing correspondence about another alleged debt. This resulted in a new complaint to my office. We issued a public report because of the seriousness of the Council failing to provide a remedy it had freely agreed to, compounded by its sending bailiffs. We were able to close the case when the Council provided evidence the recommendations had been complied with in full.

Unfortunately, there have been examples of poor complaint handling by your Council in the investigations we conducted this year, which is disappointing. In one instance, the Council maintained during our investigation that it was not at fault for failing to accept a homelessness application and for placing the complainant in a room smaller than the legal minimum for statutory overcrowding. Fault was accepted only after my Investigator spoke to a manager and sent a draft decision. As the facts were clear, this could have been done much sooner. Though the Council agreed a remedy, the complainant had to return to us two months later as the apology and financial payments had not been made. This is particularly concerning given it mirrors issues identified in the case we publicly reported, referred to above.

In other examples, my investigators have been required to contact your Council several times to get responses. There have also been instances of incomplete responses and two complaints gave cause for concern about the Council's handling of complaints under the statutory children's complaints procedure.

More positively, I am pleased to note the Council has responded constructively and promptly to our proposals to remedy two complaints about school transport. I hope to see more examples of this good practice during this year.

### **The statutory duty to report Ombudsman findings and recommendations**

As you will no doubt be aware, there is duty under section 5(2) of the Local Government and Housing Act 1989 for your Monitoring Officer to prepare a formal report to the council where it appears that the authority, or any part of it, has acted or is likely to act in such a manner as to constitute maladministration or service failure, and where the LGO has conducted an investigation in relation to the matter.

This requirement applies to all Ombudsman complaint decisions, not just those that result in a public report. It is therefore a significant statutory duty that is triggered in most authorities every year following findings of fault by my office. I have received several enquiries from

authorities to ask how I expect this duty to be discharged. I thought it would therefore be useful for me to take this opportunity to comment on this responsibility.

I am conscious that authorities have adopted different approaches to respond proportionately to the issues raised in different Ombudsman investigations in a way that best reflects their own local circumstances. I am comfortable with, and supportive of, a flexible approach to how this duty is discharged. I do not seek to impose a proscriptive approach, as long as the Parliamentary intent is fulfilled in some meaningful way and the authority's performance in relation to Ombudsman investigations is properly communicated to elected members.

As a general guide I would suggest:

- Where my office has made findings of maladministration/fault in regard to routine mistakes and service failures, and the authority has agreed to remedy the complaint by implementing the recommendations made following an investigation, I feel that the duty is satisfactorily discharged if the Monitoring Officer makes a periodic report to the council summarising the findings on all upheld complaints over a specific period. In a small authority this may be adequately addressed through an annual report on complaints to members, for example.
- Where an investigation has wider implications for council policy or exposes a more significant finding of maladministration, perhaps because of the scale of the fault or injustice, or the number of people affected, I would expect the Monitoring Officer to consider whether the implications of that investigation should be individually reported to members.
- In the unlikely event that an authority is minded not to comply with my recommendations following a finding of maladministration, I would always expect the Monitoring Officer to report this to members under section five of the Act. This is an exceptional and unusual course of action for any authority to take and should be considered at the highest tier of the authority.

The duties set out above in relation to the Local Government and Housing Act 1989 are in addition to, not instead of, the pre-existing duties placed on all authorities in relation to Ombudsman reports under The Local Government Act 1974. Under those provisions, whenever my office issues a formal, public report to your authority you are obliged to lay that report before the council for consideration and respond within three months setting out the action that you have taken, or propose to take, in response to the report.

I know that most local authorities are familiar with these arrangements, but I happy to discuss this further with you or your Monitoring Officer if there is any doubt about how to discharge these duties in future.

### **Manual for Councils**

We greatly value our relationships with council Complaints Officers, our single contact points at each authority. To support them in their roles, we have published a Manual for Councils, setting out in detail what we do and how we investigate the complaints we receive. When we surveyed Complaints Officers, we were pleased to hear that 73% reported they have found the manual useful.

The manual is a practical resource and reference point for all council staff, not just those working directly with us, and I encourage you to share it widely within your organisation. The manual can be found on our website [www.lgo.org.uk/link-officers](http://www.lgo.org.uk/link-officers)

## Complaint handling training

Our training programme is one of the ways we use the outcomes of complaints to promote wider service improvements and learning. We delivered an ambitious programme of 75 courses during the year, training over 800 council staff and more 400 care provider staff. Post-course surveys showed a 92% increase in delegates' confidence in dealing with complaints. To find out more visit [www.lgo.org.uk/training](http://www.lgo.org.uk/training)

Yours sincerely

A handwritten signature in black ink, appearing to read 'M King', with a stylized flourish at the end.

Michael King  
Local Government and Social Care Ombudsman for England  
Chair, Commission for Local Administration in England

**Local Authority Report:** London Borough of Lewisham  
**For the Period Ending:** 31/03/2017

For further information on how to interpret our statistics, please visit our website:  
<http://www.lgo.org.uk/information-centre/reports/annual-review-reports/interpreting-local-authority-statistics>

## Complaints and enquiries received

Adult Care Services	Benefits and Tax	Corporate and Other Services	Education and Children's Services	Environment Services	Highways and Transport	Housing	Planning and Development	Other	Total
16	27	5	28	6	11	36	5	1	135

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## Decisions made

				Detailed Investigations			
Incomplete or Invalid	Advice Given	Referred back for Local Resolution	Closed After Initial Enquiries	Not Upheld	Upheld	Uphold Rate	Total
7	4	60	31	12	26	68%	140

### Notes

Our uphold rate is calculated in relation to the total number of detailed investigations.  
 The number of remedied complaints may not equal the number of upheld complaints. This is because, while we may uphold a complaint because we find fault, we may not always find grounds to say that fault caused injustice that ought to be remedied.

### Complaints Remedied

by LGO	Satisfactorily by Authority before LGO Involvement
23	1

	Bellingham	Blackheath	Brockley	Catford South	Crofton Park	Downham	Evelyn	Forest Hill	Grove Park	Ladywell	Lee Green	Lewisham Central	New Cross	Perry Vale	Rushey Green	Sydenham	Telegraph Hill	Whitefoot	Grand Total
Refuse	46	48	54	58	79	52	29	70	56	64	57	76	35	56	50	60	37	30	957
Advice and Reviews	31	7	38	28	12	26	28	16	31	16	21	40	37	10	45	32	27	34	479
Housing and Council Tax Benefits	28	4	23	32	16	16	24	8	17	7	11	31	31	21	10	23	11	19	332
Council Tax	15	11	27	15	10	11	25	15	15	20	13	29	25	9	26	15	21	23	325
LH - Tenancy - Tenancy Team	7	15	17	1	4	2	37	2	7	1	11	9	44	10	10	16	29		222
Highways - Street Works	3	9	5	2	2	6	2	4	3	5	10	8	4	5	74	2	4	2	150
LH - Repairs - Responsive Repairs	3	14	15		4		28	5	1	2	5	7	28	8	5	6	13	1	145
Highways - Traffic Management Act	6	7	6	8	5	6	1	10	5	13	12	15	11	5	9	7	6	3	135
Street Services	8	7	4	11	8	12	5	5	9	3	9	10	11	5	6	1	10	7	131
Corporate Complaints	3	4	10	7	6	4	9	5	8	8	9	7	8	2	12	10	6	4	122
Green Scene	9	6	5	6	11	5	1	1	6	6	3	2	5	7	7	4	11	8	103
Policy	4	8	6	5	8	1	5	4	3	4	7	5	4	4	12	6	8	3	97
Parking	2	8		3	4	1	2	5	4	4	4	13	7	2	11	3	3		76
CS - Service Improvement - Customer Relations Team	2	9	5				7	2	1		4	2	9	4		11	5		61
Casework Team (Customer Services)	3	3	5	3	3	1			2	8		3	5	3	5	2	2	3	51
Recycling	2	4	2	2	4	1	2	3	6	2	5		1	5	2	7	1	2	51
Rehousing Development	3	2	3	2	1	2	3	3	3		1	6	2	3	5	1	5	4	49
Environmental Enforcement	3	3	4	7	2	3	3	1	1		2		3	2	9		3		46
Private Sector Housing		1		10	2	5	2		1	2	3	1	5	2	3	1	2	4	44
Other service areas	2	3	3		3	6	2	1	2		3	4	3		2	3	1	5	43
Anti-social Behaviour	6	2	1	2	1	3	1			2	1	3	5		11		1	1	40
Education Access	1		2	1	2	1	5		2	3	1		3	3	2	1	2	4	33
Single Homeless Intervention and Prevention	1	2	5	1	1	1	2	2		3	5	1			2	1	1	3	31

	Bellingham	Blackheath	Brockley	Catford South	Crofton Park	Downham	Evelyn	Forest Hill	Grove Park	Ladywell	Lee Green	Lewisham Central	New Cross	Perry Vale	Rushey Green	Sydenham	Telegraph Hill	Whitefoot	Grand Total
Housing - Tenancy			14		1					13									28
Integrated neighbourhoods	1	1			3	1			2	4	2	2	1	1	5		1	3	27
LH - Major Works - Capital Programming		2	1		1			3		1	3	2	3	1	2	2	4		25
Children with disabilities	1	1		4	1	1	1	1	3		2		1		2	1	1	4	24
Library and Information Services	3	1		2		2	1	1			4		1	4	2	1		1	23
Complaints Team (CYP)	1	1		4		2	2		1		2	1		1	1	5	1		22
CSC Telephony		1	2	1	2	1	1	1		3		2	1	2	1	1		3	22
Development Control		2	1							6		4	1		7	1			22
LH - Tenancy - ASB			2	1	1		6				1		3	3	1	1	3		22
Property - Repairs			14							8									22
Housing - Customer services			10		4					5						2			21
LH - Repairs - Technical Team		2			1		2	1			1	1	3	6			4		21
LH - Tenancy - Occupancy	2	4					2				1	1	2	1	2	1	4		20
Highways - Transport Works	1		2		2		1			1	3	1	2	1	3		1		18
LH - Leasehold Services			2				4	1			3		1	1	1	3	2		18

	Bellingham	Blackheath	Brockley	Catford South	Crofton Park	Downham	Evelyn	Forest Hill	Grove Park	Ladywell	Lee Green	Lewisham Central	New Cross	Perry Vale	Rushey Green	Sydenham	Telegraph Hill	Whitefoot	Grand Total
LH - Estate Services - Caretaking		1					1	4	1				3	3	2	1	1		17
MITIE			2										12		1		2		17
Housing Strategy		1		1	1					1			4		4	1	1	2	16
LH - MNE - Gas		4	2				3				1	1		1		2	2		16
Casework Team (Regeneration)			1	2	1		2		1		3	1		1	1	1			14
Executive Director's Office	1	2	2		2	1	1			1	1	1		1				1	14
Private Sector Leasing	2		2	3				1			1	1	1	2				1	14
Concessionary Awards Team	3	2	1	1			1					2				1	1	1	13
Customer Relations Team (Community Services)					1		2				4		4	1					12
Electoral Services			2	1	1	1		1				1	1			1		3	12
Lewisham Enforcement Services			1	1				1				3	1	1	1	2		1	12
Corporate Communication		1			1	1	1	2	1	1	1	1		1		1			11
Sport and Leisure		1		1	2			1			3				2			1	11
Street Lighting		2			2	1		2		2	1				1				11

NOTES

	Bellingham	Blackheath	Brockley	Catford South	Crofton Park	Downham	Evelyn	Forest Hill	Grove Park	Ladywell	Lee Green	Lewisham Central	New Cross	Perry Vale	Rushey Green	Sydenham	Telegraph Hill	Whitefoot	Grand Total
Insurance and Risk				2	2				1			2			1	2			10
LH - Estate Services - Grounds Maintenance		2	2				1						4				1		10
No Recourse	1				1	1				1		1			1		2	2	10
Business Regulatory Services	1			1	2	2						1				1	1		9
Community Safety		1	1		1									1	4	1			9
LH - Major Works - Construction Delivery		1					2						4	1		1			9
LH - MNE - Other			1								3		1	1			3		9
Breyer		1									2	3				2			8
Housing - Income			5							3									8
Lewisham Homes (DH)		3					1				1		2				1		8
Student and Pupil Services					2				2					1	2			1	8
Customer Relations Team			4							3									7
Family Support and Intervention			1			1		1		1		1					2		7



	Bellingham	Blackheath	Brockley	Catford South	Crofton Park	Downham	Evelyn	Forest Hill	Grove Park	Ladywell	Lee Green	Lewisham Central	New Cross	Perry Vale	Rushey Green	Sydenham	Telegraph Hill	Whitefoot	Grand Total
Highways - Maintenance Utilities							1						2	2	2				7
LH - Repairs - Contact Centre	2				1							1		2		1			7
LH - Repairs - Voids		1	1				1	1								3			7
AWLD Social work			1			1				1		1	1				1		6
Fleet					1	1						1					1	2	6
Health intelligence			2									1			2	1			6
Income Team - Patch 1		1									1	1				1	2		6
Referral and assessment			1	1								1			2		1		6
School Improvement							1				1		1		3				6
Asset Strategy & Development		1			1			1		1					1				5
Economic Development			1				1					1	1				1		5
Housing - Caretaking			3							2									5
LH - Customer Services		1	1				1									1	1		5
Looked after children			1			1	1						1		1				5









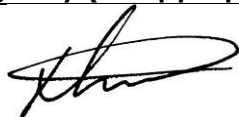
	Bellingham	Blackheath	Brockley	Catford South	Crofton Park	Downham	Evelyn	Forest Hill	Grove Park	Ladywell	Lee Green	Lewisham Central	New Cross	Perry Vale	Rushey Green	Sydenham	Telegraph Hill	Whitefoot	Grand Total
Revenues and Accounting							1												1
Road Safety												1							1
Social Care and Health												1							1
Technology Solutions Team									1										1
Urban Design, Conservation and Heritage								1											1
Youth Service										1									1
Grand Total	212	225	331	234	234	187	269	191	202	241	246	319	352	208	388	258	260	190	4547

<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>

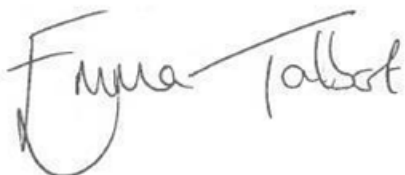
<b>Date of Meeting</b>	10 <sup>th</sup> January 2018	
<b>Title of Report</b>	Local Development Scheme 2018	
<b>Originator of Report</b>	David Syme	<b>Ext. 47400</b>

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>		
<b>Reason for Urgency (as appropriate)</b>		



Signed: \_\_\_\_\_ Executive Member  
 Date: 21<sup>st</sup> December 2017



Signed: \_\_\_\_\_ Director/Head of Service

Date 20<sup>th</sup> December 2017

**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>	Local Development Scheme (LDS) 2018		
<b>Key Decision</b>	Yes		Item No.
<b>Wards</b>	All		
<b>Contributors</b>	Executive Director for Resources and Regeneration		
<b>Class</b>	Part 1	Date: 10 January 2018	

**1. Purpose**

1.1 This report seeks approval of the revised Local Development Scheme (LDS) 2018.

**2. Summary**

- 2.1 The LDS outlines the suite of Lewisham’s planning policy documents and the programme for preparing or reviewing them. This includes a work plan for a new Local Plan for Lewisham that sets out the vision and a framework for the future development of the borough, including the planning policies that will guide the assessment and determination of planning applications. At present the adopted Development Plan Documents (DPDs) include the Core Strategy DPD, Site Allocations DPD, Development Management DPD and the Lewisham Town Centre Local Plan DPD. These are supported by a number of Supplementary Planning Documents (SPDs) and other supporting documents.
- 2.2 To reflect changing local circumstances and new government planning guidance and legislation, the previous LDS (adopted in 2015) is being revised. The revised LDS sets out a new programme to prepare the new Local Plan which will look to develop an integrated approach planning in Lewisham. Going forward into 2018, the current Local Plan will be reviewed and revised where necessary.
- 2.3 These documents together with the London Plan, form the development plan for Lewisham. The Planning and Compulsory Purchase Act 2004 (the Act) (as amended by Planning Act 2008 and Localism Act 2011) outlines the requirement for the LDS, and requires the Council to keep its LDS up-to-date.
- 2.4 This report sets out the details of the new LDS and identifies the documents that will form the new Local Plan in Lewisham.

**3. Recommendation**

The Mayor is recommended to;



- 3.1 Approve the revised content and timetable of the Local Development Scheme in Annex 1 and subject to confirmation that it is not intended to direct any changes, approve it's publication and placement on the Council's website.
- 3.2 Authorise the Executive Director for Resources and Regeneration to make any minor changes to the text and format of the documents prior to publication.
- 3.3 Refer to Council for information.

#### **4. Policy context**

- 4.1 The LDS contributes to the implementation of the Council's Sustainable Community Strategy (2008-2020) 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, anti-social 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 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 communities and town centres, well connected to London and beyond.
- 4.2 The LDS contributes to the implementation of the Council's Corporate Priorities including:
  - 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 and using the Council's 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, effectiveness and equity in the delivery of excellent services to meet the needs of the community

4.3 The Planning and Compulsory Purchase Act 2004 (as amended by the Planning Act 2008 and Localism Act 2011) set out the requirements when preparing and reviewing planning policy documents, and Development Plan Documents must be prepared in accordance with the Local Development Scheme.4.3 The LDS outlines the planning documents that will form the new Local Plan for Lewisham. The new Local Plan will seek to align to the Council’s Sustainable Community Strategy (Shaping Our Future), which was prepared by the Local Strategic Partnership, and adopted by the Council in May 2008.

4.4 The documents outlined within the LDS will seek to align with a range of other Council policies and strategies. These may include, but are not limited to, the following:

- Business Growth Strategy 2013-23
- Children and Young People’s Plan 2015-18
- Comprehensive Equalities Scheme 2016-20
- Flood Risk Management Strategy 2015
- Health and Wellbeing Strategy 2015-18
- Housing Strategy 2015-20
- Local Implementation Plan (Transport) 2011-31
- Open Spaces Strategy 2012-17
- Primary Strategy for Change 2008-17
- People Prosperity Place; Regeneration Strategy 2008-20
- Safer Lewisham Plan 2017-2018
- Strategic Asset Management Plan 2015-20

4.5 The documents outlined within the LDS will seek to contribute to the achievement of the strategic aims of the Resources and Regeneration directorate which are:

- Enabling and supporting the regeneration of Lewisham and helping to strengthen the local economy
- Supporting the creation of a safe, attractive, healthy and sustainable environment for the benefit of local people and
- Connecting people to economic, leisure and learning opportunities

4.6 The LDS is part of the Council's policy framework as set out in the Council’s Constitution and requires the approval of Full Council to be adopted.

## **5. Background**

5.1 To date, a portfolio of planning documents (previously known as the Local Development Framework) have been prepared by the Council, which collectively

will deliver the vision and a framework for the future development of Lewisham. This includes:

- A number of different DPDs setting out spatial strategies and land uses, development policies, and site allocations for the borough and for specific areas (such as Lewisham Town Centre)
- Supplementary Planning Documents (SPDs) for specific issues or areas
- Supporting documents such as the Annual Monitoring Report (AMR) which reports on the Council's performance on a range of indicators, and the Statement of Community Involvement (SCI) outlining how the Council will consult on planning policy issues and development control matters

5.2 Going forward a review and revision of the Local Plan will be undertaken as necessary, in line with government guidance set out in the National Planning Policy Framework (2012) (NPPF) and relevant planning legislation. Existing planning documents will be reviewed and relevant planning policies will be retained for the new Local Plan.

5.3 The LDS is a project plan that outlines what planning documents the Council is preparing and the timeline for their preparation and adoption. The current version of the LDS was adopted by Full Council at its meeting on 24 June 2015.

5.5 The Act (as amended) requires that the LDS is kept up to date. To reflect changing local circumstances and new government planning guidance and legislation, the current LDS (2015) timetable will be replaced, with the attached new LDS providing a new programme and documentation that reflects ambitions for a new Local Plan. The new LDS has been prepared to reflect current government regulations and guidance, and to reflect changes to local circumstances since 2015.

## **6. LDS content**

6.1 The revised LDS aligns to new planning regulations that governs plan preparation; the Town and Country Planning (Local Planning) (England) Regulations (2012), which amends the stages of preparing Local Plans. Government guidance contained in the NPPF allows for both a single plan approach with an integrated Local Plan, as well as an approach whereby a suite of documents form the Local Plan. Whilst guidance encourages the integration of plans, the NPPF does not preclude multiple documents forming the Local Plan where this is justified.

6.2 The Council is committed to meeting ambitions to provide a new Local Plan for Lewisham. This will require a review and revision where necessary of the existing adopted planning policies as part of the production of a new Local Plan. The new Local Plan will include the production of a separate, single issue local plan on the topic of Gypsy and Travellers. In addition the Council will produce a new SCI, Site Allocations (Policies Map), and Alterations and Extensions SPD. At present the Council intends to retain the Lewisham Town Centre Local Plan, which was adopted in February 2014.

- 6.3 The new Local Plan will review and revise where necessary, the following currently adopted DPDs and SPDs:
- (i) the Core Strategy (June 2011)
  - (ii) the Site Allocations Local Plan (June 2013)
  - (iii) the Development Management Local Plan (November 2014)
  - (iv) Residential Development Standards SPD (2006) (updated 2012)
- 6.4 There are currently a number of other SPDs adopted by the Council, these include:
- (i) Shopfront Design Guide SPD (2006)
  - (ii) Planning Obligations SPD (2015)
  - (iii) Bromley Road / Southend SPD (2009)
  - (iv) Deptford Creekside SPD (2012)
  - (v) River Corridor Improvement Plan SPD (2015)

These SPDs provide further detailed planning guidance to the main policies within the current Local Plan DPDs, and form a material consideration in determining planning applications. These SPDs are not intended to be updated as part of the Local Plan preparation process, however it may become necessary to review and update these once the new Local Plan has been adopted.

- 6.5 The LDS sets out the timetable for producing the new Local Plan and associated supporting document, with a series of key milestones and dates. It shows when preparation will commence, when public consultation will take place, and the expected adoption date for each document.
- 6.6 The revised LDS is attached as Annex 1 to this report. Set out below is a brief summary of the main changes to the adopted LDS timetable from 2015, and a summary of the proposed LDS 2018.

## **7. Key changes to the LDS 2015 and summary of proposed LDS 2018**

- 7.1 The key changes to the 2015 LDS programme and summary of the proposed LDS 2018 are outlined below.

### Local Plan Documents

- 7.2 The 2015 LDS proposed to replace the Core Strategy (2011), the Site Allocations Local Plan (2013), the Lewisham Town Centre Local Plan (2014) and the Development Management Local Plan (2014) with a new Local Plan.
- 7.3 This 2018 LDS seeks to review and revise where necessary, the Core Strategy (2011), the Site Allocations Local Plan (2013), and the Development Management Local Plan (2014). The new Local Plan will replace/update these DPDs to provide an integrated approach to planning in Lewisham. It is proposed to retain the Lewisham Town Centre Local Plan which was adopted in 2014.

- 7.4 The proposed new Local Plan will be the key new planning policy document for the borough. It will set out the vision and a framework for the future development of Lewisham, including guiding decisions about individual development proposals, and provides allocations of sites for development. It is proposed to be supported by a Policies Map. The programme for this is contained within the LDS in Annex 1.

#### Gypsy and Travellers Site(s) Local Plan

- 7.5 The current 2015 LDS includes the production of a single issue Local Plan for Gypsy and Travellers. The initial phase of public consultation on the GTSLP occurred in March 2013, however it was not progressed further. In June 2015, the Council published the Lewisham Gypsy and Traveller Accommodation Needs Assessment, and in January 2016 began preparing the GTSLP including a review of the 2015 Accommodation Needs Assessment which was updated in August 2016.
- 7.6 The proposed Gypsy and Traveller's Site(s) Local Plan (GTSLP) will allocate a site(s) to meet the identified local accommodation needs of Gypsy and Traveller communities in the borough. A revised programme for this plan is included within the new LDS in Annex 1.

#### Statement of Community Involvement (SCI)

- 7.7 Since the previous SCI was adopted in 2006, there have been a number of important changes to relevant planning legislation and guidance. As such it is proposed to produce a new SCI. The programme for the SCI is contained in the LDS in Annex 1.

#### Alterations Extensions SPD Revision

- 7.8 The current Residential Design Standards SPD was prepared in 2006, and updated in 2012. It is proposed that this SPD be reviewed and partially updated by a new Alterations and Extensions SPD. The programme for this SPD is contained in the LDS in Annex 1.

#### Other Supporting Documents

- 7.9 All other SPDs and supporting documents are proposed to be retained under the 2018 LDS.

### **8. Financial Implications**

- 8.1 There are no financial implications arising from this report. The cost of updating the evidence base, public consultation, and related printing and publishing, of any Local Plan document will be met from the existing Planning Service budget.

### **9. Legal implications**

- 9.1 Many of the legal implications are set out in the body of the report. Section 9D of the Local Government Act 2000 states that any function of the local authority which is not specified in regulations under subsection (3) is to be the responsibility of an executive of the authority under executive arrangements. The Local authorities (Functions and Responsibilities (England) Regulations 2000 specifies that certain functions relating to Development Plan documents are by law the responsibility of the Council. No specific reference is made to a the preparation of the Local Development Scheme in the Regulations and as it is not a Development Plan Document it is therefore an executive function.
- 9.2 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.
- 9.3 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.
- 9.4 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.
- 9.5 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/>
- 9.6 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

- 9.7 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/>.

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

- 10.1 Local Plans allow for a spatial planning approach where the focus will be on implementing the land-use and design aspects of crime and disorder issues. Each Local Plan document or SPD detailed in the LDS will address crime and disorder issues and contain policies to control identified issues.

## **11. Equalities Implications**

- 11.1 The Council's Comprehensive Equality Scheme for 2016-20 provides an overarching framework and focus for the Council's work on equalities and helps ensure compliance with the Equality Act 2010.
- 11.2 Equalities considerations will be built into the production of each Local Plan, in the form of an Equalities Analysis Assessment (EAA). An EAA will be undertaken for both the new Local Plan and the Gypsy and Travellers Site(s) Local Plan. The EAAs can ensure, as far as is possible, any negative consequences for a particular group or sector within the community are eliminated, minimised or counter balanced by other measures.

## **12. Environmental Implications**

- 12.1 There are no direct environmental implications arising from the LDS. However, the production of the Local Plan documents specified in the LDS will have environmental implications. The planning regulations require a sustainability appraisal for all Local Plan documents and these regulations incorporate the requirements of the Strategic Environmental Appraisal Directive.

## **13. Conclusions**

- 13.1 Approve the revised content and timetable of the Local Development Scheme in Annex 1 and subject to confirmation that it is not intended to direct any changes, approve its publication and placement on the Council's website.
- 13.2 Authorise the Executive Director for Resources and Regeneration to make any minor changes to the text and format of the documents prior to publication.
- 13.3 Refer to Council for information.

## Background documents and originator

Short Title Document	Web Link	Date	File Location	File Reference	Contact Officer	Exempt
National Planning Policy Framework	<a href="http://www.communities.gov.uk/publications/planningandbuilding/nppf">http://www.communities.gov.uk/publications/planningandbuilding/nppf</a>	March 2012	Laurence House	Planning Policy	David Syme	No
Planning Act 2008	<a href="https://www.legislation.gov.uk/ukpga/2008/29/contents">https://www.legislation.gov.uk/ukpga/2008/29/contents</a>	2008	Laurence House	Planning Legislation	David Syme	No
Localism Act 2011	<a href="http://www.legislation.gov.uk/ukpga/2011/20/contents/enacted">http://www.legislation.gov.uk/ukpga/2011/20/contents/enacted</a>	2011	Laurence House	Planning Legislation	David Syme	No
Local Plan Regulations 2012	<a href="http://www.legislation.gov.uk/uksi/2012/767/contents/made">http://www.legislation.gov.uk/uksi/2012/767/contents/made</a>	2012	Laurence House	Planning Legislation	David Syme	No

If you have any queries on this report, please contact David Syme, Strategic Planning Manager, 3<sup>rd</sup> floor Laurence House, 1 Catford Road, Catford SE6 4RU, telephone 020 8314 7400.

## Annex 1: Local Development Scheme (LDS) - January 2018



## **Local Development Scheme**

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**January 2018**

**Planning Policy**

**Lewisham Borough Council**

**Note This document replaces the Local Development Scheme which was brought into effect in June 2015**

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### Appendices

**Appendix 1 – Structure of Planning Documents**

**Appendix 2 – Local Development Scheme Programme**

**Appendix 3 – Summary Breakdown of Documents**

**Appendix 4 – Neighbourhood Forum Areas in Lewisham**

## 1. Introduction

This document is a revision of Lewisham Council's Local Development Scheme (LDS). It outlines a three year programme related to the preparation of a new Local Plan, including the required supporting documents.

The Council is under a statutory duty to provide a framework of planning policies which can be used to plan positively for development and guide the determination of planning applications. This framework is called the Local Plan (formerly the Local Development Framework (LDF)), and is comprised of Development Plan Documents (DPDs), supported by Supplementary Planning Documents (SPDs), and other supporting documents. The Local Plan must comply with both the National Planning Policy Framework and be in general conformity to the Mayor's London Plan.

The primary purpose of this LDS is to outline the suite of Lewisham's planning policy documents and the programme for preparing or reviewing them. This will inform the public about planning policy documents being prepared in Lewisham, and the associated timescales. Identifying when key stages of consultation are planned will allow people to become involved in the production of these plans and associated supporting documents as they are developed.

## 2. Background and Statutory Requirements

### Statutory Requirement

Local planning authorities are required to prepare a LDS under Section 15 of the Planning and Compulsory Purchase Act 2004 (The Act). Under Section 15(2), the Local Planning Authority must specify as part of the LDS, the following:

- (a) the documents which are to be local development documents;
- (b) the subject matter and geographical area to which each document is to relate;
- (c) which documents are to be development plan documents;
- (d) which documents (if any) are to be prepared jointly with one or more other local planning authorities;
- (e) any matter or area in respect of which the authority have agreed (or propose to agree) to the constitution of a joint committee under section 29;
- (f) the timetable for the preparation and revision of the documents;
- (g) such other matters as are prescribed.

Section 111 of the Localism Act 2011 amends this section so that local planning authorities will have to publish up to date information direct to the public on the LDS, including their compliance with the timetable for the preparation or revision of Development Plan Documents.

### Local Development Scheme (2015)

In 2015 the Council prepared a LDS to take into account the implications of changing local circumstances and new government planning guidance and legislation. A Main Issues consultation was undertaken during October and November 2015, as part of a new Local Plan preparation process. This process was subsequently paused in 2016 in light of changing local circumstances and the emergence of revised government policy and guidance.

### Lewisham Planning Policy Background

Lewisham adopted its UDP in 2004, which has been superseded over a number of years as various DPDs were adopted. A list of superseded UDP policies was presented during Examination in Public of these DPDs, and a summary is outlined within the appendices of the adopted Core Strategy (2011) and Development Management Local Plan (2014).

The Council produced its Local Development Framework (now known as the Local Plan) by adopting the following key DPDs:

- Core Strategy (2011)
- Site Allocations Local Plan (2013)
- Lewisham Town Centre Local Plan (2014)
- Development Management Local Plan (2014)

These DPDs are supported by the Policies Map (2011, updated in 2015), the Statement of Community Involvement (2006), and the Annual Monitoring Report (produced annually from 2004 to present).

The Council also prepared and adopted the following SPDs:

- Shopfront Design Guide SPD (2006)
- Bromley Road, Southend Village SPD (2009)
- Residential Standards SPD (2006, updated 2012)
- Planning Obligations SPD (2015)
- River Corridor Improvement Plan SPD (2015)

This combination of DPDs, SPDs and supporting documents collectively deliver the spatial planning strategy for Lewisham known as the Local Plan.

### **3. Policy Framework**

#### *Conformity with Sub-Regional and National Policy*

The Local Plan proposed in the LDS must be in general conformity with respect of both the London Plan (2016) and the National Planning Policy Framework (2012)(NPPF).

The National Planning Policy Framework sets out the government's national planning policies for England and how they are expected to be applied.

The London Plan is the overall strategic plan for the whole of London. The plan brings together the London Mayor's other strategies and provides the policy context within which boroughs should set their detailed local planning policies (including those in Local Plans). The plan forms part of the development plan for Greater London and the council's planning policies needs to be in general conformity with its policies.

#### *Planning Reform and the new London Plan*

The 2017 Housing White Paper puts forward the government's pledge on planning reform to help diversify the housing market, speed up housing delivery and helping people to afford a home. In particular, the White Paper put forward changes to the National Planning Policy Framework. The Government has indicated that they intend to publish a revised NPPF in spring 2018.

The London Mayor is currently preparing a new London Plan. Once made the new London Plan will replace the current London Plan. Consultation of the draft London Plan will take

place over 1 December and 2 March 2018, followed by the examination of the draft London Plan in autumn 2018 and publication of the final London Plan in autumn 2018.

The broad structure of planning documents, from national to borough level, can be found in Appendix 1.

### Relationship to other Council Strategies

The Sustainable Community Strategy 2008 - 2020 (Shaping our future: Lewisham Sustainable Community Strategy) (SCS), has been prepared by Lewisham's Local Strategic Partnership, and sets out how the vision and priorities for Lewisham will be achieved. Whilst it does not form part of the Local Plan or supporting documents, it will need to be duly considered during the production of the new Local Plan.

There are a number of other local strategies that do not form part of the Local Plan, but which will need to be taken into account in preparing the new Local Plan. These may include, but are not limited to, the following:

- Business Growth Strategy 2013-23
- Children and Young People's Plan 2015-18
- Comprehensive Equalities Scheme 2016-20
- Flood Risk Management Strategy 2015
- Health and Wellbeing Strategy 2015-18
- Housing Strategy 2015-20
- Local Implementation Plan (Transport) 2011-31
- Open Spaces Strategy 2012-17
- Primary Strategy for Change 2008-17
- People Prosperity Place; Regeneration Strategy 2008-20
- Safer Lewisham Plan 2017-2018
- Strategic Asset Management Plan 2015-20

### Neighbourhood Plans

Neighbourhood planning is a relatively new right for communities that gives them the opportunity to develop a shared vision for their neighbourhood and influence the development and growth of their local area. Neighbourhood Plans may be produced by Neighbourhood Forums, which evolve from the designation of Neighbourhood Areas. When a Neighbourhood Plan is adopted it forms part of the Lewisham Local Plan. Since Neighbourhood Forums lead the production of the Neighbourhood Plan (with support from the Council), the programme of each Neighbourhood Plan is not included in the LDS.

The Neighbourhood Areas designated in the borough are shown in Appendix 4 for information. Table 1 below identifies the current milestone each Neighbourhood Area has reached in preparing a plan, and it is likely that these will progress over the LDS period.

Table 1: Neighbourhood Area / Forum - Plan Preparation Progress

Neighbourhood Area	Progress (November 2017)
Deptford	Working on a Draft Pre-Submission Plan.
Honor Oak Park & Crofton Park	Working on Final Draft of Pre-Submission Plan. Currently undertaking SEA.
Lee	Working on a Draft Pre-Submission Plan
Corbett	Working on a Draft Pre-Submission Plan
Grove Park	Initial draft of Pre-Submission plan prepared

#### 4. Local Development Scheme (2018)

The new Local Plan will be prepared in accordance with statutory requirements, which includes consultation with the public, and an Examination in Public by an independent inspector. When adopted the Local Plan will provide a framework of planning policies which can be used to plan positively for development and guide the determination of planning applications. It will likely include a mix of new and existing DPDs, SPDs, and supporting documents. To develop the new Local Plan a large amount of background work and supporting information and evidence will need to be developed. The programme for the Local Plan is set out in Appendix 2. A summary breakdown of documents is set out in Appendix 3.

##### Proposed New Local Plan

This LDS (2018) seeks to review and revise where necessary, the Core Strategy (2011), the Site Allocations Local Plan (2013), and the Development Management Local Plan (2014). The new Local Plan will replace/update these DPDs to ensure an integrated approach to planning in Lewisham. It is proposed to retain the Lewisham Town Centre Local Plan which was adopted in 2014.

The new Local Plan will set out the vision and a framework for the future development of Lewisham, including guiding decisions about individual development proposals, and provide allocations of sites for development. It is proposed to be supported by a Policies Map. The programme for this is contained within Appendix 2.

##### Gypsy and Travellers Site(s) Local Plan

It is proposed to include a single issue Gypsy and Travellers Site(s) Local Plan as part of the suite of Local Plan documents. This will allocate a site(s) to meet the identified local accommodation needs of Gypsy and Traveller communities in the borough. A revised programme for this plan is included within the new LDS in Appendix 2.

##### Statement of Community Involvement (SCI)

Since the previous SCI was adopted in 2006, there have been a number of important changes to relevant planning legislation and guidance. As such it is proposed to produce a new SCI. The programme for the SCI is contained in Appendix 2.

##### Alterations and Extensions SPD

The current Residential Design Standards SPD was prepared in 2006, and updated in 2012. It is proposed that this SPD be reviewed and partially updated by a new Alterations and Extensions SPD. The programme for this SPD is contained in Appendix 2.

#### Other Supporting Documents

All other SPDs and supporting documents are proposed to be retained under the 2018 LDS.

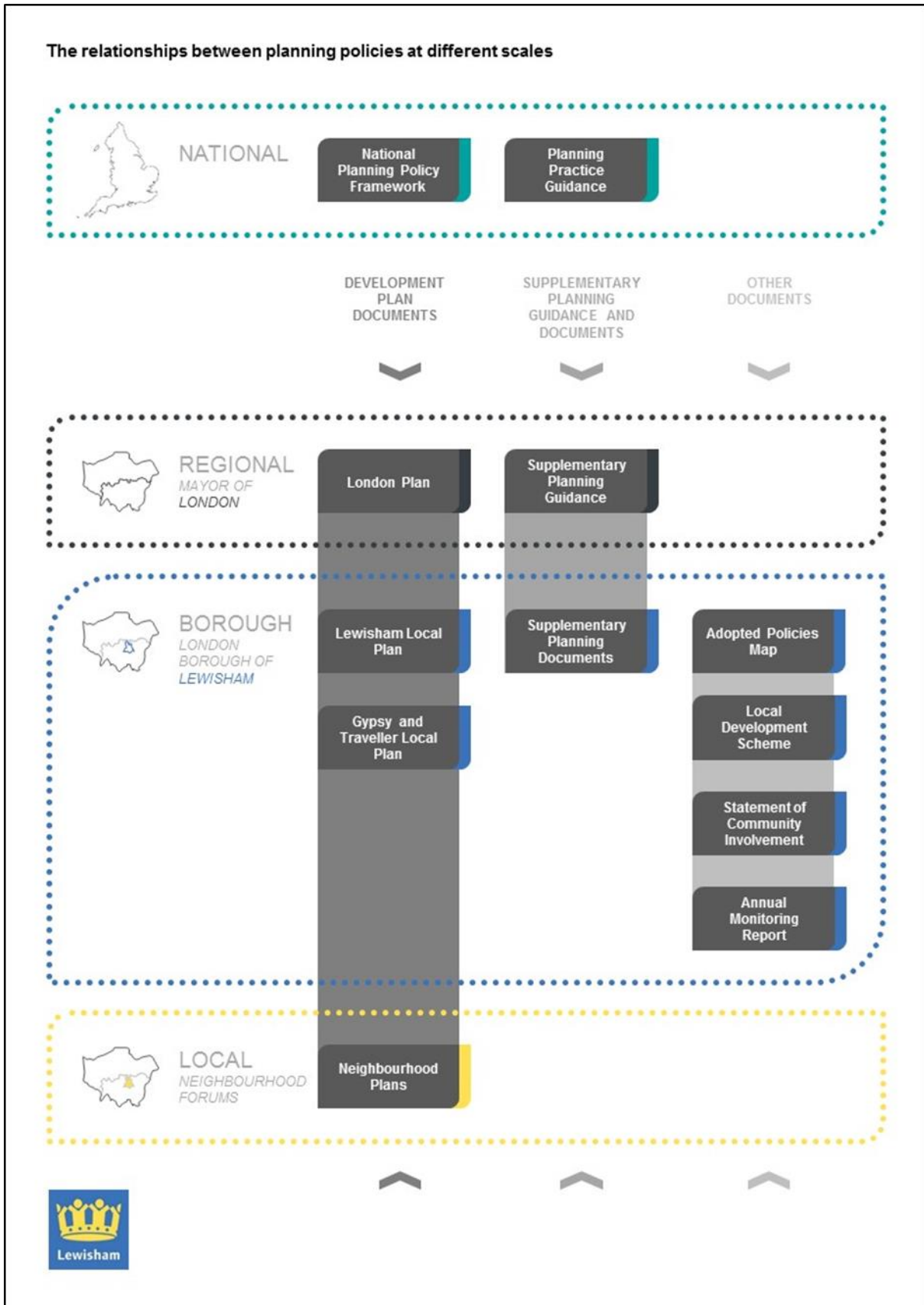
### **5. Decision Making and Governance**

All key decisions will be made by the relevant committee in line with the Lewisham Constitution. This may include approval by Mayor and Cabinet / Full Council for key stages of the Local Plan preparation and adoption, as necessary. In addition, approval by different committees may be necessary for the SPDs and supporting documents, and during different stages of the neighbourhood planning process. The Sustainable Development Select Committee will also consider the content of the Local Plan during its preparation as part of its scrutiny functions as necessary.

#### Monitoring and Review

The Annual Monitor Report (AMR) assesses the progress on the preparation of the Local Plan and LDS, as well as reviewing the effectiveness of planning policies. Lewisham publishes an AMR annually in December. This will continue to be the means to monitor and review the LDS.

## Appendix 1 – Structure of Planning Documents





## Appendix 2 - Local Development Scheme Programme

Documents	Start Date	2018				2019				2020			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Local Plan	Jan-18	<	N		1		2	S	P	E		R	A
Gypsy and Traveller Local Plan DPD	Ongoing				1		2	S	P	E		R	A
Policies Map	Feb-19			<	1		F						A
Statement of Community Involvement (SCI)	Nov-17		2	A									
Extensions & Alterations SPD	Ongoing	2	A										
<b>KEY</b>													
Commencement of Deliverable	<												
Regulation 18 notification of intention to prepare Preferred Options	N												
Regulation 18 - Public Consultation Period for Preferred Options (Consultation)	1												
Public Participation for Publication Document	2												
Submission of Local Plan (Regulation 22)	S												
Pre-examination Meeting	P												
Examination In Public	E												
Inspectors Report	R												
Adoption	A												
Finalise	F												

### Appendix 3 – Summary Breakdown of Documents

<b>TITLE</b>		<b>LEWISHAM LOCAL PLAN</b>	
<b>STATUS</b>		<b>Development Plan Document</b>	
<b>ROLE &amp; CONTENT</b>		The new Local Plan will set out the vision and a framework for the future development of Lewisham, including guiding decisions about individual development proposals, and provides allocations of sites for development.	
<b>COVERAGE</b>	Whole Borough	<b>JOINT PRODUCTION</b>	No
<b>CHAIN OF CONFORMITY</b>		<ul style="list-style-type: none"> <li>• To be consistent with the NPPF</li> <li>• To be in general conformity with the London Plan</li> </ul>	
<b>LDF REPLACEMENT</b>		<p>The Local Plan will review and update where necessary the Core Strategy (2011), Development Management Local Plan (2014), and Site Allocations Local Plan (2013).</p> <p>When the Local Plan is submitted to the Secretary of State for independent examination it will include a list of LDF policies that will be superseded.</p>	
<b>REVIEW</b>		The Local Plan will be reviewed annually as part of the Annual Monitoring Report. It is expected that the Local Plan will guide development for the 15 year period, or until a decision is taken to review it.	
<b>KEY MILESTONES</b>	<b>Commencement of preparation</b>	January 2018	
<b>Public participation on the preferred options strategy</b>		Q4 2018	
<b>Public participation on the publication plan (proposed submission plan)</b>		Q2 2019	
<b>Submission of Local Plan</b>		Q3 2019	
<b>Pre-Examination meeting if required</b>		Q4 2019	
<b>Commencement of the Examination</b>		Q1 2020	
<b>Report from Inspector</b>		Q3 2020	
<b>Adoption of Local Plan</b>		Q4 2020	

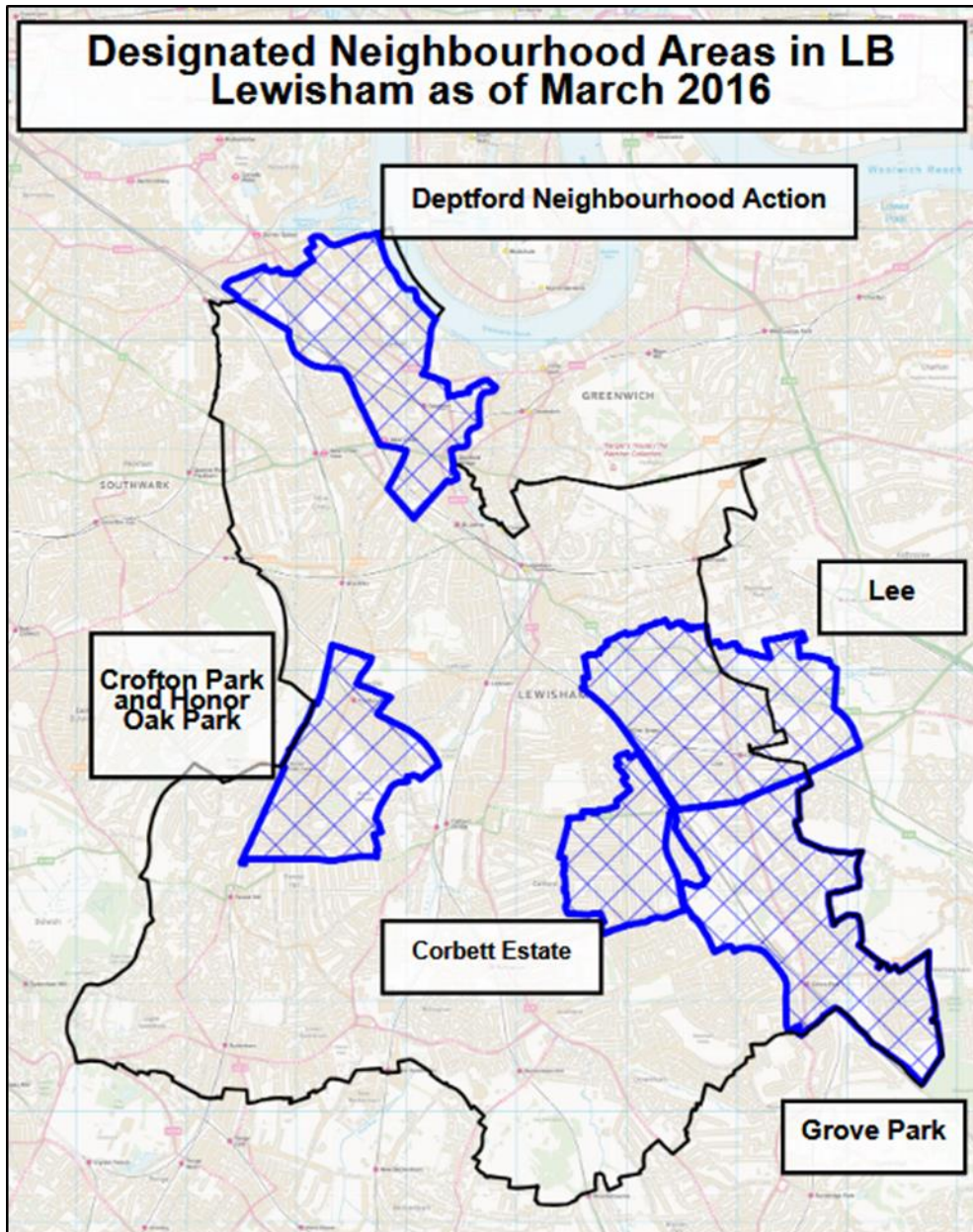
<b>TITLE</b>		<b>GYPSY &amp; TRAVELLER LOCAL PLAN</b>	
<b>STATUS</b>		<b>Development Plan Document</b>	
<b>ROLE &amp; CONTENT</b>		The Gypsy and Traveller Site(s) Local Plan (GTSLP) would form part of Lewisham's Development Plan and identify and designate land in the borough to accommodate the identified need for gypsy and travellers, as defined in the National Planning Policy for Traveller Sites (August 2015).	
<b>COVERAGE</b>	Whole Borough	<b>JOINT PRODUCTION</b>	No
<b>CHAIN OF CONFORMITY</b>		<ul style="list-style-type: none"> <li>• To be consistent with the NPPF</li> <li>• To be in general conformity with the London Plan</li> <li>• To be consistent with the Borough Local Plan</li> <li>• Policies / proposals of GTSLP to be shown graphically on the Policies Map</li> </ul>	
<b>LDF REPLACEMENT</b>		The Plan will replace a policy in the Core Strategy.	
<b>KEY MILESTONES</b>			
<b>Commencement of preparation</b>		Ongoing	
<b>Public participation on the preferred allocated site.</b>		Q2 2018	
<b>Submission of Local Plan</b>		Q3 2018	
<b>Pre-Examination Meeting if Required</b>		Q4 2018	
<b>Commencement of the Examination</b>		Q4 2018	
<b>Report from Inspector</b>		Q1 2019	
<b>Adoption</b>		Q2 2019	

<b>TITLE</b>		<b>POLICIES MAP</b>	
<b>STATUS</b>		Development Plan Document	
<b>ROLE &amp; CONTENT</b>		The Policies Map will illustrate on an Ordnance Survey base map all the policies and proposals that are an outcome of the new Local Plan. The graphical representations of the policies and proposals in the Local Plan will be updated to show the effect of any changes.	
<b>COVERAGE</b>	Whole Borough	<b>JOINT PRODUCTION</b>	No
<b>CHAIN OF CONFORMITY</b>		<ul style="list-style-type: none"> <li>• To be consistent with the NPPF</li> <li>• To be in general conformity with the London Plan</li> <li>• To graphically show the policies and proposals in the Local Plan</li> </ul>	
<b>LDF REPLACEMENT</b>		<p>The policies map replaces previous policies maps and changes brought about by the adoption of LDF documents: the Core Strategy (2011), Development Management Local Plan (2014), Site Allocations Local Plan (2013), Lewisham Town Centre Local Plan (2014).</p> <p>When the Local Plan is submitted to the Secretary of State for independent examination it will include changes to the currently adopted policies map.</p>	
<b>REVIEW</b>		The Policies Map will be constantly under review as the plans / policies depicted on it are reviewed and new plans / policies are proposed and adopted.	
<b>KEY MILESTONES</b>		The key milestones for the Policies Map will be the submission and adoption milestones for the new Local Plan.	

<b>TITLE</b>		<b>STATEMENT OF COMMUNITY INVOLVEMENT (SCI)</b>	
<b>STATUS</b>		<b>Development Plan Document</b>	
<b>ROLE &amp; CONTENT</b>		<p>The SCI sets out how the Council intends to achieve comprehensive and continuous community involvement in the preparation of local development documents, whilst also setting out how the community will be engaged in determining planning applications for development.</p> <p>The SCI will set out a framework for engaging with communities in Lewisham, this will include details of the different consultations that will occur for different planning purposes, setting out a minimum standard.</p>	
<b>COVERAGE</b>	Whole Borough	<b>JOINT PRODUCTION</b>	No
<b>CHAIN OF CONFORMITY</b>		<ul style="list-style-type: none"> <li>Conform to legislative requirements in the Planning and Compulsory Purchase Act 2004 (as Amended), Localism Act 2011, Town and Country Planning (Local Development) Regulations 2012, and Town and Country Planning (Development Management Procedure) Order 2015.</li> </ul>	
<b>LDF REPLACEMENT</b>		The new SCI would replace the currently adopted 2006 SCI, making updates due to changes in legislation requirements, and improving the consultation process between the Council and the public.	
<b>KEY MILESTONES</b>			
<b>Public participation on Drafted Document</b>		Q1 2018	
<b>Final Document Completed</b>		Q2 2018	
<b>Adoption of SPD</b>		Q2 2018	

<b>TITLE</b>		<b>ALTERATIONS AND EXTENSIONS SPD</b>	
<b>STATUS</b>		<b>Development Plan Document</b>	
<b>ROLE &amp; CONTENT</b>		<p>The Council is in the process of preparing a new Alterations and Extensions SPD.</p> <p>The Council seeks the highest design standards in residential development within the Borough, including extensions and alterations to existing residential properties.</p> <p>The Alterations and Extensions SPD will contain a set of benchmarks and design principles, taking into account some of the typical housing stock in the borough and the context in which they are found, to guide appropriate development.</p>	
<b>COVERAGE</b>	Whole Borough	<b>JOINT PRODUCTION</b>	No
<b>CHAIN OF CONFORMITY</b>		<ul style="list-style-type: none"> <li>• To be consistent with the NPPF</li> <li>• To be in general conformity with the London Plan</li> <li>• To be consistent with, and supplement, the Borough Local Plan</li> </ul>	
<b>LDF REPLACEMENT</b>		The new SPD review and partially update the currently adopted Residential Standards SPD (2006).	
<b>KEY MILESTONES</b>	<b>Commencement of preparation</b>	Already Commenced	
<b>Public participation on Drafted Document</b>		Q1 2018	
<b>Final Document Completed</b>		Q2 2018	
<b>Adoption of SPD</b>		Q2 2018	

Appendix 4 – Neighbourhood Areas in Lewisham



# Agenda Item 8

<b>Chief Officer Confirmation of Report Submission</b>		
<b>Cabinet Member Confirmation of Briefing</b>		
Report for: <b>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>	10 <sup>th</sup> January 2018	
<b>Title of Report</b>	Statement of Community Involvement	
<b>Originator of Report</b>	Alison Bradshaw	<b>Ext. 47400</b>

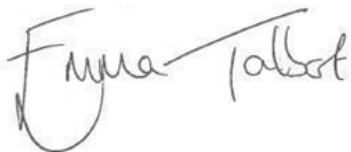
At the time of submission for the Agenda, I confirm that the report has:

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>		
<b>Reason for Urgency (as appropriate)</b>		



Signed: \_\_\_\_\_ Executive Member

Date: 21<sup>ST</sup> December 2017



Signed: \_\_\_\_\_ Director/Head of Service

Date 20<sup>th</sup> December 2017

### 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>	Statement of Community Involvement (SCI) 2018	
<b>Key Decision</b>	Yes	Item No.
<b>Wards</b>	All	
<b>Contributors</b>	Executive Director for Resources & Regeneration Head of Planning and Head of Law	
<b>Class</b>	Part 1	Date: 10 January 2018

## 1. Purpose

- 1.1 To provide Mayor and Cabinet with the information needed to approve the revised Statement of Community Involvement (SCI) for public consultation.

## 2. Summary

- 2.1 The Council adopted its current Statement of Community Involvement (SCI) in July 2006. The SCI forms part of the local development framework and is a legal planning requirement. It sets out the Council's policy for involving and communicating with interested parties in matters relating to the preparation and revision of local development framework documents and the exercise of the authority's functions in relation to planning applications.
- 2.2 Since its adoption there have been significant legal and regulatory changes to the planning system that the SCI needs to reflect. These include the changes introduced by the Planning Act 2008; the Localism Act 2011; the Local Planning Regulations 2012; the Development Management Procedure Order 2015; the deletion of the planning policy statements and their replacement by the National Planning Policy Framework in March 2012 and the Neighbourhood Planning Act 2017.
- 2.3 A Draft SCI was produced in 2013 and public consultation was carried out in August until October of that year. A number of concerns from members, local community groups and residents to the draft proposals were received. All comments were reviewed and it was decided not to progress the SCI update until the Council's IT system had been upgraded and we would be in a better position to consider fresh and amended proposals.
- 2.4 Since the previous SCI was adopted in 2006, there have been a number of important changes to planning legislation. These changes have been reflected in this new SCI. The new SCI has enabled a review of existing approaches, drawing on the Council's experience and reflecting new methods of public involvement and

engagement, such as the greater use of electronic forms of communication and social media.

### 3. Recommendations

The Mayor is recommended to;

- 3.1 Approve the revised content (Appendix 1) and timetable of the SCI (Section 9) and subject to confirmation that it is not intended to direct any changes, recommend that the draft SCI go out to public consultation.
- 3.2 Authorise the Executive Director of Resources and Regeneration to make any minor changes to the text and format of the documents prior to consideration by Full Council.
- 3.3 Refer this report to Full Council for information.

### 4. Policy context

- 4.1 The content of this report is consistent with the Council’s policy framework, particularly the Core Strategy and the Sustainable Community Strategy (2008-2020) (SCS). The draft SCI contributes to the implementation of the SCS strategic priorities, in the following areas:

<b>SCS Relevant Areas</b>	<b>Corporate Priorities</b>
Empowered and responsible – where people are actively involved in their local area and contribute to supportive communities.	<b>community leadership and empowerment</b> – developing opportunities for the active participation and engagement of people in the life of the community <b>inspiring efficiency effectiveness and equity</b> – ensuring efficiency, effectiveness and equity in the delivery of excellent services to meet the needs of the community
Clean, green and liveable – where people live in high quality housing and can care for and enjoy their environment.	<b>decent homes for all</b> – investment in social and affordable housing to achieve the decent homes standard, tackle homelessness and supply key worker housing

- 4.2 The SCI is a legal planning document that sets out how the Council will consult the public and other stakeholders when preparing statutory development plan documents and how it will consult on planning applications.
- 4.3 The Council must (as a minimum) comply with statutory requirements for consultation set out in relevant legislation, including:
  - The Town & Country Planning (Local Planning) (England) Regulations 2012 (as amended) – for planning policy documents

- The Neighbourhood Planning (General) Regulations 2012 (as amended) – for neighbourhood planning documents
- The Town & Country Planning (Development Management Procedure) (England) Order 2015 – for planning applications
- The Planning (Listed Buildings and Conservation Areas) Regulations 1990 (as amended) – for listed building consents

4.4 The Council's SCI has been refreshed to bring the document up-to-date following changes to planning policy legislation and guidance at national and regional level. These changes relate to the plan making process, namely the principles of consultation in relation to neighbourhood planning, community infrastructure levy and the duty to cooperate.

## **5. Background**

5.1 The Planning and Compulsory Purchase Act 2004 (as amended) places a duty on the Council to produce a SCI. The SCI is a statement of the Council's policy for involving interested parties in matters relating to development in the borough. In particular it is a statement about how the Council will involve the public and other stakeholders in the preparation and revision of local development documents and in the exercise of the authority's functions in relation to planning applications.

5.2 The Council adopted the first SCI in July 2006. Since that time there have been many changes to the planning system. These include but are not limited to changes introduced by the Planning Act 2008; the Localism Act 2011; the Local Planning Regulations 2012; the deletion of all the planning policy statements and their replacement by the National Planning Policy Framework in March 2012. Collectively these changes have produced new requirements and processes for producing local plans and dealing with planning applications.

5.3 Given the large number of legal and policy changes and the substantial improvements to the Council's IT infrastructure and systems that have been made since the adoption of the SCI in 2006, it is considered necessary to revise the adopted SCI to reflect these changes. It is now much easier to view and comment on planning applications on line and these improvements facilitate changes to the operation of the planning service that enable it to better respond to the needs of the community.

5.4 The SCI is a local development document but not a development plan document. It is essentially a procedural document that sets out how the Council will consult on the preparation of development plan documents and on planning applications. However, it is part of the collective planning documents for Lewisham that make up the local development framework.

## **6. Main Changes to the Adopted Statement of Community Involvement - Relating to Planning Applications**

6.1 The Council's current approach to consultation on planning applications is set out in the Adopted Statement of Community Involvement 2006. This sets out the level

and approach to community consultation on planning applications according to the type and significance of the application.

6.2 The existing Statement of Community Involvement requires the following advertising and consultation once an application is submitted:

- Site notices/ letters – all applications have site notices and properties affected by the development are individually written to by letter
- Representations – these are acknowledged in writing.
- Local Meetings – these take place where one or more objection(s) have been received from a residents' association, community/amenity group or ward Councillor and/or where a petition is received containing more than 25 signatures and/or where 10 or more individual written objections are received from different residents.
- Amenities Society Panel (ASP) - planning applications in conservation areas, for listed building consent, certain tree works and highways schemes referred to fortnightly ASP meetings

6.3 The increased functionality of the Councils website, means that the planning service can better engage with local residents, rather than just contacting properties, and other stakeholders.

6.4 The draft SCI proposes the following main changes to the consultation process for planning applications:

- Encourage people to track progress of planning applications by individual site, road and / or ward by registering on the planning website;
- Clarify how the Planning Service will deal with Petitions and comments from multiple residents in same households.
- Permanently replace the ASP with the Community Group meetings.
- Change Neighbour Consultation on purpose built blocks of flats to notification by Site Notice(s) erected in each foyer of a building; and
- Encourage developers of major schemes to hold local pre-application community consultation meetings.

6.5 The existing SCI requires that planning applications in conservation areas, for listed building consent, certain tree works and highways schemes are referred to the Amenities Society Panel (ASP); made up of members of local amenity societies. ASP met fortnightly and was administered and run by Planning staff, and was resource intensive. Since 2011, the Planning Service employs two qualified conservation officers to provide specialist heritage input into applications concerning conservation areas / listed buildings. Following a trial period, for approximately the last 9 months, the fortnightly ASP meeting has been replaced with regular community group meetings, which also involve the emerging neighbourhood forums. The first meeting was held in March 2017, with over 40 local groups attending and the second in October 2017. Feedback has been good; as it enables proactive engagement with a wider cross-section of residents/community representatives.

6.6 Changing neighbour consultation on flatted blocks to the erection of a site notice in the foyer has been trialled for the last year and has been positively received.

6.7 The approach to pre application consultation in the adopted SCI is more reactive whereas in the draft SCI it is more positive and proactive, encouraging pre application consultation on proposals.

6.8 The draft SCI has also been amended to clarify the Planning Service's approach to petitions lodged in respect of planning applications, approach and approach to comments from residents in same households.

## 7. **Main Changes to the Statement of Community Involvement - Relating to Plan Making.**

7.1 The adopted SCI sets out the process for plan making as it existed in 2005/6. This was at the start of the new local development framework process. The government at that time thought it best to provide a great deal of legislation and policy guidance on the new plan making process. This has now been radically revised and reduced in scope.

7.2 The current rules for Plan making are set out in the National Planning Policy Framework (NPPF) and in the Town and Country Planning (Local Planning) (England) Regulations 2012. Both of these document reduce the requirements placed on local councils when preparing their local plans.

7.3 In the new regulatory framework under 'localism' local planning authorities are given more discretion on how to prepare local plans. The consultation draft SCI therefore updates the facts of the new legislation and sets out what are the new stages of preparation of a local plan. It then sets out the consultation methods the Council will use at each stage of local plan preparation. It gives an account of the benefits of using a particular consultation method and when the Council will consider its use.

## 8. **Format**

8.1 It is intended that a revised SCI will be a streamlined, high level document, designed so that parts of it can be updated when necessary to better reflect legislation and local demand/need.

## 9. **Draft Timescale**

<b>SCI Stage</b>	<b>Start</b>	<b>Completion</b>
Engagement with Members	January 2018	February 2018
Public Consultation	May 2018	June 2018
Amendments to document	June 2018	August 2018
Adoption		September 2018

## 10. **Financial Implications**

10.1 There are no financial implications arising from this report. The cost of updating the evidence base, public consultation, and related printing and publishing, of any Local Plan document will be met from the existing Planning Service budget.

## **11. Legal implications**

11.1 Section 18 of the Planning and Compulsory Purchase Act 2004 requires a local planning authority to prepare a Statement of Community Involvement. The statement is to contain the LPA's policy for involving interested parties in matters relating to the authority's function of preparing and revising Local Development Documents, as required by section 26 and 28 respectively of the Planning and Compulsory Purchase Act, as well as to development control, as set out under part 3 of the Town and Country Planning Act 1990 – except for sections 61F to 61H which relate to neighbourhood development orders which are expressly excluded by section 18(2A) of the Planning and Compulsory Purchase Act.

11.2 Section 9D of the Local Government Act 2000 states that any function of the local authority which is not specified in regulations under subsection (3) is to be the responsibility of an executive of the authority under executive arrangements. The Local authorities (Functions and Responsibilities (England) Regulations 2000 specifies that certain functions relating to Development Plan documents are by law the responsibility of the Council. No specific reference is made to a statement of community involvement in the Regulations and as it is not a Development Plan Document it is therefore an executive function.

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.

11.4 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.

11.5 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.

11.6 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/>

11.7 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

11.8 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 crime and disorder implications arising from this report.

## **13. Equalities Implications**

13.1 The Council's Comprehensive Equality Scheme for 2016-20 provides an overarching framework and focus for the Council's work on equalities and helps ensure compliance with the Equality Act 2010.

13.2 The draft SCI contains community consultation proposals over and above the minimum statutory requirements. At this stage of the draft, we cannot identify any negative consequences arising from the proposals. Specific questions targeted at equalities considerations will be built into the public consultation and will be re-considered during the post-consultation evaluation of the draft SCI in the form of an Equalities Analysis Assessment (EAA). The EAA can ensure, as far as is possible, any negative consequences for a particular group or sector within the community are eliminated, minimised or counter balanced by other measures.

## **14. Environmental Implications**

14.1 There are no direct environmental implications arising from the SCI.

## **15. Conclusion**

The Mayor is recommended to;

- 15.1 Approve the revised content (Appendix 1) and timetable of the SCI (Section 9) and subject to confirmation that it is not intended to direct any changes, recommend that the draft SCI go out to public consultation.
- 15.2 Authorise the Executive Director of Resources and Regeneration to make any minor changes to the text and format of the documents prior to consideration by Full Council.
- 15.3 Refer this report to Full Council for information.

### Background documents and originator

Short Title Document	Web Link	Date	File Location	File Reference	Contact Officer	Exempt
National Planning Policy Framework	<a href="http://www.communities.gov.uk/publications/planningandbuilding/nppf">http://www.communities.gov.uk/publications/planningandbuilding/nppf</a>	March 2012	Laurence House	Planning Policy	Alison Bradshaw	No
Planning Act 2008	<a href="https://www.legislation.gov.uk/ukpga/2008/29/contents">https://www.legislation.gov.uk/ukpga/2008/29/contents</a>	2008	Laurence House	Planning Legislation	Alison Bradshaw	No
Localism Act 2011	<a href="http://www.legislation.gov.uk/ukpga/2011/20/contents/enacted">http://www.legislation.gov.uk/ukpga/2011/20/contents/enacted</a>	2011	Laurence House	Planning Legislation	Alison Bradshaw	No
Local Plan Regulations 2012	<a href="http://www.legislation.gov.uk/uksi/2012/767/contents/made">http://www.legislation.gov.uk/uksi/2012/767/contents/made</a>	2012	Laurence House	Planning Legislation	Alison Bradshaw	No

If you have any queries on this report, please contact Alison Bradshaw, Business Improvement & Stakeholder Manager, Planning Department, 3<sup>rd</sup> floor Laurence House, 1 Catford Road, Catford SE6 4RU, telephone 020 8314 7400.

### Annex 1: Statement of Community Involvement - November 2017





# **Lewisham Statement of Community Involvement November 2017**

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# INTRODUCTION

## Background

The London Borough of Lewisham (“the Council”) places a great emphasis on engaging with and involving the community in its planning decisions and the production of policy documents and believes in the many benefits this can bring.

The Statement of Community Involvement (or “SCI” for short) is the Council’s overall strategy for ensuring effective community involvement and engagement in the planning process.

The Council's Planning Service is responsible for producing planning policy documents (including the Local Plan) and determining planning and related applications in the borough.

The SCI is a planning document which forms part of the Development Plan. The Development Plan is a collection of documents which contain the Council’s planning policies, strategies and guidance which is used to make decisions on planning and related applications

The Planning Service wants to ensure that our community has the opportunity to participate in the Borough’s planning decisions. This SCI has been prepared to explain how we will involve local people, local businesses and other key organisations and stakeholders in the planning process.

This SCI is prepared under Section 18 of The Planning & Compulsory Purchase Act 2004 (as amended) and reflects the latest relevant legislation, government policy and guidance at the time of writing. The Council is legally required to comply with the SCI once it is formally adopted.

## Why is a new SCI required?

Since the previous SCI was adopted in 2006<sup>1</sup>, there have been a number of important changes to planning legislation. These changes have been reflected in this new SCI. The new SCI has enabled a review of existing approaches, drawing on the Council’s experience and reflecting new methods of public involvement and engagement, such as the greater use of electronic forms of communication and social media.

Once adopted, this new SCI will update and replace current arrangements made under the existing SCI, adopted back in 2006.

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<sup>1</sup> LBL (2006), Statement of Community Involvement

## Structure of the document

This SCI is structured as follows:

- **PART 1** – overview of the planning process and different types of planning policy documents and planning applications covered by this SCI
- **PART 2** – sets out the Council’s overall approach to community involvement and engagement in the planning process
- **PART 3** – information on how the Council will involve the public in the preparation of new planning policy documents
- **PART 4** – information on how the Council will engage and consult the public on planning applications and development proposals
- **PART 5** – sets out how the Council will support neighbourhood planning activities
- **PART 6** – where to you can get further help and advice on planning consultation matters covered in this SCI document

Appendix 1 - Local Plan Process

Appendix 2 - Consultation standards for planning applications

# PART 1. PLANNING IN LEWISHAM

## 1.1 What is planning?

Planning ‘makes better and more sustainable places for everyone to live, work and enjoy’<sup>2</sup>. It plays a critical role in identifying what development is needed and where; and which areas in the borough need to be protected or enhanced. Planners manage the competing demands for housing, schools, commercial space, hospitals, roads etc. to shape places and build communities.

## 1.2 The Council’s role in the planning process

The Council is responsible for producing planning policy documents (including the Local Plan) and determining most types of planning applications in the borough, except those applications “called-in” by the London Mayor or the Secretary of State.

The Council also has a legal duty to support and advise groups (i.e. neighbourhood forums) preparing neighbourhood plans and neighbourhood development orders within Lewisham and engage constructively with prescribed bodies on an on-going basis in preparing Local Plan documents.

Planning decisions are guided by the statutory “development plan” for the borough. The planning system is plan-led and any planning application must be determined in line with the development plan unless other material considerations<sup>3</sup> indicate otherwise.

## 1.3 Our community

Our community is anyone living, working, or/and undertaking other activities in the borough of Lewisham. This SCI also refers to other stakeholders, including individuals, groups and organisations that have a direct influence or interest in planning decisions and matters in the borough.

## 1.4 Planning Policy Documents

### **The Development Plan**

At the time of writing, the development plan for the borough consists of The London Plan and the following documents:

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<sup>2</sup> Definition taken from the RTPI's web pages

<sup>3</sup> See Section 4.8

Core Strategy (2011) - Sets out the Council's overarching vision, objectives and strategic priorities for the borough and the spatial strategy to guide development up to 2026

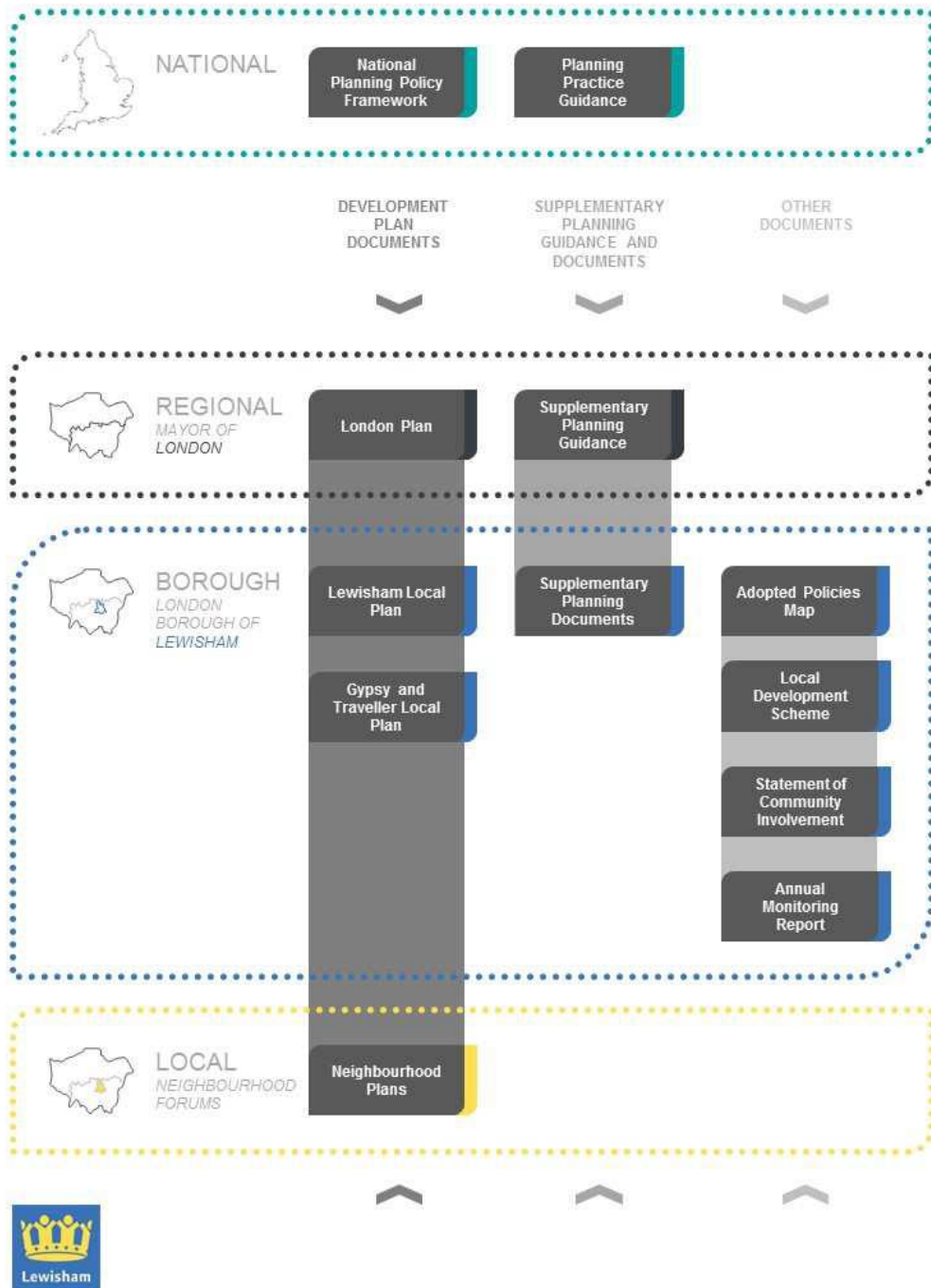
Site Allocations Local Plan (2013) - Identifies and safeguards specific sites and land to contribute towards the delivery of policies in the Core Strategy

Lewisham Town Centre Local Plan (2014) - Sets out a spatial strategy for Lewisham. Provides locally specific policies to coordinate development opportunities in Lewisham Town Centre up to 2026

Development Management Local Plan (2014) - Sets out development management policies against which all the borough's planning applications are determined

Policies Map (updated 2015) - Shows the land use planning and environmental designations in the borough, including site allocations

**The relationships between planning policies at different scales**



**Other planning documents**

In addition to development plan documents, the Council also produces a number of Supplementary Planning Documents (SPDs) to provide more detailed advice or guidance on the policies in the Local Plan (e.g. the Council’s Planning Obligations SPD which sets out the circumstances when planning obligations will be sought).

The Council also regularly reviews and produces a number of other planning documents, including the Local Development Scheme (which sets out the Council’s latest programme and timetable for

preparing new development plan documents), and the Lewisham's Annual Monitoring Report (which measures the delivery and performance of Local Plan policies against agreed monitoring indicators). Both of these documents can be viewed on the Council's website.

### **Neighbourhood Plans**

The Localism Act sets out provisions for designated groups including neighbourhood forums to make neighbourhood plans and neighbourhood development orders.

A list of the current neighbourhood plans, their progress and status is published on the Council's website.

### **Community Infrastructure Levy and Planning Obligations**

The Community Infrastructure Levy (CIL) is a charge that authorities can levy against most types of new development in their area to fund infrastructure including parks, schools, community facilities, health facilities and leisure centres.

Lewisham approved its CIL charging schedule on 25 February 2015 and it was applicable from 1 April 2015. The Council's website includes a CIL Charging Schedule. This sets out the charges, charging zones and the current instalment policy. The website also includes a CIL Infrastructure List (Regulation 123 list) which sets out the types of strategic infrastructure that CIL may be spent on. This list is based on our Infrastructure Delivery Plan which identifies infrastructure to support growth in the Local Plan.

Planning Obligations can be both financial and non-financial, and they are used when there is a requirement to address the impact of a development and the impact itself cannot be dealt with through a planning condition on the permission. Advice and guidance on these is also found on the Council's website.

# PART 2. OVERALL APPROACH

## 2.1 Effective community involvement

The Council is committed to ensuring that everyone who wishes to be involved in the planning process will have the opportunity to do so. The Council believes effective community involvement and engagement could help to:

- embed the community's values in planning decisions and empower them in the matters that affect their lives
- bring together different perspectives and increase understanding of the issues and opportunity from all sides
- identify options and solutions at an early stage and increase public involvement in a decision or development. However it is important to note that views gathered from the community (known as 'representations') are only part of the evidence upon which planning decisions are made.

When making a decision on a planning application only certain issues can be taken into account and these are called 'material considerations'<sup>4</sup>. When reaching a decision, the weight attached to a material consideration is a matter of judgement for the decision-maker. The decision-maker must show that they have considered all relevant matters when reaching a decision.

## 2.2 The Council's approach to involving the community

The Council will seek to offer a wide range of opportunities to get the community involved in the production of new planning policy documents and will set out clear standards with the community and other stakeholders in regard to the consultation on planning applications. Specifically, the Council will:

- be clear about the decision being made, the process and opportunities for involvement and engagement
- engage the community at the earliest suitable opportunity and support effective interactions between interested parties on an on-going basis
- encourage involvement from different groups in the community
- communicate in ways that are relevant and accessible to the community, and to support greater use of electronic / online methods of consultation
- hold regular Community Group Forums and Agent, Developer and Architect Forums
- as a minimum, carry out consultation arrangements and activities set out in this SCI

## 2.3 Statutory consultation requirements

The Council must (as a minimum) comply with statutory requirements for consultation set out in relevant legislation, including:

- The Town & Country Planning (Local Planning) (England) Regulations 2012 (as amended) – for planning policy documents

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<sup>4</sup> See Section 4.8



- The Neighbourhood Planning (General) Regulations 2012 (as amended) – for neighbourhood planning documents
- The Town & Country Planning (Development Management Procedure)(England) Order 2015 – for planning applications
- The Planning (Listed Buildings and Conservation Areas) Regulations 1990 (as amended) – for listed building consents

The requirements set out in the legislation form the basis of the arrangements and commitments made in this SCI.

When consulting on key stages of Local Plan documents, neighbourhood planning activities and planning applications, the Council is also required by the legislation to consult and engage with a number of statutory consultees (a full list can be viewed at <https://www.gov.uk/guidance/consultation-and-pre-decision-matters>).

## 2.4 Duty to Co-operate

In addition to the statutory consultation requirements, under the Duty to Co-operate (Localism Act 2011), the Council is also required to work collaboratively, constructively and actively on an ongoing basis with other prescribed bodies on cross-boundary strategic matters throughout the preparation of new Local Plan documents<sup>5</sup>.

In addition to the prescribed bodies, the Council will also engage with the following neighbouring planning authorities to ensure the duty is met:

- London Borough of Bexley
- London Borough of Bromley
- London Borough of Southwark
- Royal Borough of Greenwich
- London Borough of Tower Hamlets

## 2.5 How you can keep up-to-date on planning matters?

The Council's website at <http://www.lewisham.gov.uk/planning> contains useful information, including the following:

- planning and related applications,
- planning policy documents,
- information on neighbourhood planning activities and designated forums
- advice on submitting planning and related applications, forms and pre-application advice
- Conservation area appraisals and article 4 Directions

You can also register to:

**Online planning applications service** – anyone signed up to this service can be notified of new planning and related applications registered or determined by the Council in their area (by street address, ward and conservation area).

**Planning Policy's consultation database** – the Planning Service regularly maintains a database of individuals and groups that have expressed an interest to be notified and receive updates on

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<sup>5</sup> Refer to Regulation 4 of The Town and Country Planning (Local Planning)(England) Regulations 2012 for "prescribed bodies"

consultation of planning policy documents and neighbourhood plans. If you wish to be added to the database or need to amend your details, please email [planning\\_policy@lewisham.gov.uk](mailto:planning_policy@lewisham.gov.uk)

**Social media** - social media is of increasing importance for engagement with certain groups (e.g. younger people) and can be a very resource efficient way for keeping the community up-to-date on planning matters.

The Council will announce important public engagement events and consultation activities via the following social media platforms (for planning policy documents):



via Twitter:  
[@LewishamCouncil](https://twitter.com/LewishamCouncil)



via Facebook:  
[Lewisham-Council](https://www.facebook.com/Lewisham-Council)

## 2.6 Future review of this SCI

The Council will seek to periodically review the SCI, to ensure it remains effective and continues to meet the needs of our community. The SCI will be reviewed as necessary to reflect new legislation, new methods of communication and other requirements.

# PART 3. PLANNING POLICY DOCUMENTS

## 3.1 New Local Plan Documents

The Council has a statutory duty to keep its Local Plan documents up-to-date and under review. It is responsible for planning matters at a “local level” and works with the London Mayor and neighbouring authorities on any strategic, London-wide planning matter.

All Local Plan documents are available for inspection at the Council’s offices during normal working hours and can be downloaded for free from the Council’s website.

The Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended) sets out the (minimum) statutory consultation requirements for new Local Plan documents. **Table 1** sets out the key stages of production for Local Plan documents and how the Council will engage and consult with the public and the process is set out in more detail in Appendix 1.

	Preparation Stage (Reg.18)	Publication Stage (Reg.19)	Submission Stage (Reg.22)	Examination Stage (Reg.24)	Adoption of Local Plan (Reg.26)
<b>Notify</b>			✓	✓	✓
<b>Public consultation on documents</b>	<b>Yes</b> (6 weeks)	<b>Yes</b> (6 weeks)	<b>No</b>	<b>No</b>	<b>No</b>
<b>Publicity -</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>
- Council's website	✓	✓	✓	✓	✓
- Email / letters	✓	✓	✓	✓	✓
- Press release	✓	✓	✓	✓	✓
- Local Press	Optional	Optional	Optional	✓	Optional
- 121 meetings	Optional	Optional	Optional	Optional	Optional
- Public exhibition	Optional	Optional	n/a	n/a	n/a

### Sustainability Appraisals

Section 19 of the Planning and Compulsory Purchase Act 2004 requires local planning authorities to carry out a Sustainability Appraisal for each of the proposals in the Local Plan and prepare a report of the findings of the appraisal.

Sustainability Appraisals (SA) consider how the Local Plan document and its policies contribute to sustainable development, and assess whether the policies and proposals in the Local Plan document

are the most appropriate given the reasonable alternatives. SAs are required for all Local Plan documents<sup>6</sup>.

In accordance with the regulations, when deciding on the scope and level of detail to be included in a sustainability appraisal report, the Council will consult relevant consultation bodies (Historic England, Natural England and the Environment Agency). Where a consultation body decides to respond, it will be required do so within 5 weeks of receipt of the request<sup>7</sup>.

The Council will consult and invite public representations on SAs alongside consultation of Local Plan documents.

### **Strategic Environmental Assessments**

Strategic Environmental Assessments (SEAs) considers only the environmental effects of a Local Plan document, whereas sustainability appraisals consider the wider economic and social effects in addition to its potential environmental impacts.

The Council will screen for SEA for each Local Plan document as part of the initial work on the relevant sustainability appraisal.

### **Providing Feedback**

Providing feedback to consultation activities is an important and integral part of the Council's planning process. Following the consultation of planning policy documents, the Council will prepare and publish (on the website) a consultation statement setting out the key issues raised and how they have been considered in the development plan documents.

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<sup>6</sup> Excluding neighbourhood plans / orders, SCIs, Local Development Schemes or the Authority's Monitoring Report

<sup>7</sup> Regulation 12 of the Environmental Assessment of Plans and Programmes Regulations 2004

## 3.2 Supplementary Planning Documents

Table 2: Consultation and publicity for SPDs

	Draft Stage(s)	Adoption Stage
<b>Notify</b>		✓
<b>Public consultation on documents</b>	<b>Yes</b> (4 weeks)	<b>No</b>
<b>Publicity -</b>	<b>Yes</b>	<b>Yes</b>
- Council's website	✓	✓
- Email / letters	✓	✓
- Press release	Optional	Optional
- Local Press	Optional	Optional
- 121 meetings	Optional	Optional
- Public exhibition	Optional	Optional
- Workshops	Optional	Optional

Supplementary Planning Documents (SPDs) provide detailed information, advice and guidance on the interpretation and implementation of planning policies in the development plan (often relating to a specific area or specific planning issue in the borough).

SPDs do not form part of the statutory development plan and cannot introduce new planning policies. Once adopted they are material consideration in the determination of planning applications.

While the stages of preparation are often similar to development plan documents, SPDs are not subject to an independent examination and there are no formal requirements to consult the public at specific stages of its preparation before the document can be adopted.

The Council will consult the public for a minimum of 4 weeks before an SPD is adopted and will consider the representations received. Depending on the scope and purpose of the

SPD, the Council may also undertake informal discussions and consultations with relevant stakeholders / industry bodies prior to a wider public consultation.

### Sustainability Appraisals & Strategic Environmental Assessments

SPDs do not require Sustainability Appraisals but may in exceptional circumstances require Strategic Environmental Assessments (SEAs) if they are likely to have significant environmental effects that have not already been assessed during the preparation of the Local Plan or other development plan documents.

Where relevant, the Council will consult and invite public representations on any SEAs or screening reports / statements alongside the consultation of SPDs.

### Providing Feedback

Similar to the consultation of Local Plan documents, following any consultation activities, the Council will prepare and publish (on the website) a consultation statement setting out the key issues raised and how they have been considered in the SPDs.

## 3.3 Brownfield Land Register

The Council has a duty, under the Brownfield Land Register Regulations 2017 and Permissions in Principle Order 2017, to prepare, maintain and publish a register of previously developed land (the Brownfield Land Register) which is split into two parts:

- Part 1 includes a list of all previously developed sites that are assessed as being suitable for housing.
- Part 2 includes a list of sites that have been granted Permission in Principle (PIP) by the Council. This is not mandatory and it is for the Council to decide whether sites should be included in Part 2. Once a site has a PIP and has been included in Part 2, a Technical Detail Consent then needs to be submitted to, and approved by, the Council before a site has consent to build.

There are differing requirements for consultation for different parts of the register. Consultation on Part 1 is discretionary. The Council may notify landowners and developers of the sites either newly included in, or newly removed from, Part 1.

Consultation on PIPs is mandatory before they are included in Part 2. The Council will consult for 42 days the first time Part 2 is published, and 21 days thereafter. For sites included in Part 2, where the Council receives an application for Technical Details Consent, there is a requirement to display a notice under Article 15(a) of the Permissions in Principle Order 2017 on or near the site.

The Council may also carry out informal discussions with landowners and developers, prior to publishing Part 1 or Part 2, in order to gain accurate information about site ownership and ability to deliver as well as identifying the amount and type of development suitable for each site.

The register will be available for inspection at the Council’s offices during normal working hours and published on the Council’s website.

The identification of sites to be included in the register is a continuous process and the Council will update the register at least once each year, usually at the same time as the Annual Monitoring Report. The register will also be reported to Government each year.

**Table.2** below sets out the key stages of production for the register and how the council will engage and consult the public.

Table.2 Consultation and publicity on Brownfield Land Register

	<b>Part 1</b>	<b>Part 2</b>
<b>Notification</b>	<b>Optional</b> (for sites being entered, and sites being removed, from Part 1)	<b>Yes</b> (sites being entered, and sites being removed, from Part 2, following public consultation)
<b>Public consultation on the register</b>	<b>No</b>	<b>Yes</b> (42 days the first time Part 2 is published, and 21 days thereafter)
<b>Publicity -</b>	<b>Yes</b>	<b>Yes</b>
- Council’s website	✓	✓
- Email/letters	Optional	Optional
- Press release/promotional materials	<b>No</b>	<b>No</b>

## **Sustainability Appraisals & Strategic Environmental Assessments**

Consideration will be given when preparing Parts 1 and 2 as to whether Sustainability Appraisals and/or Strategic Environmental Assessments need to be prepared. This will be dependent upon whether the sites in the register are likely to have significant environmental cumulative effects. In some circumstances, the Council will prepare “screening” reports / statements and will invite public representations on these alongside any consultation of the register.

### **Providing Feedback**

If and when the register is consulted upon, the Council will prepare and publish (on the website) the key issues raised during the consultation and how they have been considered. The register will be amended accordingly.

# PART 4. PLANNING APPLICATIONS

This section of the SCI sets out details of how the Council will engage and consult/notify the community and other stakeholders when determining different types of planning and related applications.

‘Planning applications’ are those applications for which the full range of assessment occurs, looking at the principle and full form of development, and may involve full planning permission, outline planning permission, the approval of reserved matters applications that follow outline permission or permission in principle. For the purposes of this SCI, Listed Building Consent and Advertisement Consent applications fall within this definition.

‘Related applications’ are those where the principle is generally already established, either through an initial grant of detailed permission, comprising the discharge of conditions attached to planning permission, or where national ‘Permitted Development’ allowances give consent for a change of use, or for minor extensions, works or alterations (typically involving ‘Prior Approval’ type applications, where a narrow and defined range of considerations are available for the Council to assess). Lawful Development Certificate applications, where the application seeks confirmation that proposed works do not require full planning permission, also fall into this category.

## 4.1 Public consultation

In general, once a planning application has been made valid, a period of public consultation will follow, usually for 21 days, when comments on the proposed development can be made. For certain types of planning applications, site and press notices may be required, which often result in staggered 21 day consultation periods. In these instances, the overall consultation period expires at the end of the latest 21 day period.

Depending on the nature of the proposed development, the Council may also consult relevant statutory and other non-statutory consultees (including local groups) that have an interest in the proposed development (see section 4.2).

Anyone with an interest in the planning application can respond to the consultation, regardless if they were formally consulted or not.

Article 15 of Development Management Procedure Order sets out the minimum legal requirements for public consultation prior to the Council making a decision on the planning application. There are separate arrangements for Listed Buildings which are set out in Regulation 5 and 5A of the Listed Buildings & Conservation Area Regulations 1990 (as amended). Appendix 2 sets out how the Council will consult on planning applications.

Local residents or anyone with an interest in planning applications and decisions in their area are encouraged to register for email notifications if the Planning Service receives a valid application within a particular ward, road or for a specific property. Please see the Planning Service’s web page to find and comment on planning applications using the following link:

<https://www.lewisham.gov.uk/myservices/planning/find-comment-planning-applications/Pages/default.aspx>



The Council has a duty to determine all planning applications in line with set targets by the government. Consultation comments received after the 21 days period can only be taken into account by the Council if no decision has been made.

### **Consultation responses**

The Planning Service will count all responses from the same address as one response, unless it is clear that they are from separate households or businesses.

### **Petitions**

If a petition is submitted, the Planning Service will consider it if:

- Every page is headed with the aim of the petition;
- Signatories names and addresses are noted and clear; and
- The comments made are material planning considerations

The Planning Service will acknowledge the petition. This will be addressed to the first name and address at the top of the petition. The planning officer will consider the petition and reference it in the officer's report.

### **Petition type standard responses**

Objection responses that are received using a standard template will be treated as a petition. The Planning Service will record the number of template objection responses received, but they may not be separately acknowledged or registered individually on the Council's system. The planning officer will consider the content of the template objection responses, the number received and reference them in the officer's report.

### **Amenity Society responses**

An objection from an amenity society group will only trigger the planning application being heard at a planning committee if the case falls within their amenity group area. If not, it will be treated as if it were a standard objection response. If a case does go to committee, as a result of the amenity group objection, a representative from that amenity group will be expected to attend the committee to verbalise their views.

### **Neighbourhood forum responses**

An objection from a neighbourhood forum in regard to a planning application which conflicts with a policy within their "made" neighbourhood plan will trigger the case being heard at committee. If a case does go to committee, as a result of the neighbourhood forum's objection, a representative from the forum will be expected to attend committee to verbalise their views.

Other responses received from forums in relation to planning applications will be treated as if they were a standard objection response.

### **Local Meetings**

A local meeting will be arranged for those that have made representations and the applicant prior to a decision being made on a planning application in the following circumstances:

- where a petition is received containing more than 25 signatures; and / or
- where 10 or more individual written objections (not standard / template based objections) are received from different households.

In cases where a development proposal is identified at an early stage as requiring a refusal, a local meeting will not be held. Where an application is recommended for refusal of planning permission and is referred to a Planning Committee, if they are minded to grant the application, members will be advised to defer their decision to allow for a local meeting.

Notes of the discussions of the local meeting will be published on the planning service webpage as part of the planning application file. A summary of the meeting will form part of the planning officer's report to planning committee members.

The Council may decide at their discretion that a drop-in session may be more appropriate than a local meeting. A summary of the proceedings (if any) of the drop-in session will be published on the planning service webpage as part of the planning application file and will form part of the planning officer's report to planning committee members.

## 4.2 Statutory & Non-Statutory Consultees

Depending on the type of application or development being proposed or/and its location, the Council will consult with relevant statutory and non-statutory consultees or bodies:

- **Statutory consultees** – the Council is required by legislation to consult these specific bodies who are in turn under a duty to respond to the Council on the relevant planning application (e.g. Environment Agency, Highways Authority, neighbourhood forums, etc.)
- **Non-statutory consultees** – other national / local bodies that may have an interest (planning reasons) in the relevant planning application (e.g. amenity societies, resident's associations, neighbourhood forums, emergency services, etc.)

## 4.3 Revisions to current applications

When the Planning Service accepts revisions to current planning applications it is generally when the revisions are minor and further consultation is not required. If the Planning Service does accept significant revisions and further consultation is considered to be required then the service will usually re-consult for 14 days.

## 4.4 Pre-application advice

The Council's Planning Service operates a range of pre-application advice services providing advice to householders, small businesses and developers. They can also advise on the type of application that should be submitted and what supporting documentation will be needed.

Details on the available services offered and associated fees can be found online. The Planning Service encourages applicants and developers to use the pre-application services only after undertaking initial feasibility work and before drawing up detailed proposals. Further information about these services can be found on the Planning Service's website.

## 4.5 Pre-application consultation

Applicants, agents and developers of major development proposals or/and schemes that are likely to have significant impacts are strongly encouraged to seek pre-application advice from the Council's Planning Team, to discuss how the proposal could benefit from pre-application consultation and to what extent should this be carried out (by the applicant/developer).

The Planning Service strongly encourage all applicants, irrespective of the scale of scheme, to consult any neighbours, community groups and statutory consultees who may be affected by their proposals before they submit a planning application. It is especially important to undertake consultation on a wider scale for major, or potentially controversial proposals where:

- the proposals are likely to have a significant impact on the environment or on the local community, and
- the nature of the development is likely to attract significant local interest.

Pre-application consultation provides an opportunity for neighbours, local communities and stakeholders to discuss any proposals with the applicant and influence their proposals.

The Council cannot require an applicant to undertake pre-application discussions or pre-application consultation but we strongly encourage it.

As part of pre-application discussions, the Planning Service expect the applicant / agent to agree the extent and type of pre-application consultation with us to make sure that the consultation process proposed is suitable. Whilst the consultation will be undertaken by the applicant, Council officers will recommend suitable methods, such as exhibitions, public meetings or drop-ins.

Where pre-application consultation is carried out, applicants should prepare a report summarising the type and extent of consultation carried out, the key issues raised and how the scheme addresses these issues. This report should be submitted with any subsequent planning application.

## 4.6 Planning application process

Once a planning application has been received by the Council, the Planning Service will validate the application to check all necessary information and documentation have been provided in accordance with national requirements and our own 'local requirements list' (or local information requirements). It is also given an application number. After validation, the application is placed on the Council's planning register.

The Council will then publicise the proposal and notify the public and relevant bodies about the application. Appendix 2 sets out how the Council will consult on planning applications.

## 4.7 Decision-making process

Once the public consultation period has concluded (21 days), the Council will consider all the representations made and proceed to determine the application.

This is usually within 13 weeks for major applications and 8 weeks for all other types of applications (unless the application is either subject to an Environmental Impact Assessment, which extends the time given to determine the application to 16 weeks, or a Planning Performance Agreement (PPA) that sets out an agreed project timetable for processing the application).

In general, planning applications are assessed against the development plan and policies adopted for the area, unless there are material considerations that indicate otherwise<sup>8</sup>.

It is important to note that views gathered from the community are only part of the evidence upon which planning decisions are made.

Most planning applications in the borough are determined by planning officers under delegated powers, however, some decisions are made by elected members at one of the Council's Planning Committees. Planning Committees are currently held every two weeks and Strategic Planning Committee are generally held monthly.

Information on which cases are heard at committee can be viewed on the Planning web site.

If a planning application is referred to the Planning Committee, the public are entitled to attend, and if necessary to represent their views or highlight the relevant issues for the proposal. Where there are a number of interested parties wishing to speak it will be necessary for a single representative to speak, or for the available time to be shared. Those parties will be required to make their own arrangements to do so. Anyone that wishes to speak at a Planning Committee meeting is required to register in advance by contacting [planning@lewisham.gov.uk](mailto:planning@lewisham.gov.uk).

Once the decision has been made, the Council will notify the applicant and those who made comments in writing, and publicise the decision on the planning web page.

## 4.8 Material considerations for planning applications

When a decision is made on a planning application, the Council can only take into account certain issues and these are often referred to as 'material planning considerations'.

Many issues can be material considerations, but in broad terms should relate to the use and development of land. For example, this could include (not an exhaustive list):

- National planning policy and guidance
- Local Planning Policies and supplementary planning documents / guidance
- Design, scale, density, layout and materials
- Impact on the character or setting of a listed building or conservation area
- Loss of important green space / trees
- Loss of community facilities
- Safety or drainage issues (which are not otherwise reserved for consideration by the Building Control system)

As a general principle, the planning system works in the public interest and matters that affect solely private interests are not usually material considerations in planning decisions, such as loss of a personal view or reduction in the value of the property. However, each application is considered on its own merits.

## 4.9 Planning officer's report

The officer's report sets out the planning officer's recommendation for the planning application, and its justifications, including relevant material considerations, and planning policy relevant to the proposal.

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<sup>8</sup> See section 70(2) of the Town and Country Planning Act 1990 and section 38(6) of the Planning and Compulsory Purchase Act 2004

## 4.10 Appeals

If an application has been refused planning permission, did not receive a decision within the statutory or agreed time-frame, or was approved and you are not happy with the planning conditions; then the applicant may lodge a planning appeal, to be made to the Planning Inspectorate. Further information can be read using the following link: <https://www.gov.uk/appeal-planning-decision>

## 4.11 Call ins / Referable applications

### Call ins

The Secretary of State for Communities and Local Government has the power to take over ('call in') planning applications rather than letting the local authority make the decision. This will only normally happen if the application conflicts with national policy in important ways, or is nationally significant. Further information can be read using the link below:

<https://www.gov.uk/government/collections/planning-applications-called-in-decisions-and-recovered-appeals>

### Referable applications

An application is referable to the Mayor of London if it meets the criteria set out in the Mayor of London Order (2008). The criteria includes:

- development of 150 residential units or more
- development over 30 metres in height (outside the City of London)
- development on Green Belt or Metropolitan Open Land
- A power is also available to the Mayor of London to direct refusal of, or to call in, and determine a planning application that has been referred to him/her.

## 4.12 How you can comment on a planning application?

Comments on a planning application must be made to the Council in writing within the 21 day consultation period.



We strongly encourage representations to be made online, by going to the Council's planning website, using the online application service: [www.lewisham.gov.uk/planning](http://www.lewisham.gov.uk/planning)



Representations can also be made by email: [planning@lewisham.gov.uk](mailto:planning@lewisham.gov.uk)



Or where you are unable to use the above methods, by letter to:

The Planning Service,  
Lewisham Council  
1 Catford Road  
London SE6 4RU

Please ensure the following information is provided with any comments made by email or letter as without these we will be unable to register your comments:

- Planning application reference number and address
- Your name and address

- Your email address

Please note that your comments form part of the planning application file and will be available for the public to view. As such, careful consideration of personal and sensitive information contained within any responses, is required.

# PART 5. SUPPORTING NEIGHBOURHOOD PLANNING

## 5.1 What is the Council's role in neighbourhood planning?

Under the Localism Act 2011, local communities can produce neighbourhood plans or neighbourhood development orders (as well as Community Right to Build Orders) to guide the future development and use of land in the local area.

Neighbourhood planning is not a legal requirement but a right which communities can choose to use. A neighbourhood plan should contain planning policies to support good growth in the designated area, while a neighbourhood development order could designate an area where the particular type of development could proceed without the need for planning permissions.

Once a neighbourhood plan has been approved for referendum then the Council will use it as part of the development plan. If a Neighbourhood Development Order is made it will give permission for a certain type of development within an area and the Council will use these Orders in assessment of any development proposals.

Most of the community engagement and consultation activities in the preparation of neighbourhood planning documents will be undertaken by the designated neighbourhood planning group (i.e. neighbourhood forums).

The preparation of neighbourhood plan documents, including community engagement, is led by local communities. The Council has a duty to support, advise and make necessary arrangements (e.g. organising the referendum) at key stages.

We will set out on the website how we will carry out these duties, the support we can provide and keep this up-to-date in response to any changes to the regulations. The Council will also prepare a detailed step-by-step guide to neighbourhood planning (called "Guide to Neighbourhood Planning at Lewisham") and this will be kept on the website.

If you would like to discuss whether neighbourhood planning is right for your community or would like more information what neighbourhood planning can offer, please get in touch with the Planning Service on [planning\\_policy@lewisham.gov.uk](mailto:planning_policy@lewisham.gov.uk).

# PART 6. FURTHER HELP & ADVICE

## 6.1 Where you can get more help and advice?

### Planning Service

Detailed information is available on our website and it is best to first look there before seeking further advice. The Planning Service offer a paid advice service details of which can also be viewed online. If you wish to contact the Planning Service please email [planning@lewisham.gov.uk](mailto:planning@lewisham.gov.uk)

### Local Councillors

Local Councillors are elected members of the Council. All Councillors have a role to play in representing the community's views and aspirations in their local ward area.

If you wish to discuss planning matters with your local councillor, you can contact them directly and their contact details are available on the Council's website.

### Planning Aid for London

Planning Aid is an independent voluntary organisation offering planning advice to individuals and groups affected by specific planning applications or decisions made by the Council. Further information can be read using the following link <http://planningaidforlondon.org.uk/>

### The Planning Portal

The Planning Portal is an online planning resource and application service (in England and Wales). It also provides an interactive guide on whether planning permission or building regulations approval will likely be required for a proposal <http://www.planningportal.co.uk>

### Guide to the Planning System

The government's Plain English Guide to the Planning System provides an overview of how planning system in England works. This can be found at [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/391694/Plain\\_English\\_guide\\_to\\_the\\_planning\\_system.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/391694/Plain_English_guide_to_the_planning_system.pdf)

## 6.2 Alternative formats

The Council can make this document available in alternative formats on request.

In addition, paper copies of planning policy documents and planning applications can be viewed at the Council's offices during normal working hours.



## Appendix 1: Consultation and the Local Plan process

### Preparation Stage (Regulation 18)

There is flexibility in how the initial stages of plan production can be carried out, provided the Council comply with the requirements in the regulations.

There is a requirement for the Council to formally notify specific and general consultation bodies and invite public representations on the scope of the document at this stage.

Depending on the scope and purpose of the document, the Council may undertake more than one Regulation 18 consultation – these consultation documents are often referred to as “pre-publication” document or “issues & options document” following by “preferred options document”.

In preparing Local Plan documents, the Council must take into account any representations made in response to invitations under this stage.

The Council will consult for a minimum of 6 weeks for Local Plan documents consulted at this preparation stage.

### Publication Stage (Regulation 19)

The next stage involves publication of the draft Local Plan document (taking into account any issues and concerns raised in the preparation stage) to enable further public representations to come forward that can be considered at examination stage. Again, specific and general consultation bodies will be formally notified.

The Council will consult for a minimum of 6 weeks for Local Plan documents consulted at this publication stage.

At this stage, the Council will also formally request an opinion from the London Mayor on the document’s conformity with the London Plan.

### Submission Stage (Regulation 22)

Following the publication stage, the Council will then submit the draft Local Plan document to the Secretary of State. In accordance with the regulations<sup>9</sup>, the Council will make available, for public inspection, a copy of the draft Local Plan document submitted, along with a statement setting out:

- the individuals and groups invited to make representations under Regulation 18 (Preparation Stage)
- how were they were invited to make representations under Regulation 18
- summary of the main issues raised by the representations pursuant to Regulation 18, and
- how representations under Regulation 18 have been taken into account in the submitted document

Again, specific and general consultation bodies will be formally notified. The Council will also give notice to those persons requested to be notified of the submission of the Local Plan document to the Secretary of State.

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<sup>9</sup> Requirements under Regulation 35 of the Town and County Planning (Local Planning)(England) Regulations 2012

However, no material (planning-related) changes will be made to the Local Plan document at the submission stage.

### **Examination Stage (Regulation 24)**

Following the submission of the draft Local Plan document to Secretary of State, the Secretary of State will then appoint an Inspector to carry out an independent examination of the document.

The examination in public (EiP) process starts when the Local Plan document is submitted to the Planning Inspectorate and will be conducted by the appointed Inspector.

In accordance with the regulation, at least 6 weeks before the examination, a notice will be published in the local press detailing the time and place where the EiP is to be held and name of the appointed Inspector. The Council will also continue to notify the public through its website, by press release and those persons requested to be notified through emails and letters.

The Council will appoint a programme officer to be the main point of contact for members of the public through the EiP process (with the programme officer reporting to the Planning Inspector).

Public representations (written evidence and appearing at hearings) at the EiP will be at the discretion of the appointed inspector.

During the examination, the Inspector will assess whether the Local Plan document has been prepared in line with the relevant legal, procedural and policy requirements.

If necessary, the Inspector may be asked by the Council to recommend modification to the Local Plan to address any soundness issues or procedural requirements that are identified during the EiP.

### **Adoption Stage (Regulation 26)**

Following the conclusion of the EiP, the Inspector will prepare and publish a report that will set out the Inspector's recommendations and any necessary modifications to the Local Plan document to be found sound.

The Inspector's Report is legally binding to the Council (i.e. the Council must accept the recommendations should the Local Plan document seek to proceed to formal adoption).

While the Council is not required to accept recommendations in the Inspector's report, the Council is expected to proceed quickly to adopt the Local Plan document once it is found sound at EiP.

The decision on whether to adopt the Local Plan document will be made by the Council's cabinet (elected Councillors) and the elected mayor.

Following the decision to adopt, the Council notify the public through its website, press release and those persons requested to be notified through emails and letters.

## Appendix 2: Consultation standards for Planning and related applications

Please note that the Planning Service will not individually notify neighbours living in purpose built blocks of flats / apartments. Instead, a minimum of one site notice will be displayed in the building's foyer.

Type of development	Supplementary Site Notice	Statutory Site Notice & Press advert	Email to registered/recognised groups <sup>10*</sup>	Neighbour Consultation
Listed Building Consent applications including approval of details involving extensions or alterations to the external appearance of a listed building (all Grades) and internal alterations only to Grade I and II* buildings.	Yes	Yes	Yes	Notification to adjoining properties
Planning Applications for major developments <sup>11</sup> or those which are the subject of an Environmental Statement	Yes	Yes	Yes	Notification to properties up to 50m from application site dependant on the scale of the proposal. Adjoining properties should be consulted in every instance.
Minor-material amendment (s.73)	Yes	Yes, if in a Conservation Area	Dependent on nature of application <sup>12</sup>	Dependent on nature of application <sup>12</sup>
Planning applications (which fall outside other categories)	Yes	Yes, if in a Conservation Area	Yes	Notification to adjoining properties
Telecommunications Prior Approval	Yes	Yes, if in a Conservation Area	Yes	Yes, dependent upon the type and scale of works proposed.
Retrospective planning applications (to regularise a	Yes	Yes, if in a Conservation Area	Yes	Notification to adjoining properties

<sup>10</sup> Groups being registered amenity societies/neighbourhood forum/registered community groups \*unless the group/society or forum opts out

<sup>11</sup> Major development is defined as:

- (a) the winning and working of minerals or the use of land for mineral-working deposits;
- (b) waste development;
- (c) the provision of dwellinghouses where—
  - (i) the number of dwellinghouses to be provided is 10 or more; or
  - (ii) the development is to be carried out on a site having an area of 0.5 hectares or more and it is not known whether the development falls within sub-paragraph (c)(i);
- (d) the provision of a building or buildings where the floor space to be created by the development is 1,000 square metres or more; or
- (e) development carried out on a site having an area of 1 hectare or more.

<sup>12</sup>The consultation undertaken will be in accordance with legislation and/or other Government guidance that is applicable.

situation after enforcement investigations)				
Prior approval applications.	No	No	No	Notification to adjoining properties
Applications for Lawful Development Certificates (Proposed and Existing)	No	No	No	No
Applications for approval of details and non-material amendments (s.93a)	No	No	No	No
Tree works	No	No	Yes, if applications involve felling of trees in either conservation areas or subject to Tree Preservation Orders.	Notification to adjoining properties if applications involve felling of trees in either conservation areas or subject to Tree Preservation Orders.

### Site Notices

Both Statutory and Supplementary Site Notices, will include the following information:

- the address or location of the proposed development
- a description of the proposed development
- the date by which any representations about the application must be made
- where and when the application may be inspected
- how representation may be made about the application

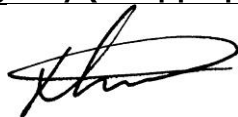
The site notice(s) will be placed on or near the application site.

<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>	10 <sup>th</sup> January 2018	
<b>Title of Report</b>	Alterations and Extensions Supplementary Planning Document	
<b>Originator of Report</b>	David Syme	<b>Ext. 47400</b>

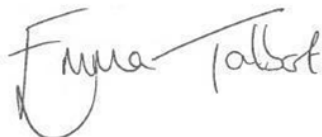
At the time of submission for the Agenda, I confirm that the report has:

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>		
<b>Reason for Urgency (as appropriate)</b>		



Signed: \_\_\_\_\_ Executive Member

Date: 21<sup>st</sup> December 2017



Signed: \_\_\_\_\_ Director/Head of Service

Date: 20<sup>th</sup> December 2017

**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>	Alterations and Extensions Supplementary Planning Document (SPD)	
<b>Key Decision</b>	Yes	Item No.
<b>Wards</b>	All	
<b>Contributors</b>	Executive Director for Resources and Regeneration	
<b>Class</b>	Part 1	Date: 10 January 2018

## 1. Purpose

- 1.1 To provide the Mayor and Cabinet with the information needed to approve the draft Alterations and Extensions SPD for public consultation.

## 2. Summary

- 2.1 The report seeks approval to consult on the draft Alterations and Extensions SPD. When adopted the Alterations and Extensions SPD will replace Section 6 of the Residential Standards SPD (adopted 2006 and updated 2012) and form part of the Local Development Framework. The Residential Alterations and Extensions SPD will provide advice and guidance to ensure that the highest design quality is achieved in residential extensions and alterations within the Borough.
- 2.2 This report sets out why there is a need for a Alterations and Extensions SPD, summarises its contents and provides detail on the nature of the consultation.

## 3. Recommendations

The Mayor is recommended to;

- 3.1 Approve the content of the draft Alterations and Extensions SPD and subject to confirmation that it is not intended to direct any changes, recommend that the draft Extensions and Alterations SPD go out to formal public consultation in accordance with the Statement of Community Involvement.
- 3.2 Authorise the Executive Director of Resources and Regeneration to make any minor changes to the text and format of the documents prior to public consultation.
- 3.3 Refer to Council for information.

#### **4. Policy context**

4.1 The SPD will form part of the Council's Local Development Framework (LDF).

4.2 The role of the SPD is to provide advice and guidance on the implementation of policies and proposals contained in Lewisham's development plan.

4.3 The SPD will also play an important role in the implementation of the Sustainable Community Strategy (2008-2020) 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

4.4 The SPD contributes to the implementation of the Council's Corporate Priorities including:

- 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 and using the Council's 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

## 5. Background

- 5.1 The Council is committed to supporting development that allows everyone in Lewisham the opportunity to make the most of their property in a positive way, not just for them but also for their neighbours and the community as a whole.
- 5.2 Currently there is great local interest in the don't move - improve approach and the Council wishes to help residents stay in their properties by accommodating their changing needs.
- 5.3 Well designed extensions and alterations can increase the amount and quality of accommodation and enhance the appearance of buildings. The improvement and conversion of existing buildings also makes effective use of urban land and makes good environmental sense.
- 5.4 Poorly considered proposals however can cause harm to the amenities and characteristics of our borough. Through carefully considered alterations and extensions, we have the potential to improve and enhance our community to make Lewisham the best place to live, work and learn in London.

## 6. Alterations and Extensions SPD Summary

- 6.1 The guidance given within this SPD seeks to strengthen the design process and ensure that alterations and extensions meet the highest design standards as required by planning policy.
- 6.2 This SPD aims to:
- **Encourage high quality design**  
In the SPD we have set out principles and parameters as a means of assisting applicants to achieve an 'acceptable' standard of design.
  - **Help applicants to prepare a successful planning application**  
By following the advice in this document, applicants should be able to engage in a clear design process that will help applicants to achieve a positive planning decision. In order to achieve this, officers have highlight likely issues and things to consider when preparing proposals.
- 6.3 This SPD is intended to be a design manual and a working tool. It is intended for frequent reference and will be essential for all charged with preparing or assessing the quality of planning applications for residential alterations and extensions.
- 6.4 The design guide should be read by:
- Householders.
  - Design professionals, in drawing up proposals.
  - Development management officers, as a material consideration in assessing the suitability of applications.
  - Statutory and non-statutory consultees and the public in commenting on planning applications.



- The Council, in determining planning applications and in upholding decisions at planning appeals.

6.5 Compliance with the SPD will help speed up the planning process by reducing the chance of objections due to poor design.

6.6 The document is split into six sections covering what to consider as part of the planning process and general principles to more detailed guidance on differing types of extensions and alterations:

1. Introduction
2. Context
3. General Principles
4. Extensions
5. Roof Alterations
6. Other Alterations

6.7 All applicants will be expected to familiarise themselves with Sections 1 to 3 of the document which provides general guidance relevant to all applications. Applicants are then directed to more detailed guidance relevant to their specific type of application. This avoids applicants having to consider guidance that is not relevant to their alteration type.

6.8 Due to the diverse nature of the borough it is not possible to provide guidance for every different circumstance across Lewisham so each case will be assessed on its own merits.

## **7. Sustainability Appraisal and Strategic Environmental Assessment**

7.1 It is not necessary to undertake a Sustainability Appraisal to accompany the production of a SPD. It is however necessary to assess the need to undertake a Strategic Environmental Assessment (SEA).

7.2 In order to assess the need to undertake an SEA of an SPD, it is necessary to produce a SEA Screening Opinion. Pro Vision Projects were appointed as independent consultants to produce the screening opinion and they concluded that there was no requirement for a full SEA to be undertaken. The SEA Screening Opinion for the SPD is included as Appendix 2.

## **8. Consultation process for the draft SPD**

8.1 The consultation process for Local Development Framework documents such as this SPD is set out in the Statement of Community Involvement. It is a legal requirement to undertake the consultation stated in the SCI. The consultation process will run for six weeks and will involve:

- Advertising the draft SPD in Lewisham Life
- Publishing the SPD and any associated documents on the Council website

8.2. After the 6 week consultation period, all representations received will be taken into consideration and a final SPD will be reported for adoption to Mayor and Cabinet.

## **9. Financial implications**

9.1 There are no direct financial implications arising from this report. The SPD will be published electronically on the Council's website and only limited hard copies will be produced, these being funded from within the agreed Planning Service budget.

## **10. Legal Implications**

10.1 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.

10.2 Section 9D of the Local Government Act 2000 states that any function of the local authority which is not specified in regulations under subsection (3) is to be the responsibility of an executive of the authority under executive arrangements. The Local authorities (Functions and Responsibilities (England) Regulations 2000 specifies that certain functions relating to Development Plan documents are by law the responsibility of the Council. No specific reference is made to the preparation of an SPD in the Regulations and as it is not a Development Plan Document it is therefore an executive function

10.3 The Equality Act 2010 (the Act) introduced a public sector equality duty (the equality duty or the duty). It covers the following protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

10.4 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.

10.5 It is not an absolute requirement to eliminate unlawful discrimination, harassment, victimisation or other prohibited conduct, or to promote equality of opportunity or foster good relations between persons who share a protected characteristic and those who do not. It is a duty to have due regard to the need to achieve the goals listed at 12.4 above.

- 10.6 The weight to be attached to the duty will be dependent on the nature of the decision and the circumstances in which it is made. This is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. The Mayor must understand the impact or likely impact of the decision on those with protected characteristics who are potentially affected by the decision. The extent of the duty will necessarily vary from case to case and due regard is such regard as is appropriate in all the circumstances.
- 10.7 The Equality and Human Rights Commission has 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:  
<https://www.equalityhumanrights.com/en/advice-and-guidance/equality-act-codes-practice>  
  
<https://www.equalityhumanrights.com/en/advice-and-guidance/equality-act-technical-guidance>
- 10.8 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: A guide for public authorities
  4. Objectives and the equality duty. A guide for public authorities
  5. Equality Information and the Equality Duty: A Guide for Public Authorities
- 10.9 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:  
  
<https://www.equalityhumanrights.com/en/advice-and-guidance/public-sector-equality-duty-guidance#h1>

## **11. Crime and Disorder Implications**

- 11.1 There are no direct implications relating to crime and disorder issues.

## 12. Equalities Implications

- 12.1 The Council's Comprehensive Equality Scheme for 2016-20 provides an overarching framework and focus for the Council's work on equalities and helps ensure compliance with the Equality Act 2010.
- 12.2 The Alterations and Extensions SPD does not have any direct equalities implications.

## 13. Environmental Implications

- 13.1 As outlined in the SEA Screening Opinion, there are no direct environmental impacts arising from this report.

## 14. Conclusion

The Mayor is recommended to;

- 14.1 Agree the draft Alterations and Extensions SPD for public consultation in accordance with the Statement of Community Involvement.
- 14.2 Authorise the Executive Director of Resources and Regeneration to make any minor changes to the text and format of the documents prior to public consultation.
- 14.3 Refer to Full Council for information.

## 15. Background documents and originator

Short Title Document	Date	File Location	File Reference	Contact Officer	Exempt
Planning & Compulsory Purchase Act 2004	2004	Laurence House	Planning Policy	David Syme	No
Localism Act 2011	2011	Laurence House	Planning Policy	David Syme	No
National Planning Policy Framework (NPPF) 2012	2012	Laurence House	Planning Policy	David Syme	No
Town and Country Planning (Local Planning)	2012	Laurence House	Planning Policy	David Syme	No

(England) Regulations 2012 (as amended)					
Residential standards Supplementary planning document 2006 (amended 2012)	2012	Laurence House	Planning Policy	David Syme	No

If you have any queries on this report, please contact David Syme, Strategic Planning Manager, 3<sup>rd</sup> floor Laurence House, 1 Catford Road, Catford SE6 4RU, telephone 020 8314 7400.

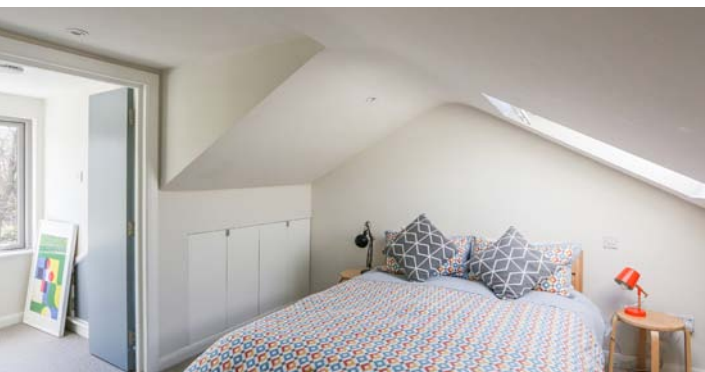
**Appendix 1:** Draft Alterations and Extensions SPD Dec 2017

**Appendix 2:** SEA Screening Opinion

# Alterations and Extensions

## Supplementary planning document

Draft December 2017





Councillor XXXX  
Cabinet Member for XXXX

## Foreword

**“The Council is committed to supporting development that allows everyone in Lewisham the opportunity to make the most of their property in a positive way, not just for them but for their neighbours and the community as a whole.**

**Currently there is great local interest in the *don't move - improve* approach and the Council wishes to help residents stay in their properties by accommodating their changing needs.**

**Well designed extensions and alterations can increase the amount and quality of accommodation and enhance the appearance of buildings. The improvement and conversion of existing buildings also makes effective use of urban land and makes good environmental sense.**

**Poorly considered proposals can cause harm to the amenities and characteristics of our borough. Through carefully considered alterations and extensions, we have the potential to improve and enhance our community to make Lewisham the best place to live, work and learn in London.”**

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# 1 Introduction



## 1.1 Introduction

1.1.1 This section outlines the purpose of the design guide and the value of good design. It explains how to use the document, its structure and the design process that should be undertaken by all applicants.

## 1.2 What is a supplementary planning document (SPD)?

1.2.1 A supplementary planning document (SPD) provides advice and guidance on the implementation of policies and proposals contained in Lewisham's development plan. SPDs form part of the Local Development Framework (LDF).

## 1.3 Why have an SPD on Alterations and Extensions?

1.3.1 We want to ensure that the highest design quality is achieved in residential extensions and alterations within the Borough of Lewisham. To create a high quality proposal the design process must be carefully considered from the outset.

1.3.2 The guidance given within this document seeks to strengthen the design process and ensure that alterations and extensions meet the highest design standards as required by planning policy. The urban grain varies greatly throughout the Borough, with remnants of historic development (particularly in the north) surviving to the modern day. Designs therefore need to be well thought out and sensitive to their context; particularly in the many conservation areas that are much celebrated in Lewisham.

1.3.3 The guidance addresses many types of houses, roofs and buildings. However, there will always be schemes which fall outside the context this document. In those instances a reasonable and pragmatic approach will be taken. The Council is supportive of innovative and creative solutions that demonstrate the necessary high quality of design and detailing.

1.3.4 This SPD aims to:

### Encourage high quality design

- The Council encourages the highest quality of design in all cases. In this SPD we have set out parameters as a means of assisting you to achieve an 'acceptable' standard of design. It is then down to your architect or agent to design a scheme using those parameters. They should consider carefully the proportions, scale, height, fenestration and materials of any extension and how well the extension sits in relation to the host property.

### Help you to prepare a successful planning application

- By following the advice in this document, you should be able to engage in a clear design process that will help you to achieve a positive planning decision. In order to achieve this, we have tried to highlight likely issues and things to consider when preparing your proposal.

# 1 Introduction

## 1.4 Who is it for?

- 1.4.1 This design guide is intended to be a design manual and a working tool. It is intended for frequent reference and will be essential for all charged with preparing or assessing the quality of planning applications for residential alterations and extensions.
- 1.4.2 The design guide should be read by:
- Householders.
  - Design professionals, in drawing up proposals.
  - Development management officers, as a material consideration in assessing the suitability of applications.
  - Statutory and non-statutory consultees and the public in commenting on planning applications.
  - The Council, in determining planning applications and in upholding decisions at planning appeals.
- 1.4.3 Compliance with the design guide will help speed up the planning process by reducing the chance of objections due to poor design.

## 1.5 Structure of the SPD

- 1.5.1 The document is split into six sections covering what to consider as part of the planning process and general principles to more detailed guidance on differing types of extensions and alterations.
- 1.5.2 All applicants should familiarise themselves with Sections 1 to 3 of the document which provides general guidance relevant to all applications. Applicants are then directed to more detailed guidance relevant to their specific type of application. This avoids applicants having to consider guidance which is not relevant to their alteration type.

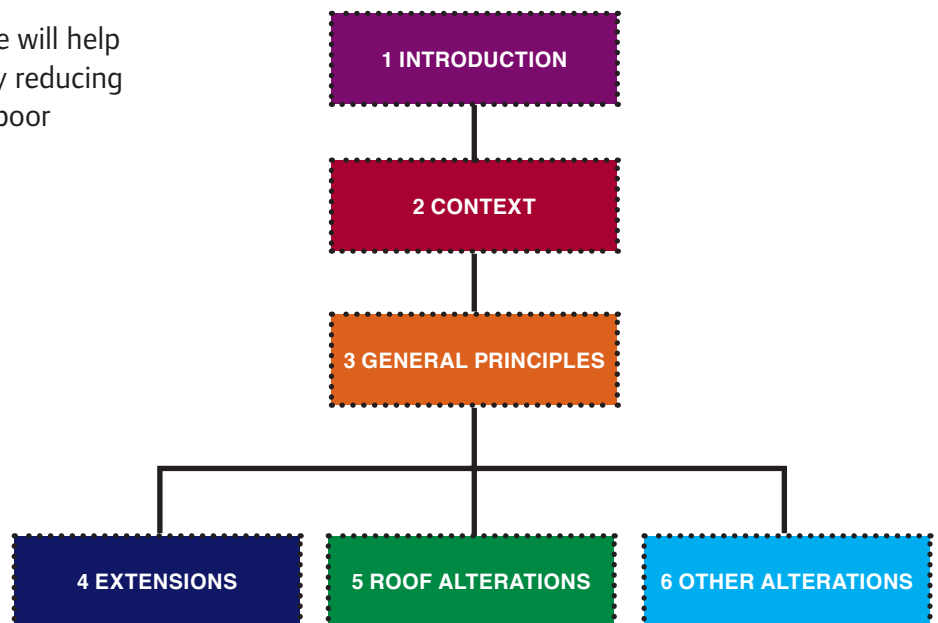


Fig 1.1: Structure of document

1.5.3 Within the detailed guidance Sections 4 to 6 are laid out consistently for ease of use.

1.5.4 Principles are bulleted on each page to make it easier for applicants to understand what is required from them.

1.5.5 For applications within conservation areas, additional guidance is provided within highlighted boxes.

Section title	Design principles	Illustration of guidance
<h2>5 Roof Alterations</h2> <p><b>1.21 Loft conversions and roof lights</b></p> <p>1.21.1 A loft conversion is a space efficient means of extending the amount of living accommodation in a dwelling. The most significant challenge associated with loft extensions is how to introduce roof lights and/or dormers that are appropriate to the character of the original building and its setting within the street.</p> <p>1.21.2 Design principles for loft conversions:</p> <ul style="list-style-type: none"> <li>Determine if there is enough head space for a room and whether the space would be usable through the installation of roof lights to provide natural light and outlook.</li> <li>Structural alterations are usual in such cases and appropriate advice should be sought at the outset.</li> <li>There is no minimum floor to ceiling height in the building regulations, but anything below 2.1m will feel low.</li> </ul>	<p>1.21.3 Design principles for roof lights</p> <ul style="list-style-type: none"> <li>Roof lights should be subordinate features on the roof and align with windows or other features on the elevations below</li> <li>The insertion of roof lights on roofs with complex asymmetrical forms such as gables, hips, dormers and turrets should be avoided</li> <li>They should also be avoided on the steep slopes of traditional mansard roofs as their appearance here is incongruous.</li> <li>Rooflights should not extend more than 150mm above the slope of the original roof</li> <li>Rooflights on slopes forming a side elevation may have to be obscure-glazed to maintain privacy from neighbouring properties</li> </ul>	<p>Fig 5.X: Front rooflights</p> <p>Where an accepted, established precedent exists for rooflights within a conservation area property 1 shows an appropriate solution using conservation style rooflights, aligning with windows below and located within the middle third of the roof slope. Property 2 and 3 are deemed acceptable outwith conservation areas. Property 4 is unacceptable</p>
<p>Fig 5.1: Unacceptable due to irregular roof light slope and positioning.</p>	<p>Fig 5.3: Acceptable - roof lights are discrete, subordinate features on the roof, flush within the roof, aligned with the elevations below and close from roof ridge</p>	<p>Fig 5.X: Rear rooflights</p> <p>Properties 1, 2 &amp; 4 are considered appropriate as a general rule. On heritage assets and within conservation areas noticeably smaller rooflights than those illustrated will normally be sought. Property 3 is unacceptable</p> <p>Legend:  <span style="color: green;">■</span> Generally acceptable  <span style="color: yellow;">■</span> Acceptable outwith Conservation Areas  <span style="color: red;">■</span> Generally unacceptable</p>

Section theme and description

Examples of what to do and what not to do

Captions accompanying images

Fig 1.2: Typical page layout

## 2 Context



## 2.1 Introduction

2.1.1 Lewisham's physical identity derives from the relationship between its buildings, street layout, style and period, open spaces and town centres. It has formed from how places and spaces have evolved and grown over time. This identity is known as its urban form.

## 2.2 A Brief History of development in the Borough

2.2.1 The watercourses through Lewisham have historically been the focus for settlement. The early settlements (pre-1833) lined the watercourses and the adjacent road routes. The River Thames influenced settlement patterns within the borough, most notably along the waterfront of what we know now as Deptford and Greenwich. Settlement also ran along Deptford Creek and the Ravensbourne River down to Lewisham and Catford. The Domesday Book of 1086 records eleven mills along the Ravensbourne River. The influence on settlement was Watling Street which was a key historic route of Watling Street from London to Canterbury and on to Hastings which is now the A21.

2.2.2 In the 16th and 17th centuries, Deptford became an important dock for the international slave trade. The Primrose, a ship built in Deptford in 1551, sailed from Deptford in 1562 on what was to become the first triangular slave trade voyage.

2.2.3 The Lewisham area was primarily farmland as it was well drained and fertile, whilst being both arable and pasture. It supported smaller surrounding hamlets and farmsteads such as Lee (Belmont Hill and Lee Green) and Catford. As London grew, outlying areas such as Lewisham were used for market gardens, dairying and accommodating industry on the river banks. The exception to this rural scene was the fishing village of Deptford, where the width and depth of the tidal Thames made it suitable for shipbuilding whilst having royal associations from the time of Henry VIII. By the 18th century the area was established as the Royal Navy Victualling Yards, supporting the naval and munitions operations further downstream at Greenwich and Woolwich. The Yards were most successful in the early 1800s during the Napoleonic wars where they built ships and provided supplies. After Napoleon's defeat in 1815 the dockyards declined and subsequently closed in 1869.

2.2.4 As London expanded, those who could afford to moved out of the capital and sought more spacious, light and sanitary surroundings. This trend began in the 16th century when merchants and wealthy artisans moved to country areas such as Hackney, Richmond and Chelsea. Sydenham and Blackheath provided grand houses for the gentry at locations such as Dartmouth Hill.

2.2.5 The Enclosure Act 1810 allowed development of common land and was accompanied by improvements to communications which allowed speculative buildings to emerge.

## 2 Context

- 2.2.6 In 1809 the Croydon Canal opened and ran from West Croydon to the Grand Surrey Canal near New Cross, passing through Forest Hill and Sydenham. As it did not attract enough business and was therefore unsustainable it was converted into a railway line in the 1840s.
- 2.2.7 Railway development took off early in Lewisham, with London's first railway line (and one of the first in the country) opening between London Bridge and Greenwich in 1838. This led to associated development to house workers and aid commuters in industries such as Hatcham Iron Works, Pomeroy Street and New Cross; sites where London's most important early locomotive works operated from the 1840s to the 1860s.



Fig 2.1: Historic photo of Albury Street 1906

- 2.2.8 Sydenham became fashionable after the Crystal Palace was rehomed at Upper Norwood following being dismantled from its original location in Hyde Park where the Great Exhibition had been held. It became an attraction with its own station.
- 2.2.9 In 1857 the Mid Kent Railway opened serving Lewisham and Catford. The railway line branches across the area and have, together with the small rivers of the Ravensbourne and Quaggy, continued to shape the form and character of the area today. The areas of Blackheath, Forest Hill and Sydenham showed great growth during this period.
- 2.2.10 There was rapid expansion in Lewisham and Deptford by the 1870s with substantial developments at New Cross (Hatcham and Telegraph Hill) which were both laid out on grids, with Telegraph Hill laid out around a park as well as infilling large areas of Brockley, Lee and St John's.
- 2.2.11 From 1870 there was a regular tram service (which were initially horse drawn) from South London suburbs to the City and the West End. Shopping centres soon established at New Cross, Forest Hill and Lewisham. Other associated developments took place such as schools, railway stations, hospitals, pubs and hotels.
- 2.2.12 By 1904, trams serving Lewisham and Deptford areas were electrified. As such these areas were well served with cheap and easy links to central London, Woolwich, Bromley and other destinations.

2.2.13 After the First World War there was a huge need for the building of working class housing and this was constructed by Lewisham Council and London County Council. The houses were built to national standards of density and room sizes. Large estates were constructed such as the Bellingham estate where 2,700 cottage-inspired houses were laid out radiating from a hexagonal green. The construction was completed by 1923. The Downham estate was constructed in 1924-38 consisting of 7,000 houses and last came the Grove Park estate which was built between 1926-29 which coincided with the electrification of the railway. The borough was heavily bombed in the Second World War, especially

around the docks, former naval yards on the Thames and Lewisham town centre.

2.2.14 The modern Borough of Lewisham was formed through the London Government Act 1963 which created a new local government structure for London. It significantly reduced the number of local government districts and saw the amalgamation of the Metropolitan Boroughs of Deptford and Lewisham.



Fig 2.2: Deptford. Surveyed: 1868 to 1973, Published: 1880



## 2 Context

### 2.3 The Residential (physical) Character of the Borough

2.3.1 The following historic periods have shaped much of the built form that can be seen in the borough today.

#### Pre-1700

2.3.2 Late 17th century cottages at Tanners Hill are amongst the earliest houses in south London.

#### Georgian and Regency (1700 – 1840)

2.3.3 Following the Enclosure Act 1810 came Deptford New Town (1805-1840) and Lee New Town which had formal terraces of houses laid out on a uniform grid. Forest Hill had its origins in this period and its name came from the first development there, who built fifteen large houses on high ground on the edge of Sydenham Common. Properties which have survived from this period are the early 18th century terrace in Albury Street, Deptford and mansions at Blackheath. Georgian housing is typified by uniformity and symmetry, with careful attention to proportion, both in the overall arrangement and in the detail.

2.3.4 It can also be described as classical. The townhouse typified this period and was often joined end to end to create terraces. Most terraces were made of brick, with sloping slate roofs hidden behind stone parapets. Bricks were most often laid in 'Flemish' bond in which the headers and stretchers alternated in each course.



Fig 2.3: Pre 1700 cottages at Tanners Hill



Fig 2.4: Albury Street

## Victorian (1840-1900)

- 2.3.5 The early period of Victorian housing development still reflected the Italianate style, which sought to give as much architectural importance to each house as to the group or terrace.
- 2.3.6 The houses that were built in Sydenham were substantial villas, many of them owned by people associated with the products shown in the exhibition at Upper Norwood. Surviving properties include those on Sydenham Hill and Eliot Bank. More villas and large terraces were built shortly afterwards at Brockley.
- 2.3.7 The railway network allowed the cheap transport of building materials and the introduction of mass-produced components. Slate from north Wales was mainly used on roofs as it was lightweight, inexpensive and hard wearing. Stucco render was still favoured and used on the Italianate villas off Lee High Road and in parts of Blackheath. This was time of eclectic styles and of wide variety. Larger houses were often grand, they re-introduced red brick and architectural embellishments and sometimes used features such as turrets, bay windows and other motifs.
- 2.3.8 Housing was also created for working class commuters. One such development occurred in 1896 when land (278 acres) at North Park Farm was bought up by Archibald Cameron Corbett who began building houses in Catford and Hither Green. Whilst smaller in scale than previously built the location was well connected. Vicars Hill in Ladywell (1880) and Jew's Walk in Sydenham are notable examples from this period.

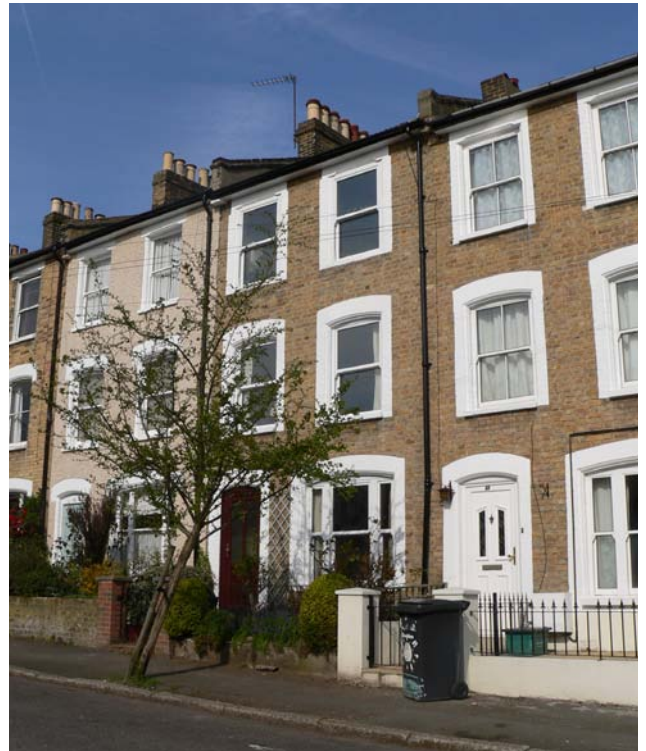


Fig 2.5: Mount Ash Road, Sydenham Hill



Fig 2.6: Vicars Hill

## 2 Context

### Edwardian (1900-1914)

- 2.3.9** Edwardian houses in Lewisham are vastly varied. Their many stylistic influences include Dutch renaissance, Queen Anne revival and Arts and Crafts which often have an eclectic mix of decoration. As a general rule, houses of this period are richly modelled in three dimensions, with irregular projections, bays, turrets and gables that lend a lively character to the street scene. Corner buildings such as pubs, banks or hotels in town centres or on main roads were often given particular architectural decorations along with entrances on the corner.
- 2.3.10** The Edwardian period set the tone for areas of planned street network (grid) which could be built out by different developers. A wide range of materials were used in houses: plaster; timber; lead; copper; red and yellow brick; and pebbledash. Roofs were often originally clay tile although these have often been replaced by red tiles.
- 2.3.11** The most notable example of the period is probably the development at Sydenham Thorpe off Sydenham Lane where substantial red brick houses are laid out on a grid of orderly terraces.

### Inter-war (1919 -1939)

- 2.3.12** Building materials at this time were diverse, including metal which was used for Crittall windows, slender sections boosted by timber shortages after the First World War. Concrete also began to be introduced widely at this time, especially for factories and commercial buildings, and incorporating techniques of Europe and North America.



Fig 2.7: Earlsthorpe Road, Sydenham



Fig 2.8: Inter-war housing

- 2.3.13** Modernist philosophies, as espoused by Le Corbusier and Bauhaus, are evident in some areas, in contrast to the Garden City Model with its more rural character. Planning for the private car and the road are becoming much more important considerations.

## Post-war (1945 – 1960)

- 2.3.14 Lewisham's first tower blocks and slabs date from this period. The Passfields estate at Daneswood Avenue off Bromley Road, Catford, is a notable work by the modernist architects Maxwell Fry and Jane Drew; the homes were built in 1949-50 on a site that had been acquired and cleared by the Council before the War.
- 2.3.15 Lammas Green (1955-57) is a distinctive development on the south side of Sydenham Hill designed for the City of London Corporation by Donald McMoran – terraces around a village green. Including houses and flats. The development represented a conscious return to the Kentish vernacular with colour washed walls, pantile roofs and stout brick chimneys – out of step perhaps with the prevailing trends in architecture, but with an enduring and distinctive quality.

## 1960s and after

- 2.3.16 The latter part of the 20th century has seen a continued desire to experiment with new architectural and urban forms. A period of experimentation took place with system-built tower blocks, using pre-fabricated concrete components in the modern international style taking their place alongside lower-rise developments and conventional developments. Amongst the more daring projects was the Pepys Estate at Deptford, built by the LCC 1963-66 on former Royal Navy Yard. Long blocks linked by high level walkways were a feature of the scheme.



Fig 2.9: Lammas Green, Sydenham Hill

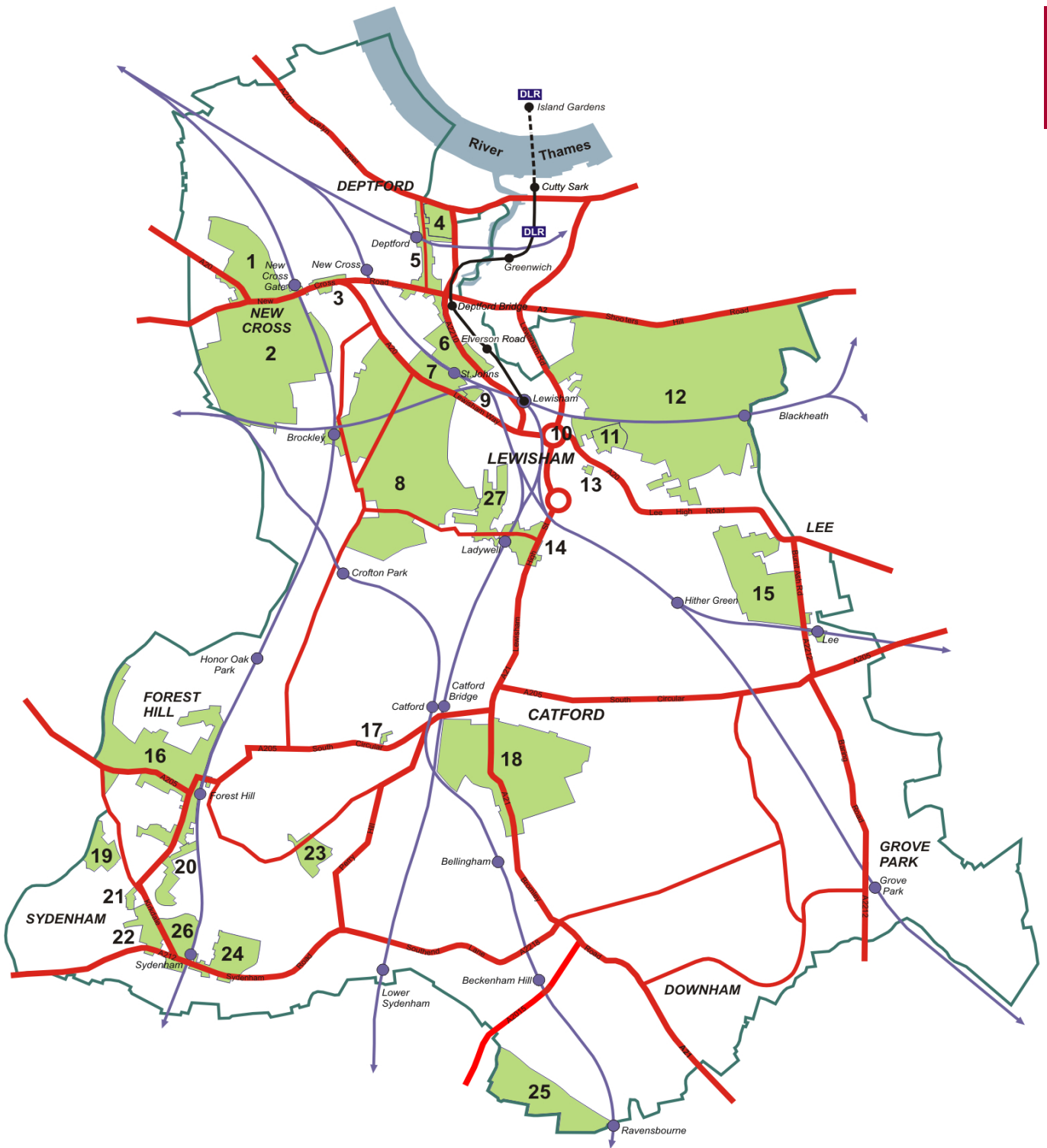


Fig 2.10: Pepys Estate at Deptford

## 2 Context

### 2.4 Conservation Areas

- 2.4.1** Lewisham has 27 conservation areas. Some are larger and complex, such as Blackheath, where others are small and cohesive such as Mercia Grove, Lewisham. Nearly all are predominantly residential, however commercial and retail uses animate centres in Blackheath, Deptford High Street and Forest Hill.
- 2.4.2** Most conservation areas have a pleasant relationship between buildings and green elements. Some face greater risk of blight from heavy traffic or contain commercial areas which face economic challenges. Density and grain of development within the Borough heavily influences an area's character and environment. In the north of the borough, in places like Deptford Wharf and New Cross, there is a wide variety of block sizes which create a mixed urban grain. In the south, block sizes tend to be uniform and a less varied urban grain can be found.
- 2.4.3** The basic presumption with all heritage assets (conservation areas, statutory listed buildings, locally listed buildings, registered landscapes, etc.) is to conserve their special interest. When assessing development affecting designated heritage assets, the Council has a duty to pay 'special regard' to protecting and preserving their special interest.
- 2.4.4** This document is not intended to provide specialist advice on statutory listed buildings but its content may be relevant in some cases. This general advice relating to heritage assets thus largely applies to buildings on the local list and those within conservation areas.
- 2.4.5** Acknowledgement of character is of great importance when proposing developments within or adjacent to Conservation Areas or Listed Buildings. In such cases proposals will need to be in keeping with the scale, mass and detailing of the area, including the use of sympathetic materials.
- 2.4.6** Changes in social patterns have resulted in the need to find active new uses for under-used ecclesiastical buildings, public houses and industrial buildings. The form of such buildings was largely determined by function and their singular appearance makes an important contribution to local character. It is essential that in adapting them to new uses, their distinctive character is successfully preserved. Careful attention must also be given to the setting of converted buildings, as standing isolated in settings of poor visual quality compromises both the viability of the new use and the historic character of the building.
- 2.4.7** The Council offers a range of pre-application services including advice on alterations, extensions and conversions for listed buildings and properties within conservation areas. Please consult the Council's website for further information.



**Conservation Areas**

- |                         |                     |                             |
|-------------------------|---------------------|-----------------------------|
| 1. Hatcham              | 10. St.Stephen's    | 19. Sydenham Hill/ Kirkdale |
| 2. Telegraph Hill       | 11. Belmont         | 20. Sydenham Park           |
| 3. Deptford Town Hall   | 12. Blackheath      | 21. Halifax Street          |
| 4. St.Paul's            | 13. Mercia Grove    | 22. Jews Walk               |
| 5. Deptford High Street | 14. St.Mary's       | 23. Perry Fields            |
| 6. Brookmill Road       | 15. Lee Manor       | 24. Sydenham Thorpes        |
| 7. St.John's            | 16. Forest Hill     | 25. Beckenham Place Park    |
| 8. Brockley             | 17. Stanstead Grove | 26. Cobb's Corner           |
| 9. Somerset Gardens     | 18. Culverley Green | 27. Ladywell                |

Geographic Information & Research

**Fig 2.11: Conservation Areas 2016**

### 3 General principles



## 3.1 Introduction

3.1.1 It is not possible to provide guidance for every different circumstance across Lewisham so each case will be assessed on its own merits. However, the following design process and general design principles underpin the more detailed and specific guidance given in this document and should be followed in all cases.

## 3.2 Preparing a development proposal: first steps

### Permitted development

- 3.2.1 It may not be necessary to apply for planning permission if your proposal qualifies as permitted development.
- 3.2.2 Certain types of minor alterations and small extensions to your home will be covered by what is called permitted development rights.
- 3.2.3 Flats, houses converted into flats, maisonettes and listed buildings do not have permitted development rights and planning permission is always required.
- 3.2.4 In addition, if your home is in a conservation area, what you can do under permitted development is limited. Your area may also be subject to an Article 4 direction which could further restrict the works that you could otherwise carry out under permitted development.
- 3.2.5 Advice on whether or not planning permission or building regulations approval are required can be found on the website [www.planningportal.gov.uk](http://www.planningportal.gov.uk).
- 3.2.6 Even if you do not need to make a planning application, the guidance within this SPD will act as good practice guidance to help you achieve high quality design.

### Lawful development certificate

3.2.7 If you consider that your proposal meets permitted development guidelines then you can apply for a Lawful Development Certificate (LDC). This will provide proof that your building work proposed under the lawful development certificate is lawful. Obtaining an LDC is worth considering should you want to sell your property in the future. You can apply to your local council for an LDC via the Planning Portal online application service.

### Create a brief

3.2.8 It is recommended that you create a brief in order to help to identify the outcome you wish to achieve from your project. This should take into account size, height, access, amount of light, etc required.

### Employ an architect

- 3.2.9 Once your outline brief has been created it is strongly advised that you employ a registered architect to further develop the brief, design and draw up your proposal and oversee the works. They should be able to design your proposal in order to respond to any identified constraints and may be able to develop your initial ideas to provide a more creative proposal than you originally envisaged, saving you time, economising your budget and adding value to your property. They will also help to guide you through relevant, up to date legislation and regulations.
- 3.2.10 The Royal Institute of British Architects (RIBA) website offers a service to help you find an architect for your project.



## 3 General principles

### 3.3 Preparing a development proposal: planning considerations

3.3.1 It is essential to carefully consider at an early stage, together with your architect, potential constraints that may influence your proposal.

#### Responding to the setting

3.3.2 You should consider your property in its context. The buildings on the street are likely to have an established building line which any extension or alteration should take into consideration. The character and style, including height, age, materials and massing of surrounding buildings needs to be taken into consideration at proposal stage to ensure that it will either preserve or complement the character of the surrounding area.

#### Existing policies

3.3.3 The Council has a statutory duty to preserve or enhance the character and appearance of the built environment, and additional protections apply to Conservation Areas. If your property is Listed or in a Conservation Area then it is more likely that you will need planning permission and/or listed building consent to alter or extend the building. For listed buildings, this will apply to internal alterations as well as external.

#### Trees

3.3.4 You will need to consider if there are nearby trees which may be affected by your proposal. Some trees in the borough are protected for their outstanding value by a tree preservation order (TPO).

3.3.5 A tree is also subject to additional protection if it is within a conservation area. If this is the case, the Local Authority will need to consider the risk to any protected trees when determining the planning application. You should also consider the root spread of nearby trees as this may affect the foundation design of your proposal. Similarly, crown spread may affect the outlook and amount of light a room may receive.

#### Overshadowing

3.3.6 Lewisham is an urban context and as such extensions are likely to have an impact on neighbouring properties. You should ensure that the extension would not significantly overshadow neighbouring habitable room windows or private gardens to an unacceptable degree. If your extension is likely to significantly reduce the amount of daylight or sunlight entering a habitable room window or result in substantial overshadowing of a neighbouring garden, your planning application is likely to be refused.

#### Overlooking

3.3.7 The extension should be designed to ensure that the privacy of your neighbours is respected. This includes neighbouring properties themselves and neighbouring gardens. There should not usually be any windows above ground floor on side walls directly facing a neighbour, apart from stairs and landings and bathrooms and toilets. It may be possible, in some cases, to use high level and obscure / translucent glazing. Any proposals for balconies will be carefully scrutinised and it must be demonstrated that there would be no unacceptable impact to any neighbouring properties' privacy.

### 3.4 Preparing a development proposal: non planning considerations

- 3.4.1 There are a number of issues that are not planning matters (and will not be considered in determining your planning application) for which you could be held liable. It is advisable that you use a fully qualified professional to help you with the below matters.

#### Rights to light

- 3.4.2 A right to light may be acquired by anyone who has had uninterrupted use of something over someone else's land for 20 years without consent, openly and without threat, and without interruption for more than a year. (RICs).

#### Covenants and private rights

- 3.4.3 It is possible that your property has a restriction of some kind such as a covenant or a historic right. If this is the case, you may need to get an agreement from the original source before you are legally permitted to carry out any works to your property. Even if you do not need to apply for planning permission, this may also be the case. You can check this by seeking advice from a lawyer or by viewing your property's deeds.

#### Party Wall Act

- 3.4.4 If you are carrying out works governed by the Party Wall Act you need to serve a party wall notice on your neighbours. You do not need planning permission for your plans to serve notice and once served you have up to a year to commence work.
- 3.4.5 This must be done at least two months before the notifiable works begin, and at least one month before the notifiable excavation works begin. Notifiable work is either building work which affects a party wall or boundary line, or excavations within three or six metres of a neighbouring property (depending on the depth of the foundations you are making). This will include most extensions and basement and loft conversions. Failure to comply with the act could result in your neighbour taking you to court and obtaining an injunction to prevent you from continuing with the work. If you have not obeyed the act and you cause major damage to your neighbour's property, the judge can award compensation for any loss or damage resulting from the works.

#### Building regulations

- 3.4.6 For any extension or alteration you will always require building regulation approval and it is advisable to contact the Council's Building Control web pages to find out what is required. This should be done in the initial stages of the design project.

## 3 General principles

### 3.5 Preparing a development proposal: general design principles

#### Scale and form

- 3.5.1 All extensions and alterations must not be excessive in scale and should be subordinate to the original dwelling and immediate neighbours. Its form should, in general, be consistent with the host property.

#### High quality design

- 3.5.2 Innovative, high quality and creative contemporary design solutions are welcomed by the Council, as long as the design carefully considers the architectural language and integrity of the original building and avoids any awkward jarring of building forms.

#### Respecting the original building and its setting

- 3.5.3 The architectural character and setting of the original building must be respected. This includes the scale, mass, rhythm, plot size, eaves line and building line of the building and its neighbours. This does not mean that original buildings need to be replicated, however, if this is the proposed approach then the works will need to be carried out to a very high quality.

#### Considering neighbours

- 3.5.4 You should have regard to the fact that a proposed extension or alteration could have an impact on the light, outlook or general amenities of adjoining properties. You should therefore have regard to the size, scale and location of the extension to sensitive parts of adjoining properties such as existing windows in the rear or side elevations

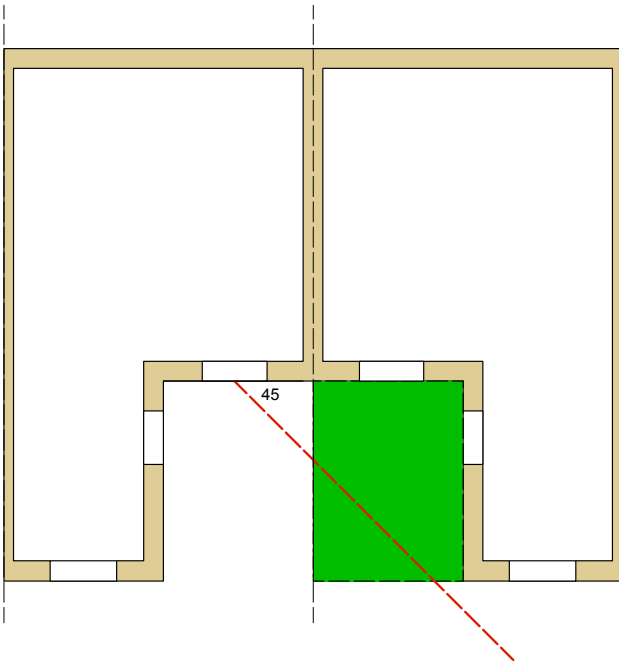
- 3.5.5 Extensions / alterations should not result in a harmful sense of enclosure or have an overbearing or overly dominant impact on adjoining properties.

#### Daylight and sunlight

- 3.5.6 Proposals should seek to minimise overshadowing or blocking of light to adjoining properties.
- 3.5.7 Useful guidance can be found from the Building Research Establishment (BRE) *Site Layout for Daylight and Sunlight – A Guide to Good Practice (1991)*. In particular the following minimum tests should be applied to avoid the unacceptable loss of daylight and/or sunlight resulting from extensions and alterations.

#### Daylight tests

- 3.5.8 Both of the following tests should be demonstrated within your planning application:
- 45 degree rule.
  - 25 degree rule.



### 45 degree rule

3.5.9 This test should be used where the proposed development is at right angles to the affected window of the neighbouring property:

- Draw a line at 45 degrees upwards from the centre of the affected window.
- Draw a line at 45 degrees sideways from the centre of the affected window.

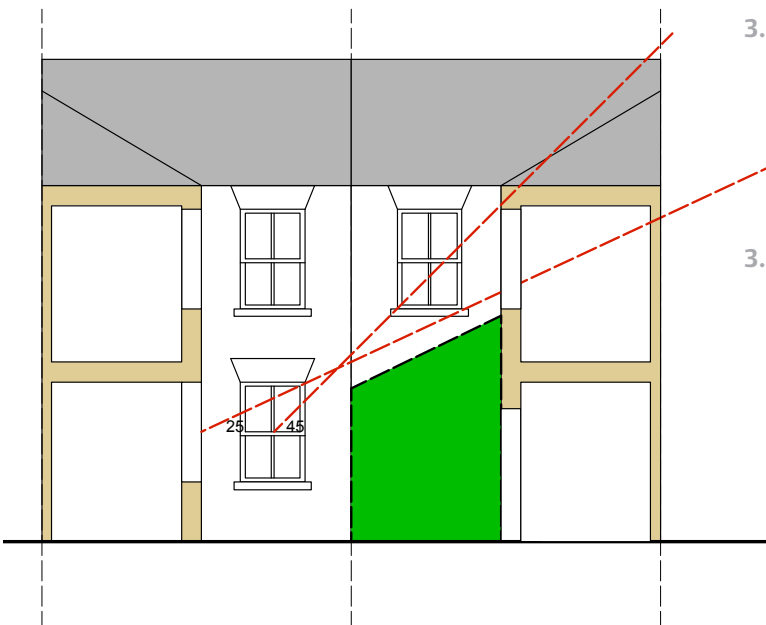
If the proposed development is both higher and wider than these 45 degree lines, there may be an unacceptable loss of daylight to the affected window.

### 25 degree rule

3.5.10 This test should be used where the proposed development faces the affected window of the neighbouring property:

- Draw a line at 25 degrees upwards from the centre of the affected window.

3.5.11 If the proposed development is higher than this 25 degree line, there may be an unacceptable loss of daylight to the affected window.



**Fig 3.1: illustrative plan and section demonstrating daylight tests**

## 3 General principles

### Materials

- 3.5.12 Materials for extensions and alterations can either match the building materials of the original building or be of a contrary, modern aesthetic. Either way materials should be of the highest quality, be durable and should weather well.
- 3.5.13 The detail of materials is integral to the scheme as a whole. Quality of materials, samples and detailed, larger scaled plans will be required.

### 3.6 Preparing a development proposal: pre-application consultation

- 3.6.1 The Government encourages positive engagement between developers/ applicants and the Council. The Council's Statement of Community Involvement stresses that the Council will welcome and provide opportunities for applicants or their agents to discuss development proposals with planning officers before they submit a planning application.
- 3.6.2 Pre-application discussions provide an excellent opportunity for issues to be highlighted and addressed at an early stage in the development process, thereby reducing the likelihood of delays later in the process. Pre-application discussions also provide an opportunity to discuss the information and level of detail required to accompany a particular planning application.
- 3.6.3 To find out more about this service refer to the council website.



### **3.7 Preparing a development proposal: submission of proposals**

- 3.7.1 The level of information that the Council will require the applicant to submit as part of a planning application will depend on the scale and nature of the proposal.
- 3.7.2 Reference should be made to the Validation Checklists on the Council's website to understand the documents that will need to be submitted.

## 4 Guidance on extensions





## 4.1 Introduction

- 4.1.1 Having established general principles for achieving a high quality design proposal in Section 3, this section outlines detailed guidance on a range of extension types.
- 4.1.2 The type of extension appropriate for your dwelling will depend on the form and character of your property.
- 4.1.3 It is not possible to provide guidance for every different circumstance so each case will be assessed on its own merits.



**Fig 4.1: A well proportioned, high quality, single storey extension**

**Upland Rd: Gruff architecture & design  
Image Credit: Ben Blossom**



# 4 Extensions

## 4.2 Single storey rear extensions

4.2.1 A rear extension is often the most appropriate way to extend a building. However careful design is required, as dominant and insensitive rear additions can diminish the appearance of the host building.

4.2.2 Rear extensions, if they are excessively large and poorly designed, can be harmful to the appearance of the host building, can reduce useable garden space for existing and future residents, and can be overbearing for neighbours, reducing their daylight and/or outlook.

### 4.2.3 Design principles for rear extensions

- Rear extensions (individually and cumulatively) should not take up more than half the depth of the original rear garden/yard to avoid the overdevelopment of sites.

- Where a pitched roof is proposed, the ridge height should be visibly lower than the sill of any first floor windows. (minimum of 2 or 3 brick courses)
- The acceptable height of your extension will depend on the depth proposed. You are encouraged to seek advice before submitting an application.
- Extensions should not overlook or have an overbearing or enclosing effect on adjacent properties by way of their height or depth.
- Diagram 3.1 in Section 3 p23 sets out a simple test to check the acceptability of extensions where they are close to neighbouring windows.
- Where side-facing windows are required for light, they should generally be high level or obscurely glazed to prevent the overlooking of neighbouring properties.
- It is unlikely to be possible to use the roof of your extension as a terrace unless it can be demonstrated that there would be no unacceptable impact to any neighbouring properties' privacy.



**Fig 4.2: Unacceptable because the wrap around extension overwhelms the original dwelling and impacts on the first floor windows.**

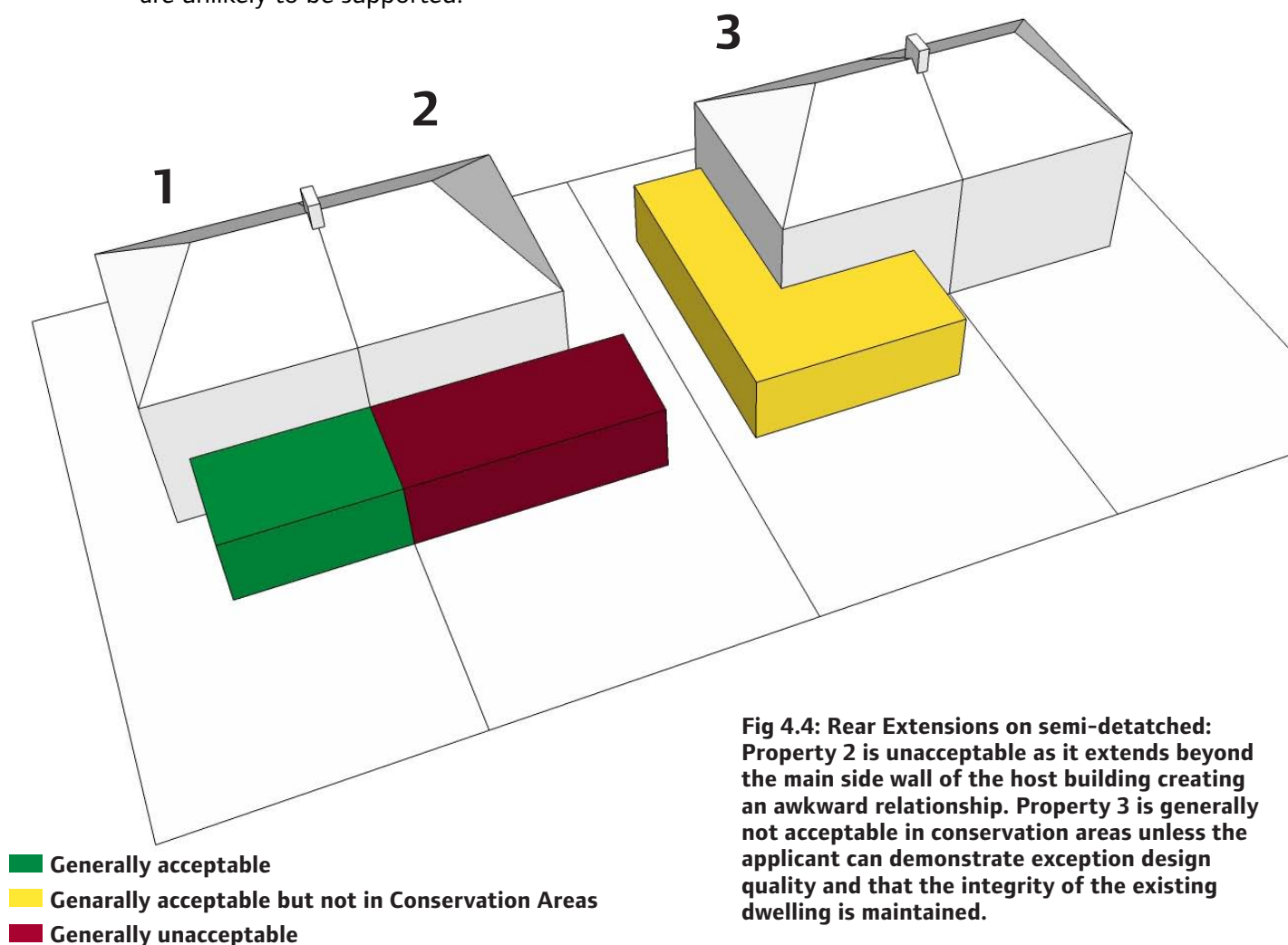


**Fig 4.3: This wrap around extension clearly disguises itself from the host building**

Peckham Rye: Gruff architecture & design  
Image Credit: Gruff architecture & design

- The acceptable height on the boundary will depend upon a number of factors specific to its context: including the length of the extension; adjacencies; width of the neighbouring garden etc. This should also be informed by the daylighting test described adjacent and should avoid being overbearing on neighbouring properties.
- However as a general rule, extensions extending up to 3m in length should be no more than 2.8m in height on the boundary.
- Extensions which exceed this length and exceed a height of 2.5m on the boundary are unlikely to be supported.

- On semi-detached properties extensions should not extend beyond the main side walls of the host building except where an L shape form is proposed.
- L-shaped extensions which combine a single storey rear extension and a single storey side extension should not overdominate the original building. It is recommended that a path of at least 1m is maintained to provide access to the rear garden.
- Proposals of this nature should adhere to the guidance for both rear extensions and side extensions.



**Fig 4.4: Rear Extensions on semi-detached: Property 2 is unacceptable as it extends beyond the main side wall of the host building creating an awkward relationship. Property 3 is generally not acceptable in conservation areas unless the applicant can demonstrate exception design quality and that the integrity of the existing dwelling is maintained.**

# 4 Extensions

## 4.2.4 Additional guidance for single storey rear extensions in conservation areas

Alterations within conservation areas should be of the highest quality design using high quality materials.

The rear building line, the size of the rear garden and the prevailing characteristics of adjoining properties should all be taken into account.

Rear extensions should:

- Remain clearly secondary to the host building in terms of location, form, scale and detailing.
  - Respect the original design and architectural features of the existing building.
  - On semi-detached properties extensions should not extend beyond the main side walls of the host building.
- Have a ridge height visibly lower than the cill of the first floor windows (2 to 3 brick courses) and roof pitches to complement those of the main building.

In conservation areas L shaped extensions on semi-detached properties, which combine a single storey rear extension and a single storey side extensions will only be considered where the applicant can demonstrate exceptional design quality.

In these cases the onus is on the applicant to demonstrate that the characteristics and integrity of the property is maintained and that the impact on neighbouring properties is not significant.

A modern, high quality design is generally more successful when considering these types of extensions.

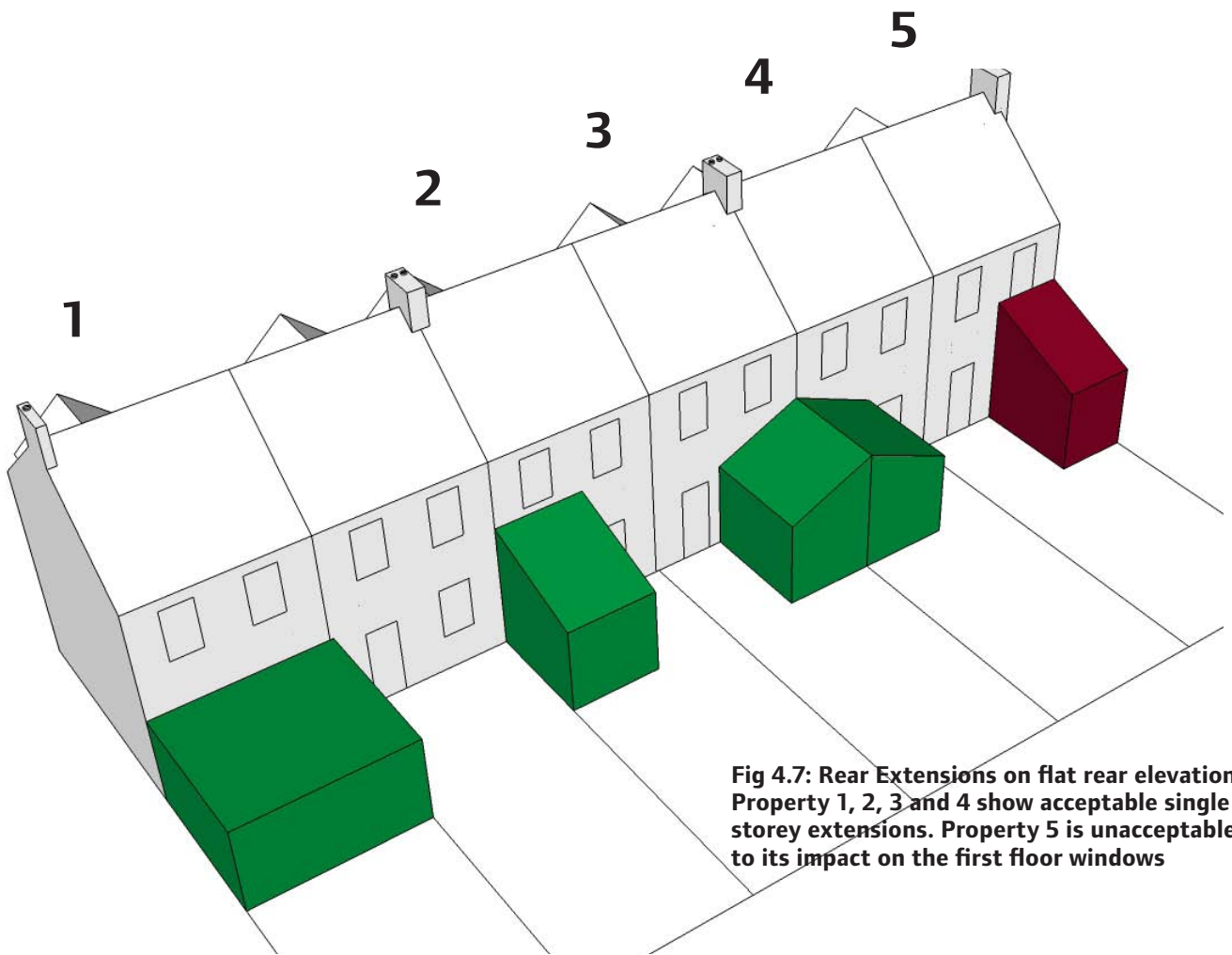


**Fig 4.5: Unacceptable because the single storey rear extension is incongruous. This negatively impacts on the integrity of the original building form because it is too high, impacting on the first floor rear bay window**

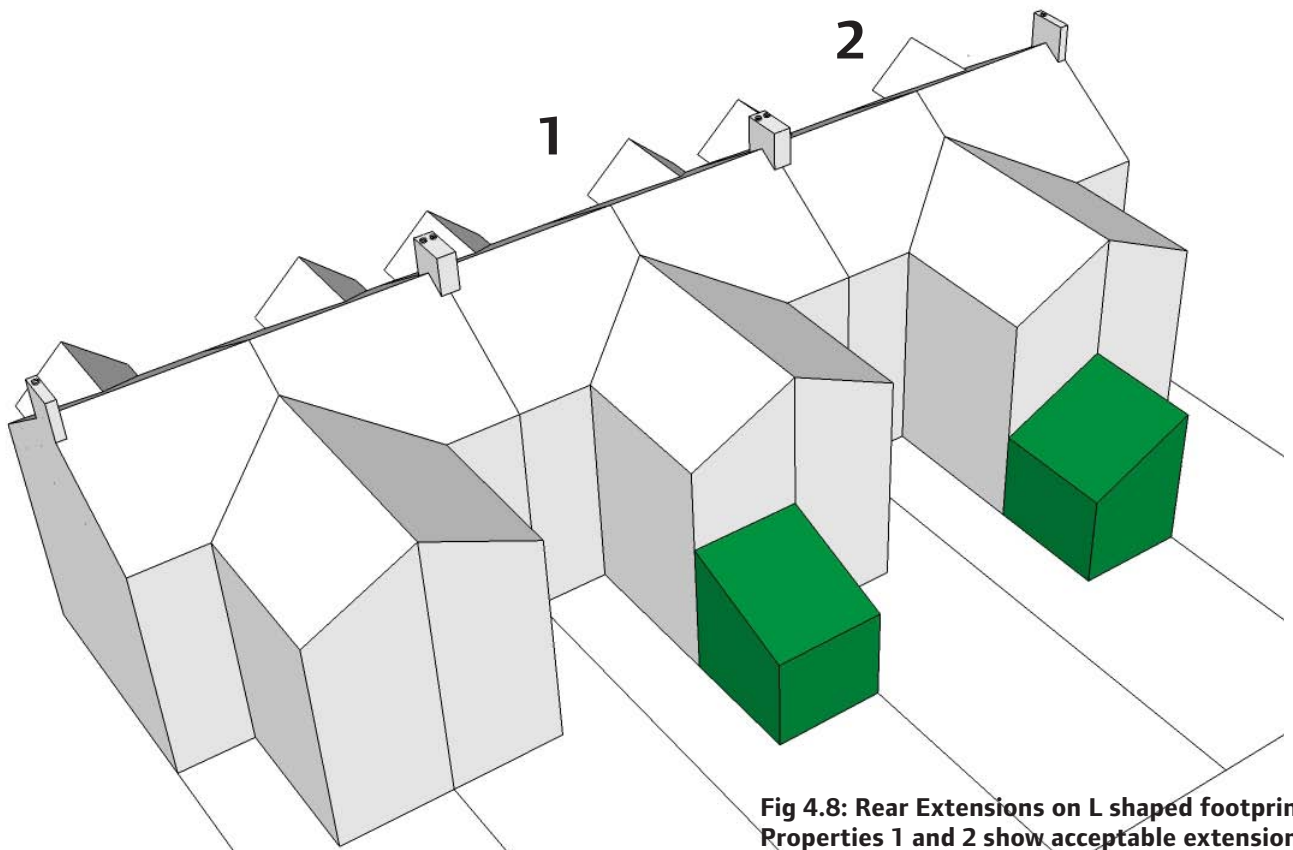


**Fig 4.6: The extension clearly disguises itself from the host building and has a positive relationship with neighbouring properties**

**Wearside Rd: Gruff architecture & design  
Image Credit: Adam Scott**



**Fig 4.7: Rear Extensions on flat rear elevations:** Property 1, 2, 3 and 4 show acceptable single storey extensions. Property 5 is unacceptable due to its impact on the first floor windows



**Fig 4.8: Rear Extensions on L shaped footprints:** Properties 1 and 2 show acceptable extensions as they do not exceed half the length of the garden and are not overbearing on neighbouring properties

- Generally acceptable
- Generally acceptable but not in Conservation Areas
- Generally unacceptable

# 4 Extensions

## 4.3 2 storey rear extensions

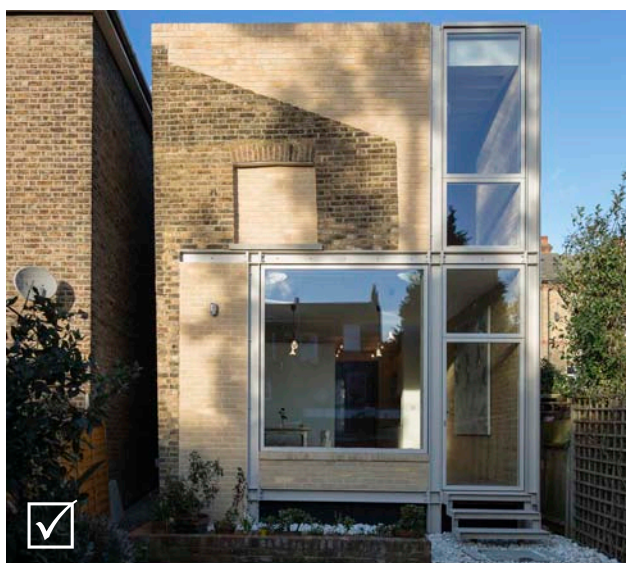
- 4.3.1 The extra height and bulk of a two or more storey extension compared to a single storey structure can exacerbate problems of: overlooking; overshadowing; loss of light; and a general sense of enclosure to neighbouring properties. The additional height also gives the extension greater visual prominence.
- 4.3.2 These can be difficult to achieve in a sensitive manner and will only be considered where the applicant can demonstrate exceptional design quality.
- 4.3.3 In these cases the onus is on the applicant to demonstrate that the characteristics and integrity of the host property is maintained/enhanced and that the impact on neighbouring properties is not significant.
- 4.3.4 For these types of application you are advised to seek pre-application advice. Details can be found on the Council's website.
- 4.3.5 A single storey extension built on top of a ground floor extension is likely to have the same impact and sensitivities as a two storey rear extension. Again you are advised to seek pre-application advice.

### 4.3.6 Additional guidance for conservation areas

Although occasional exceptions may be made in the case of flat backed, mid 19th century buildings, two storey rear additions are generally not acceptable in conservation areas. They intensify the present level of development, overwhelm the original building with new work and obscure many of its architectural qualities.

Bulky two storey additions are entirely unacceptable where the consistency of form and repetitive rhythm of unaltered rear elevations make an important contribution to the character of the area.

The council offers a range of pre-application services including advice on alterations and extensions that are more appropriate within conservation areas. Please consult the Council's website for further information.



**Fig 4.9: A well designed high quality, two storey extensions that enhances the host building.**

**House of Trace: Tsuruta architects. Image credit: Tim Crocker**

## 4.4 Front extensions and porches

- 4.4.1 Residential buildings in Lewisham generally follow a clear and established building line. Building façades tend to be in the same plane, although often enriched with architectural features such as piers, door surrounds and window bays.
- 4.4.2 Modern projections beyond the established building line can be highly disruptive elements within the streetscape.
- 4.4.3 Whilst many porches may be covered under permitted development, extensions to the front of buildings are rarely desirable as they are highly visible in the street scene; can unbalance a building; create undue prominence and/or disrupt the continuity of a terrace or group.

### 4.4.4 Additional guidance for conservation areas

In most cases front extensions and porches will be resisted in conservation areas. They can disrupt: the uniformity of front elevations in a group of terraces; the symmetry of pairs of semi-detached properties especially where designs and materials differ from each other; and host.

The Council offers a range of pre-application services including advice on alterations and extensions that are more appropriate within conservation areas. Please consult the Council's website for further information.



**Fig 4.10: Unacceptable because the front extension dominates the street elevation.**

# 4 Extensions

## 4.5 Infill extensions

**4.5.1** Lewisham has many L-shaped buildings. They often have back to back, two or more storey rear projections or returns (sometimes known as ‘outriggers’). The rear projections are always subordinate to the main house - in width, length of the rearward projection and roof ridge height. Original rear projections were never full width which allowed there to be windows and doors on the side elevation.

### 4.5.2 General design principles

- Extensions should be no more than one single storey in height.
- Extensions (individually and cumulatively) should not take up more than half the depth of the original rear garden/yard to avoid the overdevelopment of sites. In working out garden depth, outbuildings are taken into consideration (i.e. they will reduce the depth of the remaining garden).
- When planning a rear extension and where this involves a typical L-shaped terrace property, new designs should respect the original form of the existing building.

### Single storey infill extensions

**4.5.3** A single storey infill extension which infills the space between the original rear extension and the shared boundary. In some cases this will include the removal of the existing side wall of the outrigger at the ground floor to create a more open plan space.

### 4.5.4 Design principles for single storey infill extensions

- The design of the extension should be high quality and should either match or, if a contemporary design approach is taken, should complement the host property. The extension should always remain subordinate to the host property.
- Pitched roofs should not wrap around first floor windows and there should be at least the height of 2 to 3 bricks between the highest point of the roof of the extension and any first floor window in the host property.
- Single storey infill extensions can, if too high have a detrimental impact on neighbouring amenity, particularly in terms of sense of enclosure, daylight and outlook. Therefore it is important to ensure that the height proposed is justified and causes no or minimum impact.
- The height of infill or wrap around extensions will be dependent on the scale of the outrigger, width of the garden and depth of the proposed extension. As a general rule, extensions extending up to 3m in length should be no more than 2.8m in height, beyond that the height needs to be considerate of the impact of the adjacent property.
- Extensions which exceed 3m in length and exceed a height of 2.5m on the boundary are unlikely to be supported.
- Diagram 3.1 in Section 3 p21 sets out a simple test to check the acceptability of extensions where they are close to neighbouring windows.

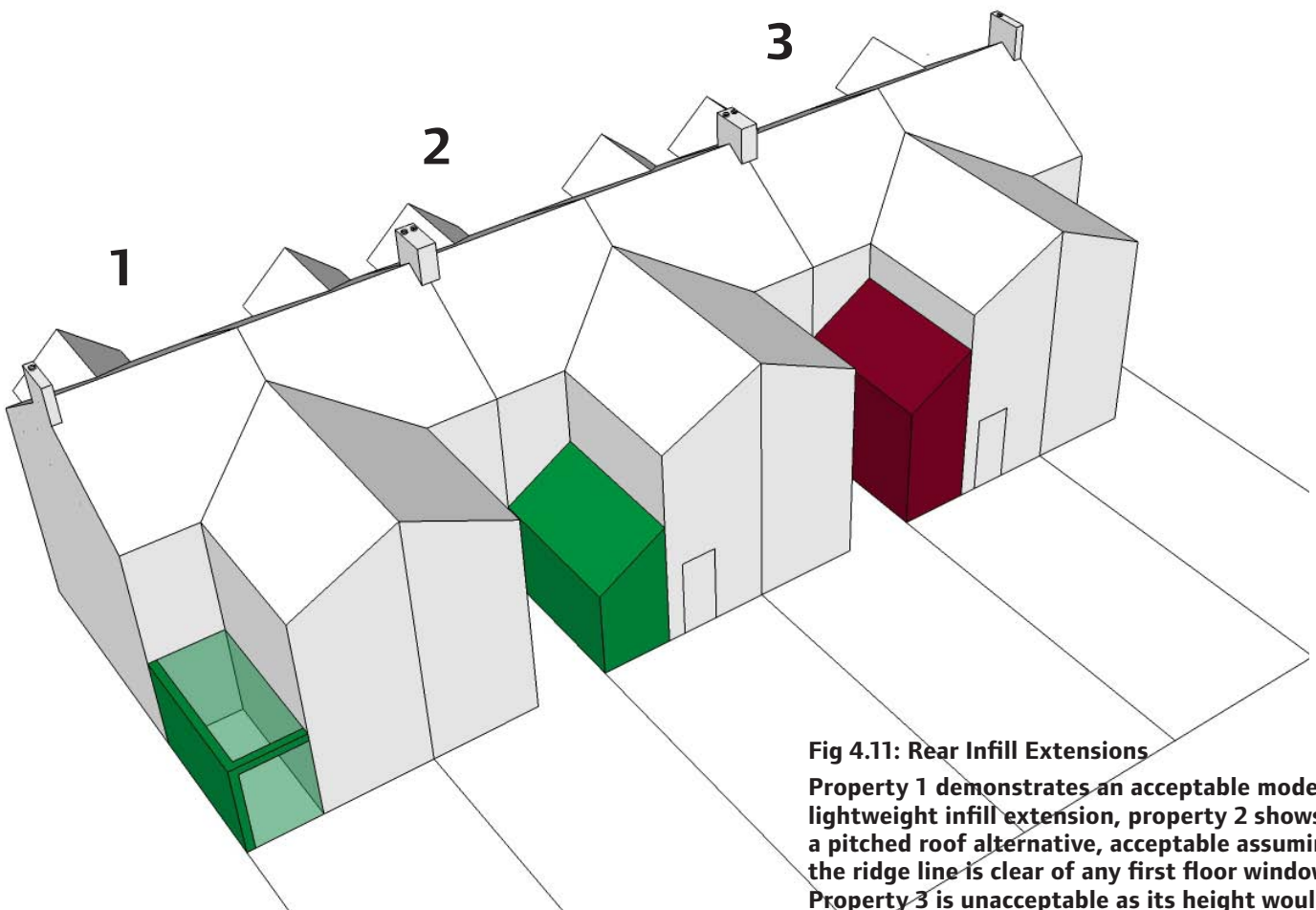
#### 4.5.5 Additional guidance for conservation areas

Alterations within conservation areas should be of the highest quality design using high quality materials.

Infill extensions with a modern, lightweight appearance are generally more successful when considering these types of extensions in order to allow the original rear return to remain evident.

Alterations to the basic form of the rear return other than on ground floor level are likely to be resisted.

The removal of the existing side wall of the outrigger at the ground floor to connect with the infill extension and create a more open plan space is generally acceptable providing it can be demonstrated that the integrity of the building form is retained.



**Fig 4.11: Rear Infill Extensions**  
Property 1 demonstrates an acceptable modern, lightweight infill extension, property 2 shows a pitched roof alternative, acceptable assuming the ridge line is clear of any first floor windows. Property 3 is unacceptable as its height would adversely impact on the neighbours amenity and it is likely to conflict with first floor windows.

- Generally acceptable
- Generally acceptable but not in Conservation Areas
- Generally unacceptable



# 4 Extensions

## Wrap around

4.5.6 This type of extension has become more popular and is often done to create a large open plan living space which is linked to the garden. The extension infills the side space as well as extending across the back of the original rear projection.

4.5.7 If too long and too high, such extensions can result in an increased sense of enclosure and loss of light to neighbouring occupiers as well as not being subordinate to the host property.

### 4.5.8 Design principles for wrap around extension

- The design principles for infill extensions set out above also apply to wrap around extensions.
- Wrap around extensions should be clearly readable as additions and respect existing building form.
- These extensions are generally in excess of 3m in length and therefore the height on the boundary is a key consideration.

### 4.5.9 Additional guidance for wrap around extensions in conservations areas

The design principles for infill extensions set out above also apply to wrap around extensions.

In conservation areas wrap around extensions will only be considered where the applicant can demonstrate exceptional design quality.

In these cases the onus is on the applicant to demonstrate that the characteristics and integrity of the existing property is maintained and that the impact on neighbouring properties is not significant.

A modern, high quality design is generally more successful when considering these types of extensions.

You are advised to seek pre-application advice. Please consult the Council's website for further information.



Fig 4.12: Poorly considered infill extensions can result in left over, narrow, external "corridor" spaces.



Fig 4.13: Infill extension that pitches to achieve an appropriate height on boundary.

Harefield Half: Gruff architecture & Design. Credit: adam Scott

- The height of infill or wrap around extensions will be dependent on the scale of the outrigger, width of the garden and depth of the proposed extension. As a general rule, extensions extending up to 3m in length should be no more than 2.8m in height, beyond that the height needs to be considerate of the impact of the adjacent property.

- Extensions which exceed 3m in length and exceed a height of 2.5m on the boundary are unlikely to be supported.
- Diagram 3.1 in Section 3 p21 sets out a simple test to check the acceptability of extensions where they are close to neighbouring windows.



**Fig 4.14: Wrap around extensions**  
 A simple, lightweight structure as shown in property 1 is more appropriate within Conservation areas. Property 2 demonstrates an acceptable pitched roof form. Property 3 is unacceptable due to its bulk and height on the boundary. The extension dominates the existing floor plan and presents an overbearing wall on the boundary.

- Generally acceptable
- Generally acceptable but not in Conservation Areas
- Generally unacceptable

# 4 Extensions

## 4.6 Basements

**4.6.1** Throughout London basement extensions have become increasingly popular in recent years. Basements can have significant impacts on local character, heritage assets (archaeology), gardens, neighbouring amenity, ground conditions and biodiversity.

**4.6.2** Many parts of the Borough of Lewisham are dense urban settings where excavation is complex. If not undertaken properly, this can give rise to significant consequences such as structural instability or harmful effects to ground conditions. Consequently, such issues need to be considered as part of the proposal.

**4.6.3** Basements can be vulnerable to flooding including sewer flooding. The cumulative effect of basements when located next to each other can also affect ground water.

**4.6.4** Many of the Borough 's housing stock is Victorian and these properties have a clear vertical hierarchy which contributes to its significance and interest. Basement extensions can unbalance this hierarchy and any proposal will need to demonstrate how this is avoided. Careful consideration will also have to be given to the impact that basements have on conservation areas, in particular the street scene such as trees, hedges and boundary walls.

### 4.6.5 General design principles for basements

- Basement development must retain sufficient garden space.
- Not extend under the pavement.
- Protect ground conditions.

- Maintain local character.
- Avoid structural instability.
- Reduce the instances of flooding.
- Keep the impact on neighbours to a minimum.
- Ensure habitable rooms meet the relevant guidance.
- Not make up a separate independent dwelling.
- Presumption to retain trees and hedges.

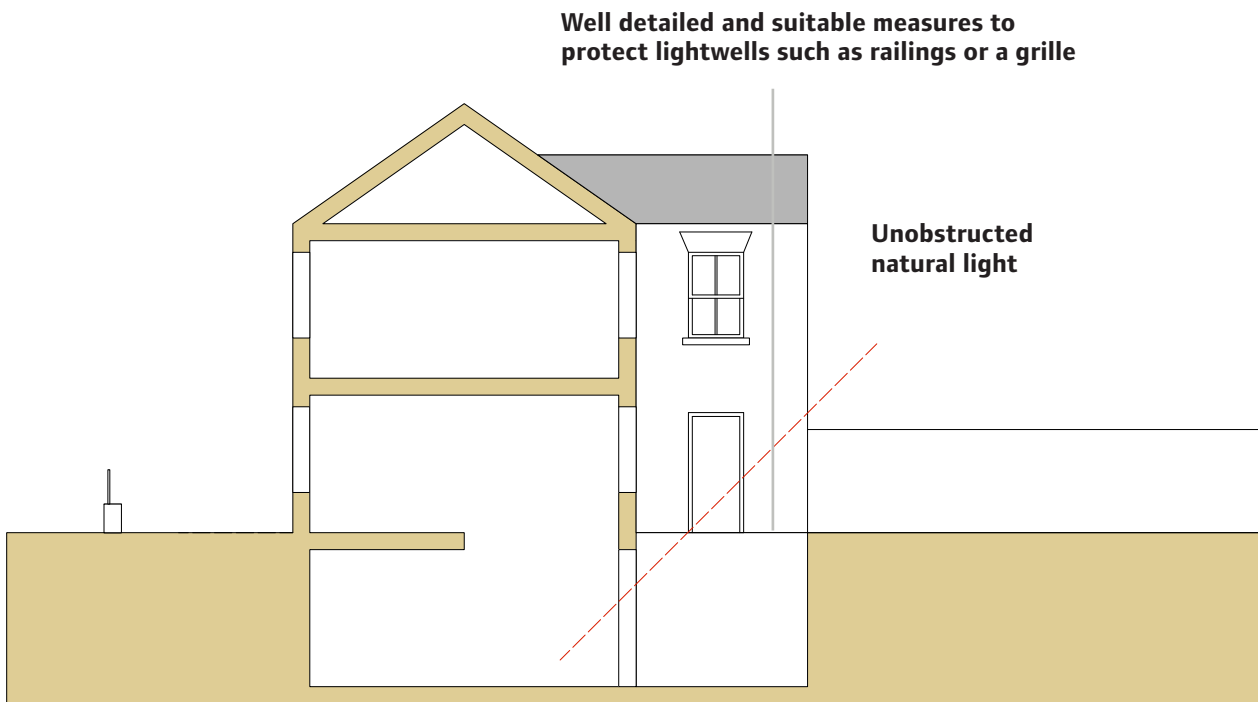
### 4.6.6 Detailed design principles for basement development

#### Size

- 4.6.7** Basements should not extend more than 25% of the length of garden in any direction.
- 4.6.8** They should not extend under the pavement.

#### Lightwells

- 4.6.9** Front lightwells are generally resisted unless it can be demonstrated that there is an accepted, prevailing precedent within the street. This is in order to maintain and protect the character or the property/street scene.
- 4.6.10** They should not be larger than 3m at the rear of a property and where gardens are less than 9m the lightwell should be no more than 1.5m. This is to enable a Sustainable Urban Drainage System, (SUDS) and retention of useable garden space.
- 4.6.11** If a basement surround is proposed, careful consideration should be given to its visual impact and to avoid impacting on the street scene. We will resist lightwells with railing that add clutter to the streetscene.



**Fig 4.15: Section showing good practice and no impact on street**

### Depth

- 4.6.12** Basements should generally not be more than one storey below the original ground floor to avoid negative impacts on: SUDS; trees; archaeology; character and appearance of the property; issues with natural light; and ventilation.
- 4.6.13** Care must be taken not to damage trees and tree roots (including those in neighbouring gardens which are likely to run under your property). It is also good practice to ensure a minimum 1m depth of soil above the basement if beneath the garden to retain planting.

### Ventilation

- 4.6.14** Basements should be naturally ventilated where possible. Where natural ventilation cannot be achieved, mechanical ventilation may be acceptable subject to an acceptable scheme being proposed.
- 4.6.15** Full details of any mechanical ventilation system and a noise report should be submitted with the application. This should also detail the location of pumps and fans so that the impact on neighbouring properties can be assessed.

# 4 Extensions

## 4.6.16 Additional guidance for basements in conservation areas

In conservation areas the main issues relate to the external elements of subterranean development, as the cumulative effects of light-wells and roof lights, perimeter railings, access arrangements and exposed masonry diminish distinctive local character.

Where such features are not typical of the streetscene, new light-wells abutting the front elevation of a building will be resisted, as they are visually intrusive elements contrary to the original architectural intention. Their presence alters the proportional qualities of the facade above, changes the relationship between the host building and its setting and frequently results in the loss of softly landscaped garden space.

In cases where a modestly proportioned and discretely located light-well may be acceptable, the architectural treatment of the building frontage above should extend fully into the basement area. A horizontal grille over the light-well can often provide a secure and less visually intrusive alternative to guard rails.

Within conservation areas, the Council will adopt a strict application of the general design standards for light wells, railings and other features associated with subterranean development



## 4.7 Side extensions

4.7.1 The space between buildings can be an important characteristic of the street scene and is a key characteristic of many parts of Lewisham. Side spaces allow for views between buildings and thus prevent overbearing enclosure along the street frontage. These are especially important in relation to heritage assets where spatial character is important or the architectural symmetry / composition of a building or group of buildings is of value; but also in urban areas where development is dense and in suburban areas which rely on generous spacious standards as a key aspect of their spatial character.

4.7.2 Side spaces also have value as visual amenity and domestic storage areas too and allow residents direct access to rear gardens without the need to pass through the property.

4.7.3 Side extensions can have a wider impact than the immediate setting of the original house. A number of factors have to be assessed, including the size, form and height of any proposed side extension, in order to determine if one is acceptable.

### Single storey side extensions

#### 4.7.4 Design principles for single storey side extensions

- A single storey side extension should be subordinate to the host property and should not dominate the original house footprint.
- It is recommended that a path of at least 1m is maintained to provide access to the rear garden.

- Single storey side extensions must sit comfortably with the original building and respect the proportions of the existing building.
- The extension should not project forward of the front façade and should normally be set back by a minimum of 150 mm - this helps to make a clear distinction between old and new.
- The width of a side extension (in the majority of cases) should be no more than half the frontage width of the original property.
- In terms of height, there may be instances where there is sufficient distance between neighbouring properties or the land is sloping so an extension could be taller than its neighbour(s). However the application would have to demonstrate that there is no harm to the neighbouring properties or to the appearance of the house or harm the significance of either a designated or non designated heritage asset.
- The roof form does not necessarily have to be identical to the original property but it must complement the character of the original building.
- Side windows will not normally be permitted unless it can be demonstrated that no overlooking of neighbouring properties would occur. Otherwise, they may be acceptable if the windows are high level/obscured and designed not to be opened.
- The placement of windows should not prejudice the development potential of adjoining land.

# 4 Extensions

## 4.7.5 Additional guidance for side extensions in conservation areas

Side extensions affect both the appearance of the host building and that of the streetscene. Many conservation areas within the borough comprise suburban housing where the gaps between buildings intentionally allow views of foliage in rear gardens. These views permeate the built form and provide a gentle sense of enclosure. The terracing effects created by side extensions that close these gaps diminish important spatial qualities of the conservation area and thereby harm its significance.

Where a building is part of a symmetrical pair or a stylistically cohesive group, a side addition is unlikely to be acceptable. It unbalances the appearance of the host building and destroys its cohesive visual relationship with its neighbours. Harm is thus caused to distinctive visual qualities of the conservation area.

Where side extensions are found to be acceptable in principle, the character and appearance of the existing building will determine the appropriate design and form.

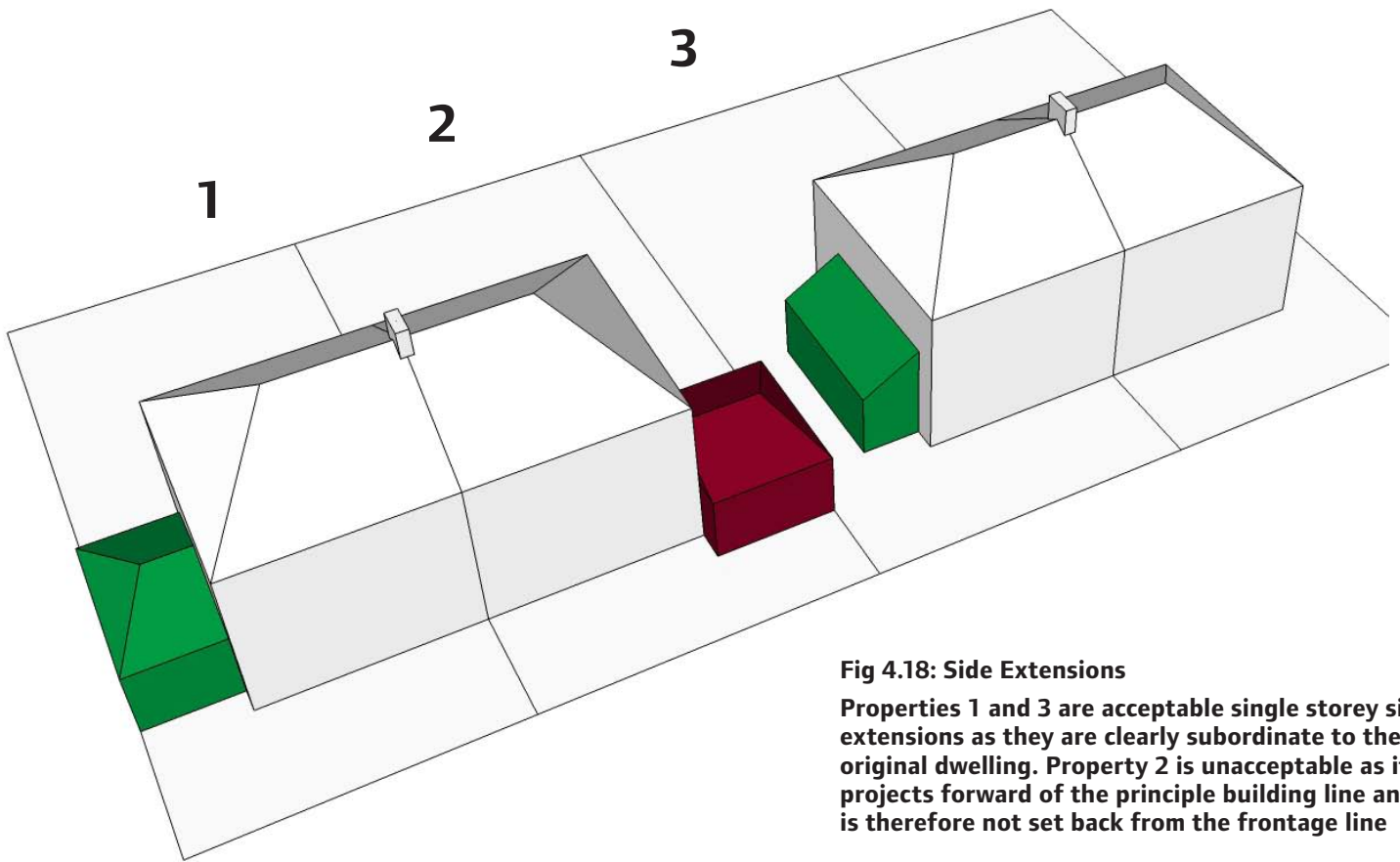
The character of neighbouring properties and the surrounding area should also be taken into account. Typically side extensions should be subordinate, complement the architectural treatment of the original building and be set back from the front building line.



**Fig 4.16: Unacceptable because the side extension is more than half the width of original house and is not set back from original frontage**



**Fig 4.17: Sympathetic single storey side extension that steps back from original frontage.**



**Fig 4.18: Side Extensions**

Properties 1 and 3 are acceptable single storey side extensions as they are clearly subordinate to the original dwelling. Property 2 is unacceptable as it projects forward of the principle building line and is therefore not set back from the frontage line

- Generally acceptable
- Generally acceptable but not in Conservation Areas
- Generally unacceptable



# 4 Extensions

## Two storey side extensions

### 4.7.6 Design principles for two storey side extensions:

- The same guidance as one storey extensions should be followed and the following.
- Not only should two storey side extensions be set back from the front façade, where relevant, the proposed roof of the extension should be set down from the main ridge line.

### 4.7.7 Additional guidance for two storey side extensions in conservation areas

Many of the conservation areas within the borough comprise of semi-detached dwellings and groups of terraces with visual breaks in between allowing views into rear gardens and beyond. These views permeate the built form and provide a gentle sense of enclosure.

Where a building is part of a symmetrical pair of a stylistically cohesive group, a side extension is unlikely to be acceptable. It unbalances the appearance of the host building and considered to have a negative impact on the distinct visual qualities of the conservation areas.

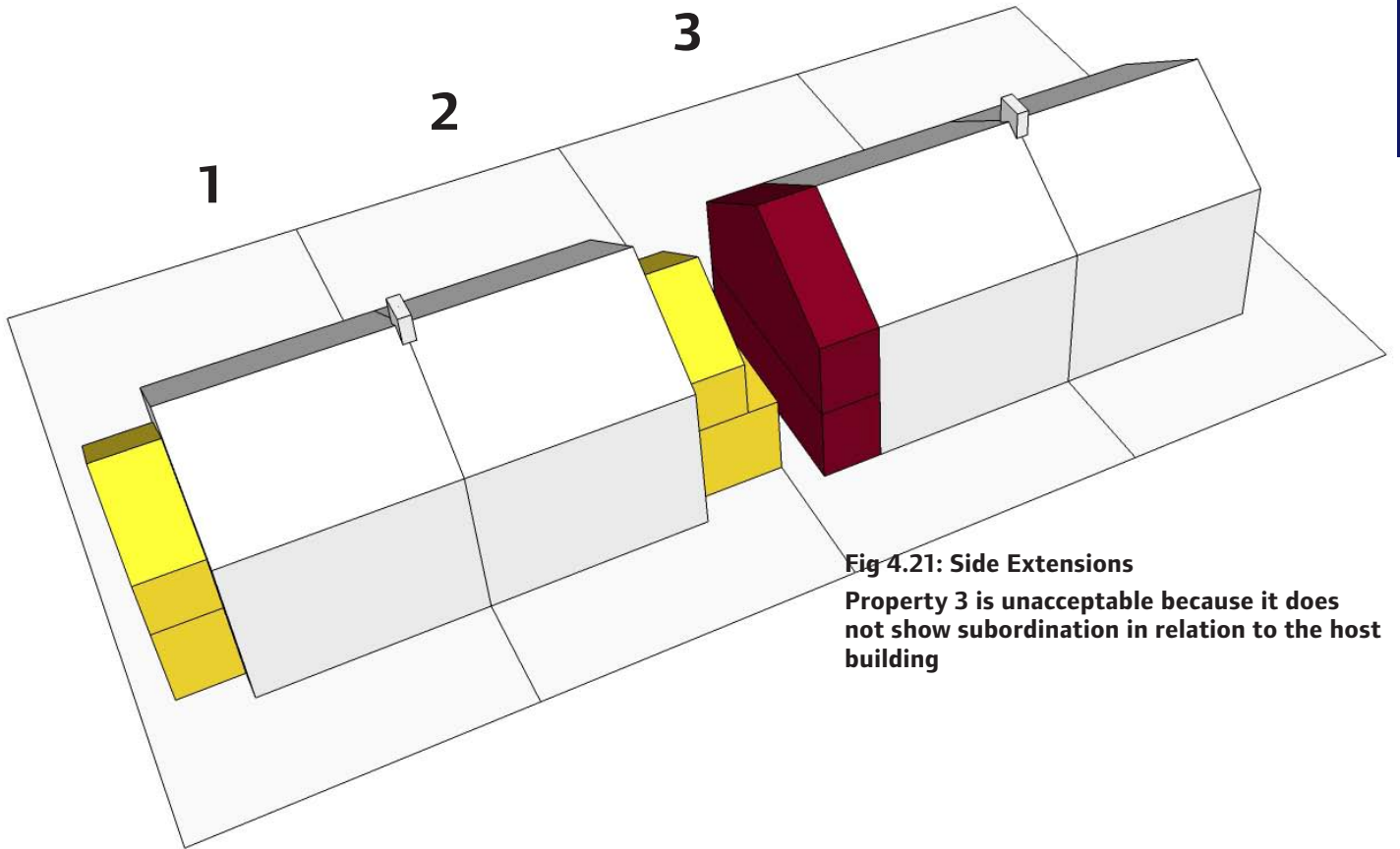
The council offers a range of pre-application services including advice on alterations and extensions that are more appropriate within conservation areas. Please consult the Council's website for further information.



**Fig 4.19: Unacceptable as it is not subordinate and the width is more than half of the existing building**

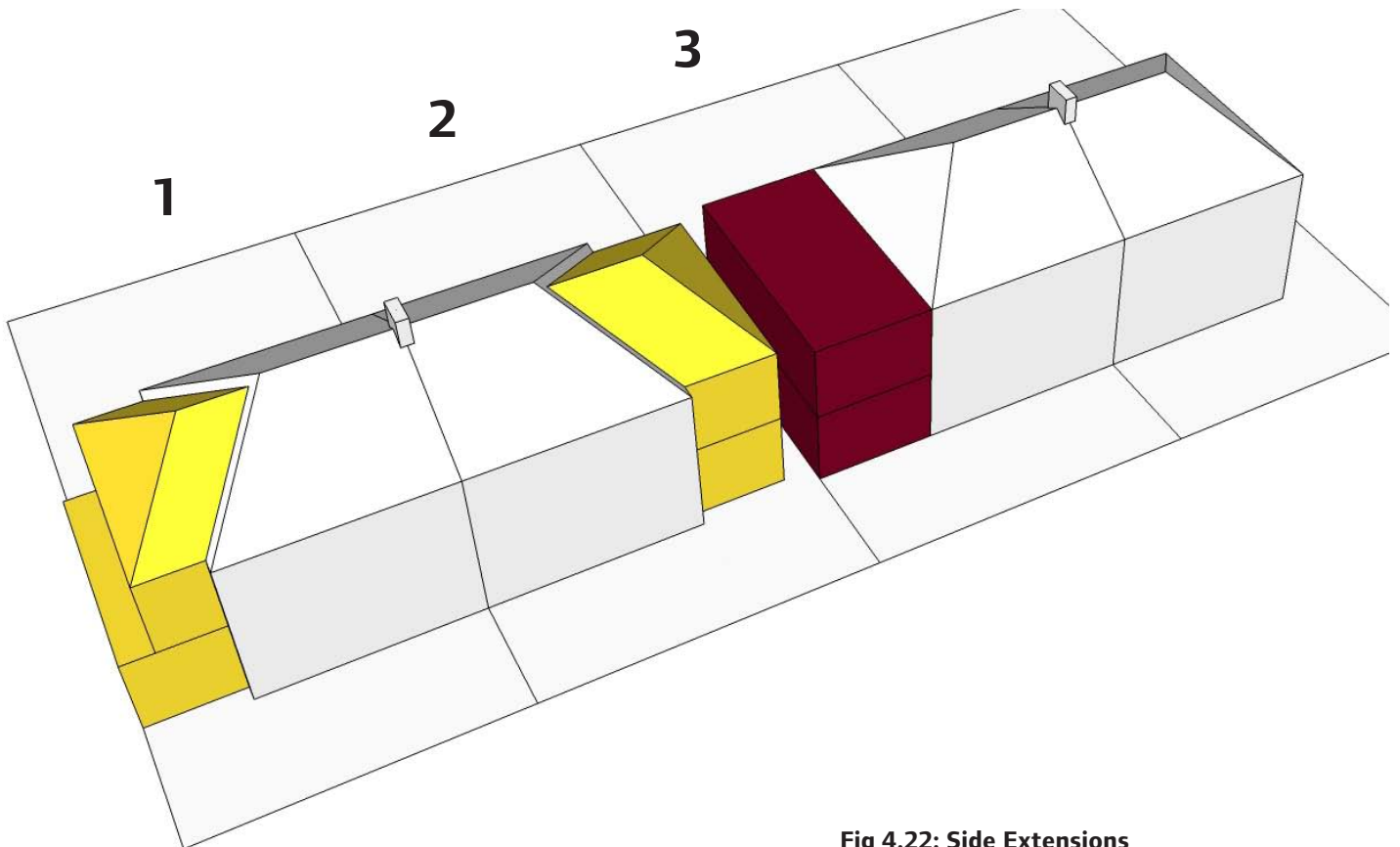


**Fig 4.20: Acceptable - subservient two storey side extension**



**Fig 4.21: Side Extensions**

**Property 3 is unacceptable because it does not show subordination in relation to the host building**



**Fig 4.22: Side Extensions**

**Property 3 is unacceptable because it does not retain side space at first floor level, it does not show subordination in relation to the host building façade and the roof design is poor**

- Generally acceptable
- Generally acceptable but not in Conservation Areas
- Generally unacceptable

# 4 Extensions

## 4.8 Detached Outbuildings

**4.8.1** An outbuilding is a structure normally separate from a main building such as an outhouse, shed, garage or annexe. They are usually built within the rear gardens of residential properties.

**4.8.2** This advice does not apply to residential, garden development ancillary to the main building.

**4.8.3** We will seek to restrict the use of outbuildings as separate dwellings.

### **4.8.4 Design principles for detached outbuildings**

- Where planning permission is required, outbuildings should be subordinate to the host building. It may be possible to erect small detached buildings such as a garden shed or summerhouse in your garden. Building regulations will not normally apply if the floor area of the building is less than 15 square metres and contains no sleeping accommodation.
- They will only be acceptable when ancillary to the house.
- Outbuildings will not be permitted at the front of dwellings.

### **4.8.5 Additional guidance for conservation areas**

Within the Forest Hill, Ladywell and Mercia Grove conservation areas, permitted development rights have been removed from both the front and rear gardens. Planning permission is therefore required for sheds and outbuildings, which should:

- Relate well to the design of the existing house, be of simple form, modest scale and complementary materials.
- Be discretely positioned so that they are not read together with the main building.

## 4.9 External staircases and balconies

4.9.1 As a general principle the Council will not support external platforms and staircases to the side or rear elevations of properties above ground floor level where they are conspicuous and likely to give rise to overlooking and loss of privacy. In most instances external platforms and stairs are difficult to design and incorporate into the established street scene without causing both design and amenity concerns. The Council appreciates that they can afford dedicated external amenity or/and access to the ground floor garden amenity where no or convoluted access exists. However the benefit to the householder are, in most cases outweighed by the wider impacts.

4.9.2 While some overlooking can be mitigated by the erection of screening, the screening itself can result in additional impacts due to its height (necessary to prevent overlooking), materials and general design. The design of a rear staircase can be compromised by the available space and the need to meet building regulations. Furthermore, open tread staircases can result in overlooking of any ground floor window below the stairs where that window serves a separate unit and conversely. Closed tread stair cases can restrict light to the said window.

### 4.9.3 Additional guidance for conservation areas

External stairs and balconies will not be supported in conservation areas. Most residential properties in the borough would not have included an external stairs or balconies and therefore is considered not in keeping with overall character of Lewisham's conservation areas.

## 5 Guidance on roof alterations



## 5.1 General guidance

5.1.1 This section begins by offering general guidance which will be applicable to all roof alterations. It then continues to offer more advice about what kind of roof extension may be appropriate for the type of roof that you have and then further detailed guidance on each kind of roof extension. This section will help you to understand:

- What kind of a roof do I have?
- What kind of an extension or alteration can I do?
- Specific guidance on the type of roof alteration.

5.1.2 The roof form of a house and other houses in a street make a significant contribution to the character of an area. Roof extensions and alterations should be designed to complement the individual house and existing streetscape.

5.1.3 It is extremely difficult to provide guidance for every circumstance across Lewisham. This guidance is general and each case will be taken on its own merit.

5.1.4 There are some fundamental principles which must be followed in all cases:

- It will not be acceptable to raise the ridge height of the main roof or for the extension to be higher than the existing ridge height.
- Changes to the angle of the pitch are not likely to be permitted to the front.
- Alterations to front roof slopes are unlikely to be supported.
- The architectural integrity of a building must not be harmed by any roof extension or alteration.

- It is important to provide a roof form which is appropriate to the building and adjoining building. This means that the changes must take into consideration the architectural language and proportions of the existing dwelling and its neighbours.
- Any plant space must be incorporated within the roof extension and not be visible from the street.
- Materials for extensions and alterations should be of a high quality.
- Your proposal drawings must include elevations of the whole of the existing building and neighbouring properties as well as the proposed extension / alteration, so that the effect on the building within its context can be assessed.

## 5.2 Additional guidance for conservation areas

5.2.1 Conservation areas will have further restrictions in place which will include the use of Article 4 Directions.

5.2.2 Additional guidance for homes within conservation areas (over and above the general guidance) are outlined within these boxes for each type of roof extension.

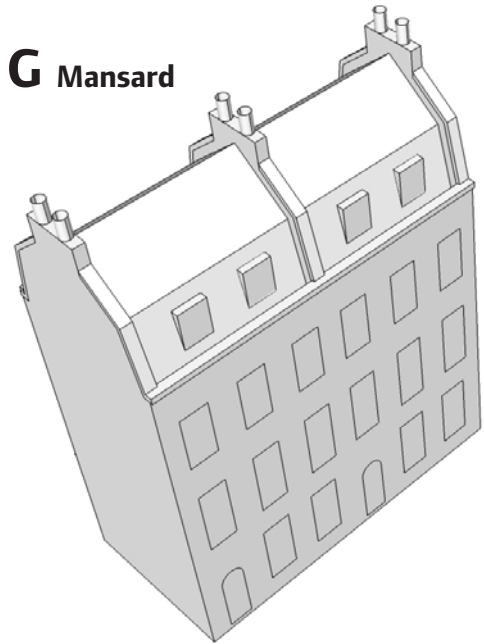
5.2.3 The Council offers a range of pre-application services including advice on alterations and extensions within conservation areas. Please consult the Council's website for further information.

# 5 Roof alterations

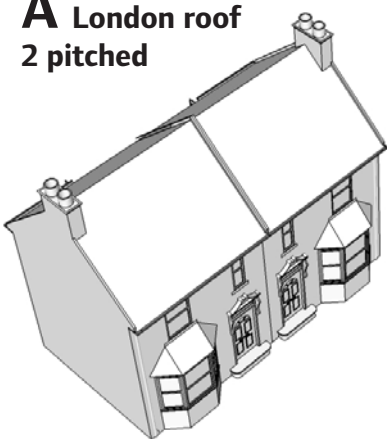
## 5.3 What type of roof do I have?

5.3.1 There are several traditional roof forms in Lewisham including the London pitched roof, hipped, M-roof, flat, chalet style and London butterfly roofs. The form of any proposed roof conversion or alteration should be designed to respect the original type of roof. You might find it useful to identify which style of roof your dwelling has and turn to the corresponding page for advice.

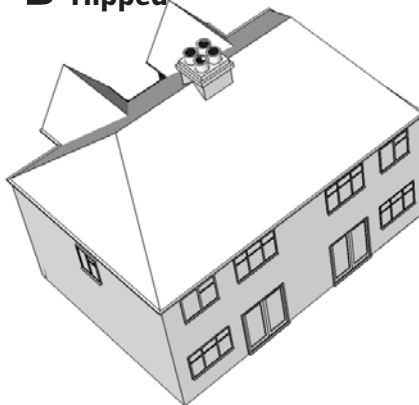
**G** Mansard



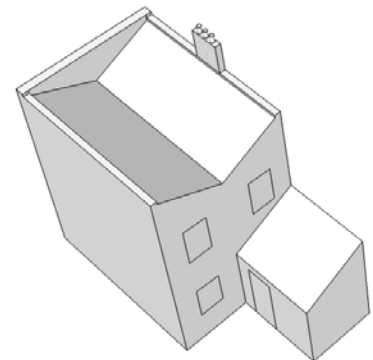
**A** London roof  
2 pitched



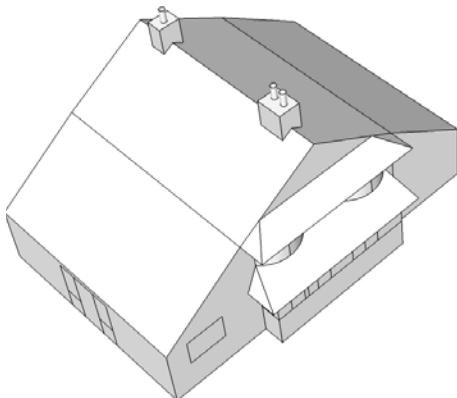
**B** Hipped



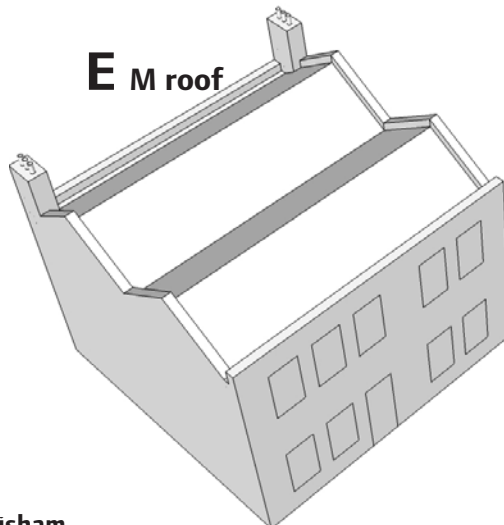
**C** London roof 2 (Butterfly roof)



**D** Chalet



**E** M roof



**F** Flat roof

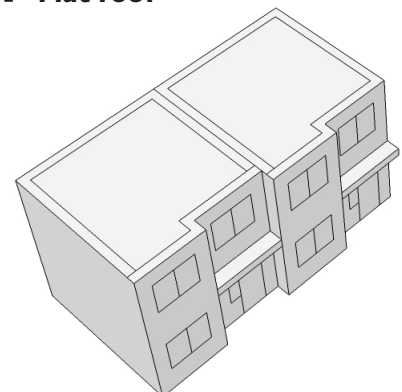


Fig 5.1: Common roof types in Lewisham



### A. London roof 1 (pitched roof)

5.3.7 This is the most common form of roof. They comprise a front pitch and a rear pitch. The end of terrace dwellings generally have gabled ends.

#### 5.3.8 Design considerations

- Many of the roofscapes of the borough's streets are characterised by the matt finish of unbroken pitched roof roofscapes. As such roof alterations should preferably be located to the rear.

### B. Hipped roof

5.3.2 A hipped roof has all of its sides sloping. They have no gables or vertical sides to the roof.

5.3.3 Hipped roofs are common on detached dwellings, at the end of terraces and semi-detached pairs. The hip is a way of creating a feeling of spaciousness between buildings that often adds to the character of the street.

#### 5.3.4 Design considerations

- With a semi-detached pair, symmetry is an important consideration. You will need to ensure that any proposal does not harm the design integrity of the host building, the unity of a group of buildings or lose the sense of spaciousness between buildings. It is not usually acceptable to change the form of this kind of roof to one side of the pair only.



### C. London roof 2 (butterfly roof)

5.3.5 The butterfly roof is usually concealed on the front façade of the building, by a parapet. On the rear façade, it is visible, with the party wall following the 'V' shape of the roof forming a distinctive pattern at the back of the terrace. The front parapet forms a uniform cornice line on the street frontage which is an important townscape feature of Georgian Streets.

#### 5.3.6 Design considerations

- There are many terraces of larger 3 - 4 storey 17th - 18th century houses with collective groups of London roofs (2) in the Borough. They are considered a protected view when the group has not already been impaired with extensions or alterations and there are long views of the roofs which form an important part of the character of the area. Roof extensions on houses in these unimpaired collective groups will not normally be acceptable.



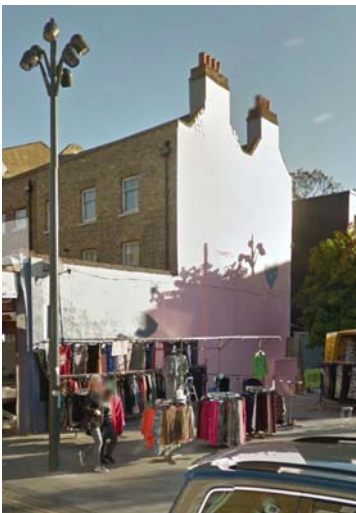
# 5 Roof alterations

## D. Chalet roof

5.3.9 This type of dwelling is usually pitched and gable fronted with a very low eave line between ground and first floor. They are accessed from the side and almost always form part of a semi-detached pair, although there are some terraced examples.

### 5.3.10 Design considerations

- Recently, a number of these types of roofs have been extended under permitted development rights. These have been mainly unsympathetic and have highlighted the harm caused to the street scene by this type of extension when not fully thought through.
- Proposed extensions should ensure that long views are not disrupted and that the sense of symmetry and original character and appearance is retained.



## E. The 'M' roof

5.3.11 This type of roof has the form of two parallel gable roofs resting on two bearing walls, which support the two feet of the 'M'. The ridges of the roof are at right-angles to the building's facades. The gable end is a 'triangular end' and not any other shape.

### 5.3.12 Design considerations

- This roof form does not successfully accommodate habitable space because of its low ridge height and form and therefore such development would not be appropriate.
- In order to provide additional accommodation, this roof form would need to be substantially altered or replaced. This would not normally be acceptable.



## F. Flat roof

**5.3.16** Flat roof buildings are not overly common within the borough but were popularised from the 30's onwards and more so within the 60's and 70's.

### 5.3.17 Design considerations

- If your property has a flat roof, then a roof extension will mean adding an additional floor. The acceptability of this will depend on the effect it would have on the existing street scene in terms of adding massing and height. This type of extension would need to be considered under pre-application advice.
- Please consult the Council's website for further information.

## G. Mansard roof

**5.3.13** The intention of a traditional mansard roof was to provide extra accommodation at roof level, without having a significant impact on the appearance of the classical façade below.

**5.3.14** Generally, traditional mansard roofs were implemented in stretches along the street to create a coherent street frontage.

### 5.3.15 Design considerations

- If the roof does not already have them, it could be possible to add dormer windows.



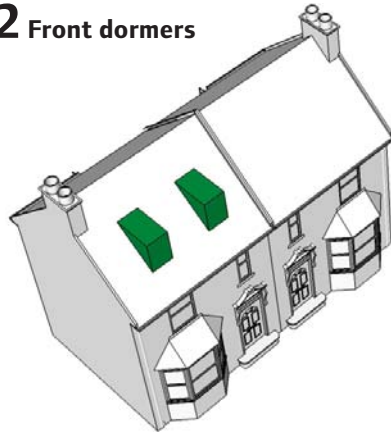
# 5 Roof alterations

## 5.4 Types of roof extensions and alterations

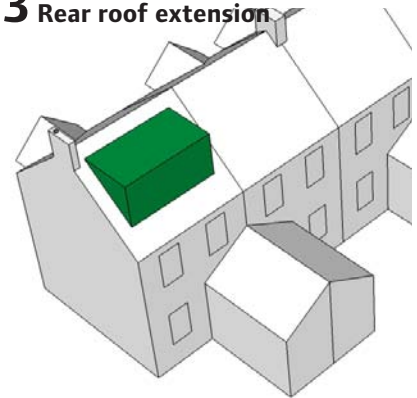
**1** Loft conversion with rooflights



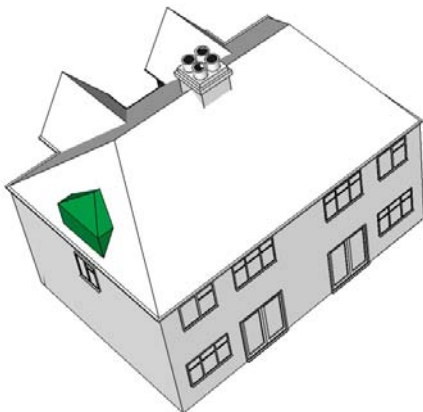
**2** Front dormers



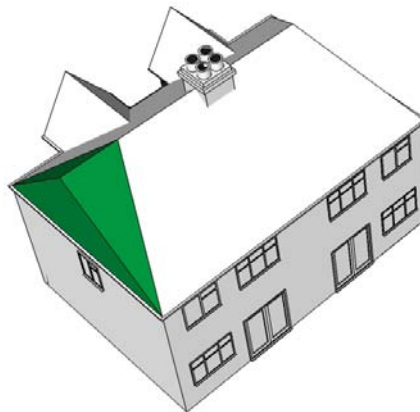
**3** Rear roof extension



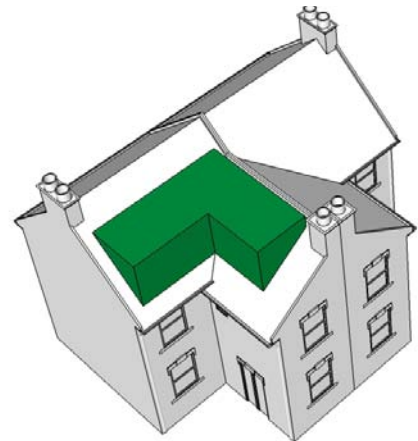
**4** Side roof extensions



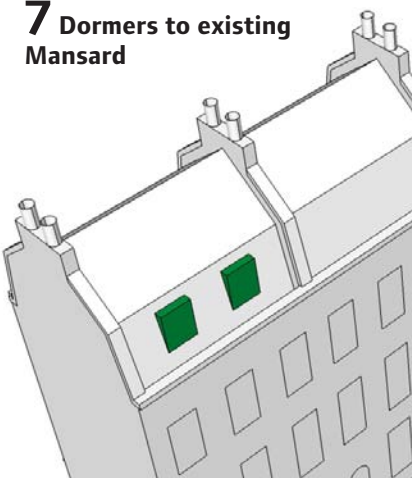
**5** Hip to gable



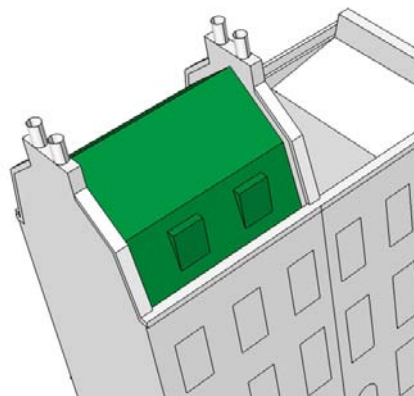
**6** L shaped



**7** Dormers to existing Mansard



**8** New Mansard extension



**9** Adding an additional storey

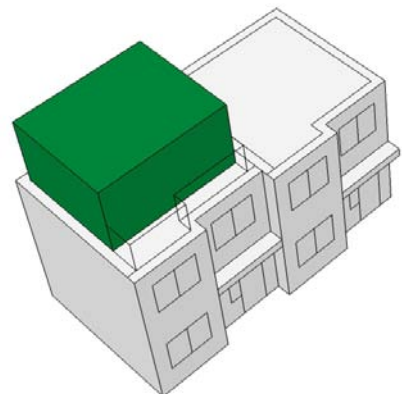


Fig 5.2: Types of roof extensions

		POSSIBLE TYPES OF EXTENSIONS / ALTERATIONS									
		Conversion	Front dormer	Rear dormer	Rear roof Extension	Hip to gable ext	Side roof extension	L-shaped roof extension	Dormer windows to existing mansard	Mansard Extension	Extra storey
TYPES OF ROOF	A. Pitched Roof	✓	✓	✓	✓	✗	✗	✓	✗	✓	✗
	B. Hipped Roof	✓	✓	✓	✓	✓	✓	✗	✗	✗	✗
	C. London Roofs	✗	✗	✗	✗	✗	✗	✗	✗	✓	✗
	D. Chalet Style Roofs	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗
	E. Flat roof	✗	✗	✗	✗	✗	✗	✗	✗	✓	✓
	F. M Roof	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗
	G. Mansard Roof	✗	✗	✗	✗	✗	✗	✗	✓	✗	✗

Fig 5.3: Possible roof extensions or alterations (outside Conservation Areas) based on roof type

# 5 Roof alterations

## 5.5 Loft conversions and roof lights

5.5.1 A loft conversion is a space efficient means of extending the amount of living accommodation in a dwelling. The most significant challenge associated with loft extensions is how to introduce roof lights and/or dormers that are appropriate to the character of the original building and its setting within the street.

### 5.5.2 Design principles for loft conversions

- Determine if there is enough head space for a room and whether the space would be usable through the installation of roof lights to provide natural light and outlook.
- Structural alterations are usual in such cases and appropriate advice should be sought at the outset.
- There is no minimum floor to ceiling height in the building regulations, but anything below 2.1m will feel low.

### 5.5.3 Design principles for roof lights

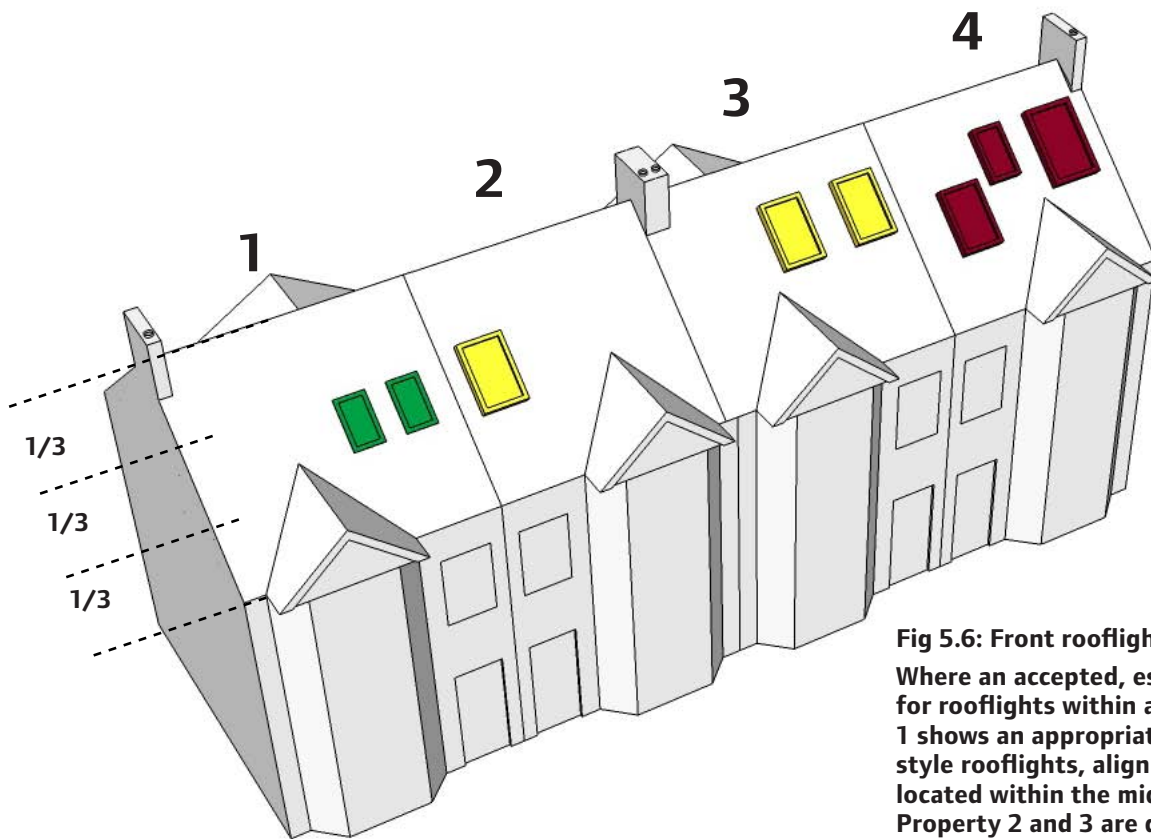
- Roof lights should be subordinate features on the roof and align with windows or other features on the elevations below.
- The insertion of roof lights on roofs with complex asymmetrical forms such as gables, hips, dormers and turrets should be avoided.
- They should also be avoided on the steep slopes of traditional mansard roofs as their appearance here is incongruous.
- Rooflights should ideally be set flush but in any case should not extend more than 150mm above the slope of the original roof.
- Rooflights on slopes forming a side elevation may have to be obscure-glazed to maintain privacy from neighbouring properties.



Fig 5.4: Unacceptable due to irregular roof light sizes and positioning

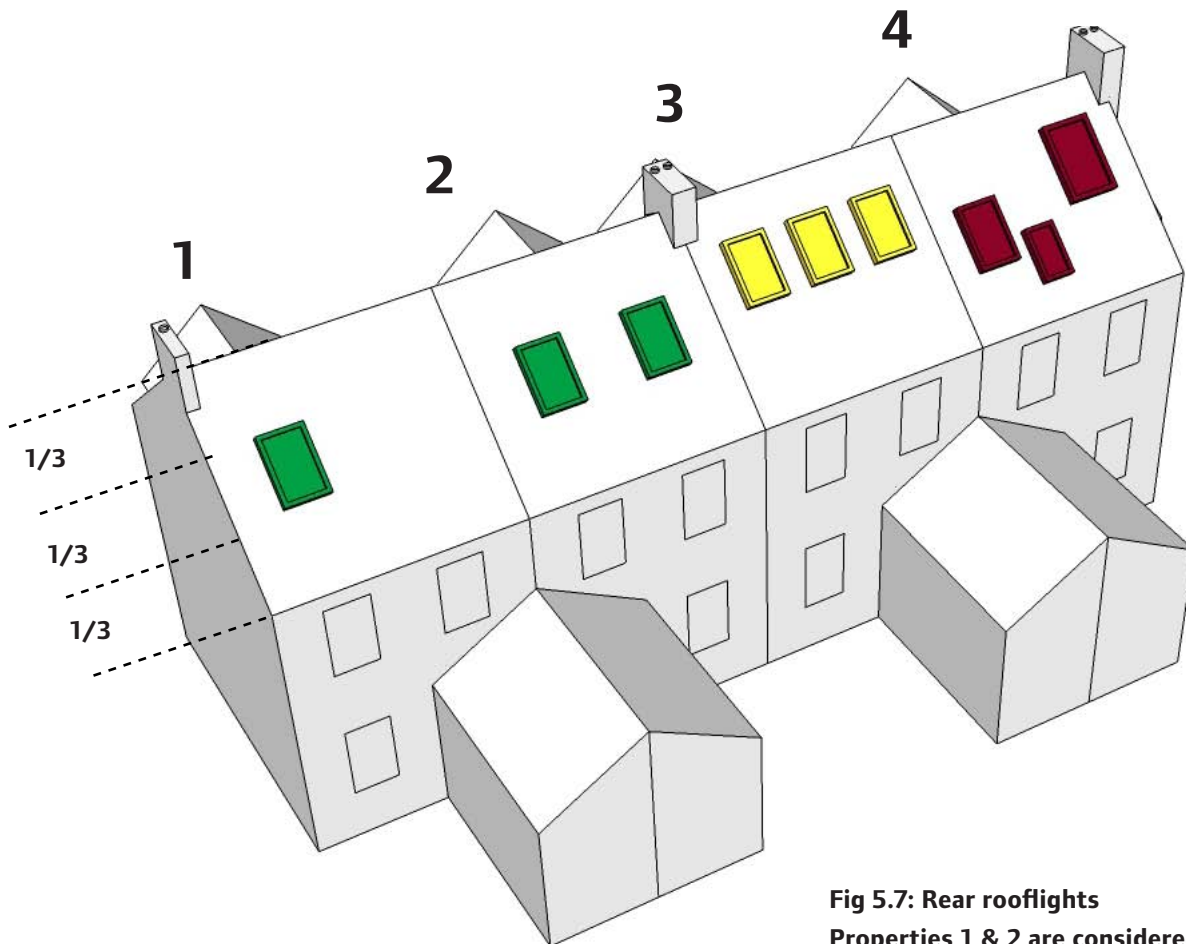


Fig 5.5: Acceptable - roof lights are discrete, subordinate features on the roof, flush within the roof, aligned with the elevation below and clear from roof ridge



**Fig 5.6: Front rooflights**

Where an accepted, established precedent exists for rooflights within a conservation area property 1 shows an appropriate solution using conservation style rooflights, aligning with windows below and located within the middle third of the roof slope. Property 2 and 3 are deemed acceptable outside conservation areas. Property 4 is unacceptable



**Fig 5.7: Rear rooflights**

Properties 1 & 2 are considered appropriate as a general rule. Property 3 is appropriate outside conservation areas. On heritage assets and within conservations areas noticeably smaller rooflights than those illustrated will normally be sought. Property 4 is unacceptable

- Generally acceptable
- Generally acceptable but not in Conservation Areas
- Generally unacceptable

# 5 Roof alterations

## 5.5.4 Additional guidance for roof lights in conservation areas

The roofscapes of the borough's conservation areas are generally characterised by the matt finish of unbroken roofslopes.

If conspicuously located, rooflights can be visually intrusive, alien elements which harm the distinctive character of the host building and diminish its contribution to the special qualities of the conservation area.

Rooflights should be few in number and generally restricted to the rear or least visible roofslopes.

Where an accepted, prevailing, precedent of traditional 'conservation style' rooflights is established on front roofslopes, proposals for small traditional 'conservation style' rooflights may be acceptable. (see picture below)

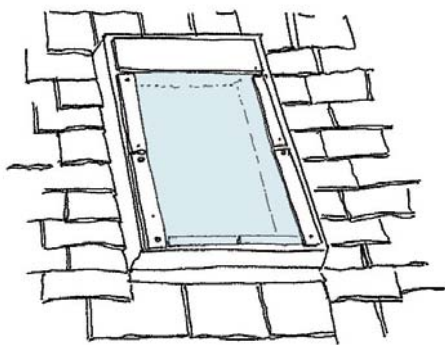
These should be black aluminium or another metal material and set flush within the roofslope.

Wide rooflights are detrimental to the appearance of a roof, and new/replacement rooflights should not exceed 600 mm in width. They should relate well to the scale and proportions of the elevation as a whole, aligning with the windows below, or centering on the spaces between them where appropriate.

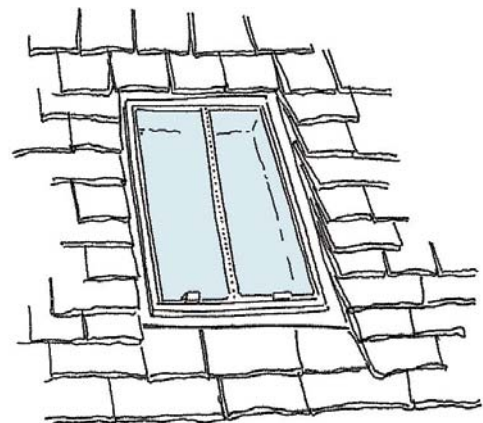
Rooflights should be set within the middle third of the roof slope, and remain well away from chimneys, gables, ridges, verges and eaves. If more than one rooflight is proposed, they should be set at the same level and evenly spaced.

Irregular rooflight size and positioning is not acceptable and will be resisted.

Rooflights on side elevations will only be acceptable where they are least visible from the street and preferably located behind or to the rear of the chimney.



**Fig 5.8: Unacceptable in conservation areas due to its protruding form**



**Fig 5.9: Rooflights in conservation areas should be small traditional 'conservation style' set flush within the roofslope**

## 5.6 Front dormers

- 5.6.1 Traditional dormer windows were designed as features principally to provide light and ventilation and not to provide additional usable floorspace.
- 5.6.2 The addition of front dormers can have a significant impact on the character of the dwelling and the street.
- 5.6.3 As such dormer windows to front elevations are normally resisted.

### 5.6.4 Design principles for front dormer extensions

- Where an accepted, prevalent, established precedent exists front dormers should be modest in size and of simple, complementary design, remaining subordinate to the building and the windows below.
- They must sit well clear of ridge, verges, eaves, chimneys and gables, and should be centrally placed on the roofslope, or aligned with the windows below.

### 5.6.5 Additional guidance for conservation areas

In most cases front dormers will be resisted in conservation areas

The council offers a range of pre-application services including advice on alterations and extensions that are more appropriate within conservation areas. Please consult the Council's website for further information.



**Fig 5.10: Unacceptable due to the dormers bulky nature and poor relationship with the elevation below**



**Fig 5.11: Acceptable due to its slender, subordinate form and alignment with the elevation below**



# 5 Roof alterations

## 5.7 Rear dormers

5.7.1 Rear dormers are considered an acceptable way to provide additional space within a dwelling and in general have a limited impact on the street.

### 5.7.2 Design principles for rear dormer extensions

- Dormer windows to the rear should either be sympathetic with the character of the building or demonstrate exceptional architectural quality
- Dormers should be well spaced and positioned within the existing roof slope
- Set in from the party wall on each side by at least 0.3m, a minimum of 0.3m below the ridge line, 0.3m from the edge of any hip and at least 0.3m above the existing eaves line
- Any balconies or insets that may impact on the privacy of neighbouring properties will be resisted.
- Inset dormers such as property 5 in fig 5.15 should be significantly set in from the eaves line.

### 5.7.3 Additional guidance for rear dormers in conservation areas

Traditionally, dormer windows allowed natural light into the attic space, not as a means of providing additional space.

Traditional dormer windows were smaller in size than the windows on the elevations below the dormer and thereby reflected the hierarchy between floors.

Dormer windows should be modest in size and of simple, complementary design, remaining subordinate to the building and the windows below the roof.

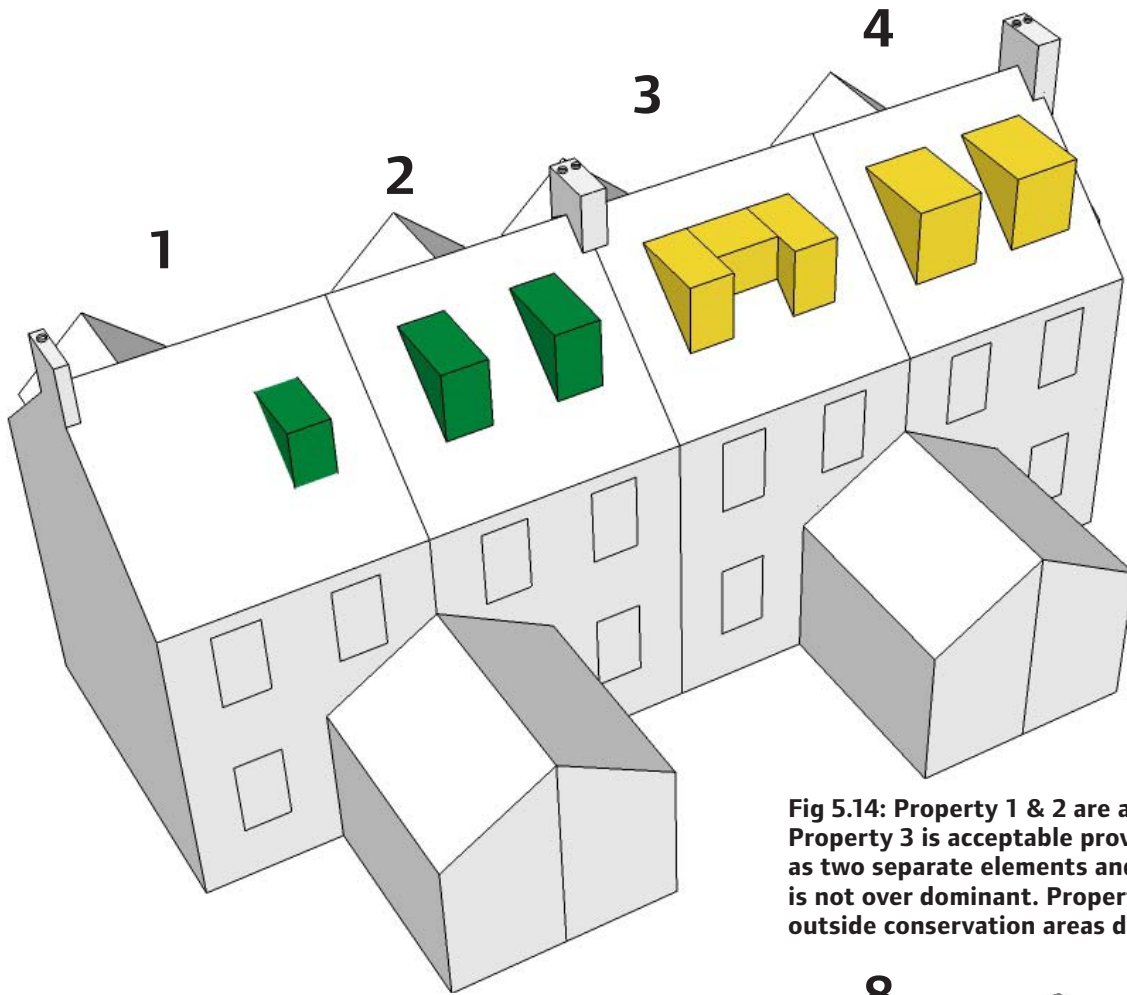
They must sit well clear of ridge, verges, eaves, chimneys and gables, and should be centrally placed on the roofslope, or aligned with the windows below the roof. Careful attention must be given to the thickness and profile of the window frames and glazing bars.



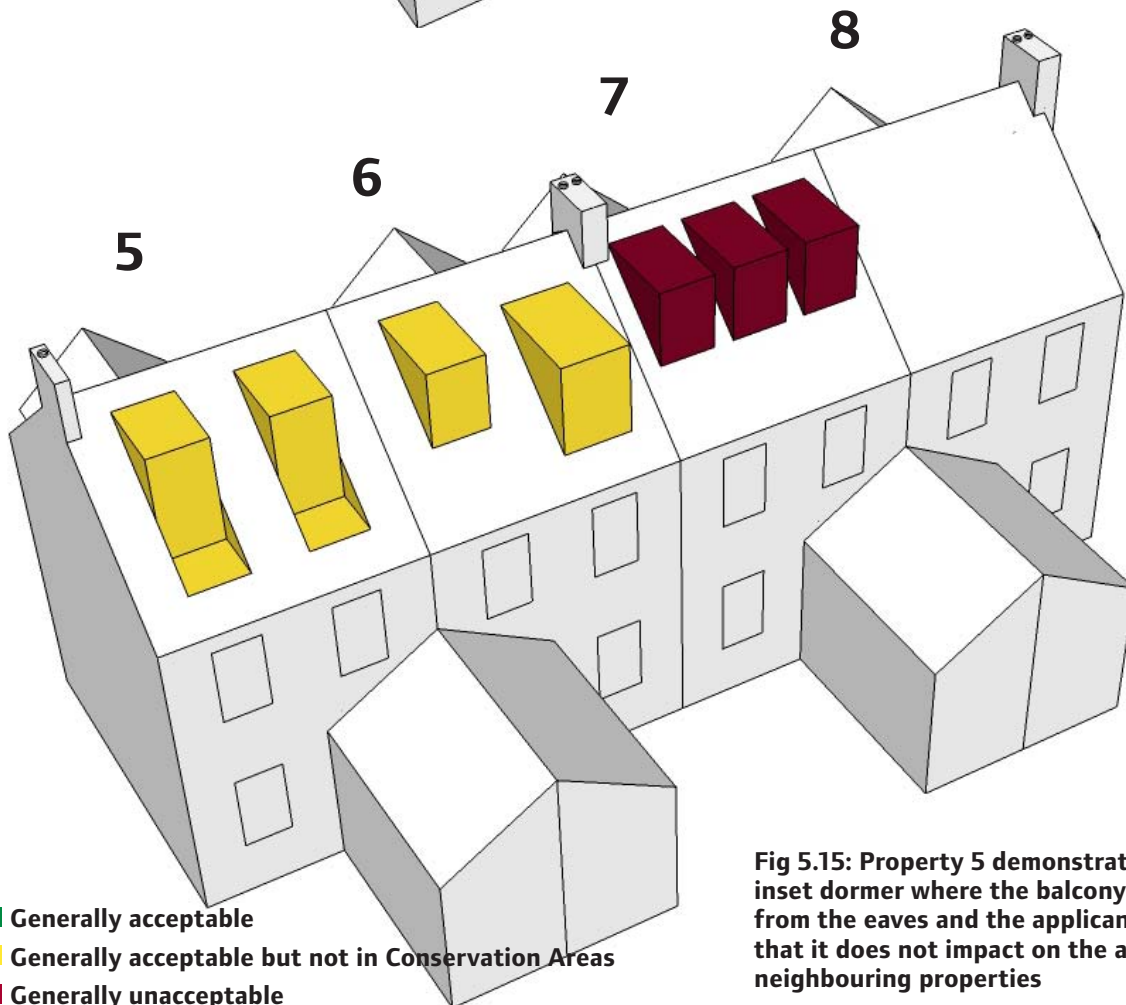
Fig 5.12: Acceptable example of dormer. They respect the proportions of the windows below and are an appropriate size



Fig 5.13: Unacceptable as the proportions of the dormers are too large



**Fig 5.14:** Property 1 & 2 are acceptable in all areas. Property 3 is acceptable providing the dormers read as two separate elements and the central connector is not over dominant. Property 4 is only acceptable outside conservation areas due to their size and bulk



**Fig 5.15:** Property 5 demonstrates an acceptable inset dormer where the balcony is inset significantly from the eaves and the applicant has demonstrated that it does not impact on the amenity of neighbouring properties

- Generally acceptable
- Generally acceptable but not in Conservation Areas
- Generally unacceptable

# 5 Roof alterations

## 5.8 Rear roof extensions

5.8.1 These need careful consideration. Proposals that disregard character or obliterate the original roof form will not be supported.

### 5.8.2 Design principles for rear roof extensions

- If neighbouring roofs have already extended their rear roof significantly, the proposed roof form should take this into consideration to ensure it does not contribute to a group of mismatched roof forms.
- A modern, high quality design is generally more successful when considering a large rear roof extension. The contemporary design is more likely to contrast with the property and maintain the original integrity of the dwelling.
- Applications of a generic nature with tile cladding and UPVC windows will be resisted.
- The highest quality of design must be employed and pre-application advice should be sought through the formal planning advice service.
- The use of high quality materials is expected. Materials must be part of an architectural response and details of each material and sample should be submitted.
- The arrangement of windows within the rear of dormer should relate to the arrangement on lower floors.
- The extension should not be higher than the original ridgeline.
- It should be set in from the party wall on each side and the eaves by a minimum of 0.3m.
- The rear roof extension should not be visible from the street frontage.

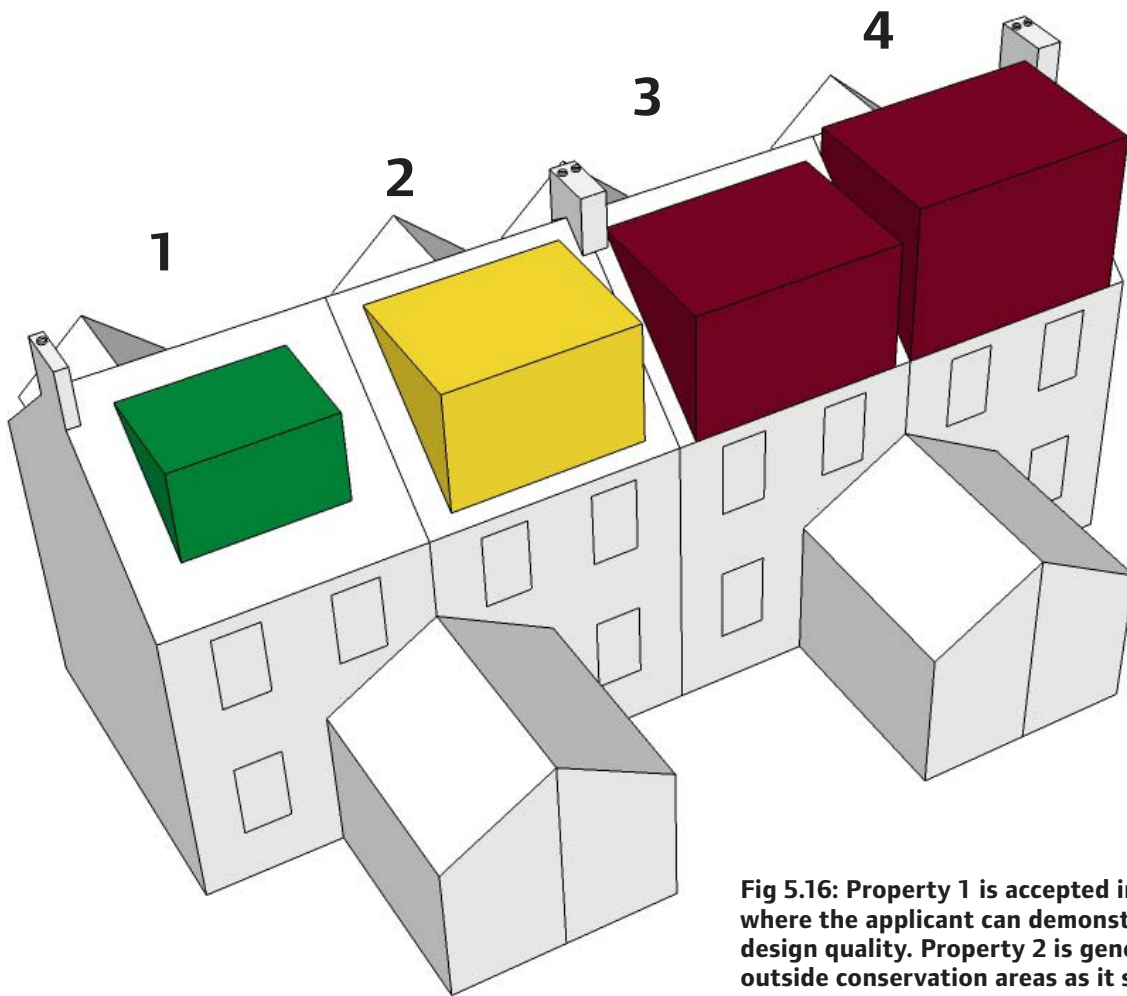
### 5.8.3 Additional guidance for rear roof extensions in conservation areas

In conservation areas rear roof extensions will only be considered where the applicant can demonstrate exceptional design quality, high quality materials and its location is set in significantly from the eaves, ridge and sides.

In these cases the onus is on the applicant to demonstrate that the characteristics and integrity of the property is maintained and that the impact on neighbouring properties is not significant.

A modern, high quality design is generally more successful when considering a large rear roof extension. The contemporary design is more likely to contrast with the property and maintain the original integrity of the dwelling.

The council offers a range of pre-application services including advice on alterations and extensions that are more appropriate within conservation areas. Please consult the Council's website for further information.



- Generally acceptable
- Generally acceptable but not in Conservation Areas
- Generally unacceptable

**Fig 5.16:** Property 1 is accepted in conservation areas where the applicant can demonstrate exceptional design quality. Property 2 is generally accepted outside conservation areas as it set in from the eaves and side. Property 3 is unacceptable as it fails to maintain the eaves of the roof. Property 4 is unacceptable as it is higher than the existing ridge of the property



**Fig 5.17:** Acceptable due to its innovative design, high quality materials and its location set in from the eaves, ridge and sides



**Fig 5.18:** Unacceptable owing to the obtrusive nature of the extension. This obliterates the eaves, ridge or sides

# 5 Roof alterations

## 5.9 Side roof extensions

**5.9.1** A side roof extension is only possible if well designed and where it would not compromise the character of the house or street or a neighbour's privacy.

### 5.9.2 Design principles for side roof extensions

- sited well clear of roof edges.
- set back from the eaves.
- set down from the ridge line. This is to ensure that long views are not disrupted.
- Extensions must ensure that the sense of symmetry and original character and appearance is not damaged.
- Applicants are advised to consider joint applications with neighbouring properties to ensure the symmetry of the property is not lost.
- If overlooking is a concern, the windows should be obscured glazing and un-openable.

### 5.9.3 Additional guidance for conservation areas

In most cases side roof extensions and dormers will be resisted in conservation areas.

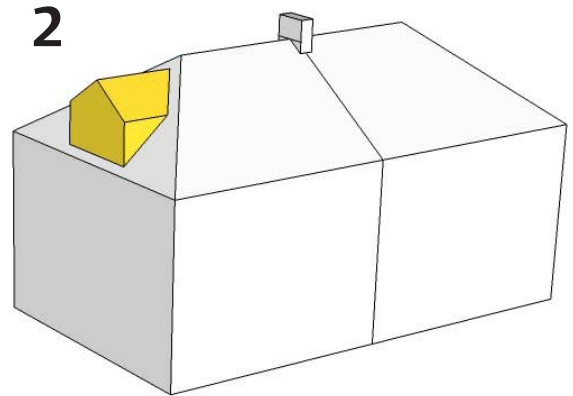
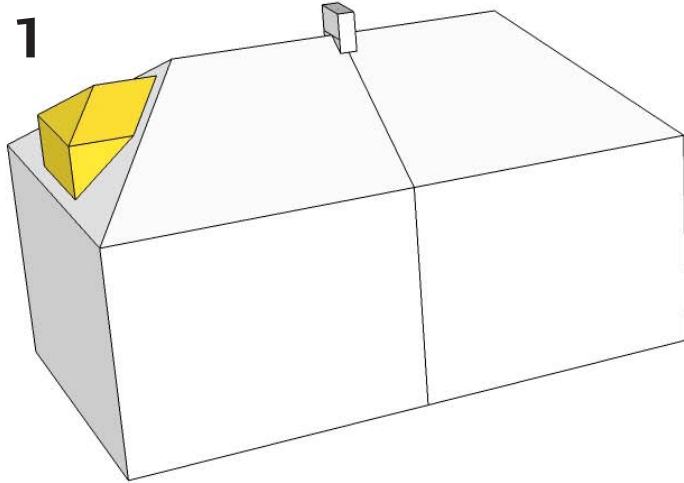
The council offers a range of pre-application services including advice on alterations and extensions that are more appropriate within conservation areas. Please consult the Council's website for further information.



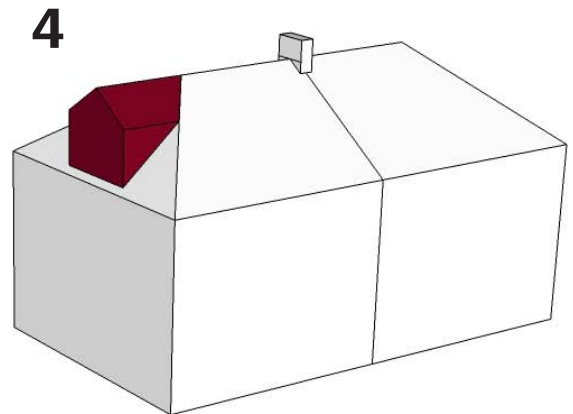
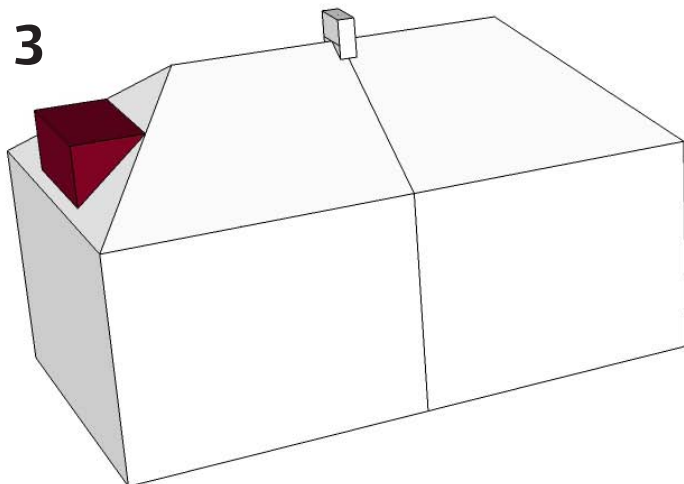
**Fig 5.19: Unacceptable as the side dormer alters the symmetry of the pair and harms the original design integrity of the existing building**



**Fig 5.20: Acceptable as the side dormers are subordinate to the roof and set in from all directions**



**Fig 5.21: Properties 1 & 2 are acceptable outside conservation areas as they are significantly set in from all directions, are subordinate to the roof and match the existing roof profile**



**Fig 5.22: Property 3 is unacceptable as it does not complement the existing roof profile. Property 4 is unacceptable as it is not set down from the ridge line**

- Generally acceptable
- Acceptable but not in Conservation Areas
- Generally unacceptable

# 5 Roof alterations

## 5.10 Hip to gable extensions

**5.10.1** In a hip to gable extension a sloped roof edge is brought up to a vertical position to form a gable end.

### 5.10.2 Design principles for hip to gable extensions

- A hip to gable extension is not acceptable on one side of a pair of semi-detached houses as the original symmetry intended will be destroyed.
- A hip to gable extension may be possible to an end of terrace dwelling if both ends cannot be seen at once. In this case the symmetry is not harmed. A hip to gable extension may also be possible in this scenario if both 'ends' go ahead with similar designs.
- Applicants are advised to consider joint applications with neighbouring properties to ensure the symmetry of the property is not lost.
- Materials must match the existing roof.

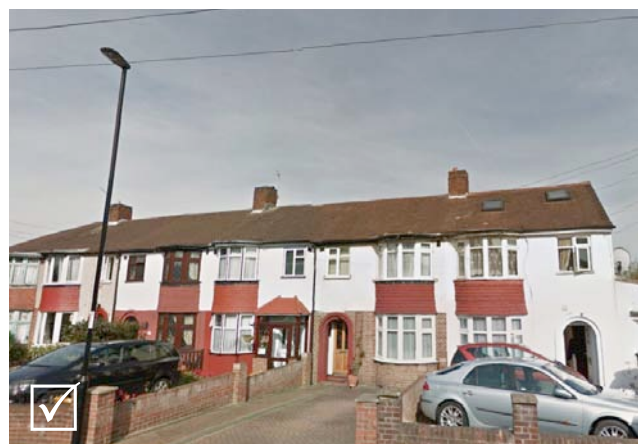
### 5.10.3 Additional guidance for conservation areas

In most cases hip to gable extensions within conservation areas will be resisted.

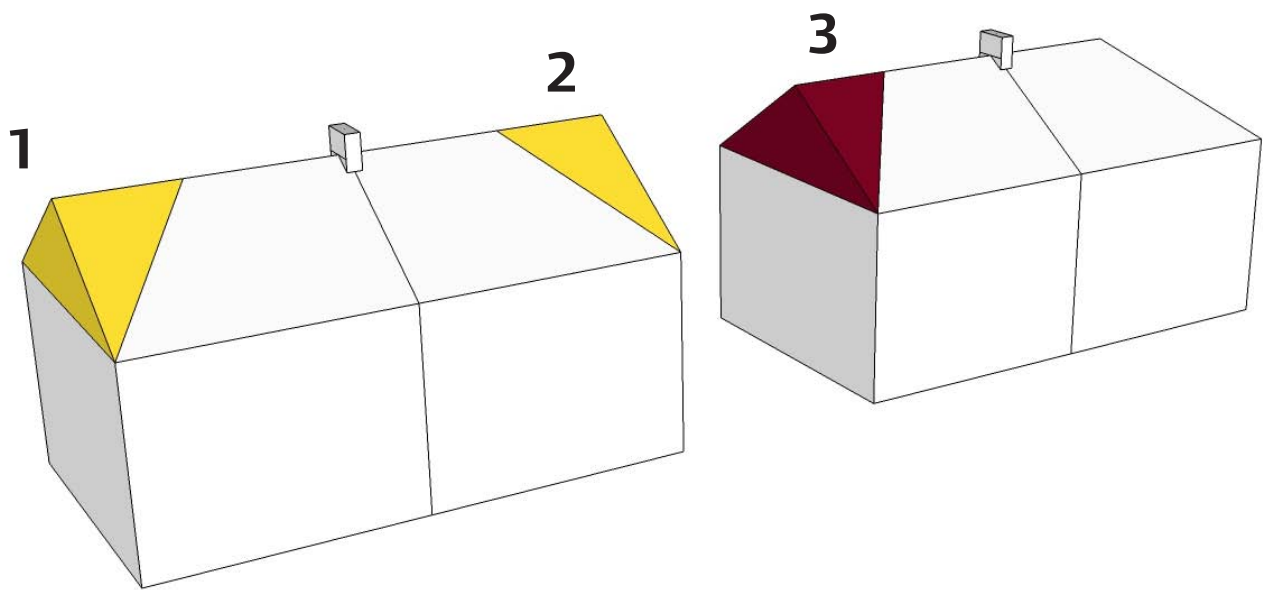
The council offers a range of pre-application services including advice on alterations and extensions that are more appropriate within conservation areas. Please consult the Council's website for further information.



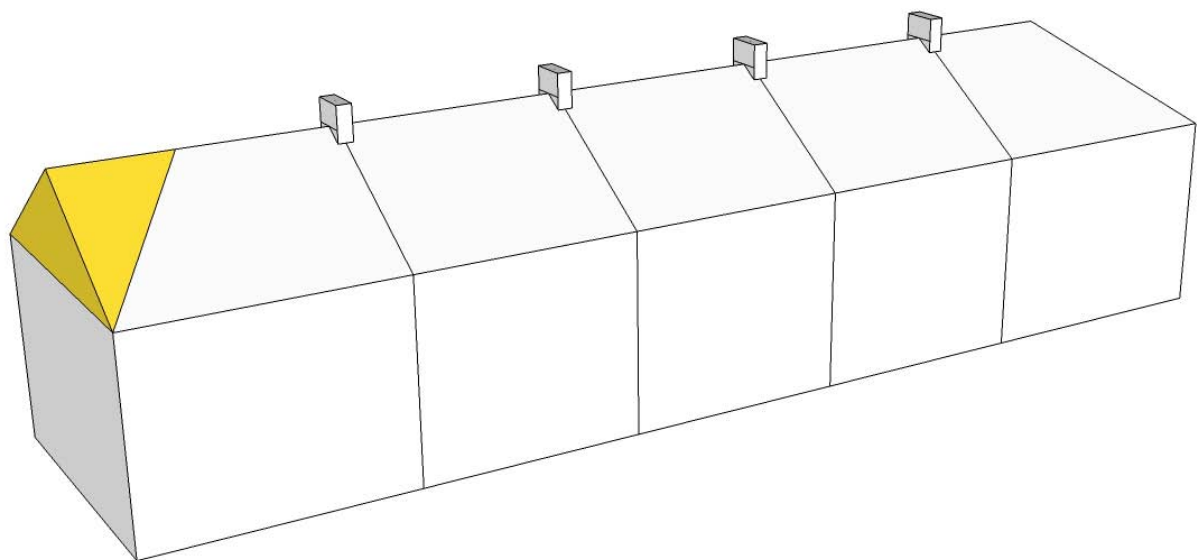
**Fig 5.23: Unacceptable - Hip to gable extension is not permitted on a pair of semi-detached houses**



**Fig 5.24: Acceptable as the property is at the end of a terrace.**



**Fig 5.25: Properties 1 and 2 are acceptable outside of conservation areas as they maintain the symmetry of the semi-detached dwelling. Property 3 is unacceptable as it does not.**



**Fig 5.26: Acceptable outside conservation areas as the property is at the end of a terrace**

- Generally acceptable
- Acceptable but not in Conservation Areas
- Generally unacceptable



# 5 Roof alterations

## 5.11 L-shaped roof extensions

5.11.1 These types of roof extensions are generally considered to be too harmful to the existing roof structure as they do not respect the original roof form. They are therefore not subservient. Only in exceptional circumstances will these be acceptable.

### 5.11.2 Design principles for L-shaped roof extensions

- The extension should not be higher than the existing ridgeline of the principle dwelling.
- The extension should not overly dominate the original dwelling and be significantly set back from the rear return.
- Existing chimneys should be retained.
- They should demonstrate exceptional architectural quality and pre-application advice should be sought through the formal planning advice service.

### 5.11.3 Additional guidance for conservation areas

In most cases L-shaped extensions within conservation areas will be resisted.

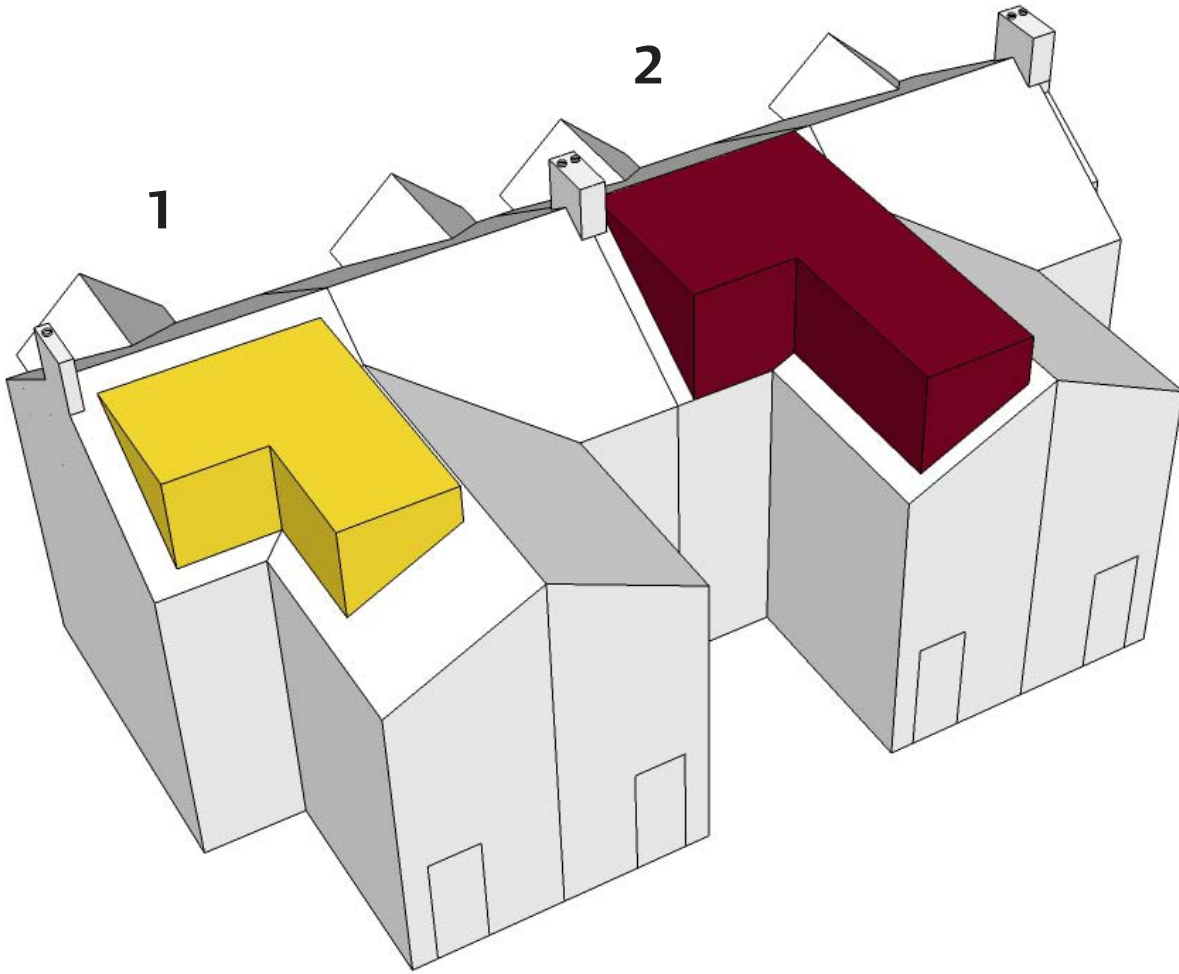
The Council offers a range of pre-application services including advice on alterations and extensions that are more appropriate within conservation areas. Please consult the Council's website for further information.



Fig 5.27: Acceptable due to sympathetic materials and they are both set in from the original roofline



Fig 5.28: Unacceptable as the extension is overbearing and dominates the original property



- Generally acceptable
- Acceptable but not in Conservation Areas
- Generally unacceptable

**Fig 5.29: Property 1 is generally acceptable outside conservation areas if the applicant can demonstrate exceptional architectural quality and the extension remains subordinate to the dwelling. Property 1 is set back on all sides and set back significantly on the return. Property 2 is not acceptable as it is overly bulky and dominates the original property**

# 5 Roof alterations

## 5.12 Introduction of a new Mansard

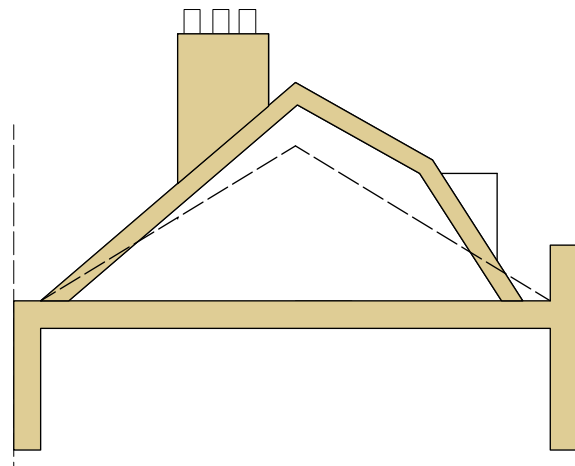
5.12.1 This roof type can often be added to a gabled or hipped roof successfully as an extension if it has been established that an extension is acceptable in principle.

Where the roofscape of a street is consistent and not interrupted by alterations then a new mansard extension would be resisted.

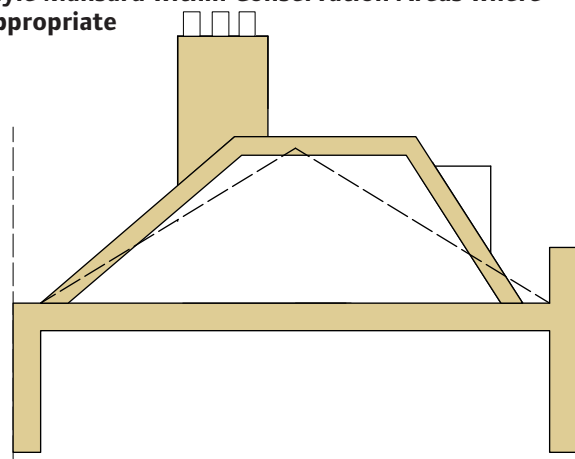
5.12.2 Mansard roofs can be double pitched or flat topped.

### 5.12.3 Design principles for new mansard extensions

- If a neighbouring property already has a mansard roof extension, look for and take note of existing precedent in the vicinity. This will help to form a more cohesive roofscape. If all the extensions on the terrace are as similar as possible, the impact on the street scene will be less damaging.
- Floor to ceiling heights should be kept to a minimum.
- New dormer windows should be set behind the parapet wall and contained within the lower roof slope.
- Materials need to closely match or compliment the surrounding area.



**Fig 5.30: A double pitch mansard roof should have two slopes, the lower face should be steeply pitched and the upper slope should have a more shallow pitch. We would expect this traditional style Mansard within Conservation Areas where appropriate**



**Fig 5.31: This is a modern variation of the traditional mansard roof form**

**A flat roofed mansard should have one steeply pitched lower face on either side of the front and back of the roof, separated by a flat roof which falls away gently from the central line in order to drain off water. These types of mansard roofs within conservation areas will generally be resisted however where this is the recurring precedent, this should be used**

### 5.12.4 Additional guidance for conservation areas

Where the roofscape of a street is consistent and not interrupted by alterations then a new mansard extension would be resisted.

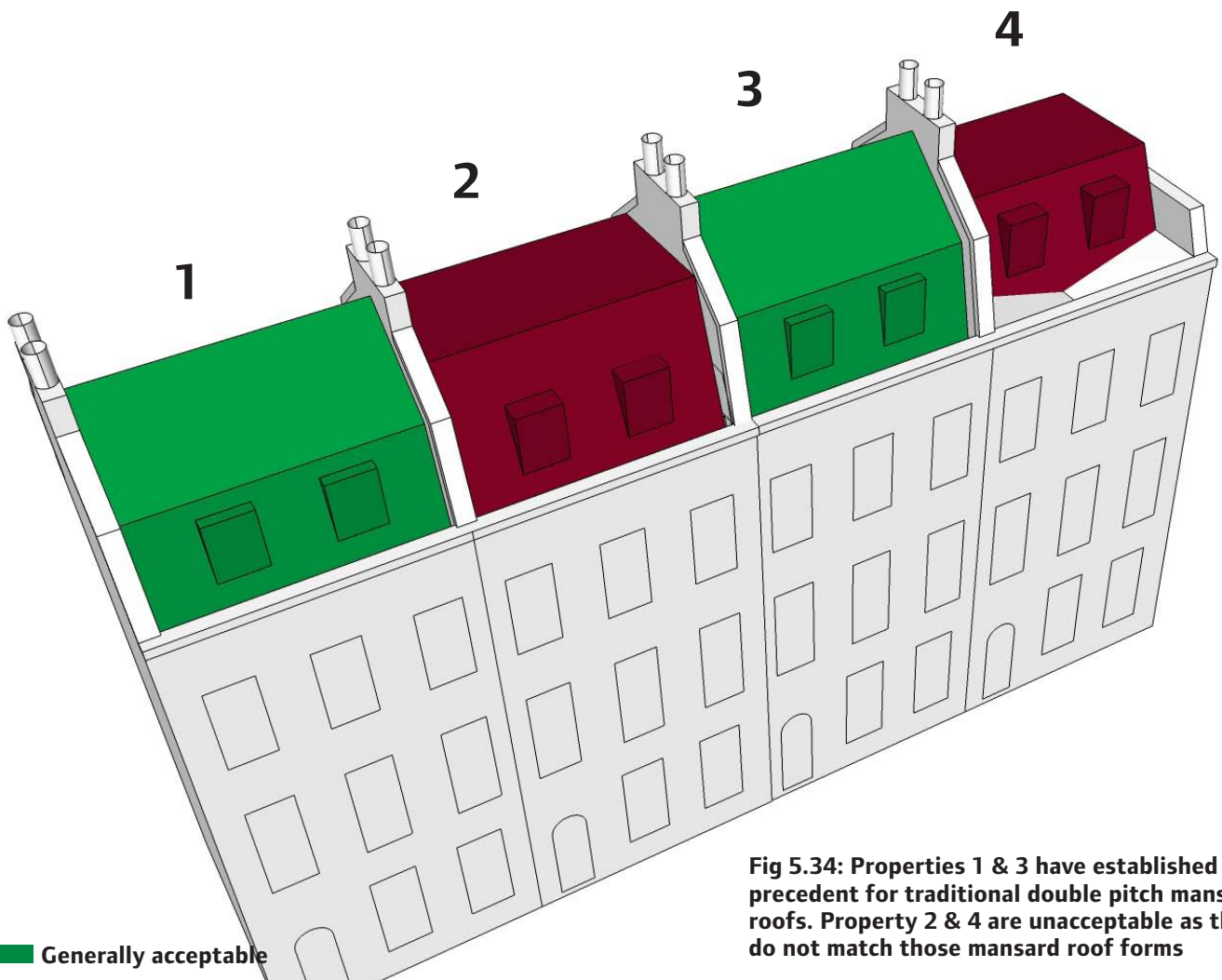
Where an accepted, prevailing, precedent of a sympathetic, traditional style mansard has been established within the street or where the applicant can demonstrate a proliferation of precedents within the immediate surrounding streets then future traditional style mansard proposals will be considered.



**Fig 5.32: Unacceptable mansard extension shown from front. Different proportions and heights result in incongruous roof form and lack of symmetry**



**Fig 5.33: Acceptable example of mansard roof extension from the front behind existing parapet. All extensions are similar dimensions and look uniform**



- Generally acceptable
- Acceptable but not in Conservation Areas
- Generally unacceptable

**Fig 5.34: Properties 1 & 3 have established a precedent for traditional double pitch mansard roofs. Property 2 & 4 are unacceptable as they do not match those mansard roof forms**

# 5 Roof alterations

## Mansard extensions added to London roof

5.12.5 A mansard roof can be introduced to a London roof. Mansard extensions to these roof types will only be acceptable if the following design principles are considered. (Compatible with roof type C).

### 5.12.6 Design principles for mansard extensions to London roofs

- The front parapet wall must be preserved and the extension should appear subservient behind this. It should be set back by 0.25m from the front parapet wall.
- Changes to the rear roofs slopes in combination are unlikely to be supported. Seek pre-application advice in such cases.

### 5.12.7 Additional guidance for conservation areas

Where the roofscape of a street is consistent and not interrupted by alterations then a new mansard extension would be resisted.

Where an accepted, established precedent exists within the street the addition of a new mansard may be acceptable.

The Council offers a range of pre-application services including advice on alterations and extensions within conservation areas. Please consult the Council's website for further information.

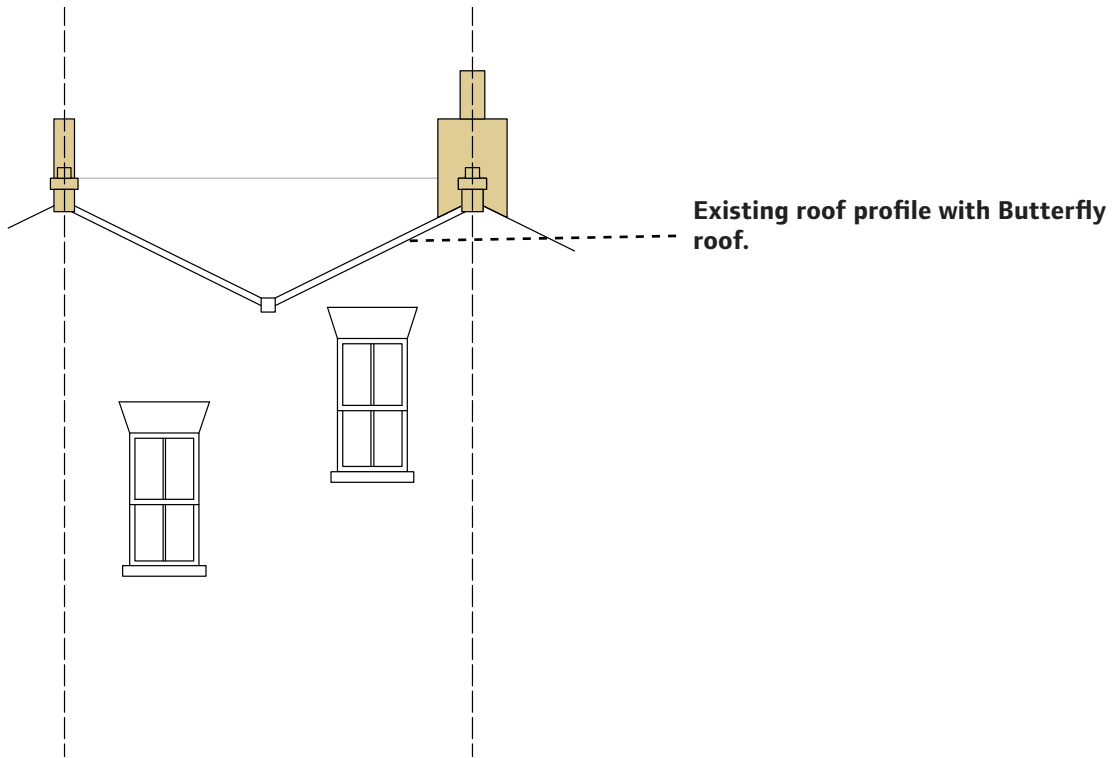
Careful consideration needs to be given to the routing of drainage and rainwater goods. The siting of rainwater goods and drainage to a front elevation which is uncluttered or has no evidence of this treatment to support a mansard roof will not normally be supported.



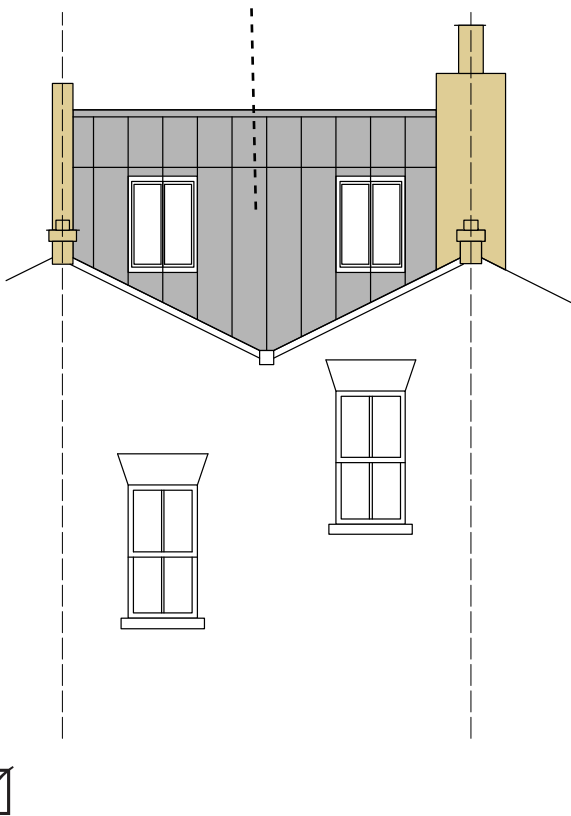
Fig 5.35: Unacceptable - Roof extension does not retain butterfly roof form



Fig 5.36: Acceptable - Butterfly form retained with slope of mansard running down to meet the existing eaves (please note that proposals should not include drainpipes)

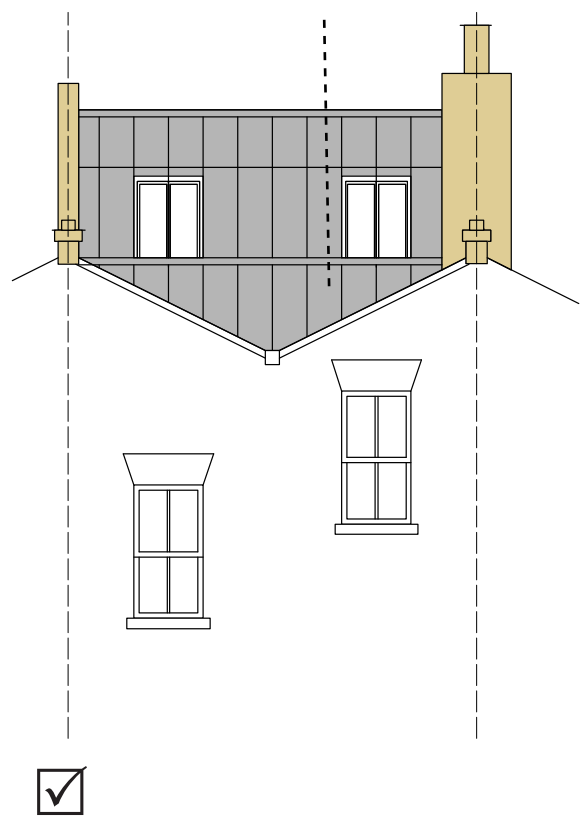


**Butterfly roof retained as parapet with mansard terminating behind**



**Fig 5.37: Butterfly form retained with slope of mansard running down to meet the existing eaves**

**New apron parapet rising from retained form of butterfly roof**



**Fig 5.38: An apron of metal cladding such as zinc or lead can be used to create a new parapet while retaining the original butterfly roof profile**

# 5 Roof alterations

## 5.13 Dormer window additions to historic Mansard roofs

**5.13.1** It is rare that a historic mansard roof will not already have dormer windows as most were built with these designed in. However, in some cases where they are not present, it may be possible to introduce them.

### 5.13.2 Design principles for dormer windows to historic Mansard roofs

- In most cases a mansard roof should have the same number of (or fewer) windows as the storey below. And they should normally line up with those below. However, in some cases, it may be appropriate to line up the windows with the brick piers.
- Windows should be in the principle slope only (i.e. first pitch).
- They should be set behind the parapet wall so that the full height of the window is not visible from the road.
- The top of the dormer window should be lower than the change in pitch (if there is one).
- The height of the dormer window should normally be less than the height of the window openings on the storey below and the width should be no greater than those below. The proportion of the window is usually smaller than that of the windows below.

### 5.13.3 Additional guidance for conservation areas

Traditionally, dormer windows allowed natural light into the attic space. Such windows were purely for the purpose of letting light in, not providing more space.

Traditional dormer windows were smaller in size than the windows on the elevations below and thereby reflected the hierarchy between floors.

Dormer windows should be modest in size and of simple, complementary design remaining subordinate to the building and windows below.

They must sit well clear of ridge, verges, eaves, chimneys and gables, and should be centrally placed on the roofslope, or aligned with the windows below. Careful attention must be given to the thickness and profile of the window frames and glazing bars.

The Council offers a range of pre-application services including advice on alterations and extensions within conservation areas. Please consult the Council's website for further information.

## 5.14 Adding an additional storey

5.14.1 This is only likely to be acceptable on a flat roof. However, if your dwelling forms part of a pair an added extra storey is unlikely to be acceptable as the pair would lose their intended symmetry. Similarly if your dwelling forms part of a terrace, it would not be acceptable to raise the height of just one building by an extra storey as the harmony of the composition would be disrupted. The addition of an extra storey is only usually acceptable on detached properties. The surrounding context would also need to be carefully considered. (Compatible with roof type E).

5.14.2 There are two possible acceptable approaches to this kind of extension:

- A subservient and lightweight additional storey (suitably set back from all sides). The addition of terraces around these extensions is not usually acceptable and is discouraged.
- Creating an extension with exceptional architectural merit which would enhance the appearance of the existing building.

5.14.3 In both cases, the style of the extension must complement the appearance of the existing building and must relate to the building proportions in terms of height and scale.



**Fig 5.39: Acceptable - Jerwood Space in Southwark is a good example of high quality extension to a flat roof**



# 5 Roof alterations

## 5.15 Roof terraces

- 5.15.1** Planning permission will not normally be granted for proposals that include the creation of a new roof terrace. This is due to the potential for intrusion on neighbouring privacy and the possibility of disturbance from noise. In many cases it may not be possible to mitigate the impact of overlooking through the erection of screening. Screening may raise additional concerns due to height, material, and its impact on the scale and character of the property.
- 5.15.2** Roof terraces that involve removing part of the original roof will not normally be supported due to the detrimental impact it would have on the character of the building and its incompatibility with the character of properties in the area.
- 5.15.3** In some circumstances, it may be possible to secure permission for a roof terrace. However, it must be proved to be adequately enclosed with screening to ensure overlooking is not possible. This screening will need to be unobtrusive and should integrate well with the host property.

## 5.16 Chimney stacks and pots

- 5.16.1** These are important features to a building's roofline. As such, even if a chimney stack or pot is not in use, it is important to retain them where possible. New flues, if necessary, should run through existing stacks whenever possible. It is important to ensure that any adaptation to the existing chimney should not adversely affect its appearance.

## 5.17 Roof level plant, fire escapes and services

- 5.17.1** The presence of visually intrusive modern service equipment is alien to historic buildings and diminishes their characteristic appearance. Such elements should, at minimum, not be visible from the street and ideally be accommodated internally. Where building regulations require ducts/ pipes to extend above the roof, they must be finished in such a way as to minimise their visual presence. Openings for ventilation ducts below roof level must be concealed behind good quality, inconspicuous grilles finished to complement surrounding materials.

## 5.18 Additional guidance for conservation areas

### Significance and Consideration

- 5.18.1** Original embellishments and architectural features are considered an integral part of the building's design. Such features include: turrets and cupolas; chimneys and chimney pots; ridge tiles; decorative tiles; stacks; corncicing; parapets etc. They make an important contribution to its character and therefore contribute to its significance and thus should be retained.
- 5.18.2** Re-roofing work can often take place outside of planning control. However in conservation areas, any replacement material will be considered an alteration and so planning permission will be required.

## Roof coverings

**5.18.3** The most common traditional roof material within the borough is natural slate, usually of Welsh provenance. Some earlier 17th and 18th century buildings have local clay, plain tile or pantiled roofs, with the use of plain clay tiles increasing from the late 19th century.

**5.18.4** Replacement slates or tiles should match the original material as closely as possible in type, colour, texture, size and thickness, and be laid in the traditional manner. Retention of as much of the original roof covering is the target and so where an original roof covering is considered 'beyond repair' then it is recommended that the best of the original tiles are re-fitted on the front / dominant slope and new material fitted in less conspicuous areas. This will retain character of 'age' where it is most visible.

**5.18.5** Slate - Welsh slate is preferred, but acceptable alternative natural slate is available from Canada and Spain. Existing slates that can be salvaged should be used on the front elevation. Re-used tiles should not be mixed with new ones on visible elevations, as they will age differently and result in a patchy appearance.

**5.18.6** Concrete tiles - The use of concrete tiles is not acceptable nor recommended for the replacement of any tiles on historic buildings. They are much heavier than most historic material and are likely to damage the roof structure because of this. Where they exist in the form of an unsympathetic alteration, the opportunity should be taken to revert to the original roof covering.

**5.18.7** Other materials - Areas of lead, zinc or copper must be replaced with the same material

## Rainwater goods

**5.18.8** Rainwater goods are traditionally of cast iron and original elements should be retained whenever possible. In conservation areas where article 4 directions are in place, a change of material will require planning permission. Where replacement is unavoidable, new rainwater goods must be of cast iron or aluminium, with a traditional profile. UPVC is an inappropriate modern material not considered suitable for use anywhere in the historic environment and poor precedents do not justify further use of unsympathetic materials.

The Council offers a range of pre-application services including advice on alterations and extensions within conservation areas. Please consult the Council's website for further information.

## 6 Other alterations and considerations



## 6.1 Windows

6.1.1 Windows are a defining feature of a building. Poor window design and placement can disrupt the appearance of buildings and the rhythm of the street scene. This is particularly obvious on large blocks of flats where windows play a key role in the appearance of the building. The inconsistency of design and size of window components (frame, glazing bars and meeting rails) can be damaging to the appearance of blocks of flats/flatted developments and the street scene.

6.1.2 The material which the windows are made from (plastic, aluminium and timber) often have different frame dimensions and light-reflecting qualities. Therefore, when replacing or inserting windows, attention should be paid to the use of materials, particularly on publicly visible elevations. Whilst in most cases householders, outside of Conservation Areas can change their windows without planning permission, if you live in a flat

### 6.1.3 Design principles for windows

- The council has a comprehensive set of guidance for replacing windows on its website. This includes guidance on what should be submitted as part of any application required.
- The detailing of new and replacement windows on street elevations on buildings (including those to non-original dormer windows) should be consistent with the original windows to the host building/terrace in order to retain and reinforce the uniformity of the façade as a whole.
- New and replacement windows in uniform blocks of flats should match the original or predominant window style to the building in scale, design, material finish and opening arrangement.
- Upgrading of historic glazing to modern standard (double glazed units) is now easily achievable as there are slim units available and specifically designed for installation in historic timber sashes and *crittal* steel windows.



**Fig 6.1:** The replacement of traditional style windows on heritage properties with modern UPVC windows can be hugely detrimental to the properties character



**Fig 6.2:** Traditional windows can be effectively refurbished and maintain key characteristics of the property

## 6 Other alterations and considerations

### 6.1.4 Additional guidance for conservation areas

The council has a comprehensive set of guidance for replacing windows within conservation areas on its website. This includes guidance on the level of information that should be submitted.

Windows are a defining feature of a building and especially within a conservation area, the use of modern materials for replacement windows is generally resisted because it is a bad idea both economically and for the longevity of the building. The cumulative effect of unsympathetic modern windows erodes the locally distinctive qualities of a designated area and harms its significance. Where inappropriate modern windows presently exist, replacement presents an opportunity to reinstate windows consistent with the original architectural intention.

It should also be noted that modern basic softwood is NOT a suitable material for windows as the quality simply is not good enough and the best quality of timber you can afford will give the best lifespan = value for money.

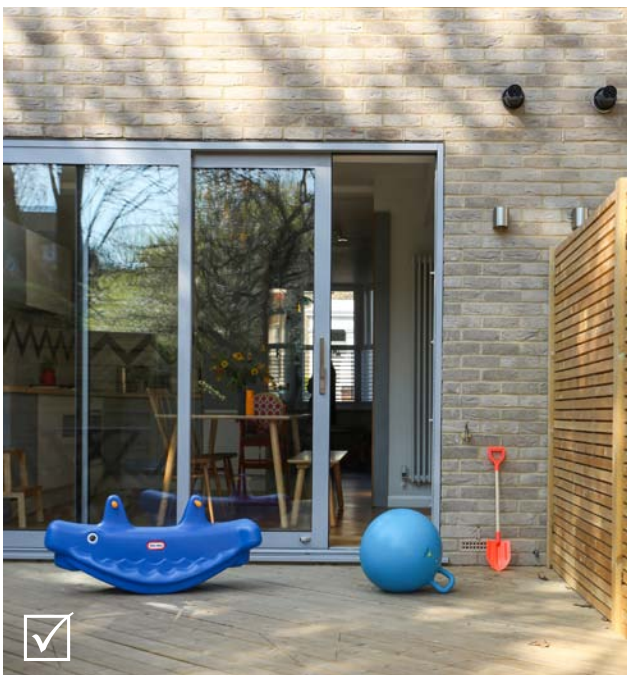
Certain buildings within the Borough (for example 1920s and 30s mansion blocks) have steel *Crittall* windows. These should be replaced with matching steel windows since many of the traditional designs are still available as mass and can be upgraded to house double glazed units.

The original rebate/reveal should be preserved, as it creates a shadow line which articulates the facade of the building.

Frames and glazing bars must be of traditional proportions. Glazing bars must be functional and not merely attached to the surface of the glazing.

## 6.2 External Doors

- 6.2.1 External doors are a defining feature of a building. The use of poorly designed or low quality external doors can significantly affect the appearance of buildings.
- 6.2.2 High quality, secure doors made from robust materials should be used at all times.
- 6.2.3 The replacement of front doors on heritage properties should be sensitive to the era of the property and may require approval.
- 6.2.4 It is becoming increasingly popular to install sliding/patio doors to the rear of the property to connect internal space with the rear garden.
- 6.2.5 On heritage assets the specification of these external doors and the nature of the opening to the rear of the property will require approval.



**Fig 6.3: High quality sliding doors**

## 6.3 Materials

- 6.3.1 The use of high quality materials is expected for all extensions and alterations. Poorer quality materials, whilst cheaper in the short term, add to future maintenance costs and usually weather badly.
- 6.3.2 Many older buildings retain original features such as cornices, string courses, mouldings etc. These should be retained wherever possible and in areas where article 4 Directions are in place their removal will be resisted.
- 6.3.3 Brickwork does not necessarily have to match the existing building, however it should complement and integrate well with the existing brickwork.
- 6.3.4 Choice of mortar colour and mix is very important and should be carefully considered as can alter the overall appearance of the brickwork.
- 6.3.5 Texture of brickwork should be carefully considered alongside the existing brickwork to ensure it is complementary.
- 6.3.6 Consideration to the changes which will be made to the material over time, such as aging and weathering needs to be considered.
- 6.3.7 Poorly cleaned reclaimed bricks are not considered a good option.
- 6.3.8 The use of render is not usually encouraged as in urban areas as it tends to discolour and weather very badly and can be costly to maintain. In historic properties, application of cement render can lead to damp problems in the future.
- 6.3.9 Imaginatively laid brickwork can be laid in a way which can add interest to a building façade.

# 6 Other alterations and considerations

## 6.4 Refuse and recycling storage

6.4.1 The Council is required under part 11 of the 1990 Environmental Protection Act to collect household waste from all residential properties in the borough and, if requested, make provisions for the collection of commercial waste. Under section 46 of the Act, the Council specifies the type and number of receptacles to be used and where they should be placed in order to ensure compatibility with council collection methods and to facilitate collections.

6.4.2 This guidance is offered to assist designers in achieving adequate refuse and recycling storage facilities. The matters needs to be considered at the outset of the design process when scheme layouts are being formulated, to ensure full integration and adequate provision. If not carefully considered significant problems can arise for residents, the public and those responsible for refuse collection and transportation. Common issues include:

- Visual blight caused by storage containers can be extreme, the impact of bins standing in forecourts, front gardens and the public highway can be adverse both for residents of these premises and the passing public

- Threat to public health and amenity by inadequate refuse storage, Vermin ate attracted to uncontained refuse bringing the potential for disease and infection, Unpleasant odours emanating from bins and storage areas can blight the residential amenity of adjoining residents.
- Highway obstruction due to bins standing permanently on the street and thus restricting the footway. This can be particularly problematic for wheelchair users and people with pushchairs and restricting the view of drivers and thus have the potential to impact adversely on highway safety

6.4.3 When a new residential development is nearing completion, it is the responsibility of the developer to contact Lewisham Council to arrange for waste and recycling collection services to commence.

- Buildings must have off street collection at ground level.
- Dedicated off street refuse and recycling storage areas must be provided in all new developments and changes of use
- All new developments must have a refuse and recycling management plan, particularly for mixed use developments and flatted schemes
- The refuse and recycling management plan must indicate the following:
  - a Storage location both within the residential units and the site
  - b No. of bins and capacity in accordance with the Councils guidance
  - c Details of collection times and dates

- d Management strategy in flatted development if bins are to be moved from storage to collection area where necessary
- e Where a management plan is in place no bins must be left on the public highway
  - Bins must not be left on the public footway in all cases as they pose a hazard for pedestrians
  - Storage area doors must not open over the public highway / road.
  - All storage areas should be screened.
  - Bin storage areas must not be sited so as to obstruct sight lines for pedestrians, drivers and cyclists.
  - Refuse and recycling facilities should be located in a convenient and accessible location within the site, avoiding, where possible, long and convoluted travel distances
  - Refuse and recycling facilities should be located so as to be conveniently accessible by refuse operators in accordance with carry and push/pulling distances
  - Bins should be in a separate storage area from bicycles.
  - Bins should be stored inside the residential unit or at least enclosed. If bins are to be stored outside they should be secured in a compound.
  - Waste storage areas should be of adequate height to allow the lids of containers to be fully opened; a minimum height of 2m is required.

## 6.5 Cycle Storage

- 6.5.1 The Council encourages cycling and considers that one of the best ways to support it is to ensure that cycle storage is covered, secure, convenient and attractive.
- 6.5.2 If it is not possible to place the parking within the building footprint, it should always be placed as close as possible to the main entry/exit points
- 6.5.3 Cycle parking should not be sited where it will obstruct passing pedestrians or vehicles and should not have a negative impact on the amenity of neighbouring occupiers in terms of loss of daylight/outlook.
- 6.5.4 Cycle storage within front gardens should be unobtrusive.

### 6.5.5 Additional guidance for conservation areas

- 6.5.6 Low 'bike boxes' are the only suitable option for front gardens because they can sit unobtrusively behind garden walls and hedges.
- 6.5.7 Bike stands and garden sheds are not acceptable for cycle storage in front gardens.
- 6.5.8 Cycle storage should not be positioned where the structure will have an adverse impact on the outlook of the property or screen any distinguishing features of the property.



# 6 Other alterations and considerations

## 6.6 Changes to front boundary

6.6.1 Traditional, domestic boundary treatments are locally distinctive features which provide demarcation between private and public space, while also giving continuity and consistency to the streetscene. Historically they enclosed modest, softly planted front gardens which provided a gentle, domestic setting for the buildings behind.

### 6.6.2 Design principles

- Existing original railings, gates and gateposts should be retained and refurbished.
- The design and height of new boundary walls, railings and gates should relate to the character of the street / surrounding area.
- Boundary walls to the front of a dwelling should usually be no higher than 1m.
- Details such as railed sections can help to reduce the visual impact of a high wall where this is unavoidable.

### 6.6.3 Additional guidance for conservation areas

Low and visually permeable boundary treatments (typically brick, dwarf-walls topped with coping stones and railings) are integral to the design and layout of most Victorian and Edwardian suburban development within the Borough. They provide a gentle, domestic sense of enclosure to the street, allow modest views into front gardens and gaps between buildings, and make an important contribution to local character.

The loss of traditional boundary treatments, or their replacement with modern alternatives will be resisted



Fig 6.3: Unacceptable due to the poor quality of the boundary treatment



Fig 6.4: Existing original railings, gates and gateposts should be retained and refurbished

## 6.7 Trees

6.7.1 Planning policy recognises that trees have important amenity value and habitat significance and seeks their retention for those reasons. Before undertaking works to a tree, it is advisable to check whether it is protected. Tree Preservation Orders (TPOs) are in place to protect the best examples and nearly all trees in conservation areas are protected automatically. Details of TPOs and conservation area designations are available from the Council's website.

6.7.2 Tree surveys are required on schemes where trees might be affected by development or construction. These should be undertaken by suitably qualified professionals. The Council will expect all development affecting trees to accord with established best practice.

### 6.7.3 Additional guidance for conservation areas

All trees within conservation areas are protected and undertaking works to a tree within these areas will require permission from the council. Please refer to the Council's website for details.

## 6 Other alterations and considerations

### 6.8 Front gardens and forecourt parking

6.8.1 Front gardens and forecourts are particularly important as they provide a landscaped setting for the building and mediate between public and private space. Gardens are particularly important to the character and appearance of conservation areas, their settings and the settings of heritage assets generally.

6.8.2 Many people have, in recent times, covered their front gardens with stone or asphalt in order to provide a car parking space. Numerous problems have arisen from this process:

- It is visually harmful to the street scene.
- Results in a loss of planting/ soft landscaping.
- Results in a loss of habitat, deterring wildlife.
- Can result in an increase of surface run off, leading to an increase in the risk of flooding.

- The increased number of crossovers on the pavement can make it difficult for pedestrian movement.
- The creation of a cross-over access often leads to the loss of an on-street parking bay.
- On-street parking is an amenity to the whole community. The loss of such parking in order to provide a cross-over for private parking bay in front gardens thus has an adverse impact on the community as a whole.

6.8.3 For the reasons outlined above the Council will generally resist turning front gardens into areas of hardstanding and/or car parking unless it can be demonstrated that no harm will result to amenity and local character.

6.8.4 If a car parking space is unavoidable in this location and the principle is agreed by the planning officers, the following should be ensured:

- Permission should be obtained from the Council's Highways Department for a crossover.



**Fig 6.5: Unacceptable due to its harmful impact to the street scene**

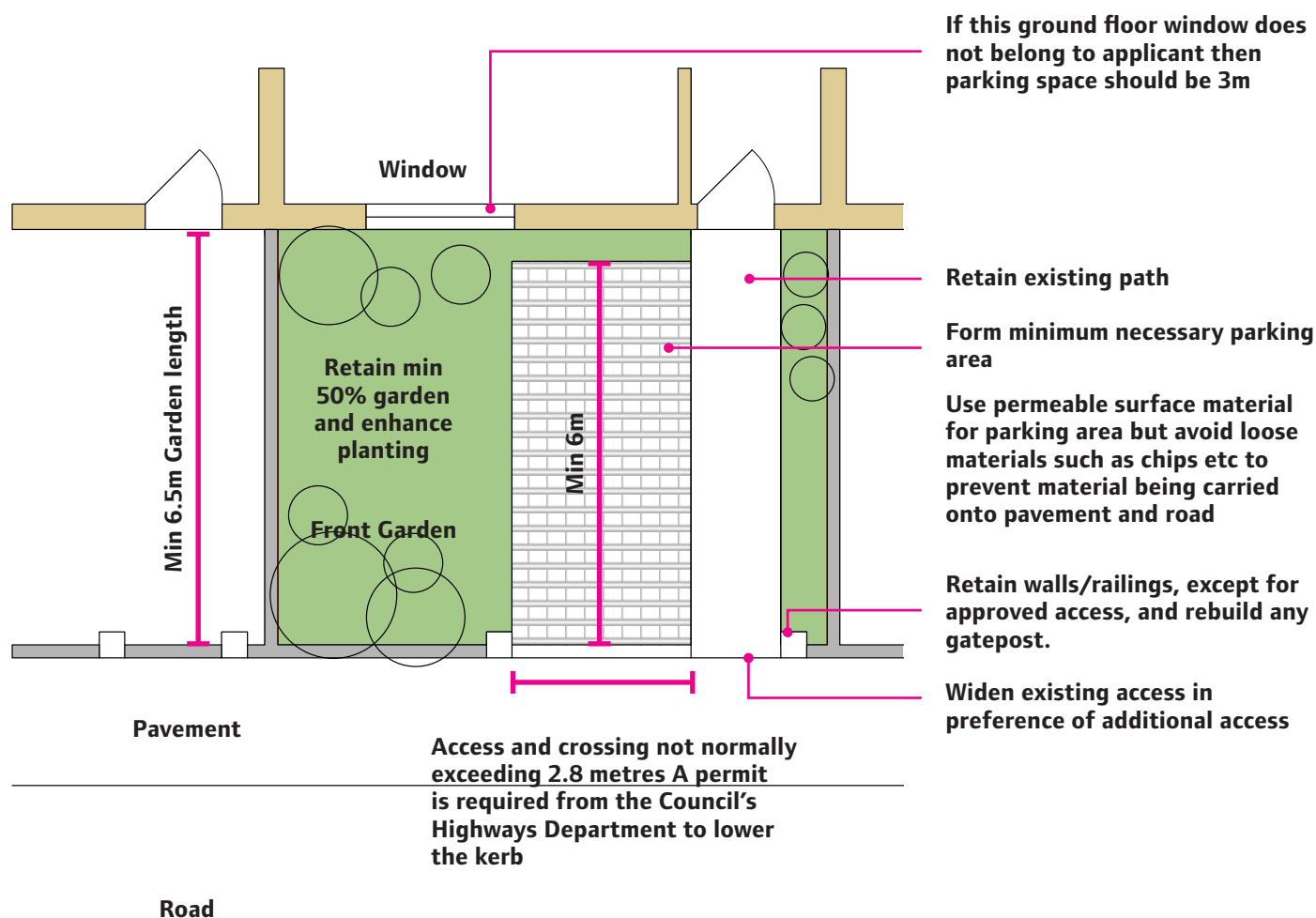


**Fig 6.6: Where the principle of carparking is agreed, 50% of the garden should be retained as soft landscaping**

- Permeable materials should be used, incorporating Sustainable Drainage Systems (SUDs).
- Gardens that have previously been replaced by impermeable hard landscaping must be returned to a porous paving surface with 50% of the garden planted.
- The choice of material should be complementary to the building itself.
- Any mature trees or planting should be retained.
- Possible pedestrian and vehicle conflict should be considered and minimised.

### 6.8.5 Additional guidance for conservation areas

In most cases proposals to turn front gardens into areas of hardstanding and/or car parking within conservation areas will be resisted.



# Glossary

## AMENITY

A positive element or elements that contribute to the overall character of an area, for example open land, trees, historic buildings and how they relate to each other.

## ARCHAEOLOGY

The systematic study of past human life and culture by the recovery and examination of remaining material evidence, such as graves, buildings, tools, and pottery.

## ARTICLE 4 DIRECTION

Direction removing some or all permitted development rights, for example within a conservation area or curtilage of a listed building. Article 4 directions are issued by local planning authorities.

## BIODIVERSITY

The whole variety of life encompassing all genetics, species and ecosystem variations, including plants and animals.

## BUILDING LINE

The line formed by the frontages of buildings along a street.

## BUILDING REGULATIONS

Standards for the design and construction of buildings to ensure the safety and health for people in or about those buildings.

## BULK

The combined effect of the arrangement, volume and shape of a building group of buildings. Also called massing.

## BUTTERFLY ROOF

Two parallel shallow pitched roofs meeting in a valley or gutter

## CHARACTER

The local, visual distinctiveness of a townscape and defined by patterns of development and the local culture in the form of the richness of materials, landscaping and types of architectural forms.

## CILL

Horizontal piece of timber at the bottom of a timber-framed wall into which posts and studs are toned.

## CONSERVATION AREA

An area of special architectural or historic interest, the character or appearance of which is desirable to preserve or enhance. Conservation areas are very much part of the familiar and cherished local scene. It is the area as a whole rather than the specific buildings that is of special interest. Listed Buildings within conservation areas are also covered by the Listed Building Consent process.

## CURTILAGE

The area normally within the boundaries of a property surrounding the main building and used in connection with it.

## DESIGN QUALITY

Good design ensures attractive, usable, durable and adaptable places and is a key element in achieving sustainable development.

# Glossary

## ELEVATION

The facade or face of a building, or a plan showing the drawing of a facade.

## FORM

The shape or configuration of a building.

## GENERAL PERMITTED DEVELOPMENT ORDER (GPDO)

A Government policy order outlining that certain limited or minor forms of development may proceed without the need to make an application for planning permission.

## GROUNDWATER

Water stored underground in areas of rock known as aquifers.

## HABITABLE ROOMS

Any room used or intended to be used for sleeping, cooking, living or eating purposes. Bathrooms, toilets, corridors, laundries, hallways, utility rooms or similar spaces are excluded from this definition.

## HIGHWAY

A publicly maintained road, together with footways and verges.

## HIPPED ROOF

Roof which slopes up towards the ridge. Hipped roof has sloped instead of vertical end.

## HISTORIC ENVIRONMENT

All aspects of the environment resulting from the interaction between people and places through time, including all surviving physical remains of past human activity, whether visible, buried or submerged, and landscaped and planted or managed flora. Those elements of the historic environment that hold significance are called heritage assets.

## INFRASTRUCTURE

The physical features (for example roads, rails, and stations) that make up the transport network.

## JULIET BALCONY

A shallow balcony designed to provide a barrier in front of French doors.

## JAMB

The vertical face of an archway, doorway or window.

## LAWFUL DEVELOPMENT CERTIFICATE

A procedure by an application can be made to a local planning authority seeking certification that an existing or proposed uses, and other forms of development, can be considered as lawful for planning purposes.

## LAYOUT

The way buildings, routes and open spaces are placed or laid out on the ground in.

## LOCAL PLANNING AUTHORITY

The local authority or council that is empowered by law to exercise planning functions.

## LINTEL

Beam over an aperture carrying the wall above and spanning between jambs.

#### LISTED BUILDING

A 'Listed Building' is a building, object or structure that has been judged to be of national historical or architectural interest. It is included on a register called the Statutory List of Buildings of Architectural or Historic Interest and part 10 of the Local Land Charges Register.

#### MANSARD ROOF

There are different types of mansard roof. Early mansards have a double slope, the lower slope being longer and steeper than the upper. Later mansards have one long, steep slope and often have almost flat or flat roofs.

#### MAISONETTE

A flat at more than one level.

#### MASSING

A term in architecture which refers to the perception of the general shape and form as well as size of a building

#### PERMITTED DEVELOPMENT RIGHTS

Permission to carry out certain limited forms of development without the need to make an application to a local planning authority, as granted under the terms of the Town and Country Planning (General Permitted Development) Order.

#### OPEN SPACE

All space of public value, including rivers, canals, lakes and reservoirs, which can offer opportunities for recreation. They also provide visual amenity and a haven for wildlife.

#### OVERBEARING

A term used to describe the impact of a development or building on its surroundings, particularly a neighbouring property, in terms of its scale, massing and general dominating effect.

#### OVER-DEVELOPMENT

An amount of development (for example the quantity of buildings or intensity of use) that is excessive in terms of demands on infrastructure and services, or impact on local amenity and character.

#### OVERLOOKING

A term used to describe the effect when a development or building affords an outlook over adjoining land or property causing loss of privacy.

#### OVERSHADOWING

The effect of a development or building on the amount of natural light presently enjoyed by a neighbouring property, resulting in a shadow being cast over that neighbouring property

#### PASSIVE SOLAR HEATING

A solar heating system using a simple solar collector, building materials, or an architectural design to capture and store the sun's heat.

#### PILASTER

A projection from a masonry wall that provides strength for the wall.



# Glossary

## PLANNING PERMISSION

Formal approval sought from a council, often granted with conditions, allowing a proposed development to proceed. Permission may be sought in principle through outline planning applications, or be sought in detail through full planning applications.

## PLANNING PORTAL

A national website provided by the government for members of the public, local planning authorities and planning consultants. The Planning Portal features a wide range of information and services on planning.

## PHOTOVOLTAICS /PHOTOVOLTAIC CELLS

Conversion of solar radiation (the sun's rays) to electricity by the effect of photons (tiny packets of light) on the electrons in a solar cell.

## PLACE

The relationship between space, setting and landscape which interact to produce characteristics attributable to a location.

## PLANNING CONDITION

Condition attached to a planning permission.

## PUBLIC REALM

This is the space between and within buildings that are publicly accessible, including streets, squares, forecourts parks and open spaces.

## QUOIN

1. Any external angle or corner of a structure.
2. One of the dressed stones used to dress and strengthen the corner of a building

## RESIDENTIAL AMENITY

The benefits enjoyed from within a residential property that the planning system seeks to safeguard. These include no unacceptable impact from noise, vibration, disturbance, air pollution, loss of privacy, outlook (but not particular views) and overshadowing.

## RENEWABLE ENERGY

Energy derived from a source that is continually replenished, such as wind, wave, solar, hydroelectric and energy from plant materials, but not fossil fuels or nuclear energy. Although not strictly renewable, geothermal energy is generally included.

## REVEAL

Vertical return of side of an aperture in a wall between the plane of the wall and e.g. a door frame. It is generally set square with the face, but if out diagonally it is called a splay.

## ROOF PITCH

The angle of a roof

## ROOF-LIGHT

An opening in a roof that allows light to enter the building

#### STREET-SCENE / STREETScape

The visual features within streets, which contribute to the character of the street and the wider area.

#### SUBORDINATE

To serve under. Unequal

#### SUSTAINABLE URBAN DRAINAGE (SUDS)

Sustainable drainage is a concept that includes long term environmental and social factors in decisions about drainage. It takes account of the quantity and quality of runoff, and the amenity value of surface water in the urban environment.

#### SYMMETRICAL

Exactly the same on both sides.

#### TERRACING EFFECT

A term used to describe the closing of gaps between houses by extending the houses sideways, for example a double garage between semi-detached properties.

#### TOPOGRAPHY

A description (or visual representation on a map) of artificial or natural features on or off the ground. For example, contours or changes in the height of land above sea level.

#### TREE PRESERVATION ORDER

A Tree Preservation Order is an order made by the Council, giving legal protection to trees or woodland. A TPO prevents cutting down, uprooting, topping, lopping, willful damage or destruction of trees (including cutting roots) without the Council's permission.

#### URBAN DESIGN

The art of making places. It involves the design of buildings, groups of buildings, spaces and landscapes, in villages, towns and cities, and the establishment of frameworks and processes, which facilitate successful development

# DRAFT SEA Screening Assessment

## Alterations and Extensions Draft SPD

Prepared by Pro Vision on behalf of  
the London Borough of Lewisham

December 2017

ALTERATIONS AND EXTENSIONS DRAFT SPD  
DRAFT SEA SCREENING ASSESSMENT  
PROJECT NO. 2517

**PREPARED BY:**

JUSTIN PACKMAN MRTPI  
ASSOCIATE DIRECTOR

**DATE:**

DECEMBER 2017

**PRO VISION**

GROSVENOR COURT  
AMPFIELD HILL  
AMPFIELD  
ROMSEY  
HAMPSHIRE  
SO51 9BD

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## 1.0 Introduction

- 1.1 This report has been prepared on behalf of the London Borough of Lewisham to determine the need for a Strategic Environmental Assessment (SEA) for their forthcoming Alterations and Extensions Supplementary Planning Document (SPD).
- 1.2 For SPDs it is necessary to undertake an SEA in instances where there is potential for significant environmental impacts that have not already been assessed during the preparation of the Development Plan.
- 1.3 This Screening Report has been prepared in accordance with Section 9 (3) of the Assessment of Plans and Programmes Regulations 2004 and is based on the Council's current scope of the draft SPD.

## 2.0 Scope of the Alterations and Extensions Draft SPD

2.1 The SPD is intended to ensure that the highest design quality is achieved in residential extensions and alterations within the Borough of Lewisham .

2.2 The document is intended as a working tool, essential for all those involved with the preparation and assessment of planning applications for residential alterations and extensions, including:

- Householders;
- Design professionals, in drawing up proposals;
- Development management officers, as a material consideration in assessing the suitability of applications;
- Statutory and non-statutory consultees and the public in commenting on planning applications, and
- The Council, in determining planning applications and in upholding decisions at planning appeals.

## 3.0 SEA Screening Procedure

3.1 The SEA screening procedure comprises 6 stages, detailed below:

1. **Preliminary Assessment:** initial tests applied to determine whether screening is necessary;
2. **Assessment of likely Environmental Impacts:** if screening is required the an assessment of the likely environmental impacts will be undertaken in accordance with the 2004 Regulations;
3. **Draft Screening Report:** a draft screening report will be prepared summarising the results of Stage 2 and including a draft determination that provides sufficient information to demonstrate whether the SPD is likely to have significant environmental effects;
4. **Consultation with statutory bodies:** before a final screening report can be published it will be necessary to undertake consultation with the Environment Agency, English Heritage and Natural England. If these statutory bodies consider that the SPD is likely to have significant environmental effects, then a full SEA will be required;
5. **Final Screening Report:** consideration to be given to the responses from the three statutory bodies and then a final version of the screening report prepared confirming:
  - a. The result of the screening;
  - b. Responses from the consultation bodies;
  - c. The final determination, and
  - d. The statement of reasons if no SEA is required
6. **Final Screening Report made publically available:** the Council will issue the Final Screening Report to each of the three statutory consultees and make it public available for inspection on the Council's website and within public libraries.

3.2 This report constitutes stage 3 of the process.



## 4.0 Assessment of Environmental Effects

4.1 It is necessary to undertake screening of the likely significant environmental effects of the SPD because the SPD meets the following SEA Directive criteria<sup>1</sup>:

1. the SPD is subject to preparation and adoption by a Local Authority;
2. the SPD is required by legislative, regulatory or administrative provisions
3. the SPD is prepared for town planning and land use purposes

4.2 The criteria for determining the significance of effects are taken from schedule 1 of the Regulations. The SPD has been judged against each of these criteria and the results are detailed in Table 4.1 below.

Table 4.1

Criteria (from Annex II) of SEA Directive and Schedule I of the Regulations)		Assessment
<b>1. Characteristics of the plan or programme</b>		
<b>(a)</b>	<b>the degree to which the plan or programme sets a framework for projects and other activities, either with regard to the location, nature, size and operating conditions or by allocating resources;</b>	<p>The draft SPD sits at the lowest tier of the development plan hierarchy. The function of the document is to provide amplification to the policies and strategies set out within the Development Plan</p> <p>The document provides detailed design guidance for residential extensions and alterations. This is intended to be a reference tool rather than prescriptive policy. The guidance may influence the location, nature and size of proposals but at a small scale.</p> <p>The SPD makes no provision for the allocation of resources.</p>
<b>(b)</b>	<b>the degree to which the plan or programme influences other plans and programmes including those in a hierarchy;</b>	<p>The draft SPD is a function of the adopted Development Plan, its purpose being to expand upon and clarify the requirements of the Plan. The SPD is required to be in conformity with the Plan and other higher tier policy documents (which have been subject to full Sustainability Appraisals and independent examination). The SPD does not influence other plans and programmes.</p>
<b>(c)</b>	<b>the relevance of the plan or programme for the integration of environmental</b>	<p>The guidance seeks to promote good design. Good design is intended to ensure attractive, usable, durable and adaptive places and is</p>

<sup>1</sup> A Practical Guide to the Strategic Environmental Assessment Directive (2005)

	<b>considerations in particular with a view to promoting sustainable development;</b>	considered a key element in achieving sustainable development.
(d)	<b>environmental problems relevant to the plan or programme;</b>	It is not anticipated that any environmental problems will be introduced or intensified as a result of the draft SPD.  Conversely, the intention of the draft SPD is to promote good design which has the potential to help deliver environmental improvements.
(e)	<b>the relevance of the plan or programme for the implementation of Community legislation on the environment (e.g. plans and programmes linked to waste-management or water protection).</b>	The guidance has potential links to environmental and community legislation, as it considers matters such as: <ul style="list-style-type: none"> <li>• Refuse and recycling storage;</li> <li>• Sustainable Transport (and cycle storage);</li> <li>• Waste water and Sustainable Urban Drainage Systems (SUDS).</li> </ul> Notwithstanding this, as a low tier document, the guidance is intended to respond to environmental policy and legislation rather than influence it.
<b>2. Characteristics of the effects and of the area likely to be affected</b>		
(a)	<b>the probability, duration, frequency and reversibility of the effects,</b>	The impact of the SPD is likely to be positive, with the document having the potential to have positive impacts in the short, medium and longer term. The positive effects of the guidance should be felt whenever proposed alterations or extensions to residential property come forward. Effects will only be reversed when buildings or alterations are demolished.
(b)	<b>the cumulative nature of the effects</b>	Once adopted it is expected that the guidance will be applied to all planning applications for alterations and extensions to residential properties.  The guidance is expected to have a positive cumulative impact over time as the number of proposals designed and built out (influenced by the SPD) increases.
(c)	<b>the trans-boundary nature of the effects of the SPD</b>	The positive effects of the draft SPD will be experienced in areas close to new development. Due to the minor nature of the development proposals there are unlikely to be any significant trans-boundary effects resulting from the SPD.
(d)	<b>the risks to human health or the environment (for example, due to accidents)</b>	The draft SPD seeks to encourage and guide good design. Good design should seek to reduce the risks to human health and promote environmental

		enhancement. Therefore, the SPD can be expected to have a positive impact on human health.
(e)	<b>the magnitude and spatial extent of the effects (geographical area and size of the population likely to be affected),</b>	<p>Individually the magnitude of effects will be limited due to the minor scale of individual proposals for domestic extensions and alterations. Cumulatively the guidance may have a more significant impact over time. The impacts, although likely positive, will be difficult to measure as the guidance will impact upon the design of extensions and alterations in many small and subtle ways.</p> <p>This is a boroughwide SPD: the spatial extent of effects will be limited to land and buildings within the borough.</p>
(f)	<b>the value and vulnerability of the area likely to be affected due to:</b> <b>i) special natural characteristics or cultural heritage</b> <b>ii) exceeded environmental quality standards or limit</b>	<p>The borough is characterised by a range of different and sometimes vulnerable natural and manmade environments. These include SINCS, Local Nature Reserves, 27 Conservation Areas and approximately 540 Listed Buildings. It is the role of development plan policies to protect, conserve and in many instances enhance these areas which set out specific standards for environmental quality and land use.</p> <p>The draft SPD places particular emphasis on the protection and enhancement of Conservation Areas and heritage assets.</p>
(g)	<b>the effects on areas or landscapes which have a recognised national, Community or international protection status</b>	<p>Within the Borough there are a range of areas which have a recognised protection status. These are protected, conserved and enhanced by adopted plan policies and through separate legislation in some instances. The draft SPD will not impact on these areas.</p> <p>It is the intention of the draft SPD to introduce higher standards of design. Improving standards of design has the potential to generate environmental improvements.</p>

## 5.0 Draft Determination

- 5.1 The assessment detailed in table 4.1 indicates that that the SPD is unlikely to generate significant environmental effects by itself. Any effects resulting from higher tier planning documents including the 'parent policies' relevant to this SPD have already been assessed by a separate full SEA.
- 5.2 The SPD does not propose any new policies, or the amendment of existing policies, and will not allocate resources or direct other plans and programmes

### **Next Stage**

- 5.3 The draft determination is that a SEA will not be required for the SPD. However, before a final determination is made it will be necessary to:
1. Consult on this draft determination with the three statutory consultees, and
  2. Prepare a final screening report, which is to be made publicly available.

<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>	10 <sup>th</sup> January 2018	
<b>Title of Report</b>	Revocation of decision to expand Addey and Stanhope School – Permission to consult (publication and representation)	
<b>Originator of Report</b>	Matthew Henaughan	<b>Ext.48034</b>

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: 21<sup>st</sup> December 2017

Signed:   
 Director/Head of Service  
 Date 20<sup>th</sup> December 2017

<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 AND CABINET</b>			
<b>Report Title</b>	Revocation of Decision to expand Addey and Stanhope School – Permission to Consult (Publication and Representation)		
<b>Key Decision</b>	Yes	Item No.	
<b>Ward</b>	New Cross, Whole Borough		
<b>Contributors</b>	Executive Director for Children and Young People		
<b>Class</b>	Part 1	Date:	10 January 2018

## 1. Summary

- 1.1 This report follows on from the Mayor and Cabinet report of 19 July that resulted in the decision to delay the implementation of the expansion of Addey and Stanhope School from 4 forms of entry to 6 forms of entry (from 120 to 180 pupils per year) by one year from September 2018 to September 2019 due to a forecasted delay in Secondary School place need.
- 1.2 This report requests that the Mayor (as statutory LA decision maker) instruct officers to conduct the Statutory Publication and Representation process necessary to revoke the decision to expand Addey and Stanhope School based upon further updated forecasting and Autumn census data.

## 2. Purpose

- 2.1 The report seeks the Mayor's permission to conduct the necessary statutory consultation processes required to seek a revocation of the previous decision to expand Addey and Stanhope School from 4 to 6 forms of entry, due to continued uncertainty over secondary place need.

## 3. Recommendations

- 3.1 The Mayor is recommended to:
- 3.2 note the reasons for the request for revocation.
- 3.3 instruct officers to conduct the necessary Publication and Representation stages required regarding the proposal to revoke the decision to expand Addey and Stanhope School from 4 to 6 forms of entry.
- 3.4 instruct officers to report back to Mayor and Cabinet before the end of spring 2018 regarding the representations made to enable the Mayor (as the statutory decision maker on behalf of the Local Authority regarding school organisational changes) to make a decision.
- 3.5 instruct officers to further develop the Educational Asset Strategy to ensure that Lewisham's educational assets are best utilised to meet the forecasted need, and help deliver against the Council's Place Planning Strategy 2017-2022.

## 4. Policy Context

- 4.1 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.

The proposed recommendations are also in line with the Council's corporate priorities:

- **Young people's achievement and involvement** – raising educational attainment and improving facilities for young people through partnership working.
  - **Protection of children** – better safeguarding and joined up services for children at risk
  - **Inspiring efficiency effectiveness and equity** – ensuring efficiency, effectiveness and equity in the delivery of excellent services to meet the needs of the community
- 4.2 The Local Authority has a duty to ensure the provision of sufficient places for pupils of statutory school age and, within financial constraints, accommodation that is both suitable and in good condition.
- 4.3 In aiming to improve on the provision of facilities for education in Lewisham which are appropriate for the 21<sup>st</sup> century, the implementation of a successful school places strategy will contribute to the delivery of the corporate priority *Young people's achievement and involvement: raising educational attainment and improving facilities for young people through partnership working*.
- 4.4 It supports the delivery of Lewisham's *Children & Young People's Plan (CYPP)*, which sets out the Council's vision for improving outcomes for all children and young people, and in so doing reducing the achievement gap between our most disadvantaged pupils and their peers. It also articulates the objective of improving outcomes for children with identified SEN and disabilities by ensuring that their needs are met.

### **Place Planning Strategy 2017-22**

- 4.5 A priority in the 2016 Lewisham Education Commission Report was for the Council to develop a new 5 year Place Planning Strategy that succeeded the Primary Strategy for Change. Officers reviewed what had gone on before and what needs to be achieved in the future, and the draft strategy went through a public consultation process. The strategy was approved by Mayor and Cabinet on 22 March 2017.
- 4.6 Within the new strategy the council committed to keep under review its forecasting to ensure that the necessary supply of educational places was as accurate as possible, as both undersupply and oversupply can have knock on effects on school standards and finances.
- 4.7 Following a re-assessment of forecasting post National offer days for both Secondary and Primary applicants and the Summer Term Schools Census a proposal was put forward, and agreed by the Mayor (19 July 2017) to delay the implementation of the Addey and Stanhope expansion.

- 4.8 Further revisions to forecasting over the Summer, coupled with analysis of the Autumn Census data have now also been completed (see section 6).

### **School Organisation Requirements**

- 4.8 Proposals to establish additional provision on a permanent basis must comply with the provisions set out in *The Education and Inspections Act 2006 (EIA 2006)* and *The School Organisation (Prescribed Alterations to Maintained Schools)(England) Regulations 2013*. These set out the statutory process for making changes to a school, and statutory guidance on making changes to a maintained school indicates 4 stages to making a prescribed alteration to a maintained school. These are:
- 1) Publication of a Statutory Notice
  - 2) Representation period
  - 3) Decision making
  - 4) Implementation
- 4.9 However, it is seen as good practice to have a period of more informal consultation before publishing a statutory notice, to enable officers to have a proper conversation with the local community regarding possible expansion and to enable the Mayor to have a fuller understanding of local opinion prior to entering into the formal statutory process.
- 4.10 Where a proposed expansion involves an additional site (as is the case with Addey and Stanhope) additional elements are added to the process to show that we are not in effect opening a new school, which should therefore be created under the 'Free School presumption'
- 4.11 These elements to be considered within any proposal need to focus on the following questions;
- The reasons for the expansion**
    - What is the rationale for this approach and this particular site?
  - Admission and curriculum arrangements**
    - How will the new site be used (e.g. which age groups/pupils will it serve)?
    - What will the admission arrangements be?
    - Will there be movement of pupils between sites?
  - Governance and administration**
    - How will whole school activities be managed?
    - Will staff be employed on contracts to work on both sites? How frequently will they do so?
    - What governance, leadership and management arrangements will be put in place to oversee the new site (e.g. will the new site be governed by the same governing body and the same school leadership team)?
  - Physical characteristics of the school**
    - How will facilities across the two sites be used (e.g. sharing of the facilities and resources available at the two sites, such as playing fields)?
    - Is the new site in an area that is easily accessible to the community that the current school serves?
- 4.12 Additionally the proposal for Addey and Stanhope had to be sent to the School Organisation department within the DfE for monitoring purposes, to enable them to be satisfied that this was a genuine school expansion.
- 4.13 Regarding Stage 4: Implementation, the proposer must implement a proposal in the form that it was approved (in this instance expanding Addey and Stanhope School



from 4 to 6 forms of entry ready for September 2018), taking into account any modifications made by the decision maker.

- 4.14 In this instance the Mayor as decision maker made a modification post determination on 19 July 2017 to delay implementation of the expansion by 1 year to September 2019.
- 4.15 Further revisions to forecasting have since been made, alongside additional analysis of new Schools Census data, which collectively point to further delay regarding the need for additional Secondary places. As such, it is now considered that the best course of action is to revoke the decision to expand the school. To do this, the Publication, Representation and Decision stages of the statutory process must be repeated with the new (revocation) proposal.

## **5. Background**

- 5.1 Regarding school expansions, Mayor and Cabinet and the Children and Young People Select Committee have received regular reports detailing the pressure on School places (typically primary) and the measures taken to increase supply. These reports have also highlighted the impending pressure on secondary places as a result of the primary bulges moving through the system, coupled with additional pressure on secondary places in neighbouring local authorities (currently Lewisham is a net exporter of secondary age pupils).
- 5.2 Historically these have usually been in the form of permanent whole-school expansions or the introduction of either temporary or permanent single year group expansion (bulge classes). However, these have usually been primary school expansions in which we have a much larger portfolio upon which to look to accommodate expansions. Within Secondary schools it is believed that only permanent expansions are really viable due to timetabling constraints.

## **6. Forecasting, demand and viability – further change**

- 6.1 2017 had already seen a collective drop in school applications for both primary and secondary. Whilst there was a small dip in primary applications predicted, the scale was underestimated. It was expected however that secondary applications would rise as a result of a larger number of Lewisham children reaching secondary transition age.
- 6.2 With regards to secondary places, original forecasting predicted that Lewisham would require 2641 places for 2017/18, leaving a surplus of just 51. On national offer day a total of 2368 offers were made, leaving 324 spare places available, some of which will be used for late and in-year applicants, but the surplus places are potentially over 6 times higher than previously forecast.
- 6.3 New Greater London Authority forecasting data received in late spring suggested that just 2414 places would be required in 2017 - which implied 46 of the surplus places would be taken up during the year, which still leaves us 227 places below previous forecasts. This was in spite having the highest cohort of primary pupils moving through to transition than ever before as a result of the prolonged increase in birth rate and demand for primary education in Lewisham. This uncertainty exists across London and not just in Lewisham.
- 6.4 It is believed that some of this unpredictability can be attributed to the impact of the Brexit vote which has caused an outflow of families from London (certainly registered

births are not transitioning into reception applications) and also the impact of one of our Secondary schools being subject to an academy order with its adverse impact on the public perception of Lewisham secondary schools leading to a greater 'net-export' rate for year 7 places. Part of the Secondary Challenge work aims to change public perception over time but improving perceptions and performance of secondary schools takes time.

- 6.5 This means that the future is uncertain, and demand for secondary places is not rising as previously expected. These fluctuations are occurring in many London boroughs.
- 6.6 Since the time of the previous Mayor and Cabinet decision to delay implementation of the proposed expansion we have received further forecasting information and also the results of the Autumn Schools Census.
- 6.7 The revised forecasting data continues to suggest a lower than expected requirement for Secondary places over the coming 5 year period. Indeed this is borne out by the Autumn Census data which showed 2282 pupils in Year 7 within our Secondary schools, a further 86 places fewer than were offered on National Offer Day. In addition, preliminary analysis of 2018 Secondary applications suggests that there will be further stagnation in secondary pupil numbers for next year.
- 6.8 Given that the impact of vacant places on individual schools finances is exacerbated by further revenue pressures, it is imperative that we attempt to keep control of oversupply within the system. Therefore, given the new data available and the initial analysis of applications for 2018/19 it is officers' recommendation to revoke the decision to expand Addey and Stanhope School. This recommendation is supported by the Governing Body of Addey and Stanhope School.

## **7. Educational Asset Strategy**

- 7.1 The Place Planning Strategy 2017-2022 highlighted the need to assess and review our future educational space needs across the whole spectrum of provision, including nursery, mainstream, special educational needs and alternative provision. This is particularly relevant as opportunities to create additional educational places becomes harder, both in terms of available land/buildings and also factored alongside rising costs.
- 7.2 As a result, the council is developing an Educational Asset Strategy, that will seek to identify how best to meet our needs utilising the assets and funding at our disposal (both educational and otherwise), ensuring that they are put to best use and rationalised effectively.
- 7.3 When complete this strategy will be brought to Mayor and Cabinet for approval and then appended to the Place Planning Strategy 2017-2022.

## **8. Financial Implications**

- 8.1 On 22<sup>nd</sup> March 2017 the Mayor agreed that Addey and Stanhope School should be expanded from 4 to 6 forms of entry with effect from September 2018. The estimated capital costs of the expansion were approximately £7.8m and suitable budget provision was made within the School Places Capital Programme. The revocation of this decision will free up the capital budget provision made for this expansion, and

therefore more resources will be available to enable the delivery of other schemes that will result in increased school places across the borough.

- 8.2 The vacant Mornington Centre is currently occupied by property guardians. This means that the Council is not having to pay security costs, however there is still a net cost to the General Fund from the site being vacant. In 2016/17 financial year, there was approximately £29k of income received from the property guardians, which helped to offset utilities costs and business rates payable of £80k in total. These costs fall upon the revenue budget of the Schools Estate Management service.

## **9. Legal Implications**

- 9.1 The Human Rights Act 1998 safeguards the rights of children in the Borough to educational provision, which the Council is empowered to provide in accordance with its duties under domestic legislation.
- 9.2 Section 14 of the Education Act 1996 obliges each local authority to ensure that there are sufficient primary and secondary school places available for its area i.e. the London Borough of Lewisham, although there is no requirement that those places should be exclusively in the area. The Authority is not itself obliged to provide all the schools required, but to secure that they are available.
- 9.3 In exercising its responsibilities under section 14 of the Education Act 1996 a local authority must do so with a view to securing diversity in the provision of schools and increasing opportunities for parental choice.
- 9.4 The Education and Inspections Act 2006 places requirements on Authorities to make their significant strategic decisions concerning the number and variety of school places in their localities against two overriding criteria:
- to secure schools likely to maximise student potential and achievement;
  - to secure diversity and choice in the range of school places on offer.
- Section 19 of the Education and Inspections Act 2006 provides that where a local authority or the governing body of a maintained school proposes to make a prescribed alteration to a maintained school and it is permitted to make that alteration, it must publish proposals.
- 9.5 The School Organisation (Prescribed Alterations to Maintained Schools) (England) Regulations 2013 provide that proposed enlargements of school premises which would increase the capacity of the school by more than 30 pupils and by 25% or 200 pupils (whichever is the lesser), is a prescribed alteration which means that statutory proposals have to be published, and there must be a period of four weeks for representations before a decision is made. This does not apply to temporary enlargements where it is anticipated that the enlargement will be in place for less than 3 years, or a rise in the number anticipated lasting only one year.
- 9.6 The Mayor as the decision maker approved the expansion of Addey & Stanhope School on the 22<sup>nd</sup> March 2017 with an implementation date of September 2018. There has been a modification post determination to delay the implementation of the expansion at Addey & Stanhope School by a year to September 2019. Where statutory school organisation proposals are approved, the proposer must implement the proposal in the form that it is approved, taking account of any modifications made by the decision maker.

- 9.7 Where the proposal cannot be implemented because circumstances have changed so that implementation would be inappropriate or implementation of the proposal would be unreasonably difficult, the proposer must publish a revocation proposal to be determined by the decision-maker, to be relieved of the duty to implement. Since the modification decision by the Mayor in July 2017 circumstances have so altered that the local authority believe implementation of the expansion at the school would now be inappropriate.
- 9.8 In circumstances where a proposer seeks to be relieved of the duty to implement a determined proposal, the proposer must publish a revocation proposal containing prescribed information by placing on a website and notification of the revocation proposal in a local newspaper. Any objections or comments must be sent to the local authority within four weeks of the date of publication by the local authority.

### **Equalities Legislation**

- 9.10 The Equality Act 2010 (the Act) introduced a public sector equality duty (the equality duty or the duty). It covers the following protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 9.11 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.
- 9.12 It is not an absolute requirement to eliminate unlawful discrimination, harassment, victimisation or other prohibited conduct, or to promote equality of opportunity or foster good relations between persons who share a protected characteristic and those who do not. It is a duty to have due regard to the need to achieve the goals listed at 9.8 above.
- 9.13 The weight to be attached to the duty will be dependent on the nature of the decision and the circumstances in which it is made. This is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. The Mayor must understand the impact or likely impact of the decision on those with protected characteristics who are potentially affected by the decision. The extent of the duty will necessarily vary from case to case and due regard is such regard as is appropriate in all the circumstances.
- 9.14 The Equality and Human Rights Commission has 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:

[www.equalityhumanrights.com/en/advice-and-guidance/equality-actcodes-practice](http://www.equalityhumanrights.com/en/advice-and-guidance/equality-actcodes-practice)

[www.equalityhumanrights.com/en/advice-and-guidance/equality-acttechnical-guidance](http://www.equalityhumanrights.com/en/advice-and-guidance/equality-acttechnical-guidance)

- 9.15 The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:
- The essential guide to the public sector equality duty
  - Meeting the equality duty in policy and decision-making
  - Engagement and the equality duty: A guide for public authorities
  - Objectives and the equality duty. A guide for public authorities
  - Equality Information and the Equality Duty: A Guide for Public Authorities
- 9.16 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:

[www.equalityhumanrights.com/en/advice-and-guidance/public-sectorequality-duty-guidance#h1](http://www.equalityhumanrights.com/en/advice-and-guidance/public-sectorequality-duty-guidance#h1)

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

- 10.1 There are no crime and disorder implications.

## **11. Equalities Implications**

- 11.1 This report supports the delivery of the Council's Equalities programme by ensuring that all children whose parents/carers require a place in a Lewisham school will be able to access one.

## **12. Environmental Implications**

- 12.1 There are no environmental implications.

## **13. Background documents**

Modification of Decision – Addey and Stanhope School Expansion – Decision M&C report – 19.7.17

<http://councilmeetings.lewisham.gov.uk/documents/s51405/Modification%20Addey%20and%20Stanhope.pdf>

Ashmead Primary School AND Addey and Stanhope School Expansions – Decision M&C report – 22.3.17

<http://councilmeetings.lewisham.gov.uk/documents/s48856/Ashmead%20Primary%20School%20and%20Addey%20Stanhope%20School%20Expansions%20Feedback%20from%20re%20presentation%20periods%20a.pdf>

Ashmead Primary School AND Addey and Stanhope School Expansions – Results of Consultations M&C report – 11.1.17

<http://councilmeetings.lewisham.gov.uk/documents/s47360/Ashmead%20and%20Addey%20Stanhope%20School%20Expansions.pdf>

Addey and Stanhope School Permission for Consultation M&C report - 28.9.16

<http://councilmeetings.lewisham.gov.uk/documents/s45567/Addey%20and%20Stanhope%20Secondary%20School%20Expansion%20Proposal.pdf>

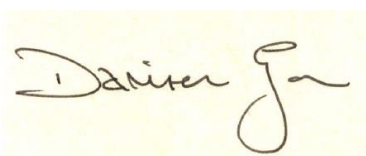
If there are any queries on this report, please contact Matt Henaughan, SGM Strategic Service Planning and Business Change [matt.henaughan@lewisham.gov.uk](mailto:matt.henaughan@lewisham.gov.uk)

<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"/>	<input type="checkbox"/> <b>Part 2</b> <input type="checkbox"/>
		<b>Key Decision</b> <input checked="" type="checkbox"/>

<b>Date of Meeting</b>	10 <sup>th</sup> January 2018	
<b>Title of Report</b>	Working in the Private Rented Sector	
<b>Originator of Report</b>	Madeleine Jeffery	<b>Ext.49484</b>

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>	X	
<b>Legal Comments from the Head of Law</b>	X	
<b>Crime &amp; Disorder Implications</b>		X
<b>Environmental Implications</b>		X
<b>Equality Implications/Impact Assessment (as appropriate)</b>	X	
<b>Confirmed Adherence to Budget &amp; Policy Framework</b>	X	
<b>Risk Assessment Comments (as appropriate)</b>		X
<b>Reason for Urgency (as appropriate)</b>		X



Signed: \_\_\_\_\_ Executive Member

Date: 22/12/2017



Signed: \_\_\_\_\_ Director/Head of Service

Date 18/12/2017

**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 & Cabinet			
<b>Title</b>	Working in the Private Rented Sector.		
<b>Key decision</b>	Yes	<b>Item no</b>	
<b>Wards</b>	All		
<b>Contributors</b>	Executive Director of Customer Services Head of Law		
<b>Class</b>	Part 1	10th January 2018	

## 1. Summary

1.1 The purpose of this report is to:

- provide an update on the work of the Private Sector Housing Agency (PSHA), including the delivery of the additional licensing scheme introduced in February 2017.
- summarise the challenges faced by the PSHA in the work to licence properties and the options available to counter these challenges, specifically developing a business case for the roll out of a targeted selective licensing scheme;
- summarise the new tool of Civil Penalty Notices available to tackle poor standards in the PRS introduced in the Housing & Planning Act 2016 to add to the existing Housing Enforcement powers;

## 2. Recommendations:

2.1 It is recommended that the Mayor:

- notes the content of the report and agrees the proposal, supported by Housing Select Committee, to develop a business case that considers the extension of the existing licensing schemes to include a targeted selected licensing scheme;
- agrees the introduction of the Civil Penalty Notices as an additional tool to tackle poor practice in the Private Rented Sector as supported by Housing Select Committee and as per the details set out in paragraph 5.3 and charges in Appendix 2.
- agrees the Housing Select Committees recommendation for the PSHA to further promote the work of the team and engage with landlords and tenants to help eradicate bad practice in the sector.

## 3. Policy Context:

3.1 The housing landscape is rapidly changing and demand is increasing across all tenures. The private rented sector in Lewisham is growing rapidly – having doubled in size since 2001 it now consists of more than 30,000 homes and makes up more than 25% of all households in the Borough. Rich and poor, families and single people are now all relying on the private rented sector to provide a home. This is consistent with the trend across London where the growth in private renting continues.

3.2 Despite the increasing costs of private renting, the sector is expected to grow further in Lewisham to a level comparable with, or even in excess of, the social rented sector which is 31% based on 2011 census data. This is due in part to the relative



unaffordability of home ownership as a result of rapidly increasing house prices, the large numbers of households on the housing waiting list (9,908 households as of October 2017) and relatively low levels of lets, all of which when combined means that Lewisham residents are more reliant on the private rented sector than ever before. The council recognises this and continues to act creatively by developing relationships and working in close partnership with private landlords to drive up standards and offer longer term tenancies, thereby ensuring residents have more choice. This is especially pertinent given that private renting remains the only option for many low income households and those in need.

- 3.3 As the size of the PRS increases tools are being developed both by national Government to address the worst abuses of tenants by criminal landlords but additionally in London where the problems are the most acute to improve standards and enhance the powers of authorities to act against the worst offenders. For example, following Government consultation late in 2016 the Government confirmed their intention to widen mandatory licensing to HMOs to exclude the 3 storey requirement whilst retaining the threshold at a minimum of 5 people. The introduction was planned for October 2017 but there have been delays due to other Government priorities. It is likely that the new scheme will be introduced in April 2018, and so work is ongoing to prepare for that scheme by identifying potential licensable HMOs that may fall under the new scheme on our current visits and speaking to landlords about the requirements. Further details are set out below relating to the licensing schemes in the Borough.
- 3.4 The London Mayor is also committed to tackling standards in the PRS and tackling the worst landlords and is launching in November 2017 a new online database that will “name and shame” rogue landlords. The new database has been built in partnership with all London Boroughs and is published on the London Mayor’s website. It cites criminal landlords and letting agents who have been successfully prosecuted for housing offences. The London Mayor believes it will give Londoners “greater confidence in renting in the capital”, allowing them to check a prospective landlord or letting agent before moving into a property, and acting as a deterrent to the minority of landlords and agents who behave dishonestly. This register is also available to Councils across the capital to easily share information on enforcement and investigations, especially relating to rogue landlords to support more effective joint working. Initially the scheme was piloted with six councils — Newham, Brent, Camden, Southwark, Kingston and Sutton. Lewisham have joined the second roll out in November. The stated aim is to “protect London’s 2 million private renters”. This scheme will sit alongside the national rogue landlord database summarised below.
- 3.5 Other changes include the Energy Efficiency (Private Rented Property)(England and Wales) Regulations 2015 which establish a minimum level of energy efficiency for privately rented property in England and Wales. The regulation means that, from April 2018, landlords of privately rented domestic and non-domestic property in England or Wales must ensure that their properties reach at least an Energy Performance Certificate (EPC) rating of E before granting a new tenancy to new or existing tenants. These requirements will then apply to all private rented properties in England and Wales – even where there has been no change in tenancy arrangements – from 1 April 2020 for domestic properties, and from 1 April 2023 for non-domestic properties.”
- 3.6 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.

The report is also in line with the Council policy priorities, in particular:

- Decent homes for all - Investment in social and affordable housing, improve housing conditions and tackle homelessness

The work of the Agency 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
- Building the homes our residents need
- Greater security and quality for private renters
- Promoting health and wellbeing by improving our residents' homes

#### **4. Working in the Private Rented Sector:**

- 4.1 The Private Sector Housing Agency was re-merged in June 2017 bringing together the key services that work with the private sector, Empty Homes, Rogue Landlord services, Licensing & Enforcement, Grants and Loans to support frail and disabled clients to remain in their homes and the Procurement team that source temporary accommodation for a range of Council services.
- 4.2 One of the key priorities for the Agency is to deliver both the mandatory and additional licensing schemes (detailed below) to help drive up standards in the private rented sector.

#### **Mandatory & Additional Licensing Update:**

- 4.3 The Council currently operates two separate licensing schemes the:
- Mandatory scheme relating to all Houses in Multiple Occupation (HMOs) that are three storeys or above with shared bathroom or kitchen facilities, where there are at least five people living in two or more households. The standard fee is £500 per lettable unit/room over 5 years (£100 pa) to a maximum of £5,000 per property, although there are exemptions for accredited landlords, early application and landlords with multiple properties. This is a national scheme operated by all Councils, although the fees are specific to Lewisham.
  - Additional licensing relating to HMOs above commercial premises where there are at least three people living in two or more households, or poorly converted privately rented self-contained flats. This scheme has been operating since February 2017 and is Lewisham specific. The same fee regime is in place as above.
- 4.4 The reasons for adding an additional licensing scheme in Lewisham was because all available data highlighted that the poorest standards, conditions and hazards in the private rented sector are to be found in shared accommodation and within flats over commercial properties and data was available to support the case. The following sets out some initial results from this scheme as the work rolls out.
- 4.5 Below are tables to show the performance to date and the lessons we are learning from this process.

**Table 1 shows the numbers of properties which have been licensed by year:**

<b>Date:</b>	<b>Number of licenced properties</b>	<b>Mandatory or additional</b>
31 <sup>st</sup> March 2013	169	Mandatory
31 <sup>st</sup> March 2014	168	Mandatory
31 <sup>st</sup> March 2015	185	Mandatory
31 <sup>st</sup> March 2016	196	Mandatory
31 <sup>st</sup> March 2017	231	Mandatory

**Table 2 shows in more detail performance over this 2017/2018 financial year to 1<sup>st</sup> October 2017:**

	<b>Numbers</b>
<b>Mandatory licensed properties</b>	286
<b>Additional licensed properties</b>	45
<b>Total Licensed properties (both mandatory and additional)</b>	= 331
<b>Total new draft licences</b> issued awaiting compliance documents from landlords. (Landlords pay for a draft licence and then have to send in a number of compliance documents – like gas certificates. Once received an inspection visit is booked and a full licence is issued)	50
<b>Licences still to be renewed</b> from 01/11/2017 – 31/03/2018.	39
<b>Properties identified by officers as HMOs</b> on visits or where a <b>licence application has been started</b> by a landlord but not completed where there is a likelihood they are an HMO. A large % of these are either in the process/or in dispute.	(214)

These tables highlight the success that the PSHA is having finding and licensing HMOs, compared to previous years. The work that is underway is also bringing out some key lessons for the service, trialling different approaches, testing what works and what does not yield the desired outputs as well as identifying some areas where focus should be placed for campaigning more widely in the future or where an extension to licensing could be beneficial. The Agency is confident that the ambitious targets (summarised below) will be delivered both in this and the remaining 4 years of the project. However it should be recognised that it is very time intensive finding and licensing HMOs.

The target was to identify and licence 4500 licensable units/rooms under the additional scheme. The number was estimated based on initial street surveys. This is a very ambitious target and would equate to around 1500 properties over the 5 year period which, with an average occupancy of additional HMOs of 3 lettable units/rooms per property, would require **300 new additional properties per annum for 5 years**. This is challenging, but every effort is being made to meet this.

The income target for 2017/18 of £362k is on track to be delivered.

4.6 To support the delivery of the licensing programme officers are:

- utilising data from key data sources, including Council Tax and Waste Management.
- utilising the GIS mapping system to identify privately rented accommodation around transport hubs; near colleges and above pubs as they are often sources of higher than average HMOs and as a way of identifying rented properties that are above commercial premises. A programme of visits are underway;
- introduced a programme of monthly street surveys targeting particular streets and visiting them over two - three days, flooding the area with enforcement staff. Officers are assertive about their requirement to get into property to inspect, and serve Notices on tenants immediately if they refuse access. Areas are selected based on data and research – and this is overlaid by substantial local knowledge within the team. In October the survey was focused on Telegraph Hill and the planned November survey will look at commercial premises in Lee High Road.

### **Other possible extensions to the licensing scheme:**

#### **a) Extensions to the Mandatory Licensing scheme:**

- 4.7 The Government have agreed to extend the existing Mandatory licensing scheme as set out in the Housing Act 2004, removing the three storeys or more criteria so that any HMO with five or more occupiers, regardless of how many floors, will fall within the scope of the mandatory licensing scheme. In addition, the Government intends to extend mandatory licensing to flats which are occupied by five or more occupiers/two or more households if it is in a converted building or where part of a building is used for commercial or other non-residential purposes.
- 4.8 It is estimated that the current proposals will make an additional 174,000 HMOs subject to mandatory licensing nationwide. Currently conservative estimates for Lewisham based on data from Council Tax and planning enforcement is between 400 – 500 two storey HMOs in Lewisham. This however is only an estimate and data from these sources has not been wholly reliable for the PSHA. Data is being collected now as part of the current visiting regime but until the scheme is up and running it is difficult to assess the potential. It is likely that the bulk of these additional properties will be found in the South of the Borough where there has been an issue of conversions of 2 storey properties into HMOs.
- 4.9 It is envisaged that the proposal will be brought into force April 2018 (at the earliest). There will be a six month grace period for landlords to comply with the new requirements. Failure to obtain the correct licence after the end of the grace period would allow the local authority to initiate criminal proceedings with unlimited fines imposed on those found guilty of an offence and the possibility of rent repayment orders being made or fixed penalty notices of up to £30,000. However the Council's approach will be to work hard with landlords to apply and conform to the requirements of the new licensing scheme and only use the full force of the law and the penalties available to those landlords who have no intention of complying.

#### **b) Developing a business case for selective licensing**

- 4.10 Following consideration of the PRS report in November 2017, Housing Select Committee supported the development of a business case that investigates the potential fit of a targeted selective licensing scheme (under 20% of the PRS/Borough) to the circumstances of the PRS in Lewisham, based on intelligence from the licensing visiting programme and data that shows:
- there are pockets of poor rented housing of all property types, not just HMOs, across the Borough in specific areas, largely in the north of the Borough, although not exclusively. There are also areas, for example, around Goldsmiths, with high levels of student accommodation or around transport

hubs where there are concentrations of rented accommodation that can lead to increased levels of nuisance and anti-social behaviour often associated with litter and waste or above pubs which are showing as having higher levels of disrepair;

- there are areas and properties where poor standards are being identified that are not HMOs but are in self-contained flats. The problems are largely overcrowding and fire safety which are currently dealt with through the standard enforcement route;
- that the high level of disputes around occupancy levels of HMOs that take what the officers know to be HMOs out of the licensing regime would no longer be relevant as all privately rented accommodation within an area would be licensable.

The business cases and any potential selective licensing scheme would be delivered within existing resources. The business case would identify target areas and pull together the data and intelligence. This would be presented back for consideration at Committee.

4.11 To take forward a proposed focused selective licensing scheme evidence would be needed from the data from the current visits; from existing Council systems like Council Tax, Planning Enforcement, Building Control and Waste Management; and from external sources like the Police and GPs to support the development of a robust business case. Work is underway to strengthen and consolidate enforcement work and data collection that would support the development of a business case.

4.12 If a targeted “selective” scheme that licensed all rented accommodation in an area was introduced this would:

- Support the aims of the Agency to work much more closely at a neighbourhood level with Councillors, Police, Tenants and local organisations as well as representatives from planning enforcement and the Crime, Enforcement and Regulation services who have an interest in specific neighbourhoods.
- avoid current disputes with landlords on whether their properties comply.
- Tackle the many properties the team find that are in poor condition but not HMOs adding licensing to the enforcement tools available to the Council for non HMOs in specific areas;

4.13 Like Lewisham, some other Boroughs have also introduced other additional or selective licensing schemes to tackle specific problem areas. The details of other Borough schemes can be seen at **Appendix 1**. Even with the new “below 3 storey” HMO extension scheme due next year Councils will still retain the ability to introduce other selective or additional licensing schemes if they meet the prescribed conditions.

## 5. **Refreshing the Private Sector Housing Enforcement and Licensing Policy – Housing & Planning Act 2016:**

5.1 The Housing Enforcement services of the Council currently operate within the framework of the Private Sector Housing Enforcement and Licensing Policy as agreed in 2006. This policy has been refreshed to incorporate best practice and to maximise the opportunities provided by legislative changes contained in the Housing and Planning Act 2016 (although some powers are yet to be brought forward). The full draft Private Sector Housing Enforcement and Licensing Policy October 2017 can be made available on request.

5.2 This Housing and Planning Act 2016 includes some new powers and obligations introduced by the Government to tackle rogue landlords and improve standards in an increasingly important housing sector. The key proposed change relates to the introduction of Civil Penalty Notices (CPN) which are summarised below and at **Appendix 2** for Committee to consider before implementation.

5.3 Civil Penalty Notices (CPN). The powers conferred by the Housing and Planning Act 2016 (HPA 2016), allow local authorities to issue a Notice of the intention to impose a Civil Penalty of up to a maximum of £30,000, as an alternative to prosecuting offences under the Housing Act 2004. Currently cases that are presented to Court for breaches under the Housing Act are time consuming and expensive to administer. A successful prosecution may only result in the Council receiving the court costs and not the fine imposed. The CPN allows the Council to retain any financial penalties imposed for specific breaches of the 2004 Act, relating to landlords who, for example, fail to comply with Improvement or Overcrowding Notices, breaches of the HMO licensing conditions, or failure to licence. This income can be used to support the enforcement work of the team.

The process starts at the point where a formal intervention has taken place, so an Improvement or Overcrowding Notice has been issued for example in line with the Council's Enforcement Policy, and not complied with by the landlord. (The procedure for issuing a CPN is set out in Schedule 13A Housing Act 2004 and DCLG Civil Penalties Guidance under the Housing & Planning Act 2016).

There are 2 stages to issuing a CPN.

- Issue a Notice of Intent which gives the landlord/defendant 28 days to make representations;
- Issue a Final Notice which confirms the amount to pay, the reason for imposing the CPN and the period of payment. It also sets out the consequences of failing to reply and the rights of appeal to the First Tier Tribunal.

The work to prepare the case and present the case will sit with the Enforcement team in the Agency. There will be a decision making/adjudication process that sits within the legal team as it needs to be independent of the Agency and the enforcement service. The process for agreeing the issuing and awarding a CPN will be finalised with colleagues across the key services of Housing & legal services and the new CPN process launched early in the new year following consideration of this new power by Committee & Mayor & Cabinet.

CPNs cannot be imposed for unlawful eviction, harassment, or failure to comply with a prohibition notice.

The level of the penalty would be calculated based on a proposed matrix set out in the **Appendix 2**. This matrix is based on accepted best practice within the sector.

It is envisaged that the Council, would still submit cases for prosecution to the Criminal Court for the most serious or repeat offenders where it is agreed that a criminal prosecution is most appropriate.

As this policy potentially affects a number of landlords across the Borough a report was submitted to Housing Select Committee and support secured to introduce Civil Penalty Notices into the toolkit for the Private Sector Housing Agency.

5.4 Other areas relevant to the work of the Agency include the creation of a National Rogue Landlord and Property Agent Database, that will sit alongside the London Mayors proposals and the extension of Rent Repayment Orders (RROs). The Act also introduces Banning Orders which can prevent an unfit person from being a landlord/letting agent, but the legislative detail is yet to be published. All the existing

enforcement powers under the various Acts in use in the Agency remain in place. These tools below are additions to current Enforcement powers:

- National Rogue Landlord Database: A national database of rogue landlords and property agents has been introduced which is accessible to local and central government bodies. The database will include information on landlords who have been served with a banning order, convicted of a banning order offence, or have received two or more Civil Penalties Notices. There is ongoing consultations as to which criminal offences should be regarded as banning order offences and will therefore be included on the database. The database will also include details of any letting agents who persist in charging fees to tenants after the new regulations banning this activity come into force.
- Extension of Rent Repayment Orders (RROs): Tenants or the Council may apply to the First Tier Tribunal ((FTT) for the repayment of rent, either rent paid by the tenant or rent paid through Housing Benefit. Under the HPA 2016 tenants now do not need to rely on the local authority obtaining a conviction before they can make their own application for an RRO. The FTT would however need to be satisfied beyond a reasonable doubt that an offence has been committed if either a tenant or the Council made an application for a RRO. An application for a RRO can be made if there has been a breach of a key section of the Housing Act 2004 including failure to comply with a prohibition notice or breaches specifically relating to not having a licence, failure to comply with Notices relating to, for example, overcrowding or the issuing of management regulations. A RRO application can also be made for other legislative breaches committed by landlords and property agents that affect their tenants including the Criminal Law Act 1977 (S6(1) and Protection from Eviction Act 1977 (S1(2), (3) or (3A).
- Banning Orders: Local authorities are waiting for a legislative update following consultation. The aim of introducing banning orders is to rid the sector of the worst rogue landlords and as a result improve property and management standards within the private rented sector. They will also help local authorities to take robust and effective action against rogues who knowingly rent out unsafe and substandard accommodation.

Landlords subject to banning orders will also not be able to earn income from renting out housing or engaging in letting agency or property management work. Proposed banning order offences as outlined in the government consultation include:

- illegally evicting a tenant
- renting out a property decided to be unsafe as a dwelling by local authorities
- failing to carry out works required by local authorities to prevent health and safety risk to tenants
- renting out a property to an illegal migrant
- using violence, or threatening violence against a tenant
- making fraudulent applications for housing benefit, or committing identity theft
- using the property to cultivate cannabis
- theft or criminal damage
- colluding with the tenant to commit a criminal offence, such as tax evasion or the supply of illegal drugs.

Officers are waiting further advice from Government but are proposing to add this tool to the revised Enforcement policy after guidance is issued.

## **8. Financial implications**

- 8.1 The purpose of this report is to update Mayor & Cabinet on the work of the Private Sector Housing Agency (PSHA), which includes progress on the implementation of the additional scheme introduced in February 2017. As such, there are no direct Financial Implications arising from this part of the report.
- 8.2 The report also provides a summary of the key policy changes and developments relevant to the Private Rented Sector (PRS) such as extending the mandatory scheme to remove the 3 story or more criteria and seeks permission to develop a business case for the introduction of a targeted selective licencing scheme. Where necessary, the financial implications of each issue will be considered in specific reports as matters progress.
- 8.3 The first tranche of funding from the DCLG controlling migration fund has been received by the authority following a successful bid for additional resources. This will enable the authority to employ two officers to tackle rouge landlord issues.

## **9. Legal implications -**

The Housing and Planning Act 2016 (HPA) introduces new provisions which are intended to penalise unscrupulous and irresponsible landlords who fail to provide safe and healthy accommodation. These new provisions / powers include;

- Civil penalties of up to £30,000
- Extension of Rent Repayment Order
- Banning orders for most prolific offenders
- Database of rogue landlords/property agents
- Tougher fit and proper person test for landlords of licensed properties
- Sharing data on tenancy deposit schemes with local authorities.

The most significant of those listed above is the introduction of civil penalties. Section 126 of The Housing and Planning Act 2016 (which came into force on 10 March 2017), and amends the Housing Act 2004, allows financial penalties to be imposed as an alternative to prosecution for certain offences as set in Schedule 9 of the Act. Schedule 9 in turn amends the Housing Act 2004 including providing a new Section 249A which has the financial penalties as an alternative to prosecution. The details of the offences to which a civil penalty may be imposed are as set out in Appendix 2 referenced in paragraph 6.3

Unlike fines issued by the Courts when criminal prosecutions are taken, income received from a civil penalty can be retained by the local housing authority provided that it is used to further the local housing authority's statutory functions in relation to their enforcement activities covering the private rented sector. This means that any income received from civil penalties issued can be reinvested into carrying out more enforcement work to bring about further improvements within the private rented sector (PRS).

The Council's additional powers and duties under the Housing Act 2004, as amended by the Housing and Planning Act 2016, along with other relevant legislation are also set out in the body of this report.

The Equality Act 2010 (the Act) introduced a new public sector equality duty (the quality 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.

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.

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/>

The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:

- i. The essential guide to the public sector equality duty
- ii. Meeting the equality duty in policy and decision-making
- iii. Engagement and the equality duty
- iv. Equality objectives and the equality duty
- v. Equality information and the equality duty

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 implications**

10.1 There are no crime and disorder implications arising from this report

## **11. Equalities implications**

11.1 Please see Appendix 3 for full details of the assessment.

11.2 On the basis of the available data and assessment it is concluded that the implementation of Civil Penalty Notices in Lewisham will have a positive impact on some of the most vulnerable citizens in the Borough. This will be monitored and reported back to Committee as the policy is rolled out.

## **12 Environmental implications**

12.1 There are no environmental implications arising from this report.

## **13. Originator**

For further information or a copy of the full Housing Enforcement policy please contact Madeleine Jeffery (Private Sector Housing Agency Manager) on [Madeleine.jeffery@lewisham.gov.uk](mailto:Madeleine.jeffery@lewisham.gov.uk) or 0208 314 9484.

### **Appendices:**

- Appendix 1 = Other Borough Licencing schemes summary
- Appendix 2 = Civil Penalty Notices matrix
- Appendix 3 = Equalities implications

## Appendix 1 – Summary of other Borough licensing schemes;

### **List of London Boroughs with Mandatory and Additional and/or Selective licensing schemes operating in all or part of their boroughs.**

#### **London Borough of Barking & Dagenham**

Licence Overview - Additional, selective and mandatory HMO licensing schemes all apply borough wide

#### **Camden**

Licence Overview - No selective licensing in Camden but mandatory HMO and additional licensing schemes apply borough wide.

#### **Croydon**

Licence Overview - Mandatory HMO and selective licensing applies borough wide. There is no additional licensing scheme.

#### **Ealing**

Licence Overview - Mandatory HMO and additional licensing schemes apply borough wide. A selective licensing scheme covers part of the borough.

#### **Greenwich**

Licence Overview - No selective licensing in Greenwich but the mandatory HMO licensing scheme applies borough wide. An additional licensing scheme started on 1st October 2017.

#### **Hammersmith and Fulham**

Licence Overview - Mandatory HMO licensing applies borough wide. Additional and selective licensing schemes started on 5<sup>th</sup> June 2017

#### **Haringey**

Licence Overview - Mandatory HMO licensing scheme applies borough wide and additional licensing applies to part of the borough. There is no selective licensing scheme.

#### **Harrow**

Licence Overview - Mandatory HMO and additional licensing schemes apply borough wide. There is selective licensing in 2 wards. The council recently consulted on plans to extend selective licensing to another two Wards.

#### **Havering**

Licence Overview - No additional or selective licensing in Havering but the mandatory HMO licensing scheme applies borough wide. An additional licensing consultation took place from 19 May to 28 July 2017.

#### **Hillingdon**

Licence Overview - No selective licensing in Hillingdon although mandatory HMO licensing applies borough wide and additional licensing applies to part of the borough.

#### **Hounslow**

Licence Overview - No selective licensing in Hounslow although mandatory HMO and additional licensing applies borough wide.

#### **Islington**

Licence Overview - Mandatory HMO licensing scheme applies borough wide and an additional licensing scheme applies to part of the borough. There is no selective licensing scheme.

#### **Kingston Upon Thames**

Licence Overview - No selective licensing in Kingston upon Thames although mandatory HMO and additional licensing applies borough wide.

#### **Newham**

Licence Overview - Additional, selective and mandatory HMO licensing schemes all apply borough wide. Are looking for a further 5 year extension to their selective scheme.

**Redbridge**

Licence Overview - Borough-wide additional licensing started on 13 April 2017 and a selective licensing scheme started on 13 July 2017. The mandatory HMO licensing scheme applies borough wide.

**Southwark**

Licence Overview - Mandatory and additional HMO licensing applies borough wide. There is a smaller selective licensing scheme that covers part of the borough.

**Tower Hamlets**

Licence Overview - No additional licensing in Tower Hamlets but the mandatory HMO licensing scheme applies borough wide. A selective licensing scheme covers part of the borough.

**Waltham Forest**

Licence Overview - There is no additional licensing scheme but selective and mandatory HMO licensing schemes both apply borough wide.

Please note any London borough that has not been included on this list is only taking part in the national Mandatory HMO licensing scheme

## Appendix 2 – Civil Penalty Notices – proposed charging matrix

### Culpability

	Very High	High	Moderate	Lesser	
<b>Harm</b>	Very Serious	Range 15k-30k Starting point: 25k	Range 15k-30k Starting point: 20k	Range 8k-18k Starting point: 13k	Range 5k-10k Starting point: 7.5k
	Serious	Range 15k-30k Starting point: 20k	Range 8k-18k Starting point: 13k	Range 5k-10k Starting point: 7.5k	Range 3k-6k Starting point: 4.5k
	Moderate	Range 8k-18k Starting point: 13k	Range 5k-10k Starting point: 7.5k	Range 3k-6k Starting point: 4.5k	Range 1k-4k Starting point: 2.5k
	Lesser	Range 5k-10k Starting point: 7.5k	Range 3k-6k Starting point: 4.5k	Range 1k-4k Starting point: 2.5k	Range £250-1.5k Starting point: £750

- The process starts at the point where a formal intervention has taken place, so an Improvement or Overcrowding Notice has been issued for example in line with the Councils Enforcement Policy, and not complied with by the landlord. (The procedure for issuing a CPN is set out in Schedule 13A Housing Act 2004 and DCLG Civil Penalties Guidance under the Housing & Planning Act 2016).
- There are 2 stages to issuing a CPN.
  - Issue a Notice of Intent which gives the landlord/defendant 28 days to make representations;
  - Issue a Final Notice which confirms the amount to pay, the reason for imposing the CPN and the period of payment. It also sets out the consequences of failing to reply and the rights of appeal to the First Tier Tribunal.
  - The work to prepare the full details of the case and present it to panel will sit with the Enforcement team in the Agency. There will be a decision making/adjudication process that sits within the legal team as it needs to be independent of the Agency and the enforcement service. The process for agreeing the issuing and awarding a CPN will be finalised with colleagues across the key services of Housing & legal services and the new CPN process launched early in the new year following consideration of this new power by Committee & Mayor & Cabinet.
- The 4 categories of harm will be assessed against the 4 categories of harm which are based on the Housing Health and Safety Rating System (HHSRS). This assessment tool is used by all enforcement and licensing officers. The seriousness of the outcome “harm”

on the vertical axis collates with the seriousness of the landlord/defendant's conduct "culpability" on the horizontal axis to produce the starting point. The starting point will be adjusted following consideration of specified "matters to consider" which are contained within the main DCLG Guidance document (para 3.5), and listed below. CPNs can move between bands if case is unusual

- The harm caused to the tenant;
  - Punishment of the offender;
  - Deter the offender from repeating the offence;
  - Deter others from committing similar offences;
  - Prevent the offender from benefitting financially;
  - Offender's previous history;
  - Severity of offence;
  - Whether offender admits or denies offence;
- The CPN can be registered as a judgement debt and can be enforced through the County Court.
  - This matrix is based on accepted best practice within the sector.

CPNs cannot be imposed for unlawful eviction, harassment, entry with violence or failure to comply with a prohibition notice. It is envisaged that the Council, would still submit cases for prosecution to the Criminal Court for the most serious or repeat offenders where it is agreed that a criminal prosecution is most appropriate.

Copies of the full draft processes are available on request from  
Sean.Longley@lewisham.gov.uk

<https://www.gov.uk/government/publications/civil-penalties-under-the-housing-and-planning-act-2016>

## Appendix 3 – Equalities Implications

There is limited data available to make a thorough assessment of the equalities implications arising from the introduction of Civil Penalty Notices which is an addition to the Council's Housing Enforcement policy.

<b>Name of proposal</b>	Housing Enforcement Policy review – Civil Penalty Notices
<b>Lead officer</b>	Madeleine Jeffery – Private Sector Housing Agency Manager – 0208 314 9484
<b>Other stakeholders</b>	Private Sector Landlords & Private Sector Tenants
<b>Start date of Equality Analysis</b>	1 <sup>st</sup> April 2017.
<b>End date of Equality Analysis</b>	30 <sup>th</sup> November 2017 however there are a number of opportunities over the coming months to improve the data available relating to the private sector and its operation which will be looked at as the Council builds a clearer and more robust picture of the private rented sector for policy and service decisions.
<b>Step1: Identify why you are undertaking an Equality Analysis</b>	
The Equality Analysis is being undertaken to support the decision making relating to the introduction of Civil Penalty Notices.	
<b>Step 2: Identify the changes to your service</b>	
<p>The policy change is as a result of the powers conferred by the Housing and Planning Act 2016 (HPA 2016), which allow local authorities to issue a Notice of the intention to impose a Civil Penalty of up to a maximum of £30,000, as an alternative to prosecuting offences under the Housing Act 2004 which can be very slow and result in very small fines for landlords who receive large sums of money for rent. We are looking to utilise these new powers to protect public welfare, safeguard the well-being of people who are often the most vulnerable in our society living in the very poorest accommodation and to prevent exploitation.</p> <p>It is envisaged that the Council would still submit cases for prosecution to the Criminal Court for the most serious or repeat offenders where it is agreed that a criminal prosecution is most appropriate but the CPNs will give a more effective tool to those landlords who fail to take action to improve their rented properties at a lower scale but still in cases where there is poor housing conditions that are affecting the health of the occupiers and where, despite all the actions of the Council, they are still not working with us to resolve the disrepair.</p> <p>As this policy potentially affects a number of landlords across the Borough a report was submitted to Housing Select Committee and support secured to introduce Civil Penalty Notices into the toolkit for the Private Sector Housing Agency to help protect vulnerable tenants where landlords refuse to deal with poor housing conditions.</p>	
<b>Step 3: Assessment of data and research</b>	
There is limited data on the protected characteristics of the 33,000 private renters in Lewisham specifically and we currently hold very limited data about private landlords in Lewisham.	

- We are working on developing the HMO licensing form. The collection of equalities data can be added in that review. This is not planned until the 2018/19 financial year.
- A project manager is being appointed in early 2018 to lead the work on developing the M3 data system and data analytics to be used in the service. Improving data relating to landlords and tenants in the PRS will be included in this project.

The most recent English household survey 2015-16 identifies that:

- Younger people are disproportionately over represented in the PRS - the proportion of those aged 25 to 34 who lived in the private rented sector increased from 24% in 2005-06 to 46% in 2015-16.
- The proportion of households living in the private rented sector who had dependent children increased from 30% in 2005-06 to 36% in 2015-16. This increase was particularly apparent for lone parents with dependent children. Between 2005-06 and 2015-16, the proportion of households in the private rented sector that were lone parents with dependent children increased from 9% to 11%.

Some further information about the quality of the PRS include:

- Nearly a quarter (24%) of tenants have lived in the PRS for more than 10 years;
- 73% of tenants describe the quality of their homes as good or very good;
- More than a quarter (28%) of PRS homes did not meet the Governments decent homes standards in 2015.
- PRS homes have nearly double the incidence of dampness compared to the social sector and only 84% have central heating compared to 95% in owner occupied homes;
- When asked about their most recent move, most private renters said that their last tenancy ended because they wanted it to (73%). A tenth (11%) said that their landlord or agent ended the tenancy.
- Among those private renters who had moved in the last three years because their landlord had asked them to, roughly two thirds (63%) were asked to leave because the landlord wanted to use or sell the property.

The data available is limited for both landlords (who are the group who will be primarily affected) and tenants who are indirectly affected. However as the importance of the sector grows alongside the Council's understanding and engagement with the sector it has now an increasing priority to better understand the PRS and all its components in the Borough and issues relating to EIA. Collecting data however for this sector is more complicated than for others as tenants move on and Landlords are often reluctant to engage with enforcement services.

#### **Step 4: Consultation**

No consultation at this time;

#### **Step 5: Impact Assessment**

Potential Positive impacts:

- + Often the most vulnerable tenants (including recently arrived migrants) live in bottom 25 percentile of properties in the Borough. These are the most exploited group and any improvements to condition would have a



positive impact on these citizens. Recognition of this has led to funding from DCLG for the rogue landlord team for 2 years;

- + Poor standard PRS homes will be improved as landlords see there is an immediate and costly fine that could be imposed that would not be delayed by waiting for a court appearance. This will have a positive impact for tenants as standards across the sector improve;
- + Poor landlords could be driven out of the Borough because any landlord where a CPN has been served will then be a candidate for the GLA Rogue Landlord and Letting Agent Checker which can be accessed by tenants and so will make more informed choices about what properties they let;
- + There will be some more immediate teeth to the enforcement policy which will have the impact of encouraging landlords to work with us in improving their properties rather than “wait and see” what the court process brings. This will in turn will ensure the quality of accommodation is improved for tenants renting in the private rented sector.
- Other Boroughs will implement CPNs. If we fail to do this then more rogue landlords may decide to move to an area where there is less regulation and opportunities to be fined. Rogue landlords will go where the risks to them are the least and so we need to ensure we have all the tools available or the tenants of Lewisham will be more open to exploitation.

Potential Negative Impacts:

- - Tenants may be open to exploitation as the costs of any fines are passed on to them or they are subject to harassment if the landlord believes them to be the source of the complaint. The existence of the newly re-formed rogue landlord team will mitigate against any actions from the landlords against the tenants;

**Step 6: Decision/ Result**

On the basis of the available data and assessment it is concluded that the implementation of the CPNs in Lewisham will have a positive impact on some of the most vulnerable citizens in the Borough.

**Step 7: Equality Analysis Action Plan**

The identified area at this stage where there is a potential negative impact can be mitigated by the work of the rogue landlord team and by the enforcement services that are delivered by the PSHA. If a landlord takes retaliatory action against their tenants, which is a common factor, then the PSHA will utilise all of its enforcement powers to protect all tenants.

In addition we will:

- Undertake ongoing and continuous monitoring of this policy to assess its impact;
- In common with all housing policies we will review its impact after its first year

# Agenda Item 12

<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>	10 <sup>th</sup> January 2017	
<b>Title of Report</b>	Review of the National Non Domestic Rates – discretionary discount scheme for businesses accredited to Living Wage Foundation	
<b>Originator of Report</b>	Ralph Wilkinson	<b>Ext.46040</b>

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)		X
Reason for Urgency (as appropriate)		X



Signed: \_\_\_\_\_ Executive Member

Date: \_\_\_\_\_ 21/12/2017 \_\_\_\_\_



Signed: \_\_\_\_\_ Director/Head of Service

Date \_\_\_\_\_ 18/12/2017 \_\_\_\_\_

### 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	
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<b>Mayor and Cabinet</b>			
<b>Report Title</b>	Review of the National Non Domestic Rates – discretionary discount scheme for businesses accredited to Living Wage Foundation.		
<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>	10 January 2018

## **1. Purpose**

- 1.1 To review the National Non Domestic Rates (NNDR) discount offered to businesses in the borough who become accredited by the Living Wage Foundation during 2017/2018.

## **2. Executive Summary**

- 2.1 The Localism Act 2011 allows the Council to award a discount to any NNDR payer who meets the criteria set by the Council. Officers developed a scheme using this discretionary power which encouraged businesses in the borough to pay as a minimum the London Living Wage of £10.20 per hour.
- 2.2 Prior to the introduction of the scheme 10 organisations were accredited to the Living Wage Foundation. There are now 52 accredited organisations and the scheme continues to be promoted during 2017/18 with leaflets and online communication, promotional events with local businesses and residents as well as specific events taking place during Living Wage Week.
- 2.3 The report proposes to continue to offer the discretionary discount scheme for businesses accredited to Living Wage Foundation in 2018/19.

## **3. Recommendations**

It is recommended that the Mayor agrees to:

- 3.1 Continue to offer a one off discount in NNDR based on the cost of accreditation in 2018/19 to businesses that become accredited by the Living Wage Foundation during 2018/19 and who meet the criteria set out in appendix 1.
- 3.2 To offer the discount on a 'first come first served' basis until the Council's overall contribution equals £20,000 within the financial period 2016 to 2019. Once the Council's £20,000 contribution has been reached no further discounts will be offered.
- 3.3 To review the scheme in 2018/19 to determine whether it should be offered in future years.

## **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 London Living Wage, currently set at £10.20, is the rate a person needs to earn to cover their basic living costs, the rate being set by the Greater London Authority. The Living Wage Foundation works with employers to help them pay the Living Wage and offers accreditation to employers that pay the living wage and agree a timescale for implementing for subcontracted staff.
- 5.2 Of all the people working in the borough 25.9%<sup>1</sup> are paid less than the London Living Wage. This compares to 19.1%<sup>2</sup> across London.
- 5.3 The Localism Act 2011 gives local authorities a discretionary power to award discounts to any NNDR payer who meets criteria set by the Council. On the 11 November 2015 Mayor and Cabinet agreed to award a one off discount in NNDR based on the cost of accreditation in 2016/17 to businesses that become accredited by the Living Wage Foundation and who meet the criteria set out in appendix 1.
- 5.4 Prior to the 1 April 2016 there were 10 organisations accredited to the Living Wage Foundation in the borough:
- London Borough of Lewisham
  - London Housing Trust
  - The New Cross Gate Trust
  - Deptford Reach
  - CAM Specialist Support Group
  - Rushey Green Time Bank
  - Regular Cleaning Services
  - RN Property
  - Good Food
  - My Aerial Home
- 5.5 The total of LLW accredited businesses to date in Lewisham is now 52.

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<sup>1</sup> Proportion of employee jobs in London boroughs where employees earned less than the London Living Wage, 2008-14

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/adhocs/proportionofemployeejobsinlondonboroughswhereemployeeearnedlessthanthelondonlivingwage200814>

<sup>2</sup> Proportion of employee jobs in London paid less than the London Living Wage (LLW), 2005 to 2014  
<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/adhocs/004872jobsinlondonpaidlessthanthelondonlivingwage2005to2014>

- 5.7 This report reviews the scheme, the work that has been done to promote it and makes recommendations for its future.

## **6. The NNDR Discretionary Discount Scheme**

- 6.1 The scheme rewards businesses who take action to pay their employees the London Living Wage and become accredited to the Living Wage Foundation during the forthcoming financial year. The scheme does not aim to reward businesses who are already accredited to the Living Wage Foundation.
- 6.2 The scheme offers a fixed rate discount based on the number of employees and a multiple of the cost of accreditation. Mayor and Cabinet chose a multiple of 5.
- 6.3 The discount was a one off reduction to the employers NNDR bill for the 2016/17 and subsequently 2017/18. All of the entitlement criteria are set out in Appendix 1.
- 6.4 The current regulations require the Council to fund 30% of the cost of any discount. The remaining amount is funded by central government (50%) and Greater London Authority (20%).

## **7. Review**

### **Promotion**

- 7.1.1 The Council works with the Living Wage Foundation to provide information and practical support for businesses to become accredited employers. Most recently this was done at the Lewisham Means Business event.
- 7.1.2 A leaflet providing details about the scheme was issued to all businesses in March 2017 with each ratepayer's annual business rates bill. The scheme has been promoted on the Council's website throughout the year and on twitter during Living Wage week. The leaflet was also circulated to the manager of Lewisham Shopping Centre to alert more businesses to the discount available.
- 7.1.3 Lewisham co-chaired a promotional event in Living Wage Week with Lambeth and Southwark Councils and the Living Wage Foundation. This included hearing from local businesses and employees who pay the living wage and the positives that come from it. Through events like this the Council continues to encourage local businesses to become accredited employers.
- 7.1.4 The Council has overseen a successful year of promotion with various different methods. The Council's Social Value officer oversees promotion alongside the Council's communication team and is a first point of contact for newly accredited businesses to access all support they can from the Council in terms of promotion and marketability. Newly accredited businesses are given information about the NNDR discretionary discount scheme.

### **Discount awards**

- 7.2.1 During 2017/18 5 more businesses have successfully applied and received the discount as detailed below. The following table is a breakdown of the awards.

Account Name	Accreditation Date	Sector	No. of Employees	Discount award
Kernow Music School Limited	16/05/2017	Private	8	£250
Shea & Co Limited	01/04/2017	Private	10	£250
Kickslove Limited	28/04/2017	Private	1	£250
Anglo Office Group Limited	09/05/2017	Private	40	£250
Lewisham Homes Limited	19/07/2017	Public	537	£2,000

### 7.3 Administration

7.3.1 Owing to the small number of applicants for the discount, there was very little if any impact in relation to the implementation and ongoing administration of the scheme for the Business Rates Team.

## 8. **Proposals for 2018/19**

8.1 On the basis that the scheme involves minimal administration and appears to be encouraging some businesses in the borough to pay the London Living Wage and become accredited to the Living Wage Foundation it is proposed to continue the scheme for 2018/19.

## 9. **Financial implications**

9.1 The cost of awarding a local discount is shared between the Council (30%) central government (50%) and the Greater London Authority (20%). The Council set its maximum contribution to the discount for 2017/18 at £20,000 making the total discount available of £66,000.

9.2 The total discount award to date is £3,000.00 with the Council's spend/contribution of £900.

9.3 There is currently no budget provision for the Council's contribution of £20,000. Resourcing the discount is subject to a call on other resources.

## 10. **Legal implications**

10.1 Section. 47 of the Local Government Finance Act 1988, (as amended by s 69 of the Localism Act 2011,) replaces the limited circumstances in which local authorities can give discretionary rate relief with a power to grant relief in any circumstances. This is subject to the condition that, the local authority may only grant relief if it would be reasonable to do so having regard to the interests of council tax payers in its area. The amendments also require a local authority to have regard to any relevant guidance issued by the Secretary of State when deciding whether to grant relief under section 47 of the 1988 Act.

10.2 Accordingly, local authorities may grant business rates discounts (also known as discretionary rate relief) by creating their own discounts schemes in order, for example, to promote growth and jobs in its area, or in specified areas. Any such scheme needs to be approved by Mayor and Cabinet.

10.3 Relevant guidance issued by the Secretary of State, ("Business Rates Retail Relief – Guidance", issued February 2015,) provides that entitlement to a local discount is subject to State Aid "de minimis" limits. The guidance refers to "State Aid law" and confirms that it "... is the means by which the European Union regulates state funded

support to businesses. Providing discretionary relief to ratepayers is likely to amount to State Aid. ....[providing a local discount will not breach State Aid] where it is provided in accordance with the De Minimis Regulations (as set out in EU Commission Regulation 1407/2013).

- 10.4 The De Minimis Regulations allow ...[a business] to receive up to 200,000 Euros of De Minimis aid in a three year period (consisting of the current financial year and the two previous financial years). ...[Officers] should familiarise themselves with the terms of this State Aid exemption, ...” when considering whether to award a discount, in particular the types of businesses that are excluded from receiving De Minimis aid (Article 1 of EU Commission Regulation 1407/2013 and the relevant definitions of businesses / undertakings as well as the requirement to convert the aid into Euros. (Article 2(2) EU commission Regulation 1407/2013.)
- 10.5 To administer the “De Minimis” provision, it is necessary for the Council to establish that the award of aid will not result in any business having received more than 200,000 Euros of ‘State Aid’ under the De Minimis Regulations. It should be noted that the threshold only relates to aid under the De Minimis Regulations (aid under other exemptions or outside the scope of State Aid is not relevant to the De Minimis calculation). For this purpose, s. 3 of the guidance provides a template set of paragraphs that can be used by Local Authorities to send out to businesses. The template contains a declaration to be completed by the businesses and returned to the Local Authority, so as to assist the Local Authority ensure they comply with the current ‘State Aid’ De Minimis financial threshold for each business.
- 10.6 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.
- 10.7 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.
- 10.8 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.
- 10.9 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/>



10.10 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

10.11 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 An Equalities Impact Assessment has been carried out which shows no adverse impacts on any of the protected groups. This policy will help the lowest paid workers in the borough.

12.2 Any policy which results in an increase in household income will benefit all groups within the borough either directly or indirectly through the Council having to provide less financial support.

## **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.

**Criteria for awarding a NNDR discount to businesses accredited with the Living Wage Foundation**

1. The scheme is open to all employers who occupy a business address within the London Borough of Lewisham and are liable for the payment of NNDR.
2. A business must become accredited with the Living Wage Foundation (LWF) i.e. has a signed accreditation licence agreement with the LWF. Confirmation of the accreditation with the LWF will be conclusive proof. A business must become accredited between 1 April 2018 and 31 March 2019. If the accreditation licence is for a phased implementation, entitlement is confirmed when the licence is signed.
3. The LWF monitors organisations and should any business break the agreement within 2 years of signing it then any discount awarded will be reclaimed.
4. A discount equivalent to a multiple of 5 of the accreditation cost quoted by the LWF at the time of becoming accredited will be credited to the organisations NNDR account. The cost of accreditation is based on the number of employees and whether the organisation is a private or public body, and set by the LWF. The accreditation fee charged by the LWF will be the evidence of the size of the organisation.
5. The discount is a one off award to the NNDR account. Where the organisation occupies more than one property in the borough only one award will be made.
6. Entitlement to the discount is subject to State Aid de minimis limits whereby a business must not have received state aid exceeding 200,000 Euros in the last 3 years (current year plus preceding 2). State Aid includes reliefs, grants, interest rates and tax relief, subsidies, guarantees etc. The business will be required to sign a declaration confirming this. This may preclude many of the large national retail chains that have shops in many town centres from receiving this relief.
7. If a qualifying business moves out of the borough within 2 years of becoming accredited the discount will be reclaimed. If the business moves within the borough the discount will remain.
8. Some small organisations or charities may not have any NNDR to pay as they may be entitled to other reliefs. Should an organisation become accredited to the LWF and they have no rates to pay as they are receiving other reliefs then the discount will be credited to the account and refunded.

<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>	10 <sup>th</sup> January 2018	
<b>Title of Report</b>	Wide Horizons Refinancing	
<b>Originator of Report</b>	David Austin	<b>Ext. 49114</b>

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: 21<sup>st</sup> November 2017



Signed: \_\_\_\_\_ Director/Head of Service

Date 21<sup>st</sup> November 2017 \_\_\_\_\_

**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>	Wide Horizons Refinancing		
<b>Key Decision</b>	No	<b>Item No.</b>	
<b>Ward</b>	All Wards		
<b>Contributors</b>	Executive Director for Resources and Regeneration		
<b>Class</b>	Part 1	<b>Date:</b>	<b>10 January 2018</b>

## **1. EXECUTIVE SUMMARY**

- 1.1 Wide Horizons is an adventure learning charity formed in 2004 as a result of a joint initiative on the part of the London borough of Lewisham and the Royal Borough of Greenwich. It is now an independent charity which continues to serve Greenwich and Lewisham, but has also expanded to include many other London boroughs and Walsall.
- 1.2 It now manages eight outdoor centres and an outreach service providing adventure experiences for nearly 47,000 children and young people every year.
- 1.3 Wide Horizons took out a loan of £1.5m from Future Builders (now known as Social Investment Business Ltd) – a fund set up by the Cabinet Office which offered voluntary sector organisations repayable finance and drew down in increments since 2009. The outstanding balance on this loan as at 31st July 2016 was £1.3m.
- 1.4 Wide Horizons is seeking re-financing for this social investment business loan totalling approximately £1.3m, from both Lewisham and Greenwich Councils in equal proportion. The facility will be based on identical repayment terms with both Councils.
- 1.5 Providing this facility will allow the organisation to repay its current loan, which was taken out with a repayment date of 2020, ahead of time. The lender has confirmed they will accept early redemption of the loan without penalty. Wide Horizons will then have two annuity loans, payable over 25 years in equal instalments.

## **2. PURPOSE OF THE REPORT**

- 2.1 This report seeks approval from the Mayor and Cabinet to provide an interest bearing refinancing facility for Wide Horizons to refinance their Social Investment Business loan, in equal proportion with the Royal Borough of Greenwich, under the terms set out in section 6 of this report.

### 3. RECOMMENDATIONS

- 3.1 The Mayor is asked to:
- 3.2 Note the business case for offering a refinancing facility to Wide Horizons, the conditions and offer proposed, and the State Aid considerations that apply.
- 3.3 Agree to the Council offering of an interest bearing re-financing facility of up to £700,000 to Wide Horizons to be paid back over a period of no more than 25 years, subject to Wide Horizons obtaining an equal amount of re-financing from the Royal Borough of Greenwich.
- 3.4 Delegate authority to the Executive Director for Resources and Regeneration to finalise the terms of the re-financing agreement with Wide Horizons, working with the Royal Borough of Greenwich.

### 4. POLICY CONTEXT

- 4.1 The overarching policy and decision making framework for the discharge of the Council's many functions and duties is contained in Lewisham's Sustainable Community Strategy (SCS). The Strategy contains two overarching principles which are:
  - Reducing inequality – narrowing the gap in outcomes.
  - Delivering together efficiently, effectively and equitably – ensuring that all citizens have appropriate access to and choice of high quality services.
- 4.2 Also contained within the overarching policy framework are the Council's ten corporate priorities. These priorities describe the specific contribution that the Local Authority will make to the delivery of the SCS. The Council's priorities are as follows:
  - Community Leadership and Empowerment.
  - Young people achievement and involvement.
  - Clean, green and liveable.
  - Safety, security and 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.
- 4.3 The contents of this report support the achievements of the following Corporate Priorities:
  - **Young people's achievement and involvement** – raising educational attainment and improving facilities for young people through partnership working.
  - **Active, healthy citizens** – leisure, sporting, learning and creative activities for everyone.

## 5. BACKGROUND

- 5.1 Wide Horizons is a charitable organisation that delivers a range of activities for all age groups of school children, from day centre nature experiences for primary school children, to adventurous activities for older children and young people. Many of these are linked to curriculum topics and can be adapted to suit learning objectives and goals.
- 5.2 Their prospectus states 'Our vision is that all children should have access to adventure as part of their education and development'. Wide Horizons also provides leadership and CPD training to teachers and youth leaders, inspiring them to use the outdoors creatively for teaching.
- 5.3 Wide Horizons believes that every child should have the opportunity to experience Adventure Learning as part of their education and development. The organisation states that over 35% of the of the child population in London, may never have been to the countryside; and with 4 in 10 children living in poverty in London there is a real need for a low cost, safe, outdoor space for children to go.
- 5.4 The organisation believes visiting the countryside and experiencing outdoor education is a crucial element of a child's development and adventure learning is a great catalyst for this. Their Adventure Learning courses and activities provide stimulating, challenging, fun experiences, helping children to feel good and learn better.
- 5.5 Wide Horizons delivers a range of activities for all age groups of school children, from day centre nature experiences for primary school children, to adventurous activities for older children and young people. Many of these are linked to curriculum topics and can be adapted to suit learning objectives and goals.
- 5.6 Wide Horizons is the appointed advisor to ensure that Lewisham complies with its legal responsibilities for all school trips. A number of Lewisham schools continue to use Wide Horizons facilities regularly.
- 5.7 Both Lewisham and Greenwich Councils each nominate one councillor and one school governor to be trustees for a period of four years. Subject to the limitation that no more than 20% of the Board is 'controlled members' (employees and councillors of Lewisham and Greenwich), additional company members can be elected to the Board from time to time.
- 5.8 Wide Horizons took out a social investment business loan of £1.5m, drawn down in increments since 2009. The outstanding balance on this loan as at 31st July 2016 was £1.3m. The latest published accounts states that the loan is guaranteed by the Royal Borough of Greenwich.
- 5.9 Wide Horizons is seeking re-financing for this social investment business loan totalling approximately £1.3m, from both Lewisham and Greenwich Councils in equal proportion. The facility will be based on identical repayment terms.

5.10 Providing this facility will allow the organisation to repay its current loan, which was taken out on a mainly interest only basis with a repayment date of 2020, ahead of time. The lender has confirmed they will accept early redemption of the loan without penalty. Wide Horizons will then have two annuity loans, payable over 25 years in equal instalments.

### ***Financial Review***

5.11 The organisation has been trading successfully for over twelve years and despite significant recent challenges to the voluntary sector generally, Wide Horizons continues to prove itself financially viable.

5.12 The organisation's five year budget projection shows a forecast surplus of approximately £380k over the period. The July 2016 audited accounts show an operational surplus of £170k and unrestricted reserves of £335k. The trustees regularly review the level of reserves held and are aware that excessive reserves can limit the amount of funding available for charitable activities, whilst insufficient reserves can jeopardise the ability to deliver services. In view of this, they are seeking to increase the level held over the next four years.

5.13 The senior leadership team has recognised two key financial risks and has implemented mitigating controls to minimise any potential effect these may have.

- Risk 1 - Insufficient Cash flow: mitigated by accurate cash flow projections and prudence of assumptions, robust internal expenditure controls and regular debt monitoring and credit control.
- Risk 2 - Insufficient income generation: mitigated by clear business plan for activities and fundraising income streams; established marketing strategy; monitoring of service delivery to ensure retention of current business and development of new business.

## **6. PROPOSAL**

6.1 The proposal is for Lewisham to offer an unsecured twenty five year term re-financing facility to Wide Horizons to be drawn down once and not exceeding £700,000. The facility shall only be used for the repayment of its social investment business loan. This is not a grant and the facility will be interest bearing.

6.2 Once drawn, the facility will be repayable over a period of not more than twenty five years on an annuity basis, and single schedule of agreed six monthly repayments. The end date of the facility will be co-terminus with the lease arrangements for Wide Horizons' offices and one of their sites in Kent. The full principal borrowed must be repaid no later than twenty five years from the start of the facility. No early redemption penalty will apply.

6.3 Interest will accrue on any part of the facility as soon as it is drawn until it is paid off. The interest shall be charged at a fixed rate. At the current time, with reference to the Public Works Loan Board annuity rates for borrowing over

twenty five years and the cost to the Council of administering this loan, the rate will be in the region of 3.5% per annum. The total interest chargeable over the period of the loan is approximately £357k (based on a £700k loan over the total 25 year period). Monthly repayments will be around £3,500 collected bi-annually.

- 6.4 The loan will be financed using the Council's own cash balances. Current interest rates for fixed term deposits available to the Council range from 0.5% for 3 months to 0.77% for up to a year. However, a 25 year Gilt would currently attract a yield of 4.25%, and a 40 year UK bond would currently attract a yield of 1.7%.
- 6.5 The facility will only be available for drawdown once approval has been given by the Royal Borough of Greenwich to provide the re-financing for the second half of the current loan.
- 6.6 Any further conditions will be determined by the Executive Director for Resources and Regeneration and will include:
  - a similar decision from the Royal Borough of Greenwich;
  - termination provisions (in the event of a loan default) added to the relevant lease documentation, where the London Borough of Lewisham has leased property to Wide Horizons.
  - require Wide Horizons to notify both Councils if their financial viability changes such that they will exceed the State Aid thresholds; and
  - require Wide Horizons to accept, in such an eventuality, that both Councils will immediately revisit the loan rate and increase it if necessary to be compliant with the potentially higher risk profile.

## **7. STATE AID**

- 7.1 In creating a re-financing facility, the Council has to be mindful of the viability of the organisation and the EU State Aid guidance.
- 7.2 Issues of State Aid arise under EU law and prevents member states from granting aid to an organisation which would result in it being anti-competitive in the market. This may arise where a loan is not on market terms.
- 7.3 The State Aid guidance requires consideration of a combination of the one year Inter Bank Operating Rate (IBOR), currently 0.65%, and a proxy rating for the borrower assessed with reference to their viability and collateral.
- 7.4 Using the European Commission's methodology for setting reference and discount rates, it is proposed to rate Wide Horizons as normal and weak with a B rating. This would give a suggested comparator rate for the loan of 4.65% (IBOR 0.65% + Rating 4%). This is a subjective process but a prudent rating assessment made by the authority.
- 7.5 In comparison, a 25 year loan of £700,000 from Charity Bank would attract an interest rate of 3.5% subject to the borrower satisfying their collateral conditions.



7.6 The loan rate proposed is based on the Council's borrowing rate from the Public Works Loan Board (PWLB), including the certainty rate (a 20 basis points reduction for local authorities on the published PWLB loan rates), available, for a fixed interest annuity loan for 25 years. (It is important to note that the PWLB rates fluctuate regularly, so the rate used in this report is 2.5% as at 10 November 2017). An additional administration and risk charge, of approximately 1%, will be added to cover the administration costs of the loan.

### ***Loan rate recommendation***

7.7 The requirements of the State Aid guidance have been assessed above. In this context the comparable rates for this scheme range are:

- 3.5% 25 year loan (Charity Bank)
- 4.65% EU calculation using one year IBOR (0.65%) plus risk rating of 4% based on Wide Horizons rated as B.

7.8 A rate that is below the EU reference rate but within the State Aid limits available for assistance and not less than the current commercial benchmark is considered appropriate.

7.9 Taking the above into account a loan rate of 3.5% (based on paragraph 7.6 above) is recommended.

7.10 Wide Horizons are required to notify both Councils if their financial viability changes such that the B rating applied in 7.4 above is affected and therefore the State Aid thresholds are exceeded. Wide Horizons is to accept that in such an eventuality, both Councils will immediately revisit the loan rate and increase it to be compliant with State Aid requirements.

## **8. FINANCIAL IMPLICATIONS**

8.1 The Council would use its cash balances to provide this facility initially and factor it into its wider borrowing needs as necessary over the period of the loan.

8.2 The risk to the Council is that the agreed rate of interest for the loan (expected to be agreed at around 3.5%) may be less than could be achieved by investing the money. However, this is not the case now and, in the current low interest rate environment, is unlikely to be. In compensation were this risk to materialise, the communities of Lewisham will continue to benefit from the positive indirect contributions this project will contribute to the youth in the borough.

8.3 Another risk to the Council will be Wide Horizons inability to meet the interest and capital repayments over the life of the loan. These risks are somewhat mitigated by ensuring the end of facility is co-terminus with the lease arrangements for Wide Horizons' offices and one of their sites in Kent.

8.4 The loan arrangements stated above fall within State Aid limits.

## **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 provide the loan to Wide Horizons.

9.2 State Aid law is the means by which the European Union regulates State funded measures to ensure they do not adversely affect trade between the Member States and thereby undermine the functioning of the European common market. It covers, amongst other things, loans not at commercial rates or other financial assistance.

9.3 Where the European Commission finds unlawful State Aid they may order the immediate termination of the project and the clawback of the full value of the aid (with compound interest backdated to the point of the award).

9.4 The proposed loan facility is upon terms that reflect a comparable commercial rate so the State Aid rules are not considered to apply, there being no distortion of competition. This will be kept under review to ensure the loan continues to be compliant with State Aid requirements

## **10. CONCLUSION**

10.1 This report presents a proposal to the Mayor and Cabinet to agree to provide Wide Horizons with an interest bearing re-financing facility to allow it to re-finance its social investment business loan over a period of 25 years.

## **11. BACKGROUND DOCUMENTS AND FURTHER INFORMATION**

For further information on this report, please contact:

David Austin, Head of Corporate Resources on 020 8314 9114

<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>	10 <sup>th</sup> January 2018	
<b>Title of Report</b>	London Business Rates Pilot Pool 2018-19	
<b>Originator of Report</b>	David Austin	<b>Ext. 49114</b>

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: 21<sup>st</sup> December 2017



Signed: \_\_\_\_\_ Director/Head of Service

Date: 21<sup>st</sup> December 2017

**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>	London Business Rates Pilot Pool 2018-19		
<b>KEY DECISION</b>	Yes	ITEM No.	
<b>WARD</b>	All		
<b>CONTRIBUTORS</b>	Executive Director for Resources & Regeneration		
<b>CLASS</b>	Part 1	Date	10 January 2018

## **1. EXECUTIVE SUMMARY**

- 1.1. The first London Business Rates Pilot Pool report was presented to Mayor and Cabinet on the 22 November 2017, where the Mayor was asked to consider how the pool would work and recommend that Council endorse the setting up of the London pool.
- 1.2. The Chancellor of the Exchequer in the Autumn Budget, confirmed the Government's commitment to establishing a 100% business rate retention pilot in London in April 2018. This report now presents the Mayor with the proposal for Lewisham to support the creation of the pool and the framework for its operation.
- 1.3. The Mayor is now asked to recommend that Council agrees the Secretary of State's designation letter attached at Appendix 1, notes the Memorandum of Understanding between London Government and the Secretary of State attached at Appendix 2, and agrees the Memorandum of Understanding between the 33 London Boroughs and the GLA attached at Appendix 3.
- 1.4. London Councils sought Legal advice from Trowers and Hamlins on the various issues requiring clarification on these issues. The legal advice they received on Executive Functions is attached to this report at Appendix 4, and the advice they received on the legal framework and governance options is attached to this report at Appendix 5.
- 1.5. London Councils has issued the London Business Rates Pilot Pool 2018-19 Final Prospectus attached at Appendix 6, which gives a detailed explanation of how the pool will work.

## **2. PURPOSE OF THE REPORT**

- 2.1. The purpose of this report is to ask the Mayor to recommend to Council:

- 2.2. To enter the pool (including accepting the Designation by the Secretary of State as an authority within the Pilot Pool and delegating authority over its administration to the lead authority which, following consideration by the elected officers of London Councils, would be the City of London Corporation for the duration of the pilot);
- 2.3. To agree a Memorandum of Understanding between London authorities for the operation of the pilot pool as described in section 6 of this report and attached at Appendix 3; and
- 2.4. To delegate authority to Mayor and Cabinet to take decisions in relation to the Strategic Investment Pot.

### **3. RECOMMENDATIONS**

- 3.1. That the Mayor recommends Council

#### ***Establishment of Governance Arrangements:***

- 3.2. approve and accept the designation by the Secretary of State as an authority within the London Business Rates Pilot Pool pursuant to 34(7)(1) of Schedule 7B Local Government Finance Act 1988;
- 3.3. participate in the London Business Rates Pilot Pool with effect from 1 April 2018
- 3.4. delegate the authority's administrative functions as a billing authority pursuant to the Non-Domestic Rating (Rates Retention) Regulations 2013, to the City of London Corporation ("COLC") acting as the Lead Authority;
- 3.5. authorise the Lead Authority to sub-contract certain ancillary administrative functions [regarding the financial transactions [payment of tariffs and top-ups] within the Pool to the GLA as it considers expedient];

#### ***Entry into the Memorandum of Understanding:***

- 3.6. delegate authority to the Executive Director for Resources and Regeneration to agree the operational details of the pooling arrangements with the participating authorities;
- 3.7. delegate authority to the Executive Director for Resources and Regeneration, in consultation with the Head of Legal Services, to enter into such Memorandum of Understanding with the 'participating authorities' as may be necessary, (including if and where appropriate) amending, finalising and executing the same on behalf of the authority.

#### ***Operation of the Pool:***

- 3.8. authorise the Mayor to represent the authority in relation to consultations regarding the London Business Rates Pilot Pool consultative as may be undertaken by the Lead Authority pursuant to the Memorandum of Understanding;
- 3.9. delegate to Mayor and Cabinet the authority to consider such consultative reports as the Lead Authority may circulate and to respond on behalf of the authority with regard to any recommendations and in particular, proposals for projects to be approved for funding from the Strategic Investment Pot.
- 3.10. delegate to the Lead Authority the functions of assessment, due consultation and approval of projects eligible for funding from the Pool's Strategic Investment Pot following consultation with the participating authorities (provided that at least two thirds of such participating London Boroughs are (including the City of London Corporation) in favour of the relevant recommendation as well as the Mayor of London, and that no entire sub-region is in disagreement with the decision) on such terms and conditions as shall ensure value for money and compliance with the law.

#### **4. POLICY CONTEXT**

- 4.1. The overarching policy and decision making framework for the discharge of the Council's many functions and duties is contained in Lewisham's Sustainable Community Strategy (SCS). The Strategy contains two overarching principles which are:
  - Reducing inequality – narrowing the gap in outcomes.
  - Delivering together efficiently, effectively and equitably – ensuring that all citizens have appropriate access to and choice of high quality services.
- 4.2. Also contained within the overarching policy framework are the Council's ten corporate priorities. These priorities describe the specific contribution that the Local Authority will make to the delivery of the SCS. The Council's priorities are as follows:
  - Community Leadership and Empowerment.
  - Young people achievement and involvement.
  - Clean, green and liveable.
  - Safety, security and 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.

- 4.3. The National Non Domestic Rates (NNDR), or business rates regime is a nationally set tax collected by local authorities and pooled based on certain distribution arrangements. They are that the Local Authority retains a proportion of the rates they collect and then receive a top-up or tariff from the nationally pooled element based on the fair funding formula. In London there is also a third element which is the proportion passed to the Greater London Authority (GLA).
- 4.4. Currently, of the amount Lewisham collects based on the Valuation Office Agency ratings and after applying the national rebates, the Council retains 30%, 37% goes to the GLA, and 33% into the national pool.
- 4.5. Lewisham currently has a low business rate base in London and is a top-up authority. Based on current regeneration and economic development plans this position is unlikely to change in the short to medium term.
- 4.6. Lewisham's 2017/18 budget for business rates income is £88.9m (against a safety net base of £82.2m); of which £19.7m (22%) is the retained element and £69.2m (78%) received via the top-up. The Council has a low cost of collection and good collection rate (>98% in year). Nonetheless, the Council does have to allow for some bad debts and the risk of valuation appeals, set at £3.0m for 2017/18.
- 4.7. The London wide 2017/18 forecast business rates income is £7.9bn of which the retained element is forecast at £5.3bn, with a £1bn tariff.
- 4.8. On 1st April 2017 the Government launched five pilots of 100% business rates retention. These pilots have retained 100% of business rates income and foregone some existing grants. Over the pilot period they will retain all of their growth in business rates income. The five current 100% pilots which launched on 1 April 2017 will be continuing through 2018/19, running alongside the new wave of 2018/19 pilots.
- 4.9. In London the Government established a pilot when the Greater London Authority (GLA) level of retained business rates increased from 20% to 37%, replacing TfL transport grant and Revenue Support Grant. An expanded London pilot in 2018-19, which requires all 33 London Boroughs and the Mayor of London to agree to pool, has now been proposed and agreed by central Government.

## **5. INTRODUCTION**

- 5.1. The Government's stated policy objective is to move to 100% devolved business rates. This may require local authorities to assume additional responsibilities to match costs to the available business rates and enable the Treasury to reduce other sources of funding, in particular by phasing out Revenue Support Grant (RSG).

- 5.2. As part of this move the Government is looking to increase the number of pilots and encouraging pooling as a means for local areas to maximise their opportunities for growth.
- 5.3. London Councils put forward a proposal to establish a London wide pilot pool which would include all 33 London Boroughs and the GLA. A report outlining the proposed manner in which the pool would work was presented to Mayor and Cabinet and Council in November 2017.
- 5.4. The Government formally confirmed its commitment to establishing a 100% business rate retention pilot in London in April 2018 in the Autumn Budget. The detail of the pilot has been formally agreed by a Memorandum of Understanding (MOU) (see Appendix 2) signed by the Chair of London Councils, the Mayor of London, the Minister for London and the Secretary of State for Communities and Local Government.

## **6. ESTABLISHING THE PILOT POOL**

- 6.1. The full details relating to the setting up and running of the pool are contained in the MOU with the Government (see Appendix 2), London Councils final Prospectus (Appendix 6), and the Government's Designation Letter (see Appendix 1).

### **Pilot principles - MOU between London Government and Central Government**

- 6.2. The MOU between London Government and the Government on the London 100% business rates retention pilot establishes the terms of the 100% retention pilot. It agrees that:
  - The 100% business rates retention pilot in London will be voluntary, but will be a pool comprising all 32 London boroughs, the Corporation of the City of London and the Greater London Authority.
  - From 1 April 2018 the London authorities will retain 100% of their non-domestic rating income. London will not retain 100% of total rates collected, as it will continue to pay an aggregate tariff to government. The overall level of collected rates that will be retained is around 64% after the tariff is paid.
  - London authorities will also receive section 31 grants in respect of Government changes to the business rates system which reduce the level of business rates income. Section 31 grant will amount to 100% of the value of the lost income. Tariffs and top-ups will be adjusted to ensure cost neutrality.
  - The London pool will retain 100% of any growth in business rate income above baselines, and will pay no levy on that growth.



- In moving to 100% rates retention, the Department for Communities and Local Government will no longer pay Revenue Support Grant (RSG) to the London authorities in 2018/19. Funding baselines will be increased by the equivalent amount to reflect this transfer of RSG, which overall amounts to £775 million in 2018/19 (the full boroughs breakdown can be found at Appendix 1 of Appendix 2).
- London authorities will not be subject to more onerous rules or constraints under the 100% rates retention pilot, than they would have been if they had remained subject to the existing “67% scheme” in place in 2017/18.
- No “new burdens” will be transferred to London and participation in the pilot will not affect the development or implementation of the Fair Funding Review.
- In the event that London’s business rates income fell, the pool will have a higher “safety net” threshold – 97% rather than 92.5% of the overall baseline funding level – than in the existing system, reflecting the greater reliance local authorities will have on business rates within the pilot.
- The piloted approach is to be without detriment to the resources that would have been available collectively to the 34 London authorities under the current local government finance regime, over the four year settlement period. This “no detriment” guarantee will ensure that the pool, as a whole, cannot be worse off than the participating authorities would have been collectively if they had not entered the pilot pool. In the unlikely event of this arising (the current forecast is for collected rates to be 6% above baselines), the government would intervene to provide additional resources.

### **Pooling principles - MOU between the 34 pooling authorities**

- 6.3. The London business rates pool must be set up following the same process as all other business rates pools. Following legal advice, the detailed pooling agreement that establishes the terms by which the pool will operate will be by an MOU between the 34 pooling authorities – as is the case for the vast majority of business rates pools. The MOU between the pooling authorities is attached at Appendix 3.
- 6.4. The key principles that underpin the London pooling agreement are that:
- The pool in 2018-19 would not bind boroughs or the Mayor indefinitely – the founding agreement includes notice provisions for authorities to withdraw provided notice is given by 31 August each year. Were the pool to continue beyond 2018/19, unanimous agreement would be required to reconfirm a pool from 2020/21 onwards (the expected year in which funding baselines will be updated as a result of the Fair Funding Review).

- No authority can be worse off as a result of participating - where authorities anticipate a decline in business rates, the first call on any additional resources generated by the pool would be used to ensure each borough and the GLA receives at least the same amount as it would have without entering the pool (this would include the equivalent of a safety net payment were it eligible for one individually under the current 67% system).
- All members will receive some share of any net benefits arising from the pilot pool – recognising that growing London’s economy is a collective endeavour in which all boroughs make some contribution to the success of the whole, all members of the pool will receive at least some financial benefit, were the pool to generate additional resources.

### **The Lead Authority**

- 6.5. It is a statutory requirement that a “lead authority” acts as the accountable body to government and is responsible for the administration of the pooled fund. The City of London has agreed to be the lead authority for the London business rates pool.
- 6.6. The lead authority’s standard responsibilities will include, but not be limited, to:
- all accounting for the finances of the pool including payments to and from the Government;
  - management of the pool's collection fund;
  - all audit requirements in relation to the pool;
  - production of an annual report of the pool's activity following final allocation of funds for the year;
  - the administration of the dissolution of the pool;
  - all communications with the DCLG including year-end reconciliations; and
  - the collation and submission of information required for planning and monitoring purposes.
- 6.7. It will be for the Lead Authority for the pool to determine the distribution of revenues between members of the pool and also pay the net tariff payment to the Government during the year.
- 6.8. Under a delegation arrangement, the GLA will manage treasury management issues and monetary transfers between billing authorities on behalf of the lead authority. The lead authority will have an additional role in formally taking decisions over the allocation of the Strategic Investment Pot following consultation with all participating authorities.

## Distributing the benefits of pooling

- 6.9. The net financial benefit of pooling consists of retaining 100% of growth (rather than 67% across London under the current scheme), and in not paying a levy on that growth (which tariff authorities and tariff pools currently pay).
- 6.10. The Mayor and Cabinet report presented in November 2017, detailed the options available for distributing these benefits. There were four themes to consider and four options for how the growth could be allocated to these themes. The themes are:
1. incentivising growth
  2. recognising the contribution of all boroughs
  3. recognising need
  4. facilitating collective investment
- 6.11. The options were:
- A. An **even split** percentage between the four pots (25:25:25:25).
  - B. **Reducing the strategic investment** pot to 10% of the total, while the “reward”, “needs” and “population” pots are equally weighted (30:30:30:10).
  - C. **Greater “incentive weighting”** with equal weighting for the other three pots (40:20:20:20).
  - D. **Greater “needs” and “population” weightings** (each 30%) with equal remaining weightings of 20% for “incentives” and “investment” pots (20:30:30:20).
- 6.12. Officers recommended option ‘D’ which was thought to be more beneficial to Lewisham. This option has now been refined for the pilot overall and the final agreed distribution method will apply the following weightings: 15% incentives; 35% population; 35% SFA; 15% Strategic Investment Pot. The total forecasted growth for 2018/19 is £240m, Lewisham’s share is expected to be £4.3m.

## The Strategic Investment Pot (SIP)

- 6.13. The joint Strategic Investment Pot (SIP) - representing 15% of the total additional net benefit - will be spent on projects that meet each of the following requirements:
- contribute to the sustainable growth of London’s economy and an increase in business rates income either directly or as a result of the wider economic benefits anticipated;
  - leverage additional investment funding from other private or public sources; and
  - have broad support across London government in accordance with the proposed governance process.

- 6.14. Decisions regarding the SIP will be taken formally by the City of London - as the lead authority - in consultation with all member authorities, reflecting voting principles set out in London Government's detailed proposition on 100% business rates in September 2016. These are that:
- both the Mayor and a clear majority of the boroughs would have to agree;
  - a majority would be defined as two-thirds of the 33 billing authorities (the 32 boroughs and the City of London), subject to the caveat that where all boroughs in a given sub-region disagreed, the decision would not be approved; and
  - If no decisions on allocation can be reached, the available resources would be rolled forward within the pot for future consideration at the next decision making round.
- 6.15. The MOU between London Government and the Government only commits to the pilot operating for one year. However, subject to the evaluation of the pilot, it also commits the Government to working with London authorities to explore: future options for grants including, but not limited to, Public Health Grant and the Improved Better Care Fund; the potential for transferring properties on the central list in London to the local list where appropriate; and legislative changes needed to develop a Joint Committee model for future governance of a London pool.

## **7. NEXT STEPS AND TIMELINE**

- 7.1. Establishing the pilot pool will require two separate decisions to be made by each participating authority:
- the agreement to accept the designation order by government to form the pool; and
  - agreement between the boroughs, the City of London and the GLA, by which London Government collectively decides how to operate the pool and distribute the financial benefits (the pooling MOU).
- 7.2. This report is asking the Mayor to recommend that Council agree the above.
- 7.3. The timeline to make the pool operational is as follows:
- Government publishing draft baseline figures in the provisional settlement (Mid-December 2017).
  - Boroughs taking formal decisions to participate in the pool and the framework for its operation within 28 days of the Provisional Settlement (by mid-January 2018).
  - Final baselines published in final LGF Settlement (February 2018).
  - Pool goes live (April 1 2018).

## **8. FINANCIAL IMPLICATIONS**

- 8.1. This report proposes that the Mayor recommends that Council agrees to enter the pool (including accepting the Designation by the Secretary of State as an authority within the Pilot Pool and delegating authority over its administration to the lead authority which, following consideration by the elected officers of London Councils, would be the City of London Corporation for the duration of the pilot), and agrees to a Memorandum of Understanding between London authorities for the operation of the pilot pool.
- 8.2. The Government has provided a no detriment guarantee for the pilot. This means that Lewisham will receive at least the equivalent amount to the 2018/19 Settlement Funding Assessment already determined under the four year settlement provided by the Government in 2016/17. The total 2018/19 Settlement is £128.7m along with specific grants for public health and the improved better care fund.
- 8.3. There is the advantage of Authorities keeping 100% of growth in Business Rates which in 2018/19 has been forecast at £240m across London. Agreement has been reached as to how this extra money will be divided between all the members of the pool, as stated in section 6, and Lewisham is forecast to receive a share of £4.3m in 2018/19. It is to be noted that this is a forecast only and therefore cannot be included in the Council's overall funding for 2018/19 until firm confirmation has been provided by the Pool's Lead Authority.
- 8.4. However, under the Council's current and ongoing financial situation, any additional funding would reduce the pressure to produce annual savings in an environment that has already faced unprecedented budget cuts over the last 10 years.

## **9. LEGAL IMPLICATIONS**

- 9.1. The Department for Communities and Local Government published in September 2017 its 'Invitation to Local Authorities in England to pilot 100% Business Rates Retention in 2018/19 and to pioneer new pooling and tier-split models.'
- 9.2. "To be accepted as a pilot for 2018/19, agreement must be secured locally from all relevant authorities to be designated as a pool for 2018/19 (in accordance with Part 9 of Schedule 7B to the Local Government Finance Act 1988) and to put in place local arrangements to pool their additional business rates income" (para. 2.3 of the published Invitation).
- 9.3. "Authorities selected as pilots for 2018/19 will be expected to forego Revenue Support Grant and Rural Services Grant. The value of the grant foregone will be taken into account in setting revised tariffs and top-ups, which will be used

to ensure that the changes are cost neutral, except for the value of any growth retained.” (Para. 2.8 of the published Invitation).

- 9.4. “It is wholly at the discretion of authorities whether or not they choose to apply to the pilot scheme. Proposals for new pilots had to be received by the Department for Communities and Local Government by no later than Friday 27<sup>th</sup> October 2017.
- 9.5. At Appendix 4 to this report there is comprehensive legal clarification provided by Messrs Trowers & Hamlins LLP, which was sought by the London Councils.
- 9.6. Of the three relevant optional forms of governance for the business rates pooling arrangements, ‘Option 2’ , described as a “quasi-contractual approach involving a lead authority in consultation with participating authorities’ is deemed to be the most appropriate “...as it affords more flexibility...” and “...would be documented in a non-legally binding Memorandum of Understanding”. (Trowers & Hamlins LLP).
- 9.7. When making its decision regarding the various noted Options available, Members should pay due regard to any relevant considerations and disregard irrelevant considerations.
- 9.8. It is noted that “while the initial pooling agreement will be for 2018/19 only, there is a possibility that the pilot will be extended by government and the pool may therefore continue for a further year in 2019 / 20.” Further, that ...”each authority’s decision to participate in the Pool should confirm the allocation of business rates between the collecting authorities, the GLA and the SIP and [should] form part of the terms of reference for the Pool.”(Trowers & Hamlins LLP.)
- 9.9. It is further noted that ‘Option 2’ will afford opportunities for consultation with and consideration by the other participating authorities.
- 9.10. Local Authorities do have the express power to delegate decisions to other authorities, pursuant to sections 101 and 102 of the Local Government Act 1972 (“LGA 1972”),
- 9.11. Executive functions are similarly able to be delegated pursuant to sections 9E and 9EA of the LGA 2000 and the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012. The carrying out of relevant administrative functions as a billing authority are executive functions. Entry into the proposed Memorandum of Understanding, is deemed to be ancillary and incidental to those functions pursuant to s. 111 of the LGA 1972 and are therefore executive functions. Appointment of a representative for related consultative purposes is also deemed to be an executive function.
- 9.12.

The Equality Act 2010 (the Act) introduced a public sector equality duty (the equality duty or the duty). It covers the following protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

- 9.13. 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.
- 9.14. It is not an absolute requirement to eliminate unlawful discrimination, harassment, victimisation or other prohibited conduct, or to promote equality of opportunity or foster good relations between persons who share a protected characteristic and those who do not. It is a duty to have due regard to the need to achieve the goals listed above.
- 9.15. The weight to be attached to the duty will be dependent on the nature of the decision and the circumstances in which it is made. This is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. The Mayor must understand the impact or likely impact of the decision on those with protected characteristics who are potentially affected by the decision. The extent of the duty will necessarily vary from case to case and due regard is such regard as is appropriate in all the circumstances.
- 9.16. The Equality and Human Rights Commission has 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:  
<https://www.equalityhumanrights.com/en/advice-and-guidance/equality-act-codes-practice>  
<https://www.equalityhumanrights.com/en/advice-and-guidance/equality-act-technical-guidance>
- 9.17. The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:

- [The essential guide to the public sector equality duty](#)
- [Meeting the equality duty in policy and decision-making](#)
- [Engagement and the equality duty: A guide for public authorities](#)
- [Objectives and the equality duty. A guide for public authorities](#)
- [Equality Information and the Equality Duty: A Guide for Public Authorities](#)

9.18. 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: <https://www.equalityhumanrights.com/en/advice-and-guidance/public-sector-equality-duty-guidance#h1>

## **10. CRIME AND DISORDER IMPLICATIONS**

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

## **11. EQUALITIES IMPLICATIONS**

11.1. There are no specific equalities implications directly arising from this report.

## **12. ENVIRONMENTAL IMPLICATIONS**

12.1 There are no specific environmental implications directly arising from this report.

## **13. CONCLUSION**

13.1. All 33 London Authorities plus the GLA have to sign up to these agreements in order for the pilot pool to begin on the 1 April 2018. The deadline for the Council to approve these recommendations is mid-January 2018.

### **For further information on this report, please contact:**

David Austin Head of Corporate Resources on 020 8314 9114

## **APPENDICES**

### **Appendix 1**

Draft Designation Letter

### **Appendix 2**

Memorandum of Understanding between London Government and Central Government

### **Appendix 3**



Memorandum of Understanding between the Participating Authorities

**Appendix 4**

Trowers and Hamlins – Legal Note on Executive Functions

**Appendix 5**

Trowers and Hamlins – Advice on the Legal Framework and Governance Options

**Appendix 6**

London Business Rates Pilot Pool 2018-19 Final Prospectus

## APPENDIX 1



# Department for Communities and Local Government

Dr Peter Kane  
Chamberlain  
City of London Corporation  
P.O. Box 270  
Guildhall  
London  
EC2P 2EJ

19 December 2017

Dear Peter

Further to your application to form a 100% Business Rates Pilot, this is to confirm that, accordingly, the Secretary of State has agreed to invoke the London Business Rates Pool for the purposes of administering your pilot.

In accordance with paragraph 34 of Schedule 7B to the Local Government Finance Act 1988 (“the 1988 Act”), the Secretary of State designates the member authorities listed below as a pool of authorities for the purposes of the scheme for local retention of non-domestic rates under Schedule 7B to the 1988 Act:

- The Greater London Authority
- The Common Council of the City of London; and

The London Boroughs of:

- Barking and Dagenham
- Barnet
- Bexley
- Brent
- Bromley
- Camden
- Croydon
- Ealing
- Enfield
- Greenwich
- Hackney
- Hammersmith and Fulham
- Haringey
- Harrow

## APPENDIX 1

- Havering
- Hillingdon
- Hounslow
- Islington
- Kensington and Chelsea
- Kingston upon Thames
- Lambeth
- Lewisham
- Merton
- Newham
- Redbridge
- Richmond upon Thames
- Southwark
- Sutton
- Tower Hamlets
- Waltham Forest
- Wandsworth
- Westminster

All members of the pool have agreed to this designation and subject to the paragraphs below those authorities will be members of the pool for the financial year 2018/19.

The designation has effect for the year beginning 1st April 2018, for the 2018/19 financial year only, unless revoked.

This designation is made subject to the conditions below.

1. The authorities to which this designation relates must appoint a lead authority to exercise the following functions:
  - To make and receive, on behalf of the pool members, payments in respect of any top ups and tariffs, levy and safety net and safety net on account payments to and from the Department.
  - To make and receive payments between members of the pool as determined by the governance agreements.
  - Administration (including the operation of the dissolution arrangements) of the pool in accordance with the governance arrangements.
2. If this designation is revoked, the authorities covered by this designation must take the following step before the revocation takes effect:
  - Comply with the dissolution arrangements established in the pool's governance agreement.

## APPENDIX 1

Local authorities in the pool will have 28 days beginning with the date on which the draft Local Government Finance Report is published to consider if they wish to continue to be designated as a pool. Provided that no authority within the pool requests the Secretary of State to make a revocation during that period, the pool will come into effect on 1 April 2018, meaning that all local authorities covered by the designation will remain in the pool for the full financial year.

If a member of the pool decides it no longer wishes to be designated as part of a pool for 2018-19 it must notify DCLG using the e-mail address in the following paragraph. If a local authority exercises this option to request revocation of the designation before the cut-off date the rest of the pool cannot continue. The Secretary of State will then revoke this designation and the local authorities identified as part of this pool will revert to being considered as individual authorities for the purposes of the business rates retention scheme.

If there are any questions about the content of this letter and the enclosed designation please contact David Bull on 0303 444 1725 or at [David.Bull@communities.gsi.gov.uk](mailto:David.Bull@communities.gsi.gov.uk), as soon as possible.

Signed by authority of the Secretary of State for Communities and Local Government:



Sophie Broadfield

A member of the Senior Civil Service in the Department for Communities and Local Government

19 December 2017

**APPENDIX 2 - Memorandum of Understanding  
between London Government and Central  
Government**

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**Memorandum of Understanding on the London 100% business rates retention  
pilot 2018-19**

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Department for  
Communities and  
Local Government



**MAYOR OF LONDON**



.....  
Rt Hon Sajid Javid MP  
Secretary of State for Communities and  
Local government



.....  
Sadiq Khan  
Mayor of London



.....  
Rt Hon Greg Hands MP  
Minister for London



.....  
Cllr Claire Kober  
Chair, London Councils



# 100% Business Rates Retention Pilot 2018-19 Agreement for London

## Introduction

1. In the Spring Budget 2017, the London Devolution Memorandum of Understanding<sup>1</sup> included a commitment to exploring options for granting London government greater powers and flexibilities over the administration of business rates, including supporting the voluntary pooling of business rates within London, subject to appropriate governance structures being agreed.
2. This Memorandum of Understanding confirms the commitment by the Government, the Mayor of London and London local government to pilot the principles of 100% business rates retention in 2018-19 through a pan-London business rates pool. It sets out the terms by which the local authorities listed at **Annex A** will pilot 100% business rates retention.
3. This agreement comes into effect from 1 April 2018 and expires on 31 March 2019.

## Pilot principles

4. The pilot pool will be voluntary, but will include all 32 London boroughs, the Corporation of the City of London and the Greater London Authority [“the London authorities”].
5. From 1 April 2018 the London authorities will retain 100% of their non-domestic rating income<sup>2</sup>. They will also receive section 31 grants in respect of Government changes to the business rates system which reduce the level of business rates income. Section 31 grant will amount to 100% of the value of the lost income. Tariffs and top-ups will be adjusted to ensure cost neutrality.
6. In moving to 100% rates retention, the Department for Communities and Local Government will no longer pay Revenue Support Grant to the London authorities in 2018/19. The value of these grants in 2018/19 is set out in **Annex B**.
7. The London authorities will not be subject to more onerous rules or constraints under the 100% rates retention pilot, than they would have been if they had remained subject to the 67% scheme in place in 2017-18 reflecting the

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<sup>1</sup> <https://www.gov.uk/government/publications/memorandum-of-understanding-on-further-devolution-to-london>

<sup>2</sup> As defined in the Non-Domestic Rating (Rates Retention) Regulations 2013 (SI2013/452) (as amended).

incremental impact of the Greater London Authority's partial pilot as a result of the rolling in of its revenue support grant and the Transport for London investment grant. No "new burdens" will be transferred to London and participation in the pilot will not affect the development or implementation of the Fair Funding Review.

8. Levy and safety net payments due from/to the London business rates pool will be calculated, in accordance with the Non-Domestic Rating (Levy and Safety Net) Regulations 2013 (SI 2013/737) (as amended), as if the London authorities were not 100% pilots, but instead were operating under the 50% rates retention scheme adjusted for the GLA's partial pilot for 2017-18 which is continuing as part of the pool and increased the locally retained share to 67%.
9. However, notwithstanding the calculation of levy and safety net payments under the Regulations, the Government will calculate levy and safety net payments due from/to the London business rates pool on the basis that it has a "zero" levy rate and "safety net threshold" of 97%, and that the London authorities will be retaining 100% of London's business rates income. The difference between any sums due under this calculation and the levy/safety net due under SI 2013/737 will be paid to the London business rates pool via a section 31 grant.
10. The piloted approach is to be without detriment to the resources that would have been available collectively to the 34 London authorities under the current local government finance regime, over the four year settlement period. This includes current 67% scheme growth retained under the retention pilot, and reflects Enterprise Zones and "designated areas" where the designations made by the Secretary of State came into force on or before 1 April 2018, along with other special arrangements, such as the statutory provision to reflect the unique circumstances of the City of London Corporation.

#### **Distribution of any financial benefit**

11. The 34 London authorities will prepare a framework agreement for the operation of a pilot pool in which:
  - each authority will receive at least as much from the pool as they would have individually under the existing 67% retention scheme;
  - 15% of any net financial benefit will be set aside as a "Strategic Investment Pot" (see paragraphs 13 and 14); and
  - the resources not top-sliced for the investment pot will be shared between the GLA and the 33 billing authorities (the 32 boroughs and the Corporation of London) in the ratio 36:64, in accordance with the principle previously



agreed by London Councils and the GLA in the joint business rate devolution proposals to Government in September 2016.

12. **Strategic investment** The Mayor of London commits that the GLA's share of any additional net financial benefit from the pilot will be spent on strategic investment projects. Decisions on the allocation of the GLA's share will be made by the Mayor of London.
13. For this purpose, and for the separate joint strategic investment pot, "strategic investment" is defined as projects that will contribute to the sustainable growth of London's economy which lead to an increase in London's overall business rate income. Examples of the kinds of projects the Mayor will seek to support with the GLA's share include supporting the delivery of housing through infrastructure investment and the provision of skills and training to further support housing delivery.
14. The joint strategic investment pot will be spent on projects that meet each of the following requirements:
  - contribute to the sustainable growth of London's economy and an increase in business rates income either directly or as a result of the wider economic benefits anticipated;
  - leverage additional investment funding from other private or public sources; and
  - have broad support across London government in accordance with the proposed governance process (see paragraph 16).
15. It is anticipated that approximately 50% of net additional benefits arising from the pilot pool will be spent on strategic investment projects.

## **Governance**

16. Decisions regarding the Strategic Investment Pot will be taken formally by the Corporation of the City of London - as the lead authority - in consultation with all member authorities, reflecting voting principles designed to protect Mayoral, borough and sub-regional interests, previously endorsed by Leaders and the Mayor in the London Finance Commission (both 2013 and 2017), and set out in London Government's detailed proposition on 100% business rates in September 2016. These are that:
  - both the Mayor and a clear majority of the boroughs would have to agree;
  - a majority would be defined as two-thirds of the 33 billing authorities (the 32 boroughs and the Corporation of the City of London), subject to the caveat

that where all boroughs in a given sub-region disagreed, the decision would not be approved;

- if no decisions on allocation can be reached, the available resources would be rolled forward within the pot for future consideration at the next decision making round.

17. It is envisaged that decisions will be taken bi-annually to coincide with meetings of the Congress of Leaders and the Mayor of London.

### **Evaluation**

18. The Government will undertake a qualitative evaluation the progress of the pilot based on the current research programme for the existing business rate retention pilots, with additional focus on the governance mechanism and decision making process, and the scale of resources dedicated to strategic investment.

### **Next steps**

19. As specified in paragraph 3, the pilot will operate for one year. The Government is committed to giving local government greater control over the revenues they raise. Subject to the evaluation of the pilot, the Government will work with London authorities to explore: the options for grants including, but not limited to, Public Health Grant and the Improved Better Care Fund; the potential for transferring properties on the central list in London to the local list where appropriate; and legislative changes needed to develop a Joint Committee model for future governance of a London pool.

20. The Government will prepare a “designation order” establishing a London pilot pool and reflect this in the Provisional Local Government Finance Settlement in December. If any authority decides to opt out within the following 28 days – that is, by 28 days after the Provisional Local Government Finance Settlement – the pool would not proceed.

21. London Government will draft a pooling agreement between the 34 London authorities by which London Government collectively decides how to operate the pool and distribute the financial benefits. Each authority will be required to take the relevant decisions through its own constitutional decision-making arrangements.

# Annex A

## **Authorities in the London Pilot**

Barking & Dagenham  
Barnet  
Bexley  
Brent  
Bromley  
Camden  
City of London  
Croydon  
Ealing  
Enfield  
Greenwich  
Hackney  
Hammersmith & Fulham  
Haringey  
Harrow  
Havering  
Hillingdon  
Hounslow  
Islington  
Kensington & Chelsea  
Kingston upon Thames  
Lambeth  
Lewisham  
Merton  
Newham  
Redbridge  
Richmond upon Thames  
Southwark  
Sutton  
Tower Hamlets  
Waltham Forest  
Wandsworth  
Westminster  
Greater London Authority

## Annex B

### Grants

The amount of Revenue Support Grant (RSG) to be 'rolled-in' to 100% rates retention for 2018/19 for each authority is set out below. This is in addition to the sums rolled in in 2017-18 in respect of the Transport for London investment grant and the Greater London Authority's RSG under the GLA's partial pilot.

<b>RSG</b>	<b>Amount (£m) for 2018/19</b>
Barking & Dagenham	23.3
Barnet	14.9
Bexley	8.5
Brent	33.7
Bromley	4.3
Camden	31.9
City of London	7.5
Croydon	23.3
Ealing	26.2
Enfield	25.7
Greenwich	33.3
Hackney	45.0
Hammersmith & Fulham	23.4
Haringey	30.2
Harrow	7.3
Havering	6.8
Hillingdon	13.1
Hounslow	15.7
Islington	32.6
Kensington & Chelsea	16.3
Kingston upon Thames	1.5
Lambeth	42.8
Lewisham	36.9
Merton	10.1
Newham	46.4
Redbridge	16.8
Richmond upon Thames	0.0
Southwark	47.0
Sutton	11.8
Tower Hamlets	43.8
Waltham Forest	26.1
Wandsworth	30.2
Westminster	38.1



dated 12 December 2017

**The Greater London Authority**  
and  
**The London Boroughs**  
and  
**City of London Corporation**  
**(together the Participating Authorities)**

**Memorandum of understanding**  
in relation to London Business Rates Pool

Trowers & Hamlins LLP  
3 Bunhill Row  
London  
EC1Y 8YZ  
t +44 (0)20 7423 8000  
f +44 (0)20 7423 8001  
[www.trowers.com](http://www.trowers.com)

**trowers & hamlins**

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# London Business Rates Pool

## Memorandum of Understanding

### THE GREATER LONDON AUTHORITY and THE LONDON BOROUGHS and THE CITY OF LONDON CORPORATION (together the "Participating Authorities")

#### 1 Legal Effect and Definitions

1.1 This Memorandum of Understanding is produced as a Statement of Intent by the Participating Authorities and shall not be legally binding.

**COLC** means the City of London Corporation, acting by the Common Council in its capacity as a local authority and billing authority;

**DCLG** means the Department for Communities and Local Government;

**Designation Order** means the designation order made by the Secretary of State for Communities and Local Government pursuant to his/her powers under Schedule 7B, Paragraph 34 of the LGFA 1988 a draft of which is annexed at Appendix 1;

**Government** means Her Majesty's Government of the United Kingdom;

**Lead Authority and Accountable Body** means the City of London Corporation acting in its capacity as a local authority and a Participating Authority who shall act as the Accountable Body and lead in managing the Pool's resources, day-to-day financial management of the Pool and the financial interactions with the Government in relation to the Pool and shall constitute the key contact between the Government and the Pool;

**Leaders** mean the leaders (including elected Mayors where applicable) of the Participating Authorities or, in the case of the COLC, the Chairman of the Policy and Resources Committee of the Common Council;

**LGFA 1988** means the Local Government Finance Act 1988 (as amended);

**London Boroughs** means the 32 London boroughs as set out at Appendix 2;

**London Local Authorities** means the London Boroughs and the City of London Corporation in its capacity as a local authority;

**NDR Levy Regulations** means Non-Domestic Rating (Levy and Safety Net) Regulations 2013 (SI 2013/737) (as amended);

**NDRR Retention Regulations** means Non-Domestic Rating (Rates Retention) Regulations 2013 (SI 2013/452) (as amended);

**ONS** means Office for National Statistics;

**Participating Authorities** means the London Boroughs, the City of London Corporation (**COLC**) acting in its capacity as a local authority and the Greater London Authority (**GLA**) (and **Participating Authority** shall be construed accordingly);

**Pool** means the London business rates pool for 2018-19 between the Participating Authorities in accordance with this Memorandum of Understanding;

**Section 31 Grant** means grant paid by a Minister of the Crown to a local authority in England in accordance with section 31 of the Local Government Act 2003;

**Strategic Investment Pot (SIP)** means the funds made available for strategic investment pursuant to top slicing in accordance with paragraph 6.1.3 which shall be used by the Participating Authorities following the Lead Authority's approval to fund projects that will deliver economic growth for London;

**Strategic Investment Projects** means projects which are potentially eligible for strategic investment from the SIP.

## 2 **Background**

2.1 This Memorandum of Understanding (**MOU**) between the Participating Authorities sets out the basis on which the Participating Authorities have collectively agreed to operate the Pool and distribute the financial benefits. No provision with this MOU is intended to create any legal relations between the Participating Authorities.

2.2 The Participating Authorities agree to act collaboratively and to co-operate with each other in utmost good faith.

2.3 Autumn Budget 2017 confirmed government commitment to the London Business Rates retention pilot for 2018/19. This was formally confirmed in a Memorandum of Understanding on the London 100% business rates retention pilot 2018/19 signed by the



Mayor, the Chair of London Councils, the Minister for London and Secretary of State for Communities and Local Government.

- 2.4 The Government has prepared the draft Designation Order attached at Appendix 1 to this Memorandum of Understanding, which establishes the Pool, and shall reflect this in the Provisional Local Government Finance Settlement in December 2017.
- 2.5 The Government is committed to giving the Participating Authorities greater control over the revenues they raise. Subject to the evaluation of the Pilot, the Government will work with London Local Authorities and the GLA to explore the options for grants including, but not limited to: Public Health Grant and the Improved Better Care Fund being transferred to the Pool; the potential for transferring properties in London on the central list to the local list where appropriate; and legislative changes needed to develop a joint committee model for future governance of a London pool.
- 2.6 The Government shall undertake a qualitative evaluation of the progress of the Pool based on the current research programme for the existing business rate retention pilots, with additional focus on the governance mechanism and decision-making process, and the scale of resources dedicated to strategic investment.
- 2.7 Subject to an evaluation of the governance mechanism for the Pool (see paragraph 7), the Government shall explore legislative changes needed to develop a joint committee model in future.

### **3 Aim/Rationale of the Pool**

- 3.1 The Pool will aim to improve the well-being of the communities the Participating Authorities serve in London. By working together, they can retain a greater proportion of business rate growth within London, providing opportunities to further economic growth as well as building financial resilience.

### **4 Principles of the Pilot Pool**

- 4.1 The Participating Authorities hereby confirm their agreement to participate in compliance with this MOU and confirm that they have resolved or intend to duly and properly resolve to accept the Designation Order in satisfaction of Schedule 7B, Paragraph 34(2) of LGFA 1988.
- 4.2 From 1 April 2018 the Participating Authorities shall retain 100% of their non-domestic rating income<sup>1</sup>. The Participating Authorities shall also receive Section 31 Grant from the

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<sup>1</sup> As defined in the Non-Domestic Rating (Rates Retention) Regulations 2013 (SI2013/452) (as amended).

Government in respect of changes to the business rates system. Section 31 Grant shall amount to 100% of the value of the lost income.

- 4.3 In moving to 100% rates retention, the DCLG shall not pay Revenue Support Grant (**RSG**) to the London Local Authorities in 2018/19. The equivalent value of the notional RSG in 2018/19 is set out in Appendix 3. Tariffs and top-ups will be adjusted accordingly to reflect both the 100% retention of rating income and higher funding baselines.
- 4.4 The Participating Authorities shall not be subject to more onerous rules or constraints under the 100% rates retention Pilot than they would have been if they had remained subject to the 67% retention scheme in place in 2017-18 (which reflects the incremental impact of the GLA's partial pilot as a result of the rolling in of the GLA's RSG and the Transport for London investment grant). No "new burdens" will be transferred to the Participating Authorities and participation in the Pilot will not affect the development or implementation of the Fair Funding Review.
- 4.5 Levy and safety net payments due from/to the Pool shall be calculated in accordance with the NDR Levy Regulations, as if the Participating Authorities were not 100% pilots, but instead were operating under the 50% rates retention scheme adjusted for the GLA's partial pilot for 2017-18 which is continuing as part of the Pool and increased the locally retained share to 67%.
- 4.6 However, notwithstanding the calculation of levy and safety net payments under the NDR Levy Regulations, the Government shall calculate levy and safety net payments due from/to the Pool on the basis that it has a "zero levy rate" and "safety net threshold" of 97%, and that the Participating Authorities will be retaining 100% of London's business rates income. The difference between any sums due under this calculation and the levy/safety net due shall be paid to the Pool via a Section 31 Grant.
- 4.7 This Pool shall be without detriment to the resources that would have been available collectively to the Participating Authorities under the current local government finance regime, over the four-year settlement period. This includes current 67% scheme growth, and reflects Enterprise Zones and "designated areas" where the designations made by the Secretary of State came into force on or before 1 April 2018, along with other special arrangements, such as the statutory provision to reflect the unique circumstances of the COLC, as currently contained in Part II of Schedule 7 to the Local Government Finance Act 1988 and paragraph 1(2) of Schedule 1 to the Non-Domestic Rating (Rates Retention) Regulations 2013.

5 **Term of MOU**

5.1 This MOU comes into effect from 1 April 2018 and shall continue to be in place unless terminated in accordance with paragraph 5.2 and 11 below ("Dissolution of the Pool").

5.2 Were the Pilot to be revoked or the Government to decide that the Pilot should cease after one year (such year commencing on 1 April and ending on 31 March), then the Pool shall lapse at the end of that year and shall be dissolved in accordance with the provisions contained in paragraph 11 below. However, were the Pilot to be continued, the Pool shall continue up to 31 March 2020 unless otherwise agreed in writing by all the Participating Authorities or unless any Participating Authority should choose to leave the Pool in accordance with paragraph 11.2 below.

5.3 The Pool will not continue beyond 31 March 2020 without the unanimous written agreement of all Participating Authorities.

6 **Distribution of any financial benefit**

6.1 This MOU shall constitute the framework agreement for the operation of the Pool in which:

6.1.1 each of the Participating Authorities shall receive at least as much from the Pool as they would have individually under the previously applicable 67% retention scheme;

6.1.2 the distribution of net additional benefit through growth in business rates collected in London will, subject to paragraph 6.1.3, be allocated to Participating Authorities on the basis of the following proportions:

(a) 15% to incentivise growth by allowing the Participating Authorities where growth occurs to keep a proportion of the additional resources retained as a result of the Pool;

(b) 35% to reflect the Settlement Funding Assessment;

(c) 35% according to each Participating Authority's per capita formulation as calculated by the ONS projection for the relevant year (starting with 2018); and

(d) 15% for the SIP (see paragraph 10 below).

6.1.3 the GLA shall be allocated 36% of each of the sums falling within the subparagraphs (a) to (c) above, in order to ensure that such resources as are not top-sliced for the SIP shall be shared between the GLA and the London Local

Authorities in the ratio 36:64, in accordance with the principle previously agreed by London Councils and the GLA in the joint business rate devolution proposals to the Government in September 2016<sup>2</sup>.

## 7 **Governance**

7.1 The Participating Authorities have resolved to delegate administrative functions in respect of their powers as billing authorities<sup>3</sup> under the NDRR Retention Regulations to COLC acting as the Lead Authority and pursuant to s101 Local Government Act 1972 or Section 9EA(1) of the Local Government Act 2000 where the authorities operate executive arrangements to COLC as the Lead Authority and Accountable Body.

7.2 The GLA has resolved to delegate administrative functions as a major precepting authority under s.39(1)(aa) of the Local Government Finance Act 1992 to COLC.

## 8 **Lead Authority**

8.1 COLC shall act as the accountable body to Government and administer the Pool and provide a secretariat with the assistance of the GLA and London Councils for assessing the Participating Authorities' applications for the SIP against the criteria set out in 10.3.

8.2 The GLA shall provide transactional support to the COLC, including treasury management issues and making any monetary transfers between billing authorities in respect of the Pool on behalf of the Lead Authority including any sums due to the GLA. These monetary transfers between participating authorities will be collected or paid by the GLA on the basis of a schedule of payments which will be determined by the COLC in agreement with the Pool, reflecting the Government's payment requirements and scheduled instalment dates. This reflects the fact that the GLA already has the systems in place to manage payment flows to and from billing authorities for the existing business rate retention scheme. The GLA shall also transfer any sums required to COLC based on the schedule of instalments agreed with DCLG so that COLC as Lead Authority can pay the net tariff payment payable by the Pool as approved in the Local Government Finance Settlement. COLC shall also transfer any sums it receives from DCLG in safety net payments to the GLA so that it can distribute this to eligible authorities if applicable.

8.3 The Lead Authority's standard responsibilities shall include but not be limited to:

8.3.1 all accounting for the finances of the Pool and the SIP including payments to and from the Government;

<sup>2</sup> <http://www.londoncouncils.gov.uk/node/30451>.

<sup>3</sup> Paragraph 45 (Interpretation) of Schedule 7B defines a "relevant authority" as a billing authority in England, or a major precepting authority in England. The list of billing authorities at Schedule 5, Part 1 of the Non-domestic Rating (Rates Retention) Regulations 2013/452 includes the GLA and the London Boroughs<sup>3</sup> as billing authorities and the GLA is also a precepting authority pursuant to section 39 (1) of the Local Government Finance Act 1992.

- 8.3.2 management of the Pool's collection fund;
  - 8.3.3 receiving payments from Participating Authorities and making payments to central government on behalf of Participating Authorities on time;
  - 8.3.4 maintaining a cash account on behalf of the Pool and paying interest on any credit balances;
  - 8.3.5 liaising with and completing all formal Pool returns to central government;
  - 8.3.6 administering the schedule of payments between Pool members in respect of the financial transactions that form part of the Pool's resources;
  - 8.3.7 providing the information required by Participating Authorities in preparing their annual statement of accounts in relation to the activities and resources of the Pool;
  - 8.3.8 leading on reporting to understand the Pool's position during and at the end of the financial year;
  - 8.3.9 responsibility for the net tariff payment to central government as well as the internal tariff and top up payments to the Pool Authorities;
  - 8.3.10 all audit requirements in relation to the Pool;
  - 8.3.11 production of an annual report of the Pool's activity following final allocation of funds for the year;
  - 8.3.12 the administration of the dissolution of the Pool;
  - 8.3.13 all communications with the DCLG including year-end reconciliations;
  - 8.3.14 the collation and submission of information required for planning and monitoring purposes.
- 8.4 The Lead Authority's role in relation to the SIP shall include but not be limited to:
- 8.4.1 maintenance and support of the Pool's governance arrangements and the methodology for the allocation of resources;
  - 8.4.2 assessment and preparation of reports on applications for the SIP supported by London Councils and the GLA in accordance with the agreed criteria.

8.5 The Lead Authority shall prepare reports with proposed recommendations as to SIP allocations and shall circulate the reports to the Participating Authorities for consultation at least 6 weeks in advance of Congress meetings and each Participating Authority shall decide in its absolute discretion and in accordance with its own governance process and scheme of delegation whether that Participating Authority wishes to recommend to the Lead Authority that a Strategic Investment Project is supported or rejected and if rejected together with its reasons for such recommendation. The Lead Authority shall pay due regard to each of the Participating Authorities' responses and may only decide to approve any Strategic Investment Project which meets the majority decision-making arrangements detailed below at paragraph 10.4.

8.6 The Lead Authority may resign from its role on 3 months' written notice to all the Participating Authorities (or longer if required by the Government or where another Participating Authority is neither ready nor willing to assume the role of Lead Authority).

## 9 **Participating Authorities' responsibilities**

9.1 The Lead Authority on behalf of the Pool will need full and accurate relevant information (the "**Reporting Information**") from each of the Participating Authorities in order to enable the Lead Authority to make payments to Government and to and from the Participating Authorities. The Lead Authority shall request the Reporting Information and each Participating Authority shall provide timely Reporting Information to the Lead Authority.

9.2 Each Participating Authority shall make or receive payments to or from the Lead Authority based on the schedule of payments dates referred to in paragraph 8.2.

## 10 **Strategic investment**

10.1 The GLA commits that the GLA's share of any net financial benefit as calculated using the formula at paragraph 6.1.2 shall be spent on strategic investment.

10.2 The combination of the GLA share and the SIP shall as a result of the formula set out in paragraph 6.1.2 make up approximately 50% of the net additional benefits arising from the Pool.

10.3 The SIP shall be spent on projects that:

10.3.1 contribute to the sustainable growth of London's economy and an increase in business rates income either directly or as a result of the wider economic benefits anticipated;

10.3.2 leverage additional investment funding from other private or public sources; and

- 10.3.3 have broad support across London government in accordance with the proposed governance process (see paragraph 10.4 below).
- 10.4 The COLC as Lead Authority shall decide which projects shall be allocated SIP funding following prior consultation with the GLA and the London Boroughs, reflecting decision-making principles designed to protect Mayoral, borough and sub-regional<sup>4</sup> interests, previously endorsed by Leaders and the Mayor of London. These are that:
- 10.4.1 both the GLA and the majority of the London Local Authorities shall have agreed to recommend a Strategic Investment Project for approval; and
- 10.4.2 for these purposes the "majority" shall constitute two-thirds of the London Local Authorities save that where all Participating Authorities in a single sub-region disagree the decision shall not be deemed agreed;
- 10.4.3 if no majority consensus on allocation of the SIP to Strategic Investment Projects can be agreed to enable the Lead Authority to make a decision then the available resources in the SIP shall be rolled forward for future consideration until the resources are spent.
- 10.5 The COLC decisions on Strategic Investment Project allocation shall be taken twice a year to ensure that reports back on Strategic Investment Project allocation decisions coincide with meetings of the Congress of Leaders and the Mayor of London.
- 10.6 Each Participating Authority agrees that it shall ensure that any Strategic Investment Project which it proposes to implement shall be within its powers as a local authority, compliant with public procurement and state aid law, the public sector equality duty and all other legal requirements and proper accounting practices.

## 11 **Dissolution of the Pool**

- 11.1 The Pilot is presumed to operate for 2018-19 only in respect of which the Government will make the Designation Order. Were the Pilot to continue, the Pool will be assumed to continue but any Participating Authority may give notice to leave during the operation of the Pool in accordance with paragraph 5.2 above.
- 11.2 Any Participating Authority seeking to leave the Pool should inform DCLG and all other Participating Authorities as soon as possible. In the event of one or more Participating Authorities leaving the Pool, this Pool would cease to operate at the end of 31<sup>st</sup> March of that year and the Pool would be dissolved in accordance with the provisions of this MOU.

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<sup>4</sup> London Councils' map of sub-regions is annexed at Appendix 4. For these purposes, the sub-regions are defined as the Central, West, South and Local London sub-regions as defined for devolved employment support arrangements. If in the future, boroughs wished to change the initial groupings that could be achieved by agreement of the Pool member authorities.

Once the Pool has been established, any Participating Authority leaving the Pool must notify the other Participating Authorities by 30<sup>th</sup> September in any year, to allow the remaining Participating Authorities time to seek designation of a new pool for the following year.

11.3 The Lead Authority shall make the necessary calculations and submit the required returns associated with the dissolving of the Pool and shall deal with all outstanding applications in relation to the Pool's SIP following dissolution of the Pool in accordance with paragraph 11.2 above.

11.4 In the event that the Pool is dissolved in accordance with paragraph 11.2, the Lead Authority shall distribute to the Participating Authorities any resources held on behalf of the Pool in accordance with the distribution formula set out at paragraph 6.1.2 above, subject to holding back funds required for the resolution of any outstanding appeals relating to the period of the Pool's operation.

11.5 COLC shall continue to act as Lead Authority for as long there are any outstanding Pool responsibilities.

11.6 The remaining Participating Authorities of the Pool may in their discretion agree to form a new pool and, if they wish, include new members for the following year (subject to a new designation order being made by The Secretary of State for Communities and Local Government).

12 **Signatories for and on behalf of the Participating Authorities below in their official capacity**

Greater London Authority	Mayor of London.....
The Common Council of the City of London	Chairman Policy and Resources .....

The following London Boroughs:

London Borough of Barking and Dagenham	Leader.....



London Borough of Barnet	Leader.....
London Borough of Bexley	Leader.....
London Borough of Brent	Leader.....
London Borough of Bromley	Leader.....
London Borough of Camden	Leader.....
London Borough of Croydon	Leader.....
London Borough of Ealing	Leader.....
London Borough of Enfield	Leader.....
London Borough of Greenwich	Leader.....
London Borough of Hackney	Mayor.....
London Borough of Hammersmith and Fulham	Leader.....
London Borough of Haringey	Leader.....
London Borough of Harrow	Leader.....
London Borough of Havering	Leader.....
London Borough of Hillingdon	Leader.....
London Borough of Hounslow	Leader.....
London Borough of Islington	Leader.....
London Borough of Kensington and Chelsea	Leader.....
London Borough of Kingston upon Thames	Leader.....

London Borough of Lambeth	Leader.....
London Borough of Lewisham	Mayor.....
London Borough of Merton	Leader.....
London Borough of Newham	Mayor.....
London Borough of Redbridge	Leader.....
London Borough of Richmond upon Thames	Leader.....
London Borough of Southwark	Leader.....
London Borough of Sutton	Leader.....
London Borough of Tower Hamlets	Mayor.....
London Borough of Waltham Forest	Leader.....
London Borough of Wandsworth	Leader.....
City of Westminster	Leader.....

## Appendix 1

### Draft Designation Order



## Department for Communities and Local Government

Dear ----,

Further to the announcement in the Budget that the Greater London Authority, the Common Council of the City of London and the 32 London Boroughs are to pilot 100% business rates retention in 2018-19, in accordance with paragraph 34(1) of Schedule 7B to the Local Government Finance Act 1988 (the "1988 Act"), the Secretary of State herewith designates the following authorities as a pool for the purpose of the relevant provisions of the 1988 Act:

- The Greater London Authority
- The Common Council of the City of London; and

The London Boroughs of:

- Barking and Dagenham
- Barnet
- Bexley
- Brent
- Bromley
- Camden
- Croydon
- Ealing
- Enfield
- Greenwich
- Hackney
- Hammersmith and Fulham
- Haringey
- Harrow
- Havering
- Hillingdon
- Hounslow
  
- Islington

- Kensington and Chelsea
- Kingston upon Thames
- Lambeth
- Lewisham
- Merton
- Newham
- Redbridge
- Richmond upon Thames
- Southwark
- Sutton
- Tower Hamlets
- Waltham Forest
- Wandsworth
- Westminster

All members of the Pilot pool have agreed to this designation.

The designation has effect for the year beginning 1st April 2018 and for each subsequent year, unless revoked.

This designation is made subject to the conditions below.

1. The authorities to which this designation relates must appoint a lead authority to exercise the following functions:

- To make and receive, on behalf of the Pilot pool members, payments in respect of any top ups and tariffs, levy and safety net and safety net on account payments to and from the Department.
- To make and receive payments between members of the Pilot pool as determined by the governance agreements.
- Administration (including the operation of the dissolution arrangements) of the Pilot pool, in accordance with the governance arrangements.

2. If this designation is revoked, the authorities covered by this designation must take the following step before the revocation takes effect:

- Comply with the dissolution arrangements established in the Pilot pool's governance agreement.

Local authorities in the Pilot pool will have 28 days beginning with the date on which the draft Local Government Finance Report is published to consider if they wish to continue to be designated as a Pilot pool. Provided that no authority within the Pilot pool requests the Secretary of State to make a revocation during that period, the Pilot pool will come into effect on 1 April 2018, meaning that all local authorities covered by the designation will remain in the Pilot pool for the full financial year.

If a member of the Pilot pool decides it no longer wishes to be designated as part of a Pilot pool for 2018-19 it must notify DCLG using the e-mail address in the following paragraph. If a local authority

exercises this option to request revocation of the designation before the date of publication of the Provisional Local Government Finance Settlement 2018-19, the rest of the Pilot pool cannot continue. The Secretary of State will then revoke this designation and the local authorities identified as part of this Pilot pool will revert to being considered as individual authorities for the purposes of the business rates retention scheme.

As a consequence of the designation of the London Boroughs of Barking and Dagenham, Croydon and Havering in the above Pool, in accordance with paragraph 34(3) of Schedule 7B to the Local Government Finance Act 1988, the Secretary of State herewith revokes the designations under which, the London Boroughs of Barking and Dagenham, and Havering were part of the South Essex/East London Business Rates Pool and the London Borough of Croydon was part of the Surrey-Croydon Business rates Pool. Accordingly, the following pools will cease to exist from the end of the current financial year.

#### South Essex / East London Business Rates Pool

- Thurrock
- Basildon
- Havering
- Barking and Dagenham

#### Surrey – Croydon Pool Business Rates Pool

- Surrey
- Spelthorne
- Elmbridge
- Croydon
- Guildford
- Mole Valley
- Surrey Heath

If there are any questions about the content of this letter and the enclosed designation please contact Mark Barnett on 0303 444 4217 or at [Mark.Barnett@Communities.gsi.gov.uk](mailto:Mark.Barnett@Communities.gsi.gov.uk), as soon as possible.

Signed by authority of the Secretary of State for Communities and Local Government:

Alex Skinner

A member of the Senior Civil Service in the Department for Communities and Local Government

-- December 2017

**Appendix 2**  
**London Boroughs**

Barking & Dagenham

Barnet

Bexley

Brent

Bromley

Camden

Croydon

Ealing

Enfield

Greenwich

Hackney

Hammersmith & Fulham

Haringey

Harrow

Havering

Hillingdon

Hounslow

Islington

Kensington & Chelsea

Kingston upon Thames

Lambeth

Lewisham

Merton

Newham

Redbridge

Richmond upon Thames

Southwark

Sutton

Tower Hamlets

Waltham Forest

Wandsworth

Westminster

## Appendix 3

### Notional RSG

The amount of former notional revenue support grant to each constituent authority to be "rolled-in" to 100% rates retention for 2018/19 shall be:

#### Former RSG Amount

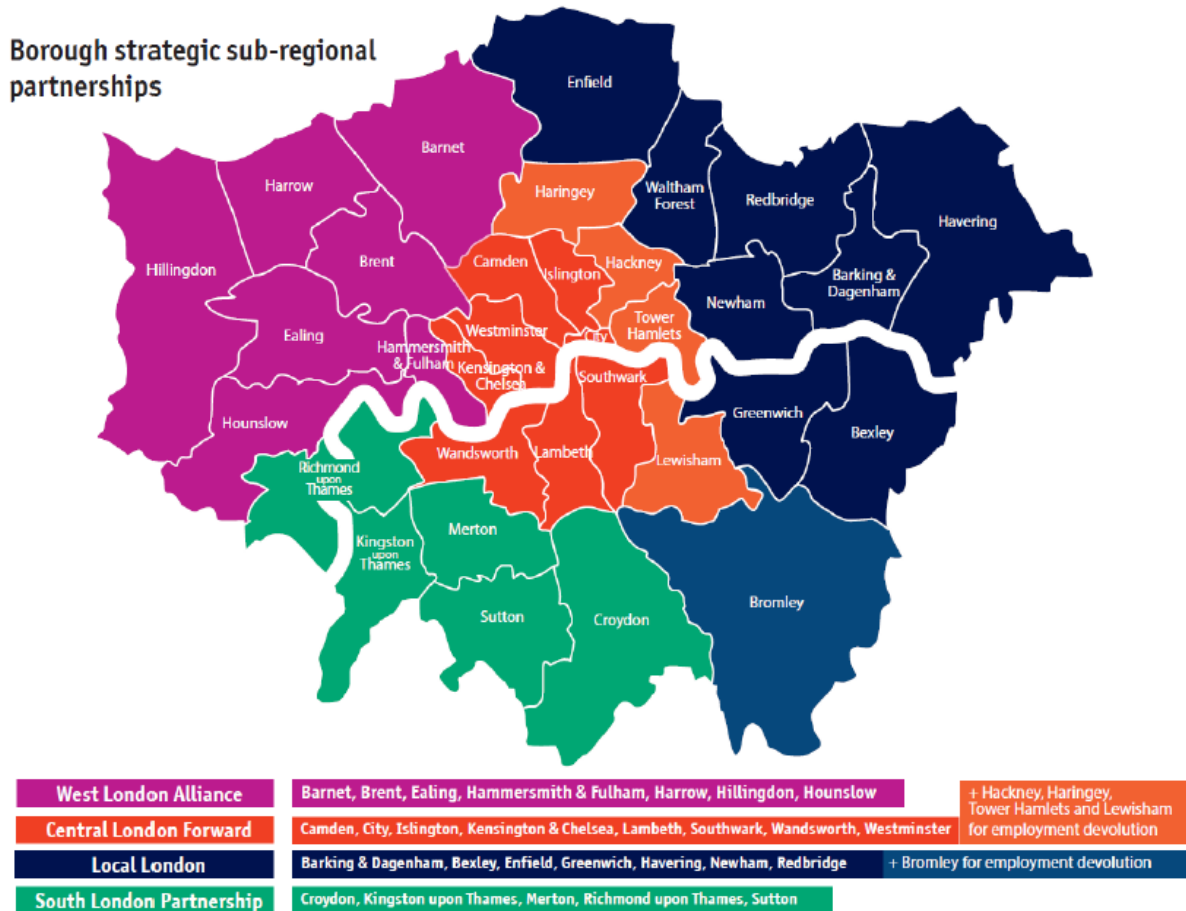
Authority	Amount (£m) for 2018/19
Barking & Dagenham	23.3
Barnet	14.9
Bexley	8.5
Brent	33.7
Bromley	4.3
Camden	31.9
City of London	7.5
Croydon	23.3
Ealing	26.2
Enfield	25.7
Greenwich	33.3
Hackney	45.0
Hammersmith & Fulham	23.4
Haringey	30.2
Harrow	7.3
Havering	6.8
Hillingdon	13.1
Hounslow	15.7
Islington	32.6
Kensington & Chelsea	16.3



Kingston upon Thames	1.5
Lambeth	42.8
Lewisham	36.9
Merton	10.1
Newham	46.4
Redbridge	16.8
Richmond upon Thames	0.0
Southwark	47.0
Sutton	11.8
Tower Hamlets	43.8
Waltham Forest	26.1
Wandsworth	30.2
Westminster	38.1

## Appendix 4

### Illustrative sub-regional groupings for the purposes of the "sub-regional veto" in respect of Strategic Investment Pot decisions





**Dated 16 November 2017**

**London Councils**

**Business Rates Pilot Pool**

**Legal Note on Executive Functions**

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Trowers & Hamblins LLP  
3 Bunhill Row  
London  
EC1Y 8YZ  
t +44 (0)20 7423 8000  
f +44 (0)20 7423 8001  
www.trowers.com

**trowers & hamblins**

Circulation Draft dated 16 November 2017

1 **Query: is participation in a business rates pool in pilot and entry into a Memorandum of Understanding an executive function?**

1.1 The relevant functions<sup>1</sup> are:

1.1.1 administrative functions as a billing authority<sup>2</sup> pursuant to the Non-Domestic Rating (Rates Retention) Regulations 2013, [and GLA only], administrative functions as a major precepting authority pursuant to s.39(1)(aa) of the Local Government Finance Act 1992];

1.1.2 entry into the Memorandum of Understanding (**MOU**) as ancillary and incidental to those functions pursuant to s.111 Local Government Act 1972<sup>3</sup>;

1.1.3 appointment of a representative for consultative purposes.

1.2 With regards to the administrative functions and the entry into the MOU, the Secretary of State has not made any regulations under s.9D(3) Local Government Act 2000 (**LGA 2000**). Therefore by default, the above functions fall to be the responsibility of the executive of the local authority under executive arrangements pursuant to s.9D(2) LGA 2000. Nor are the above functions listed in The Local Authorities (Functions and Responsibilities) (England) Regulations 2000. Hence under s.9DA(2) LGA 2000 the above functions are exercisable by the executive.

1.3 Moreover, pursuant to s.9E LGA 2000, any functions which under the arrangements are the responsibility of "*(a) a mayor and cabinet executive, or (b) a leader and cabinet executive (England), are to be discharged in accordance with this section*"<sup>4</sup>. The "*senior executive member - (a) may discharge any of those functions, or may arrange for the discharge of any of those functions - (i) by the executive, (ii) by another member of the executive, (iii) by a committee of the executive, (iv) by an area committee, or (v) by an officer of the authority*"<sup>5</sup>. Therefore, if operating executive arrangements, the decision with regard to the participation in the business rates pool and signature of the MOU can be made by the mayor and cabinet executive, or the leader and cabinet executive, or senior executive member, or by any other duly empowered individual or meeting in accordance with s.9E LGA 2000 and the authority's scheme of delegation.

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<sup>1</sup> "Function" means a function of any nature, whether conferred or otherwise arising before, on or after the passing of this Act: LGA 2000 Act s.9D(9). Any reference in Pt 1A to the discharge of any functions includes a reference to the doing of anything which is calculated to facilitate, or is conducive or incidental to, the discharge of those functions: 2000 Act s.9R(5): see *Champion v North Norfolk DC* [2013] EWHC 1065 (Admin) (para.1-36) (Cross on Local Government Law (2017, Sweet & Maxwell))

<sup>2</sup> Paragraph 45 (Interpretation) of Schedule 7B defines a "relevant authority" as a billing authority in England, or a major precepting authority in England. The list of billing authorities at Schedule 5, Part 1 of the Non-domestic Rating (Rates Retention) Regulations 2013/452 includes the GLA and the London Boroughs<sup>2</sup> as billing authorities and the GLA is also a precepting authority pursuant to section 39 (1) of the Local Government Finance Act 1992.

<sup>3</sup> Local authorities have a power to enter into arrangements between them including under section 111 of the LGA 1972: "*Without prejudice to any powers exercisable apart from this section but subject to the provisions of this Act and any other enactment passed before or after this Act, a local authority shall have power to do any thing (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions*". If the MOU is succeeded by a more detailed Inter Authority Agreement (**IAA**) this could be a legally binding contract. If so then the relevant power would be s111, LGA 1972 in conjunction with section 1(1) of the Local Government (Contracts) Act 1997 "*for the provision or making available of ... Services for the purposes of, or in connection with the discharge of the function of the local authority*".

<sup>4</sup> s.9E(1)(a), (b) Local Government Act 2000

<sup>5</sup> s.9E(2) Local Government Act 2000

- 1.4 The resolution also involves "appointment of a representative for the purposes of consultation". It is our view that this can similarly be regarded an "executive function" as it:
- 1.4.1 Will not involve the appointment to an external body per se; and
  - 1.4.2 Provided the appointment does not constitute a change of "office",
- 1.5 Then the resolution to delegate this consultative role does not fall within Schedule 2 of The Local Authorities (Functions and Responsibilities) (England) Regulations 2000, 'Functions which may be (but need not be) the responsibility of an authority's executive'.
- 1.6 However, whether a change of office is triggered (thus engaging paragraph 19<sup>6</sup> of Schedule 2) will depend upon the authority's own scheme of delegation and the terms of the relevant individual's current official mandate.
- 1.7 It is anticipated that the Leaders' Congress will be informed as to the outcome of the Lead Authority's decisions regarding SIP allocation to projects under the London Business rates pool but the Leaders' Congress will not be making decisions on this issue.<sup>7</sup>.

**Trowers & Hamlins LLP**

**Ref: HZR**

**16 November 2017**

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<sup>6</sup> Schedule 2 of The Local Authorities (Functions and Responsibilities) (England) Regulations 2000 'Functions which may be (but need not be) the responsibility of an Authority's Executive'

<sup>7</sup> "the appointment of any individual - (a) to any office other than an office in which he is employed by the authority; (b) to any body other than - (i) the authority; (ii) a joint committee of two or more authorities; or (c) to any committee or sub-committee of such body, and the revocation of any such appointment" may be (but need not be) the responsibility of an authority's executive"-Paragraph 19 of Schedule 2 of The Local Authorities (Functions and Responsibilities) (England) Regulations 2000.



**Dated 15 November 2017**

**London Councils**

**Pooling Business Rates in London**

**Advice on the legal framework and governance options**

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Trowers & Hamblins LLP  
3 Bunhill Row  
London  
EC1Y 8YZ  
t +44 (0)20 7423 8000  
f +44 (0)20 7423 8001  
www.trowers.com

**trowers & hamblins**

Circulation Draft dated 15 November 2017

## 1 Executive Summary

- 1.1 This note outlines the potential governance options for the proposed London Business Rates 100% retention pilot pool for 2018/19.
- 1.2 Most of the functions associated with the pool will be administrative and would be performed by a lead authority and accountable body.
- 1.3 It is proposed that a portion of some of the net gain from the pooling arrangement would be retained as a strategic investment pot (**SIP**) which could be used to fund projects that will deliver economic growth.
- 1.4 This note suggests alternative governance options for oversight of project funding approvals from the SIP.
- 1.5 The three most pragmatic forms of governance for the business rates pooling arrangement appear to be:
- 1.5.1 a joint committee (**Option 1**); or
  - 1.5.2 a quasi-contractual approach involving a lead authority in consultation with participating authorities (**Option 2**); or
  - 1.5.3 a lead authority with a decision-making meeting of duly authorised officers (**Option 3**).
- 1.6 Of these three options, it would appear that Option 2 would be the most appropriate as it affords more flexibility and would appear to have the most support based on discussions held to date via London Councils.
- 1.7 Option 2 would be documented in a non-legally binding Memorandum of Understanding. It would involve the individual local authorities delegating authority to the City of London Corporation (COLC), as the Lead Authority, to take decisions on the allocation of the SIP, in consultation with the other 33 participating authorities. As some London Boroughs and COLC do not currently operate executive arrangements, those authorities cannot lawfully delegate decisions to single elected members. Therefore a meeting comprising elected members would need to be consultative in nature to enable all participating authorities to participate in the same way.
- 1.8 The Lead Authority would consult all individual participating London authorities including the GLA (the **Participating Authorities**) before making any decisions to allocate funds from the SIP to projects. The Lead Authority would only decide to approve projects for SIP funding where both the GLA and two thirds or more of the other Participating Authorities had, assuming no sub-region unanimously disagreed, already voted in favour of a project.
- 1.9 Currently, the only governance model which could incorporate this level of approval and enable all Participating Authorities' elected members to participate in the same way, whilst accommodating Participating Authorities' diverse constitutional structures, would constitute a consultative meeting of Participating Authorities (Option 2).
- 1.10 Other options for a governance model for the Pool have been considered but none would appear to be suitable or offer the flexibility or potential appeal of Option 2. Under current legislation, a joint committee structure could not accommodate voting other than by simple majority. A decision-making forum of Participating Authorities' officers would disenfranchise elected members from due consideration and involvement in the decisions of the pool regarding the allocation of the SIP to individual projects. An Economic Prosperity Board (EPB) model would not appear to be viable at this stage as it would require an order from the Secretary of State and its area would overlap with the existing

West London EPB. Nor would an incorporated structure as it has no precedent and may take too long to agree within the limited timescale.

- 1.11 While the initial pooling agreement will be for 2018/19 only, there is a possibility that the pilot will be extended by government and the pool may therefore continue for a further year in 2019/20. The Pool's operation, including this governance model, will be evaluated by London Councils, the GLA and government and could allow for potential adjustments to the governance model if agreed as expedient, were pooling to continue beyond the first two years.
- 1.12 We recommend that each authority's decision to participate in the Pool should confirm the allocation of business rates between the collecting authorities, the GLA and the SIP and form part of the terms of reference for the Pool.



## 2 Background

2.1 We have been instructed by London Councils to provide legal advice in connection with a proposal to establish a business rates pooling arrangement involving the COLC, all of the London Boroughs<sup>1</sup> and the Greater London Authority (**GLA**).

2.2 This advice note considers:

2.2.1 The powers of the London Boroughs to participate in a business rate pooling arrangement with each other and the GLA and any limitations or restrictions which need to be addressed;

2.2.2 The principal options for the form of governance arrangement for the pooling arrangements including the mechanism for allocating funds comprising the SIP.

2.3 The preferred model for the pilot pool would include the following features:

2.3.1 No participating authority would suffer financial detriment as a result of its involvement in the pooling arrangement;

2.3.2 The pooling arrangement should include three categories of distribution as follows:

(a) a percentage of the fund for distribution by the GLA/Mayor;

(b) a percentage of the fund which will be returned to each London Borough; and

(c) a percentage of the fund which will be included in the SIP to be allocated to projects by the Lead Authority taking into account the responses of the Participating Authorities.

2.3.3 The governance of the SIP should permit the Lead Authority to make decisions on the use of resources within the SIP where both the GLA and at least two thirds of the London Boroughs are in favour (subject to no participating authorities in one sub-region<sup>2</sup> unanimously disagreeing with the decision).

## 3 Powers to establish a Business Rate Pooling Arrangement

3.1 The Secretary of State has the power to designate two or more "relevant authorities" as a pool of authorities for the purposes of the provisions of Schedule 7B of the Local Government Finance Act 1988<sup>3</sup>.

3.2 Paragraph 45 (Interpretation) of Schedule 7B defines a "relevant authority" as:

3.2.1 a billing authority in England, or

3.2.2 a major precepting authority in England.

3.3 The list of billing authorities at Schedule 5, Part 1 of the Non-domestic Rating (Rates Retention) Regulations 2013/452 includes the GLA and the London Boroughs as billing

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<sup>1</sup> Henceforth, for the purposes of this advice note, any reference to "London Boroughs" should be deemed to include COLC acting in its capacity as a local authority.

<sup>2</sup> London Councils' link to the map of sub regions: <http://www.londoncouncils.gov.uk/download/file/21341>. The Lead Authority can make decisions where consultation indicates the GLA and London Boroughs are in favour, and London Borough support is defined as two-thirds majority subject to sub-regional veto – as defined in the London Councils; prospectus.

<sup>3</sup> As amended by the Local Government Finance Act 2012.

authorities and the GLA is also a precepting authority pursuant to section 39 (1) of the Local Government Finance Act 1992.

3.4 Schedule 7B, Part 9 imposes a number of requirements with regard to the designation of a pool including:

3.4.1 The authorities covered by the designation must be notified by the Secretary of State as per Part 9, paragraph 34 (7);

3.4.2 Timing requirements regarding notification before making the local government finance report under paragraph 12 (2);

3.4.3 A condition requiring the authorities to which the pooling designation relates to appoint a lead authority to exercise the functions specified in the condition<sup>4</sup>;

3.4.4 Such other condition(s) as the Secretary of State thinks fit<sup>5</sup>;

3.4.5 Any regulations with regard to levy payments and safety net payments on account may treat the pool as a "relevant authority" for the purposes of the regulations; and

3.4.6 Furthermore, where a pool of authorities is required to make a payment to the Secretary of State, each authority in the pool is jointly and severally liable to make that payment<sup>6</sup> and where the Secretary of State is required to make a payment to pool authorities, the payment must be made to the lead authority appointed in accordance with conditions under paragraph 35 (1)<sup>7</sup>.

3.5 As far as we have been able to ascertain, there is nothing in legislation (except insofar as may be included within a condition by the Secretary of State pursuant to the relevant Designation Order) which would require a pooling arrangement to assume a particular legal structure or corporate form.

3.6 In light of our understanding of discussions which have taken place to date, there are in our view theoretically five principal options which might be available to the GLA and the London Boroughs for the administration of the proposed pooling of business rates in London. These are as follows:

3.6.1 A joint committee (**Option 1**)<sup>8</sup>; or

3.6.2 A lead authority consulting the participating authorities in advance and, within their authority's own constitutional arrangements, decide their authority's view on proposals for the allocation of funds to individual projects from the SIP (**Option 2**);

3.6.3 A lead authority with a meeting of duly authorised officers with delegated authority from their Participating Authorities to make decisions at meetings on allocations of SIP funds (**Option 3**);

3.6.4 The Participating Authorities each becoming members of a separate corporate vehicle, (such as a limited company) for the purpose of operating the pooling arrangement (**Option 4**); and

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<sup>4</sup> Paragraph 35(1)(A)

<sup>5</sup> Paragraph 35(2).

<sup>6</sup> Paragraph 38(2) the potential risk associated with this issue can be mitigated contractually – see later at page 12

<sup>7</sup> Paragraph 38(3)

<sup>8</sup> Pursuant to the Local Government Act 1972, section 101 (5) (**Joint Committee Option**) and in respect of the GLA pursuant to section 39 of the Greater London Authority Act 1999.

3.6.5 The establishment of an Economic Prosperity Board (**EPB**) (**Option 5**).

3.7 Given the constraints of the timetable for implementation of the London pooling proposal, we do not propose to explore at present Options 4 or 5 for the following pragmatic reasons.

3.8 We would suggest a corporate vehicle (**Option 4**) would not be appropriate in these circumstances given this form has no precedent within other authorities' pooling arrangements; and that it would be ambitious to expect resolution by all the stakeholders of the requisite fundamental issues and documentation (for example, a shareholders or members agreement) to form a company within the timescale is for what is intended to be a two year pilot arrangement. The legal powers to found such a proposal would also require more detailed consideration.

3.9 An EPB (**Option 5**) we suggest would similarly not be feasible in the short term both because it would require an order from the Secretary of State and it would overlap with the current West London EPB area.

#### 4 **"Proper Purpose"**

4.1 Given that local authorities and any pooling arrangement designated by the Secretary of State are generally<sup>9</sup> "creatures of statute", as a matter of public law, the relevant authorities must exercise the powers available to them for a "proper purpose" when deciding which form of governance the pooling arrangement should take. For example, the authorities should not seek to adopt a particular form of governance as an artificial device with the main purpose of circumventing legislation that might otherwise be applicable in order to avoid controls<sup>10</sup>.

4.2 However, the authorities are entitled to identify and follow a legitimate route to a legitimate end by reference to the relative operational and financial advantages and disadvantages which will follow from the potential different options available to them.

4.3 By way of example, a decision to choose the lead authority and consultative members model (Option 2) rather than a joint committee (Option 1) because Option 2 would afford more opportunities for consultation with and consideration by the Participating Authorities would be an exercise of powers for a "proper" purpose. Whereas a decision to choose Option 2 with the sole motive of circumventing the statutory controls on voting applicable to Option 1 (referred to in paragraph 5.11 below) might arguably be regarded as an exercise of the relevant power for an "improper" purpose.

4.4 A potential improper purpose argument is an intrinsic risk of any innovative arrangement involving local government and the likelihood of challenge will diminish with the passage of time. In this context, it should be borne in mind that this arrangement will apply to a one or two year pilot and will be evaluated by London Councils and the government before any extension of pooling arrangements in London.

#### **"Wednesbury Reasonableness"**

4.5 The Participating Authorities will need to take into account the usual "Wednesbury" principles in making the decision as to which option to adopt. This will involve the authorities paying due regard to any relevant considerations (such as efficiency) and disregarding irrelevant considerations (such as purely political motives to secure re-election).

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<sup>9</sup> Although the COLC is not strictly a creature of statute, COLC must exercise the local authority powers and functions conferred upon it having regard to the same considerations.

<sup>10</sup> *Credit Suisse v Allerdale BC* [1996] 4 All E.R. 129

4.6 The Participating Authorities should also act in a fairly business-like manner with reasonable care, skill and caution, and with a "due and alert regard" to the interests of their ratepayers<sup>11</sup>. It is our current understanding that the choice of governance structure the pooling arrangement alone will not directly affect ratepayers in London.

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<sup>11</sup> *Bromley LBC v Greater London Council* [1983] 1 A.C. 768; *Roberts v Hopwood* [1925] A.C. 578; *Prescott v Birmingham Corporation* [1955] Ch. 210

## 5 The Most Viable Governance Options

### 5.1 Joint Committee (Option 1)

#### **Powers**

5.2 The London Boroughs will be familiar with their powers to establish a joint committee which also underpin the London Councils Leaders' Committee Governing Agreement 2001 (as amended).

5.3 In summary, the legislative basis is contained in sections 101 and 102 of the Local Government Act 1972 (**LGA 1972**), restated here for convenience:

5.4 *"101 (1) Subject to any express provision contained in this Act or any Act passed after this Act, a local authority may arrange for the discharge of any of their functions:*

*(a) by a committee, a sub-committee or an officer of the authority; or*

*(b) by any other local authority."*

*102 (1) For the purpose of discharging any functions in pursuance of arrangements made under section 101 above:*

*(b) two or more local authorities may appoint a joint committee of those authorities."*

5.5 Executive functions are not to be delegated under section 101 of the LGA 1972 but can be delegated under similar provisions to those set out above pursuant to sections 9E and 9EA (formerly section 19) of the LGA 2000 and the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012.

5.6 For the purposes of sections 101 and 102 of the LGA 1972, each London Borough and the GLA are "relevant local authorities".

5.7 The GLA is not a participating member of the London Councils Leaders' Committee and accordingly, if a joint committee were the preferred governance model for the business rate pooling arrangement, it would be necessary to establish a further joint committee involving all of the London Boroughs and the GLA.

#### **Governance issues concerning joint committees**

5.8 A joint committee has no separate legal identity and no corporate status and so cannot own property and where it purports to employ staff or enter into contracts in effect such arrangements are enforceable against each of the individual authorities. Therefore any agreement will need to address such issues with one authority acting as a "lead" (which is also a requirement under paragraph 35(1) of Schedule 7B of the Local Government Finance Act 1988). In relation to the business rates pooling arrangement, the authorities have identified the City of London Corporation as the proposed lead authority.

5.9 There is a degree of flexibility in relation to the terms of any delegation and authorities may specify the manner in which the delegated functions may be exercised (e.g. by reference to geography, service, or financial parameters).

- 5.10 Authorities can agree joint arrangements where certain closely specified types of decisions taken by a joint committee might be able to be the subject of a review by any of the Participating Authorities, following certain procedural steps (perhaps including a "cooling off" period before any decisions of the joint committee could be acted upon). These issues, together with the constitutional set up of the joint committee (e.g. numbers of members each authority may appoint; their terms of office; designation and role of COLC as lead authority; allocation of running costs and so on would need to be addressed in a formal agreement between all authorities involved).
- 5.11 Voting rights for joint committees are prescribed by paragraphs 39 to 44 of Schedule 12 (Meetings and Proceedings of Local Authorities) of the LGA 1972. Paragraph 39 requires that "*all questions coming or arising before a local authority shall be decided by a majority of the members of the authority present and voting thereon at a meeting of the authority*". It is possible that this legislation could be amended and this issue has been raised with government but currently, given the timescales it is unlikely that any such legislative amendments would be made in time for the pilot to start next financial year.
- 5.12 As a formal committee of the Participating Authorities, a joint committee would of course be subject to the political balance requirements<sup>12</sup> in the Local Government and Housing Act 1989 (LGHA) Schedule 1 and the Local Government (Committees and Political Groups) Regulations 1990. Although we are given to understand, this is unlikely to be an issue in this case as each of the Participating Authorities' leaders would be involved in such an arrangement.

#### **Advantages/What would be possible**

Option 1, a joint committee, could offer the following principal advantages:

- 5.13 it is a model that has been used many times across the country for other functions and the Leeds City Region Business Rates Pool operates through a joint committee;
- 5.14 it is legally one of the more straightforward entities to set up, and has clear statutory authority;
- 5.15 it maintains direct democratic oversight of the functions in question;
- 5.16 it is possible to delegate statutory functions to it directly;
- 5.17 it would be possible to frame the terms of the delegations to incorporate a framework for decision making on the allocation of funds; and

#### **Disadvantages/What would not be possible**

However, there are a number of potential disadvantages associated with this model:

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<sup>12</sup> Section 15(5) LGHA states that the seats on any body which fall to be filled by appointments made by any relevant authority or committee of a relevant authority must have regard to the following principles of political balance: (a) that not all of the seats on the body may be allocated to the same political group; (b) that the majority of the seats on the body is allocated to a particular political group if the number of persons belonging to that group is a majority of the authority's membership; (c) subject to (a) and (b), the number of seats on the ordinary committees of a relevant authority which are allocated to each political group bears the same proportion to the total of all the seats on the ordinary committees of that authority as is borne by the number of members of that group to the membership of the authority; and (d) subject to (a) and (c) the number of the seats on the body which are allocated to each political group bears the same proportion to the number of all the seats on that body as is borne by the number of members of that group to the membership of the authority.

- 5.18 from an operational viewpoint, the establishment of a new joint committee will require and engage the associated administrative machinery including compliance with formal requirements of advance publication of agenda papers, voting and publicity. On the one hand, this could be perceived as an advantage in terms of added visibility, transparency and accountability. On the other hand, this could be perceived as involving perhaps slightly more administrative resources. This is a matter for consideration and discussion by the authorities;
- 5.19 a joint committee has no separate legal personality and would need to operate through a lead authority;
- 5.20 the statutory restrictions on voting arrangements mean that the preferred governance arrangements addressing the principles for governance prepared by the London Finance Commission and reflected in the draft prospectus for the pilot pool considered by Leaders Committee and the Mayor (see footnote 13 for summary<sup>13</sup>) could not be applied;
- 5.21 each participating authority will need to ensure that it has obtained the required authorisations under its constitution to enter into the arrangements;
- 5.22 there are also specific provisions in section 13 LGHA with regard to the status of a person who is not an elected member of any of the authorities but is appointed a member of the joint committee. The disadvantage of a joint committee in this case is that a person who is appointed as a member of the joint committee but who is not an elected member of one of the Participating Authorities would not have a vote<sup>14</sup>.

## 6 **Lead Authority and Consultation of Elected Member Representatives** (Option 2)

### **Powers**

- 6.1 Local authorities have a power to delegate decisions to other authorities as referred to in paragraphs 5.4 and 5.5 above.
- 6.2 A pooling arrangement can be operated by agreement between the relevant authorities, whether as a non-legally binding memorandum of understanding (**MOU**); a more detailed formal legally binding contract or possibly, a hybrid arrangement where some provisions are expressed to be legally/contractually binding and others are included as expressions of general intent as to the protocols to be followed. Given the constrained timescale we consider an MOU is the most realistic option for documenting the governance arrangements and it also has precedent in other pools.
- 6.3 Local authorities have the power to enter into a Memorandum of Understanding to record the governing arrangements between them including under section 111 of the Local Government Act (**LGA**) 1972: "*Without prejudice to any powers exercisable apart from this section but subject to the provisions of this Act and any other enactment passed before or after this Act, a local authority shall have power to do any thing (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the*

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<sup>13</sup> In summary: each element of London government should have a stake; no exclusion from the benefits of London's success or be disempowered from addressing local needs; no overriding of the Mayor's interests by the London local authorities, and vice versa; decision-making arrangements must provide for the prevention or breaking of any deadlock; the system must enforce binding decisions which reflect a clear consensus; the system must be simple and clear in the processes and parties' responsibilities; stability by retaining existing responsibilities where possible; there should be scope to respond to other relevant reforms; decision-making should reflect the roles of the authorities (the London Boroughs) and the GLA/Mayor; and the political arrangements should be supported by a formal officer group to provide standing technical advice and support.

<sup>14</sup> Section 13(1) LGHA 1989

*discharge of any of their functions*". If a contractually binding Inter Authority Agreement were deployed then the relevant powers include section 1(1) of the Local Government (Contracts) Act 1997 "for the provision or making available of .... services for the purposes of, or in connection with the discharge of the functions of the local authority". In this context the relevant "functions" are those of a billing authority or a major precepting authority.

- 6.4 In relation to the London Business Rates Pooling arrangement, the Participating Authorities would have implicit powers to enter into arrangements with each other for the purposes of fulfilling the requirements of Schedule 7B for obtaining an order of the Secretary of State authorising the establishment of a business rate pool.

#### **Governance issues**

- 6.5 By and large, the governance and distribution arrangements would be set out within the terms of the MOU.
- 6.6 This could either involve a lead authority arrangement with authorities resolving to delegate certain clearly defined administrative functions to a single lead authority with a meeting of elected members who are consulted regarding allocations for the SIP (**Option 2**) or it could involve a lead authority supported by a decision-making forum of authority officer representatives who have delegated authority to make decisions (**Option 3**). The potential mechanics and responsibilities of the lead authority are explained in more detail below.

#### **Lead Authority**

- 6.7 The Participating Authorities could delegate most administrative functions to COLC as the lead authority who would then be responsible for administering the pool and could provide a secretariat with the GLA and London Councils for assessing and preparing reports to the Participating Authorities' applications for the SIP against pre-agreed criteria. We understand that it is currently proposed that the GLA may provide the transactional support role.

#### **MOU**

- 6.8 For this arrangement, the Lead Authority's role would (in addition to its normal responsibilities) cover:
- 6.8.1 Maintenance and support of the Pool's governance arrangements and the methodology for the allocation of resources;
- 6.8.2 Assessment and preparation of reports on applications for the SIP in accordance with the agreed criteria.
- 6.9 The MOU could be expressed not to be legally binding and would not (in the absence of consideration or being expressed as a deed) be a contract. In due course for example if the pilot were deemed to be successful and were continued then, the arrangement in the MOU could be re-expressed as a legally binding Inter Authority Agreement and hence potentially enforceable as a contract between the authorities in part or as a whole.
- 6.10 As the arrangement under Option 2 or Option 3 would be an unincorporated association, the representatives will be able to operate bespoke voting arrangements (subject to the proviso above regarding a "proper purpose") according to the provisions of the MOU or Inter Authority Agreement.



## Option 2 – Consultative Elected Member Representatives

- 6.11 With regard to the approval of allocations of the SIP for individual projects, the Lead Authority would take decisions following consultation with Participating Authorities. This could involve the Lead Authority preparing reports with proposed recommendations as to SIP allocations and circulating the report to the Participating Authorities for prior consultation and a decision as to which way the relevant authority will vote. The consultative representatives could then meet but decisions would not be made at that meeting.
- 6.12 If the representatives are to comprise elected members of the authorities, then care will need to be taken by each individual participating authority to ensure their appointments fit with their particular authority's constitution/governance model and scheme of delegation. Authorities which have a Mayor and Cabinet Executive or Leader and Cabinet Executive would be able to appoint the Senior Executive Member (Mayor or Leader) or another executive member as their appointed representative.
- 6.13 The elected members from authorities with non-executive arrangements (committees) would need to have the decision as to how to respond made in a duly constituted committee or subcommittee meeting of their authority.
- 6.14 In making decisions regarding allocations of the SIP it will be important that all Participating Authorities take lawful and valid decisions. Given the diversity of constitutional arrangements in London local government, (e.g. elected Mayors and Executives; Leader and Executives; and Committee forms of governance) the only way that all Participating Authorities can be engaged through their elected members on a two thirds response basis would be for each participating authority to take an individual view on the recommendations in a report prepared by the Lead Authority and then communicate their decision to the Lead Authority. This would need to ensure reports were circulated by the Lead Authority at least one month in advance of a meeting of the representatives to allow the individual authorities time to consider and make their decision within their own governance timetables (including scrutiny and call-in). The Lead Authority would then aggregate the individual Participating Authorities' responses and make the decisions regarding the allocation of the SIP to individual projects on the basis of the consultation principles and agreed thresholds. The decision-making process would be scheduled to take place bi-annually to allow the Lead Authority to report the outcome to the Congress of Leaders and the Mayor of London

## Option 3 - Officer representatives

- 6.15 Alternatively, an officer representative arrangement could involve each Participating Authority delegating authority to its own authorised officer representative and the representatives which can respond to SIP allocation decisions. The representative(s) could all be officers<sup>15</sup> (duly authorised and delegated with the authority to exercise the relevant functions by their authority), depending on what the individual authority's particular constitutional/governance arrangements<sup>16</sup> and scheme of delegation allow, with

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<sup>15</sup> There is a general power to local authorities to discharge their functions through officers under section 101(1) Local Government Act 1972. Local authorities can delegate to officers as long as decisions are not effectively being made by a member(s) through an officer (*R v Port Talbot BC* [1988] 2 All E.R. 207; *Fraser v SoS for the Environment and the Kensington and Chelsea RLBC* (1987) 56 P. & C.R. 386). However, if a power is delegated to an officer acting in consultation with an executive member(s) then a decision without consulting the member(s) would be ultra vires.

<sup>16</sup> If the relevant authorities have executive arrangements and to the extent executive functions as set out in the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 (as amended) are involved, then this would need to comply with the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012) where authorities have a committee system or prescribed arrangements.

those officer delegates then being duly empowered to make decisions at the duly constituted representatives meeting.

- 6.16 The extent of the terms governing the lead authority and consultative members' arrangement could similarly be comprised in a MOU or a more detailed Inter Authority Agreement.

### **Advantages of Options 2 and 3**

- 6.17 Options 2 and 3 have the advantage of familiarity to DCLG and the Secretary of State: All of the established business pool agreements we have reviewed have been based on MOUs signed by the relevant s151 Officers of the authorities involved whether or not there is a combined authority or joint committee as well.
- 6.18 Simplicity – in the context of achieving agreement between the Participating Authorities within the time constraints, it may be easier for the Participating Authorities to reach agreement on a shorter MOU than on a more detailed contract, joint committee or corporate shareholding arrangements.
- 6.19 Voting rights – the statutory requirements regarding voting which apply to joint committees do not apply to the arrangements described in Option 2 or 3. Whilst most of the current MOUs for operational business pooling arrangements do provide for decisions by a simple majority, a number require unanimity (which indicates that the Secretary of State is prepared to agree bespoke voting rights where agreed by the Participating Authorities).
- 6.20 A contractual arrangement in the form of Option 2 or Option 3 could accommodate the features summarised at paragraph 2.3 of the Background section above.
- 6.21 Flexibility – the terms of the MOU can specify whether particular provisions are intended to be legally binding between the parties, allowing the Participating Authorities to clarify their legal rights and obligations to one another.
- 6.22 It should be borne in mind that either Option 2 or 3 could later transition to a joint committee arrangement if the factors mitigating against the latter option (e.g. restrictions on voting rights) were to be resolved by legislation or otherwise.

### **Disadvantages associated with Options 2 and 3**

- 6.23 Whilst existing MOUs indicate that the Secretary of State is willing to approve bespoke voting arrangements, none include the degree of detail required by the Participating Authorities in this project.

## **7 Distribution arrangements – key issues**

### **Authorities' decisions to enter into arrangements/terms of reference**

- 7.1 Whichever governance form the Participating Authorities adopt to govern the pooling arrangement it will be necessary for each of them to approve those arrangements formally.
- 7.2 Confidence that the conditions which the authority leaders set out in their "in principle" agreement to participate is likely to be underpinned if each authority's formal decision to participate includes a condition which confirms the allocation of business rates between the collecting authorities, the GLA and the SIP. Further, this condition could with other terms be mandated as terms of reference for both the pooling arrangement and decisions to allocate funding to SIP initiatives.
- 7.3 The terms of reference/conditions which are likely to underpin confidence in the proposals appear to us to include:

- 7.3.1 That no authority should be financially worse off compared to their position if they had not participated in the pooling arrangement - we see this as being of particular importance in order to reassure s151 Officers that the authorities could not be in breach of their common law fiduciary duty to their ratepayers given the potential joint and several liability provision under Schedule 7B, Part 9, paragraph 35(1);
- 7.3.2 The allocation to each authority and the share allocated to the SIP;
- 7.3.3 The factors which are to be applied in the allocation of funds from the SIP to individual projects - including:
- (a) a requirement to make SIP allocations (within each financial year) with a requirement to seek to do this to meet specified targets;
  - (b) specified broad economic/growth criteria which must be satisfied to enable an initiative to qualify for funding – we appreciate this will have to be approved by DCLG – existing criteria used by central government business growth funds might be applicable or capable of adaptation;
  - (c) that the pooling arrangement is time limited unless all of the authorities and government approve an extension;
  - (d) a mechanism to deal with and distribute either income above that projected or income less than projected;
  - (e) a liability distribution provision to deal with claw-back on an equitable basis in the event income is subsequently reduced (through rating appeals) after the pool is dissolved; and
  - (f) a sub-regional right to veto a project for funding.
- 7.3.4 The report underlying the decision of each authority is likely to consist of a part common to all of them but should also include a part which addresses any particular implications for that individual authority.
- 7.3.5 Our expectation is that the 'governance arrangement' will in each year approve projected business rate income and subsequently review/reconcile the actual income. With notional allocations being made and a subsequent review to ensure notional allocations had been paid/committed with a process to deal/reallocate any underspent amounts.
- 7.3.6 If the Participating Authorities decide to appoint one of their members as the lead authority, the MOU or Inter Authority Agreement will need to recognise this. The lead authority will need protection that the consequences of certain actions taken in its name are shared (e.g. through indemnities and financial compensation mechanisms) and conversely, the other authorities will need to be protected from the unauthorised actions of the lead authority, the issue of joint and several liability and will want reassurance that should any payments be made by the Secretary of State to the lead authority under Schedule 7B paragraph 38(3) that these are equitably redistributed.

## 8 Conclusion

- 8.1 We would recommend either Option 2 or 3 involving a designated lead authority delegated with the role of undertaking the bulk of administrative decisions and supported by a meeting of representatives.

- 8.2 If Option 2 were adopted then it should be borne in mind that the elected member representatives could not validly take decisions at the bi-annual meetings, hence they would be consulted in advance.
- 8.3 If Option 3 were pursued then the officer representatives could be delegated with authority to make decisions on behalf of their authorities.
- 8.4 Meetings could be convened biannually during the financial year. The pilot arrangement would be documented in a MOU and then in due course in an Inter Authority Agreement if felt advantageous to do so.

**Trowers & Hamlins LLP**  
**Ref: HZR**  
**15 November 2017**

# London Business Rates Pilot Pool 2018-19 Final Prospectus – November 2017

## Introduction

1. Earlier draft versions of this prospectus were circulated to Leaders in July and September asking all boroughs, the City of London and the GLA to consider the issues involved in establishing a pilot pool ahead of the Leaders' Committee and Congress of Leaders and the Mayor on 10 October.
2. At that meeting Leaders' Committee and the Mayor agreed in principle to pool business rates in a London pilot of 100% retention in 2018-19. Leaders' Committee delegated authority to the 5 elected officers of London Councils (the Chair, Deputy Chair, and three Vice Chairs) to take the in principle agreement forward to arrive at a core proposition for the operation of the pool and to continue discussions with both the Mayor and ministers on this. The elected officers discussed this in October and agreed a final distribution option on 1 November following discussions via the party groups, which was subsequently taken forward.
3. The Government formally confirmed its commitment to establishing a 100% business rate retention pilot in London in April 2018 in the Autumn Budget. This was agreed by a memorandum of understanding (MOU) signed by the Chair of London Councils, the Mayor of London, the Minister for London and the Secretary of State for Communities and Local Government.
4. This final prospectus sets out how the London Business Rates pilot pool will work in practice, were the 32 boroughs, the City of London Corporation and the Mayor of London to form a pool in 2018-19.

## Pilot principles

5. The MOU between London Government and the Government on the London 100% business rates retention pilot agrees that:
  - The 100% business rates retention pilot in London will be voluntary, but will be a pool comprising all 32 London boroughs, the Corporation of the City of London and the Greater London Authority.
  - From 1 April 2018 the London authorities will retain 100% of their non-domestic rating income<sup>1</sup>. London will not retain 100% of total rates collected, as it will continue to pay an aggregate tariff to government. The overall level of collected rates that will be retained is around 64% after the tariff is paid.
  - London authorities will also receive section 31 grants in respect of Government changes to the business rates system which reduce the level of business rates income. Section 31 grant will amount to 100% of the value of the lost income. Tariffs and top-ups will be adjusted to ensure cost neutrality.
  - The London pool will retain 100% of any growth in business rate income above baselines, and will pay no levy on that growth.

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<sup>1</sup> As defined by DCLG.

- In moving to 100% rates retention, the Department for Communities and Local Government will no longer pay Revenue Support Grant (RSG) to the London authorities in 2018/19. Funding baselines will be increased by the equivalent amount to reflect this transfer of RSG, which overall amounts to £775 million in 2018/19 (the full boroughs breakdown can be found at Appendix A).
- London authorities will not be subject to more onerous rules or constraints under the 100% rates retention pilot, than they would have been if they had remained subject to the existing “67% scheme” in place in 2017/18.
- No “new burdens” will be transferred to London and participation in the pilot will not affect the development or implementation of the Fair Funding Review.
- In the event that London’s business rates income fell, the pool will have a higher “safety net” threshold – 97% rather than 92.5% of the overall baseline funding level – than in the existing system, reflecting the greater reliance local authorities will have on business rates within the pilot.
- The piloted approach is to be without detriment to the resources that would have been available collectively to the 34 London authorities under the current local government finance regime, over the four year settlement period<sup>2</sup>. This “no detriment” guarantee will ensure that the pool, as a whole, cannot be worse off than the participating authorities would have been collectively if they had not entered the pilot pool. In the unlikely event of this arising (the current forecast is for collected rates to 6% above baselines), the government would intervene to provide additional resources.

## Pooling principles

6. The MOU with the Government establishes the terms of the 100% retention pilot, but the London business rates pool must be set up following the same process as all other business rates pools. Following legal advice, the detailed pooling agreement that establishes the terms by which the pool will operate will be by an MOU between the 34 pooling authorities – as is the case for the vast majority of business rates pools.
7. The key principles that underpin the London pooling agreement are that:
  - **The pool in 2018-19 would not bind boroughs or the Mayor indefinitely** – the founding agreement includes notice provisions for authorities to withdraw provided notice is given by 31 August each year. Were the pool to continue beyond 2018/19, unanimous agreement would be required to reconfirm a pool from 2020/21 onwards (the expected year in which funding baselines will be update as a result of the Fair Funding Review).
  - **No authority can be worse off as a result of participating** - where authorities anticipate a decline in business rates, the first call on any additional resources generated by the pool would be used to ensure each borough and the GLA receives at least the same amount as it would have without entering the pool (this would include

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<sup>2</sup> This includes current 67% scheme growth retained under the retention pilot, and reflects Enterprise Zones and “designated areas” where the designations made by the Secretary of State came into force on or before 1 April 2018, along with other special arrangements, such as the statutory provision to reflect the unique circumstances of the City of London Corporation.

the equivalent of a safety net payment were it eligible for one individually under the current 67% system). Where authorities expect to grow, they will continue to retain at least as much of that income as they would under the current system, plus a potential share of the aggregate benefits of pooling assuming the pools grows (see paragraphs 14 and 18). Where the pool overall has less income than would have been available collectively under the 67% system, the funding provided by the Government as part of the “no detriment” guarantee would be used to ensure that no individual authority is worse off than it would have been otherwise. Existing Enterprise Zones and “designated areas”, along with other special arrangements, such as the statutory provision to reflect the unique circumstances of the City of London Corporation, will be taken into account in calculating the level of resources below which the guarantee would operate. For boroughs in an existing pool, DCLG have also indicated that the basis of comparison would include the income due from that pool<sup>3</sup>.

- **All members will receive some share of any net benefits arising from the pilot pool** – recognising that growing London’s economy is a collective endeavour in which all boroughs make some contribution to the success of the whole, all members of the pool will receive at least some financial benefit, were the pool to generate additional resources.

### Lead authority

8. As in other existing pools, it is a statutory requirement that a “lead authority” acts as the accountable body to government and is responsible for the administration of the pooled fund. The City of London has agreed to be the lead authority for the London business rates pool.
9. The lead authority’s standard responsibilities will include, but not be limited, to:
  - all accounting for the finances of the pool including payments to and from the Government;
  - management of the pool's collection fund;
  - all audit requirements in relation to the pool;
  - production of an annual report of the pool's activity following final allocation of funds for the year;
  - the administration of the dissolution of the pool;
  - all communications with the DCLG including year-end reconciliations; and
  - the collation and submission of information required for planning and monitoring purposes.
10. It will be for the Lead Authority for the pool to determine the distribution of revenues between members of the pool and also pay the net tariff payment to the Government during the year. In practice, this will mean some authorities will receive net payments from the pool in instalments during the 2018-19 financial year and others will make net payments into the pool depending on their top up and tariff positions and estimated business rates income. These transfers through the pool will also incorporate the GLA’s share.

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<sup>3</sup> Of the 33 London authorities in 2017-18 this includes Barking & Dagenham, Havering and Croydon

11. Under a delegation arrangement, the GLA will manage treasury management issues and monetary transfers between billing authorities on behalf of the lead authority. This reflects the fact that the GLA already has the systems in place to manage payment flows to and from billing authorities for business rates retention as well as council tax and the BRS.
12. It is likely that the resources required to perform this function would be 1 FTE post, which would likely be a senior accountant with considerable experience and understanding of collection fund accounting and the business rates retention scheme.
13. In the case of the London pilot pool, the lead authority will have an additional role in formally taking decisions over the allocation of the Strategic Investment Pot following consultation with all participating authorities (as described in paragraphs 21 to 23 below).

### **Distributing the benefits of pooling**

14. The net financial benefit of pooling consists of retaining 100% of growth (rather than 67% across London under the current scheme), and in not paying a levy on that growth (which tariff authorities and tariff pools currently pay). The principle would mean that *any aggregate growth* in the pool overall – because of the increased retention level – would generate additional resources to share, with each pooling member to benefit to some extent.
15. The net financial benefit to participating in the pool in 2018-19 is currently estimated to be in the region of £240 million, based on London Councils' modelling using boroughs' own forecasts. A more accurate forecast will be expected in February 2018 following the completion of individual forecasts for 2018-19.
16. The pooling agreement sets out the principles and method for distributing any net financial benefits that may be generated. The principles are based on four objectives agreed by Leaders and the Mayor:
  - **incentivising growth** (by allowing those boroughs where growth occurs to keep some proportion of the additional resources retained as a result of the pool)
  - **recognising the contribution of all boroughs** (through a per capita allocation)
  - **recognising need** (through the needs assessment formula); and
  - **facilitating collective investment** (through an investment pot designed to promote economic growth and lever additional investment funding from other sources).
17. The final agreed distribution method recognises all four of these objectives with 15% of any net financial benefit set aside as a "Strategic Investment Pot" (see paragraphs 19 to 23 below); and the resources not top-sliced for the investment pot being shared between the GLA and the 33 billing authorities (the 32 boroughs and the Corporation of London) in the ratio 36:64, in accordance with the principle previously agreed by London Councils and the GLA in the joint business rate devolution proposals to Government in September 2016. Estimated boroughs shares of the estimated £240 million net benefit to the pool and the above distribution weightings are set out in Appendix B.
18. The Mayor of London has committed that the GLA's share of any additional net financial benefit from the pilot will be spent on strategic investment projects. It is therefore anticipated



that approximately 50% of net additional benefits arising from the pilot pool will be spent on strategic investment projects. Decisions on the allocation of the GLA's share will be made by the Mayor of London. Examples of the kinds of projects the Mayor will seek to support with the GLA's share include supporting the delivery of housing through infrastructure investment and the provision of skills and training to further support housing delivery.

### **Strategic investment pot and pool governance**

19. The joint Strategic Investment Pot (SIP) - representing 15% of the total additional net benefit - will be spent on projects that meet each of the following requirements:

- contribute to the sustainable growth of London's economy and an increase in business rates income either directly or as a result of the wider economic benefits anticipated;
- leverage additional investment funding from other private or public sources; and
- have broad support across London government in accordance with the proposed governance process.

20. For these purposes, "strategic investment" is defined as projects that will contribute to the sustainable growth of London's economy which lead to an increase in London's overall business rate income.

21. Following legal advice regarding the form of the governance mechanism for taking decisions regarding the SIP, decisions will be taken formally by the City of London - as the lead authority - in consultation with all member authorities, reflecting voting principles designed to protect Mayoral, borough and sub-regional interests<sup>4</sup>, previously endorsed by Leaders and the Mayor in the London Finance Commission (both 2013 and 2017), and set out in London Government's detailed proposition on 100% business rates in September 2016. These are that:

- both the Mayor and a clear majority of the boroughs would have to agree;
- a majority would be defined as two-thirds of the 33 billing authorities (the 32 boroughs and the City of London), subject to the caveat that where all boroughs in a given sub-region disagreed, the decision would not be approved; and
- if no decisions on allocation can be reached, the available resources would be rolled forward within the pot for future consideration at the next decision making round.

22. The lead authority will oversee the methodology for the allocation of resources and prepare reports on proposals for the SIP, supported by London Councils and the GLA, in accordance with the agreed criteria. Decisions on allocating the strategic investment pot will be taken bi-annually with the lead authority reporting back on decisions, following consultation with all participating authorities, at each meeting of the Congress of Leaders and the Mayor of London.

23. The Lead Authority will prepare reports with proposed recommendations as to SIP allocations and shall circulate the reports to the Participating Authorities for consultation in advance of

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<sup>4</sup> For these purposes, the sub-regions would be defined as the Central, West, South and Local London sub-regions as defined for devolved employment support arrangements and illustrated in the map at Appendix C. If in the future, boroughs wished to change the initial groupings that could be achieved by agreement of the pool member authorities.

Congress meetings and each Participating Authority will decide, in accordance with its own governance process and scheme of delegation, whether that Participating Authority wishes to recommend to the lead authority that a strategic investment project is supported or rejected and if rejected together with its reasons for such recommendation.

### **Future of the pilot**

24. The Government will undertake a qualitative evaluation of the progress of the pilot based on the current research programme for the existing business rate retention pilots, with additional focus on the governance mechanism and decision making process, and the scale of resources dedicated to strategic investment.

25. The MOU between London Government and the Government only commits to the pilot operating for one year. However, subject to the evaluation of the pilot, it also commits the Government to working with London authorities to explore: future options for grants including, but not limited to, Public Health Grant and the Improved Better Care Fund; the potential for transferring properties on the central list in London to the local list where appropriate; and legislative changes needed to develop a Joint Committee model for future governance of a London pool.

### **Designated areas**

26. Enterprise Zones and “designated areas” effectively hypothecate future business rate revenues to support investment. Under current arrangements, these are subject to agreement between the government and the boroughs directly involved, in consultation with the GLA, whose revenues are also affected.

27. The Government is not actively encouraging further such arrangements. However, if, during the lifetime of a pilot pool, new “designated areas” or Enterprise Zones were to be created, this could – depending on the nature of the individual scheme – impact on the potential future revenues of all members of the pool and will need to be considered in establishing the pool and framework.

28. It is not proposed that consideration or decision-making in respect of new designated areas be a matter for the pool. However, depending on the nature of individual schemes, such decisions would have to be taken by the relevant local authority after appropriate consultation with those affected.

### **Accounting and reporting**

29. In order that a the lead authority can fulfil its functions and meet its obligations as the accountable body, each member authority will need to provide timely information to the lead authority as well as making timely payments to an agreed schedule.

30. Forecast (NNDR1) and outturn (NNDR3) figures will still be required as per the existing NDR Regulations 2013, in order to enable budget processes to be complete and for the schedule of payments from the lead authority and to government to be determined during the course of the year. The pool would use NNDR1 returns to establish the schedule of payments to be made to the lead authority and for the calculation of any notional levy savings to be made.

However, it would not be until the outturn position is known (the NNDR3 form) that actual reconciliation would be made and the final growth/decline for the pool as a whole, and individual pool members, would be known. This will be in September 2019 after accounts have been audited for the financial year 2018-19.

31. The forecast NDR income figures in the NNDR1 forms determine the growth/decline for that year and it is this figure that would determine the amount to be shared between pool members or between local authorities and central government in the current system.
32. Variances against forecast in the non-domestic rating income are reflected in the forecast surplus or deficit of the collection fund at the start of the following year (information which is collected as part of NNDR1). Appeals provisions impact each year on the calculation of the NNDR income figure: a higher provision in a year, everything else being equal, reduces the NNDR income figure determining growth/decline for that year.
33. A separate pooled collection fund would be required to be established that would sit with the lead authority. A key issue will be the treatment of Collection Fund surpluses and appeals provisions within the pool. The key principle pooling authorities would have to agree is that the benefits (or costs) of actions undertaken by the authorities prior to entering the pool should remain with the authority so that no authority can be worse off than they would have been under the 67% scheme. So – for example – if a provision established in 2013-14 proves not to be necessary and is released during 2018-19, the authority should receive at least as much as it would have under the existing 67% scheme, plus its share of any additional retained revenues.
34. The pool's collection fund account would have to continue beyond the life of the pool until all appeals relating to the pool period were resolved. Provisions released after the operation of the pilot would be distributed on the basis of the pool's founding agreement – i.e. the authority where the provisions originated would receive at least as much as it would under the 67% retention system, with any additional resources being shared according to the pool's agreed distribution mechanism. There would therefore be no "gaming" benefits to individual authorities of setting higher (or lower) provisions. The lead authority would be responsible for administering this.
35. Further work is being undertaken to set out how the accounting and reporting requirements would work in practice, which may require an additional "London pool" form to be administered by the lead authority. This will be confirmed following the Provisional Local Government Finance Settlement in December.

#### **Next steps - Local decisions required to establish the pool**

36. Establishing a pilot pool will require two separate decisions to be made by each participating authority:
  - the agreement to accept the designation order by government to form the pool; and
  - agreement between the boroughs, the City of London and the GLA by which London Government collectively decides how to operate the pool and distribute the financial benefits (the pooling MOU).

37. With regard to the former, the Government has prepared a draft “designation order” establishing a London pilot pool that will be sent out by DCLG alongside in the Provisional Local Government Finance Settlement in December (a draft of the designation order letter will be circulated alongside this final prospectus). If any authority decides to opt out within the following 28 days – that is, by 28 days after the Provisional Local Government Finance Settlement – the pool would not proceed.
38. The pooling agreement MOU between the 34 London authorities will be circulated by Friday 1 December, to be signed by each Leader of the 32 London boroughs, the Chairman of the Policy and Resources Committee of the City of London and the Mayor of London, and.
39. Each authority will need to take the relevant decisions regarding the pooling agreement and designation order, through its own constitutional decision-making arrangements in time for the resulting business rate and funding baselines to be incorporated within the Final Local Government Finance Report in February.
40. In order to facilitate and support authorities in taking these decisions, advice on the legal framework and governance options for the pool has been circulated to Chief Executives and Finance Directors, along with other supporting material to help facilitate those local decisions including:
- draft resolutions to support boroughs in drafting any cabinet/committee/council reports
  - an FAQs document to answer any legal queries in relation to the pool
  - a further legal note on executive decisions
  - this final prospectus.
41. The timeline to make the pool operational is as follows:
- Government publishing draft baseline figures in the provisional settlement (Mid-December).
  - Boroughs taking formal decisions to participate in the pool and the framework for its operation within 28 days of the Provisional Settlement (by mid-January 2018).
  - Final baselines published in final LGF Settlement (February 2018).
  - Pool goes live (April 1 2018).

**Appendix A – Revenue Support Grant amounts to be rolled in to the funding baselines as part of the London 100% BRR pilot**

The amount of Revenue Support Grant (RSG) to be ‘rolled-in’ to 100% rates retention for 2018/19 for each authority is set out below. This is in addition to the sums rolled in in 2017-18 in respect of the Transport for London investment grant and the Greater London Authority’s RSG under the GLA’s partial pilot.

	Amount (£m) for 2018/19
Barking & Dagenham	23.3
Barnet	14.9
Bexley	8.5
Brent	33.7
Bromley	4.3
Camden	31.9
City of London	7.5
Croydon	23.3
Ealing	26.2
Enfield	25.7
Greenwich	33.3
Hackney	45.0
Hammersmith & Fulham	23.4
Haringey	30.2
Harrow	7.3
Havering	6.8
Hillingdon	13.1
Hounslow	15.7
Islington	32.6
Kensington & Chelsea	16.3
Kingston upon Thames	1.5
Lambeth	42.8
Lewisham	36.9
Merton	10.1
Newham	46.4
Redbridge	16.8
Richmond upon Thames	0.0
Southwark	47.0
Sutton	11.8
Tower Hamlets	43.8
Waltham Forest	26.1
Wandsworth	30.2
Westminster	38.1

NB: Provisional baselines and tariffs and top-ups will be circulated following the Provisional Local Government Finance Settlement in December.

## Appendix B – Forecast shares of net financial benefit in 2018/19 based on £240 million estimate

The figures below represent the estimated shares of the overall net financial benefit currently forecast from the London pool in 2018/19 (£240m), applying the distribution methodology set out in paragraph 17, which applies the following weightings (15% incentives: 35% population; 35% SFA; 15% Strategic Investment Pot).

**Table B1 - Breakdown of estimated total net benefit**

	£m	%
<i>Incentives pot (boroughs' share)</i>	23.0	9.6%
<i>SFA pot (boroughs' share)</i>	53.7	22.3%
<i>Population pot (boroughs' share)</i>	53.7	22.3%
London Boroughs total	130.3	54.2%
GLA total	73.9	30.8%
Boroughs/GLA total	204.3	85.0%
Strategic Investment Pot	36.0	15.0%
<b>London Total</b>	<b>240.3</b>	<b>100.0%</b>

Note: The GLA's total is comprised of 36% of each of the incentives, SFA and population pots

**Table B2 – Borough breakdown of estimated net benefit in 2018/19**

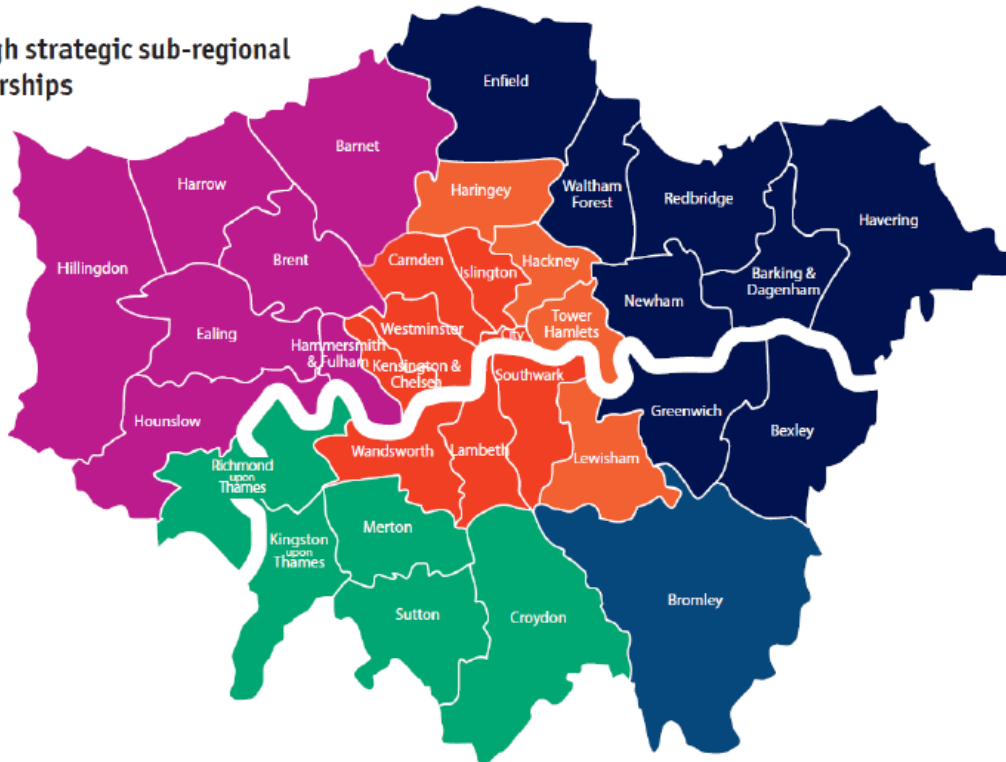
	£m
Barking & Dagenham	2.8
Barnet	3.7
Bexley	2.8
Brent	4.9
Bromley	2.9
Camden	5.7
City of London	8.2
Croydon	4.3
Ealing	4.4
Enfield	4.2
Greenwich	3.9
Hackney	4.6
Hammersmith & Fulham	2.6
Haringey	3.7
Harrow	2.4
Havering	2.5
Hillingdon	5.4
Hounslow	3.4
Islington	3.8
Kensington & Chelsea	2.2
Kingston upon Thames	1.7
Lambeth	5.3
Lewisham	4.3
Merton	2.4
Newham	6.2
Redbridge	3.2
Richmond upon Thames	1.7

Southwark	6.0
Sutton	2.1
Tower Hamlets	8.0
Waltham Forest	3.4
Wandsworth	3.9
Westminster	3.8
<b>London Boroughs total</b>	<b>130.3</b>
<b>GLA total</b>	<b>73.9</b>
<b>Boroughs/GLA total</b>	<b>204.3</b>
<b>Strategic Investment Pot</b>	<b>36.0</b>
<b>London Boroughs total</b>	<b>240.3</b>

Note: These figures should be treated with caution and are only indicative. They are based on modelling which uses boroughs' own estimates from a survey of London Treasurers in May 2017. Where boroughs did not respond, the 2017-18 forecast figures were used.

**Appendix C - Illustrative sub-regional groupings for the purposes of the “sub-regional veto” in respective of Strategic Investment Pot decisions**

**Borough strategic sub-regional partnerships**



<b>West London Alliance</b>	Barnet, Brent, Ealing, Hammersmith & Fulham, Harrow, Hillingdon, Hounslow	+ Hackney, Haringey, Tower Hamlets and Lewisham for employment devolution
<b>Central London Forward</b>	Camden, City, Islington, Kensington & Chelsea, Lambeth, Southwark, Wandsworth, Westminster	
<b>Local London</b>	Barking & Dagenham, Bexley, Enfield, Greenwich, Haringey, Newham, Redbridge	+ Bromley for employment devolution
<b>South London Partnership</b>	Croydon, Kingston upon Thames, Merton, Richmond upon Thames, Sutton	



**Chief Officer Confirmation of Report Submission**  
**Cabinet Member Confirmation of Briefing**

Report for: Mayor   
 Mayor and Cabinet   
 Mayor and Cabinet (Contracts)   
 Executive Director

Information  Part 1  Part 2  Key Decision

Date of Meeting	10 <sup>th</sup> January 2018	
Title of Report	Responses to the recommendations from the Public Accounts Select Committee - Income Generation	
Originator of Report	Selwyn Thompson	Ext. 46932

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)		

*Kwame Boafo*

Signed: Executive Member

Date: 19/12/17

Signed: *J. McE...* Director/Head of Service

Date: 19/12/2017

**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>Title</b>	Responses to the recommendations from the Public Accounts Select Committee – Income Generation		
<b>Key Decision</b>	No	<b>Item No</b>	
<b>Contributors</b>	Executive Director for Resources and Regeneration		
<b>Class</b>	Part 1	<b>Date</b>	10 January 2018

## 1. Purpose

- 1.1 This report provides the response to Mayor and Cabinet of the comments and views of the Public Accounts Select Committee, arising from discussions held on the Council's approach to income generation at the its meeting on 27 September 2017.

## 2. Recommendations

- 2.1 The Mayor is recommended to approve the responses to the recommendations of the Public Accounts Select Committee as set out in Section 3 of this report and report these to the Overview & Scrutiny Committee.

## 3. Responses

- 3.1 At its meeting on 27 September 2017, the Public Accounts Select Committee held further discussions with officers on the approach being taken to increase income generation in the authority.

### Recommendation 1

- 3.2 **The Committee recommends that Mayor and Cabinet tasks officers with meeting representatives of the Association for Public Service Excellence to consider how best the Council can generate income through the use of its existing assets and resources.**

### Response

- 3.3 The Head of Financial Services and the Head of Corporate Resources met with a Principal Advisor from the Association of Public Service Excellence (APSE) at the beginning of November 2017. The APSE is a membership body for local authorities and also a few Housing Association and Leisure Trusts. It represents approximately 250 local authorities across the UK and supports member authorities to share good practise and collaborate in finding innovative approaches to meeting the demands of local government public service delivery. The Council is in the process of joining the APSE.

### Recommendation 2

- 3.4 **The Committee recommends that Mayor and Cabinet seeks justification from officers about the decision to advertise the new senior procurement role internally rather than externally.**

### Response

- 3.5 Officers felt that there were a number of good internal candidates who could perform the role of Strategic Procurement and Commercial Manager. Given that the need to re-establish the council's corporate procurement function would be the immediate priority, it was felt that this opportunity should be afforded to one of these internal candidates in the first instance given their knowledge and experience of the council's existing practices around procurement and contract management. Interviews for this 18 month post were held at the beginning of December 2017. An internal senior manager with both extensive public and commercial private sector experience has been appointed to the post. The process for transitioning this officer into this new role has started.

### Recommendation 3

- 3.6 **The Committee also recommends that the appointment of consultants to support the creation of the new procurement and commercialisation team be delayed until options for income generation have been explored with the Association for Public Service Excellence.**

### Response

- 3.7 Officers are in full agreement with the recommendation of the Committee. Once they have taken up their new position, the Strategic Procurement and Commercial Manager will be tasked with assessing the needs or otherwise of buying in external consultancy support to assist the Council in building its strategic procurement and commercial strategy. Officers will continue to update Members of the Public Accounts Select Committee accordingly.

## **4. Financial Implications**

- 4.1 There are no specific financial implications which arise from agreeing this report. However, Members should note that cost of subscribing to the Association of Public Service Excellence will be £5k per annum.

## **5. Legal Implications**

- 5.1 There are no specific legal implications arising from this report.
- 5.2 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. Equalities Implications**

6.1 There are no specific equalities implications arising from this report.

**7. Crime and Disorder Implications**

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

**8. Environmental Implications**

8.1 There are no specific environmental implications directly arising from this report.

**BACKGROUND INFORMATION**

If you have any queries on this report, please contact Selwyn Thompson, Head of Financial Services on 020 8314 6932

**Chief Officer Confirmation of Report Submission**  
**Cabinet Member Confirmation of Briefing**

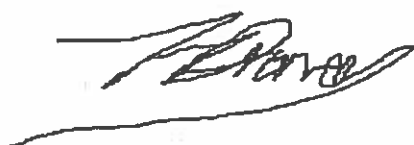
Report for: Mayor   
 Mayor and Cabinet   
 Mayor and Cabinet (Contracts)   
 Executive Director

Information  Part 1  Part 2  Key Decision

Date of Meeting	10 <sup>th</sup> January 2018	
Title of Report	Response to the Public Accounts Select Committee - communicating the Council's budget position	
Originator of Report	Joe Derrett	Ext. 47816

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: 19/12/17

Signed:  Director/Head of Service

Date: 19-12-17

**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>	Response to the Public Accounts Select Committee - communicating the Council's budget position		
<b>Key Decision</b>	No	<b>Item No.</b>	
<b>Ward</b>	All Wards		
<b>Contributor</b>	Executive Director for Resources & Regeneration		
<b>Class</b>	Part 1	<b>Date</b>	<b>10 January 2018</b>

### **1. Purpose**

- 1.1. At its meeting on 27 September 2017 the Public Accounts Select Committee held discussions on communicating the Council's budget position.
- 1.2. Mayor and Cabinet was advised of the comments and views of the Public Accounts Select Committee on 25 October 2017.
- 1.3. This paper sets out the response.

### **2. Recommendations**

The Mayor is asked to:

- 2.1 Approve the officer response to the referral by the Public Accounts Select Committee on communicating the Council's budget position.
- 2.2 Agree that this report should be forwarded to the Select Committee.

### **3. Referral from the Public Accounts Select Committee:**

- 3.1 At its meeting on 27 September 2017. the Public Accounts Select Committee held discussions on communicating the Council's budget position
- 3.2 The Committee recommends that Mayor and Cabinet tasks officers with developing a forceful communications campaign that focuses on the use of hoardings and billboards in innovative, large and visually captivating ways in order to reach Lewisham residents with messages about the budget.

*Response:*

*In communications with residents about our budget in 2017 we have explained how Government's decision to cut 63% of its funding for Lewisham Council (2010-2020) has placed pressure on our services.*

*The Provisional Local Government Finance Settlement, published by Department for Communities and Local Government in December 2017, will confirm how much funding Lewisham Council will receive in 2018 / 2019.*

*As discussed at the 27 September 2017 Public Accounts Select Committee meeting there is value in large scale campaigns around the Council's budget, such as the 'Big Budget challenge' we ran in 2014.*

*We are considering a range of options for communicating with Lewisham residents about future year's budgets and the financial pressures we are facing following reductions in government funding.*

*We are giving careful consideration to the use of poster advertising through JC Decaux poster sites in Lewisham, alongside a range of other communications to reach residents including our weekly e-newsletter, social media accounts, website, intranet, public meetings, the national, regional and local media and Lewisham Life magazine and the Mayor's letter that will go with council tax bills in March.*

*Successfully communicating the Council's budget position will require:*

- Engagement with residents in 2018 to ensure our communications are successful.*
- Targeting to ensure we reach residents in all parts of Lewisham in communications across 2018*
- Integration of our budget messages across a range of channels throughout 2018 to communicate successfully.*

3.3. The Committee also recommends officers should also be tasked with considering options for the use of data about Lewisham households to target the Council's communications about its budget.

*Response:*

*Targeting is essential for communicating the Council's budget position to our residents. We will consider options for using data about Lewisham households across all of our communications, including our budget in 2018.*

*Data about Lewisham households is available from a wide range of sources. We are carefully considering how this data can be used, including the potential benefits and costs and the requirements in the Code of Recommended Practice on Local Authority Publicity (2011) that says publicity by local authorities should be: lawful,*

*cost effective, objective, even-handed, appropriate, have regard to equality and diversity and issued with care during periods of heightened sensitivity.*

#### **4. Financial implications**

- 4.1. The financial implications for communicating the Council's budget position in 2018 will be available when a final decision has been taken about the type of communications that will be used.

#### **5. Legal implications**

There are no further legal implications arising from the context of this report,

#### **6. Crime and disorder implications**

There are no specific crime and disorder implications.

#### **7. Equalities implications**

There are no specific equalities implications.

#### **8. Environmental implications**

There are no specific environmental implications.

#### **9. Background documents and originator**

- [Communicating the council's budget position](#) – report to the Public Accounts Select Committee (27 September 2017)
- [Code of Recommended Practice on Local Authority Publicity \(2011\)](#)
- Joe Derrett – Head of Communications (020 8314 7816)



<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>	10 <sup>th</sup> January 2018	
<b>Title of Report</b>	Response to Public Accounts Select Committee on Adult Social Care	
<b>Originator of Report</b>	Dee Carlin	<b>Ext. 47103</b>

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>		
<b>Reason for Urgency (as appropriate)</b>		

*Shirley Best*  
 Signed: \_\_\_\_\_ Executive Member

Date:

Signed: *John Batt* \_\_\_\_\_ Director/Head of Service

Date 20<sup>th</sup> December 2017

**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>	Response to Public Accounts Select Committee on Adult Social Care	<b>Item No</b>	
<b>Contributors</b>	Executive Director for Community Services		
<b>Class</b>	Part 1	<b>Date</b>	10 January 2018

## **1. Purpose of paper:**

- 1.1 At its meeting on 27<sup>th</sup> September 2017, Public Accounts Select Committee referred the following recommendation to Mayor & Cabinet:
- 1.2 The Committee asks that Mayor and Cabinet task officers with considering cross borough strategies for the provision of long-term residential and nursing care. The Committee believes that there may be innovative ways of working with other boroughs to improve efficiency and deliver better outcomes for residents.

## **2. Recommendation**

The Mayor is asked to:

- 2.1 Approve the officer response to the referral by Public Account Select Committee on cross borough work in relation to adult social care, and
- 2.2 Agree that this report should be forwarded to the Public Accounts Select Committee.

## **3. Background**

- 3.1 In advance of consideration of a round of savings proposals, Public Accounts Select Committee requested further information about the current cost pressures on the Adult Social Care budget be brought to the September PAC meeting. At that meeting PAC considered a report from officers and a presentation from the Executive Director for Community Services.

In line with the principles of the Care Act, the Council is committed to promoting wellbeing, social inclusion, and supports the vision of personalisation, independence, choice and control.

## **4. Cross borough working**

- 4.1 The Council routinely works in partnership with other boroughs with a focus on efficiency and improving outcomes for residents. Lewisham is involved in a number of ongoing pieces of partnership work that explore practical and

innovative ways that we can work across borough boundaries to deliver efficiencies and better outcomes.

#### Support for people to remain at home

- 4.2 In line with our Care Act requirements, to make sure care is provided in accordance with people's needs and that an assessment takes into account peoples' preferences: we continue to work in ways that supports people to remain and receive care at home. The Linkline service is part of supporting people living at home and we are currently considering ways in which the service could be extended. There are cross borough arrangements in place with the London Borough of Merton as part of our business continuity plans (in case there are problems with the telephone service) and to take calls after 10pm.
- 4.3 The Council has also strategically invested in the development of Extra Care Housing increasing the availability of supported environments for people to remain as independent as possible with their own tenancy from 80 in 2014, to 158 in 2015, 218 in 2017 and 271 in 2018.

#### Long term residential and nursing care

- 4.4 Officers routinely liaise with Councils across the South East on benchmark prices across the region for both residential and nursing homes, and similarly liaise regarding uplift proposals. Though not a cross council piece of work, the NHS 'Any Qualified Provider' work across London also assists in the setting of ceilings for the nursing home market across the whole of London.
- 4.5 Across the health and social care system we work, both 'light touch' and intensively as required, with residential and nursing homes to ensure that they are supported to improve both health and social care of their clients so that the local market continues to offer high quality health and social care.
- 4.6 There is an increasing demand for residential and nursing provision for people living with dementia and we are working together with local providers to address this. We have had specific discussions with the Salvation Army around how their refurbishment of Glebe Court can facilitate support to this group, and we are also reviewing how we might refocus and formalise the work of some of the smaller residential provision in the 'non-traditional' older adult residential and nursing market (i.e. often associated with mental health provision) to support people with dementia with high levels of distress who require smaller environments.
- 4.7 Officers are also working with Lambeth, Southwark and Croydon to explore managing the nursing market across our collective area with a current specific focus on better managing the mental health & dementia market. Lewisham officers have been working with Lambeth and Southwark Mental Health Older Adults Commissioning leads to try and assess the number of patients that may require enhanced care and support through requests for additional 1:1s as a result of challenging behavior and underlying dementia. Although the number of individuals has not been quantified visits have been undertaken to

look at models of care in Lewisham and Kingston to inform the potential development of a cross borough initiative between Lambeth, Southwark and Lewisham. The next steps within the project will be to develop a service and financial model that would meet the identified demand across the three boroughs.

- 4.8 Strategically, we are working as part of the London Association of Directors of Adult Social Services (ADASS) commissioning network to standardise costs and develop a financial modelling tool for care homes across London. The Network has also commissioned an analysis of Local Authority and CCG commissioning practices in relation to home care looking at how this impacts on both price and quality locally and regionally.
- 4.9 We are also working as part of the South East London Transforming Care Partnership to ensure that we have adequate provision locally for people with learning disabilities, to reduce reliance on out of borough provision and to support people in their local communities.
- 4.10 Despite the demographic growth in older adult numbers, and the increasing frailty and health needs of older adults in Lewisham, the cross South East London review of residential and nursing home beds, suggest that there is currently sufficient capacity in the local markets as a whole locally to meet the residential and nursing needs of our residents. In terms of residential care, two service addresses that closed a few years ago have reopened in 2017/18, bringing 89 more residential beds into the market.
- 4.11 We are also working across borough boundaries with Greenwich, Bexley and in partnership with the Lewisham and Greenwich NHS Trust as part of the “discharge to assess” processes to support more efficient ways of working across borough boundaries, when discharging people safely and efficiently from hospital, home to an appropriate level of care and support. Initial figures from the discharge to assess work show an average reduction in hospital stay of 3 days. This work will further develop across the six south east London boroughs as part of the STP implementation programme and this will likely lead to further improvements, both in terms of outcomes for residents and efficiencies for the Council and NHS partners.
- 4.12 Learning from the Bexley discharge to assess project, and supported by Southwark colleagues, from the beginning of January 2018 we will be piloting a “Night Owl” service. Southwark and Bexley’s work has evidenced that some people go into residential and even nursing care too early and by offering short term additional support through the night to help people return home, to extend enablement/ step down back into the home and on occasion the avoidance of hospital admission prevents. Thus delivering improved outcomes for residents as well as cost savings for the Council.

## **5. Legal implications**

5.1 The Care Act 2014, together with the supporting regulations and statutory guidance, sets out how people's care and support needs should be met. The Act sets out a local authority's duty to ensure people's wellbeing is at the centre of all it does with an emphasis on outcomes and helping people to connect with their local community. The framework of the Act provides a focus upon people having more control over their own lives and that as part of that, support should be more focused on prevention, and the promotion of independent living

## **6. Financial implications**

6.1 This report sets out the range of Lewisham's cross borough working in relation to adult social care.

6.2 It explains how the various activity improves outcomes for service users, develops capacity in the market, secures efficiencies for the Council and helps the service benchmark its costs against other London boroughs.

For further information on this report please contact Dee Carlin

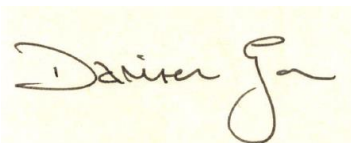
# Agenda Item 18

<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>	10 <sup>th</sup> January 2018	
<b>Title of Report</b>	New Homes Programme Update	
<b>Originator of Report</b>	Jeff Endean	<b>Ext.46213</b>

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)		X
Reason for Urgency (as appropriate)		X



Signed: \_\_\_\_\_ Executive Member

Date: 22/12/2017



Signed: \_\_\_\_\_ Director/Head of Service

Date 18/12/2017

### 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>	New Homes Programme Update		
<b>Key decision</b>	Yes	<b>Item no</b>	
<b>Wards</b>	All wards		
<b>Contributors</b>	Executive Director for Customer Services, Executive Director for Regeneration and resources, Head of Law		
<b>Class</b>	Part 1	10 January 2018	

## 1 Purpose of report

- 1.1 This report provides an update on progress in delivering the Council's new homes programme – 'New Homes, Better Places'. Good progress continues to be made: since November 5 new homes have been completed and will soon be let. In total 330 of the 500 homes targeted by the programme are either complete, on-site or are progressing through the planning process.
- 1.2 The report also sets out details of proposed development at Edward Street, Deptford, on the site of the former Deptford Green ball court. Building on the innovative technology used to deliver PLACE/Ladywell in 2016, this report recommends that the Mayor agrees that a planning application should be made to deliver 34 new Council homes (12 two-bed apartments and 22 three-bed apartments), along with community/commercial space on the ground floor. The Part 2 Report contains commercially sensitive information relating to the Business Case for the scheme.

## 2 Summary

- 2.1 In July 2012 the Council embarked on a programme to build new Council homes in response to a series of on-going housing policy and delivery challenges, most notably an enduring under-supply of new affordable homes available to the Council to meet housing demand.
- 2.2 A series of update reports has subsequently been considered by both Mayor and Cabinet, and Housing Select Committee, outlining progress in meeting the target of starting 500 new Council homes for social rent in 2018.
- 2.3 92 new social homes have now been completed, whilst a further 121 are on-site and are being delivered. 32 homes have received planning permission and are awaiting start-on-site. 85 homes are currently moving through the planning decision process, whilst a further 211 homes are awaiting submission to planning committee. See table below:

Project Status	Number of New Council Homes
Awaiting Planning Submission	211
Awaiting Planning Consent	85
Awaiting Start-On-Site	32
On Site	121
Completed Schemes	92
Total	541

2.4 This means that in total there are 330 homes underway in some form, which is over 65% of the 500 home target.

The programme therefore contains a total of 541 homes which are expected to start during 2018. A full summary of the development programme is appended to this report as **Appendix A**.

2.5 This report also provides a summary of consultation activity to date on the scheme at Edward Street, Deptford. The report recommends that the Council finalises these plans and submits a planning application for the development.

### 3 Recommendations

It is recommended that the Mayor:

- 3.1 Notes the progress update on the New Homes, Better Places Programme;
- 3.2 Notes the design development and consultation which has been carried out on the proposed development at Edward Street, which is summarised at section 7 of this report;
- 3.3 Having considered the responses to the consultation on the proposed development at Edward Street, agrees that Lewisham Council should proceed to submit a planning application to deliver 34 new homes for temporary accommodation;
- 3.4 Notes the business case for providing new homes for temporary accommodation as set in Part 2 of this report;
- 3.5 Agree that an application is made to the Secretary of State for Education under Schedule 1 of the Academies Act 2010 for the disposal of the site on a lease to provide temporary accommodation, as set out in Part 2 of this report;
- 3.6 Agrees the capital budget required to deliver the new homes at Edward Street as set out in the Part 2 report.

### 4 Policy context

- 4.1 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.
- 4.2 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.
- 4.3 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
  - Building the homes our residents need
  - Greater security and quality for private renters
  - Promoting health and wellbeing by improving our residents' homes

## 5 Recent Programme Achievements

- 5.1 Good progress continues to be made in delivering the target of 500 new Council homes to start on site by the end of 2018. In total 330 of the 500 homes targeted by the programme are either complete, on-site or are progressing through the planning process. This means that at this stage 65% of the target 500 homes have been achieved, and officers continue to pursue a range of other projects to deliver the remaining homes.
- 5.2 Two projects - at Kenton Court and at Marnock Road - have received planning permission since the last report to Mayor and Cabinet. Both will start on site in the spring of 2018. Kenton Court will deliver 25 new council homes consisting of 1,2 and 3 bedroom flats for social rent. This scheme will use innovative pre-fabricated technology, similar to that used at PLACE/Ladywell. Marnock Road will deliver 6, 3-storey Council homes, as well as provide improvements to surrounding public space.
- 5.3 A further 38 potential homes have also been identified as part of the High Level Drive scheme taking the potential total for this development to 56. These homes have been identified as part of a potential redevelopment of a former ballcourt and games area, but remain subject to further public consultation and Mayor and Cabinet decision making.

- 5.4 The table below sets out a summary of the overall new homes programme, as well as change across the programme since the last Mayor and Cabinet update report in November. This shows that in total a further 33 homes have been identified across the programme, with 31 more homes gaining planning consent and awaiting start-on-site.

Project Status	Number of New Council Homes (Dec 2017)	Programme Change (Nov – Dec 2017)
Completed Schemes	92	0
On Site	121	0
Awaiting Start-On-Site	32	+31
Awaiting Planning Consent	85	-31
Awaiting Planning Submission	211	+33
<b>Total</b>	<b>541</b>	<b>+33</b>

- 5.5 A summary of the overall programme is appended to this report (**Appendix A**).

## 6 Edward Street, Deptford, Evelyn Ward (34 new homes)

- 6.1 As well as the new homes which Lewisham Homes are building on behalf of Lewisham Council to meet local housing need, the Council is also exploring opportunities for direct development on sites in its ownership. The proposal at Edward Street is to develop 34 new homes for use as temporary accommodation for homeless households on the site of a former ball court which is currently underutilised and in a poor state of repair.
- 6.2 As well as providing 34 new temporary accommodation units, Edward Street will all provide new community/commercial spaces on the ground floor to benefit the local community. The final uses will be established through further consultation with local people, but based on the engagement that has taken place so far officers are investigating the provision of space for a community nursery, and affordable office space that can be targeted at small business, start-ups and the voluntary sector.
- 6.3 PLACE/Ladywell was an innovative development by Lewisham Council that used modular construction to deliver 24 high quality two-bed apartments for homeless families, and 8 ground-floor units for a range of affordable commercial uses.
- 6.4 The development was an exemplar scheme that provided new housing units for 20 per cent lower cost than other new build projects in the programme, in approximately two thirds of the standard construction time. PLACE/Ladywell now provides an opportunity to move families out of very expensive and often unsuitable nightly-paid temporary accommodation into high quality, appropriately sized and in borough accommodation. The development was the first time a local authority has used precision manufactured technology in this way, and many lessons were learnt during the process about how a similar development could be delivered in a way that delivers greater benefits.

- 6.5 To best realise the benefits of the lessons learnt through the development of PLACE/Ladywell, the same engineering and architecture team were appointed by Mayor and Cabinet on 19 April 2017. The scheme has been designed to further push the quality of housing development that is achievable through using a precision manufactured approach to realise more positive outcomes for the residents.
- 6.6 This development forms part of the Council's bid to the GLA Innovation Fund, which has been set up as part of the new Mayor of London's approach to increasing the number of new affordable homes that are built in London. The role of the Innovation Fund specifically is to enable the development of new models of delivery.
- 6.7 Officers have been in close dialogue with the GLA about the potential to attract additional funding into the Council's delivery programmes. The Council is bringing forward a range of delivery projects that include innovative models of the type supported by the Innovation Fund. These conversations have focussed on a range of options, and have, for example, led to in principle support for the two community-led developments in the programme (RUSS and Lewisham Citizens CLT). If support is confirmed, the funding will be provided to the partners direct.
- 6.8 In particular though, the dialogue has focussed on whether GLA funding could be brought into the 500 home programme to support an expansion of the use of modern methods of construction of the type piloted at PLACE/Ladywell. In that project it was shown that by constructing homes in factory-controlled conditions it was possible to provide high quality homes quickly and in a financially viable manner.
- 6.9 The challenge for all housing providers now is to establish how this approach can start to contribute at a greater scale, above and beyond the pilot projects that the Council and some other organisations have delivered to date. To that it is proposed that a second wave of off-site manufactured sites is brought forward, to enable homes that are already planned for delivery within the 500 home programme to benefit from the additional speed and certainty on cost and delivery timetable that PLACE/Ladywell showed was possible.
- 6.10 All four of these developments have been designed with off-site manufacture in mind from the outset. Three are being developed in partnership with the consultant team that designed PLACE/Ladywell and the fourth has been designed by the architects working alongside Legal & General Homes, which has recently invested in a new factory for delivering off-site manufactured homes at scale.
- 6.11 The four Innovation Fund projects are as follows:

Project	Location	Homes Delivered
Mayfield	Burnt Ash Hill, Lee Green Ward	47 Council homes
Kenton Court	Adamsrill Road, Bellingham Ward	25 Council homes

Home Park	Winchfield Road, Bellingham Ward	34 Council homes
Edward Street	Edward Street, Evelyn Ward	34 Homes for temporary accommodation

- 6.12 Following initial discussions and an expression of interest submitted by officers, the GLA has provided in principle support to the programme. It has invited the Council now to finalise the four development designs and thereby fix the overall likely cost, and then to establish a fixed rate of grant funding. This is likely to be in the region of 40 per cent of the total project costs, currently estimated at around £13m of investment into the Council's programme. The remainder of costs would then be covered through Council capital resources, subject to the usual and necessary approvals.
- 6.13 It is anticipated that construction works will start on site on the first of the projects in late summer 2018, with practical completion of all of Innovation Fund schemes scheduled by the end of 2019. At this stage however, these dates are indicative only, as planning consent has yet to be achieved on all of the sites, and as officers are undertaking further work to establish designs, costs and the most appropriate procurement routes.
- 6.14 Kenton Court gained planning approval in early December. The scheme at Mayfield is currently in for planning decision, whilst both the Edward Street and Home Park schemes are likely to be submitted for planning by March 2018.
- 6.15 Despite the success of PLACE/Ladywell and other off-site manufactured projects across the UK, overall the construction market for this form of construction is in its infancy, but it is growing quickly and there is huge interest in how the value of modern technology can be captured to develop more homes, more quickly. For the Council, with its aim to maximise the number of new Council homes it builds, there is also an imperative to translate the cost savings new approaches such as this may offer, into lower cost housing for people in housing need.
- 6.16 To support officers in ensuring that a programme of this complexity, in a nascent market, can genuinely deliver value for money and manage risks, an advisory team has been appointed. This team is made up two organisations – Cast and Cogent – which have been instrumental in driving the development of this sector to date. For example the Chief Executive of Cast, Mark Farmer, wrote the Government's own review of the potential of new methods of construction, "*Modernise or Die*", in 2016.
- 6.17 The work that this advisory team will provide will enable officers to advise the Council on the most advantageous approach for utilising new technology to provide better, cheaper and quicker Council homes. This work is likely to complete in early 2018 and will be reported back to Mayor & Cabinet accordingly. Its focus will include a review of the construction market, of off-site manufactured models, the potential "best fit" of those to the sites in question, and the ways in which the Council might use a procurement exercise of this scale to maximise the other benefits for the borough, especially in relation to jobs and skills.

## 7 Edward Street Consultation Summary

- 7.1 The Edward Street development was first presented to the public at the Evelyn Local Assembly on 28 March 2017, where the proposal to bring forward new affordable housing based on the same model and technology as PLACE/Ladywell was greeted positively, although at that point the detail was not very well developed.
- 7.2 Following on from the initial Local Assembly meeting there have been two main consultation events held to engage local people with the design process.
- 7.3 The first main consultation event was held on Saturday 10 June 2017 in Charlottenburg Park, directly across the road from the proposed development site on Edward Street.
- 7.4 The designs presented were more directly based on PLACE/Ladywell, and the scheme was then referred to as PLACE/Deptford. Approximately 30 people attended the event and their responses are summarised by theme in the table below:

Comment	Number	Quote
General Support for the scheme	6	"It is good that homeless families are being cared for"
Change the name to something more local	3	"give this a historically grounded local Deptford name"
Change in appearance requested	6	"Exterior + style of the building to integrate with community"
Increase environmental features	5	"Solar panels, Eco-Infrastructure, Rain water harvesting; ensuring low cost sustainable housing"
Focus on security and safety in the design	2	"Focus on security"
Ground floor should be used for community uses, particularly a community Nursery	14	"Community nursery preferred"
More business uses favoured for the ground floor such as shop, café or gym	10	"Sainsbury's, Waitrose etc., this would be a viable business"

- 7.5 Most of the comments received were supportive and included suggestions on how the development could be improved.
- 7.6 There were also a number of concerns raised about the development proposals which are set out below:

Concerns Raised	Number of Comments	Quote
Concerns over parking	4	“Consider controlled parking”
Disagreement with the provision of affordable temporary accommodation	4	“Enough social housing in this area”
Concerns over impact of development on neighbouring Lulu Court and Astra House	6	“Will overshadow half of Astra House, reducing light and depriving of privacy”
Loss of play space	5	“More play centres”

7.7 Following on from this consultation event officers worked with the design team to take account of as many of the suggestions as possible and to work to mitigate the concerns that were raised.

7.8 The key changes that were made as a result of this consultation and subsequent discussions with the local community are:

- The name of the development was changed from PLACE/Deptford to “Edward Street”. There is further consultation planned with the community to establish a permanent name for the development.
- The design was changed to be more unique and reflective of the local area, with inspiration being taken from the immediately adjacent Astra House and from the nearby Deptford Project for the colour scheme.
- Crucially to minimise overshadowing and privacy issues in relation to Astra House and Luli Court, the proposed building line has been moved significantly to the south. This has created a new public space between Astra House and Luli Court and significantly reduced any overshadowing and privacy impact.
- The environmental features of the development have also been focused on, with green roofs, the use of photovoltaics and more trees being proposed in the landscaping, particularly in the new public space along Trim Street.
- The decision was taken to develop plans to design some of the ground floor space for use as a nursery.
- The nearby Evelyn Green was identified as a location where play space could be improved for the local community.
- Various other design changes were made to improve the building in line with all the helpful suggestions received.

7.9 This design progression resulted in the revised scheme that is shown in the images attached to the report as **Appendix B**.

7.10 The revised design was presented back to the public on Saturday 21 October at the Evelyn Green Community Centre. Approximately 20 people attended, the majority of whom had attended the previous event. The comments received are summarised the table below:

Comment	Number	Quote
Agree with new high-quality homes for homeless families	7	“you get my vote for more housing”
Supportive of community uses for the ground floor, particularly nursery	9	“providing an essential community area for the local community to use”
Happy with design changes since last consultation	5	“scheme works much better compared to the proposal made in June”
Support and suggestions for the investment in play space on Evelyn Green	10	“a bigger basketball/football cage would be great for the community”
Development could be an example for self-build	1	“would be ideal as an exemplar for self-build”
Height and density concerns	5	“Still far from convinced, that this is a suitable area for increasing housing density”
Concerned about removal of open space	2	“Takes away an <u>existing</u> open space”
Disagree with use as temporary accommodation	2	“Disagree with ‘temporary’ accommodation”
Dislike design	1	“no magenta or any bright colours. Try to blend in”
Still concerned about overshadowing of Luli Court	1	“Luli Court will still be overshadowed”

- 7.11 Generally the revised proposals were very well received, and the Council’s desire to create new affordable housing was praised. Following the event further design work was undertaken to attempt to mitigate the remaining concerns that were raised.
- 7.12 The main change in the design since the consultation event in October, has been to reposition the layout of units on the north eastern corner of the development to reposition two balconies that were the closest part of the proposed development to Luli Court, so that they are further way. This reduces the overlooking and daylight/sunlight impacts on Luli Court, and was positively received at the most recent pre-app meeting with planners.
- 7.13 Additional consultation meetings have been held with the residents group at Astra House and with the Chair of the Evelyn Tenants and Resident Association, whose comments were largely reflective of those summarised above, and were also incorporated into the design process.
- 7.14 The Edward Street development has benefitted greatly from the input received from the local community and the changes made to the design as a result of the suggestions received mean that the final development will be a better place to live for future residents, and will have a more positive impact on the surrounding area.

- 7.15 If these proposals are taking forward officers will carry out further consultation with local people to look in more detail at the uses of the ground floor, and to discuss what the development should be named, along with more in-depth consultation on the improvements to Evelyn Green.

## 8 Play Space Re-Provision

- 8.1 The site on Edward Street is the former ball court that was used by Deptford Green School, when it was located across the road on the Amersham Vale site. The school was rebuilt further down Edward Street in 2012 as part of the Building Schools for the Future programme, the ball court was re-provided on Fordham Park with the construction of a modern Multi-Use Games Area (MUGA), which is used by the school and hireable by the local community.
- 8.2 The open space lost through the provision of the new MUGA, was then compensated for by the building of the new Charlottenburg Park, on the former site of Deptford Green School on Amersham Vale. Charlottenburg Park opened in 2016 and is directly opposite the proposed site for this development.
- 8.3 When Deptford Green School relocated, the school's former ball court was closed and locked up, with the intention of future redevelopment. While in use the ball court was maintained by Deptford Green School, and when it was closed this maintenance ended.
- 8.4 After the ball court was locked there were incidents of unauthorised access, which resulted in injuries. Subsequently the decision was taken to unlock the ball court to reduce the risk any future injuries occurring. This resulted in the former ball court being accessed by the local community and used unofficially in a number of ways, including as play space, which contributed to a steady deterioration of the ball court's surface.
- 8.5 The former ball court is currently in an unusable condition, presents a potential health and safety risk, and frequently attracts fly tipping and occasional anti-social behaviour. The current condition of the site is shown in the photos attached as **Appendix C**.
- 8.6 Although the former Deptford Green Ball Court has already been re-provided, developing the site to provide affordable housing would remove space that has been used as play space by the local community. To compensate for this, part of this project has involved looking at how nearby play space can be expanded and improved.
- 8.7 Based on an assessment of nearby play space, and through consultation and engagement, the ball court at Evelyn Green was identified as the best place to do this. The Evelyn Green ball court is less than 150m from the former Deptford Green ball court and currently provides two basketball courts.
- 8.8 Conversations with local stakeholders have identified that the ball court would benefit from being expanded, and that the fence and floodlights are not fit for purpose and need to be brought up to modern standards.



- 8.9 This represents an opportunity to look more widely at the play space provided in Evelyn Green, and to work closely with local residents and park users to improve the provision of play space for all ages. The potential to improve Evelyn Green was discussed at the consultation event on Saturday 21 October 2017 and greeted very positively.
- 8.10 This report recommends that a planning application is made to improve and expand the ball court at Evelyn Green, and more in depth consultation is undertaken to look at how wider enhancements could be made to Evelyn Green to benefit the local community.

## 9 Next steps

- 9.1 Subject to the recommendations in this report being approved, officers would work with the Edward Street design team to finalise the design of the development and submit a planning application for the scheme.
- 9.2 Officers will then make the application to the Secretary of State for permission to lease the development at the same time as the planning application is submitted.
- 9.3 Further consultation on the improvements that can be made to Evelyn Green will be undertaken, a planning application to expand and improve the ball court in Evelyn Green will be submitted. The improvements to Evelyn Green would then be brought forward as separate piece of work.
- 9.4 Subject to planning permission being achieved officers would then commence a procurement exercise to appoint a contractor to deliver the Edward Street development in line with the procurement strategy being prepared by Cast and Cogent, as set out in section 6.
- 9.5 An indicative timetable for these next steps is set out below:

<b>Stage</b>	<b>Date</b>
Mayor and Cabinet Approval	10 January 18
Planning Application Submitted	February 18
Application to Secretary of State for Education for disposals consent	February 18
Further Public Engagement on Edward Street Development	June 18
Start on Site	August 18
Completion	Summer 19

## **10 Comments from the Planning Authority**

- 10.1 Planning officers would support the provision of a mixed use, affordable housing scheme on this site which would contribute to the setting of Charlottenburg Park and the re-provision of a new high quality games area in the locality.

## **11 Financial Implications**

- 11.1 The Council's current 30 year financial model for the Housing Revenue Account (HRA) includes provision for up to 500 new units, for social rent purposes, at an average cost of £190k each (adjusted annually for inflation) over the first 10 years of the model.
- 11.2 The delivery of the HRA Social Units outlined in this report will be funded from this provision.
- 11.3 The detailed financial implications for the Edward Street development are contained in part 2 of this report.

## **12 Legal Implications**

- 12.1 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. In accordance with General Consent A3.1.1 of The General Housing Consents 2013 the Council may dispose of dwelling houses on the open market at market value.
- 12.2 Some of the proposals set out in this report are at an early stage of development. Detailed specific legal implications will be set out in subsequent reports to Mayor & Cabinet/Mayor & Cabinet (Contracts) as appropriate. Section 105 of the Housing Act 1985 provides that the Council must consult with all secure tenants who are likely to be substantially affected by a matter of Housing Management. Section 105 specifies that a matter of Housing Management would include a new programme of maintenance, improvement or demolition or a matter which affects services or amenities provided to secure tenants and that such consultation must inform secure tenants of the proposals and provide them with an opportunity to make their views known to the Council within a specified period. Section 105 further specifies that before making any decisions on the matter the Council must consider any representations from secure tenants arising from the consultation. Such consultation must therefore be up to date and relate to the development proposals in question.
- 12.3 The Equality Act 2010 (the Act) introduced a public sector equality duty (the equality duty or the duty). It covers the following protected characteristics: age,

disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

12.4 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.

12.5 It is not an absolute requirement to eliminate unlawful discrimination, harassment, victimisation or other prohibited conduct, or to promote equality of opportunity or foster good relations between persons who share a protected characteristic and those who do not. It is a duty to have due regard to the need to achieve the goals listed at 9.3 above.

12.6 The weight to be attached to the duty will be dependent on the nature of the decision and the circumstances in which it is made. This is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. The Mayor must understand the impact or likely impact of the decision on those with protected characteristics who are potentially affected by the decision. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations. The extent of the duty will necessarily vary from case to case and due regard is such regard as is appropriate in all the circumstances.

12.7 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:

<https://www.equalityhumanrights.com/en/advice-and-guidance/equality-act-codes-practice>

<https://www.equalityhumanrights.com/en/advice-and-guidance/equality-act-technical-guidance>

### **13 Crime and disorder implications**

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

#### **14 Equalities implications**

14.1 The provision of new social housing in the borough has a positive equalities impact. Households on the Council's Housing Register are more likely to have a protected characteristic that the wider population as access to the register is limited to those most in housing need.

#### **15 Environmental implications**

15.1 There are no environmental implications arising from this report.

## 16 Background Documents and Report Originator

<b>Title</b>	<b>Date</b>	<b>File Location</b>	<b>Contact Officer</b>
New Homes, Better Places Phase 3 Update	14 January 2015	Available at this <a href="#">link</a>	Jeff Endean
New Homes, Better Places Programme Update	15 November 2015	Available at this <a href="#">link</a>	Jeff Endean
New Homes, Better Places Programme Update	1 June 2016	Available at this <a href="#">link</a>	Jeff Endean
New Homes, Better Places Programme Update	11 January 2017	Available at this <a href="#">link</a>	Jeff Endean
New Homes, Better Places Programme Update	22 March 2017	Available at this <a href="#">link</a>	Jeff Endean
New Homes, Better Places Programme Update	10 May 2017	Available at this <a href="#">link</a>	Jeff Endean
New Homes, Better Places Programme Update	28 June 2017	Available at this <a href="#">link</a>	Jeff Endean
New Homes, Better Places Programme Update	4 October 2017	Available at this <a href="#">link</a>	Jeff Endean
New Homes, Better Places Programme Update	15 November 2017	Available at this <a href="#">link</a>	Jeff Endean
New Homes, Better Places Programme Update	6 December 2017	Available at this <a href="#">link</a>	Jeff Endean

16.1 If you have any queries relating to this report please contact Jeff Endean on 020 8314 6213.

## Appendix A – Programme Update

Project	Lead Partner	New Homes			Next decision/stage	Target Planning Dates		Target Start on Site	Target Completion Dates
		Total	Council	Other Affordable		Submission	Approval		
<b>Completed schemes</b>									
Mercator Road	L. Homes	6	6	0	Complete				
Marischal Road	Pocket Living	26	0	26	Complete				
Slaithwaite Community Room	L. Homes	1	1	0	Complete				
Forman House	L. Homes	2	2	0	Complete				
Angus Street	L. Homes	1	1	0	Complete				
Dacre Park South - Phase 1	L. Homes	7	7	0	Complete				
PLACE/Ladywell	LBL	24	0	24	Complete				
Hamilton Lodge	LBL	21	0	21	Complete				
Hazelhurst Court	Phoenix	60	60	0	Complete				
Wood Vale	L. Homes	17	9	0	Complete				
Grebe Street	LBL	1	1	0	Complete				
Honor Oak Housing Office	L. Homes	5	5	0	Complete				
<b>SUBTOTAL</b>		<b>171</b>	<b>92</b>	<b>71</b>					
<b>Schemes on site</b>									
Dacre Park South - Phase 2	L. Homes	18	18	0	On Site				Jan-18
Forster House	Phoenix	24	24	0	On Site				Jan-18
Woodbank	Phoenix	4	4	0	On Site				Mar-18
Longfield Crescent	L. Homes	27	27	0	On Site				Jul-18
Dacre Park North	L.Homes	5	5	0	On Site				Sep-18
Campshill Road	One Housing	53	34	19	On Site				Feb-19
93-95 Rushey Green (purchase)	LBL	9	9	0	On Site				Jan-18
<i>On-site subtotal</i>		<i>140</i>	<i>121</i>	<i>19</i>					
<b>CUMULATIVE SUBTOTAL</b>		<b>311</b>	<b>213</b>	<b>90</b>					

Schemes awaiting start on site									
Rawlinson House	L. Homes	1	1	0	Planning decision			Jan-18	May-18
Kenton Court	L. Homes	25	25	0	Planning decision			May-18	May-20
Marnock Road	L. Homes	6	6	0	Planning decision			Jan-18	May-19
<i>Awaiting start subtotal</i>		32	32	0					
<b>CUMULATIVE SUBTOTAL</b>		<b>343</b>	<b>245</b>	<b>90</b>					
Schemes awaiting planning consent									
Stanstead Road	Birnbeck HA	4	4	0	Planning decision		Mar-18	TBC	TBC
Hawke Tower	L. Homes	1	1	0	Planning decision		Dec-17	Oct-18	TBC
Mayfield	L. Homes	47	47	0	Planning decision		Jan-18	May-18	TBC
Somerville Estate Phase 1	L. Homes	23	23	0	Planning decision		Jan-18	May-18	Nov-19
Church Grove	RUSS	33	5	28	Planning decision		Jan-18	May-18	Mar-21
Pepys Housing Office	L. Homes	5	5	0	Planning submission		Jan-18	Mar-18	Jun-19
<i>Awaiting planning subtotal</i>		113	85	28					
<b>CUMULATIVE SUBTOTAL</b>		<b>456</b>	<b>330</b>	<b>118</b>					
Schemes awaiting planning submission									
Endwell Road	L. Homes	9	9	0	Planning submission	Dec-17	Mar-18	TBC	TBC
Algernon Road	L. Homes	5	4	0	Planning submission	Feb-18	May-18	Aug-18	Dec-19
Forest Estate	L. Homes	17	17	0	M&C decision (6 Dec)	Mar-18	Jun-18	TBC	TBC
Grace Path	L. Homes	6	5	0	Planning submission	Apr-18	Jul-18	TBC	TBC
Silverdale Hall	L. Homes	7	6	0	Planning submission	Apr-18	Jul-18	TBC	TBC
Edward Street	LBL	34	34	0	M&C decision (7 Feb)	Mar-18	Jun-18	TBC	TBC
High Level Drive	L. Homes	18	56	0	M&C decision (28 Feb)	May-18	Aug-18	TBC	TBC
Home Park	L. Homes	36	36	0	M&C decision (28 Feb)	May-18	Aug-18	Nov-18	TBC
Bampton Estate	L. Homes	44	44	0	M&C decision (28 Feb)	Feb-18	May-18	Jul-18	Jun-20
Embleton Road	L. Homes	4	0	0	M&C decision (7 Feb)	Feb-18	May-18	Aug-18	Oct-19
Brasted Close	L. Citizens	11	0	11	Planning submission	Feb-18	May-18	Aug-18	Feb-20
<i>Awaiting submission subtotal</i>		191	211	11					
<b>GRAND TOTAL</b>		<b>647</b>	<b>541</b>	<b>129</b>					

**Appendix B – Edward Street Design Images**







**Appendix C – Pictures of the former Deptford Green Ball Court**





# 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: January 10 2018

## 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. New Homes Programme Update part 2

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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