

**LONDON BOROUGH OF LEWISHAM**

**TO: THE MAYOR AND COUNCILLORS OF THE  
LONDON BOROUGH OF LEWISHAM**

You are hereby summoned to attend a meeting of the Council which will be held in the Council Chamber, Lewisham Town Hall, Catford, SE6 4RU on WEDNESDAY, 15 DECEMBER 2004 at 7.30 p.m. for the transaction of the business set out in the agenda below.

In the event of the meeting being adjourned, the business not disposed of will be transacted at an adjourned meeting to be held on Thursday, 16 December 2004 at 7.30 p.m. or at such other date and time agreed by the meeting.



Chief Executive

Lewisham Town Hall  
Catford  
London SE6 4RU  
7 December 2004

**A G E N D A**

- 1. Minutes (page 525)**
- 2. Declarations of Interests (page 525)**
- 3. Announcements or Communications (page 525)**
- 4. Petitions (page 525)**
- 5. Public Questions (page 525)**
- 6. Treasury Policy Statement and Investment Strategy Report (page 526)**

7. **Licensing Policy (page 563)**
8. **Licensing Act 2003 (page 649)**
9. **Action taken by the Council Urgency Committee (page 666)**
10. **An Assessment of Compliance with the Council's Corporate Governance Arrangements (Report to follow)**
11. **Housing Stock Option Appraisal - Overarching Strategy (page 668)**
12. **Questions from Members of the Council (page 680)**

**1. Minutes - 17 November 2004**

To approve as a true record the Minutes of the meeting of the Council held on 17 November 2004.

**2. Declarations of Interests**

Members are invited to make any declarations of personal or other interests they may have in relation to items on this agenda; and are reminded to make any declarations at any stage throughout the meeting if it then becomes apparent that this may be required when a particular item or issue is considered.

**3. Announcements or Communications**

To receive any announcements or communications from the Mayor of the Chief Executive.

**4. Petitions**

To receive petitions (if any)

**5. Public Questions**

In accordance with paragraph 13 of Part IV, Section C of the Constitution, questions have been received from the following members of the public, which will be answered by the Mayor or the Cabinet Member in whose area the question relates:

| <u>Question</u> | <u>Questioner</u> |
|-----------------|-------------------|
| 1.              | Ms Y Rundle       |
| 2.              | Ms J Hurst        |
| 3.              | M Calò            |
| 4.              | R Arkley          |
| 5.              | Ms J Arkley       |
| 6.              | T Ewers           |
| 7.              | M Calò            |
| 8.              | J Dowd            |
| 9.              | N Ingham          |
| 10.             | D Giffin          |
| 11.             | D Giffin          |

## **6. Treasury Policy Statement and Investment Strategy Report**

On 10 November 2004 the Mayor and Cabinet considered the report attached as an Appendix and agreed the recommendations contained therein.

The Council is therefore

RECOMMENDED to approve the revised Treasury Policy Statement, the Annual Investment Strategy Report contained in paragraph 5 of the Appendix and the investment instruments and investment limits set out in Sections 5.13 and 5.25 respectively.

| <b>MAYOR AND CABINET</b> |   |                               |
|--------------------------|---|-------------------------------|
| <b>Report Title</b>      | <b>TREASURY POLICY STATEMENT AND INVESTMENT STRATEGY REPORT</b> |                               |
| <b>Key Decision</b>      | <b>YES</b>  | <b>Item No. 10</b>            |
| <b>Ward</b>              | <b>All</b>  |                               |
| <b>Contributors</b>      | <b>DEPUTY CHIEF EXECUTIVE</b>                                   |                               |
| <b>Class</b>             | <b>Part 1</b>   | <b>Date: 10 NOVEMBER 2004</b> |

**1. Purpose of this Report**

- 1.1 The Treasury Management Function is regulated by the Councils Financial Regulations. The Council's Financial Regulations incorporate the Chartered Institute of Public Finance and Accountancy's (CIPFA) *Code of Practice for Treasury Management in Local Authorities*. It is a requirement of the code that the activities of the Treasury Management function are carried out in accordance with the Treasury Policy Statement of the authority. This report presents a revised Treasury Policy Statement to the Council for consideration.
- 1.2 The arrangements under which the Treasury Policy and associated Treasury Management Practices delegate authority to the Deputy Chief Executive require the Deputy Chief Executive to prepare a Treasury Strategy prior to the commencement of each financial year for approval by the Council.
- 1.3 Since the Treasury Strategy for 2004/05 which formed part of the Council's budget report was written in January 2004 new powers have become available to Council's which allow greater discretion as to the instruments in which the Council may invest and the length of time for which investments may be placed.

The report is set out as follows:

Section

- 2 Recommendations
- 3 Financial Regulations
- 4 Treasury Policy Statement

5 Annual Investment Strategy  
6 Conclusions  
Appendix A – Treasury Policy Statement  
Appendix B – Treasury Management Practices  
Appendix C – Investment Instruments

## **2. Recommendations**

It is recommended that the Mayor

- 2.1 approves the revised Treasury Policy Statement, the Annual Investment Strategy Report contained in paragraph 5 and the investment instruments and investment limits set out in sections 5.13 and 5.25 respectively; and
- 2.2 forwards the report to full Council for approval.

## **3. Financial Regulations**

- 3.1 The Council's Financial Regulations in respect of the treasury management function have been prepared in accordance with the *CIPFA Code of Practice for Treasury Management in Local Authorities*.
- 3.2 The treasury management function essentially manages all the cash flows, borrowings and risks associated with these activities. This represents responsibility for large sums of money. Decisions in respect of borrowing and lending require a high level of technical expertise and may need to be taken at short notice in response to changes in the Council's cashflow forecasts and to movements in interest rates in the money markets.
- 3.3 The large sums of money involved, the degree of expertise required and the ability to make rapid decisions in order to manage effectively investments, borrowing and risk necessitate very clear rules, roles, and responsibilities which must be strictly adhered to.
- 3.4 Adherence to the Code of Practice requires responsibilities to be clearly laid out, day to day decision making to be delegated to Officers with appropriate expertise and all Officers engaged in the treasury management function to be appropriately trained.
- 3.5 The Council's Financial Regulations:
  - require the treasury management function to be managed in accordance with the Code of Practice;

- delegate the management of all monies in the hands of the Council to the S151 Officer who at Lewisham is the Deputy Chief Executive;
- delegate all decisions on borrowing, investment and financing to the Deputy Chief Executive who must act in accordance with the Code of Practice;
- requires the Deputy Chief Executive to report to the Council twice a year on the activities of the Treasury Management Function for the year with one such report being an annual report presented to Council by 30 September of the following financial year.

#### **4. The Treasury Policy Statement**

- 4.1 The current Treasury Policy Statement contains more detail than the CIPFA recommended Policy Statement. The reason for this is that at the time of its introduction the Council had not revised its Treasury Management Systems Document which set the operational principles for the management of the treasury management function. The Treasury Management Systems Document under the old CIPFA code of practice became the Treasury Management Practices under the current CIPFA code of practice.
- 4.2 The core difference is that the current code places a greater emphasis on risk management in running the Council's treasury activities. It also involves a greater degree of delegation to the responsible officer, the Deputy Chief Executive. The reasoning for this is that the management of the treasury management function must be responsive to change and should changes to policy, procedures and investment strategy be required at short notice in response to rapidly evolving market developments then executive decisions must be capable of being taken quickly in order to safeguard the Council's financial interests.
- 4.3 The result is that some of the functions set out in the old Policy Statement such as reporting arrangements are now no longer set in the Policy Statement itself but in the Treasury Management Practices which are prepared by the Deputy Chief Executive. This approach follows recommended practice as set out in the CIPFA code.
- 4.4 It should be noted that the code requires the Deputy Chief Executive to set out a strategy report prior to the commencement of each financial year and an outturn report following its close. These reports serve to inform the Council as to how the Deputy Chief Executive is exercising his delegated powers in respect of Treasury Management

and to confirm that he has exercised his powers in accordance with that delegated authority and to report any breaches of those powers.

- 4.5 The revised Treasury Policy Statement is set out at Appendix A. The Treasury Management Practices are set out at Appendix B.

## **5. The Annual Investment Strategy**

- 5.1 Under S15 of the Local Government Act 2003 the Secretary of State has the power to issue guidance to Local Authorities in carrying out their powers under the Act.
- 5.2 The Secretary of State has issued guidance under Section 15 which requires Local Authorities to approve an Annual Investment Strategy and to have regard when preparing this strategy to the factors set out in the guidance issued by the Secretary of State. This strategy must be approved by full Council.
- 5.3 The new prudential regime brought in by the Local Government Act 2003 and the guidance issued by the Secretary of State provides Local Authorities with important new freedoms. Councils are now free to invest for periods of over one year. Councils also have greater freedom as to the investment instruments they may use. Both these freedoms are subject to the requirements of the Secretary of State's guidance.
- 5.4 The broad principles of the guidance emphasise prudence and the emphasis is placed on the security of a Local Authorities Investments. As such the guidance is consistent with the requirements of the CIPFA prudential code and the CIPFA code of Practice on Treasury Management.
- 5.5 This guidance had not been formalised at the time the Council prepared its Treasury Strategy in January 2004. In future the Annual Investment Strategy will be incorporated into the Council's Treasury Strategy for the year.
- 5.6 The guidance distinguishes between "Specified" and "Non Specified" Investments. These investment categories are explained in the following sections.

### **Specified Investments**

- 5.7 Specified investments conform broadly with the types of investments in which the Council has traditionally invested. Specified investments must meet the following criteria.

- The investment must be in sterling.



- The investment must not be a long term investment (over 12months)
- The investment must not be defined as capital expenditure (making an investment in a company)
- The investment must be made in a body with a high credit rating (as set out in the Investment Strategy)

5.8 By setting these criteria the guidance ensures that the risk entered into when making any investment is short term and that it is further reduced by ensuring that investments are only made with institutions with a high credit rating. By requiring investments to be made in sterling assets the guidance removes the currency risk from investments.

### **Non Specified Investments**

5.9 The non Specified Investment Category is where the Council now has the freedom to set out additional investments which it may choose to use.

5.10 In considering the investments to utilise the Council must have regard to the principles set out in the CIPFA Code of Practice on Treasury Management. These principles emphasise that risk management is a core consideration in the management of the Council's treasury activities and that the focus of the Council's treasury strategy should be to secure its principle sums invested as a priority over the generation of higher investment returns.

5.11 The broad principle of all investment activity is that the greater the return the higher the risk. Risk can take many forms such as:

- Counterparty Risk – the risk that the organisation you lend money to is unable or unwilling to repay you.
- Interest Rate Risk – The risk that interest rate movements effect the relative value of your investment or in the case of gilts the absolute value of your investment return.
- Liquidity Risk – The risk that sums invested for a fixed term are needed before the repayment date.

5.12 In proposing the range of non specified investments to be used the Deputy Chief Executive has considered the guidance of the Secretary of State and the requirements of the CIPFA Code of Practice on Treasury Management. The proposed investments represent a balance of providing the Council with greater flexibility as to the instruments to be used whilst having regard to the overriding priority of securing the Council's principal sums invested.

5.13 The recommended non specified investments proposed for use in the Council's Investment operations are:

- Fixed Rate Sterling Investments with a maturity of up to three years.
- Money Market funds
- Cash and Gilt funds with a maximum weighted investment maturity of three years.

Appendix C sets out the investments considered and analyses the risk of a loss of the principal sum invested, the level of investment return expected and the volatility of the investment return. In recommending the investments set out above the Deputy Chief Executive has set the objective of having the highest investment return consistent with a low risk of loss of principal and stable investment returns.

5.14 The maximum maturity profile of three years is consistent with the Council's budget planning process. Forecasting interest rate movements beyond an eighteen month time horizon can be very inaccurate. Three years is considered to be the maximum period for which the Council should commit funds. There will be strict limits placed on the sums that may be invested over one year and up to three years.

5.15 The benefit of longer term investments is that they provide the Council with security of investment return and provided that the interest forecasts on which these investments are made are correct they may also provide an enhanced investment return.

### **Liquidity**

5.16 The liquidity of investments refers to how easily the investment can be converted into cash should the Council need to draw on its invested funds.

5.17 As a broad principle higher returns are achievable from investments with lower liquidity as the investor needs to be compensated for the risk they are taking in locking into a longer term investment.

5.18 The investments recommended by the Deputy Chief Executive all have medium to high liquidity with the exception of fixed rate investments with a maturity of more than one year.

5.19 These investments cannot be swiftly realised should the Council require the funds. They do however offer the potential to generate higher investment returns.

- 5.20 It is therefore proposed that these investments will only be used to invest the Council's core funds which the Council would not expect to draw on in the short term. A maximum investment time period of three years is proposed which is consistent with the financial planning framework for the Council's financial strategy.
- 5.21 The Council has cash balances in the form of reserves, capital resources, working balances and provisions against bad debts that are held to ensure the prudent management of the Council's finances. Cash balances invested on the money markets have varied between £100m and £160m since April 2004. It is unlikely that all these balances would be called on at once.
- 5.22 If these balances were spent they would be spent over a period of time rather than all at once. The daily monitoring of the Council's cashflow as well as management information generated by the monthly financial monitoring process would identify this trend and would therefore provide an opportunity to adjust the Council's investment maturity profile to ensure that the Council had sufficient available sums to meet its financial obligations.
- 5.23 Historic analysis of the Council's cash balances combined with the financial management arrangements leads the Deputy Chief Executive to recommend that the Council set a limit of £50m on the level of investments that may be held in fixed rate investments with a maturity of between one and three years.
- 5.24 The investment definition contained in the Secretary of State's guidance classifies forward rate agreements, where for example it is agreed that in one year's time the Council will invest a fixed sum at a fixed rate for a fixed period, as having a maturity counting from the date the agreement was entered into rather than the date the money is paid out from the bank account.
- 5.25 Within the £50m limit proposed in paragraph 5.23 the Deputy Chief Executive recommends that no more than £30m of the £50m should be in cash sums paid out to counterparties. The Council's maximum exposure to investments with a maturity of more than one year is therefore:
- Invested Cash paid out £30m
  - Forward Rate Agreements £50m less invested cash paid out with an outstanding maturity of greater than 12 months.

## **Counterparty Credit Ratings**

- 5.26 The Council operates a credit rating template which sets out which institutions the Council may invest money with, how much may be invested and for how long.
- 5.27 All new additions to the list must be approved by full council. All amendments to cash limits and time limits may be approved by the Deputy Chief Executive under his delegated authority. The actions of the Deputy Chief Executive under his delegated authority must then be reported to the next meeting of the full council.
- 5.28 The counterparty template is prepared in accordance with advice from the Council's treasury advisers. Should the Annual Investment Strategy be approved the Deputy Chief Executive will work with the Council's treasury advisers to amend the investment template to incorporate investment limits for up to three years. The current template has a maximum investment limit of twelve months.
- 5.29 A high credit rating for specified investments will consist of a minimum F1 Fitch short term rating.
- 5.30 A high credit rating for non specified investments will be a minimum long term rating of A.
- 5.31 Where institutions are not Fitch rated the ratings of an equivalent ratings agency will be used.
- 5.32 The Council receives updates from its treasury advisers of changes to Fitch credit ratings as they occur. These updates are incorporated into the Council's counterparty list on the same day. This safeguards the Council from making investments with counterparties which do not meet its criteria of having a high credit rating.

## **6. Legal Implications**

The legal implications are contained in the body of the Report

## **7. Conclusion**

- 7.1 The Treasury Policy Statement requires revision following the introduction of the Treasury Management Practices required by the CIPFA Code of Practice on Treasury Management.
- 7.2 The Annual Investment Strategy sets out the recommended investment instruments and limits to be adopted. The core aims of the investment strategy are to safeguard the Council's principal sums invested, to

ensure appropriate liquidity of investments and subject to these requirements to maximise the Council's investment return.

For further information on this report please contact Julie Bennett, Head of Corporate Finance and Property, Resources Directorate on 020 8314 8736 or Adam Barrett, Group Manager, Capital and Treasury, Resources Directorate on 020 8314 7182.

**TREASURY MANAGEMENT POLICY STATEMENT**

**Approved Activities of the Treasury Management Operation**

1. The Council, in accordance with the CIPFA *Code of Practice for Treasury Management in the Public Services*, defines Treasury Management as:

“The management of the local authority’s cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks”

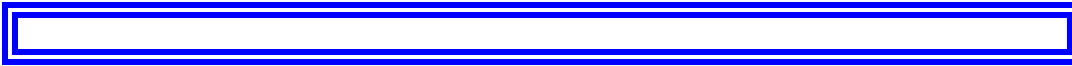
2. The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly the analysis and reporting of treasury management activities will focus on their risk implications for the Council.
3. The Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. The Council is therefore committed to the principles of achieving best value in treasury management, and to employing suitable performance measurement techniques, within the context of effective risk management.
4. The management of the treasury management operation as defined above is delegated to the Executive Director for Resources and Deputy Chief Executive.

# **TREASURY MANAGEMENT PRACTICES**

## ***Part 1: Main Principles***

***August 2004***

***London Borough of Lewisham***



## **TREASURY MANAGEMENT PRACTICES**

Treasury Management Practices (TMPs) set out the manner in which this organisation will seek to achieve its treasury management policies and objectives and how it will manage and control those activities.

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## **Schedules**

**Schedule 1 - Best Value and Performance Measurement**

**Schedule Two – Decision Making and Analysis**

**Schedule Three – Approved Investment Methods and Techniques**

**Schedule Four - Organisation, Clarity and Segregation of Responsibilities, and Dealing Arrangements**

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**Schedule Six – Budgeting, Accounting and Audit Arrangements**

**Schedule Seven – Cash and Cashflow Management**

**Schedule Eight – Money Laundering**

**Schedule Nine – Staff Training and Qualifications**

**Schedule Ten – External Service Providers**

**Approved By:** \_\_\_\_\_

**Rob Whiteman  
Deputy Chief Executive  
8<sup>th</sup> September 2004**

**Date:**

## **TMP1 TREASURY RISK MANAGEMENT**

“The responsible officer will design, implement and monitor all arrangements for the identification, management and control of treasury management risk, will report at least annually on the adequacy/suitability thereof, and will report, as a matter of urgency, the circumstances of any actual or likely difficulty in achieving the organisation's objectives in this respect, all in accordance with the procedures set out in *TMP6 Reporting requirements and management information arrangements*. In respect of each of the following risks, the arrangements which seek to ensure compliance with these objectives are set out in the schedule to this document.”

### **[1] Liquidity risk management**

“This organisation will ensure it has adequate though not excessive cash resources, borrowing arrangements, overdraft or standby facilities to enable it at all times to have the level of funds available to which are necessary for the achievement of its business/service objectives.”

### **[2] Interest rate risk management**

“This organisation will manage its exposure to fluctuations in interest rates with a view to containing its net interest costs, or securing its interest revenues, in accordance with the amounts provided in its budgetary arrangements as amended in accordance with *TMP6 Reporting requirement and management information arrangements*

It will achieve these objectives by the prudent use of its approved financing and investment instruments, methods and techniques, primarily to create stability and certainty of costs and revenues, but at the same time retaining a sufficient degree of flexibility to take advantage of unexpected, potentially advantageous changes in the level or structure of interest rates. The above are subject at all times to the consideration and, if required, approval of any policy or budgetary implications.”

### **[3] Exchange rate risk management**

This organisation will manage its exposure to fluctuations in exchange rates so as to minimise any detrimental impact on its budgeted income/expenditure levels.

It will achieve this objective by the prudent use of its approved financing and investment instruments, methods and techniques, primarily to create stability and certainty of costs and revenues, but at the same time retaining a sufficient degree of flexibility to take advantage of unexpected, potentially advantageous changes in the level or structure of exchange rates. The above is subject at all times to the consideration and, if required, approval of any policy or budgetary implications.”

### **[4] Inflation risk management**

The effects of varying levels of inflation, insofar as they can be identified as impacting directly on its treasury management activities, will be controlled by the organisation as an integral part of its strategy for managing its overall exposure to inflation.

It will achieve this objective by the prudent use of its approved financing and investment instruments, methods and techniques, primarily to create stability and certainty of costs and revenues, but at the same time retaining a sufficient degree of flexibility to take advantage of unexpected, potentially advantageous changes in the level or structure of inflation. The above is subject at all times to the consideration and, if required, approval of any policy or budgetary implications.”

#### **[5] Credit and counterparty risk management**

“This organisation regards a prime objective of its treasury management activities to be the security of the principal sums it invests. Accordingly, it will ensure that its counterparty lists and limits reflect a prudent attitude towards organisations with whom funds may be deposited, and will limit its investment activities to the instruments, methods and techniques referred to in *TMP4 Approved Instruments, methods and techniques* and listed in the schedule to this document. It also recognises the need to have, and will therefore maintain, a formal counterparty policy in respect of those organisations from which it may borrow, or with whom it may enter into other financing arrangements.”

#### **[6] Refinancing risk management**

“This organisation will ensure that its borrowing, private financing and partnership arrangements are negotiated, structured and documented, and the maturity profile of the monies so raised are managed, with a view to obtaining offer terms for renewal or refinancing, if required, which are competitive and as favorable to the organisation as can reasonably be achieved in the light of market conditions prevailing at the time.

It will actively manage its relationships with its counterparties in these transactions in such a manner as to secure this objective, and will avoid over-reliance on any one source of funding if this might jeopardise achievement of the above.”

#### **[7] Legal and regulatory risk management**

“This organisation will ensure that all of its treasury management activities comply with its statutory powers and regulatory requirements. It will demonstrate such compliance, if required to do so, to all parties with whom it deals in such activities. In framing its credit and counterparty policy under *TMP1.5 Credit and counterparty risk management*, it will ensure that there is evidence of counterparties’ powers, authority and compliance in respect of the transactions they may effect with the organisation, particularly with regard to duty of care and fees charged.

This organisation recognises that future legislative or regulatory changes may impact on its treasury management activities and, so far as it is reasonably able to do so, will seek to minimise the risk of these impacting adversely on the organisation.”

#### **[8] Fraud, error and corruption, and contingency management**

“This organisation will ensure that it has identified the circumstances which may expose it to the risk of loss through fraud, error, corruption or other eventualities in its treasury management dealings. Accordingly, it will employ suitable systems and procedures, and will maintain effective contingency management arrangements, to these ends.”

## **[9] Market risk management**

“This organisation will seek to ensure that its stated treasury management policies and objectives will not be compromised by adverse market fluctuations in the value of the principal sums it invests, and will accordingly seek to protect itself from the effects of such fluctuations.”

## **TMP2 BEST VALUE AND PERFORMANCE MEASUREMENT**

“This organisation is committed to the pursuit of best value in its treasury management activities, and to the use of performance methodology in support of that aim, within the framework set out in its Treasury Management Policy Statement.

Accordingly, the treasury management function will be the subject of ongoing analysis of the value it adds in support of the organisation’s stated business or service objectives. It will be the subject of regular examination of alternative methods of service delivery, of the availability of fiscal or other grant or subsidy incentives, and of the scope for other potential improvements. The performance of the treasury management function will be measured using the criteria set out in schedule one to this document.”

## **TMP3 DECISION-MAKING AND ANALYSIS**

“This organisation will maintain full records of its treasury management decisions, and of the processes and practices applied in reaching those decisions, both for the purposes of learning from the past, and for demonstrating that reasonable steps were taken to ensure that all issues relevant to those decisions were taken into account at the time. The issues to be addressed and processes and practices to be pursued in reaching decisions are detailed in schedule two to this document.”

## **TMP4 APPROVED INSTRUMENTS, METHODS AND TECHNIQUES**

“This organisation will undertake its treasury management activities by employing only those instruments, methods and techniques detailed in the schedule three to this document, and within the limits and parameters defined in TMP1, *Risk management*.”

## **TMP5 ORGANISATION, CLARITY AND SEGREGATION OF RESPONSIBILITIES, AND DEALING ARRANGEMENTS**

“This organisation considers it essential, for the purposes of the effective control and monitoring of its treasury management activities, and for the reduction of the risk of fraud or error, and for the pursuit of optimum performance, that these activities are structured and managed in a fully integrated manner, and that there is at all times a clarity of treasury management responsibilities.

The principles on which this will be based is a clear distinction between those charged with setting treasury management policies and those charged with implementing and controlling these policies, particularly with regard to the execution and transmission of funds, the recording and administering of treasury management decisions, and the audit and review of the treasury management function.

If and when this organisation intends, as a result of lack of resources or other circumstances, to depart from these principles, the responsible officer will ensure that the reasons are properly reported in accordance with *TMP6 Reporting requirements and management information arrangements*, and the implications properly considered and evaluated.

The responsible officer will ensure that there are clear written statements of the responsibilities for each post engaged in treasury management, and the arrangement for absence cover. The present arrangements are detailed in schedule four to this document.

The responsible officer will ensure there is proper documentation for all deals and transactions, and that procedures exist for the effective transmission of funds. The present arrangements are detailed in schedule to this document.

The delegation to the responsible officer in respect of treasury management are set out in the schedule to this document. The responsible officer will fulfil all such responsibilities in accordance with the organisation's policy statement and TMPs and, if a CIPFA member, the Standard of Professional Practice on treasury management."

## **TMP6 REPORTING REQUIREMENTS AND MANAGEMENT INFORMATION ARRANGEMENTS**

"This organisation will ensure that regular reports are prepared and considered on the implementation of its treasury management policies; on the effects of decisions taken and the transactions executed in pursuit of those policies; on the implications of changes, particularly budgetary, resulting from regulatory, economic, market or other factors affecting its treasury management activities; and on the performance of the treasury management function.

As a minimum, the organisation (i.e. full board/council) will receive:

- an annual report on the strategy and plan to be pursued in the coming year
- an annual report on the performance of the treasury management function, on the effects of the decisions taken and the transactions executed in the past year, and on any circumstances of non-compliance with the organisation's Treasury Management Policy Statement and TMPs.

The present arrangements and the form of these reports are detailed in schedule five to this document."

## **TMP7 BUDGETING, ACCOUNTING AND AUDIT ARRANGEMENTS**

"The responsible officer will prepare, and this organisation will approve and, if necessary, from time to time amend, an annual budget for treasury management, which will bring together all of the costs involved in running the treasury management function, together with associated income. The matter to be included in the budget will at minimum be those required by statute or regulation, together with such information as will demonstrate compliance with TMP1 Risk management, TMP2 Best value and performance measurement, and TMP4 Approved instruments, methods and techniques. The form which this organisation's budget will take is set out in schedule six to this document. The responsible officer will exercise effective controls over this budget, and will report upon and recommend any changes required in accordance with TMP6 Reporting requirements and management information arrangements.

This organisation will account for its treasury management activities, for decisions made and transactions executed, in accordance with appropriate accounting practices and standards, and with statutory and regulatory requirements in force for the time being. The present form of this organisation's accounts is set out in the schedule to this document.

This organisation will ensure that its auditors, and those charged with regulatory review, have access to all information and papers supporting the activities of the treasury management function as are necessary for the proper fulfillment of their roles, and that such information and papers demonstrate compliance with external and internal policies and approved practices. The information made available under present arrangements is detailed in schedule six to this document.”

#### **TMP8 CASH AND CASH FLOW MANAGEMENT**

“Unless statutory or regulatory requirements demand otherwise, all monies in the hands of this organisation will be under the control of the responsible officer, and will be aggregated for cash flow and investment management purposes. Cash flow projections will be prepared on a regular and timely basis, and the responsible officer will ensure that these are adequate for the purposes of monitoring compliance with TMP1[1] Liquidity risk management. The present arrangements for preparing cash flow projections, and their form, are set out in schedule seven to this document.

#### **TMP9 MONEY LAUNDERING**

“This organisation is alert to the possibility that it may become the subject of an attempt to involve it in a transaction involving the laundering of money. Accordingly, it will maintain procedures for verifying and recording the identity of counterparties and reporting suspicions, and will ensure that staff involved in this are properly trained. The present arrangements, including the name of the officer to whom reports should be made, are detailed in the schedule eight to this document.”

#### **TMP10 STAFF TRAINING AND QUALIFICATIONS**

“This organisation recognises the importance of ensuring that all staff involved in the treasury management function are fully equipped to undertake the duties and responsibilities allocated to them. It will therefore seek to appoint individuals who are both capable and experienced and will provide training for staff to enable them to acquire and maintain an appropriate level of expertise, knowledge and skills. The responsible officer will recommend and implement the necessary arrangements. The present arrangements are detailed in the schedule to this document.”

#### **TMP11 USE OF EXTERNAL SERVICE PROVIDERS**

“This organisation recognises the potential value of employing external providers of treasury management services, in order to acquire access to specialist skills and resources. When it employs such service providers, it will ensure it does so for reasons which will have been submitted to full evaluation of the costs and benefits. It will also ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review. And it will ensure, where feasible and necessary, that a spread of service providers is used, to avoid over-reliance on one or a small number of companies. Where services are subject to formal tender or re-tender arrangements, legislative requirements will always be observed. The monitoring of such arrangements rests with the responsible officer, and details of the current arrangements are set out in schedule nine to this document.” which demand specialist skills and resources

## **TMP12 CORPORATE GOVERNANCE**

This organisation is committed to the pursuit of proper corporate governance throughout its businesses and services, and to establishing the principles and practices by which this can be achieved. Accordingly, the treasury management function and its activities will be undertaken with openness and transparency, honesty, integrity and accountability.

This organisation has adopted and has implemented the key recommendations of the Code. This, together with the other arrangements detailed in the schedule to this document, are considered vital to the achievement of proper corporate governance in treasury management, and the responsible officer will monitor and, if and when necessary, report upon the effectiveness of these arrangements.”



## **Schedule 1 - Best Value and Performance Measurement**

1. The treasury operations of the Council are run in a risk averse manner with the focus being on the preservation of principle and minimisation in volatility of interest returns or payments. Once these principles have been satisfied maximising investment return and minimising interest cost are best value objectives of the Council.

### **Investment Returns**

2. The investment returns of the portfolio will be benchmarked against the following.
  - 7day LIBID rate
  - CIPFA benchmarking club average returns
  - CIPFA benchmarking club average external fund manager returns
3. Regular reviews will be undertaken of alternative investment routes such as investment bank accounts and external fund management services. Rates of return and the credit worthiness of prospective counterparties will be taken into account in these reviews.

### **Borrowing Costs**

4. Borrowing is undertaken to finance the Council's capital programme and the focus is on the longer term. A high proportion of debt is in fixed rate instruments. An individual Council's average borrowing costs are therefore driven as much by the interest rate environment in operation when funds were borrowed as by the effectiveness of individual treasury management decisions. Comparisons of average interest rates payable by Councils is not a useful tool for judging the effectiveness of borrowing decisions.
5. An annual review will be undertaken of borrowing and repayment activity. This will examine whether borrowing and repayment decisions were made at the optimum time in respect of interest rates prevailing in the year. Cashflow requirements which may have dictated the timing of borrowing decisions will also be taken into account.

### **Treasury Management Costs**

6. The costs of the treasury management service will be compared to those of the CIPFA benchmarking club on an annual basis.

## **Schedule Two – Decision Making and Analysis**

1. All treasury decisions will be taken with regard to the treasury management strategy prepared prior to the start of the financial year as approved by the full Council.
2. All treasury decisions will be taken with regard to the levels of authority allocated in schedule four Organisation, clarity and segregation of responsibilities, and dealing arrangements.

### **Strategy**

3. Should a significant change in market conditions, the regulatory regime, or the Council's financial position occur the treasury strategy will be revised with regard to the following.
  - The impact on the Council's borrowing requirement.
  - The impact on the Council's cashflows.
  - The impact on the Council's budget position
  - The degree of certainty with which these impacts can be assessed and forecast

### **Investment Decisions**

4. Investment decisions will be taken with regard to the following factors:
  - Economic and Interest rate forecasts
  - The degree of confidence held in the forecast
  - An assessment of the cashflow position of the Council
  - The credit worthiness limits placed by the counterparty list
5. The investment approach arising from these considerations will be minuted on a regular basis and will form the framework within which treasury dealers will make investment decisions.

### **Borrowing Decisions**

6. Borrowing decisions will be taken with regard to the following factors:
  - Economic and Interest rate forecasts
  - The degree of confidence held in the forecast
  - An assessment of the cashflow position of the Council
  - An assessment of the debt requirement as determined by the Capital Financing Requirement
  - An assessment of the maturity profile of the Council's debt portfolio
  - An assessment of the costs/ savings and risk factors associated with any rescheduling activity.

### **Schedule Three – Approved Investment Methods and Techniques**

- 1 The Deputy Chief Executive may utilise the following instruments and sources of finance.

#### **Approved Borrowing Instruments**

- Fixed Rate Loans
- Variable Rate Loans
- Combination Loans which include a fixed rate element with scheduled rate review dates.

#### **Approved Sources of Finance**

- Bank of England
- Public Works Loans Board (PWLB)
- European Investment Bank
- Institutions authorised under the Banking Act 1987
- Commissioners for the reduction of the national debt
- Building Societies
- Nationalised Industries and Public Corporations

- 2 The Deputy Chief Executive may utilise the following investment instruments and lending counterparties.

#### **Approved Investment Instruments**

- Fixed rate investments of under one year which meet the ODPM criteria of a specified investment.
- Variable rate investments of under one year which meet the ODPM criteria of a specified investment.
- Fixed rate investments of not more than three years which meet the ODPM criteria of non-specified investments and are approved in the Council's annual investment strategy.
- Variable rate investments of not more than three years which meet the ODPM criteria of non-specified investments and are approved in the Council's annual investment strategy.
- Money Market Funds
- Bank accounts
- External Cash Managers
- External Cash and Gilt Managers

#### **Approved Counterparties**

- 3 The Deputy Chief Executive will maintain a counterparty list of approved investment institutions.
- 4 When preparing the counterparty list the Deputy Chief Executive will have regard to the advice set out by the Secretary of State under section 15(1)(a) of the Local Government Act 2003 and the CIPFA Code of Practice on Treasury Management in the Public Services.
- 5 The Deputy Chief Executive when preparing the counterparty list will have regard to the advice provided by the Council's treasury advisers.
- 6 The Deputy Chief Executives principal objective when preparing the counterparty list will to ensure that institutions on the list have a sufficiently high credit worthiness to satisfy the requirement to protect the Council's principal sums invested.
- 7 The counterparty list will where ratings exist be based on a credit rating template based on ratings supplied by a recognised credit rating agency.

- 8 Where ratings are not available the Deputy Chief Executive will agree a suitable rating basis with the Council's treasury advisers.
- 9 The Deputy Chief Executive will ensure that arrangements are in place to receive timely information on any credit rating changes and to amend the Council's counterparty list with immediate effect.
- 10 The full Council must approve any new additions to the counterparty list.
- 11 The Deputy Chief Executive may amend the limits and ratings of institutions already on the list and will report any amendments to the counterparty list made under his delegated authority to the next meeting of the full Council.

## **Schedule Four - Organisation, Clarity and Segregation of Responsibilities, and Dealing Arrangements**

### **Organisation**

- 1 The key participants in the treasury management process and their roles and responsibilities are set out in the following sections.

### **Full Council**

- 2 The full Council determines who has responsibility for managing the Council's treasury activities.
- 3 Lewisham Council has delegated the management of its treasury activities to the Deputy Chief Executive.
- 4 The full Council receives and approves a report on the Council's proposed treasury and investment strategy prior to the start of the financial year. This report will form part of the Council's budget report.
- 5 During the year the Council receives reports on any proposed additions to the Council's counterparty list which require approval. These reports will also contain details of any amendments made to the counterparty list by the Deputy Chief Executive under his delegated authority.
- 6 The full Council will receive a report following the end of the financial year on the operation of the treasury management function during the financial year.

### **The Responsible Officer**

- 7 The responsible officer is the Deputy Chief Executive.
- 8 Prepare reports on treasury activities for the full Council including;
- a treasury and investment strategy report prior to the commencement of the financial year,
  - an annual report on the performance of the treasury function during the year for submission to full Council by 30<sup>th</sup> of September and,
  - regular reports to the full Council detailing the exercise of his delegated authority with respect to amendments to the Council's counterparty list.
- 9 The responsible officer will regularly review the Treasury Policy Statement and if appropriate submit a revised statement to full Council for approval.
- 10 The responsible officer will ensure Treasury Management Practices and supporting schedules are in place in accordance with the code and specifically that they set out delegated authority limits and required segregation of duties within the Financial Management Division and that these documents are reviewed on a regular basis.
- 11 The responsible officer will ensure that the treasury management activities of the Council are carried out in accordance with the Treasury Policy Statement and the Treasury Management Practices.
- 12 The responsible officer will establish the vires of proposed actions and instruments to be used.
- 13 The responsible officer will ensure that the Council's approved counterparty list is maintained in accordance with the principles laid out in TMP4.

### **The Monitoring Officer**

- 14 The monitoring officer is the Head of Law.
- 15 The monitoring officer will ensure the compliance of the responsible officer with the Treasury Management Policy Statement and Treasury Management Practices and that these policies and practices comply with the law.
- 16 The monitoring officer will advise the responsible officer and full Council as required.

### **Audit Services**

- 17 Audit Services are responsible for :
- Reviewing compliance with approved policy and procedures,
  - Reviewing division of duties and operational practice
  - Undertaking probity audits of the treasury function.
- 18 The Deputy Chief Executive has designated roles and responsibilities within the treasury management function as follows:
- 19 Amendments to the Treasury Management Policy and Treasury Management Practices may only be authorised by the Deputy Chief Executive. Amendments to the Treasury Policy must be approved by full Council

### **Strategy Officers**

- 20 Strategy officers may carry out the following functions:
- Clear reports for submission to full Council
  - Authorise borrowing within the approved limits set under the prudential regime.
  - Authorise investment within the limits set within the prudential regime.
- 21 The Council's strategy Officers are:
- The Deputy Chief Executive
  - The head of Financial Management & Property
  - The Head of Strategic Resources

### **Group Manager Capital and Treasury**

- 22 The Group Manager Capital and Treasury is the principal adviser to the Strategy Officers on all strategic and operational matters associated with Treasury Management in the Council. Responsibilities include:
- The drafting of reports for approval by strategy officers.
  - Advice in respect of borrowing and lending decisions.
  - Advice in respect of regulatory developments and their implications.
  - Advice in respect amendments to Treasury Policy Statements and Treasury Management Practices
  - The Group Manager has authority to set investment targets within the limits set out in the Council's Treasury and Investment Strategy.
  - The Group Manager has authority to authorise borrowing not in excess of one year of up to £50m.
  - The Group Manager is responsible for ensuring the effective operation of the Capital and Treasury Team.
  - The Group Manager is responsible for ensuring that any additional policies and procedures that are required at a detailed level below that of the Treasury Management Practices are put in place.

### **Treasury Accountant**

- 23 The Treasury Accountant is the principal officer responsible for ensuring the smooth operation of the day to day treasury management operations. As such they are responsible for:
- ensuring that the day to day operations of the treasury management function operate in accordance with the procedures laid out.
  - ensuring that all staff involved in the Treasury Management function have received the appropriate procedures and training.
  - ensuring that staffing rotas are drawn up so that there is cover for all the functions necessary to ensure the operation of the treasury management function on a daily basis.
  - maintaining a log of any errors or failure to adhere to procedures and reporting these events to the Group Manager as and when they occur.
  - maintaining an up to date list of authorised signatories
  - maintaining up to date detailed procedure notes and ensuring their dissemination to appropriate staff.
  - maintaining up to date cash flow records and conducting a detailed annual review of cashflow forecasts.

### **Segregation of Duties**

- 24 Duties are segregated into three categories, Authorisors which includes the Treasury Manager role, Dealers, Payment Administrators and Payment Authorisors .

#### **Authorisors - Strategy**

- 25 Authorisors will approve the decision to invest either directly for each individual decision or through a defined set of delegations such as the weekly investment targets.

#### **Authorisors - Treasury Manager**

- 26 The role of Treasury Manager is to check the integrity of the investment and borrowing paperwork for the day and to sign this off to provide the payment administrator with the authority to upload it to the electronic bank link

#### **Dealers**

- 27 Dealers will execute the decision by agreeing the investment or loan with the counterparty.

#### **Payment Administrators**

- 28 Payment Administrators ensure that the authorised payments are uploaded to the electronic bank link and sent to the bank.

#### **Payment Authorisors**

- 29 Payment Authorisors check that the correct details have been uploaded and supply the spin number to release the payment as follows.

- 30 The Deputy Chief Executive will maintain an up to date list of the officers authorised to undertake each activity. An officer may have more than one responsibility. For example an authorisor may also be a payment authorisor. They may not however carry out both functions on the same day or with regard to the same payment.

#### **Dealing Arrangements**

- 31 The treasury daily cycle works as follows:

### **Treasury Manager and Dealers**

- 32 Minuted investment targets including delegated decision making authority will have been set at a Treasury Meeting chaired by the Treasury Manager.

### **The Dealer**

- 33 The Dealer calculates the daily dealing balance having cross checked expected payments and receipts against actuals received from the bank reports.
- 34 Having calculated the daily dealing balance the Dealer arranges the most advantageous loans with the Council's broker's having first checked that all deals are within the available counterparty lending criteria.
- 35 The dealer fills out a CHAPS form for each payment and signs it. The CHAPS form will be utilised to fax payments to the bank if the electronic payment system fails.
- 36 The dealer then completes the daily treasury management cover sheet and passes it with the supporting paperwork to the Treasury Manager.

### **Treasury Manager**

- 37 The Treasury Manager cross checks the cover sheet against the supporting paperwork including the counterparty list.
- 38 The Treasury Manager then signs the treasury management cover sheet and the CHAPS form for each payment and passes them to the Payment Administrator.

### **Payment Administrator**

- 39 The Payment Administrator checks that all the relevant paperwork is in order and has been signed and uploads the payment details to the Financial Director electronic bank link.
- 40 If there is a failure of the FD bank link the payment administrator prepares the CHAPS sheets to fax to the bank.
- 41 The Payment Administrator then signs the treasury management cover sheet and passes the paperwork to the Payment Authorisor to clear.

### **Payment Authorisor**

- 42 The Payment Authorisor checks that the payment details on the FD system accord with the payment details on the CHAPS sheet and that the sort code details reflect those held in the sort code book.
- 43 The Payment Authorisor then signs the CHAPS payment forms and the treasury management cover sheet and releases the SPIN number to the Payment Administrator.

### **Payment Administrator**

- 44 The Payment Administrator then sends the payments to the bank.
- 45 Having sent the payments to the bank the Payment Administrator then uses the FD system to call the bank to confirm that the payments have been processed and to print a confirmed payment report for each transaction.
- 46 Should the FD system fail the Payment Administrator faxes the payments to the bank and requests a call back to confirm the details for each payment.



- 47 When the bank calls back the time of the call back, the payment details provided and the name of the bank contact making the call are recorded on the original CHAPS payment form.
- 48 Once the payments have been confirmed the Payment Administrator passes all the paperwork including the confirmation reports to the Treasury Manager.
- 49 The Treasury Manager checks that the confirmation reports accord with the original payment instructions and signs off the treasury management cover sheet. The Treasury Manager then passes the paperwork to the Payment Administrator for filing.

**Payment Administrator**

- 50 The Payment Administrator files the paperwork.
- 51 The Payment Administrator notes the details of all investments made and ensures that confirmation notes received from investment counterparties match the Council's dealing records.
- 52 Any discrepancies or missing confirmation notes are reported to the Group Manager Capital and Treasury.

## **Schedule Five – Reporting Requirements and Management Information Arrangements**

- 1 The Responsible Officer will prepare an Annual Treasury and Investment Strategy Report for submission to full Council prior to the start of the financial year and an Annual Performance report for submission to full Council by 30<sup>th</sup> of September following the end of the financial year.
  
- 2 The Treasury Strategy and Investment Strategy Report will cover the following:
  - The interest rate environment and economic forecasts.
  - The Council's forecast borrowing requirement.
  - Forecast Cash Balances
  - Budget Forecasts
  - Prudential Limits
  - Limits on Specified and Non Specified Investments
  - Impact of Alternative Interest Rate Scenarios.
  
3. The Annual Performance Report will cover the following:
  - Review of the original strategy forecasts for the prior year
  - Actual interest rate, borrowing and investment activity for the year.
  - Investment Performance against benchmarks
  - Investment and Borrowing costs and rates against budget
  - Original strategy forecasts for the current year
  - Revised forecasts for the current year

## Schedule Six – Budgeting, Accounting and Audit Arrangements

- 1 The Council prepares its accounts in accordance with the Accounting Code of Practice and in accordance with guidance issued by the Secretary of State on accounting for capital financing charges in the Housing Revenue Account.
- 2 The statutory requirements for ensuring that Council Tax Payers and Housing rent payers only pay the prescribed statutory financing charges per year conflict with Generally Accepted Accounting Practice. Whilst the revenue accounts of the General Fund and the Housing Revenue Account show capital charges and the relevant accounting adjustments the actual amounts charged are set out below:

|                                    | GF  | HRA | Total |
|------------------------------------|-----|-----|-------|
| <b>Interest</b>                    | x   | x   | XX    |
| <b>Minimum Revenue Provision</b>   | x   |     | XX    |
| <b>Premiums</b>                    | x   | x   | XX    |
| <b>Discounts</b>                   | (x) | (x) | (XX)  |
| <b>Total Debt Charges</b>          | XX  | XX  | XX    |
| <b>Interest Earned on Balances</b> | (x) | (x) | (XX)  |
| <b>Net Capital Financing Cost</b>  | XX  | XX  | XX    |

- 3 Documents relevant to the Audit of the Council's treasury operations include:
  - Treasury Policy Statement
  - Treasury Management Practices
  - Final Accounts Loans Pool Reconciliation
  - Final Accounts Premium and Discount Reconciliation
  - Final Accounts Item 8 debit and credit working papers
  - Final Accounts working papers for average debt and investment balances
  - Records of borrowing and investment transactions
  - Records of rescheduling transactions
  - Records of meeting papers and weekly reviews of activity

## **Schedule Seven – Cash and Cashflow Management**

- 1 The Council operates a system that records all major transactions through the Council's bank account. The system is called Logotech. The system contains a cashflow forecasting module.
- 2 The cashflow forecasting module automatically updates for all borrowing and investment transactions entered into it.
- 3 All other transactions that have clear transaction dates are entered into the system manually by the treasury accountant. These are either entered with a known value for items such as Revenue Support Grant or with estimated values for items where the date of the transaction is known but the value is uncertain. Once the value of an item is known with certainty the entry is updated on the system.
- 4 The Logotech system is updated by the Treasury Accountant as and when updated information becomes available.
- 5 An annual review is also undertaken that tests the overall integrity of the cashflow model. The review looks at all cash transactions in the previous year and assesses which of those are regular and even for which historic data can be used as a reasonable indicator of future activity and which are volatile and uncertain for which further information is required as to likely activity levels.
- 6 Items for which the date and value are certain are entered onto Logotech. For items for which the value date is certain but the amounts are uncertain estimates are entered. Where neither the value date or the the value is certain no entry is made on Logotech. An estimate for these items is made on the spreadsheet that tests the model. This spreadsheet combines both the items entered onto Logotech and estimates for the other items and tests whether this results in a broadly balanced budget. If not the estimates are revisited to test for errors and omissions.

## **Schedule Eight – Money Laundering**

- 1 The Treasury Accountant confirms the regulatory powers of all institutions with whom the Council lends or borrows funds.
  
- 2 Further guidance is awaited from CIPFA on measures which the Council may take to detect and deter money laundering through the Councils banking and cash activities.

## **Schedule Nine – Staff Training and Qualifications**

- 1 All staff involved in the treasury management function will be issued with the following:
  - Treasury Policy Statement
  - Treasury Management Practices
  - Detailed Procedural Guidance Notes as required
- 2 The Treasury Accountant is responsible for training all staff involved in the treasury management function.
- 3 Training will initially be on a shadowing basis. This will then progress to a supervised basis. The training will then progress to an unsupervised basis with a trained member of the team on hand should problems arise.
- 4 Any trainee may request a delay in progression to the next stage if they feel that more training is required.

## **Schedule Ten – External Service Providers**

- 1 The Council currently uses external service providers for the provision of treasury advice.
- 2 The service has been awarded to Butlers Asset Management on the basis of a competitive tender. The contract expiry date is April 2007.
- 3 The Council uses brokers to facilitate its borrowing and lending activities on the London money markets. The Council uses six firms of brokers. No fees are payable on lending activity. Commission is payable normally at a standard 6bp commission rate on borrowing.
- 4 When deciding which brokers to use rate quotes are sought. Dealers are instructed to use the brokers that are able to provide the best deal price on the day.
- 5 No external money managers are currently used. Any appointment of an external money manager will be made following a competitive tendering process and in light of advice from the Council's treasury advisers.

Investment Instruments

| <b>Investment</b>                  | <b>Security</b> | <b>Return</b> | <b>Volatility</b> | <b>Liquidity</b> | <b>Utilise</b>                  |
|------------------------------------|-----------------|---------------|-------------------|------------------|---------------------------------|
| Money On Call                      | High*1          | Low           | Low               | High             | Yes                             |
| Variable Rate Deposits             | High*1          | Low           | Medium            | High             | Yes                             |
| Fixed Rate Deposits under one year | High*1          | Low           | Low               | High to Medium   | Yes                             |
| Fixed Rate Deposits over one year  | High*1          | Medium        | Low               | Low              | Yes                             |
| Gilts                              | Medium*2        | Medium        | Medium            | High             | Yes via a cash and gilt manager |
| Money Market Funds                 | High            | Low           | Low               | High             | Yes                             |
| Equities                           | Low             | High          | High              | High             | No                              |
| Derivatives*3                      | Low             | High          | High              | Variable         | No                              |
| Foreign Currency Investments       | Low             | Variable      | High              | Variable         | No                              |

1. Dependent on the credit rating of the counterparty. The Council only invests funds with counterparties with a high credit rating.
2. Gilts are secure investments if they are held to maturity. However one of the attractions of gilts is their high liquidity as they can be traded on the money markets. As they are traded the price can rise or fall. This can lead to a loss of the principal sum invested. Any such investments would therefore be subject to limits on the Council's exposure and would be carried out using the services of an experienced cash and gilt manager.
3. Derivatives exist in many forms. A derivative is a financial instrument whose value is determined by the value of an underlying bond, equity, index or currency. These investments can be highly complex and can involve a high degree of risk. At the extreme they can expose the investor to unlimited risk. This means that not only the initial investment can be lost but that the investor can be called on to pay additional sums over and beyond the initial investment value.



## **7. Draft Licensing Policy**

**Deleted: Draft Licensing Policy Covering Report Full Council 15<sup>th</sup> December 2004**

### **Summary**

This report deals with the changes to the Licensing regime introduced in the Licensing Act 2003. It includes the proposed Licensing Policy (appendix 1) and the Equalities Impact Assessment for this area (appendix 3). It also covers the consultation process, which has taken place, and the results received from that (appendix 2). The draft policy takes account of comments received during the consultation process and advice from Counsel on those comments and on the policy generally. The policy must be approved by the Council by 7 January 2005 in time for the Council to begin to exercise its functions under the Act from 7 February.

### **Purpose**

The purpose of this report is to enable the Council to agree its Licensing Policy and therefore be in a position to fulfil its statutory duties under the Licensing Act 2003 with effect from February next year.

### **Background**

The purpose of the changes to Licensing legislation is to produce a single system for licensing. Currently the Magistrates' Court deals with liquor licensing and local authorities administer public entertainment and night café licensing. Under the Licensing Act 2003 transitional arrangements will need to be put in place for a dual system of premises and personal licences controlled by local authorities between February and November 2005. In essence the main practical change of the Act is to transfer liquor licensing from the courts to councils with full effect from November 2005.

The only function retained by the Magistrates' Court within the licensing context will be hearing appeals from decisions of the Council.

Under the new licensing regime all premises including those which provide music and dancing or late night refreshment will require a premises licence issued by the Council. As do those who sell alcohol. The process will be for an application to be submitted in the form of an operating schedule (with plans), which will be risk based and involve the London Fire Brigade on fire safety matters. Each application will have to be assessed by licensing officers and where appropriate inspections carried out in order that appropriate conditions may be attached to licences.

The Council will also issue personal licences, lasting for ten years unless revoked or suspended, which authorises an individual to supply alcohol, or authorise the supply of alcohol, in accordance with the premises licence.

The Act dictates that we must have in place a "Statement of Licensing Policy" by 7 January 2005. The policy is a statement of how the Council intends to exercise the licensing functions imposed upon it by the Act. It may state the Council's general approach to the making of licensing decisions and the regulation of licensable activities. It should provide transparency for all those affected by the licensing regime including both applicants for licences and local residents who may be affected by applications.

In formulating the policy we must have regard to the Act and statutory guidance. The policy document, once adopted, will be the guiding principle for use by officers and members when applying the new licensing regime, along with the Licensing Act 2003 and the guidance and regulations published under it.

The Policy must be particular to the local authority and be formulated to achieve the government's four core aims of:

- the prevention of crime and disorder
- public safety
- the prevention of public nuisance
- the protection of children from harm

The Council has carried out a public consultation exercise on the draft policy statement, to establish local issues of concern and to address those concerns as far as appropriate within the licensing policy. That consultation complied with statutory requirements and included consultation with a range of statutory consultees including the Police, representatives of licensees and other businesses, residents groups and other additional parties too (further details appear in Appendix 2). The consultation was in the form of, newsletters, meetings and a questionnaire/ comments sheet sent to all existing licensees. The licensing policy must be reviewed and a fresh consultation exercise must be conducted every three years.

A separate item on the agenda relating to constitutional changes outlines the manner in which the Council will exercise its functions under the Act from 7 February onwards.

## **Cumulative Impact**

The draft Policy that the Council consulted upon did not include any immediate proposals for the introduction of any cumulative impact policies for particular areas within the borough. However, during the consultation process, representations were made to the Council regarding the high density of licensed premises in Blackheath Village and the adverse effect this has on the local community and environment. The Council was asked to consider the introduction of a cumulative impact policy in respect of Blackheath Village. However, any such policies must be evidence based and can only be introduced after consultation with the relevant consultees specified in the Act. The Council is not therefore in a position to consider introducing such a policy at this stage. Members are therefore recommended to agree to the authority carrying out a borough-wide analysis with a view to considering whether Lewisham should have a Cumulative Impact Policy in Blackheath Village and/or other areas of the Borough.

## **Review of Licensing Structure**

Licensing Services within Regeneration currently comprises four full-time and one part-time officer carrying out a wide range of licensing and registration functions under other legislation including, for example, safety of sports grounds, tattoo parlours and sex shops. Input is also given by Building Control and Legal Services. The Council's new functions under the Licensing Act will have to be carried out in addition to the existing 21 functions already undertaken by the same officers. From February 2005 when the Act takes effect there will be a need for an increase in licensing officers to deal with applications, enforcement and policy development. All existing premises (800+) Licensed by the Magistrates Court will need to obtain during the period February to November 2005, a Premises License and one or more Personal Licences if they wish to continue to operate from November 2005. This should be seen in the context of the team currently dealing with about 90 premises (e.g. night cafes and public entertainment licenses etc), report writing for opposed applications or where a review of an existing licence is concerned, administrative staff to deal with basic receiving and collating of objections and issuing licences. There will inevitably be resource implications for officers in Licensing, committee sections and legal services due to the increased number of applications and hearings.

As the new licensing regime develops then further, consideration as to the number of additional staff needed can be given.

## Financial Implications

In considering budgets provisional estimates should be made for: (1) staffing and accommodation (2) administrative systems/software (3) training of both members and officers in preparation for transfer of responsibility for licensing all premises currently holding liquor licences; (4) licensing policy development. (It is to be noted that both the new system and the current system will run side by side during the transitional period).

The current fees for Public Entertainment Licences are between £300 and £12760 paid annually, a Night Café licence fee is £425 and is also paid annually. Under the Licensing Act 2003 the fees are set by Central Government and banded according to the non-domestic rateable value. The regulations are currently in draft form and the DCMS are consulting on a proposal in which the fees are between £80 and £500 for a one off application fee followed by between £40 and £225 paid annually as an administration fee. The increase in the number of premises from approximately 90 to over 800 and the administration of an estimated 1500 personal licences will vastly increase the volume of work, both administration and enforcement / inspection.

Working from the existing figures and the proposed new fee structure there would be an increase in income to the service of approximately £86,669.00 as both the new and old acts will be working concurrently for 9 months during the transition period. However there would be a reduction in income annually after this period of approximately £22,573.00

As previously mentioned the new Act replaces only two of the licensing functions already undertaken by the section, leaving a further 23 types of licences/registrations to administer and enforce. To maintain a satisfactory service in the period of implementation of both new Act and the remaining functions, it is currently envisaged that Licensing Services would need a further three officers during the year including the transitional period reducing to two officers thereafter.

From figures currently available and including additional staff, we would anticipate a shortfall of approximately £59,000 during the year including the transitional period and a shortfall of approximately £144,000 annually thereafter.

It is likely that at least one additional lawyer will be required in Legal Services to service hearings, provide input into reports and policy documents and to deal with appeals.

## **Legal Implications**

Under the Licensing Act 2003 and regulations made under it, the Council is required to adopt a statement of licensing policy by not later than 7 January 2005. The consultation process to be followed and matters to be taken into account in developing such policy, as required by the Act and the regulations, are outlined in the report.

Any policy on cumulative impact must be evidence based and made only after consultation with the statutory consultees. Therefore in order to consider the introduction of such a policy the authority would require evidence that crime and disorder and public nuisance are arising and are caused by the customers of particular licensed premises. If and when a special policy is adopted the effect is to create a presumption, which can be rebutted by evidence to the contrary, that new premises licences or club licences or material variations to existing licences will normally be refused (if relevant representations have been made about the application) unless it can be demonstrated that the premises in question will not add to the existing cumulative impact. However, special policies do not allow the authority to set a terminal hour for a particular area or for the application of quotas.

The Local Authorities (Functions and Responsibilities) (Amendment No 3) (England) Regulations 2004 make all functions under Sections 5 to 8 of the 2003 Act, (which includes the adoption of licensing policy) a non-executive matter. The regulations were made on 23 October and took effect on 23 November this year. The Act itself provides that the adoption of the policy may not be delegated by full Council.

## **Equalities Implications**

The Race Relations (Amendment) Act 2000 imposes on the Council a general duty to promote good relations between persons of different ethnic groups. This duty extends to consultation and the requirement to carry out impact assessments in respect of policies likely to impact upon persons from black and ethnic minority groups. An equalities impact assessment has been undertaken and appears at Appendix 3. Members will wish to have regard to the assessment when reaching their decision.

Equalities issues are also addressed in paragraphs 2.6 and 2.7 of the policy.

## **Environmental Implications**

The licensing policy makes it clear that each licensing application will be considered on its individual merits taking into account all relevant factors. One of the factors would be the environmental impact of granting the licence in terms of its effect on the neighbourhood, i.e. the effect on nearby residents. This could include the impact of noise, increased littering or public disorder issues.

## **Crime and Disorder**

The Crime and Disorder Act 1998 imposes a duty on every authority to do all it reasonably can to prevent crime and disorder in its area when exercising its functions. The prevention of crime and disorder are specified in the Licensing Act 2003 as one of the four licensing objections and large sections of the policy therefore address crime and disorder issues (eg see paragraph 3.5 of the policy). These parts of the policy will be kept under review as part of the overall review process.

The Council is

RECOMMENDED to

- (a) consider the responses received during the consultation process summarised in Appendix 3;
- (b) agree, in light of those responses, to adopt the revised draft Licensing Policy appearing at appendix 1; and
- (c) authorise officers to carry out investigations to assess the issue of cumulative impact of licensed premises in Blackheath Village and whether there are grounds for introducing a cumulative impact policy for Blackheath Village and/or other areas of the Borough.

**COUNCIL MEETING**

**15 DECEMBER 2004**  
**ITEM NO. 7**

**THIS IS A DRAFT STATEMENT OF LICENSING POLICY AND WILL BE  
AMENDED AS THE RESULT OF CONSULTATION AND STATUTORY  
REQUIREMENTS**

**(6<sup>th</sup> Draft )**

# **LONDON BOROUGH OF LEWISHAM**

## **DRAFT LICENSING POLICY**

## **Foreword**

A big challenge for all local authorities taking responsibility for all licensable activities under the new Act is the balancing of the rights and concerns of the applicant and residents alike. And Lewisham is no exception.

Our Licensing Policy reflects Lewisham Council's endeavours to carry out this new obligation in a transparent and professional manner, to ensure that the interests of all parties are fairly and impartially considered on their individual merits within the context of both national and local policies.

This Licensing Policy provides the framework within which elected members will make, what will often be difficult and possibly contentious decisions.

Our intention is to ensure that individual rights and responsibilities are balanced against considerations of the wider common good and the objectives of national government in reforming Licensing laws.

The Licensing Policy has the support of the local Police Service and will involve partnership working with them as well as the Fire Authority, various sections of the Council and the public.



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## 1.0 **Executive Summary**

The London Borough of Lewisham (hereinafter referred to as 'the Council') is responsible for the licensing of licensable activities within the Borough under the Licensing Act 2003 (hereinafter referred to as "the Act") in accordance with Part 1 section 1.

This document sets out the policies that the Council will apply when making decisions upon applications for:

- The sale by retail of alcohol
- The supply of alcohol by or on behalf of a club to, or to the order of a member of the club
- The provision of late night refreshment (the supply of hot food or drink from a premises between 11.00pm and 05.00am)
- The provision of regulated entertainment

Regulated entertainment requires a licence when it is performed in front of an audience and includes the following:

Performance of a play  
Exhibition of a film  
Indoor sporting event  
Boxing or wrestling entertainment (indoors and outdoors)  
Performance of live music (not incidental music, i.e. piano in a restaurant)  
Playing of recorded music  
Performance of dance  
Provisions of facilities for making music  
Entertainment of a similar description to the performance of live music, the playing of recorded music and the performance of dance.

This policy shall apply in respect of new consents, renewals, transfers and variations to the following:

Premises Licences (including old licences converted into Premises Licences)  
Club Premises Certificates (including old Club Registration Certificates converted into Club Premises Certificates)  
Sections of this policy also deal with Personal Licences and Temporary Events Notices

The Act makes provision for this policy to be the subject of full consultation and the Council will review this policy at least every three years and consult on any proposed revisions.

The Act sets out four main licensing objectives which the Council has a duty to promote in determining applications:

- Prevention of Crime and Disorder
- Public Safety
- Prevention of Public Nuisance
- Protection of Children from Harm

Each of the objectives is considered to be of equal importance.

This policy and the Council's functions as Licensing Authority seek to achieve control of premises, qualifying clubs and temporary events within the terms of the Act. Terms and conditions will focus on achieving the Licensing Objectives with reference to:

- Matters within the control of individual licensees
- The specific premises and the places used
- The vicinity of those premises and places
- The direct impact of the activity taking place at the licensed premises on persons who live, work and carry out normal activity in the area concerned.

Licensing is not a mechanism for the general control of anti-social behaviour by individuals beyond the direct control of the licensee of the premises concerned. However the Council nonetheless considers that licensing legislation plays a key role in controlling and regulating crime and also ensuring that the licensing objectives are promoted through licensed premises that are well managed.

In this respect the Council recognises that there are a number of other mechanisms available for addressing issues of unruly behaviour (i.e. drunk and disorderly) that can occur away from the licensed premises including:

- Planning Controls
- Measures to create a safe and clean environment in partnership with local businesses and other departments of the Council
- Powers of the Council to designate parts of the Borough as places where alcohol may not be consumed publicly
- Police enforcement of the normal law concerning disorder and anti-social behaviour including issuing fixed penalty notices
- The prosecution of any Personal Licence Holder or member of staff at such premises who is selling alcohol to people who are drunk, or under age
- The confiscation of alcohol from adults and children in designated areas and police powers to close down instantly for up to 24 hours any licensed premises or temporary events on

- grounds of disorder; the likelihood of disorder or excessive noise emanating from the premises
- The power of the police, other responsible authority or a local resident or business to seek a review of the licence or certificate in question

The Council recognises that the licensed entertainment business sector and community licensed facilities in the Borough contribute to the local economy and social infrastructure. The Council wishes to encourage licensees to provide a wide range of entertainment activities throughout their opening hours and to promote live music, dance, theatre etc for the wider cultural benefit. They are a factor in maintaining a thriving and sustainable community, which is one of the Council's aims.

The Council also recognises that it has a duty to protect the amenity of areas where people live and work. Accordingly, where relevant representations are made in response to an application (e.g. opposing an application for extended licensing hours or opposing an application on the grounds of cumulative impact) the Council will hold a hearing to weigh up the competing interests and determine the application. (unless it is agreed by all parties that it is not necessary). Premises situated in or close by residential areas are likely to be subject to stricter noise controls than those that are not. However, each case will be considered on its own merits.

This policy will set out the general approach the Council will take when it considers applications for licences. It will not undermine the right of any individual to apply for a variety of permissions and to have any such application considered on its individual merits. Nor will it override the right of any "interested party" to make representations on an application or seek a review of a licence where provision has been made to do so in the Act. However, the Council will disregard any representations which are regarded as irrelevant, frivolous and/or vexatious.

This policy has been prepared to assist the Council in reaching a decision on applications, setting out those matters that will normally be taken into account. However each case will be decided on its merits.

This policy also seeks to provide clarity for applicants, objectors, residents and other occupiers of property.

## **Borough Profile**

The London Borough of Lewisham is an Inner South East London Borough covering an area of 3,473 hectares. The population is 249,000 of which 34% are from minority ethnic communities. The Borough consists of 18 wards returning 54 councillors. An elected mayor with a cabinet of elected councillors selected by the mayor governs the business of the Council.

The northern part of the Borough contains most of the industrial and commercial areas although in general terms commercial and residential properties co-exist. Although premises licensed for the sale of alcohol are located throughout the Borough areas of concentration are found at the major and district town centres. Premises providing entertainment are also widespread although pockets of high density locations are to be found at New Cross and Blackheath.

The Unitary Development Plan defines:

Major Town Centres (usually those that have at least 500,000 square feet of retail floor space and sell a wide range of both comparison and convenience goods.

Lewisham and Catford

District Town Centres (that have traditionally provided convenience goods and services for local customers. They typically range in size from 100,000 square feet to 500,000 square feet of retail floor space. Blackheath, Deptford, Downham, Forest Hill, Lee Green, New Cross, Sydenham

Neighbourhood or Local Centres

New Cross Gate, Lewisham Way, Grove Park, Crofton Park, Brockley Cross, Downham Way

## **2.0 Other Policies Objectives and Guidance**

- 2.1 Other statutory requirements may apply to the provision of any licensable activities at licensed premises and the responsibility for compliance lies with the licence holder. For example if the activity involves the preparation and/or sale of food then it is the responsibility of the applicant to ensure that all appropriate Food Safety legal requirements are met. It would be expected that the licensee would have registered the premises as a food business with Lewisham Council. It is not a requirement of any licence decision to address these matters, however it is a good reflection of the responsible licensee that they conform to all relevant legislation.

**2.2 All applicants for Premises Licences and Club Premises Certificates and in certain circumstances those intending to hold Temporary Events are reminded that planning permission will normally be required for such uses and such planning consents may carry conditions with which they are expected to comply with or action may be taken under the relevant planning legislation. In general, planning consents authorise a broad type of use of a premises, whereas licences are granted for a particular type of activity. A planning permission for an entertainment use, for example may cover a number of activities that can have a wide range of different impacts in the locality.**

**The precise nature of the impact of the specified activities proposed by a prospective licence would also be considered when an application is made for a Premises Licence.**

**Licensing applications should not be seen as a re-run of the planning application process and there is a clear separation of the planning and licensing regimes to avoid duplication and inefficiency. The Licensing Committee will ensure however that the Planning Committees are advised of the situation regarding licensed premises in the Borough including the general impact of alcohol related crime and disorder and ensure it is aware of the current Statement of Licensing Policy to assist the Planning Committees in their decision-making process.**

**2.3 In order to avoid any duplication or inefficiency between the licensing and planning processes the Council will expect that prior to the submission of a licensing application the appropriate planning permission will have been granted in respect of the premises concerned and that any operating hours sought do not exceed those, if any, authorised by the planning application. Depending upon the particular circumstances changes to the hours of opening for a public house, restaurant, off licence or other licensed premises may be a matter that requires planning permission. The adopted Unitary Development Plan contains policy STC 9 'Restaurants, A3 Uses and Take-Away Hot Food Shops'. This policy sets out the criteria the Council will use to consider planning applications for these uses and sets out factors that will normally be applied in relation to opening hours. Operators of licensed premises are advised to contact the Council's Planning Service for further advice as to whether planning permission would be required to vary the hours of use and the planning implications of such a change.**

**2.4 The Council will seek to achieve integration with relevant strategies and their aims in determining applications and will do so through relevant consultation on this policy and individual applications including;**

- Planning**

- **Building Control**
- **Lewisham Local Cultural Strategy**
- **Lewisham Police / Community Consultative Group**
- **The new Childrens Services Directorate**
- **Transport Policy Team**
- **Race Equality – Performance and Strategy Team**

**Planning Officers may object if the relevant planning permission has not been sought.**

- 2.5 The Human Rights Act 1998 incorporates the European Convention on Human Rights and makes it unlawful for a local authority to act in a way that is incompatible with a Convention Right. The Council will have regard to the following provisions of the European Convention on Human Rights:
- Article 6 that in determination of civil rights and obligations everyone is entitled to a fair and public hearing within a reasonable time by an independent and impartial tribunal established by law
  - Article 8 that everyone has the right of respect for their home and private life and
  - Article 1 of the First Protocol that every person is entitled to the peaceful enjoyment of their possessions, including for example the possession of a licence
- 2.6 The Disability Discrimination Act 1995 introduced measures to tackle discrimination encountered by disabled people in the areas of employment, access to goods, facilities and services and the management, buying or renting of land or property. For service providers, such as licensees:
- Since December 1996 it has been unlawful to treat disabled people less favourably than other people for a reason related to their disability
  - Since October 1999 reasonable adjustments should be made for disabled people, such as providing extra help or making changes to the way they provide their services and
  - From October 2004 reasonable adjustments should be made to the physical features of their premises which are open to the public, such as licensed premises
- 2.7 Lewisham has published its race Equality Strategy in which Lewisham sets out how it aims to address race equality issues in the Borough. In line with race equality legislation an Equalities Impact Assessment has been undertaken on this Licensing Policy.



The Council recognises that people belonging to an equalities group may experience social exclusion for a number of reasons including access to information and negative or discriminatory attitudes of service providers. In response, Lewisham Council's Equal Opportunities Policy has made it clear that the Council is committed to taking action to reduce the inequalities that people suffer. In line with this, the Council deems Lewisham's diversity to be one of its strengths and therefore is committed to creating a more inclusive community. The Council will aim to ensure that its Statement of Licensing Policy and associated practices do not discriminate against any group within the community and will pursue any opportunity to promote equality of opportunity and good community relations. To this end the Council will:

- Encourage applications for licences and certificates to be made from the widest range of ethnic and cultural groups
- Provide information and documentation in other languages and formats on request to ensure the Council's licensing policy can be conveyed to all members of the community
- Conduct an equalities impact assessment during the three year period of the policy to identify the effects the policy may have had for different groups within the community and once the assessment has taken place, take the appropriate action to prevent direct and indirect discrimination which may have been the result of the policy statement.

## 2.8 **Central Government's Alcohol Harm Reduction Strategy**

The Government published in (2004) its Alcohol Harm Reduction Strategy for England. In this it outlined how the Licensing Act can be used to address some of the Social Health and Crime and Disorder issues raised by the misuse of alcohol, when considering applications for Premises or Personal Licences. This strategy will be taken into account specifically with regard to the sale of alcohol to under 18's and the impact of lack of effective steps to tackle anti-social behaviour. The Council will ensure that all Operating Schedules agreed with Licensees are suitable and sufficient to address these issues.

## 2.9 **Lewisham's Crime & Disorder Strategy**

It is envisaged that Lewisham's own Crime & Disorder Strategy will play a part in achieving some if not all of the objectives in reducing crime and disorder and on review the licensing policy will reflect any changes to local crime reduction plans.

## 2.10 **Safer Clubbing – Guidance for Licensing Authorities, Club Managers and Promoters**

For premises which may have problems with drugs, crime and disorder and/or are open late the Council will refer to the guidance given and will expect applicants in their Operating Schedules to use the strategies outlined in the Home Office Drug Strategy booklet – Safer Clubbing.

## 2.11 **Tourism & Employment**

Lewisham already has a 'Creative Lewisham' strategy incorporating cultural and urban development issues. Lewisham aspires to be the best place in London to live, work and learn and thus attract people to the Borough. Arrangements will be made to keep the Committee apprised of the local tourist economy and developments to the Cultural Strategy 2002 for Lewisham. Where appropriate the Committee will also be advised of the employment situation and the need for any new investment in a particular area.

## 3.0 **Determinations**

3.1 When determining applications the Council will work within the framework of this policy which has been prepared having regard to guidance issued by the Department of Culture, Media and Sport (DCMS) [www.culture.gov.uk](http://www.culture.gov.uk)

3.2 The provisions for determination of Club Premises Certificates will be the same as those for Premises Licences.

3.3 The policy shall apply in respect of new consents, renewals, transfers and variations to the following:

Premises Licence (including old licences converted into Premises Licences)

Club Premises Certificates (including old Club Registration Certificates converted into Club Premises Certificates)

**Sections of this policy also deal with Personal Licences and Temporary Events Notices**

3.4 Premises must be constructed or adapted in such a way that it is deemed safe and appropriate to the nature of the activities to be licensed. Premises in the course of construction, alteration, extension, etc can be granted a Provisional Statement pending completion to the required standard and compliance with all other requirements.

**3.5 Most of the applications to which this policy applies require the preparation of an operating schedule.**

**Where an operating schedule is required, the applicant must include a statement of the steps that it is proposed to take to promote the licensing objectives. Premises and use type vary enormously and it is**

important that operating schedules are specific to the premises and use type in respect of which the application is made. Applicants must therefore make informed judgements as to the steps that need to be taken by them to promote the licensing objectives and include those steps within the operating schedule.

If no relevant representations are made, the application will be granted in accordance with the application subject only to such conditions as are consistent with the operating schedule and the relevant mandatory conditions.

If relevant representations are made the Council will (unless all concerned agree otherwise) hold a hearing. Where a hearing is held, the Council has discretion whether or not to grant the application. If the application is granted, the Council may modify the conditions to such extent as it considers necessary for the promotion of the licensing objectives.

The following parts of this paragraph identify matters and steps that may be relevant to the promotion of the four licensing objectives. Whether or not these matters/steps are relevant to an application will depend on the premises in question; the proposed licensable activities (e.g. if alcohol is to be sold or made available) and the proposed hours of operation. In the first instance it is for applicants to decide which of these matters / steps are relevant to their application.

The matters listed are not exhaustive and would not necessarily apply to all types of premises or all use types.

#### **Prevention of Crime and Disorder**

i) **Assessment of the risks of criminal activity in the premises or in the vicinity of the premises including where appropriate, the risk of crime and disorder from persons queuing to enter the premises and the risk of sales of alcohol to underage persons. Guidelines as to the measures that can be taken to address these risks are set out in Annex D to the statutory Guidance. In appropriate cases, these steps may include:**

- **The employment of door supervisors / security teams**
- **Bottle bans and / or the use of plastic containers**
- **The use of CCTV at and immediately outside the premises**
- **Capacity limits**
- **Restrictions on drinking areas**
- **Proof of age identity cards**
- **The provision of adequate seating within the premises**
- **Appropriate signage**

- ii) Where appropriate, assessment of the risks of criminal activity related to controlled drugs and weapons and the adoption of measures to control such risks as exist. (Guidelines as to the measures that can be taken to combat these problems are set out by the Metropolitan Police in their publication "Safe and Sound"; in the Home Office Guide "Safer Clubbing" and in Annex D to the statutory Guidance).
- iii) Membership of a local body that represents licensees and promotes best practice; a local Pubwatch scheme or a local radio scheme.
- iv) (Off Licenses and other premises licensed to sell alcohol off the premises and late night take-aways), assessment of the risks of and the adoption of appropriate measures to combat the risk of crime and anti-social behaviour by persons loitering in the vicinity of the premises.

#### **Public Safety**

- i) The means of escape from the premises in the event of fire or other emergency. (Assessment of the adequacy of the means of escape will commonly involve consideration of the maximum numbers to be accommodated in the premises or specified parts of the premises).
- ii) The adequacy of the fire fighting equipment at the premises and the systems for the maintenance of that equipment.
- iii) The provisions of adequate lighting within the premises.
- iv) The use of temporary electrical installations within the premises.
- v) The use of special effects as part of regulated entertainment offered at the premises.
- vi) Arrangements for the monitoring of any capacity limits imposed on the licence/club premises certificate.
- vii) The use of safe curtains, hangings, decorations and upholstered furniture at the premises.

Further guidance can be found in Annex E to the statutory Guidance and the various publications referred to there. Additional guidance for cinemas and theatres can be found in Annex F to the statutory Guidance.

Large-scale events, outdoor events and indoor sports entertainments may require special measures to promote this licensing objective.

**Public Nuisance**

- i) Whether adequate measures (e.g. sound limiter/sound proofing/acoustic lobbies) are proposed to deal with possible noise nuisance arising from or associated with the proposed use of the premises.
- ii) Whether adequate measures (e.g. signage/parking facilities) are being taken or made available to control the risk of late night noise caused by customers and staff entering and leaving the premises. Particular regard will be paid to –
  - Queuing arrangements
  - Arrangements for customers who use mini cab services when leaving the premises
- iii) Whether adequate measures are being taken to control possible noise nuisance by persons eating food and/or consuming alcohol sold at the premises but consumed in outdoor areas of the premises.
- iv) Where licensable activities give rise to the risk of customers dropping litter in the vicinity of the premises (for example the sale of take-away food or the distribution of promotional material to customers visiting the premises), whether adequate arrangements are in place to prevent littering and to clear up any litter that is dropped.
- v) Whether measures are being taken to adequately control possible noise and smell nuisances arising from the use of air handling units, ventilation/extraction ducting and other equipment used at the premises.
- vi) Whether adequate measures are being taken to control any possible nuisance arising from the storage and collection of waste.

Although powers exist under the Environmental Protection Act 1990 to control many of these problems, there is no statutory requirement in that legislation for operators to notify the Council about activities that might give rise to these problems. As such licensing law remains the

primary mechanism for the prevention of these problems in and around licensed premises.

The steps reasonably required to prevent public nuisance necessarily vary according to the individual style and characteristics of the premises, the nature of the proposed licensable activities and the proposed times when the licensable activities are undertaken. Further information on noise and conditions relating to the prevention of public nuisance as set out in Annex G of the Guidance to the Act.

### **Protection of Children from Harm**

The measures/steps to promote this licensing objective are dealt with separately in Part 8 of this Statement of Licensing Policy.

**3.6** If the police object to any application on crime prevention grounds (or where other relevant representations are received from other responsible authorities or interested parties), the applicant is entitled to a public hearing before the Licensing Committee or one of its Sub-Committees.

### **3.7 Live Music, Dancing and Theatre**

As part of the Council's aim to develop and implement cultural strategies every effort consistent with the licensing objectives will be made to encourage and promote live music, dancing and theatre for the wider cultural benefit of the community. To this end careful consideration will be given to those conditions attached to licences and certificates necessary to achieve the licensing objectives to ensure that they do not in fact deter live music, dancing and theatre by imposing substantial cost on to applicants. The Council will therefore endeavour to balance any potential for disturbance against the wider benefits of events, particularly those intended for children. The Council recognises the value of live music and dancing in developing cultural diversity, as well as helping to unite communities, particularly ethnically diverse communities, since music and dancing can aid the development of a fully integrated society. The Council notes that the absence of cultural provision in the Borough can itself lead to young people feeling excluded and so engage in anti-social activities that damage the community and the young people themselves.

As part of it's strategy to promote cultural activity within the Borough the Council will seek to minimise the burden on performers and entertainers by considering whether it should itself seek Premises Licences or short term Premises Licences for appropriate community venues, outdoor spaces and other suitable venues for which it is responsible. Performers and entertainers would then have no need to obtain a Premises Licence or give a Temporary Event Notice

**themselves to enable them to give a performance in these Council controlled places. The Council as licence holder may hold a Premises Licence for a particular place, performers and entertainers would still need the permission of the Council for any regulated entertainment to take place. For advice on the appropriate section within the Council for people who may wish to take advantage of this, please see 20.0 Further Information.**

#### 4.0 **Conditions**

4.1 A suitable individual who is also a Personal Licence holder must be nominated as a Designated Premises Supervisor responsible for the day to day management of the premises at any time when it is open for carrying out the sale of alcohol.

**4.2 Upon grant of a licence, the Act sets out mandatory conditions which must be attached in certain circumstances and in addition to these, special conditions may be attached. These conditions will be appropriate to the nature of the activities specified in the submitted Operating Schedule for the premises and shall reflect the four licensing objectives. Any special condition will normally be drawn from a Pool of Conditions (annexed to the Secretary of State's Guidance to licensing authorities issued under Section 182 of the Act) and Technical Regulations which will be compiled to meet the circumstances of the proposed activities. However to avoid duplication with other statutory regimes as far as possible the Council will not attach conditions on a licence unless they are considered necessary for the promotion of the licensing objectives. Conditions will generally be considered unnecessary if they are already adequately covered by other legislation. Conditions imposed will be in consultation as appropriate with the relevant authorities.**

Failure to comply with the Council's conditions could amount to a criminal offence, conviction punishable by a fine of up to £20,000 or 6 months imprisonment or both.

**4.3 The conditions to be attached to licences and certificates will be tailored to the individual style and characteristics of the premises and events concerned and will relate to matters within the control of the licensee, the premises themselves, the immediate vicinity and which are necessary to meet the licensing objectives. For example conditions may be imposed to prevent unnecessary noise and disturbance to local residents by way of limited hours and/or restrictions on sound levels. Conditions may also be imposed requiring licensees to display prominent signs at all exits of premises reminding customers to leave the premises quietly and to respect the rights of nearby residents.**

4.4 The Council may set maximum capacity limits in consultation with the London Fire and Emergency Planning Authority for premises. Premises where a fire certificate has been issued which imposes an occupancy limit will not have an occupancy limit imposed under the Premises Licence, unless the Fire Authority recommends a change from that in the certificate.



- 4.5 Whenever any persons are employed at licensed premises to carry out any security activity, all such persons must be licensed with the Security Industry Authority and this requirement can be imposed as a condition. The Council may also consider that certain premises require strict supervision for the purpose of promoting the reduction of crime and disorder. In such cases, the Council may impose a condition that licensed door supervisors must be present at the premises either at all times or at such times as certain licensable activities are being carried out.**
- 4.6 In any case licensees shall keep a record of all door supervisor/security personnel employed at the premises, together with an incident report book. Both books shall be available for inspection by an authorised officer of the Council or a police officer.

## 5.0 **Films**

- 5.1 Premises Licences for premises giving film exhibitions (be they converted licences or new licences) will be granted subject to the mandatory condition in s20(2) of the 2003 Act (admission of children to be restricted in accordance with any recommendation made by the British Board of Film Classification – The BBFC) together with any other conditions imposed pursuant to the Act.
- 5.2 In addition to the mandatory condition, the Council will (with a view to protecting children from harm) normally impose on Premises Licences the conditions set out in Annexe H of the Guidance (“Age Restrictions - Cinemas”). These conditions:
- Describe the classification scheme to be used
  - State that each exhibition of a film passed by the BBFC should be preceded by a screen exhibition of the certificate in easily readable form for a least 5 seconds
  - State that trailers advertising films should include a statement approved by the Board indicating the classification of the film
  - Provide for the appropriate advertising of age restrictions applicable to films that the Council has itself classified
- 5.3 Where any person is proposing to exhibit a film that has not been classified by the BBFC (other than an exemption exhibition), a copy of that film must be provided to the Council at least 28 days before the first screening for classification and any subsequent exhibition of that film must comply with the Council's classification and any further restrictions that the Council considers necessary in order to promote the licensing objectives. (Films that contravene existing indecency and incitement laws will not be classified by the Council).
- 5.4 The Council expects licensees and clubs who wish to exhibit films to include in their operating schedules arrangements for restricting children from viewing age-restricted films classified according to the BBFC or (as appropriate) the Council itself.

## 6.0 Licensing Hours

**6.1 In making decisions that relate to the hours for which a premises is licensed or any conditions as to delivery times etc consideration will be given to the Licensing Objectives. Each application and the circumstances pertaining to each premises will be considered on its own merits.**

6.2 It is hoped that varied licensing hours will minimise concentrations of customers leaving licensed premises simultaneously, this will help reduce the potential for disorder at fast food outlets, taxi ranks and other sources of transport.

6.3 In relation to shops and other retail outlets supplying alcohol for consumption off the premises, the general policy will be to allow sales of alcohol at all times that the premises is open for business. Any decision not to allow sales of alcohol at particular times will be based on evidence of the need to prevent crime, disorder and public nuisance.

6.4 In making decisions in respect of hours, consideration will be given to representatives made by residents and businesses in the vicinity of the premises, their representatives, the police as well as the applicant and other agencies as appropriate.

**6.5 Fixed trading hours will not be set for particular geographical areas. It should be stressed that each case will be decided on its own merits based on the promotion of the licensing objectives. Stricter conditions however are likely to apply where the premises are situated in areas where there is potential for nuisance or disturbance to be caused to residents so as to minimise disturbance to local residents.**

**6.6 Limitations on operating hours may be imposed as appropriate, for example, following police and/or local resident representations in the case of isolated premises known to be a focus of disorder, disturbance or for people engaging in anti-social behaviour, including pressurising staff to make unlawful sales.**

### **6.7 Shops, Stores and Supermarkets**

Shops, stores and supermarkets selling alcohol will generally be permitted to match the hours during which they may sell alcohol with their normal trading hours during which other sales take place, unless there are exceptional reasons relating to the Licensing Objectives, in particular the prevention of crime and disorder and public nuisance. Accordingly, if the law permits the shop to open for 24 hours or limits such opening, for example, on Sundays, the Council will generally

permit the sale of alcohol during these hours unless there are very good reasons as to why it is necessary not to do so.

- 6.8 Some shops may however be known to be a focus for disturbance because youths congregate there and engage in nuisance and anti-social behaviour, including trying to pressurise shop staff to make unlawful sales of alcohol. Where relevant representations are made by an interested party or a responsible authority (particularly the police) concerning applications for Premises Licences for such places, or in connection with existing licences, the Council will consider a restriction on opening hours as one mechanism of combating such problems if this would be necessary.

6.9 **Millwall Football Club**

The prevention of crime and disorder requires that special measures may be taken by way of licence conditions. These measures will apply on home match days to on sales at licensed premises situated within a one mile radius of Millwall Football Club.

Accordingly, all applicants to whom this paragraph applies will be invited to agree the following and where appropriate, should include the following within their Operating Schedules:

- (1) Drinks shall only be supplied in plastic glasses and no bottles containing beverages of any kind (whether open or sealed) shall be given to customers on the premises whether at the bar or by staff service away from the bar.
- (2) Registered door staff shall be employed to supervise the entry and exits of the premises so as to ensure that no persons carrying open or sealed bottles are admitted to the premises and to assist in preventing the consumption of alcohol outside the premises in areas adjacent to the highway.
- (3) A statement that they and their staff will abide by any direction from the Police Matchday Commander that, in order to prevent crime and disorder, the premises should not be opened or (as the case may be) should be closed.

- 7.0 Cumulative Impact of Licensing on the Amenity of Particular Areas**
- 7.1 The statutory Guidance states that the cumulative impact of licensed premises on the promotion of the licensing objectives is a proper matter for a licensing authority to consider in developing its Statement of Licensing Policy. According to the Guidance, “ cumulative impact” means the potential impact on the promotion of the licensing objectives of a significant number of licensed premises concentrated in one area.**
- 7.2 The Guidance (Paras 3.16-3.18) set out the steps that should be followed when considering whether to adopt a special policy on cumulative impact. In short, any special policy on cumulative impact should be supported by evidence and should be consulted upon before any decision is taken regarding its adoption.**
- 7.3 The effect of any cumulative impact policy is to create a rebuttable presumption that applications for new premises licences or club premises certificates or material variations to existing licences/certificates will normally be refused if relevant representations are received unless it can be demonstrated that the operation of the premises involved will not add to the cumulative impact already being experienced (Guidance at Para 3.19).**
- 7.4 Whether or not a special policy on cumulative impact exists does not prevent any responsible authority or interested party making representations on a new application for the grant of a licence/club premises certificate on the grounds that the premises will give rise to or materially add to the existing negative cumulative impact caused by the number of licensed premises in the area in question.**

## 8.0 **Children**

- 8.1 The Council will carry out its responsibilities so as to promote the licensing objective for the protection of children from harm.
- 8.2 Licences will be sought from a wide variety of premises including theatres, cinemas, restaurants, concert halls, cafes, late night take-aways, pubs, bars and nightclubs. It is not possible for a licensing policy to anticipate every situation where children are at risk. The Council will not therefore impose general conditions that apply to all premises, but will consider how the Licensing Objectives can be best promoted in each particular case.
- 8.3 The Council will not seek to limit the access of children to licensed premises unless it is necessary to protect children from harm. The Council will judge the merits of each separate application before deciding whether to impose conditions limiting access to children. The following are some examples of premises that will raise concern:
- Where there have been convictions for serving alcohol to minors or with a reputation for under-age drinking
  - With a known association with drug taking or dealing
  - Where there is a strong element of gambling on the premises
  - Where entertainment of an adult or sexual nature is commonly provided
- 8.4 The Council will not impose a right of access to children. This will remain a matter for the discretion of the licensee. It is anticipated that the issue of access to children will be addressed in the Operating Schedule.
- 8.5 The range of options available to limit the access of children to licensed premises that may be imposed by the Council include:
- Limitations on the hours when children may be present
  - Age limitations
  - Exclusions when certain activities are taking place
  - Requirements for an accompanying adult
  - In exceptional case, exclusion of people under 18 from the premises or parts thereof when any licensable activities are taking place

- 8.6 Licensees will be expected to prevent children from viewing films that are unsuitable because of the age classification of the film that has been imposed by the British Board of Film Classification or other film classification board approved by the Council.
- 8.7 The Council will expect that where a significant number of unaccompanied children will be present during a public entertainment event, the licensee will ensure that an adequate number of adult staff are present to control the access, egress and safety in and around the premises. The number of staff required should be assessed by the licensee, taking into account the number of children to be present, the type of entertainment, the characteristics of the premises and any other relevant factor.
- 8.8 Anyone intending to provide staff for the supervision of activities to under 18's will be required to carry out enhanced criminal record checks on all persons involved servicing such activities. These checks should be entered into a register which should be kept on the premises at all times and made available to the police or authorised Council Officer on request. Staff shall only be appointed who have been subject to a check and are found to be suitable, if in doubt the applicant should liaise directly with the police.
- 8.9 The Council will specifically require the Operating Schedule to address issues relating to children. In such cases applications will be copied to Social Care & Health for their consideration and expert opinion. Applicants will also be advised to contact Social Care & Health directly to seek advice prior to submitting their application.
- 8.10 Premises that sell alcohol should have due regard to Proof of Age Schemes such as that run by the Portman Group. In addition, the Portman Group operates on behalf of the alcohol industry a code of practice on the naming, packaging and promotion of alcoholic drinks. This code seeks to ensure that drinks are marketed in a socially responsible manner and only to those over 18 years of age.
- 8.11 Where there are restrictions (whether imposed by statute or by the Council) on the sale of goods or the provision of services or the showing of films or other entertainment to children below a certain age then the licensee will be required to demonstrate that they have in place a system for verifying the age of children intended to be supplied with such goods, services or entertainment. Training must be given to all persons who might be in a position to refuse such children. Such training must include recognition of age, seeking proof of age, verifying the authenticity of proof of age cards and handling refusals.

## 9.0 Premises Licence

### 9.1 Application

**Any person aged over 18 years, a business or partnership may apply for a Premises Licence. The application must be accompanied by:**

- **The required fee**
- **An operating schedule**
- **A scale plan of the premises to which the application relates in the prescribed form**
- **If the premises involves the supply of alcohol, a form of consent from the individual who is to be specified as the Designated Premises Supervisor and**
- **Application to be advertised in the manner prescribed by the Regulations issued under the Licensing Act 2003.**

### 9.2 Operating Schedule

An Operating Schedule should include information to enable the Council or any interested party to assess the steps taken by the applicant to promote the Licensing Objectives. For example it will include a description of the style and character of the business to be conducted on the premises.

For premises where alcohol is to be sold for consumption on the premises it would be valuable to know the proposed capacity, extent of seating available for customers, the type of activities available on the premises whether licensable under the 2003 Act or not. If there is to be dancing on the premises the Operating Schedule should describe the type of dancing, if this will include striptease or lap dancing, if the dancing will include members of the public, by professional performers or both and in what setting.

Other examples of information required in the Operating Schedule are:

- Relevant licensable activities to be conducted on the premises
- Times/days of the week including holiday periods or different times of the year, the activities are to take place
- Any other times the premises are open to the public
- Where the licence is required for a limited period, specify that period
- If the activities include the supply of alcohol, the name and address of the Designated Premises Supervisor
- If alcohol is to be supplied, if it is to be consumed on/off the premises or both
- The steps the applicant proposes to promote the Licensing Objectives e.g. leaving licensed premises quietly and advise on public transport available for customers leaving the premises



- In preparing its Operating Schedule the applicant will be expected to undertake a thorough risk assessment with regard to each of the Licensing Objectives

### 9.3 **Small Venues Providing Dancing and Amplified or Non-Amplified Music**

These are:

- A Premises Licence or Club Premises Certificate authorises the supply of alcohol for consumption on the premises and the provision of musical entertainment, live music and dancing.
- The relevant premises are used primarily for the consumption of alcohol on the premises, and
- The premises have a capacity of up to 200 persons

Any conditions relating to the provision of musical entertainment imposed on the licence by the Council other than those set out by the licence or certificate which are consistent with the Operating Schedule, will be suspended except where they were imposed as being necessary for public safety or the prevention of crime and disorder.

In addition, between the hours of 8.00am and midnight, if the premises are being used for the provision of amplified live music but no other description of Regulated Entertainment, any conditions imposed on the licence by the Council, again other than those which are consistent with the Operating Schedule, which relate to the provision of that musical entertainment will be suspended.

### 9.4 **Wholesale of Alcohol**

The wholesale of alcohol to the public is now a licensable activity under the 2003 Act. Therefore there will be a need for a Premises Licence and a Designated Premises Supervisor who holds a Personal Licence where such transactions take place.

### 9.5 **Internet and Mail Order Sales**

A Premises Licence will be required for the warehouse/storage facility of the alcohol, however the call centre where the order was placed would not be licensable.

### 9.6 **Regulated Entertainment**

This will require a Premises Licence.

### 9.7 **Late Night Refreshment**

The provision of hot food and/or hot drink for consumption either on or off the premises is licensable under the 2003 Act from the hours of 11.00pm until 05.00am.

Some premises are exempt from this licensing requirement:

- Clubs serving hot food and hot drink only to their members
- Hotels or comparable premises serving hot food and hot drink only to those who will be staying at the hotel that night
- Premises serving hot food and hot drink only to their own employees
- Premises serving hot food and hot drink only to guests of those falling in the categories outlined above.

#### 9.8 **Restaurants and Cafes**

Which sell hot food or drink between the hours of 11.00pm to 05.00am will need a Premises Licence. Restaurants and Cafes will also need a Premises Licence if they sell alcohol at any time during the day or night.

#### 9.9 **Casinos and Bingo Clubs**

Where activities which are licensable under the Act are carried out in Casinos or Bingo Clubs the conditions imposed will apply alongside those conditions imposed under the 1968 Gaming Act.

#### 9.10 **Garages**

Normally the sale of alcohol from a garage will be prohibited, however where it is shown that the main activity of the premises is not that of a garage each case will be judged on the individual circumstances of the application and account taken of the current planning consent for those premises.

#### 9.11 **Vehicles and Moveable Structures**

The sale of alcohol or the carrying out of other licensable activities from vehicles/moveable structures may only be carried out from a premises or site which holds a Premises Licence. It should also be noted that the provision of any entertainment or entertainment facilities on premises consisting of or forming part of any vehicle while it is in motion and not permanently or temporarily parked is not to be regarded as a regulated entertainment for the purposes of the 2003 Act. For example, a band performing on a moving float in a parade would not require a Premises Licence if the performance only takes place while the vehicle is in motion.

#### 9.12 **Vessels and Ships**

Vessels and ships are licensable by the Authority where they are usually moored.

#### 9.13 **Sports Grounds**

Premises subject to the Safety of Sports Ground Act, safety arrangements shall take precedence over conditions imposed or activities permitted by the Premises Licence during those times the Safety Certificate applies.

9.14 **Vending Machines**

Premises selling hot food via a vending machine will need to apply for a Premises Licence **where hot food is sold between the hours of 11.00pm and 5.00am.**

9.15 **Amusements with Prizes Machines**

The Council will be prepared to grant without a hearing, permits authorising up to two section 34 Gaming Act machines in any premises. If authorisation is sought for more than two machines the applicant will be required to attend a hearing to support the application. The Council will not restrict the age that children are able to play machines authorised under a permit in licensed premises.

Parliament has placed no restrictions on the age at which such machines may be played (other than those in amusement arcades). It is therefore a matter for the discretion of the Premises Licence holder and any adults accompanying the children concerned whether they are entitled to play such machines. In the case of premises used exclusively or primarily for the consumption of alcohol, all children under the age of 16 will only be permitted entry to the premises if accompanied by adults. All such machines must be sited in accordance with the Gaming Act. Further advice will be given on receipt of an application.

## 10.0 **Club Premises Certificate**

### 10.1 **Application**

In order for Qualifying Clubs to supply alcohol and provide other licensable activities on club premises, a Club Premises Certificate is required and there is no requirement to specify a Designated Premises Supervisor.

10.2 Club Premises Certificates will be issued to qualifying clubs formally Registered Members Clubs. To be eligible for a Club Premises Certificate the club/organisation members must have joined together for a particular social, sporting or political purpose and then have combined to purchase alcohol in bulk as members of the organisation or supply to members and their guests. Qualifying conditions are specified in section 61 of the Act and the Council must be satisfied that these conditions have been met, including evidence to support that the club is non-profit making and that there is a minimum of 48 hours delay between applications and acceptance of new members.

10.3 The club must be established and conducted in 'good faith' (this involves consideration of details such as club finances).

10.4 Any member of a club over 18 years of age may apply for a Club Premises Certificate and applications must be accompanied by:

- Completed application form
- The required fee
- An operating schedule
- A scale plan of the premises to which the application relates in the prescribed form
- A copy of the club rules
- A copy of notice to be advertised in the prescribed form

### 10.5 **Operating Schedule**

The Council will require the club to produce an Operating Schedule which should include the following:

- The qualifying club activities to which the application relates
- The proposed hours of these activities and any other times during which it is proposed that the premises are to be open to the public
- Where the relevant Qualifying Club activities include the supply of alcohol, whether the supplies are for consumption on and/or off the premises.
- Information to enable the Council or any interested party to assess the steps taken by the applicant to promote the Licensing

Objectives (for example, the arrangements for door security to promote the prevention of crime and disorder).

- 10.6 Where a club intends to admit the general public to a Regulated Entertainment event then a Premises Licence or a Temporary Events Notice is required. Where alcohol is sold and there is a Premises Licence, then there will also be a requirement to obtain a Personal Licence. These Temporary Event Notices are subject to certain restrictions i.e. 12 occasions per year, must not aggregate more than fifteen days, or have more than 499 people attending.
- 10.7 If an applicant wishes to vary a Club Premises Certificate, the Council requires the application to be processed in the same manner as for a Premises Licence.
- 10.8 The Council will require the Club Secretary's contact details to be readily available in the event of an emergency.

## 11.0 Personal Licences

- 11.1 The Council will grant a Personal Licence providing the following criteria is met:
- a. The applicant is over 18
  - b. The required fee is paid
  - c. The applicant possesses a licensing qualification\*
  - d. The applicant has not forfeited a Personal Licence in the previous five years beginning with the day the application was made
  - e. The applicant has not been convicted of any relevant offence, or foreign offence as defined in the Act
  - f. The Police have not given an objection notice about the grant of a Personal Licence following notification of any unspent relevant offence or foreign offence
  - g. The application has been submitted correctly

\*NB This is not required by existing holders of Justices' Licences

- 11.2 In order to substantiate whether or not an applicant has a conviction for an unspent relevant offence or foreign offence, all applicants, except current holders of Justices' Licences and holders of club registration certificates, will be required to produce a current Criminal Record Bureau Certificate, which should be copied to the police along with the application. The Council will consult with the police regarding any relevant offence or foreign offence as listed in schedule 4 of the Licensing Act 2003 and schedule C of the Guidance disclosed by the applicant.**

**A relevant offence or a foreign offence will be disregarded if it is spent for the purposes of the Rehabilitation of Offenders Act 1974.**

- 11.3 Where the police have issued an objection notice the refusal of the application will be the normal course unless there are, in the opinion of the Council, exceptional and compelling circumstances that justify granting the application.**
- 11.4 If a representation is made by the police to an application the matter will be referred to the Licensing Sub-Committee.
- 11.5 The Council will liaise closely with the police when an applicant is found to have an unspent conviction for a relevant offence as defined in the Act. Where an applicant for a Personal Licence has an unspent criminal conviction for a relevant offence, the police and Council may interview the applicant should the police be minded to object to the grant of the licence.

- 11.6 An applicant for a personal licence has a duty to notify the Council of any new relevant offences during the application process.**
- 11.7 In accordance with 4.15 of the Guidance the licence holder is under a duty to notify any convictions for relevant offences to the Licensing Authority. This also includes foreign offences.**
- 11.8 The Court has an obligation to notify the relevant Licensing Authority of any conviction and of any decision to order that a personal licence be suspended or declared forfeit.**
- 11.9 The Council will require, where the licensable activities of a licensed premises include the sale of alcohol, one Personal Licence holder to be the Designated Premises Supervisor. The main purpose being to ensure that there is always one specified individual who can be readily identified at the premises. Thus it will be clear who is in charge of the day-to-day running of the business.
- 11.10 Where the Designated Premises Supervisor is not available at the premises for whatever reason, the Council will expect an individual to be nominated as a point of contact who will have details of where the Designated Premises Supervisor can be contacted.
- 11.11 The Premises Licence will specify the name of the Designated Premises Supervisor. It is the responsibility of the Premises Licence holder to notify the Council immediately of any change of Designated Premises Supervisor.
- 11.12 Where a Personal Licence holder is convicted by a court for a relevant offence, the court will advise the Council accordingly. On receipt of such notification, the Council will contact the holder within 14 days requesting the return of the licence so that the necessary action can be taken. Licensees are advised to let the Council know of any relevant convictions.

## 12.0 Temporary Event Notices

- 12.1 The Act provides for certain occasions when regulated entertainment, the sale of alcohol and late night refreshment at small scale events (for no more than 499 people at a time and lasting for no longer than 96 hours) do not need a licence but do need to provide advance notice to the police and the Council. The police can only object to a Temporary Event Notice if the event is likely to undermine the crime prevention objective.
- 12.2 A Temporary Event Notice may be sufficient for certain events. Temporary Event Notices are subject to various conditions and limitations which concern the following:
- The duration is limited for a period of up to 96 hours
  - They cannot involve the presence of more than 499 people at any one time
  - The same premises can be used for up to 12 occasions in a calendar year, but the aggregate number of days must not exceed 15
  - A Personal Licence holder is limited to 50 per year
  - A person not holding a Personal or Premises Licence is limited to 5 per year
- 12.3 If the above conditions are not fulfilled, a temporary event at which licensable activities are to take place would require a Premises Licence.
- 12.4 The law states that at least ten working days notice must be given to the police and the Council prior to the date of the event. The less time that is given will increase the likelihood of the police objecting. The Council recommends that at least 28 days notice be given to hold such events to allow consideration of the application and full guidance to be given to organisers to run their event in a proper manner and to pass on any relevant local information. The organisers, depending upon the nature of the event may find it useful to refer to "Guide to Health, Safety & Welfare at Pop Concerts and Similar Events",
- 12.5 In the event of a relevant representation from the police, the Council will hold a hearing not less than 24 hours before the event is due to take place.
- 12.6 It should be noted that for events concerning more than 499 people a Premises Licence will be required for a limited period. Where the sale of alcohol is involved there must be a Designated Premises Supervisor specified on the application who must be a Personal Licence holder.



12.7 Much larger crowds may be attracted to large scale Temporary Events and the risks to public safety and to crime and disorder as well as public nuisance may be considerable. The Council should be given early notice of such major events to discuss Operating Schedules with the organiser prior to a formal application being submitted. In order that public safety, crime and disorder as well as public nuisance matters are fully addressed organisers should refer to the following documents:-

- The Event Safety Guide - A guide to health, safety and welfare at music and similar events (HSE 1999) ('The Purple Book') ISBN 07176 24536
- Managing Crowds Safely (HSE 2000) ISBN 07176 1834X
- 5 Steps to Risk Assessment, Case Studies (HSE 1998) ISBN 07176 15804
- The Guide to Safety of Sports Grounds (The Stationary Office, 1997) ('The Green Guide') ISBN 0 11 300095 2
- Safety Guidance for Street Arts, Carnivals, Processions and Large Scale Performances published by the Independent Street Arts Network, copies of which may be obtained through [www.streetartnetwork.org/pages/publications](http://www.streetartnetwork.org/pages/publications)

## 13.0 Provisional Statement

### 13.1 Applicants may need to apply for a Provisional Statement where premises are being constructed or extended or substantially changed structurally.

- 13.2 A person may apply to the Council for a provisional statement if-
- a) he is interested in the premises, and
  - b) where he is an individual, he is aged 18 or over, and where-
    - Copies of approved planning consents and copies of building regulation applications are provided as may be required by statutory regulations.
    - Clear plans of the proposals exist including provision for disabled people.
    - An Operating Schedule is capable of being completed
    - Measures have been taken to promote the Licensing Objectives
    - The proposed hours of opening have been decided
    - Views be sought from the police
- 13.3 The licence will not become effective until the Council stipulates the effective start date.
- 13.4 Applications for a Provisional Statement shall be dealt with in the same way as a Premises Licence.
- 13.5 The applicant will be required to state the days and hours during which they wish to be authorised to carry on licensable activities. The licence will be determined on such terms unless, following the making of relevant representations, the Council considers it necessary to reject the application or vary those terms for the purposes of the Licensing Objectives.

#### 14.0 Consultation on Applications

**14.1 This section of the policy outlines the licensing consultation process. The aim of the consultation is to provide the opportunity for all parts of the community to be involved in the licensing process.**

14.2 The applicant will be required to advertise a licence application for the grant, renewal or variation of a licence. Application procedures and public consultation required for each type of licence will be in accordance with the Act

14.3 In addition to the statutory requirements regarding advertisements and notification of applications, the Council may -

- Post notification on the Council's website
- Notify Ward Members and also those Ward Members of Wards on or near the site boundary
- Notify neighbouring Councils on or near the site boundary

## 15.0 **Complaints Against Licensed Premises**

15.1 Complaints relating to the activities carried out at licensed premises of any description will be referred to the Council's Licensing Services. Where appropriate complainants will be encouraged to raise the complaint directly with the licensee or business concerned.

15.2 The Council where practicable will seek to facilitate mediation between applicants, relevant statutory agencies and occupiers of nearby premises, local residents groups, community or interested groups where significant issues have arisen relating to a licence application or the operations of licensed premises. The Council, where possible, will facilitate mediation through:

- Identification of potential issues for other relevant statutory agencies particularly regarding the safety and amenity of local residents
- Negotiation of, if possible, potential conditions to reflect resolutions agreed at mediation forums

Where mediation is not practicable or fails the Council will arrange for a hearing to review the licence or application.

15.3 This process if used will not override the right of any interested party to ask that the Council consider its valid objection or for any licence holder to decline to participate in a mediation meeting.

15.4 The Council will disregard any representations which are irrelevant, frivolous and/or vexatious.

15.5 A senior police officer may, under section 161 of the Licensing Act 2003, close a premises in the interest of public safety for up to 24 hours on the grounds of likely or imminent disorder on or in the vicinity of the premises. Premises may also be closed if a public nuisance is being caused by noise from the premises.

15.6 Additionally a review of the licence will take place within 28 days of any action by the police to close down the premises for up to 24 hours or longer if so granted by the Magistrates' Court on the grounds of disorder or public nuisance – Annex L of the Secretary of State's Guidance and section 167 of the Licensing Act 2003.

## 16.0 **Enforcement Policy**

- 16.1 The Council has a long established licensing enforcement policy, based around the principles of consistency, transparency and proportionality set out in the Department of Trade and Industry's *Enforcement Concordat* and which also takes into account the Attorney-General's Guidelines to Crown Prosecutors for bringing prosecutions.
- 16.2 The enforcement policy proposes that a graduated response is taken where offences against licensing legislation are found or where licence conditions have been contravened. An isolated administrative offence, such as failing to maintain records, may be dealt with purely by way of a written warning whilst more serious offences which have either been committed over a period of time or which jeopardise public safety, such as failing to maintain fire extinguishers properly, may result in a referral for prosecution.
- 16.3 The Council will seek to work actively with the police, fire and any other relevant authority to enforce the licensing legislation. It expects the police to share information about licensees and licensed premises under the Crime and Disorder Act 1998 and its common law powers, to consult closely with the Council when any enforcement action may be required and expects the police to continue using their powers under criminal law.
- 16.4 The Council will employ licensing enforcement officers to investigate allegations of unlicensed activities and to ensure that licence conditions are complied with.
- 16.5 The Council will from time to time carry out test purchasing exercises to establish whether the law it enforces is being adhered to. Where appropriate this will involve the use of under-age children to test compliance with the law relating to age restricted sales and supply. Any such exercise using children will be conducted in accordance with the Home Office/LACORS guidance on best practice (LACORS are the Local Authorities Co-ordinators of Regulatory Services).
- 16.6 The Council will carry out its responsibilities for enforcement so as to promote the four Licensing Objectives and will aim to ensure enforcement is fair, open, reasonable, consistent and proportionate.
- 16.7 **Relevant Offences are defined in Part 7 of the Act**
- 16.8 **Appeals**

- 16.8.1 Where an applicant is aggrieved by a condition, decision or relevant representation from a responsible authority or relevant person, there is a right of appeal. This appeal must be lodged within a period of 21 days from the day on which the applicant was notified by the Council of the decision and must be made to the Magistrates' Court.
- 16.8.2 In respect of Personal Licences, refusal to issue or revocation these appeals must be made to the Magistrates' Court in the area where the licence was issued.
- 16.8.3 Appeals in relation to all other licences must be made to the Magistrates' Court where the premises or event is situated.

#### 17.0 **Administration, Exercise and Delegation**

- 17.1 The Council is involved in a wide range of licensing decisions and functions and has established a Licensing Committee to administer them. The Powers under the Act also allow for delegation of power/functions to Licensing Sub-Committees or to one or more officers.
- 17.2 Appreciating the need to provide a speedy, efficient and cost effective service to all parties involved in the licensing process, the Council has taken advantage of these powers and has established a Licensing Committee/Sub-Committees.
- 17.3 Many of the decisions and functions are largely administrative in nature such as the grant of non-contentious applications, including for example those licences and certificates where no representations have been made. These will be delegated to Council officers. All such matters dealt with by officers will be reported for information to the next Licensing Committee meeting.
- 17.4 Applications where there are relevant representations will be dealt with by the Licensing Committee/Sub-Committee, unless such representations are considered irrelevant, frivolous or vexatious or unless the Council, the applicant and everyone who has made representations agree that a hearing is not necessary (usually after successful mediation).
- 17.5 Appendix 2 sets out the agreed delegation of decisions and functions of the Licensing Committee, Sub-Committees and officers. The various delegations include delegation to impose appropriate conditions.
- 17.6 This scheme of delegations is without prejudice to the right of relevant parties to refer an application to a Licensing Sub-Committee or the full Licensing Committee if considers appropriate in the circumstances of any particular case.

- 17.7 Unless there are compelling reasons to the contrary, the Council will require the Licensing Committee or any of its Sub-Committees to meet in public, although Members can retire into private session to consider their decision.
- 17.8 'Relevant representations' are representations as defined by section 18 of the Act:
- a. About the likely effect of the Premises Licence on the promotion of the licensing objectives
  - b. Made by an interested party or a responsible authority, have not been withdrawn and, in the case of representations made by an interested party they are not in the Council's opinion irrelevant, frivolous or vexatious.
- 17.9 'An Interested Party' means any of the following as defined by section 13 of the Act:
- a. A person living in the vicinity of the premises
  - b. A body representing persons who live in that vicinity
  - c. A person involved in a business in that vicinity or
  - d. A body representing persons involved in such business

## 18.0 **Transitional Matters**

### 18.1 **Applications**

During the transition period applications for grants of liquor licences, variations to existing Justices' Licences or occasional licences that are to take effect before the end of the transition period will continue to be made through the Licensing Justices. Likewise, applications for public entertainment, variations to public entertainment, cinemas, night café and theatre licences will need to be made to the London Borough of Lewisham.

From the first appointed day (7<sup>th</sup> FEBRUARY 2005) (and before the second appointed day probably 9 months later) applications can be made to the Council for Personal Licences, Premises Licences and Club Premises Certificates. On the second appointed day all licences and certificates will be given full effect simultaneously as per the 'grandfather rights' provisions, unless there are police objections on the grounds of crime prevention. In such a case a hearing will be held by the Council's Licensing Committee/Sub-Committee, unless agreed unnecessary by the licence applicant and the police.

- 18.2 It is expected that Licensing Services at Lewisham Council during the transition period will process some 800 premises Licences and 1200 Personal Licences. The Council may therefore investigate whether any agreement can be made with applicants to ensure that such a large number of applications will be dealt with in an efficient and effective manner.



## 19.0 **Policy Consultation & Review**

- 19.1 This Policy will come into effect on the 7<sup>th</sup> FEBRUARY 2005 and will remain in force for not more than three years, during that time it will be subject to periodic review and further consultation.
- 19.2 In developing this policy the Council will consult widely to ascertain an appropriate licensing framework for this area. The bodies consulted have included those specified in section 3 of the Government Guidance:
- The police
  - The fire authority
  - Current licence holders
  - Representatives of the local licensed trade
  - Representatives of local businesses and residents
- 19.3 In addition the Council will consult:
- Representatives of the local strategic partnership
  - Licensing solicitors
  - London Ambulance Service
- 19.4 **Monitoring and Review of Policy**  
The police, fire authority and other consultees will be encouraged to report to the Council annually on the operation of the licensing function.
- 19.5 The Council is also required to take into account any guidance issued by the Secretary of State. Following consultation, any revisions to this Policy shall be published.

## 20.0 Further Information

Further information about the Licensing Act 2003 and the Council's licensing policy can be obtained from:

Licensing Services  
London Borough of Lewisham  
Second Floor  
Laurence House  
1 Catford Road  
London SE6 4SW

Tel: 020 8314 6400  
Fax: 020 8314 3138  
Email: [licensing@lewisham.gov.uk](mailto:licensing@lewisham.gov.uk)  
Website: [www.lewisham.gov.uk](http://www.lewisham.gov.uk)

Information on current planning consents and planning application procedures is also available from:

Planning  
London Borough of Lewisham  
Fifth Floor  
Laurence House  
1 Catford Road  
London SE6 4SW

Department for Culture, Media and Sport  
2-4 Cockspur Street  
London  
SW1Y 5DH

Tel: 020 7211 6200  
Email: [enquiries@culture.gov.uk](mailto:enquiries@culture.gov.uk)  
Website: [www.culture.gov.uk](http://www.culture.gov.uk)

The Local Government Licensing Forum

Website: [www.lglf.org](http://www.lglf.org)

**The draft is also made available for inspection/comment on the Council's website.**

[www.lewisham.gov.uk](http://www.lewisham.gov.uk)

## Public Information

The Register of Premises Licences and Personal Licence holders will be available for inspection by appointment during normal office hours following implementation of the policy and full implementation of the Licensing Act 2003.

## Appendix 1

### Definitions

In this policy the following definitions are included to provide an explanation of certain terms included in the Act and therefore in the policy. In some cases they are an abbreviation of what is stated in the Licensing Act 2003 or an interpretation of those terms. For a full definition of the terms used, the reader must refer to the Licensing Act 2003.

#### 'Amusement with Prizes'

The use of machines which are constructed or adapted for playing a game of chance by means of the machine and have a slot or other aperture for the insertion of money or money's worth in the form of cash or tokens.

#### 'Appointed Days'

The 7 February 2005 is the first appointed day when applications can be made to local authorities for the new licences. On the second appointed day, the old law will cease to have effect, all the new licences will come into force and the responsibilities of the existing Magistrates' Court Licensing Committees will end.

#### 'Appeals'

Appeals against decisions of the licensing authority are to the Magistrates' Court for the area in which the premises are situated. The appeal must be lodged within 21 days of being notified of the Council's decision. On appeal a Magistrates' Court may dismiss the appeal; substitute its own decision; remit the case to the Council with directions and make an order for costs.

#### 'Authorised Persons'

'Authorised Persons' are specified people who have statutory duties in relation to the inspection of premises, e.g. licensing offices, police, fire, health and safety, environmental health.

#### 'Interested Parties'

'Interested Parties' are persons living in the vicinity of the premises; a body representing such persons; a person involved in business in the vicinity; or a body representing businesses in the vicinity.

#### 'Responsible Authorities'

'Responsible Authorities' include the police, fire, enforcing authority for health and safety, planning authority, environmental health, bodies responsible for child protection and other specified authorities. Only these groups can make representations about an application for a Premises Licence.

### **'Closure Order'**

New powers for the police and courts to close premises. The 2003 Act significantly extends the existing powers of the police to see court orders in a geographical area that is experiencing or likely to experience disorder or to close down instantly individual licensed premises that are disorderly, likely to become disorderly or are causing a noise nuisance.

### **'Club Premises Certificate'**

A certificate which licences a qualifying club for the sale/supply of alcohol. It can be granted to members clubs which comply with specific conditions e.g. membership rules, run by club committees, profits go to members not an owner etc. Club Premises Certificates replace registration under the Licensing Act 1964. The law for members clubs has changed relatively little under the 2003 Act. There is no time limit on the duration of the certificate but it may be withdrawn, surrendered or suspended.

### **'Conditions'**

A premises licence may be granted subject to conditions. These may be in respect of different parts of the premises and different licensable activities. There is no power to impose conditions on a Personal Licence. The Secretary of State's Guidance provides 'the only conditions which should be imposed on a Premises Licence or Club Premises Certificate are those which are necessary for the promotion of the Licensing Objectives. Accordingly, if the existing law already places certain statutory responsibilities on an employer or operator of premises, it cannot be necessary to impose the same or similar duties on the Premises Licence holder'. Conditions must be proportionate and tailored to size, style, characteristics and activities taking place at the premises concerned.

### **'Designated Premises Supervisor'**

The person in the case of premises selling alcohol, who will normally have been given the day-to-day responsibility for running the premises by the holder of the Premises Licence or will be the Premises Licence holder/himself (who must also be a Personal Licence holder).

### **'Grandfather Rights'**

The term used to describe the transitional provisions contained in the 2003 Act by which applicants for Premises and Personal Licences who are already licensed are entitled to be granted new licences authorising the same activities and with the same restrictions and conditions as they have already.

### **'Interim Authority Notices'**

Where a Premises Licence lapses due to death, incapacity or insolvency etc of the holder, specified persons can within 7 days serve an interim authority notice on the licensing authority. This revives the licence, subject to police objection, for a period of up to 2 months so the premises can continue

trading. This is the equivalent to 'interim authorities' and 'protection orders' under the Licensing Act 1964.

#### **'Late Night Refreshment'**

The supply of hot food and/or drink to members of the public (whether for consumption on or off the premises) between the hours of 11.00pm and 05.00am.

#### **'Licensable Activity'**

- The sale by retail of alcohol
- The supply of alcohol by or on behalf of a club, or to the order of a member of the club
- The provision of Regulated Entertainment
- The provision of Late Night Refreshment

#### **'Licensing Authority'**

London Borough of Lewisham

#### **'Licensing Objectives'**

The objectives of licensing set out in the Act:

- The prevention of crime and disorder
- Public safety
- The prevention of public nuisance, and
- The protection of children from harm

The Licensing Authority must carry out its functions under the Act with a view to promoting the licensing objectives.

#### **'Licensed Premises'**

Includes club premises and events unless the context otherwise requires.

#### **'Mandatory Conditions'**

These are conditions imposed in accordance with the Act.

#### **'Objection Notice'**

A procedure whereby the police can object to the grant of a Personal Licence on the grounds that having regard to convictions of the applicant for relevant offences, the grant would undermine the crime prevention objective.

#### **'Operating Schedule'**

A document containing a statement of the following matters (and any others that may be prescribed):

- Steps taken by the licence holder to tackle the four licensing objectives
- The licensable activities to be conducted on the premises
- The times during which the licensable activities are to take place and any other times when the premises are open to the public

- Where the licence is required only for a limited period, specify that period
- Where the licensable activities include the supply of alcohol, the name and address of the individual to be specified as the Designated Premises Supervisor

### **'Personal Licence'**

A licence granted to an individual which authorises that person to supply alcohol or authorise the supply of alcohol in accordance with a Premises Licence. The licence lasts for 10 years and can be renewed. It ceases to have effect when revoked, forfeited, surrendered or suspended. A Personal Licence holder is not required where the premises concerned does not supply alcohol as one of its licensable activities. A Personal Licence holder is also not required for the supply of alcohol in a club which holds a Club Premises Certificate. Only the police can object to the grant of a Personal Licence (there is no equivalent to relevant representations as for Premises Licences).

### **'Premises Licence'**

A licence granted in respect of any premises. The licence authorises the premises to be used for one or more licensable activities and has effect until revoked, surrendered or on the death, insolvency etc of the holder. Applications are dealt with by the local authority licensing committee in the area where the premises are situated.

### **'Provisional Statement'**

A procedure by which the licensing authority can give a statement approving for licensing purposes proposals for a premises being built or in the course of being constructed. Equivalent to a 'provisional grant' under the Licensing Act 1964. Where a provisional statement is made, subject to limited exceptions, the full licence must normally be granted once the premises are complete.

### **'Qualifying Club'**

Club Premises Certificates will be issued to **Qualifying Clubs** formerly Registered Members Clubs. To be eligible for a Club Premises Certificate the club/organisation members must have joined together for a particular social, sporting or political purpose and then have combined to purchase alcohol in bulk as members of the organisation for supply to member and their guests. Qualifying conditions are specified in section 61 of the Act and the Council must be satisfied that these conditions have been met, including evidence to support that the club is non-profit making and that there is a minimum of 48 hours delay between application and acceptance of new members. The club must be established and conducted in 'good faith' (this involves consideration of details such as club finances).

### **'Regulated Entertainment'**

- the performance of a play
- the exhibition of a film
- an indoor sporting event
- boxing or wrestling entertainment
- performance of live music
- playing of recorded music (excluding incidental music)
- a performance of a dance
- entertainment of a similar description to that falling within the performance of live music, the playing of recorded music and the performance of dance.
- (or entertainment of a similar description falling within the last three of the categories listed above), where the entertainment takes place in the presence of and for the purposes of entertaining that audience or spectators

### **'Relevant Representations'**

The 2003 Act does not use the term 'objections'. Instead authorised persons, interested parties and responsible authorities may be able to make relevant representations about an application for a licence. Representations must relate to the licensing objectives and where made by an interested party must not be irrelevant, frivolous or vexatious. When considering an application from an interested party or responsible authority the local authority need only consider relevant representations. The making of relevant representations engages the licensing authorities discretion to take 'steps' consistent with the licensing objectives when considering the application.

### **'Review of Licence'**

Where a Premises Licence is in force an interested party or responsible authority may apply to the Council for it to be reviewed. The Council must hold a hearing to review the licence and as a result must take any necessary steps to promote the Licensing Objectives, such as modification of conditions, exclusion of licensable activities, removal of the premises supervisor, suspension of the licence for up to three months, or the revocation of the licence.

### **'Responsible Authority'**

- The Chief Officer of Police in the area where the premises are situated
- The Fire Authority in the area where the premises are situated
- The enforcing authority for Health and Safety at work
- The local Planning Authority
- The local authority responsible for minimising or preventing the risk of pollution of the environment or of harm to human health
- The body representing matters relating to the protection of children from harm.



- In relation to a vessel, a navigation authority, the Environment Agency, or the British Waterways Board

#### 'Statement of Licensing Policy'

Each licensing authority must every three years determine and publish a statement of licensing policy. There is a requirement to consult on the policy and keep it under review.

#### 'Supervisor'

Responsible for supervision of the premises e.g. the day-to-day manager. Any premises where alcohol is supplied as a licensable activity must have a Designated Premises Supervisor.

#### 'Temporary Event Notice'

- A permitted Temporary Activity involving one or more licensable activities subject to the following various conditions and limitations:
- Duration - they are limited to events lasting for up to 96 hours
- Scale - they cannot involve the presence of more than 499 people at any one time
- Use of the same premises - the same premises cannot be used on more than 12 occasions in a calendar year, but are subject to the overall aggregate of 15 days irrespective of the number of occasions on which they have been used
- The number of notices given by one individual within a given period of time - a Personal Licence holder is limited to 50 notices in one year and any other person to 5 notices in a similar period
- (If these conditions are not fulfilled, the Temporary Event would require a Premises Licence if it were currently unlicensed for the activity involved)

#### 'Transfer'

A procedure where an application can be made to transfer the Premises Licence into a new name e.g. if a Premises Licence holder sells his premises an application may be made to transfer the premises licence to the new owner.

**APPENDIX 2**

**DELEGATION OF FUNCTIONS**

| <b>Matter to be dealt with</b>  | <b>Full Licensing Committee</b> | <b>Licensing Sub-Committee</b>    | <b>Officers</b>                    |
|---|---------------------------------|-----------------------------------|------------------------------------|
| Application for Personal Licence  |                                 | If a police objection             | If no objection made               |
| Application for Personal Licence with unspent convictions   |                                 | All cases                         |                                    |
| Application for Premises Licence / Club Premises Certificate  |                                 | If a relevant representation made | If no relevant representation made |
| Application for Provisional Statement   |                                 | If a relevant representation made | If no relevant representation made |
| Application to vary Premises Licence / Club Premises Certificate                                      |                                 | If a relevant representation made | If no relevant representation made |
| Application to vary Designated Premises Supervisor  |                                 | If a police objection             | All other cases                    |
| Request to be removed as Designated Premises Supervisor   |                                 |                                   | All cases                          |
| Application for transfer of Premises Licence  |                                 | If police objection               | All other cases                    |
| Application for Interim Authorities   |                                 | If police objection               | All other cases                    |
| Application to review Premises Licence / Club Premises Certificate                                    |                                 | All cases                         |                                    |
| Decision on whether a complaint is irrelevant, frivolous, vexatious etc.                              |                                 |                                   | All cases                          |
| Decision to object when local authority is a consultee and not the relevant authority considering the |                                 | All cases                         |                                    |

|   |  |           |  |
|---|--|-----------|--|
| application   |  |           |  |
| Determination of a police objection to a Temporary Event Notice |  | All cases |  |

### APPENDIX 3

### LICENSABLE ACTIVITIES

This Statement of Licensing Policy relates to the licensable activities defined by the Act, namely:

- Retail sales of alcohol
- The supply of alcohol by or on behalf of a club
- The provision of Regulated Entertainment, being
  - a. the performance of a play
  - b. the exhibition of a film
  - c. an indoor sporting event
  - d. boxing or wrestling entertainment
  - e. performance of live music
  - f. playing of recorded music (excluding incidental music)
  - g. a performance of a dance
  - h. entertainment of a similar description to that falling within e) to g) above where the entertainment takes place in the presence of an audience
- The provision of late night refreshment at any time between 11.00pm and 5.00am for consumption on or off the premises

Appendix 2

**List of those who supplied a Response:**

- Evelyn Street Wines
- Lewisham National Reserve Club Ltd
- Principles Jazz Bar
- Mr Iqbal – 161 Brookbank Road
- Eva Geser – Health First
- Berwin Leighton Paisner (for JD Wetherspoon)
- Blackheath Village Residents Group
- J Patel – 51 Perry Hill
- The Blackheath Society
- Fizz Anand
- Eva Bigalke
- Security Industry Authority
- Spar – 105 St Mildreds Road
- Bubbles Food and Wine – 195 Stanstead Road
- Independent Street Arts Network
- British Beer & Pub Association
- Cllr Gavin Moore

**The comments received during the formal consultation process are shown in the table below. Looking at the feedback in the context of the governments four core aims, they are distributed as follows:**

The prevention of crime and disorder

**7.4% of the comments received related to the prevention of crime and disorder.**

**Public safety**

2.9% of the comments received related to public safety.

**The prevention of public nuisance**

14.9% of the comments received related to issues of public nuisance

The protection of children from harm

## **2.9% of the comments related to the protection of children**

Miscellaneous comments

71.9% of comments were related to issues that were not directly covered by the four core aims. They ranged from suggestions for changes of wording to technical queries relating to matters such as the hearings process. A number of comments are included in this figure, which our policy will have no jurisdiction over, such as concerns regarding 'vertical drinking' and drug abuse.

Some of the comments/ suggestions have been incorporated within the policy as they were not contentious and did not alter the overall meaning in any way. Other suggestions related to areas that are not within the Councils control or remit and therefore they have not been incorporated.

In addition to those parties named as supplying a response, a number of responses were received after the specified deadline. All responses have been considered and wherever relevant amendments have been incorporated within the draft policy.

### **Amendments**

As a result of the feedback the following paragraphs were subject to amendment and are shown in bold text within the Policy document:

2.2, 2.3, 2.4, 2.6, 3.5, 3.6, 4.2, 4.3, 4.5, 6.1, 6.5, 6.6, 7, 9.1, 11.2, 11.3, 11.6, 13.1, 14.1,

### **Responses were received after the closing deadline from:**

- 1) The British Institute of Innkeeping
- 2) The RSPCA
- 3) The Musicians Union
- 4) Spirit Group Rank Group Gaming Division
- 5) CAMRA (Campaign for Real Ale)

| <b>Response No.</b> | <b>Summary of Response Received</b>  | <b>Recommended Officer Response</b>  |
|---------------------|--|--|
| <b>1</b>            | Agrees with policy   | No modification of the policy required   |
| <b>2</b>            | <b>Agree/non-committal</b>   | <b>No modification of the policy required</b>  |
| <b>3</b>            | Requires further information   | This was a question raised by a potential personal license holder on how the policy would apply to him. No amendments to the policy required as personal license provisions within the policy are quite clear.   |
| <b>4</b>            | <b>Agrees with policy</b>  | <b>No modification of the policy required</b>  |
| <b>5</b>            | A representative of Health First requested that the policy should contain a 'cautionary' section on smoke free policies within licensed premises, particularly in relation to the licensing objective of protecting children from harm.  | Licensing and regulatory bodies consider that a statutory licensing policy is not the appropriate vehicle for such 'suggestions for good practice' as they will almost certainly be interpreted as being mandatory which they cannot be under the legislation.   |
| <b>6</b>            | <p>Para 2.2. Possible duplication with other legislation.</p> <p>Para 2.4. Applicants Occasionally when commercially expedient,make a licence application before planning process completed.</p> <p>Para 3.5, 4.2, 4.3 Imposition of conditions. Conditions cannot be attached unless relevant representation made, or during conversion process.</p> <p>Para 9.1 Consultee raised the procedure for advertising applications, how</p> | <p>Paragraph deleted, no further action required</p> <p>No amendments required – the policy states that we “will expect” – not mandatory.</p> <p>Par 3.5 has been redrafted entirely.<br/>4.2 and 4.3 amended to take account of this response and further clarify the legal position.</p> <p>Paragraph amended to confirm in line with DCMS</p> |

|          |   |   |
|----------|---|---|
|          | <p>this would be set and in accordance with what guidelines.</p> <p>Para 11.2 Personal licence conversion from an existing Justices' licence. Querying need for Criminal Record Bureau Certificate.</p> <p>Para 11.3 'Grant' of a personal licence application would be the normal course.</p> <p>Para 13.1 Provisional statements – querying need to apply for these.</p>  | <p>Guidance.</p> <p>This paragraph has been amended accordingly.</p> <p>Typographical error in previous draft - Amended</p> <p>Amended to take account of this response.</p>  |
| <b>7</b> | <p>Page 5 Representations which are regarded as irrelevant, frivolous and/or vexatious. The BVRG require a definition, and who makes the decision.</p> <p>Para 2.3 Require further information on planning process, saturation policy, government guidelines etc.</p> <p>Para 2.4 Further clarification on planning/licensing processes. .</p> <p>Para 2.6 Human Rights Act. Extend Article 1 to include 'peaceful enjoyment of private residences'.</p> <p>Para 2.10 Crime and Disorder Strategy. Requested full time licensing co-ordinator and sargeant within Met Police</p> <p>Para 3.6 Hearings, should be public</p> <p>Para 3.7 'Limited' disturbance. Remove</p> | <p>Not amended – wording based on case law</p> <p>Amended to provide greater clarity.</p> <p>No amendments – only states we "will expect" – not mandatory.</p> <p>Amended (see pg 4)</p> <p>No modifications required. Staffing structures will need to be arranged once the Policy is agreed.</p> <p>Amended to take account</p> |



|          |   |  |
|----------|---|--|
|          | <p>'limited'.</p> <p>Para 6.1 Consider all four licensing objectives</p> <p>'Mainly residential areas' to 'areas where nuisance or disturbance is likely to be caused to residents'.</p> <p>Para 6.6 'Shops' to 'Premises'</p> <p>Para 7.3 i. 'residential areas' to 'residential or mainly residential areas'<br/> ii. 'special' to be removed from 'special saturation policy'.<br/> iii. 'identify' to 'respond to'.<br/> iv. Additional paragraph regarding a specific geographical area in terms of a saturation policy.</p> <p>Para 14.3 Add to consultation groups 'notice to local residents groups'.</p> <p>Para 15.1 Details of complaints procedure should be included</p> <p>Para 15.2 Hearings. From 'may arrange for a hearing' to 'should' arrange for a public hearing'.</p> <p>Para 16.4 Enforcement officers and inspections.</p> | <p>of this response</p> <p>Amended to take account of this response</p> <p>Amended to take account of this response</p> <p>Paragraph 7 amended to take account of this response</p> <p>Amended in accordance with Statutory requirements</p> <p>No amendments required as this should not form part of the policy document</p> <p>Amended to take account of this response</p> <p>Amended to take account of this response</p> |
| <b>8</b> | Form not completed  |  |
|          |   |  |

|           |  |   |
|-----------|--|---|
| <b>9</b>  | <p>Para 3.7 The promotion of cultural events is not at the expense of residents.</p> <p>Para 4.3 Conditions relating to noise and nuisance should, not may, be imposed where appropriate. Add 'prominent' to display of signs at exits.</p> <p>Para 6.2 Varying licensing laws should not be a pretext for late hours causing noise nuisance.</p> <p style="text-align: center;"><i>Para 7.1</i></p> <p>Para 7.3 Problems with objectors providing evidence.</p> <p>Para 9.2 Operating schedule should include details of toilet facilities.</p> <p>Para 14.3 Consultations on applications to include 'Notice to Residents' who 'will' not 'may' be consulted upon</p> <p>Para 15.2 Further details on hearings requested.</p> <p>Para 15.4 Who decides which representations are irrelevant, frivolous and/or vexatious?</p> | <p>Amended to take account of this response</p> <p>Amended to take account of this response</p> <p>Amended to take account of this response</p> <p>This is a matter for Central Government, no LA's</p> <p>Para 7 amended to take acc</p> <p>No amendments to be made ast hese have to be provided anyway</p> <p>Amended to take account of this response</p> <p>No amendment to be made, still awaiting relevant regulations.</p> <p>No amendment to be made – paragraph based on case law</p> |
| <b>10</b> | Comments related to alcohol, covered by statute not for policy   | See amendments to 3.5   |
| <b>11</b> | Repeat of comments made by respondees 7 & 9.   | Amended to take response into account   |
| <b>12</b> | Ensure that Doormen are Registered by SIA  | No modification of the policy required  |
| <b>13</b> | Mainly Agrees  | No modification of the policy required  |
| <b>14</b> | Agrees   | No modification of the policy   |

|           |   |  |
|-----------|---|--|
|           |   | required   |
| <b>15</b> | Include Arts and Circuses   | No modification of the policy required   |
| <b>16</b> | <p>2.2 Possible duplication with other policies.</p> <p>2.4 Further clarification on planning/licensing processes.</p> <p>9.1 Procedures for application to be advertised.</p> <p>11.2 Personal Licenses conversion.</p> <p>11.3 Granting of applications (typo)</p> <p>13.1 Applications for Provisional statements.</p> | <p>Paragraph now deleted</p> <p>No amendments to be made– policy states that we “will expect” – not mandatory</p> <p>Amended to take response into account</p> <p>Amended to take response into account</p> <p>Amended to take response into account</p> <p>Amended to take response into account</p> <p>Amended to take response into account</p> |
| <b>17</b> | 2.9 re Title  | Amended to take response into account  |

FULL COPIES OF THE CONSULTATION RESPONSES WILL BE AVAILABLE IN THE MEMBERS' ROOM PRIOR TO THE COUNCIL MEETING

**Appendix 3**

**LICENSING POLICY**

**EQUALITIES IMPACT ASSESSMENT**

**Introduction**

This impact assessment was undertaken using the methodology and approach set out in Lewisham's Equalities Impact Assessment toolkit. Every new or revised policy requires the undertaking of such an assessment, to ensure that the policy proposals address equalities and that the policy and its implementation meet both the aspirations set out in the Council's equalities policies AND statutory requirements.

This assessment has considered the Licensing Policy proposals which will guide the service, the procedures to be operated and the day to day working practices to be developed. It checks to see whether these are likely to have a positive or negative impact on different groups within our diverse community. Having made this assessment it sets out the action to be taken to **prevent** direct and indirect discrimination and **positively promote** positive and harmonious community relations.

**Steps taken in undertaking the Equality Impact Assessment**

**1. Management of the Equalities Impact Assessment**

The assessment was undertaken by Dalewyn Daniel, Performance Quality and Information team, Regeneration, working with Barry Caswell and other members of the Licensing team within Business Regulatory Services.

**2. Identification of the aims/objectives and purpose of the Licensing Policy**

The Licensing Act 2003 gained royal assent on 10 July 2003. It repealed most of the existing legislation relating to liquor, entertainment and night café licensing and replaced it with a new licensing regime. Responsibility for liquor licensing is being transferred from the Magistrates Court to local authorities.

Although the Licensing Act empowers local authorities to relax controls over premises licensed for the sale of alcohol (particularly opening hours), the stated purpose of the legislation is to provide a clear focus on the promotion

of four objectives, which must now form the central purpose when licensing functions are carried out. These are:

- **The prevention of crime and disorder;**
- **Public safety;**
- **The prevention of public nuisance; and**
- **The protection of children from harm.**

Lewishams licensing policy sets out the framework within which the council will deliver its new responsibilities. The objective of the licensing process is to allow the continuation of retail sales of alcohol, the provision of regulated entertainment in the presence of an audience and the provision of late night refreshment in a way which ensures compliance with the Act, ensures public safety and which is neither to the detriment of residents, nor gives rise to loss of amenity.

The Council recognises that the licensed entertainment business sector and community licensed facilities in the borough contribute to the local economy and social infrastructure. It wishes to encourage licensees to provide a wide range of entertainment activities throughout their opening hours and to promote live music, dance and theatre etc. for the wider cultural benefit. They are a factor in maintaining a thriving and sustainable community, which is one of the Council's aims.

Through the policy the Council hopes that local people and visitors to Lewisham will have better opportunities to enjoy their leisure time safely without fear of violence, intimidation or disorder while on, arriving at, or leaving licensed premises. In addition, and in response to concerns about the impact of longer trading hours on behaviour and disturbance at night, the protection of local residents, whose lives can be blighted by disturbance and anti-social behaviour associated with the behaviour of some people visiting places of entertainment, will have a central place in the policy.

An effective licensing policy, alongside other initiatives, can work towards promoting positive aspects, such as increasing the leisure industry provision for the community and encouraging regeneration of town centres, as well as controlling negative impacts such as an increase in noise, nuisance, anti-social behaviour and crime and disorder.

### **3. Relevance to Community, Council and Regeneration Priorities**

The policy will seek to achieve integration with relevant strategies and their aims in determining applications. These are the community, council and directorate priorities most closely linked to the Licensing Policy.

#### **The Community Strategy**

Lewisham's Community Strategy defines ten priority issues to be tackled under three broad themes. The Licensing Policy is relevant to these priorities:

1. Crime  
Making Lewisham a safer place and reducing the fear of crime
  
4. Enterprise and business growth  
Fostering enterprise and sustainable business growth including the creative industries
  
5. Cultural Vitality  
Developing cultural vitality by building on Lewisham's distinctive cultures and diversity
  
6. Engage local communities  
Help local communities to develop the capacity to support themselves, act independently and participate in providing services and wider support to the borough

#### **Corporate Performance Plan**

The Policy links into Council policy objectives as follows:

- 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*
  
- Protection of children – *better safeguarding and joined up services for children at risk;*

## Regeneration Strategy 2003 - 2006

The policy links in to these elements of Regenerations service strategy:

- To help create and support an environment where businesses can thrive and inward investment is maximized.
- To improve the local Street Scene, providing clean, safe streets which are well designed and free of clutter in line with out Streetscape Guide.
- To maximize community safety through a range of Warden Schemes (in partnership with Social Care and Health), enforcement action, appropriate design and other measures to tackle anti-social behaviour and crime.
- To support the development of new businesses and employment opportunities

### 3. Scope/focus of the Equality Impact Assessment and assessment of relevance

The table below assesses the relevance of equalities legislation and potential impact of the policy on different groups within society. This is done to help start scoping the impact assessment, in order to determine the answer to the two key questions.

- Could this policy – and the way we will deliver it – affect some groups in society differently?
- Will/can this policy – and the way we will deliver it – promote equal opportunities?

| <b>LICENSING POLICY EQUALITIES IMPACT ASSESSMENT SCOPING</b> |                                 |  |   |
|--|---------------------------------|--|---|
| <b>Equalities category</b>                                   | <b>Equalities legislation –</b> | <b>Assessment of Potential Impact – High, Medium, Low, Nil</b> | <b>Reason for this assessment</b>   |
| Gender   | Sex Discrimination Act          | Medium /low  | Sex Discrimination Act – Most of the businesses granted licenses are male run.<br><br>There may also be concerns around the night time economy and any possible community |



|                            |  |        |   |
|----------------------------|--|--------|---|
|                            | Equal Pay Act  | Nil    | safety issues it may bring.   |
| Race                       | Race Relations Act<br>Race Relations (Amendment) Act | High   | The guidelines for the new licensing policy state that the policy should actively encourage applications for licenses from all ethnic backgrounds by making the process and information accessible. In addition, there is a need to make service information accessible to bme groups |
| Disability                 | Disability Discrimination Act                        | High   | In terms of Access, all premises granted licenses will be encouraged to have disabled access. There is also a need to make service information accessible to disabled groups  |
| Age                        | Relevant employment legislation                      | High   | There is a section in the new licensing policy that stipulates the protection of children from harm. Also, the views of residents may have an age implication. For example, older residents may be more concerned about noise.  |
| Sexual orientation         | Relevant employment legislation                      | Low    | Premises serving the Gay and Lesbian communities will need to apply for licenses  |
| Religion and belief system | Relevant employment legislation                      | Low    | Licensing will have to take into consideration granting some types of licenses in areas close to places of worship.   |
| Human Rights Act           | Relevant Employment Legislation                      | Medium | The Human Rights Act 1998 incorporates the European Convention On Human Rights and makes  |

|  |  |  |   |
|--|--|--|---|
|  |  |  | <p>it unlawful for a Local Authority to act in a way that is incompatible with a Convention Right. The council will have particular regard to the following relevant provisions of the European Convention on Human Rights</p> <ul style="list-style-type: none"> <li>• Article 6 that in determination of civil rights and obligations everyone is entitled to a fair and public hearing within a reasonable time by an independent and impartial tribunal established by law.</li> <li>• Article 8 that everyone has the right to respect for their home and private life; and</li> <li>• Article 1 of the first Protocol that every person is entitled to a peaceful enjoyment of their possessions, including for example the possession of a license.</li> </ul> |
|--|--|--|---|

### **Policy Issues Affecting Specific Groups**

Scoping the assessment and determining where to focus attention has to flow from the analysis of potential impact set out in the above table. Proportionally the assessment needs to concentrate on areas with highest potential impact. Key issues for consideration include:-

#### **Age – Young People/Elders/Children**

The policy recognises the right of licence holders (serving alcohol) to allow accompanied children into their premises at any time. The Council will not normally seek to limit their access (above that specified in the Act) to any premises unless it is necessary for the prevention of physical, moral or psychological harm. Where this is considered likely, conditions will be imposed that restrict children from entering all or part of licensed premises:

- at certain times of the day or
- when certain licensable activities are taking place or
- under certain ages, e.g. 16 or 18
- unless accompanied by an adult

Examples of premises where these conditions may be considered include premises where:

- there is entertainment or services of an adult nature commonly provided;
- there have been convictions for serving alcohol to minors or premises with a reputation for under-age drinking;
- there is a known association with drug taking or dealing;
- there is a significant element of gambling on the premises
- there is a presumption that children under 18 should not be allowed (e.g. to nightclubs, except when under 18 discos are being held);
- there are licensable activities that are likely to appeal to minors/children under 16 taking place during times when children under 16 may be expected to be attending compulsory full-time education.
- there have been representations from police, the area child protection committee or other relevant agency or representative.

Additionally the operating schedule for premises with film exhibition should include a stipulation that children will be restricted from viewing age-restricted

films classified according to the recommendations of the British Board of Film Classification.

### **Religion and Belief**

The times of day and days of the week when licensable activities that give rise to noise, vibration and possibly anti social behaviour are carried out, may be in conflict with the religious practices of nearby places of worship.

### **Race**

**The Council recognises the value of live music and dancing in developing cultural diversity, as well as helping to unite communities, particularly**

**ethnically diverse communities, since music and dancing can aid the development of a fully integrated society. The absence of cultural provision in the borough can itself lead to young people feeling excluded and possibly lead to them engaging in anti-social activities that damage the community and the young people themselves.**

## **Disability**

The Policy will fall in line with Lewisham's disability strategy which follows the Social Model of disability and recognizes that disabled people are excluded from full participation because of the way the environment and society are organized, rather than the person's disability preventing their access. To this end, all premises granted licenses will be encouraged to have full disabled access.

*Finally*, Licences for any form of public entertainment will be subject to conditions to prohibit entertainment (including film exhibitions) which are likely to lead to disorder or stir up hatred or incite violence towards any section of the public on the grounds of colour, race, ethnic or national origin, disability, religious beliefs, sexual orientation or gender.

## **4 Assessment of relevant data and research**

A range of national, regional and local data was analysed and considered within the policy generally, and specifically for this impact assessment. Some of the key data and research considered and issues identified are summarised below.

### **Borough Profile**

The London Borough of Lewisham is an Inner South East London Borough covering an area of 3,473 hectares. The population is 249,000 of which 34% are from minority ethnic communities. The main ethnic minority communities in the borough are of Caribbean, African, Turkish, Turkish Cypriot, Chinese, Vietnamese, Somali, South Asian (Indian, Pakistani, Bangladeshi and Sri Lankan) and Irish origin, and there are over 100 languages spoken in the borough.

In addition, the GLA/LRC (Greater London Authority/London Research Centre) estimate that 37,522 (15.1%) people identify themselves as having a limited long term illness or disability, and the ONS (Office of National Statistics) estimate that 125,600 (52%) of Lewisham's population is female and, 31,894 (12.8%) are over pensionable age.

The northern part of the Borough contains most of the industrial and commercial areas, however in general terms, commercial and residential properties co-exist. Although premises licensed for the sale of alcohol are located throughout the borough areas of concentration are found at the major and district town centres. Premises providing entertainment are also widespread, although pockets of high density locations are to be found at New Cross and Blackheath.

The following table is made up of information gleaned from the 2001 census. It provides a snapshot of the make up of those two wards and compares them to the borough as a whole.

| <b>Census Category</b>  | <b>Lewisham Borough (all wards)</b> | <b>Blackheath</b> | <b>New Cross</b> |
|---|-------------------------------------|-------------------|------------------|
| <b>Ethnicity</b>  | 34%                                 | 39%               | 63%              |
| <b>People aged 16 – 74 economically inactive</b>                        | 4.5%                                | 3.9%              | 5.9%             |
| <b>Socio – Economic classification (people aged 16-74 never worked)</b> | 4.6%                                | 3.1%              | 7.6%             |
| <b>Socio – Economic classification (long term unemployed)</b>           | 1.9%                                | 1.4%              | 2.6              |
| <b>People aged 10-14</b>  | 6.2%                                | 4.6%              | 6.6%             |
| <b>People aged 20-24</b>  | 7.5%                                | 7%                | 10.1%            |
| <b>People aged 25-29</b>  | 9.5%                                | 13.5%             | 10.9%            |
| <b>People aged 65 - 74</b>  | 5.7%                                | 5.9%              | 3.7%             |

When considering applications for licenses, Licensing must have regard to the general character of, and the affect granting a license for a particular type of activity may have on, the area in which the premises are situated. In the case of Blackheath, the statistics indicate that it has a larger bme population, lower unemployment rates and an older population than Lewisham (all wards). Whilst for New Cross, they point to a bme population almost twice the size of Lewisham (all wards) higher unemployment rates, and a younger population in comparison to the borough as a whole. These are of just some of the social issues that Licensing will have to take into consideration when determining applications to carry out licensable activities within the boroughs different wards.

## The Indices of Deprivation

Lewisham is a highly diverse borough. Although some areas sustain high levels of affluence, Lewisham is one of the capital's least wealthy boroughs with pockets of acute need. Despite improvements in recent years, 54 (32.5%) of Lewisham's 166 Super Output Areas (SOAs) were ranked within the 20 per cent most deprived SOAs in England according to the Index of Multiple Deprivation 2004 (IMD)<sup>1</sup>. Three of those SOAs were also in the worst 10 per cent. Four of Lewisham's wards have more than 60% of their SOAs in the 20% most deprived category (Evelyn, New Cross, Bellingham and Lewisham Central). Overall Lewisham was ranked as the 57th most deprived local authority in England. When looking at the average score of each individual deprivation domain, Lewisham is the 38th most deprived local authority area in England (this is mainly due to the income domain which places Lewisham as the 27th most income deprived area).

## The Unitary Development Plan

Access to a job is one of the main ways people feel included in society and the Unitary Development Plan sets out policies that protect those sites in the borough that are valued for their employment uses from inappropriate development. Many of the most important employment sites are located in wards with the highest unemployment rates and with the highest populations of people from the Black and Ethnic Minorities.<sup>2</sup>

## Crime Statistics –

The CRIS crime statistics for the borough for April 2003 to the present shows New Cross has having the highest number of recorded crimes – 2176 as compared to 1266 for Blackheath and 616 for Whitefoot which had the lowest.<sup>3</sup>

## Benchmarking with other Local Authorities

Desk based benchmarking to compare draft policies was undertaken for Camden and Hammersmith and Fulham. We have also considered the Race Equality Scheme of Perth and Kinross Licensing Board.

## 5. Consultation

The Policy will come into effect on the **7 FEBRUARY 2005** and will remain in force for not more than 3 years, during that time it will be subject to periodic review and further consultation.

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<sup>1</sup> Refer to the map in appendix 3

<sup>2</sup> Refer to the map in appendix 2

<sup>3</sup> Refer to the map in appendix 4

In developing the policy the council has consulted widely to ascertain an appropriate licensing framework for its area. The bodies consulted have included those specified in Section 3 of the Government Guidance; <sup>4</sup>

- The police
- The fire authority
- Current license holders
- Representatives of the local licensing trade
- Representatives of local businesses and residents
- Voluntary and Community Groups including those that represent equalities groups

Groups consulted who have relevance to issues considered in this EIA included:

Catford Crime Prevention Panel; Alcohol Recovery Project; Community Drug Project; Drugs in Deptford; Urban Regeneration Forum; Lewisham Central Residents Association; Creekside Forum; Family Welfare Assn; NSPCC South London; Lewisham Asian Assn; Lewisham Gay Alliance; West Indian and African Community Assn; Indian Cultural Society; Crofton Turkish Cultural Group; Ethnic Business development Corporation; Lewisham Disability Coalition; South East London Spastics Group; Disabled Living Foundation; Deptford Action for the Elderly.

In addition the Council consulted:

- Representatives of the local strategic partnership
- Licensing solicitors
- London Ambulance Service

The feedback gained through this consultation has been scrutinized for equalities implications and no specific issues were raised.

## **6. Assessment of Impact and outcomes and reducing any adverse impact**

Following the scoping of the assessment and identification of potential areas for discrimination, analysis of data and research and specific consultation, the assessment checked whether, in any of the areas identified:-

- there is unlawful discrimination
- there is an adverse impact on one or more equality categories
- the service fails to promote equality of access or opportunity

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<sup>4</sup> For a full list of consultees contact Barry Caswell on 48498

- some equality categories are, or may, be excluded from service benefits
- some equality categories are disadvantaged

If an adverse impact was identified, then options for reducing that must be considered. (if it were actually unlawful, then it would need to be changed).

This assessment has focused on the draft policy; there will need to be a further Equalities Impact Assessment scheduled as part of the Lewisham 2005-2008 Race Equality Scheme which will be able to focus on the delivery of the policy in practice.

The overall assessment is that the Licensing Policy does not discriminate and no adverse impacts have been identified. However, in determining an application, particularly in areas of the borough such as New Cross, that has a large bme population (63%), high levels of unemployment, 60% of its Super Output Areas in the 20% most deprived category, relatively young residents and, the highest crime rate in the borough, Licensing should seriously take into account the cumulative effect that the saturation of a particular type of licensed premises in one area may have.

The Policy should aim to grant licenses to businesses in those areas that can contribute to the improvement of conditions for those living within them.

They may want to consider:

- Providing greater choice for consumers about where, when and how they spend their leisure time
- The encouragement of family friendly premises where younger children can be free to go with the family
- The further development within the community of the rich culture of live music, dancing and theatre
- The regeneration of areas that need the increased investment and employment opportunities that a thriving and safe night-time economy can bring
- The necessary protection of local residents, whose lives can be blighted by disturbance and anti-social behaviour associated with the behaviour of some people visiting places of entertainment

There are real opportunities now and in the future to implement a process that ties in with other initiatives to work towards promoting the positive aspects such as increasing the leisure industry provision for the community and encouraging the regeneration of town centres as well as controlling the negative impact such as increase in noise, nuisance, anti-social behaviour and crime and disorder.

The licensing policy can build on the work presently carried out by the council to ensure Lewisham is a dynamic, innovative and attractive place to



live, work and learn. The council has prepared a number of strategies that contain visions, aims and objectives to promote, improve and protect the borough. The Licensing Policy has been prepared to promote the four licensing objectives under the Licensing Act 2003, however it must also have regard to the local strategies which have been developed for the borough, its residents, businesses, workers and visitors. It can then secure the proper integration with local crime prevention, planning, transport, tourism and cultural strategies and race equalities schemes by ensuring its policies are consistent with their aims and objectives.

A summary of the issues considered in reaching this conclusion, and actions to be taken for the future are set out below. The actions identified will be part of the Business Regulatory Services Business Plan.

| <b>ISSUE of possible concern and equalities categories it will potentially impact on</b>  | <b>ACTION taken/to be taken</b>  |
|---|--|
| At present the service has no information as to the level of awareness of its role amongst the various communities within the borough | Use consultation processes to determine what action is needed to achieve public awareness.<br><br>Need to widely publicise that service information is available in different formats and languages on request |

|  |  |
|--|--|
| <p>There is a lack of collective information about the persons using the Councils licensing service i.e. applicants, decisions, protestors, etc. Limitations applied, location.</p> <p>To ensure that the policy is effective and efficient, there is a need to be able to evaluate and review it. Equalities Monitoring is essential to enable Licensing to do this, so as they can provide and evidence high quality services for all of Lewishams communities</p> | <p>A means of addressing this will be the implementation of equalities monitoring procedures covering applicants for licenses. A form requesting information on ethnicity, gender etc. will be sent with each application form. Information can then be collated by reference to age, disability, ethnicity and gender.</p> <p>By gathering and recording accurate equalities data, interpreting this and taking appropriate action the service will be able to evaluate and review equalities policies and practices. It will be able to evidence which particular groups, over use or under use its services and the outcome they receive, and uncover discrimination or demonstrate the absence of it. They can then use the information collected to assist in providing services that are responsive to the needs of particular groups.</p> |
| <p>In some areas, the high density of licensed premises may generate strain on the local community and the infrastructure by leading to crime, disorder and anti-social behaviour. These problems can undermine the quality of life for those who live and work in the Borough.<sup>5</sup></p>  | <p>In determining an application the service should, where appropriate, take into account the cumulative effect that the existence of a saturation of premises in one area may have.</p> <p>In line with the Unitary Development Plan, the policy should recognize the importance of varied community facilities in the borough. Individuals and groups of people who are at a disadvantage in economic terms or who are discriminated against, will proportionately face a greater loss as they might not be able to travel to alternative facilities.</p> <p>Facilities that can be used or attended by groups of people on a casual or regular basis also increase the vitality and sustainability of neighbourhoods and thereby tend to reduce the incidence of crime and the fear of crime.</p>   |

<sup>5</sup> See appendix 5 – Crime statistics by Ward 03-04

## **8. Formal agreement**

The Licensing Policy is being put to Members with this Equalities Impact Assessment as an appendix in November 2004.

## **9. Publication of Results**

Results of the assessment will be included in the Council's annual equalities report. They will also be reported to the Social Inclusion Select Committee which will be advised :-

- ❑ How the likely impact was assessed
- ❑ The information used
- ❑ The consultation carried out and summary of results
- ❑ The results of the impact assessment
- ❑ Policy changes made/to be made as a result of the assessment
- ❑ What will happen next

## **10. Monitoring**

The achievement of changes, amendments and recommendations arising from the Equality Impact Assessment will be monitored through mainstreaming into the existing robust performance management and business planning systems of the Regeneration Directorate. So, for example, all actions included in the implementation plan will be expected to be included in the Business Regulatory Services annual business plan which will be quality checked by relevant Performance and Quality officers. All Regeneration Equality Impact Assessments will also be monitored by the Regeneration Equalities Board.

## **8. Licensing Act 2003**

This report deals with the constitutional changes which will be required to deal with the Council's new responsibilities under the Licensing Act 2003 with effect from 7 February 2005. It recommends the establishment of a new Licensing Committee to deal with functions under the 2003 Act. It also proposes amendment of the terms of reference of the existing Licensing Committee, which should be renamed the Licensing (Supplementary) Committee, to deal with residual licensing functions.

### **Background**

#### *A two tier system*

There are over fifty existing statutes affecting licensing in England & Wales. Currently, there is a two tier system in place. The Magistrates Court has responsibility for alcohol licensing, whilst local authorities have responsibility for issuing other types of licenses including public entertainment, plays, films, and night cafes by way of example.

The Council's existing licensing functions are carried out by its Licensing Committee. This consists of 10 councillors. It meets approximately 6 times a year in the evening. During any one meeting it is able to determine no more than two contested licensing applications by way of hearing. Therefore, approximately 12 contested licensing cases are currently determined per year by our Licensing Committee. In addition, this same Licensing Committee may also hear and determine (during the same or additional hearings) other licensing matters for example, reports from the Chief Street Trading Officer with all related matters.

The Magistrates Court currently determines all alcohol licensing matters and also determines appeals from the Council's Licensing Committee.

#### *Statutory timetable for change*

On 10 July 2003, the Licensing Act 2003 ("The Act") received royal assent. The related Guidance was issued on 7 July 2004. The 1<sup>st</sup> Appointed day will be the 7 February 2005 with the 2<sup>nd</sup> Appointed day being 9 months later, namely November 2005. The period between the two Appointed days is called the "Transitional Period".

#### *During the Transitional Period*

All existing licensed premises will be able to have their existing permissions and opening hours transferred. At the same time, they may also apply to the Council for any extra hours or changes. However existing licences which are saved for the transitional period will come to an end in November 2005.

There are approximately 800 existing premises licensed to sell alcohol within the borough. Those which wish to continue to operate after November 2005 must therefore apply to the Council for a premises licence which will need to be determined in the transitional period of 9 months. Otherwise the businesses will not be licensed to trade. Applications which do not entail a variation to existing licence conditions are unlikely to give rise to the need for a hearing.

If only 70% of current licensed premises seek variations to their existing liquor licenses, this would result in 560 applications. (The Government's draft Regulations in relation to fees estimates that 65% of applications received during the transitional period are likely to include requests for variation of existing licence conditions although industry commentators suggest that the correct figure is likely to be nearer 95%). Of those anticipated applications, it is further anticipated that anything up to 25% could result in objections which will require determination by the Licensing Committee or Sub-Committees.

This would mean that the new Licensing Committee is likely to need to hear approximately 140 contested applications under the 2003 Act during the nine month transitional period. Considerably more meetings of the Licensing Committee and sub-committees are likely to be needed during that period although the position is expected to stabilise after the end of the transitional period and the number of meetings required to reduce significantly. Not to be forgotten is the fact that the remaining licensing work of the Council will also have to continue and is unaffected by the Act.

For every existing premises licence, there will also be an application to the Council by existing licensees, for a new type of licence, namely a "personal licence". In addition, the Council could also receive applications for occasional events covered by another new type of licence called a "temporary event licence" for events which are due to take place from November 2005 onwards

*From the 2<sup>nd</sup> Appointed Day (sometime during November 2005)*

The current licensing regime will end. All licences determined by the Council during the transitional period will have effect. There will be a single licensing regime for "licensable activities" under the 2003 Act. The separate regimes applying, for example, to registered clubs,

cinema, theatre, late night refreshment houses, public entertainment and occasional entertainment events will go.

Under the 2003 Act, the following licences appear – premises licences, personal licences, temporary events licences. Local authorities will be the only licensing authority issuing the new types of licenses mentioned above. Personal licences will last for 10 years whilst Premises Licences will continue indefinitely until they are either revoked, surrendered or the licence holder either dies, becomes mentally unstable or insolvent.

The Council will have the duty to promote four statutory licensing objectives, namely:-

- the prevention of crime and disorder;
- public safety;
- prevention of public nuisance; and
- protection of children from harm.

When considering every new licence, the Council must have regard to three things, namely:-

- the promotion of the 4 licensing objectives;
- the Council's own published licensing policy (which has been the subject of necessary formal consultation and is presented elsewhere on this agenda; and
- the Secretary of State's Guidance.

However, not all of the Council's licensing functions fall within the definition of licensable activities under the 2003 Act. For example market trading licences, sex shops, tattoo parlours.

#### *Two licensing committees*

Under the 2003 Act, there is a statutory requirement that the Council establish a Licensing Committee to deal with matters arising under the Act. The Act further provides that that committee may only deal with matters which are not subject to the 2003 Act if the matter under consideration involves an overlap between the 2003 Act provisions and other matters. For many licensing activities which are not governed by the 2003 Act there will be no such overlap. This will mean that the committee considering 2003 Act matters will not have power to deal with them.

Further, the access to information arrangements provisions applying to hearings under the 2003 Act are particular to it and do not mirror the

more general provisions applying to the existing licensing committee. The basis for decision making in relation to 2003 Act matters is also different to that applying in other licensing matters.

For all of these reasons it is proposed that the existing Committee be re-named the Licensing (Supplementary) Committee and will continue to handle all licensing matters not affected by the 2003 Act.

It also suggested that a new Licensing Committee be established to deal with 2003 Act matters. This must be established in time to begin its work on the 7 February 2005. It is suggested that it have ten members who would also make up the membership of the Licensing (Supplementary) Committee.

#### *Sub committees of the Licensing Committee*

The new Licensing Committee would be able to establish one or more sub-committees, by law each having 3 members but with no more than one member for each ward. To these sub-committees the new committee may arrange for the delegation of its new licensing functions. In certain quite limited circumstances (mainly if there are no objections), some of its functions may be delegated to an officer. It is recommended that four sub-committees be established and that the Chair and Vice-chair of the main Licensing Committee will each Chair two of the Licensing Sub-committees.

The Secretary of State's guidance says that the principle of delegation to sub-committees and officers may be adopted in the interests of speed, efficiency and cost effectiveness. It is envisaged that the main Committee would meet as necessary to determine significant and strategic applications (in similar fashion to the Strategic Planning Committee) and to maintain an overview of the general situation by considering reports on decisions made by officers under delegated authority.

The guidance whilst accepting that delegation of licensing functions under the 2003 Act is "essentially a matter for licensing authorities to determine themselves" does then go on to provide a table of recommended delegation of functions with respect to particular types of licensing functions to sub-committees and officers; and it is proposed that this will be adopted by Lewisham in the recommended form, save that matters which are considered by the Head of Regulatory Services to be more appropriate for consideration by the main Licensing Committee will be reserved to that Committee. There is nothing in the Guidance which precludes Licensing Committees from actually hearing applications themselves instead of their Sub-committees. As recommended by the guidance, the delegation schedule will be set

out within the draft Policy Statement which will be submitted to the Council in due course.

### *Political balance*

Under the 2003 Act, neither the Licensing Committee nor its sub-committees would be subject to the mandatory political balance requirements set out in the Local Government and Housing Act 1989. There is no need for them to reflect the overall political composition of the Council as a whole. However, as a matter of good practice, it is proposed that the Committee be politically balanced and the proposals to amend the constitution reflect this. However, it is not proposed that the same requirement be applied to the Licensing Sub-committees for practical reasons.

### **Licensing policy**

Under Section 5 of the 2003 Act, the Council is required to adopt a statement of licensing policy. The Local Authorities (Functions and Responsibilities) (Amendment No 3) (England) Regulations 2004 make all functions under Section 5 to 8 of the 2003 Act, (which includes the adoption of licensing policy) a non-executive matter. The regulations were made on 23 October and take effect on 23 November this year. The Act itself provides that the adoption of the policy may not be delegated by full Council.

### **Financial Implications**

There are considerable financial implications associated with the implementation of the new Act. This is due to two factors :

- (i) an increase in staff resources required to administer the Council's new responsibilities;
- (ii) a substantial reduction in fee income due to the new fee levels set by Central Government.

The new fee scales are subject to consultation and could possibly change. In addition, they are newly published and the impact has not been fully assessed. However, from preliminary figures it would appear that the operational deficit will be in the region of £100,000 in a full year. This figure is subject to change and will be refined as the situation becomes clearer.

New posts have been created in Governance Support for servicing meetings of the Licensing Committees. The estimated full year costs of these posts, as well as printing and other set up costs are £100,900.



## **Legal Implications**

The legal implications which are specific to the Licensing Act 2003 are contained within the body of the report.

By virtue of the Local Government Act 2000 changes to the Council's Constitution are matters which are reserved to full Council, following consultation as appropriate.

## **Human Rights Implications**

The European Convention on Human Rights has been incorporated into domestic legislation by the Human Rights Act 1998 with remedies available through the domestic courts where previously remedial action could only be taken in the European Court of Human Rights.

In making a decision the Council must take into account the human rights implications associated with doing so. It must not interfere with rights conferred by the Convention other than lawfully and proportionately.

Under Article 6, the Convention established the right to a fair trial. To comply, the Council should ensure that applications are dealt with fairly and that there is no excessive delay in doing so. If it deals with the applications promptly and in accordance with regulations for doing so, the Council should not interfere with this Convention right.

## **Crime and Disorder Implications**

The processing of licensing applications will clearly have crime and disorder implications and indeed there will be a statutory duty on the Council to promote the four licensing objectives, referred to above, including the prevention of crime and disorder.

## **Environmental Implications**

There are no specific environmental implications arising from this report as it is concerned largely with constitutional matters

## **Equalities Implications**

There are no specific equalities implications associated with this report which deals largely with constitutional matters.

## Conclusion

To be ready for the 2003 Act, the Council needs to set up the machinery to deal with its new role. This report seeks to establish the committee procedure to do so. The Council also needs to adopt its licensing policy before 7 January 2005. The Council is recommended to adopt the proposed amendments to the constitution appearing in Appendix 1 and 2.

During the transition period, and to a lesser extent afterwards, the Act will greatly increase the workload of members of the new committee, and staff in both Regeneration and Legal Services. The inevitable need to hold so many hearings in such a short time (probably at least two per week throughout the period) will impose a heavy burden on all concerned to meet the Council's duties. The establishment of the new committee and its sub-committees will be a significant step towards fulfilling those duties and will enable the necessary training programme to begin.

On 22 November 2004 the Constitution Working Party agreed the proposed amendments to the Constitution to give effect to the following, subject to the approval of the Council:-

- (a) that a new committee be established entitled the Licensing Committee to deal with licensing matters under the Licensing Act 2003 comprising ten members of the Council (with no more than one member from each ward), with the terms of reference and composition appearing at Appendices 1 and 2;
- (b) that the terms of reference of the existing Licensing Committee be amended as set out in Appendices 1 and 2, and that it be renamed the Licensing (Supplementary) Committee;
- (c) that membership and the Chair and Vice-chair of both Committees be identical;
- (d) the associated changes to the Constitution appearing in Appendices 1 and 2 be approved;

The Working Party also agreed that:

- (i) the Council appoint the members to serve on both the Licensing Committee and the Licensing (Supplementary) Committee;
- and

(ii) the Independent Remuneration Panel be asked to consider whether a special responsibility allowance should be paid to the Chair of the Licensing Committee in view of the increased responsibilities attached to the Committee.

The Council is therefore

RECOMMENDED to

- (i) amend the Constitution to give effect to the following:
  - (a) that a new committee be established entitled the Licensing Committee to deal with licensing matters under the Licensing Act 2003 comprising ten members of the Council (with no more than one member from each ward), with the terms of reference and composition appearing at Appendices 1 and 2;
  - (b) that the terms of reference of the existing Licensing Committee be amended as set out in Appendices 1 and 2, and that it be renamed the Licensing (Supplementary) Committee;
  - (c) that membership and the Chair and Vice-chair of both Committees be identical;
  - (d) the associated changes to the Constitution appearing in Appendices 1 and 2 ;
- (ii) to appoint the members appointed to serve on the existing Licensing Committee to serve on both the Licensing Committee and the Licensing (Supplementary) Committee.

Summary of constitutional changes

The main changes are:

Political Management Structure

reference to be made to new Licensing Committee and the renamed Licensing (Supplementary) Committee;.

Decisions Reserved to Council

the Licensing Statement (policy) to be added to the list of reserved decisions;

Committees

establishment and terms of reference of the Licensing Committee and sub-committees;

establishment of Licensing (Supplementary) Committee to deal with other general (non-2003 Act) licensing functions and amendments to terms of reference

Access to Information

clarification that the new Licensing Committee is subject to difference rules relating to access to information, rights of attendance at meetings, etc;

Political Balance

confirmation that although not subject to a statutory requirement for political balance the new Licensing Committee will be made subject to the usual political proportionality principle;

Approved Duties

confirmation that attendance at the new Licensing and Licensing (Supplementary) Committees are "approved duties" for the purpose of payment of travel and subsistence allowances;

Council Scheme of Delegation

new scheme of delegation by Licensing Committee of functions under the 2003 Act

amended scheme of delegation by Licensing (Supplementary) Committee of residual (non-2003 Act) licensing functions

Schedule of Proposed Delegations by new Licensing Committee to sub-committees and officers

| Matter to be dealt with  | Licensing Committee | Licensing Sub-Committee           | Officers                           |
|--|---------------------|-----------------------------------|------------------------------------|
| Application for Personal Licence                                 |                     | If a police objection             | If no objection made               |
| Application for Personal Licence with unspent convictions        |                     | All cases                         |                                    |
| Application for Premises Licence / Club Premises Certificate     |                     | If a relevant representation made | If no relevant representation made |
| Application for Provisional Statement                            |                     | If a relevant representation made | If no relevant representation made |
| Application to vary Premises Licence / Club Premises Certificate |                     | If a relevant representation made | If no relevant representation made |
| Application to vary Designated Premises Supervisor               |                     | If a police objection             | All other cases                    |
| Request to be removed as Designated Premises Supervisor          |                     |                                   | All cases                          |
| Application for transfer of Premises Licence                     |                     | If a police objection             | All other cases                    |
| Application for Interim Authorities                              |                     | If a police objection             | All other cases                    |
| Application to review Premises                                   |                     | All cases                         |                                    |

|   |  |           |           |
|---|--|-----------|-----------|
| Licence / Club Premises Certificate   |  |           |           |
| Decision on whether a complaint is irrelevant frivolous vexatious etc   |  |           | All cases |
| Decision to object when local authority is a consultee and not the relevant authority considering the application |  | All cases |           |
| Determination of a police objection to a Temporary Event Notice   |  | All cases |           |

The detailed changes proposed to the Constitution appear at Appendix 2.

**Amendments to Constitution in relation to licensing Functions**  
(Amendments shown in bold)

**PART I**

**Council's Political Management Structure** (page 17)  
**iv) Committees**

Amend to read as follows:

"The Council has established other committees to deal with planning and highways matters, **alcohol and entertainment licensing (under the Licensing Act 2003), other licensing functions**, elections, health and safety and pension investment. Their remit and composition are set out in the Constitution."

**PART II**

**ARTICLE 4** (Pages 27-29)

**4.2 Decisions reserved to Council**

After "Youth Justice Plan", insert, "**Licensing Statement (alcohol and entertainment) 18**"

After Notes "17 Town & Country Planning Act 1990", insert "**18 Section 5 Licensing Act 2003**"

**ARTICLE 6**

**6.12 Political balance** (Page 45)

Amend to read as follows:

"The overview and scrutiny committee and its sub committees (as all other Council committees with the exception of the Standards Committee **and the Licensing Committee and its sub-committees**) must by law comply with the provisions of the Local Government and Housing Act 1989. **Subject to procedure rule J1** the Council must ensure that the membership of its committees and sub committees reflect the political composition of the Council."

**ARTICLE 9 COMMITTEES** (Page 52)

After "Strategic Planning Committee", insert:

|                            |                                   |  |
|----------------------------|-----------------------------------|--|
| <b>Licensing Committee</b> | <b>Ten members of the Council</b> | <b>1. To oversee the discharge of all licensing functions of the Council as the licensing authority under the Licensing Act 2003, except the determination of the Council's statement of</b> |
|----------------------------|-----------------------------------|--|

|  |  |  |
|--|--|--|
|  | <p>Up to four sub-committees each consisting of 3 members of the main Committee but with no more than one member from any Council ward</p> | <p>Licensing Policy and the publication of that Statement.</p> <p>2. To establish four sub-committees to determine matters regarding personal licences, premises licences, club premises certificates, provisional statement, designated premises supervisor, interim authorities, temporary event notices and objections as consultee, save for such matters as are reserved to the main Committee and any matters which the Head of Business and Regulatory Services considers more appropriate for consideration by the main committee. Without limiting the discretion of the Head of Business and Regulatory Services in any way, matters may be more appropriate for the main Licensing Committee where the decision is considered likely to have a significant impact on the borough or area of it or to people in it.</p> <p>3. To discharge and arrange for the discharge of the functions governed by the Licensing Act 2003 by one or more sub-committees or by officers except where prohibited by the Licensing Act 2003.</p> <p>4. To make regulations for the conduct of meetings of the committee and sub-committees in accordance with Section 9D of the Licensing Act 2003.</p> <p>5. To receive and consider annual reports, where appropriate, on the needs of the local tourist economy, employment and investment in the area and any other matter directly related to the Licensing Act 2003 functions in the borough.</p> <p>6. To direct officers to report to the planning committee, where appropriate, on the situation regarding licensed premises in the area, including the impact of alcohol related crime and disorder.</p> |
|--|--|--|

Page 52 Replace " Licensing Committee" with "**Licensing (Supplementary) Committee**".



In column 2 (composition), delete "10 members of the Council" and replace with "The Members and the Chair and Vice-chair of the Licensing (Supplementary) Committee shall be identical to those of the Licensing Committee.

At the end of the terms of reference of Licensing (Supplementary) Committee, after "...in the Scheme of Delegation" insert "**but excluding functions under the Licensing Act 2003**".

#### **PART IV**

##### **Procedure Rules – Standing Orders (Page 137)**

#### **G. ACCESS TO INFORMATION PROCEDURE RULES**

##### **1. Scope**

Replace with:

**"Save as mentioned below**, these rules apply to all meetings of the Council, overview and scrutiny committees, area committees if any, the Standards Committee and meetings of any committee or sub committee appointed by the Council, public meetings of the Executive and any committee of it (together called meetings). **The rules set out in this Section shall not apply to meetings of the Licensing Committee or sub-committees which shall be governed by Regulations to be made under Section 9 of the Licensing Act 2003 and any future rules determined by the Licensing Committee under that Section.**"

#### **J. COMMITTEES' GENERAL RULES**

##### **1. Political balance (Page 181)**

Replace with:

"Save where the law provides otherwise, each committee and sub committee with the exception of the Standards Committee must comply with the political balance requirements of Section 15 and 16 Local Government and Housing Act 1989. **Although not required under the 1989 Act, membership of the Licensing Committee (but not its sub committees) shall also comply with the political balance requirements.**"

#### **SCHEDULE 2**

##### **Approved Duties (Page 258)**

After "Licensing Committee", insert "**Licensing (Supplementary) Committee**".

#### **PART VIII**

##### **COUNCIL & MAYORAL SCHEME OF DELEGATION (Pages 281-283)**

Replace heading "Schedule of Delegation from Licensing Committee" with "Schedule of Delegation from Licensing (**Supplementary**) Committee".

### **Delegated Function**

Replace second paragraph with:

“Authority to exercise all of the Council's licensing and registration functions under all existing and future relevant legislation, and as amended from time to time, including (without limitation) the Acts set out in the Schedule below, save for those local choice functions reserved to the Executive and those matters reserved to the Licensing Committee **and save for any licensing functions under the Licensing Act 2003.**”

### **Schedule (non-exhaustive) of relevant statutes**

Delete the following Acts:

**“Cinemas Act 1985  
Late Night Refreshment Houses Act 1969  
Licensing Act 1964  
Private Places of Entertainment (Licensing) Act 1967”.**

Replace the penultimate paragraph with

“Nothing in this schedule prevents the Licensing **(Supplementary)** Committee exercising functions within their terms of reference.”

Page 283 After “Schedule of Delegation from Licensing (Supplementary) Committee” insert:

**“Schedule of Delegation from Licensing Committee.**

### **Delegated Function**

**To the Executive Director of Regeneration or such officer as he/she may nominate:**

**Authority to exercise all of the Council's licensing functions under the Licensing Act 2003, as amended from time to time, save for those matters reserved to the Licensing Committee or sub-committees**

**The functions to be reserved to the Licensing Committee, sub-committees and those to be delegated to officers are as follows:**

| <b>Matter to be dealt with</b>  | <b>Licensing Committee</b>   | <b>Licensing Sub-Committee</b>           | <b>Officers</b>                           |
|---|--|--|---|
| <b>Application for Personal Licence</b>                                 | <b>Any matter which the Head of Regulatory Services considers to be more appropriate for consideration by the main Committee</b> | <b>If a police objection</b>             | <b>If no objection made</b>               |
| <b>Application for Personal Licence with unspent convictions</b>        | <b>ditto</b>   | <b>All cases</b>                         |   |
| <b>Application for Premises Licence / Club Premises Certificate</b>     | <b>ditto</b>   | <b>If a relevant representation made</b> | <b>If no relevant representation made</b> |
| <b>Application for Provisional Statement</b>                            | <b>ditto</b>   | <b>If a relevant representation made</b> | <b>If no relevant representation made</b> |
| <b>Application to vary Premises Licence / Club Premises Certificate</b> | <b>ditto</b>   | <b>If a relevant representation made</b> | <b>If no relevant representation made</b> |
| <b>Application to vary Designated Premises Supervisor</b>               | <b>ditto</b>   | <b>If a police objection</b>             | <b>All other cases</b>                    |
| <b>Request to be removed as Designated Premises Supervisor</b>          | <b>ditto</b>   |  | <b>All cases</b>                          |
| <b>Application for transfer of Premises Licence</b>                     | <b>ditto</b>   | <b>If a police objection</b>             | <b>All other cases</b>                    |

|  |                                  |                              |                        |
|--|----------------------------------|------------------------------|------------------------|
| <b>Application for Interim Authorities</b>   | <b>ditto</b>                     | <b>If a police objection</b> | <b>All other cases</b> |
| <b>Application to review Premises Licence / Club Premises Certificate</b>  | <b>ditto</b>                     | <b>All cases</b>             |                        |
| <b>Decision on whether a complaint is irrelevant frivolous vexatious etc</b>   | <b>ditto</b>                     |                              | <b>All cases</b>       |
| <b>Decision to object when local authority is a consultee and not the relevant authority considering the application</b> | <b>Ditto</b><br><br><b>Ditto</b> | <b>All cases</b>             |                        |
| <b>Determination of a police objection to a Temporary Event Notice</b>   | <b>ditto</b>                     | <b>All cases</b>             |                        |

## **9. Action taken by the Council Urgency Committee**

Paragraph 7.6 of Section C of the Constitution requires that any decisions made by the Council Urgency Committee shall be reported to the next meeting of full Council.

On 29 November 2004 the Committee took the following action:-

### **1. Appointment of Acting Director for Resources - Delegation to Chief Executive**

Following the resignation of the Deputy Chief Executive, it was necessary to appoint an Acting Director for Resources until the vacant post is filled and the appointee takes up the position.

Under the Constitution the appointment of the Head of Paid Service, Chief Officers and deputy chief officers is delegated to the Appointments Committee in accordance with Article 9.

The Committee delegated the appointment of an Acting Director for Resources to the Chief Executive. The appointment of the Executive Director for Resources will of course remain the responsibility of the Appointments Committee.

Interviews for the appointment of the Acting Director for Resources were held on 1 December 2004 when an immediate handover commenced. The appointment will be for a period of approximately six months.

### **2. Acting Head of Resources**

The Committee agreed that the appointment of an Acting Head of Resources be delegated to the Deputy Chief Executive.

The appointment of the Acting Director for Resources created an Acting Head of Resources position for the same period; and suitably qualified CCAB Accountants were asked to apply for the position. These interviews were also held on 1 December 2004.

### **3. Section 151 - Local Government Act 1972 and Section 114 - Local Government Finance Act 1988**

Section 151 requires a named officer, who must be a qualified accountant, to take responsibility for the proper administration of the Council's financial affairs. Section 114 requires an officer to make a public report in specified cases of actual or anticipated financial misconduct or if there is a potential budget deficit.

In Lewisham these duties are vested with the Executive Director for Resources (Deputy Chief Executive). The Committee agreed that these arrangements become the responsibility of the Acting Executive Director for Resources at a date to be set by the Chief Executive during the handover from the Deputy Chief Executive to the Acting Executive Director for Resources.

#### **4. Mayoral Scheme of Delegation**

Under the Scheme various Executive powers are delegated to the Executive Director for Resources (Deputy Chief Executive). The Committee agreed that, following the appointment of the Acting Director for Resources, these powers be vested with the Acting Director for Resources at a date to be determined by the Chief Executive.

#### **5. Appointment of Member to the Lewisham Police/Community Consultative Group**

The Committee appointed Councillor Nisbet to serve on the Consultative Group for the remainder of the municipal year.

The Council is

RECOMMENDED to note the decisions of the Council Urgency Committee.

## **11. Housing Stock Option Appraisal – Overarching Strategy**

### **Summary**

The overarching strategy enables the Council to put forward investment options to achieve partial sign off for the areas that are ready now to progress with an investment option. The strategy outlines Lewisham's approach and proposed programme to meet sustainable decent homes for all Lewisham housing stock by 2010. It sets out how we have successfully engaged with residents in exploring stock options and in some areas have identified investment solutions.

The strategy itself is primarily a document required by and aimed at central government. A copy of the full document can be obtained by contacting either Jo Rowlands (tel no 020 8314 7071) or Sue Clinton (tel no 020 8314 9109)

An agreed overarching strategy would only constitute partial stock option appraisal sign off, we still need a solution for every property. This will be contained in a full stock option appraisal to be considered by Members in May 2005.

### **Purpose of the report**

To outline available options and agree the overarching strategy.

### **Background**

On 17 September 2003 the Mayor and Cabinet agreed a policy framework for our Housing Investment Strategy (HIS) that would enable us to achieve sustainable decent homes for Council residents in the borough. It was agreed that the high levels of non-decency of Lewisham's housing stock required a comprehensive solution to achieve the capital investment required to meet the Government's decent homes target.

The Housing Strategy grew out of Lewisham's Independent Housing Commission (2000) set up to explore ways of increasing investment, quality and choice in housing and forms the basis of our ten-year investment and management strategy.

At September 2003 it was estimated that 61% of Lewisham's 28,584 housing stock failed to meet the decent homes standard. The estimated investment gap to meet decent homes was estimated to be £171.5 m.

The Housing Investment Strategy put forward a fourfold approach to address this investment gap: our successful mainstream capital programme, current major regeneration schemes, further regeneration schemes and the Brockley PFI initiative. The remaining non-decent stock would be addressed through the stock option appraisal process.

On 10 December 2003 the Mayor and Cabinet were advised that:

Price Waterhouse Coopers (PWC) had been commissioned for the first stage of the stock option appraisal process.

FPD Savills had been appointed to update the stock condition survey.

PPCR had been appointed as the Independent Tenant Adviser (ITA).

A Strategic Project Group had been set up to steer the stock option appraisal process.

A residents' Steering Group had been set up made up of residents (tenants and leaseholders) Members and (ITA).

In January 2004 Savill's completed a further stock condition survey of Lewisham properties to address concerns about the results of the initial survey. Savill's established that the stock had significantly reduced to 25,543 due to a surge of right to buy sales and advised that 61% of the Council's stock did not meet the government's decent homes standard. They further advised that a total of 97% of the housing stock would be non-decent by 2010 without investment.

In April 2004 PWC provided their initial report which confirmed that there were no obvious geographical solutions and that there was a negative valuation across the stock. The estimated investment gap was calculated to be between £76 and £200m.

On 9 June 2004 a progress report on the Stock Option Appraisal process was presented to Mayor and Cabinet. It was confirmed that because there were no obvious geographical solutions there was a need for further consultation on existing housing areas with the individual options being initially looked at on that basis. It was agreed that Tenants and Leaseholders should be given the maximum degree of choice in respect of the routes available to meet the Decent Homes Standard.

Subsequently, Lewisham officers and PWC carried out extensive work across the borough identifying levels of investment need on a local



area basis. Through this it was established that there are a number of areas across the borough with both a high percentage of non-decent homes and high unit costs. This led officers to review the borough wide investment solution and start to concentrate on a more mixed approach informed by consultation on all three investment options offered by government i.e.

## **1) Private Finance Initiative**

PFI is a partnership between the Council and a commercial organisation in which they refurbish and manage housing for an agreed period – typically 30 years. The homes are still owned by the Council. It should be noted that there is a limited funding pot available for PFIs and the model is cumbersome with respect to timescales.

## **2) Arms Length Management Organisation**

An ALMO is a company set up to manage and improve Council housing that is able to bid for limited amounts of additional government funding. It has a Board of Directors, which includes tenants. The homes are still owned by the Council

A hurdle for Lewisham pursuing this investment option is the requirement to achieve a 2\* performance rating for our housing management service before the Government will release ALMO funding.

Lewisham's Best Value Inspection in 2002 achieved a 1\* 'likely to improve' assessment. We are awaiting the results of a Repairs and Maintenance Best Value Inspection carried out in September.

Lewisham is currently carrying out a mock inspection of its Housing Management services to assess the gap between the quality of the current service and a 2 star service. This inspection is being conducted on an area basis. It is likely that some areas will probably reach a 2 star rating if assessed in that locality. The results of this mock inspection should therefore be able to provide guidance on which areas the Council should focus on working with local people to consider the possibility of an ALMO.

The HRA review is also ongoing, the aim of which is to slim down the current housing service and make it more able to become an ALMO.

There is also a review of the DSO currently being carried out which should either enable them to be detached from the core housing service or improved to 2\* standard.

On average the level of investment offered through ALMOs is £5k whereas the average investment need per Lewisham property is £10k, There are no ALMO submissions proposed in the partial sign off for January 2005 applications. We do however need to review the impact of the overarching strategy on other areas and reconsider the viability of an ALMO application for any of the remaining areas.

### **3) Stock transfer**

Management and ownership of council housing is changed from the local authority to a Registered Social Landlord, usually a Housing Association. RSLs are allowed to borrow more money for improving housing than the Council. A positive tenant ballot is required to allow a transfer application to go ahead. Stock Transfer does have the potential to provide the full unit cost of investment required.

#### **Need for an Overarching Strategy**

As stated earlier, it was envisaged at the start of the stock option appraisal process that Lewisham would be able to achieve a borough-wide investment solution supported by residents and agreed by Government, and an action plan in place by July 2005. Whilst we still anticipate achieving a borough-wide investment solution by July 2005 our consultation and communication process have now been extended as no clear geographical area solutions have been identified. Furthermore there is an outstanding issue around the standard of investment residents want and therefore the true level of investment gap we need to bridge.

Lewisham has a very high level of non-decent homes as well as a highly diverse stock. Like many other London boroughs it is taking us some time to find a Borough -wide solution to achieve decent homes by 2010.

However, it is clear that within Lewisham there are some areas that are ready to move forward more quickly with these investment options, and would be in a position to progress an application in January 2005. In recognition that many local authorities are in a similar position with their stock options appraisal process, Government Office for London has recently introduced an Overarching Strategy process.

The Overarching Strategy enables local authorities to put forward investment options to achieve partial sign off for the areas that are ready now to progress with an investment option. The Overarching Strategy will be submitted to Government Office for London (GoL) in January 2005 enabling applications for transfer and PFIs to be submitted to GoL in the same month.

Lewisham will still be required to submit a full stock options appraisal submission to GoL in May 2005 which when signed off will become our action plan from July 2005 to achieve a borough-wide investment solution to meet decent homes in Lewisham by 2010.

### **Partial Solution**

Through the stock options appraisal process some areas have now identified partial investment solutions. By agreeing and submitting the Overarching Strategy we can make applications for both PFI and Stock Transfer in the January 2005 rounds. The three proposed applications are:

#### **1) Excalibur Co-op (Whitefoot Ward)**

Excalibur is a co-op of 159 prefabricated bungalows in Downham built in the 1940's. At present 100% of the properties are of a non-decent standard. Members of the co-op have been exploring alternative ownership and management models for over two years. Consequently this area investment solution is at a very advanced stage. Co-op Members have put forward the proposal of transfer and want an application to be put forward in January 2005. We are currently working with them to support and guide through this process.

#### **2) Street Properties PFI (Sydenham, Forest Hill, Perry Vale, Crofton Park, Catford South, Rushey Green and Lewisham Central Wards)**

Tenants in the proposed PFI area have been fully consulted about the PFI investment proposal to bring their homes up to the decent homes standard. To ensure that the maximum number of properties in the PFI area can benefit from this investment option the area of the proposed 3+ PFI has been enlarged and the Sydenham Hill estate included.

#### **3) Bankfoot and Bellingham (Bellingham, Downham and Whitefoot Wards)**

The Bankfoot and Bellingham areas have been identified as high investment and high priority areas. The local communities of Bankfoot and Bellingham areas are very active with a high level of resident involvement. A neighbourhood management programme is currently underway, and the inter-agency is well supported and respected by both residents and local authority services.

Residents have shown an early interest in becoming more involved in controlling the future management and investment levels of their homes. We have set up a new project team and officers have been

engaging with tenants, local community groups and organisations in the area, linking up with the local initiatives such as Surestart and the Neighbourhood Management programme to explore a community-led investment solution. We anticipate that an application for a community based transfer will be ready by January 2005.

## **Consultation**

There is an ongoing comprehensive programme of consultation with all stakeholders. This consultation has been carried out across the borough to influence the full stock option process and now in concentrated areas including Excalibur, Bankfoot and Bellingham. Details of this are attached in appendix 1.

An Option Appraisal Steering Group (OASG) has been established, with representation of key stakeholders, including:

- Five resident representatives from Tenants Strategy Group (TSG)
- Three representatives from the Housing Panels to ensure active involvement of Lewisham's diverse communities
- The Deputy Mayor and Cabinet Member for Housing

The main role of the OASG is to make recommendations on the option or mix of options which it considers will best deliver the Decent Homes Standard, and local aims and priorities to the Strategic Project Group.

The group is fundamental to re-enforcing the partnership approach to be taken during this process. Tenants and leaseholders are responsible for feedback to the wider TSG group, who in turn will report to their housing panels and tenant and resident associations, through the Tenant Compact structure.

The OASG have received two recent presentations on the overarching strategy and at their last meeting tenants unanimously voted to endorse this approach. However the leaseholder present voted against this approach. A further briefing is planned for the next meeting of the OASG.

## **Stock Option Appraisal Submission**

As mentioned earlier sign off of the overarching strategy and applications would still leave 13,725 homes as non decent.

The investment need of the remaining stock means that the Council needs to continue to consider alternative options of either ALMO, PFI or transfer for this stock. Further consultation will be carried out with residents to consider the impact of either of these solutions. Again, this

will be concluded in May 2005. This will be done in the context of performance action plans established following the best value review of repairs and maintenance and housing inspection carried out in October 2004 and the mock inspection of the housing service to be carried out in November 2004. A review of efficiency in the HRA will also be carried out in order to improve the base financial position as far as possible. These considerations, together with further consultation may result in a single solution for the remaining stock, or further development of mixed solutions where tenants would support such an approach, and where such an approach could be delivered. In the meantime the current capital programme will continue to target decent homes investment in order to make progress towards the target as far as possible within existing resources.

### **Financial Implications**

The mixed approach proposed is expensive for local authorities. This is due to multiple transaction costs and more crucially due to the inability of the HRA to reduce costs proportionate with stock loss and the reduction in the ability to recharge corporate overheads to a shrinking HRA. However, other authorities particularly in London, are following this mixed approach successfully. In order to achieve Government sign off we need to demonstrate that we have considered all financial implications in our approach and that we have maximised our investment to stock and reduced all overheads where possible to minimise the need for gap funding. Further detail of this is fully explained in the financial section of the overarching strategy. The whole stock minimum investment gap for a sustainable solution is estimated at £124m.

One aspect of maximising our resources is the current review Housing Revenue Account costs. The aim of this review is to improve future service provision, leading to cost savings where it is identified that there is duplication or where there are inefficient processes. The review will assist in enabling the HRA to deal with cost reduction as a result of stock loss. Any efficiency savings achieved through this review will improve the revenue position of the Housing Revenue Account which could lead to an increased ability to make revenue contributions to the capital programme.

The Housing Revenue Account's business plan is currently being updated to consider the impact of the mixed approach proposed in this report.

## **Legal Implications**

The Council is obliged by section 105 of the Housing Act 1985 to have a mechanism for consulting with tenants in respect of significant changes in housing management. Pursuant to this duty the Council has established the Tenant's Compact which is the formal consultation structure with the Council's secure tenants. There may be additional requirements to this duty e.g. the requirement to conduct a tenants ballot where it is proposed to transfer stock, as is mentioned in paragraph 4.9 above.

Where leaseholders are likely to be affected, there may be requirements to consult them in respect of service charges, pursuant to the council's duty under the Service Charges (Consultation Requirements) (England) Regulations 2003.

## **Equalities Implications**

Targeting resources in the areas of greatest need will significantly benefit a large number of residents many of who will be women, black, elderly and people with disabilities and on low incomes.

## **Environmental Implications**

Works carried out under the Decent Homes Programme will lead to greater energy efficiency, reduced maintenance costs and lower fuel bills for residents and will also reduce the level of harmful gases being released into the air.

## **Conclusion**

Agreement to the recommendations contained within this report will provide a sound basis for the Council to reach a sustainable decent homes standard by 2010 with an early focus on the areas with the highest investment need.

The Quality Public Services Select Committee will be considering the Strategy at their meeting on 14 December 2004.

The Council is

RECOMMENDED to agree

(i) that the Council pursues a mixed approach to implementing options set out in the overarching strategy;

- (ii) that the Council submits an application in January 2005 for a community based transfer for the housing transfer programme in respect of Bellingham and Bankfoot;
- (iii) that the Council submits a transfer application in January 2005 for housing stock managed by Excalibur Tenant Management Co-operative;
- (iv) that the Council submits an updated application for a street properties PFI to include Sydenham Hill Estate (with delegated authority to officers to prepare and submit these applications); and
- (v) the approach outlined in the overarching strategy to be taken with regard to the remaining stock in order to conclude the stock options appraisal by May 2005.

**Appendix 1**Summary of Consultation Events

|   |  |
|---|--|
| Decent Homes Roadshow<br>(2 cycles at each location)  | Central, North West & South Lewisham, Forest Hill & Sydenham,<br>Grove Park, Deptford  |
| Show Flats visits 1st tranche   | 28th October – 19th November 2004  |
| Show Flats visits 2nd tranche   | 30th November – 14th December 2004   |
| Home from Home<br>(2 cycles at each location)   | Lewisham Town centre, South Downham, North Downham,<br>Deptford Market, Bellingham   |
| Tenants Strategy Group Meetings   | 2 <sup>nd</sup> October 2003 – ongoing monthly meeting cycle   |
| Options Appraisal Steering Group  | 15 <sup>th</sup> January 2004 – ongoing monthly meeting cycle  |
| Area Housing Panel Meetings   | Housing Management area panels, Leasehold Standing Committee,<br>Tenant Management organisation standing committee             |
| Tenant & Resident Associations  | Individual and cluster sessions across, Central Lewisham, North<br>West Lewisham & South Lewisham                              |
| Joint Consultative Committee  | 11 <sup>th</sup> March 2004, 24 <sup>th</sup> June 2004, 15 <sup>th</sup> November 2004  |
| Staff Briefings (2 Cycles, letter<br>from Director of Regeneration &<br>newsletter updates) | Housing staff, Building Services, Environmental Services, Housing<br>Needs Group, Strategic Development, Neighbourhood Wardens |
| Citizens Panel  | 1 <sup>st</sup> March 2004 & 25 <sup>th</sup> October 2004   |
| Telephone Survey  | October – November 2004  |

Excalibur Tenant Management Organisation

|                                       |                                 |
|---------------------------------------|---------------------------------|
| Excalibur TMO Board                   | Weekly meeting cycle ongoing    |
| Stock options appraisals (PWC)        | Monthly during submission phase |
| Visit to RSL's & presentations        | 03.12.04 - ongoing              |
| Community Development Network meeting | 25.11.04                        |
| Liaison meeting with ITA              | Ongoing                         |
| Update to OASG                        | Ongoing                         |

Bankfoot & Bellingham Investment Area

|  |  |
|--|--|
| Sure Start Management Team                                 | 17.11.04 – ongoing   |
| Area Housing Panels & TRA's                                | 19.11.04 - ongoing   |
| Housing, building services & caretaking staff<br>briefings | 23.11.04 – 29.11.04  |
| Core Group meetings  | 30.11.04 – ongoing   |
| Stock options appraisals (PWC)                             | Monthly during submission phase  |
| RSL visits & presentations                                 | 06.12.04 - ongoing   |
| Capacity skills training                                   | As training needs identified, ITA & independently<br>commissioned training |
| Community Development Network                              | 25.11.04   |
| Update to OASG   | Ongoing  |



**COUNCIL MEETING**

**15 DECEMBER 2004**  
**ITEM NO. 12**

**Stock Condition Survey Analysis**

Correct @ March 2003

| <b>Area</b>          | <b>Decent</b> | <b>% decency</b> | <b>Non decent</b> | <b>% Non decency</b> | <b>TOTAL</b> |
|----------------------|---------------|------------------|-------------------|----------------------|--------------|
| <b>Bankfoot</b>      | 972           | 39%              | 1534              | 61%                  | <b>2506</b>  |
| <b>Bellingham</b>    | 161           | 8%               | 1866              | 92%                  | <b>2027</b>  |
| <b>Evelyn</b>        | 410           | 28%              | 1040              | 72%                  | <b>1450</b>  |
| <b>Forest Hill</b>   | 420           | 26%              | 1202              | 74%                  | <b>1622</b>  |
| <b>Giffin Street</b> | 747           | 68%              | 359               | 32%                  | <b>1106</b>  |
| <b>Grove Park</b>    | 423           | 28%              | 842               | 72%                  | <b>1170</b>  |
| <b>Home Park</b>     | 334           | 21%              | 1438              | 79%                  | <b>1817</b>  |
| <b>Honor Oak</b>     | 351           | 28%              | 882               | 72%                  | <b>1233</b>  |
| <b>John Henry</b>    | 236           | 15%              | 1390              | 85%                  | <b>1626</b>  |
| <b>Kender Street</b> | 780           | 48%              | 853               | 52%                  | <b>1633</b>  |
| <b>Lee Green</b>     | 633           | 22%              | 2184              | 78%                  | <b>2817</b>  |
| <b>Pepys</b>         | 849           | 46%              | 984               | 54%                  | <b>1833</b>  |
| <b>Rushey Green</b>  | 591           | 29%              | 1477              | 71%                  | <b>2068</b>  |
| <b>Sydenham</b>      | 798           | 38%              | 1315              | 62%                  | <b>2113</b>  |
| <b>Woodpecker</b>    | 769           | 94%              | 53                | 6%                   | <b>822</b>   |
| <b>TOTAL</b>         | <b>8474</b>   | <b>33%</b>       | <b>17419</b>      | <b>67%</b>           | <b>25843</b> |

**Number of failures by archetype**

|       | Bankfoot | Bellingham | Evelyn | Forest Hill | Giffin Street | Grove Park | Home Park | Honor Oak | John Henry | Kender Str | Lee Green | Pepys | Rushey Gr | Sydenham | Woodpecker |
|-------|----------|------------|--------|-------------|---------------|------------|-----------|-----------|------------|------------|-----------|-------|-----------|----------|------------|
| 1     | 1        | 15         | 1      | 64          | 143           | 3          | 46        | 29        | 6          | 148        | 65        | 108   | 211       | 17       | 4          |
| 2     | 1089     | 875        | 13     | 18          | 3             | 269        | 6         | 99        | 744        | 14         | 11        | 3     | 32        | 1        | 5          |
| 3     | 50       | 1          | 0      | 42          | 4             | 45         | 63        | 0         | 5          | 1          | 44        | 1     | 37        | 54       | 0          |
| 4     | 29       | 3          | 11     | 100         | 12            | 74         | 96        | 20        | 0          | 29         | 46        | 0     | 6         | 45       | 0          |
| 5     | 3        | 3          | 1      | 51          | 0             | 25         | 23        | 0         | 2          | 23         | 33        | 8     | 1         | 0        | 0          |
| 6     | 0        | 38         | 0      | 14          | 1             | 0          | 4         | 0         | 0          | 0          | 27        | 35    | 1         | 50       | 0          |
| 7     | 61       | 512        | 103    | 102         | 5             | 59         | 77        | 394       | 438        | 0          | 83        | 20    | 0         | 27       | 6          |
| 8     | 235      | 75         | 72     | 217         | 17            | 93         | 177       | 21        | 1          | 154        | 463       | 38    | 95        | 221      | 0          |
| 9     | 1        | 92         | 315    | 56          | 81            | 166        | 366       | 67        | 0          | 228        | 483       | 144   | 86        | 262      | 8          |
| 10    | 39       | 66         | 98     | 91          | 0             | 34         | 64        | 0         | 0          | 13         | 49        | 1     | 0         | 43       | 0          |
| 11    | 2        | 14         | 0      | 306         | 46            | 44         | 168       | 180       | 31         | 201        | 213       | 93    | 605       | 143      | 14         |
| 12    | 22       | 171        | 425    | 141         | 42            | 30         | 320       | 30        | 0          | 23         | 591       | 533   | 395       | 442      | 16         |
| 13    | 2        | 1          | 1      | 0           | 5             | 0          | 28        | 42        | 163        | 19         | 76        | 0     | 8         | 10       | 0          |
| TOTAL | 1534     | 1866       | 1040   | 1202        | 359           | 842        | 1438      | 882       | 1390       | 853        | 2184      | 984   | 1477      | 1315     | 53         |

**Archetype**

- 01 House/bungalow Pre 1919
- 02 House/bungalow 1919-1945
- 03 House/bungalow 1946-1964
- 04 House/bungalow 1965-1979
- 05 House/bungalow Post 1979
- 06 Low/med rise flat/mais Pre 1919
- 07 Low/med rise flat/mais 1919-1945
- 08 Low/med rise flat/mais 1946-1964
- 09 Low/med rise flat/mais 1965-1979
- 10 Low/med rise flat/mais Post 1979
- 11 Converted flat/mais
- 12 High rise flat/mais
- 13 Non traditional house/bungalow

## **12. Questions from Members of the Council**

Section C, paragraph 14 of the Constitution, provides for questions relevant to the general work or procedure of the Council to be asked by Members of the Council. Copies of the questions received and the replies to them will be circulated at the meeting.