



# AGENDA

## MAYOR AND CABINET

**Date: WEDNESDAY, 11 JANUARY 2017 at 3.00 pm**

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

**Enquiries to: Kevin Flaherty 0208 3149327  
Telephone: 0208 314 9327 (direct line)  
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### MEMBERS

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

**Members are summoned to attend this meeting**

**Barry Quirk  
Chief Executive  
Lewisham Town Hall  
Catford  
London SE6 4RU  
Date: Wednesday, 11 January 2017**



INVESTOR IN PEOPLE

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

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MAYOR & CABINET		
<b>Report Title</b>	Declarations of Interests	
<b>Key Decision</b>	No	Item No. 1
<b>Ward</b>	n/a	
<b>Contributors</b>	Chief Executive	
<b>Class</b>	Part 1	Date: January 11 2017

## Declaration of interests

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

### 1 Personal interests

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

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

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

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

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

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

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

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

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

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

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

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

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

## **(6) Sensitive information**

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

## **(7) Exempt categories**

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

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

# Agenda Item 2

MAYOR AND CABINET		
<b>Report Title</b>	Minutes	
<b>Key Decision</b>		Item No.2
<b>Ward</b>		
<b>Contributors</b>	Chief Executive	
<b>Class</b>	Part 1	Date: January 11 2017

## Recommendation

It is recommended that the minutes of that part of the meetings of the Mayor and Cabinet which were open to the press and public, held on December 7 & December 15 2016 (copies attached) be confirmed and signed as a correct record.

# Public Document Pack

## MINUTES OF THE MAYOR AND CABINET

Wednesday, 7 December 2016 at 6.01 pm

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

Apologies for absence were received from Councillor Damien Egan.

### 530. Declaration of Interests

None were made.

### 531. Minutes

RESOLVED that the minutes of the meeting held on November 9 2016 be confirmed and signed as a correct record.

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

The Mayor responded to the Business Panel on two issues as follows:

#### **Catford Regeneration Programme**

*(i) Business Panel noted officers had proposed a March deadline for the Masterplan roll out, and seek confirmation that this deadline is achievable.*

The Mayor acknowledged the deadline was ambitious but officers were continuing to work towards it.

*(ii) the Mayor be requested to ask officers to construct a timeline which would include programmed events and venues for community engagement with the Catford Regeneration Programme.*

The Mayor said this request would be made to Officers.

*(iii) the Mayor be requested to ask officers to ensure that the Broadway Theatre form a central part of any regeneration plan for the Catford Centre.*

The Mayor stated the Broadway Theatre would form a focal point in any plans to regenerate Catford.

*(iv) the Mayor be requested to ask officers to update the Sustainable Community Strategy because the current one is considerably dated.*

The Mayor stated he believed the Strategy was not due to be renewed until 2020 but he would ask Officers to consider if an earlier review was necessary

*(v) the Mayor be requested to ask officers to respond to an outstanding referral from the Sustainable Development Select Committee to Mayor and*

*Cabinet on the Catford Regeneration.*

The Mayor was advised a proposed response would be considered by him on January 11 2017 and reported thereafter to the Select Committee.

**Deptford Anchor**

*The Business Panel had agreed to request that the Mayor ask officers to return the Deptford Anchor to a suitable location in Deptford High Street, as requested by residents.*

The following response was given:

Having been informed that discussions on relocation had been held with the Deptford Society, the Mayor agreed Officers would continue to work with the Deptford Society to see if the aspirations of residents could be met.

RESOLVED that these responses be reported to the Overview & Scrutiny Business Panel.

**533. Outstanding Scrutiny Matters**

RESOLVED that the report be noted.

**534. Allocations Policy Review**

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

RESOLVED that:

- (1) the results of the consultation with residents and partners, as summarised, be noted;
- (2) the Equalities Analysis Assessment be noted;
- (3) the comments of Housing Select Committee as summarised, be noted;
- (4) the changes to the Allocations Scheme as set out, be approved;
- (5) authority be delegated to the Executive Director for Customer Services to make any minor changes required before the revised Allocations Scheme is published.

**535. Air Quality Action Plan**

The report was presented by Councillor Rachel Onikosi who reported that a referral had been received from the Sustainable Development Select Committee and that she would ask the Executive Director for Community Services to prepare a response for Mayoral consideration.

The Mayor said efforts should be made in the New Year in conjunction with

the Mayor of London to get messages across to residents about activities being undertaken by the Council and the GLA to improve air quality in Lewisham.

Having considered an officer report, and a presentation by the Cabinet Member for the Public Realm, Councillor Rachel Onikosi, the Mayor, for the reasons set out in the report:

RESOLVED that

- (1) the draft AQAP (Appendix B), be approved; and
- (2) the Executive Director for Community Services be asked to prepare a response for Mayoral consideration to the recommendations made by the Sustainable Development Select Committee on 25 October 2016.

### **536. Council Tax Reduction Scheme 2017-18**

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

RESOLVED that:

- (1) the outcomes of the consultation, as set out, be noted;
- (2) a local CTRS be retained from 1 April 2017 that passes on any reduction in government funding, reflecting the Council's financial position following the announcement of the Autumn Statement and the provisional Local Government Financial Settlement (LGFS) in December;
- (3) a means-test be introduced for employed, working-age UC recipients to ensure consistency of CTR awards within the scheme; and
- (4) additional support continues to be delivered to the most vulnerable residents through use of the existing provision within Section 13A(1)(c) of the 1992 Local Government Finance Act.

### **537. Planning Annual Monitoring Report**

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

RESOLVED that: the content of the AMR 2015-16 be noted and publication and placement on the Council's website be approved.

### **538. Referral from Housing SC on handyperson service**

The Mayor observed that given the information he had received to date he was not convinced a service reduction was justified and he found a referral requiring further consideration helpful.



Having considered the Select Committee's report, the Mayor,

RESOLVED that the views of the Select Committee as set out be received and the Executive Director for Customer Services be asked to prepare a response for Mayoral consideration.

### **539. Treasury Management Mid-Year Update**

The Mayor agreed to accept this late item. Officers had stated the report was not available for the original dispatch because of officers needing additional time to complete their review of the current Treasury Management performance and prepare the report. The report was urgent and could not wait until the next meeting of the Mayor & Cabinet on 11 January 2017 to comply with the requirement of the CIPFA Treasury Management Code of Practice and to enable Members to note the position of the Council's Treasury Management Strategy before considering the Treasury Management Strategy with the Council's budget in the New Year.

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

RESOLVED that:

(1) macro economic context, performance of investments to date, updates on capital expenditure and borrowing in line with CIPFA requirements and the Council's treasury management strategy be noted:

(2) changes to the Treasury Indicators and Limits in respect of the fixed interest rate borrowing to reflect the maturing structure of the existing borrowing portfolio be noted;

(3) officers be authorised to work to explore the options, as a non-specified investment, of pooled investment funds and residential mortgage backed securities for periods of greater than twelve months and that, if required, changes to non-specified investments in the Annual Investment Strategy be brought forward when the treasury strategy is reset with the budget in February 2017.

The meeting closed at 6.51pm

# Public Document Pack

## MINUTES OF THE MAYOR AND CABINET

Thursday, 15 December 2016 at 6.00 pm

PRESENT: Councillors Alan Smith, Councillor Chris Best, Kevin Bonavia, Janet Daby, Joe Dromey, Paul Maslin, Joan Millbank and Rachel Onikosi.

ALSO PRESENT: Councillor Paul Bell, Councillor John Paschoud, Councillor Brenda Dacres, Councillor Alan Hall, Councillor Helen Klier, Councillor Jim Mallory, Councillor Jamie Milne, Councillor John Muldoon and Councillor Liam Curran.

Apologies for absence were received from Sir Steve Bullock and Councillor Damien Egan.

### **540. Declaration of Interests**

None were declared.

### **541. Matters Raised by Scrutiny and other Constitutional Bodies**

No matters related to decisions taken on December 7 were raised.

### **542. Consideration of call-in of decisions on New Bermondsey CPO**

The Deputy Mayor, Councillor Alan Smith successfully proposed that consideration of the call-in on the New Bermondsey CPO be again adjourned until January 11 2017.

Councillor Smith read out the following statement to justify the further adjournment:

“In all of its deliberations about the proposed compulsory purchase order at New Bermondsey, the Council has been, and remains, firmly committed to the continued operation of the Millwall Football Club. We recognise that its continued operation must be at the heart of any proposed redevelopment. To achieve this, the Council has throughout put in place measures to protect the Club and the Millwall Community Scheme, including through the imposition of planning obligations to secure the use of the new improved sporting facilities that would be provided if the redevelopment proceeds.

For the first time, despite years of contact between the Council and the Club, on 13 December 2016, the Chief Executive of Millwall Football Club in his spoken submission to the Council raised an issue which the Club has never before brought to our attention. The issue which is clearly important to the Club concerns the Category 2 status of the Millwall Football Club Youth Academy. The Club’s Chief Executive told the Council on 13 December that such status may be put in jeopardy by the current proposals for the use of the new sporting facilities to replace the Lions Centre, should the redevelopment proceed. We do not believe this to be the case.

However, this is clearly a significant issue for the Club and, despite the fact that it has only been brought to the attention of the Council at this very late

stage, it is an issue which the Council takes seriously. Since the issue was first raised, Council officers have been gathering information about the current arrangements between the Academy and the Millwall Community Scheme for use of the facilities at the Lions Centre. We need to get to the bottom of the existing arrangements so that we can understand what future protection would be needed.

We believe that sufficient protections are in place already, but we want to be confident that if the compulsory purchase order proceeds, appropriate protections are in place to protect the Category 2 status. For this reason we are making further enquiries, including writing to the Club and the Millwall Community Scheme to set out for us in writing details of their current arrangements and to let us have information concerning the Category 2 status of the Academy.

To allow members to consider the new information and its impact, I am proposing that the reconsideration of the decision made by the Cabinet on 7 September 2016 to make a compulsory purchase order in respect of the New Bermondsey site be deferred to our next meeting on 11 January 2017. That will allow us to give this particular matter further consideration.”

The Cabinet unanimously supported Councillor Smith’s proposal and it was:

RESOLVED that consideration of the call-in by the Overview & Scrutiny Business Panel of the decisions taken on September 7 on the New Bermondsey CPO be further adjourned until January 11 2017.

The meeting closed at 6.05pm

# Agenda Item 3

MAYOR & CABINET		
<b>Report Title</b>	Outstanding Scrutiny Items	
<b>Key Decision</b>	No	Item No.
<b>Ward</b>	n/a	
<b>Contributors</b>	Head of Business and Committee	
<b>Class</b>	Part 1	Date: 11 January 2017

## 1. Purpose of Report

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

## 2. Recommendation

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

Report Title	Responding Author	Date Considered by Mayor & Cabinet	Scheduled Reporting Date	Slippage since last report
Children and Young People Select Committee- Response to Review into Careers Information, Advice and Guidance	ED Children & Young People	9 November 2016	15 February 2017	No
Housing Select Committee and Sustainable Development Select Committee- Housing Zones	ED Resources & Regeneration	9 November 2016	15 February 2017	No
Sustainable Development Select Committee – Catford Regeneration	ED Resources & Regeneration	1 June 2016	11 January 2017	No
Response to Sustainable Development Select Committee Air Quality Action Plan	ED Community Services	7 December 2016	15 February 2017	No

Response to Safer Stronger Communities Main Grants Programme	ED Community Services	7 December 2016	15 February 2017	No
Response to Housing Select Committee on Handyperson Service	ED Customer Services	7 December 2016	11 January 2017	No

### **BACKGROUND PAPERS and AUTHOR**

Mayor & Cabinet minutes 1 June 2016, 9 November 2016 & 7 December 2016 available from Kevin Flaherty 0208 3149327.

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

# Agenda Item 4

<b>MAYOR AND CABINET</b>		
<b>Report Title</b>	Report Back On Matters Raised By The Overview And Scrutiny Business Panel or other Constitutional bodies	
<b>Key Decision</b>	No	Item No.
<b>Ward</b>		
<b>Contributors</b>	Head of Business & Committee	
<b>Class</b>	Open	Date: January 11 2017

## **Purpose of Report**

To report back on any matters raised by the Overview and Scrutiny Business Panel following their consideration of the decisions made by the Mayor on December 7 2017 or on other matters raised by Select Committees or other Constitutional bodies.

### **1. Decision Made by an Executive Director Under Delegated Authority – Approval of Award of Contract for Deptford High Street North**

Following the Mayor's response to the Overview and Scrutiny Business Panel referral on returning the Deptford Anchor to a suitable location in Deptford, Business Panel Members thanked the Mayor for his response, and resolved to:

- i. request the Mayor to ask officers to provide a report and Action Plan for Business Panel Members on the restoration of the Deptford Anchor.

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

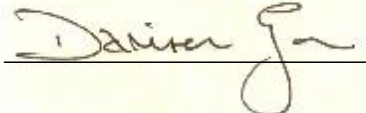
<b>Date of Meeting</b>	11 <sup>th</sup> January 2016
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<b>Title of Report</b>	<b>New Homes, Better Places Programme Update</b>
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<b>Originator of Report</b>	Genevieve Macklin	<b>Ext.</b> <b>46057</b>
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At the time of submission for the Agenda, I confirm that the report has:

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

Signed:  Executive Member

Date: 22/12/16

Signed:  Director/Head of Service

Date 21 December 2016

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

<b>Mayor and Cabinet</b>			
<b>Title</b>	New Homes, Better Places Programme Update		
<b>Key decision</b>	Yes	<b>Item no</b>	
<b>Wards</b>	All		
<b>Contributors</b>	Executive Director of Customer Services Executive Director of Resources and Regeneration Head of Law		
<b>Class</b>	Part 1	11 January 2017	

## 1 Summary

- 1.1 In July 2012 the Council embarked on a programme to build new Council homes in response to a series of on-going housing policy and delivery challenges, most notably an enduring under-supply of new affordable homes available to the Council to meet the housing demands placed upon it.
- 1.2 A series of update reports has subsequently been considered by Mayor and Cabinet outlining progress in meeting the target of delivering 500 new homes for rent, plus an additional 125 homes for sale to subsidise the build costs for the affordable homes, by March 2018.
- 1.3 9 new council homes have now been completed, 126 are on-site and being delivered, and a further 60 have planning consent and are awaiting start on-site. This means that a total of 195 new social rented homes are now underway.
- 1.4 In addition there are a further 19 projects on which design development is advancing and which have the capacity to provide around 330 council homes, all of which could start before March 2018. This means that a significant proportion of the programme is at the design stage and will need to be considered at planning committees during 2017. Officers from the Housing and Planning teams in the Council are working closely with Lewisham Homes on these developments to ensure they progress as quickly and efficiently as possible.

Project Status	Number of Council homes
Complete	9
On-site	126
With planning consent awaiting start	60
<b>Total homes in-development</b>	<b>195</b>
Total potential homes on sites at the pre-planning stage which could start by March 2018	330
<b>Total homes in programme</b>	<b>525</b>



- 1.5 The report provides a summary of consultation activity to date on two of the schemes which are in the design development phase, at Crofton Park and Marnock Road, and recommends that Lewisham Homes finalises these plans and submits a planning application for each development.

## **2 Purpose of report**

- 2.1 To provide an update on the Council's New Homes Programme
- 2.2 To seek the authority to submit a planning application for the schemes at Crofton Park Road and Marnock Road, as described in section 10 of this report.

## **3 Recommendations**

It is recommended that the Mayor:

- 3.1 Notes the progress made to date to deliver 500 new council homes by 2018.
- 3.2 Notes that statutory Section 105 consultation has been carried out for proposed infill development at Marnock Road and Crofton Park Road.
- 3.3 Having considered the responses to the statutory Section 105 consultation, which are summarised in section 10 of this report, agrees that Lewisham Homes prepare and submit a planning application for Crofton Park Road
- 3.4 Having considered the responses to the statutory Section 105 consultation, which are summarised in section 10 of this report, agrees that Lewisham Homes prepare and submit a planning application for Marnock Road.
- 3.5 Notes the proposal set out at section 11 of this report for officers to consider the potential of additional sites, at Burnt Ash Hill in Lee Green and at the former Home Park Office in Bellingham, for the provision of new homes for this programme, and that further information in relation to these projects will be brought back to Mayor & Cabinet as soon as possible.

## **4 Policy context**

- 4.1 The contents of this report are consistent with the Council's policy framework. It supports the achievements of the Sustainable Community Strategy policy objectives:
  - Ambitious and achieving: where people are inspired and supported to fulfil their potential.
  - Empowered and responsible: where people can be actively involved in their local area and contribute to tolerant, caring and supportive local communities.
  - Healthy, active and enjoyable: where people can actively participate in

maintaining and improving their health and well-being, supported by high quality health and care services, leisure, culture and recreational activities.

4.2 The proposed recommendations are also in line with the Council policy priorities:

- Strengthening the local economy – gaining resources to regenerate key localities, strengthen employment skills and promote public transport.
- Clean, green and liveable – improving environmental management, the cleanliness and care for roads and pavements and promoting a sustainable environment.

4.3 It will also help meet the Council's Housing Strategy 2015-2020 in which the Council commits to the following key objectives:

- Helping residents at times of severe and urgent housing need
- Building the homes our residents need
- Greater security and quality for private renters
- Promoting health and wellbeing by improving our residents' homes

## **5 Background and progress to date**

5.1 The Council's New Homes Programme has now delivered 9 new homes for social rent, across four projects.

## **6 Schemes currently on site**

### Dacre Park South, Blackheath Ward (7 homes)

6.1 The construction of Dacre Park South is progressing well. The first seven homes are due to handover for letting in early 2017. In total the scheme will deliver 25 social rented homes, which are a mix of six x 1 bedroom homes, 14 x 2 bedroom homes (one of which is a wheelchair accessible flat), three x 3 bedroom homes and two x 4 bedroom homes which will be let at target rent levels. These first seven new homes are targeted at encouraging under-occupiers to down-size, so that larger social rented homes are then made available to other households in housing need.

### Dacre Park North, Blackheath Ward (5 homes)

6.2 Dacre Park North will complete in July 2017. This site is being developed as five private sale homes which will be sold to provide an estimated £1.2m in receipts to cross-subsidise new Council homes on other projects.

### Longfield Crescent, Forest Hill Ward, (27 homes)

- 6.3 Longfield Crescent is being developed to provide 27 new social rented homes. These homes are a mix of six x 1 bedroom homes, eight x 2 bedroom homes (two of which are wheelchair accessible flats), and 13 x 3 bedroom homes.

Hazelhurst Court, Bellingham Ward (60 homes)

- 6.4 Hazelhurst Court is being developed by Phoenix Community Housing Association, with the support of £2.1m of Council funding. The scheme will complete in July 2017 and will provide 60 bespoke new extra care homes for rent for over 55s. The nature of the housing stock in the Phoenix area of the borough – which is predominantly family housing – means that there are few downsizing options for tenants, and this development therefore offers a very good opportunity to provide high quality new homes and also to free up family sized accommodation.

Wood Vale, Forest Hill Ward (17 homes)

- 6.5 The development at Wood Vale will provide 9 Council homes for social rent which are a mix of one x 1 bedroom home, seven x 2 bedroom homes and one x 4 bedroom home. The scheme is progressing well and will complete by June 2017. The scheme will also deliver eight private sale homes which are expected to generate approximately £2.6m in cross-subsidy to support the delivery of additional social rented homes on other projects.

Honor Oak Housing Office, Telegraph Hill Ward (5 homes)

- 6.6 The redevelopment of the former Honor Oak Housing Office commenced in November 2016. This conversion will provide 5 homes for social rent which are a mix of one x 1 bedroom home, two x 2 bedroom homes and two x 3 bedroom homes. The new homes are forecast to be completed in summer 2017.

**7 Schemes with planning consent awaiting start on site**

Campshill Road extra care development, Lewisham Central Ward (53 homes)

- 7.1 The Campshill Road extra care development will provide 53 new homes for over 55s, 19 of which will be for shared ownership and 34 will be for affordable rent. The Council is working with One Housing Group who will develop, own and manage the scheme. The Council will have 100% nomination rights into the rented units, and marketing of the shared ownership flats will also be targeted specifically at Lewisham residents. The scheme is due to start on site in May 2017 and will complete within 18 months from the start.

Forster House, Whitefoot Ward (22 homes)

7.2 Phoenix Community Housing have been working on proposals to utilise under used and derelict areas for housing across their estate. This project will utilise land next to Forster House to develop 22 new homes for rent, including two wheelchair accessible flats. The Council is contributing £1.43 million in grant funding towards the construction of the new homes, which will be let at target rents. As with Hazelhurst Court, the scheme has been designed in part to enable downsizing and the freeing up of larger family properties. The project is planned to start on site in April 2017 and will complete in August 2018.

Woodbank, Whitefoot Ward (4 homes)

7.3 This site will deliver two x 2 bed houses and two x 3 bed houses, and achieved planning consent in July 2016. It is expected to start on site in June 2017 and complete in June 2018.

## **8 Schemes awaiting planning**

Conversions (7 new homes)

8.1 Pepys Housing Office, Rawlinson House, Hawke Tower. Design work is in progress to achieve the conversion of three further housing offices which are surplus to requirements to provide a total of seven new homes to be let at target rents. These schemes are expected to start on site in 2017.

Kenton Court, Bellingham Ward (26 homes)

8.2 Design work has been progressed on the scheme at Kenton Court to respond to feedback from the public and planning authority. Further public consultation took place on 15<sup>th</sup> December 2016. It is anticipated that a new planning application for approximately 26 new social rented homes will be submitted in early 2017.

Silverdale Hall and Grace Path, Sydenham Ward (17 homes)

8.3 In June 2016, Mayor and Cabinet considered the results of the formal S105 consultation for the Silverdale Hall and Grace Path scheme and agreed that design work could be progressed for both schemes and planning applications made. Since then, further design and consultation on these two schemes have been undertaken and planning applications are expected in January 2017. These schemes are expected to start on site in summer 2017.

Church Grove, Ladywell and Lewisham central (33 homes)

8.4 Church Grove is being developed by the Community Land Trust RUSS and will provide 33 affordable New Homes on the boundary between Ladywell and Lewisham Central wards. It is a self-build development, where the future residents will work together to build their own homes, along with shared amenity spaces. RUSS have recently completed an extensive co-design process with the Church Grove residents group, they ran a series of detailed workshops with the self-builders on the design the community they want to create. The designs have been taken to Lewisham's Design Review Panel where they were well received, and RUSS are working towards submitting a planning application in early 2017. It is currently anticipated that the self-build process can start in early 2018.

## **9 Other schemes in design development**

9.1 The projects in this category currently form the greatest element of the programme. For each of these the objective is to settle on an appropriate form of development following consultation with residents, other interested parties, and engagement with the Council's planning service.

9.2 Each of these sites will be brought forward for final decision making by Mayor & Cabinet as soon as possible in 2017. This will take place at a point where officers consider that an appropriate scheme has been designed, and when statutory consultation with secure tenants has taken place. Planning submissions will only be made following Mayor & Cabinet approval to proceed. The first two of the projects in this category – where approval to proceed is being sought - are set out at section 10 of this report. The sites that follow below will be brought forward for similar decisions as soon as possible in order to meet the programme targets.

### Forest Estate, Forest Hill Ward

9.3 Design development was underway for three sites on the Forest Estate. Development proposals at two of these sites on Knapdale Close are being progressed, with the Eliot Bank site not being taken further at this time. Lewisham Homes wrote to residents of the Forest Estate in November 2016 to confirm this and to inform them that further consultation on development and improvement proposals for the estate will be held early in 2017.

### Milton Court, New Cross Ward

9.4 Proposals for Milton Court Road have been undergoing design development with planning discussions taking place through the pre-application process. It is currently proposed that homes for social rent will be developed on this site, with consultation to take place in early 2017 and a planning application expected in late spring 2017.

### Hillcrest Estate, Sydenham Ward

- 9.5 The Council and Lewisham Homes are working with Hyde Housing Association on proposals to develop or improve a number of sites across the Hill Crest Estate which is comprised of Hillcrest Close which is managed by Hyde Housing Association and High Level Drive, Vigilant Close, and Talisman Square which are owned by Lewisham Council and managed by Lewisham Homes. A public consultation meeting was held jointly with Hyde HA on 7<sup>th</sup> December 2016 for residents of both estates, and feedback will be used to inform the design process going forward. It is likely that this will be a phased development which could deliver new homes over a number of infill sites and improvements to the estate.

Bampton Estate, Perry Vale Ward

- 9.6 Lewisham Homes is currently working on proposals to build homes for people over the age of 55 and which be let at target rents on the Bampton Estate. Further consultation on proposals for this site will be carried out in spring 2017 with a planning application expected in late summer 2017.
- 9.7 Officers are also working with London and Quadrant (L&Q) to explore possible future redevelopment or refurbishment options for the adjacent Shifford and Witney Paths, which are in L&Q's ownership. This process for this element of the project is separate to the delivery of new Council homes as set out above, which can be brought forward regardless.

Somerville Estate, Telegraph Hill Ward

- 9.8 Surveys and design work have been progressing in order to inform proposals for possible development on the Somerville Estate, and to establish potential options for longer term regeneration as well as suitable sites for a first phase of development. Further consultation with residents will take place in early 2017 with planning applications expected in summer 2017.

Algernon and Embleton Road, Ladywell Ward

- 9.9 Two sites at Algernon Road and Embleton Road are in design development and proposals are being considered for a mix of homes for social rent and for sale. . Consultation will take place early in 2017 with planning applications expected in summer 2017.

Allison Close, Blackheath Ward

- 9.10 Proposals for a garage site at Allison Close are at an early stage, but could produce homes for sale to provide valuable subsidy for the delivery of more homes for social rent on other projects. The consultancy team is currently being appointed and consultation with residents will commence in spring 2017.

Endwell Road, Telegraph Hill Ward

9.11 Proposals are being progressed for the development of an existing garage site at Endwell Road. Consultation with residents is expected to take place early in 2017.

## **10 Schemes for approval for planning submission**

### Crofton Park Road and Marnock Road, Crofton Park Ward (8 homes)

- 10.1 This report seeks approval to submit planning permission for two schemes which have been in design development for over a year.
- 10.2 On the first of these, at Crofton Park Road the proposal to redevelop existing garages in Crofton Park ward to deliver two x 3 bedroom houses for social rent. A plan of the site in question, and an image of the proposed development can be found at appendix 1.
- 10.3 The second project is at Marnock Road, also in Crofton Park ward, where the proposal is to deliver at least six x 4 bedroom houses to be let at target rent on a garage site, and to increase that number if that proves feasible during the detailed design period which will follow. A plan of the site in question, and an image of the proposed development can be found at appendix 2.
- 10.4 S105 of the Housing Act 1985 provides that the Council must consult with all secure tenants who are likely to be substantially affected by a matter of housing management to which the section applies. The authority must inform secure tenants of proposals and provide them with the opportunity to make their views known within a specified period. The section further specifies that before making any decision on the matter the Council must consider any representations from secure tenants arising from the consultation. Such consultation must therefore be up to date and relate to the development proposals in question.
- 10.5 On 21<sup>st</sup> October 2016, 31 secure tenants who live in the vicinity of the two proposed developments were sent a formal Section 105 consultation letter as well as a covering letter which invited them to attend a drop-in meeting at which they could view the proposed plans, ask questions and give feedback. All other residents within the vicinity of the proposed sites were also invited to attend the drop-in event which was held on 8<sup>th</sup> November 2016.
- 10.6 Feedback forms were provided at the drop-in, with the intention that any written feedback given at the event by secure tenants would be considered for the purposes of the formal S105 consultation along with other written representations received. The formal S105 consultation period ran for 28 days from 21<sup>st</sup> October 2016

- 10.7 No responses to the formal S105 consultation were received from secure tenants in relation to either scheme. Six other households provided feedback on the proposals at Crofton Park Road, of which four stated that they were happy with the proposed design of the houses. Two residents expressed concern about security and one about the loss of the garage that they rent. Lewisham Homes is seeking to address the security concerns through the design process and to work with the residents affected by the loss of a garage to find an alternative solution.
- 10.8 Six non-secure tenant households provided written feedback in relation to the Marnock Road proposals. Concerns included parking and disruption, the design of the homes and a desire for the homes to be for rent rather than sale. The homes are now being proposed for social rent, and the parking and design issues are being addressed as part of pre-application planning work, which will also identify whether six or seven homes should be built on the site.
- 10.9 On the basis that no responses from secure tenants were received in relation to the statutory consultation, and that it is considered that the concerns raised by other residents can be addressed through the detailed design process which will follow, the Mayor is recommended to approve both of these projects and thereby enable Lewisham Homes to submit planning applications for both as soon as possible.

## **11 New Schemes**

- 11.1 All of the projects listed above were approved in principle at the Mayor & Cabinet meeting on date. Given the continuing demand for new homes at social rent, and the need to consider further sites to maximise the likelihood that the project will achieve its target of 500 starts by March 2018, officers recommend that the two sites set out below be added to the programme. If this is approved Lewisham Homes will develop plans for the sites and undertake resident and wider consultation, with a view to bringing detailed proposals back for consideration later in 2017.

### Mayfield Hostel, Lee Green

- 11.2 Mayfield Hostel, 47 Burnt Ash Hill, is comprised of 41 of bedspaces over 26 units and is used to house homeless families awaiting a permanent social housing offer.
- 11.3 While a valuable resource to the Council, the building itself does not make maximum use of the site it sits on, and is surrounded by land which might present an opportunity for a housing development. There are no proposals for this as yet, other than a “desktop” assessment that shows that if the site were redeveloped for permanent housing it might provide at least 50 new homes.



- 11.4 Given the nature of the site, which is easily accessed from a main road is of a regular, square, shape, officers are exploring the potential to use off-site manufacture on any development on the site. This could speed delivery and would also offer the opportunity to develop the next iteration of the modular method of construction used at PLACE/Ladywell. On this occasion this would be for permanent, rather than temporary, new homes, and the design would be changed to enable the scheme to fit with the look and feel of the surrounding area.
- 11.5 It is anticipated that public consultation could commence in the spring, and that there is still time for a development, if a suitable design and approach can be arrived at, to start on site before March 2018.

#### Home Park Housing Office, Sydenham Ward

- 11.6 In June 2016, Mayor and Cabinet approved a recommendation to demolish the Home Park Housing Office, Sydenham, on the basis that the site would be explored for housing purposes. Officers are in the process of procuring a demolition contractor and demolition will take place in the spring of 2017.
- 11.7 Public consultation has not yet started about possible future housing development on this site and this is planned for spring 2017. This site could also lend itself to a scheme which used modular methods of construction.

### **12 Comments of the Housing Select Committee**

- 12.1 This report was considered by the Housing Select Committee at its meeting on 10 January. The timings of the meetings and report despatch dates means that it was not possible to incorporate the view of Housing Select Committee in this report. As such, if there are any comments, this will be made available at the time of the Mayor & Cabinet meeting.

### **13 Financial Implications**

- 13.1 The purpose of this report is to provide Mayor & Cabinet with an update on the "New Homes, Better Places" Programme, and as such, has no direct financial implications.
- 13.2 The Council's current 30 year financial model for the Housing Revenue Account includes provision for up to 500 new units, for social rent purposes, at an average cost of £190k each (adjusted annually for inflation) over the first 10 years of the model.
- 13.3 In addition to this, the Council's General Fund Capital Programme currently includes provision of £12m for new build and property, including hostels acquisition.

13.4 Where schemes are of mixed developments, which include sales, the sales receipts generated will be reinvested back into the new build programme.

13.5 More detailed financial analysis of each scheme will be undertaken as they are developed and reported to Mayor & Cabinet at a later date.

## **14 Legal Implications**

14.1 The Council has a wide general power of competence under Section 1 of the Localism Act 2011 to do anything that individuals generally may do. The existence of the general power is not limited by the existence of any other power of the Council which (to any extent) overlaps the general power. The Council can therefore rely on this power to carry out housing development, to act in an “enabling” manner with other housing partners and to provide financial assistance to housing partners for the provision of new affordable housing. In accordance with General Consent A3.1.1 of The General Housing Consents 2013 the Council may dispose of dwelling houses on the open market at market value.

14.2 Some of the proposals set out in this report are at an early stage of development. Detailed specific legal implications will be set out in subsequent reports to Mayor & Cabinet/Mayor & Cabinet (Contracts) as appropriate. Section 105 of the Housing Act 1985 provides that the Council must consult with all secure tenants who are likely to be substantially affected by a matter of Housing Management. Section 105 specifies that a matter of Housing Management would include a new programme of maintenance, improvement or demolition or a matter which affects services or amenities provided to secure tenants and that such consultation must inform secure tenants of the proposals and provide them with an opportunity to make their views known to the Council within a specified period. Section 105 further specifies that before making any decisions on the matter the Council must consider any representations from secure tenants arising from the consultation. Such consultation must therefore be up to date and relate to the development proposals in question.

### **Equalities Legislation**

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

14.4 In summary, the Council must, in the exercise of its functions, have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- advance equality of opportunity between people who share a protected characteristic and those who do not.

- foster good relations between people who share a protected characteristic and those who do not.

14.5 It is not an absolute requirement to eliminate unlawful discrimination, harassment, victimisation or other prohibited conduct, or to promote equality of opportunity or foster good relations between persons who share a protected characteristic and those who do not. It is a duty to have due regard to the need to achieve the goals listed at 12.2 above.

14.6 The weight to be attached to the duty will be dependent on the nature of the decision and the circumstances in which it is made. This is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. The Mayor must understand the impact or likely impact of the decision on those with protected characteristics who are potentially affected by the decision. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations. The extent of the duty will necessarily vary from case to case and due regard is such regard as is appropriate in all the circumstances.

14.7 The Equality and Human Rights Commission has recently issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled “Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice”. The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at: <https://www.equalityhumanrights.com/en/advice-and-guidance/equality-act-codes-practice>

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

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

- essential guide to the public sector equality duty
- Meeting the equality duty in policy and decision-making
- Engagement and the equality duty: A guide for public authorities
- Objectives and the equality duty. A guide for public authorities
- Equality Information and the Equality Duty: A Guide for Public Authorities

14.9 The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at:

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

## 15 Crime and disorder implications

15.1 There are no environmental implications arising from this report.

## 16 Equalities implications

16.1 There are no environmental implications arising from this report.

## 17 Environmental implications

17.1 There are no environmental implications arising from this report.

## 18 Background Documents and Report Originator

Title	Date	File Location	Contact Officer
New Homes, Better Places Programme Update	1 June 2016	Available at this <a href="#">link</a>	Jeff Endean
New Homes, Better Places Phase 3 Update	14 January 2015	Available at this <a href="#">link</a>	Jeff Endean
New Homes, Better Places Programme Update	15 November 2015	Available at this <a href="#">link</a>	Jeff Endean

18.1 If you have any queries relating to this report please contact Jeff Endean on 020 8314 6213.

## Appendix 1 – Site Plan and images – Crofton Park Road



Front Elevation

## Appendix 2 – Site Plan and Images – Marnock Road



**Mayor and Cabinet, Wednesday, 11th January, 2017 3.00 pm**

**Addendum to Agenda Item 5 – New Homes Programme Update Report**

**Change to New Homes Programme Update Report**

The New Homes Programme Update Report noted at 10.7 that one of the garage users who would be affected by a decision to proceed with the scheme at Crofton Park Road had raised a concern about the loss of their garage. At the time, an alternative option had been presented to the garage user which was thought to be acceptable to them. Officers now understand that the garage user in question, who uses the garage to store mobility aids, has raised a further issue.

It is therefore proposed that the **recommendation at 3.3 of this report be deferred** to a later meeting to allow officers to explore alternative options in more detail with the garage-user in question. Further detail will be provided in a subsequent report to enable the Mayor to fully understand the implications of any future recommendation. Officers will seek to resolve this issue as soon as possible to minimise any potential delay to the programme.

# Agenda Item 6

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

<b>Date of Meeting</b>	11 January 2017
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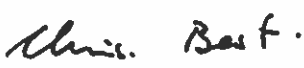
<b>Title of Report</b>	Response to Broadway Theatre Working Party Final Report Recommendations
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<b>Originator of Report</b>	Liz Dart - Head of Culture and Community Development	<b>Ext.</b> 46115
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At the time of submission for the Agenda, I confirm that the report has:

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

Signed  Director/Head of Service  
Date 19.12.16

Signed  Cabinet Member  
Date 21.12.16

**Control Record by Committee Support**

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



<b>Mayor and Cabinet</b>			
<b>Report Title</b>	Response to Broadway Theatre Working Party Final Report recommendations		
<b>Key Decision</b>	No	Item No.	
<b>Ward</b>	Rushey Green		
<b>Contributors</b>	Executive Director for Community Services, Executive Director for Resources and Regeneration		
<b>Class</b>	Part 1	Date:	11 January 2017

## **1. Purpose of Report**

1.1 The purpose of this report is to provide a response to final report produced by the Broadway Theatre working party that was considered at Full Council on 23 November 2016.

## **2. Recommendations**

It is recommended that the Mayor:

2.1 Approve the responses made by the Executive Director for Community Services to the recommendations made in the Broadway Theatre Working Party Final Report.

2.2 Agree that this report should be forwarded to Full Council.

## **3. Background**

3.1 It was resolved at Full Council on 24<sup>th</sup> June 2015 to establish the Broadway Theatre Working Party as a time limited group. The Broadway Theatre Working Party met 4 times. It considered the current state of the building and its limitations, reviewed consultation with residents about their expectations of the venue, looked at comparison studies with other venues, received presentations from the theatre staff, pro-bono architect Ian Chalk and Lewisham Youth Theatre.

3.2 At the final meeting of the Broadway Theatre Working Party on 7<sup>th</sup> June 2016, a set of final recommendations were agreed. These were included in a final report that was considered by full council on 23 November 2016.

## **4. Responses to the Final Report Recommendations**

4.1 Set out below are the final recommendations made by the Broadway Theatre Working Party with a response to each.

4.2 **Recommendation 1** - Recognise the strategic value of the theatre as more than a cultural and heritage hub, but also as an anchor in Catford's town centre function, and therefore its importance to wider regeneration initiatives in the area.

Response – The Broadway Theatre is seen as central to the redevelopment of Catford. It is a unique asset that provides a focal point for the regeneration. Senior council officers with responsibility for the Broadway Theatre represent its interests on the Catford Regeneration Board. Officers within regeneration recognise the theatre's central importance as an anchor within Catford Town Centre and to the regeneration programme as a whole.

4.3 **Recommendation 2** - Invest in the theatre and ancillary space, so as to its potential as a multi-purpose broad arts, events and conference space, in-line with the expectations of the community from the consultation work we have undertaken.

Response – The recommendation to retain and further develop the Broadway Theatre as a multi-purpose venue is enthusiastically accepted. A programme of work supported by officers from regeneration and community services is being undertaken to address issues raised by the access audit, improve the bar and catering offer and make some minor improvements that will enhance the operation of the venue in the short term.

4.4 **Recommendation 3** - Commission officers to develop a robust business case ahead of submitting a bid to grant makers (National Lottery) that identifies both the capital funding for the project and ongoing commercial viability of the arts/theatre space, by using complimentary tertiary services such as food and drink provision to subsidise art activity.

Response – this work is underway. The condition surveys and access audit already undertaken have provided valuable information as have the comparison studies of other venues. The next step is to commission a conservation plan to ensure that the development plan for the Broadway Theatre is sympathetic to the Grade II listing. This will also assist officers in better understanding the important heritage of the building to inform a potential bid to Heritage Lottery Fund. It is hoped that the conservation plan will be completed in Spring 2017 and a Stage 1 bid to Heritage Lottery be submitted by the end of the calendar year.

4.5 **Recommendation 4** - Recognise both the hard work of staff working on the current Broadway delivery, alongside Ian Chalk Architects for their pro-bono support of the project

Response – the working party’s recognition is noted. The Theatre staff have done an excellent job managing the venue through its transition following the reorganisation. They have introduced new areas of programming such as the Catford Upon Avon, Shakespeare Festival that have been very well received by residents. Officers would like to thank members of the working party for their commitment and support for the Broadway Theatre.

**4.6 Recommendation 5** - Ensure that key artistic groups, that support the vibrancy of the arts community across Lewisham, such as Lewisham Youth Theatre, are consulted on any future activity.

Response – officers will continue to work with Lewisham Youth Theatre and other stakeholders as plans develop.

**4.7 Recommendation 6** - Bring forward proposals, and identify the capital funding to invest in the theatre, to increase not only revenue receipts, but signal to developers and the community the function of this town centre (entertainment, retail and administration) and crucially our commitment as a local authority to the area being regenerated.

Response – The council has earmarked staff resources within the Catford Regeneration Programme to support the Broadway Theatre Development Project. Consideration is also being given to allocating a small amount of capital funds to undertake minor works in the short term, however it is recognised that the full capital requirements of the theatre are beyond the council’s resources and will require external investment. The opportunity that this project has to signal change in Catford is recognised. One example of how officers are responding to this is the recent marketing exercise undertaken to identify a commercial partner to run the café and bars in the theatre. The marketing exercise has been positive so far, and officers hope to have a new café/bar operator in situ in Spring 2017.

## **5. Financial Implications**

**5.1** Funding has been allocated within the Catford Regeneration Programme Budget for minor works. The full cost of the improvements needed for the Broadway Theatre is likely to be beyond the scope of the council’s capital programme and additional external funding sources will be required.

## **6. Legal Implications**

**6.1** There are no specific legal implications arising from this response, save for noting that the Council’s Constitution provides that the Executive may respond to reports and recommendations by the Overview and Scrutiny Committee.

## **7. Equalities Implications**

7.1 It is essential to the success of the Broadway Theatre Development Project that the needs of all its current and potential users are taken into consideration. The Broadway Theatre has a good reputation for attracting audiences from all sections of the community. The recent access audit has highlighted some areas for improvement some of which are being addressed in the short term and others will be considered as part of the long term development plan.

## **8. Environmental Implications**

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

### **Background Papers**

Broadway Theatre Working Group Minutes available online.

Full Council 23 November 2016 Final report of the Broadway Theatre Working Party

For further information contact Liz Dart, Head of Culture and Community Development on 020 8314 6115.

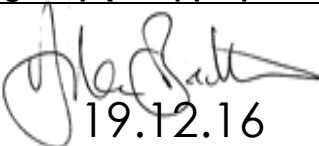
<b>Chief Officer Confirmation of Report Submission</b>			
<b>Report for:</b>	<b>Mayor</b>		
	<b>Mayor and Cabinet</b>		X
	<b>Mayor and Cabinet (Contracts)</b>		
	<b>Executive Director</b>		
<b>Information</b>	<input type="checkbox"/> <b>Part 1</b>	<input checked="" type="checkbox"/> <b>Part 2</b>	<input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

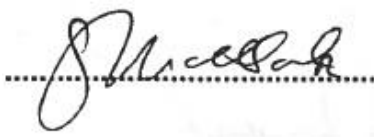
<b>Date of Meeting</b>	11 January 2017
<b>Title of Report</b>	Discretionary Rate Relief Policy Review

<b>Originator of Report</b>	Liz Dart – Head of Culture and Community Development	<b>Ext.</b> 46115
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At the time of submission for the Agenda, I confirm that the report has:

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

Signed  Director/Head of Service  
 Date 19.12.16

Signed  Cabinet Member  
 Date 20.12.16

**Control Record by Committee Support**

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

<b>MAYOR AND CABINET</b>			
<b>Report Title</b>	Discretionary Rate Relief Policy Review		
<b>Key Decision</b>	Yes	Item No.	
<b>Ward</b>	All		
<b>Contributors</b>	Executive Director for Community Services, Executive Director for Resources and Regeneration, Executive Director for Children & Young People, Executive Director for Customer Services, Head of Law		
<b>Class</b>	Part 1	Date:	11 January 2017

## 1. Purpose

- 1.1 The purpose of this report is to feedback on the review of the council's discretionary rate relief policy, and recommend some changes to the policy.

## 2. Recommendations

- 2.1 It is recommended that the Mayor
- note the contents of the review
  - agree the revised policy as set out in appendix 2
  - agree the recommendation to delegate authority to the Executive Director for Community Services to award discretionary rate relief to organisations on the Cultural and Leisure sector list for the next 3 years; as detailed in 10.4

## 3. Policy Context

- 3.1 Lewisham's Sustainable Community Strategy 2008-2020, 'Shaping our Future', sets out six strategic priorities, including a commitment to creating a borough that is "Empowered and Responsible: where people are actively involved in their local area and contribute to supportive communities".
- 3.2 This is reflected in Lewisham's corporate priorities: "Community leadership and empowerment: developing opportunities for the active participation and engagement of people in the life of the community".
- 3.3 Lewisham has a strong history of working with the voluntary and community sector and empowering residents and communities. Lewisham is fortunate to have a strong and thriving sector which ranges from very small organisations with no paid staff through to local branches of national charities. The sector includes charities, not for profit companies limited by guarantee, faith organisations, civic amenity societies as well as social enterprises. What all these organisations have in common is their ability to bring significant additional value to the work that they do through voluntary support and raising funds from sources not available to other sectors such as charitable trusts.
- 3.4 A number of these voluntary and community sector organisations occupy buildings and are therefore liable to pay business rates.

#### **4. National non domestic rates (business rates)**

- 4.1 National non domestic rates (NNDR or better known as business rates), collected by local authorities, are the way that those who occupy non-domestic property contribute towards the cost of local services. Under the business rates retention arrangements introduced from 1 April 2013, a proportion of the business rates paid is kept locally by the Council.
- 4.2 Every five years all non-domestic (business) properties are assessed and given new rateable values. The most recent revaluation took effect from 1 April 2010, and the next revaluation is expected in 2017.
- 4.3 There are currently a number of different reductions available for business rates in Lewisham, as follows:
- Transitional relief - property values normally change a good deal between each revaluation. Transitional arrangements help to phase in the effects of these changes by limiting increases in bills. To help pay for the limits on increases in bills, there also have to be limits on reductions in bills. Under the transition scheme, limits continue to apply to yearly increases and decreases until the full amount is due (rateable value times the appropriate multiplier).
  - Empty properties - Business rates will not be payable in the first three months that the property is empty (six months for certain industrial properties). After this period, empty rate is payable at the full rate. There are a number of exemptions such as listed buildings and land used as storage. Properties with a rateable value of less than £2,600 are also exempt.
  - Partly occupied property relief - A ratepayer is liable for the full non-domestic rate whether a property is wholly occupied or only partly occupied. Where a property is partly occupied for a short time, the Council has discretion to award relief in respect of the unoccupied part.
  - Hardship relief - This discretionary relief can be granted by the Council if hardship is experienced and the business is considered to be important to the local community.
  - Small business rate relief - This relief supports small businesses who generally occupy only one property. Relief is available at 100% for eligible properties up to £6,000 rateable value and relief gradually decreases to 0% for properties with a rateable value at £12,000. The availability of this relief is subject to central government funding and is confirmed until 31 March 2017. All properties under £18,000 (£25,500 in Greater London) are considered a small business and rates are calculated using the small business multiplier instead of the standard one.
  - London Living Wage employers – this is available to Lewisham-based businesses who become accredited with the Living Wage Foundation between 1 April 2016 and 31 March 2017, and offers a one-off discount of up to £5,000 dependent on the type of organisation and number of employees.
  - Charity and discretionary relief - Charities are entitled to an 80% reduction in their bills. The Council has the discretion to grant relief in other circumstances, and it is this that this report is concerned with.

#### **5. Discretionary rate relief**

- 5.1 Under Section 47 of the Local Government Finance Act 1988 (LGFA) billing authorities have discretion to grant rate relief to certain ratepayers (certain types of charitable and non-profit organisations) from all or part of the non-domestic rates payable.

5.2 The Localism Act 2011 amends section 47 of the Local Government Finance Act 1988 to replace the limited circumstances in which local authorities can currently give discretionary relief with a power to grant relief in any circumstances.

5.3 The cost of granting discretionary rate relief varies according to the circumstances. Since April 2013 the following split in who is liable applies:

<b>Type of relief</b>	<b>% funded by council</b>	<b>% funded by central government</b>
Mandatory relief for charities and community amateur sports clubs (CASCs) (80%)	0%	100%
Up to 20% discretionary relief to top up mandatory	50%	50%
Up to 100 % discretionary relief for other eligible organisations	50%	50%
Up to 100% discretionary relief for businesses or profit organisations (under Localism Act powers)	100%	0%

5.4 Should a local authority choose to award discretionary rate relief under the Localism Act powers to a business or profit organisation the Council will bear the full 100% cost.

## **6. Background to discretionary rate relief policy**

6.1 Prior to 2013, Lewisham did not have a published policy for the allocation of discretionary rate relief.

6.2 There were a number of drivers for developing a policy for the allocation of discretionary rate relief to the voluntary and community sector. These included the following:

- a desire to provide a transparent and equitable process; awards had been made largely on a historical basis previously
- many organisations had been awarded discretionary rate relief for years without review
- new applications were turned down due to insufficient budget
- the changes to the formula used to determine the percentage the council pays provided an opportunity to review the available budget
- the Localism Act allowed the council to award discretionary rate relief in any circumstances
- over subscription for the budget available required an equitable approach to ensure fair use of the limited funds

6.3 Following consultation, the new policy was agreed by Mayor & Cabinet on 23 October 2013. It was agreed that the policy would be subject to review.

## **7. Discretionary rate relief policy**

7.1 The policy implemented in 2013 is attached in appendix 1.



- 7.2 In summary it is split into three parts, with a different approach for each of the following sectors:
- community organisations
  - museums
  - schools
- 7.3 For community organisations, the policy states that only organisations eligible for mandatory relief (80% relief funded by central government) can be awarded discretionary rate relief. This restricts relief to registered charities and community amateur sports clubs (CASCs) only; and would mean the 20% 'top-up' would be paid. The policy sets out a number of exclusions to this eligibility, including charity shops, housing associations, and buildings used for worship. Eligible organisations need to fulfil some general criteria including ensuring they benefit primarily Lewisham residents. The discretion to pay the full 100% to other organisations is not employed. Where applications exceed the budget available a capping approach is taken: priority to those with lowest rateable value; applicants are funded in order from lowest rateable value to highest rateable value until the budget runs out. Awards are annual, with organisations needing to apply on an annual basis.
- 7.4 For museums, the policy states that the Horniman Museum, as the only museum in the borough, will receive 20% 'top-up' discretionary rate relief and is not subject to capping as community organisations are.
- 7.5 For schools, the stated policy is to continue, as in previous years, to provide discretionary rate relief to voluntary aided organisations in receipt of mandatory rate relief. The cost for this relief is funded from the dedicated schools grant. The policy states that proposed changes to the funding of schools from April 2015 may require a change of arrangements. Academies, private and independent schools with appropriate charitable status receive mandatory relief, but do not attract discretionary rate relief.

## **8. Delivery and impact of discretionary rate relief policy 2013-2016**

- 8.1 In 2013-14, prior to the policy being implemented, 83 organisations received discretionary rate relief – 55 community and voluntary organisations, 27 schools and 1 museum. Of the 55 community and voluntary organisations 44 received 20% top-up relief and 11 received the full 100% relief.
- 8.2 The new policy allowed for transitional arrangements during 2014-15 for voluntary and community organisations affected by the changes. This included providing up to one year relief for those organisation who previously received relief but were not eligible under the new policy (i.e. organisations that previously received 100% relief) and those that were eligible but were unsuccessful due to capping (i.e. they had too high a rateable value). Three of the organisations who received 100% transitional funding have since registered as a charity and now receive 80% mandatory and are eligible to apply for (and have been successful) the 20% top up discretionary relief.

8.3 Since the introduction of the new policy there has been a marked increase in the number of voluntary and community organisations receiving discretionary rate relief (with the budget staying the same), as the following table shows (numbers include Horniman museum):

<b>2013-14 (pre-policy)</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-2017</b>
56	69	75	83

8.4 This increase is for two reasons:

- prioritising applicants with lower rateable values means a greater number can be supported (the highest rateable value, excluding the Horniman, to be funded in 2013-14 was £113,350 compared to £52,000 in 2016-17)
- the change in formula as to liability for the 20% top up relief changed from 75% council and 25% central government to 50% each on 1 April 2013 (i.e. the cost to the council is lower, therefore more organisations can be supported).

8.5 Just under half of those receiving discretionary rate relief in 2013-14, prior to the policy being introduced, also received it in 2016-17. This is for a number reasons, including some organisations ceasing to exist or moving premises, some organisations not being eligible under the new policy, some not applying, and some applicants (such as schools) that shouldn't have been funded from the community and voluntary sector budget. As such, 72% of successful applicants in 2016/17 were 'new' compared to before the policy was introduced.

8.6 Since the policy came into place in 2013 the council have continued to provide discretionary rate relief to voluntary aided schools in receipt of mandatory relief. The cost for this relief has been funded from the Dedicated Schools Grant. Academies, private and independent schools with appropriate charitable status receive mandatory relief but have not attracted discretionary rate relief.

## **9. Review of policy**

9.1 The policy dated October 2013 is considered and reviewed here in the order it is set out in (see appendix 1 for the current full policy and appendix 2 for the recommended revised policy).

### **9.2 Part 1: General Information**

9.2.1 This section sets out the background to NNDR (business rates) and discretionary rate relief; along with some general criteria. It is recommended that the following two sections are amended:

1.4 Review requirement. It is recommended that the policy is reviewed as and when required rather than two-yearly; for example, the council's financial position change or business rates legislation and government support changes.

4.2 It is recommended that an additional line is added to the table to make it clear that the council is liable for the full 100% of the cost of discretionary rate relief provided to businesses and profit organisations under the powers of the Localism Act.

## 9.2 Part 2: Community sector

- 9.2.1 This section sets out the policy for distributing available budget to community and voluntary organisations.
- 9.2.2 **Eligibility criteria.** The policy states that only organisations eligible for mandatory relief (i.e. charities and community amateur sports clubs, CASCs) are eligible to apply for discretionary rate relief; with some exceptions. As the council faces an increasingly challenging financial position, it is even more important that the limited budget for discretionary rate relief is applied wisely. Whilst it is recognised that there are many non-profit community and voluntary organisations that provide valuable resources within the borough, the limits of the budget means it is necessary to restrict the funding available. Officers believe that the policy to restrict to registered charities and CASCs is still the best way to assess the community and charitable benefit of an organisation. It also means that more organisations can benefit as only 20% top-up is provided, rather than 100%. In addition, most organisations who have responsibility for building costs are already registered as charities to get the 80% mandatory relief. As such, officers recommend that this part of the policy is not changed.
- 9.2.3 The exclusions stated in the policy (e.g. charity shops, housing associations, buildings used mainly for religious purposes) are considered to still be valid; and remain the norm across the sector.
- 9.2.4 When producing the policy in 2013 officers considered the options afforded under the Localism Act to provide discretionary rate relief to anyone. Where this power is exercised for businesses, profit organisations and Community Interest Companies (CICs) the council bears the full 100% cost. Whilst officers recognised the valuable part that CICs and small shops, for example, play to the economy and community, it was felt at the time that it would be very difficult to manage and agree parameters for assessing such applications. In addition the limited budget would not go very far. Officers believe that this still holds true and recommend that the policy is not changed.
- 9.2.5 The general criteria (i.e. 85%+ Lewisham residents, links to Sustainable Community Strategy, and equalities adherence) are also still considered to be valid, and continue to mirror requirements of voluntary sector grant funding.
- 9.2.6 In summary, in terms eligibility, officers are recommending that no changes are made to the policy as to who is eligible.
- 9.2.7 For the purposes of clarification, it is recommended that Charitable Community Benefit Societies are included within the eligibility section of the policy. These replace Friendly Societies who were previously eligible just not listed in the policy. Charitable Community Benefit Societies are eligible for the 80% mandatory relief (and other charitable benefits) even though they are not governed by the Charities Commission; as is the case with Community Amateur Sports Clubs. They are, therefore, eligible for the 20% discretionary element. The recommended revised policy in appendix 2 has been updated to reflect this.

- 9.2.8 **Award limit.** The policy recognises that even with eligibility criteria in place that there will be oversubscription for the budget available (there are over 300 registered charities and CASCs in the borough). As such applicants are ranked in order of rateable value and those with the lowest rateable value are prioritised until the budget runs out. This means that an organisation is not always guaranteed to be awarded relief as it will depend who applies each year. It does, however, aim to favour smaller organisations who are more likely to need the relief than larger organisations (based on the general pattern of correlation between rateable value and size of an organisation). When writing the policy officers acknowledged that this approach was not perfect but was considered to be a consistent and easy to understand approach that does not rely on judgement or interpretation. In general, during the three years that the policy has been in place, smaller organisations have benefitted and those being unsuccessful due to their rateable value being high have been much larger organisations.
- 9.2.9 The policy of capping awards based on rateable value, with priority given to applicants with lower rateable values, is still considered to be the best approach and as such officers recommend that no changes are made to the policy in this respect.
- 9.2.10 **Duration of award.** The policy introduced the awarding of discretionary rate relief on an annual basis, where previously it was very rarely reviewed and the same organisations received it year on year without the opportunity for other organisations to apply. As such, relief is awarded for a fixed period of one year only and applicants must re-apply every year. Officers consider this to still be an effective way of ensuring fairness and churn in the system, and as such recommend that no change is made to the policy in this respect.
- 9.2.11 **Application and decision process.** Applications are invited in the autumn for the following financial year; and the decision on who receives relief is taken by the Head of Public Services. This process has worked well over the past three years and as such officers recommend that this continues.
- 9.2.12 In conclusion, for the community sector element of the policy, officers are recommending that no changes are made. The policy is still considered to be fair and proportionate to the small budget available.

### 9.3 Part 3: Museums

- 9.3.1 The policy describes how Lewisham has one museum (Horniman Museum) which is a valued asset for the borough; and that the council is committed to continuing to support it, especially its free access to residents. As such, the policy exempts the Horniman Museum from any award limit set by capping, and that it will receive discretionary rate relief regardless of the cap set. Officers believe that the Horniman continues to play a valuable role in the borough and as such recommend that the policy is not changed.

### 9.4 Part 4: Schools

- 9.4.1 Schools were considered separately to the community sector and museums when the policy was developed due to the funding for awarding relief being held within the

Dedicated Schools Grant (DSG). The policy states that discretionary rate relief is provided to voluntary aided schools in relief of mandatory rate relief. Independent and private schools, and academies, with appropriate charitable status receive mandatory but not discretionary rate relief. It is expected that central government will want all schools brought into line.

- 9.4.2 Under the current funding formula a school receives the exact same funding as they are charged. Currently for voluntary aided schools within Lewisham the relief is given and the proportion of the relief met by the Council is charged to the DSG. This is achieved by adding onto the rates bill of all schools but is matched by the funding so the net impact on schools is nil, but it does mean that the DSG is meeting the cost.
- 9.4.3 It is unlikely this could happen under a national funding formula and the discretionary relief would be met by the Council alongside any academies being required to be treated in the same way. As such the awarding of discretionary rate relief by the council is being withdrawn from April 2017. This has been discussed and agreed at the Schools Forum on 6 October 2016. Schools will not see any impact as under the national funding formula they will still receive the exact amount of the rates bill.
- 9.5 The recommended changes outlined above for the three parts (community, museums and schools) have been incorporated into a revised policy in appendix 2.

## **10. Recommended additional policy section: Cultural and Leisure sector**

- 10.1 It is recommended that a fourth category is added to the policy: Cultural and Leisure Sector. This would allow the council the option of awarding discretionary rate relief to priority organisations running cultural or leisure facilities within the borough which are open to the public, and which have a strong relationship with the council – demonstrated through either a grant aid agreement or contract. Organisations must be eligible for mandatory relief. Lewisham Council is currently preparing to bid for the Borough of Culture programme and has a long standing commitment to supporting culture, sport and art within the borough.
- 10.2 General applications will not be sought for this category; instead the council will maintain a list of nominated and eligible organisations that it will consider awarding relief to.
- 10.3 Organisations on the list will need to apply for the relief annually and should they not be successful in receiving relief under the Voluntary Sector category because of limited budget then the relevant council service areas will determine whether relief is awarded and any cost involved would come from that service budget.
- 10.4 Officers propose that the following organisations form the initial list for 2017/18. Additional organisations may be added over time should they meet the full eligibility set out in the policy.
- 1Life (Downham Health & Leisure Centre)
  - Fusion Lifestyle (Bridge Leisure Centre & Lewisham Bowls Centre, Bellingham Leisure & Lifestyle centre, Forest Hill Pools, Glass Mill Leisure Centre, Ladywell Arena, Wavelengths Leisure Centre)
  - The Albany

- Trinity Laban
- Deptford Lounge
- Midi Music
- Irie!
- Sydenham Arts

- 10.5 Any awards over £10,000 to a voluntary organisation must be approved by Mayor & Cabinet (Contracts). It is expected that a number of the facilities run by the above organisations may be awarded over £10,000 therefore this report seeks to delegate authority to the Executive Director for Community Services to have the discretion to award discretionary rate relief to any organisation on this list for up to three years. Should any additional organisation be added to the list before the expiry of three years then it will be returned to Mayor & Cabinet (Contracts) for agreement.
- 10.6 This new category can be found in the revised policy in appendix 2.

## **11. Other matters to note**

- 11.1 All buildings are subject to revaluation in 2017, potentially either increasing or decreasing an organisation's rateable value. Discretionary rate relief is an annual award and who is awarded relief is dependent on who applies, so beneficiaries do vary year on year anyway. However, early indications suggest that valuations are likely to increase for some organisations, and as such this would have an impact on the number of organisations receiving relief under community sector category. If a number of the applying organisations have a higher rateable value than in previous years then fewer organisations will benefit due to the budget restrictions. It is worth pointing out, however, that the policy has been designed to be as fair as possible and applicants will still be treated equitably on an annual basis.
- 11.2 It is intended that local authorities will collect and keep all business rates from 2020 or earlier. This may have a knock-on impact on the support that the government provides as relief; including 80% relief for charities and paying 50% of the top-up 20% discretionary rate relief. It is unknown at this stage what these changes, if any, may be; and as such it is recommended that the policy as set out in this report is continued until further guidance is issued from central government, at which point a further review may be necessary.

## **12. Financial implications**

- 12.1 The budget for discretionary rate relief for community organisations and museums in 2016-17 is £86k. This is subject to the Councils normal budget process for 2017-18 and beyond so funding will need to be considered on an annual basis; this is reflected in the policy.
- 12.2 The cost of discretionary rate relief for schools in 2017-18 is expected to be £147k. This budget forms part of the Dedicated Schools Grant (DSG).
- 12.3 The revised policy set out in this report describes the basis on which discretionary rate relief will be allocated, however the overall amount allocated must not exceed the budget noted in paragraph 12.1 and 12.2 unless alternative funding sources are

identified. With a fixed budget as rateable values increase the number of groups that can be supported will reduce.

- 12.4 For Part 4: Cultural and Leisure sector there is no designated budget and any award must be made within the relevant service budget.

### **13. Legal implications**

- 13.1 Section 69 of the Localism Act 2011 amends section 47 of the Local Government Finance Act 1988 (LGFA) so as to replace the limited circumstances in which local authorities can currently provide discretionary relief, with a new power to grant relief “in any circumstances”. This is subject to the condition that, “...except in the limited circumstances specified, the local authority may only grant relief if it would be reasonable to do so having regard to the interests of council tax payers in its area.” This is to be a “local” relief for businesses.
- 13.2 The amendments (which came into effect on 1 April 2012) also require a local authority to have regard to any relevant guidance issued by the Secretary of State when deciding whether to grant relief under section 47 of the 1988 Act.
- 13.3 Local Authorities are “billing authorities” for the purposes of the LGFA.
- 13.4 Given the context of this, the Council’s statutory obligations pursuant to the 2010 Equality Act are relevant when creating and implementing this policy.
- 13.5 The Equality Act 2010 (the Act) introduced a public sector equality duty (the equality duty or the duty). It covers the following protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 13.6 In summary, the Council must, in the exercise of its functions, have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
  - advance equality of opportunity between people who share a protected characteristic and those who do not.
  - foster good relations between people who share a protected characteristic and those who do not.
- 13.7 It is not an absolute requirement to eliminate unlawful discrimination, harassment, victimisation or other prohibited conduct, or to promote equality of opportunity or foster good relations between persons who share a protected characteristic and those who do not. It is a duty to have due regard to the need to achieve the goals listed above.
- 13.8 The weight to be attached to the duty will be dependent on the nature of the decision and the circumstances in which it is made. This is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. The Mayor must understand the impact or likely impact of the decision on those with protected characteristics who are potentially affected by the decision. The extent of the duty will necessarily vary from case to case and due regard is such regard as is appropriate in all the circumstances.

13.9 The Equality and Human Rights Commission has issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled “Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice”. The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at:

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

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

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

- [The essential guide to the public sector equality duty](#)
- [Meeting the equality duty in policy and decision-making](#)
- [Engagement and the equality duty: A guide for public authorities](#)
- [Objectives and the equality duty. A guide for public authorities](#)
- [Equality Information and the Equality Duty: A Guide for Public Authorities](#)

13.10 The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at:

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

## **14. Crime & disorder implications**

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

## **15. Equalities implications**

15.1 The Mayor & Cabinet report which approved the original policy in 2013 considered the equality implications of implementing such a policy. As this report does not recommend any significant changes to the policy it is suggested that the equality implications remain the same, and are outlined again below.

15.1.1 Age. The recommended policy is unlikely to have any adverse impact on age.



- 15.1.2 Disability. The recommended policy is unlikely to have any adverse impact on disability.
- 15.1.3 Gender. The recommended policy is unlikely to have any adverse impact on gender.
- 15.1.4 Gender reassignment. The recommended policy is unlikely to have any adverse impact on gender reassignment.
- 15.1.5 Marriage & civil partnership. The recommended policy is unlikely to have any adverse impact on marriage and civil partnership.
- 15.1.6 Pregnancy & maternity. The recommended policy is unlikely to have any adverse impact on pregnancy and maternity.
- 15.1.7 Race. The recommended policy is unlikely to have any adverse impact on race.
- 15.1.8 Religion & belief. The recommended policy proposes that buildings used mainly for worship or promotion of religious belief are not eligible for relief. The purpose of this is that the funding is to further the social and community purpose of organisations and is not to promote religion. This is in line with the council's approach on grant funding and other support to the faith sector. Whilst the recommended policy does exclude this sector, it excludes all faiths rather than just some. Faith organisations have also not been awarded discretionary rate relief historically.
- 15.1.9 Sexual orientation. The recommended policy is unlikely to have any adverse impact on sexual orientation.
- 15.2 In proposing the revised policy for awarding discretionary rate relief officers are confident that the simple and transparent allocation of limited funding is as fair as possible for all equality groups. The range of community organisations funded under the policy to date has been extremely broad, each serving different communities of interest and equality groups; and are a good cross section of all voluntary organisations.

## **16. Environmental implications**

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

## **17. Conclusion**

- 17.1 A policy for discretionary rate relief was developed and implemented in 2013 and has provided a fair, transparent and proportionate approach to awarding the limited budget for relief. This policy has been reviewed to ensure it is still fit for purpose; with some slight amendments made to the original voluntary sector sections, amendments to the schools section to take into account different funding arrangements, and a new category added to provide greater flexibility in supporting key voluntary sector partners.

If there are any queries on this report please contact **Petra Marshall, Community Resources Manager**, 020 8314 7034.

**Appendix 1 – Discretionary rate relief policy (2013)**

**Appendix 2 – RECOMMENDED REVISED Discretionary rate relief policy (2016)**

# Lewisham Council

## Discretionary rate relief policy

### October 2013

#### **PART 1: GENERAL INFORMATION**

##### **1. Introduction**

- 1.1 This policy, which was consulted on in 2013, details the criteria and process against which Lewisham Council will consider applications for discretionary rate relief under the Local Government Finance Act 1988. It is intended to be clear and understandable for both ratepayers and personnel administering rate relief. It has been designed to ensure fairness and consistency in allocating available budget.
- 1.2 Discretionary rate relief granted by Lewisham Council is paid for by the Council tax payers and the Council has a duty to ensure that public funds are spent wisely and there is due transparency and accountability.
- 1.3 This policy is separated into three sectors:
  - community and voluntary organisations
  - museums
  - schools
- 1.4 This policy is subject to two yearly review, or sooner if necessary, to ensure it continues to comply with current legislation and the council's priorities. The next review is due in October 2015.

##### **2. National Non Domestic Rates (business rates)**

- 2.1 National non domestic rates (NNDR or better known as business rates), collected by local authorities, are the way that those who occupy non-domestic property contribute towards the cost of local services. Under the business rates retention arrangements introduced from 1 April 2013, a proportion of the business rates paid is kept locally by the Council.
- 2.2 Every five years all non-domestic (business) properties are assessed and given new rateable values. The most recent revaluation took effect from 1 April 2010.
- 2.3 There are currently a number of different reductions available for business rates in Lewisham, as follows:
  - Transitional relief - help to phase in the effects of valuation changes by limiting increases in bills.
  - Empty properties - rates are not be payable in the first three months that the property is empty (six months for certain industrial properties).
  - Partly occupied property relief - where a property is partly occupied for a short time, the Council has discretion to award relief in respect of the unoccupied part.

- Hardship relief - granted if hardship is experienced and the business is considered to be important to the local community.
- Small business rate relief - supports small businesses who generally occupy only one property. Relief is available at 100% for eligible properties up to £6,000 rateable value and relief decreases at a proportional rate up to £12,000.
- Charity and discretionary relief - Charities are entitled to an 80% reduction in their bills. The Council has the discretion to grant relief in other circumstances, and this policy sets out eligibility for this

2.4 Please visit [www.lewisham.gov.uk](http://www.lewisham.gov.uk) for more information about business rates.

### 3. What is discretionary rate relief?

3.1 There are two types of charity and discretionary rate relief – mandatory and discretionary. The Local Government Finance Act 1988 requires local authorities to grant mandatory rate relief to the following categories of business rates payer:

- registered charities
- registered Community Amateur Sports Clubs (CASCs)
- village Post Offices, general stores, specialist food shops, public houses and petrol filling stations – where they are in a designated rural settlement.

3.2 Mandatory rate relief provides 80% reduction in business rates, and this is fully funded by central government.

3.3 Under the Localism Act 2011, local authorities also have the power to grant discretionary rate relief to cover some or all of the remaining 20% (commonly referred to as ‘top up’ relief) and up to 100% relief to other organisations.

### 4. Cost of discretionary rate relief

4.1 The cost of awarding discretionary rate relief is covered by both central government and local government.

4.2 The following tables outlines where the cost falls for each type of relief.

Type of relief	% funded by council	% funded by central government
80% mandatory relief for charities and community amateur sports clubs (CASCs)	0%	100%
Up to 20% discretionary relief to top up mandatory	50%	50%
Up to 100 % discretionary relief for other organisations	50%	50%

### 5. General criteria for all sectors

5.1 Except for mandatory relief, relief is not a matter of right; the council is entitled through this policy to determine different levels of discretionary relief according to the nature and circumstances of individual organisations.

5.2 The Council will consider each case in accordance with the eligibility criteria set out for each of the three areas below. These criteria are not restrictive and nothing in them

shall be taken as restricting the Council's ability to depart from its general policy as to the granting of relief if it sees fit to do so. It should also be noted that the Council's ability to grant discretionary rate relief may be limited by other factors, notably the budget available.

- 5.3 One year's notice must be given by the Council for the withdrawal of relief. As the award is for one year, this notice will be given alongside the offer of relief to successful applicants.
- 5.4 Recipients are required to notify the Council of any change of circumstances which may have an impact on the award of discretionary rate relief.
- 5.5 Should an applicant in receipt of discretionary rate relief be found guilty of unlawful activities for whatever reason, entitlement will be forfeited from the date of conviction.

## **PART 2: COMMUNITY SECTOR**

### **6. Eligibility criteria**

- 6.1 Lewisham Council recognises that the voluntary and community sector makes a major contribution to the economy, health and well being of the people who live and work in Lewisham. Providing discretionary rate relief is one way of supporting this sector.
- 6.2 The Council has limited budget for awarding discretionary rate relief, and seeks to use this limited budget to further support the voluntary sector in providing much needed services and support for our residents.
- 6.3 Therefore, discretionary rate relief will be **awarded only to community organisations eligible for mandatory rate relief**. This restricts discretionary rate relief to **registered charities and community amateur sports clubs (CASCs)**. The property must be wholly or mainly used for these purposes.
- 6.4 However, not all registered charities and CASCs will be awarded discretionary rate relief. The following **exclusions** will apply:
  - charity shops and cafes operated by trading arms of charities
  - housing associations
  - buildings used mainly for worship or promotion of religious belief
  - bodies operating a restrictive membership policy
- 6.5 For the sake of clarity, the following organisations and establishments are also **not** eligible for discretionary rate relief:
  - profit making organisations
  - non-profit making organisation who are not registered charities or CASCs
  - empty properties
  - car parking spaces
  - social clubs
- 6.6 Applicants will need to fulfil the following criteria, for which evidence may be requested:

- primarily benefit Lewisham residents – 85% or more of the organisation’s beneficiaries must be Lewisham residents
- demonstrate a link with the Council priorities, as set out in the Sustainable Community Strategy
- adhere to the Equality Act 2010

6.7 The council reserves the rights to set service outcomes for organisations in receipt of discretionary rate relief over £25,000.

## **7. Award limit**

7.1 Lewisham Council has a limited budget for awarding discretionary rate relief. It is highly likely that the number of eligible organisations (as set out in number 6 above) will exceed the budget available. In order to ensure a fair approach to who receives relief awards will be capped.

7.2 Awards will be capped based on rateable value; with priority being given to organisations with a lower rateable value. The cap level will vary each award year dependent on applications received. Organisations that apply, and that are eligible for the relief, will be ranked on their rateable value, from lowest to highest. The discretionary rate relief budget will then be allocated to organisations (starting with lowest rateable value in the list) until the budget runs out.

## **8. Duration of award**

8.1 Discretionary rate relief is an annual award. If relief is granted it will be awarded for a fixed period of one year only. Applicants must re-apply on an annual basis. It cannot be assumed that an award made in one year will automatically be awarded in future years.

8.2 Applications made during the award year (and after the deadline) will not be considered.

8.3 Until a discretionary rate relief application has been processed, each applicant organisation needs to make its own financial arrangements to pay business rates.

## **9. The application and decision process**

9.1 Applications for discretionary rate relief can be submitted in October for the following financial year. Application forms and details about how to submit are available from [www.lewisham.gov.uk](http://www.lewisham.gov.uk)

9.2 Applicants must complete the application form and return it, along with audited accounts, by the stated deadline date.

9.3 Rates are still due and payable during the application process.

9.4 Decisions on who is awarded discretionary rate relief will be made by the Head of Public Services. Any award over £10,000 (Council contribution) will be subject to Mayor & Cabinet approval.

- 9.5 Once a decision has been made the applicant will be notified by letter of the outcome of their application, by 31 January.
- 9.6 As this relief is discretionary there will be no right of appeal following the decision.

### **PART 3: MUSEUMS**

- 10.1 Lewisham has one museum which is a valued asset for the borough. The Council is committed to continuing to support the Horniman Museum, and especially its free access to residents.
- 10.2 The Horniman Museum will be exempt from any award limit by capping set out above. The museum will receive discretionary rate relief, regardless of the cap level set. This arrangement may be reviewed if required.

### **PART 4: SCHOOLS**

- 11.1 The Council practice currently is to provide discretionary rate relief to voluntary aided schools in receipt of mandatory rate relief. This is funded by the Dedicated Schools Grant (DSG).
- 11.2 Independent and private schools, and academies, with appropriate charitable status receive mandatory rate relief, but do not attract discretionary rate relief.
- 11.1 The Government is proposing that there should be changes to the national arrangements for the funding of schools in April 2015. If, as is likely, the Government identifies that the approach to discretionary rate relief is inconsistent across the country then previous experience indicates that a decision will be made to ensure that treatment is consistent and this might require a change to the arrangements in Lewisham.
- 11.2 Until such changes may come into place, the current practice on discretionary rate relief for voluntary aided schools will remain the same as in previous years. Department for Education (DFE) regulations require that all schools in a similar position should be treated similarly and as such to treat a school differently because of budget availability would not be a measure the DFE would approve for the operation of the dedicated schools grant funding of schools in Lewisham. Therefore, schools allocation of discretionary rate relief will not be capped in the same way community organisations are.

# **Lewisham Council**

## **Discretionary rate relief policy**

### **November 2016**

#### **PART 1: GENERAL INFORMATION**

##### **1. Introduction**

- 1.1 This policy, *which was consulted on in 2013 and reviewed in 2016*, details the criteria and process against which Lewisham Council will consider applications for discretionary rate relief under the Local Government Finance Act 1988. It is intended to be clear and understandable for both ratepayers and personnel administering rate relief. It has been designed to ensure fairness and consistency in allocating available budget.
- 1.2 Discretionary rate relief granted by Lewisham Council is paid for by the Council tax payers and the Council has a duty to ensure that public funds are spent wisely and there is due transparency and accountability.
- 1.3 This policy is separated into *four* sectors:
- community and voluntary organisations
  - museums
  - cultural and leisure
  - schools
- 1.4 *This policy will be reviewed on a regular basis as required to ensure it continues to comply with current legislation and the council's priorities.*

##### **2. National Non Domestic Rates (business rates)**

- 2.1 National non domestic rates (NNDR or better known as business rates), collected by local authorities, are the way that those who occupy non-domestic property contribute towards the cost of local services. Under the business rates retention arrangements introduced from 1 April 2013, a proportion of the business rates paid is kept locally by the Council.
- 2.2 Every five years all non-domestic (business) properties are assessed and given new rateable values. The most recent revaluation took effect from 1 April 2010.
- 2.3 There are currently a number of different reductions available for business rates in Lewisham, as follows:
- Transitional relief - help to phase in the effects of valuation changes by limiting increases in bills.
  - Empty properties - rates are not be payable in the first three months that the property is empty (six months for certain industrial properties).



- Partly occupied property relief - where a property is partly occupied for a short time, the Council has discretion to award relief in respect of the unoccupied part.
- Hardship relief - granted if hardship is experienced and the business is considered to be important to the local community.
- Small business rate relief - supports small businesses who generally occupy only one property. Relief is available at 100% for eligible properties up to £6,000 rateable value and relief decreases at a proportional rate up to £12,000.
- Charity and discretionary relief - Charities are entitled to an 80% reduction in their bills. The Council has the discretion to grant relief in other circumstances, and this policy sets out eligibility for this

2.4 Please visit [www.lewisham.gov.uk](http://www.lewisham.gov.uk) for more information about business rates.

### 3. What is discretionary rate relief?

3.1 There are two types of charity and discretionary rate relief – mandatory and discretionary. The Local Government Finance Act 1988 (and subsequent legislation) requires local authorities to grant mandatory rate relief to the following categories of business rates payer:

- registered charities
- registered Community Amateur Sports Clubs (CASCs)
- *registered Community Benefit Societies (previously Friendly Societies)*
- village Post Offices, general stores, specialist food shops, public houses and petrol filling stations – where they are in a designated rural settlement.

3.2 Mandatory rate relief provides 80% reduction in business rates, and this is fully funded by central government.

3.3 Under the Localism Act 2011, local authorities also have the power to grant discretionary rate relief to cover some or all of the remaining 20% (commonly referred to as ‘top up’ relief) and up to 100% relief to other organisations.

### 4. Cost of discretionary rate relief

4.1 The cost of awarding discretionary rate relief is covered by both central government and local government.

4.2 The following tables outlines where the cost falls for each type of relief.

Type of relief	% funded by council	% funded by central government
80% mandatory relief for charities and community amateur sports clubs (CASCs)	0%	100%
Up to 20% discretionary relief to top up mandatory	50%	50%
Up to 100 % discretionary relief for other eligible voluntary organisations	50%	50%
<i>Up to 100% for profit organisations including CICs</i>	100%	0%

### 5. General criteria for all sectors

- 5.1 Except for mandatory relief, relief is not a matter of right; the council is entitled through this policy to determine different levels of discretionary relief according to the nature and circumstances of individual organisations.
- 5.2 The Council will consider each case in accordance with the eligibility criteria set out for each of the three areas below. These criteria are not restrictive and nothing in them shall be taken as restricting the Council's ability to depart from its general policy as to the granting of relief if it sees fit to do so. It should also be noted that the Council's ability to grant discretionary rate relief may be limited by other factors, notably the budget available.
- 5.3 One year's notice must be given by the Council for the withdrawal of relief. As the award is for one year, this notice will be given alongside the offer of relief to successful applicants.
- 5.4 Recipients are required to notify the Council of any change of circumstances which may have an impact on the award of discretionary rate relief.
- 5.5 Should an applicant in receipt of discretionary rate relief be found guilty of unlawful activities for whatever reason, entitlement will be forfeited from the date of conviction.

## **PART 2: COMMUNITY SECTOR**

### **6. Eligibility criteria**

- 6.1 Lewisham Council recognises that the voluntary and community sector makes a major contribution to the economy, health and wellbeing of the people who live and work in Lewisham. Providing discretionary rate relief is one way of supporting this sector.
- 6.2 The Council has limited budget for awarding discretionary rate relief, and seeks to use this limited budget to further support the voluntary sector in providing much needed services and support for our residents.
- 6.3 Therefore, discretionary rate relief will be **awarded only to community organisations eligible for mandatory rate relief**. This restricts discretionary rate relief to **registered charities, community amateur sports clubs (CASCs), and Charitable Community Benefit Societies**. The property must be wholly or mainly used for these purposes.
- 6.4 However, not all registered charities, CASCs and Charitable Community Benefit Societies will be awarded discretionary rate relief. The following **exclusions** will apply:
  - charity shops and cafes operated by trading arms of charities
  - housing associations
  - buildings used mainly for worship or promotion of religious belief
  - bodies operating a restrictive membership policy
- 6.5 For the sake of clarity, the following organisations and establishments are also **not** eligible for discretionary rate relief:
  - profit making organisations
  - non-profit making organisation who are not registered charities or CASCs

- empty properties
- car parking spaces
- social clubs

6.6 Applicants will need to fulfil the following criteria, for which evidence may be requested:

- primarily benefit Lewisham residents – 85% or more of the organisation’s beneficiaries must be Lewisham residents
- demonstrate a link with the Council priorities, as set out in the Sustainable Community Strategy
- adhere to the Equality Act 2010

6.7 The council reserves the rights to set service outcomes for organisations in receipt of discretionary rate relief over £25,000.

## **7. Award limit**

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8.3 Until a discretionary rate relief application has been processed, each applicant organisation needs to make its own financial arrangements to pay business rates.

## **9. The application and decision process**

9.1 Applications for discretionary rate relief can be submitted in October for the following financial year. Application forms and details about how to submit are available from [www.lewisham.gov.uk](http://www.lewisham.gov.uk)

9.2 Applicants must complete the application form and return it, along with audited accounts, by the stated deadline date.

- 9.3 Rates are still due and payable during the application process.
- 9.4 Decisions on who is awarded discretionary rate relief will be made by the Head of Public Services. Any award over £10,000 (Council contribution) will be subject to Mayor & Cabinet approval.
- 9.5 Once a decision has been made the applicant will be notified by letter of the outcome of their application, by 31 January.
- 9.6 As this relief is discretionary there will be no right of appeal following the decision.

### **PART 3: MUSEUMS**

- 10.1 Lewisham has one museum which is a valued asset for the borough. The Council is committed to continuing to support the Horniman Museum, and especially its free access to residents.
- 10.2 The Horniman Museum will be exempt from any award limit by capping set out above. The museum will receive discretionary rate relief, regardless of the cap level set. This arrangement may be reviewed if required.

### **PART FOUR: CULTURAL AND LEISURE SECTOR**

- 11.1 *Lewisham has a long standing commitment to support cultural, sporting and arts organisations within the borough. The council reserves the right to consider awarding discretionary rate relief to particular organisations running cultural and leisure facilities. General applications will not be considered for this category, instead the council will maintain a list of nominated and eligible organisations that it will consider awarding relief to on an annual basis. Those organisations on the list must complete the annual discretionary rate relief application process as outlined in section 9 above.*
- 11.2 *In order for an organisation to be added to the list it must meet a number of eligibility criteria as follows:*
- *Must meet the general criteria laid down in Part 2: Voluntary sector (paragraphs 6.1-6.7); most notably be a charitable organisation in receipt of mandatory relief*
  - *Must operate a cultural or leisure facility which is open to the public for general use*
  - *Must be deemed a priority organisation and have a relationship with the council – demonstrated through delivering services to Lewisham residents that meet council priorities AND having a grant aid agreement or contract in place for the full rate relief year in question*
  - *Schools operating leisure facilities are exempt from this category*

### **PART 5: SCHOOLS**

- 12.1 *Voluntary aided schools receive mandatory rate relief but not discretionary rate relief.*

12.2 *Independent and private schools, and academies, with appropriate charitable status receive mandatory rate relief, but do not attract discretionary rate relief.*

# Agenda Item 8

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

<b>Date of Meeting</b>	11 <sup>th</sup> January 2017
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<b>Title of Report</b>	Ashmead Primary School and Addey & Stanhope School expansions: Results of consultations
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<b>Originator of Report</b>	Kate Bond	<b>Ext 46142</b>
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At the time of submission for the Agenda, I confirm that the report has:

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

Signed:  Executive Member

Date: 3<sup>rd</sup> January 2017

Signed:  Executive Director

Date: 20<sup>th</sup> December 2016

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

<b>MAYOR AND CABINET</b>			
<b>Report Title</b>	Ashmead Primary School and Addey & Stanhope School Expansions: Results of Consultations		
<b>Key Decision</b>	Yes	Item No.	
<b>Ward</b>	Brockley, New Cross		
<b>Contributors</b>	Executive Director for Children and Young People		
<b>Class</b>	Part 1	Date:	11 January 2017

## **1. Summary**

- 1.1 This report follows on from two Mayor and Cabinet reports from September 2016 requesting permission to conduct an initial consultation on the proposals to expand Ashmead Primary School from 1 form of entry to 2 forms of entry (from 30 to 60 pupils per year), and Addey and Stanhope School from 4 forms of entry to 6 forms of entry (from 120 to 180 pupils per year).
- 1.2 This report provides the results of those consultations and then goes on to seek permission to commence the formal statutory process, specifically the Publication and Representation phases.

## **2. Purpose**

- 2.1 The report feeds back on the consultations and requests the Mayor's permission to move forward with the formal statutory process on the proposals to enlarge Ashmead Primary School from 1 to 2 forms of entry with effect from September 2017, and Addey and Stanhope School from 4 to 6 forms of entry, with effect from September 2018.

## **3. Recommendations**

- 3.1 The Mayor is recommended to note;
- 3.2 The results of the consultation on the proposal to enlarge Ashmead Primary School from 1 to 2 forms of entry with effect from September 2017.
- 3.3 The results of the consultation on the proposal to enlarge Addey and Stanhope School from 4 to 6 forms of entry with effect from September 2018.
- 3.4 The Mayor is recommended to agree;
- 3.5 That officers commence the formal statutory process to consult on the proposal to enlarge Ashmead Primary School from 1 to 2 forms of entry with effect from September 2017.
- 3.6 That officers commence the formal statutory process to consult on the proposal to enlarge Addey and Stanhope School from 4 to 6 forms of entry with effect from September 2018.

3.7 That officers report back to Mayor and Cabinet by the end of spring 2017 with the results of both 'Representation' periods requesting Mayoral decisions as the statutory decision maker.

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

4.1 The proposals within this report are consistent with '*Shaping Our Future: Lewisham's Sustainable Community Strategy*' and the Council's corporate priorities. In particular, they relate to the Council's priorities regarding *young people's achievement and involvement*, including *inspiring and supporting young people to achieve their potential*, the *protection of children and young people* and *ensuring efficiency, effectiveness and equity in the delivery of excellent services to meet the needs of the community*.

4.2 The Local Authority has a duty to ensure the provision of sufficient places for pupils of statutory school age and, within financial constraints, accommodation that is both suitable and in good condition.

4.3 In aiming to improve on the provision of facilities for education in Lewisham which are appropriate for the 21<sup>st</sup> century, the implementation of a successful school places strategy will contribute to the delivery of the corporate priority *Young people's achievement and involvement: raising educational attainment and improving facilities for young people through partnership working*.

4.4 It supports the delivery of Lewisham's *Children & Young People's Plan (CYPP)*, which sets out the Council's vision for improving outcomes for all children and young people, and in so doing reducing the achievement gap between our most disadvantaged pupils and their peers. It also articulates the objective of improving outcomes for children with identified SEN and disabilities by ensuring that their needs are met.

#### **4.5 The Schools Capital Programme and Lewisham's Primary Strategy for Change**

4.5.1 A priority in the current Primary Strategy for Change (PSfC) is the provision of sufficient places at the right time to meet future needs in the Borough. As stated in Lewisham's June 2008 PSfC: "*Ensuring that sufficient places are provided at the right time will take precedence over significant investment in schools where the rectification of conditions and suitability issues will not produce additional places*"

4.5.2 The borough's School Capital Programme continues to be governed by the following criteria as set out in the 2008 PSfC:

- Provide sufficient places at the right time to meet future needs within and between planning localities in the Borough
- Improve conditions and suitability of schools in order to raise standards
- Increase the influence of successful and popular schools
- Maximise the efficient delivery of education in relation to the size of the school, removing half-form entries and promoting continuity of education
- Enable school extended services for pupils, parents and communities
- Optimise the Council's capital resources available for investment.

4.5.3 Additionally, as presented to the Children and Young People Select Committee in January 2017, forecasting has flagged an additional 2 forms of entry of secondary provision in 2018/19 and a new school in 2020. The report also stated that overall in order to meet anticipated demand up to 2025 Lewisham will;



- Identify and progress further options for enlarging existing schools
- Re-cycle existing bulge classes
- Consider the need for up to;
  - 3 additional primary schools
  - 2 additional secondary schools
  - 1 or 2 additional special schools

#### 4.6 ***A new School Place Planning Strategy***

4.6.1 The recent Lewisham Education Commission Report recommended that the Council to develop a new 5 year Place Planning Strategy that will succeed the existing Primary Strategy for Change. Officers have reviewed school expansion to date and future need and the draft strategy currently out for public consultation will be considered by CYP Select Committee in January 2017 and is planned to be taken to Mayor and Cabinet in March 2017 for approval prior to an April 2017 launch.

4.6.2 Whilst this review and strategy development is important to help guide us moving forwards, it should be noted that the population in Lewisham continues to rise and the demand for school places also follows that trend. As such in the interim officers are continuing to pursue both this 1FE expansion of Ashmead Primary School and 2FE expansion of Addey and Stanhope School.

#### 4.7 ***School Organisation Requirements***

4.7.1 Proposals to establish additional provision on a permanent basis must comply with the provisions set out in *The Education and Inspections Act 2006 (EIA 2006)* and *The School Organisation (Prescribed Alterations to Maintained Schools)(England) Regulations 2013*. These set out the statutory process for making changes to a school, and statutory guidance on making changes to a maintained school indicates 4 stages to making a prescribed alteration to a maintained school. These are:

- 1) Publication of a Statutory Notice
- 2) Representation period
- 3) Decision making
- 4) Implementation

4.7.2 However, it is seen as good practice to have a period of more informal consultation before publishing a statutory notice, to enable officers to have a proper conversation with the local community regarding possible expansion and to enable the Mayor to have a fuller understanding of local opinion prior to entering into the formal statutory process. This has now taken place, the results of which are summarised below and provide in full in the appendices.

4.7.3 As such we are now recommending approval to commence the formal statutory process for the proposed expansion of both Ashmead Primary School, and Addey and Stanhope School. More specifically that officers should complete 'Stage 1: Publication' by publishing the proposal, and 'Stage 2: Representation' by conducting a formal 4 week period of representation, commencing on the day of Publication.

4.7.4 In the case of the proposed Addey and Stanhope expansion we are looking at the proposal to expand on to an additional site (the Mornington Centre) which adds additional elements to the process that have to be covered to show that we are not in effect opening a new school, which should therefore be created under the 'Free School presumption'

4.7.5 These elements to be considered within any proposal need to focus on the following questions;

**The reasons for the expansion**

- What is the rationale for this approach and this particular site?

**Admission and curriculum arrangements**

- How will the new site be used (e.g. which age groups/pupils will it serve)?
- What will the admission arrangements be?
- Will there be movement of pupils between sites?

**Governance and administration**

- How will whole school activities be managed?
- Will staff be employed on contracts to work on both sites? How frequently will they do so?
- What governance, leadership and management arrangements will be put in place to oversee the new site (e.g. will the new site be governed by the same governing body and the same school leadership team)?

**Physical characteristics of the school**

- How will facilities across the two sites be used (e.g. sharing of the facilities and resources available at the two sites, such as playing fields)?
- Is the new site in an area that is easily accessible to the community that the current school serves?

4.7.6 Additionally the proposal for Addey and Stanhope will need to be sent to the School Organisation department within the DfE for monitoring purposes.

4.7.7 With regards to Addey and Stanhope, the expectation is that the new site would be used for KS4 education and therefore should have no issues in proving that it is not a new school.

## **5. Background**

5.1 Regarding school expansions, Mayor and Cabinet and the Children and Young People Select Committee have received regular reports detailing the pressure on school places (typically primary) and the measures taken to increase supply. These reports have also highlighted the impending pressure on secondary places as a result of the primary bulges moving through the system, coupled with additional pressure on secondary places in neighbouring local authorities (currently Lewisham is a net exporter of secondary age pupils).

5.2 Historically these have usually been in the form of permanent whole-school expansions or the introduction of either temporary or permanent single year group expansion (bulge classes). However, these have usually been primary school expansions where need has been urgent and where we have a large xxxxxxxx schools. Within secondary schools only permanent expansions are viable 'bulge' classes are not an option.

## **6. Forecasting, demand and viability**

### ***Ashmead Primary School***

6.1 Current forecasting shows that within the Brockley, Lewisham and Telegraph Hill pupil place planning locality that the local primary school place deficit will reach 60 places in 2017/18.

6.2 As such the ability to 'recycle' the bulge class at Ashmead will go some way to easing that pressure in anticipation of a permanent expansion being in place from

September 2018. It is important to note that Ashmead Primary School continues to be oversubscribed year on year. In the primary admissions round for 2016/17, Ashmead Primary School received 80 1<sup>st</sup> and 2<sup>nd</sup> preference applications, far outstripping the 30 places available by 133%

- 6.3 Regarding the potential expansion scheme, a feasibility exercise has taken place which suggests that the site can accommodate a 1 form of entry expansion and that in all likelihood this would be achieved via a new separate building. Clearly, this sort of solution would have less of an impact on the school and the teaching and learning environment during the construction phase.
- 6.4 In terms of standards and ensuring that the teaching and learning environment, the school was last Ofsted inspected in 2012, the result being that the school achieved a 'Good' rating regarding its overall effectiveness.
- 6.5 It should also be noted that the expected changes to the school funding formula will most likely make it even harder for single form of entry schools to remain financially viable, and that the proposed expansion of the school will help the school to realise some economies of scale that allow it to continue to invest in teaching and learning moving forwards.
- 6.6 To date officers have held initial discussions with governors at the school who are minded to consider the proposed expansion of the school and believe that to be in the best interests of the school. Staff and governors both played an active part in the consultation process
- 6.7 Overall this rationale should be seen as a clear example of a school where local residents and the school itself would benefit from permanent expansion.

***Addey and Stanhope School***

- 6.8 Current GLA forecasting shows that within Lewisham the need for secondary school places is going to rise over the next eight years as follows;

School Year	Year 7 cohort Projection
2016/17	2417
2017/18	2557
2018/19	2768
2019/20	2817
2020/21	2968
2021/22	2964
2022/23	3037
2023/24	3080

- 6.9 Currently there are 2667 places within Secondary schools in the Borough, showing that from 2018 there will be a forecasted deficit if we do not consider secondary school expansion (or new schools).
- 6.10 As such the ability to add an additional 2 forms of entry at Addey and Stanhope School will go some way to meeting this need.
- 6.11 Regarding the potential expansion scheme, a feasibility exercise has taken place which suggests that the Mornington Centre building when reconfigured can

accommodate what is required to provide an appropriate environment for KS4, and would then allow the school to expand its intake to 180 pupils each year.

- 6.12 The benefit of utilising an 'annexe' site is that there should be very little impact on the school during the construction phase, indeed the expectation would be that the construction company would provide some educational outreach to current pupils so that the school can play (and receive) a positive part of the process.
- 6.13 In terms of standards the school was last Ofsted inspected in 2012, the result being that the school achieved a 'Good' rating regarding its overall effectiveness. In addition the school's provisional GCSE results for 2016 show a positive improvement.
- 6.14 It should also be noted that the expected changes to the School funding formula will most likely make it even harder for smaller secondary schools to remain financially viable, and that by this proposed expansion, we will help the school to realise some economies of scale that allow it to continue to invest in teaching and learning moving forwards. Indeed officers' current belief is that a secondary school needs to be a minimum of 6 forms of entry to be viable, especially in the context of forthcoming funding changes.
- 6.15 To date officers have held initial discussions with the school's governing body who are supportive of the expansion of the school. Staff and governors both played an active part in the consultation process
- 6.16 Overall this is a clear example of a school that would benefit from expansion.

## **7. Consultation Results**

### **7.1 Ashmead Primary School**

- 7.1.1 The consultation was held over a six week period from 6 October 2016 through to 17 November 2016. Local residents in the neighbouring streets as well as parents and staff from the school all received letters alerting them to the consultation, inviting them to comment.
- 7.1.2 A public meeting was held at the school on the evening of the 2 November 2016 at which a small group of parents and local residents attended to hear more about the expansion proposal from the Deputy Chair of Governors, Head Teacher and Lewisham's Service Manager for School Place Planning.
- 7.1.3 In total 29 responses to the consultation were received. Of which 18 were in favour of the expansion proposal (mainly due to the benefit that they believed it would have on school finances and being able to ensure local children could access the school), 5 were unsure (mainly due to a lack of clarity as to the exact plans to achieve the expansion) and 6 were against (mainly due to a belief that the site is too small and that there would be a marked increase in traffic and parking issues). Full anonymised responses can be found in Appendix 2.
- 7.1.4 Overall officers believe that the majority of consultation respondents are of the belief that an expansion is a good idea and that with sympathetic design and effective travel management solutions can be achieved.

## **7.2 Addey and Stanhope School**

- 7.2.1 The consultation was held over a five week period from 9 November 2016 through to 14 December 2016. Local residents in the neighbouring streets as well as parents and staff from the school all received letters alerting them to the consultation, inviting them to comment.
- 7.2.2 A public meeting was held at the school on the evening of the 7 December 2016 at which a small group of local residents attended to hear more about the expansion proposal from the Chair of Governors, Head Teacher and Lewisham's Service Manager for School Place Planning.
- 7.2.3 In total only 7 responses to the consultation were received. Of which 4 were in favour of the expansion proposal (mainly due to the need for places in the local area along with the sense to re-use an old school building), and 3 were against (mainly due to a belief that there would be a marked increase in traffic as previously when Hatcham Temple Grove was decanted to the site there were issues, and also one respondent did not feel that the school would be positive for staff working on a dual site). Full anonymised responses can be found in Appendix 2.
- 7.2.4 Overall officers believe that the majority of consultation respondents are of the belief that an expansion is a good idea. We feel that the older age of pupils will have a lesser effect on traffic compared to primary age use (as with Hatcham Temple Grove) and that with effective travel plans this should be widely mitigated. As for the issues regarding staffing at school this is an aspect that we believe is covered within the school and governing body letter of support which outlines how the leadership believes that the expansion will have a positive effect on staffing including aiding recruitment, retention and development.

## **8. Financial Implications**

### **Capital Financial Implications**

- 8.1 This report recommends the commencement of the statutory process be undertaken on the proposals to enlarge Ashmead Primary School from 1 to 2 forms of entry with effect from September 2017, and Addey and Stanhope School from 4 to 6 forms of entry with effect from September 2018. Any capital costs in delivering these enlargements would be funded from the School Places capital programme.
- 8.2 A review of the School Places capital programme has identified that there is a shortfall in resources anticipated for 2016/17; the forecast programme expenditure in 2016/17 exceeds the forecast available resources, which includes Basic Need grant and S106 contributions. The exact amount of the shortfall will depend upon factors such as delivery timescales, defects and retention withholdings, and the allocation of S106 contributions, but could potentially be as high as £3m. The Council will need to use capital reserves to finance the shortfall..
- 8.3 The School Places capital programme is forecast to have available resources of £6.8m in 2016/17, and further receipts of Basic Need grant of £10.6m and £14.1m are expected in 2017/18 and 2018/19 respectively. An announcement on funding for 2019 onwards is expected in January/February 2019

## **Revenue Financial Implications**

- 8.4 All on-going revenue costs of running the enlarged schools will be met from the resources of the Dedicated Schools Grant.

## **9. Legal Implications**

- 9.1 The Human Rights Act 1998 safeguards the rights of children in the Borough to educational provision, which the Council is empowered to provide in accordance with its duties under domestic legislation.
- 9.2 Section 14 of the Education Act 1996 obliges each local authority to ensure that there are sufficient primary and secondary school places available for its area i.e. the London Borough of Lewisham, although there is no requirement that those places should be exclusively in the area. The Authority is not itself obliged to provide all the schools required, but to secure that they are available.
- 9.3 In exercising its responsibilities under section 14 of the Education Act 1996 a local authority must do so with a view to securing diversity in the provision of schools and increasing opportunities for parental choice.
- 9.4 The Education and Inspections Act 2006 places requirements on Authorities to make their significant strategic decisions concerning the number and variety of school places in their localities against two overriding criteria:
- to secure schools likely to maximise student potential and achievement;
  - to secure diversity and choice in the range of school places on offer.
- 9.5 Section 19 of the Education and Inspections Act 2006 provides that where a local authority or the governing body of a maintained school proposes to make a prescribed alteration to a maintained school and it is permitted to make that alteration, it must publish proposals.
- 9.6 The School Organisation (Prescribed Alterations to Maintained Schools) (England) Regulations 2013 provide that proposed enlargements of school premises which would increase the capacity of the school by more than 30 pupils and by 25% or 200 pupils (whichever is the lesser), or changes to the age limit of a school are prescribed alterations which means that statutory proposals have to be published, and there must be a period of four weeks for representations before a decision is made. This does not apply to temporary enlargements where it is anticipated that the enlargement will be in place for less than 3 years, or a rise in the number anticipated lasting only one year.
- 9.7 The Council, before making any decision regarding the expansion of a school, must ensure that capital funding is in place, interested parties have been consulted, the statutory notice is published and there has been a four week period for representation.

## **Equalities Legislation**

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

- 9.9 In summary, the Council must, in the exercise of its functions, have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
  - advance equality of opportunity between people who share a protected characteristic and those who do not.
  - foster good relations between people who share a protected characteristic and those who do not.
- 9.10 It is not an absolute requirement to eliminate unlawful discrimination, harassment, victimisation or other prohibited conduct, or to promote equality of opportunity or foster good relations between persons who share a protected characteristic and those who do not. It is a duty to have due regard to the need to achieve the goals listed at 9.8 above.
- 9.11 The weight to be attached to the duty will be dependent on the nature of the decision and the circumstances in which it is made. This is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. The Mayor must understand the impact or likely impact of the decision on those with protected characteristics who are potentially affected by the decision. The extent of the duty will necessarily vary from case to case and due regard is such regard as is appropriate in all the circumstances.
- 9.12 The Equality and Human Rights Commission has issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled “Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice”. The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at:
- [www.equalityhumanrights.com/en/advice-and-guidance/equality-actcodes-practice](http://www.equalityhumanrights.com/en/advice-and-guidance/equality-actcodes-practice)
- [www.equalityhumanrights.com/en/advice-and-guidance/equality-acttechnical-guidance](http://www.equalityhumanrights.com/en/advice-and-guidance/equality-acttechnical-guidance)
- 9.13 The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:
- The essential guide to the public sector equality duty
  - Meeting the equality duty in policy and decision-making
  - Engagement and the equality duty: A guide for public authorities
  - Objectives and the equality duty. A guide for public authorities
  - Equality Information and the Equality Duty: A Guide for Public Authorities
- 9.14 The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at:

[www.equalityhumanrights.com/en/advice-and-guidance/public-sectorequality-duty-guidance#h1](http://www.equalityhumanrights.com/en/advice-and-guidance/public-sectorequality-duty-guidance#h1)

9.15 A further report will be brought to the Mayor by the end of Spring 2017 on the results of the representations and full legal implications associated with those proposals will be set out in that further report.

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

10.1 There are no crime and disorder implications.

## **11. Equalities Implications**

11.1 This report supports the delivery of the Council's Equalities programme by ensuring that all children whose parents /carers require a place in a Lewisham school will be able to access one.

## **12. Environmental Implications**

12.1 Every effort will be made to enhance rather than detract from school environments in the solutions to providing additional school places.

## **13. Background documents**

Appendix 1 - Ashmead Primary School Permission for Consultation M&C report – 7.9.16  
<http://councilmeetings.lewisham.gov.uk/ieListDocuments.aspx?CId=139&MId=4304>

Appendix 2 - Ashmead Primary School Consultation Results – Qualitative

Appendix 3 - Addey and Stanhope School Permission for Consultation M&C report - 28.9.16

Appendix 4 - Addey and Stanhope Primary School Consultation Results - Qualitative

If there are any queries on this report, please contact Matt Henaughan, Service Manager, School Place Planning on 0208 314 8034



ID	Yes/No/Don't Know
1	Yes
2	Yes
3	Yes
4	Yes
5	Yes
6	Yes
7	No
8	I Don't Know
10	No
11	Yes
12	Yes
13	I Don't Know
15	No
16	I Don't Know
17	No
18	I Don't Know
19	I Don't Know
20	Yes
21	Yes
22	Yes
23	Yes
24	Yes
25	No
26	Yes
27	No
28	Yes
29	Yes
30	Yes
31	Yes

**Don't Know**  
**No**  
**Yes**  
**Total Responses**

Reason - What are the reasons for your views?

There is a severe shortage of school places for children in the area. Some children locally have been sent to schools in other areas.

1. There is a need for additional pupil places (it was short sighted of the borough not to rebuild Ashmead as a 2 form entry school).

There is a shortage of school places in Lewisham so we need the school places. I also think that it will be good for it to have extra capacity.

1. Demand for school places in the local area outstrips current provision. When the school was rebuilt a few years ago it was a 2 form entry school. Ashmead is a popular school serving the local community but due to the changing demographic and increasing pupil numbers the site is too small for a 2 form entry school. Staggered playtimes will result in an increase in noise levels impacting on the local community. I find it very hard to park on the road during school drop off and pick up times. Recently the council did a survey and the majority of responses were in support of the expansion. The site is not big enough. There will be major time tabling issues with staggered lunch times, hall and playground. This is the right long-term decision for the school and local community due to the demand on places in the area. The main reason for offering my support for the plan is the positive community impact the school expansion will have. This will have implications for the physical building. How can we give an opinion if the details are so scanty? It is a difficult decision. I do not believe the proposal is taking into consideration the significant impact of doubling the number of children on the local community. I am concerned that the outdoor play area will be too small to accommodate the increase in pupil numbers. It will impact on the local community. We chose Ashmead for its uniquely small and nurturing environment. The Head and Deputy Head are very professional and caring. While understanding the need generally for more school places in Lewisham I'm concerned that the character of the school will be lost.

None

Because we do. The school is an important part of our community.

Having a larger intake better supports the community and gives the school the best chance of keeping control of the school.

I think it is necessary to enlarge the school for it survive in this era of funding/budget cuts and it is important to ensure the school has a future.

Assuming Lewisham works collaboratively with the school and community to implement the changes in a way that is fair to all.

There is a desperate need for more primary school places, particularly in the St Johns' end of Brockley. The local authority has a duty to provide for all children in the area.

The school doesn't have an adequate outdoor play space for the amount of children proposed, adding a building would solve this problem.

Overall I am in support of the proposal. The community needs more school places and the local authority is under a duty to provide for all children in the area.

1. We believe that the pedestrian and vehicle congestion in Ashmead Road at Ashmead School morning drop off and pick up times is a major issue. I support the expansion of 2FE at Ashmead because it will hopefully put the school in a better position financially. Financially it makes sense for the future of a one form entry school. More teachers will give better quality provision. I think it will give the school a positive future. It will open the school up to meet the needs of a primary school in the area. Ashmead is a community school, it is over subscribed every year and expansion would mean more local children would have a place at the school.

5  
6  
18  
29

hools miles away. This will make a huge difference. I was amazed when the school was rebuilt a few years ago (2 form entry school in 2008) 2. Retention of staff is greater in 2 form entry schools as there are greater opportunities for the school and the children, even though my children will not benefit from this change themselves. As a

years ago it should have gone two form entry to meet that demand - as successive bulge classes have demonstrated the popularity of the area with young families, it is not able to meet demand. I think the proposed expansion will be impacting on the quality of the learning environment for those children not able to go out and play. There will be concerns regarding having residents parking permits which I would be in favour of, however we have not had any funding for outdoor spaces, assemblies. The EYFS outdoor area is not big enough now so space a major issue there. There will be a need for an inner city London school the playground space is very large and, with an imaginative approach, they could have. Anecdotally, one hears of many children unable to attend a school in their local area. That creates a traffic issue which will also have an effect on the traffic. The journeys to school should be part of the considerations.

Children have concerns on surrounding areas with the increase of traffic and disruption, especially at pick up and drop off times. It is difficult to agree to the proposal when we do not know where the new classrooms will be situated. I am concerned about the impact on a daily basis and know each family well. Expanding Ashmead will ultimately mean that Ashmead loses its identity. The loss of Ashmead will be adversely impacted by expansion. It is a popular school I think because of its small size and

of its own affairs, continuing the excellent work it does to educate, nurture and foster the children in the area. I think that there are enough places for the children of the area to go to school.

A proposal that preserves the current ethos and protects the wellbeing of current pupils (e.g. by maximising play space) is essential. Local authority's own population projections have shown for years that this need would arise but Ashmead was not built to expand and losing more space wouldn't help with this matter. Children need access to space for running and play. It is not possible to build new schools to provide school places. There may be benefits to the pupils e.g. better resources, shorter morning off and afternoon picking up times are currently excessive for a small residential road with narrow pavements. I think it is important to ensure that the school remains a primary school and if Ashmead were pushed to academise. I have some concerns though, as have many parents. I think the school should continue to provide a good learning and learning for the children.

There is a shortage within the borough. It will help with teacher retention. It will be positive as long as the building remains and children are being able to access the excellent learning at the school. In the current funding environment becoming a 2-

go that it wasn't rebuilt as a 2 form entry school! Along with Prendergast Vale! Both huge oversights as f  
rtunities for career progression - this will lead to even better quality education for Ashmead children 3.  
long standing resident, I would like to say that this proposal reveals a shocking lack of foresight on the p

strated - the rebuild was a missed opportunity. 2. I believe that local children should be able to go to the  
ill mean that more children can benefit from the supportive environment and positive learning envirom  
be a loss of focus. There will be added stress on staff with the administration and oversight of a larger sc  
eedback on the survey. A lot of parents use the station after dropping off at breakfast club at the school.  
ill be constant noise and movement through the school at all times. This does not support a calm and cc  
e challenges of expansion should be able to be comfortably met.

es logistical issues for parents (particularly working parents), and also potentially excludes children from

imes. Ashmead Road is already very difficult at these times and it spills out into surrounding streets, mal  
concerned about the noise and disruption that current pupils will be subjected to, especially those childr  
es this very special feeling and become much more institutional. The playground is already quite small a  
nd the intimacy that this affords - all the children know each other by sight if not by name and get enor

ea.

, preserving the trees, Oproving leadership support during the transition) I believe an expansion would  
s still rebuilt as a one-form entry. As a result of this short-sightedness, children from this area have been  
ving to be able to focus on their academic progress.

s, increase in the after school provisions, staff expertise and retention, better preparation for secondary  
ments. The proposed expansion of Ashmead School will obviously make this situation far worse creating  
space is a huge issue and would want to see as little playground space loss as possible. The timeframe is

me frame works well. Also as long as the building extension is done well to maximise all potential space,  
form entry school will help ensure the school's future and the resources needed to support children's le

far as I'm concerned.

Improved resourcing due to economies of scale - again leading to better quality provision 4. Supportive part of Lewisham council. When the school was rebuilt 10 years ago it should have been built as a 2 form

near local school. 3. Bulge classes are hard to manage. Permanent expansion is a better solution to the problem that the school is known for. This must be a good thing for the local community.

school. Time tabling of limited facilities will be very tight. There will be insufficient space for a full school area, on top of the usual commuters who park on the road. If the parking permit was introduced to stop pedestrian conducive learning environment. Also, there will be issues with staff carparking, parent carparking, increased

access (or at least limits access to) a local school based community, in which your neighbours are your classmates

making it difficult for people who live in the immediate vicinity. St Johns is a small conservation area and by the time in higher years that have SATS etc, the noise level could be very disruptive. If the school were to become a primary school this very well utilised resource will be further stretched. I suspect our small 'Forest' will also be a victim of this. I would like to see more support in feeling part of this little big family. Increased primary provision in this particular area is

to be in the best interests of our community.

is routinely shipped out to far-flung corners of the borough, in a breach of Lewisham's own environmental

transition by being in a larger school. However, I am concerned about the impact the building works will have; far more inconvenience to residents and a danger to pedestrians and pupils attending in the school. 2. It is also a concern. I had thought this would take place (if it went ahead) over one academic year 2017-8, but

, particularly in light of the outside space that will be lost.

Learning Two-form entry would give greater career development opportunities to staff and help in the recruitment

of schools remaining under local authority control - this is the only way for the LA to increase school places. This would have reduced the amount of disruption and saved a great deal of money.

problem of high demand for school places than an ongoing series of short term measures. How can schools

assembly. How will twice a week physical education be time tabled for the extra 150 pupils. There will be a problem with parking on our road for drop off and using the station then I would be in favour otherwise I have seen the impact of increased foot traffic on the pavements and space for drop offs and pick ups. A new school in another location

is not an option. We consider that Ashmead should embrace the proposal and view this as an opportunity. Attendance

of doubling the local school in size, it will have a significant impact on local residents. This warrants much more than a simple 2 form entry and break times were split then this would also mean an increase in noise for those children living near the school. In my opinion of any expansion I worry about the impact extensive building work will have on the children - noise is a major concern. One thing..but there is still a huge concern over lack of senior school places for these children to progress.

and sustainability goals. The authority has dealt with a borough-wide shortage by putting in bulge classes which

will have an impact on pupils and how this will be managed to minimise lost learning time. I am concerned about the impact on the school. We cannot comprehend why there was no provision for future proofing Ashmead School when it was redeveloped but I'd be surprised if it could start in time, which has implications for quality of schooling.

recruitment of excellent teachers, supporting children at the school This would increase skills and excellence

aces 5. Ashmead has the space to grow I imagine parents may be anxious about the 'potential loss of the f money in the long term. Given the lack of planning and foresight on the part of the council I will be kee

s plan their staffing structures when they don't know how many classes they will have from year to year

limited facilities available for after school clubs. There will be too many pupils on site for drop off and p  
icere reservations.

ould be a better option so better planning could take place. Will Forest School be lost? Will children l

g a nearby school has a host of benefits, and Ashmead's ability to bring those benefits to an increased sc

more serious consideration and consultation.

ildren in class. The school hall is only just able to accommodate those pupils currently at the school. We  
ind disruption etc. Should planning not have factored in provision for schools when the high density buil  
ss to.

which have made the problem worse as in subsequent years, siblings from much further away have knoc

t the loss of essential outdoor play space. I am concerned about how the split play/lunch times will be m  
:built in 2008. The school has already been extended since, in 2012 and the proposed expansion of the s

ce - and two-form tracking allows better data, supportng the progress of children

community feel' and children being 'lost' in a bigger school. The prime relationship between the child (i  
en to ensure that issues such as access, parking restrictions on Ashmead Rd. and so on are carefully thou

? 4. Ashmead is a good school, and I believe that success should be more accessible. 5. The budgetary co  
pick up. There will be an increase in vehicle and foot traffic on Ashmead Rd. There will be insufficient par  
have enough time and space in the cage at lunch times? Will there be enough halls and open space so th  
chool population is to be welcomed, in our view.

ould this area also be enlarged? it would be a shame if the whole school, or at the very least the key stag  
dings in Lewisham were approved? Surely another school would be the answer rather than cramming m

cked out places for children living on the doorstep of Ashmead. This shortage will be exacerbated by the  
managed. For example, how will the school minimise pupils being distracted in the class while others are  
chool will cause further noise, dust and disruption for residents of Ashmead Road during the constructic



their parent) and the school is with their class teacher and this doesn't change regardless of the size of the school. I am also keen to ensure that there remains adequate outdoor space for the children. Constraints on one form entry schools are getting harder every year, and expansion is a very constructive way of dealing with this. Making available on site for the increased number of teachers. Early years need separate play areas - how can we ensure that each class can have 2 hours of PE time per week including staggered lunch times? (This will reduce the need for additional space)

Some schools were not able to come together for assemblies, school plays, lunch times etc. This coming together could be a way to bring more children into a space that is already at capacity.

High rise developments near Lewisham station, without any corresponding increase in nearby school playgrounds. It will be helpful to know more about the council's proposals for building works, and playground works.

he school.

ie children at the school. It's green space is a wonderful asset that must not be lost, so some excellent a

way of managing that challenge. Without clear plans to address the changing financial times schools wil

will this be impacted? What will be the impact on the forest school? What will be the impact on the use

me available for PE) What about assemblies? Will the whole school ever be able to have an assembly to

:creates a huge sense of community and belonging. Ashmead currently has a great sense of community w

aces. An expansion of Ashmead is desirable given the current pressures on primary school places.

an to minimise the negative impact on pupils.

nd imaginative design is called for.

ll end up having to limit their provision and existing pupils will suffer as a result

of the football cage? What will be the impact on t

gether? And if they do, will this pose a fire risk?

with children developing friendships across year groups, if children are unable to

<b>MAYOR AND CABINET</b>			
<b>Report Title</b>	Addey and Stanhope Secondary School Expansion (re-organisation) Proposal – Permission for Consultation		
<b>Key Decision</b>	Yes	Item No.	
<b>Ward</b>	Brockley		
<b>Contributors</b>	Executive Director for Children and Young People		
<b>Class</b>	Part 1	Date:	28 September 2016

## **1. Summary**

- 1.1 This report sets out the demand for secondary places in Lewisham. The report then sets out the rationale for an expansion of Addey and Stanhope School (a voluntary aided school) from four forms of entry (120 pupils per year) to six forms of entry (180 pupils per year).
- 1.2 The report also confirms that the governing body of Addey and Stanhope School will be conducting the statutory process required to close their Sixth Form following on from the current halt to admissions, as per the statutory guidance for the closure of a sixth form of a voluntary aided school. It is proposed that this consultation will happen in line with the Council's expansion proposal process, and would then potentially come back to Mayor and Cabinet in the new year for decision.
- 1.3 Subsequently the report seeks permission to commence the statutory process regarding the proposed school expansion beginning with the consultation stage of the statutory process.

## **2. Purpose**

- 2.1 The report requests the Mayor's permission to undertake a consultation on the proposal to enlarge Addey and Stanhope School from 4 to 6 forms of entry, with effect from September 2018. The report also asks the Mayor to note that the Governing Body of Addey and Stanhope School will also be conducting a consultation (as the first part of the process) to close the 6<sup>th</sup> Form at Addey and Stanhope School in Summer 2017.

## **3. Recommendations**

- 3.1 The Mayor is recommended to agree;
- 3.2 That there should be a consultation on the proposal to enlarge Addey and Stanhope School from 4 to 6 forms of entry with effect from September 2018.
- 3.3 That officers should report back to Mayor and Cabinet by the end of 2016 with the results and next steps.
- 3.4 The Mayor is recommended to note;

- 3.5 That the Governing Body of Addey and Stanhope School will be starting the statutory process to close the Sixth Form provision, and that this will be completed alongside the councils consultation process regarding proposed school expansion.
- 3.6 That the result of this consultation will then be presented to Mayor at a future meeting date, as the Mayor is the decision maker for such changes as per the statutory guidance/process.

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

- 4.1 The proposals within this report are consistent with '*Shaping Our Future: Lewisham's Sustainable Community Strategy*' and the Council's corporate priorities. In particular, they relate to the Council's priorities regarding *young people's achievement and involvement*, including *inspiring and supporting young people to achieve their potential*, the *protection of children and young people* and *ensuring efficiency, effectiveness and equity in the delivery of excellent services to meet the needs of the community*.
- 4.2 The Local Authority has a duty to ensure the provision of sufficient places for pupils of statutory school age and, within financial constraints, accommodation that is both suitable and in good condition.
- 4.3 In aiming to improve on the provision of facilities for primary education in Lewisham which are appropriate for the 21<sup>st</sup> century, the implementation of a successful school places strategy will contribute to the delivery of the corporate priority *Young people's achievement and involvement: raising educational attainment and improving facilities for young people through partnership working*.
- 4.4 It supports the delivery of Lewisham's *Children & Young People's Plan (CYPP)*, which sets out the Council's vision for improving outcomes for all children and young people, and in so doing reducing the achievement gap between our most disadvantaged pupils and their peers. It also articulates the objective of improving outcomes for children with identified SEN and disabilities by ensuring that their needs are met.

#### **The Schools Capital Programme and Lewisham's Primary Strategy for Change**

- 4.5 A priority in the current Primary Strategy for Change is the provision of sufficient places at the right time to meet future needs in the Borough. As stated in Lewisham's June 2008 PSfC:

*"Ensuring that sufficient places are provided at the right time will take precedence over significant investment in schools where the rectification of conditions and suitability issues will not produce additional places"*

- 4.6 The borough's School Capital Programme continues to be governed by the following criteria as set out in the 2008 PSfC:
  - Provide sufficient places at the right time to meet future needs within and between planning localities in the Borough
  - Improve conditions and suitability of schools in order to raise standards
  - Increase the influence of successful and popular schools

- Maximise the efficient delivery of education in relation to the size of the school, removing half-form entries and promoting continuity of education
- Enable school extended services for pupils, parents and communities
- Optimise the Council's capital resources available for investment.

4.7 Additionally, as presented to the Children and Young People Select Committee in January 2017, forecasting has flagged an additional 2 forms of entry of secondary provision in 2018/19 and a new school in 2020. The report also stated that overall in order to meet anticipated demand up to 2025 Lewisham will;

- Identify and progress further options for enlarging existing schools
- Re-cycle existing bulge classes

Consider the need for up to;

- 3 additional primary schools
- 2 additional secondary schools
- 1 or 2 additional special schools

#### 4.8 ***A new School Places Strategy***

4.8.1 A priority in the recent Lewisham Education Commission Report is for the Council to develop a new 5 year School Places Strategy that will succeed the existing Primary Strategy for Change. Officers are currently fully reviewing what has gone on before and what needs to be achieved in the future with the expectation that a draft strategy will be ready for consultation in the Autumn and sign off by Mayor and Cabinet in the Spring ready for an April 2017 launch.

4.8.2 Whilst this review and strategy development is important to help guide us moving forwards, it should be noted that the population in Lewisham continues to rise and the demand for school places also follows that trend. As such in the interim officers are continuing to pursue both this secondary expansion opportunity along with the primary expansion opportunity at Ashmead Primary School.

#### 4.9 ***School Organisation Requirements***

4.9.1 Proposals to establish additional provision on a permanent basis must comply with the provisions set out in *The Education and Inspections Act 2006 (EIA 2006)* and *The School Organisation (Prescribed Alterations to Maintained Schools)(England) Regulations 2013*. These set out the statutory process for making changes to a school, and statutory guidance on making changes to a maintained school indicates 4 stages to making a prescribed alteration to a maintained school. These are:

- 1) Publication of a Statutory Notice
- 2) Representation period
- 3) Decision making
- 4) Implementation

4.9.2 However, it is seen as good practice to have a period of more informal consultation before publishing a statutory notice, to enable officers to have a proper conversation with the local community regarding possible expansion and to enable the Mayor to have a fuller understanding of local opinion prior to entering into the formal statutory process.

4.9.3 Indeed, with this particular proposal we are looking at an expansion on to an additional site (the Mornington Centre) which adds additional elements to the

process that have to be covered to show that we are not in effect opening a new school, which should therefore be created under the 'Free School presumption'

4.9.4 These elements to be considered within any proposal need to focus on the following questions;

**The reasons for the expansion**

- What is the rationale for this approach and this particular site?

**Admission and curriculum arrangements**

- How will the new site be used (e.g. which age groups/pupils will it serve)?
- What will the admission arrangements be?
- Will there be movement of pupils between sites?

**Governance and administration**

- How will whole school activities be managed?
- Will staff be employed on contracts to work on both sites? How frequently will they do so?
- What governance, leadership and management arrangements will be put in place to oversee the new site (e.g. will the new site be governed by the same governing body and the same school leadership team)?

**Physical characteristics of the school**

- How will facilities across the two sites be used (e.g. sharing of the facilities and resources available at the two sites, such as playing fields)?
- Is the new site in an area that is easily accessible to the community that the current school serves?

4.6.5 Additionally the proposals will need to be sent to the School Organisation department within the DfE for monitoring purposes.

4.6.6 In this particular case, the expectation is that the new site would be used for KS4 education and therefore should have no issues in proving that it is not a new school.

## **5. Background**

5.1 Regarding school expansions, Mayor and Cabinet and the Children and Young People Select Committee have received regular reports detailing the pressure on School places (typically primary) and the measures taken to increase supply. These reports have also highlighted the impending pressure on secondary places as a result of the primary bulges moving through the system, coupled with additional pressure on secondary places in neighbouring local authorities (currently Lewisham is a net exporter of secondary age pupils).

5.2 Historically these have usually been in the form of permanent whole-school expansions or the introduction of either temporary or permanent single year group expansion (bulge classes). However, these have usually been primary school expansions in which we have a much larger portfolio upon which to look to accommodate expansions. Within Secondary schools it is believed that only permanent expansions are viable.

## 6. Forecasting, demand and viability

- 6.1 Current GLA forecasting shows that within Lewisham the need for Secondary places is going to rise over the next eight years as follows;

Year	Year 7 Cohort projection
2016	2417
2017	2557
2018	2768
2019	2817
2020	2968
2021	2964
2022	3037
2023	3080

- 6.2 Currently there are 2667 places within Secondary schools in the Borough, showing that from 2018 there will be a forecasted deficit if we do not consider secondary school expansion (or new schools).
- 6.3 As such the ability to add an additional 2 forms of entry at Addey and Stanhope School will go some way to meeting this need.
- 6.4 Regarding the potential expansion scheme, a feasibility exercise has taken place which suggests that the Mornington Centre building when reconfigured can accommodate what is required to provide an appropriate environment for KS4, and would then allow the school to expand its intake to 180 pupils each year.
- 6.5 The benefit of utilising an 'annexe' site is that there should be very little impact on the school during the construction phase, indeed the expectation would be that the construction company would provide some educational outreach to current pupils so that the school can play (and receive) a positive part of the process.
- 6.6 In terms of standards the school was last Ofsted inspected in 2012, the result being that the school achieved a 'Good' rating regarding its overall effectiveness.
- 6.7 It should also be noted that the expected changes to the School funding formula will most likely make it even harder for smaller secondary schools to remain financially viable, and that by this proposed expansion, we will help the school to realise some economies of scale that allow it to continue to invest in teaching and learning moving forwards. Indeed officers' current belief is that a secondary school needs to be a minimum of 6 forms of entry to be viable, especially in the context of forthcoming funding changes.
- 6.8 To date officers have held initial discussions with the school's governing body who are minded to consider the opportunity to expand the school.
- 6.9 Overall this rationale should be seen as a clear example of a school that should be considered for expansion.

## 7. Financial Implications



## **Capital Financial Implications**

- 7.1 This report recommends that a consultation is undertaken on the proposal to enlarge Addey and Stanhope School from 4 to 6 forms of entry with effect from September 2018. Any capital costs in delivering an enlargement would be funded from the School Places capital programme.
- 7.2 A review of the Places capital programme has identified that there is a shortfall in resources anticipated for 2016/17; the forecast programme expenditure in 2016/17 exceeds the forecast available resources, which includes Basic Need grant and S106 contributions. The exact amount of the shortfall will depend upon factors such as delivery timescales, defects and retention withholdings, and the allocation of S106 contributions, but could potentially be as high as £8m. The Council will use capital reserves to finance the shortfall, although it should be noted that a shortfall of this magnitude could substantially deplete capital reserves and even result in a borrowing requirement.
- 7.3 The School Places capital programme is forecast to have available resources of £10.3m in 2016/17, and further receipts of Basic Need grant of £10.6m and £14.1m are expected in 2017/18 and 2018/19 respectively.

## **Revenue Financial Implications**

- 7.4 All on-going revenue costs of running the enlarged school will be met from the resources of the Dedicated Schools Grant.

## **8. Legal Implications**

- 8.1 The Human Rights Act 1998 safeguards the rights of children in the Borough to educational provision, which the Council is empowered to provide in accordance with its duties under domestic legislation.
- 8.2 Section 14 of the Education Act 1996 obliges each local authority to ensure that there are sufficient primary and secondary school places available for its area i.e. the London Borough of Lewisham, although there is no requirement that those places should be exclusively in the area. The Authority is not itself obliged to provide all the schools required, but to secure that they are available.
- 8.3 In exercising its responsibilities under section 14 of the Education Act 1996 a local authority must do so with a view to securing diversity in the provision of schools and increasing opportunities for parental choice.
- 8.4 The Education and Inspections Act 2006 places requirements on Authorities to make their significant strategic decisions concerning the number and variety of school places in their localities against two overriding criteria:
- to secure schools likely to maximise student potential and achievement;
  - to secure diversity and choice in the range of school places on offer.

Section 19 of the Education and Inspections Act 2006 provides that where a local authority or the governing body of a maintained school proposes to make a prescribed alteration to a maintained school and it is permitted to make that alteration, it must publish proposals.

- 8.5 The School Organisation (Prescribed Alterations to Maintained Schools) (England) Regulations 2013 provide that proposed enlargements of school premises which would increase the capacity of the school by more than 30 pupils and by 25% or 200 pupils (whichever is the lesser), or changes to the age limit of a school are prescribed alterations which means that statutory proposals have to be published, and there must be a period of four weeks for representations before a decision is made. This does not apply to temporary enlargements where it is anticipated that the enlargement will be in place for less than 3 years, or a rise in the number anticipated lasting only one year.
- 8.6 The Council, before making any decision regarding the expansion of a school, must ensure that capital funding is in place, interested parties have been consulted, the statutory notice is published and there has been a four week period for representation.

### **Equalities Legislation**

- 8.7 The Equality Act 2010 (the Act) introduced a public sector equality duty (the equality duty or the duty). It covers the following protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 8.8 In summary, the Council must, in the exercise of its functions, have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
  - advance equality of opportunity between people who share a protected characteristic and those who do not.
  - foster good relations between people who share a protected characteristic and those who do not.
- 8.9 It is not an absolute requirement to eliminate unlawful discrimination, harassment, victimisation or other prohibited conduct, or to promote equality of opportunity or foster good relations between persons who share a protected characteristic and those who do not. It is a duty to have due regard to the need to achieve the goals listed at 8.8 above.
- 8.10 The weight to be attached to the duty will be dependent on the nature of the decision and the circumstances in which it is made. This is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. The Mayor must understand the impact or likely impact of the decision on those with protected characteristics who are potentially affected by the decision. The extent of the duty will necessarily vary from case to case and due regard is such regard as is appropriate in all the circumstances.
- 8.11 The Equality and Human Rights Commission has issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled "Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice". The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so

without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at:

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

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

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

- [The essential guide to the public sector equality duty](#)
- [Meeting the equality duty in policy and decision-making](#)
- [Engagement and the equality duty: A guide for public authorities](#)
- [Objectives and the equality duty. A guide for public authorities](#)
- [Equality Information and the Equality Duty: A Guide for Public Authorities](#)

8.13 The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at:

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

8.14 A further report will be brought to the Mayor by the end of 2016 on the results of the consultations and full legal implications associated with those proposals will be set out in that further report.

## **9 Crime and Disorder Implications**

9.1 There are no crime and disorder implications.

## **10 Equalities Implications**

10.1 This report supports the delivery of the Council's Equalities programme by ensuring that all children whose parents /carers require a place in a Lewisham school will be able to access one.

## **11 Environmental Implications**

11.1 Every effort will be made to enhance rather than detract from school environments in the solutions to providing additional primary places.

## **12. Background documents**

None.

If there are any queries on this report, please contact Matt Henaughan, Service Manager, School Place Planning on 0208 314 8034

**ID Support - YES/NO/Don't Know**

- 1 No
- 2 Yes
- 3 Yes
- 5 No
- 6 No
- 7 Yes
- 8 Yes

**Yes**  
**No**

**Reason for views - What are the reasons for your views?**

Disruption to the local area. When Haberdashers' Aske's was temporarily moved to Mornington Centre there is a need for local places and I believe parents and students appreciate being able to attend schools in the local area. We've been crying out for a school on that site for years, ever since the silly idea to turn Lewisham bridge into a school. I do not believe that Addey and Stanhope School would benefit from this expansion. The school's proposal is to increase traffic in the local area, as this is also being proposed along with increases in other schools in the district. No comment

Better for our community and children will have more space for break time.

**4**

**3**

was noise and road disruption. The cars that were there in the morning and afternoon completely took over their local area. It allows schools to focus on the issues young people in this specific area are facing, and continue to run an all through school. It used to be a school so seems sensible when there are places needed for it to be able to create a second site which would be used for Key Stage 4 pupils. This would effectively create an additional direct area. There is already considerable disruption...we don't need more.

over the nearby roads and the roads are busy enough as they are. Also the drivers were concerned about how it continues the family type support which begins in our excellent primary schools. The space sounds suitable for a school again.

They call it 'Upper School' and 'Lower School'. Whilst I know that many schools operate this model, there is little

it dropping/collecting the children and about the safety of the road.  
ble and disruption will be minimal.

to be gained for the staff who would either become a KS3/4 specialist or end up traipsing between the



site(s). I do not believe that this would work. It would seem a much better idea to become a Multi-Acad

lemy Trust with Deptford Green who are current significantly UNDER capacity and use the two sites to o

our advantage. I cannot believe that Lewisham would entertain spending Â£X million to build new classe:

s when a school 400m down the road is under-subscribed; this is a waste of tax payers money.. I also ha

ve issues with the staffing expansion required to complete this transition. I remember when we tried (ai

nd failed) to open a Vlth form. The staffing structure was changed however, the issues were

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

<b>Date of Meeting</b>	11 <sup>th</sup> January 2017
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<b>Title of Report</b>	The Transfer of Lewisham Music Service
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<b>Originator of Report</b>	Kate Bond	<b>Ext 46142</b>
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At the time of submission for the Agenda, I confirm that the report has:

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

Signed:  Executive Member

Date: 3<sup>rd</sup> January 2017

Signed:  Executive Director

Date: 20<sup>th</sup> December 2016

**Control Record by Committee Support**

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

<b>MAYOR AND CABINET</b>			
<b>Report Title</b>	The Transfer of Lewisham Music Service		
<b>Key Decision</b>	Yes	<i>Item No.</i>	
<b>Ward</b>	All		
<b>Contributors</b>	Executive Director for Children and Young People and Head of Law		
<b>Class</b>	Open	<i>Date:</i>	11 January 2017

## **1 Summary**

- 1.1 On 13 January 2016 and 7 September 2016 the Mayor and Cabinet agreed that in order to safeguard music education for young people in Lewisham the best option would be to transfer the Music Service to an independent charitable organisation.
- 1.2 It was agreed by Mayor and Cabinet on 7 September 2016 that a final decision on the future of the Music Service would be made at a Mayor and Cabinet meeting in January 2017 or as soon thereafter as possible, on presentation of a business plan for Lewisham Music and details of the transfer terms.
- 1.3 This paper sets out key issues relating to the proposed transfer including the grant funding arrangements and details of liabilities that arise as a result of the TUPE transfer of staff. Lewisham Music's business and forecast budget plans are appended (Background Paper 9).

## **2 Purpose**

- 2.1 The purpose of this paper is to seek agreement from the Mayor to proceed with the formal transfer of the Music Service on 1 April 2017 to Lewisham Music, a registered charitable incorporated organisation, registered charity number 1169721.

## **3 Recommendations**

- 3.1 The Mayor is recommended to:
- 3.1.1 Note the DfE undertaking that funding for music hubs will be maintained to 2020 (see 5.4).
- 3.1.2 Note that Lewisham Music is a legal entity and a registered charity (see 5.5).



- 3.1.3 Note that the Music Service (or Lewisham Music if the transfer goes ahead) is a named resident organisation in the Fellowship Inn development under the management of Phoenix Housing Association and with approved Heritage Lottery Funding for the development and refurbishment of the site (see 9.3).
- 3.1.4 Note Lewisham Music's trustees' letter (Background Paper 8) and determine how the transfer of cost liabilities will be dealt with in order that the transfer can proceed, taking into account the interests of the Council and the Music Service (see 12.2).
- 3.1.5 Agree to the commencement of formal consultation on TUPE transfer to Lewisham Music for the staff currently employed by the Council to operate the Music Service.
- 3.1.6 Agree that Lewisham Music's business plan and budget forecasts demonstrate that the transfer of Lewisham Music Service to Lewisham Music best safeguards music education in Lewisham whilst also providing a mechanism for future growth and development (see Background Paper 9).
- 3.1.7 Agree to the transfer of Lewisham Music Service's budget surplus and assets to Lewisham Music (see 4.6, 9.4, 13.2 and 13.4).
- 3.1.8 Agree that transfer terms be finalised and signed off by the Executive Director for Children and Young People for the transfer to take place on 1 April 2017 (see 7.1 to 7.5).

## **4 Background**

- 4.1 Lewisham Music Service has delivered music education services to schools and young people on behalf of Lewisham Council since 1999. In past years Council financial support has been provided for premises and pupil fee concessions. Although since 2011 this support has no longer been provided, the Council has continued to provide in-kind support for the Service through the provision of administration and management services including HR, finance, payroll, IT and office space at Laurence House.
- 4.2 Since 2012 the Service has taken on the additional role of operating as a music education hub financed with DfE funding administered by Arts Council England (ACE). Lewisham Music Service and Hub, which connects up a network of over 30 partner and associate organisations with all Lewisham's schools and academies, has consistently received a 'minor risk' rating from ACE, the highest endorsement it can receive (see Background Paper 9, Appendix 2).
- 4.3 The DfE music education hub grant for Lewisham for 2016/2017 is £403,894. This is provided in full to Lewisham Music Service. The Service receives no other core grants.

- 4.4 The Service and its hub partners deliver music learning to over 6,000 children and young people each week. The hub also supports an extensive project and live events programme which this year saw 3,250 children perform to 5,000 audience members in a range of regional and local venues including the Barbican Centre, Broadway Theatre, Blackheath Halls and local schools.
- 4.5 The consultation with users, stakeholders and staff overwhelmingly supported the Music Service's transfer proposals (see Background Paper 2).
- 4.6 The Children and Young People Select Committee considered the transfer proposal on 12 October 2016 and noted that the Music Service was a well-respected service and that the proposals were designed to safeguard its future. The Committee also noted that pension issues were being worked through, that a consultation had been carried out at the Mayor's request, even though this was not statutory, that many staff members were peripatetic and that property (equipment) would be transferred appropriately (see Background Paper 3).

## **5 Policy Context**

- 5.1 The proposals within this report follow the agreed recommendations contained within Mayor and Cabinet Reports submitted on 13 January 2016 and 7 September 2016 (see Background Papers 1 and 2).
- 5.2 The proposals within this report are consistent with the Council's corporate priorities as set out in the Borough's Sustainable Community Strategy 2008-2020. In particular, the proposals relate to the Council's priorities regarding
- community leadership and empowerment
  - young people's achievement and involvement
  - protection of children
  - caring for adults and older people
  - inspiring efficiency, effectiveness and equity.
- The proposals are also in line with the Children and Young People's Plan 2015-18 and the four outcomes of building child and family resilience, being healthy and active, raising achievement and attainment, and staying safe. The objectives and performance measure for children and young people's engagement with music is children's musical engagement is captured within priority aim HA6 (encouraging access to and usage of culture, sport, leisure and play activities).
- 5.3 A detailed business case for the proposed transfer of the Music Service to charitable status was prepared in consultation with the Transfer Steering Group and Music Hub Strategy Board and presented to Mayor and Cabinet on 7 September 2016 (see Background Paper 2). The benefits for both users and the Council are summarised as follows:

<b>Benefits for residents, schools and stakeholders</b>	
Strategic benefits	<i>Sustainable future for diverse and affordable music education services and cultural opportunities. Scope for developing new musical and cultural initiatives e.g. music for families and communities.</i>
Financial benefits	<i>Charitable donations and tax reliefs to support under-represented and disadvantaged groups. Charity tax reliefs and new funding from trusts and foundations safeguards the future and support new programmes in a time of economic difficulty.</i>
Operation and delivery benefits	<i>Improved service delivery through increased flexibility and efficiency. Access to new fit-for-purpose premises.</i>

<b>Benefits for Lewisham Council</b>	
Strategic benefits	<i>Continuation of high quality services for residents, schools and stakeholders. Positive contribution to strengthening the arts and social enterprise sector.</i>
Financial benefits	<i>Cost savings through externalisation of back office functions. Reduction of financial risk should government funding reduce or be removed in the future.</i>
Operation and delivery benefits	<i>Reduced workload for Council officers and senior managers through transfer out of workforce and governance. Desk space and storage areas freed up for other Council departments.</i>

- 5.4 Continuing funding for music education hubs was announced by the DfE and ACE on 18 November. ACE will continue to distribute and monitor the grant. (See Background Paper 4).
- 5.5 Lewisham Music became a registered charity on 17 October 2016: ‘[The Charity Commission is] satisfied that Lewisham Music is a charity and it has been entered onto the Register of Charities with the Registered Charity Number 1169721. The decision to register was based on our assessment of the information supplied during the application process and the declarations given in the trustee declaration form and we are satisfied that Lewisham Music is established for charitable purposes only for the public benefit’.
- 5.6 Lewisham Music’s Business Plan is attached (Background Paper 9). There is a 2017 to 2022 budget summary in section 11 and a cash flow summary in Appendix 4. The key assumptions and forecasts are as follows:
- 5.6.1 Schools income may reduce due to school budget pressures. This will be offset by reducing delivery costs, increased instrument hire for schools’ own programmes and provision of new programmes that meet schools’ curriculum and PPA needs.
- 5.6.2 With the possibility of school music delivery falling as schools’ budgets come under pressure and curriculum demands change (e.g. Ebacc), the budget planning assumes the need for expanded musical opportunities out of school. This will increase parental income.

- 5.6.3 ACE grant income beyond 2020 is unknown. A 10% cut has been assumed from 2020 to 2022. Compensation in possible grant income shortfalls will be achieved through increased external grant funding and charitable income.
- 5.6.4 The budget plan allows for the additional back office costs of a post-transfer re-organisation of middle management responsibilities. A new post-transfer Tutor Manager role would help the charity deal with the line management of tutors more effectively than is currently possible within existing arrangements.
- 5.6.5 Back office costs will rise in 2018 due to the increased premises costs incurred as a result of the move to the Fellowship. Some small budget deficits may arise in years 2 and 3 as a result. Budget deficits have been minimised through forecast additional income from premises hire of rooms in the Fellowship (in the parts of the building leased to Lewisham Music) and through forecast income targets through successful applications for new community grants.
- 5.6.6 One-off costs need to be met in the first two years of trading in order to replace services currently provided in-kind by Lewisham Council.
- 5.6.7 The budget is designed to ensure the reserve increases each year. Charity Commission require trustees to have a reserve policy. Without sufficient reserves the future of the charity may be at risk. The current cost of meeting staff member's 4 week notice period is £103,000. 3 months' operating costs are estimated at £15,000.

## **6. Lewisham Music's governance**

- 6.1 The objects of the Charity are for the public benefit:
  - (i) to advance education particularly (but not exclusively) in relation to music;
  - (ii) to advance the arts and culture, particularly (but not exclusively), by promoting and facilitating access to, performances of, and participation in performances of, music;
  - (iii) to provide for the recreation of members of the public by providing equipment, facilities and services to them in the interests of social welfare with the object of improving their conditions of life.
- 6.2 Lewisham Music is governed by a board of four volunteer trustees: Frank Doran (Chair), Esther Cavett, Gregory Shea and Carolyn Unsted. Along with a commitment to sustaining and developing the important and crucial role music education and the arts play in enriching the lives of children and young people and the wider borough community as a whole, they bring to the board many years' experience in a wide range of relevant areas including law, finance, education, culture, charities and business strategy.

- 6.3 The board will expand to a maximum of 12 members once transfer terms are agreed in respect of the proposed transfer of the Music Service. It will also set up sub-committees and advisory groups as required.

## **7 The transfer process**

- 7.1 Subject to Mayor and Cabinet approval of the recommendations above (3.1), the Music Service aims to transfer out from the Council on 1 April 2017.
- 7.2 The first stage of the transfer process involved establishing a charitable incorporated organisation with appropriate governance structures, to receive the transferring services (e.g. the assets and liabilities connected to the Music Service). As referred to in 5.5 above, this stage has been completed with the establishment of a charitable incorporated organisation, Lewisham Music, which was successfully registered with the Charity Commission on 17 October 2017.
- 7.3 The next stage of the transfer requires Lewisham Music to conduct a due diligence exercise, so that it accurately identifies the transferring assets and liabilities. This will include considering details around the transferring employees, important third party contracts, the existing pensions arrangements, other risks or issues associated with the Music Service and any relevant considerations connected to the premises within Trinity Primary School that will be occupied by Lewisham Music post-transfer (see 9.2). Once completed, this due diligence process will allow Lewisham Music's trustees to make an informed decision when accepting the transferring services (or theoretically, not to accept the transfer if significant liabilities are identified which are not appropriately dealt with by the Council). It will help highlight issues that need to be dealt with between the parties before the transfer can go ahead and/or in the legal documentation.
- 7.4 Once the due diligence exercise is complete, the findings will help the parties negotiate and finalise the legal terms governing the transfer agreement and other transfer documentation (such as the property and pension documents) based on the principles agreed in this paper.
- 7.5 For more details on the transfer process, please see the attached transfer steps document (Background Paper 10). This outlines the steps briefly discussed above.

## **8 Transfer of Undertakings (Protection of Employment) (TUPE)**

- 8.1 Music Service staff members will be transferred to Lewisham Music in accordance with the Council's TUPE guidelines. Officers will clarify the details of the transfer and the proposed TUPE measures through a staff consultation in January/February 2017.

## **9 Premises and assets**

- 9.1 The Music Service is currently situated in the Council's offices at Laurence House. Premises are hired as required from schools and community centres

for instrument storage, performances, projects, holiday courses, and weekly after school groups, borough ensembles, Saturday Music Centre and holiday courses.

- 9.2 From 1 April 2017, the Music Service has secured office space at Trinity Primary School, Leahurst Rd, Hither Green. (The Service already hires space for instrument storage from the school). This will become the operational base for Lewisham Music's management and administration teams until the Fellowship, Bellingham is ready for occupation (Spring 2018).
- 9.3 From Spring 2018, Lewisham Music will take up residence in the Fellowship, Bellingham as part of the re-development plan led by Phoenix Housing Association and funded by the Heritage Lottery Fund (HLF). In November 2016 HLF confirmed a £4.1m grant for the project (see Background Paper 5). The refurbished premises will provide rehearsal, studio, music examination centre, administration, storage and meeting spaces. The building will also have two large performance spaces available for live events and projects. These premises will give Lewisham Music an opportunity to play a major role in the cultural life of Bellingham and the surrounding area. It will work with local partners to apply for new funding streams to support music and arts programmes for community groups such as families, early years and the elderly. ACE officers are aware and supportive of these proposed developments.
- 9.4 The Music Service has a large stock of 4,671 instruments, a sheet music library, learning resources and other equipment such as music stands, sound recorders, and amplifiers that essential to effective delivery of its learning and performance programmes. Lewisham Music will continue to make instruments, resources and equipment available to schools and children and young people at affordable rates in accordance with current Music Service policy.

## **10 Risk analysis**

- 10.1 A risk register has been opened for the transfer plan (Background Paper 6).
- 10.2 A summary of the major risks is as follows:
- (i) the transfer cannot take place due to the charity trustees and the Council failing to agree on transfer terms;
  - (ii) DfE funding for music hubs is withdrawn or reduced from 2020;
  - (iii) ACE fails to approve the transfer of the Lewisham music education hub grant from the Council to the charity;
  - (iv) the demand for music services reduces and income falls as a result of diminished reputation of the service following transfer.
- 10.3 There is mitigation in place such that none of these risks should be a barrier to transfer.

## **11 Legal implications**

- 11.1 The Music Service has sought independent legal advice in relation to its governance arrangements and charitable status which are appended to this Report. The Service will be regulated by the Charities Commission who monitor and offer support and advice to charities in the establishment of the charity, its running and, if necessary, any subsequent winding up. Its operation is subject to a regulatory regime including a statutory lock over its assets.
- 11.2 The Mayor is being asked to approve the business case set out by the proposed Music Service as an appendix to this Report and to agree the transfer of current Council assets and surplus to the organisation. This is for the Mayor to agree having satisfied himself as to the robustness of the business case.
- 11.3 The Mayor is also asked to agree one of the options relating to the potential liability of staff who transfer to the organisation but who are subsequently made redundant due to efficiency saving. These are set out at paragraph 12.2 requiring the Council to guarantee the redundancy liabilities of staff transferring to the new organisation and liabilities under the LGPS in respect of transferring staff who are members of the LGPS or eligible to become members. There are two options, one unlimited in time where the liability would remain until the last transferring member of staff leaves the organisation or for a more limited period of three years. It is stated that the viability of the organisation depends upon such guarantee.
- 11.4 Where staff transfer to an organisation and TUPE applies, their terms and conditions are protected. TUPE does not cover pensions. However, in relation to an outsourcing of function or contracting of services from a public body to a third party organisation the staff pensions are protected by a Government Direction which applies to Best Value local authorities and has statutory force. It is not certain if this transfer of the Music Service would be treated as an outsourcing as the Council will not be contracting services with the organisation. It is more of a Business Transfer to which the Direction does not apply. Even if the Direction did so apply and the staff pensions were protected, this would not automatically mean that the Council should underwrite the LGPS pension liability under either of the options in 12.2. The part of Pension Fund attributable to these staff would be treated as fully funded at the point of transfer but the risk of any underfunding thereafter would normally lie with the transferee employer who would obtain a Bond or other security to cover any such underfunding. Attempts have been made to obtain a Bond but the Council's actuary has confirmed that this is not possible. The Organisation state that they cannot meet this risk on current business case projections.
- 11.5 If arrangements are not put in place to deal with such potential underfunding of the LGPS attributable to these staff, then the other employers in the Lewisham Fund including other Admission Bodies would have to meet this cost should the risk arise.

- 11.6 In the light of the above, the Mayor will have to weigh up the benefits of agreeing to underwrite the redundancy and pension liability to aid the organisation and protect any strain on the Pension Fund against the cost to the General Fund of so doing.
- 11.7 The organisation would enter into an Admission Agreement which would reflect any such agreement reached by the Mayor and would be drafted to protect the position of the Council and the Lewisham Pension Fund under standard terms to comply with Pension Regulations.

## 12 Staffing liabilities and guarantees

- 12.1 Council officers have identified the following liabilities and required guarantees which arise on account of the proposed transfer of staff under TUPE guidelines from the Council to Lewisham Music. The figures below are based on current tutor hours of delivery. (Staff hours vary with demand for services and it is possible there will be some variance in these figures when final calculations are made in March 2017). Lewisham Music Service currently comprises 8 salaried staff and 55 hourly paid claims based music tutors. All staff will be eligible for transfer.

Redundancy
<p>Estimated total staff redundancy cost as at 31 March 2017 <b>£249,277.</b></p> <p>Cost of one month's notice period for all staff £103,209.</p> <p>Of 63 staff members, 52 are entitled to a redundancy payment as they will have 2 or more years' of service from 31 March 2017.</p> <p>LBL redundancy payment is double the statutory entitlement.</p>
Local Government Pension Scheme (LGPS)
<p>Estimated value of assets notionally transferred in respect of Music Service staff past service at commencement (1 April 2017): <b>£580,000.</b></p> <p>Value of bond or guarantee needed for Lewisham Music to be admitted to the scheme is in the range <b>£169,000 to £371,000</b>, including <b>£51,000</b> redundancy cost for one member age 55+. (Actuarial assessment 14 June 2016).</p> <p>Admission to the LGPS will be on a 'closed' basis – only active or eligible staff members at the point of transfer will be in the scheme post-transfer.</p> <p>5 staff members are currently in the LGPS. 2 staff members are eligible to join the scheme.</p> <p>The employer rate is estimated to rise from 22.5% to 26% from the date of admission into the scheme (1 April 2017).</p>



#### Teacher's Pension Scheme (TPS)

The value of guarantee needed for Lewisham Music to join the scheme is 3 months' combined employer and employee contributions plus 25% which may be required by TPS to take account of prospective/potential increases in liability due to salary increases and/or increases in staff numbers. On the basis that all eligible members are in the scheme at the point of transfer, this is estimated at **£33,885**.

Admission to TPS will be on an 'open' basis – active and eligible staff will be in the scheme post-transfer, and the scheme will be open to new Lewisham Music employees.

41 staff members are in the scheme as at 30 November 2016. 13 staff members have opted out but are eligible to join the scheme

- 12.2 Two options have been identified by officers in order for the above liabilities and guarantees to be met.
- 12.2.1 **Option 1: The Council acts as guarantor for all pre-transfer liabilities and for all LGPS liabilities and exit costs that arise through Lewisham Music becoming a LGPS Admission Body and agrees to cover the potential post-transfer costs of redundancy payments of transferring employees.**
- 12.2.1.1 Lewisham Music's reserves would be set aside to cover post-transfer redundancy liabilities.
- 12.2.1.2 In the event of insolvency, the government Redundancy Payments Service offers additional protection for employees (see Background Paper 7).
- 12.2.1.3 Council guarantees would permit Lewisham Music to be admitted to the TPS and LGPS, as required by law. As a result Lewisham Music would not need to secure a bond for admission to the schemes.
- 12.2.2 **Option 2: The Council acts as guarantor for all liabilities for a period of 3 years.**
- 12.2.2.1 Redundancy and pension liabilities would be re-assessed in 2019/2020 with liabilities passed back to Lewisham Music as required and as agreed in accordance with its financial resilience.
- 12.3 The trustees have indicated their concerns in relation to the sharing of redundancy and pension related risks and costs. They are unwilling to accept the level of risk exposure that would result from the Council not guaranteeing pension admission agreements, exit costs and pre-transfer

redundancy liabilities. If a transitional approach is adopted by the Council, and/or transfer terms are such that the charity would be required to take on an unacceptable level of risk exposure, the attached trustees' letter indicates that the transfer of Lewisham Music Service to Lewisham Music will be jeopardised. (See Background Paper 8)

### 13 Financial implications

- 13.1 The full costs of the transfer are being met from Lewisham Music Service ring-fenced funds. This has been possible through a budget re-structuring in 2015/2016 and 2016/2017 (without any consequent reductions in levels of service) together with a budget surplus built up through rigorous controls of costs and expenditure. The total legal, consultancy and management costs of the transfer are estimated at £50,000.
- 13.2 The Music Service's estimated budget surplus at 31 March 2017 is £135,000. This will be transferred to Lewisham Music to provide an opening bank balance of £50,000 and a cash reserve of £85,000 (see Background Paper 9, Appendix 4).
- 13.3 The Music Service currently receives the benefit of in-kind corporate services from the Council. These are estimated to cost the Council £95,149 per annum. This covers services such as legal, finance, HR and property costs. In-kind services will be replaced by alternative providers on transfer. As a result these costs will no longer be incurred by the Council following the transfer.
- 13.4 The Music Service's assets are valued as follows:

Item	Value
Musical instruments	Purchase value: £965,246 Current value (staged depreciation to 40%): £495,500
Sheet music and learning resources	£15,000
Other musical and business equipment	£8,200
<b>Total assets</b>	<b>£518,700</b>

Officers propose these assets are transferred to the charity so that they can continue to be made available to schools and users as well as provide a source of earned income for the charity. The assets could be utilised to offset the costs of insolvency if the charity was to default.

### 14 Crime and disorder implications

- 14.1 There are no crime and disorder implications to the transfer proposal.

## **15 Equalities implications**

- 15.1 The Equality Act 2010 (the Act) introduced a public sector equality duty (the equality duty or the duty). It covers the following protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 15.2 In summary, the Council must, in the exercise of its functions, have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
  - advance equality of opportunity between people who share a protected characteristic and those who do not.
  - foster good relations between people who share a protected characteristic and those who do not.
- 15.3 It is not an absolute requirement to eliminate unlawful discrimination, harassment, victimisation or other prohibited conduct, or to promote equality of opportunity or foster good relations between persons who share a protected characteristic and those who do not. It is a duty to have due regard to the need to achieve the goals listed at 15.2 above.
- 15.4 The weight to be attached to the duty will be dependent on the nature of the decision and the circumstances in which it is made. This is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. The Mayor must understand the impact or likely impact of the decision on those with protected characteristics who are potentially affected by the decision. The extent of the duty will necessarily vary from case to case and due regard is such regard as is appropriate in all the circumstances.
- 15.5 The Equality and Human Rights Commission has issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled “Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice”. The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at:  
<https://www.equalityhumanrights.com/en/advice-and-guidance/equality-act-codes-practice>  
<https://www.equalityhumanrights.com/en/advice-and-guidance/equality-act-technical-guidance>
- 15.6 The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:

- [The essential guide to the public sector equality duty](#)
- [Meeting the equality duty in policy and decision-making](#)
- [Engagement and the equality duty: A guide for public authorities](#)
- [Objectives and the equality duty. A guide for public authorities](#)
- [Equality Information and the Equality Duty: A Guide for Public Authorities](#)

15.7 The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at: <https://www.equalityhumanrights.com/en/advice-and-guidance/public-sector-equality-duty-guidance#h1>

## **16 Environmental implications**

16.1 There are no environmental implications to the transfer proposal.

## **17 Conclusion**

17.1 Lewisham Music Service and CYP officers believe that charitable status will enable the Music Service to maintain and develop its services for schools, children and young people in a sustainable way, enhancing creativity and value, as well as offering new opportunities for new users. It will extend the Service's ability to work closely with new and existing partners as well as engage with emerging new strategic directions across London and beyond.

17.2 With the Council acting as a guarantor, the charity's financial resilience and sustainability will be enhanced thereby giving the transfer plan the support it needs to be a successful venture.

17.3 The proposed transfer will facilitate access to new funding streams, improve resilience to the inevitable strategic and financial changes within the cultural and educational sectors, and give the Service the freedom to re-structure services and operations as required in order to maintain the provision of high quality services to its users.

17.4 These proposals will not lead to a reduction in services to schools nor will they disrupt children's learning out of school. The terms of the transfer will safeguard employment terms and conditions for current members of staff.

## **Background Papers**

1. Mayor and Cabinet paper 13 January 2016.  
<http://councilmeetings.lewisham.gov.uk/ieListDocuments.aspx?CId=139&MId=3864&Ver=4>
2. Mayor and Cabinet paper 7 September 2016.  
<http://councilmeetings.lewisham.gov.uk/ieListDocuments.aspx?CId=139&MId=4304&Ver=4>

3. Children and Young People Select Committee minutes 12 October 2016.  
<http://councilmeetings.lewisham.gov.uk/ieListDocuments.aspx?CId=134&MId=4149&Ver=4>
4. DfE Press Release about continuing funding for music education hubs.  
<https://www.gov.uk/government/news/thousands-of-children-to-benefit-from-music-and-arts-investment>
5. Fellowship Inn, Bellingham re-development.  
<https://www.phoenixch.org.uk/news/toast-fellowship-%C2%A34million-heritage-pub-restoration-confirmed>
6. Risk Register.
7. Government Redundancy Payments Service information.  
<https://www.gov.uk/government/publications/redundancy-payments-rp1-fact-sheet>
8. Lewisham Music Trustees' letter 16 December 2016.
9. Lewisham Music Business Plan and Appendices 2017 to 2022 (as at 16 December 2016).
10. Transfer summary step plan.

For further information or queries about this report, please contact:

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020 8314 6450  
07525 671341  
[peter.hayward@lewisham.gov.uk](mailto:peter.hayward@lewisham.gov.uk)

**ADDENDUM – Transfer of Lewisham Service – Item 9 for M&C 11<sup>th</sup> January 2017**

**13 Financial Implications**

**13.1 Option 1**

13.1.1 This option requires the Council to underwrite all the pre-transfer liabilities, to cover the post transfer redundancy costs and any shortfall in the pension fund should the 26% paid in employers’ contributions not meet the future costs of the pension liabilities at the end of the contract. Experience has shown these can be considerable.

13.1.2 The Council is being asked to underwrite the following liabilities should the Music Service fail:

<b>At 1.4.2017</b>	<b>Best Case</b>	<b>Worst case</b>
<b>Teacher’s Pension Scheme</b>		
Guarantee required to enter the scheme	£34,000	£34,000
<b>Local Government Pension Scheme</b>		
The Redundancy costs of the staff Tupe transferred to the Music Service currently estimated at	£ 247,000	£247,000
The Council’s Actuary, Hymans Robertson, were asked to produce a report on the risks associated with entering an Admission Agreement with the Music Service.  The report advises the Council to seek a bond from the Music Service to cover liabilities to the pension fund should the Music Service fail.  As this is a new venture the Music Service is unable to secure a bond.  The Actuary estimated the amount the bond should cover:  If there was a 20% chance of failure the cost is estimated at:  A 90% to total failure is estimated at:		
	£169,000	£371,000
Therefore the ‘cost the Council is being asked to underwrite is	<b>£450,000</b>	<b>£652,000</b>

**13.2 Option 2**

13.2.1 It is unlikely the trustees will accept this option which will risk the transfer of the music service to Lewisham Music.

13.2.2 This option suggested that if the Council did agree to underwrite the risk it would be for a maximum of 3 years. This ties up with the valuation of the Pension Fund and its Admitted and Scheduled bodies (of which the Music Service would be one) and it also ties in with the ACE funding Grant (£404k) to the Music Service which has not been guaranteed beyond 31.3.2020.

13.2.3 If the Music Service is in operational difficulties during the first three years the Council should be made aware of this immediately, but, the three year revaluation would determine the position of the Music Service, and its pension liabilities, after three years. If the position

is favourable it would no longer be necessary to underwrite the risk as the service should be able to embrace this going forward, if the position is poor, and the liabilities have increased, then a decision on the future position can be made at this point.

- 13.2.4 It should be noted that it is not normal practice, although this was the case exceptionally with the Youth Service for contract specific reasons, for the Council to underwrite liabilities for a transferring service. The expectation when a service voluntarily “spins out” is that it is able to take on all its liabilities from the outset.
- 13.2.5 M&C should be mindful that any decision taken in relation to future ‘spin outs’ should be dealt with on their merits and any decision taken here should not be taken as a precedent.
- 13.2.6 The Council also has a duty to protect the LGPS and ensure it is funded to meet its liabilities and these arrangements are a risk as we would not have any control over the management of the Lewisham Music post transfer.
- 13.2.7 The Music Service is funded by a combination of grant from the Arts Council England (ACE) and fees from both schools and parents for tuition. The grant funding has been guaranteed until March 2020 but after this date the position is unknown. Income from Schools will reduce as schools face significant costs pressures through cash frozen settlements and the implementation of the national funding formula for schools. The total income of the music service is £1.1m, the grant is £0.4m
- 13.2.8 The total legal, consultancy and management costs of the transfer are being met from Lewisham Music Service ring-fenced funds. This has been possible through a budget restructuring in 2015/2016 and 2016/2017 (without any consequent reductions in levels of service) together with a budget surplus built up through rigorous controls of costs and expenditure. The total legal, consultancy and management costs of the transfer are estimated at £50,000.
- 13.2.9 The Music Service’s estimated budget surplus at 31 March 2017 is £135,000. The surplus at the year-end will be transferred to Lewisham Music to provide an opening bank balance of £50,000 and a cash reserve of £85,000 (see Background Paper 9, Appendix 4).
- 13.2.10 The Music Service currently receives the benefit of in-kind corporate services from the Council. These are estimated to cost the Council £95,149 per annum. This covers services such as legal, finance, HR and property costs. In-kind services will be replaced by alternative providers on transfer. As a result these costs will be no longer be incurred by the Council following the transfer.
- 13.2.11 The Music Service’s assets are valued as follows:

<b>Item</b>	<b>Value</b>
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<b>Total assets</b>	<b>£518,700</b>

- 13.2.12 Officers propose these assets are transferred to the charity so that they can continue to be made available to schools and users as well as provide a source of earned income for the charity. The assets could be utilised to offset the costs of insolvency if the charity was to default.

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of the Local Government Act 1972.

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

<b>Date of Meeting</b>	11 January 2017
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<b>Title of Report</b>	London Regional Adoption Agency
------------------------	---------------------------------

<b>Originator of Report</b>	Stephen Kitchman	<b>Ext.</b> 48140
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At the time of submission for the Agenda, I confirm that the report has:

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

Signed:  Executive Member

Date: 3rd January 2017

Signed:  Director/Head of Service

Date 22.12.2016

**Control Record by Committee Support**

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



<b>Mayor &amp; Cabinet</b>			
<b>Report Title</b>	London Regional Adoption Agency		
<b>Key Decision</b>	Yes	Item No.	
<b>Ward</b>	All		
<b>Contributors</b>	Executive Director for Children & Young People (Director Children's Social Care)		
<b>Class</b>	Part 1	Date:	11 January 2017

## 1. Summary

- 1.1 This report seeks the Mayor and Cabinet approval for the Council to work collaboratively with other London boroughs to continue to develop the London Regional Adoption Agency with the intention of joining the agency, when it becomes operational in 2017/18.

## 2. Recommendations

- 2.1 The Mayor & Cabinet is recommended to:
- (i) Agree, in principle, to join a London Regional Adoption Agency, subject to detailed financial analysis and business case; and
  - (ii) Authorise the Director Children's Social Care, in consultation with the Cabinet Member for Children & Young People, to progress arrangements relating to the development and Implementation of the London Regional Adoption Agency model.

## 3. Policy Context

- 3.1 The proposals within this report support the delivery of Lewisham's Children & Young People's Plan (CYPP), which sets out the Council's vision for improving outcomes for all children and young people, and in so doing ensuring children stay safe by
- a) identifying and protecting children and young people at risk of harm and ensuring they feel safe, especially from:
    - Domestic violence and abuse
    - Child sexual exploitation
    - Serious youth violence
    - Child abuse and neglect
    - Deliberate and accidental injury
  - b) Reducing anti-social behaviour and youth offending.
  - c) Ensuring that our Looked After Children are safe.

- 3.2 The proposals are also aligned with the Corporate priority of promoting Young peoples achievement and involvement and protection of children: better safeguarding and joined up services for children at risk.
- 3.3 The report contributes to five of the key priority outcomes of Lewisham's Sustainable Community Strategy 2008-2020:
- **Ambitious and achieving** – where people are inspired and supported to fulfil their potential
  - **Safer** – where people feel safe and live free from crime, antisocial behaviour and abuse
  - **Empowered and responsible** – where people are actively involved in their local area and contribute to supportive communities
  - **Healthy, active and enjoyable** – where people can actively participate in maintaining and improving their health and well-being
  - **Dynamic and prosperous** – where people are part of vibrant communities and town centres, well connected to London and beyond.
- 3.4 Following the publication of the DfE paper, *Regionalising Adoption* (June 2015), the Department invited councils and Voluntary Adoption Agencies to submit Expressions of Interest in becoming part of new regionalised arrangements. In response, the Association of London Directors of Children's Services (ALDCS) submitted a London proposition, which was approved for development in 'scope and define' phase. Through the development of regional agencies, the DfE and ALDCS aspire to speed up matching, improve adoption support and achieve cost efficiencies.
- 3.5 A number of possible models for the London Regional Adoption Agency have been explored. ALDCS have recommended the creation of a new local authority owned entity operating in a hub and spoke approach. The model is expected to retain a strong local link. It is recognised that local knowledge and relationships will be essential.
- 3.6 The London Borough of Lewisham will need to formally agree whether they wish to join the ALDCS Regional Adoption Arrangements, or seek other arrangements to join. The final detailed operational arrangements are expected to be developed by September 2017.

## 4. Background

### 4.1 Adoption as a permanency option

- 4.1.1 Adoption is a way of providing new families for children who cannot be brought up by their biological parents. It is a legal process in which all parental rights and responsibilities are transferred to the adoptive family. Once an adoption has been granted, it cannot be reversed. Alternative permanency options include special guardianship orders (SGOs) and long term fostering. The Lewisham Adoption service performs very well against Government performance indicators for Adoption and was graded as 'Good' in our last Ofsted inspection.
- 4.1.2 Successive governments have raised concerns that children in care may experience poorer outcomes due to a low rate of adoption as well as delays in the process. Children in care are more likely to be unemployed, to experience mental health problems, to become homeless and to have their own children removed from them. It should be noted that children in care

often arrive in care with significant issues that contribute to poor outcomes; however, a poor care experience can exacerbate rather than remedy these issues. Conversely, a well-timed and good placement match can make a significant and positive difference to the long-term outcomes of children who have difficult and damaging pre-birth and early year's experiences which lead to an adoptive placement.

#### 4.2 The policy background to regionalization

- 4.2.1 In order to improve outcomes for children in care, the Coalition Government introduced *An Action Plan for Adoption: tackling delay*<sup>1</sup> with legislative changes to the monitoring of the adoption process through an Adoption Scorecard. This set targets for Local Authorities to speed up the adoption process. In many authorities, those targets have not been met and the speed of adoption remains a local corporate parent and central government concern.
- 4.2.2 The Department for Education (DfE) paper, *Regionalising Adoption*<sup>2</sup> proposed the move to regional adoption agencies in order to:
- Speed up matching.
  - Improve adopter recruitment and adoption support.
  - Reduce costs.
  - Improve the life chances of vulnerable children.
- 4.2.3 The government has reinforced their policy ambition through provisions in the Education and Adoption Bill. The DfE's ambition is for all local authorities to be part of a regionalised service by 2020.
- 4.2.4 Through *Adoption: a vision for change*<sup>3</sup>, the Department highlighted the need to draw on the best of both the statutory and voluntary sectors to ensure that systems are designed around the needs of children. It also reinforced the vision to ensure that the voice of children and adopters is at the heart of policy making and service delivery.
- 4.2.5 There has been no ministerial change following the changes in government during July and the DfE has, since those changes, reaffirmed a commitment to this policy. A communication from the DfE to Directors of Children's Services on 15<sup>th</sup> September stated 'RAAs will make an enormous difference to some of our most vulnerable children... We and the team would welcome any further feedback on how we can best work together to deliver the great potential which RAAs have to offer...'

#### 4.3 Working together to improve adoption services in London

- 4.3.1 London boroughs and VAAs have a history of working together to improve adoption services.

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<sup>1</sup> An Action Plan for Adoption: tackling delay (DfE, 2012)

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/180250/action\\_plan\\_for\\_adoption.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/180250/action_plan_for_adoption.pdf)

<sup>2</sup> Regionalising Adoption (DfE, 2015)

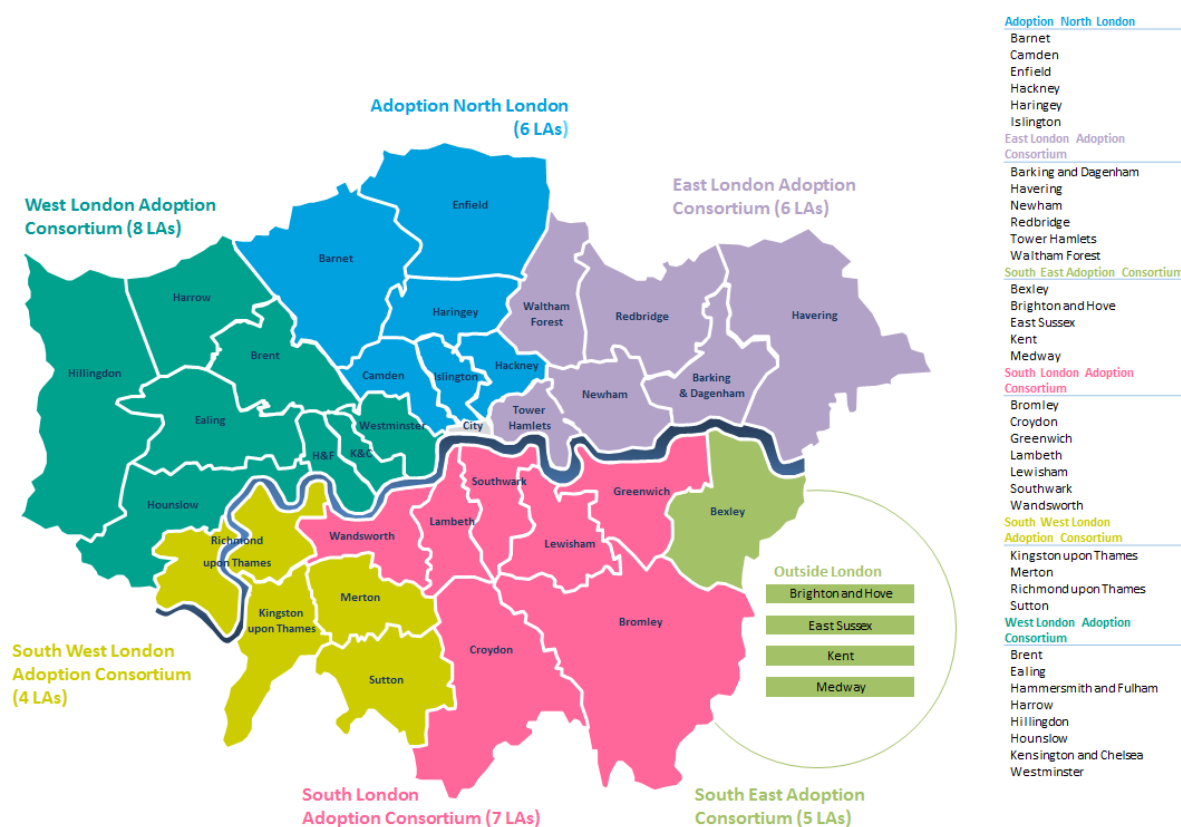
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/437128/Regionalising\\_adoption.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/437128/Regionalising_adoption.pdf)

<sup>3</sup> Adoption: a vision for change (DfE, 2016)

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/512826/Adoption\\_Policy\\_Paper\\_30\\_March\\_2016.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/512826/Adoption_Policy_Paper_30_March_2016.pdf)

4.3.2 *Pan-London joint working* - In 2013, the London Adoption Steering Group was set up to enable pan-London good practice sharing and development. This group transitioned to the London Adoption Board in 2014. The London Adoption Board includes London boroughs and Voluntary Adoption Agencies (VAAs) and is sponsored by the CVAA. The London Adoption Board has supported the collection of adoption data, facilitated best practice showcase events, advocated with external groups on behalf of London, and enabled the development of standards for adoption services.

4.3.3 *Consortia arrangements* - All London boroughs belong to an adoption consortium. These consortia allow best practice sharing between local authorities and enable joint working on some aspects of the service. In some cases, services are carried out jointly between boroughs via these consortia arrangements. Examples of service areas that are carried out jointly include adopter training, recruitment activity, and joint subscriptions. There is a range of levels of integration within the different consortia. Figure 1 shows the current consortia regions.



**Figure 1.** London adoption consortia arrangements

4.3.3 The engagement between boroughs and VAAs ranges from individual service contracts and spot purchase arrangements with VAAs to outsourcing the full adoption service. Many VAAs are involved in the consortia arrangements shown above.

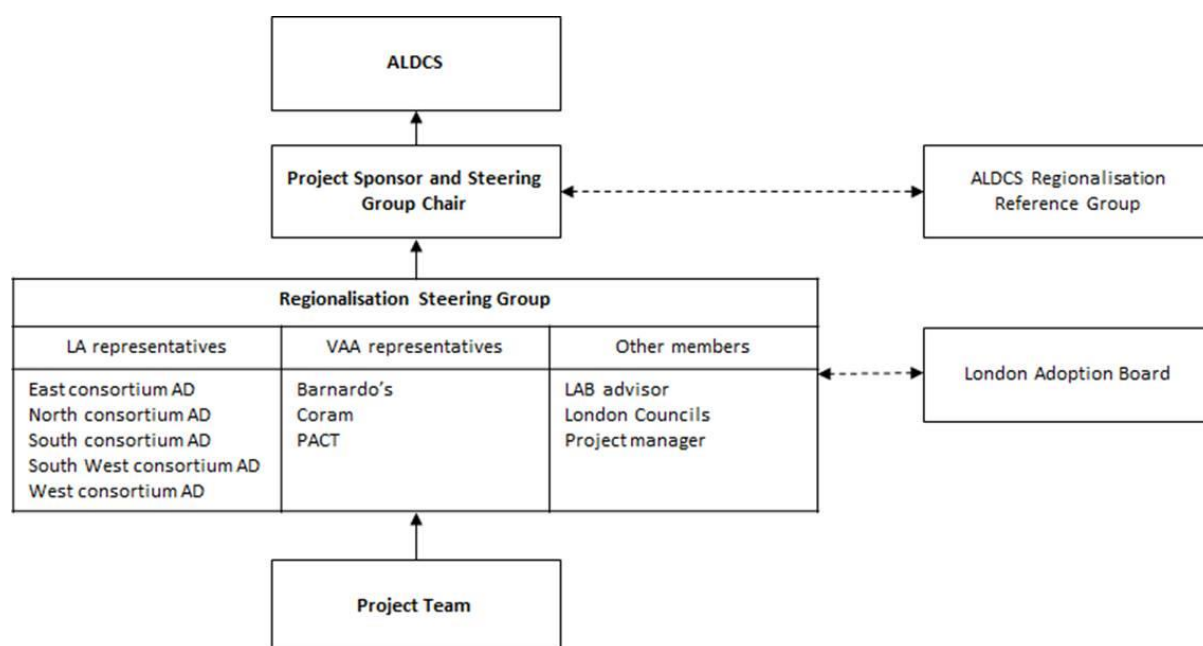
## 5. The London Regionalised Adoption Project

### 5.1 Governance

5.1.1 Following the publication of this paper the Department invited councils and Voluntary Adoption Agencies to submit Expressions of Interest in becoming part of new regionalised arrangements. In response, the Association of

London Directors of Children’s Services (ALDCS) submitted a London proposition in late 2015. The DfE subsequently approved the ALDCS proposition as a “scope and define” project.

5.1.2 ALDCS set up and chair a Regionalisation Project Steering Group that has driven the development of the initial recommendations outlined in this document. The Regionalisation Steering Group sits under the governance of ALDCS and makes operational decisions to drive the project forward. An ALDCS reference group (5 DCS members) has also been set up to support the Regionalisation Steering Group Chair with ensuring that the views of London as a whole are represented at a senior level. A diagram of the governance arrangements is shown in Figure 2.



**Figure 2.** London Regional Adoption project governance and membership

## 5.2 The vision for London

5.2.1 The development and assessment of models for the London Regional Adoption Agency was preceded by the development of a vision for London. This vision was agreed by Directors and engaged upon with stakeholder groups.

5.2.2 The core of this vision is to ensure that all London’s children who require adoptive families receive excellent services that meet their needs leading to excellent outcomes for them and their adoptive family. See **appendix 1** for the vision statement.

## 5.3 Opportunity for London

5.3.1 The vision highlighted a focus on achieving the best outcomes for all London’s children in need of an adoptive placement and reducing any current postcode lottery of provision across the capital.

## 5.4 Outcome performance for children and adoptive families

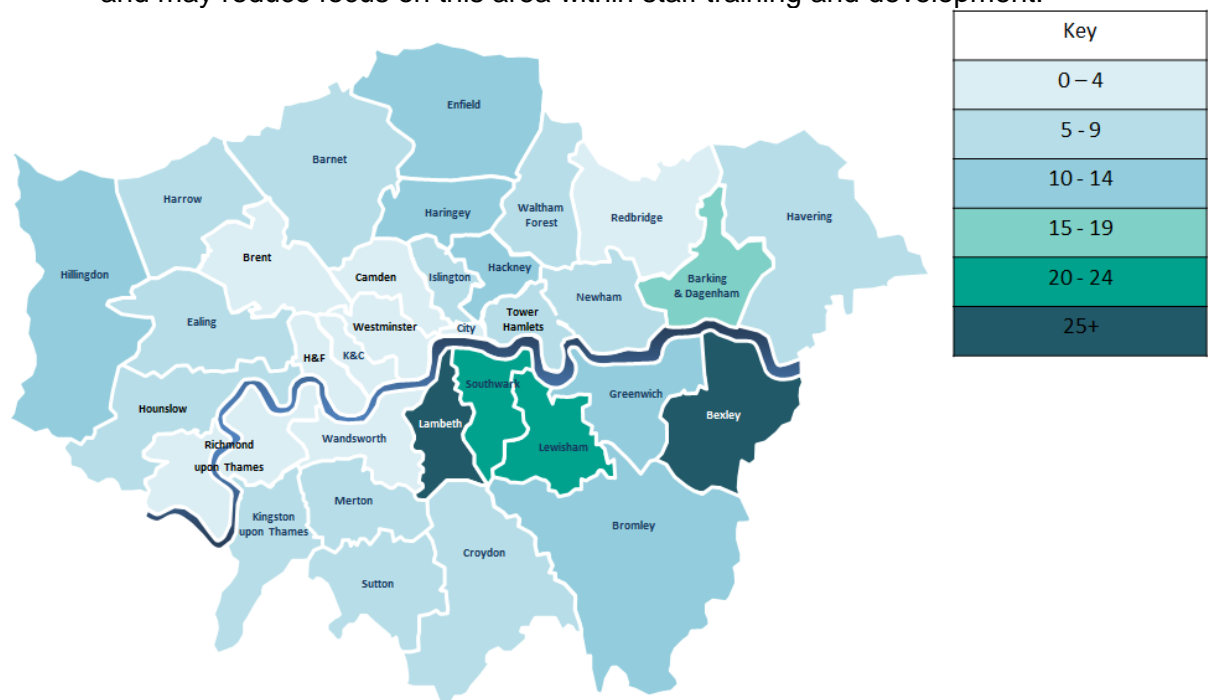
5.4.1 With regards to the current outcome performance, the majority of London boroughs do not achieve the national average waiting time from entry to care

to moving in, and there is wide variation in performance on this metric and the timeline from placement order to matching.

- 5.4.2 An activity survey carried out in the first phase of the project showed variable practice regarding the use of adopters approved by other agencies (other LA or VAA), and variation in the use of the adoption support fund. These practice differences may influence the placement timelines.
- 5.4.3 Adopter focus groups reinforced the need to improve equality in service provision across London. In particular, they raised concerns that training availability was limited in some areas and there was inconsistent access to adoption support.
- 5.4.4 Within these performance metrics, there is some clustering of performance seen within some consortia groups. This suggests that there is opportunity to improve through closer integration, but may also be influenced by the cohorts of adopters and children in these regions.

5.5 Cost and efficiency performance

- 5.5.1 For local authorities, the vision cites a need to support cost efficient and effective delivery that enables future flexibility. Figure 3 shows the variation in adoption numbers by borough during 2015-16. This shows that adoption is a very small service within many boroughs, which may result in inefficiencies and may reduce focus on this area within staff training and development.



**Figure 3.** Number of children adopted from care Q1-3 2015/16, ALB data set (unrounded)

- 5.5.2 There is also significant variation in cost per adoption, which partially relates to the efficiency aspects described above, but also reflects savings opportunities. An economic analysis during the first phase of work estimated the average cost per adoption in local authorities was £58,900, based on submissions from 21 local authorities, compared to an interagency fee average spend of £33,300. This does not include indirect costs, adoption allowances, Adoption Support Fund spend, and third party payments. Further analysis is required to confirm the data and identify which tasks are carried

out by local authorities and not by external agencies. This will provide an indication of the window of opportunity for efficiency improvement.

- 5.5.3 The greatest area of saving potential was identified within staffing, but the potential models are hypothetical and need further testing in the context of the service design. Further analysis is required of local authorities with low cost per adoption and good performance on timeliness and quality to identify whether these achievements are possible to extend to other areas. The London RAA will measure performance against Adoption Leadership Board statistics, quality metrics including breakdowns, process efficiency and satisfaction. Proactive tracking and problem solving processes will be a core function of the RAA.

## **6. Development of the Service and Delivery Model**

- 6.1 The Regionalisation Steering Group considered a number of options for the delivery model, and recommended two for further investigation. In order to be able to advise Boroughs, ALDCS has sought legal advice regarding the proposed London scheme. In addition, there have been two events for elected members, as well as engagement with adopters, prospective adopters, and adopted young people.

### **6.2 Development of the high level service model**

- 6.2.1 To create a London Regional Adoption Agency that best meets the needs of children and adopters in line with the expected Government guidance there was a need to consider the types of delivery vehicles and models that would make the difference in improving our specified outcomes. In January 2016, the project team held an options development workshop with LA, VAA and adopter representatives. Participants were provided with information collated from throughout the project engagement to date, and asked to identify the outcomes expected from each aspect of the adoption journey in order to achieve the vision. Groups then identified the commissioning and delivery scale required to achieve the outcomes. A diagram showing the outcomes identified in this workshop can be seen in **appendix 2**.

### **6.3 Options analysis on the delivery model**

- 6.3.1 Building on this service design, the workshop participants were introduced to the potential delivery vehicles and structures. They agreed the desirability and feasibility criteria for scoring these vehicle/ structure combinations. These criteria were agreed by ALDCS.

### **6.4 Delivery vehicles considered**

- 6.4.1 The following delivery vehicles were considered as part of the options appraisal process at either the pan-London level or the creation of multiple regional agencies:

- Single LA hosting on behalf of other LAs
- New LA owned entity
- LA-VAA joint venture
- Outsourcing to existing London VAAs

- 6.4.2 Within the above delivery models, a number of structures were considered:

- Fully centralised: a single London body
- Hub and spoke: central hub for London-wide co-ordination, commissioning and delivery, with sub-regional spokes for delivery and local commissioning under the same organisation.
- Tiered approach: top strategic tier, second strategic/ operational tier, third delivery tier.
- Current arrangement with more formalised partnerships.

## 6.5 Recommendation on preferred models

6.5.1 The Regionalisation Steering Group carried out scoring of desirability and feasibility criteria and held a discussion of the available options based on engagement with stakeholders and other data captured. The group recommended the following options for further investigation:

- LA trading company delivery model with a strategic VAA partnership operating in a hub and spoke structure (Option 1).
- LA-VAA joint venture operating in a hub and spoke structure (Option 2).

6.5.2 A summary of the assessment of the individual options can be found in Appendix 3.

6.5.3 At the March meeting of ALDCS, Directors received a report of stakeholder engagement in respect of the potential delivery models which could form the model for a future regionalised offer. Those preferences, based on guidance from stakeholders including VAAs, were a local authority trading company and a joint venture. Directors supported this recommendation.

6.6. On the direction of the ALDCS, legal advisors were appointed to produce detailed advice on the two preferences.

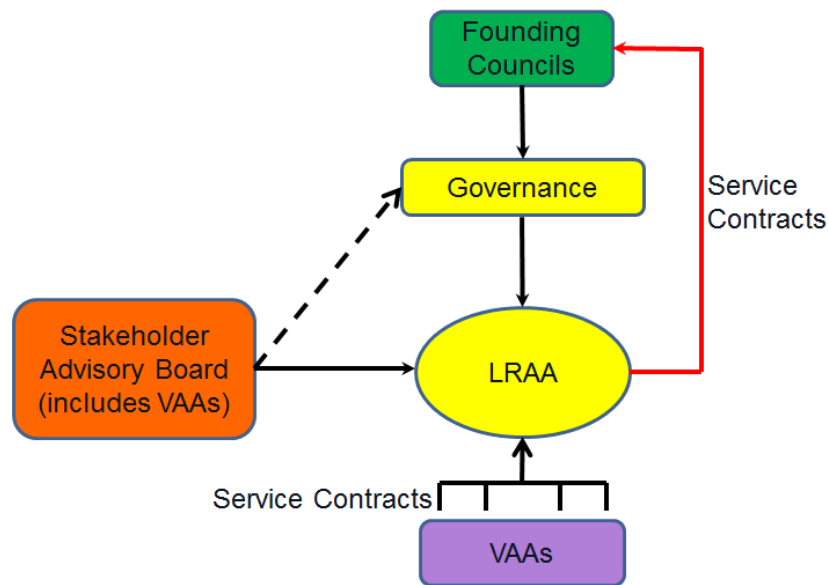
6.6.1 *Report coverage* - the report is now complete and covers the following areas for the preferred models:

- Benefits and limitations of VAA involvement in the ownership and/or strategic partnership, with advice on the joint venture options.
- Governance implications with regard to the need for accountability to the LAs responsible for the child.
- Legal entities that would be appropriate for securing the optimum balance with non-statutory organisations.
- Income and tax implications of the models, including VAT treatment and the ability to trade with other regional agencies.
- Procurement implications of these models, with reference to Teckal exemption.
- Implications for registered charities including charitable assets and income.
- Potential staff transfer implications.

6.6.2 *Recommended model* - The report received from the legal advisors recommends that the Agency would be a not-for-profit community benefit society which is jointly owned by all of the LAs (Option 1) who wish to



participate in the project from the outset (Founding Councils). The figure below shows the structure of the recommended model.



**Figure 4.** A multi-LA owned corporate entity working in partnership with VAAs to deliver adoption services.

6.6.3 The Founding Councils' involvement in the Agency would be governed by a Members' Agreement. The Agency would be managed by a board of directors including officers of the Founding Councils, with places reserved for elected VAAs, and potential for other service user or stakeholder involvement. This model is quicker and cheaper to set up, and retains close VAA partnership working.

6.6.4 Further details on the distinctions between the two models can be seen in Appendix 4.

## 7. Engagement & Consultation

### 7.1 London-level member engagement

7.1.1 In July 2015, London Councils published a Member Briefing<sup>4</sup> on the Department's regionalisation policy platform and informed members that ALDCS had submitted an Expression of Interest. This was followed by a report to London Councils' Executive in October 2015 setting out regionalisation project in high level terms and seeking Executive's in principle support, which was agreed.

7.1.2 In November 2015, a London Councils Member Event<sup>5</sup> was hosted by the project team. The feedback from members subsequently informed the project vision and detailed project plan. In July 2016, a further London Councils Member Event was held to share the initial options analysis and the report on legal implications of the potential models.

<sup>4</sup> <http://www.londoncouncils.gov.uk/members-area/member-briefings/children-and-young-people-member-briefing/regionalising-adoption>

<sup>5</sup> Reforming Adoption in London. Nov 6th 2015.

## 7.2 Other stakeholder engagement

7.2.1 The Project Development Group has engaged with voluntary adoption agencies, adopters and prospective adopters, and children and young people during the development of the recommendations. A list of these engagement sessions can be found in Appendix 5.

## 8. **Proposal**

### 8.1 Proposal requiring local decision

8.1.1 Each London Borough is asked to reach their own decision on whether to join in principle the London Regional Adoption Agency.

8.1.2 The London Borough of Lewisham will need to formally:

- (i) Agree, in principle, to join a London Regional Adoption Agency, subject to detailed financial analysis; and
- (ii) Authorise the Director of Children's Social Care, in consultation with the Lead Member for Children & Young People, to progress arrangements relating to the development of the Agency model.

### 8.2 Alternatives to joining the ALDCS regional adoption arrangements

8.2.1 The London Regional Adoption Agency has been developed to meet the needs of London Boroughs. It would operate in a similar manner to the London Admissions and London Grid for Learning Teams, with governance through ALDCS and London Councils.

8.2.2 The DfE require all local authorities to join a regional agency by 2020, therefore 'do nothing' is not an available option within the current policy and political landscape.

8.2.3 Alternatives to the London option would be to join another developing regional agency or create a new model. Other developing regional agencies have not been developed with the involvement of London boroughs. No other regional agencies have proposed a model linked to the governance of London local authorities. The London model is being developed with the complexity of the borough and provider landscape in mind. Many of the models being developed in other regions e.g. single LA host, would not be appropriate to meet this complexity of need.

8.2.4 Any new agency being developed would have the same timescale requirements and would need to access development funding independently. ALDCS identified that using existing arrangements (e.g. consortia) would not remove the performance and service variation across London and most current consortia regions would not achieve the DfE aims for scale. A subdivided London would lose the benefit of the wider pool of adopters and the standardisation of service offering.

- 8.2.5 Given the the policy drive from the Government and examples of good joint working in other areas of children's services, an RAA as described in this paper is considered to be the only viable option at present.

## **9. Financial Implications**

- 9.1 This paper seeks support for joining the future London Regional Adoption Agency subject to detailed financial analysis.

## **10. Legal Implications**

- 10.1 The Mayor and Cabinet is asked to support the London Borough of Lewisham joining in the development of a London Regional Adoption Agency which aims to improve adoption services, and deliver all adopter recruitment, matching and support functions for all of the London Boroughs.
- 10.2 A legislative framework for the regionalisation of adoption services came into existence through the Education and Adoption Act 2016 (the Act) on 16 March 2016. The Council is required to join a regional adoption agency or can be forced by the Secretary of State do so.
- 10.3 The Council has anticipated the implementation of the Act. It joined the Regional Adoption Agency Project for London. All London Boroughs and 10 Voluntary Adoption Agencies are included, and the continued involvement in the London RAA will best ensure an effective pan-London service. The approval of Cabinet is required to enable the Council to participate in negotiations about the delivery model for the adoption services through the London Regional Adoption Agency.

## **11. Risk Implications**

- 11.1 The London Regional Adoption Project carries out risk assessment throughout the project with escalation via the Regionalisation Steering Group and ALDCS. The project plan includes expert advice on transition planning and change management. DfE funding to enable the implementation of the model is dependent on borough sign up.
- 11.2 Our staff have been and will be involved in shaping the development of the new agency. The project team will work closely with staff from all founding councils to identify, mitigate and manage any risk. The final model design will be subject to consultation.
- 11.3 If the London Regional Adoption Agency does not progress there is a risk that the London Borough of Lewisham could be instructed to join another Regional Adoption Agency, and may have to join an RAA that it has not been part of developing.

## **12. Staffing Implications**

- 12.1 Lewisham Adoption Service has a model which is different to most LA's in that the service takes responsibility for the Looked After children with an Adoption plan. This is in addition to being a registered Adoption Agency and all the statutory responsibilities that come with it. We have found this to be a very good practice model and it has supported the excellent performance and

outcomes for children we have achieved for a number of years.

We also offer comprehensive adoption support which has contributed to the very low breakdown figures we have achieved over the years

Currently we have 2.6 managers and a total of 14 staff in nine posts, not all of these would be affected by the proposed changes as some would be required to retain the LAC cases.

The London Regional Adoption Agency model recognises the need for local links with children and families, alongside a central team. As the model is developed staff will continue to be consulted.

### **13. Safeguarding Implications**

- 13.1 Adoption of the recommendations will contribute to the Council's objectives to improve the wellbeing of children in the Borough, reduce inequalities and ensure Looked After Children have the best opportunities to transition to a secure family environment permanently, where they are not able to return to their own family.
- 13.2 Practice expertise will be utilised in transition planning to ensure safeguarding children during transition to the new agency.
- 13.3 The London Regional Adoption Agency plans to improve collaboration with universal services for adopted children and their families through the development of the collective voice and through the increased scale of commissioning. This will support safeguarding links with universal services.

### **14. Crime and Disorder Implications**

There are no identified crime and disorder implications emanating from this report.

### **15. Equalities Implications**

Equalities considerations and impact assessment would be made in line with detailed plans to agree the final model of delivery. This report represents a first stage of collaborative working with other local authorities to develop an agreed model of regionalisation for Lewisham.

### **16. Environmental Implications**

Key decisions made which may have environmental implications will be consulted about all agreed activity before proceeding.

## **Background Documents**

Appendices:

1. ALDCS (Nov 2015) Regionalising Adoption: A vision for London Councils
2. Adoption journey outcome summary (Jan 2016)
3. ALDCS (March 2016) London Adoption Regionalisation – Project Update – Section 2

4. ALDCS (July 2016) London Adoption Regionalisation – Project Update – Section X
5. ALDCS (May 2016) London Adoption Regionalisation – Project Update – Section X

If there are any queries on this report please contact Stephen Kitchman on 020 8314 8140.

## Appendix 1 – Vision for London

### Regionalising Adoption Vision for London

#### Background

The DfE paper *Regionalising Adoption* proposes the move to regional adoption agencies in order to speed up matching, improve adopter recruitment and adoption support, reduce costs, and improve the life chances of London's most vulnerable children. London is committed to ensuring that regionalisation delivers the best, most timely outcomes and experiences for both children and adopters.

This paper sets out the vision for London based on extensive consultation.

#### Vision

**Our vision is to ensure that all London's children who require adoptive families receive excellent services that meet their needs leading to excellent outcomes for them and their adoptive family.**

***For children*** where adoption is the best option, we will:

- Ensure that the child and the child's journey is foremost in the new service design.
- Maximise the opportunity to find a loving family as quickly as possible.
- Provide support from the start of their journey through to adulthood, with a proactive and flexible offer to meet their educational, health and emotional needs.
- Involve children and young people in the development of the regionalised service.

***For prospective adopters and adopters***, we will:

- Provide clear, realistic and welcoming communication from first enquiry to post-adoption.
- Ensure that they are equipped to meet their children's current and future needs through high quality training and guidance.
- Deliver evidence-based assessment and approval processes within a consistent timeframe.
- Reduce time taken from approval to matching.
- Provide consistent post-adoption support across the region.
- Increase the diversity of adoptive parents.
- Engage with potential adopters and adoptive parents in the design of the regionalised service.

***For birth parents*** of children being adopted, we will:

- Provide consistent access to support throughout London e.g. counselling and contact.

***For local authorities (LAs)***, we will:

- Share learning across the region, and between the local authority and voluntary sector.
- Achieve savings and cost efficiencies, making the best use of public money.
- Match the supply of adopters to the children awaiting adoption across the region.
- Minimise complexity and ensure that barriers are not created between organisations.

- Be adaptable and responsive to manage future changes e.g. demand, legislation.
- Develop a model that allows flexibility in the level of service for individual LAs.
- Engage with universal services to enable consistent provision of adoption support.
- Identify opportunities for regionalised services to support other routes to permanence.
- Involve practitioners working in adoption services in the development of the model.
- Engage with VAAs and ASAs throughout the development of the regionalised model.

***For voluntary adoption agencies (VAAs) and adoption support agencies (ASAs), we will:***

- Create an organisation that recognises and utilises the expertise within the voluntary sector.
- Recognise and respond to demand and funding challenges in the voluntary sector.
- Engage with VAAs, ASAs and LAs throughout the development of the regionalised service.

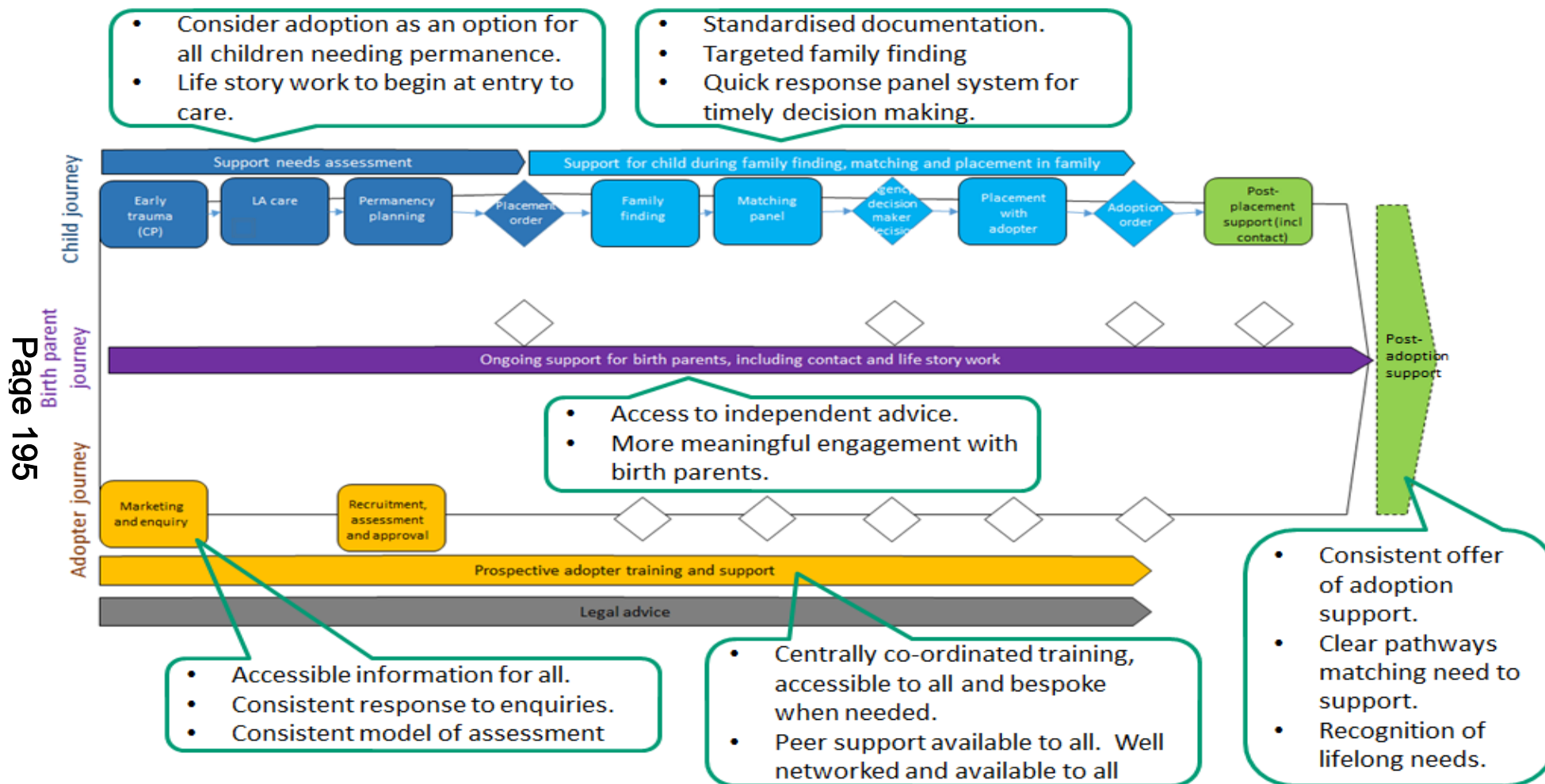
**Key decision criteria of model**

- Child-centred, focussed on achieving the best outcomes for all London's children in need of an adoptive placement.
- Pan-London solution ensuring sufficient numbers of children and reducing any "postcode lottery" of provision across the capital and improving support for adopters.
- Regional focus on capacity and sufficiency ensuring equality of provision.
- Effective and high quality delivery of all statutory duties in relation to adoption and adoption support across London, utilising "Freedoms and Flexibilities" available to local authorities enshrined in amendments to the Children and Young Persons Act 2008.
- Creates an ability to work flexibly around a new London offer.
- Encompasses aspects of other permanency options into the future.
- Commits to close collaboration between all stakeholders.
- Considers the options for pooling resources and sharing responsibilities, including the legal functions currently performed by individual boroughs.
- Maintains and builds a clear relationship with London boroughs who remain responsible for the journey of the child.
- Works closely with VAA partners.
- A cost efficient and effective delivery approach enabling local authorities to deliver significant cost savings in adoption services whilst maintain high quality provision to children and families.
- The majority of funding for the regionalised model will go towards direct work to increase stable, secure, adoptive families for London's children.

**Governance**

Partners will work together under the strategic leadership of ALDCS, LAB as the multi-agency responsible body, and an executive steering group made up of representatives from LAs, VAAs and London Councils.

## Appendix 2 – Adoption journey outcome summary





## Appendix 3 – Assessment of potential delivery models

### Preferred delivery models

The Regionalisation Steering Group meeting held on 24<sup>th</sup> February used scoring of the models and information collected throughout the phase to drive a discussion on the preferred models. The models were considered as combinations of delivery model (entity type) and structure (organisational configuration).

#### 1. Delivery Models

The following delivery models were considered as part of the options appraisal process:

Model	Key points
<b>Single LA hosting on behalf of other LAs</b>	Steering group agreed that this option was not viable due to: <ul style="list-style-type: none"> <li><input type="checkbox"/> Scale and complexity is too large for a single LA to manage.</li> <li><input type="checkbox"/> Organisational culture would be strongly influenced by the individual LA identified.</li> <li><input type="checkbox"/> Likelihood of limiting membership of some LAs for political and geographical reasons.</li> </ul>
<b>LATC – a new LA owned entity</b>	The steering group agreed that this model should be explored further. Key areas of discussion included: <ul style="list-style-type: none"> <li><input type="checkbox"/> Potential for strategic partnership with VAAs in a new LA-owned entity.</li> <li><input type="checkbox"/> Lower procurement risk in this model.</li> </ul>
<b>LA-VAA joint venture</b>	The steering group agreed that this model should be explored further. Key areas of discussion included: <ul style="list-style-type: none"> <li><input type="checkbox"/> VAAs would prefer to be around the table.</li> <li><input type="checkbox"/> The commissioning income stream is vital to VAAs.</li> <li><input type="checkbox"/> Greater potential for competition and income generation.</li> </ul>
<b>Outsource to existing London VAA</b>	This was eliminated prior to scoring as VAAs attending stakeholder forum identified significant concerns with this model as indicated in the single LA host commentary.

## 2. Structures

Within the above delivery models, a number of structures were considered:

Structure	Key points
<b>Fully centralised:</b> single London body	Steering group agreed that this option was not viable due to: <ul style="list-style-type: none"> <li><input type="checkbox"/> Inability to deliver the adoption journey as mapped</li> <li><input type="checkbox"/> Reduces benefit of local knowledge and relationships.</li> </ul>
<b>Hub and spoke:</b> Central hub for London-wide co-ordination, commissioning, and delivery. Sub-regional spokes for delivery and local commissioning under the same organisation (not necessarily using current consortia).	Steering group agreed preference for this structure. Key points of discussion were: <ul style="list-style-type: none"> <li><input type="checkbox"/> Local enough to maintain relationship with child and adopter at centre.</li> <li><input type="checkbox"/> Good balance of delivery at scale while retaining clear organisational structure.</li> <li><input type="checkbox"/> Configuration flexibility – elements to be commissioned or delivered in hubs or spokes</li> <li><input type="checkbox"/> Long term contract options for providers servicing spokes.</li> </ul>
<b>Tiered approach:</b> top strategic tier, second strategic/operational tier,	Steering group agreed that this option was not viable due to: <ul style="list-style-type: none"> <li><input type="checkbox"/> Similarity to current arrangements likely to lead to continuation of postcode lottery.</li> <li><input type="checkbox"/> Additional tiers adding complexity to management and funding arrangements.</li> </ul>
<b>As-Is+:</b> current arrangement with more formalised partnerships	This was eliminated prior to scoring as DfE learning events identified that this would be viewed as insufficient change.

## 3. Recommendation

The steering group recommends the following preferred models for further investigation with regards to their governance, legal implications, procurement and financial implications:

- LA trading company delivery model with a strategic VAA partnership operating in a hub and spoke structure
- LA-VAA joint venture operating in a hub and spoke structure.

Please see appendix 1 for further summary regarding the identification of these models.

## Appendix 4 – Summary of legal advice on two preferred models

### Introduction

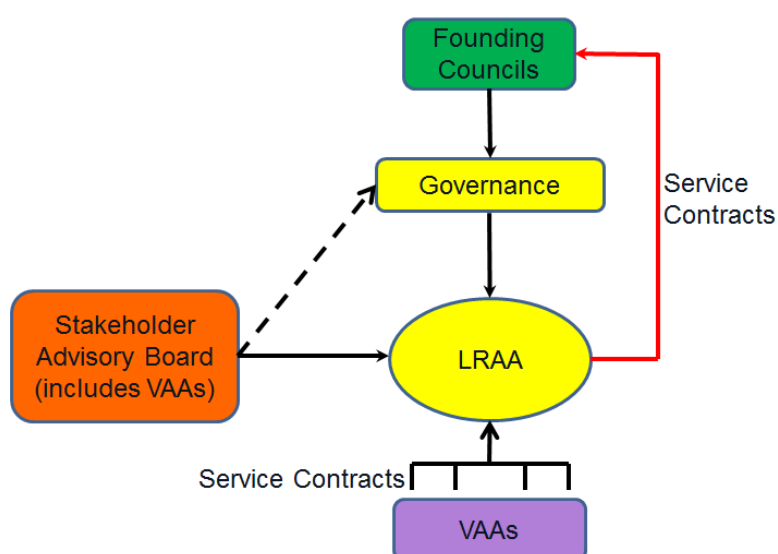
At the March meeting of ALDCS, Directors received a report of stakeholder engagement in respect of the potential legal entities which could form the model for a future regionalised offer. On the direction of ALDCS, legal advisors were appointed to produce detailed advice on the two preferences which Directors supported. Those preferences, based on guidance from stakeholders including VAAs, were a local authority trading company (Option 1) and a joint venture (Option 2).

The report has now been completed and covers the following areas for the preferred models:

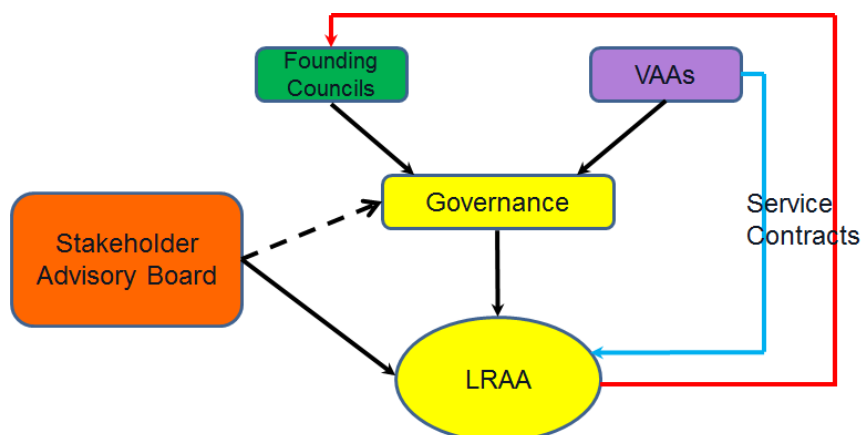
- Benefits and limitations of VAA involvement in the ownership and/or strategic partnership, with advice on the joint venture options and whether joint venture partners would need to be procured.
- Governance implications with regard to the need for accountability to the LAs responsible for the child.
- Legal entities that would be appropriate for securing the optimum balance with non-statutory organisations within these models.
- Income and tax implications of the models, including VAT treatment and the ability to trade with other regional agencies.
- Procurement implications of these models, particularly with reference to Teckal exemption.
- Implications for registered charities including charitable assets and income.
- Potential staff transfer implications.

### Structure of the two options

Option 1 – the development of a multi-LA owned corporate entity working in partnership with VAAs to deliver adoption services.



Option 2 – the development of a corporate entity involving both the LAs and VAAs as members/ shareholders to deliver adoption services.



### Comparison of the two options

The key comparison points of the two options are shown in the table below:

	<b>Option 1 – LA owned</b>	<b>Option 2 – Joint venture</b>
Governance	<ul style="list-style-type: none"> <li><input type="checkbox"/> Teckal company – can be set up from day one.</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Joint venture would need to run procurement to identify VAA owner-partners.</li> </ul>
Role of VAAs	<ul style="list-style-type: none"> <li><input type="checkbox"/> Role on advisory board, as well as directorships reserved for VAAs.</li> <li><input type="checkbox"/> Service contracts.</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Full role in governance structure.</li> </ul>
Procurement	<ul style="list-style-type: none"> <li><input type="checkbox"/> Teckal exemption would apply as Agency would be wholly owned and controlled by the Founding Councils and will carry out the majority (&gt;80%) of its work for those Founding Councils.</li> <li><input type="checkbox"/> The Agency could use a restricted procurement procedure to establish a framework for VAAs for service contracts.</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> VAAs are private sector for procurement purposes, and so cannot rely on Teckal.</li> <li><input type="checkbox"/> Competitive dialogue would be needed to establish terms of governance and award of service contracts. A larger exercise could prevent some smaller VAAs from taking part.</li> </ul>
Tax	<ul style="list-style-type: none"> <li><input type="checkbox"/> Should be capable of satisfying HMRC’s requirement for ‘mutual trade’ status, meaning there would be no corporation tax on surpluses.</li> <li><input type="checkbox"/> Service supplies by the Agency to LAs would be VAT exempt. This means that irrecoverable VAT would be incurred by the LRAA.</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Application of mutual trade exemption would be problematic due to the lack of a trade with the VAAs. Therefore, unless the Agency had charitable status, it would need to include provision in its business plan for payment of corporation tax.</li> </ul>

Pensions	<input type="checkbox"/> May be considered a Designated Body if the 'connected with' test is met.	<input type="checkbox"/> Less certainty of the 'connected with' test being met to gain Designated Body status. <input type="checkbox"/> A number of VAAs operate occupational salary-related pension arrangements, subject to regulatory oversight by the Pensions Regulator.
Other		<input type="checkbox"/> VAA constitutions would need to be reviewed. A number of VAAs would need to satisfy themselves that participation in the Agency is consistent with their charitable objects.

#### Notes relevant to both options

- Legal form – It is recommended that the Agency would be a not-for-profit community benefit society. At this stage, it is suggested that the Agency is not established as a charity. As a community benefit society, it should be possible to achieve charitable status in the future by adopting charitable objects.
- Governance – It is recommended that member of the Agency collectively elect the board of management of the Agency. This allows members to retain the ultimate control of the board, but also permits a smaller, more focused board that has the best suited individuals on it. A board size of 8-12 is suggested, with the majority of board members elected from candidates drawn from participating LAs.
- Staff – TUPE would apply where any services currently delivered by the Founding Councils and/ or participating VAAs are transferred to the LRAA. If there are certain functions which can only be provided by an employee of a Local Authority, alternative staffing models including secondment and joint employment or dual employment could be considered.
- Future flexibility – Processes for exit from or entry to the Agency at a later date can be agreed within the Members' Agreement.

#### Recommended model

The report received from Trowers & Hamlins recommends that the Agency would be a not-for-profit community benefit society which is jointly owned by all of the LAs (Option 1) that wish to participate in the project from the outset (Founding Councils). The Founding Councils' involvement in the Agency would be governed by a Members' Agreement. The Agency would be managed by a board of directors including officers of the Founding Councils, with places reserved for elected VAAs, and potential for other service user or stakeholder involvement.

This model is quicker and cheaper to set up, and retains close VAA partnership working.

#### VAA feedback on the report

As part of their role on the steering group, VAA representatives have sought the views of the VAA stakeholder group on the legal report. A response has been received raising the following:

- A query on the consideration of Teckal as a key factor in the decision making between an LA owned entity and a joint venture.
- The viability of an option not covered in the report for the creation of an Innovation Partnership.
- Whether it allows continuation of independent VAA sales.

Group	Engagement	Dates/Frequency	Coverage for Project Specific Events
<b>Adopters</b>	Regionalisation members/DCS event	Nov	1 + 2 professional
	Regionalisation options development workshop	Jan	1 + 2 professional
	Regionalisation adopter forum I	Jan	19 adopters
	Regionalisation adopter forum II	Mar	26 adopters
	We Are Family: regionalisation discussion	Mar	1 adopter / 5 prospective
	LAB representation	Monthly meeting agenda item	1 LAB adopter rep
<b>Children</b>	Regionalisation drop-in event	Mar	No attendees - new approach needed
	Research and existing reports. We worked with the Coram Adoptables group to identify the experiences and ideas of children and young people. Coram have produced a detailed report focused on the needs of young people and their thoughts on regionalisation	May	Focus group: 8 young people Wider group: 100 young people Desktop research and assimilation of existing studies (studies ranging from 100 – 208 young people)
	Call for other existing research / reports from other organisations	May	Sent to newsletter database of 116
<b>LAs</b>	Regionalisation members DCS / event	Nov	
	QA doc for DCS	Planned - June	
	Regionalisation steering group	Monthly	Consortia–AD representation
	ALDCS meeting	Jan	
	London Adoption Board	Monthly agenda item	
	Regionalisation options development workshop	Jan	65% LAs represented
	Regionalisation panel advisors workshop	Jan	50% LAs represented
	Adoption and Fostering Network meeting attendance	Dec	
	Consortia meetings	4 x Jan, 2 x Feb	All consortia attended
	PAC-UK event: regionalisation presentation	Feb	
	LAB innovation event: regionalisation presentation	Mar	
	Heads of Communications – attendance at monthly meeting requested	TBC - July	
<b>VAs</b>	Regionalisation members/ DCS event	Nov	
	Regionalisation steering group	Monthly	30% VAs represented
	Regionalisation VAA stakeholder forum I	Dec	60% VAs represented

	Regionalisation VAA stakeholder forum II	Jan	100% VAAs represented
	Regionalisation VAA stakeholder forum III	Feb	50% VAAs represented
	Regionalisation ALDCS-led VAA stakeholder forum	Jan	100% VAAs represented
	Regionalisation option development workshop	Jan	70% VAAs represented
	London Adoption Board	Monthly agenda item	
	Consortia meetings	4. x Jan, 2 x Feb	All consortia attended
<b>Elected members</b>	Elected members events	Nov June	
<b>ALL / Additional</b>	Regionalisation Newsletter	Monthly	116 subscribed, 41 % avg open rate
	Workforce Engagement Sessions: panels and all workers in adoption	May and June (9 sessions over 4 days at different venues)	183 invited 68 registered to date 58 attended to date 21 to attend in June  19 follow up surveys received to date

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


<b>Date of Meeting</b>	11 <sup>th</sup> January 2017
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<b>Title of Report</b>	Rathfern Primary School Instrument of Government
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<b>Originator of Report</b>	Kate Bond	<b>Ext 46142</b>
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At the time of submission for the Agenda, I confirm that the report has:

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

Signed:  Executive Member

Date: 3<sup>rd</sup> January 2017

Signed:  Executive Director

Date: 20<sup>th</sup> December 2016

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



<b>MAYOR &amp; CABINET</b>			
<b>Report Title</b>	Rathfern Primary School Instrument of Government		
<b>Key Decision</b>	Yes	Item No.	
<b>Ward</b>	Rushey Green		
<b>Contributors</b>	Executive Director for Children & Young People (Service Manager School Services) and Head of Law		
<b>Class</b>	Part 1	Date:	11 January 2017

## 1. Summary

- 1.1 A new Instrument of Government needs to be made for Rathfern Primary School, following the governing body's decision to increase the size of the governing body from 10 to 12 members.

## 2. Purpose

- 2.1 To seek agreement to the making of the new Instrument of Government for the school listed below.

## 3. Recommendation

The Mayor is recommended to:

- 3.1 Approve that the Instrument of Government for Rathfern Primary School be made by Local Authority order dated 1 February 2017 as set out in Appendix 1.

## 4. Policy Context

- 4.1 Each school has to have an Instrument of Government. The local authority must satisfy itself that the Instrument of Government for schools conform to the legislation. The local authority must also agree its content.
- 4.2 Lewisham's Children & Young People's Plan sets out our vision for improving outcomes for all children. The main purpose of a governing body is to account for the achievement of children and young people in their schools.
- 4.3 The appointment of governors supports the broad priorities within Lewisham's Sustainable Community strategy, in particular those of being "ambitious and achieving" and "empowered and responsible". Governors help inspire our young people to achieve their full potential and they also promote volunteering which allows them to be involved in their local area.

- 4.4 Two specific corporate priorities that are relevant pertain to “community leadership and empowerment” and “young people’s achievement and involvement”.

## **5. Background**

- 5.1 On 1 November 2016 at Rathfern primary school’s governing body meeting, a new Instrument of Government was proposed. The intention is to increase the size of the governing body from 10 governors to 12. The rationale behind the increase in size is to increase the capacity, skills and diversity of the governing body to effectively fulfil its statutory duties and to better reflect the diverse Rathfern pupil and parent community. The additional capacity would be particularly welcome at this time when the school’s new partnership with Torridon Junior school has commenced
- 5.2 The governing body must be constituted in accordance with regulations made by virtue of section 19 of the Education Act 2002 namely The School Governance (Constitution) (England) Regulations 2012, as amended.
- 5.3 The total membership of the governing body of a maintained school must be no fewer than seven governors.
- 5.4 The governing body of a maintained school must include the following:-
- (a) at least two parent governors;
  - (b) the headteacher unless the headteacher resigns the office of governor in accordance with regulations;
  - (c) one staff governor, and
  - (d) one local authority governor
- 5.6 The governing body may in addition appoint such number of co-opted governors as they consider necessary provided that the requirements in regulations are met in respect of governing bodies of foundation and voluntary schools.
- 5.7 The total number of co-opted governors who are also eligible to be elected as staff governors under Schedule 2, when counted with the staff governor and the head teacher, must not exceed one third of the total membership of the governing body.
- 5.8 Appendix 1 details the Instrument of Government the Local Authority is proposing to make by order.

## **6. Financial implications**

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

## **7. Legal implications**

- 7.1 Section 20 of the Education Act 2002 requires all maintained schools to have an Instrument of Government which determines the constitution of the school and other matters relating to the school.

- 7.2 Each school must have an Instrument of Government detailing the name of the school, the type of school and the membership of the Governing Body. The category of governor and the number in each category is specified in the Regulations.
- 7.3 The Instrument of Government proposed for the Governing Body of Rathfern Primary School conforms to The School Governance (Constitution) (England) Regulations 2012 as amended.

#### Equalities Legislation

- 7.4 The Equality Act 2010 (the Act) introduced a public sector equality duty (the equality duty or the duty). It covers the following protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 7.5 In summary, the Council must, in the exercise of its functions, have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
  - advance equality of opportunity between people who share a protected characteristic and those who do not.
  - foster good relations between people who share a protected characteristic and those who do not.
- 7.6 It is not an absolute requirement to eliminate unlawful discrimination, harassment, victimisation or other prohibited conduct, or to promote equality of opportunity or foster good relations between persons who share a protected characteristic and those who do not. It is a duty to have due regard to the need to achieve the goals listed at 7.5 above.
- 7.7 The weight to be attached to the duty will be dependent on the nature of the decision and the circumstances in which it is made. This is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. The Mayor must understand the impact or likely impact of the decision on those with protected characteristics who are potentially affected by the decision. The extent of the duty will necessarily vary from case to case and due regard is such regard as is appropriate in all the circumstances.
- 7.8 The Equality and Human Rights Commission has issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled "Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice". The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at:

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

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

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

- [The essential guide to the public sector equality duty](#)
- [Meeting the equality duty in policy and decision-making](#)
- [Engagement and the equality duty: A guide for public authorities](#)
- [Objectives and the equality duty. A guide for public authorities](#)
- [Equality Information and the Equality Duty: A Guide for Public Authorities](#)

7.10 The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at:

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

## **8. Crime and Disorder Implications**

8.1 There are no specific crime and disorder implications.

## **9. Equalities Implications**

9.1 Governors will have enough flexibility in their choice of constitutional models to enable them to address issues of representation of stakeholder groups and to ensure that Governing Bodies reflect the communities they serve.

9.2 Lewisham Council's policy is to encourage all sections of the community to be represented as Local Authority governors. In particular, we would encourage further representation from the black community and minority groups including disabled people, who are currently under-represented as governors. The numbers of governors in these groups is kept under review

## **10. Environmental Implications**

10.1 There are no specific environmental implications.

Short Title of Document	Date	File Location	Contact Officer
The School Governance (Constitution) (England) Regulations 2012	2012	<a href="http://www.legislation.gov.uk/uksi/2012/1034/regulation/28/made">http://www.legislation.gov.uk/uksi/2012/1034/regulation/28/made</a>	Suhaib Saeed
The School Governance (Miscellaneous Amendments) (England) Regulations 2015	2015	<a href="http://www.legislation.gov.uk/uksi/2015/883/contents/made">http://www.legislation.gov.uk/uksi/2015/883/contents/made</a>	Suhaib Saeed
The School Governance (Constitution and Federations) (England) (Amendment) Regulations 2016	2016	<a href="http://www.legislation.gov.uk/uksi/2016/204/contents/made">http://www.legislation.gov.uk/uksi/2016/204/contents/made</a>	Suhaib Saeed

If there are any queries arising from this report, please contact Suhaib Saeed, Service Manager School Services , 3<sup>rd</sup> Floor, Laurence House, telephone 020 8314 767

Appendix 1

1. The name of the school is **Rathfern Primary School**
2. The school is a **community school**.
3. The name of the governing body is "**The governing Body of Rathfern Primary School**"
4. The governing body shall consist of:
  - (a) **3** parent governors;
  - (b) **1** LA governor;
  - (c) **1** staff governor;
  - (d) **1** headteacher
  - (e) **6** co-opted governors.
5. Total number of governors **12**
6. This instrument of government comes into effect on 1 February 2017.
7. This instrument was made by order of the Lewisham Local Authority on 11 January 2017.
8. A copy of the instrument must be supplied to every member of the governing body (and the headteacher if not a governor)

# Agenda Item 12

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


<b>Date of Meeting</b>	11 <sup>th</sup> January 2017
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<b>Title of Report</b>	Local Authority Governor Nominations
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<b>Originator of Report</b>	Kate Bond	<b>Ext 46142</b>
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At the time of submission for the Agenda, I confirm that the report has:

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

Signed:  Executive Member

Date: 3<sup>rd</sup> January 2017

Signed:  Executive Director

Date: 20<sup>th</sup> December 2016

### Control Record by Committee Support

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

<b>MAYOR AND CABINET</b>			
<b>Report Title</b>	Local Authority Governor Nomination		
<b>Key Decision</b>	No	Item No.	
<b>Ward</b>	Evelyn		
<b>Contributors</b>	Executive Director for Children and Young People Head of Law		
<b>Class</b>	Part 1	Date:	11 January 2017

## **1. Summary**

- 1.1 In May 2014, amendments to the School Governance (Constitution) (England) Regulations 2012 (The Constitution Regulations 2012) were made and laid before Parliament. The Department for Education (DfE) also published statutory guidance on the constitution of maintained schools which governing bodies and Local Authorities must have regard to. The most recent version of this Guidance was issued in September 2016.
- 1.2 The Constitution Regulations 2012 determine the size and membership of governing bodies. Previously the Local Authority was able to appoint Local Authority governors to governing bodies, however amendments to the Regulations now permit a Local Authority only to nominate such a person, with it being a matter for the governing body to appoint. For the Local Authority governor position, the Local Authority nominates a governor for "appointment" by the governing body.
- 1.3 This report is to request the nomination of a Local Authority governor for school listed in paragraph 6 below.

## **2. Purpose**

- 2.1 To consider and approve the nomination of the Local Authority governor detailed in paragraph 6 below.



### **3. Recommendation/s**

The Mayor is recommended to:

- 3.1 note the information concerning the recommended nominated governor in Appendix 1.
- 3.2 agree to nominate the person set out in paragraph 6 as a Local Authority governor.

### **4. Policy Context**

- 4.1 Lewisham's Children & Young People's Plan sets out our vision for improving outcomes for all children. The main purpose of a governing body is to account for the achievement of children and young people in their schools.
- 4.2 The appointment of governors supports the broad priorities within Lewisham's Sustainable Community strategy, in particular those of being "ambitious and achieving" and "empowered and responsible". Governors help inspire our young people to achieve their full potential and they also promote volunteering which allows them to be involved in their local area.
- 4.3 Two specific corporate priorities that are relevant pertain to "community leadership and empowerment" and "young people's achievement and involvement".

### **5. Background**

- 5.1 Under Section 19 of the Education Act 2002 and School Governance (Constitution) (England) Regulations 2012, every governing body is required to have at least one representative of the Local Authority as part of its membership. Governing bodies reconstituted under The School Governance (Constitution) (England) Regulations 2012 only allows for one Local Authority governor. Free schools and Academies are exempt from this requirement.
- 5.2 The Constitution Regulations 2012 and associated Guidance highlight the importance of governors having the appropriate skills to contribute to the effective governance and success of the school.
- 5.3 The suggested nominee has the requisite skills and experience required to be effective in their role as a Local Authority nominated governor.

5.3.1 A Local Authority governor vacancy will arise on the governing body of the nursery school listed in paragraph 6. Appointments to school governing bodies are usually for a four-year term, unless stipulated otherwise in the Instrument of Government. The individual set out in paragraph 6 would serve the normal 4 years if appointed. The governing body of the school would like to appoint them to the role of Local Authority governor at the next governing body meeting and thus a nomination is required to enable this to happen.

5.4 Appendix 1 highlights the skills and experience that the individual possess which will enable them to be an effective member of a governing body.

**6. Candidate recommended for Nomination as Local Authority governor for governing bodies constituted under the School Governance (Constitution) (England) Regulations 2012 .**

<b>Name</b>	<b>School</b>
Joan Norris	Clyde Nursery School

**7. Financial implications**

7.1 There are no financial implications arising from this report.

**8. Legal implications**

8.1 Section 19 of the Education Act 2002 and the School Governance (Constitution) (England) Regulations 2012( as amended) requires every governing body of a maintained school to have one representative of the Local Authority as part of its membership.

Equalities Legislation

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

8.3 In summary, the Council must, in the exercise of its functions, have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- advance equality of opportunity between people who share a protected characteristic and those who do not.

- foster good relations between people who share a protected characteristic and those who do not.
- 8.4 It is not an absolute requirement to eliminate unlawful discrimination, harassment, victimisation or other prohibited conduct, or to promote equality of opportunity or foster good relations between persons who share a protected characteristic and those who do not. It is a duty to have due regard to the need to achieve the goals listed at 7.5 above.
- 8.5 The weight to be attached to the duty will be dependent on the nature of the decision and the circumstances in which it is made. This is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. The Mayor must understand the impact or likely impact of the decision on those with protected characteristics who are potentially affected by the decision. The extent of the duty will necessarily vary from case to case and due regard is such regard as is appropriate in all the circumstances.
- 8.6 The Equality and Human Rights Commission has issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled “Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice”. The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at:  
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- 8.7 The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:
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  - [Engagement and the equality duty: A guide for public authorities](#)
  - [Objectives and the equality duty. A guide for public authorities](#)
  - [Equality Information and the Equality Duty: A Guide for Public Authorities](#)
- 8.8 The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet

the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at:

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

## **9 Crime and Disorder Implications**

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

## **10. Equalities Implications**

- 10.1 Lewisham Council's policy is to encourage all sections of the community to be represented as Local Authority governors. In particular, we would encourage further representation from the black community and minority groups including disabled people, who are currently under-represented as governors. The numbers of governors in these groups is kept under review

## **11. Environmental Implications**

- 11.1 There are no specific environmental implications arising from this report.

## **12. Conclusion**

- 12.1 The individual detailed in Appendix 1 views being a governor as a way of utilising their skills and experience to make a difference to the lives of children and young people in Lewisham schools. Section 19 of the Education Act 2002 and School Governance (Constitution) (England) Regulations 2007 made under it require every governing body to have at least one representative of the Local Authority as part of its membership. Governing bodies reconstituting under The School Governance (Constitution) (England) Regulations 2012 only require one Local Authority governor. Academies are exempt from this requirement.
- 12.2 Appointments to school governing bodies are usually for a four-year term, unless stipulated otherwise in the Instrument of Government. The person listed in paragraph 6 would serve the normal 4 years.

## **Background Documents**

There are no background papers.

If there are any queries arising from this report, please contact Suhaib Saeed,  
Service Manager – School Services, 3<sup>rd</sup> Floor, Laurence House, telephone 020  
8314 767

LA Governor nominations					APPENDIX 1
Name	School	Occupation	Residential Area	Précis of Suitability and Skills to be considered as a school governor	Governor Monitoring Information
Joan Norris	Clyde Nursery School	Retired	SE3	Joan is the chair of governor's and has been involved with the education of early year's practitioners for the past thirty years, and involved with Clyde since 1994. The governing body are keen to retain her skills and wish to appoint her as a LA governor.	Female White British

# Agenda Item 13

APPENDIX D

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


<b>Date of Meeting</b>	11 January 2017
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<b>Title of Report</b>	Monthly Management Report
------------------------	---------------------------

<b>Originator of Report</b>	Steve Goldsmith	<b>Ext. 47840</b>
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At the time of submission for the Agenda, I confirm that the report has:

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

Signed:  Executive Member

Date: 30/11/16

Signed:  Director/Head of Service

Date: 30-11-16

### Control Record by Committee Support

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

<b>MAYOR AND CABINET</b>		
<b>Report Title</b>	Management Report – October 2016	
<b>Key Decision</b>	No	Item No.
<b>Ward</b>	All	
<b>Contributors</b>	Executive Director for Resources & Regeneration	
<b>Class</b>		Date: 11 January 2017

## **1 PURPOSE**

- 1.1 To set out the Management Report as at October 2016.

## **2 EXECUTIVE SUMMARY**

- 2.1 The Management Report aims to present a comprehensive account of organisational performance in achieving our ten corporate priorities.
- 2.2 The Council's ten corporate priorities identify the Council's own distinct contribution to the delivery of the six priority outcomes set out in the 'Shaping our future – Lewisham's Sustainable Community Strategy' (SCS).

## **3 RECOMMENDATIONS**

- 3.1 That the Mayor notes the Management Report.

## **4 BACKGROUND**

- 4.1 The Management Report indicates how well the Council is performing against a basket of 23 indicators including National and Local indicators which cross the Council's corporate priorities. The report aims to report on organisational performance by drawing together information on performance, risk, projects and finance. It is presented monthly to the Executive Management Team and quarterly to the Mayor and Cabinet.
- 4.2 The Monthly Management Report utilises exception reporting to focus attention on key areas: exception reporting for red Projects, Risk and Finance and Red and Green exception reporting for performance. By combining these four areas for each of our corporate priorities, it functions as an important tool for supporting decisions across the organisation.

## **5 FINANCIAL IMPLICATIONS**

- 5.1 There are no direct financial implications arising from the Management Report. However, the report does set out a summary of the Council's overall financial position as it stands at the start of each month.

## **6 LEGAL IMPLICATIONS**

- 6.1 There are no direct legal implications arising from the report.

## **7 HUMAN RESOURCE IMPLICATIONS**

- 7.1 Data on the performance of the Council's human resources function is found within the indicators contained in the Management Report, and in particular within the



indicators relating to the Council's priority to "Inspiring Efficiency, Effectiveness and Equity" (priority 10).

## **8 EQUALITIES IMPLICATIONS**

8.1 Data on performance relating to equalities is found within the indicators contained in the Management Report. This is a theme that cuts across all priorities within the report.

## **9 ENVIRONMENTAL IMPLICATIONS**

9.1 Data on performance relating to the environment is found within indicators contained throughout the Management Report, and there is a particular focus on the environment within the indicators relating to the Council's priority to make the borough "Clean, Green and Liveable" (priority 3).

## **10 CRIME AND DISORDER IMPLICATIONS**

10.1 Data on performance relating to crime and disorder is found within indicators contained in the Management Report, and in particular within the indicators relating to the Council's priority to achieve "Safety, Security and Visible Presence" (priority 4).

## **BACKGROUND PAPERS**

<b><u>Short Title of Document</u></b>	<b><u>Date</u></b>	<b><u>File Location</u></b>	<b><u>Contact Officer</u></b>
None			

**For further information on this report please contact: Steve Goldsmith, Policy Service Design and Analysis, on 020 8314 7840.**












# **Monthly Management Report**

**October 2016**

# Contents

## Key

-  On track to achieve our outcomes
-  Slightly behind and requires improvement
-  Not on track but taking corrective action
-  Improving
-  No change
-  Declining
-  Missing actual data
-  Missing target
-  Missing target and actual data

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# Foreword

The purpose of the Management Report is to place on record each month, in a consistent format, our performance against priorities. Each month we attempt to give a full account of what is being done, what has been achieved and which areas require additional management attention to secure future achievements. The report gives some coverage to the effectiveness of our partnership working. Reporting on performance is always double-edged. We have high ambitions and targets which are set to stretch management and staff effort. So, there are areas where the need for greater management attention is highlighted.

The report focuses on the Council's performance in line with our corporate priorities, drawing data from performance indicators (PIs), project monitoring information, risk register assessments and financial reports.

## **Performance:**

Performance is being reported for September 2016. There are 12 performance indicators (63 per cent) reported as green or amber against target, and 8 (42 per cent) are showing an upward direction of travel. There are 7 performance indicators (37 per cent) reported as red against target and 11 performance indicators (58 per cent) which have a Red direction of travel. There are 4 indicators that have missing performance data.

## **Projects:**

Projects are being reported for October 2016. There are two red projects this month.

## **Risks:**

Risks are being reported for September 2016.. There are nine red corporate risks - ICT infrastructure is not fit for purpose and/or does not meet business needs; noncompliance with Health & Safety legislation; financial failure and inability to maintain service delivery within a balanced budget; loss of income to the Council; failure of child safeguarding arrangement; serious adult safeguarding concern; information governance failure; failure to maintain sufficient management capacity and capability to deliver business as usual and implement transformational change; and strategic programme to develop and implement transformational change does not deliver. There are 12 amber risks and 1 risk is rated green.

## **Finance:**

The financial outturn for 2016/17 as at 30 September 2016 is as follows: There is a forecast overspend of £10.2m (an increase of £0.5m compared to the position in August 16) against the directorates' net general fund revenue budget which is £236.218m, This compares with a final outturn of £3.1m for 15/16 which resulted after applying £3.2m of funding for 'risks and other budget pressures' against directorates' year end overspend of £6.3m for the year. The Housing Revenue Account (HRA) is currently projecting a balanced budget position. The Dedicated Schools Grant (DSG) is expected to overspend by £0.5m at year end. It is expected that there will be nine schools that require a licensed deficit. It is also expected that following the academy conversion order for Sedgemoor School the school's deficit will be written off against the schools contingency.

**Barry Quirk, Chief Executive**  
**8 November 2016**

# Overall Summary: Performance

Summary of performance indicators in this report.

Priority 2 - Young People's Achievement and Involvement					Priority 2 - Young People's Achievement and Involvement				
Overall Performance					Direction of Travel				
				Total					Total
2	0	0		2	2	0	0		2
Priority 3 - Clean, Green and Liveable					Priority 3 - Clean, Green and Liveable				
Overall Performance					Direction of Travel				
				Total					Total
1	0	2	2	5	2	0	1	2	5
Priority 6 - Decent Homes for All					Priority 6 - Decent Homes for All				
Overall Performance					Direction of Travel				
				Total					Total
0	1	0	1	2	1	0	0	1	2
Priority 7 - Protection of Children					Priority 7 - Protection of Children				
Overall Performance					Direction of Travel				
				Total					Total
2	0	1		3	1	0	2		3
Priority 8 - Caring for Adults and Older People					Priority 8 - Caring for Adults and Older People				
Overall Performance					Direction of Travel				
				Total					Total
2	0	1		3	1	0	2		3
Priority 9 - Active, Healthy Citizens					Priority 9 - Active, Healthy Citizens				
Overall Performance					Direction of Travel				
				Total					Total
0	1	0		1	0	0	1		1
Priority 10 - Inspiring Efficiency, Effectiveness and Equity					Priority 10 - Inspiring Efficiency, Effectiveness and Equity				
Overall Performance					Direction of Travel				
				Total					Total
0	2	4	1	7	4	0	2	1	7

Across all performance indicators in this report						Across all performance indicators in this report				
Overall Performance						Direction of Travel				
					Total					Total
7	4	8	2	2	23	11	0	8	4	23

## Performance

This report contains September 2016 performance data, and finds that 12 indicators are reported as Green or Amber against target which is down from 16 last month. In September 2016, 7 indicators are reported as Red against target, which is up from 4 last month. There are 4 indicators with missing data in September 2016, which is up from 3 last month.

## Direction of Travel

A total of 8 indicators are showing an upward trend in September 2016, which is down from 10 in the previous report. There are 11 indicators with a red direction travel, which is up from 9 last month. In September 2016, 4 indicators had missing data, which is up from 3 last month.

N.B. direction of travel is the change in performance and is measured against the previous year. Therefore changes to targets from one year to the next will affect this.

# Areas for Management Attention

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Areas requiring management attention this month						
Performance Indicators - Monthly Indicators						
	Against Target Sep 16	DoT Sep 16 v Mar 16	DoT Sep 16 v Aug 16	Consecutive periods Red (last 12 periods)	Priority No.	Page No.
LPZ940 % EHCPs issued under 20 weeks excluding exceptions to the rule	▲	🔴	🔴	3	2	p14
LPZ941 % EHCPs issued under 20 weeks including exceptions to the rule	▲	🔴	🔴	3	2	p15
NI062 Stability of placements of looked after children: number of moves	▲	🔴	🔴	-	7	p26
Performance Indicators - Monthly Indicators (reported 1 month behind)						
	Against Target Aug 16	DoT Aug 16 v Mar 16	DoT Aug 16 v Jul 16	Consecutive periods Red (last 12 periods)	Priority No.	Page No.
NI192 Percentage of household waste sent for reuse, recycling and composting	▲	🔴	🟢	5	3	p18
LPZ64 2C (1) Delayed transfers of care from hospital per 100,000 population (NHS only)	▲	🔴	🔴	-	8	p29

# Areas of Good Performance










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Areas of Good Performance				
Performance Indicators - Monthly indicators				
	Against Target Sep 16	DoT Sep 16 v Mar 16	DoT Sep 16 v Aug 16	Priority No.
NI063 Stability of placements of looked after children: length of placement	★	🚩	🚩	7
LPI254 1C (2) % people using social care who receive direct payments	★	🚩	🚩	8
LPI548a %age of notifiable incidents occurring on non-school sites reported to the HSE	★	🚩	🚩	10
Performance Indicators - Monthly Indicators (reported 1 month behind)				
	Against Target Aug 16	DoT Aug 16 v Mar 15	DoT Aug 16 v Jul 16	Priority No.
NI191 Residual household waste per household (KG)	★	🚩	🚩	3

# Programmes and Projects

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## Project Performance - October 2016

This month				One month ago				Two months ago			
Status			Total	Status			Total	Status			Total
			15				15				15
1	8	6		1	10	4		1	10	4	

Project	Estimated completion dates	Date
PMSRGN Deptford Rise Public Realm (In Devel) Deptf TC		October 2016
PMSCYP Building Schools for the Future		December 2016
PMSRGN Beckenham Place Park (Fundraising Project)		Round 2 funding announcement in December 2016
PMSCUS Lewisham Homes Capital Programme 2016/17		March 2017
PMSCUS New Homes, Better Places		Phase 2 completion - July 2017
PMSCYP Primary Places Programme 2016/17		September 2017
PMSRGN Sydenham Park Footbridge		September 2017
PMSCUS Excalibur Regeneration		January 2018
PMSCUS Bampton and Shifford Estate Development		Spring 2018
PMSRGN Southern Site Housing - Deptf TC Prog - appointment of developers		November 2018
PMSRGN Milford Towers Decant		2021
PMSCUS Besson Street Development		2021
PMSRGN New Bermondsey Regeneration Scheme		2026
PMSRGN Catford Centre Redevelopment		2026
PMSCYP Developing 2 Year Old Childcare Provision		TBC

### Movements in project status since August 2016

#### Upgrades: Amber to Red

- The Milford Towers Decant

#### Downgrades: Amber to Green

- Deptford Rise Public Realm
- Besson Street Development

#### Removals: Primary Places Programme 2015/16

#### Additions: Primary Places Programme 2016/17



# Overall Performance: Risk

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Likelihood	5	10	15	20	25
	4	8	12	16	20
	3	6	9	12	15
	2	4	6	8	10
	1	2	3	4	5
	Impact				

Risk can be defined as uncertainty of outcome due to an event or an action in the future that could adversely affect an organisation's ability to achieve its business objectives and meet its strategies.

Good risk management allows an organisation to have increased confidence in achieving its desired outcomes; effectively constrain threats to acceptable levels; and take informed decisions about exploiting opportunities. Good risk management also allows stakeholders to have increased confidence in the organisation's corporate governance and ability to deliver.

In accordance with the Council's current Risk Management Strategy, risk is monitored by way of risk registers. Risks are scored in terms of likelihood and impact, with a range from 1 to 5 (with 5 being the highest) and the result is plotted on a matrix (as shown) to produce the RAG rating. A target is also set and the risk registers contain action plans to manage the risks to target and these are subject to regular review by Directorate Management Teams. The risk registers are reported to the Executive Management Team/Heads of Service (instead of the Risk Management Working Party that has now been disbanded) and the Internal Control Board on a quarterly basis and quarterly updates are provided in this report. The previous quarter's data will be routinely carried forward until the next quarterly update is made, unless there are matters of significance that need to specifically be brought to management's attention.

The Corporate Risk register has been refreshed to ensure that all risks are more clearly defined and accurately reflect the underlying risks. All of the action plans within the registers now have clear deadlines for completion. There are 22 risks in total on the Corporate Risk register (9 Red, 12 Amber, and 1 Green).

Alignment of directorate to corporate risks is regularly analysed and reported to the Internal Control Board. Analysis of the alignment of risks identified in business plans to the directorate registers will be strengthened following completion of the 2017/18 business planning process.

A Risk Maturity Assessment, undertaken by Internal Audit, reported in July 2016. It assesses the Council as 'Risk Managed'. This is the fourth highest of a five point scale. The definition of 'Risk Managed' is 'Enterprise-wide approach to risk management developed and communicated'.

There are six recommendations arising from the Assessment and an action plan is in place to implement these by the due dates. A follow up review will take place within nine months. An implementation check of the recommendations arising from the Risk Management Internal Audit completed in 2015/16 is currently underway.

# Overall Performance: Risk

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Red (Corporate Register)		
Corporate priority	Risk name	Current status
10	<b>2. ICT infrastructure is not fit for purpose and/or does not meet business needs</b> An ICT strategy is in development with support from SOCITM and Public Accounts Committee approval for implementation. New desktop environment is being deployed in phases, with ongoing work to improve the infrastructure under the LBL/Brent shared service.	▲
10	<b>4. Non-compliance with Health &amp; Safety Legislation</b> Cross directorate monitoring meetings are taking place. Lessons learnt from CYP audits to be reported to CYP Directorate Management Team.	▲
10	<b>6. Financial Failure and inability to maintain service delivery within a balanced budget</b> The 2016/17 forecast overspend is £7.7M against the directorates' net general fund budget with £3.8M of corporate provisions held for risk and pressures. Savings proposals of £35M to 17/18 are being progressed. The 2015/16 forecast overspend is £6M against the directorates' net general fund revenue budget with £3.2M of corporate provisions held for risk and pressures. Savings proposals of £35M to 17/18 are being progressed.	▲
10	<b>9. Loss of income to the Council</b> Issues continue with Oracle 12 and the system is hampering debt collection and fund allocation. All issues with Oracle 12 are subject to Scrutiny overseen by the Executive Director, Resources and Regeneration.	▲
8	<b>17. Serious Adult Safeguarding Concerns</b> Continue engagement with staff and partners as direction of travel becomes clearer. Expand Financial Implications in decision reports to include consideration of implications.	▲
7	<b>18. Failure of child safeguarding arrangement</b> Regular and ongoing management action and review continues in respect of safeguarding. However, the risk of avoidable death or serious injury to client or employee will continually be rated red due to the potential severity should an event occur.	▲
10	<b>21. Information governance failure.</b> All Information Management policies to be refreshed in line with new Data Protection legislation coming from the EU that will replace the current Data Protection Act and to ensure alignment with Brent. Refresh of Information Governance policies to follow.	▲
10	<b>24. Failure to maintain sufficient management capacity &amp; capability to deliver business as usual and implement transformational changes.</b> This risk recognises the risk of strain on management capacity and capability with continuing headcount reductions and significant changes to ways of working. Declining budgets, changing demand and pressures, new technologies and a different community role under the Localism Act drive risk of a decline in flexibility and duality of service due to insufficient time or resource. Consideration of capacity and capability and succession planning are all indicated in the 'STAR' service planning model. Organisational shape, direction and delivery strategy being continually reviewed.	▲
10	<b>30. Strategic programme to develop and implement transformational change does not deliver</b> Reviews across key services to implement transformational changes in current climate of austerity. Exploring further potential for shared services, digitisation commercialisation and income generation as a means of delivering savings.	▲

# Overall Performance: Risk




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Corporate Risk					
	Current Status	Current status against target	Source Date	Direction of Travel	Priority
1. Failure to effectively manage the impacts of an emergency affecting the public, business, environment and/or organisation.	●	★	Sep 16	➔	10
2. ICT infrastructure is not fit for purpose and/or does not meet business needs	▲	▲	Sep 16	➔	10
4. Non-compliance with Health & Safety Legislation	▲	▲	Sep 16	➔	10
5. Failure to anticipate and respond appropriately to legislative change.	●	▲	Sep 16	➔	10
6. Financial Failure and inability to maintain service delivery within a balanced budget	▲	▲	Sep 16	➔	10
7. Adequacy of Internal Control.	●	●	Sep 16	➔	10
8. Lack of provision for unforeseen expenditure or loss of income in respect of Council's liabilities or funding streams.	●	●	Sep 16	➔	10
9. Loss of income to the Council	▲	▲	Sep 16	➔	10
10. Failure to manage performance leads to service failure.	●	▲	Sep 16	➔	10
12. Multi-agency governance failure leads to ineffective partnership working	●	▲	Sep 16	➔	10
13. Failure to manage strategic suppliers and related procurement programmes.	●	▲	Sep 16	➔	10
15. Loss of a strategic asset or premises through failure to maintain it in a safe and effective condition	●	▲	Sep 16	➔	10
17. Serious Adult Safeguarding Concerns	▲	▲	Sep 16	➔	8
18. Failure of child safeguarding arrangement	▲	●	Sep 16	➔	7
19. Loss of constructive employee relations	●	●	Sep 16	➔	10
21. Information governance failure.	▲	▲	Sep 16	➔	10
24. Failure to maintain sufficient management capacity & capability to deliver business as usual and implement transformational changes.	▲	▲	Sep 16	➔	10
27 Governance failings in the implementation of service changes	●	▲	Sep 16	➔	10
28. Failure to agree with partners integrated delivery models for local health and care services.	★	★	Sep 16	➔	9
29 Move to IER impacts work of boundary commission	●	▲	Sep 16	➔	10
30. Strategic programme to develop and implement transformational change does not deliver	▲	●	Sep 16	➔	10
32. Election/Referendum not conducted efficiently.	●	▲	Sep 16	➔	10

# Overall Performance: Finance

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## Performance

	August 2016	%	September 2016	%
				
	3	30	3	30
	1	10	1	10
	6	60	6	60
<b>Total</b>	<b>10</b>	<b>100</b>	<b>10</b>	<b>100</b>

The financial outturn for 2016/17 as at 30 September 2016 is as follows: There is a forecast overspend of £10.2m (an increase of £0.5m compared to the position in August 16) against the directorates' net general fund revenue budget which is £236.218m. This compares with a final outturn of £3.1m for 15/16 which resulted after applying £3.2m of funding for 'risks and other budget pressures' against directorates' year end overspend of £6.3m for the year.

The Housing Revenue Account (HRA) is currently projecting a balanced budget position.

The Dedicated Schools Grant (DSG) is expected to overspend by £0.5m at year end. It is expected that there will be nine schools that require a licensed deficit. It is also expected that following the academy conversion order for Sedgehill School the school's deficit will be written off against the schools contingency.

### Finance by Priorities (£000s)

	2016/17 Budget	Latest projected year end variance as at Sep 16	% variance
01. NI Community Leadership and Empowerment	6,160	-280.00	-4.55
02. NI Young People's Achievement and Involvement	6,600	1,000.00	15.15
03. NI Clean, Green and Liveable	18,900	1,400.00	7.41
04. NI Safety, Security and Visible Presence	9,900	-700.00	-7.07
05. NI Strengthening the Local Economy	2,700	-400.00	-14.81
06. NI Decent Homes for All	5,500	700.00	12.73
07. NI Protection of Children	41,900	3,500.00	8.35
08. NI Caring for Adults and Older People	72,000	3,200.00	4.44
09. NI Active, Healthy Citizens	5,040	1,280.00	25.40
10. NI Inspiring Efficiency, Effectiveness, and Equity	77,718	500.00	0.64
Corporate priorities	236,218	10,200.00	4.32

# Hot Topics

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The following 'Hot Topics' are currently being reported:

## **Kayla Sh'ay has been elected Young Mayor of Lewisham.**

The 15 year-old Addey and Stanhope student won after taking 1,228 votes and becomes Lewisham's 13th directly elected young mayor. Tekisha Henry, also aged 15 and a student at Sedgehill School, was elected Deputy Young Mayor. She received 1,214 votes. Kayla said: 'I'm so happy to have won! It's great that the young people in Lewisham believe in me to represent them. I've got a lot of exciting ideas and plans to make Lewisham better for young people and I can't wait to get started.' Sir Steve Bullock, Mayor of Lewisham, commended the effort and commitment of all the young people involved and congratulated Kayla's on her achievement. He said: 'This year's campaign has been brilliant. All those who stood have demonstrated real passion for politics and democracy – they are a real inspiration. I am very much looking forward to working with Kayla in tackling the issues facing the young people of Lewisham and I'm confident she can deliver on what matters to them.' Kayla will be working with the young advisers group and continue to listen to young people in Lewisham in order to develop ideas for her year in office. A total of 8,943 votes were cast for the 31 candidates in polling stations in schools and colleges, representing a turnout of 49%. Kayla will be in office for one year and will have a budget of £25,000 to spend on priorities identified by young people. Third place went to Destiny Chapman, with 575 votes and in fourth place was Riley Jhanji with 523 votes. Destiny and Riley will represent Lewisham at the UK Youth Parliament.

## **We are working with the Home Office to ensure child refugees from camps in Calais with families in Lewisham are safely and speedily reunited with their relatives.**

This follows the Government's recent decision to address the plight of the child refugees who have been enduring appalling conditions in the 'camps' in Calais, which are due to be closed by the French authorities imminently. We will also provide foster homes and support for those child refugees without family in the UK when they are allocated to Lewisham through the Home Office's [National Transfer Scheme](#).

## 2. Young People's Achievement and Involvement

Raising educational attainment and improving facilities for young people through partnership working

Priority 2 - Monthly Performance								
	Unit	YTD Sep 16	Target Sep 16	Against Target Sep 16	DoT Last year	Against Target Aug 16	Against Target Jul 16	15/16
LPZ940 % EHCPs issued under 20 weeks excluding exceptions to the rule	Percentage	64.90	100.00	▲	■	▲	▲	▲
LPZ941 % EHCPs issued under 20 weeks including exceptions to the rule	Percentage	64.00	95.00	▲	■	▲	▲	▲

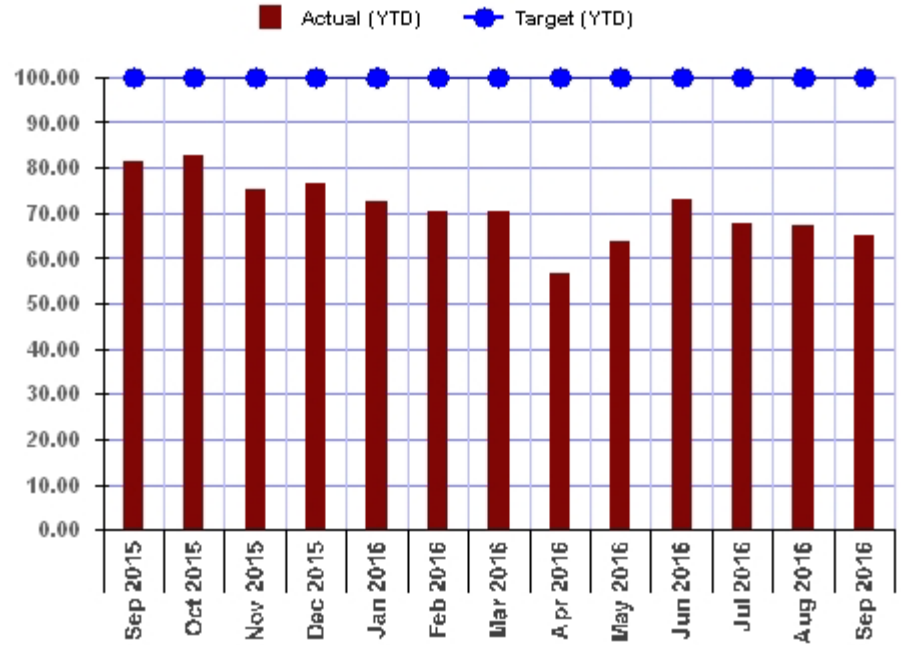
Priority 2 - Projects				
	Directorate	Budget	Est. completion date	Current Status
PMSCYP Building Schools for the Future	CYP	£230m	December 2016	★
PMSCYP Developing 2 Year Old Childcare Provision	CYP	£2.562m	TBC	●
PMSCYP Primary Places Programme 2016/17	CYP	TBC	September 2017	●

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Net Expenditure Priority 02 (£000s)					
	2016/17 Budget	Projected year-end variance as at Sep 16	Variance	% Variance	Comments
02. NI Young People's Achievement and Involvement	6,600	1,000	▲	15.15	<b>Finance Overspend</b> Schools' transport is predicting an overspend of £0.7m. The remaining overspend arises from saving proposals from Attendance and Welfare, Occupational therapy and Multi agency not being delivered in full this year.

**LPZ940 - % EHCPs issued under 20 weeks excluding exceptions to the rule**

LPZ940 % EHCPs issued under 20 weeks excluding exceptions to the rule			
Percentage			
	Actual (YTD)	Target (YTD)	Performance (YTD)
Sep 2015	81.50	100.00	▲
Oct 2015	82.50	100.00	▲
Nov 2015	75.00	100.00	▲
Dec 2015	76.70	100.00	▲
Jan 2016	72.50	100.00	▲
Feb 2016	70.50	100.00	▲
Mar 2016	70.20	100.00	▲
Apr 2016	56.50	100.00	▲
May 2016	63.80	100.00	▲
Jun 2016	73.00	100.00	▲
Jul 2016	67.50	100.00	▲
Aug 2016	67.20	100.00	▲
Sep 2016	64.90	100.00	▲



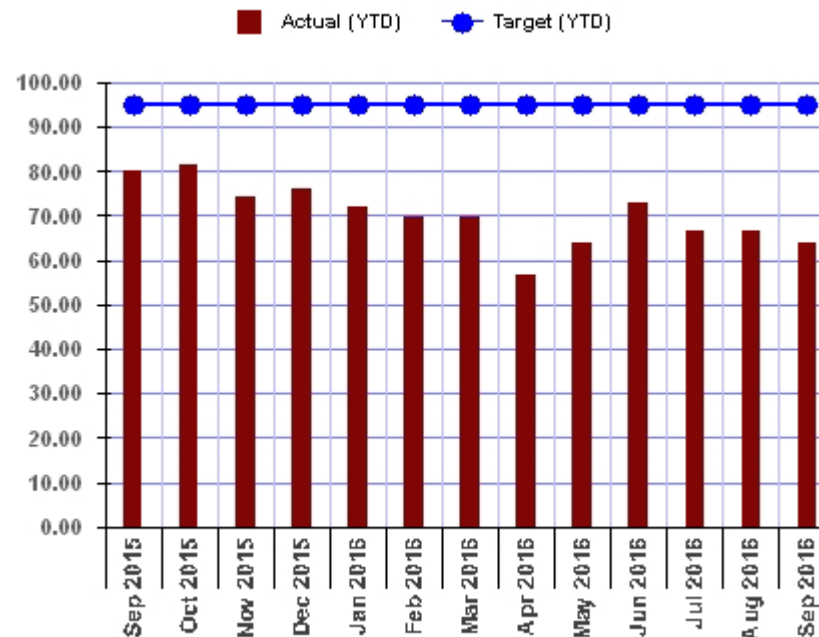
LPZ940 - comment

Responsible Officer	Performance Comments	Action Plan Comments
Head of Targeted Services and Joint Commissioning	<p><b>Performance</b>                      In September, we only finalised 47.1% within the 20 week timescale. This relates to 20 cases; 2 of these are valid exceptions and a further 6 are due to reduced capacity in the Educational Psychology service. (If we deduct those that were due to late EP reports (6), the figure increases to 67.6%, a slight increase on the 66% in August). All of the late EHCPs are a result of the backlog caused by previously reported SEN team capacity and IT issues, and although these have been resolved the backlog will take until at least January 2017 to clear. However capacity issues elsewhere in the system could still cause delay. There is also a gap in some service provision to undertake health assessments.</p>	<p><b>Performance Action Plan</b>                      The SEN team has now recruited into additional posts and the new IT system is in place. However the backlog from these issues will be seen until at least January 2017. The new system will now allow for closer monitoring of the process in future to identify the cause of delays in the process. Capacity issues elsewhere in the system, particularly the EP service and the health service, are currently being assessed.</p>

## LPZ941: % EHCPs issued under 20 weeks including exceptions to rule

LPZ941 % EHCPs issued under 20 weeks including exceptions to the rule

	Percentage		
	Actual (YTD)	Target (YTD)	Performance (YTD)
Sep 2015	80.20	95.00	▲
Oct 2015	81.40	95.00	▲
Nov 2015	74.10	95.00	▲
Dec 2015	76.00	95.00	▲
Jan 2016	71.90	95.00	▲
Feb 2016	69.90	95.00	▲
Mar 2016	69.80	95.00	▲
Apr 2016	56.50	95.00	▲
May 2016	63.80	95.00	▲
Jun 2016	73.00	95.00	▲
Jul 2016	66.80	95.00	▲
Aug 2016	66.70	95.00	▲
Sep 2016	64.00	95.00	▲



LPZ941 - comment

Responsible Officer

Performance Comments

Action Plan Comments

Head of Targeted Services and Joint Commissioning

### Performance

In September, we only finalised 47.1% within the 20 week timescale. This relates to 20 cases; 2 of these are valid exceptions and a further 6 are due to reduced capacity in the Educational Psychology service. (If we deduct those that were due to late EP reports (6), the figure increases to 67.6%, a slight increase on the 66% in August). All of the late EHCPs are a result of the backlog caused by previously reported SEN team capacity and IT issues, and although these have been resolved the backlog will take until at least January 2017 to clear. However capacity issues elsewhere in the system could still cause delay. There is also a gap in some service provision to undertake health assessments.

### Performance Action Plan

The SEN team has now recruited into additional posts and the new IT system is in place. However the backlog from these issues will be seen until at least January 2017. The new system will now allow for closer monitoring of the process in future to identify the cause of delays in the process. Capacity issues elsewhere in the system, particularly the EP service and the health service, are currently being assessed.



### 3. Clean, Green & Liveable

Improving environmental management, the cleanliness and care of roads and pavements, and promoting a sustainable environment

Priority 3 - Monthly Performance								
	Unit	YTD Sep 16	Target Sep 16	Against Target Sep 16	DoT Last year	Against Target Aug 16	Against Target Jul 16	15/16
LPZ751 Percentage of land and highways inspected that are of acceptable cleanliness (graffiti)	Percentage	?	?	?!	?	?!	?!	?
LPZ749 Percentage of land and highways inspected that are of acceptable cleanliness (litter)	Percentage	?	?	?!	?	?!	?!	?
Priority 3 - Monthly Performance (reported one month in arrears)								
	Unit	YTD Aug 16	Target Aug 16	Against Target Aug 16	DoT Last year	Against Target Jul 16	Against Target Jun 16	15/16
NI191 Residual household waste per household (KG)	Kg/Household	57.43	58.75	★	★	★	★	★
NI192 Percentage of household waste sent for reuse, recycling and composting	Percentage	17.32	20.00	▲	▲	▲	▲	▲
NI193 Percentage of municipal waste land filled	Percentage	0.85	2.00	★	▲	★	★	★

### 3. Clean, Green & Liveable

Improving environmental management, the cleanliness and care of roads and pavements, and promoting a sustainable environment

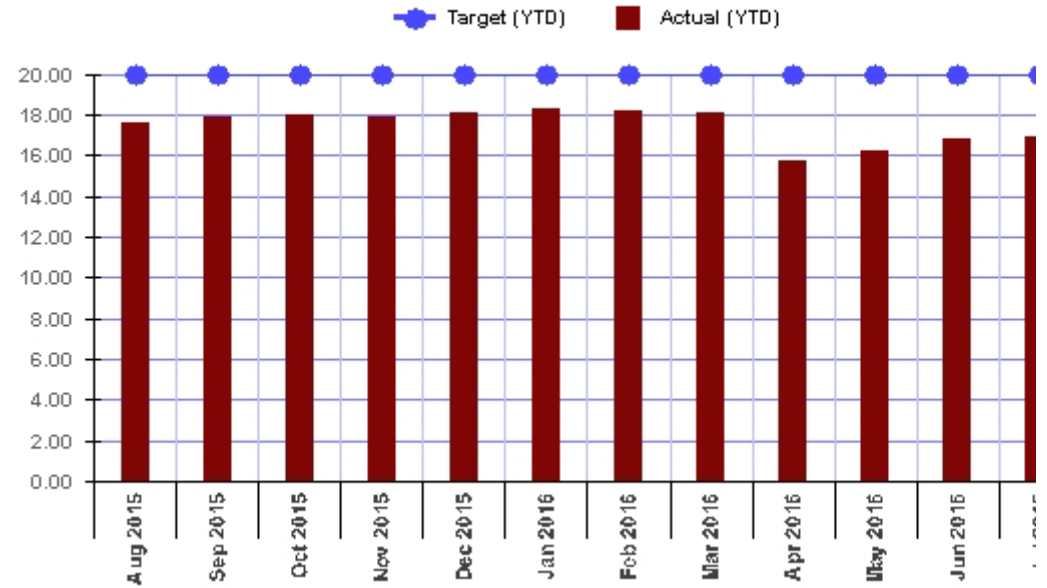
Priority 3 Projects				
	Directorate	Budget	Est. completion date	Current Status
PMSRGN Deptford Rise Public Realm (The Deptford Project Ltd)	Resources & Regeneration	£152k	September 2016	★
PMSRGN Beckenham Place Park (Fundraising Project)	Resources & Regeneration	£323k (round 1 funding)	Round 2 funding announcement in December 2016	★
PMSRGN Sydenham Park Footbridge	Resources & Regeneration	£775k	September 2017	●

Priority 3 - Finance Net Expenditure (£000s)					
	2016/17 Budget	Projected year-end variance as at Sep 16	Variance	% variance	Comments
Page 237 05: NI Clean, Green and Liveable	18,900	1,400	▲	7.41	<b>Finance Overspend</b> The Environment Division is forecasting an overspend of £1.2m. The largest proportion of the overspend, £0.7m, relates to additional vehicle hire costs as a result of vehicles coming to the end of their operational life. Domestic refuse tonnage is expected to overspend by £0.2m. This is due to an increase in collection of 41.9k tonnes in the first 5 months of 2016/17, compared to 40.6k tonnes in the same period last year. Bereavement services is projecting an overspend of £0.1m largely arising from increased crematorium costs. Green scene budgets are projecting an overspend of £0.1m as a result of income from the former Foxgrove Club. The £0.1m overspend in the Street Management budget is the result of public conveniences which are no longer funded as part of the JC Decaux Highways contract. The public services division is forecasting an overspend of £0.2m compared to balanced position last reported.

**NI192- Percentage of household waste sent for reuse, recycling and composting**

NI192 Percentage of household waste sent for reuse, recycling and composting

	Percentage		
	Actual (YTD)	Target (YTD)	Performance (YTD)
Aug 15	17.61	20.00	▲
Sep 15	17.88	20.00	▲
Oct 15	18.01	20.00	▲
Nov 15	17.94	20.00	▲
Dec 15	18.07	20.00	▲
Jan 16	18.26	20.00	▲
Feb 16	18.18	20.00	▲
Mar 16	18.06	20.00	▲
Apr 16	15.75	20.00	▲
May 16	16.21	20.00	▲
Jun 16	16.80	20.00	▲
Jul 16	16.98	20.00	▲
Aug 16	17.32	20.00	▲



NI192 - comment

Responsible Officer	Performance Comments	Action Plan Comments
Head of Environment	<p><b>Performance</b> Recycling rate has increased this month, with more recycling collected and contamination levels less than previous month.</p>	<p><b>Performance Action Plan</b> A comprehensive communications plan is being developed which will be implemented when rolling out the new services; it is currently estimated that this will commence in late February 2017. Additionally, Lewisham is assisting in a communications project with Resource London to restrict residual waste, which will identify messages that will be effective in reducing residual waste. This work will begin in the new year. Further, new stickers will be applied to the recycling bins so that households know the correct items to recycle.</p>

## 4. Safety, Security and Visible Presence

Improving Partnership working with the police and others and using the Council's powers to combat anti-social behaviour

### 4.1 Performance

✓ Improving - where smaller is better

✗ Declining - where smaller is better

Violence with injury (ABH)						
Unit	YTD Sep 16	YTD Aug 16	Change since last month	YTD Sep 15	Change since same period last year	
Lewisham	Number	995.00	826.00		877.00	
Outer London	Number	688.00	580.00		724.00	
Inner London	Number	890.00	744.00		849.00	
Robbery						
Unit	YTD Sep 16	YTD Aug 16	Change since last month	YTD Sep 15	Change since same period last year	
Lewisham	Number	443.00	372.00		426.00	
Outer London	Number	252.00	206.00		271.00	
Inner London	Number	468.00	386.00		453.00	
Burglary						
Unit	YTD Sep 16	YTD Aug 16	Change since last month	YTD Sep 15	Change since same period last year	
Lewisham	Number	1,030.00	876.00		1,040.00	
Outer London	Number	828.00	689.00		938.00	
Inner London	Number	1,171.00	981.00		1,147.00	
Criminal Damage						
Unit	YTD Sep 16	YTD Aug 16	Change since last month	YTD Sep 15	Change since same period last year	
Lewisham	Number	1,239.00	1,025.00		1,296.00	
Outer London	Number	920.00	776.00		965.00	
Inner London	Number	1,093.00	918.00		1,061.00	

## 4. Safety, Security and Visible Presence

Improving Partnership working with the police and others and using the Council's powers to combat anti-social behaviour

### 4.1 Performance

✓ Improving - where smaller is better

✗ Declining - where smaller is better



Theft of vehicle						
Unit	YTD Sep 16	YTD Aug 16	Change since last month	YTD Sep 15	Change since same period last year	
Lewisham	Number	511.00	433.00		495.00	✗
Outer London	Number	354.00	293.00		302.00	✗
Inner London	Number	518.00	426.00		417.00	✗
Theft from vehicle						
Unit	YTD Sep 16	YTD Aug 16	Change since last month	YTD Sep 15	Change since same period last year	
Lewisham	Number	738.00	651.00		837.00	✓
Outer London	Number	680.00	557.00		752.00	✓
Inner London	Number	899.00	758.00		815.00	✗
Theft from person						
Unit	YTD Sep 16	YTD Aug 16	Change since last month	YTD Sep 15	Change since same period last year	
Lewisham	Number	275.00	223.00		234.00	✗
Outer London	Number	251.00	208.00		234.00	✗
Inner London	Number	988.00	829.00		1,001.00	✓

## 5. Strengthening the Local Economy

Gaining resources to regenerate key localities, strengthen employment skills and promote public transport

Priority 5 - Monthly Contextual Performance							
	Unit	YTD Sep 16	YTD Aug 16	YTD Jul 16	YTD Jun 16	YTD May 16	15/16
LPI472 Job Seekers Allowance claimant rate	Percentage	2.50	2.50	2.50	2.50	2.50	2.60
LPI474 The no.of JSA claimants aged 18-24yrs	Number	870	845	835	780	825	875
LPI475 Average house price(Lewisham)	£	417,249.00	418,211.00	418,194.00	411,472.00	407,020.00	399,893.00

Priority 5 - Quarterly Contextual Performance							
	Unit	YTD Sep 16	YTD Jun 16	YTD Mar 16	YTD Dec 15	YTD Sep 15	15/16
LPI423 Local employment rate	Percentage	?	73.50	74.90	75.90	76.20	74.90

Priority 5 Projects				
	Directorate	Budget	Est. completion date	Current Status
PMSRGN Catford Centre Redevelopment	Resources & Regeneration	£350m	2026	
PMSRGN New Bermondsey Regeneration Scheme	Resources & Regeneration	£500m	2026	

## 6. Decent Homes for All

Investment in social and affordable housing to achieve the Decent Homes standard, tackle homelessness and supply key worker housing

Priority 6 - Monthly Indicators									
	Unit	YTD Sep 16	Target Sep 16	Against Target Sep 16	DoT Last year	Against Target Aug 16	Against Target Jul 16		15/16
NI156 Number of households living in Temporary Accommodation	Number	1,806.00	1,750.00	●	🔴	●	●		●
Priority 6 - Quarterly Indicator									
	Unit	YTD Sep 16	Target Sep 16	Against target Sep 16	DoT Last year	Against Target Jun 16	Against Target Mar 16		15/16
LPZ705 Number of homes made decent	Number	?	125.00	?	?	★	★		643.00
Priority 6 - Contextual Performance									
	Unit	Sep 16	Aug 16	Jul 16	Jun 16	15/16			
LPI794 Number of families in non self contained nightly paid accommodation for more than 6 weeks	Number	0.00	36.00	31.00	0.00	0.00			

## 6. Decent Homes for All

Investment in social and affordable housing to achieve the Decent Homes standard, tackle homelessness and supply key worker housing

Priority 6 Projects				
	Directorate	Budget	Est. completion date	Current Status
PMSCUS New Homes, Better Places	Customer Services	£1.5m	Phase 2 completion - July 2017	★
PMSCUS Lewisham Homes Capital Programme 2016/17	Customer Services	£49m	March 2017	★
PMSCUS Besson Street Development	Customer Services	£1.02M	2021	★
PMSCUS Bampton and Shifford Estate Development	Customer Services	£300k	Spring 2018	●
PMSCUS Excalibur Regeneration	Customer Services	£2.011m	January 2018	●
PMSRGN Southern Site Housing - Deptf TC Prog - appointment of developers	Resources & Regeneration	£1m	November 2018	▲
PMSRGN Milford Towers Decant	Resources & Regeneration	£6m	2021	●

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Priority 6 - Finance Net Expenditure (£000s)					
	2016/17 Budget	Projected year-end variance as at Sep 16	Variance	% variance	Comments
06. NI Decent Homes for All	5,500	700	▲	12.73	<b>Finance Overspend</b> The Strategic Housing service is projecting an overspend of £0.7m. This relates to the number of people in nightly paid accommodation and action taken to manage that number.



# 7. Protection of Children

Better safe-guarding and joined-up services for children at risk

Priority 7 - Monthly Performance								
	Unit	YTD Sep 16	Target Sep 16	Against Target Sep 16	DoT Last year	Against Target Aug 16	Against Target Jul 16	15/16
NI062 Stability of placements of looked after children: number of moves	Percentage	10.60	10.00	▲	■	●	★	▲
NI063 Stability of placements of looked after children: length of placement	Percentage	79.10	72.00	★	■	★	★	●
NI064 Child protection plans lasting 2 years or more	Percentage	7.70	7.00	▲	■	★	★	▲

Priority 7 - Contextual Performance									
	Unit	England 14/15	Statistical Neighbours 14/15	Sep 16	Aug 16	Jul 16	Jun 16	May 16	15/16
LPI302 No. of LAC 'as at'	Number	386.00	445.00	444.00	438.00	448.00	448.00	461.00	463.00
LPI309a Number of Referrals per month	Number	294.00	252.00	210.00	194.00	187.00	250.00	174.00	213.00

Priority 7 - Finance Net Expenditure (£000s)					
	2016/17 Budget	Projected year-end variance as at Sep 16	Variance	% variance	Comments
07. NI Protection of Children	41,900	3,500	▲	8.35	<b>Finance Overspend</b> There are cost pressures amounting to £3.5m in Children's Social Care which are in the following areas: overspend of £0.1m on the no recourse to public funds budget; the placement budget for looked after children is currently forecast to overspend by £1.2m; children leaving care is currently forecast to overspend by £0.8m; and additional pressure on the Section 17 unrelated to No Recourse of £0.6m and on salaries and wages which show a forecast overspend of £0.8m.

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# 7. Protection of Children

Better safe-guarding and joined-up services for children at risk

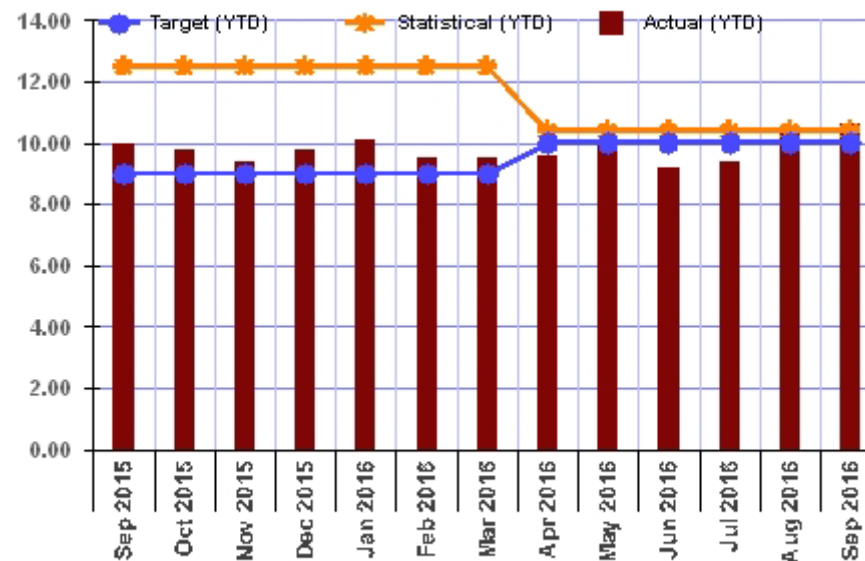
		Risk					
		Current Status	Current Status against target		Direction of Travel	What are we planning to do?	When is it going to be completed
18. Failure of child safeguarding arrangement	Corporate	▲	●	Sep 16	➡	<b>Risk - What are we planning to do?</b> <ol style="list-style-type: none"> <li>1. Implement improvement plans for Children's Social Care and Lewisham Safeguarding Children Board, in particular improvements to front door/MASH and QA strategy.</li> <li>2. Data information and performance management regularly reviewed at Children's Social Care Service Management Team in light of Ofsted Action Plan.</li> <li>3. Implement Early Help Strategy</li> <li>4. Care Study Approach at DMT</li> </ol>	<b>Risk - When is it going to be completed?</b> <ol style="list-style-type: none"> <li>1. 31st Dec 2016</li> <li>2. 31st Dec 2016</li> <li>3. 31st Dec 2016</li> <li>4. Ongoing</li> </ol>

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## NI062- Stability of placements of looked after children: number of moves

NI062 Stability of placements of looked after children: number of moves

	Percentage			
	Actual (YTD)	Target (YTD)	Statistical (YTD)	Performance (YTD)
Sep 2015	10.00	9.00	12.50	▲
Oct 2015	9.80	9.00	12.50	▲
Nov 2015	9.40	9.00	12.50	●
Dec 2015	9.80	9.00	12.50	▲
Jan 2016	10.10	9.00	12.50	▲
Feb 2016	9.50	9.00	12.50	▲
Mar 2016	9.50	9.00	12.50	▲
Apr 2016	9.60	10.00	10.40	★
May 2016	10.00	10.00	10.40	★
Jun 2016	9.20	10.00	10.40	★
Jul 2016	9.40	10.00	10.40	★
Aug 2016	10.30	10.00	10.40	●
Sep 2016	10.60	10.00	10.40	▲



NI062 - comments

Responsible Officer	Performance Comments	Action Plan Comments
Director of Children's Social Care	<p><b>Performance</b></p> <p>The children and young people with 3 or more placement moves within the last 12 months are predominately teenagers who display a number of complex and challenging behaviours as a result of earlier childhood experiences. Of 444 children looked after at the end of September, 47 had three or more placement moves and of these 33 were aged 15-18. The moves for this group are planned to accommodate their complex needs and looking towards semi-independence where appropriate. Individual care plans are devised to meet the needs of our most challenging looked after children, which includes multi agency work with partners including YOS and CAMHS. In all cases individual care plans are reviewed and agreed by independent reviewing officers.</p>	<p><b>Performance Action Plan</b></p> <p>Placement support meetings are arranged with carers to develop placement stability. These focus on the early identification and tracking of fragile placements, and the provision of multi-agency &amp; multi-disciplinary support to carers to prevent breakdown. This support includes the diversion from exclusion from school by additional assistance in class and direct Child and Adolescent Mental Health Service (CAMHS) consultation with carers. Challenging behaviour of older children continues to be a focus of attention and a Multi-agency Placement Stability Group has now been set up.</p>

## 8. Caring for Adults and Older People

Working with Health Services to support older people and adults in need of care

Priority 8 - Monthly Indicators								
	Unit	YTD Sep 16	Target Sep 16	Against Target Sep 16	DoT Last year	Against Target Aug 16	Against Target Jul 16	15/16
LPI254 1C (2) % people using social care who receive direct payments	Percentage	31.08	29.10	★	🟡	★	★	▲
Priority 8 - Monthly indicators (reported 1 month in arrears)								
	Unit	YTD Aug 16	Target Aug 16	Against Target Aug 16	DoT Last year	Against Target Jul 16	Against Target Jun 16	15/16
LPI264 2C (1) Delayed transfers of care from hospital per 100,000 population (NHS only)	Number per 100,000	5.66	4.40	▲	🔴	★	★	★
LPI265 2C (2) Delayed transfers of care from hospital which are attributable to ASC per 100,000 pop	Number per 100,000	0.87	0.80	▲	🟡	▲	▲	▲

Priority 8 - Monthly Contextual Performance							
	Unit	Sep 16	Aug 16	Jul 16	Jun 16	May 16	15/16
LPI250 ASC total service users	Number	3,087.00	3,079.00	3,060.00	3,034.00	3,062.00	1,920

Priority 8 - Finance Net Expenditure (£000s)					
	2016/17 Budget	Projected year-end variance as at Sep 16	Variance	% variance	Comments
08. NI Caring for Adults and Older People	72,000	3,200	▲	4.44	<b>Finance Overspend</b> The Adult Services Division is forecast to overspend by £3.3m. Placement budgets (projected overspend £3.0m) in particular remain volatile - costs are monitored closely and any changes will be reported in the course of the year. Furthermore, £0.3m overspend is expected from learning disability transition cases. The underspend arising from staff vacancies in Strategy and performance has reduced the overall overspend by (£0.1m).

## 8. Caring for Adults and Older People

Developing opportunities for the active participation and engagement of people in the life of the community

Risk						
	Current Status	Current Status against target		Direction of Travel	What are we planning to do?	When is it going to be completed
17. Serious Adult Safeguarding Concerns	Corporate	▲	▲	Sep 16	➔	<p><b>Risk - What are we planning to do?</b></p> <ol style="list-style-type: none"> <li>Continued scrutiny of trend analysis by LSAB.</li> <li>Organisational Alert Tool to be rolled out across ASC and joint commissioning following migration of data.</li> </ol> <p><b>Risk - When is it going to be completed?</b></p> <ol style="list-style-type: none"> <li>Sept 2016</li> <li>Sept 2016</li> </ol>

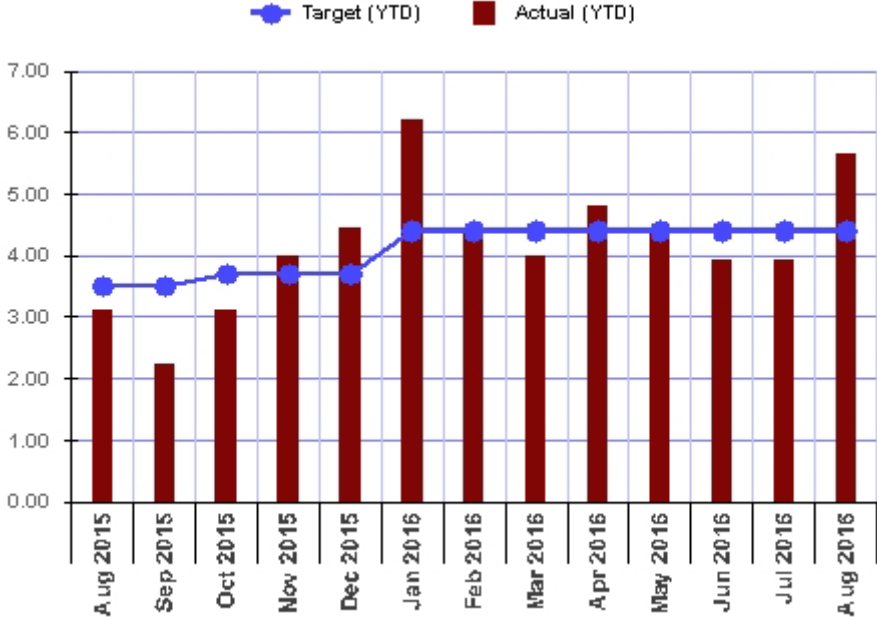
**LPI264 2C (1) - Delayed transfers of care from hospital per 100,000 population (NHS only)**

LPI264 2C (1) Delayed transfers of care from hospital per 100,000 population (NHS only)

Number per 100,000

Actual (YTD) Target (YTD) Performance (YTD)

	Actual (YTD)	Target (YTD)	Performance (YTD)
Aug 2015	3.11	3.50	★
Sep 2015	2.22	3.50	★
Oct 2015	3.11	3.70	★
Nov 2015	4.00	3.70	▲
Dec 2015	4.44	3.70	▲
Jan 2016	6.22	4.40	▲
Feb 2016	4.44	4.40	▲
Mar 2016	4.00	4.40	★
Apr 2016	4.79	4.40	▲
May 2016	4.35	4.40	●
Jun 2016	3.92	4.40	★
Jul 2016	3.92	4.40	★
Aug 2016	5.66	4.40	▲



LPI264 2C (1) - comment

Responsible Officer	Performance Comments	Action Plan Comments
Head of Adult Social Care	<p><b>Performance</b></p> <p>The indicator is a snapshot. Thirteen people had a delayed Transfer of Care at the time of reporting. Local hospitals are seeing an increase in acute patients (a trend mirrored across London) which is having a knock on effect on this figure. The majority of those patients delayed were those with complex health care needs. Additionally there are now more cases where patients and their relatives need to decide on their preferred choice of care which can lead to longer than normal transfer times.</p>	<p><b>Performance Action Plan</b></p> <p>The issue is covered at monthly meetings with senior executives of the hospital trusts, the CCG, SLAM Mental Health Care Trust, and the Executive Director of Community Services, and there is an action plan in place with a wide range of work to address the underlying problems. The council is working with the trust to support it in its Choice policy.</p>

## 9. Active, Healthy Citizens

Leisure, sporting, learning and creative activities for everyone

Priority 9 - Monthly Performance									
	Unit	YTD Sep 16	Target Sep 16	Against Target Sep 16	DoT Last year	Against Target Aug 16	Against Target Jul 16	Against Target	15/16
LPI202 Library visits per 1000 pop	Number per 1000	604.92	623.00						

Priority 9 - Finance Net Expenditure (£000s)					
	2016/17 Budget	Projected year-end variance as at Sep 16	Variance	% variance	Comments
09 NI Active, Healthy Citizens : Net expenditure	5,040	1,280		25.40	<b>Finance Overspend</b> Public Health have to identify savings in excess of £4m over 16/17 & 17/18, resulting from a combination of saving targets and grant funding reductions. However, it will not be possible to reduce the spend in the current financial year by the full amount of the funding reduction and an overspend of £1.5m is projected. This has been slightly offset by an underspend in Cultural and Community services.

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# 9. Active, Healthy Citizens

Developing opportunities for the active participation and engagement of people in the life of the community

				Risk			
		Current Status	Current Status against target		Direction of Travel	What are we planning to do?	When is it going to be completed
28. Failure to agree with partners integrated delivery models for local health and care services.	Corporate	★	★	Sep 16	➡	<b>Risk - What are we planning to do?</b> 1. Enhance the capacity to manage and deliver the Adult Integrated Care Programme. 2. Develop an overall benefit realisation plan for each of the five schemes. 3. Continue to review and assess the impact of proposals to reconfigure health and care services. 4. New delivery models will be piloted to allow for the further gathering of evidence to inform important decisions.	<b>Risk - When is it going to be completed?</b> 2018









# 10. Inspiring Efficiency, Effectiveness and Equity

Ensuring efficiency, effectiveness and equity in the delivery of excellent services to meet the needs of the community

Priority 10 - Monthly Performance								
	Unit	YTD Sep 16	Target Sep 16	Against Target Sep 16	DoT Last year	Against Target Aug 16	Against Target Jul 16	15/16
BV008 Invoices paid within 30 days	Percentage	?	100.00	?	?	?	?	?
BV012b Days/shifts lost to sickness (excluding Schools)	Number	7.85	7.50	🟡	🟢	🟡	🟡	🟡
LPI031 NNDR collected	Percentage	102.36	99.00	🟢	🔴	🟢	🟢	🟢
LPI032 Council Tax collected	Percentage	93.84	96.00	🟡	🔴	🟡	🟡	🟡
LPI548a %age of notifiable incidents occurring on non-school sites reported to the HSE	Percentage	2.63	4.00	🟢	🟢	🟢	🟢	🔴
LPI755 % of customers with appointments arriving on time seen within 10min of their appointed time	Percentage	94.12	91.00	🟢	🔴	🟢	🟢	🟢
NI181 Time taken to process Housing Benefit/Council Tax Benefit new claims and change events	Days	7.37	7.50	🟢	🔴	🟢	🟢	🟢

# 10. Inspiring Efficiency, Effectiveness and Equity

Ensuring efficiency, effectiveness and equity in the delivery of excellent services to meet the needs of the community

		Risk						
		Current Status	Current Status against target	Direction of Travel	What are we planning to do?	When is it going to be completed		
Page 253	1. Failure to effectively manage the impacts of an emergency affecting the public, business, environment and/or organisation.	Corporate			Sep 16		<b>Risk - What are we planning to do?</b> <ol style="list-style-type: none"> <li>Rest Centre Plan under review following a major international exercise which Lewisham participated in.</li> <li>Large scale exercise planned for early 2017 covering both emergency and business continuity response.</li> <li>Lessons learnt database under development to capture and monitor the implementation of learning arising from incidents and exercises.</li> </ol>	<b>Risk - When is it going to be completed?</b> Progress is monitored by cross-Council forum
	2. ICT infrastructure is not fit for purpose and/or does not meet business needs	Corporate			Sep 16		<b>Risk - What are we planning to do?</b> <ol style="list-style-type: none"> <li>Consistent and regular monitoring of storage capacity.</li> <li>New desktop environment is being deployed in phases and adds to the Council's resilience.</li> <li>Thin Client being rolled out.</li> <li>There will be ongoing work to improve the infrastructure from switch over from Capita to LBL &amp; Brent shared service.</li> <li>Recruitment &amp; restructure underway.</li> </ol>	<b>Risk - When is it going to be completed?</b> Progress against all activities is being monitored monthly by the Customer Services Project Review Group.

## 10. Inspiring Efficiency, Effectiveness and Equity

Ensuring efficiency, effectiveness and equity in the delivery of excellent services to meet the needs of the community

		Risk					
		Current Status	Current Status against target	Direction of Travel	What are we planning to do?	When is it going to be completed	
4. Non-compliance with Health & Safety Legislation	Corporate	▲	▲	Sep 16	➔	<b>Risk - What are we planning to do?</b> <ol style="list-style-type: none"> <li>1. Review of H &amp; S risks and audit plan for 2016/17</li> <li>2. Lessons Learnt from CYP audits to be reported to CYP's DMT</li> </ol>	<b>Risk - When is it going to be completed?</b> <ol style="list-style-type: none"> <li>1. Sept 2016</li> <li>2. Dec 2016</li> </ol>
5. Failure to anticipate and respond appropriately to legislative change.	Corporate	●	▲	Sep 16	➔	<b>Risk - What are we planning to do?</b> <ol style="list-style-type: none"> <li>1. Further reports to Council on constitutional changes as necessary to reflect legislation and anticipated regulations.</li> <li>2. Significant work ongoing to assess the impact of Dilnott, Care Act and Better Care Fund for further integration of social care work with health.</li> <li>3. Responding to Govt consultations &amp; lobbying in various areas of political change (e.g. business rates, schools funding, improved better care fund, London devolution).</li> </ol>	<b>Risk - When is it going to be completed?</b> <ol style="list-style-type: none"> <li>1. Quarterly for CWP</li> <li>2. Quarterly for H&amp;WB</li> <li>3. As dictated by government</li> </ol>

## 10. Inspiring Efficiency, Effectiveness and Equity

Ensuring efficiency, effectiveness and equity in the delivery of excellent services to meet the needs of the community

		Risk					
		Current Status	Current Status against target	Direction of Travel	What are we planning to do?	When is it going to be completed	
6. Financial Failure and inability to maintain service delivery within a balanced budget	Corporate	▲	▲	Sep 16	➔	<b>Risk - What are we planning to do?</b> <ol style="list-style-type: none"> <li>Lewisham Future Programme to focus on transformation options.</li> <li>M&amp;C line by line review of budgets with heads of service.</li> <li>Lewisham Future Programme to bring forward further savings proposals with the budget (if possible).</li> </ol>	<b>Risk - When is it going to be completed?</b> <ol style="list-style-type: none"> <li>Dec 2016</li> <li>Mar 2017</li> <li>Jan 2017</li> </ol>
7. Adequacy of Internal Control.	Corporate	●	●	Sep 16	➔	<b>Risk - What are we planning to do?</b> <ol style="list-style-type: none"> <li>Address results of core financial internal audits &amp; any recs from ext audit.</li> <li>Progress solution for procurement support</li> </ol>	<b>Risk - When is it going to be completed?</b> <ol style="list-style-type: none"> <li>Sept 16</li> <li>Sept 16</li> </ol>
8. Lack of provision for unforeseen expenditure or loss of income in respect of Council's liabilities or funding streams.	Corporate	●	●	Sep 16	➔	<b>Risk - What are we planning to do?</b> <ol style="list-style-type: none"> <li>Receive and finalise pension fund, tri-annual valuation and set future contribution rates</li> <li>Receive business rates 2015 valuation and re-assess appeals risk.</li> </ol>	<b>Risk - When is it going to be completed?</b> <ol style="list-style-type: none"> <li>Nov 2016</li> <li>Mar 2017</li> </ol>

## 10. Inspiring Efficiency, Effectiveness and Equity

Ensuring efficiency, effectiveness and equity in the delivery of excellent services to meet the needs of the community

		Current Status		Risk			
		Current Status	Current Status against target	Direction of Travel	What are we planning to do?	When is it going to be completed	
9. Loss of income to the Council	Corporate	▲	▲	Sep 16	➔	<b>Risk - What are we planning to do?</b>  1. Oracle 12 issues continue and the system is hampering debt collection and fund allocation. System issues also stretching income targets via Lewisham Futures Programme. All issues with Oracle 12 are subject to scrutiny overseen by the Executive Director, Resources and Regeneration.	<b>Risk - When is it going to be completed?</b>  1. Monthly review
10. Failure to manage performance leads to service failure.	Corporate	●	▲	Sep 16	➔	<b>Risk - What are we planning to do?</b> Following creation of a single corporate policy and performance team, revisit service data & performance priorities and update performance reports & quality assurance practices.	<b>Risk - When is it going to be completed?</b> March 17
12. Multi-agency governance failure leads to ineffective partnership working	Corporate	●	▲	Sep 16	➔	<b>Risk - What are we planning to do?</b>  1. Adult Integrated Care Programme to improve services and provide better value for money.	<b>Risk - When is it going to be completed?</b> Four year programme to 2017/18

# 10. Inspiring Efficiency, Effectiveness and Equity

Ensuring efficiency, effectiveness and equity in the delivery of excellent services to meet the needs of the community

				Risk			
		Current Status	Current Status against target		Direction of Travel	What are we planning to do?	When is it going to be completed
13. Failure to manage strategic suppliers and related procurement programmes.	Corporate			Sep 16		<b>Risk - What are we planning to do?</b> 1. Actions ongoing and being monitored by the commissioning and procurement group.	<b>Risk - When is it going to be completed?</b> Sep 2017
15. Loss of a strategic asset or premises through failure to maintain it in a safe and effective condition	Corporate			Sep 16		<b>Risk - What are we planning to do?</b> 1. Tendering of facilities management and statutory contracts. 2. Monitoring of recovery against back log of statutory maintenance checks at H&S Board. 3. Reviewing risk profiles and end of life arrangements for PFI contracts.	<b>Risk - When is it going to be completed?</b> 1. Dec 2016 2. Oct 2016 3. Mar 2017
19. Loss of constructive employee relations	Corporate			Sep 16		<b>Risk - What are we planning to do?</b> The following are built into the HR Divisions work plan:- - Trade Union engagement - Union meetings with the Mayor - Briefing to all managers - Staff survey and Staff Forum engagement - PES - L&D offering - Works Council - LGPS changes - Monitor staff and union feedback	<b>Risk - When is it going to be completed?</b> Quarterly Reviews

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# 10. Inspiring Efficiency, Effectiveness and Equity

Ensuring efficiency, effectiveness and equity in the delivery of excellent services to meet the needs of the community

		Current Status		Risk				
		Current Status	Current Status against target	Direction of Travel	What are we planning to do?	When is it going to be completed		
Page 258	21. Information governance failure.	Corporate	▲	▲	Sep 16	➡	<p><b>Risk - What are we planning to do?</b></p> <ol style="list-style-type: none"> <li>1. Refresh all of the Information Management policies, taking into account the new Data Protection legislation coming from the EU that will replace the current Data Protection Act.</li> <li>2. Review our information sharing guidance and processes again taking into account legislative changes.</li> <li>3. Align IT policies with Brent with Information Governance policies to follow.</li> </ol>	<p><b>Risk - When is it going to be completed?</b> Throughout 2016</p>
	24. Failure to maintain sufficient management capacity & capability to deliver business as usual and implement transformational changes.	Corporate	▲	▲	Sep 16	➡	<p><b>Risk - What are we planning to do?</b></p> <ol style="list-style-type: none"> <li>1. Review level of agency staff/recruitment success.</li> <li>2. Roll out corporate managers training.</li> </ol> <p>See also risk re financial savings &amp; gap for management &amp; corporate overheads.</p>	<p><b>Risk - When is it going to be completed?</b></p> <ol style="list-style-type: none"> <li>1. March 17</li> <li>2. Dec 16</li> </ol>
	27 Governance failings in the implementation of service changes	Corporate	●	▲	Sep 16	➡	<p><b>Risk - What are we planning to do?</b> Regular review of savings implementation at Lewisham Futures Board</p>	<p><b>Risk - When is it going to be completed?</b> Oct 16</p>

# 10. Inspiring Efficiency, Effectiveness and Equity

Ensuring efficiency, effectiveness and equity in the delivery of excellent services to meet the needs of the community

		Current Status	Current Status against target	Risk		Direction of Travel	What are we planning to do?	When is it going to be completed
29 Move to IER impacts work of boundary commission	Corporate			Sep 16			<b>Risk - What are we planning to do?</b> Continue lobbying work at electoral commission and via LGA and respond to consultation.	<b>Risk - When is it going to be completed?</b> Dec 2016
30. Strategic programme to develop and implement transformational change does not deliver	Corporate			Sep 16			<b>Risk - What are we planning to do?</b>  1. Lewisham Futures programme continues to work to identify new proposals to close savings gap for 19/20 estimated at £45m, on top of £17m for 17/18. 2. £23m of savings agreed for 17/18 with £9m gap. Looking to bring forward more proposals if possible. 3. Working on £14m of outline proposals for 18/19 and 19/20, leaving a gap of £25m.	<b>Risk - When is it going to be completed?</b>  1. Ongoing 2. Jan 2017 3. Dec 2017
32. Election/Referendum not conducted efficiently.	Corporate			Sep 16			<b>Risk - What are we planning to do?</b> Monitor resourcing for elections.	<b>Risk - When is it going to be completed?</b> Dec 2016



# Appendix A - Performance Scoring Methodology

Together we will make Lewisham the best place in London to live, work and learn

## Performance

Performance can be measured using two methods. Firstly, current performance is appraised against past performance to assess “direction of travel” – is it improving or worsening? Secondly, performance can be measured against a norm, standard or target.

Areas for management attention are determined by considering performance against the following 2 elements - Against target and Direction of Travel (DoT) against the previous years outturn (in this case March 2015). If both of these elements are red we consider that the indicator should be flagged as an area for management attention.

The Council has aims and objectives as an organisation responsible for securing local public services. But it also has wider aims to work in partnership with other organisations (in the public, private and community sectors) to improve Lewisham as a place to live. It is therefore essential that our PIs not only measure our organisational and service performance against the Council’s corporate priorities but also evaluate our efforts to achieve improvements through partnership working. These wider aims are described in Lewisham’s Sustainable Community Strategy. A summary on performance can be found in the ‘Overall Summary: Performance’ at front of the Executive Summary report.

## Data Quality Policy

The Council has a Data Quality Policy which is adhered to and sets out the corporate data quality objectives. Directorates also have a statement of data quality and a data quality action plan.

# Appendix B - Projects, Risk & Finance Scoring Methodology

Together we will make Lewisham the best place in London to live, work and learn

## Projects

Project status is recorded using a red / amber / green traffic light reporting system.

**Red:** Projects considered to be at significant risk of late delivery, of overspending or of not achieving their primary objectives. Project likely to be facing issues or uncertainties e.g. funding concerns, lack of clarity over scope / costs, other significant risks not yet under effective control. Sheer scale of a project, its complexity and overall risk level can also attract a red rating.

**Amber:** Projects considered to be at moderate risk of late delivery, of overspending or of not achieving some objectives. Issues may have been escalated outside the project team, but likely that these can be resolved e.g. resources will be identified to deal with moderate changes to costs or scope.

**Green:** Project considered to be on time, on budget, with current risks being managed effectively within the project structure.

## Risk

Risks are scored in terms of likelihood and impact, with a range from 1 to 5 (with 5 being the highest) and the result is plotted on a matrix (as shown on the Overall Performance: Risk page) to produce the RAG rating. A target is also set and the risk registers contain action plans to manage the risks to target and these are subject to regular review by Directorate Management Teams. The risk registers are reported to the Risk Management Working Party and Internal Control Board on a quarterly basis and quarterly updates are provided in this report.

## Finance

Financial monitoring is recorded using a red/amber/green traffic light reporting system.

Net expenditure on the priority is forecast to vary from budget by either:-

**Red** - more than £0.5m or 2.5% overspent or more than £10m or 50% underspent

**Amber** - more than £0.1m and less than £0.5m or by more than 1% and less than 2.5% overspent or more than £5m and less than £10m or by more than 25% and less than 50% underspent

**Green** - up to £0.1m or up to 1% overspent or up to £5m or up to 25% underspent

The Executive Management Team will take into account:-

(i)The performance of the housing part of the Capital Programme in assessing the traffic light for Decent Homes;

(ii)The overall financial position on revenue and capital in assessing the traffic light for 'Inspiring Efficiency, Effectiveness & Equity'.

The methodologies for Projects, Risk and Finance outlined above will be reviewed annually at the end of the financial year as part of the review of this report and the target setting process for performance indicators. The text above will be subject to change at this point.

# Agenda Item 14

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

<b>Date of Meeting</b>	11 <sup>th</sup> January 2017
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<b>Title of Report</b>	Response to Sustainable Development Committee - Catford Regeneration
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<b>Originator of Report</b>	Kplom Lotsu	<b>Ext. 49283</b>
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At the time of submission for the Agenda, I confirm that the report has:

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

Signed:  Executive Member

Date: 21. December .2016

Signed:  Executive Director

Date: 29-12-2016

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

<b>Mayor and Cabinet</b>			
<b>Title</b>	Response to Sustainable Development Committee - Catford Regeneration – Referral 2	<b>Item No</b>	
<b>Contributors</b>	Executive Director for Resources and Regeneration		
<b>Class</b>	Part 1	<b>Date</b>	11 January 2017

**1. Purpose of paper:**

- 1.1 At its meeting on 12 May 2016, the Sustainable Development Select Committee held discussions on the Catford Regeneration Programme update and resolved to advise Mayor and Cabinet of their views.
- 1.2 Mayor and Cabinet was advised of the views of Sustainable Development Select Committee on 1 June 2016 and a response was requested from the Executive Director for Resources and Regeneration to the issues raised. This paper sets out the response.

**2. Recommendations:**

The Mayor is asked to:

- 2.1 approve the officer response to the referral by the Sustainable Development Select Committee on the Catford Regeneration Programme, and
- 2.2 agree that this report should be forwarded to the Select Committee.

**3. Referral from Sustainable Development Select Committee:**

- 3.1 The Committee were pleased with the funding being made available by the GLA in its designation of Catford town centre as a Housing Zone. The Committee felt a clear vision for the future of Catford Town Centre should be developed instead of a fragmented approach, and that the feel and attraction of the centre of Catford to its residents, workers, pedestrians, cyclists and its visitors depended on establishing places where everybody feels accepted, relaxed and excited to be. The town centre should be designed to feel loveable, liveable, joyful and iconic.
- 3.2 The Committee felt strongly that the local community should be involved in and consulted on their vision for Catford and that such consultation should happen before the appointment of developers. The Committee urged that the consultation be used an opportunity for the Council to engage closely with the local community in future plans for the town centre and innovative consultation methods should be considered. The aim should be to identify the reasons people chose to live or spend time in Catford and to develop a shared vision for the lifestyle that Catford should offer its residents and visitors.

- 3.3 The Committee also noted the strength of feeling from local residents that had been expressed previously on planning applications for developments in Catford. It was recognised that the level of interest in the future of Catford was a significant asset for any future consultations on plans for the area.
- 3.4 The Committee was concerned that piecemeal development had already begun when a planning application for Former Catford Greyhound Stadium, Adenmore Road SE6 4RH was considered at a recent meeting of the Strategic Planning Committee.
- 3.5 The Committee felt that any decision on realignment of the South Circular through Catford would have major impacts, both for the traffic flow for buses and cars as well as for the quality of public space in the town centre. The Committee noted that Transport for London had previously presented their designs for the South Circular to the Committee, and hopes that Transport for London will weigh their concerns around the quality of the environment for pedestrians accordingly. While appreciating that progress depended on a decision by Transport for London on whether to realign the South Circular (A205), the Committee requested that a clear timeline be established for the regeneration programme outlining the order of any key decisions, and that this should be shared with the Committee. The committee strongly felt that the South Circular should be relocated as originally planned in order to achieve the town centre vision built around the theatre and a central piazza.

#### 4.0 **Executive Director's response:**

- 4.1 Officers note the Committees' aspirations for Catford Town Centre to feel loveable, liveable, joyful and iconic, and agree with them. The decision taken by the Mayor to approve the master-plan approach to development in Catford supports the delivery of a clear and holistic vision for the town centre and any future development, instead of a fragmented approach.
- 4.2 Officers have been working on producing an engagement strategy for the Catford Regeneration Programme, specifically looking at how the local community can be involved and engaged in the regeneration of Catford. Officers have attended and presented updates on the regeneration programme at both Rushey Green and Catford South Ward Assemblies. Urban Narrative have been appointed to assist in engagement, and the 'Catford Conversations' are planned to be held with Ward Members in January and with the local community in Spring 2017. Innovative consultation and engagement methods are being considered, and officers intend to utilise an online engagement tool that will enable an on-going 'conversation' between the Council and the local community throughout the development of the masterplan and the regeneration process.
- 4.3 Officers are aware of the need to guard against a piecemeal approach to development and this is one of the reasons why a masterplanning approach has been recommended.

- 4.4 Officers agree that the realignment of the South Circular through Catford will have major impacts. Officers have been working closely and productively with TfL, to ensure that their designs for re-alignment maximise improvements for pedestrians, cyclists and public realm and do not just focus on improved traffic flow. Lewisham officers and TfL recognise that the Catford scheme is about place-making and town centre regeneration, not just about highways infrastructure improvements. TfL are currently completing traffic modelling on some options for the road re-alignment, while Lewisham officers are undertaking a comprehensive options analysis process of TfL's suggested options. The aspiration at this point in time is to brief Sustainable Development Select Committee on 8<sup>th</sup> March 2017, prior to a report going to Mayor and Cabinet on the 22<sup>nd</sup> March. These timescales are subject to TfL completing their modelling in time, and Lewisham officers being comfortable that the options have been fully analysed from a technical perspective.
- 4.5 The vision for Catford is being built around the central heart of the theatre, and the options that TfL are suggesting all increase public realm around the theatre. Officers recognise the need to enhance public realm, create better spaces, and celebrate the theatre as an attractive destination and an iconic feature of Catford Town Centre.

For further information please contact Kplom Lotsu, SGM Capital Programme Delivery 0208 3149283

# Agenda Item 15

Mayor and Cabinet		
<b>Title</b>	Comments of the Public Accounts Select Committee on the income generation update	
<b>Contributor</b>	Public Accounts Select Committee	Item
<b>Class</b>	Part 1 (open)	11 January 2017

## 1. Summary

- 1.1 This report informs Mayor and Cabinet of the comments and views of the Public Accounts Select Committee, arising from discussions held on the Council's approach to income generation, which was discussed at the meeting on 30 November 2016.

## 2. Recommendation

- 2.1 Mayor and Cabinet is recommended to note the views of the select committee as set out in this report.

## 3. Public Accounts Select Committee views

1. On 30 November 2016, the Public Accounts Select Committee considered an officer report on the Council's approach to income generation. The update followed from the Committee's previous review of the Council's income generating activities.
- 3.2 The Committee resolved to advise Mayor and Cabinet of the following:
- The Committee welcomes the 'Income Generation Opportunities Review' report by the commercialisation specialist appointed by the Council. Mayor and Cabinet are asked to consider closely the contents of the report.
  - The Committee recognises the requirement for a clear commercial strategy. It also endorses the specialist's comments about the need for cultural change.
  - The Committee believes that there is a need for focused leadership and accountability in this area. It welcomes proposals put forward by the Cabinet Member for resources to develop a timetable for delivery of activity. The Committee will consider a further update on income generation and commercialisation at its meeting in March 2017.

## 4. Financial implications

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

## 5. Legal implications

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

## **6. Further implications**

6.1 At this stage there are no specific environmental, equalities or crime and disorder implications to consider. However, there may be implications arising from the implementation of the Committee's recommendations.

### **Background papers**

Income generation update report to the Public Accounts Select Committee 30 November 2016:

<http://councilmeetings.lewisham.gov.uk/ieListDocuments.aspx?CId=123&MId=4159&Ver=4>

If you have any questions about this report, please contact Timothy Andrew (Scrutiny Manager) on 02083147916 or email [timothy.andrew@lewisham.gov.uk](mailto:timothy.andrew@lewisham.gov.uk)



# Agenda Item 16

Mayor and Cabinet		
<b>Title</b>	Comments of the Sustainable Development Select Committee on planning	
<b>Contributor</b>	Sustainable Development Select Committee	Item
<b>Class</b>	Part 1 (open)	11 January 2017

## 1. Summary

- 1.1 This report informs Mayor and Cabinet of the comments and views of the Sustainable Development Select Committee, arising from discussions about the Council's planning and development management services.

## 2. Recommendation

- 2.1 Mayor and Cabinet is recommended to note the views of the select committee as set out in this report and ask the Executive Director for Resources and Regeneration to respond.

## 3. Sustainable Development Select Committee views

- 3.1 On 29 October 2016, the Sustainable Development Select Committee considered four officer reports about the Council's planning service, these were:
- Planning key policies and procedures
  - Planning enforcement
  - Planning - use of section 106 funding and community infrastructure levy
  - Planning - annual monitoring report
- 3.2 The Committee resolved to advise Mayor and Cabinet of the following:
- 3.3 The Committee commends the new Head of Planning. The Committee places on record its thanks for the work officers undertake to engage with elected members.
- 3.4 In relation to the reports it considered, the Committee resolved to advise Mayor and Cabinet of the following:
- Planning key policies and procedures
- 3.5 The Committee recommends that officers review the effectiveness of the Council's policy on the protection of pubs.
- 3.6 The Committee requests a diagram, which sets out all of the current local and regional planning policy documents. It asks that the key opportunities and dates for engagement with Councillors on the development of these plans be included. The

Committee intend to actively participate in consultations and engagement activities for all key planning policies and procedures at a local level and want to ensure that local views are represented in regional consultation as those opportunities arise.

#### Planning enforcement

- 3.7 The Committee recommends that further work be carried out to develop a customer relations management system for the Council's enforcement activities. The Committee is concerned that there is not a clear and collaborative approach, between teams dealing with enforcement activities at the Council, for dealing with reports of activities from residents that may require enforcement action. The Committee believes that a single, universally accessible management system for officers would help to manage the flow of information and complaints as well as improving the reputation of the Council in dealing with residents' concerns.
- 3.8 The Committee believes that further clarity should be provided to residents for those cases in which building control and planning activities overlap. In particular, the Committee recommends that any letters issued to residents by either service include guidance about contacting the Council's other enforcement teams.

#### Planning use of section 106 and CIL

- 3.9 The Committee is concerned about the sustainability of neighbourhood forums. It is also concerned that neighbourhood forums might not be representative of their local populations.
- 3.10 The Committee recommends that the Council produces guidance for groups establishing neighbourhood forums, to encourage the inclusion of local councillors in their membership.
- 3.11 The Committee also recommends that conditions be placed on funding allocated to neighbourhood forums to ensure that, should a forum fail, any funding it has been allocated will be returned to the Council for reallocation.

### **4. Financial implications**

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

### **5. Legal implications**

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

### **6. Further implications**

- 6.1 At this stage there are no specific environmental, equalities or crime and disorder implications to consider. However, there may be implications arising from the implementation of the Committee's recommendations.

## **Background papers**

Reports to the Sustainable Development Select Committee on planning:

<http://councilmeetings.lewisham.gov.uk/ieListDocuments.aspx?CId=136&MId=4174&Ver=4>

If you have any questions about this report, please contact Timothy Andrew (Scrutiny Manager) on 02083147916 or email [timothy.andrew@lewisham.gov.uk](mailto:timothy.andrew@lewisham.gov.uk)

**Chief Officer Confirmation of Report Submission**  
**Cabinet Member Confirmation of Briefing**  
 Report for: Mayor   
 Mayor and Cabinet   
 Mayor and Cabinet (Contracts)   
 Executive Director   
 Information  Part 1  Part 2  Key Decision

**Date of Meeting** 11 January 2017

**Title of Report** Setting the Council Tax Base, the NNDR Tax Base & Discounts for Second Homes and Empty Homes

**Originator of Report** Executive Director for Resources & Regeneration

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

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

Signed: *Kimi Bravis* Executive Member

Date: 05 January 2017

Signed: *[Signature]* Director/Head of Service

Date 05 January 2017

**Control Record by Committee Support**

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

<b>Mayor and Cabinet</b>			
<b>REPORT TITLE</b>	Setting the Council Tax Base, the NNDR Tax Base & Discounts for Second Homes and Empty Homes		
<b>KEY DECISION</b>	Yes	ITEM No.	
<b>WARD</b>	All		
<b>CONTRIBUTORS</b>	Executive Director for Resources & Regeneration and Executive Director for Customer Services		
<b>CLASS</b>	Part 1	Date	11 January 2017

**Lateness:** This report was not available for the original dispatch because officers needed additional time to complete their review of the options for the Council Tax Reduction Scheme in 2017/18.

**Urgency:** The report is urgent and cannot wait until the next meeting of the Mayor & Cabinet as the Mayor's recommendations need to be presented to Council on 18 January 2017 to enable the Council's annual budget can be prepared for review and approval in April.

Where a report is received less than 5 clear days before the date of the meeting at which the matter is being considered, then under the Local Government Act 1972 Section 100(b)(4) the Chair of the Committee can take the matter as a matter of urgency if he is satisfied that there are special circumstances requiring it to be treated as a matter of urgency. These special circumstances have to be specified in the minutes of the meeting.

## **1. EXECUTIVE SUMMARY**

- 1.1. This report sets out the statutory calculations required in order to set the Council Tax Base and estimates the National Non-Domestic Rates (NNDR) tax base for 2017/18. The Council Tax Base and NNDR estimates are statutory obligations and are key elements in setting the General Fund revenue budget.
- 1.2. The report provides information on the Council Tax Base. There are also a series of discretionary powers which allows the Council to grant and vary discounts for various types of properties with the aim of bringing as many as

possible back into use as soon as possible. These are set out in section six of this report.

- 1.3. The report recommends that the Council Tax Base for 2017/18 be agreed at 81,087.65 Band D equivalent properties, based on an assumed collection rate of 96.0%. Details of the Council Tax Base, its calculation and the estimated collection rate are set out in sections seven, eight and nine of this report.
- 1.4. The NNDR1 return, which estimates the annual business rates yield, is currently being completed and is due to be submitted to the Department of Communities & Local Government (DCLG) by the end of January 2017. There may be updates that effect the values on this return over the coming weeks before the submission deadline. It has therefore been necessary to provide an estimated income value. On this basis, the provisional NNDR net yield figure for 2017/18 is £58.682m.
- 1.5. The requirements pertaining to the NNDR Base for 2017/18 are set out in section 10 of this report.
- 1.6. The Mayor, at the Mayor & Cabinet meeting of the 7 December 2016, agreed no changes to the Council Tax Reduction Scheme (CTRS) for 2017/18. The impact of implementing this is set out in section 11.

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

- 2.1. The purpose of this report is to set the Council Tax Base, the NNDR base and the policy relating to discounts for second homes and empty homes in the Borough for 2017/18. And, presents the impact of implementing the Mayor's decision in respect of the CTRS in 2017/18.

## **3. RECOMMENDATIONS**

- 3.1. The Mayor is asked to:
- 3.2. Note the Council Tax Base calculation for 2016/17, as set out in the annual Council Tax Base government return, attached at Appendix A;
- 3.3. Recommend that Council agree a Council Tax Base of 81,087.65 Band D equivalent properties for 2017/18;
- 3.4. Recommend that Council agree a budgeted Council Tax collection rate of 96.0%;

- 3.5. Recommend that Council agree that the existing policy of a 0% discount for second homes for 2016/17 be continued for 2017/18, as set out in section six of this report;
- 3.6. Recommend that Council agree that the existing policy of a 0% discount for empty homes Class A (an empty property undergoing structural alteration or major repair to make it habitable) be continued, as set out in section six of this report;
- 3.7. Recommend that Council agree that the existing policy of a 100% discount awarded for a period of four weeks and then a 0% discount thereafter, for empty homes – Class C (a substantially empty and unfurnished property) be continued, as set out in section six of this report;
- 3.8. Recommend that Council agree that the existing policy of an empty homes premium of 50% in respect of long term empty properties be continued, as set out in section six of this report;
- 3.9. Recommend that Council agree, consistent with the approach taken in 2016/17, to implement the Council Tax Reduction Scheme (CTRS) to reflect reductions in the Settlement Funding Assessment, which for 2017/18 will mean 33% is passed onto working age CTRS recipients.
- 3.10. Recommend that Council note the proposed 2017/18 National Non Domestic Rate (NNDR) estimated net yield of £58.682m, based on current information available.
- 3.11. Recommend that Council agree to delegate the approval of the final 2017/18 NNDR1 form to the Executive Director for Resources and Regeneration for submission by the deadline of 31st January 2017.

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

- 4.1. The overarching policy and decision making framework for the discharge of the Council's many functions and duties is contained in Lewisham's Sustainable Community Strategy (SCS). The Strategy contains two overarching principles which are:
  - Reducing inequality – narrowing the gap in outcomes.
  - Delivering together efficiently, effectively and equitably – ensuring that all citizens have appropriate access to and choice of high quality services.

4.2. Also contained within the overarching policy framework are the Council's ten corporate priorities. These priorities describe the specific contribution that the Local Authority will make to the delivery of the SCS. The Council's priorities are as follows:

- Community Leadership and Empowerment.
- Young people achievement and involvement.
- Clean, green and liveable.
- Safety, security and visible presence.
- Strengthening the local economy.
- Decent Homes for all.
- Protection of children.
- Caring for adults and older people.
- Active healthy citizens.
- Inspiring efficiency, effectiveness and equity.

## **5. INTRODUCTION**

5.1. The calculation of the Council Tax Base has been prepared in accordance with the regulations 'Local Authorities (Calculation of Council Tax Base) Regulations 2012 (SI: 2012: 2914)' which came into force on 30 November 2012, to ensure the calculation of the Council Tax Base takes account of local council tax reduction schemes. These regulations specify the formulae for calculating the tax base, which is detailed in sections seven and eight of this report.

5.2. The purpose of this calculation is to set the Council's Tax Base and not the Council Tax itself. The Council Tax will be set at the meeting of full Council on 22 February 2017 as part of setting the Council's annual budget.

5.3. The Council Tax Base is defined as the number of Band D equivalent properties in a local authority's area. An authority's Tax Base is taken into account when it calculates its Council Tax. It is calculated by adding together the 'relevant amounts' (the number of dwellings) for each valuation band, then multiplying the result by the Council's estimate of its collection rate for the year. This calculation is set out in section eight of this report.

5.4. Members should note that the Welfare Reform Act 2012 abolished Council Tax Benefit in March 2013 and replaced it with the Council Tax Reduction Scheme (CTRS). A report setting out the CTRS for 2017/18 was presented to the Mayor & Cabinet on 7 December 2016. This report proposes the percentage to be passed on to working age claimants.



## 6. LOCAL DISCRETION

- 6.1. The Council has the power and local discretion to grant and vary discounts for different types of properties under Section 11a of the Local Government Finance Act 1992, as amended by the Local Government Finance Act 2003 and the Local Government Finance Act 2012. These discounts and exemptions form part of the Council Tax Base calculation and therefore need to be agreed at this time.
- 6.2. The local discretion to grant and vary discounts enables local authorities to create greater financial incentives for owners of empty properties to bring them back into use, either for owner occupation or letting.
- 6.3. Second Homes – Currently, local authorities have discretion to offer a discount of between 0% and 50% to owners of second homes. The Council currently offers a 0% discount. It is proposed to retain the 0% discount for 2017/18.
- 6.4. Empty Property Class A exemptions – Currently, a discount can be awarded between 0% to 100% at the Council's discretion where the property is undergoing structural alteration or major repairs. The Council is being recommended to retain the 0% discount on these properties.
- 6.5. Empty Properties Class C exemptions – Currently, 100% discount is awarded for four weeks to substantially empty and unfurnished properties. After four weeks, the discount ceases and the full charge is applicable. The Council wants to encourage properties to be occupied as soon as possible. However, in many cases properties can be empty for a short period during a changeover, especially where the property is let. Amounts due for these short periods would be more difficult to collect. For these reasons, it is recommended that the Council continues to offer a 100% discount for four weeks followed by a 0% discount.
- 6.6. Long Term Empty Properties empty homes premium – Section 11 of the Local Government Finance Act 2012 removed the discount for long term empty properties and introduced discretion to charge up to 50% premium on this category of properties, to encourage the owners of empty properties to bring them back into use. Currently, the Council charges an 'empty homes premium' of 50% where a property has been empty for two years or more. Therefore, the council tax bills are 50% more than where the property is occupied and no single person discount is applicable. It is recommended that the Council continues to charge a 50% premium.

- 6.7. It should be noted that approximately 22% of any additional Council Tax income generated as a result of the variation in discounts would be attributable to the Greater London Authority.

## 7. COUNCIL TAX BASE

- 7.1. The calculation of the Council Tax Base has been prepared in accordance with the regulations 'Local Authorities (Calculation of Council Tax Base) Regulations 2012 (SI: 2012: 2914)'.  
7.2. The regulations specify a formula for this calculation, which for 2017/18 is:

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

Where:

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

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

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

J is the estimated variations in the Tax Base from changes after 30 November 2016 from factors such as:

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

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

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

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

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

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

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

Band	Relevant Amount (i.e. number of dwellings)
A	2,828.6
B	17,359.6
C	29,138.1
D	21,256.1
E	7,887.1
F	3,639.0
G	2,036.7
H	319.5
<b>Aggregate of Relevant Amounts</b>	<b>84,466.3</b>

## 8. CALCULATION OF THE COUNCIL TAX BASE

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

$$A \times B = T$$

Where:

A - is the total of the relevant amounts for that year for each of the valuation bands, which is shown or is likely to be shown for any day in that year in the authority's valuation list as applicable to one or more dwellings situated in its area.

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

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

- 8.2. In accordance with the requirements of the regulations and following from the calculations in this report, the calculation of the Council Tax Base for the London Borough of Lewisham in 2015/16 is as follows:

	<b>2016/17</b>	<b>2017/18</b>
Total of relevant amounts (A)	81,800.6	84,466.3
X		
Collection rate (B) =	96.0%	96.0%
Council Tax Base (T)	<b>78,528.58</b>	<b>81,087.65</b>

- 8.3. The detailed calculations proposed for the London Borough of Lewisham for 2017/18 are set in the annual Council Tax Base return to government, attached at Appendix A.

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

- 9.1. The Regulations require that the Council estimates its collection rate for the financial year. This is the Council's estimate of the total amount in respect of its Council Tax for the year payable into its Collection Fund and transferable between its General Fund and Collection Fund, and which it estimates will ultimately be transferred.
- 9.2. Council Tax collection in Lewisham has been held steady in recent years, reflecting the work of the service to enforce debts more effectively against those able to pay and to make reasonable arrangements for debtors in genuine financial hardship. The baseline was moved down in 2013/14 to 95% from 96.25%, and up to 96.0% in 2015/16 to allow for the impact of the introduction of the Council Tax Reduction Scheme (CTRS). Collection of Council Tax remains challenging in the current economic environment and the Council continues to rigorously, but sensitively, collect monies it is owed. The in-year collection rate is reported to members in the regular financial monitoring. For 2016/17 the most recent forecast was 96%. It is therefore proposed to retain the estimated collection rate at 96.0% for 2017/18.
- 9.3. The initial Discretionary Hardship Fund (set up to assist those households experiencing exceptional financial hardship) was retracted at the end of March 2015. Claimants who find themselves in this financial position can make an application under Section 13A (1)(c) of the Local Government Finance Act (1992) on the grounds of severe financial hardship. The provision is available

irrespective of the Council Tax Reduction Scheme decided upon for future years.

## **10. 2017/18 NNDR TAX BASE**

- 10.1. Under the Local Government Finance Act 2012, the system of national pooling of business rates was repealed and replaced with the Business Rates Retention scheme. The new scheme commenced on 1 April 2013 and requires the meeting of full Council to formally approve the NNDR1 return to government by 31 January, immediately preceding the financial year to which it relates.
- 10.2. The NNDR1 contains details of the rateable values shown for the Authority's local rating list as at 30 September. It enables the Council to calculate the expected income in respect of business rates for the year, a proportion of which the Council retains. Under the current system, the London Borough of Lewisham retains 30% of all business rates collected within the borough, 20% is attributed to the Greater London Authority and the remaining 50%, known as the Central Share, is passed to the Government. For example; with the announcement that London will be a pilot authority in 2017/18.
- 10.3. It was announced in the 2015 Autumn Statement that local government will be able to retain 100% Business Rates by 2020/21. The government plans for this to be fiscally neutral and will therefore be looking to transfer additional responsibilities and funding responsibilities to local government. The exact details of how this will work is currently unknown. It is possible that the structure of the current rates retention scheme may alter gradually over the next few years as we approach full retention.
- 10.4. On the 1st April 2017, the new revaluation rates become effective, which has led to a higher estimated income for Lewisham, up 36%. The government plans for the effect of the revaluation to also be fiscally neutral, so even though Lewisham's retained income increases, an adjustment will be made to the top-up it receives from central government to level this out. The government is also allowing for a higher provision for appeals, consistent with the implementation of the new valuations from April 2017.
- 10.5. The Council is in the process of completing the 2017/18 NNDR1 form which is due for submission on the 31st January 2017. The information used to calculate the net yield in this report therefore based on the new rateable value and is an estimate.

- 10.6. In summary, the Council estimates that it will collect £58,682,096 in 2017/18, 30% (£17.6m) of which will be retained by the Council. The full distribution is as shown below:

<b>Business Rates</b>	<b>Percentage Share</b>	<b>Amount £m</b>
Central Share	50	29,341,048
Lewisham	30	17,604,628
GLA	20	11,736,419
Total	100	58,682,096*

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

- 10.7. As the figures included on the NNDR1 return (due for submission by the 31 January 2017) may vary from the estimated level disclosed in this report, delegation is sought from Council to allow the opportunity to revise the Tax Base and approve a revised and more accurate position.
- 10.8. Council is asked to endorse this estimate and agree to delegate the approval of the final 2017/18 NNDR 1 return to the Executive Director for Resources and Regeneration.
- 10.9. The Council will keep its entire share, but will also be in receipt of a top-up, the calculation of which is based on the Business Rates Baseline, plus DCLG calculation of the Council's baseline funding level. This provisional 2017/18 funding level was provided in the Local Government Finance Settlement announcement on 15 December 2016 of £88.8m.

## **11. COUNCIL TAX REDUCTION SCHEME**

- 11.1 In April 2013 when Council Tax Benefit became the Council Tax Reduction Scheme (CTRS) the government granted the Council £25.8m for its local scheme. The grant was based on the national spend for 2012/13 less a cut of 10%. The Council chose to pass on this cut to the 24,648 working age claimants as pensioners are protected.
- 11.2 Since April 2014 the government included an amount in the Revenues Support Grant (RSG) for local Council Tax Reduction Schemes but did not identify a figure or ring fence it. The Council 'notionally' identified the £25.8m in the budget and ring fenced it for the Council Tax Reduction Scheme. However, the Council reviews the 'notional' budget annually and has assumed a reduction in it in line with the government cuts which it has chosen to pass onto working age claimants.

11.3 At the Mayor and Cabinet meeting on the 7 December 2016, the Mayor decided that no changes will be made to the Council Tax Reduction Scheme (CTRS) for 2017/18 and that the Council will continue to pass on the government cuts in funding to working age claimants.

11.4 To date the Council has chosen to calculate the cut (amount to pass on) by taking the actual cut in the Settlement Funding Assessment (SFA) from the previous year. The Council also chose to carry forward the surplus from the previous year and to date this has helped reduce the amount of cut passed on.

11.5 A summary table is shown below of what has happened so far:

<b>Council Tax Reduction Scheme</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>
Notional budget for CTRS	£25.8m	£25.8m	£23.1m	£20.8m
Revenues Support Grant % cut	-	18.7%	27.5%	19.1%
Settlement Funding Assessment % cut	-	10.4%	14.1%	8.3%
% passed on to working age claimants	14.86%	2.05%	3.00%	3.00%
Approx. weekly payment for a single person entitled to maximum CTRS	£2.26	£0.31	£0.46	£0.46
Approx. weekly payment for a family entitled to maximum CTRS	£3.44	£0.47	£0.70	£0.70

11.6 To date the Council has been reducing the budget for the scheme but this has had minimal impact on working age claimants because the Council has used the surpluses from previous years to limit the impact. This is shown in the table below.

<b>Council Tax Reduction Scheme</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>
Notional budget for CTRS	£25.8m	£25.8m	£23.1m	£20.8m
Carry forwards of CTRS budget underspend from previous year	-	£1.2m	£1.9m	£2.3m
Actual budget available for CTRS	£25.8m	£27m	£25m	£23.1m

11.7 The impact of passing on the cut has also been mitigated by a reduction in the number of working age claimants. In April 2013 there were 24,648 and now there are 18,777.

- 11.8 The recommendation, consistent with the approach of previous years, is for the Council to continue to pass on the cumulative Settlement Funding Assessment cut from the previous years of 33%. This means that everyone of working-age has to pay a minimum of 33% of their council tax liability.

## **12. FINANCIAL IMPLICATIONS**

- 12.1. This report proposes that a Council Tax Base of 81,087.65 be set for 2017/18. This represents an increase of approximately 2,500 chargeable dwellings from the Council Tax Base of 2016/17.
- 12.2. Officers believe that retaining the 96.0% collection rate for 2017/18 is challenging but realistic, based on the actual debt that has been collected during the course of the current financial year. In line with current policy, the collection rate target is subject to review annually.
- 12.3. Consideration has also been given to the current economic climate and impact of wider government policy changes. Whilst it is difficult to predict the scale of the ongoing impact, it is inevitable that councils and residents across the country will continue to be affected in some way. People will continue to be concerned about their household finances and many people will still be experiencing financial difficulties. The Council Tax section will continue to apply a firm but fair approach when dealing with customers in arrears.

## **13. LEGAL IMPLICATIONS**

- 13.1. Members are referred to the legal requirements set out in the body of the report and particularly the changes brought in by the Local Authorities (Calculation of Council Tax Base) Regulations 2012 (section five) and the changes introduced by the Local Government Finance Act 2012, which set out a number of changes for Council tax payers discounts removal of some exemptions relating to empty homes (section six) and the current NNDR system (section ten).
- 13.2. Section 33 of the Welfare Reform Act 2012 abolished Council Tax Benefit. The Local Government Finance Act 2012 amends the Local Government Finance Act 1992 to make provision for council tax support through locally adopted CTRSs. A report setting out the CTRS for 2017/18 was presented to Mayor & Cabinet on 7 December 2016. That Report contained the outcome of the consultation and determined that a local CTRS be retained from 1 April 2017 that passes on any shortfall in government funding, as set out in section 11 and additional support be delivered to the most vulnerable residents



through use of the existing provision within Section 13A (1) (c) of the 1992 Local Government Finance Act.

- 13.3. In accordance with the Local Government Finance Act 1992 and related Statutory Instruments, the Authority is required to decide its Council Tax Base for 2017/18 by no later than 31 January 2017.

#### Equalities Legislation

- 13.4. The Equality Act 2010 (the Act) introduced a public sector equality duty (the equality duty or the duty). It covers the following protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 13.5. In summary, the Council must, in the exercise of its functions, have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
  - advance equality of opportunity between people who share a protected characteristic and those who do not.
  - foster good relations between people who share a protected characteristic and those who do not.
- 13.6. It is not an absolute requirement to eliminate unlawful discrimination, harassment, victimisation or other prohibited conduct, or to promote equality of opportunity or foster good relations between persons who share a protected characteristic and those who do not. It is a duty to have due regard to the need to achieve the goals listed at 13.5 above.
- 13.7. The weight to be attached to the duty will be dependent on the nature of the decision and the circumstances in which it is made. This is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. The Mayor must understand the impact or likely impact of the decision on those with protected characteristics who are potentially affected by the decision. The extent of the duty will necessarily vary from case to case and due regard is such regard as is appropriate in all the circumstances.
- 13.8. The Equality and Human Rights Commission has issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled "Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice". The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are

legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at:

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

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

- 13.9. The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty: [The essential guide to the public sector equality duty](#), [Meeting the equality duty in policy and decision-making](#), [Engagement and the equality duty: A guide for public authorities](#), [Objectives and the equality duty. A guide for public authorities](#) and [Equality Information and the Equality Duty: A Guide for Public Authorities](#)

- 13.10. The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at: <https://www.equalityhumanrights.com/en/advice-and-guidance/public-sector-equality-duty-guidance#h1>

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

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

## **15. EQUALITIES IMPLICATIONS**

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

## **16. ENVIRONMENTAL IMPLICATIONS**

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

## **17. CONCLUSION**

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

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

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

# APPENDIX 1

**CTB(October 2016)**

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

Ver 1.0

Please select your local authority's name from this list

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

Check that this is your authority : **Lewisham**

E-code : **E5018**

Local authority contact name : **Lorraine Richards**

Local authority contact telephone number : **020 8314 6047**

Local authority contact e-mail address : **lorraine.richards@lewisham.gov.uk**

**CTB(October 2016) form for **Lewisham**** *Completed forms should be received by DCLG by Friday 14 October 2016*

Dwellings shown on the Valuation List for the authority on Monday 12 September 2016	Band A entitled to disabled relief reduction COLUMN 1	Band A COLUMN 2	Band B COLUMN 3	Band C COLUMN 4	Band D COLUMN 5	Band E COLUMN 6	Band F COLUMN 7	Band G COLUMN 8	Band H COLUMN 9	TOTAL COLUMN 10
1. Total number of dwellings on the Valuation List		7,984	34,507	44,628	26,145	7,537	2,763	1,318	177	125,059.0
2. Number of dwellings on valuation list exempt on 3 October 2016 (Class B & D to W exemptions)		293	875	756	328	107	15	20	1	2,395.0
3. Number of demolished dwellings and dwellings outside area of authority on 3 October 2016 (please see notes)		0	0	2	1	0	0	0	0	3.0
4. Number of chargeable dwellings on 3 October 2016 (treating demolished dwellings etc as exempt) (lines 1-2-3)		7,691	33,632	43,870	25,816	7,430	2,748	1,298	176	122,661.0
5. Number of chargeable dwellings in line 4 subject to disabled reduction on 3 October 2016		4	39	98	96	42	25	13	7	324.0
6. Number of dwellings effectively subject to council tax for this band by virtue of disabled relief (line 5 after reduction)	4	39	98	96	42	25	13	7		324.0
7. Number of chargeable dwellings adjusted in accordance with lines 5 and 6 (lines 4-5+6 or in the case of column 1, line 6)	4	7,726	33,691	43,868	25,762	7,413	2,736	1,292	169	122,661.0
8. Number of dwellings in line 7 entitled to a single adult household 25% discount on 3 October 2016	2	5,180	17,533	16,331	6,507	1,416	375	135	9	47,488.0
9. Number of dwellings in line 7 entitled to a 25% discount on 3 October 2016 due to all but one resident being disregarded for council tax purposes	0	41	442	655	336	94	21	6	2	1,597.0
10. Number of dwellings in line 7 entitled to a 50% discount on 3 October 2016 due to all residents being disregarded for council tax purposes	0	3	5	18	27	32	44	37	14	180.0
11. Number of dwellings in line 7 classed as second homes on 3 October 2016 (b/fwd from Flex Empty tab)		19	89	133	61	13	4	2	0	321.0
12. Number of dwellings in line 7 classed as empty and receiving a zero% discount on 3 October 2016 (b/fwd from Flex Empty tab)		112	449	443	206	59	18	10	2	1,299.0
13. Number of dwellings in line 7 classed as empty and receiving a discount on 3 October 2016 and not shown in line 12 (b/fwd from Flex Empty tab)		13	35	41	21	1	1	0	0	112.0
14. Number of dwellings in line 7 classed as empty and being charged the Empty Homes Premium on 3 October 2016 (b/fwd from Flex Empty tab)		40	136	42	21	10	3	0	1	253.0
15. Total number of dwellings in line 7 classed as empty on 3 October 2016 (lines 12, 13 & 14).		165	620	526	248	70	22	10	3	1,664.0
16. Number of dwellings that are classed as empty on 3 October 2016 and have been for more than 6 months. NB These properties should have already been included in line 15 above.		102	337	204	112	36	14	5	3	813.0
16a. The number of dwellings included in line 16 above which are empty on 3 October 2016 because of the flooding that occurred between 1 December 2013 and 31 March 2014 and are only empty because of the flooding.		0	0	0	0	0	0	0	0	0.0
16b. The number of dwellings included in line 16 above which are empty on 3 October 2016 because of the flooding that occurred between 1 December 2015 and 31 March 2016 and are only empty because of the flooding.		0	0	0	0	0	0	0	0	0.0
17. Number of dwellings that are classed as empty on 3 October 2016 and have been for more than 6 months and fall to be treated under empty homes discount class D (formerly Class A exemptions). NB These properties should have already been included in line 15 above. Do NOT include any dwellings included in line 16a and 16b above.		0	1	0	0	0	0	0	0	1.0

# APPENDIX 1

18 Line 16 - line 16a - line 16b - line 17. This is the equivalent of line 18 on the CTB(October 2015) and will be used in the calculation of the New Homes Bonus.		102	336	204	112	36	14	5	3	812.0
19. Number of dwellings in line 7 where there is liability to pay 100% council tax before Family Annexe discount	2	2,449	15,538	26,780	18,849	5,860	2,292	1,114	143	73,027.0
20. Number of dwellings in line 7 that are assumed to be subject to a discount or a premium before Family Annexe discount	2	5,277	18,153	17,088	6,913	1,553	444	178	26	49,634.0
21. Reduction in taxbase as a result of the Family Annexe discount (b/fwd from Family Annexe tab)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
22. Number of dwellings equivalents after applying discounts and premiums to calculate taxbase	3.5	6,426.3	29,226.8	39,592.0	24,026.8	7,023.5	2,615.5	1,238.3	159.8	110,312.3
23. Ratio to band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
24. Total number of band D equivalents (to 1 decimal place) (line 22 x line 23)	1.9	4,284.2	22,731.9	35,192.9	24,026.8	8,584.3	3,777.9	2,063.8	319.5	100,983.2
25. Number of band D equivalents of contributions in lieu (in respect of Class O exempt dwellings) in 2016-17 (to 1 decimal place)										0.0
<b>26. Tax base (to 1 decimal place) (line 24 col 10 + line 25)</b>										<b>100,983.2</b>
<b>Part 2</b>										
27. Number of dwellings equivalents after applying discounts and premiums to calculate tax base (Line 22)	3.50	6,426.25	29,226.75	39,592.00	24,026.75	7,023.50	2,615.50	1,238.25	159.75	110,312.3
28.Reduction in taxbase as a result of local council tax support (b/fwd from CT Support tab)	0.59	2,183.29	6,907.28	6,811.63	2,770.66	570.44	96.18	16.23	0.00	19,356.3
29. Number of dwellings equivalents after applying discounts, premiums and local tax support to calculate taxbase	2.9	4,243.0	22,319.5	32,780.4	21,256.1	6,453.1	2,519.3	1,222.0	159.8	90,956.0
30. Ratio to band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
31. Total number of band D equivalents after allowance for council tax support (to 1 decimal place) (line 29 x line 30)	1.6	2,828.6	17,359.6	29,138.1	21,256.1	7,887.1	3,639.0	2,036.7	319.5	84,466.3
32. Number of band D equivalents of contributions in lieu (in respect of Class O exempt dwellings) in 2016-17 (to 1 decimal place)(line 25)										0.0
<b>33. Tax base after allowance for council tax support (to 1 decimal place) (line 31 col 10 + line 32)</b>										<b>84,466.3</b>

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

<b>Date of Meeting</b>	11 January 2017
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<b>Title of Report</b>	Budget Update report 2017/18
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<b>Originator of Report</b>	Executive Director for Resources and Regeneration
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At the time of submission for the Agenda, I confirm that the report has:

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

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

Date: 6 January 2017 \_\_\_\_\_

Signed:  \_\_\_\_\_ Head of Service

Date 6 January 2017 \_\_\_\_\_

**Control Record by Committee Support**

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

<b>Mayor and Cabinet</b>			
<b>REPORT TITLE</b>	Budget update report		
<b>KEY DECISION</b>	Yes	ITEM No.	
<b>WARD</b>	All		
<b>CONTRIBUTORS</b>	Executive Director for Resources & Regeneration		
<b>CLASS</b>	Part 1	Date	11 January 2017

**Lateness:** This report was not available for the original dispatch because officers needing additional time to complete their review of the announcements in December on the provisional local government settlement and their budget impacts for 2017/18.

**Urgency:** The report is urgent and cannot wait until the next meeting of the Mayor & Cabinet as the decisions from this report will influence the preparation of the budget report for Mayor and Cabinet on the 8 February.

Where a report is received less than 5 clear days before the date of the meeting at which the matter is being considered, then under the Local Government Act 1972 Section 100(b)(4) the Chair of the Committee can take the matter as a matter of urgency if he is satisfied that there are special circumstances requiring it to be treated as a matter of urgency. These special circumstances have to be specified in the minutes of the meeting.

## **1. EXECUTIVE SUMMARY**

- 1.1. Each year, usually in November, the Chancellor of the Exchequer presents the government's Autumn Statement to parliament setting out the national economic forecasts and related implications for government budgets. While some of the housing and business initiatives may impact the Council in due course, there were no direct implications for the Council from the statement.
- 1.2. The Autumn Statement is followed in December by the provisional Local Government Finance Settlement (LGFS) from the Secretary of State for the Department for Communities and Local Government. The LGFS and related publications from the Departments for Health and Education provide the detailed financial resources and grants for local authorities for the coming financial year.

- 1.3. The report then considers the highlights as they impact the Council and any actions to consider in preparing the 2017/18 budget from these two statements and, this year, the Pension Fund triennial valuation.

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

- 2.1. The purpose of this report is (1) to update Mayor and Cabinet (M&C) on the recent government announcements (Autumn Statement and Local Government Finance Settlement) as they impact the Council's budget for 2017/18 and future years and (2) to bring forward any corporate savings that result.

## **3. RECOMMENDATIONS**

- 3.1. The Mayor is asked to:
- 3.2. Note the updates from the Autumn Statement and provisional Local Government Finance Settlement as presented in the report.
- 3.3. Note that the current financial assumptions of the Medium Term Financial Strategy (MTFS) assume an annual 2% Adult Social Care precept is applied to the Council Tax Base for the next three years (option 1 in section 7) and that the Local Government Finance Settlement introduced new alternative options (2 to six) on which the budget could be modelled .
- 3.4. Agree that the Council's budget be prepared with a reduced corporate risks and pressures budget of £6.5m (down from £7.5m in previous years) for the three years to 2019/20, thereby saving £1m in 2017/18 and £3m over the period.

## **4. POLICY CONTEXT**

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



- Clean, green and liveable.
- Safety, security and visible presence.
- Strengthening the local economy.
- Decent Homes for all.
- Protection of children.
- Caring for adults and older people.
- Active healthy citizens.
- Inspiring efficiency, effectiveness and equity.

## **5. AUTUMN STATEMENT**

- 5.1. The Government's aim is to bring Government spending down to 40% of GDP (from 45% in 2010) with improved public services with a focus on infrastructure and innovation investments to address productivity gap (where UK is lagging US & Germany by 30%, France 20% and Italy 8%)
- 5.2. The Government therefore remains committed to fiscal discipline and confirmed that the Department Expenditure Limits (DEL) will remain as announced in 2015 Comprehensive Spending Review.
- 5.3. These limits will include the unallocated £3.5bn of efficiency savings to be met in 2019/20 and that the Departmental protections (Defence, Health, International Aid, Pensions) will be maintained for this parliament. This means the efficiencies will have to be made from the unprotected Department budgets, including potentially the Department for Communities and Local Government (DCLG).
- 5.4. However, the government is no longer seeking a surplus in Public Spending by 2019/20. The commitment to balance the budget has changed from by 2019/20 to as soon as practicable in the economic cycle. To support this a new draft charter with three rules is proposed. They are:
- Cyclical adjusted net borrowing to be below 2% in this parliament;
  - Net debt as % of GDP falling by 2020/21; and
  - Welfare spending to be maintained within a spending cap (amount to be confirmed).
- 5.5. The Chancellor also confirmed that there would be no new welfare savings proposals in this parliament beyond those already announced.
- 5.6. The medium term outlook for public sector spending is to run a deficit in early years of the next parliament below the 2% target for developed economies.

The intention being to allow some flexibility to respond to the uncertainties arising from the negotiations following the result of the EU referendum in June 2016.

- 5.7. To deliver on these objectives within the fiscal constraints set, the following priorities were announced:

#### Investment / Devolution

- From 2020, set aside 1% to 1.2% of GDP for infrastructure investment (through the National Infrastructure Commission)
- Release £1.8bn of Local Growth fund to Local Enterprise Partnerships for infrastructure (including £492m to London and the South East)
- London and Midland devolution discussions to continue with London to receive:
  - £3.15bn of National Affordable Housing money for 90,000 home starts by 20/21
  - Responsibility for Adult Learning Education (from 19/20) and Employment Support (work and health programme)
- Consultation on local government access to £1bn of borrowing at gilts + 60bps for three years for infrastructure
- Transport investment of £1.1bn for English local authorities
  - £0.2bn on local road schemes
  - £0.5bn for digital rail signalling
  - £0.4bn for lower emission vehicles
- 100% capital allowance on electric charging infrastructure
- £1bn for fibre network and support of 5G and 100% business rates relief for five years on new fibre infrastructure

#### Welfare / Employment / Other

- National Living Wage to rise in April 2017 to £7.50 (from £7.20 or 4.17%)
- Universal Credit taper rate to be reduced to 63% (from planned 65%)
- From 2017/18 National Insurance employer and employee thresholds aligned
- Insurance Premium tax to rise to 12% (from 10%) next June

#### Housing

- Housing white paper to be presented as soon as possible in 2017
- Additional £1.4bn for 40,000 affordable homes
- Relax restrictions on housing types for developers
- Regional pilot for 'right to buy' scheme with Housing Associations
- Help to Buy equity loan and Housing ISA to continue
- Pay to Stay housing policy will not be implemented
- Implementation of Local Housing Allowance (LHA) cap delayed one year to April 2019

- Refuges, alms houses, community land trusts, and cooperative housing exempt from four year 1% per year social rent reductions
- Market reviews to be conducted: Private rental – with unregulated fees to be banned as soon as possible

5.8. There were no changes with a direct implication for the Council from the Autumn Statement. The Council will be indirectly impacted by some of the London devolution to the Greater London Authority (e.g. for employment & skills and the work & health programme), investments and regulation changes in respect of housing, and potentially through business rates in respect of fibre infrastructure given Virgin Media is the Council's largest rate payer.

## **6. LOCAL GOVERNMENT FINANCE SETTLEMENT**

6.1. The LGFS confirmed the four year settlement offer for 2017/18 which means the Council's budget strategy for business rates and grants remains unchanged.

### Business Rates

6.2. London is one of a number of regional pilots to be invited to trial aspects (scope to be confirmed) of the 100% devolution of business rates in 17/18.

6.3. In the meantime work continues on preparation for arrangements for move to devolution of 100% of business rates and update to fair funding framework for all services from 2020/21. And before that the implementation of the results of the 2015 valuation and likely challenges and appeals. Lewisham saw the third highest rise in London of 36% in their rateable values under the new valuation.

### New Homes Bonus

6.4. It was confirmed, following the consultation in 2016, that the New Homes Bonus (NHB) would be reduced. This will see a transition to NHB being paid for five years in 2017/18 and then four years from 2018/19 (down from the current six years). Subject to further consultation being completed, certain other constraints were announced. These were that NHB would only be paid for housing growth above a national baseline (expected to be 0.4%), and NHB to be withheld if planning was rejected but subsequently overturned on appeal.

### Social Care

6.5. Related to the NHB changes, the Minister confirmed that the reduction in NHB of £240m in the first year would be allocated to councils providing Adult Social Care (ASC) as a one off grant, over and above the introduction of the improved Better Care Fund (iBCF) for local authorities to start in 2017/18.

6.6. In respect of Social Care, a new option for councils providing social care to raise their precept by up to 3% in any year but by no more than 6% over the three years to 2019/20 was introduced. The implications for Lewisham are considered in more detail in section 8 below.

6.7. The government will also publish an ‘integration and better care fund policy framework’ to support priority of health and social care integration.

Other areas

6.8. The Council Tax referendum limit was left unchanged at 2%. It is worth noting that this is now below the Bank of England’s forecast Consumer Price Index (CPI) inflation rate for 2017 of 2.7%.

6.9. The Department of Health have confirmed the Public Health grant for 2017/18, which for Lewisham will be £24.9m. It then reduces by 2.6% in each of the following two years.

6.10. The Department for Education have now announced the details of the Dedicated Schools Grant (DSG), Pupil Premium, and Education Support Grant (ESG) for schools.

- In respect of the DSG it has been confirmed that, subject to consultation, the fair funding for schools changes will be introduced from April 2018 with a maximum reduction for any individual school of 1.5% in any one year. This dampening reduces the initial impact for Lewisham schools budgets, now estimated at £7m rather than the initial £17m.
- The rates at which Pupil Premium are paid is to be maintained for 2017/18.
- The main element of the ESG grant, worth £3.5m to Lewisham, will stop in August 2017. There will be a retained amount of £0.6m going forward which Schools Forum have confirmed will continue to be used to purchase Council services in 2017/18. This will be a real financial loss in terms of impact to the Council’s general fund budget and has already been factored corporately into the MTFs.

**8. BUDGET CONSIDERATIONS**

ASC Precept

7.1. The offer to adjust the timing of the ASC precept makes a very marginal difference to the total amount of revenue collected over the period. The variations to the current MTFs of a 1.99% Council Tax and 2% ASC precept in each year are set out in the table below:

Options for ASC precept (NB: All options, in addition to the ASC element, assume a 1.99% general Council Tax increase in each year)	17/18	18/19	19/20
<b>1. Current - raises £16.9m over 3 yrs</b>	<b>2%</b>	<b>2%</b>	<b>2%</b>
Saving impact compared to MTFs £m (- less / + more)	0.0	0.0	0.0
Band D impact £/wk (half for CTax rise and half for ASC precept)	0.92	0.96	1.00

<b>Options for ASC precept</b> (NB: All options, in addition to the ASC element, assume a 1.99% general Council Tax increase in each year)	<b>17/18</b>	<b>18/19</b>	<b>19/20</b>
<b>2 - raises £14k less than option 1 over 3 yrs</b>	<b>3%</b>	<b>3%</b>	<b>0%</b>
Saving impact compared to MTFS £m (- less / + more)	-0.9	-1.0	1.9
Band D impact £/wk	1.14	1.19	0.55
<b>3 - raises £5k more than option 1 over 3 yrs</b>	<b>3%</b>	<b>2%</b>	<b>1%</b>
Saving impact compared to MTFS £m (- less / + more)	-0.9	0.0	0.9
Band D impact £/wk	1.14	0.97	0.77
<b>4 - raises £5k more than option 1 over 3 yrs</b>	<b>3%</b>	<b>1%</b>	<b>2%</b>
Saving impact compared to MTFS £m (- less / + more)	-0.9	0.9	0.0
Band D impact £/wk	1.14	0.75	1.00
<b>5 - raises £9k less than option 1 over 3 yrs</b>	<b>2%</b>	<b>3%</b>	<b>1%</b>
Saving impact compared to MTFS £m (- less / + more)	0.0	-0.9	0.9
Band D impact £/wk	0.92	1.18	0.77
<b>6 - raises £24k less than option 1 over 3 yrs</b>	<b>1%</b>	<b>3%</b>	<b>2%</b>
Saving impact compared to MTFS £m (- less / + more)	0.9	-0.9	0.0
Band D impact £/wk	0.71	1.17	1.00

- 7.2. The upsides of applying the ASC precept sooner are:
- that the revenue is locked into the base and before the larger amounts of improved Better Care Fund come on stream (in full in 2019/20), and
  - it defers up to £1.9m of the savings still to be identified to 2019/20.

- 7.3. The downsides are:
- it raises taxes on a lower base (as we are assuming growth for each of the three years), hence the slight loss from doing it early in the model.

#### Corporate Risk & Pressures

- 7.4. In addition to the budget implications from the LGFS noted above, 2016/17 was a triennial pension fund valuation year. In the MTFS, an annual £1m of the corporate risk and pressures monies had been set aside as a lump sum contribution to help make up the fund's deficit position. This continued the arrangements implemented at the last valuation. The results of the valuation show the funding position of the Pension Fund has improved and this annual contribution will not be required going forward (at least for the next three years).

- 7.5. It is therefore proposed to offer this up as a saving by reducing the corporate risks and pressures budget to £6.5m (down from £7.5m in previous years) for

the three years to 2019/20, thereby saving £1m in 2017/18 and £3m in total over the period.

Summary savings position

7.6. The current working draft of the MTFs now has the savings required to 2019/20 at £32.2m, compared to the mid-year update in July 2016 of a savings target of £45m. The changes by year are set out in the table below

<b>MTFS savings requirement</b>	<b>2017/18 £m</b>	<b>2018/19 £m</b>	<b>2019/20 £m</b>	<b>Total £m</b>
at Jul. 2016	15.5	14.9	14.6	45.0
at Jan. 2017	8.6	12.7	10.9	32.2

7.7. The £32.2m position at January 2017 is arrived at:

- After accounting for;
  - the savings decisions made in September 2016;
  - the growth in the Council Tax base in 2016/17;
  - the cost from the loss of ESG; and
  - the saving from corporate risk and pressures monies outlined above.
- But before allowing for;
  - any of the £14m of savings outlined in September 2016 (£5m in 18/19 and £9m in 19/20) to be worked up and presented to members for agreement;
  - options for the use of NHB or reserves in setting the budget; or
  - the final calculations for risks and pressures and other aspects of the Council's 2017/18 proposed budget.

**8. FINANCIAL IMPLICATIONS**

8.1. This report has no direct financial implications. The financial detail in respect of the ASC precept options and option to reduce the corporate risk and pressures monies are set out in the report. The full financial implications will be considered further in context as part of the 2017/18 budget which is the report to which the decisions on these points attach.

8.2. The full detail and implications of the settlement, including risks and pressures and an update on savings, will be set out and discussed in the 2017/18 Budget Report going to Mayor & Cabinet on the 8 and 15 February, before being presented to Council on the 22 February.

## 9. LEGAL IMPLICATIONS

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

### Equalities Legislation

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

9.3. In summary, the Council must, in the exercise of its functions, have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- advance equality of opportunity between people who share a protected characteristic and those who do not.
- foster good relations between people who share a protected characteristic and those who do not.

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

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

9.6. The Equality and Human Rights Commission has issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled "Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice". The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at:

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

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

- 9.7. The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:  
[The essential guide to the public sector equality duty](#)  
[Meeting the equality duty in policy and decision-making](#)  
[Engagement and the equality duty: A guide for public authorities](#)  
[Objectives and the equality duty. A guide for public authorities](#)  
[Equality Information and the Equality Duty: A Guide for Public Authorities](#)
- 9.8. The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at:  
<https://www.equalityhumanrights.com/en/advice-and-guidance/public-sector-equality-duty-guidance#h1>

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

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

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

- 15.1. Every effort will be made to ensure that Council tax payers, particularly those who are from disadvantaged groups, receive services consistent with the Legal Implications noted above.

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

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

#### **17. CONCLUSION**

- 17.1. The Autumn Statement and provisional LGFS for 2017/18 have confirmed the acceptance of the four year settlement for local government. As a result there are few changes for the Council's budget or savings assumptions at this time
- 17.2. The three main changes to note are: 1) the option to front load some of the ASC precept; 2) a potential saving from reducing the corporate risk & pressures monies in the budget following the Pension Fund triennial valuation; and 3) the loss of the ESG in 2017/18 which will be borne corporately.



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