

MAYOR AND CABINET		
Report Title	Lewisham 2020: the Council's 5 year forward view	
Key Decision	Yes	Item
Ward	All	
Contributors	Chief Executive Head of Strategy	
Class	Part 1	11 November 2015

1. Purpose of the Report

This report outlines the development of the five year forward view for Lewisham the place and for the Lewisham, the council- Lewisham 2020. This forward view will help shape the approach the council takes to meet the challenges facing the council over the next five years.

2. Recommendation

- 2.1 That the Mayor approves the council's five year forward view summary in Appendix One.

3. Policy Context

3.1 Lewisham's long standing vision is: 'Together, we will make Lewisham the best place in London to live, work and learn'. This vision was developed following extensive consultation with Lewisham residents, public sector agencies, local business, voluntary and community sector organisations. This vision has been adopted by all our partners. It continues to be a bold ambition that stretches and motivates the Council and its partners to set priorities and deliver services in ways that achieve the vision.

3.2 The key strategic document for Lewisham and our partners is the Sustainable Community Strategy 2008-2020. "Shaping our Future" is Lewisham's Community Strategy 2008 - 2020. This contains the shared priorities for the borough. The Lewisham Strategic Partnership agreed a set of six key priority outcomes which form the basis for public action locally.

3.3 The Council's ten enduring corporate priorities determine what contribution the Council will make towards delivery of the Shaping our Future. The priorities focus on the needs of local people and are geared towards ensuring that, in delivering services, the Council focuses on its citizens, is transparent and responds to changing needs and demands.

4. Lewisham 2020: the Council's five year forward view

4.1 The Council is facing considerable external change. Lewisham's community is changing radically. The local population is increasing rapidly and the nature and type of demands placed upon the Council and its services are also changing. What's more, Lewisham is changing as a place - investment, regeneration and redevelopment is bringing opportunities to Lewisham as well as challenges.

4.2 The financial position of the Council has been tightening for the last five years. At present, we are half-way through a decade of public sector austerity. This is forcing the Council to re-evaluate the scope and scale of the services we provide. It is also forcing us to change the way we work.

4.3 In 2010, with the onset of the then Coalition Government, the Chief Executive outlined the fiscal and policy background to these issues in a "New Directions" paper. At that point in 2010, the expectation – based on commitments by the Coalition Government – was that the deficit and the spending reductions would be dealt with in that Parliament. At that time, we did not know that the reductions in public spending would extend beyond that Parliament (2010-2105), and become the key theme of this Parliament.

4.4 The Conservative Government have instituted public sector austerity as a "new normal" for public services. Added to this, the overall pace of population change and growth, and regeneration within the borough have increased since 2010. At the same time as public spending that supports services is reducing drastically in the Borough (our Revenue budget), investment is increasing in housing and regeneration schemes (mainly through private sector investment but including public sector housing and public realm capital schemes). In short, the Council is squeezed between harsh public spending cuts to local government and substantial investment in the borough as a place.

4.5 The approach outlined in New Directions paper has largely been implemented, and has shaped the way that the Council has approached budget savings over the past period. It recommended exploring:

- How services are delivered - identifying the most efficient and effective delivery mechanism (including outsourcing to the private, community and voluntary sector, or exploring mutuals and "spin outs")
- Sharing functions and services with other Councils and public agencies such as the health service

- Radical service redesign to reduce costs and meet new service needs
- Reducing management costs and overheads

4.6 The core values and guiding principles to the budget strategy outlined in the New Directions paper are as relevant now as they were then, and still guide our approach. Our core values are:

- We put service to the public first
- We invest in employees
- We respect all people and all communities
- We are open, honest fair in all we do.

And in making decisions about service change and cost reductions we will:

- Consider the social impact of the proposed changes
- Avoid short- term fixes
- Consolidate action across the whole Council
- Encourage self-reliance, mutualism and cooperation
- Prioritise support for those in greatest need
- Not favour one locality over others
- Involve service users, staff and other service users in service redesign
- Co-ordinate action with other public agencies and the voluntary sector and consider shared solutions
- Listen to all voices, take account of all views and then move forward to implement.

4.7 The election of the new Council in May 2014 established a new local mandate for the Mayor and Councillors. The Future Lewisham Programme is the corporate programme through which the Council's budget savings are identified, options developed and challenged, and consolidated into a cohesive programme including the totality of Council activity. Before this approach, the Council largely approached budget savings on a directorate basis. By contrast, the Future Lewisham Programme contains a number of cross-cutting projects and programmes, and service by service budget options.

4.8 Over the next five years we face severe financial challenges. We need to make further substantial savings in our net revenue budget (on top of the £120m savings made over the past 5 years). The Conservative Government's major policy change on encouraging city-regional (or in London's case sub-regional) "devolution deals" is challenging us to raise our ambitions in respect of joint working with other Councils. Together, these factors require us look again at our approach to developing savings. Members have been engaged in a discussion on the impact of another five years of

spending reductions, as well as the detailed and thorough scrutiny of individual savings proposals. A number of issues are clear:

- Although it is vital to scrutinise each savings proposal; by focussing on individual savings proposals, the Council can lose sight of the whole budget and the resource that is available to shape services for the future
- That we need to consider what services will look like a number of years ahead, and allow this to shape how we approach annual budget savings
- That the analysis and principles developed in the New Directions paper still holds true but the scale of the further savings now required means that the Council will have to explore even more radical service change, reductions and transfers.

4.9 The Lewisham 2020 report attached as Appendix One, outlines what the Council wants Lewisham to be in 2020, and explores the approaches that the Council will take in achieving these aims within the severely challenging financial climate.

4.10 A number of themes have been identified:

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

In developing the budget going forward, these themes will be used as a way of generating additional savings proposals. Officers will use these in considering the options being generated.

4.10.1 Creating the conditions where communities will be more able to support themselves

The Council has a long and successful history of working alongside our diverse communities as well as with our more formal community and voluntary sector. The community libraries are an example of small organisations stepping in and mixing library provision with other community activity. The Council works closely with the voluntary and community sector to support their future development and ensure they are resilient in the face of the realities of public sector cuts. Community hubs are being developed for small groups to work together and share costs.

When asked, very many individuals and communities are willing to step in and help out solve social problems and public issues locally. Two-thirds of respondents to the residents' survey say they are confident that the community will step in to run services. However far fewer are willing to give up

their own time to support their community, and any community solution needs to be sustainable in the long term.

The Council will prepare the ground and create the conditions for communities to act for themselves building on existing community groups and related areas of community activity. The scale of action required is an important consideration here. The organisations need to be close enough to the communities served so that they can mobilise volunteering and engagement; but not so small that they lack capability and resilience. They need to be close to the community but have robust governance to ensure they do not become a 'private members club' that excludes the wider public. The Council will play an essential role in ensuring that public interest considerations help to inform community action and help us ensure services remain accountable and accessible.

The Council should work with existing community organisations with sufficient scale to enable the delivery of outcomes important to the Council and the community itself. With a move to a more collaborative way of working there may also be an opportunity for ward assemblies to be re-assessed to see if there could be a greater role for them to play in their local areas.

We ultimately want to help our voluntary and community sector to be capable, confident and resilient in what will be an increasingly difficult financial climate.

4.10.2 Exploring all opportunities to share services

The Council will investigate the sharing of services with other boroughs where appropriate opportunities present themselves, particularly where there are clear financial savings to be identified. There are some areas where sharing makes real sense to lower overheads and management costs, share expertise, and increase scale for purchasing. For other areas the considerable work in developing shared services will not deliver significant savings..

Existing work on shared services will be further developed e.g. the work with Lambeth and Southwark on a joint offer and service on work and skills, ready for any potential London devolution deal, work with Brent on shared IT services, and integration and sharing work in adult social care, where wider changes to health service provision in south east London are likely to initiate new ways of working together across borough boundaries.

While London boroughs are unique and have different needs and demographics, it may also be the case that there could be scope for some services to be run on a pan London level from the Greater London Authority (GLA), and as such we will contribute to and influence the ongoing debate around devolution.

4.10.3 Digitising our services and our interactions with residents

The world is increasingly more digital in every aspect of our daily lives, and many services are already available online. This allows for residents to

interact in a way which is easy and convenient for them, and cost-effective for the Council.

By digitising and modernising our systems and services the Council can ensure that as much of our customer contact as possible is done digitally. This will not only help reduce costs but will also offer the opportunity for services that are more interactive and accessible, that better meet the needs and expectations of our residents. The vast benefits of switching services to digital platforms should mitigate any fear we have about doing so in the first place.

The design of our digital services must be done with the users in mind, and where possible developed with their input. Our digital services need to be effective, and this in turn will ensure the public have the confidence to use them.

Accessibility is vital to ensuring wide usage and this will mean optimising many of our services for use across mobile platforms, including phones and tablets. Lewisham's digital offer will be integrated across departments, thereby ensuring a degree of uniformity so as to make the user experience consistent.

The vast majority of residents are computer and web-literate, and for members of the community that need extra support the Council has partnered with the digital skills charity Go-On to increase digital access and skills in the community. The Council will identify particular groups in the community that may require assistance, such as the elderly, disabled, those with learning difficulties or those without easy access to IT hardware.

Ultimately, digitising our services will enable the Council to transform the way we work by:

- Front line officers using technology to cut out a lot of the administrative activities they have to perform
- Making back office self-service, thus reducing the cost of IT, HR and finance
- Providing much better web based information and advice about how people can use Council services
- Reducing the burden of governance, and eliminating paper in Council meetings
- Using data we collect to generate insight to allow better targeting and decision-making

4.10.4 Entrepreneurial approaches to income generation, particularly in relation to assets

The Council is exploring how best to increase income in order to support services. Reviews of fees and charges are important and officers are looking at this, and for some services self-financing should be the goal.

The Council own considerable assets and a more entrepreneurial and innovative approach to generating revenue income from our assets is being explored. The Council is improving the running of the Council's estate, and addressing the issues that this has inevitably raised with the voluntary and community sector that are often dependent on Council-owned buildings. Our community hubs are part of the solution.

The Council is using our larger sites more innovatively while we wait for development to begin – by establishing a business incubator centre in the Old Town Hall, for example, or by building the Ladywell “pop-up village”.

The Council will continue to promote Lewisham as borough for people to come and set up new businesses as this will help to bring income into the borough through business rates, increasing employment, and developing a sustainable night time economy in our regenerated town centres. The Council is supporting new business with the creation of enterprise hubs and business incubation spaces in the old Town Hall and within the commercial units of our revolutionary ‘pop-up housing’ development.

4.11 These four themes of community, sharing, digital and income generation will be incorporated into the Future Lewisham Programme ensuring that management attention is focused on generating options within these areas. It is clear however that many other approaches will have to be used to reduce spending and generating budget options.

4.12 Approaches such as sharing services, transferring to the community, using digital approaches and service redesign and raising income will go some way to delivering budget savings, but may not be able to be applied in some service areas. Other approaches such as demand management will be crucial in some of the large spending areas such as children's and adults social care. In other areas different delivery options such as mutuals may be a more appropriate mechanism. For some areas, service reductions or removals will be the only feasible option given the Council's harsh budgetary position.

4.13 The Public Accounts Committee has conducted a number of relevant reviews that support the approaches outlined in Lewisham 2020, and these will be used to develop further the work of officers in developing budget options.

5. Legal Implications

5.1 Under S1 of the Localism Act 2011 the Council has a general power of competence to do anything which an individual may do unless it is expressly prohibited (subject to the limitations in the Act).

5.2 The Appendix sets out the broad direction for change over the next 5 years. As specific proposals are brought forward detailed legal implications will be provided at that time.

5.3 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.

5.4 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.

5.5 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.

5.6 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:

5.7 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

5.8 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/>

6. Financial Implications

6.1 There are no direct financial implications arising from this report.

7. Crime and Disorder Implications

7.1 There are no direct crime and disorder implications arising from this report.

8. Environmental Implications

8.1 There are no immediate environmental implications arising from this report.

9. Equalities Implications

9.1 Our vision and ambition for our borough is that:

“Together we will make Lewisham the best place in London to live work and learn.”

This is underpinned by hard-edged principles for:

- reducing inequality – narrowing the gap in outcomes for citizens
- delivering together efficiently, effectively and equitably - ensuring that all citizens have appropriate access to and choice of high quality local services

9.2 The Council's Comprehensive Equality Scheme (CES) for 2012-16 provides an overarching framework and focus for the Council's work on equalities and helps ensure compliance with the Equality Act 2010.

9.3 The Council equality objectives through the CES include:
improve access to services;

- Take reasonable steps to ensure that services are inclusive; responsive to risk; physically accessible and provided through the most efficient and effective channels available.
- close the gap in outcomes for citizens
- Take reasonable steps to improve life chances for citizens by reducing outcome gaps that may exist within the borough as well as those that may exist between the borough and elsewhere.
- increase participation and engagement.
- Take reasonable steps to remove barriers that may exist to engagement and help residents (especially those who are under-

represented) to participate in local decision making and influence local decisions.

10. Background Papers

10.1 New Directions

10.2 If you would like further information on this report please contact Robyn Fairman, Head of Strategy, on 0208 314 6635.

Appendix One

Lewisham 2020: Connected to our residents, our communities, our city and our partners **Five year forward view for the place and the Council**

A changing place

Lewisham is changing. Our population is growing by 3,500 people every year, making our communities even more diverse and vibrant. Lewisham is getting younger and more connected. Our residents live in a thriving global city, with enviable transport, employment, cultural and leisure opportunities.

We can see our town centres changing. The level of investment in housing and new business space in the borough over the next 10 years will be greater than at any time in the last 40 years. This is bringing new housing, new schools and new leisure facilities. The Council is committed to delivering a minimum of 2,000 new affordable homes, building at least 500 Council homes by 2018 and supporting the creation of 3,000 new jobs over seven years.

Change brings challenges as well as opportunities.

- A growing population increases pressure on key public services.
- In Lewisham and across London demand for housing far outstrips our current ability to meet it
- We have lots of great local employers, but also a lot of small businesses that are not growing, a lack of local jobs and a high proportion of jobs paying below the Living Wage.
- Our people are competing for jobs in an increasingly competitive market with people from across the world, and they need the skills, capabilities and confidence to succeed.

We need to be prepared both for the challenges but also be ready to take advantage of the opportunities these changes bring.

- We are ambitious for Lewisham, by 2020 we want Lewisham to be a place...
- With mixed and cohesive communities, enough decent homes for people to live in, and green and open spaces for residents to enjoy
- Connected to central London, and the economic growth and jobs generated there but with a dynamic, prosperous and growing local economy to support growing communities
- Where communities and individuals are enabled and supported to help themselves, and helped to develop their capabilities so they can thrive
- Where our residents and communities have equality of opportunity, and barriers to them achieving equality of outcome are removed.

A changing Council

But we are half way through a decade of declining public spending. Since 2010 Lewisham Council has saved more than £120million. We cannot predict the future but prudent planning estimates are that it will need to cut a further £68-£116 million by 2020.

To be able to achieve our ambitions, the Council will change the way we work. We will:

1. **Take a longer term view on cuts and budget decisions:** we will think about what the budget and service will look like in 2020, and take a strategic approach.
2. **Encourage private investment and use private money for public good:** regeneration and private investment is happening in Lewisham and in London. We want good relationships with developers and private enterprise to encourage greater investment in our borough. We want this investment to deliver public good for our community and we need to grow our business base in order to help provide sustainable funding for the Council.
3. **Be willing to share or transfer control:** where possible, we will share services with other Councils to reduce overheads, achieve economies of scale and share expertise. We will also be open to community organisations taking control of some services, such as community services, libraries and parks.
4. **Look beyond the budget confines of the Council:** as public spending in total continues to fall, public agencies in Lewisham need to work together to maximise overall benefit to the community. We will consider how, for instance, schools, housing associations or community groups can help deliver the outcomes we all want for Lewisham people.
5. **Protect as much as possible services for those with the highest needs:** we will prioritise the services that support those with the greatest need, particularly social care need, while making all services as efficient as they can be. We will focus on strategies that will prevent people needing intensive social care by intervening earlier with more effective integrated solutions, providing information and advice on self-help, community support and self-management, and through innovative use of new technologies.
6. **Develop a bolder approach to risk:** we will need to be more radical in our thinking and be willing to allow more space for the community and employees to innovate.
7. **Have to stop delivering some services:** if the Council simply spreads spending cuts across all our services over several years, this will make some services unsafe and others simply not viable. Limited spending needs greater focus. If the Council withdraws from delivering a service it doesn't necessarily mean it will disappear – as shown by our thriving community libraries. We will be creative in the way we work with the community to help them step in to ensure ongoing provision where it is most needed.

Finally, as we make these changes to the way we work, we will follow a consistent approach that:

- creates the conditions where communities will be able to support themselves
- actively explores all opportunities to share services
- digitises our services and our interactions with residents
- develops entrepreneurial approaches to income generation, particularly in relation to assets.

Lewisham in 2020 will have a growing vibrant young population and regenerated town centres with new housing and business opportunities. The council and the public sector will have less resources. By changing the way we work, listening to our communities and being honest in our engagement, we can ensure we provide relevant, modern and effective services meeting the needs of our communities for the decade to come.