



AGENDA

MAYOR AND CABINET

Date: WEDNESDAY, 21 JUNE 2017 at 6.00 pm

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

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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: Thursday, 22 June 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.

ORDER OF BUSINESS – PART 1 AGENDA

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

MAYOR & CABINET		
Report Title	Declarations of Interests	
Key Decision	No	Item No. 1
Ward	n/a	
Contributors	Chief Executive	
Class	Part 1	Date: June 21 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)

MAYOR & CABINET		
Report Title	Outstanding Scrutiny Items	
Key Decision	No	Item No. 3
Ward	n/a	
Contributors	Head of Business and Committee	
Class	Part 1	Date: 21 June 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
Response to Safer Stronger Communities Select Committee Voluntary Sector Review	ED Community	15 February 2017	21 June 2017	yes
Response to SDSC on Housing Zones	ED Resources & Regeneration	22 March 2017	28 June 2017	yes
Response to SDSC Post Office Services in Lewisham	ED Customer	22 March 2017	28 June 2017	yes
Response to SSCSC Local Assemblies Review	ED Community	22 March 2017	21 June 2017	yes
Response to SSCSC NPS and CRC	ED Community	22 March 2017	21 June 2017	yes

Response to HCSC Health and Adult Social Care Integration Review	ED Community	22 March 2017	28 June 2017	yes
Response to HSC Housing and Mental Health Review	ED Customer	22 March 2017	28 June 2017	yes
Response to PAC – Audit Panel	ED Resources & Regeneration	19 April 2017	28 June 2017	No

BACKGROUND PAPERS and AUTHOR

Mayor & Cabinet minutes

15 February 2017, 22 March 2017 and 19 April 2017 available from Kevin Flaherty 0208 3149327.

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

Chief Officer Confirmation Of Report Submission			
Cabinet Member Confirmation Of Briefing			
Report For: Full Council			
	Mayor And Cabinet		<input type="checkbox"/>
	Mayor and Cabinet (Contracts)		<input checked="" type="checkbox"/>
	Executive Director		<input type="checkbox"/>
Information	<input type="checkbox"/>	Part 1	<input checked="" type="checkbox"/>
		Part 2	<input type="checkbox"/>
		Key Decision	<input checked="" type="checkbox"/>

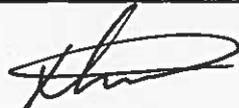
Date of Meeting	21 June 2017
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Title of Report	Deptford Wharves - Proposed Compulsory Purchase Order
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Originator of Report	Executive Director for Resources and Regeneration & Head of Law
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At 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	X	
Confirmed Adherence to Budget & Policy Framework	X	
Risk Assessment Comments (as appropriate)	X	
Reason for Urgency (as appropriate)	N/A	

Signed:  Executive Member

Date

Signed:  Director/Head of Service

Date 13-6-17

MAYOR & CABINET		
Report Title	Deptford Wharves – Proposed Compulsory Purchase Order	
Key Decision	Yes	Item No.
Ward	Evelyn	
Contributors	Executive Director for Resources and Regeneration and Head of Law	
Class	Part 1	Date: 21 June 2017

1. Purpose of Report

- 1.1 The purpose of this Report is to inform the Mayor as to the progress of the Deptford Wharves regeneration scheme by the developer, Lend Lease Deptford Limited, and the current land assembly position, and to seek approval for the making of a compulsory purchase order to complete the acquisition of the land required to deliver the scheme as set out below. For the purposes of this Report, the developer is referred to throughout as “Lendlease”. The site (**Site**) is shown edged red on the plan at **Appendix 1** to this Report.
- 1.2 Whilst Lendlease owns the majority of the Site, despite the making of reasonable endeavours over a lengthy period it has not thus far been possible to reach agreement with the remaining landowners for the acquisition of the land required for comprehensive re-development of the Site. Officers now seek the Mayor's approval for the Council to use its compulsory purchase powers under Section 226(1)(a) of the Town and Country Planning Act 1990 to enable the acquisition of the remaining land required to facilitate the comprehensive re-development of the Site (**Scheme**) and in turn contribute to the wider regeneration of the Deptford/New Cross Area as supported by the Council's Core Strategy and other applicable policies.
- 1.3 The land proposed to be acquired is described in Section 6 of this Report. This Report also seeks delegated authority for the Executive Director for Resources and Regeneration (in consultation with the Head of Law) to enter into a compulsory purchase indemnity agreement and related parent company guarantee, and to take certain other steps in connection with assembly of the land required for the Scheme and the compulsory purchase process.
- 1.4 A draft Statement of Reasons (**draft SoR**) for making the proposed compulsory purchase order (**CPO**) is attached to this Report at **Appendix 2**. Although the Statement of Reasons is non-statutory, it is an important document and if the CPO

is made, it will be served on owners, lessees/tenants and occupiers with the relevant statutory notices of making of the CPO. The draft SoR has been prepared in accordance with Government's 'Guidance on Compulsory purchase process' published in October 2015 (**CPO Guidance**). Should the Mayor resolve to proceed with the CPO, the draft SoR will be finalised to reflect matters as at the time the Order is made, and this too is covered by the delegation sought for the Executive Director of Resources and Regeneration.

- 1.5 This Report and the attached draft SoR describe the factors which are relevant to the decision whether or not to make a compulsory purchase order, including the current planning policy framework for the Scheme, matters relevant to delivery of the Scheme within a reasonable timeframe, its impact on affected land owners and occupiers, and whether the purposes for which the CPO would be made could be achieved by other means. It includes matters for the Mayor's consideration in relation to the Council's public sector equality duty and the implications for the Human Rights of third party landowners. It addresses the overall question of whether there is a compelling case in the public interest for compulsory acquisition.
- 1.6 References are made to the draft SoR throughout this Report, but Mayor and Cabinet should read the whole of the SoR and take it into account alongside this Report.

2. Policy Overview

- 2.1 The Council's Local Development Framework sets the vision, objectives, strategy and policies that will guide development and regeneration in the Borough up to 2025. The Lewisham Core Strategy (**Core Strategy**), the Lewisham Development Management Local Plan, the Lewisham Site Allocations Local Plan and the Lewisham Town Centre Local Plan, together with the London Plan, form the statutory development plan for the Borough.
- 2.2 The Site also lies within the Deptford Creek/Greenwich Riverside Opportunity Area identified in the London Plan. Opportunity Areas are London's major source of brownfield land which have significant capacity for development – such as housing or commercial use - and existing or potentially improved public transport access. In Opportunity Areas, development proposals should seek to optimise residential and non-residential output and densities, provide necessary social and other infrastructure to sustain growth, and where appropriate contain a mix of uses.
- 2.3 The Core Strategy contains a number of Strategic Site Allocations which are central to the achievement of the Lewisham Spatial Strategy. There are five such strategic sites, four of which are within the Deptford/new Cross area, including the Oxestalls Road site which comprises Strategic Site Allocation 4 within the Core Strategy. The strategic sites are intended to act as a catalyst for regeneration of the wider area. Redevelopment of this Site is thus a key regeneration and strategic priority for the Council.
- 2.4 The Site comprises the majority of the land within SSA4. SSA4 also includes Scott House (formerly known as Diploma Works) which adjoins the Site at its north-east corner. Scott House has recently been converted to live/work units and does not form part of the Scheme.

- 2.5 The general policy at Strategic Site Allocation 1 within the Core Strategy requires a comprehensive phased approach to redevelopment of the strategic sites in accordance with an approved Masterplan. SSA4 also set out the urban design features identified as key features for the Masterplan in respect of the Oxestalls Road strategic site.
- 2.6 Further details regarding the applicable planning framework and where the redevelopment fits within it are set out in Section 6 of this Report.
- 2.7 'People, prosperity, place', Lewisham's Regeneration Strategy 2008-2020, sets out the Council's aspiration for a vibrant, dynamic Lewisham focussed around the themes of people - investing in the individuals and communities which are Lewisham's greatest asset; prosperity - fostering the skills and economic opportunities for Lewisham to flourish and thrive; and place - developing high quality public spaces, sustainable buildings and protecting the areas which are sensitive to change. The Strategy identifies the area as a strategic site with the Borough. The Strategy is also placed within the framework of the key national and regional policies which affect the Council's work to achieve regeneration of the Borough, including the Mayor of London's London Plan Consolidated with Alterations Since 2011(March 2016) (**London Plan**).
- 2.8 'Shaping our future', Lewisham's Sustainable Community Strategy 2008 - 2020, includes the 'Dynamic and Prosperous' theme, where people are part of vibrant communities and town centres, well connected to London and beyond. It details the Local Strategic Partnership's commitment to 'improving the quality and vitality of Lewisham's town centres and localities', and aspirations to 'support the growth and development of our town centres by working with commercial partners and developers', and 'maximise the use of our town centres as places to engage the local community'.
- 2.9 'Shaping our future' identifies 'Active healthy citizens as a key priority – where the Council are committed to ensuring that people can actively participate in maintaining and improving their health and well-being, supported by high quality health and care services, leisure, culture and recreational activities'.
- 2.10 Strengthening the local economy is a corporate priority, emphasising the importance of 'gaining resources to regenerate key localities, strengthen employment skills and promote public transport'.
- 2.11 The Council's Strategic Asset Management Plan sets out the approach to using property effectively in order to achieve the Council's objective of making Lewisham the best place in London to live, work and learn. It acknowledges that the Council's assets have a key role to play in supporting the Borough's regeneration aims.

3. Recommendations

- 3.1 The Mayor is recommended to:
- a) resolve to make a Compulsory Purchase Order pursuant to powers under Sections 226(1)(a) of the Town and Country Planning Act 1990 (in accordance with the procedures in the Acquisition of Land Act 1981) for the

acquisition of the land shown coloured pink on the plan attached to this Report at **Appendix 3**, save for the interests of the Council and Lendlease;

- b) grant delegated authority to the Executive Director for Resources and Regeneration in consultation with the Head of Law:
- (i). to negotiate the terms of and enter into a Compulsory Purchase Indemnity Agreement with Lendlease, together with a Parent Company Guarantee (or other satisfactory agreement providing appropriate security for performance by Lendlease of its obligations under the Compulsory Purchase Indemnity Agreement), such terms to include disposal by the Council of the land acquired to Lendlease pursuant to Section 233 of the Town and Country Planning Act 1990;
 - (ii). to carry out any further or additional land referencing as may be considered appropriate, including service of requisitions for information pursuant to Section 16 of the Local Government (Miscellaneous Provisions) Act 1976 or Section 330 of the Town and Country Planning Act 1990;
 - (iii). subject to the Compulsory Purchase Indemnity Agreement and Parent Company Guarantee (or other satisfactory agreement providing appropriate security as referred to in recommendation i) being entered into), to take all necessary and appropriate steps to secure the making, confirmation and implementation of the Compulsory Purchase Order (CPO) including the publication and service of all notices and promotion of the Council's case at any Public Inquiry, including but not limited to the steps described below;
 - (iv). to make any amendments, deletions, or additions to the draft Order Map and/or draft Schedules to the CPO so as to include and describe all interests in land required to facilitate the carrying out of the Scheme;
 - (v). to make such changes as may be considered necessary or appropriate to the draft Statement of Reasons prior to publication;
 - (vi). to acquire interests in the Order Land either by agreement or compulsorily (including pursuant to any blight or purchase notices) and dispose of the same to Lendlease;
 - (vii). to negotiate, agree terms and enter into agreements with interested parties, including agreements for the withdrawal of blight or purchase notices and/or objections to the CPO and/or undertakings not to enforce the CPO on specified terms, including where appropriate seeking the exclusion of land from the CPO;
 - (viii). in the event that the Secretary of State notifies the Council that it has been given the power to confirm the CPO to confirm the CPO if the Executive Director for Resources and Regeneration is satisfied that it is appropriate to do so;

- (ix). in the event the CPO is confirmed by the Secretary of State (or by the Council if given power to do so), to complete all necessary statutory procedures and to take steps to implement the CPO, including by way of General Vesting Declaration and/or Notice to Treat/Notice of Entry;
- (x). to take all steps in relation to any legal proceedings relating to the CPO, including defending or settling claims referred to the Upper Tribunal (Lands Chamber) and/or applications made to the courts and any appeals;
- (xi). to retain and/or appoint external professional advisers and consultants to assist in facilitating the promotion, confirmation and implementation of the CPO, the settlement of compensation and any other claims or disputes;
- (xii). to take all such other steps as may be considered necessary or appropriate to acquire all land interests required for the Scheme (whether by agreement or CPO) and to dispose of the same to Lendlease.
- (xiii). to agree the final terms for disposal to Lendlease of the Council's interest in the plots numbered 4, 10, 11, 13, 14, 15, 16, 17 and 18 on the draft CPO Map attached to this Report at Appendix 3 and, subject to the consideration being duly certified as best consideration, to dispose of the same to Lendlease under Section 123 of the Local Government Act 1972.

4. Background

The Site

- 4.1 The Site extends to 4.7 hectares and is situated in the Deptford and New Cross area in the north of the Borough, located approximately 350m south west of the River Thames (see **Appendix 2**). The Site is bounded by Oxestalls Road to the north (an elevated road bridge, built in the late 1960's to cross the former Grand Surrey Canal); Grove Street in the east with Pepys Park beyond; Dragoon Road to the south which is closed at its junction with Evelyn Street; and Evelyn Street (the A200) to the west which forms part of the Borough Principal Road Network. Deptford Park lies just beyond Evelyn Street to the west.
- 4.2 Historically, the Site was made up of five wharves – Crown Wharf, New Baltic Wharf, Victoria Wharf, Park Wharf and Bridge Wharf - along with a petrol filling station, The Victoria (a public house), a car wash, a single residential dwelling and some small scale retail buildings. Until recently, it has been dominated by commercial and industrial buildings extending to a total of approximately 19,633m² (GEA) comprising sui generis uses and uses falling with Use Classes A1, A3, B1, B2, B8 and C3. It is currently under-utilised and the majority of the remaining buildings are vacant. Given their age and deteriorating condition, these are considered to have little, if any, potential for re-use, except for the vacant public house (**The Victoria**). Works of demolition and remediation have been carried out

on some parts of the Site pursuant to planning permission granted in March 2016 (Ref: DC/15/92295).

Planning History and Site Assembly

- 4.3 Assembly of the Site began a number of years ago when the previous owners, Law 2380 Limited, acquired the freehold of most of Victoria Wharf and Park Wharf in 2003. Further acquisitions followed, and by 2014 approximately 65% of the Site was under Law 2380 Limited's control. In January 2010, Law 2380 Limited applied for part detailed/part outline consent for comprehensive residential-led mixed use re-development of the Site, providing c. 900 homes. Planning permission for that scheme was granted in March 2012.
- 4.4 In August 2014, Lendlease acquired Law 2380 Limited's interests in the Site. In May 2015 Lendlease submitted a part outline/part detailed planning application for re-development of the Site, being a revision to the March 2012 permission. On 23 March 2016 and following completion of a Section 106 Agreement, the Council granted planning permission for (see **Appendix 4** for Scheme layout):
- Up to 1,132 residential units, including 189 affordable units, in blocks ranging from 3-24 storeys;
 - 10,000 square metres of non-residential floor space, including shops/ offices/ restaurants/ cafes/ drinking establishments/ hot food take-aways/ non-residential institutions and assembly and leisure uses);
 - New open space.
 - Improvements to public realm including a water body along the former route of the Grand Surrey Canal;
 - Improved transport connections including new east-west and north-south pedestrian and cycle links;
 - An energy centre.
- 4.5 In January 2017, the Council received an application from Lendlease under Section 96A of the 1990 Act to make non-material amendments to the 2016 Permission. These relate to Plots 1 and 3 of the development and include removing the second level of a podium, increasing the number of residential units and reducing the number of resident parking spaces in these plots. They also give rise to minor elevational changes to the development which do not affect the overall quantum of floor space or number of residential units to be delivered across the Site as a whole, or the overall number of resident parking spaces within the Scheme.
- 4.6 The Head of Planning has confirmed that the changes are acceptable and can be consented under Section 96A. Once issued, the Section 96A approval will operate as a variation to the 2016 Permission and will not constitute a separate permission. Before the Section 96A decision can be issued, however, a short deed of variation to the existing Section 106 Agreement will be required. This is in the course of

agreement and it is envisaged that it will be completed prior to the Mayor & Cabinet meeting on 21 June 2017. An update will be given at the meeting.

- 4.7 References in this report to the 2016 Permission should be taken to include the changes encompassed by the Section 96A application.
- 4.8 The 2016 Permission divides the Site into 6 development plots construction of which will be undertaken on a phased basis (see **Appendix 5** Phasing Plan and Plots Plan):
- Phase 1 comprises Plot 1, Plot 2 and Plot 3;
 - Phase 2 comprises Plot 4; and
 - Phase 3 comprises Plot 5 and Plot 6.
- 4.9 The maximum permitted floor space for the non-residential uses, and maximum number of residential units (as amended by the 2017 Section 96A application) within the development, are as follows:

Plot	Use Class	m ² (GIA)*	Residential Units
1	A1/A2/A3/A4/A5/D1/D2/B1	765	210
2	A1/A2/A3/A4/A5/D1/D2/B1	453	
	Energy Centre (Sui Generis)	326	203
3	A1/A2/A3/A4/A5/D1/D2/B1	1,297	149
	B1	2,622	
4, 5 and 6*	A1/A2/A3/A4/A5/D1/D2/B1	1,056	570
	B1	3,437	
Total	A1/A2/A3/A4/A5/D1/D2/B1	3,571	1,132
	B1	6,059	
	Energy Centre	326	

*Floorspace figures/residential units per plot to be approved at reserved matters stage

- 4.10 It is envisaged that the redevelopment of the Site will take approximately 6 to 7 years to complete. If land assembly is achieved as intended, the works will start in Plot 2 followed shortly after by Plots 1 and 3, with construction of Plots 1 and 3 being dependent on the acquisition of those interests of the Site not owned by Lendlease.

5. Land to be included in the Compulsory Purchase Order

- 5.1 The boundary of the proposed Order Land is shown outlined in red on the draft CPO Map, with the land subject to acquisition shaded pink. The land interests proposed to be included in the CPO are listed in the draft CPO Schedule (**draft CPO Schedule**) attached to this Report at **Appendix 6**. The interests to be acquired are identified in Table 1 of the draft CPO Schedule which includes the address, title number and registered proprietor of each of the relevant plots; each plot is cross-referenced to the plot numbers on the draft CPO Map. The main land interests to be acquired under the proposed CPO comprise those owned by Shell and Safestore. In addition, and for the reasons explained below, it is intended to include all interests (other than those owned by the Council) in certain plots around the Site and all interests (other than those owned by Lendlease) in the land already owned by Lendlease. It is further proposed to include a leasehold interest held by Northern Power Networks Limited in a sub-station within the Site (believed to be redundant).
- 5.2 As explained above, the Site is divided into 6 development plots which will be implemented in a series of phases. A brief explanation of why the Order Land is needed in order to deliver the Scheme is set out below. References to Plots are to Plots in the draft CPO Schedule and identified on the draft CPO Map.

Plot 3

- 5.3 This plot comprises Units 16 and 17 Dragoon Road. The freehold interest in this plot is owned by Lendlease with leases in favour of Personal Storage Limited and Safestore Limited (these are related companies and are collectively referred to as **Safestore**). Spaces Personal Storage have a head lease and Safestore an under-lease, both expiring in March 2027. The property comprises a self-storage unit. A plan is attached showing the area of the Safestore lease (**Appendix 7**).
- 5.4 The delivery of all 6 residential buildings within Plots 1 and 3 on the Plots Plan (**Appendix 4**) is inextricably linked. Whilst Buildings 1B and 1C do not physically encroach onto the Safestore land, they do rely on the shared landscaped podium and ground level parking serving Plots 1 and 3 which requires land within the Safestore leases. The remaining buildings in Plot 3 cannot physically be delivered with Safestore in situ, and construction of the commercial 'Y' building on Plot 3 would be severely and unacceptably compromised. Land surrounding the 'Y' building, including land within Plot 3, will also provide open space and complementary uses. Without the Safestore land, at grade connections through to Dragoon Road will not be possible from within the Yard and it will not function or 'feel' as envisaged on completion of the Scheme, with pedestrian routes passing through it and ground floor non-residential uses alongside.

Plot 1

- 5.5 Shell UK Limited (Shell) own the freehold interest in this plot which comprises 101 and 111 Evelyn Street. Shell also holds a leasehold interest in this Plot. The plot comprises a petrol filling station with ancillary shop. The plot is required to enable Buildings 5.A, and 5.E on the Plots Plan (**Appendix 4**) to be constructed.

Other Plots

- 5.6 The draft CPO Map also identifies other land within the Site which is required for the Scheme. This is either because parts of buildings will be constructed upon those areas as identified on the plots plan at **Appendix 4** or the land is required for landscaping/public access. Plots 4, 10, 11, 13, 14, 15 (leased to London Power Networks), 16, 17 and 18 are owned by the Council. Plots 9, 12 and 19 remain unregistered. Plot 9 comprises former highway land and will likely be owned by Shell on the presumption that on a stopping up, the half width of a highway reverts to the adjoining owner. For similar reasons, Plots 12 and 19 will likely be owned by Lendlease. Given the uncertainties regarding ownership, however, it is proposed to include these plots within the CPO (but expressly excluding any interest already owned by the Council or Lendlease).
- 5.7 Various rights and covenants also affect the Order Land, as identified in Table 2 of the draft CPO Schedule in Appendix 6. Lendlease have confirmed that it does not consider any of the rights/covenants affecting the land it already owns will impede the construction or operation of the Scheme. Lendlease has further confirmed that it and its advisers have undertaken title investigations to identify registered land interests, conducted physical inspections of the land where possible and have engaged with any known interest holders. On this basis, and on the basis that Lendlease and its contractors have been occupying various parts of the Site since acquisition in August 2014, Lendlease considers that the CPO Schedule covers all reasonably discoverable interests in the Site. As is often the case with large comprehensive schemes, however, whilst all due diligence may have been employed to review the title and ascertain the nature and extent of the interests in the land, there remains a residual concern that some new interest might subsequently come to light that no one could have been aware of. As is common practice in such cases, therefore, and to guard against this eventuality which could impede the Scheme, it is proposed to include in the CPO the plots already owned by Lendlease but to exclude from any acquisition any interest already owned by Lendlease.
- 5.8 The position regarding negotiations with landowners is considered in more detail below in Section 6. Lendlease will continue, with the support of the Council, to seek to acquire the outstanding interests by agreement. Officers have also written to the landowners encouraging them to engage with Lendlease and offering to engage directly with the landowners, should they be unwilling for any reason to deal with Lendlease. As a result of this, various forms of engagement have taken place between the Council, Safestore and Lendlease, as detailed below and in the draft SoR. In addition, Safestore and the remaining landowners were advised by the Executive Director for Resources and Regeneration in a letter dated 26 May 2017 that this report would be considered by Mayor and Cabinet on 21 June 2017. An update on any responses received will be given at the meeting of Mayor and Cabinet on 21 June 2017.
- 5.9 If the CPO is made, further requisitions for information relating to ownership will be served as necessary before the Order Map and CPO Schedule are finalised. Final versions of the Map and Schedule will be published with the CPO when made. In addition, negotiations to try and secure acquisition by agreement of all relevant interests will continue.

5.10 If the CPO resolution is made, this will be recorded in the Local Land Charges Register and disclosed on searches so that any potential purchasers will be aware that the land is subject to compulsory purchase.

6. Statutory powers and CPO Guidance

Statutory powers

6.1 Section 226(1)(a) of the Town and Country Planning Act 1990 (**1990 Act**) empowers the Council, on being authorised by the Secretary of State, to acquire compulsorily land in its area if it thinks that the acquisition will facilitate the carrying out of development, redevelopment or improvement on or in relation to the land. By virtue of section 226(1A), however, the Council must not use this power unless it also thinks that the development, redevelopment or improvement is likely to contribute to the achievement of any one or more of the following objects:

- a) the promotion or improvement of the economic well-being of the Council's area;
- b) the promotion or improvement of the social well-being of the Council's area;
- c) the promotion or improvement of the environmental well-being of the Council's area.

The benefits to be derived are not restricted to the area subject to CPO, as the concept is applied to the well-being of the whole (or any part) of the authority's area.

6.2 The Mayor and Cabinet are directed to Section 3 of the draft SoR which sets out how the proposed compulsory acquisition is considered to fall within the provisions of Section 226 of the 1990 Act and deliver the well-being objectives required by Section 226(1A). In summary, the overall benefits of the comprehensive scheme are:

- 1,132 new homes including 189 affordable units;
- The creation of new pedestrian and cycle links including a north-south route utilising the route of the former Grand Surrey Canal and east-west links between Evelyn St and Grove St, linking the Scheme with other nearby developments as well as providing important links between existing parks and open spaces;
- The creation of significant public open space throughout the proposed development.
- The provision of 9,630 sq m of new non-residential floorspace accommodating new shops, workspace, offices, leisure and community uses;

- Retention and refurbishment of the Victoria to provide interim accommodation for community uses/incubation and start-ups for small business and longer term use as a pub;
 - Delivery of retail and catering uses to support local residents and provide employment opportunities;
 - Non-residential floorspace capable of accommodating 460-630 new FTE jobs, with a further 370 FTE job opportunities during construction;
 - The introduction of new green space and provision of ecological enhancements including green and brown roofs and potential re-introduction of birds, bats and insect species previously seen in Deptford.
- 6.3 Significant **social benefits** will be secured through the delivery of sustainably constructed new homes that will make a significant contribution to meeting private and affordable housing need in the Borough. The planning permission also includes space for new community and leisure facilities to serve new residents and enhance the range of facilities available to existing residents in the wider area. The development is served by existing public transport services and infrastructure that will be improved as a consequence of the development.
- 6.4 Through land assembly, which will enable the rationalisation, improvement and provision of new uses and infrastructure on the Site, there will be significant **environmental benefits**. Of fundamental importance to the delivery of the comprehensive masterplan are new east-west and north-south pedestrian and cycle routes through the Site. The north-south route utilises the route of the former Grand Surrey Canal and is a defining landscape feature of the approved scheme. The Scheme will provide much needed links between existing parks and open spaces, including Pepys and Deptford Parks, as well as links to other developments in the area, forthcoming and existing, building on the Council's objective of introducing better and safer pedestrian and cycle links throughout the wider area.
- 6.5 The Scheme will secure very significant **economic benefits** in terms of major investment in the Borough, with job opportunities during construction and in the new commercial, community and leisure uses. The new resident and business population will further contribute to the health of the local economy.

CPO Guidance

- 6.6 The CPO Guidance sets out the considerations to be applied when making a resolution to exercise compulsory powers and the factors which will weigh with the Secretary of State when deciding whether to confirm a CPO. These factors include what might be described as the overarching consideration as follows:

“A compulsory purchase Order should only be made where there is a compelling case in the public interest. An acquiring authority should be sure that the purposes for which the compulsory purchase order is made justify interfering with the human rights of those with an interest in the land affected. Particular consideration should be given to the provisions of Article 1 of the First Protocol to the European

Convention on Human Rights and, in the case of a dwelling, Article 8 of the Convention."

- 6.7 The Human Rights implications of the prospective compulsory acquisition are addressed in Section 11 of this Report.
- 6.8 The CPO Guidance sets out a number of other matters which are required to be considered/satisfied when making and confirming a CPO, both generally and specifically in relation to Orders made under Section 226 of the 1990 Act:
- Whether the purpose for which the land is being acquired fits in with the adopted planning framework for the area (see this Section 6 below and Section 4 of the draft SoR).
 - Whether the purposes for which the proposed Order Land is to be acquired could be achieved by any other means. This can include considering the appropriateness of any alternative proposals put forward by the owners of the land or others, or examining the suitability of alternative locations for the purpose for which the land is being acquired (see paragraphs 6.23 to 6.27 of this Report and paragraphs 6.27 to 6.32 of the draft SoR).
 - The extent to which the proposed purpose will contribute to the achievement of the promotion or improvement of the economic, social or environmental well-being of the area (see paragraphs 6.3 to 6.5 of this Report and paragraphs 3.28 and 3.2.10 of the draft SoR);
 - That reasonable steps have been taken to acquire the land included in the Order by agreement (see paragraphs 6.28 to 6.43 of this Report and Section 8 of the draft SoR). The CPO Guidance notes, however, that if an acquiring authority waits for negotiations to break down before starting the compulsory purchase process, valuable time will be lost and it may often be sensible, given the amount of time required to complete the CPO process, to plan a CPO timetable and initiate the formal procedures.
 - That the necessary resources are likely to be available to achieve the purpose of acquisition within a reasonable timescale. If this cannot be demonstrated, the authority is unlikely to be able to show the acquisition is justified in the public interest at this time. These aspects are discussed in paragraphs 6.44 to 6.71 of this Report and Section 6 of the draft SoR.
 - That the scheme is unlikely to be blocked by physical or legal impediments (see elsewhere in Section 6 of this Report and Section 6 of the draft SoR).

Does the purpose for which the land is being acquired fit in with the Local Plan?

- 6.9 The CPO Guidance requires consideration of whether the purpose for which the land is being acquired fits in with the adopted Local Plan. In addition to this specific requirement, the CPO Guidance states that any programme of land assembly must be set within a clear strategic framework and that such framework will need to be founded on an appropriate evidence base and to have been subject to consultation processes including those whose property is directly affected. The

CPO Guidance points out that the National Planning Policy Framework also needs to be taken into account.

- 6.10 Planning policy at national, regional and local level promotes sustainable development through the plan-led system and a proactive approach to supporting the delivery of homes and business space to create thriving local places. Detailed analysis of the relevant policies at national, regional and local level, and how they relate to the Site and the compelling case that it is in the public interest for the land remaining outside of Lendlease ownership to be acquired compulsorily, is set out in the Statement of Reasons and a summary is given below.
- 6.11 At the national level the NPPF sets out the guiding principles for development at the plan-making and decision-taking stages. A key part of this is a clear strategy that allocates sufficient land suitable for development and creating a high quality built environment with a good standard of amenity for all existing and future occupants. At the regional level the London Plan sets the overall development strategy for the City including identifying Opportunity Areas and Intensification Areas for more intensive development and change. Deptford and New Cross is designated as an Opportunity Area, part of London's reservoir of brownfield land with significant capacity to accommodate new housing, commercial and other development linked to existing or potential improvements to public transport accessibility. In Opportunity Areas development proposals should seek to optimise residential and non-residential output and densities, provide necessary social and other infrastructure to sustain growth, and, where appropriate, contain a mix of uses.
- 6.12 At the local level the Core Strategy translates the strategic direction into borough-wide and site specific policies. This includes the identification of Strategic Sites where the scale and nature of change will act as a catalyst for the regeneration of the wider area. The strategic sites are considered central to the achievement of the Core Strategy as redevelopment can collectively transform the physical environment and achieve place making objectives by delivering a comprehensive range of regeneration outcomes in the Borough's most deprived areas. This includes significant numbers of new homes, a range of economic, employment and training opportunities, accessibility improvements (public transport, pedestrian and cycle), and infrastructure provision and public realm improvements. The Core Strategy identifies four strategic sites in the Deptford and New Cross area, one of which is the Oxestalls Road site, Strategic Site Allocation 4 (SSA4).
- 6.13 Redevelopment of the Site is a key regeneration and strategic priority for the Council and Policy SSA4 requires a comprehensive approach to the redevelopment of the Site, in line with an approved masterplan that delivers a range of land use and development priorities and which demonstrates a number of urban design principles. Comprehensive redevelopment of the Site will deliver improvements to the environmental quality of the site and the surrounding area as well as improvements to accessibility, connectivity and legibility. This includes creating better links to other parks and public spaces particularly Deptford Park, Pepys Park, Evelyn Street and the River Thames frontage in support of the North Lewisham Links project. A key element of the comprehensive masterplan therefore is the new east-west and north-south pedestrian and cycle routes through the Site.

- 6.14 The Core Strategy (at paragraph 9.24) also makes clear that the Council wishes to encourage landowners to bring forward land for development in line with the Core Strategy, but that where landowners are reluctant or unwilling, the Council may consider using CPO powers to achieve the Core Strategy's wider regeneration objectives. This applies particularly to the strategic sites.
- 6.15 It is of particular importance that, in accordance with Strategic Site Allocation 1, the 2016 Permission is for the comprehensive development of the Site. As part of the planning application and Masterplan process consideration was given to the delivery of the Scheme, as required by the Core Strategy. The 2016 Permission is part detailed for Phase 1 and part outline for the remainder of the development, and is subject to conditions and a Section 106 Agreement which together control the implementation of the Scheme to ensure the comprehensive development of the Site and in a manner that delivers the land use, access and environmental improvement objectives set out in the Core Strategy. To ensure the comprehensive development of the Site, the Section 106 Agreement includes a series of triggers to prevent piecemeal development and/or the selective development of the Site, as well as ensuring the delivery of a mixed-use and mixed-tenure development. Further details regarding the Section 106 triggers are set out below in this Report.
- 6.16 Policy SSA4 identifies the provision of employment space as a land use priority in the mixed use development the Site with 20% of the floorspace to be for B class use. This is not achieved by the permitted Scheme. However, taking account viability considerations and the fact that the Scheme will secure the delivery of comprehensive mixed use development, the permitted Scheme was considered acceptable, assessed against Development Plan policy. The absence of B2 and B8 uses is appropriate because of the potential impact of such uses on adjoining residential properties. The absence of B2 and B8 uses also enables B1 floorspace to be maximised on the Site, delivering a higher number of employment opportunities given the higher density of jobs associated with B1 compared with B2 and B8 uses. The B1 space has been conceived to target the needs of small businesses. This is considered appropriate in light of the likely demand for B1 uses and the need to secure a deliverable development.
- 6.17 The essential purpose of acquiring the Order Land is to secure the comprehensive regeneration of this allocated Site. Not only does this fit well with the adopted planning framework for the area, but the delivery of the comprehensive development of the Site is also central to the achievement of the spatial strategy contained within the Core Strategy.
- 6.18 The Scheme's compliance with planning policy was considered by the Council, applying section 38(6) of the Planning and Compulsory Purchase Act 2004, prior to the grant of planning permission in March 2016. This exercise concluded that the Scheme accords with a number of the land use priorities and urban design principles contained within SSA4, including the provision of new housing with a proportion of affordable homes and provision of business space as part of a mixed use development of the site. It noted the position in relation to the quantum of employment space and affordable housing, but concluded that these had been optimised in the context of the overall scheme viability.

6.19 Having regard to the development plan as a whole and the totality of the policy compliance, Officers conclude that the Scheme accords with the Development Plan and is consistent with national planning policies. It was on this basis that permission for the Scheme was granted.

Scheme delivery

6.20 As is explained further below under the heading 'Deliverability, including viability and funding', Lendlease have stated that they will not commence the Scheme until they have full control of the entire Site. The Safestore land straddles Plots 1 and 3 and the Shell land occupies part of Plot 5. Plot 1 provides 218 dwellings and 765m² of commercial space and Plot 3 provides 153 dwellings and 3,959m² of commercial space. Together these Plots will deliver 33% of the total residential units in the Scheme including 47% of the affordable homes. Plots 1 and 3 also provide 49% of the total commercial floorspace within the Scheme. Plot 5 provides around 30,500 square metres of residential floorspace and up to around 635 square metres of flexible commercial floorspace. This represents around 27% of the residential floorspace and 7% of the commercial space in the development.

6.21 Until Lendlease have full control of the whole Site, the Scheme will not proceed. Thus, unless the Shell interests are acquired, the comprehensive Scheme cannot be delivered. In respect of the Safestore land, the leasehold interests expire in October 2027 at which date (assuming successful opposition to the grant of new leases) the land would revert to Lendlease. Accordingly Lendlease would, eventually, be able to secure control of this land. If, however, the Shell land is acquired but not the Safestore land, for the reasons outlined above commencement of the development would be delayed by 9-10 years, i.e. until Safestore's lease expires. Even assuming that comprehensive development remains deliverable in 10 years' time, there would be a 12+ year delay in completing such development and in achieving the economic, social and housing benefits that the Scheme delivers.

6.22 Accordingly all of the land not currently under Lendlease's control is required if delivery of the comprehensive Scheme is to be secured. This will enable:

- the comprehensive development of the Site;
- the timely development of the Site;
- the delivery of the land use requirements for the Site;
- the delivery of the masterplan vision for the Site.

Could the Order purpose be achieved by other means?

6.23 The Site is allocated as a strategic site within the Council's Core Strategy. A key requirement of the Core Strategy is that the Site is brought forward for comprehensive development in accordance with a Masterplan. The purpose for which land and rights are proposed to be acquired is to enable comprehensive redevelopment of the Order Land in accordance with the adopted planning policy framework. Planning Permission has been granted for comprehensive redevelopment in accordance with those policies.

- 6.24 The CPO Guidance advises that, in deciding whether to confirm an order made under Section 226(1) (a) of the 1990 Act, as is proposed here, one of the factors which the Secretary of State can be expected to consider is whether the purpose for which the order is being made could be achieved by any other means. This may include the appropriateness of alternative proposals put forward by owners of the land, or any other persons, for its reuse, as well as examining the suitability of any alternative locations for the purpose for which the land is being acquired.
- 6.25 Given that it owns or controls the majority of the interests in the Site, Lendlease is the obvious party to bring forward the Scheme. The Scheme already has the benefit of planning permission. It will secure the comprehensive redevelopment of the Site, and compulsory acquisition of the outstanding land interests is required in order to secure its delivery.
- 6.26 The Scheme will be implemented on a phased basis and the planning permission sets out the tended phasing of the Scheme, with Phase 1 benefits from full planning permission and comprises Plots 1, 2 and 3, commencing with Plot 2. Phase 2 comprises Plot 4 and Phase 3 Plots 5 and 6, with permission granted in outline for the Plots. The Section 106 Agreement that forms part of the planning permission includes an alternative phasing option whereby Plot 6 could be developed ahead of Plot 3. However this is scenario is still dependent on Lendlease having full control of the Site.
- 6.27 There are no alternative proposals for the regeneration of the Site and no other parties who have demonstrated that they are in a position to deliver the Scheme other than Lendlease. Lendlease have made clear that they will not commence development until they have full control of the Site. Unless the Order is confirmed, therefore, there is a very significant risk that development of the Site would not proceed at all, and thus the regeneration objectives for the Site and surrounding area would not be realised.

Negotiations with Landowners

- 6.28 Lendlease has been seeking to acquire third party interests by agreement since it first acquired an interest in the Site in 2014. To date, Lendlease has engaged in substantial correspondence, and sought to engage, with landowners regarding the acquisition of interests, directly and through its former agents GL Hearn and currently appointed agents Montagu Evans. Correspondence has included emails, telephone calls, agents' meetings and, in some instances, meetings between principals.
- 6.29 The Council has appointed GVA to review the negotiations and offers made by Lendlease to acquire the remaining interests and to advise on whether the offers made and steps taken to acquire those interests are fair and reasonable. Their remit also includes acting as the Council's agent to negotiate settlements with landowners and others with an interest in the proposed Order Land.
- 6.30 Since acquiring its interest in the Site, Lendlease has successfully negotiated the acquisition of Crown Wharf, Veolia's lease in New Baltic Wharf, the acquisition of the residential property at 151 Evelyn Street and commercial premises at 121/123 Evelyn Street. Lendlease currently hold a freehold interest in approximately 92%

of the Site, and have secured control of approximately 60% of the leasehold interests in it. The latter will, however, increase substantially in October 2017 when the Veolia lease expires, resulting in Lendlease having approximately 85% of the Site's leasehold under control. There are four principal interests remaining to be acquired. These interests comprise both freehold (Shell UK) and leasehold (Shell UK and Safestore). Certain interests also need to be acquired from the Council as referred to below.

- 6.31 Lendlease has provided the Council with details of the extent of and current position on negotiations with landowners, together with copies of material correspondence.. These negotiations have been undertaken by both Lendlease and their advisers, Montagu Evans. Officers and GVA have reviewed the information provided and are satisfied that Lendlease has used reasonable endeavours over a substantial period to acquire the outstanding interests by negotiation. Lendlease is continuing and will continue to try and move those negotiations forward with the support of Officers.
- 6.32 The Council has also communicated with landowners encouraging them to negotiate with Lendlease, and offering to negotiate with them directly and to provide formal valuations if they are for any reason unable or unwilling to deal with Lendlease. Further correspondence and communications and meetings have also taken place between the Council, Safestore and Lendlease as detailed below and in Section 8 of the Draft Statement of Reasons. To-date, none of the remaining landowners have indicated a preference to negotiate with the Council.
- 6.33 Whilst Lendlease continue to engage and treat with all the remaining landowners and leaseholders, attempts hitherto to acquire all the outstanding interests by agreement have not been successful. The current position is summarised below.

Shell UK and Safestore

- 6.34 The largest remaining interests by area yet to be acquired are those vested in Shell UK and Safestore.

Shell UK

- 6.35 Shell UK Limited (**Shell**) owns the freehold interest in 101 and 111 Evelyn Street. This is identified as Plot 7 on the draft CPO Map at **Appendix 3**. The property is operated as a petrol filling station and ancillary shop. Pursuant to what is understood to be an intercompany arrangement, Shell also holds a leasehold interest in this property which expires in November 2019. As referred to above, it is likely that the adjoining land shown as Plot 9 on the draft CPO Map which is unregistered is also owned by Shell by virtue of the presumption that on a stopping up, the half width in a highway reverts to the landowners on either side.
- 6.36 Discussions between Lendlease and Shell have been ongoing since shortly after Lendlease first acquired an interest in the Site in August 2014. The parties remain in negotiation and it is understood that recent discussions have been productive. However, to date agreement has not been reached and Shell's interests are therefore included in the proposed CPO.

Safestore

6.37 As referred to above, Lendlease has been in discussions with Safestore since they (Lendlease) first acquired an interest in the Site. A number of different options for agreement have been explored ranging from re-accommodation of Safestore within the Scheme in a smaller facility to relocation off-site. Further details regarding negotiations are contained in Section 8 of the draft SoR. To summarise:

- Lendlease have made a number of offers to acquire the leasehold interest, all of which have been rejected by Safestore;
- Safestore wish to retain an operation in Deptford, ideally within the new development, but if not then within close vicinity to their existing facility;
- Lendlease have explored options to incorporate a self-storage facility into the Scheme. However, given the scale and nature of Safestore's operation and their requirement to continue trading without interruption, this does not appear to be feasible;
- Lendlease and Safestore have both explored various options to identify a relocation opportunity off-site, including submitting offers for a particular site. However, as at the date of this Report these have not resulted in a feasible option being progressed;
- Whilst they have verbally indicated typical trading figures for comparable facilities, Safestore have so far refused to provide formal trading details relating to their Deptford facility to enable Lendlease to review its previous offers.

6.38 The Council has also met with Safestore, both individually and with Lendlease to help to facilitate agreement between the parties. At those meetings, and in subsequent correspondence, Officers have raised with Safestore some of the issues and risks associated with seeking to accommodate a self-storage facility into the scheme. These issues concern:

- Use;
- Employment provision;
- Flexible design;
- Floor levels and basement uses;
- Highways and access implications;
- Cost and s106 implications.

6.39 The Council has also given Safestore details of its own landholdings in the immediate area as possible relocation sites, but mainly due to size, none of these were deemed to meet Safestore's requirements.

- 6.40 The CPO Guidance advises that there should be constructive engagement with claimants regarding relocation issues, including offering advice and assistance about the availability of suitable relocation properties where appropriate. Whilst there is no express obligation to explore whether substantive changes could be made to a scheme to accommodate an existing occupier, in the present case officers consider that Lendlease have made reasonable efforts to establish whether a replacement Safestore facility could feasibly be incorporated into the Scheme. Due to the scale and nature of Safestore's operation, and their requirement to continue trading without interruption, this does not appear to be achievable.
- 6.41 Officers are also of the view that reasonable efforts have been made to identify a new site to which Safestore's facility could relocate, and to reach a negotiated compensation settlement. Those efforts have not to date been successful. Safestore's leasehold interests are accordingly included within the proposed CPO.

Other Interests

- 6.42 London Power Networks has a leasehold interest in the site of an electricity substation. This has been decommissioned and is awaiting removal from the Site. Lendlease intends, and expects, to acquire LPN's interest by agreement. Lendlease have held positive discussions with LPN about this but to date no agreement has been concluded and LPN's interest is therefore included in the proposed CPO.

Summary on negotiations

- 6.43 In summary, therefore, GVA have advised and Officers agree that Lendlease have taken reasonable steps to acquire the remaining interests in the Site by negotiation at this stage. Those negotiations will continue, but a decision to proceed with the CPO is now recommended so as to ensure no further time is lost in bringing forward the comprehensive scheme.

Deliverability, including viability and funding

- 6.44 As explained above, if an acquiring authority is unable to show how the CPO land is to be used and that the necessary resources are likely to be available to achieve the purpose of the acquisition within a reasonable timescale, it is unlikely to be able to show the acquisition is justified in the public interest. An acquiring authority is also required to provide substantive information regarding sources of funding, including as to how potential shortfalls may be met if funding has not yet been finalised, and to address the timing of that funding. The CPO Guidance advises that funding should generally be available now or early in the process. It must also be shown that the scheme is unlikely to be blocked by any physical or legal impediments. These include the programming of any necessary infrastructure works or remedial work; and any need for planning permission or other consent or licence.
- 6.45 Since acquiring the major part of the Site in August 2014, Lendlease has continued to acquire additional interests required for the Scheme. It has also secured planning permission for the Scheme which will deliver significant and

comprehensive regeneration of and investment into this deprived area, and has submitted a Section 96A application for revisions to the 2016 Permission. It has also undertaken demolition and remediation works in preparation for the redevelopment. Lendlease has therefore incurred substantial expenditure on land acquisition, design and planning, and on consultants'/advisors'/ contractors' costs. This demonstrates a strong commitment to the Scheme, and a clear and serious intention to bring it forward.

- 6.46 The Council needs to be satisfied, however, that if it proceeds with a CPO to assemble the remaining interests, the necessary resources are likely to be in place to achieve the purpose of the acquisition within a reasonable timescale. Therefore the Council should be satisfied that the Scheme is likely to be viable, fundable and deliverable.

Viability

- 6.47 GVA have been appointed to advise the Council on matters of viability. In this regard, GVA have reported on the key assumptions on values and costs which form part of Lendlease's own cash flow modelling and projections for the Scheme. The Council has also appointed PriceWaterhouseCoopers LLP (**PwC**) to undertake financial due diligence as to the financial viability of the scheme and whether it is capable of being funded. Both PwC and GVA have been provided with the Lendlease's cash flow model. Given that they contain commercially sensitive information, the modelling information and the GVA and PwC Reports are commercially confidential, but the key points are summarised below.
- 6.48 Having reviewed the cashflow model, PwC have advised the Council that the Scheme nets a positive cashflow and is therefore financially viable. Their report notes that the Scheme is reliant on the sales in Plot 5 towards the end of the development in order to generate a positive cumulative cash flow, and further notes that this is typical for development schemes where there is a timing mismatch between the cash out covering costs and the cash in from sales. This in fact provides a significant incentive for Lendlease to complete the Scheme once started.
- 6.49 GVA have reported that they consider the development to be both viable and deliverable, further commenting that the Scheme sits within an area of residential led development in Deptford where market sentiment is positive. Lendlease are currently reporting sales rates of approximately one unit per week, which although slower than comparable schemes which came forward pre-Brexit compares favourably with nearby schemes coming forward in the same timeframes. In their report, GVA have commented on all of the key assumptions under-pinning the Lendlease cash flow modelling and state that: "Whilst there are some key points of difference underlying the Lendlease assumptions we consider that the Scheme will still be viable and deliverable."
- 6.50 Coupled with PwC's view that the Scheme is financially viable, Officers consider that Lendlease are likely to deliver the Scheme and that, if they do not, it is likely that another developer would wish to do so.

6.51 GVA have also reported that the key development assumptions underlying Lendlease's own cash flows are reasonable and supported by market benchmarks, particularly in respect of nearby comparable developments.

Funding & Delivery

6.52 Lendlease have provided a Funding Statement detailing how they intend to bring the Scheme forward and the structure and funding relationships between the various companies and vehicles involved. A copy of the Funding Statement (redacted to remove references to commercially sensitive information) is attached at **Appendix 8**. The Scheme will be delivered directly by Lendlease, using a Special Purpose Vehicle (Lendlease Deptford Ltd), a subsidiary of Lend Lease Europe Holdings Ltd (**LLEH**). The ultimate parent company is Lendlease Corporation Ltd, but the SPV and therefore Scheme will be funded through LLEH.

6.53 The Lendlease Group is a multinational organisation with a track record of successfully completing regeneration projects across Australia, Asia, Europe and the Americas. The Group is currently delivering regeneration projects in London, including Elephant Park in Southwark – a £1.5bn programme across 28 acres; and The International Quarter in Stratford – a £2.1bn joint venture with London & Continental Railways.

6.54 Under the proposed strategy for delivery of the Scheme, Lendlease will maintain responsibility for the delivery of the entire scheme. The delivery risk will therefore sit with Lendlease as the entity that is acquiring the land interests and progressing the Scheme. At the same time, the structure allows them to retain 100% overall control to ensure that a comprehensive scheme and high quality shared spaces/public realm can be delivered. This mirrors the Lendlease Group's approach to other large regeneration schemes being successfully delivered in London, including Elephant & Castle. LLEH will, however, be providing a parent company guarantee in relation to the costs of the compulsory purchase process, including compensation, and so in this regard LLEH will be sharing the risk regarding delivery.

6.55 PwC have reviewed the audited accounts of Lendlease (that is to say, Lendlease Deptford Limited, the SPV) as at 30 June 2016 and, as is often the case at this stage of development, the SPV does not have sufficient resources to deliver the Scheme utilising its own funds. Lendlease has however confirmed that the funding for the project would be provided by the Group through LLEH, and therefore the Group is ultimately responsible for funding the financial requirements of the Lendlease SPV.

6.56 As the Lendlease SPV is reliant on funding from the Group, PwC undertook a high level review of the accounts from 2014 through to 2016 for both LLEH and the ultimate parent company. The conclusions were that LLEH has access to both Group and external loan facilities, and therefore that adequate funding is likely to be available to the Group's European developments from this entity. PwC further note that, as at 31 December 2016, the Group was in a positive equity position and over 60% of the equity comprised retained earnings, showing the Group's commitment to reinvesting in new and on-going developments.

- 6.57 As has already been explained, planning permission has been granted for the Scheme. The only impediment to its delivery therefore is completion of land assembly.
- 6.58 As has also been explained, the Site is divided into 6 development plots which will be implemented in a series of Phases.
- 6.59 The planned sequencing of the Scheme is as follows (subject to stable market conditions):

Plot	Indicative start on site (piling works)	Indicative PC
2	Qrt 2 2017	Qrt 3 2019
1	Qrt 3 2017	Qrt 2 2020
3	Qrt 4 2017	Qrt 1 2020
4	Qrt 1 2018	Qrt 3 2020
5	Qrt 4 2018	Qrt 1 2022
6	Qrt 1 2019	Qrt 1 2021

- 6.60 The delivery dates provided align to the financial model provided and set out in Lendlease's preferred construction programme. The dates also highlight the length of the construction programme for each Plot. Lendlease is, however, unable to start the Plots 4 to 6 until reserved matters approval has been obtained, but in any event, as is stated elsewhere in this Report, Lendlease is not prepared to start any part of the Scheme until all outstanding interests have been secured.
- 6.61 The Group's European Investment Committee Board Minutes of November 2015 demonstrate commitment of funds to enable progression of site wide activities and completion of Plot 2. The Minutes reference that circa 74% of the required funding has been approved, and PwC note that, as at 31 December 2016, circa 30% of the necessary funds had already been drawn down. The approval for the delivery of future plots and phases will be subject to the same process followed for Plot 2: that is, Regional Investment Committee approval will be granted for the drawdown of funds for each plot as and when required.
- 6.62 PwC note, however, that funding for the Scheme is dependent on a number of factors, including achieving a minimum level of pre-sales and financial return; and that, whilst the Group's resources appear adequate, the Group has many on-going

developments and these could compete for funding with the Scheme. Mitigation of these risks has been provided in part through a letter of support from the Chief Executive Officer (dated 30 November 2016), the Board minutes of 24 February 2014 and 11 November 2015, a revolving Inter-Company Loan Facility dated 1 July 2014, and a strong track record of delivery which evidences that multi-development management is the Lendlease Group's day by day activity. PwC also comment that "hurdle rates are discretionary and can be flexed through board approval", providing flexibility for further funding to be provided to the Scheme regardless of whether all pre-determined hurdles have been achieved.

- 6.63 Officers, PwC and GVA have been provided with the details of the commercial criteria which apply to the funding arrangements and are satisfied they are reasonable and materially in line with those expected in the market. Marketing of Phase 2 was launched earlier this year and is achieving an absorption rate of one unit per week, as explained above.
- 6.64 As a result, Officers are satisfied that funding for the Scheme is likely to be available within a reasonable timescale. Substantial funds are available for the delivery of the Scheme now, with circa 74% of the funding being approved and circa 30% of the funding already drawn down and future draw-down being dependent on conditions that are reasonable and likely to be met. There is in addition a degree of flexibility in relation to the timing of future funding depending on Board approval.
- 6.65 It is accordingly Officer's opinion that the Scheme is viable and fundable, and that financing is likely to be available to Lendlease.
- 6.66 The position regarding delivery is further strengthened by the Section 106 obligations in the Section 106 Agreement. These obligations, together with the conditions on the 2016 Permission, control the implementation of the Scheme in a way that will ensure the comprehensive development of the Site and deliver the land use, access and environmental improvement objectives set out in the Core Strategy.
- 6.67 To ensure the comprehensive development of the Site, the Section 106 Agreement includes a series of triggers to prevent piecemeal development and/or the selective development of the Site, as well as ensuring the delivery of a mixed-use and mixed-tenure development. The combined effect of the provisions in the Section 106 agreement is that:
- in respect of Plots 3, 4, and 5, no works on any part of each Plot can commence until all remaining interests in that Plot have been acquired;
 - in respect of Plot 1, no part of Plot 1 can be occupied until all remaining interests in Plot 3 have been acquired, and 50% of dwellings (including 44 affordable homes) and 50% of the non-residential floorspace in Plot 3 have been provided;
 - in respect of Plot 4, no more than 70% of dwellings in Plot 4 can be occupied until, across the site as a whole, 69 affordable dwellings have been provided and a minimum specified amount of B1 space has been completed;

- in respect of Plot 5, no more than 70% of dwellings in Plot 5 can be occupied until, across the site as a whole, 100 affordable dwellings have been provided and a minimum specified amount of B1 space has been completed.
- 6.68 An alternative option of developing Plot 1 in association with Plot 6 (instead of Plot 3) is allowed for in the Section 106 Agreement. However, this does not:
- remove the obligations in respect of the control of Plots 4 and 5 before development can commence in those Plots; or
 - remove the requirements in respect of the delivery of affordable homes or business space across the Site.
- 6.69 Further, as referred to in paragraph 6.48 above, PwC note that the Scheme only becomes cash positive upon delivery of Plot 5 towards the end of the Scheme, providing a clear commercial incentive to complete the Scheme in its entirety. Lendlease has confirmed that this is the case, noting that the phased nature of the development means there is considerable early investment into the Scheme, which is needed to be offset against the delivery of the future phases. As the Scheme only becomes cashflow positive towards upon delivery of Plot 5, Lendlease therefore relies on the later phases of the Scheme to meet its required returns. Lendlease state that this, taken together with the significant investment into the Scheme already, gives an incentive to deliver the whole of the Scheme.
- 6.70 Officers consider that, in light of the above, the Scheme is fundable and likely to be delivered. Evidence has been presented as to the sources and timing of funds that shows that all the necessary funds are likely to be available to deliver the Scheme within a reasonable timescale if the CPO is confirmed. The viability of the scheme has also been addressed. Officers further consider that these factors, together with the significant investment by Lendlease to-date and the other incentives for delivery of the comprehensive Scheme, are such that, if the CPO is confirmed, the Council can be confident the Scheme will be delivered within a reasonable timescale.
- 6.71 It is Officers' opinion, however, that the comprehensive redevelopment and attendant public benefits are unlikely to be achieved within a reasonable timescale, if at all, unless completion of the land assembly process is secured by the use of CPO powers.

7. Council plots

- 7.1 As indicated above, there are certain plots within the Site currently vested in the Council and required to facilitate the Scheme. These comprise Plots 4, 10, 11, 13, 14, 16, 17 and 18, shown on the draft CPO Map at **Appendix 5**. These mainly comprise former highway plots or have devolved to the Council from the Greater London Authority by way of vesting order.
- 7.2 These plots are required for the Scheme either because parts of buildings will be constructed upon those areas as identified on the plots plan at **Appendix 4**, or the land is required for landscaping/public access.

- 7.3 Officers have been in discussions with Lendlease regarding these plots and heads of terms for their disposal to Lendlease have been provisionally agreed. Under Section 123 of the Local Government Act 1972, the Council may dispose of land held by them in any manner they wish, save that the Council cannot without the Secretary of State's consent dispose of its land (otherwise than by way of a short tenancy) for less than the best consideration reasonably obtainable.
- 7.4 Disposal of the Council's plots will be subject to the consideration being certified as best consideration pursuant to Section 123 of the Local Government Act 1972. This Report seeks authority for the Executive Director for Resources and Regeneration in consultation with the Head of Law to finalise the terms for the disposal of the plots in question to Lendlease and dispose of the same accordingly subject to certification of such disposal being for best consideration as required by Section 123 of the 1972 Act.

8. Financial implications

- 8.1 The proposed CPO Indemnity Agreement will provide for all costs incurred by the Council in connection with the acquisition process are to be met by Lendlease, including, by way of summary:
- administrative costs of the CPO, including time spent by Council staff and fees incurred on consultants in advising on land acquisition/CPO aspects and progressing the CPO and land referencing aspects;
 - legal costs (including in respect of time incurred by the Council's legal section and also fees incurred by the external legal advisers and in engaging Counsel);
 - other CPO related expenses, including all costs, fees and expenses relating to any public inquiry (if there is one) in respect of the CPO, any costs related to purchase or blight notices etc;
 - Land acquisition and compensation costs (including land value, acquisition costs and disturbance payments to all affected landowners, lessees or tenants which arise from the acquisition of their interest;
 - Any compensation payments that fall due (in addition to those arising from land acquisition), including for example statutory disturbance payments, payments in respect of injurious affection, interference with third party rights etc, in consequence of the Scheme.
- 8.2 It is proposed that security for the performance of Lendlease's obligations under the CPO Indemnity Agreement will be secured by way of a Parent Company Guarantee (**PCG**) from LLEH.
- 8.3 In terms of project management, the CPO project is being led by the Council's Executive Director for Resources and Regeneration, with support from the Head of Planning and Head of Law. Joint working has taken place with Lendlease and its professional advisors on the preparation and making of the CPO and will continue during its progress through to confirmation and implementation.

- 8.4 In terms of risk management, Lendlease will continue to negotiate with landowners and wherever possible acquire all necessary land and rights by agreement during the preparation and making of the CPO and thereafter, and until such time as the Council considers it reasonable to take over the negotiations and/or acquire the land compulsorily.
- 8.5 The Council's costs, which include internal and external costs (e.g. legal input and other consultants) and costs incurred on land acquisition matters including compensation matters, will be rechargeable to Lendlease under the CPO Indemnity Agreement. Any financial exposure of the Council will be minimised as costs will be billed regularly to Lendlease. Any failure to pay entitles the Council to 'down tools' under the CPO Indemnity Agreement, although once the CPO process gets underway, the Council may be legally obliged to take steps at certain stages which will result in expense. With the PCG in place, however, any financial exposure to the Council is mitigated.
- 8.6 Any risk of the PCG being insufficient to cover the costs of the CPO has also been mitigated by the amount guaranteed under the PGC being substantially higher (at 200%) than the amount currently estimated as being required to cover the costs of the CPO and related compensation. Should it transpire at any time that the PCG is considered insufficient to cover the likely costs, then the CPO Indemnity Agreement provides a process for increasing the amount under the PCG, with the Council not being obliged to take further steps until the amount had been increased.
- 8.7 Throughout the process Officers would seek to ensure that the security is adequate to cover the Council's exposure through full monitoring and anticipation of costs and ensuring, should it become necessary, additional sums are secured under the security.
- 8.8 In terms of holding any land acquired under the CPO, the intention is to transfer all interests to Lendlease as soon as practicable.
- 8.9 Officers are satisfied that the arrangements outlined above mean that any financial exposure to the Council in relation to the CPO process can be mitigated to avoid material exposure.

9. Risk Assessment

- 9.1 A risk register has been prepared for this project and will be monitored by Council Officers. The CPO Indemnity Agreement of December 2013 is considered to provide the Council with a robust mitigation mechanism for all the protection it needs to avoid almost all financial risks, and Section 8 discusses any financial risk to the Council.

10. Legal implications

- 10.1 The Mayor is being asked to approve the exercise of the powers under Section 226(1)(a) of the 1990 Act to make a CPO for the acquisition of land. The legal requirements and appropriate cross-references to the draft SoR are covered within this Report and the draft SoR.

- 10.2 In exercising the powers, the Council must also have regard to the CPO Guidance. The overarching requirement to demonstrate a compelling case in the public interest is set out in paragraphs 6.6 of this Report, and the additional factors which the Council must have regard to in making its decision are also set out in paragraphs 6.7 and 6.8 and addressed in this Report.
- 10.3 As indicated above, it is proposed that the Council and Lendlease will enter into a CPO indemnity agreement which governs the process of land assembly.
- 10.4 The Council has power under Section 233 of the 1990 Act, subject to the requirements of that Section, to dispose of any land acquired for planning purposes. It is intended that land acquired pursuant to the terms of the CPO Indemnity Agreement will be disposed of to Lendlease pursuant to Section 233.
- 10.5 Upon completion of any compulsory acquisition, Section 236 of the 1990 Act provides that any rights of way or rights to apparatus are automatically extinguished (save those of statutory undertakers etc which are subject to separate procedures). In addition, where land is acquired or appropriated by a local authority for planning purposes (whether by CPO or private treaty), section 203 of the 2016 Act makes provision for certain third party rights to be overridden when the land is developed in accordance with planning permission. The development and use of such land in accordance with planning permission, either by the local authority or by a person deriving title under the authority, will be authorised even though it interferes with a third party right, such as an easement, or it breaches a restrictive covenant on the use of the land. Any third party whose rights are overridden in consequence of Section 203 is entitled to statutory compensation, assessed in accordance with provisions in Section 204 of the 2016 Act regarding compensation. Lendlease will be made responsible for any such compensation pursuant to the CPO indemnity agreement.

11. Equality Act 2010 Implications

- 11.1 The Equality Act 2010 (the 2010 Act) consolidated all previous equality legislation in England, Scotland and Wales. The 2010 Act also included a new public sector equality duty (the equality duty or the duty), replacing the separate duties relating to race, disability and gender equality. The duty came into force on 6 April 2011. The duty covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 11.2 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.

- 11.3 The CPO Guidance re-iterates that acquiring authorities must have regard to the effect of any differential impacts on groups with protected characteristics.
- 11.4 As was the case for the original separate duties, the new duty continues to be a “have regard duty”, and the weight to be attached to it is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations.
- 11.5 The Equality and Human Rights Commission has recently issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled “Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice”. The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at: <http://www.equalityhumanrights.com/legal-and-policy/equality-act/equality-act-codes-of-practice-and-technical-guidance/>
- 11.6 The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:
- The essential guide to the public sector equality duty
 - Meeting the equality duty in policy and decision-making
 - Engagement and the equality duty
 - Equality objectives and the equality duty
 - Equality information and the equality duty
- 11.7 The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at: <http://www.equalityhumanrights.com/advice-and-guidance/public-sector-equality-duty/guidance-on-the-equality-duty/>.
- 11.8 Displacement of existing occupiers of industrial units and commercial activity on the site through acquisition compulsorily or by agreement may lead to relevant equalities impacts where/if business owners or occupiers have protected characteristics and are required to move off-site. However, a large part of the Site is now vacant. As indicated elsewhere in this Report, those remaining on the Site comprise Shell and Safestore (the latter being a reference to both Spaces Personal Storage Limited and Safestore Personal Storage Limited which are related companies) which provides generic storage services. Shell is a

multinational business and this was a service station location. Veolia (due to vacate the Site in October) is a multinational business providing environmental and waste services.

- 11.9 Lendlease has appointed Quod to appraise those elements of the development where Protected Groups or Protected Characteristics may be affected – or have the potential to be affected – by the Scheme, including both positive and negative effects. Quod report that there is no reason to believe that any of the businesses affected by the proposed CPO are owned by, or provide specific services to, people with ‘protected characteristics’, or that differential impacts might occur. Overall, Quod consider that the Scheme would not have a negative impact on protected groups or characteristics. Officers agree.
- 11.10 The Scheme has been planned and designed to provide an inclusive environment. The delivery of homes, employment space, public realm and neighbourhood facilities will have beneficial effects on the local community of existing and new residents, employees and visitors, including those with protected characteristics and significant benefits are likely to be provided to protected groups through the creation of jobs that meet a range of skill profiles and flexibility needs and new homes including affordable homes.
- 11.11 Lendlease has - and will continue to - engage with both tenants and land owners to inform them of the proposed time frame of development and the likely timescales for the relevant phase that their units fall within to ensure that they can manage their business and property matters. Lendlease has kept Council Officers fully up to date with discussions with tenants and occupiers, including in relation to relocation and Officers continue to liaise with Lendlease and where appropriate occupiers regarding the Scheme.

Human Rights Act 1998 Implications

- 11.12 The relevant considerations for the purposes of any resolution to use compulsory purchase powers are set out in this Report and the attached Draft SoR.
- 11.13 The CPO Guidance also sets out the considerations to be applied when making a resolution to exercise such powers and the factors which will weigh with the Secretary of State when deciding whether to confirm a CPO. These factors include what might be described as the overarching consideration as follows:

“A compulsory purchase Order should only be made where there is a compelling case in the public interest. An acquiring authority should be sure that the purposes for which the compulsory purchase order is made justify interfering with the human rights of those with an interest in the land affected. Particular consideration should be given to the provisions of Article 1 of the First Protocol to the European Convention on Human Rights and, in the case of a dwelling, Article 8 of the Convention.”

- 11.14 The Human Rights Act 1998 effectively incorporates the European Convention on Human Rights into UK law and requires all public authorities to have regard to Convention Rights. In making decisions Members therefore need to have regard to the Convention.

- 11.15 Article 6 of the Convention is also relevant regarding process and the entitlement to a fair and public hearing by an independent and impartial tribunal. As regards Article 6 rights the Scheme has been publicised and consultation has taken place with parties potentially affected by the Order. All those parties whose interests are identified and included in the Order will be notified and have the right to make objections or other representations to the Secretary of State for Communities and Local Government and to be heard at a public inquiry or by means of written representations. The statutory process and right for affected parties to pursue remedies in the High Court where appropriate, are compliant with Article 6.
- 11.16 In the present case, there are no longer any residents within the Site. In terms of acquisition, the right that is of particular significance to the Mayor's decision is that contained in Article 1 of Protocol 1 (peaceful enjoyment of possessions). Article 1 provides that every natural or legal person is entitled to the peaceful enjoyment of his possessions. The right is qualified to the effect that no one is to be deprived of his possessions except in the public interest and subject to the conditions provided for by law and by the general principles of international law. Further, the right does not in any way impair the right of a state to enforce such laws as it deems necessary to control the use of property in accordance with the general interest.
- 11.17 In determining the level of permissible interference, the courts have held that any interference must achieve a fair balance between the general interests of the community and the protection of the rights of individuals – there must be reasonable proportionality between the means employed and the aim pursued. The availability of statutory compensation to affected persons is relevant in assessing whether a fair balance has been struck. Case law in a CPO context has determined that there is no requirement to set out in any formulaic way the extent to which individual human rights are interfered with, and that the necessary human rights balancing exercise is encompassed by the test of a compelling case in the public interest.
- 11.18 If a CPO is made and confirmed, this will result in the taking of property and the rights of Shell, Safestore and London Power Networks will be interfered with. Compensation will then be payable in accordance with the law, including compensation for property on the basis of the market value of the interest acquired, together with disturbance and statutory loss payments. The nature of the properties/occupations involved is set out elsewhere in this Report. In making the recommendations in this Report, Officers have carefully considered the balance to be struck between individual rights and the wider public interest and have also had regard to whether there are any alternative means of securing the redevelopment of the Order Land and the associated regeneration of the area. Officers have concluded the interference with the rights of Shell, Safestore and London Power Networks is proportionate when weighed against the significant benefits which will be delivered by the Scheme for the Borough and the wider community as set out in this Report and the draft SoR.

12. Environmental Implications

There are no immediate environmental implications associated with the recommendations of this report. The planning report referred to in the background papers has the environmental implications concerning the scheme.

13. Crime and disorder implications

There are no immediate implications associated with the recommendations of this report. The planning report referred to in the background papers contains the implications concerning the Scheme.

14. Conclusion

14.1 As set out in this Report, Officers are of the opinion that:

- The purpose for which the land is being acquired fits in with the adopted planning framework for the area;
- The purposes for which the CPO is proposed to be made could not be achieved by other means;
- Acquisition of the remaining land will facilitate delivery of the Scheme and will contribute to the achievement of the promotion or improvement of the economic, social or environmental well-being of the area;
- Reasonable steps have been taken to acquire the remaining land by agreement, and efforts will continue to be made to reach agreement with the remaining landowners;
- The necessary resources are likely to be available to achieve the purpose of acquisition within a reasonable timescale;
- The Scheme is unlikely to be blocked by physical or legal impediments;
- The Council's duty under the Equalities Act 2010 is met;
- The inevitable interference with the human rights of those affected by the proposed CPO is justified in the public interest; and
- In all the circumstances there is a compelling case in the public interest for compulsory acquisition of the remaining land required to facilitate delivery of the comprehensive Scheme.

14.2 The Mayor is therefore recommended to resolve to make a CPO and to agree the other recommendations set out in Section 3 of this Report.

15. Background Papers

Copies of all background papers have been made available in the members' room prior to the meeting at which this report is due for consideration. The papers are listed in the table below.

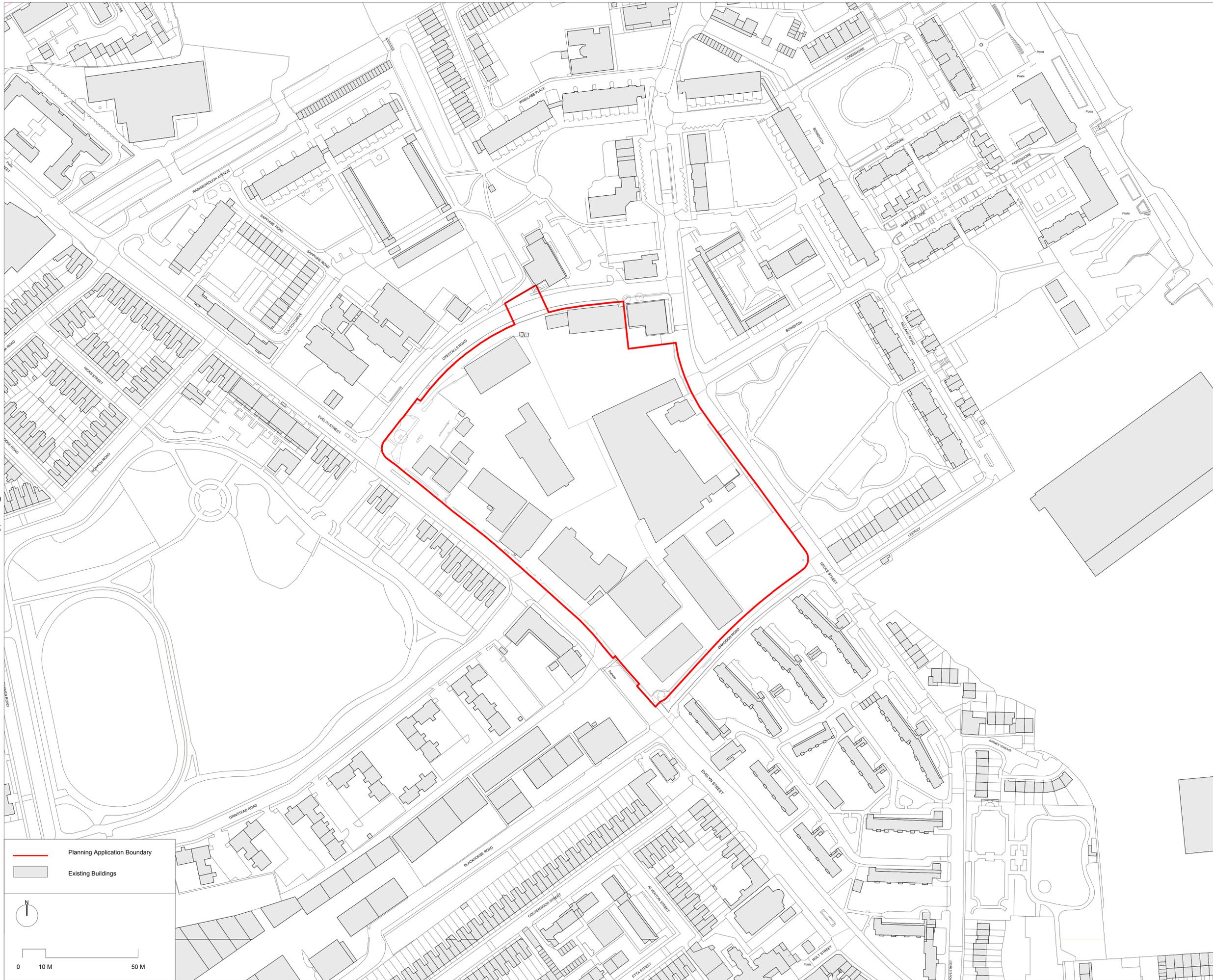
<u>Short title of document</u>	Date	File Location	Contact Officer
Strategic Planning Committee – Deptford Wharves Report - Land at Crown, New Baltic,	29.10.15	Laurence House	Helen Milner

Park, Bridge Victoria Wharves, bounded by Grove, Dragoon and Evelyn Streets together with Oxestalls Road, SE8			
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If any person would like further information on this report, please contact Freddie Murray on 0208 314 3914 or Freddie.Murray@lewisham.gov.uk

List of Appendices

- Appendix 1: Site Plan
- Appendix 2: Draft Statement of Reasons
- Appendix 3: Draft CPO Map
- Appendix 4: Scheme Layout
- Appendix 5: Phasing Plan and Plots Plan
- Appendix 6: Draft CPO Schedule
- Appendix 7: Plan of Safestore Lease Area
- Appendix 8: Lendlease Funding Statement



Lend Lease Lend Lease 20 Triton Street, Regent's Place, NW1 3BF 020 7430 9000	CLIENT Lend Lease 20 Triton Street, Regent's Place, NW1 3BF 020 7430 9000
HawkinsBrown 159 St John Street London, EC1V 4JQ 020 7336 8000	ARCHITECT HawkinsBrown 159 St John Street, EC1V 4JQ 020 7336 8000
h+k	ARCHITECT HOK Cube, 90 Whitefield Street, W11 4EZ 020 7868 5197
AECOM	STRUCTURAL ENGINEER AECOM St George's House, 5 St George's Road, SW19 4DR 020 7963 9800
AECOM	BUILDING SERVICES ENGINEER AECOM 6-8 Greencoat Place, SW1P 1PL 020 7788 5000
VOGT	LANDSCAPE ARCHITECT Vogt Landscape Ltd 19A Persuance Works, 38 Kingsland Road, E2 8DD 020 3328 6451
pba peterorett	INFRASTRUCTURE Peter Street Associates Calcraft House, 39-41 Bank Street, TN23 1DQ 01223 651 192

Notes

Plan 1

Revisions

Date	Rev	Note
08.05.15	01	Planning

Lend Lease
Wharves Deptford

Key Plan

Drawing
Site Location Plan

Author
Hawkins\Brown

Scale 1:1250 @ A1 1:2500 @ A3	Date May 2015
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Job Number 150500	Status For Planning
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Drawing No.
HKB-DEPT-EX-06-SIT-001

The London Borough of Lewisham

(Deptford Wharves) Compulsory Purchase Order 2017

Town and Country Planning Act 1990

and

The Acquisition of Land Act 1981

Statement of Reasons

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1. INTRODUCTION

1.1 Purpose

- 1.1.1 This is the Statement of Reasons for the *London Borough of Lewisham (The Wharves, Deptford) Compulsory Purchase Order 2017 (Order)* which the London Borough of Lewisham (**Council**) has submitted to the Secretary of State for Communities and Local Government for confirmation. The land and the interests in the land included within the Order are referred to as '**the Order Land**'. The Order Land is shown on the **CPO Plan** attached at **Appendix A**. The Order Land includes all outstanding land interests necessary to facilitate the carrying out of the Scheme.
- 1.1.2 This Statement of Reasons has been prepared in accordance with the Government's '*Guidance on Compulsory Purchase Process and the Crichel Down Rules for the disposal of surplus land acquired by, or under the threat of, compulsion*' issued by the Department for Communities and Local Government in October 2015 (**CPO Guidance**).
- 1.1.3 The Order has been made pursuant to the Council's powers under section 226(1)(a) of the Town and Country Planning Act (**1990 Act**) and the Acquisition of Land Act 1981. The Order will, if confirmed by the Secretary of State, authorise the compulsory acquisition of land which will enable the comprehensive regeneration of the Order Land in accordance with adopted planning policy and an extant planning permission.
- 1.1.4 The Order relates to land at The Wharves, Deptford (**Site**). The Site is located in Evelyn Ward in the Deptford and New Cross area in the north of the Borough of Lewisham (**Borough**), approximately 350m south west of the River Thames. A plan showing the Site (edged red) within the context of the surrounding area is attached at **Appendix B**. Further details of the Site and surrounding area are provided in Section 2 of this Statement of Reasons.
- 1.1.5 The Council considers that the acquisition of the Order Land will facilitate the carrying out of development, redevelopment or improvement on the Order Land, in accordance with the requirements of Section 226(1)(a) of the 1990 Act.
- 1.1.6 In considering whether to make the Order the Council has also taken account of the requirements of Section 226(1A) of the 1990 Act. The Council considers that the proposed redevelopment will contribute very significantly to the promotion

and/or improvement of the economic, social and environmental well-being of its administrative area.

- 1.1.7 Re-development of the Site is a key regeneration priority for the Council, and the purpose of the Order is to facilitate the comprehensive development and re-development of the Site in line with relevant planning policy and the Council's corporate objectives.
- 1.1.8 The purposes for which the Order Land is required meets the objectives of the London Plan¹, the Lewisham Core Strategy (Adopted June 2011) (**Core Strategy**) and the National Planning Policy Framework March 2012 (**NPPF**) and the proposed redevelopment fits with the adopted/applicable planning framework for the area within which the Order Land and the Site are situated.
- 1.1.9 The Core Strategy is the Council's principal planning policy document. It sets out the vision, objectives, strategy and policies to manage development in the Borough over the period 2011 to 2026. The Site lies within one of 4 Regeneration and Growth Areas within the Borough and is also identified as a Mixed Use Employment Location in each case as identified in the Core Strategy. The Core Strategy allocates five sites in the Borough as 'strategic sites'. Four of the strategic sites are within the Deptford/New Cross area of the Borough. They include the Site. The strategic sites are to act as a catalyst for regeneration of the area.
- 1.1.10 The Core Strategy builds on the vision outlined in 'Shaping our Future', Lewisham's Sustainable Community Strategy 2008 – 2020. This includes the 'Dynamic and Prosperous' theme, where people are part of vibrant communities and town centres, well connected to London and beyond. It details the Local Strategic Partnership's commitment to 'improving the quality and vitality of Lewisham's town centres and localities', and its aspirations to 'support the growth and development of our town centres by working with commercial partners and developers', and to 'maximise the use of our town centres as places to engage the local community'.
- 1.1.11 'People, prosperity, place', Lewisham's Regeneration Strategy 2008-2020, sets out the Council's aspiration for a vibrant, dynamic Lewisham focused around the themes of people - investing in the individuals and communities which are Lewisham's greatest asset - prosperity - fostering the skills and economic opportunities for Lewisham to flourish and thrive - and place - developing high quality public spaces, sustainable buildings and protecting the areas which are sensitive to change. The strategy is also placed within the framework of the key

¹ The Spatial Development Strategy for London Consolidated with Alterations since 2011 (March 2016).

national and regional policies which affect the Council's work around regeneration of the Borough, including the London Plan.

- 1.1.12 On 30 March 2012, the Council granted planning permission (part detailed/part outline) (**2012 Permission**) for the redevelopment of the Site for comprehensive residential- led mixed use development as more particularly described in Section 4 of this Statement of Reasons. The 2012 permission was subject to a Section 106 Agreement of the same date. The 2012 Permission was implemented, but has now been superseded by implementation of the 2016 Permission.
- 1.1.13 In August 2014, Lend Lease Deptford Limited (**Developer**) acquired the Site, save for that part known as Crown Wharf and a number of other interests which have since been acquired or remain to be acquired as detailed in this Statement of Reasons.
- 1.1.14 A further (part detailed/part outline) planning permission was granted on 23 March 2016 (**2016 Permission**), for comprehensive residential-led mixed use redevelopment of the Site, again subject to a Section 106 Agreement was completed on the same date (**2016 S106 Agreement**). Details of the 2016 S106 Agreement are set out in Section 5 of this Statement of Reasons.
- 1.1.15 In January 2017, the Council received an application from the Developer under Section 96A of the 1990 Act to make non-material amendments to the 2016 Permission. These changes relate to Plots 1 and 3 within the Scheme including removing the second level of a podium, increasing the number of residential units and reducing the number of resident parking spaces in these plots. The changes give rise to minor elevational changes to the development. However they do not affect the overall quantum of floor space or number of residential units to be delivered across the Site as a whole or the overall number of resident parking spaces within the Scheme.
- 1.1.16 References in this Statement of Reasons to the 2016 Permission are to the 2016 Permission as varied by the Section 96A approval. The Section 96A approval is subject to a Deed of Modification in respect of the 2016 S106 Agreement completed on the same date. References in this Statement of Reasons to the **S106**

Agreement are to the 2016 S106 Agreement as modified by the Deed of Variation dated [].

1.1.17 References in this Statement of Reasons to '**the Scheme**' are to the development as consented, but should also be taken to include any variations as the development evolves and proceeds.

1.1.18 The Scheme accords with local, regional and national policy. Further details relating to the planning policy framework are set out in Section 4 of this Statement of Reasons.

1.1.19 In addition to securing the wider regeneration of a poor and deprived part of the Borough and contributing to the regeneration of the wider area, the Scheme will deliver a number of public benefits including:

- (A) a significant contribution to the housing need of the area via the provision of up to 1,132 new high-quality residential units including up to 189 affordable units providing homes for approximately 1,920 new residents;
- (B) the creation of Class A1-5, D1, D2 and B1 employment space supporting between 460 and 630 FTE jobs
- (C) approximately 370 FTE construction jobs in the construction sector as a whole as a result of demolition works and construction of the Scheme;
- (D) improvement in the physical appearance of the Site, including public routes through the Site connecting existing and new communities;
- (E) the comprehensive redevelopment and regeneration of this under-utilised previously developed Site that will act as a catalyst for regeneration of the area as promoted by the Core Strategy; and
- (F) the creation of significant public open space throughout the Scheme.

1.1.20 Further details of these key outputs are discussed elsewhere in this Statement of Reasons.

1.2 **Site ownership history and requirement for the Order Land**

1.2.1 The Order includes all outstanding land interests necessary to facilitate the carrying out of the comprehensive Scheme.

1.2.2 Historically, the Site has accommodated a mix of general industrial and storage uses and comprised a number of separate ownerships. The development potential of the Site as a whole has been long recognised. The previous owners of the Site (Law 2380 Limited) spent several years seeking to acquire by negotiation the freehold and leasehold interests within the Site. They initially acquired the freehold

in most of Victoria Wharf and Park Wharf in 2003 (the various wharves are described in detail in paragraph 2.1.7 below), and completed further acquisitions over time (including of Bridge Wharf in 2004, New Baltic Wharf in 2008 and the vacant Victoria public house in 2009). The Developer acquired the majority of the Site in August 2014 by which time approximately 65% of the Site was under Law 2380 Limited's control. Since its acquisition in 2014, the Developer has continued with endeavours to obtain vacant possession of the remainder of the Site through negotiation. The Developer acquired Crown Wharf in 2015, and has since then acquired leasehold interests in commercial premises at part of New Baltic Wharf and at 121 and 123 Evelyn Street and the freehold interest in a dwelling at 151 Evelyn Street.

- 1.2.3 As at the date of this Statement of Reasons, there are five known legal interests that remain to be acquired: the freehold interest and the leasehold interests held by Shell UK Limited in respect of 101 to 111 (odd) Evelyn Street, the leasehold interests held by Safestore Limited and Spaces Personal Storage Limited in Units 16 and 17 Dragoon Road, and the leasehold interest held by London Power Network Limited in respect of an electricity sub-station/transformer chamber on the south side of Oxestalls Road..
- 1.2.4 These outstanding interests are listed in the Table 1 to the CPO Order Schedule in **Appendix C**, with the same plot numbering used on the CPO Plan in **Appendix A**.
- 1.2.5 The Order Land is required in order for the Council to achieve its regeneration objectives for the area within a realistic timescale. Although reasonable efforts have been made, and will continue to be made, to acquire the necessary land and rights by agreement, it is clear that the Order is required to ensure there is sufficient certainty that the Scheme can come forward within a reasonable timescale. Compulsory purchase will enable the re-development to take place in a timely fashion in order to derive the wider public benefits that the Scheme will secure and also provide certainty for the programming of the Scheme and realisation of the policy objectives.
- 1.2.6 The Developer, with the Council's assistance, continues to seek to acquire the outstanding interests by agreement and details of negotiations are contained within Section 8 of this Statement of Reasons. Discussions will continue with landowners of relevant interests who are willing to sell by agreement at market value in accordance with the compensation code, with a view to limiting the number of interests which need to be acquired compulsorily. The approach adopted by the Council is in accordance with the CPO Guidance.

- 1.2.7 This Statement of Reasons has been prepared in accordance with the advice set out in Section 1 of Tier 2 of the CPO Guidance and has had regard to the other requirements of the CPO Guidance. It provides a description of the Order Land, and describes the Council's purposes in seeking to acquire it and the case for compulsory purchase in the context of national and local policy. It will form the basis of the Council's Statement of Case if a public inquiry is held into objections to the Order.
- 1.2.8 The Council recognises that a compulsory purchase order can only be made if there is a compelling case in the public interest. The Council considers that a compelling case in the public interest exists in this case.

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2. THE ORDER LAND

2.1 Location of the Site and the Order Land

- 2.1.1 The Site comprises approximately 4.7 hectares. The Order Land includes all interests in the Site required to carry out the Scheme, save for the interests of the Developer and the Council. The Order Land comprises 1.96 hectares.
- 2.1.2 The Order Land excludes any adopted highway land on which highway works will be carried out for the purpose of the Scheme.
- 2.1.3 The Site is situated in the Deptford and New Cross area in the north of the Borough, located approximately 350m south west of the River Thames. The Site is bounded by Oxestalls Road to the north, Grove Street in the east with Pepys Park beyond; Dragoon Road to the south which is closed at its junction with Evelyn Street; and Evelyn Street (the A200) to the west which forms part of the Borough Principal Road Network. Deptford Park lies just beyond Evelyn Street to the west. The Site excludes Scott House, located to the northeast, formerly known as Diploma Works. This site has been recently developed to provide live/work units and is not required for the Scheme.
- 2.1.4 The Site is generally flat, although Oxestalls Road rises above the level of the Site where an elevated road bridge built in the late 1960s crosses the route of the former Grand Surrey Canal, and Evelyn Street rises above the level of the Site in its south-west corner where it crosses the route of the former Grand Surrey Canal.
- 2.1.5 The Site is currently dominated by commercial and industrial buildings extending to a total of approximately 19,633m² (GEA) across A1, A3, B1, B2, B8, C3, and Sui Generis Use Classes. Parts of the Site have been subject to demolition and remediation works pursuant to the 2016 Permission.
- 2.1.6 Overall, the Site comprises a mix of predominately commercial and industrial buildings of no unified form or design that have been developed independently and on an ad hoc basis over time. There are a few reminders of the former use of the Site as a series of wharves along the route of the former Grand Surrey Canal, including brick boundary walls incorporating the name of the wharf, Blackhorse Bridge on Evelyn Street which retains its cast iron structure, and brick abutments and the former public house on Grove Street. The Grand Surrey Canal itself was filled in the 1970's and is no longer evident on the Site, with the piecemeal commercial and industrial development that has developed over time obscuring much of its history.

2.1.7 Historically, the Site was made up of five wharves – Crown Wharf, New Baltic Wharf, Victoria Wharf, Park Wharf and Bridge Wharf. Each of the existing wharves and current occupations is described in more detail below:

- (A) *Crown Wharf* is located on the north of the site on the corner of Oxestalls and Grove Street, and comprises a large industrial unit, along with extensive areas of hardstanding. The Wharf was previously used as a car breakers/scrap metal merchants and is now vacant;
- (B) *Victoria Wharf* is located to the south of Crown Wharf on the corner of Grove Street and Dragoon Road. This Wharf historically comprised a variety of uses within different warehouse and industrial buildings. The only building which remains occupied is the 'Safestore' Self Storage' building which is currently occupied on a long leasehold basis. Demolition of all other existing buildings within the Site has been completed in accordance with the 2012 Permission;
- (C) *Bridge Wharf* is located along the south western section of the Site and is accessed via Evelyn Street. This part of the Site comprises a two storey brick warehouse, which was previously used for car auctions. Demolition of the building is due to commence shortly pursuant to the 2016 Permission;
- (D) *Park Wharf* is located to the north of Bridge Wharf, also fronting Evelyn Street. The Wharf comprised a single storey saw-toothed building, which was also used for car auctions. Demolition of this building has been completed in accordance with the 2012 Permission; and
- (E) *New Baltic Wharf* is located to the north-west and on the corner of Evelyn Road and Oxestalls Road. This area comprises several large brick buildings, along with hard-standings and is used as a depot by Veolia for waste collection accessed via Oxestalls Road. Veolia's lease will expire in October 2017 whereupon the Developer will assume vacant possession of that part of the Site.

2.1.8 In addition to the Wharves, the Site also includes:

- (A) a two storey residential dwelling at 151 Evelyn Street located between Park and New Baltic Wharf, in the 'L' recess of a warehouse building fronting Evelyn Street. The dwelling is now owned by the Developer and is unoccupied;

- (B) The Victoria public house (**The Victoria**) which comprises a three storey brick building fronting Grove Street and which has been vacant since 2007/08; and
- (C) a petrol filling station operated by Shell UK which includes a car wash and some retail space (a portion of which Shell Select operate following closure of a Sainsbury's Local) located to the north western corner of the site, predominantly fronting onto Evelyn Street.

2.1.9 Overall, the Site is currently under-utilised with the remaining buildings being vacant and their age and deteriorating condition meaning they have little, if any, potential for re-use.

2.2 Surrounding context

2.2.1 The wider area around the Site is undergoing a period of change with many large former industrial sites designated for, or undergoing, major residential led regeneration. The areas surrounding the Site are characterised by a mix of residential and commercial uses along with other uses including small scale retail, schools, community buildings as well as public open space.

2.2.2 Deptford Park is located to the west of the Site, beyond Evelyn Street, and is predominately bordered by residential and some industrial uses. The park is accessed via Grinstead Road and Evelyn Street.

2.2.3 To the north and east of the Site is the Pepys Estate comprising a number of residential blocks and terraced housing intersected with areas of green open space and some car parking. Eddystone Tower, a 26 storey residential block, is located to the northern side of Oxestalls Road. Deptford Park Primary School also lies to the north, fronting onto Oxestalls Road and Evelyn Street.

2.2.4 Pepys Park is located to the east of the Site and is surrounded by residential accommodation, with Daubeney Tower, a 26 storey residential block, to the north of the park.

2.2.5 Directly south-east of the Site lies Convoys Wharf. Outline planning permission was granted for up to 419,100m² of mixed use redevelopment at the Convoys Wharf site in March 2015. This further reflects the trend in the area of moving from predominantly industrial uses to residential-led mixed uses.

2.2.6 To the south of the Site beyond Dragoon Road lie four five-storey linear blocks and several two/three storey flatted blocks with green open space lying between them, forming part of the Trinity Estate.

- 2.2.7 Finally, to the south west, Victorian terraced housing fronts onto Evelyn Road, with Deptford Park beyond, and commercial buildings which form part of the Deptford Trading Estate.
- 2.2.8 In terms of transport links, the Site is served by the number 47, 188 and N47 buses which operate along Evelyn Street and the 199 bus and N1 night bus which operate along Evelyn Street and Oxestalls Road. The nearest bus stops to the Site are located on Oxestalls Road (adjacent to the Site) and on Evelyn Street (just to the north of Oxestalls Road and south of Dragoon Road and immediately outside the Site on Evelyn Street, adjacent to the existing house at 151 Evelyn Street).
- 2.2.9 The nearest London Overground station is Surrey Quays which is located just under a kilometre to the north of the Site and provides rail services towards Dalston to the north and New Cross, Crystal Palace and West Croydon to the south. Underground services are approximately 1.6km further to the north west at Canada Water on the Jubilee Line.
- 2.2.10 The nearest mainline railway stations are some distance away, with South Bermondsey a direct distance of 1.2km to the west of the Site and Deptford a direct distance of 1km to the south of the Site. These stations provide connections to south and central London and Kent. Commuter river bus services are available from Greenland Pier to the northeast of the Site, providing connections to central London to the west and Woolwich Arsenal to the east.

2.3 Status of interests in the Order Land

- 2.3.1 The Order Land comprises all interests in the Site required in order to deliver the Scheme comprehensively.

Acquisition of existing interests

- 2.3.2 Currently, four leasehold and one freehold interest remain to be acquired.
- 2.3.3 Table 1 to the Order details the address, title number and registered proprietor of each of these interests and occupiers of the CPO plots. The land to be acquired is shaded pink on the CPO Plan enclosed at **Appendix A** to this Statement of Reasons. The specific purpose of acquisition of each Plot is described in Section 5 of this Statement of Reasons.
- 2.3.4 The Developer continues, with the assistance of the Council, to seek to acquire the remaining interests by agreement.
- 2.3.5 It is intended that unless acquired by private treaty negotiations, all remaining interests in the Order Land will be acquired by the Council pursuant to the Order.

Other interests, rights and covenants

2.3.6 Other interests in the Site are held by qualifying persons as defined in Section 12 of the Acquisition of Land Act 1981, as identified in Table 2 of the CPO Order Schedule in **Appendix C**.

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3. ENABLING POWERS

3.1 Overview

3.1.1 The Developer, with the Council's assistance, has used and continues to use reasonable efforts to acquire the outstanding interests by negotiation. A summary of the position on negotiations is set out in Section 8 of this Statement of Reasons.

3.1.2 However, it has become apparent to the Council that it will not be possible to acquire all of the interests required for the Scheme by agreement in a timely manner. The use of compulsory purchase powers is therefore required in order to acquire all the land and rights needed for the Scheme. Efforts to acquire interests by agreement will continue notwithstanding the making of the Order.

3.1.3 Accordingly, the Council seeks to acquire compulsorily the Order Land pursuant to section 226(1)(a).

3.1.4 Land Referencing has not indicated the presence of any Crown interests within the Order Land.

3.2 Section 226(1)(a) of the 1990 Act

3.2.1 The Council seeks to acquire the Order Land compulsorily for the purposes of development, redevelopment or improvement pursuant to Section 226(1)(a) of the 1990 Act.

3.2.2 Section 226(1)(a) of the 1990 Act provides the power to acquire land compulsorily where an acquiring authority thinks the acquisition will facilitate the carrying out of development, redevelopment or improvement on or in relation to the Order Land. Furthermore, the power may only be exercised where the acquiring authority thinks the development, redevelopment or improvement is likely to contribute to the achievement of the promotion or improvement of the economic, social or environmental well-being of the authority's administrative area: 1990 Act, 226(1A).

3.2.3 The CPO Guidance recognises the use of the Section 226 power as a positive tool to help acquiring authorities to assemble land where this is necessary to implement proposals in their Local Plans or where strong planning justification for the use of the power exists. It provides guidance to acquiring authorities on the use of the Section 226 power and compulsory purchase powers generally. The Council has had regard to the CPO Guidance in making the Order.

3.2.4 For the reasons set out in this Statement of Reasons, the Council considers that the acquisition of the Order Land will facilitate the development, redevelopment and improvement of the Order Land, and that the redevelopment will promote and improve the environmental, social and economic well-being of the area.

3.2.5 The Council considers that acquisition of the Order Land which forms part of the Four Regeneration and Growth Areas within the Core Strategy is necessary in order to facilitate development, redevelopment and improvement so as to secure regeneration of a part of North Lewisham and in turn contribute to the regeneration of the wider area.

3.2.6 The Scheme will deliver a number of significant public benefits as follows:

- 1,132 new homes including 189 affordable units;
- The creation of new pedestrian and cycle links including a north-south route utilising the route of the former Grand Surrey Canal and east-west links between Evelyn St and Grove St, linking the Scheme with other nearby developments as well as providing important links between existing parks and open spaces;
- The creation of significant public open space throughout the proposed development.
- The provision of 9,630 sq m of new non-residential floorspace accommodating new shops, workspace, offices, leisure and community uses;
- Retention and refurbishment of the Victoria Pub building to provide interim accommodation for community uses/incubation and start-ups for small business and longer term use as a pub;
- Delivery of retail and catering uses to support local residents and provide employment opportunities;
- The provision of non-residential floorspace capable of accommodating 460-630 new FTE jobs, with a further 370 FTE job opportunities during construction;
- The introduction of new green space and provision of ecological enhancements including green and brown roofs and potential re-introduction of birds, bats and insect species previously seen in Deptford.

3.2.7 Further, the Council considers that the redevelopment of the Order Land will promote the improvement of the economic, environmental and social well-being of the area. Each of these areas of improvement is described in more detail below.

3.2.8 In terms of the improvement of **economic well-being**, the Scheme will support and/or deliver:

- (A) the regeneration of a poor and deprived area of Lewisham;

- (B) the provision of 9,630m³ of new non-residential floorspace accommodating new shops, retail and catering, workshops, offices, leisure and community uses;
- (C) approximately 370 FTE construction jobs;
- (D) the creation of employment space capable of supporting between 460 and 630 FTE jobs;
- (E) retention and refurbishment of The Victoria to provide accommodation for community uses/incubation and start-ups for small business;
- (F) the provision of space for retail and catering uses to support local residents and provide employment opportunities;
- (G) a New Homes Bonus of £9.36m - £10.5m over six years from completion of the residential units which will be available for the Council to improve delivery of services;
- (H) indirect spending effects associated with the new housing and employment on-site, estimated to be £15.3m (housing) and £1.1 – £1.5m (employees) annually; and
- (I) the use local employment and local businesses, with reasonable endeavours being used to achieve a target of at least 50% in each case.

3.2.9 In terms of improvements in **environmental well-being**, the Scheme will:

- (A) improve the physical appearance of the Site;
- (B) build confidence, encourage investment and support regeneration in the Opportunity Areas as a whole;
- (C) introduce new green space accessible to all;
- (D) provide ecological features including green and brown roofs and potential re-introduction of birds, bats and insect species;
- (E) develop a centralised heat network with Combined Heat and Power engines to achieve London Plan carbon reduction requirements and improving efficiencies; and
- (F) incorporate water saving measures, reducing consumption and cost to occupiers.

3.2.10 In terms of improvements in **social well-being**, the Scheme will deliver:

- (A) a significant contribution to the housing target of the Borough via the provision of up to 1,132 new high-quality residential units including up to

189 affordable units providing homes for approximately 1,920 new residents;

- (B) approximately 8% of the London Plan minimum 10 year housing target for the Borough;
- (C) the comprehensive redevelopment and regeneration of this under-utilised previously developed site;
- (D) the development of a mixed and balanced community;
- (E) new pedestrian and cycle links through and across the Site including a north-south route utilising the route of the former Grand Surrey Canal and east-west links between Evelyn St and Grove St; and
- (F) the creation of significant public open space throughout the proposed development.

3.2.11 The Regeneration Statement and Equalities Impact Assessment in **Appendix D** provides further detail of the economic, social and environmental wellbeing benefits of the Scheme.

4. **PLANNING FRAMEWORK AND PLANNING POSITION IN RELATION TO THE SCHEME**

- 4.1 The Development Plan for the area including the Site comprises the:
- 4.1.1 London Plan (published March 2016)²;
 - 4.1.2 Lewisham Core Strategy (adopted June 2011);
 - 4.1.3 Lewisham Policies Map Development Plan Documents (adopted June 2011); and
 - 4.1.4 Lewisham Development Management Local Plan (adopted November 2014).
- 4.2 A mix of national, regional and local planning policy objectives have informed the planning process in respect of the Scheme. Relevant planning policies are listed in **Appendix E**.
- 4.3 The redevelopment of the Order Land together with the remainder of the Site will deliver comprehensive mixed use development in accordance with Strategic Site Allocation 4: Oxestalls Road (**SSA4**) of the Core Strategy and will also facilitate sustainable development in line with both national, regional and local policy objectives including the Core Strategy, the London Plan, the NPPF, Lewisham's Regeneration Strategy: People, Prosperity, Place', and Lewisham's Sustainable Community Strategy 2008 – 2020: 'Shaping our future'.
- 4.4 In addition to the statutory development plan, various other documents form part of the overall 'policy framework' for the area and are material considerations in decision-taking in a planning context. These include, amongst other things, Government policy and guidance, emerging plans and supplementary planning documents (SPD). Relevant SPDs include the Mayor's Supplementary Planning Guidance on Housing and the Council's Residential Development Standards (updated version 2012).
- 4.5 The NPPF sets out the Government's advice to local planning authorities in relation to plan-making and decision-taking.
- 4.6 The NPPF states that there is a presumption in favour of sustainable development. Local planning authorities should approach decision-taking in a positive way to foster the delivery of sustainable development and 'decision-takers at every level should seek to approve applications for sustainable development' (paragraph 187).
- 4.7 In order to achieve sustainable development, economic, social and environmental gains should be sought jointly and simultaneously through the planning system. It is confirmed the planning system should play an active role in guiding development to sustainable solutions (paragraph 8).
- 4.8 Paragraph 49 of the NPPF specifically states that 'housing applications should be considered in the context of the presumption in favour of sustainable development'.

² The London Plan The Spatial Development Strategy for London Consolidated with Alterations since 2011

4.9 The Government is committed to ensuring that the planning system does everything it can to support sustainable economic growth. Planning should operate to encourage and not act as an impediment to sustainable growth. Therefore, significant weight should be placed on the need to support economic growth through the planning system (paragraph 19).

4.10 The Government attaches great importance to the design of the built environment. Good design is a key aspect of sustainable development. It is indivisible from good planning and should contribute positively to making places better for people (paragraph 56). It is important to plan positively for the achievement of high quality and inclusive design for all development, including individual buildings, public and private spaces and wider area development schemes (paragraph 57).

4.11 **Regional policy**

4.11.1 The London Plan provides the strategic planning policy context for all London Boroughs and in turn provides the regional contextual policy background for the Borough, and a framework for local planning policy. It sets out an integrated social, economic and environmental, transport and social framework for the development of London to 2036. It brings together the geographic and locational aspects of the Mayor's strategies, including those dealing with transport, economic development, housing, culture and a range of social issues such as children and young people and health inequalities. The London Plan seeks to promote development in the most suitable locations with a preference on the delivery of previously developed sites, such as the Site. It also supports the aspirations of reducing reliance on the private car and promoting development in sustainable locations.

4.11.2 The Site falls within the South East London Sub-Region, whereby policy seeks to encourage new development that underpins the sub-region's dynamism and potential, and delivers the priority for delivering regeneration and transport improvements and links from the capital and the Thames Gateway. The London Plan encourages the Borough to accommodate substantial growth for London's economy and population, whilst optimising the development of Opportunity Areas and ensuring that housing provision is supported by social and community infrastructure.

4.11.3 Key London Plan policies relevant to the regeneration of the Site include:

- (A) Policy 1.1 Delivering the strategic vision and objectives for London;
- (B) Policy 2.13 Opportunity Areas and Intensification Areas;
- (C) Policy 2.14 Areas for regeneration;
- (D) Policy 3.5 Quality and design of housing developments;

- (E) Policy 3.7 Large residential developments;
- (F) Policy 4.1 Developing London's economy;
- (G) Policy 5.10 Urban greening;
- (H) Policy 6.13 Parking;
- (I) Policy 7.1 Lifetime neighbourhoods;
- (J) Policy 7.2 An inclusive environment;
- (K) Policy 7.4 Local character;
- (L) Policy 7.5 Public realm;
- (M) Policy 7.6 Architecture;
- (N) Policy 7.7 Location and design of tall and large buildings.

4.11.4 Map 2.4 within the London Plan identifies a series of Opportunity and Intensification Areas throughout the Greater London area. The Site is identified as being located within/adjacent to Opportunity Area 9 (Deptford Creek/Greenwich Riverside) and Opportunity Area 20 (Lewisham, Catford and New Cross). Policy 2.13 seeks to ensure that developments:

- (A) optimise residential and non-residential output and densities, provide necessary social and other infrastructure to sustain growth, and, where appropriate, contain a mix of uses;
- (B) contribute towards meeting (or where appropriate, exceeding) the minimum guidelines for housing and/or indicative estimates for employment capacity, tested as appropriate through opportunity area planning frameworks and/or local development frameworks;
- (C) realise scope for intensification associated with existing or proposed improvements in public transport accessibility, such as Crossrail, making better use of existing infrastructure and promote inclusive access including cycling and walking;
- (D) support wider regeneration (including in particular improvements to environmental quality) and integrate development proposals into the surrounding areas.

4.11.5 Annex 1 of the London Plan outlines the broad principles that should be applied for Opportunity Areas and Intensification Areas. In its entirety, the 'Deptford Creek / Greenwich Riverside' Opportunity Area extends to 165ha, and is anticipated to provide a minimum of 5,000 new homes and have an indicative employment capacity of 4,000. The Lewisham, Catford and New Cross Opportunity Area

extends to 815ha and is anticipated to provide a minimum of 8,000 new homes and have an indicative employment capacity of 6,000.

- 4.11.6 Map 2.5 within the London Plan indicates that the Site falls within an Area for Regeneration where Boroughs should, inter alia, identify areas for regeneration and set out policies that bring together regeneration, development and transport proposals with improvements in learning and skills, health, safety, access, employment, environment and housing in locally based plans, strategies and policies.
- 4.11.7 Policy 3.3 in the London Plan recognises the requirement for an increase in the supply of homes in London to meet need through provision of at least an annual average of 42,000 net additional homes across London. Table 3.1 identifies a minimum target for Lewisham of 1,385 new homes per annum throughout the period from 2015-2025. Policy 3.3 states Boroughs should seek to achieve and exceed their average housing target.
- 4.11.8 Policy 3.4 seeks to optimise housing output for different types of location within the relevant density range taking into account local context and character, design principles and transport capacity.
- 4.11.9 Chapter 7 seeks to promote high quality design that inter alia, respects local context; is sustainable in terms of its design and construction; has the highest standards of accessible and inclusive design and addresses security issues.
- 4.11.10 Policy 7.1 states that development should be designed so that layout, tenure and mix of uses interfaces with surrounding land and improves people's access to social and community infrastructure and other facilities/amenities as well as public transport. Design should also contribute to people's sense of place, safety and security, and new building design and the spaces it creates should reinforce/enhance character, legibility, permeability and accessibility of the neighbourhood.
- 4.11.11 The Scheme will significantly intensify the use of the Site, supported by improvements to existing public transport services and infrastructure, as well as promote inclusive access including cycling and walking through the provision of new and improved routes. The Scheme will deliver 1,132 dwellings, making an important contribution to the provision of new homes in accordance with London Plan policies, and the 9,630 sq m of non-residential floorspace will support new employment opportunities in the area. The Scheme will deliver a high quality sustainable mixed-use development that optimises the potential of the site and maximises the provision of affordable housing and employment space the Scheme can viably support.

4.12 Core Strategy

- 4.12.1 The Core Strategy outlines a number of Drivers of Change, which set out the most significant issues expected to impact the Borough up to 2026 including:

Housing provision

The need to ensure provision of affordable housing is reflected through increasing house prices and low household incomes when compared to the London average. The opportunity to provide new housing in a highly developed borough is limited, so reviewing opportunities to better utilise underused employment areas and town centres as housing locations is necessary. This can protect established residential neighbourhoods, particularly conservation areas. The need to provide sustainably designed new housing and ensure existing homes improve energy efficiency is crucial to address climate change issues and improve living conditions.

Growing the Local Economy

Growing the relatively small Borough economy is a priority of the Council and is essential to the creation of a sustainable community. A key priority is the need to provide and strengthen local employment opportunities and enhance employment prospects by improving training opportunities, and accessibility to jobs within and beyond the sub-region. To contribute to economic growth and address deprivation issues, the Council will need to facilitate the strong growth in the number of small businesses, support creative industries, focus on the economic potential of town centres, local shopping areas and small parades (including street and farmers' markets), and better use of underused employment areas. Identified growth areas include a range of diverse business services, and the creative and food industries.

Building a sustainable community

The benefits of new development need to be maximised for all in the community and will be central to addressing and reducing issues related to deprivation in order to improve education, employment and training opportunities, and reduce health inequalities. New development can contribute to both the provision and enhancement of existing services and facilities, where demand for them arises from the new populations. There is also a role to play in creating a sense of place and community through the high quality design of buildings and spaces that are safe and contribute to a healthy environment.

- 4.12.2 The Spatial Strategy within the Core Strategy identifies Deptford including Deptford Creekside as a Regeneration and Growth Area, one of four such areas designated

within the Core Strategy. Spatial Policy 2 provides that the Regeneration and Growth Areas will provide key regeneration and development opportunities and will support the creation of a more sustainable Borough by being the prime location for new homes, new and reconfigured employment floorspace and new retail floorspace by 2016. In relation to the Deptford/New Cross area where the Site is located, the area is to provide up to 2,300 new homes by 2016 and 8,325 new homes by 2016. Thus, this is considered to be a prime location for delivering a substantial portion of the identified housing need and required employment floorspace within the Borough.

- 4.12.3 The Site is also within a Mixed Use Employment Location (MEL). MEL's are areas previously designated as being within Strategic Industrial Locations, but re-designated to permit mixed use development to provide a range of good quality premises and attract started firms and established businesses and to improve the overall functioning of the local economy. Collectively, re-development of the MELs will deliver major regeneration benefits to the north of the Borough and in two of the most deprived wards.
- 4.12.4 The Core Strategy identifies the Site as presenting a major regeneration opportunity with good access and critical mass potential, with any redevelopment providing for a mix of uses to improve the environmental quality of both the Site and surrounding area. Its redevelopment also has the potential to improve accessibility, connectivity and legibility between Deptford Park, the Pepys Estate, the River Thames and Convoys Wharf (another strategic site within the north of the Borough), with a number of priorities which include re-instatement of the route of the former Surrey Canal as a high quality accessible route with a strong sense of place.
- 4.12.5 The Core Strategy identifies five strategic sites (four in Deptford/New Cross) which are to act as a catalyst for regeneration of the area. The Site is one of such sites. Pursuant to Strategic Site Allocation 4 (SSA 4), the Site is allocated in the Core Strategy for comprehensive mixed use development. The Strategic Sites are also subject to Strategic Site Allocation 1 which requires the Masterplan to be submitted as part of an initial outline or full planning application and also a delivery strategy to identify how the development will be implemented and managed once occupied (including housing stock and publicly accessible space), any matters to be resolved such as land assembly and preparation, infrastructure requirements and delivery development phasing, and likely need for planning obligations (including financial contributions) and/or conditions.

4.12.6 The supporting text to SSA4 describes the Site as open and visible occupied by a mix of more modern warehouses, older commercial and warehousing buildings, open sites and environmentally unfriendly uses (the latter is a reference to a car breaking and scrap metal recycling yard which has ceased operation following its acquisition by the Developer). The text to SSA4 also notes that the current industrial and business uses do not reflect the importance of the Site and large parts of it have not attracted investment over many years.

4.12.7 SSA 4 sets out specific requirements for a comprehensive phased approach to redevelopment in line with an approved Masterplan that delivers the following priorities:

- (A) provides at least 20% of the built floorspace developed on the site for a mix of business space (B1(c), B2, B8 as appropriate to the site and its wider context);
- (B) provides a range of community and leisure facilities and retail uses (A1, A2) to serve local needs that do not adversely impact on existing town centres and a mix of restaurant, food and drink uses to serve the site and neighbourhood;
- (C) creates a sustainable high density residential environment at a density commensurate with the existing public transport accessibility level (PTAL) of the site or the future PTAL achieved through investment in transport infrastructure and services;
- (D) provides for a mix of dwelling types accommodating, subject to an acceptable site layout, scale and massing, up to 905 new homes (C3) with a proportion of on-site affordable housing;
- (E) creates new open spaces, including an accessible high quality route along the former alignment of the Surrey Canal to act as a focus of the development itself and the wider neighbourhood, in order to increase accessibility, permeability and health and recreational opportunities for new and existing residents.
- (F) SSA 4 goes on to set out the urban design principles required to be key features of any Masterplan for the Site.

4.12.8 Chapter 9 (paragraph 9.24) of the Core Strategy explains that the Core Strategy is intended to encourage landowners to bring forward land and buildings for development where appropriate. Accepting that there may be instances where landowners may be reluctant or unwilling to bring forward their land, it states that

in such circumstances, the Council may choose to use its compulsory purchase powers to achieve the Core Strategy's wider regeneration objectives.

4.12.9 The Scheme responds positively to the policies set out in the Core Strategy, based on a comprehensive masterplan for the development of the Site in accordance with Core Strategy Policy SSA1. The Scheme is a high density mixed-use redevelopment of the Site providing new homes including a proportion of affordable housing and the provision of new employment space in accordance with the land use priorities for the Site set out in Policy SSA 4. The 1,132 new dwellings on the site will make an important contribution to the Council's housing target and the provision of affordable housing will contribute towards addressing the Council's local housing need. The new employment space will provide a mix of accommodation including the provision of a dedicated employment building within the Scheme. Whilst the level of affordable homes and amount of non-residential floorspace fall short of the policy position, based on an independent assessment of development viability the quantum of both is considered to be the maximum amount that can be delivered on the Site. The Scheme will be delivered on a phased basis and the Section 106 Agreement ensures the delivery of a mix of uses and housing tenures throughout the development of the Site. The design of the buildings, public realm and open spaces within the Scheme are high quality and the development will make an important contribution to the physical improvements to the site and in supporting the regeneration of the wider area.

4.13 **The Council's Regeneration Strategy: People, Prosperity, Place and the Council's Asset Management Plan**

4.13.1 The Council's Regeneration Strategy defines six priority outcomes to be achieved by 2020, covering the Strategic Partnership's ambitions also outlined in the Sustainable Community Strategy, 'Shaping our Future'. The aim is to build communities that are:

- (A) Ambitious and achieving – where people are inspired and supported to fulfil their potential.
- (B) Safer – where people feel safe and live free from crime, antisocial behaviour and abuse.
- (C) Empowered and responsible – where people are actively involved in their local area and contribute to supportive communities.
- (D) Clean, green and liveable – where people live in high quality housing and can care for and enjoy their environment.

- (E) Healthy, active and enjoyable – where people can actively participate in maintaining and improving their health and well-being.
- (F) Dynamic and prosperous – where people are part of vibrant communities and town centres, well connected to London and beyond.

4.13.2 The Council's Asset Management Plan sets out the approach to using property effectively in order to achieve the Council's objective of making Lewisham the best place in London to live work and learn. It acknowledges the Council's assets have a key role to play in supporting the Borough's regeneration aims.

4.13.3 The above documents should be read in conjunction with each other in order to provide the Site specific and broader context for the proposed redevelopment of the Site and the need for compulsory acquisition of the Order Land.

4.14 **Planning position in relation to the Site**

4.14.1 On 30 March 2012, the Council granted planning hybrid planning permission (part detailed/part outline) for the redevelopment of the Site for comprehensive mixed use development as more particularly described in Section 5 of this Statement of Reasons. The redevelopment comprised:

- (A) 905 homes;
- (B) 16,393 square metres non-residential floorspace, including shops/ offices/ restaurants/ cafes/ drinking establishments/ hot food take aways/ non-residential institutions and assembly and leisure uses);
- (C) commercial uses;
- (D) an energy centre;
- (E) improvements to public realm including a water body along the former route of the Grand Surrey Canal;
- (F) improved transport connections

4.14.2 The 2012 permission was subject to a Section 106 Agreement of the same date.

4.14.3 The 2012 Permission was implemented and applications have been submitted and approved under Section 96A of the 1990 Act in respect of non-material amendments to that permission, along with applications to discharge certain pre-commencement conditions.

4.14.4 A further (hybrid) Planning permission was granted on 23 March 2016 (2016 Planning Permission), for residential-led mixed use redevelopment of the Site comprising:

- (A) the phased demolition of remaining existing buildings;
- (B) the construction of up to 1,132 residential units;
- (C) the provision of flexible commercial floorspace (Use Class B1);
- (D) complementary retail floorspace (Use Classes A1 to A5);
- (E) leisure and community facilities (Use Classes D1/D2);
- (F) landscaping/public realm, parking and associated works

4.14.5 Further details of the 2016 permission are given in section 5 of this Statement of Reasons, together with details of the related Section 106 Agreement.

4.14.6 In January 2017, the Council received an application from the Developer under Section 96A of the 1990 Act to make non-material amendments to the 2016 Permission. These changes relate to Plots 1 and 3 of the development including removing the second level of a podium, increasing the number of residential units and reducing the number of resident parking spaces in these plots. The changes give rise to minor elevational changes to the development which do not affect the overall quantum of floor space or number of residential units to be delivered across the Site as a whole or the overall number of residents parking spaces within the Scheme.

4.15 **Regeneration of the Wider Area**

4.15.1 The redevelopment of the Site should also be considered in the context of the broader regeneration programme for the Deptford/New Cross Area.

4.15.2 Four of the five Strategic Site Allocations (Convoys Wharf, Surrey Canal Triangle, Oxestalls Road and Plough Way) within the Core Strategy relate to sites in the Deptford/New Cross area. Together, these four sites are expected to deliver 60% of the Council's housing target of 13,847 dwellings between 2015 and 2025. The sites are recognised as being of a scale and significance that make them central to the success of the Core Strategy and which will play a crucial role in place making by creating new places and enabling a transformation of the wider area. The Council's most recent published Annual Monitoring Report 2015-2016 (December 2016) shows new completions of 1,592 (1,533 net) which is above London Plan target of 1,385. 166 of these were on one of the four Strategic Sites in Deptford (Plough Way). No housing has yet been delivered on any of the other

Strategic Sites within the Deptford/New Cross, but these sites will make a significant contribution between 2017 and 2025. Based on a four year build programme at Oxestalls Road (6 years in total but using practical completion dates), the Site would contribute 283 dwellings per year over four years being approximately 20% of London Plan target for the Borough and approximately 18% of completions assuming the 2015/16 rate is maintained.

- 4.15.3 The position in relation to progress on other strategic sites within the Deptford/New Cross area is set out below.

Convoys Wharf – Strategic Site Allocation 2

- 4.15.4 At 16.6 hectares, Convoys Wharf is the single largest development site in the Borough. The site occupies approximately half of the Borough's river frontage to the Thames. Strategic Site Allocation 2 identifies the site for mixed use development in line with an approved Masterplan.

- 4.15.5 A planning application for re-development of the site was called in by the Mayor of London for his own determination. On 10 March 2015, following completion of a Section 106 Agreement, the Mayor granted outline planning permission for the comprehensive redevelopment of the site to include:

- (A) up to 3,500 new homes (at least 525 of which are to be affordable);
shops, restaurants, cafes;
- (B) a hotel;
- (C) public open spaces;
- (D) public transport improvements including a river bus service and new/diverted bus routes;
- (E) 1,840 car parking spaces;
- (F) renovation of the Olympia Building, a Grade II listed warehouse;
- (G) three tall buildings (two at 38 storeys and one at 48 storeys).

- 4.15.6 Following the grant of outline planning permission, applications to discharge pre-commencement conditions in respect of advance site works have been submitted and approved.

Surrey Canal Triangle – Strategic Site Allocation 3

- 4.15.7 The Surrey Canal Triangle site is approximately 11 ha in size and comprises:
- (A) industrial estates and yards at the western end of Surrey Canal Road;
 - (B) industrial estate on Bolina Road;

- (C) Millwall Football Stadium;
- (D) surrounding buildings in leisure use.

4.15.8 On 30 March 2012, the Council granted outline planning permission for the re-development for the comprehensive, phased, mixed use development of the site for up to 240,000 square metres (GEA) of development comprising:

- (A) Class A1/A2 (Shops and Financial and Professional Services) up to 3,000 square metres;
- (B) Class A3/A4 (Cafes/Restaurants and Drinking Establishments) up to 3,000 square metres;
- (C) Class A5 (Hot Food Takeaways) up to 300 square metres;
- (D) Class B1 (Business) between 10,000 -15,000 square metres;
- (E) Class C1 (Hotels) up to 10,000 square metres;
- (F) Class C3 (Dwelling Houses) between 150,000 - 190,000 square metres (up to 2,400 homes of different sizes and types);
- (G) Class D1 (Non-residential Institutions) between 400 - 10,000 square metres;
- (H) Class D2 (Leisure and Assembly) between 4,260 - 15,800 square metres.

4.15.9 On 18 December 2015, the Council granted permission under Section 73 of the 1990 Act for minor material amendments to the planning permission to vary conditions on the original permission to enable reconfiguration of buildings on plots known as Timber Wharf, Stockholm 1 and 2 and Senegal Way 1 and 2 and the redistribution of land uses between these plots. The S73 permission is subject to a Section 106 Agreement entered into on the same date and applying (with appropriate modifications) the obligations in the original Section 106 Agreement. The development has yet to commence.

Plough Way - Strategic Site Allocation 5

4.15.10 The Plough Way site comprises three main areas:

- (A) Cannon Wharf
- (B) Marine Wharf East and West
- (C) Sites on Yeoman Street and Croft Street

4.15.11 The composite site covers 8.22 hectares. It is located in the north-western corner of the Borough adjacent to the border with the London Borough of Southwark.

Cannon Wharf

4.15.12 Planning permission was granted (subject to a Section 106 Agreement) for development of this part of the Plough Way site on 30 March 2012. The scheme comprises:

- (A) 679 new homes (including two tall buildings of 20 and 23 storeys);
- (B) a purpose-built business centre;
- (C) a children's nursery;
- (D) landscaping along the former route of the Surrey Canal.

4.15.13 Applications under Section 96A of the 1990 Act for non-material amendments to the permission have been submitted to the Council and approved. The development commenced on site in August 2013 and is anticipated to be complete in September 2018. All buildings except the Cannon Business Centre have been demolished and the site has been divided into two sections. The northern section has been separated from the southern section (which accommodates the Business Centre) to enable the Business Centre to continue to operate whilst construction is taking place. Phase 1 of the development, including the new Business Centre has been completed. Construction of further phases of the scheme are underway.

Marine Wharf West

4.15.14 Planning permission was granted for this part of the Plough Way site (subject to a Section 106 Agreement) on 20 September 2011. The scheme includes:

- (A) 532 new homes including 78 units provided as extra care;
- (B) space for shops and businesses (approximately 4,000 square metres);
- (C) landscaping along the 30 metres wide former route of the Surrey Canal to provide a new public park and pedestrian and cycle route providing access from Oxestalls Road through to the Thames.

4.15.15 Applications for non-material amendments under Section 96A of the 1990 Act have been submitted to and approved by the Council. The first two phases including new homes, extra care homes and commercial premises is complete. Construction is underway on the subsequent phases, providing further homes. On 10 March 2015 planning permission was granted subject to conditions and a Section 106 Agreement for the erection of 34 residential units and 361 square metres of office floorspace (B1 Use Class) together with associated access, car parking, cycle parking and landscaping at Block K (Phase 7) of the development. The remainder of the development is anticipated to be complete by the end of April 2017

Marine Wharf East

- 4.15.16 Planning permission was granted subject to conditions and a Section 106 Agreement in July 2014 for this part of the Plough Way site to demolish the existing office building on the site and provide 183 residential dwellings, together with flexible commercial floorspace (A1, A2, A3, B1 and D2 Use Classes). The permission has been implemented.
- 4.15.17 An application was submitted on 26 February 2015 for demolition of existing office building and redevelopment to provide 225 residential dwellings and 1,045 square metres of flexible commercial floorspace in buildings up to 10 storeys. Planning permission was granted on 13 November 2015, following completion of a Section 106 Agreement.
- 4.15.18 Both parts of the development are expected to be completed by late 2018.

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5. PROPOSALS FOR REDEVELOPMENT OF SITE, INCLUDING THE ORDER LAND

5.1 The 2016 Permission for the Scheme authorises the comprehensive redevelopment of the Site comprising outline planning permission (Phases 1-3) for the:

5.1.1 demolition of existing buildings on the Site, excluding The Victoria

5.1.2 phased redevelopment of the Site to provide up to 9,630 sq m (GEA) non-residential floorspace comprising:

- (A) (A1) Shops;
- (B) (A2) Financial & Professional Services;
- (C) (A3) Restaurants & Cafés;
- (D) (A4) Drinking Establishments;
- (E) (A5) Hot Food Takeaways;
- (F) (B1) Business;
- (G) (D1) Non-Residential Institutions;
- (H) (D2) Assembly & Leisure uses;
- (I) an energy centre;
- (J) up to 1132 residential units in buildings ranging from 3 to 24 storeys in height;
- (K) car and cycle parking;
- (L) associated highway infrastructure;
- (M) public realm works; and
- (N) provision of open space;

5.1.3 detailed planning permission (Phase 1) for up to 562 residential units and up to 5,692 square metres (GEA) of non-residential floorspace comprising:

- (A) (A1) Shops
- (B) (A2) Financial & Professional Services;
- (C) (A3) Restaurants & Cafés;
- (D) (A4) Drinking Establishments;
- (E) (A5) Hot Food Takeaways;
- (F) (B1) Business;
- (G) (D1) Non-Residential Institutions; and

- (H) (D2) Assembly & Leisure uses) in buildings ranging from 3 to 24 storeys in height;
- (I) car and cycle parking;
- (J) associated highway infrastructure;
- (K) energy centre;
- (L) public realm works; and
- (M) provision of open space.

5.2 Layout plans of the development authorised by the Planning Permission are attached at **Appendix F**.

5.3 The 2017 Amendments increase the number of residential units in Phase 1 of the Scheme from 562 to 575.

5.4 For the purposes of the 2016 Permission, the Site is divided into six development plots which will be implemented in a series of phases:

5.4.1 Phase 1 comprises Plot 1, Plot 2 and Plot 3;

5.4.2 Phase 2 comprises Plot 4; and

5.4.3 Phase 3 comprises Plot 5 and Plot 6.

5.5 Plans showing the Phases and the Plots (the latter also identifies Building references) are attached at **Appendix G**.

5.6 The maximum floorspace for non-residential uses within the Scheme is as follows:

Plot	Use Class	m ² (GIA)*
1	A1/A2/A3/A4/A5/D1/D2/B1	765
2	A1/A2/A3/A4/A5/D1/D2/B1	453
	Energy Centre (Sui Generis)	326
3	A1/A2/A3/A4/A5/D1/D2/B1	1,297
	B1	2,622
4, 5 and	A1/A2/A3/A4/A5/D1/D2/B1	1,056
6	B1	3,437
Total	A1/A2/A3/A4/A5/D1/D2/B1	3,571
	B1	6,059
	Energy Centre	326

5.7 The maximum number of residential units within the Scheme is as follows:

Plot	Residential Units
1	219
2	203
3	153
4, 5 & 6	570
Total	1,132

- 5.8 It is envisaged that the redevelopment of the Site will take approximately six to seven years to complete. The works will start in Plot 2 followed shortly after by Plots 1 and 3, the latter being dependent on the acquisition of those interests of the Site not owned by the Developer.
- 5.9 The Scheme must be carried out in accordance with the programme below, unless agreed otherwise with the Council in accordance with the requirements of conditions 6 and 7 of the 2016 Planning Permission.

Phase	Component works*
<i>Stage One Enabling Works</i>	
1A	Refurbishment of The Victoria Buildings 2A, 2B, 2C, 2D and 2E Buildings 1A, 1B and 1C Any remaining Stage One Enabling Works not already carried out
1B	Buildings 3A, 3B, 3C and 3D Blocks 1A, 1B and 1C Any Enabling Works not already carried out
2	Buildings 4A, 4B, 4C and 4D
	Stage One Enabling Works, Phases 1A and 1B may be carried out within this Phase
3	Buildings 5A, 5B, 5C, 5D and 5E Buildings 6A, 6B and 6C Any Enabling Works not already carried out

*works comprised within each Phase are not required to be carried out in any sequence or order. Any Enabling Works (including demolition, site remediation and site preparation) may be carried out at various stages throughout the development and are not required to be carried out in any sequence or order.

- 5.10 The S106 Agreement imposes requirements relating to the following principal matters:

- 5.10.1 The fit out and marketing of commercial units;
- 5.10.2 Provision of a minimum of 189 affordable housing units comprising 61 affordable rent and 128 intermediate units (i.e. a minimum of 16.7% affordable housing (by number of units));
- 5.10.3 All affordable housing to be built with no discernible difference in quality of external appearance to private dwellings;
- 5.10.4 Provision of a financial review mechanism to enable additional funds to be applied to affordable housing, should returns allow;
- 5.10.5 10% of all tenure types of residential to be wheelchair accessible or easily adaptable for wheelchair use;
- 5.10.6 Implementation of landscaping works to the route of the former Grand Surrey Canal including connecting the Site with land to the north of Oxestalls Road via a suitably designed link under the Oxestalls Road bridge and provision, maintenance and management of other routes and public open space within the Site;
- 5.10.7 Provision, management and maintenance of communal private residential amenity areas to be maintained and managed in accordance with a plan submitted to and approved by the Council;
- 5.10.8 Contributions towards the improvement of local bus services and towards public transport infrastructure enhancements including bus stops within the vicinity of the Site;
- 5.10.9 Contribution towards the cost of consultation and implementation of a Controlled Parking Zone in the vicinity of the Site;
- 5.10.10 Preparation of a site wide Travel Plan for residential and non-residential uses to be submitted and approved by the Council;
- 5.10.11 Provision of car club parking spaces;
- 5.10.12 Restriction on parking permit applications (including mechanism to secure implementation) and submission, approval and implementation of a parking management plan to restrict on-street parking (except Blue Badge holders);
- 5.10.13 Implementation of works to the public highway and adjacent public realm;
- 5.10.14 Contributions towards air quality monitoring and mitigation measures;
- 5.10.15 Implementation of a local labour and business scheme on Site to be agreed with the Council;
- 5.10.16 Contribution towards construction and operational employment and training;

- 5.10.17 Implementation of telecommunications reception monitoring and provision for mitigation works;
- 5.10.18 Preparation of a Public Art Strategy for submission to and approval by the Council;
- 5.10.19 To continue to seek to acquire the remaining land by agreement with the relevant owners and occupiers.

5.11 As explained above, the Site is divided into 6 development plots which will be implemented in a series of Phases. The 2016 Permission provides detailed approval for Plot 1, Plot 2 and Plot 3; and outline approval for Plot 4, Plot 5 and Plot 6.

5.12 The Scheme and the land interests to be acquired in respect of each Plot are described below. The Plots are shown on the Plots Plan within **Appendix G (Plots Plan)**.

Plot 1

5.13 Located to the south eastern corner of the Site and fronting on to Dragoon Road and Grove Street, Plot 1 will provide 765m² (GIA) of non-residential floorspace made up of A1/A2/A3/A4/A5/D1/B1 Use Classes, together with 219 residential units in 3 blocks.

5.14 The 3 blocks (Blocks A, B and C) are all connected by the podium level and share the communal amenity space provided on the podium. The podium is also shared with residents of Plot 3 who have direct access to this space. Block A faces onto Dragoon Road and Block B onto Victoria Road. Both are 7 storeys (26.2m AOD) high. Both will have flat roofs which will mainly be covered by green roofs, with photo-voltaic panels also included on Block A.

5.15 Block C is the focal block of Plot 1. It is also the tallest building within the Scheme and will be the most prominent building on the Site with a maximum height of 24 storeys (81.4m AOD).

5.16 The ground floor of Blocks of B and C will be occupied by commercial uses and servicing facilities for the Blocks as well as car and cycle parking for residents. Block A has 3 residential units at ground floor all of which face on to Dragoon Road with amenity terraces to the front of the units.

5.17 The Scheme as a whole has been designed without reference to land ownership. Delivery of Plot 1 is inextricably linked with Plot 3, sharing a podium area that provides amenity space for residents of both Plots as well as ground level parking to serve the new residential units in these Plots. Construction of Plot 1 in its totality requires land not currently in the Developer's control.

5.18 Plot 1 is within the freehold ownership of the Developer. Note the comments below, however, as to how the development of this Plot is inextricably linked to Plot 3.

Plot 2

- 5.19 Situated north of Plot 1 and south of Plot 6, Plot 2 is centrally located with the Scheme facing on to Grove Street to the east and on to the canal path to the west. The Plot will provide a total of 203 residential units.
- 5.20 Plot 2 is a residential plot with the exception of the energy centre located on the north-western corner of the Plot on the corner of the east-west route (referred to as New Baltic Street) and the north-south route of the former Grand Surrey Canal. The Plot also contains The Victoria which is to be retained and refurbished for use in the short terms for community/uses/incubation and start-ups for small businesses prior to its reinstatement to pub use in the longer term.
- 5.21 Plot 2 comprises 6 blocks, ranging from 3 to 12 storeys with a maximum height of 43.8m AOD. Along Grove Street, at the corner of the proposed New Baltic Street is the The Victoria which is to be retained. At 3 storeys, it is one of the lower blocks, although it retains many of its ornate features. Sitting alongside The Victoria is a 4 storey block which increases to 10 storeys, a height that is maintained until the corner with Victoria Street. Facing on to Victoria Street, the block decreases back to 7 storeys and then a non-adjointing block of 7 storeys turns the corner to front on to the canal path adjacent to which is a block of 12 storeys. Back on to New Baltic Street there is a break in the building form before a building of 3 storeys is situated around the corner from The Victoria to complete the block.
- 5.22 Along the canal path there are 2 blocks with shallow pitched roof appearance referencing older warehouse buildings. All blocks in Plot 2 (except The Victoria) will have flat roofs, with photo-voltaic panels installed on the pitched roofs and green and brown roofs installed on all other blocks except the 3 storey building and The Victoria.
- 5.23 Plot 2 is within the freehold ownership of the Developer.

Plot 3

- 5.24 Facing Evelyn Street to the west and Dragoon Road to the south, Plot 3 is located to the south western corner of the Site and adjoins Plot 1 to the east. It is the only Plot not in a podium formation. Consisting of 2 linear blocks, a corner block and a stand-alone 'Y' shaped building, Plot 3 provides a visual reference to the line of the former Grand Surrey Canal with the linear and corner blocks representing the turning of the canal along its historic route.
- 5.25 Plot 3 provides a greater mix of commercial and residential buildings with a total of 3,919m² of commercial space and 153 residential units.
- 5.26 Block 3 is the only block that does not include ground floor residential accommodation and has a significantly greater amount of commercial floorspace than Plots 1 and 2. Plot 3 also contains a dedicated commercial building in the form of a 'Y'. This building provides 4 floors of commercial space situated in an area of public realm referred to as 'The Yard', which will provide space which can be utilised by the commercial units facing on to it, as well as

providing space for residents and local businesses to congregate. It is within The Yard that a piece of public art will be situated, with the intention that the art would reference the industrial past of the Site.

- 5.27 Along with the 'Y' building, the linear blocks in Plot 3 will also have commercial units at ground floor, with residential accommodation above. At 4 storeys the 'Y' building will be of the lowest scale in the Plot, with the other blocks at 7, 10 and 11 storeys in height. Whilst of a lower scale than the other blocks, the 'Y' building is distinct and is considered to provide a presence on the Plot by its unique massing, design and use of materials.
- 5.28 The two higher blocks within Plot 3, of 10 and 11 storeys will utilise the shallow pitched roof appearance used throughout the Scheme. The 7 storey block will have a flat roof, which provides communal amenity space for the residential units in the block. The 'Y' building will also have a flat roof, but without any living roof installed or use taking place on it.
- 5.29 Plot 3 is within the freehold ownership of the Developer. The interests still to be acquired comprise the leasehold interests of Spaces Personal Storage Limited (identified by reference number 3 within the Order Schedule) and Safestore Limited (also identified by reference number 3 within the Order Schedule). There is also an additional piece of land (Plot 4 on the CPO Plan) which is within the ownership of the Council. This Plot is required for landscaping and enhancement of the public realm. Terms have been agreed for the transfer of this plot from the Council to the Developer.
- 5.30 The delivery of all 6 residential buildings within Plots 1 and 3 on the Plots Plan (Appendix 4) is inextricably linked. Whilst Buildings 1B and 1C do not physically encroach onto the Safestore land, they do rely on the shared landscaped podium and ground level parking serving Plots 1 and 3 which requires land within the Safestore leases. The remaining buildings in Plot 3 cannot physically be delivered with Safestore in situ, and construction of the commercial 'Y' building on Plot 3 would be severely and unacceptably compromised. Land surrounding the 'Y' building, including land within Plot 3, will also provide open space and complementary uses. Without the Safestore land, at grade connections through to Dragoon Road will not be possible from within the Yard and it will not function or 'feel' as envisaged on completion of the Scheme, with pedestrian routes passing through it and ground floor non-residential uses alongside.

Plot 4

- 5.31 Plot 4 is located on the western side of the Site fronting Evelyn Street, with New Baltic Street to the north and Victoria Street to the south and the canal path to the east. Plot 4 will be a perimeter plot with a central podium providing approximately 19,400m² (**GIA**) of residential floorspace and approximately 500m² of mixed commercial floorspace in blocks with a maximum height of 30.05m AOD with blocks of 6 and 7 storeys. The building line along Evelyn Street will be set back to provide a wider pedestrian route along this edge of the Site.

5.32 Plot 4 is within the freehold ownership of the Developer.

Plot 5

5.33 Situated in the north west corner of the Site fronting onto Evelyn Street and Oxestalls Road with Plot 4 to the south and Plot 6 to the east, Plot 5 will contain the second highest building within the Scheme with a maximum height of 71.40m AOD and surrounding blocks of 7 and 12 storeys. Plot 5 will provide approximately 32,400m² of residential floorspace and approximately 600m² (GIA) of mixed commercial floorspace.

5.34 A significant proportion of Plot 5 is within the freehold ownership of the Developer. Part of the land owned by the Developer is subject to a lease in favour of Veolia ES (UK) Limited, but this is due to expire in October 2017 when the Developer will secure vacant possession. Veolia's leasehold interest is not therefore included within the Order.

5.35 The principal land interests still to be acquired in Plot 5 comprise those identified by reference number 7 within the Order Schedule. The freehold interest in this property is owned by Shell UK Limited. Shell UK Limited also have a leasehold interest in the property for a term expiring in November 2019. The adjoining land referenced as Plot 9 within the Order Schedule is unregistered and comprises former public highway. This land is required for the Plot 5 footprint for both buildings and landscaping. It is likely that this land is also owned by Shell by virtue of the presumption that on a stopping up, the half width in a highway reverts to the landowners on either side. The presumption is rebuttable, however, and so ownership cannot be confirmed.

5.36 Other land interests within Plot 5 of the Scheme are also required either because parts of buildings will be constructed upon those areas or they are required for landscaping. These are the plots identified by reference numbers 10, 11, 12, 13, 14 15 and (part of) 16 within the Order Schedule.

5.37 Plots 11 and 13 within the Order Schedule are in the registered ownership of the Council. Plot 10 is unregistered but is likely to be owned by the Council due to the presumption that ownership of the half width of a highway reverts to adjoining owners following the stopping up of a highway. Again, this cannot be confirmed, however. Plot 12 is believed to be owned by the Developer for similar reasons. Plots 14 and 16 are registered to the Greater London Council (**GLC**) and ownership is understood to have devolved to the Council through statutory vesting following abolition of the GLC. Plot 15 is unregistered but is understood to be covered by the same vesting order relating to plots 14 and 16 and thus to be owned by the Council. The Council and the Developer have agreed terms for the disposal to the Developer of the plots owned by the Council.

Plot 6

- 5.38 Plot 6 sits at the north eastern corner of the Site on the corner of Oxestalls Road and Grove Street and wraps around Diploma Works (which is located outside of the Site). Plot 6, like Plot 3 in the detailed part of the Scheme, provides the majority of the commercial floorspace in the outline part of the Scheme with approximately 3400m² of B1 floorspace in blocks to a maximum height of 29.10m with blocks of 4, 5 and 7 storeys. The Plot will also provide approximately 7,700m² (GIA) of residential floorspace.
- 5.39 Plot 6 is within the freehold ownership of the Developer, save for the plots identified by reference numbers 17, 18 and 19 within the Order Schedule. These plots are required for permanent landscaping/public access as part of the Scheme. Plot 17 is registered to the GLC but understood to have devolved to the Council through statutory vesting following abolition of the GLC. The freehold interest in Plot 18 is registered to the Council. Plot 19 remains unregistered, but is likely to be owned by the Developer due to the presumption of reversion of the half width of the road to the adjoining owner following the stopping up of a highway, although the presumption is rebuttable and ownership cannot be confirmed.

Additional/unknown Interests

- 5.40 Various rights and covenants or other interests which affect the Order Land are set out in Table 2 of the Order Schedule. The Developer has confirmed that it does not consider any of the rights/covenants affecting the land it already owns or the land to be acquired will impede the Scheme.
- 5.41 Title investigations have been undertaken to identify registered land interests. Physical inspections of the Site have been conducted where possible to ascertain other interests in the land. Engagement has taken place with any known interest holders. On this basis, and on the basis that the Developer and its contractors have been occupying various parts of the Site since the Developer first acquired an interest in the Site in August 2014, it is considered that the Order Schedule covers all reasonably discoverable interests in the Site. As is often the case with large comprehensive schemes, however, whilst all due diligence has been employed to review the title and ascertain the nature and extent of the interests in the land, there remains a residual concern that some new interest might subsequently come to light that no one could have been aware of. In accordance with common practice and to ensure certainty, it is proposed to include in the Order all the land within the Site, but to exclude from acquisition any interest already owned by the Council or the Developer.

6. DELIVERY

- 6.1 This section of the Statement of Reasons provides an overview of Scheme viability, as well as the Developer's funding and delivery strategy for the Scheme. Further information is contained in the Funding and Delivery Statement attached in **Appendix H**.
- 6.2 CPO Guidance makes clear that if a CPO is to be confirmed, there must be a compelling case in the public interest and the purpose for which the CPO is made must justify interfering with the human rights of those affected. If the acquiring authority is unable to show how the CPO land is to be used and that the necessary resources are likely to be available to achieve the purpose of acquisition within a reasonable timescale, it is unlikely to be able to show the acquisition is justified in the public interest. When preparing its justification, the acquiring authority further needs to show the scheme is unlikely to be blocked by any physical or legal impediments to implementation. The acquiring authority is also required to provide substantive information regarding sources of funding, including as to how potential shortfalls may be met if funding has not yet been finalised.
- 6.3 The Site is one of five strategic sites identified within, and considered key to, the delivery of the Council's Core Strategy. The Core Strategy sets out the ambition to transform the physical environment and achieve place-making objectives by delivering a comprehensive range of regeneration outcomes in the Borough. Since acquiring its interest in the Site, the Developer has acquired further interests by private treaty and has secured the 2016 Permission and submitted the Section 96A application for revisions to the 2016 permission. It has also carried out demolition and remediation works within parts of the Site. In doing so the Developer has incurred substantial expenditure on land acquisition, design and planning and on consultants'/advisors'/contractors' costs. This demonstrates a strong commitment to the Scheme has demonstrated a clear and serious intention to bring it forward.
- 6.4 The Council however still needs to be satisfied that, if it proceeds with a CPO to assemble the remaining interests, the necessary resources are likely to be in place to achieve the purpose of the acquisition within a reasonable timescale. For this reason, it needs to be satisfied the scheme is viable, deliverable and fundable.

Viability

- 6.5 GVA have been appointed to advise the Council on matters of viability. In this regard, GVA have reported on the key assumptions on values and costs which form part of the Developer's own cash flow modelling and projections for the Scheme. The Council has also appointed PriceWaterhouseCoopers LLP (PwC) to provide financial due diligence, as to the financial viability of the scheme and whether it is capable of being funded. Both PwC and GVA have been provided with the cash flow model upon which the Developer has modelled the Scheme.

- 6.6 Having reviewed the cashflow model, PwC have advised that the Scheme nets a positive cashflow and is therefore financially viable. Their report notes that the Scheme is reliant on the sales in Plot 5 towards the end of the development in order to generate a profit. This is considered to provide a significant incentive on the Developer to complete the Scheme.
- 6.7 GVA have reported that they consider the Scheme to be both viable and deliverable, further commenting that the Scheme sits within an area of residential led development in Deptford where market sentiment is positive. The Developer is currently reporting sales rates of approximately one unit per week, which although slower than comparable schemes which came forward pre-“Brexit”, compares favourably with nearby schemes coming forward in the same timeframes. In their report, GVA have provided a commentary on all of the key assumptions underpinning the Developer's cash flow modelling and state that "Whilst there are some key points of difference underlying the Developer's assumptions we consider that the Scheme will still be viable and deliverable." Coupled with the PwC view that the Scheme is financially viable, The Council considers that should the Developer not complete the Scheme, it is likely that another developer would consider this an attractive scheme.
- 6.8 GVA also report that the key development assumptions forming part of the Developer's own cash flows are reasonable and supported by market benchmarks, particularly in respect of nearby comparable developments. In particular:
- Profit on both costs and value demonstrate acceptable returns to a commercial developer initiating a complex development such as the Scheme;
 - The build cost estimates are supported by benchmarks;
 - Sales values on a unit basis are considered reasonable, although GVA are of the opinion that the Developer's assumptions in terms of sales values for private residential units are lower than what could, and is being, achieved.

Funding & Delivery

- 6.9 The Developer has provided a Funding Statement detailing how it intends to bring the Scheme forward and the structure and funding relationships between the various companies and vehicles involved. A copy of the Funding Statement (redacted to remove reference to commercially sensitive information) is attached at **Appendix 7**. The Scheme will be delivered directly by the Developer (a Special Purpose Vehicle and a subsidiary of Lend Lease Europe Holdings Ltd (**LLEH**)). The ultimate parent company is Lendlease Corporation Ltd, but the SPV (and therefore the Scheme) will be funded through LLEH.
- 6.10 Lendlease Corporation Limited is listed on the Australian Stock Exchange and has over 50 years' experience in developments across Australia, Asia, Europe and the Americas. The Lendlease Group is currently delivering regeneration projects in London, including Elephant Park in Southwark – a £1.5bn programme across 28 acres; and The International Quarter in

Stratford – a £2.1bn joint venture with London & Continental Railways. As at 30 June 2016, Lendlease Corporation Limited had A\$4.2 billion of bank facilities, exclusive of cash and cash equivalents of A\$1 billion, of which A\$2.3 billion was unused. As at 30 June 2016, LLEH had £300m of unused bank credit facilities. PwC have advised the Council that LLEH has access to both Group and external loan facilities, suggesting adequate funding is available to Lendlease's European developments from this entity.

- 6.11 On 20 May 2016 S&P Global Ratings assigned a BBB long term issue rating to the Lendlease Group's issuance of USD 400m whilst on 30- November 2016, the ratings agency Moody's has confirmed the "Baa3" long term credit rating to the Lendlease Group, with a stable outlook.
- 6.12 Under the proposed strategy for delivery of the Scheme, the Developer will maintain responsibility for the delivery of the entire scheme. The delivery risk will therefore sit with the Developer as the entity that is acquiring the land interest and progressing the Scheme. At the same time, the structure allows them to retain 100% overall control to ensure that a comprehensive scheme and high quality shared spaces/public realm can be delivered. This mirrors the Lendlease Group's approach to other large regeneration schemes being successfully delivered in London, including Elephant & Castle. LLEH will, however, be providing a parent company guarantee in relation to the costs of the compulsory purchase process, including compensation, and so in this regard, LLEH will be sharing the risk regarding delivery.
- 6.13 PwC have reviewed the audited accounts of the Developer (that is to say, Lendlease Deptford Limited, the SPV) as at 30 June 2016 and as is often the case at this stage of development the SPV is not established with sufficient resources to deliver the scheme utilising its own funds. The Developer has confirmed that the funding for the project would be provided by the Group through LLEH, and therefore the Group is ultimately responsible for funding the financial requirements of the Developer and thus assumes the risks in connection with the Scheme.
- 6.14 As the Developer SPV is reliant on funding from the Group, PwC undertook a high level review of the accounts from 2014 through to 2016 for both LLEH and the ultimate parent company. The conclusions were that LLEH has access to both Group and external loan facilities and therefore that adequate funding is likely to be available to the Group's European developments from this entity. PwC further note that as at 31 December 2016, the Group was in a positive equity position and over 60% of the equity was retained earnings showing the Group's commitment to reinvesting in new and on-going developments.
- 6.15 As has already been explained, planning permission has been granted for the Scheme. The only impediment to its delivery therefore is completion of the land assembly. As has also been explained, the Site is divided into 6 development plots which will be implemented in a

series of Phases. The planned sequencing of the Scheme is as follows (subject to stable market conditions):

Plot	Indicative start on site piling works)	Indicative PC
2	Qrt 2 2017	Qrt 3 2019
1	Qrt 3 2017	Qrt 2 2020
3	Qrt 4 2017	Qrt 1 2020
4	Qrt 1 2018	Qrt 3 2020
5	Qrt 4 2018	Qrt 1 2022
6	Qrt 1 2019	Qrt 1 2021

- 6.16 Dependent on the acquisition of the remaining interests, the first buildings (Plot2) are expected to be completed by the end of 2019. The delivery dates provided align to the financial model provided and set out in the Developer's preferred construction programme. The dates also highlight the length of the construction programme for each Plot. The Developer is, however, unable to start the Plots 4 to 6 until reserved a matters approval has been obtained, but in any event, as is stated elsewhere in this Statement of Reasons, the Developer is not prepared to start any part of the Scheme until all outstanding interests have been secured.
- 6.17 The Board Minutes of November 2015 demonstrate commitment of funds to enable progression of site wide activities and completion of Plot 2 within the Scheme shown on **Appendix G**. The Minutes reference that circa 74% of the required funding has been approved and PwC note that as at 31 December 2016, circa 30% of the necessary funds had already been drawn down. The approval for the delivery of future plots and phases will be subject to the same process followed for Plot 2. That is, European Investment Committee approval will be granted for the drawdown of funds for each plot as and when required.
- 6.18 PwC note, however, that funding for the Scheme is dependent on a number of factors, specifically achieving a minimum level of pre-sales and financial return and that whilst the Group's resources appear adequate, they have many on-going developments and their needs for funding could compete with the Scheme's capital requirements. Mitigation of these risks has been provided in part through a letter of support from the Chief Executive Officer (dated 30 November 2016), the Board minutes of 24 February 2014 and 11 November 2015), a revolving Inter-Company Loan Facility dated 1 July 2014 and a strong track record of delivery which evidences that multi-development management is the Lendlease Group's day

by day activity. PwC also comment that "hurdle rates are discretionary and can be flexed through board approval" providing flexibility for further funding to be provided to the Scheme regardless of whether all pre-determined hurdles have been achieved.

- 6.19 The Council, PwC and GVA have been provided with the details of the commercial criteria which apply to the funding arrangements and are satisfied they are reasonable and materially in line with those expected in the market. Marketing of Phase 2 was launched earlier this year and is achieving an absorption rate of one unit per week. GVA have advised the Council that this compares favourably with nearby developments launched at a similar time.
- 6.20 The position regarding delivery is further augmented by the Section 106 obligations secured through the Section 106 Agreement in connection with the 2016 Permission. The Section 106 Agreement and conditions on the 2016 Permission together control the implementation of the Scheme to ensure the comprehensive development of the Site and in a manner that delivers the land use, access and environmental improvement objectives set out in the Core Strategy.
- 6.21 As a result, the Council is satisfied that the funding is available within a reasonable timescale. Substantial funds are available for the delivery of the Scheme now with circa 74% of the funding being approved and circa 30% of the funding already drawn down, and future draw-down being pursuant to conditions that are considered reasonable and likely to be met. There is in addition a degree of flexibility in relation to the timing of future funding depending on Board approval.
- 6.22 To ensure the comprehensive development of the Site, the Section 106 Agreement includes a series of triggers to prevent piecemeal development and/or the selective development of the Site, as well as ensuring the delivery of a mixed-use and mixed-tenure development. The combined effect of the provisions in the Section 106 agreement is that:
- 6.22.1 in respect of Plots 3, 4, 5 no works on any part of each Plot can commence until all remaining interests in that Plot have been acquired;
 - 6.22.2 in respect of Plot 1, no occupation of any part of Plot 1 can occur until all remaining interests in Plot 3 have been acquired; 50% of dwellings (including 44 affordable homes) and 50% of the non-residential floorspace in Plot 3 has been provided;
 - 6.22.3 in respect of Plot 4, no occupation of more than 70% of dwellings in Plot 4 until, across the site as a whole, 69 affordable dwellings have been provided and a minimum amount of B1 space has been completed;
 - 6.22.4 in respect of Plot 5, no occupation of more than 70% of dwellings in Plot 5 until, across the site as a whole, 100 affordable dwellings have been provided and a minimum amount of B1 space has been completed.

- 6.23 An alternative option of developing Plot 1 in association with Plot 6 (instead of Plot 3) is allowed for in the Section 106 Agreement. However, this does not:
- 6.23.1 remove the obligations in respect of the control of Plots 4 and 5 before development can commence in those Plots; or
 - 6.23.2 remove the requirements in respect of the delivery of affordable homes or business space across the Site.
- 6.24 Further, as referred to in paragraph 6.6 above, PwC note that the Scheme only becomes cash positive upon delivery of Plot 5 towards the end of the Scheme, providing commercial incentives to complete the Scheme in its entirety. The Developer has confirmed that this is the case, noting that the phased nature of the development means there is considerable early investment into the Scheme, which is needed to be offset against the delivery of the future phases. As the Scheme only becomes cash flow positive towards upon delivery of Plot 5, the Developer therefore relies on the later phases of the Scheme to meet its required returns. The Developer states that this, with the significant investment into the Scheme already, gives rise to an implicit incentive to continue to deliver the comprehensive Scheme.
- 6.25 The Council considers that in light of the above, the Scheme is fundable and deliverable. Evidence has been presented as to the sources and timing of funds that show that all the necessary funds are likely to be available to deliver the Scheme within a reasonable time scale if the CPO is confirmed. The viability of the scheme has also been addressed. Officers further consider that these factors, together with the significant investment by the Developer to-date and the other incentives for delivery of the comprehensive Scheme are such that if the CPO is confirmed, the Council can be confident the Scheme will be delivered on a reasonable timescale.
- 6.26 It is the Council's opinion, however, that the comprehensive redevelopment and attendant public benefits are unlikely to be achieved within a reasonable timescale, if at all, unless completion of the land assembly process is secured by the use of CPO powers.

Could the Order purpose be achieved by other means?

- 6.27 The Council has had regard to the requirements of the CPO Guidance generally and Section 1 or Tier 2 in particular with regard to Section 226 Orders. This includes whether the purpose of acquisition fits in with the adopted planning framework; the extent to which the purpose will contribute to the achievement of the stated well-being objectives; that the necessary resources, including funding, are likely to be available to achieve the Order's purpose within a reasonable timescale; that the scheme is unlikely to be blocked by any other physical and legal impediments; and whether the purposes for which the land is to be acquired might be achieved by other means, including the appropriateness of any alternative proposals put

forward by the owners of the land others, or examining alternative locations for the purpose for which the land is being acquired.

- 6.28 The Site is allocated as a strategic site within the Council's Core Strategy. A key requirement of the Core Strategy is that the Site is brought forward for comprehensive development in accordance with a Masterplan. The purpose for which land and rights are proposed to be acquired is to enable comprehensive redevelopment of the Order Land in accordance with the adopted planning policy framework. Planning Permission has been granted for comprehensive redevelopment in accordance with those policies.
- 6.29 Given that it owns or controls the majority of the interests in the Site, the Developer is the obvious party to bring forward the Scheme. The Scheme already has the benefit of planning permission. It will secure the comprehensive redevelopment of the Site, and compulsory acquisition of the outstanding land interests is required in order to secure its delivery.
- 6.30 The Scheme will be implemented on a phased basis. The planning permission sets out the intended phasing of the Scheme. Phase 1 benefits from full planning permission and comprises Plots 1, 2 and 3, commencing with Plot 2. Phase 2 comprises Plot 4 and Phase 3 Plots 5 and 6, with permission granted in outline for these Plots. The Section 106 Agreement that forms part of the planning permission includes an alternative phasing option whereby Plot 6 could be developed ahead of Plot 3. However this is scenario is still dependent on the Developer having full control of the Site.
- 6.31 There are no alternative proposals for the regeneration of the Site and no other parties who have demonstrated that they are in a position to deliver the Scheme other than the Developer. The Developer has made clear that it will not commence development until it has full control of the Site. Unless the Order is confirmed, therefore, there is a very significant risk that development of the Site would not proceed at all and thus the regeneration objectives for the Site and surrounding area would not be realised.
- 6.32 The Site is unique in terms of size, scale and location of development. The Site is almost assembled, ready for implementation. It is obvious that the planning objectives for it could not be achieved anywhere else in the Borough.

7. CONSULTATION

7.1 The Council has undertaken a series of consultation exercises in respect of the regeneration and planning policies applicable to the Site and surrounding area. In turn the Developer has carried out consultation in respect of the specific Scheme proposals and there has been statutory consultation on the planning application. Consultation was also undertaken by a previous owner of the Site on a previous scheme and the Council undertook statutory consultation on the previous planning application for comprehensive redevelopment of the Site which was granted planning permission in March 2012 (DC/09/73189).

7.2 There has thus been extensive consultation over a number of years both in respect of the policies and principles underpinning the Scheme through to detailed proposals for the comprehensive redevelopment of the Site.

7.3 Extensive consultation was undertaken by the Developer throughout the pre-application consultation process for the Scheme and meetings took place with a wide range of local groups and relevant stakeholders up until the planning application was submitted in May 2015 which led to the 2016 Permission.

7.4 Specific consultation activities included:

7.4.1 Newsletters

- (A) Over 6,600 newsletters offering information about the Scheme, upcoming events and informing people of how to get involved were distributed locally, ahead of the main public exhibitions.

7.4.2 Posters, flyers and advertisements

- (A) Prior to all events, posters and flyers were distributed to shops and local centres. At the launch of the consultation, an advert was also placed in the Deptford and New Cross South London Press.

7.4.3 Website

www.thewharvesdeptford.com

- (A) The project website was launched in early August 2014. It was regularly updated throughout the consultation process with details of how to get involved, consultation information and a means to leave feedback.

<http://www.homesbylendlease.co.uk/deptford>

- (B) A new website was launched by the Developer in 2016 to coincide with the grant of planning permission for the Scheme.

7.4.4 **One-to one meetings with local groups**

- (A) Co-O Pepys
- (B) Deptford Park Primary School
- (C) Evelyn Ward, Councillor Milne
- (D) Lewisham Indochinese Community Centre
- (E) Riverside Youth Club

7.4.5 **Group sessions**

- (A) Riverside - Young Peoples Session
- (B) FORVIL (Federation of Refugees from Vietnam in Lewisham)

7.4.6 **Local events**

- (A) Evelyn Assembly information stand
- (B) Deptford Park Primary – after school exhibition

7.4.7 **Community reference group**

- (A) The group is made up of local representatives, organisations and interested individuals; its role is to check the consultation, discuss key issues in more depth, raise awareness of the project and help identify where there is opportunity for continued involvement beyond the planning application.

7.4.8 **Public exhibitions**

Public drop-in exhibitions discussed the future of the Site and the Scheme and aimed to inform and gather local knowledge and ideas through specific feedback forms and discussions.

- (A) 2014 Exhibition 1: Saturday 13 September 2014, 10.00am - 4.00pm, Riverside Youth Centre
- (B) 2014 Exhibition 2: Thursday 18 September 2014, 11.00am - 6.00pm, 2000 Community Action Centre
- (C) 2015 Exhibition 1 (with MADCAP fun & games): Saturday 7 March 2015, 10.00am - 4.00pm, Riverside Youth Centre
- (D) 2015 Exhibition 2: Tuesday 10 March 2015, 3.00pm - 8.00pm, 2000 Community Action Centre
- (E) 2015 Exhibition 3: Thursday 12 March 2015, 3.00pm - 8.00pm, 2000 Community Action Centre

7.4.9 Exchange & explore events

- (A) The 'Exchange & Explore' events were an opportunity to provide more information and discuss some of the key areas of local interest in more depth. These events were comprised of both workshop sessions and going 'out and about' to see the Scheme in the context of the local area and visiting nearby community facilities and workspaces.

7.4.10 Group sessions

- (A) Alongside the exhibitions, group sessions were held to discuss the Scheme in more depth.

7.5 The planning application was publicised and consulted upon in accordance with the requirements of the *Town and Country Planning (Development Management Procedure) Order 2015*. In addition, the application was advertised and consulted upon in accordance with the requirements of the Town and Country Planning (Environmental Impact Assessment) Regulations 2011. The required external consultations were undertaken and internal consultations were also carried out with relevant departments at the Council.

7.6 The planning application was advertised in the local paper, with site notices also being displayed and letters sent to approximately 5000 local residents and businesses. The application and associated documents were also posted on the Council's website in the usual way where they remain available.

7.7 The following local societies and groups were consulted:

- (A) Pepys Community Forum
- (B) Riverside Youth Centre
- (C) Deptford Park Primary School
- (D) Lewisham People Before Profit
- (E) Canada Water Consultative Forum

7.8 The following statutory agencies and organisations were consulted:

- (A) **Government Office for London**
- (B) Greater London Authority
- (C) Environment Agency
- (D) Natural England
- (E) Historic England
- (F) Historic England – Archaeology
- (G) London Cycling Network

- (H) Transport for London
- (I) Lewisham Primary Care Trust
- (J) London Wildlife Trust
- (K) Met Police Crime Prevention Unit
- (L) National Grid
- (M) Thames Water
- (N) Health and Safety Executive
- (O) Fire Prevention Group
- (P) London Buses
- (Q) London Wildlife Trust
- (R) London Fire & Emergency Planning Authority
- (S) London Borough of Southwark

7.8 The Council did not receive 10 or more objections to the application and therefore the requirement to hold a public meeting was not triggered under the Council's adopted Statement of Community Involvement. However, given the significance of the development a drop-in session was held on Tuesday 28th July 2015 providing those who had commented on the application the opportunity to review the latest plans and discuss the scheme with the case officer and applicant. The meeting was attended by 6 people. No further written comments were received by the Council.

8. ATTEMPTS TO ACQUIRE BY AGREEMENT

- 8.1 The Developer has been seeking to acquire third party interests by agreement since it first acquired an interest in the Site in 2014. To date, the Developer has engaged in extensive correspondence, and sought to engage, with landowners regarding the acquisition of interests, directly and through its former agents GL Hearn and currently appointed agents Montagu Evans. Correspondence has included emails, telephone calls, agents' meetings and, in some instances, principals' meetings.
- 8.2 GVA have been appointed by the Council to review and advise on the negotiations conducted by the Developer and whether the offers made to landowners are fair and reasonable and as to whether the Developer has made all reasonable endeavours to acquire the remaining interests by negotiation. GVA are also appointed to act, where appropriate, as the Council's representative to negotiate settlements with landowners and others with an interest in the Order Land.
- 8.3 The Developer now owns approximately 95% of the Site's freehold and approximately 60% of the Site's leasehold. The latter will, however, increase substantially in October 2017 when the Veolia lease expires, resulting in the Developer controlling approximately 85 % of the Site's leasehold interests. It is anticipated that in due course, the leasehold and freehold interests acquired by the Developer will merge.
- 8.4 Section 5 of this Statement of Reasons identifies the interests which are required in order to complete land assembly to bring forward the Scheme in its entirety. These interests comprise both freehold and leasehold interests. As explained in Section 5 it is also proposed to include in the Order the land already owned by the Council and the Developer to ensure that any unknown interests which may emerge are secured.
- 8.5 The third party interests in the Site which are included in the Order are as follows:
- 8.5.1 Safestore Limited and Spaces Personal Storage Limited leasehold interests in units 16 and 17 Dragoon Road (Plot 3 within the Order Schedule);
 - 8.5.2 Shell UK Limited freehold and leasehold interest in 101 and 111 Evelyn Street (Plot 7) and adjoining former highway (Plot 9);
 - 8.5.3 London Power Networks plc interest in the site of an electricity substation located on the south side of Oxestalls Road (Plot 15).
- 8.6 The Developer has provided the Council with details of the extent of and current position on negotiations with landowners, together with copies of material correspondence. These negotiations have been undertaken by both the Developer and their advisers, Montagu Evans. The Council and GVA have examined the material provided and are satisfied that the Developer has used reasonable endeavours over a substantial period to acquire the

outstanding interests by negotiation. It is continuing and will continue to try and move those negotiations forward with the support of the Council.

- 8.7 The Council has also written to the landowners encouraging them to negotiate with the Developer and offering to engage with them and to provide formal valuations if they are unable or unwilling to reach agreement with the Developer. Further correspondence and communication has taken place between the Council, Safestore and the Developer, detailed later in this Section. The Developer continues to engage and treat with all the remaining landowners.

Shell UK Limited and Safestore

- 8.8 The largest remaining interests by area yet to be acquired are those vested in Shell UK and Safestore.

Shell

- 8.9 Shell UK Limited (**Shell**) owns the freehold interest of Plot 7 within the Order Schedule which comprises a petrol filling station and ancillary shop at 101 and 111 Evelyn Street. Pursuant to what is understood to be an intercompany arrangement, Shell also holds a leasehold interest in this property which expires in November 2019. The adjoining land shown as Plot 9 on the draft CPO Map is unregistered and is former public highway. It is likely that this land is also owned by Shell by virtue of the presumption that on a stopping up, the half width in a highway reverts to the landowners on either side.

- 8.10 Petrol filling stations are generally categorised as properties which are 'trade-related property' and are often bought and sold having regard to their trading potential. Values are based upon the turnover of the individual station multiplied by an industry standard profit margin and any valuation/offer needs to be informed by the trading figures of the station. Discussions between the Developer and Shell have been ongoing since the Developer first acquired an interest in the Site in 2014. A formal offer was made to Shell in 2014, but was rejected. Negotiations have been hampered by Shell's reluctance to make trading figures available to the Developer and a wish to remain Shell to remain on Site for as long as possible. It is understood that recent discussions have been more productive and the Developer's continuing efforts to reach agreement. The Council will assist where appropriate.

Safestore

- 8.11 The Developer is the freeholder of Plot 3 within the Order Schedule. Plot 3 is leased to Personal Storage Limited and Safestore Limited (these are related companies and are collectively referred to as **Safestore**). Spaces Personal Storage have a head lease and Safestore an under-lease, both expiring in March 2027. The leases are protected within the

provisions of the Landlord & Tenant Act 1954. The premises are operated as a self-storage facility.

8.12 The Developer has been in discussions with Safestore since 2014 and has been exploring a number of different options to facilitate an agreement. Safestore have set out their key requirements in the negotiations. In order of preference, these are:

- Relocation on-site within the new development;
- Relocation off site – within a short geographical radius with main road frontage;
- Extinguishment of the business with compensation – this being the least preferable option for Safestore.

Safestore has further specified a requirement of 50,000 sq ft of self-storage space in respect of any on or off-site facility, preferably all on ground floor, together with continuity of trade to allow them to retain existing customers.

8.13 The Developer has explored the potential to incorporate Safestore into the Scheme. This resulted in two proposals being put forward to Safestore - 10,000 sq ft within the podium of a building in Plot 5 (in Phase 3) or 36,000 sq ft over five floors in the commercial building in Plot 6. Both options were rejected by Safestore as being unfeasible and uneconomic, due to neither meeting any of their requirements as set out above.

8.14 Safestore requested that the Developer revisit its proposals, in particular the feasibility of accommodating Safestore at ground and basement levels within Plot 5, and proposed a design to the Developer. This has been rejected by the Developer on the basis of design/technical, commercial and planning reasons.

8.15 The Council has also engaged with Safestore, both individually and with the Developer to help try and facilitate agreement between the parties. The Council has also given Safestore details of its own landholdings in the immediate area as possible relocation sites, but mainly due to size, none of these were deemed to meet Safestore's requirements. At meetings and in correspondence, the planning and technical issues and risks associated with re-designing a self-storage facility into the Scheme have been raised with Safestore. The principal issues are:

- Use – A 50,000 sq ft B8 self-storage facility would occupy almost half the floorspace allocated to non-residential uses (and equivalent to three-quarters of the dedicated B1 space) within the Scheme. This would have significant implications for the mix of uses on the site as well as the potential employment opportunities given the much lower employment levels associated with B8 floorspace compared in particular to B1 office space as well as with the other non-residential uses approved on the site. The Council would be highly unlikely to support the inclusion of B8 use at the expense of the mix of other uses permitted.

- Design – all business space in the development needs to be designed to allow flexibility between uses. A self-storage unit is not easily convertible to another commercial use, if designed to the usual self-storage specification. Further, it would need to be demonstrated that the design and operation of the facility would complement and not harm the amenity of residents.
- Floor Levels and Basement – planning policy supports active ground floor uses such as retail and small-scale business space over inactive uses and the Council is unlikely to support changes that reduce active frontages on the Site. The Scheme does not include basements anywhere in the development due to the significant cost of excavating and constructing a basement level, including dealing with site contamination issues. In addition, there are flood risk and feasibility implications associated with the Site's location close to the River Thames.
- Highways and Access – any self-storage facility would need to operate (with reference to vehicle movements) in a way that does not harm the amenities of other occupiers on site;
- Cost and s106 Implications – the Council is unlikely to support changes or amendments to the scheme which either result in the loss of other uses, or negatively impact the delivery of affordable housing.

8.16 In early 2016, the Developer instructed a firm of independent property agents (Strettons) to conduct a land search in the Deptford area, based on Safestore's requirements set out above. Further searches were also undertaken by the Developer's commercial agent – Union Street Partners. These searches identified three potential opportunities, of which only one – 1-5 Blackhorse Road – had the potential to meet Safestore's requirements. Whilst Safestore raised a number of concerns as to its suitability, it nevertheless agreed to submit a joint offer with the Developer to the landowner. The landowner rejected the offer. More recently, Safestore have significantly reduced the amount they are willing to contribute to the offer, making a higher financial offer for the site unviable from the Developer's perspective. Whilst the parties are continuing to engage, as things stand 1-5 Backhorse Road is not a viable relocation option.

8.17 Safestore and the Developer also pursued the opportunity at Trophy House on Evelyn Street in close proximity to the Site, but this was ultimately unsuccessful, and is now being built out for self-storage use by another operator.

8.18 Throughout this time, the Developer has also continued to submit offers for Safestore's leasehold interests. The valuation of these offers reflects the level of company-wide net operating profit, as advised by Safestore, the 10-year unexpired term and, the level of rental outgoings payable in accordance with the terms of the lease. The Developer has also offered to pay Safestore a premium for early surrender of the lease and vacant possession. All offers

submitted have been rejected by Safestore, both on the basis that they do not want to negotiate extinguishment of the business but a relocation, and also in their opinion that the figures submitted by the Developer do not represent the value of the business. The Developer has requested on numerous occasions that Safestore provide official trading figures for the facility. Although this has been provided verbally (as noted above), Safestore have to-date declined to provide this information in writing.

- 8.19 CPO Guidance provides that there should be constructive engagement with claimants regarding relocation issues, including offering advice and assistance about the availability of relocation properties where appropriate. Whilst there is no express obligation to explore whether substantive changes could be made to a scheme to accommodate an existing occupier, in the present case, the Council considers that the Developer has made reasonable efforts to establish whether a replacement Safestore facility could feasibly be incorporated into the Scheme. Due to the scale and nature of Safestore's operation and their requirement to continue trading without interruption, this does not appear to be achievable.
- 8.20 The Council also considers that reasonable efforts have been made with regard to off-site provision and to reach a negotiated settlement.

Other Interests

- 8.21 Veolia ES (UK) Limited has a leasehold interest in units A, B, C and D in New Baltic Wharf, Oxestalls Road (Plot 8). The Developer and Veolia have agreed the surrender of the leasehold interest and compensation being paid in accordance with the Landlord and Tenant Act 1954. The Developer will take possession of the land when the lease expires in October 2017.
- 8.22 London Power Networks plc has an interest in the site of an electricity substation located on the south side of Oxestalls Road (Plot 15). The substation is redundant and is going to be decommissioned. The Developer has been in contact with London Power Networks and it is expected that agreement will be reached as a 'project' cost in delivering the Scheme. The interest is, however, included in the Order to ensure the land is secured for the Scheme.
- 8.23 GVA have advised the Council and the Council agreed that the Developer have made all reasonable steps to acquire the remaining interests by negotiation and that the offers made by the Developer are fair and represent market value.

9. THE CASE FOR COMPULSORY PURCHASE

- 9.1 As explained in section 2 of this Statement of Reasons, the Order Land is located toward the northern boundary of the London Borough of Lewisham approximately 350m south west of the River Thames.
- 9.2 The Site comprises a mix of predominantly commercial and industrial buildings of no unified form of design. The Site is currently under-utilised and the majority of buildings are vacant and, given their age and deteriorating condition, are considered to have little, if any, potential for re-use, with the exception of the Victoria public house, which will be restored and retained.
- 9.3 The Index of Multiple Deprivation which looks at a range of indicators covering income, employment, health, education, training, skills, living conditions and access to services saw Lewisham ranked as the 48th most deprived local authority area in England with some neighbourhoods in Lewisham ranked in the 10% most deprived areas in England . The Site, and its immediate neighbourhood are ranked in the 20% most deprived.
- 9.4 The area within which the Order Land is located suffers from serious physical, social and economic deprivation. Lewisham is particularly deprived in terms of the “barriers to housing and services” element of the deprivation index but crime, employment, health, income and living environment are also local challenges. A large proportion of households live in overcrowded homes: Evelyn and neighbouring New Cross wards have the highest rates of overcrowding in Lewisham.
- 9.5 In response, the Core Strategy seeks to promote social inclusion and strengthen the quality of life and well-being for new and existing residents of the Borough by addressing deprivation and health inequalities in Evelyn and other more deprived parts of the Borough, creating safer and stronger communities by reducing crime and fear of crime through innovative design and land use policies, as well as providing physical, social and green infrastructure including high quality health and education facilities that are accessible.
- 9.6 As outlined in section 4 of this Statement of Reasons, the policy framework applicable to the Order Land includes the London Plan, the Core Strategy and the NPPF.
- 9.7 The NPPF provides a presumption in favour of sustainable development where, economic, social and environmental gains should be sought jointly and simultaneously through the planning system. Paragraph 49 of the NPPF specifically states that ‘housing applications should be considered in the context of the presumption in favour of sustainable development’. Planning should operate to encourage and not act as an impediment to sustainable growth. Good design is indivisible from good planning and should contribute positively to making places better for people.
- 9.8 The Site falls within the South East London Sub-Region, where policy seeks to encourage new development that underpins the sub-region's dynamism and potential, and delivers the

priority for delivering regeneration and transport improvements and links from the capital and the Thames Gateway. The London Plan encourages the Council to accommodate substantial growth for London's economy and population, whilst optimising the development of Opportunity Areas and ensuring that housing provision is supported by social and community infrastructure. The Site is located within/adjacent to Opportunity Areas 9 (Deptford Creek /Greenwich Riverside) and 20 (Lewisham, Catford and New Cross).

- 9.9 The Spatial Strategy within the Core Strategy identifies four Regeneration and Growth Areas where the majority of the Borough's new housing, retail and employment uses will be focused. The Regeneration and Growth Areas will provide key regeneration and development opportunities and provide a clear basis and focus for new homes and jobs which contribute to local regeneration, thus addressing deprivation and improving social inclusion. Deptford, Deptford Creekside and New Cross/New Cross Gate is one of the four Regeneration and Growth Areas where the scale of change will be most pronounced in this part of the Borough and has the potential for long term physical and socio-economic benefits. It is considered to be a prime location for delivering a substantial portion of the identified housing need and required employment floorspace within the Borough and is proposed to accommodate 2,300 new homes by 2016 and a further 8,325 new homes by 2026.
- 9.10 Spatial Policy 2 within the Core Strategy identifies five strategic sites which are to act as a catalyst for regeneration of the area. The Site is one of such strategic sites. Strategic Site Allocation 4 (**SSA4**) within the Core Strategy identifies the Site for comprehensive mixed use development and sets out specific requirements for a comprehensive phased approach to redevelopment.
- 9.11 The purpose for which the Order Land is required is considered to meet the objectives of the London Plan, Core Strategy and the NPPF and fits within the adopted/applicable planning framework for the area within which the Order Land and the Site are situated. The 2016 Planning Permission was granted against this background. The 2017 Amendments do not impact on this policy context.
- 9.12 The Order Land is required to facilitate the comprehensive delivery of the Scheme which in turn is considered to deliver a number of significant social, economic and environmental benefits. These are described in detail in section 3 of this Statement of Reasons.
- 9.13 The Developer, with the Council's assistance, has used and continues to use all reasonable efforts to acquire all interests on the Site. However, it has become apparent to the Council that it will not be possible to acquire all of the interests required for the Scheme by agreement so as to enable the Scheme to be delivered within a reasonable timescale. The use of compulsory powers is therefore required in order to acquire all the land and rights needed for the Scheme. Efforts to acquire interests by agreement will continue notwithstanding the making of the Order.

- 9.14 Section 6 of this Statement of Reasons addresses the question of delivery of the Scheme and the likelihood of it coming forward within a reasonable timescale. For the reasons given in Section 6, the Council has concluded that the development would be viable, has a clear and achievable delivery strategy and that the necessary resources, including funding, will be available to achieve the purpose of the Order within a reasonable timescale.
- 9.15 As is explained in this Statement of Reasons, the developer will not proceed with the Scheme unless it has full control of the entire Site. The Safestore land straddles Plots 1 and 3 and the Shell land occupies part of Plot 5. Plot 1 provides 218 dwellings and 765m² of commercial space and Plot 3 provides 153 dwellings and 3,959m² of commercial space. Together these Plots will deliver 33% of the total residential units in the Scheme including 47% of the affordable homes. Plots 1 and 3 also provide 49% of the total commercial floorspace within the Scheme. Plot 5 provides around 30,500 square metres of residential floorspace and up to around 635 square metres of flexible commercial floorspace. This represents around 27% of the residential floorspace and 7% of the commercial space in the development.
- 9.16 Unless the Developer has full control of the whole Site, the Scheme will not proceed. Thus, unless the Shell interests are acquired, the comprehensive Scheme cannot be delivered. In respect of the Safestore land, the leasehold interests expire in October 2027 at which date (assuming successful opposition to the grant of new leases) the land would revert to the Developer. Accordingly, the Developer would obtain full control of this land. If, however, the Shell land is acquired but not the Safestore land then commencement of the development would be delayed by 9-10 years until the Safestore's leases expire. Even assuming that comprehensive development remains deliverable in 10 years' time, there would be a twelve year plus delay in completing such development and in achieving the economic, social and housing benefits that the Scheme delivers.
- 9.17 Accordingly, all of the land not currently under the Developer's control is required if delivery of the comprehensive Scheme is to be secured. This will enable:
- the comprehensive development of the Site;
 - the timely development of the Site;
 - the delivery of the land use requirements for the Site;
 - the delivery of the masterplan vision for the Site.
- 9.18 As set out in Section 10 of this Statement of Reasons, the Council has had full regard to the Human Rights implications of pursuing the Order and taken into account the economic wellbeing of the locality in terms of regeneration, housing need, sustainable communities and environmental improvements and has carefully considered the balance to be struck between individual rights and the wider public interest. In this instance, the Council considers that the Order is required in the public interest and is consistent with the ECHR and 1998

Act in that the public purpose of securing the Order Land for the Scheme and concomitant economic, social and environmental benefits are of sufficient weight to override the interference with human rights that the Order necessarily involves, and that compulsory acquisition is necessary to achieve that purpose. It is also considered that the Order is proportionate having regard to the lack of alternative means of securing the redevelopment of the Order Land and the associated regeneration of the area.

- 9.19 The Council has further given consideration to the Equalities Act implications of the Scheme and has concluded that the Scheme would not have an impact on person with protected characteristics/protected groups.
- 9.20 In all the circumstances, the Council considers there is a compelling case in the public interest for compulsory acquisition of the outstanding interests in the Site.

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10. HUMAN RIGHTS

- 10.1 The European Convention on Human Rights (“the Convention”) was incorporated into domestic law in England and Wales by the Human Rights Act 1998 (“the 1998 Act”). The 1998 Act prevents public authorities from acting in a way which is incompatible with rights protected by the Convention.
- 10.2 The CPO Guidance advises that “a compulsory purchase order should only be made where there is a compelling case in the public interest. An acquiring authority should be sure that the purposes for which the compulsory purchase order is made justify interfering with the human rights of those with an interest in the land affected. Particular consideration should be given to the provisions of Article 1 of the First Protocol to the European Convention on Human Rights, and in the case of a dwelling, Article 8 of the Convention”. There are no longer any residential occupiers within the Site and Article 8 is not considered to be engaged in this case.
- 10.3 Article 6 of the Convention is also relevant regarding entitlement to a fair and public hearing by an independent and impartial tribunal. As regards Article 6 rights the Scheme has been publicised and consultation has taken place with parties potentially affected by the Order. All those parties whose interests are identified and included in the Order will be notified and have the right to make objections or other representations to the Secretary of State for Communities and Local Government and to be heard at a public inquiry or by means of written representations. The statutory process and right for affected parties to pursue remedies in the High Court where appropriate, are compliant with Article 6.
- 10.4 Article 1 of Protocol 1 provides that every natural or legal person is entitled to the peaceful enjoyment of his possessions. The right is qualified to the effect that no one is to be deprived of his possessions except in the public interest and subject to the conditions provided for by law and by the general principles of international law. Further, the right does not in any way impair the right of a state to enforce such laws as it deems necessary to control the use of property in accordance with the general interest.
- 10.5 In determining the level of permissible interference, the courts have held that any interference must achieve a fair balance between the general interests of the community and the protection of the rights of individuals – there must be reasonable proportionality between the means employed and the aim pursued. The availability of statutory compensation to affected persons is relevant in assessing whether a fair balance has been struck. Case law in a compulsory purchase context has determined that there is no requirement to set out in any formulaic way the extent to which individual human rights are interfered with, and that the necessary human rights balancing exercise is encompassed by the test of a compelling case in the public interest.

10.6 If the Order is made and confirmed, this will result in the taking of property and the rights of Shell, Safestore and London Power Networks will be interfered with. Compensation will then be payable in accordance with the law, including compensation for property on the basis of the market value of the interest acquired, together with disturbance and , statutory loss payments. The nature of the properties/occupations involved is set out elsewhere in this Statement of Reasons. The Council has carefully considered the balance to be struck between individual rights and the wider public interest and have also had regard to whether there are any alternative means of securing the redevelopment of the Order Land and the associated regeneration of the area. Officers have concluded the interference with the rights of Shell, Safestore and London Power Networks is proportionate when weighed against the significant benefits which will be delivered by the Scheme for the Borough and the wider community as set out in this Report and the draft SoR.

11. EQUALITIES CONSIDERATIONS

- 11.1 The Equality Act 2010 (**the 2010 Act**) consolidated all previous equality legislation in England, Scotland and Wales. The 2010 Act also includes a new public sector equality duty (the equality duty or the duty), replacing the separate duties relating to race, disability and gender equality. The duty came into force on 6 April 2011. The duty covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation. The CPO Guidance re-iterates that acquiring authorities must have regard to the effect of any differential impacts on groups with protected characteristics.
- 11.2 In summary, a public authority in the exercise of its functions must have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act;
 - advance equality of opportunity between people who share a protected characteristic and those who do not;
 - foster good relations between people who share a protected characteristic and those who do not.
- 11.3 Displacement of existing occupiers of industrial units and commercial activity on the Site through acquisition compulsorily or by agreement may lead to relevant equalities impacts where/if business occupiers have protected characteristics and are required to move off-site. However, a large part of the Site is now vacant. As indicated elsewhere in this Report, those remaining on the Site comprise Shell and Safestore (the latter being a reference to both Spaces Personal Storage Limited and Safestore Personal Storage Limited which are related companies) which provides generic storage services. Shell is a multinational business and this was a service station location. Veolia (due to vacate the Site in October) is a multinational business providing environmental and waste services.
- 11.4 The Developer has appointed Quod to appraise those elements of the development where protected groups or protected characteristics may be affected – or have the potential to be affected – by the Scheme, including both positive and negative effects. Quod have reported that there is no reason to believe that any of the businesses affected by the Order are owned by, or provide specific services to, people with ‘protected characteristics’, or that differential impacts might occur. Overall, Quod consider that the Scheme would not have a negative impact on protected groups or characteristics. The Council agrees.
- 11.5 The Scheme has been planned and designed to provide an inclusive environment. The delivery of homes, employment space, public realm and neighbourhood facilities will have beneficial effects on the local community of existing and new residents, employees and

visitors, including those with protected characteristics and significant benefits are likely to be provided to protected groups through the creation of jobs that meet a range of skill profiles and flexibility needs and new homes including affordable homes.

- 11.6 The Developer has - and will continue to - engage with both tenants and land owners to inform them of the proposed time frame of development and the likely timescales for the relevant phase that their units fall within to ensure that they can manage their business and property matters and the Council will continue to liaise with the Developer and provide support and assistance to occupiers as appropriate.

12. **ENQUIRIES**

- 12.1 Information about the Scheme and the Order is available on the Council's website at:

- 12.2 Further information about the Scheme is also available at

<http://www.thewharvesdeptford.com>

- 12.3 The Order documents can be inspected during normal office hours at:

APPENDIX A

CPO MAP

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APPENDIX B

LOCATION MAP

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APPENDIX C

CPO ORDER SCHEDULE

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APPENDIX D

REGENERATION STATEMENT AND EQUALITIES IMPACT ASSESSMENT

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APPENDIX E

PLANNING POLICIES

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London Plan (March 2016)

In March 2016 the London Plan (Consolidated with Alterations since 2011) was adopted. The policies of relevance to the Site and Scheme are:

- Policy 1.1 Delivering the strategic vision and objectives for London
- Policy 2.3 Growth areas and coordination corridors
- Policy 2.13 Opportunity areas and intensification areas
- Policy 2.14 Areas for regeneration
- Policy 2.18 Green infrastructure: the multi-functional network of green and open spaces
- Policy 3.1 Ensuring equal life chances for all
- Policy 3.2 Improving health and addressing health inequalities
- Policy 3.3 Increasing housing supply
- Policy 3.4 Optimising housing potential
- Policy 3.5 Quality and design of housing developments
- Policy 3.6 Children and young people's play and informal recreation facilities
- Policy 3.7 Large residential developments
- Policy 3.8 Housing choice
- Policy 3.9 Mixed and balanced communities
- Policy 3.11 Affordable housing targets
- Policy 3.12 Negotiating affordable housing on individual private residential and mixed use schemes
- Policy 3.14 Existing housing
- Policy 3.16 Protection and enhancement of social infrastructure
- Policy 3.17 Health and social care facilities
- Policy 3.18 Education facilities
- Policy 3.19 Sports facilities
- Policy 4.1 Developing London's economy
- Policy 4.3 Mixed use development and offices
- Policy 4.4 Managing industrial land and premises
- Policy 4.5 London's visitor infrastructure
- Policy 4.6 Support for and enhancement of arts, culture, sport and entertainment provision
- Policy 4.7 Retail and town centre development
- Policy 4.8 Supporting a successful and diverse retail sector and related facilities and services
- Policy 4.9 Small shops
- Policy 4.12 Improving opportunities for all
- Policy 5.1 Climate change mitigation
- Policy 5.2 Minimising carbon dioxide emissions
- Policy 5.3 Sustainable design and construction
- Policy 5.4 Retrofitting
- Policy 5.4 Electricity and Gas Supply
- Policy 5.5 Decentralised energy networks

Policy 5.6 Decentralised energy in development proposals

Policy 5.7 Renewable energy

Policy 5.8 Innovative energy technologies

Policy 5.9 Overheating and cooling

Policy 5.10 Urban greening

Policy 5.11 Green roofs and development site environs

Policy 5.12 Flood risk management

Policy 5.13 Sustainable drainage

Policy 5.14 Water quality and wastewater Infrastructure

Policy 5.15 Water use and supplies

Policy 5.16 Waste net self-sufficiency

Policy 5.17 Waste capacity

Policy 5.18 Construction, excavation and demolition waste

Policy 5.21 Contaminated land

Policy 6.1 Strategic approach

Policy 6.2 Providing public transport capacity and safeguarding land for transport

Policy 6.3 Assessing effects of development on transport capacity

Policy 6.4 Enhancing London's transport connectivity

Policy 6.7 Better streets and surface transport

Policy 6.9 Cycling

Policy 6.10 Walking

Policy 6.11 Smoothing traffic flow and tackling congestion

Policy 6.12 Road network capacity

Policy 6.13 Parking

Policy 7.1 Lifetime neighbourhoods

Policy 7.2 An inclusive environment

Policy 7.3 Designing out crime

Policy 7.4 Local character

Policy 7.5 Public realm

Policy 7.6 Architecture

Policy 7.7 Location and design of tall and large buildings

Policy 7.8 Heritage assets and archaeology

Policy 7.10 World Heritage Sites

Policy 7.11 London View Management Framework

Policy 7.13 Safety, security and resilience to emergency

Policy 7.14 Improving air quality

Policy 7.15 Reducing and managing noise, improving and enhancing the acoustic environment and promoting appropriate soundscapes

Policy 7.18 Protecting open space and addressing deficiency

Policy 7.19 Biodiversity and access to nature

Policy 8.1 Implementation

Policy 8.2 Planning obligations

Policy 8.3 Community infrastructure levy

London Plan Supplementary Planning Guidance (SPG)

The Mayor of London's SPG's/SPD's of relevance to the Site and Scheme are:

Accessible London: Achieving an Inclusive Environment (2014)

Sustainable Design and Construction (2014)

Housing (2012)

Land for Industry and Transport (2012)

Shaping Neighbourhoods: Play and Informal Recreation (2012)

London View Management Framework (2012)

East London Green Grid Framework (2008)

Planning for Equality and Diversity in London (2007)

London Plan Best Practice Guidance

The London Plan Best Practice Guidance's of relevance to the Site and Scheme are:

Wheelchair Accessible Housing (2007)

Health Issues in Planning (2007)

Managing the Night Time Economy (2007)

Control of dust and emissions from construction and demolition (2006)

Development Plan Policies for Biodiversity (2005)

Lewisham Core Strategy

The Core Strategy was adopted by the Council at its meeting on 29 June 2011. The Core Strategy, together with the Site Allocations, the Lewisham Town Centre Local Plan, the Development Management Local Plan and the London Plan is the Borough's statutory development plan. Strategic objectives, spatial policies and cross cutting policies of relevance to the Site and Scheme are:

Spatial Policy 1 Lewisham Spatial Strategy

Spatial Policy 2 Regeneration and Growth Areas

Core Strategy Policy 1 Housing provision, mix and affordability

Core Strategy Policy 3 Strategic Industrial Locations and Local Employment Locations

Core Strategy Policy 4 Mixed Use Employment Locations

Core Strategy Policy 5 Other employment locations

Core Strategy Policy 6 Retail hierarchy and location of retail development

Core Strategy Policy 7 Climate change and adapting to the effects

Core Strategy Policy 8 Sustainable design and construction and energy efficiency

Core Strategy Policy 9 Improving local air quality
Core Strategy Policy 10 Managing and reducing the risk of flooding
Core Strategy Policy 12 Open space and environmental assets
Core Strategy Policy 13 Addressing Lewisham's waste management requirements
Core Strategy Policy 14 Sustainable movement and transport
Core Strategy Policy 15 High quality design for Lewisham
Core Strategy Policy 17 The protected vistas, the London panorama and local views, landmarks and panoramas
Core Strategy Policy 18 The location and design of tall buildings
Core Strategy Policy 19 Provision and maintenance of community and recreational facilities
Core Strategy Policy 20 Delivering educational achievements, healthcare provision and promoting healthy lifestyles
Core Strategy Policy 21 Planning obligations
Strategic Site Allocation 1 Requirements for strategic site allocations
Strategic Site Allocation 4 Oxestalls Road

Development Management Local Plan

The Development Management Local Plan was adopted by the Council at its meeting on 26 November 2014. Policies of relevance to the Site and Scheme are:

DM Policy 1 Presumption in favour of sustainable development
DM Policy 2 Prevention of loss of existing housing
DM Policy 7 Affordable rented housing
DM Policy 9 Mixed use employment locations
DM Policy 10 Local Employment Locations (LEL)
DM Policy 11 Other employment locations
DM Policy 17 Restaurants and cafés (A3 uses) and drinking establishments (A4 uses)
DM Policy 18 Hot food take-away shops (A5 uses)
DM Policy 19 Shopfronts, signs and hoardings
DM Policy 20 Public houses
DM Policy 22 Sustainable design and construction
DM Policy 23 Air quality
DM Policy 24 Biodiversity, living roofs and artificial playing pitches
DM Policy 25 Landscaping and trees
DM Policy 26 Noise and vibration
DM Policy 27 Lighting
DM Policy 28 Contaminated land
DM Policy 29 Car parking
DM Policy 30 Urban design and local character
DM Policy 31 Alterations/extensions to existing buildings

DM Policy 32 Housing design, layout and space standards

DM Policy 33 Development on infill sites, backland sites, back gardens and amenity areas

DM Policy 35 Public realm

DM Policy 37 Non designated heritage assets including locally listed buildings, areas of special local character and areas of archaeological interest

DM Policy 40 Public conveniences

DM Policy 41 Innovative community facility provision

DM Policy 42 Nurseries and childcare

DM Policy 43 Art, culture and entertainment facilities

Residential Standards Supplementary Planning Document (August 2006)

Guidance and standards relating to design, sustainable development, renewable energy, flood risk, sustainable drainage, dwelling mix, density, layout, neighbour amenity, the amenities of the future occupants of developments, safety and security, refuse, affordable housing, self-containment, noise and room positioning, room and dwelling sizes, storage, recycling facilities and bin storage, noise insulation, parking, cycle parking and storage, gardens and amenity space, landscaping, play space, Lifetime Homes and accessibility, and materials.

Planning Obligations Supplementary Planning Document (February 2015)

Guidance and standards relating to the provision of affordable housing within the Borough and provides detailed guidance on the likely type and quantum of financial obligations necessary to mitigate the impacts of different types of development.

APPENDIX F

SCHEME LAYOUT (ILLUSTRATIVE)

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APPENDIX G

PHASING AND PLOTS PLAN

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APPENDIX H

FUNDING AND DELIVERY STATEMENT

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MAP REFERRED TO IN THE LONDON BOROUGH OF LEWISHAM
(DEPTFORD WHARVES) COMPULSORY PURCHASE ORDER 2017

Key:



Land to be Acquired



Date: 18th May 2017

Scale: 1:1250@A3

Version: 2.0

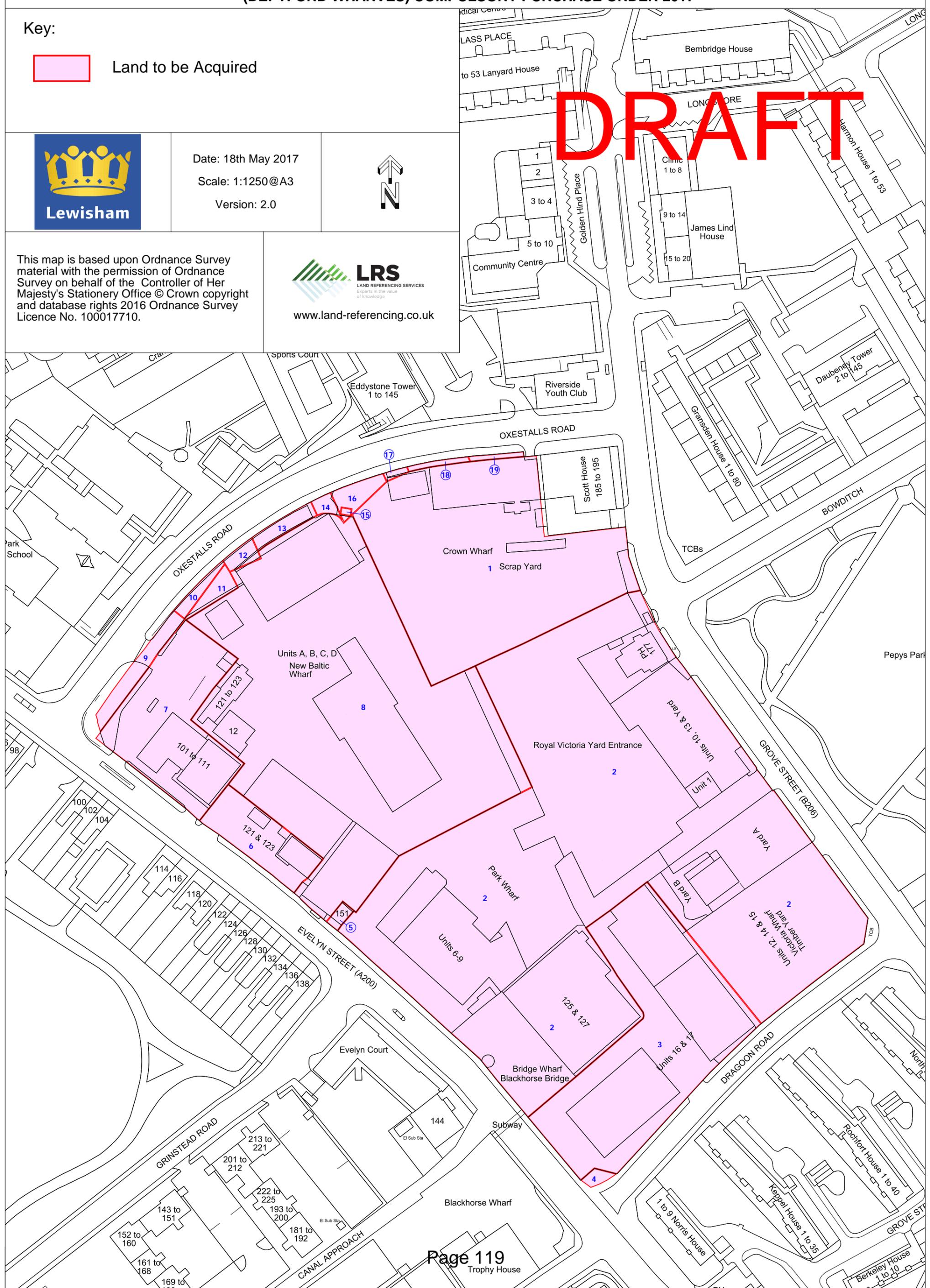


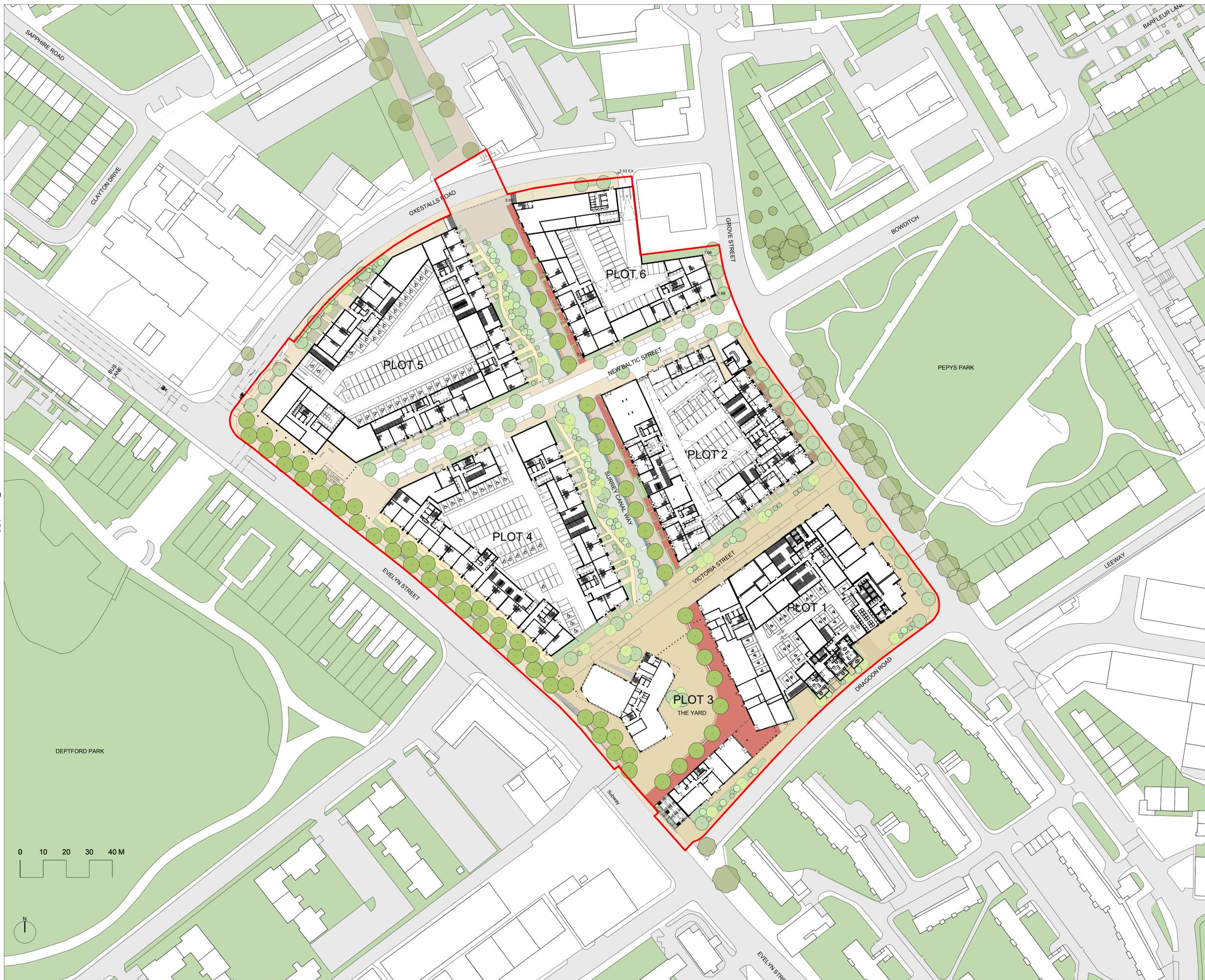
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www.land-referencing.co.uk

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Lend Lease Lend Lease 20 Triton Street, Regent's Place, NW1 3BF 020 7430 9000	CLIENT
HawkinsBrown 159 St John Street EC1V 4JQ 020 7336 8000	ARCHITECT
h+k HQ Qua, 90 Whitefield Street, W11 4EZ 020 7888 5197	ARCHITECT
AECOM	STRUCTURAL ENGINEER
AECOM	BUILDING SERVICES ENGINEER
pba peterdrett	LANDSCAPE ARCHITECT
pba peterdrett	INFRASTRUCTURE

Notes

- Please refer to separate accommodation schedules for detailed breakdown.
- Please refer to Design and Access Statement for further information.
- The non-residential layouts are indicative only and will be subject to individual tenures / occupier requirements.
- The internal layouts within the apartments will be subject to design development. The precise location of walls and internal doors, and the detailed layouts of kitchens and bathrooms will be the subject of non-material changes and may vary from internal layouts set out in these plans. These minor adjustments will not affect the position and arrangement of external floors and windows nor will they affect the relative relationship between habitable rooms and windows.
- Information for outline plots (4-6) are indicative only and subject to future applications.

Revisions

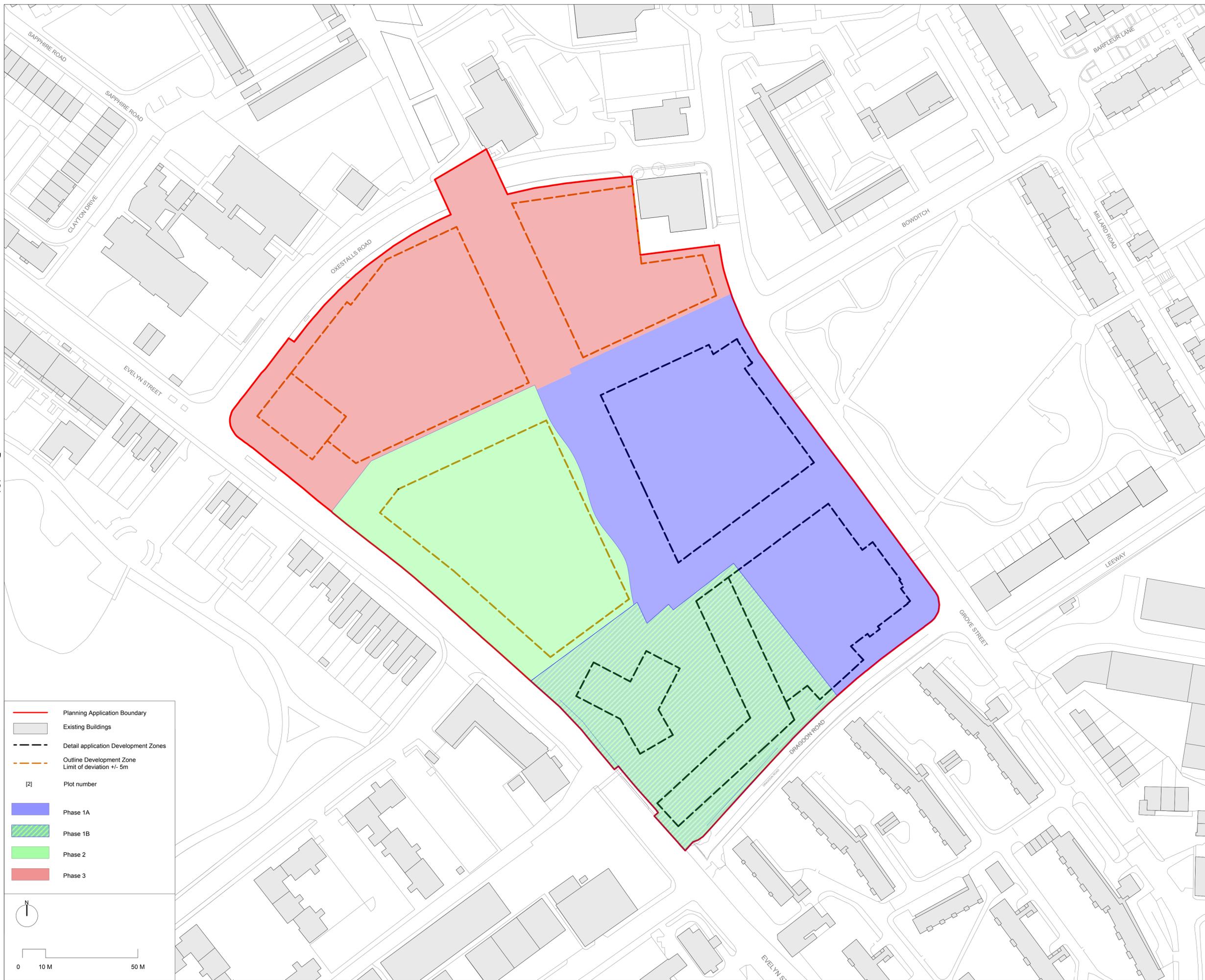
Date	Rev	Note
08.05.15	01	Planning
31.07.15	02	Amendments to Plot 1
20.01.17	03	Revision

Lend Lease
Wharves Deptford

Key Plan

Drawing
Proposed Site Wide Ground Floor Plan

Author	HawkinsBrown
Scale	1:750 @ A1
Date	May 2015
Job Number	150500
Status	Planning
Drawing No.	HKB-DEPT-MP-06-SIT-002



Lend Lease Lend Lease 20 Triton Street, Regent's Place, NW1 3BF 020 7430 9000	CLIENT Lend Lease 20 Triton Street, Regent's Place, NW1 3BF 020 7430 9000
HawkinsBrown 159 St. John Street Leeds LS2 7BS 8001	ARCHITECT HawkinsBrown 159 St. John Street, EC1V 4QJ 020 7336 8030
h+k	ARCHITECT HOK Qua, 30 Whitefield Street, W11 4EZ 020 7888 5197
AECOM	STRUCTURAL ENGINEER AECOM St George's House, 5 St George's Road, SW19 4DR 020 7963 9800
AECOM	BUILDING SERVICES ENGINEER AECOM 6-8 Greencoat Place, SW1P 1PL 020 7789 5000
VOGT	LANDSCAPE ARCHITECT Vogt Landscape Ltd 19A Perseverance Works, 38 Kingsland Road, E2 8DD 020 3301 6451
pba peterolett	INFRASTRUCTURE Peter Street Associates Calcraft House, 39-41 Bank Street, TN23 1DQ 01233 651 192

Notes

Revisions

Date	Rev	Note
08.05.15	01	Planning

Lend Lease
Wharves Deptford

Key Plan

Drawing
Parameter Plan
Phasing

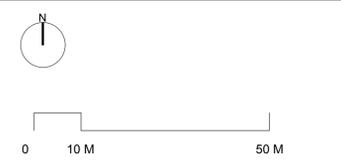
Author
Hawkins\Brown

Scale 1:750 @ A1 1:1500 @ A3	Date May 2015
---------------------------------	------------------

Job Number 150500	Status For Planning
----------------------	------------------------

Drawing No. & Revision
HKB-DEPT-PA-06-SIT-008

- Planning Application Boundary
- Existing Buildings
- Detail application Development Zones
- Outline Development Zone
Limit of deviation +/- 5m
- [2] Plot number
- Phase 1A
- Phase 1B
- Phase 2
- Phase 3



THE PROPOSED LONDON BOROUGH OF LEWISHAM (DEPTFORD WHARVES)
COMPULSORY PURCHASE ORDER 2017

THE LONDON BOROUGH OF LEWISHAM (DEPTFORD WHARVES) COMPULSORY PURCHASE ORDER 2017

The Town and Country Planning Act 1990
and the Acquisition of Land Act 1981

The London Borough of Lewisham (in this order called the "acquiring authority") makes the following order –

1. Subject to the provisions of this order, the acquiring authority is under section 226(1)(a) of the Town and Country Planning Act 1990 hereby authorised to purchase compulsorily the land for the purpose of facilitating the carrying out of development, redevelopment or improvement on or in relation to the land comprising the phased demolition of remaining existing buildings, the construction of up to 1,132 residential units, the provision of flexible commercial floorspace (Use Class B1), complementary retail floorspace (Use Classes A1 to A5), leisure and community facilities (Use Classes D1/D2), landscaping/public realm, parking and associated works, which is likely to contribute to the achievement of the promotion or improvement of the economic, social or environmental well-being of the acquiring authority's area..

2. The land authorised to be purchased compulsorily under this order is the land described in the Schedule and delineated and shown shaded pink on a map prepared in duplicate, sealed with the common seal of the acquiring authority and marked "Map referred to in the London Borough of Lewisham (Deptford Wharves) Compulsory Purchase Order 2017".

THE SCHEDULE

Table 1

Number on map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 – Name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
1	All interests in approximately 5,783 square metres of land and commercial premises known as Crown Wharf, Grove Street, London except those owned by Lend Lease Deptford Limited	Lend Lease Deptford Limited 20 Triton Street Regent's Place London NW1 3BF (LN63478 and SGL159270)	–	–	Unoccupied
2	All interests in approximately 19,543 square metres of land and commercial premises known as the Victoria Public House, 177 Grove Street, Units 10, 13 and Yard, Yard A, Yard B, Units 12, 14 and 15 Victoria Wharf Timber Yard, Grove Street (B206), 125 and 127 and Units 6 to 9 Park Wharf, Evelyn Street (A200), London except those owned by Lend Lease Deptford Limited	Lend Lease Deptford Limited 20 Triton Street Regent's Place London NW1 3BF (TGL214423)	–	–	Unoccupied
3	All interests in approximately 4,454 square metres of land and commercial premises known as Units 16 and 17, Dragoon Road, London except those owned by Lend Lease Deptford Limited	Lend Lease Deptford Limited 20 Triton Street Regent's Place London NW1 3BF (TGL214423)	Spaces Personal Storage Limited c/o Safestore Holdings Limited Brittanic House Stirling Way Borehamwood WD6 2BT (TGL202127) Safestore Limited Brittanic House Stirling Way Borehamwood WD6 2BT (TGL333336)	–	Spaces Personal Storage Limited c/o Safestore Holdings Limited Brittanic House Stirling Way Borehamwood WD6 2BT Safestore Limited Brittanic House Stirling Way Borehamwood WD6 2BT

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THE SCHEDULE

Table 1 (cont'd)

Number on map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 – Name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
4	All interests in approximately 55 square metres of part of public adopted highway known as Dragoon Road, London, except those owned by the acquiring authority or Lend Lease Deptford Limited	London Borough of Lewisham Laurence House 1 Catford Road Old Town Hall Rushey Green London SE6 4RU (SGL407816)	–	–	London Borough of Lewisham Laurence House 1 Catford Road Old Town Hall Rushey Green London SE6 4RU (as highways authority)
5	All interests in approximately 56 square metres of residential premises and yard known as 151 Evelyn Street (A200), London except those owned by Lend Lease Deptford Limited	HTH Properties Limited 8B Ellingfort Road London E8 3PA (442984)	–	–	Unknown
6	All interests in approximately 815 square metres of land and commercial premises known as 121 and 123 Evelyn Street (A200), London except those owned by Lend Lease Deptford Limited	Lend Lease Deptford Limited 20 Triton Street Regent's Place London NW1 3BF (TGL214423)	Petrit Lekaj 121-123 Evelyn Street London SE8 5RJ (TGL202479)	–	Petrit Lekaj 121-123 Evelyn Street London SE8 5RJ
7	All interests in approximately 2,209 square metres of land and commercial premises known as Shell Parkside Garage, 101 to 111 (odd) Evelyn Street (A200), London except those owned by Lend Lease Deptford Limited	Shell U.K. Limited Shell Centre York Road London SE1 7NA (LN161519)	Shell U.K. Limited Shell Centre York Road London SE1 7NA (TGL285321)	–	Shell U.K. Limited Shell Centre York Road London SE1 7NA

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THE SCHEDULE

Table 1 (cont'd)

Number on map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 – Name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
8	All interests in approximately 11,011 square metres of land and commercial premises known as New Baltic Wharf, Units A, B, C and D, Oxestalls Road, London except those owned by Lend Lease Deptford Limited	Lend Lease Deptford Limited 20 Triton Street Regent's Place London NW1 3BF (TGL214423)	Veolia ES (UK) Limited 210 Pentonville Road London N1 9JY	–	Veolia ES (UK) Limited 210 Pentonville Road London N1 9JY
9	All interests in approximately 302 square metres of part of public adopted highway known as Oxestalls Road, London except those owned by the acquiring authority or Lend Lease Deptford Limited	Shell U.K. Limited Shell Centre York Road London SE1 7NA (as presumed owner of subsoil) Unknown (in respect of subsoil)	–	–	London Borough of Lewisham Laurence House 1 Catford Road Old Town Hall Rushey Green London SE6 4RU (as highways authority)
10	All interests in approximately 104 square metres of part of access road fronting commercial premises known as New Baltic Wharf, Oxestalls Road, London except, those owned by the acquiring authority or Lend Lease Deptford Limited	London Borough of Lewisham Laurence House 1 Catford Road Old Town Hall Rushey Green London SE6 4RU (as presumed owner) Unknown	–	–	Unknown

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THE SCHEDULE

Table 1 (cont'd)

Number on map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 – Name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
11	All interests in approximately 135 square metres of part of access road fronting commercial premises known as New Baltic Wharf, Oxestalls Road, London, except those owned by the acquiring authority or Lend Lease Deptford Limited	London Borough of Lewisham Laurence House 1 Catford Road Old Town Hall Rushey Green London SE6 4RU (SGL49820)	–	–	Unknown
12	All interests in approximately 98 square metres of land on the south side of Oxestalls Road, London except those owned by Lend Lease Deptford Limited	Lend Lease Deptford Limited 20 Triton Street Regent's Place London NW1 3BF (as presumed owner) Unknown	–	–	Unknown
13	All interests in approximately 157 square metres of land on the south side of Oxestalls Road, London, except those owned by the acquiring authority or Lend Lease Deptford Limited	London Borough of Lewisham Laurence House 1 Catford Road Old Town Hall Rushey Green London SE6 4RU (SGL49820)	–	–	Unknown

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THE SCHEDULE

Table 1 (cont'd)

Number on map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 – Name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
14	All interests in approximately 63 square metres of part of public adopted highway, land on the south side and beneath Oxestalls Road, London, except those owned by the acquiring authority or Lend Lease Deptford Limited	London Borough of Lewisham Laurence House 1 Catford Road Old Town Hall Rushey Green London SE6 4RU (SGL45755)	–	–	London Borough of Lewisham Laurence House 1 Catford Road Old Town Hall Rushey Green London SE6 4RU (as highways authority)
15 Page 128	All interests in approximately 11 square metres of land being an electricity substation and transformer chamber on the south side of Oxestalls Road, London except those owned by Lend Lease Deptford Limited	London Borough of Lewisham Laurence House 1 Catford Road Old Town Hall Rushey Green London SE6 4RU (SGL185157)	–	London Power Networks plc Newington House 237 Southwark Bridge Road London SE1 6NP	Unknown
16	All interests in approximately 170 square metres of part of public highway known as Oxestalls Road and land beneath forming part of Crown Wharf, Oxestalls Road, London, except those owned by the acquiring authority or Lend Lease Deptford Limited	London Borough of Lewisham Laurence House 1 Catford Road Old Town Hall Rushey Green London SE6 4RU (SGL185157)	–	–	Unoccupied

THE SCHEDULE

Table 1 (cont'd)

Number on map (1)	Extent, description and situation of the land (2)	Qualifying persons under section 12(2)(a) of the Acquisition of Land Act 1981 – Name and address (3)			
		Owners or reputed owners	Lessees or reputed lessees	Tenants or reputed tenants (other than lessees)	Occupiers
17	All interests in approximately 27 square metres of part land forming part of Crown Wharf, Oxestalls Road, London, except those owned by the acquiring authority or Lend Lease Deptford Limited	London Borough of Lewisham Laurence House 1 Catford Road Old Town Hall Rushey Green London SE6 4RU (SGL45755)	-	-	Unoccupied
18	All interests in approximately 51 square metres of part of public adopted highway known as Oxestalls Road, London, except those owned by the acquiring authority or Lend Lease Deptford Limited	London Borough of Lewisham Laurence House 1 Catford Road Old Town Hall Rushey Green London SE6 4RU (LN205265)	-	-	London Borough of Lewisham Laurence House 1 Catford Road Old Town Hall Rushey Green London SE6 4RU (as highways authority)
129 ⁹	All interests in approximately 42 square metres of part of public adopted highway known as Oxestalls Road, London, except those owned by the acquiring authority or Lend Lease Deptford Limited	Lend Lease Deptford Limited 20 Triton Street Regent's Place London NW1 3BF (as presumed owner)	-	-	Unknown

THE SCHEDULE

Table 2

Number on map (4)	Other qualifying persons under section 12(2A) (a) of the Acquisition of Land Act 1981 (5)		Other qualifying persons under section 12(2A)(b) of the Acquisition of Land Act 1981 – not otherwise shown in Table 1 or Table 2(5) (6)	
	Name and address	Description of interest to be acquired	Name and address	Description of the land for which the person in adjoining column is likely to be entitled to make a claim
1	–	–	–	–
2	London Borough of Lewisham Laurence House 1 Catford Road Old Town Hall Rushey Green London SE6 4RU	Provisions relating to the development of the land as detailed in Agreements dated 7 October 2014 and 14 August 2015	–	–

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THE SCHEDULE

Table 2 (cont'd)

Number on map (4)	Other qualifying persons under section 12(2A) (a) of the Acquisition of Land Act 1981 (5)		Other qualifying persons under section 12(2A)(b) of the Acquisition of Land Act 1981 – not otherwise shown in Table 1 or Table 2(5) (6)	
	Name and address	Description of interest to be acquired	Name and address	Description of the land for which the person in adjoining column is likely to be entitled to make a claim
3	<p>The Royal Bank of Scotland PLC 36 St. Andrew Square Edinburgh EH2 2YB</p> <p>The Royal Bank of Scotland PLC 36 St. Andrew Square Edinburgh EH2 2YB</p> <p>Unknown</p> <p>London Borough of Lewisham Laurence House 1 Catford Road Old Town Hall Rushey Green London SE6 4RU</p>	<p>As mortgagee to Spaces Personal Storage Limited as detailed in registered title TGL202127 in respect of Units 16 and 17, Dragoon Road, London, SE8 3NW</p> <p>As mortgagee to Safestore Limited as detailed in registered title TGL333336 in respect of Units 16 and 17, Dragoon Road, London, SE8 3NW</p> <p>Right of entry for the purpose of maintaining the boundary fences and walls as detailed in a Transfer dated 30 August 1985</p> <p>Provisions relating to the development of the land as detailed in Agreements dated 7 October 2014 and 14 August 2015</p>	–	–
4 to 5	–	–	–	–
6	<p>London Borough of Lewisham Laurence House 1 Catford Road Old Town Hall Rushey Green London SE6 4RU</p>	<p>Provisions relating to the development of the land as detailed in Agreements dated 7 October 2014 and 14 August 2015</p>	–	–

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THE SCHEDULE

Table 2 (cont'd)

Number on map (4)	Other qualifying persons under section 12(2A)(a) of the Acquisition of Land Act 1981 (5)		Other qualifying persons under section 12(2A)(b) of the Acquisition of Land Act 1981 – not otherwise shown in Table 1 or Table 2(5) (6)	
	Name and address	Description of interest to be acquired	Name and address	Description of the land for which the person in adjoining column is likely to be entitled to make a claim
7	–	–	–	–
8	London Borough of Lewisham Laurence House 1 Catford Road Old Town Hall Rushey Green London SE6 4RU	Provisions relating to the development of the land as detailed in Agreements dated 7 October 2014 and 14 August 2015	–	–
9	–	–	–	–
10	–	–	–	–
11	–	–	–	–
12	–	–	–	–
13	–	–	–	–
14	–	–	–	–
15	–	–	–	–
16	–	–	–	–
17	–	–	–	–

THE SCHEDULE

Table 2 (cont'd)

Number on map (4)	Other qualifying persons under section 12(2A) (a) of the Acquisition of Land Act 1981 (5)		Other qualifying persons under section 12(2A)(b) of the Acquisition of Land Act 1981 – not otherwise shown in Table 1 or Table 2(5) (6)	
	Name and address	Description of interest to be acquired	Name and address	Description of the land for which the person in adjoining column is likely to be entitled to make a claim
18 to 19	–	–	–	–

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**THE SCHEDULE
GENERAL ENTRIES**

PARTY NAME	ADDRESS
British Telecommunications PLC	81 Newgate Street, London, EC1A 7AJ
Everything Everywhere Limited	Trident Place, Mosquito Way, Hatfield, AL10 9BW
Fulcrum Pipelines Limited	TBC
Global Crossing	TBC
GT / EPLSR / ENC	TBC
J.B. Riney & Co. Limited	Woodlands, 415 Limpsfield Road, Warlingham, CR6 9HA
Metric Group Limited	Metric House, Westmead Drive, Westmead Industrial Estate, Westlea, Swindon, SN5 7AD
National Grid Gas PLC	Grand Buildings, 1-3 Strand, London, WC2N 5EH
National Grid Electricity Transmission PLC	Grand Buildings, 1-3 Strand, London, WC2N 5EH
Network Rail Infrastructure Limited	1 Eversholt Street, London, NW1 2DN
O2 / CAIP	TBC
RM Property and Facilities Solutions Limited	Highbank House, Exchange Street, Stockport, SK3 0ET
Southern Gas Networks PLC	St. Lawrence House, Station Approach, Horley, RH6 9HJ
SSE Energy Supply Limited	55 Vastern Road, Reading, RG1 8BU
Bazalgette Tunnel Limited (operating as Thames Tideway Tunnel)	The Point, 37 North Wharf Road, Paddington, London, W2 1AF
Thames Water Utilities Limited	Clearwater Court, Vastern Road, Reading, RG1 8DB
Trueform	TBC
UKD	TBC
UK Power Networks (Operations) Limited	Newington House, 237 Southwark Bridge Road, London SE1 6NP
UKPS / ESP	TBC
Verizon	TBC
Virgin Media Limited	Media House, 10-14 Bartley Wood Business Park, Hook, RG27 9UP
Vodafone Limited	Vodafone House, The Connection, Newbury, RG14 2FN
Volker Highways Limited	Hertford Road, Hoddesdon, EN11 9BX

THE SCHEDULE

The common seal of
The London Borough of Lewisham
was hereunto affixed on the day of
2017 in the presence of:

AUTHORUSED SIGNATORY

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Appendix 7 – Safestore Lease Demise (outlined red and numbered 3)



Lendlease

(Deptford Wharves) Compulsory Purchase Order 2016

Town and Country Planning Act 1990

Funding Statement

Contents

1.0	EXECUTIVE SUMMARY	2
2.0	INTRODUCTION	3
3.0	THE DEVELOPER	4
4.0	ABOUT THE SCHEME	6
5.0	FINANCIAL CAPABILITY	10

APPENDIX I	Lendlease Corporation Limited 2016 Annual Report – including Consolidated Financial Report 30 th June 2016	
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1.0 Executive Summary

This Funding Statement summarises the following matters:

1. Lendlease's track record;
2. Their approach to the delivery of the Scheme; and
3. Their ability and commitment to fund the acquisition of outstanding land interests and construction.

2.0 Introduction

The Scheme that Lendlease is proposing to develop on the Order Land, and which will be facilitated by the Order is fully described in the Statement of Reasons.

In summary, Lendlease proposes to deliver a residential-led mixed use redevelopment scheme on the Site comprising:

- (A) the phased demolition of remaining existing buildings and site remediation;
- (B) the construction of up to 1,132 residential units;
- (C) the provision of flexible commercial floorspace (Use Class B1);
- (D) complementary retail floorspace (Use Classes A1 to A5);
- (E) leisure and community facilities (Use Classes D1/D2);
- (F) landscaping/public realm, parking and associated works,
(together, the **Scheme**).

As part of the process of justifying the use of compulsory purchase powers, the Council is required to satisfy themselves (as would a confirming minister), that the scheme in respect of which they propose to exercise compulsory purchase powers is:

- Financially viable; and
- Capable of being funded.

3.0 The Developer

Who are Lendlease?

Lendlease was founded in 1958. With over 50 years of experience, the company has expanded across the globe from Australia to Asia, Europe and the Americas. The company employs more than 12,400 people around the world and manages an extensive portfolio of assets. Lendlease is known as one of the world's leading fully integrated property solutions providers.

Lendlease has developed a unique integrated developer/contractor model. The organisation can draw on specialist expertise within the various business units throughout the development, design and construction process. This enables the company to deliver cost efficiencies through their integrated model by utilising a supply chain based on long-term relationships, build economies of scale and ensure the efficient use of resources. Critically, this model allows Lendlease to apply a high degree of expertise and experience throughout the development process, thereby reducing risk and improving programme as well as delivering cost efficiencies.

Track Record

Lendlease has an extensive track record of delivering large scale regeneration projects worldwide. The company has 12 large-scale urban regeneration projects globally, including The Wharves, Deptford.

By way of example, schemes that Lendlease is currently delivering include:

- **Elephant Park, London (under construction)**

Lendlease is working in partnership with Southwark Council to deliver a £2 billion regeneration programme on 28 acres of land in the centre of Elephant & Castle, Zone 1 London.

The regeneration comprises three sites:

- Elephant Park Masterplan: Almost 2,500 new homes on the site of the former Heygate Estate. Received outline planning permission in 2013 and will be completed in phases between now and 2025. The first two phases South Gardens and West Grove are in construction.
- Trafalgar Place: 235 new homes, including 25% affordable housing and a local café. Completed May 2015.
- One The Elephant: 284 homes in a 37-storey tower and four storey pavilion building, adjacent to the council's new Leisure Centre. Completed May 2016.

The regeneration will include over 11-acres of significantly enhanced public realm, with 10 new routes through the development to create a safer and more open environment for pedestrians and cyclists, and to encourage people out of their cars.

- **International Quarter London (under construction)**

One of the UK's largest mixed-use sites, this £2.1 billion project is being delivered by Lendlease on behalf of Stratford City Business District Ltd, a 50/50 joint venture between Lendlease and London and Continental Railways, the owner and operator of Stratford International station, along with much of the surrounding land.

The 22-acre site will be a vibrant, new urban quarter providing:

- Four million sq. ft. of Grade 'A' office accommodation, 333 new residential units and community facilities within a 22-acre (c.9 hectare) site
- Almost one million sq. ft. is already pre-let
- Over 25,000 people will work in the area when complete
- The FCA and TfL will occupy the first two buildings totalling c.800, 000 sq. ft.
- Investments from Deutsche Bank and Legal & General totalled more than £615m of forward sales for the first two commercial buildings on site
- The innovative workspaces are designed by world class architects, Rogers Stark Harbour + Partners.

- **Barangaroo South, Sydney Australia (under construction)**

Lendlease was selected in December 2009 as the developer for the A\$6 billion Barangaroo South project by the Barangaroo Delivery Authority on behalf of the New South Wales Government.

Barangaroo South is a vital new development of Sydney's central business district and will provide benefits for Sydney and the state of New South Wales. It is a 'once in a 200-year opportunity' to create a new place to live, work and visit - creating new jobs, stimulating growth and boosting the economy. It also returns a previously private industrial space to the community, including a new harbour park.

Barangaroo South will have a mix of uses, with commercial and residential buildings as well as shopping, dining, hospitality and public places.

4.0 About the Scheme

Scheme Background

The Scheme comprises the development of 1,132 residential units and 10,413 sq. m (GEA) of non-residential floorspace, on a site of 11.6 acres (4.7 hectares). The development is planned in six plots, across three phases, and is likely to be developed over a 5-year period, assuming stable market conditions. Development of the first phase of development is due to commence in 2017 with completion of the overall Scheme due in 2022.

Planning permission was granted for the Scheme in March 2016, some 18-months after Lendlease acquired the site in August 2014. During this period, the company has undertaken a significant amount of work in order to develop a scheme that it considers is financially deliverable against the internal investment criteria set by the Board of Lendlease. Furthermore, since its acquisition of the site, the Company has continued to invest in the acquisition of further land interests within the site.

Delivery Strategy

Plots 1 to 6 will be developed and released to the market as demand dictates. The current timetable/phasing for the Scheme, assuming stable market conditions is anticipated to be as follows:

Plot	Indicative start on site (piling works)	Indicative PC
2	Qtr. 2 2017	Qtr. 3 2019
1	Qtr. 3 2017	Qtr. 2 2020
3	Qtr. 4 2017	Qtr. 1 2020
4	Qtr. 1 2018	Qtr. 3 2020
5	Qtr. 4 2018	Qtr. 1 2022
6	Qtr. 1 2019	Qtr. 1 2021

Capital drawdown for Plot 2 has been authorised and, although the above timetable set's out Lendlease's preferred programme, construction will not commence on Plot 2 until all of the interests in Phase 1 have been secured, and on Plots 4 to 6 until reserved matters have been obtained and all outstanding interests in Phase 2 have been secured. As plots within the various phases of development are completed and sold, the revenue generated will be recycled into the project and serve to offset the funding requirements of the development.

Scheme costs were provided as part of a viability report to enable the Council to determine the planning application. Further financial information has been provided to PWC.

These costs will be funded by the developer in the manner set out above.

Viability

Lendlease have provided their own cash flow model of the scheme, based upon the viability assessment prepared by Urban Delivery (Viability Report, 2015) as part of the planning application. The scheme

currently is assessed as being viable and capable of being delivered, and currently all of the plots are predicted to meet the financial criteria required by the Lendlease Board to authorise drawdown of capital as and when future plots come forward. This criterion is discussed later in this Statement. Capital drawdown for Plot 2 has already been authorised and work is due to commence in 2017.

Marketing Strategy

Lendlease have advised the Council that their proposed delivery and high-level Sales Strategy for the Scheme is as follows:

Residential Sales Strategy

Plots will be released first to UK residents in line with the Mayor's Concordat. The Lendlease Sales Team and local agents' will market the Scheme from an on-site Sales & Marketing Suite.

This will be complemented by an international sales programme across regions including (but not limited to) Hong Kong, Singapore, China and Malaysia.

Non-residential Uses

Offices/Commercial Space

Deptford is not currently an established office location. Previous developments such as Marine Wharf West have not sought to provide B1 accommodation. Newer developments such as Cannon Wharf, however, are delivering significant office space, targeting existing small businesses in the area. Take-up has been slow at significantly higher rents than previously seen in this locality, however, this site is not fully benefiting from the regeneration taking place around it.

The supply risk is mitigated by the macro conditions of the London market. Current London demand for office space significantly outweighs the available supply and this has driven growth in markets such as Shoreditch, Farringdon and Southbank where creative companies have sought cheaper rents and an increasingly footloose workforce who have the skills to drive forward their business. Over time, and with this new supply, Deptford can emerge as an alternative office location outside the established boundaries of core and "fringe" London.

Lendlease is confident of the viability of the commercial elements of the Scheme and its ability to deliver them, which is underpinned by a vibrant local business community and constrained supply in central London, alongside an evolving and dynamic office demand profile.

Office Leasing Strategy

Lendlease will adopt a flexible strategy that will target to pre-let the whole building to a single occupier or alternatively to let on a floor-by-floor basis.

Specific strategies include:

Target List & Marketing

Develop a list of target tenants to actively pursue to acquire the whole or minimum whole floor of the office buildings. The eventual strategy, marketing and design will reflect market requirements.

Occupier Interviews

Cultivate targets and review internal connections within target sectors, i.e. co-working and serviced office providers. A flexible strategy will be pursued to adapt as the market for this space is realised.

Trend Analysis

Identify and track growth sectors, seek early adopters to target and pursue.

Business Incubator Activation

Pursue a temporary business incubation hub to activate the site and foster local business and SME demand.

Competitive Review

Identify competitive positioning for The Wharves offer and how this aligns with requirements from the target sector(s) and channel messaging to reflect this focus.

Retail Space

The local retail market is at present limited, with a varied, tertiary provision arranged sporadically along Lower/Evelyn Street. The area is dominated by local independent retailers with limited presence of national multiple occupiers. Due to this existing occupier profile, the retail element of the Scheme will be carefully curated to ensure that it caters for both residential and office users that will be attracted to the development.

Retail Leasing Strategy

Specific leasing strategies include:

Pre-letting Strategy:

Target to pre-let retail units to local independent retailers to create a vibrant and unique offer to service local residents and commercial offices. A flexible strategy will be pursued and adapted as the actual market for this space is realised.

Target List

Compile list of target tenants from local area, those with desire to expand, relocate or start up.

Occupier Interviews

Cultivate targets and review connections with target retailers, (e.g. cafes, service retail, etc.).

Marketing

Identify tenant requirements and channel messaging for the Scheme accordingly.

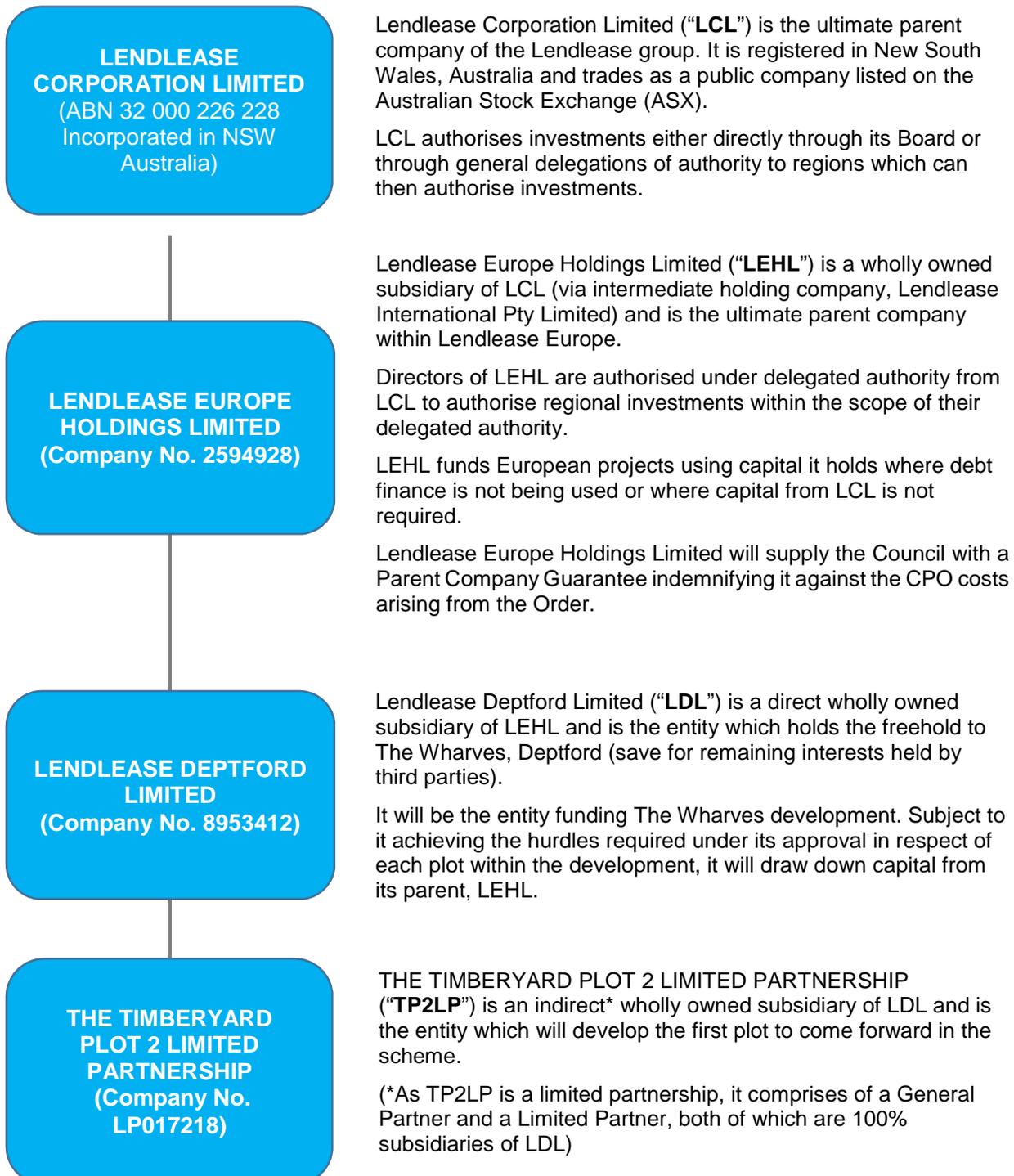
Business Incubator Activation

Pursue a temporary business incubation hub to activate the site and foster demand for a café/licensed premises.

5.0 Financial Capability

Company Structures & Ability to Fund

The Scheme will be developed by Lendlease Deptford Ltd and funded by its ultimate parent company (Lendlease Corporation Ltd) using their existing funding sources. Lendlease Corporation Limited (LCL) is listed on the Australian Stock Exchange and has a current market capitalisation of circa A\$8 billion. The legal structure and funding arrangements between the entities involved in delivering the scheme are set out below,



It is currently anticipated that there will be no direct external funding arrangements and the project will be fully funded by Lendlease Corporation Ltd.

The information regarding this is contained in the Viability Report that has been provided to PwC, who have used it to provide their own assessment of Lendlease's capability and commitment to fund and deliver a comprehensive scheme. Further documents have been reviewed by PwC in the form of a Statement of Commitment from Dan Labbad (Chief Executive Officer of Lendlease) dated 30th November 2016, Board Minutes of relevant decisions and a copy of an inter-company loan agreement, which PwC have been provided to help evidence Lendlease's commitment to delivering the scheme.

Lendlease Corporation's recently released full year results show that as at 30 June 2016, Lendlease had cash and cash equivalents of A\$1,008.4 million, gearing of 6.5 per cent and undrawn capacity of A\$2,172.6 million, further supporting Lendlease's capacity to fund the development.

The Lendlease Group has long-term stable BBB- / Baa3 credit ratings and has successfully raised funding in the UK, US Reg D, Australian and Singapore bond markets. Lendlease's debt investors include some of the world's major institutional fixed income investors. Refer to Note 17 Borrowings and Financing Arrangements (page 153) and Note 19 Capital Management (page 155) in the Lendlease Corporation Limited 2016 Annual Report for further details.

A link to the Lendlease Corporation Limited 2016 Annual Report – including Consolidated Financial Report 30th June 2016 can be found in Appendix I.

Having regard to its overall development programme and unutilised facilities, Lendlease is satisfied that it can fully fund the construction programme of the Scheme.

Commitment to Fund & Deliver a Comprehensive Scheme

The Lendlease Corporation Board approved the acquisition of the site to develop a residential-led mixed use development scheme in February 2014. The Lendlease Corporation Board approved the overall project and the project team were also given the approval to complete due diligence on the site to progress contracts to exchange as well as initial development costs. Copies of these Board Minutes have been reviewed by Council Officers and PwC.

In line with Lendlease's standard procedure for development projects of this nature, it was agreed separate Board approvals would be required at the commencement of each phase to start construction; and such drawdown will be authorised subject to the returns remaining materially in line with the required financial returns of the project and an agreed level of pre-sales per plot. Evidence of these financial requirements have been reviewed by the Council and PwC in the Statement of Commitment dated 30th November 2016.

The funding between the entities above are created through inter-company loans and repaid when capital is generated from the Scheme. The inter-company loans are agreed through delegated authority, provided by the relevant Board (or delegated) approval.

An inter-company loan agreement is in place for the drawdown of funding to progress site wide development activities, the completion of land assembly and site remediation works and the build costs of the first phase of development (Plot 2) subject to achieving pre-sales of 50% of Gross Development

Value (including the affordable housing component). Authority for this drawdown of funds was given by the Lendlease Corporation Board in November 2015. A copy of this loan agreement and the Board Minutes which support the decision have been reviewed by the Council and PwC.

Subject to stable market conditions, it is Lendlease's intention to develop the Scheme out in full, without a break in construction. Currently, all plots are forecast to meet the required financial criteria for the project and further capital drawdown requests will be made as further build phases are brought forward, in line with the overall programme. The capital costs will remain to be funded through the Lendlease balance sheet.

Lendlease is committed to the comprehensive redevelopment of The Wharves, Deptford site and the delivery of over 1,000 new homes in the Borough.

APPENDIX I Lendlease Corporation Limited 2016 Annual Report – including Consolidated Financial Report 30th June 2016

The Lendlease Corporation Limited 2016 Annual Report can be found here:

<http://www.lendlease.com/content/annualreport/files/assets/common/downloads/publication.pdf>



**THE LONDON BOROUGH OF
LEWISHAM (THE WHARVES,
DEPTFORD)**

**COMPULSORY PURCHASE ORDER
2017**

**STATEMENT OF REASONS:
REGENERATION STATEMENT AND
EQUALITIES IMPACT ASSESSMENT**

June 2017

Our Ref: Q50322

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1 INTRODUCTION

- 1.1 The London Borough of Lewisham ('Lewisham') granted planning permission for the redevelopment of The Wharves site ('Site') on the 23rd March 2016. (Application Reference: DC/15/092295; subsequent 96A submitted on 25/01/17 (DC/17/099912), decision pending).
- 1.2 References in this Report to the Scheme are to the development as consented, but also include any variations to the permission.
- 1.3 This Report has been provided to support the case for compulsory acquisition of the Order Land (as shown on the Order Map appended to Lewisham's draft Statement of Reasons) by Lewisham (for planning purposes pursuant to its powers under Section 226 (1)(a) of the Town and Country Planning (1990) Act) This Report demonstrates that the comprehensive development of the Site is required to make sure that this Site meets its full potential to contribute to the regeneration of the north of Lewisham and to generate substantial public benefit by delivering new homes and jobs.
- 1.4 As a comprehensive development, the plans will transform the Site and the neighbourhood around it bringing social, economic and environmental benefits to existing and new residents and businesses. and transforming the local economy in a way that piecemeal development would not achieve.
- 1.5 In Local and London-wide planning policies, the Site has been allocated to play a key role in delivering Lewisham's aims for housing delivery, economic development and regeneration.
- 1.6 Lewisham wants the Scheme to deliver a sustainable high density residential development with open spaces, accessible new routes, recreation facilities, local shops and services and flexible business space¹.
- 1.7 The regeneration and public benefits that will be generated by the Scheme are set out in this Report. The Report also considers any potential effects on Equalities and Protected Groups/Characteristics that may come about as a result of the development.

¹ London Borough of Lewisham, 2011, Adopted Core Strategy Development Plan Document, Section 8.4.2

1.8 This Report is presented in three parts:

1. Site Context

This Section sets out the existing site conditions and uses, the policy context of the proposals and the key regeneration challenges facing Lewisham.

2. Regeneration Statement

This Section sets out how the Scheme responds to the context to deliver on local and London ambitions, making a substantial and long lasting impact.

3. Equalities Impact Assessment

This Section appraises the elements of the development where Protected Groups or Protected Characteristics (as defined in the Equalities Act 2010) may be affected – or have the potential to be affected – by the Scheme. This includes both positive and negative effects.

2 SITE CONTEXT

a) Existing Site Conditions

- 2.1 The Site is currently under-utilised and the majority of buildings are vacant and, given their age and deteriorating condition, are considered to have little, if any, potential for re-use, with the exception of the Victoria public house, which will be restored and retained.
- 2.2 The remaining tenants on-site are:
- Spaces Personal Storage Limited;
 - Safestore Personal Storage Limited;
 - Shell U.K. Limited; and,
 - Veolia ES (UK) Limited.
- 2.3 The Grand Surrey Canal previously ran through the centre of the Site from north-west to the south corner, but was backfilled in the 1970s. The route of the canal is no longer visible or accessible.
- 2.4 The Site in its entirety offers a significant regeneration opportunity and this has been recognised by local and London Policy as set out below.

Figure 1: The former uses at The Site



b) Policy Overview

2.5 The Site (referred to in policy as ‘Oxestalls Road’) is recognised in planning policy as an asset to the economic growth, regeneration and housing delivery for Lewisham. It is allocated as part of Regeneration and Growth Area², as part of an Opportunity Area³, as Mixed Use Employment Location⁴ and as a Strategic Site⁵. It has been repeatedly identified as part of London that provides a major opportunity to make a substantial contribution to London’s need for homes and jobs.

2.6 Figure 2 sets the Scheme in context of the planned growth areas and policy allocations in north Lewisham and north Southwark. Further detail on each of these policy designations is set out below.

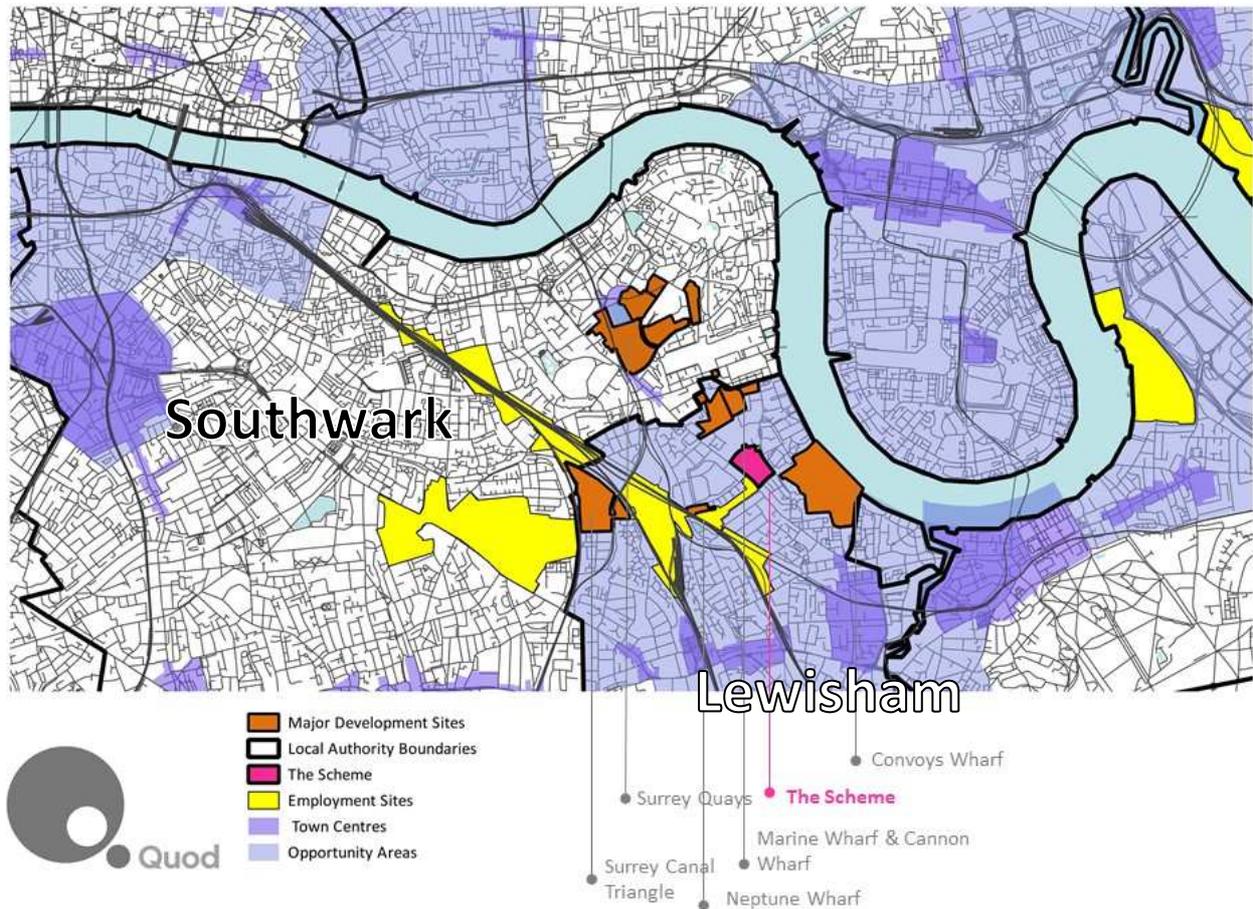
² London Borough of Lewisham, 2011, Adopted Core Strategy Development Plan Document, Section 6.2.1

³ GLA, 2016, The London Plan, p. 359

⁴ London Borough of Lewisham, 2011, Adopted Core Strategy Development Plan Document, Para 6.35

⁵ London Borough of Lewisham, 2011, Adopted Core Strategy Development Plan Document, Section 8.1

Figure 2: The Scheme in Context



Strategic Site for Regeneration and Growth

2.7 The Site is located within a Regeneration and Growth Area. This means that it has the potential to deliver wider physical and socio-economic benefits for Lewisham, including reducing deprivation, through its redevelopment.

2.8 Within the Regeneration and Growth Areas, specific sites are allocated as Strategic Sites. These sites, including the Site, are “central to the achievement of the Core Strategy⁶.” They will play a crucial role

⁶ London Borough of Lewisham, 2011, Adopted Core Strategy Development Plan Document Paragraph 8.1

in place making by creating new places and enabling a transformation of the wider area⁷. This Strategic Site is one of four in the north of the borough that will, together, deliver 60% of Lewisham's London Plan housing target to 2025. Without the successful delivery of all of these sites, Lewisham would not be able to deliver its housing needs or play its part in meeting London's wider needs.

- 2.9 The Site *as a whole* is allocated, in recognition of its potential to substantially change the way the neighbourhood looks and works, the quality of life for its residential neighbours and its economic contribution to the borough. The allocation also includes the Diploma Works site (Scott House) which adjoins the Site at the north-east corner. This site has been converted to live/work units but does not form part of the Scheme.
- 2.10 The Core Strategy states that the Site is, "A large cohesive site, [where] redevelopment presents a major regeneration opportunity, with good access and critical mass potential." The Site has sufficient scale to allow a distinct 'business quarter' and a good opportunity for new employment space within a mix of uses that should be less focused on its current un-neighbourly uses⁸.
- 2.11 Throughout these policies Lewisham emphasises that the Site's size, its cohesiveness and its potential for critical mass is a key part of its value for delivering their regeneration objectives.

Mixed Use Employment Location

- 2.12 The Site is further designated as part of a Mixed Use Employment Location where new employment floorspace should be delivered alongside housing⁹. The Core Strategy sets out how the current industrial and business on-site uses do not reflect the importance of the Site. Large parts of it have not attracted investment for many years.

Opportunity Area

- 2.13 The Site is within an Opportunity Area, designated in The London Plan as an area which can and should deliver new homes and infrastructure and support wider regeneration¹⁰. For Deptford

⁷ London Borough of Lewisham, 2011, Adopted Core Strategy Development Plan Document Paragraph 8.2

⁸ London Borough of Lewisham, 2011, Adopted Core Strategy Development Plan Document Section 8.4.2

⁹ London Borough of Lewisham, 2011, Adopted Core Strategy Development Plan Document Paragraph 8.3

¹⁰ London Plan 2015, Policy 2.13

Creek/Greenwich Riverside and Lewisham/Catford/New Cross Opportunity Areas, the combined housing capacity is 13,000 new homes and 10,000 jobs¹¹.

Policy Overview

- 2.14 These Site-specific policies sit within an overarching policy framework at a local, London and National Level that is supportive of housing delivery and economic growth.
- 2.15 Paragraph 14 of the National Planning Policy Framework sets out the “presumption in favour of sustainable development.” Significant weight should be placed on the need to support economic growth through the planning system (Paragraph 19) and housing applications should be considered in the context of the presumption in favour of sustainable development. (Paragraph 49)
- 2.16 The delivery of Strategic Sites is in line with Lewisham’s obligation under the NPPF to “*identify priority areas for economic regeneration*¹².”
- 2.17 The local and London policy have already clearly demonstrated that this area is both in need of, and will benefit from, substantial housing and employment growth. Delivery of the comprehensive Scheme has a key role to play in the achievement of strategic regeneration objectives.

c) **Baseline social and economic context**

- 2.18 This section sets out the key social and economic characteristics of Lewisham, and Deptford in particular. There are some particular social and economic factors that create challenges in Lewisham and Deptford – as well as some strengths and opportunities. These are summarised below. The Site is located in Evelyn Ward; the “local area” referenced for data purposes covers this ward.

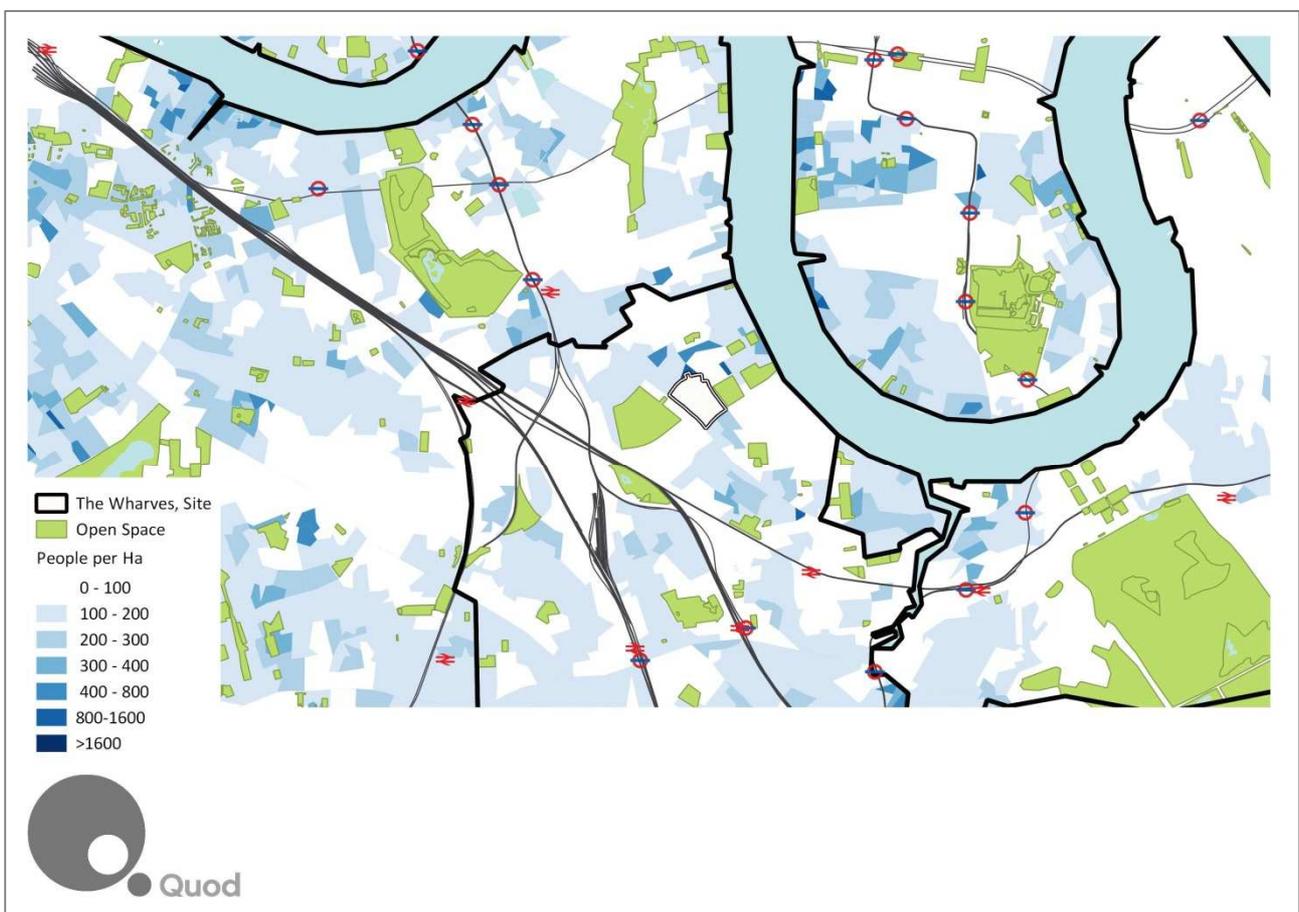
¹¹ London Borough of Lewisham, 2011, Adopted Core Strategy Development Plan Document Page 1; London Plan , 2015, Policy 2.13 & Annex 1

¹² DCLG, 2012, National Planning Policy Framework, Paragraph 21

i) Residential and employment density

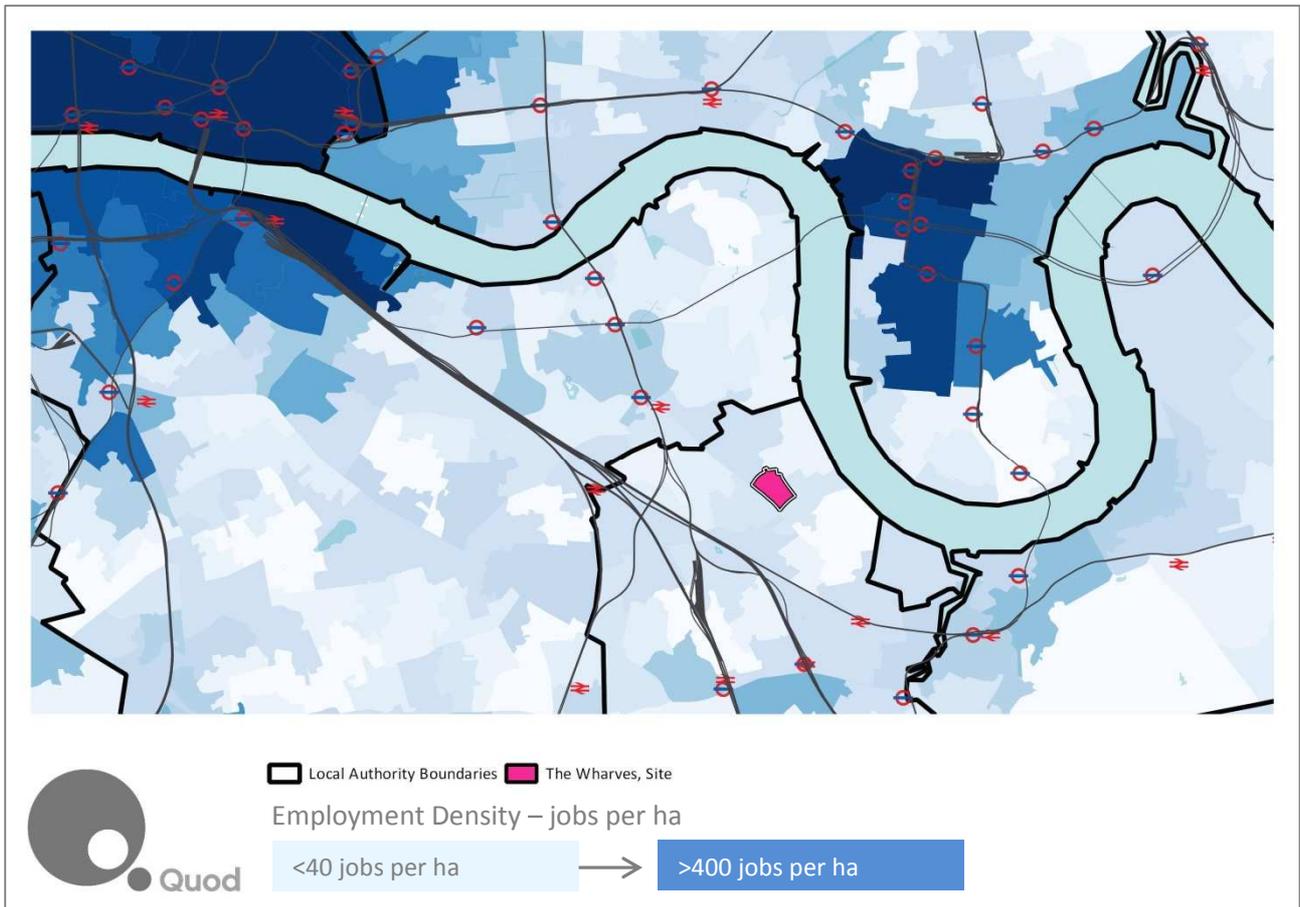
2.19 As Figures 3 and 4 below illustrate, Deptford has a relatively **low employment density** and **low residential density**. Many sites are underutilised. The area does not currently fulfil its full potential to support homes and jobs for London, especially for a location that is on the fringes of central London - with good access to public transport routes.

Figure 3: Population Density ¹³



¹³ Quod Analysis of Census 2011 Data

Figure 4: Employment Density¹⁴



ii) Unemployment and benefit claimants

2.20 **Youth unemployment** and lack of engagement in education or training is a key issue for London and Lewisham. Around 14% of people aged 16 to 24 in London (around 125,000 people) are ‘NEETs’ (Not in Employment, Education or Training). At the Census in 2011, 1 in 5 unemployed people in Evelyn Ward was under 24. In some areas of Lewisham this is 1 in 4. This is a particular policy concern for

¹⁴ Quod Analysis of Business Register and Employment Survey data, 2015

Lewisham as set out in their Children and Young Peoples' Plan¹⁵. Extended periods of unemployment for a young person can have long term impacts on future career and well-being.

- 2.21 A higher proportion of local residents of Evelyn Ward claim **working age benefits** than the Lewisham or London averages. 14% of residents aged 16-64 are claiming benefits compared to 11% across Lewisham, and 9% across London.

iii) Local environment

- 2.22 The **local environment** and public realm is poor and this inaccessible site creates a barrier to movement. The vacant plots and light industrial uses are poor neighbours for Deptford Park, Pepys Park and the Pepys Estate residents.

iv) Health

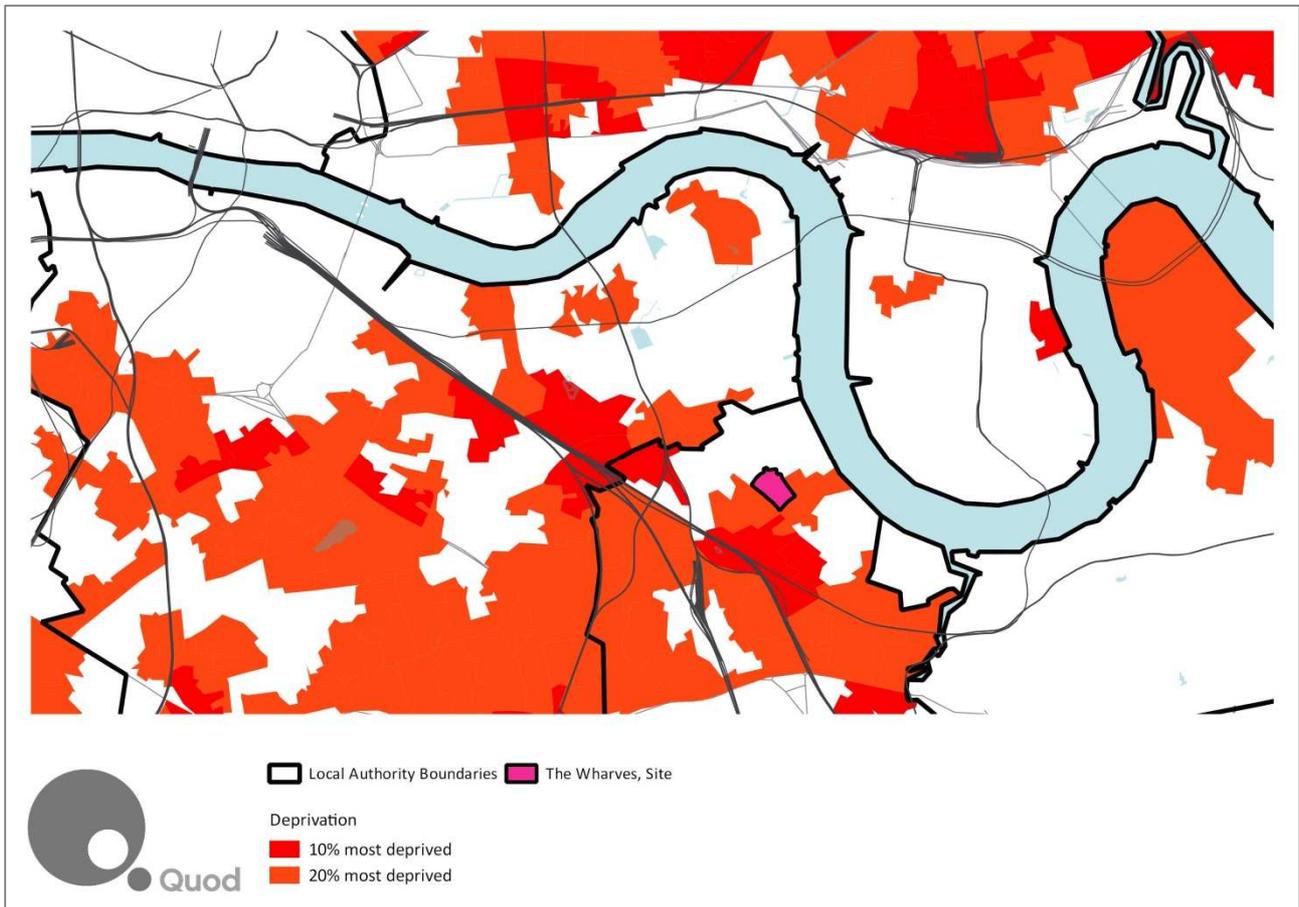
- 2.23 5% of Evelyn Ward's population self-report having **poor or very poor health**. A larger proportion of White British and White Irish residents in Evelyn Ward report having poor health. Mental health problems and obesity are particular concerns in the borough as a whole and Lewisham residents are less physically active than the average Londoner.

v) Deprivation

- 2.24 **Deprivation** in this area is high, which reflects many of the social and economic issues highlighted above. Deprivation is considered at a neighbourhood level – defined as a Lower Level Super Output Area – rather than at a ward level. Neighbourhoods at and around the Site are amongst the top 20% most deprived places in the country. The neighbourhood just to the south of the Site is in the top 10%. This is mapped on Figure 5. Neighbourhoods across Lewisham are particularly deprived in terms of the “barriers to housing and services” element of the index but crime, employment, health, income and living environment are also local challenges.

¹⁵ London Borough of Lewisham, 2012, Children & Young People's Plan 2012-15

Figure 5: Index of Multiple Deprivation 2015



vi) Local strengths and opportunities

2.25 The local economy has some clear strengths – the **population is young and dynamic**. Skills levels are in line with London average including around half of economically active working people holding a degree level qualification. However, older people in the borough (as in the country generally) are less well educated than younger residents. 37% of the over 50’s have no formal qualifications compared to 10% of the under 50’s.

2.26 There are substantial **areas of development and regeneration planned** for north Lewisham. These extensive regeneration proposals, including the Site and the other four Strategic Sites in North Lewisham have the potential to bring substantial benefits to the local area – but also to be greater

than the sum of their parts. Their combined social, economic and environmental benefits could be felt beyond the immediate neighbourhood and into the wider Lewisham community and economy.

2.27 The rate of **economic activity** in Lewisham¹⁶ is in line with the London average at 78%. Lewisham's **unemployment** rate is slightly lower than the London average¹⁷ but unemployment in Deptford is generally higher than the borough average.

2.28 Lewisham has a substantially higher than average proportion of people who are economically inactive but would like a job. This means they are not actively looking for work but would like a job if a suitable one was available. This includes people who are discouraged from the workforce - they would like to work but for whom a job at the right salary, suitable to their skills and/or level of flexibility to their needs is not available to them. 41% of economically inactive residents in Lewisham state that they want a job, compared to only 25% of economically inactive residents across London. This suggests that there is a significant available and willing local labour force that is currently under-employed and ready to work.

vii) *Business and industry profile*

2.29 Lewisham has a **greater reliance on employment in the public sector** than other boroughs. There are lower proportions of jobs in the finance, insurance, technology, professional and scientific sectors than in London as a whole. These sectors in which Lewisham is underperforming are key growth sectors for London. Figure 6 shows the differences in the London and Lewisham business profiles. In terms of absolute numbers of jobs, Lewisham is also underperforming – the borough supports only 1.4% of London's jobs (LB Greenwich has 1.6%, Lambeth has 3.1% and Southwark has 4.6%.)

¹⁶ July 2014 – June 2015 Annual Population Survey

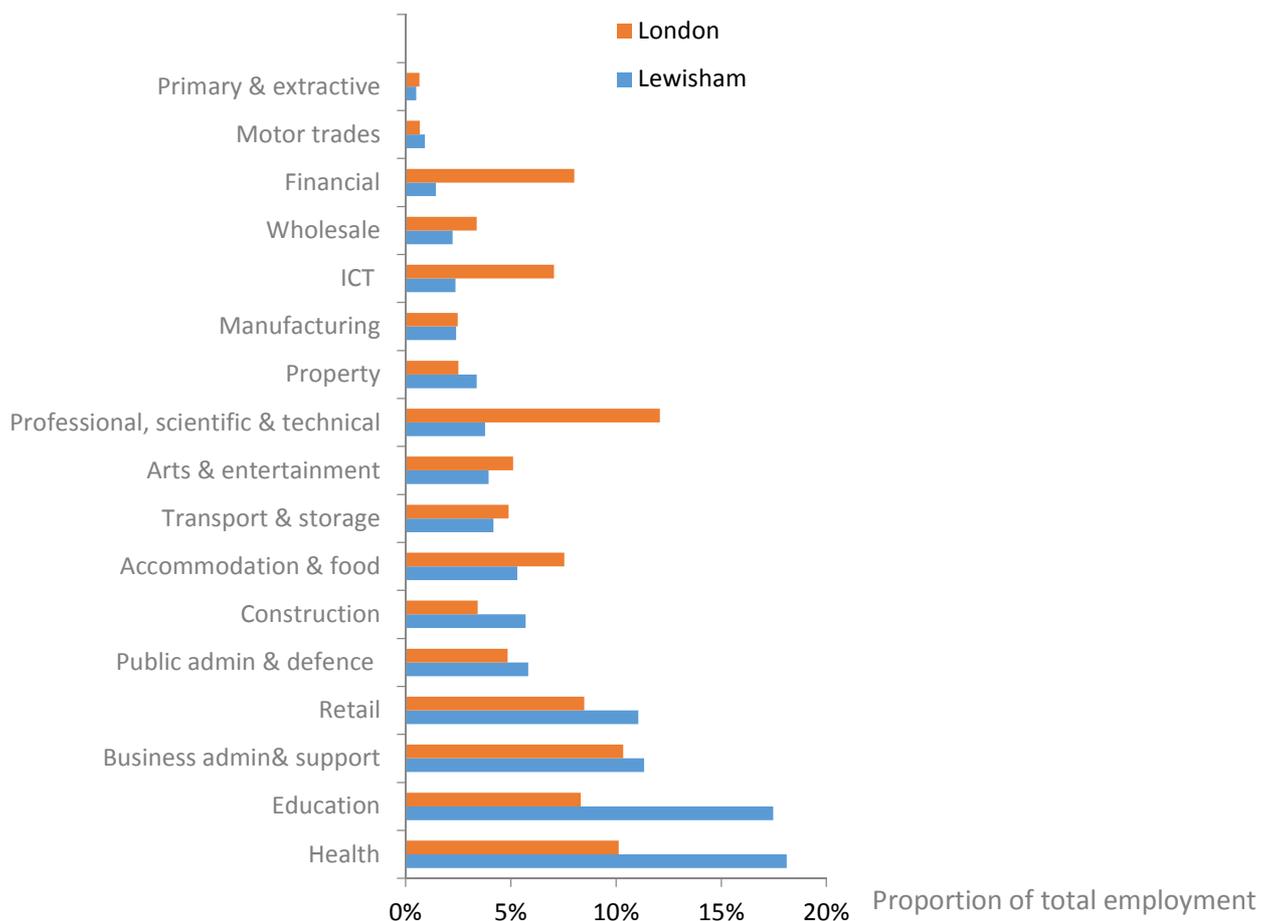
¹⁷ The International Labour Organisation definition of unemployment includes people who are willing and able to work but are not claiming unemployment benefits.

- 2.30 However, there is **business growth potential**: between 2008 and 2012, there were 4,800 business start-ups in Lewisham, which represented 34% of the total business stock. These new businesses employed 6,700 of Lewisham's workforce in 2012, which represented 12% of total employment in the borough¹⁸.
- 2.31 The number of small enterprises with fewer than 50 employees has grown substantially over the last decade. There are 70% more small firms now compared to 2003 - an additional 600 firms. This is faster growth in small firms than Inner London or the London as a whole, which have grown by 50%.
- 2.32 There are around 2,000 Cultural and Creative Enterprises in Lewisham; almost all of these enterprises have fewer than 10 employees.
- 2.33 Around 40% of London and Lewisham's new businesses survive 5 years¹⁹. The greater support provided by flexible co-working space could help to build resilient firms and aid survival.

¹⁸ Lewisham, 2013, Lewisham Business and Growth Strategy 2013-2023

¹⁹ London Borough of Lewisham, Lewisham Business Growth Strategy 2012-2023 page 40

Figure 6: Sector Breakdown, London & Lewisham (Business Register and Employment Survey, 2014)



d) Summary of baseline context

2.34 Lewisham’s residents face some social and economic challenges. Many neighbourhoods in the borough have high levels of deprivation associated with a range of factors including poor housing. The borough’s economy is largely dependent on the public sector for employment. Those sectors with most growth potential in London are under-represented in the local economy. However, the borough also has strengths, including a skilled, young population.

2.35 In order to ensure that Lewisham and its residents share in – and contribute to - London’s growth and prosperity the borough needs to deliver on its growth policies. This includes delivering new

homes, including affordable homes and delivering modern workspace that will help to encourage the sector shift the local economy needs to make the most of its location on the fringes of central London.

e) Proposals

2.36 The Scheme will be a mixed use redevelopment of the whole 4.7ha of the Site. The Masterplanning process for the Scheme responded to Local, London and national policy objectives, including those set out above.

2.37 Lendlease and their lead architects Hawkins Brown laid down six themes that would guide and inform the design of the Scheme. These are:

- Connections and accessibility
- Responsibility and sustainability
- Open space
- The Grand Surrey Canal Route
- Living environments
- Character.

2.38 These six objectives are integral to the vision for the Site. They will maximise the Site's regeneration potential, public benefit and the quality of life for new and existing residents.

2.39 All current buildings on-site will be demolished except the former Victoria Pub.

2.40 The development will then provide:

- Up to 1,132 homes, including 189 affordable homes
- Up to 3,571m² GIA of flexible floorspace that could deliver a mix of retail, food and drink, office, community, cultural and leisure uses
- Up to 6,059m² GIA of B class business space.

2.41 The following Section of this report sets out how these proposals will work in the local context to bring about regeneration and substantial public benefits.

3 REGENERATION STATEMENT

3.1 The Scheme will make a significant contribution to Lewisham’s and the Mayor of London’s regeneration and growth targets. The Masterplan design, layout and mix of uses – including affordable housing, community and employment uses - would transform the Site and the neighbourhood around it. The diagram below – and the sections that follow – summarise the key ways in which the Scheme responds to its context to deliver on local and London ambitions.



f) Delivering employment growth

3.2 Lendlease wants to support local people and to position businesses in Lewisham to reap maximum benefit from the opportunities created by the Scheme during both construction and in the long-term. Through the Section 106 requirements for the Scheme and in accordance with Lewisham policy, Lendlease will provide a 'Local Labour and Business Strategy' which sets out how they and their contractors will work to maximise the number of local residents and businesses who can access opportunities created by the Scheme.

i) Construction Employment

3.3 The Scheme will support demolition and construction employment. Lendlease's investment will create an estimated 370 permanent Full Time Equivalent (FTE) construction jobs in the construction sector as a whole.

3.4 The number of people who could be employed over the course of the seven years of construction is likely to be higher. Using the Construction Industry Training Board Labour Forecasting Tool, for example, the Scheme would support an average of 650 construction jobs per month over the seven year period. At peak, up to 1,450 jobs could be supported.

Depending upon construction methods, a proportion of this employment will be on-site, with some potentially being elsewhere in the construction supply chain.

Local employment during construction

3.5 The Local Labour and Business Strategy put in place as part of the S106 agreement with Lewisham secures Lendlease's commitments to:

- pay financial contributions towards Lewisham's initiatives, plans, programmes that will help to get local people into jobs at the Development (whether construction or end-use)
- advertise job vacancies and supply chain opportunities locally
- monitor the number of local construction employees on-site

- share monitoring information with the Council
- work with Lewisham and their partners such as Job Centre Plus to promote opportunities for local businesses and residents.

3.6 Lendlease will also use Reasonable Endeavours to achieve a target of at least 50% of all employees being from Lewisham and 50% of all businesses and suppliers engaged on the Scheme being local businesses.

3.7 By encouraging and supporting local employment, the positive impacts of construction on the local economy will be maximised.

ii) Permanent job opportunities

3.8 The Site is in a Mixed Used Employment Location but Lewisham considers that its current mix of employment uses blight the Site's overall quality. It is considered that the current industrial and business uses do not reflect the importance of the Site and large parts of it have not attracted investment over many years²⁰. The previous commercial uses did not meet the Site's full employment potential, and several were bad neighbours for the wider neighbourhood.

3.9 The Site represents a longer-term opportunity for job creation and a change in the type of uses on Site. Meanwhile, the Blackhorse Road Defined Employment Area, to the west provides a large and viable concentration of employment land²¹ which is more suitable for the industrial-type uses currently on the Site.

3.10 The existing floorspace has a relatively low employment density and supports approximately 250 jobs across the Site. These types of jobs could be relocated to other Sites either at Blackhorse Road or elsewhere. This will facilitate a net increase in employment on Site and shift towards the types of jobs and businesses Lewisham wants to grow.

²⁰ London Borough of Lewisham, 2011, Adopted Core Strategy Development Plan Document Page 1; London Plan , 2015, Para. 8.28

²¹ London Borough of Lewisham/Roger Tym and Partners, 2008, Employment Land Study: Annex 1 Lewisham Employment Sites Assessment

- 3.11 The Scheme will provide new office space, temporary incubation space and a workspace hub. These have been designed to meet the needs of Lewisham's growing cultural and creative sectors. The Y Building on Plot 3 will be the central commercial area.
- 3.12 There will also be a mix of class A retail units with the following potential uses:
- coffee shops & cafes
 - a local convenience store
 - supporting retail units e.g. hairdressers / cycle shop / drycleaners
 - gallery / exhibition space supporting the commercial space
 - potential micro-brewery in the existing Victoria Pub
 - crèche or similar facility.
- 3.13 Employment space at the Site will have several roles - to provide services for the community; to animate the Site; to provide local employment for sustainable growth; and to help Lewisham achieve its business strategy ambitions.
- 3.14 Overall there will be up to 9,630m² (GIA) commercial space spread over 3 phases of development. Phases 1A and 1B will deliver approximately half of the overall total commercial space which will help to establish a business identity for the Site early on.
- 3.15 These new shops, offices, leisure and community uses would support between 460 and 630 jobs, depending upon the end uses. That equates to an uplift of 210 -380 jobs onsite. Many of these jobs would be suitable for local people, or support the growth of Deptford enterprises, as set out in more detail below (Paragraphs 3.16-3.21 look at local jobs whilst 3.36 looks at enterprises).

Table 1: Estimated Employment in Proposed Development (Figures may not sum due to rounding)

Use	Floorspace sqm GIA	Phase 1A (Plot 1 and 2)	Phase 1B (Plot 3)	Phase 2 & 3 (Plot 4, 5 & 6)	Total
B1	6,059	0	186	232	417
A/B/D	3,571	13-73	16-86	15-54	44-231
Total	9,630	13-73	202-272	247-286	460-630
Existing Employment on-site					250
Net increase in employment					210-380

Small enterprises and cultural and creative industries

- 3.16 In the north of Lewisham, around Deptford, there are extant planning permissions to deliver in excess of 23,680m² (GIA²²) of commercial (B1) space. Much of this space will be affordable cultural and creative space.²³
- 3.17 This will help to consolidate Lewisham’s reputation as a key location for these sectors, especially small and dynamic firms that have the potential to grow fast and create local employment. These types of firms chose areas where networking and co-working opportunities are available so clustering and critical mass are an advantage.

²² Calculated from the floorspace consented in the neighbouring schemes of Convoys Wharf, Marine Wharf West, Marine Wharf East, Cannon Wharf and Paynes and Borthwick.

²³ Indicative information from Planning Applications.

Local and entry level jobs

- 3.18 In line with Lewisham's S106 commitments, Lendlease will provide a Local Labour and Business Strategy which will include a commitment to support local people into operational jobs.
- 3.19 Retail, restaurant and bar jobs will provide excellent opportunities for part time and flexible work. This means work can be balanced alongside other commitments - to education or childcare for example.
- 3.20 Depending upon the users of the new floorspace, there could be a high proportion of part-time employees working on-site – particularly in the retail, restaurant, community and leisure uses where 50% to 60% of positions are part time. The net increase in headcount of people employed on-site each week could therefore significantly exceed 380.
- 3.21 Flexible jobs can benefit the community when they are provided locally. An analysis of 2011 Census data shows that in London, approximately 30% of all employees live within 5km of their workplace. In the wholesale, retail, hotel and restaurant sectors more than 36% of people live this close to their place of employment. As such, a significant number (likely to be at least 30%) of employees would be likely to come from within 5km of the Site, including areas of Lewisham with high unemployment and deprivation that are within easy reach walking or using public transport.
- 3.22 There will also be new opportunities for people leaving school or people with few formal qualifications. Based on existing patterns in the retail and restaurant sectors, 40% of these new jobs would be suitable for people with GCSE level qualifications or no formal qualifications. In the retail space, 13% of jobs could be for people working towards or having achieved an apprenticeship. In restaurant or café uses, this would be up to 26% of staff.
- 3.23 The retail sector provides an important entry point to work from school or for young people who are NEET. Retail employs more young people straight from school than any other sector²⁴. A quarter of employees within the retail sector are aged under 25 – significantly higher than other sectors in the

²⁴ UKCES, 2014, UK Commission's Employer Skills Survey 2013

UK economy²⁵. 42% of all working 16 to 17 year olds are employed by retailers. Youth unemployment has serious implications for the long term resilience of both these individuals and their communities so opportunities to create jobs suitable for young people should be maximised.

- 3.24 The new 'Yard' public square around the south east corner of the Site is a focal point for proposed retail provision. In this location it will activate the area around the commercial building, providing essential services such as cafés, coffee shops and potential gallery space to accompany and facilitate a successful co-working/co-making environment.
- 3.25 The B1 office space will support a wide range of skilled and semi-skilled professionals and start-ups, including local people. ,

g) Delivering new homes

- 3.26 The Scheme will be a mixed community, with new homes in market, intermediate and affordable rented tenures – ranging from one bedroom flats to family homes. In total, the Site will accommodate 1,132 new homes of which up to 189 will be affordable homes. The approved housing mix includes 66 family-sized affordable homes of 3 or 4 bedrooms and the mix is set out in the signed S106. A revised mix is under consideration as part of the Section 96A application. This mix, still to be approved, also includes 189 affordable homes, 60 of which will be family affordable homes.
- 3.27 These homes will contribute 8% of Lewisham's ten year housing target. 1,920 new residents will live there.
- 3.28 As set in the *Site Context* section above, housing affordability and overcrowding are key issues for households in Lewisham. Delivering new homes is essential to support sustainable growth and alleviate deprivation.
- 3.29 New residents will also bring spending, footfall, and new skills to a neighbourhood.

²⁵ UKCES, 2012, Sector Skills Assessment 2012: Wholesale and Retail Evidence Report 73, p. 26

- 3.30 189 new affordable homes will reduce some pressure on housing waiting lists, in particular for those with priority needs. This includes those at risk of violence or serious ill-health; those in very overcrowded homes; older people; and families with children. This may include people who require wheelchair accessible homes to support their health and wellbeing. There are 8,400 currently waiting for homes in Lewisham.
- 3.31 Local Authority Housing Statistics²⁶ show that the vast majority of social rented (including affordable rented) housing in Lewisham is let to existing residents of the borough, so the benefits of social rented and intermediate tenures will be felt locally. This includes opportunities for people moving from other social rented homes in the borough whose housing needs have changed. In many cases this would free up their existing home for new tenants.
- 3.32 New homes would increase Council Tax revenue for Lewisham. At the Scheme, this would amount to between £1.36m and £1.53m annually. In addition, Councils currently receive an added income for new homes delivered within their boroughs for a period of six years after completion. This New Homes Bonus could amount to £7m over four years for Lewisham to spend on local regeneration priorities.
- 3.33 The range of sizes and tenures of homes that will be on offer within the Scheme will help to create a sustainable, mixed and balanced community. New homes will contribute more to the neighbourhood context than the current uses, improving the environment for the existing residents too. This is greatly helped by a masterplan design that is focussed on better links and public realm running through the Site, opening it up to pedestrians and cyclists.

²⁶ Department for Communities and Local Government, LAHS 2014-15

h) Regenerating Deptford

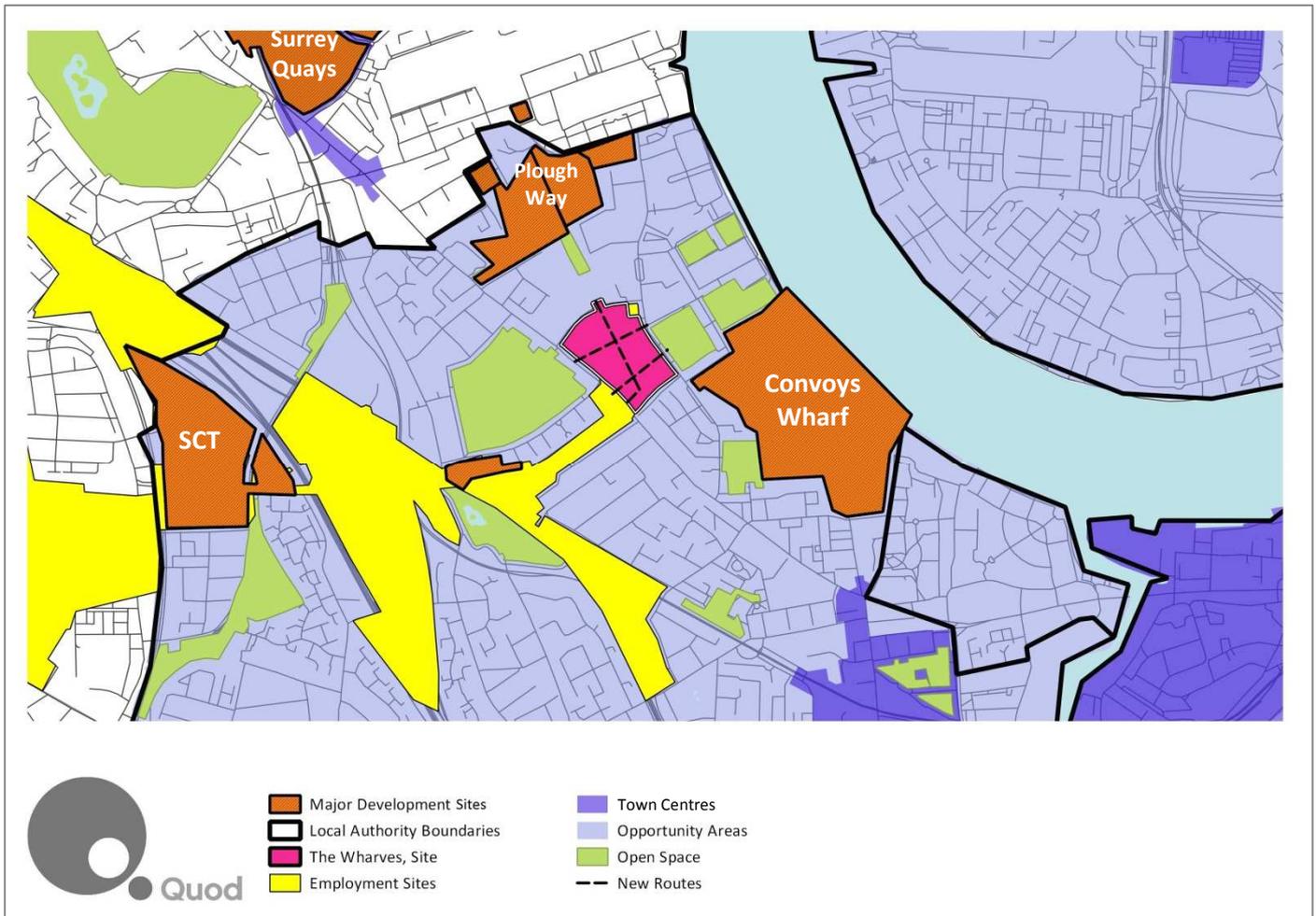
i) One of four key sites

3.34 The Site is one of four Strategic Development Sites within the Opportunity Areas (as mapped on Figure 7, below)²⁷. The Scheme has a critical part to play in delivering homes and jobs but also in building confidence, encouraging investment and driving regeneration in the Opportunity Areas as a whole.

3.35 The Site is located in a position where it could provide a critical link between other major regeneration sites in Lewisham and the neighbouring London Borough of Southwark. By changing the way people move around the Site, by opening up new routes with active frontages and open spaces and by creating a new animated thoroughfare, the character and geography of this space will change, to the benefit of all the new developments and to existing residents. A new route will be provided within the Site along the route of the former Surrey Canal, increasing permeability through the Site and also providing access to the Pepys Estate to the north of the Site. The quality of the environment along all the boundaries of the Site – Grove Street, Oxestalls Road, Evelyn Street and Dragoon Road – will be substantially improved.

²⁷ Convoys Wharf, Surrey Canal Triangle, Oxestalls Road and Plough Way

Figure 7: Strategic Sites



3.36 It is envisaged by Lewisham and the Mayor of London that these areas will be *comprehensively redeveloped*. Developers have responded to this call and submitted planning applications for all four of these Strategic Sites in the north of Lewisham. These areas should be developed in such a way as to “maximise the physical, social and environmental regeneration opportunities new development will bring for the benefit of existing and future residents, to address deprivation issues, particularly

health inequalities, to improve well-being²⁸.” 60% of Lewisham’s housing delivery to 2025 is planned to come forward on these Sites.

- 3.37 The root causes of deprivation and inequality are complex but good quality homes, including affordable homes; new jobs; provision of local services; and improved local environment can all contribute to improved health, well-being and reducing deprivation²⁹.
- 3.38 In isolation, each site could have a positive effect on the well-being of those who live or work there. However, at the level of single site, it is challenging to affect enough change to make an impact on the deprivation and wellbeing of a whole community. In combination though, groups of linked Strategic Sites provide the critical mass to have a substantial long-term impact.
- 3.39 The new links and public realm is further explored in the *Exemplary design and public realm* Section.

²⁸ London Borough of Lewisham, 2011, Adopted Core Strategy Development Plan Document, p.6

²⁹ These factors feature in the DCLG’s Indices of Deprivation and/or the NHS HUDU Rapid Health Impact Assessment Tool

- 3.40 Employment projections produced by the GLA³⁰ show that it is likely that employment growth in London will continue to be driven by service sector employment. That includes professional and technical jobs, retail, hotels, health, education and business and other services. Apart from public sector services, these are not currently strengths of the Lewisham economy.
- 3.41 The borough is likely to capture little of this growth without a significant change in direction. This will need new floorspace, improved access to markets in London and investment to raise the profile of the borough as a working environment.
- 3.42 The Lewisham Business and Growth Strategy 2013-2023 sets out five key strengths of the local economy which it would like to develop and build on, as the drivers of their future economic growth:
1. Lewisham has become a growing centre for micro businesses, which benefit from the demand created from the London economy;
 2. Lewisham has a dynamic, diverse, creative and entrepreneurial population;
 3. Lewisham provides excellent value for London businesses;
 4. Lewisham is undergoing a period of significant regeneration, creating new high quality business space and environments; and
 5. Lewisham town centres are being revitalised, developing their unique and diverse offer.
- 3.43 Inner East London – which includes Deptford - will be the focus of a large proportion of London’s population and economic growth over the next 20 years. The definition of the core office market is widening due to central London cost and supply. Particularly for Creative Industries, East London can provide a more desirable location and type of business space offer than the traditional office locations. These businesses benefit from being in vibrant and diverse neighbourhoods near to their employees.

³⁰ GLA, 2013, Employment projections to 2036

3.44 Start-ups and Creative Industries are particularly key in Lewisham’s growth ambitions. The borough established a Creative Industries Strategy in 2012 which set out how,

“Creative industries are a key source of employment, innovation and productivity. They shape communities and create destinations. Developing the sector is an important element of the borough’s strategy for economic growth³¹.

3.45 As set out in the *Site Context* section, Lewisham is showing signs of a strong and growing cultural and creative sector – but it will need support to fulfil its potential.

3.46 The workspace within the Scheme is designed to respond to these strengths and this opportunity and deliver the growth that Lewisham wants to see. Lewisham states that “demand for suitable space in Lewisham from start-ups and existing businesses wanting to expand is ever present³².”

3.47 Workspace proposals are concentrated around the delivery of The Y Building and temporary incubator space in the Victoria Pub. This space will foster demand from the creative and entrepreneurial sectors and provide a place for businesses to grow and collaborate [so] that they will be able to establish themselves on the permanent Site³³.

3.48 The Y Building is intended to be able to be used by a range of tenants, and the floorplates are able to be provided flexibly either as larger open plan spaces or subdivided into smaller spaces with a central corridor.

3.49 The following diagram sets out the principles which facilitated the design, location and type of workspace that will be delivered.

³¹ Lewisham, 2012, *The Business of Creativity: A Creative Industries Strategy for Lewisham 2012-2015* p.1

³² Lewisham, 2012, *The Business of Creativity: A Creative Industries Strategy for Lewisham 2012-2015* p.3

³³ Lend Lease, 2015, *The Wharves, Deptford, Commercial Strategy* p.18

Figure 8: The Scheme workspace design principles



Figure 9: The Y Building



3.50 These principles have been established based on consultation, market analysis and Lewisham's aspirations. The amount, location and type of space across the Site will deliver critical mass in order for a sense of business and employment identity to flourish.

ii) *Benefits for the local economy*

3.51 Alongside direct employment and job brokerage, the Scheme will support businesses already in the area through supply chain activities in construction and operation (for example, local machine hire, business administration and support, catering etc.) and through the new residents' and workers spending on goods and services locally.

3.52 New employees working on-site would generate additional spending - on average workers spend £10.59 per day on food and drink in the area local to their work³⁴. On this basis, the total additional spending generated at the Scheme would be £15.3m in household spending³⁵ and between £1.1m and £1.5m in employee spending annually. This would help to attract or sustain local shops and services and support local employment.

3.53 This spend will support existing businesses locally and create more opportunities for work in the area around the Site to support the Scheme and the retail and services in the other Strategic Sites.

3.54 Construction and operation will generate Gross Value Added (a local measure of Gross Domestic Product). Based on average rates of GVA per construction worker per year, total GVA generated by the demolition and construction at the Site will be c. £200m over 7 years. Based on rates for retail and commercial employees, the GVA generated by the retail and workspace uses would be around £33m every year.³⁶

³⁴ Visa Europe (2014) UK Working Day Spend Report

³⁵ The Office for National Statistics (ONS) Family Spending Survey estimates that the average weekly spending on local goods and services is £260 per week (based on London spending, adjusted to consider likely local goods and services specifically)

³⁶ Quod calculations based on Office for National Statistics benchmarks

- 3.55 The new business and retail space would substantially increase the rateable value of business on the Site. The total rateable value of the existing properties is estimated to be £530,000³⁷ - yielding annual business rates payments of approximately £260,000. Given the age and deteriorating condition of the existing buildings there is very limited potential for many of them to be continued to be used in the long term, so this is likely to be an overestimate of future revenue.
- 3.56 The new business space could increase this to £1.1m. This could generate in the region of £580,000 in Business Rates annually – an uplift of up to £320,000 in annual revenue over the current rates³⁸. After 2020 all of the uplift generated within a local authority will be retained within the borough, to use for local investment priorities.
- 3.57 Small businesses, start-ups and charities may be able to claim small business rates relief from Lewisham. This would reduce the overall business rates revenue but would support the growth and sustainability of these businesses.
- 3.58 Increased local employment, during construction and in the long term, could increase income tax and National Insurance revenue as well as reducing benefit receipts where employees move from unemployment to new jobs. As set out above retail and food jobs can be particularly appropriate for people moving to work from unemployment.

i) **Exemplary design and public realm**

- 3.59 Lewisham states in its Core Strategy that,

“A fundamental objective and requirement of the redevelopment of these sites is the need to deliver a radical improvement in the physical quality of the urban environment by improving their overall appearance and attracting further investment to a part of the borough where the environment is poor and unemployment and levels of deprivation are high³⁹.”

³⁷ This is based on Valuation Office Data for The Wharves (existing uses) and comparable developments and locations (proposed uses)

³⁸ This is based on Valuation Office Data for The Wharves (existing uses) and comparable developments and locations (proposed uses)

³⁹ London Borough of Lewisham, 2011, Adopted Core Strategy Development Plan Document, Paragraph 6.24

3.60 Lendlease has established a Core Vision which centres on the ambition to “Create the Best Places.” This Vision underpins all of their developments including the Scheme. In relation to the Scheme, this is driven by the quality of the spaces between the buildings – those that are accessible to existing residents and workers, as well as new. These spaces will transform the layout and experience of the neighbourhood for everyone. Details of these interventions are set out below.

i) Neighbourhood connections

3.61 The Site is currently not accessible to the public and creates a significant barrier for pedestrians. The new masterplan proposes a series of pedestrian connections that will integrate the Site with wider networks and create much needed links using high quality public realm. The aim of these spaces will be to create a sense of place, permeability, accessibility and establishment of landmarks and new public open spaces.

3.62 Improvements are already being made to walking and pedestrian routes between the Site and transport nodes. New streets, green links and a linear park along the Surrey Canal route will cut across the Site creating new, attractive and animated public routes running both north to south and east to west. Public routes are secured via the Section 106. The proposed new routes are shown in the figure below.

Figure 10: New public routes through the Site

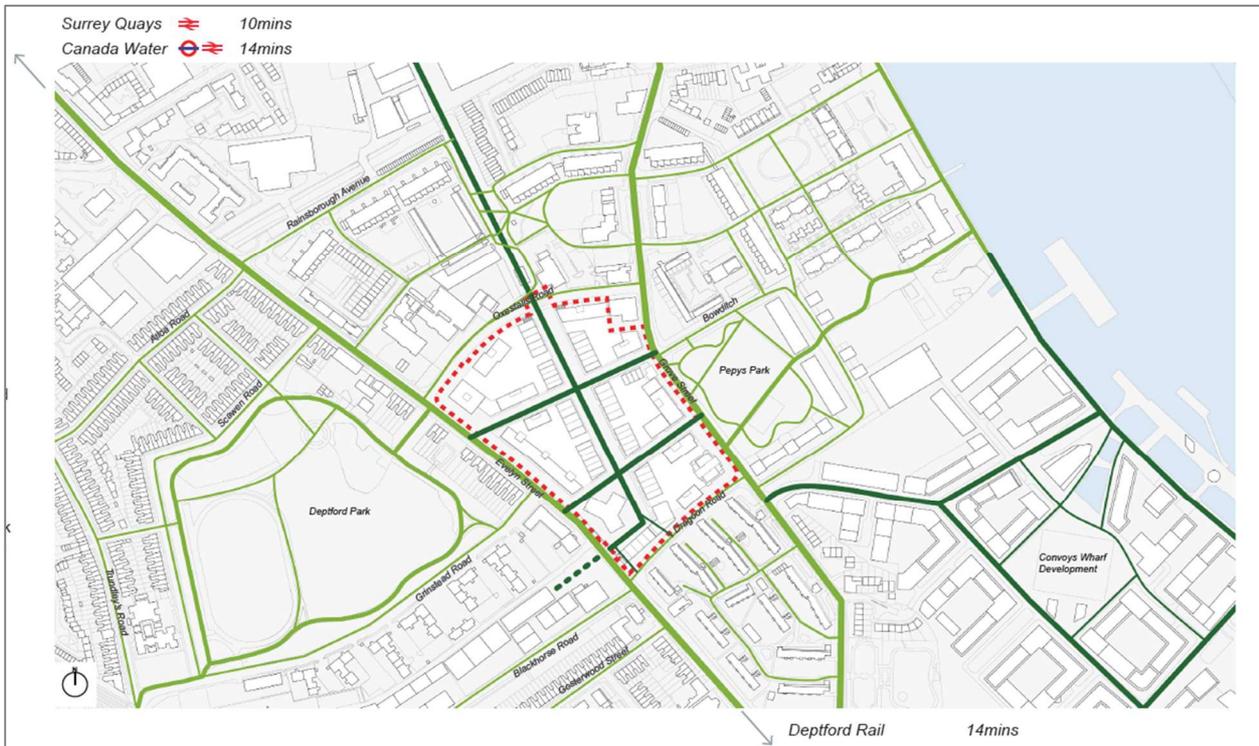
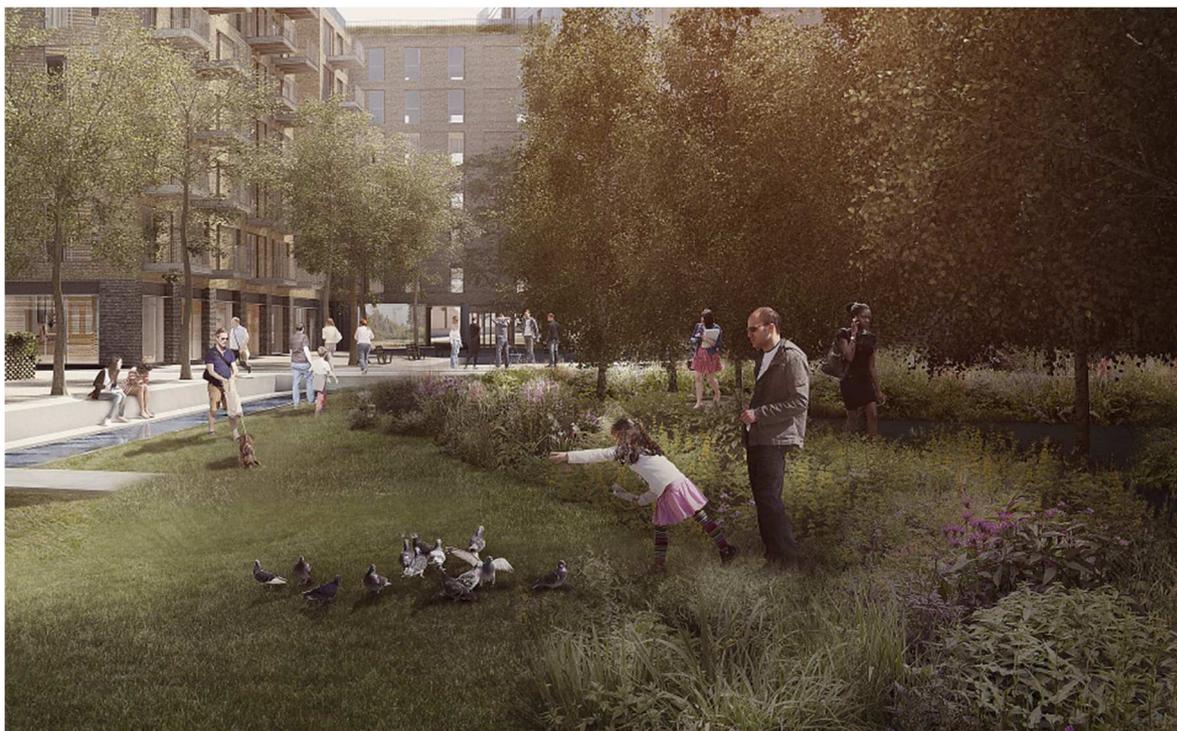


Figure 11: New public spaces



- 3.63 A linear park and water feature running across the Site (Surrey Canal Park) will be located on the line of the former canal creating a unique atmosphere where people can meet, rest and socialise. A neighbourhood square (The Yard) acts as a focal point encouraging leisure and recreation projects and allows space for outdoor cultural events and markets. The landscaping has specifically been designed to incorporate outdoor seating.
- 3.64 Across the Site, there will be public and private green spaces incorporating activities for children and young people.
- 3.65 These elements of the masterplan are all designed with the whole of the Scheme in mind. These routes, links and public spaces would be compromised if the vision for the Site in its entirety could not be delivered.
- ii) Heritage Influences
- 3.66 There is little of architectural or historical value at the Site, with the Wharf Infrastructure long gone. However, two elements of the Site's history will be retained, to ensure that the heritage of the location remains a part of the local community and identity.
- 3.67 The popular Victoria Public House building is to be restored and retained as a community asset, after public consultation which highlighted the importance of the building for local people.
- 3.68 The Victoria Pub will be used in the short term as incubator units for start-up businesses, with a training kitchen and small cafe at ground floor level. This is the subject of a separate planning application. In the long term, the pub will be refurbished to provide a flexible range of planning uses including a pub if a suitable operator comes forward.
- 3.69 The route of the canal will be reinstated via Surrey Canal Park and water feature.

Figure 12: The retained Victoria Public House



iii) Accessibility and adaptability

3.70 The Scheme has been designed in line with Lifetime Neighbourhood principles: these are a set guidelines that aim to create sustainable communities by designing places that are accessible, inclusive and safe⁴⁰. Good design responds to current needs as well as allowing for potential demographic changes such as a future increase in older people.

⁴⁰ DCLG, 2011, Lifetime Neighbourhoods

- 3.71 These principles are reflected in the design of the Scheme's new homes, in the outdoor spaces, in the services and facilities provided within walking distance and with the Site's good access to public transport. Lendlease is committed to policies that promote inclusive management of the public realm and residential blocks in the long run via consultation and collaboration.
- 3.72 Each new home will meet, and in many cases exceed, the minimum standards for the total floorspace area⁴¹. The Scheme has been designed to be as inclusive as possible in design, and to be used by everyone. Local and London policy set out the need for 10% of all homes to be wheelchair accessible or easily adapted for wheelchair use. Across the development this standard will be met.
- 3.73 In relation to the social rented units, up to 10% of these will be fitted out for wheelchair users according to need, with the remainder of the 10% being easily adaptable. The Shared Ownership and Market tenure wheelchair accessible units will only be sold in accordance with a Wheelchair Units Marketing Strategies which will be agreed between Lewisham and Lendlease and will secure a 6 month period of dedicated marketing to ensure that these units are prioritised for wheelchair users and fitted out or easily adaptable depending on the outcome of the marketing exercise (see Schedule Two: Affordable Housing of the signed Section 106 Agreement).

iv) Community, health and wellbeing

- 3.74 The Scheme is designed with the health and wellbeing of the new and existing community in mind. In addition to on-site facilities and spaces, the public and private spaces will be accessible and adaptable and designed to promote physical activity and wellbeing. The design of the new homes and spaces will ensure that this is a Lifetime Neighbourhood, able to be adapted in the future for use by residents or visitors who may have reduced mobility due to age or disability.
- 3.75 The Scheme has a number of design features to help ensure the buildings have good environmental performance. Features include high performance glazing, insulation to minimise heat loss, energy-efficient lighting and utilising solar gain and thermal mass as part of the design.

⁴¹ The level of detail is only set out for the Detailed Element: Phase 1. See DAS Volume 1 and in Table 7.2 in the Planning Statement

- 3.76 The Scheme will include flexible community floorspace which could be used for new public or community services, depending upon local needs. Existing and new local residents will also benefit from the early provision of the local convenience store.
- 3.77 New jobs and access to work can increase health and wellbeing. Income is one of the strongest positive influences on health and disease in public health research. Unemployment, conversely, is often related to an increased risk of poor physical and mental health and premature death. By creating a range of jobs and actively linking local people to opportunities through committed brokerage schemes, the Scheme will help to redress employment deprivation locally.
- 3.78 The Site will provide a series of courtyards and a large public square to be enjoyed by pedestrians and residents promoting walking and cycling. These spaces are designed to feel safe and will be managed and maintained to a high standard in perpetuity by a maintenance company. Lendlease will make an additional £13.5 million in Community Infrastructure Levy contributions and £1.1 million in S106 for community infrastructure priorities. Additional S106 obligations include off-site landscaping works, highway works and a car club.

v) Community Consultation

- 3.79 One of the determinants of positive mental health is a sense of agency i.e. a sense of being in control of one's life and environment gained by being able to act independently and make choices. This includes being able to have a say in and influence decisions in your neighbourhood. Social participation and social support are associated with reduced risk of common mental health problems and better self-reported health⁴². Effective community consultation is therefore an integral part of building sustainable and healthy communities.

⁴² Mental Health Impact Assessment Toolkit Chapter 2

3.80 Between August 2014 and March 2015, Soundings carried out a process of community consultation to gather local knowledge and ideas. This looked at how the area is changing and the key issues facing the future of the Site and the neighbourhood. Key issues for the community are set out in Section 3 of the *Design and Access Statement* and in the *Statement of Community Involvement* that accompanied the planning application. These included:

- local employment opportunities
- provision of workspace including affordable workspace
- small-scale retail provision
- protection of the Victoria Public House
- traffic, transport and parking management
- Surrey Canal Park and other green infrastructure
- air pollution and environmental sustainability.

3.81 Lendlease and their Masterplanning team have listened to and responded to the views of local residents and organisations alongside those of statutory consultees such as the Greater London Authority, Lewisham Council and Transport for London. Some of the key initiatives respond to local concerns and will help the Scheme to be a sustainable and healthy community. Full details are provided in the *Design and Access Statement* that accompanied the planning application.

j) **Conclusion**

- 3.82 The Scheme will make a significant and lasting contribution to the regeneration and growth ambitions of both Lewisham and the Mayor of London for the Site.
- 3.83 As one of four Strategic Development Sites, a Mixed Used Employment Area, a Regeneration and Growth Area and part of the Mayor's Opportunity Areas, the Site has been identified multiple times as an important opportunity to deliver new homes, promote growth, create new jobs, and to address deprivation and social exclusion.
- 3.84 Through its design, layout and its mix of uses - including affordable housing, community and employment uses – the Proposed Development would transform the Site and the neighbourhood around it.
- 3.85 The Scheme will create homes for around 1,920 people, construction jobs for up 1,450 people at the construction peak and up to 630 FTE permanent jobs (a net increase of up to 380 FTE on-site). In reality, with part-time and flexible working, the number of people working within the Scheme could be substantially higher. The Scheme would also generate financial benefits for the local area and local government in the form of spending on goods and services, Council Tax, New Homes Bonus and business rates.
- 3.86 Any part of this development coming forward would bring beneficial effects of investment, new homes and new jobs. However, as Lewisham itself has indicated throughout its relevant policies, it is the Site's size and shape as a whole that give it the true potential for regeneration effects. The critical mass that can be achieved through delivery of the Scheme is required to sustain a thriving business hub and the local shops and facilities to support the new community of residents and workers. The new link routes and open spaces work to change the layout and functionality of this neighbourhood, creating a better public realm for all residents and visitors. These benefits will not be achieved without comprehensive redevelopment.
- 3.87 The Site is located in a position where it could provide a critical link between other major regeneration sites in the borough and the neighbouring London Borough of Southwark. By changing the way people move around the Site, by opening up new routes with active frontages and open



spaces and by creating a new animated thoroughfare, the character and geography of this space will change, to the benefit of all the new developments and to existing residents.



4 EQUALITIES IMPACT ASSESSMENT

k) Introduction

Policy context and objectives

- 4.1 This Section considers the impacts of the Scheme in the context of the Equalities Groups and Protected Characteristics as defined by the Equality Act 2010.
- 4.2 The Equality Act 2010 forms the basis of anti-discrimination law within Great Britain. The Act replaces the Equal Pay act 1970, Sex Discrimination Act 1995, Race Relations Act 1976, Disabilities Discrimination Act 1995, Employment Equality (Religion or Belief) Regulations 2003, Employment Equality (Sexual Orientation) Regulations 2003 and Employment Equality (Age) Regulations 2006 in the aim of simplifying and codifying these Acts and Regulations. Section 149 of the Act requires public authorities to have due regard to equality considerations when exercising their functions.
- 4.3 The Protected Characteristics, as defined by the 2010 Act are:
- Age
 - Disability
 - Gender reassignment
 - Marriage and civil partnership
 - Pregnancy and maternity
 - Race
 - Religion and belief
 - Sex
 - Sexual orientation

4.4 The main objective of EqlA has been to ensure public policies and programmes are implemented fairly, in particular with regard to their impact on the target groups identified above. This EqlA sets out information to assist Lewisham and the Secretary of State and Planning Inspector appointed by the Secretary of State in considering their public sector equality duty as set out in the Equality Act 2010. Section 149 of the Act requires public authorities to have due regard to a number of equality considerations when exercising their functions. The aim of this assessment is to assist the decision-maker in this duty by presenting the relevant information relating to the project.

Identifying impacts

4.5 In the context of a planning application many of the impacts are inherently challenging to define or quantify.

4.6 The physical characteristics of the buildings may impact certain protected characteristics through the design of the built environment. Other equalities impacts would depend on the future use of these building and the actions of the occupiers.

4.7 Nonetheless, there are certain aspects of the Proposed Development that may have impacts on particular equalities target groups e.g.:

- impacts of design on accessibility for those with impaired sensory functions or mobility; and,
- creation of employment opportunities which could benefit target groups.

4.8 While the scale and significance of these impacts cannot be specifically quantified, the direction of the impacts can be considered (whether they are positive, negative or neutral).

Supporting information

4.9 The planning application that was submitted for the Scheme in 2015 was accompanied by a suite of documents including an *Environmental Impact Assessment*, a *Health Impact Assessment* and a *Draft Construction Environmental Management Plan*. The potential impacts of the Scheme on local communities, human health and the local economy and business have been considered in full within this assessment.

4.10 The submitted *Design and Access Statement* sets out the design features which have been considered as part of the applications to ensure the built environment and public realm created by the project adheres to current legislation and design codes. Therefore, these documents should be read alongside this EqIA.

l) Assessment of potential impacts

i) Construction

4.11 The seven year construction period has the potential to lead to effects on amenity for local residents, employees or visitors e.g. noise, dust, poor air quality and disruptions to access routes. Some of these effects could disproportionately affect Protected Groups in the absence of appropriate mitigation, particularly older people and disabled people (including those with life-limiting illnesses).

4.12 The effects of construction will be managed and mitigated through mechanisms set out in the *Draft Construction Environmental Management Plan* (September 2015) and through condition of the Planning Permission (DC/15/92295 Condition 41).

4.13 Stage One Enabling Works will be carried out in accordance with this CEMP (2015). All further works will be subject to a full *Construction, Environmental and Transport Management Plan* which will need to be submitted and approved by Local Planning Authority.

4.14 These Management Plans cover the following issues:

- details of hours of works;
- dust mitigation measures including details of the specification, methodology and location for noise and dust monitoring and how data will be used to manage work on site to minimise impacts on surrounding neighbours;
- the location and operation of plant and wheel washing facilities;
- details of best practical measures to be employed to mitigate noise (including noise mitigation relating to on-site crushing) and vibration arising out of the construction process;

- Details of construction traffic movements including cumulative impacts which shall demonstrate the rationalisation of travel and traffic routes to and from the Site; full details of the number and time of construction vehicle trips to the Site with the intention and aim of reducing the impact of construction related activity; measures to deal with safe pedestrian movement;
- construction logistics and appropriate measures to control the potential effects of the construction process on the wider road network and environment;
- Security Management (to minimise risks to unauthorised personnel);
- an Emergency Evacuation Plan for construction workers at the site, in the event of on-site flooding;
- Details of the training of site operatives to follow the Construction Management Plan requirements;
- Details of site hoarding of approximately 2.5m in height (with reinforcement along Oxestalls Road) to be erected around the perimeter
- Save for works that have first been agreed by the local planning authority in writing, no demolition or construction works shall be undertaken outside the following hours:
- Monday to Friday - 08:00 to 18:00
- Saturday - 08:00 to 13:00
- Sundays and Bank Holiday - No Work

4.15 The Site will be registered with Considerate Constructor's Scheme (CCS). Lend Lease Construction will register the project and adopt an independently assessed voluntary code of practice covering issues such as environmental awareness, relations with the public, site welfare and safety of those on and off site.

4.16 Any effects on amenity will be temporary. These effects will be monitored and minimised or mitigated throughout the construction period, including those issues which may disproportionately affect Protected Groups. A summary of this assessment is presented below.

<p>Potential effects on Protected Groups or Protected Characteristics</p>	<p>Temporary effects of construction in particular - amenity, noise, access routes – that may affect older people and disabled people (including those with life-limiting illnesses) if not managed or mitigated adequately.</p>
<p>Scheme Assessment</p>	<p>Potential effects will be monitored and minimised or mitigated throughout the construction period.</p> <p>Stringent monitoring and management is secured as a Planning Condition and through the CETMP including:</p> <ul style="list-style-type: none"> • Dust & air quality • Noise • Hours of operation • Traffic and transport • Hoarding • Site Safety

ii) Delivery of new housing

4.17 Access to affordable, good quality housing is essential for building sustainable communities, reducing pressure on housing waiting lists and offering more opportunities for vulnerable groups (e.g. older people, younger people, low-income households) to improve their standard of living. At present, the local area faces problems in terms of overcrowding, a long housing waiting list and unaffordability.

4.18 The Marmot Review into Health Inequalities (2010) identified that bad housing conditions – which also includes factors such as homelessness, temporary accommodation, overcrowding, tenure insecurity and housing in poor physical condition – constitute a risk to health, and this is most likely

to affect the more vulnerable groups in society. Delivering affordable, well-designed housing is a key element in reducing health inequalities, particularly for vulnerable groups.

4.19 In order to deliver homes that are appropriate for the needs of these groups, the *Design and Access Statement* sets out how Lendlease and their design team considered the requirements of all users, including:

- People with mobility impairments
- People with visual impairments
- Deaf people
- Older people
- Small children.

4.20 The proposals are reviewed against the relevant regulations and standards that apply, as identified in *Appendix 1 of the Design and Access Statement*.

4.21 The proposals demonstrate that a good level of inclusive design will be achieved in the Scheme by compliance with the requirements of:

- SELHP Wheelchair Housing Design Guidelines/ Lifetimes Homes/ Building Regulations Part M
- British Standards where applicable
- Local, London and national planning policies as applicable.

4.22 At least 10% of all units provided across all tenures will be Wheelchair Housing Units meeting the requirements set out in Schedule 2 of the Section 106 Agreement (23 March 2016).

4.23 The Shared Ownership and Market tenure wheelchair accessible units will only be sold in accordance with a Wheelchair Units Marketing Strategy which will be agreed between Lewisham and Lendlease. This will secure a minimum 6-month period of dedicated marketing to ensure that these units are

prioritised for wheelchair users (see Schedule Two: Affordable Housing of the signed Section 106 Agreement).

- 4.24 Overall, the design standards will anticipate the needs of current and future residents and visitors. This will have an overall positive effect on the lives of these people and households, including those with Protected Characteristics.
- 4.25 Affordable rented units will be allocated subject to the legal protections in equalities applied by the Local Authority or commissioned housing management company under the Housing Act and Lewisham’s Housing Allocation Scheme Policy. In accordance with Lewisham’s Housing Allocations Policy, new affordable housing can be prioritised for people and families with priority needs such as those at risk of violence or serious ill-health, those in very overcrowded homes older people and single parents and families with children. 189 new affordable homes will reduce some pressure on housing waiting lists alleviating problems faced by residents with protected characteristics.
- 4.26 Whilst not discriminating in favour of any particular group, the allocation of affordable rented housing to reflect need would be expected to offer significant benefits to those who suffer disproportionately from housing need and would be expected to have a beneficial effect on alleviating the housing problems faced by some residents in Protected Groups.

<p>Potential effects on Protected Groups or Protected Characteristics</p>	<p>Delivery of new homes can help to improve access to good quality housing for local residents overall and in particular some vulnerable groups with Protected Characteristics. This effect would be long-term.</p>
<p>Scheme Assessment</p>	<p>The Scheme would deliver 1,132 new homes including 189 affordable homes. Homes and neighbourhoods have been designed to be Lifetime Neighbourhoods that are accessible and/or adaptable. Social homes will be subject to legal protections on lettings so as not to discriminate against any groups</p> <p>The allocation of affordable rented housing to reflect need would be expected to offer significant benefits those who suffer disproportionately from housing need including those in Protected Groups.</p>

iii) Local Businesses

Loss of employment opportunities

- 4.27 Access to employment and services is essential for the maintenance of a sustainable communities. Loss of local employment opportunities or services may disproportionately affect vulnerable groups who may find it harder to secure jobs or to travel to work.
- 4.28 The Site did support commercial and industrial buildings of c. 19,633m² (GEA) across A1, A3, B1, B2, B8, C3, and Sui Generis Use Classes. Historically, the Site was made up of five wharves – Crown Wharf, New Baltic Wharf, Victoria Wharf, Park Wharf and Bridge Wharf, along with a petrol filling station, a vacant public house ('The Victoria'), a car wash, a single residential dwelling and some small scale retail buildings. Much of the disused space has already been demolished under the Planning Permission of March 2016.
- 4.29 Displacement of current occupiers of industrial units and commercial activity on the Site through CPO and other purchase may lead to equalities impacts where/if business owners include those with Protected Characteristics and are required to move off-site and lose local ties.
- 4.30 A significant proportion of the site is now vacant. Quod understands that the remaining leases/tenants whose interests are the subject of the CPO are:
- Spaces Personal Storage Limited;
 - Safestore Personal Storage Limited;
 - Shell U.K. Limited; and,
 - Veolia ES (UK) Limited.
- 4.31 Based on the nature of the businesses on-site, there is no reason to believe that there will be a differential or disproportionate effect on people with Protected Characteristics with respect to owners, employees. Service users (customers or clientele) of existing businesses are dealt with in the following section, Community, health and wellbeing.

4.32 Lendlease has informed all of the existing tenants of the planning application process, and the likely timescales for the relevant phase that their units fall within to ensure that they can manage their business and property matters.

4.33 Lendlease has - and will continue to - engage with both tenants and land owners to inform them of the proposed time frame of development. All details of discussions with owners and tenants relating to relocation have been set out in the Acquisition Report.

Creation of employment opportunities

4.34 The new floorspace will generate employment on-site – between 460 and 630 Full Time Equivalent Jobs (a net increase of up to 380 on-site).

4.35 Delivery of this new floorspace would support demolition and construction employment. At peak, up to 1,450 jobs could be supported – although not all of these jobs would be on-site. Typically, on-site employment is considered to be around half of the total employment but this depends on construction methods and materials.

4.36 As set out in the Regeneration Section of this Report, jobs at the Scheme could provide specific opportunities for:

- Young people under 25
- People who want part time jobs to work around family care or study, particularly women
- People with entry level skills and experience and those coming back to work from unemployment.

4.37 Some protected groups may be unevenly represented in terms of barriers to accessing work, skills and qualifications. These barriers include language, cultural factors, family requirements and the need for flexible and/or part-time work. Young people, older people, family carers and ethnic minorities have disproportionate challenges accessing employment.

4.38 Black and Minority Ethnic (BAME) groups account for a disproportionately high proportion of London's job seekers - two thirds of all job seekers are from ethnic minorities (London's population is 40%

BAME). In Lewisham, Black African, Caribbean and Black British residents are particularly over represented amongst the unemployed.

- 4.39 There are also inequalities in terms of gross earnings between Lewisham and London and between men and women – with earnings lower in Lewisham than the London average and women earning on average less than men.
- 4.40 Therefore, the opportunities that will be created by the Scheme could align with the employment needs of local residents including those in Protected Groups.
- 4.41 In addition, Lendlease has committed, via a Section 106 agreement and a 'Local Labour and Business Strategy' to support local people and enterprises into work at the Scheme.
- 4.42 The recruitment for new jobs created during either construction or in the completed development would be required to be based on a non-discriminatory basis in accordance with legal requirements of Part 2 and Part 5 of the Equality Act 2010. This includes the legal obligation not to discriminate on the basis of age, disability, gender reassignment, pregnancy and maternity, race, religious belief, sex or sexual orientation.
- 4.43 As such, the proposals offer the opportunity to provide significant benefits to Protected Groups through the creation of jobs that meet a range of skill profiles and flexibility needs. These benefits will be enhanced through committed brokerage schemes tailored to support local people into employment.

<p>Potential effects on Protected Groups or Protected Characteristics</p>	<p>Creating new jobs provides social and economic benefits to current and future residents and can be enhanced to improve employment and skills opportunities of all Protected Groups.</p>
<p>Scheme Assessment</p>	<p>The Wharves is a long term project that will:</p> <ul style="list-style-type: none"> • Support construction jobs • Support up to 630 operational (long term) jobs (a net increase of up to 380 on-site) • Support long-term employment opportunities that are part-time, flexible and/or suitable for people with few formal qualifications and those returning to work after a period of unemployment • Work with Lewisham to support local people and businesses to access new opportunities at the Scheme <p>All employment on-site will be required to adhere to anti-discrimination laws set out in the Equality Act 2010.</p> <p>Loss of business on-site is not expected to disproportionately or differentially affect Protected Groups.</p>

iv) Community, health and wellbeing

4.44 One priority for planning community facilities is to ensure essential neighbourhood services can be accessed by all new residents. This may be especially important for hard to reach groups and those who may be less able to engage with local services. This may include groups with Protected Characteristics especially children, older people and disabled or people with life-limiting illnesses.

- 4.45 Provision of and access to good quality public services, including recreation facilities and neighbourhood retail can help to support the health and well-being of the local residents. It can also promote an active street life and foster a sense of community. This can help to tackle existing inequalities and make it easier to live a healthy lifestyle, especially for those for whom accessing these facilities can be challenging.
- 4.46 New residents on-site will need good access to new neighbourhood facilities as well as to wider strategic infrastructure. The creation of additional homes and therefore occupation of the Site by families with young children will create an impact on education and childcare capacity locally.
- 4.47 Based on the nature of the businesses on-site, there is no reason to believe that there will be a differential or disproportionate effect on people with Protected Characteristics with respect to service users (customers or clientele) of these businesses.
- 4.48 The Scheme will include 3,571m² GIA of flexible floorspace that could provide community floorspace or neighbourhood retail including, for example:
- coffee shops & cafes
 - a local convenience store
 - supporting retail units e.g. hairdressers / cycle shop / drycleaners
 - gallery / exhibition space supporting the commercial space
 - potential micro-brewery in the existing Victoria Pub
 - crèche or similar facility.
- 4.49 Lendlease is aware of the planned closure of the Sure Start facility in close proximity to the Site, an example of how change has occurred since the 2012 scheme obtained consent. As such Lendlease will investigate whether a crèche or similar facility can be incorporated into the development should

sufficient demand be created through the closure of this facility and the delivery of the Proposed Development⁴³.

4.50 In addition, Lendlease will contribute £13.5 million in Community Infrastructure Levy contributions. Within Lewisham, this will provide for education, health and other local community facilities, wider transport initiatives, open space and allotments, flood management or emergency services according to Lewisham’s priorities. Approximately £4 million of this CIL will go to the Mayor of London to support Crossrail.

4.51 Through agreed on-site provision and through financial contributions, any potential negative effects with respect to access to community facilities would be mitigated. Additionally, by creating affordable housing, on-site neighbourhood facilities and significant open space and playable space in a safe, accessible environment, the Scheme could help to support the needs of new residents including those with Protected Characteristics.

<p>Potential effects on Protected Groups or Protected Characteristics</p>	<p>Access to community facilities must be taken into account when planning new housing developments to ensure that new residents can access the services they need for their health and wellbeing. This may be especially important for hard to reach groups and those members of the community who may be less able to engage with local services.</p>
<p>Scheme Assessment</p>	<p>By creating affordable housing, on-site neighbourhood facilities and significant open space and playable space in a safe, accessible environment, The Scheme could help to support the needs of new residents including those with Protected Characteristics.</p> <p>Based on the nature of the businesses on-site, there is no reason to believe that there will be a differential or disproportionate effect on people with Protected Characteristics with respect to service users (customers or clientele) of the businesses on-site.</p>

⁴³ Lendlease, 2015, The Wharves, Deptford, Commercial Strategy p.19

v) *Design and public space*

4.52 The Scheme has been designed in line with Lifetime Neighbourhood principles. These aim to create sustainable communities by designing places that are accessible, inclusive and safe. Good design responds to current needs as well as allowing for potential demographic changes such as a future increase in older people. Further detail about the design and accessibility of the Scheme is set out in the *Design and Access Statement*.

4.53 The Scheme will increase the amount of accessible space in the local area, including accessible employment space, shops, open spaces and public realm. This will help all residents, employees and visitors to feel safe and to travel independently. This will be especially helpful for those with Protected Characteristics such as disability and for older people.

vi) *Transparency and public engagement*

4.54 The Statement of Community Involvement sets out the full details of the consultation and engagement process that was undertaken between August 2014 and March 2015.

4.55 Forms of consultation included newsletters, posters, flyers, a website, one-to-one sessions with local Stakeholders, group sessions with the community and local public events. This consultation took account of views from a wide range of community groups and interested parties including youth groups and advocates; the Lewisham Indochinese Community Centre and FORVIL (Federation of Refugees from Vietnam in Lewisham). A full list of consultees is set out in Appendix C of Lewisham's the Statement of Community Involvement.

4.56 Over the course of the consultation process, Lendlease and the Masterplanning team have listened to and responded to the views of local residents and organisations alongside those of statutory consultees such as the Greater London Authority, Lewisham and Transport for London.

vii) *Conclusion*

4.57 The Scheme has been planned and designed to provide an inclusive environment. Overall it has been assessed that the Scheme would not have a negative impact on protected groups or characteristics. The delivery of homes, employment space, public realm and neighbourhood facilities will have

beneficial effects on the local community of existing and new residents, employees and visitors, including those with Protected Characteristics.

4.58 The Table below summarises the potential impacts affecting each protected characteristic as defined by the Equality Act 2010.

Table 2: Summary of Equalities Impact

Characteristic	Impact	Reason
Age	Positive	Inclusive and accessible design principles have been built in to ensure people of all ages with mobility restrictions can use the new facilities with ease. Employment on-site could provide opportunities including those that are suitable for young people who may be NEET.
	Neutral	Employment supported at the Scheme will be required to adhere to anti-discrimination laws with respect to age as set out in the Equality Act 2010. Loss of businesses on-site will not disproportionately or differentially impact on Protected Groups,
Disability	Positive	Inclusive and accessible design principles have been built in to ensure people with mobility restrictions can use the new facilities with ease.
	Neutral	Employment created by the Scheme will be required to adhere to anti-discrimination laws with respect to disabilities as set out in the Equality Act 2010. Loss of businesses on-site will not disproportionately or differentially impact on Protected Groups.
Gender reassignment	Neutral	Employment created by the Scheme will be required to adhere to anti-discrimination laws with respect to gender reassignment as set out in the Equality Act 2010. Loss of businesses on-site will not disproportionately or differentially impact on Protected Groups.
Marriage & civil partnership	No impact	Not applicable
Pregnancy & maternity	Positive	Inclusive and accessible design principles have been built in to ensure people with mobility restrictions can use the new facilities with ease. This could include pregnant women and women with young children. The playspace and public realm has been designed to provide safe, fun and accessible space for children and their parents.
	Neutral	Employment on-site could provide opportunities that are particularly suitable for parents balancing work and childcare. Employment created by the Scheme will be required to adhere to anti-discrimination laws with respect to pregnancy and maternity as set out in the Equality Act 2010.

Characteristic	Impact	Reason
		Loss of businesses on-site will not disproportionately or differentially impact on Protected Groups.
Race	Neutral	Employment created by the Scheme will be required to adhere to anti-discrimination laws with respect to race as set out in the Equality Act 2010. Loss of businesses on-site will not disproportionately or differentially impact on Protected Groups.
Religion or belief	Neutral	Employment created by the Scheme will be required to adhere to anti-discrimination laws with respect to religion or beliefs as set out in the Equality Act 2010. Loss of businesses on-site will not disproportionately or differentially impact on Protected Groups.
Sex	Neutral	Employment created by the Scheme will be required to adhere to anti-discrimination laws with respect to sex as set out in the Equality Act 2010. Loss of businesses on-site will not disproportionately or differentially impact on Protected Groups.
Sexual orientation	Neutral	Employment created by the Scheme will be required to adhere to anti-discrimination laws with respect to sexual orientation as set out in the Equality Act 2010. Loss of businesses on-site will not disproportionately or differentially impact on Protected Groups.

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

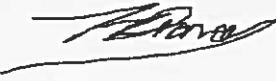
Date of Meeting 21 June 2017

Title of Report Evaluation of the Sustainable Community Strategy 2008-2020

Originator of Report Sam Elliot Ext. 49258

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

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

Signed:  Executive Member

Date: _____

Signed:  Director/Head of Service

Date 13-6-17

Control Record by Committee Support

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

MAYOR AND CABINET			
Report Title	Evaluation of the Sustainable Community Strategy 2008-2020		
Key Decision	No	Item No.	
Ward	All		
Contributors	Executive Director for Resources and Regeneration		
Class	Open	Date:	21 June 2017

1. Purpose

- 1.1 This report sets out an evaluation of *Shaping our future: Lewisham's Sustainable Community Strategy 2008-2020* in response to a request from Mayor & Cabinet following recommendations made by the Overview & Scrutiny Business Panel.

2. Recommendation

- 2.1 It is recommended that the Mayor notes the key achievements, future challenges and conclusions of the evaluation.

3. Policy Context

- 3.1 This report considers progress against the principles and priorities of the Sustainable Community Strategy in the round, and is relevant to all objectives of the strategy.
- 3.2 The work inspired and informed by the Sustainable Community Strategy also supports the council's enduring priorities:

- Young peoples' achievement and engagement
- Clean, green and liveable
- Safety, security and a visible presence
- Strengthening the local economy
- Decent homes for all
- Protection of children
- Caring for adults and older people
- Active, healthy citizens
- Inspiring efficiency, effectiveness and equity

4 Introduction

- 4.1 Lewisham is a place that instinctively works together. When we are part of a global city, when a majority of residents work elsewhere, and when the place is made up communities and networks that naturally cross borough boundaries, we are less inclined to think we can solve problems on our own.

- 4.2 The Sustainable Community Strategy 2008-2020 clearly articulates Lewisham's approach to partnership working, sets out the local authority and its partners' vision for the place, and identifies principles and priorities intended to realise that vision - that together, Lewisham will be the best place in London to live, work and learn.
- 4.3 The Strategy has been a bold aspiration that has stretched and motivated the council and its partners to deliver services for almost a decade. Its creation in 2008 followed extensive consultation, deliberation and participation amongst the local authority, residents, businesses, other public sector organisations and the voluntary sector.
- 4.4 The Sustainable Community Strategy was led by the Lewisham Strategic Partnership, involving local organisations and stakeholders from Lewisham's public, private, voluntary and community sectors, including the local PCT, hospital, police, housing associations, businesses, educational institutions and voluntary networks and partnerships.
- 4.5 Although the duty to prepare a Sustainable Community Strategy was abolished by the Coalition Government in 2010, it has remained an essential part of the policy context for council decision making

5 Partnerships

- 5.1 Partnership working in Lewisham did not begin in 2008, and the strategy reflects a long-standing approach that had been building momentum for some time. A directly elected mayoral system is critical to that. The whole place elects a single accountable leader for the area. The Mayor themselves is not simply an advocate for the council as an organisation but for the whole borough as a place. Most fundamentally, the Mayor has the mandate to act as a convenor of partnerships, solutions and shared perspectives. The Sustainable Community Strategy was an expression of a shared vision forged in that context.

6 Principles and Priorities

- 6.1 The Strategy was underpinned by two principles:
- reducing inequality - narrowing the gap in outcomes for citizens;
 - delivering together efficiently, effectively and equitably - ensuring that all citizens have appropriate access to and choice of high quality local services
- 6.2 It also identified six shared priorities for the borough:
1. **Ambitious and achieving:** where people are inspired and supported to their potential;
 2. **Safer:** where people feel safe and live free from crime, antisocial behaviour and abuse;
 3. **Empowered and responsible:** where people are actively involved in their local area and contribute to supportive communities;
 4. **Clean, green and liveable:** where people live in high quality housing and can care for and enjoy their environment;

5. **Healthy, active and enjoyable:** where people can actively participate in maintaining and improving their health and well-being;
6. **Dynamic and prosperous:** where people are part of vibrant communities and town centres, well connected to London and beyond.

7 Evaluation

- 7.1 The political and economic context has changed dramatically since 2008. This rapid evaluation of progress has been requested by the Mayor and Cabinet following comments from the Overview & Scrutiny Business Panel. It seeks to test the Strategy's continued relevance, examine key achievements and remaining challenges relating to the principles and priorities contained within the Strategy, and summarise the progress made, before considering the case for the development of a new strategy and making recommendations for its update or replacement. It is supported by an appendix of key achievements under each of the Strategy's priorities.

8 A changing place

- 8.1 The view of this evaluation is that the Sustainable Community Strategy has in its own terms been a success. It has supported the development of a strong community - one that has worked together, supported each other and made the borough a better place to live, work and learn during a period of transformational change for the city and the borough.
- 8.2 The story of London and of Lewisham in the last decade has been one of growth. In February 2015 London's population topped 8.6M people, its highest ever. In Lewisham alone, approximately 50K more people now live in the borough than did in 2007.
- 8.3 The physical regeneration of Lewisham that accommodates this growth has been dramatic, with dozens of projects delivering significant numbers of new homes and jobs for the area as well as improvements to the local infrastructure and environment. The town centres in Deptford and Lewisham have undergone major transformation, combining different projects to provide new homes, jobs and amenities, while an exciting vision for Catford is in development.
- 8.4 New transport links like the extension of the DLR to Lewisham and the Overground through to the south of the borough have unlocked investment and development as well as connecting residents and businesses to the economy and cultural life of central London.
- 8.5 This regeneration has enabled Lewisham to lead the way in tackling a city-wide housing crisis, delivering more homes of all tenures. This has accelerated as more development potential has been realised and new, innovative approaches have been identified.
- 8.6 For the first time in over thirty years, the council has been able to work directly with Lewisham Homes to build new council properties for social rent, with over five hundred scheduled to be at least under construction by the end of this Mayoral term. Following significant investment, all of Lewisham Homes's housing stock will have be refurbished to Decent Homes standard by 2018.

- 8.7 New developments have also brought new commercial and business space, including co-working and other flexible spaces like the Deks, promoting new businesses, entrepreneurs and start-ups sectors like digital and creative, social enterprise and business services.
- 8.8 Alongside new homes and business space, the borough's social amenities and public facilities are vastly improved. The council has invested in roads and street lighting to improve safety, while Lewisham's parks and rivers have seen the biggest investment in a generation, with seventeen parks now having Green Flag status, more than ever before.
- 8.9 Unprecedented investment has allowed us to give our young people the best possible facilities for learning. The Building Schools for the Future programme, on course to be completed by the autumn of this year, will have rebuilt or refurbished over twenty schools in the borough, well ahead of many other London boroughs. This is thanks to a pragmatic and flexible attitude to partnerships with contractors, strong leadership from the local authority, and extensive collaboration with schools. It is these qualities that have also enabled us to ensure that we have delivered sufficient school places for every child at primary level every year through the most rapid growth in demand that London and Lewisham has seen.
- 8.10 Lewisham has also benefitted from some outstanding sporting, cultural and artistic facilities - from the refurbished Albany Theatre and the multi-award-winning Deptford Lounge library and community space in the north of the borough, to the brand new flagship leisure centre at Glass Mill and the refurbished Forest Hill Pools and Louise House.

9 A strong community

- 9.1 As the look and feel of the borough has changed, the local authority has worked with partners to ensure citizens are given a fair chance to take advantage of new opportunity, to ensure they are healthier, safer and more resilient, and crucially to ensure that they have a stake in the changes that are being made and participate in decisions that affect them.
- 9.2 We have sought wherever possible to mitigate negative consequences of growth, protecting the environment and ensuring that social regeneration accompanies physical. In the midst of one of the most turbulent periods in our history, with rapid social change, a major financial crash, and deep cuts to public services, Lewisham has sought to retain a sense of fairness, consensus and cohesion.
- 9.3 Our community and voluntary groups are the cornerstone of that. Where many other boroughs have dramatically reduced grant funding schemes, we have sought as much as possible to protect that funding so that we can resource and enable the sector to serve the community, as well as contracting them to deliver services. Representatives of the sector play an important role in influencing policy and service development through membership of boards such as the Health & Wellbeing Board and the Safer Lewisham Partnership.

- 9.4 The outcomes of this distinctive approach can be specific and measurable - like the impact of the award-winning Meet Me At the Albany programme on social inclusion for older people - but it speaks to a broader community-focussed and cooperative ethos that makes the borough more cohesive and less prone to social division.
- 9.5 Leadership from across the community in response to, for example, the London riots in 2011 and the murder of Lee Rigby in Woolwich, meant these had limited wider impact. Faith groups in particular have been in the forefront of working ecumenically and across faith boundaries for peace, symbolised by the new annual Inter Faith walk in solidarity against violence and division.
- 9.6 Residents report increasing trust and confidence in the police. The police and local authority have worked together to ensure the force has the 'look and feel of London' – supporting women and those from minority ethnic backgrounds to become Lewisham police officers. These sorts of partnerships have also supported a commitment to stamp out hate crime and tackle violence against women and girls.

10 A stake in decisions

- 10.1 The local public sector leads the way in ensuring residents and citizens have a genuine stake in decisions that affect their lives. This has been especially acute amidst post-financial crash austerity and the necessity to radically change many services in response to Government funding cuts.
- 10.2 The institutional foundations to this include Lewisham's network of Local Assemblies, which ensure that local communities have a real say in decisions, as well as giving them the resources and support to initiative ward-level activities that can make a real difference to their area. The Positive Ageing Council, established in 2011, helps give older people a voice, while the Young Mayor Programme, in its twelfth year is a pioneering exercise in democracy, youth participation and service delivery. We also undertook our biggest ever budget consultation with the online Big Budget Challenge, with over 4000 residents participating.
- 10.3 The latter demonstrates that Lewisham's approach is about more than simply consulting citizens on pre-defined options, but about working together with residents and partners to change the way services are delivered. Even though the scale of funding reductions could not have been anticipated by the Sustainable Community Strategy, the partnership approach it expounds has enabled us to support citizens in responding to problems individually and collectively.
- 10.4 The council has transformed the way it works to give citizens more independence and more flexible ways of interacting with local services, with a huge variety of services now available online. It has also overseen a large expansion in the number of people managing their own social care through direct payments. We have also enabled residents and community groups to make direct interventions in the local area, tackle the housing crisis directly through self-build schemes and Community Land Trusts.

11 A fair chance

- 11.1 Enabling Lewisham's community to thrive in this changing world also means giving everyone a fair chance to benefit from growth and change. That means ensuring young people have the education and skills to access new job opportunities, and working proactively to link residents with the appropriate vacancies.
- 11.2 Lewisham has many outstanding and over-subscribed primary schools and results at Key Stage Two are above the national average. While challenges remain at secondary level, the schools have had an injection of new leadership and are working together effectively through Lewisham Secondary Challenge to bring about a step change improvement.
- 11.3 Post-16 education is equally important, Lewisham works closely with Lewisham Southwark College and Goldsmiths, University of London, to support progression to further and higher education, and Adult Learning Lewisham provides high quality courses to improve skills and employability.
- 11.4 The groundbreaking Mayor's Apprenticeship Programme has found roles for over four hundred young people since 2009, while the council has worked with developers to advertise over 650 job opportunities linked to local regeneration schemes. The Pathways To Employment programme delivered through the Better Placed Partnership with Lambeth and Southwark has also provided targeted employment support for those furthest from the labour market.
- 11.5 Lewisham has led the way on fair pay by becoming one of the first boroughs to pay the London Living Wage, both to its directly employed staff and through its supply chain, including care workers, and now offer business rates discounts to local businesses who become accredited Living Wage employers.
- 11.6 Overall, there is evidence that the gaps in outcomes for Lewisham's residents has reduced over the life of the strategy, and between 2010 and 2015 Lewisham moved from the 31st most deprived local authority in the country to the 48th. The proportion of residents receiving out of work benefits has fallen consistently in the last four years and equally the percentage of children living in households where a parent or guardian claims out of work benefits has fallen.
- 11.7 For those who are on benefits and otherwise struggling financially Lewisham have used all the tools we have at our disposal to ensure people are treated fairly and to mitigate hardship as far as possible. We have handled those in debt to the council with sensitivity, agreeing payment plans and partnering with credit unions to stop people resorting to pay day lenders.
- 11.8 To help those facing housing troubles, the council has established its own lettings agency and leasing scheme for those placed in the temporary accommodation in the private sector. It has worked with landlords, developers and residents to innovate not only in procuring accommodation, but also in providing it directly through schemes like PLACE/Ladywell.

12 A better environment

- 12.1 Another element of mitigating growth is protecting our environment. The council's investment in parks means we have more Green Flag facilities than we have ever had, high levels of citizen satisfaction and a network of green open spaces that we can be proud of.
- 12.2 Residents, community groups and schools have worked with the council to promote more sustainable lifestyles. We have worked with TfL to improve local public transport options and to promote better cycling and walking routes.
- 12.2 In 2016 we introduced a borough-wide 20 MPH speed limit to reduce emissions, improve safety and make it easier to get around by bike or on foot. Resident satisfaction with the cleanliness of the local environment is up, and we have continued to maintain some of the cleanest streets in London despite significant budget cuts.

13 Healthy, active and creative

- 13.1 The victorious Save Lewisham Hospital campaign is the ultimate symbol of how the community works together to secure the best health care services in the borough. All partners, including the councils, the Clinical Commissioning Group, the Hospital Trusts and voluntary and community sector work together through the Health and Wellbeing Board under a joint health and wellbeing strategy.
- 13.2 The six south east London borough CCGs and NHS England are also working with partners to develop a long-term plan for NHS services, which will include closer integration with social care provision. Lewisham has also overseen an expansion in personalised care and direct payments, increasing independence for residents in need of social care, including the elderly and disabled.
- 13.3 Lewisham's new and refurbished sporting and leisure facilities help the population get active, stay healthier and, for some, like Natasha Danvers, James Ellington and Daryll Neita, compete at the highest level. Part of the great Olympic legacy to the borough are its thriving sports clubs including Saxon Crown Swimming, Lewisham Borough (Community) FC, London Thunder Basketball, Kent AC, and recently promoted Millwall Football Club. The London Marathon is an annual fixture in the life of the borough.
- 13.4 The Creative Lewisham report written by Charles Landry in 2001 proposed that culture and the arts could help revitalise the borough, and the changing face of the area has provided the opportunity for the growth of a vibrant and thriving cultural sector.
- 13.5 There are countless examples where strong partnership working has supported the development of new and existing cultural events and venues - the growth and redevelopment of the borough's flagship Horniman Museum, the refurbishment of the Albany Theatre, the 33 year history of the People's Day festival.
- 13.6 The new Deks operating in conjunction with Bow Arts provide affordable workspace for artists and creatives, many of whom are attracted to the borough by its lower rents and the proximity of Goldsmiths College as a source of collaboration and support.

13.7 Lewisham Library Service is one of the most successful library services in London, often outperforming national trends, attracting increasing numbers of users and extending both opening hours and geographical reach. The service has also led the way implementing new ways to work with local communities, by integrating a new community library service with the rest of the service.

14 Effective and efficient services

14.1 The journey of Lewisham in the last decade has been shaped by partnership. It is unlikely however, that this partnership approach would have succeeded without being underpinned by strong civic institutions.

14.2 Lewisham chose to adopt the elected mayoral model in 2002 and the character of that governance structure brings subtleties that have reinforced the way partnerships work. The Mayor is the Mayor of the whole borough, not merely the council, and that wider mandate is crucial in brokering partnerships, convening solutions and inspiring wider change.

14.3 It is also the case that without continuing to deliver services efficiently, effectively and with sensitivity to the needs and aspirations of residents, the local authority would not have the credibility to be such a convenor either.

14.4 Despite losing 63% of its funding since 2010, the local authority has continued to be a high-performing organisation providing high quality and effective services. A Corporate Peer Challenge in September 2014 led by the LGA concluded that Lewisham “continues to be a strongly performing council, which approaches local government delivery and practice in an innovative way, with a focus on positive outcomes to residents and businesses.”

14.5 In the resident’s survey of 2015 satisfaction with Lewisham Council services had risen 8-percentage points since 2012 and was in line with national benchmarks at 69%. Notably, a majority of residents (60%) trusted the Council to make the best decisions for the borough as a whole even if they personally disagreed with a decision.

14.6 In an era where outsourcing services has become the sector norm, Lewisham has sought to keep key universal services like waste collection and street sweeping in-house, retaining greater control over quality of service and over employment conditions for staff.

14.7 We have also identified innovative ways to protect and sustain services. Where many councils have abandoned non-statutory provision, we have created new organisations like Youth First and Lewisham Music as charitable mutuals to work in partnership with us to keep our youth centres going and continue to give young people in Lewisham the chance to participate in music at all levels, including learning a musical instrument.

14.8 We have also ensured our Children's Centres have been able to continue providing preventative and early help services to nearly 6,000 families across a network of centres in the borough in collaboration with schools, GP's and health visitors.

14.9 Although most people's interaction with the council is through universal services, the largest proportion of the council's spend is on the safeguarding and care needs of around two thousand young people and six thousand vulnerable adults. Here we have invested to improve these services and are proud that the services for our most vulnerable - around 400 looked after children - were rated good by Ofsted.

15 Future challenges

15.1 Challenges remain as the borough moves into the next phase and as we consider what sort of strategic approach is required.

15.2 One area which will need attention is the need to grow Lewisham's local economy. This is not only a social good in creating jobs, prosperity and amenity, but it is also now a financial imperative for local authorities, whose future funding is reliant on stimulating and promoting business growth and increasing the amount of business rates paid in the borough.

15.3 Lewisham has an historically low business base, with just 1.9% of all of London's businesses being based in Lewisham. Employment has been focussed on the public sector, health, education and retail.

15.4 A new economic development approach is emerging that will seek to attract new industries, make creative meanwhile use of spaces ready for development, and ensure that new developments provide a variety of commercial spaces. This will need to be embedded in future partnership working.

15.5 Improvement is needed in secondary school results to ensure that Lewisham's young people have the skills and qualifications to take advantages of new opportunities in the London economy. This improvement is needed at GCSE and A level. The Lewisham Education Commission was established to set a clear direction and consensus for tackling this challenge, leading to the establishment of Lewisham Secondary Challenge and the development of a school-led improvement partnership to keep all schools in the Lewisham family. Our future strategy for partnership working will address the challenge of how the local authority, schools, colleges, universities and businesses can work together to improve the whole education system in Lewisham.

15.6 In 2013 Lewisham was labelled the least peaceful borough in the UK by the UK Peace Index. Whilst many did not and do not recognise that as a description of the borough, it speaks to the fact that reducing crime and the fear of crime must remain a top priority. While crime overall is down, violent crime has increased in recent years, with some particular high profile instances of peer-on-peer violence amongst young people. A new strategy should build on the outstanding partnerships we already have in this area, especially with the police.

15.7 A central challenge for many in Lewisham is the increasing cost of living in an inner London borough. The average house price in Lewisham is now 11 times more than the average resident annual income, and house price increases have been more pronounced than elsewhere in London. In the private rented sector, rents have increased by over 40% between 2011 and 2016. As a result there has been a 96%

increase in the numbers of families in Temporary Accommodation between 2011 and 2017 - currently over 1800 households.

- 15.8 The new Lewisham Poverty Commission is working with experts and local residents to identify ways the local authority can work with others to reduce and alleviate poverty. A future strategy for the borough must identify ways in which the growth that the borough and the city will experience can be truly inclusive.
- 15.9 Health and social care face unprecedented difficulties, with growing demand, increasing numbers of older residents, residents living much longer with complex care and health needs and increased mental health needs. Future plans for the NHS, whether in the form of Sustainability and Transformation Plans or in another form, need to find ways to prevent recurring overspending and service deterioration, reduce hospital admissions and integrate closely with community based services.

16 Conclusions

- 16.1 There is cause for optimism from the life of the Sustainable Community Strategy. Although Local Strategic Partnerships (LSP) have not been statutory since 2010, our continued place-based approach to service improvement through multi-sector working has made our services more efficient and productive during a period of unprecedented funding reductions, and delivered real benefits to the area. This approach has evolved and become embedded in everything the local authority does. New strategic relationships are being developed in this post-LSP era, and we are set for the future, with partners who share our values and understand our shared priorities.
- 16.2 The challenges we have identified - of growing an economy, improving education and skills, reducing serious crime, making growth truly inclusive, and solving our health and social care crisis - are significant and they are compounded by political uncertainty. The results of the General Election mean that the policy and political context of the coming months is far less certain than it might have been. There is a chance a further election may follow and, regardless, realistic prospects of significant policy change. Alongside this, negotiations on the terms for Britain to leave the European Union are due to begin imminently.
- 16.3 Responding to this will require us to continue to be innovative, adaptable and responsive to changing needs and circumstances. We need to continue to rethink how services are delivered, how we work with other organisations and how we enable communities to support themselves. We do not need to fall into the trap of believing the council can and should do everything when our partners and the wider community have already demonstrated their capacity to make Lewisham a better place. All community leaders, be they the Mayor, frontline councillors, public administrators, business owners or faith leaders, will need to be ambitious and radical to meet the challenges of the 21st century.
- 16.4 In 2018, Lewisham will have a new Mayor with a new mandate for the organisation and the place. When we have clarity on the future leadership and policy direction at both local and national level, it will be the right time to consider how a new partnership strategy, developed for and with the local community, can equip the borough for the next phase of its growth.

17 Financial implications

17.1 There are no direct financial implications to the evaluation.

18 Legal implications

18.1 There are no specific legal implications arising out of this report.

19 Crime and Disorder Implications

19.1 There are no direct crime and disorder implications to the evaluation.

20 Equalities Implications

20.1 The Council's Comprehensive Equality Scheme (CES) for 2016-20 provides an overarching framework and focus for the Council's work on equalities and describes the Council's commitment to equality for citizens, service users and employees. The CES is underpinned by a set of high level strategic objectives which incorporate the requirements of the Equality Act 2010 and the Public Sector Equality Duty. Any update to the Sustainable Community Strategy or a replacement strategy will need to adhere to these objectives.

21 Environmental Implications

21.1 There are no direct environmental implications.

Background Documents

Shaping Our Future: Lewisham's Sustainable Community Strategy 2008-2020:

<http://www.lewisham.gov.uk/mayorandcouncil/aboutthecouncil/strategies/Documents/Sustainable%20Community%20Strategy%202008-2020.pdf>

Report to 19 April 2017 Mayor and Cabinet: Response to referral by the Overview & Scrutiny Business Panel on the Sustainable Community Strategy 2008-2020

<http://councilmeetings.lewisham.gov.uk/ieListDocuments.aspx?CId=139&MId=4451>

If you have any queries on this report, please contact Sam Elliot, Executive Manager, Mayor and Cabinet Office, 2nd floor, Civic Suite, 1 Catford Road, Catford SE6 4RU –telephone 020 8314 9258.

Appendix – Key Policy Achievements

Ambitious and achieving - where people are inspired and supported to fulfil their potential

- To give our young people the best facilities for learning Lewisham's schools have been physically transformed. Over the past decade, an ambitious programme to modernise Lewisham schools has been taking place. Over £300m – a combination of central government and council money – has been spent on rebuilding or refurbishing over 20 of the borough's schools. Additionally, two brand-new schools have been built, and several primary schools have expanded to provide much-needed extra places. The £230M Building Schools for the Future programme, on course to be completed by September 2017, will have rebuilt or refurbished thirteen of our secondary schools.
- Thanks to extensive collaboration with schools, innovative work with contractors and strong leadership from the local authority, every child in Lewisham has been offered a school place a school place at primary level every year.
- Lewisham has an innovative borough wide school meals contract which helps ensure hot lunches for all and breakfast clubs for many.
- We have nurtured a wide range of providers offering childcare in Lewisham, with free hours available to 3 and 4 year olds. We have ensured our Children's Centres have been able to continue providing preventative and early help services to nearly 6,000 families across a network of centres in the borough in collaboration with schools, GPs and health visitors.
- Lewisham has sixteen outstanding primary schools. Results at Key Stage Two are above the national average.
- The groundbreaking Mayor's Apprenticeship Programme coordinated by Strategy and Partnerships has seen a total of 411 people get an apprenticeship with the council or in one of our partner organisations over the last eight years.
- The Young Mayor Programme, in its twelfth year, is a pioneering exercise in democracy, youth participation and service delivery. It is the longest-running programme of its kind in the UK. The Young Mayor, elected by their peers in a full scale election managed by the council, and supported by a team of Young Advisors, work with the council and partners to raise the profile of youth issues, influence policy making, and represent the borough overseas and nationally.
- The Young Mayor has an annual budget they have used to support and improve lives, consulting with young people and creating some key initiatives that benefit young people in the borough, including some sector-leading work on child mental health services.
- Lewisham and Goldsmiths have signed a MoU deepening the links between the two organisation - through student volunteering, local assemblies, supporting young people

and adult learners in the borough to progress to higher education, and supporting business start-ups and the creation of enterprise hubs.

- Lewisham has promoted school governorship as an effective form of civic involvement, recruiting a diverse field, building capacity and offering training opportunities.
- The Lewisham Education Business Partnership supports the raising of achievement, motivation, confidence and abilities of young people in Lewisham to help them prepare for education, employment, training or progression to higher education, providing work experience, careers information advice and guidance.
- We have safeguarded our community education services through Adult Learning Lewisham, enabling adult learners to improve their prospects at work, increase their employability, or prepare for a change of career.

Safer - where people feel safe and live free from crime, antisocial behaviour and abuse

- While crime figures overall can be volatile, the overall trend since at least 2010 is down. Our 2015 residents' survey said that nine in ten residents felt safe when out and about in the borough during the daytime.
- Lewisham is the lead borough in a 6 borough resettlement consortia. This pilot aims to resettlement outcomes for young people leaving custody. Lewisham is the lead authority for this work and has driven a number of pilot schemes including life coaching, trauma informed approaches and restorative approaches in custody.
- Residents report increasing trust and confidence in the police. The police and local authority have worked together to ensure the force has the 'look and feel of London' - supporting women and BAME people to become Lewisham police officers. The Council contributed financially to supporting local residents in a bursary to fund the policing skills qualification.
- Since April 2015, an innovative new VAWG service – Athena – has been commissioned in Lewisham, providing a single point of access (via a telephone helpline) to support anyone in Lewisham (men, women and children) experiencing any form of gender-based violence including human trafficking, sexual violence, prostitution, domestic violence, stalking, forced marriage, so-called 'honour'-based violence and female genital mutilation (FGM).
- Lewisham has protected our services for young people in a time where cuts have ravaged the public sector. In particular we have sustained our Youth Service where many councils have abandoned theirs; indeed we have created a new organisation Youth First as a charitable mutual which is working in partnership with us to keep our youth provision going.

- Placement stability for Looked After Children in Lewisham is above statistical neighbours and national outturn. All placements for our children are graded 'Good' or 'Outstanding' by Ofsted. Lewisham is in the top quartile for Adoption performance in the country, and our social workers are leading the way in innovating, using technology and sharing practice as part of a social work teaching partnership.
- Working with faith groups is an essential part of making the borough a place that is safer, more cohesive and more resilient. We now have a vibrant and growing 'multi-faith' march of solidarity and peace that takes place in Lewisham each year.
- Other parts of the community are encouraged and facilitated to share in keeping the borough safe. Parents Standing Together, established in 2015, is a peer support group for parents who have been affected by violent crime.
- Lewisham leads the way in promoting and enforcing responsible business practices, working with local businesses to devise a responsible retailers charter help minimise the sale of alcohol, cigarettes and knives to young people, and working with the police to seize illegal tobacco and alcohol and crack down unscrupulous landlords and letting agents.
- Unprecedented investment in the borough's street lighting has made the borough safer. A innovative joint contract with Croydon and Skanska Infrastructure Services, the programme will have upgraded all of the council's 42,000 street lights, helping people feel safer at night on the streets, and helping to improve road safety.

Empowered and responsible - where people are actively involved in their local area and contribute to supportive communities

- We have over 800 active voluntary groups and more than 200 individual faith groups, and the council has maintained its commitment to working with them through grant funding and contracting arrangements to provide a wide range of services. Representatives of the sector also play an important role in influencing policy and service development through membership of boards such as the Health & Wellbeing Board and the Safer Lewisham Partnership.
- The Lewisham Local Community Contributor Card scheme recognises the invaluable contribution volunteers add to strengthening communities, with 150 independent shops and local businesses contributing to the scheme by generously giving special deals to our cardholders.
- Lewisham's Local Assemblies ensure that local communities have a real say in decisions that affect them, as well as giving them the resources and support to initiative ward-level activities that can make a real difference to their area.
- The council has transformed the way it works to give citizens more independence and more flexible ways of interacting with local services, with a huge variety of services now

available online. The council has also overseen a large expansion in the number of people managing their own social care through direct payments.

- The Positive Ageing Council was set up in 2011 to help give older people a voice, share views and ideas, meet new people and join in with free social activities. The group is open to anyone aged 60 years or over who lives, works, learns or volunteers in the borough.
- The council has worked in partnership with the voluntary sector to tackle loneliness and isolation. Through Community Connections hundreds of residents have been introduced to new ways of tackling isolation through finding new interests and friends and many other organisations have worked with us to develop new services in this area.
- We also undertook our biggest ever budget consultation with the online Big Budget Challenge. Over 4000 residents used the website to consider the ways the council spends money and how that needs to change in the face of Government cuts.
- We have enabled residents and community groups to tackle the housing crisis directly through self-build schemes and Community Land Trusts. The Rural Urban Synthesis Society Community Land Trust (RUSS) are developing a site in Church Grove which will provide 33 affordable homes in the borough, while Lewisham Citizens have taken on a development site in Brasted Close, Sydenham will provide over a dozen homes.
- Lewisham has agreed to welcome ten families of Syrian refugees to the borough. We have worked with the local voluntary and community sector to find accommodation and to coordinate offers of support from local residents, working with community groups like the Afghan and Central Asian Association, Action for Refugees in Lewisham, Catford Community Church, Holy Trinity Centre, Lewisham Refugee and Migrant Network, St Margaret's Church and Lewisham Citizens.

Clean, green and liveable - where people live in high quality housing and can care for and enjoy their environment

- The local authority have led the way in delivering more homes of all tenures from all sources to confront the housing crisis. In the current Mayoral term, 6,100 homes will be built, 2,000 of which will be affordable and over 500 of which will be delivered directly by the council for social rent.
- Heathside and Lethbridge, Excalibur and Deptford Southern Housing are schemes where the Council has worked with partners to deliver high quality affordable housing, and we have used joint-venture and community-led approaches to provide a range of affordable tenures to local residents.
- To meet the ever increasing demand for Temporary Accommodation has innovated and identified new methods and procuring and providing high quality accommodation. This includes entering into short and medium term block booking arrangements, increasing

the Council's hostel stock through purchasing new units, entering into long term leasing deals and bringing empty properties back into use.

- Lewisham is also the home of PLACE/Ladywell, the UK's first (award winning) pop-up village – temporary units that provide accommodation for 24 homeless families, community facilities, and a new creative co-working space for start-ups and small businesses. The method of construction means the units were constructed faster and cheaper than traditional housing, and can be taken down and relocated to allow comprehensive redevelopment of the site.
- To help those in the private rented sector the Council has strengthened its approach to rogue landlords and received considerable recognition for our work in this field. More recently we have introduced additional licensing for Houses in Multiple Occupation (HMOs) over commercial premises.
- 90% of Lewisham Homes housing stock is now up to Decent Homes standard following significant investment and the remainder will be complete by 2018.
- Through innovation like the Love Clean Lewisham app we have an outstanding record for street cleanliness, tackling fly tipping and improving the look and feel of the area. Resident satisfaction with the cleanliness of the local environment is high, with over 75% of residents satisfied with levels of street cleaning, and we have continued to maintain some of the cleanest streets in London despite significant budget cuts. Town centres are swept daily with all residential roads swept once a week.
- Thanks to our partnership with the SELCHP energy-from-waste-incineration plant, Lewisham has one of the lowest percentages of waste going to landfill anywhere in the country - less than 1%. We are also ahead of our targets for reducing residual waste. This puts into context the relatively low recycling figures - with 18% of our waste recycling being below our 20% target. Forthcoming changes to the waste service aim to increase recycling rates and further reduce levels of residual waste.
- The council have worked with residents, community groups and schools to promote more sustainable lifestyles. In 2016 the borough introduced a 20 MPH borough speed limit to reduce vehicle emissions, improve road safety and make it easier to get around by bike and on foot. The council operates a popular and successful bike loan scheme and free training to all residents, and new cycling Quietway routes have been created in Deptford and New Cross to complement the north-south cycling routes already in place.
- Lewisham's latest Air Quality Action Plan sets out ambitious initiatives to control emissions from new developments, increase the number of electric vehicle charging points, raise awareness, especially in local schools and business and work with the GLA and other boroughs in new air quality initiatives.
- Lewisham's parks have seen the biggest investment in a generation. Seventeen of them now have Green Flag status, more than ever before. These magnificent green spaces

are maintained and managed by the park keeper service - retained despite budget cuts - and promoted and sustained by user groups like the Lewisham Parks Forum.

- Our parks are hubs for community involvement and volunteering, as well as local and regional events like the Blackheath Fireworks and OnBlackheath. Ladywell Fields has won awards for the restoration and naturalisation of the River Ravensbourne. Beckenham Place Park will soon be renewed for the twenty-first century thanks to an £4.7M grant from the Heritage Lottery Fund.

Healthy, active and enjoyable - where people can actively participate in maintaining and improving their health and well-being

- Lewisham has seen the building of a brand new flagship leisure centre at Glass Mill and refurbishment such as at Forest Hill Pools. Our partnership with leisure provider Fusion has maintains state of the art facilities, classes and affordable access across the borough. Swimming is free for over 60's.
- Lewisham has a vibrant and thriving cultural sector with outstanding creative organisations, artists and destinations, including the Albany, Blackheath Halls, the Horniman Museum, the Moonshot Centre, the Rivoli Ballroom, Trinity Laban Conservatoire, and the Broadway Theatre amongst many others. The new Deks operating in conjunction with Bow Arts provide affordable workspace for artists and creatives.
- The local authority has worked in partnership with local cultural institutions to support their development, including the extension of the nationally-renowned Horniman Museum and the refurbishment of the Albany Theatre. Our partnership with Albany includes supporting the award-winning Meet Me At The Albany, an all-day arts club for the over 60s.
- Lewisham Peoples Day celebrated its thirtieth anniversary in 2014 and remains an enormously popular festival of music, art, craft and community involvement, with over 25,000 visitors a year, performances across seven stages, and over a hundred exhibitors, craft stalls and caterers.
- The renowned Lewisham Music Service delivers music learning to over 6,000 children and young people each week, with over 3,000 children performing at venues like the Barbican Centre, Broadway Theatre and Blackheath Halls every year. To protect this vital resource, the service has transferred it to an independent charitable trust called Lewisham Music, based at Phoenix Community Housing.
- Lewisham Library Service is one of the most successful library services in London, often outperforming national trends, attracting increasing numbers of users and extending both opening hours and geographical reach. The library service has also led the way implementing new ways to work with local communities, by integrating a new community library service with the rest of the service. This has enabled Lewisham to keep more

libraries open than its comparator boroughs, increase library visits by over 40% in the last decade, and use the facilities as vital community hubs. New libraries like the Deptford Lounge are flagship buildings at the heart of the community.

- The Save Lewisham Hospital campaign, supported by the council, is a symbol of the community working together for the best health care in the borough. Its victory in court over the attempts to downgrade services at Lewisham Hospital came after an outpouring of support from all parts of the community.
- The council works closely with health care partners to tackle the key health and wellbeing challenges faced by the local community. The Health and Wellbeing Board brings together the local authority, the Clinical Commissioning Group (CCG) and the community sector to prepare a joint health and wellbeing strategy.
- Bexley, Bromley, Greenwich, Lambeth, Lewisham and Southwark CCGs, working with NHS England as co-commissioner, are working in partnership with local authorities, local providers and other key stakeholders to define a five-year strategy for health and integrated care services across south east London.
- Lewisham were the first London borough to sign up to the national Sugar Smart campaign. Now, in partnership with the Jamie Oliver Food Foundation and the food charity Sustain, Sugar Smart Lewisham encourages schools, businesses, hospitals and other organisations to adopt lower sugar alternatives and to limit less healthy choices.
- Lewisham has overseen an expansion in personalised care and direct payments, increasing independence for residents in need of social care, including the elderly and disabled. Our Warm Homes, Healthy People scheme is an example of the council working with those in receipt of care to help them stay in their home and stay healthy.
- Lewisham is committed to supporting disabled people, working with the Lewisham Disability Coalition to promote accessible facilities, supporting independent living and ensuring access to high quality education.
- Unicef, the children's charity, has recognised the Health Visiting Service at Lewisham and Greenwich NHS Trust with its prestigious Level 3 Baby Friendly Award, the highest level attainable. These are evidence-based standards designed to provide parents with the best possible care so they can build a close and loving relationship with their baby.

Dynamic and prosperous - where people are part of vibrant communities and town centres, well connected to London and beyond

- Lewisham is being transformed. Dozens of projects are delivering significant numbers of new homes and jobs for the area as well improvements to the local infrastructure and environment.

- Deptford town centre has undergone a major transformation. The re-located Tidemill Academy and the extended Wavelengths leisure centre now offer even better educational and leisure facilities, while the multi-award-winning Deptford Lounge provides a new focal point for community activities. £2.1 million has been invested in Deptford High Street and over 300 new homes are being built in the town centre. Deptford Market Yard is a spectacular restoration of an historic Victorian carriage ramp hosting a collection of independent shops, restaurants and market space.
- Lewisham town centre is being revitalised through a number of different schemes, each of which will play a part in providing over two thousand new homes, leisure facilities, shops, bars, restaurants, and new public spaces, as well as a new road layout.
- We have an exciting vision for improving Catford town centre. We intervened directly in the future of this area, buying the shopping centre when it was threatened with closure and acting as landowner to bring forward plans for redevelopment. Our vision for the scheme includes new retail space, over a thousand new homes across the town centre, major infrastructure work to the road network, new community facilities, pedestrianised areas and open spaces. This is in addition to the redevelopment of the former Catford Greyhound Stadium site which is already delivering 589 new homes, new commercial floor space and a community centre.
- The extension of the Docklands Light Railway to Lewisham and the Overground to the south of the borough has unlocked opportunities for regeneration as well as connecting residents and businesses to the economy and cultural life of central London. The council is now taking a leading role in lobbying for an extension of the Bakerloo Line through the borough and beyond.
- Our new co-working business spaces Dek Catford, Dek Ladywell and Dek Deptford (our new co-working business spaces) opened in September 2016 and are high quality, fully furnished and serviced co-working spaces designed to promote the growth of start-ups, entrepreneurs and existing businesses, primarily working in the creative, digital media, business and social enterprise sectors.
- Unemployment in Lewisham has been at historically low levels for a number of years, especially amongst those aged 18-24. Unemployment in Lewisham in 2016 was at 6.5% compared to 7.9% in 2008 and 11.3% at its height in 2011. Just 3.2% of those aged 18-24 claim out of work benefits, compared to 2.6% of the entire working age population, and well down from 2013 when the figure was 8.2%.
- The council has worked with developers to ensure residents are able to take advantage of job opportunities both during construction and with end-use tenants. In the years 2014/2015 and 2015/2016 over 649 jobs have been advertised to Lewisham residents through the Local Labour and Business Scheme job alert system.
- Lewisham is working in partnership with Lewisham and Southwark College on the Lewisham Construction Hub which identifies skills and labour needs in construction sites in the Borough and enables local people to get the training to get them onto site and into construction careers.

- Through the Better Placed Partnership, Lambeth Lewisham and Southwark have established the Pathways to Employment programme, delivering employment support services across all three boroughs in partnership with Jobcentre Plus. This innovative partnership has seen 28% of its clients get back to work, a much more successful rate than the Work Programme, and has now become a model for the newly devolved London Work and Health Programme.
- The Council has successfully worked with Jobcentre Plus to make Over 50s unemployment a key priority for both organisations and through the refreshed Lewisham Work and Skills Strategy 2016-18, the Council is working with its partners, in particular housing providers, to support over 50s tenants into employment. Phoenix Community Housing are delivering an award winning project, “Bouncing Back” which is aimed specifically at supporting their over 50’s tenants.
- As an employer, Lewisham became one of the first boroughs to pay the London Living Wage, both to its directly employed staff and through its supply chain. We now insist that care providers pay their workers the LLW for travel time. In the last year we have introduced business rate discounts for accredited Living Wage businesses in our borough and are doubling the number of Living wage employers in the Borough every year.

Agenda Item 5

Chief Officer Confirmation of Report Submission		
Cabinet Member Confirmation of Briefing		
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"/>

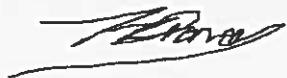
Date of Meeting	21 June 2017
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Title of Report	Evaluation of the Sustainable Community Strategy 2008-2020
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Originator of Report	Sam Elliot	Ext. 49258
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At the time of submission for the Agenda, I confirm that the report has:

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

Signed:  Executive Member

Date: _____

Signed:  Director/Head of Service

Date: 13-6-17

Control Record by Committee Support

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

MAYOR AND CABINET			
Report Title	Memorandum of Understanding on participation of Central London Forward for the Purposes of Employment and Skills devolution, and the MOU for joint working for the purposes of procurement of the Work and Health Programme		
Key Decision	Yes	Item No.	
Ward	All		
Contributors	Head of Strategy		
Class	Open	Date:	21 July 2017

1. Executive Summary of the Report

- 1.1 After many years of lobbying, employment support in London is being devolved to sub-regional Borough partnerships in London, and adult skills devolution will be jointly governed by the GLA and London's sub regions.
- 1.2 Lewisham has been working informally with Central London Forward (the sub regional partnership covering Lambeth, Southwark, Wandsworth, Kensington and Chelsea, the City of Westminster, Islington, Camden and the City of London) for two years. This report makes recommendations that will allow Lewisham to become an associate member of Central London Forward which will enable the procurement of employment support to the central sub region, and will give Lewisham a voice in the upcoming devolution of adult skills (including the Adult Education Budget).

2. Recommendations

This report recommends that the Mayor:

- 2.1 Notes the positive progress on devolution of employment and skills in London, and the important role of sub regional partnerships
- 2.2 Agrees the Memorandum of Understanding of participation in the Central London Forward Joint Venture Agreement
- 2.3 Agrees the Memorandum of Understanding for joint working by public bodies that will allow Lewisham to be part of the central London sub regional commissioning for the new Work and Health Programme
- 2.4 Agrees the annual membership fee of £20K and the additional special projects fee of £20K which will cover the procurement and contract management of the Work and Health Programme, and the policy work required on the devolution of skills to the GLA/ sub regions.

3 Policy Context and Background

3.1 This report is consistent with the Council's policy framework. It supports the achievements of the Sustainable Community Strategy 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 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 localities and town centres well connected to London and beyond.

3.2 It is also consistent with the council's enduring priorities:

- Young peoples' achievement and engagement
- Clean, green and liveable
- Safety, security and a visible presence
- Strengthening the local economy
- Decent homes for all
- Protection of children
- Caring for adults and older people
- Active, healthy citizens
- Inspiring efficiency, effectiveness and equity

4.0 The context for devolution in London

4.1 London is the biggest and most economically successful city in Europe. It is now an established global megacity. But it hasn't always been this way. London's population was declining for over four decades until 1985. From that point it started to rise again. By 2015, London's population matched (and then exceeded) its 1939 peak level of 8.5m. The growth of people over the past decade has been fuelled by, and is itself a fuel for, London's economic success.

4.2 This success stems from London's specialisation in the knowledge and service sectors. Across the UK in 2015, 1 in every 10 jobs were in the manufacturing sector; in London it was 1 in every 50 jobs. In 1984 there were almost 500,000 jobs in London's manufacturing sector, thirty years later this has declined to just over 100,000. By contrast, in the sector that has professional, real estate, scientific & technical jobs the numbers have grown from just over 300,000 in 1984 to just under 900,000 by 2014. Indeed it is estimated that half of all London's forecast job growth is in this latter category.

4.3 Jobs draw people; and large talented pools of people draw jobs. Over the next 6 years it is estimated that London's working age population will grow by 11 per cent. For the rest of England the comparable rate of increase is just 1 per cent.

- 4.4 So London's success is fuelling itself. But the downside to success is a demand for housing that greatly outstrips supply; congestion generally and creaking infrastructure; and a range of public services, including those provided by local government having to expand their coverage and their productivity to keep pace with a fast rising population.
- 4.5 London led the economic recovery after the financial crash of 2008 – between 2010 and 2012 the capital accounted for 79 per cent of national private-sector jobs growth and over the past decade it has created over three quarters of a million jobs. A fifth of all UK businesses are located in the capital and it has the highest rate of business start-ups anywhere in the country.¹
- 4.6 London boosts growth across the whole country. Businesses which are headquartered in London account for between 5 per cent and 22 per cent of employment in each of the other 62 cities in the UK. And since 2008, firms headquartered in London have increased the number of people they employ in their branches in 49 of 62 cities outside of the capital.²
- 4.7 If London were to maintain its historic growth performance and in so doing boost the growth rate of the 14 other largest metro regions in the UK to achieve growth in line with the Office for Budget Responsibility's (OBR) forecast for average nominal growth in GVA for the UK, the 14 regions' GVA would be £943bn higher in 2030 than in 2013. This would make a significant impact on the UK's net debt, set to be £1.6 trillion in 2018–19; and more quickly wipe out the UK's structural deficit, currently at £94bn (2013/14) and set to only become surplus in 2018/19.³
- 4.8 However, the indicators of strong performance mask three deep seated structural issues that will put London - and with it the UK's - long term social and economic prosperity at risk if they are not tackled:
- **London's labour market isn't working. Entrenched unemployment and low skills is creating an economic drag.** The 430,000 unemployed people in London are costing the tax payer £4bn and the economy approximately £6bn in lost economic output a year while the 30,000 skill shortage vacancies in the capital are making London £3bn poorer a year and denting confidence in the capital's economy
 - **London's housing market isn't working. Public resource is not deployed as effectively as it should, resulting in a chronic shortage of housing of all types.** London's population has passed its previous 1939 peak of 8.6m and there will be just over nine million people living in the capital by 2021. The capital now needs a minimum of 49,000

¹ Centre for Cities, *Cities Outlook 2015* (2015)

² Centre for Cities (2014), *Cities Outlook 2014*, pp.20-21

³ City Growth Commission, *Unleashing Metro Growth: Final Recommendations of the City Growth Commission* (October 2014)

additional homes per year to clear the existing backlog of housing and meet future population growth.

- **Rapid population growth is rendering our public service model unfit for purpose.** Unless there is systemic reform of public finance (and even if the capital does manage to maintain its historic growth rate), London's rapid population growth combined with the planned reductions in spending, will mean that some Londoners will suffer in terms of access to services. If we do not secure an ambitious and bold new settlement for London we will undermine the recovery and see the rapid deterioration of public services. It is therefore vital that the £93bn of public expenditure in London is managed responsibly in the next period.

5.0 Devolution in London and sub-regional partnerships

- 5.1 The London already has a significant degree of devolution- through the Mayor of London and the Greater London Authority. The GLA already has housing, planning, economic development and transport powers, as well as being an 'intermediate body' for EU structural funds.
- 5.2 The recent devolution deals granted to other regions in the UK (alongside the election of Metro Mayors and establishment of combined authorities) have bought many of those places in line with the powers London already has, but two areas of significant devolution have been granted to London in the last six months. In adult skills, London and its sub regions were given significant role in the Area review of FE and devolution to the GLA of the Adult Education Budget is underway. The Work Programme has been devolved. The new Work and Health Programme will be commissioned by the sub regional partnerships in London. The scale of London means that meaningful devolution has to go to a level below the Mayor of London, but for many strategic issues individual Boroughs do not have the scale to deliver.
- 5.3 Sub-regional partnerships in London have existed for many years and have changed in composition over time. Lewisham has traditionally not been a member of such formal partnerships, looking into the centre of London in relation to economic issues and to other south east London Boroughs in relation to health issues.
- 5.4 Lewisham has a very small economy, with a predominance of small and micro business and very few larger businesses. It is well connected by transport into Westminster, the City of London, Canary Wharf and Southwark where over 60% of our residents work. Lewisham has relatively affordable housing (although like the whole of London still unaffordable for those on average incomes- the average house price is now 14 times the median salary in the Borough). The focus of the council has been to increase the number of housing units to help tackle Lewisham, and London's housing crisis and we have exceeded our London Plan targets year on year.

- 5.5 The devolution of employment support and of adult skills means that Lewisham has to take a formal role in one of the sub regional partnerships. For economic issues, our residents look into the centre of London. Over 60% of residents travel into central London for employment. For the devolution of employment support and adult skills, Central London Forward is the most appropriate sub regional partnership. This does not affect existing Health partnerships that exist in South East London.
- 5.6 Central London Forward was established in 2008 as the Boroughs of Lambeth, Southwark, Hammersmith and Fulham, Kensington and Chelsea, Westminster, Islington, Camden and the City of London. This has changed over the years with Wandsworth replacing Hammersmith and Fulham (which joined the West London Alliance). This year Lewisham, Hackney, Tower Hamlets and Haringey are all to become associate members of CLF for the purposes of employment and skills matters.

6.0 Devolution of Employment Support

- 6.1 Central Government agreed to devolve the Work and Health Programme (WHP) to London and Greater Manchester following a series of lengthy negotiations between DWP, HMT and DCLG over summer 2017. Local government through the LGA and London councils has been lobbying for the devolution of the Work Programme for many years.
- 6.2 The agreement is that London, via its four sub-regions, will lead and own a devolved programme that will be qualitatively different to the national Work and Health Programme and will provide greater opportunity for local investment, integration and innovation.
- 6.3 WHP is the national programme that will replace the previous employment support programmes, Work Programme and Work Choice. The programme will take a minimum of 5 years referrals with the possibility of a 2 year extension. WHP is subject to an aggressive timetable with a staggered national launch planned from November 2017– March 2018. London will launch the programme in March 2018.
- 6.4 The funding envelope devolved from DWP to Central London will be £29m, matched with ESF funding to offer a maximum contract value of £53m. This is significantly less than the previous Work Programme.
- 6.5 A devolved Work and Health Programme offers sub-regions and boroughs the opportunity to increase employment among disadvantaged groups, unlock additional funding to help more local residents, and integrate employment services with public services, driving co-investment and opportunities to locally test what works with cohorts with complex labour market barriers.
- 6.6 Commissioning for the Work and Health Programme will be undertaken for the Central London Region by the City of London. The design of the new Work and Health Programme is being undertaken by Central London Forward following

consultation meetings with boroughs, task and finish groups, VCS organisations and health partners including NHS England, CCG's and local authority Public Health Departments, the following design principles have been agreed:

- A Payment by Results model that to include an upfront fee for providers delivering the programme and additional payments for defined outcomes, where participants earn the equivalent of working national minimum wage for 26 weeks at 16 hours per week, and where participants earn the equivalent of London Living Wage for 26 weeks at 21 hours per week - (e.g. participants earning £3,000 or £5,300 respectively).
- Matched funding through ESF so that additional volumes and cohorts can be included in the programme, subject to approval from Greater London Authority
- Local integration with caseworkers embedded within local authority services and located in borough premises, where possible
- CLF will explore opportunities to unlock funding through negotiating public service deals with health partners. Opportunities to reduce duplication and align resources will be explored in order to maximise the direction of travel that health is moving in where employment outcomes will count as health outcomes.
- Local health partners will help to co-design the programme and support some of the high level decision making. The local design will ask Providers to deliver a specialised health and condition management offer either through health and well-being caseworkers or disability specialist providers.

7.0 Devolution of Adult Skills

7.1 The skills system in England has been widely criticised for being too complex and insufficiently responsive to the needs of businesses and the local economy. In London, this problem has been particularly acute. The growth of higher skilled sectors like professional and business services, financial services and IT over the last two decades has driven demand for better skilled labour. And this trend is set to continue, with job growth in professional services alone expected to account for 40% of the total increase in jobs over the next 20 years.⁴

7.2 However, the skills system has failed to keep up with this demand and grow the skills that London's businesses need. Vacancies caused by skill shortages doubled from 14,000 in 2011 to 30,000 in 2015. Indeed, 42% of businesses surveyed were not confident that they could find people with the high level of skills they required to meet their needs over the next 5 years.⁵ Despite this growing demand for higher skilled labour in London, most of the qualifications provided by the system are at lower levels - 83% of further education skills provision and 60% of apprenticeships were level 2 and below in 2014/15.

7.3 Under pressure from London government, the Government has sought to respond to this problem in two ways. First, by launching an Area Based Review in London (and elsewhere) to look at whether the skills system was financially

⁴ London, Skills devolution to London: A Proposal for Government (2015)

⁵ London Business Survey (2016).

viable and had the capacity to meet the needs of learners and employers. More recently, it has announced a willingness to devolve aspects of the skills systems to London as part of the London devolution deal.

- 7.4 In parallel to the Area Based Review, London has been pushing for greater devolution of the skills system through the London Devolution Deal.
- 7.5 London has asked the government to:
- Devolve funding and responsibility for 19+ adult education (including power to set policy direction, entitlements and incentives)
 - Devolve funding and responsibility for 16-19 further education provision
 - Devolve a share of London's apprenticeship levy to increase higher level apprenticeships and SME take-up
 - Formal role in commissioning a London-wide careers advice service
- 7.6 The Government has committed to devolving the 19+ adults skills budget with limited strings attached beyond delivering existing statutory entitlements. The budget for 19+ adult skills (£400m/ year across London) is likely to be devolved to London in 2018/9 and this will include the existing adult and community learning budgets.
- 7.7 GLA is preparing for implementation and has established the Skills for Londoners Board. The GLA and London Councils are in negotiation on how skills will be jointly managed in London with the sub regions. Central London Forward will have an important role in defining the skills needs in the central region and making the case for central London within London discussions.
- 7.8 A central London Employment and Skills Board will be established to oversee and steer the skills strategy in the central London Boroughs. This will enable a voice for Central London Boroughs in the devolution of skills to the GLA.

8 The Central London Forward Memorandums of Understanding

- 8.1 In order for Lewisham to take part in the devolution of work and skills in London, we need to agree two Memorandums of Understanding. The first (Annex One) is a MOU of participation in the Central London Forward Joint Venture Agreement, allowing Lewisham and the 3 other additional Boroughs to join the Central London grouping for the purposes of work and skills. The second (Annex Two) is a MOU for joint working by public bodies which lays down how the 12 Boroughs of CLF will work with DWP on commissioning and management of the Work and Health Programme.
- 8.2 The eight original members of Central London Forward entered into a joint venture agreement for Central London Forward on 11th February 2008 ("First Agreement") which was subsequently varied on 8th June 2009 ("First Extension"), 20th March 2012 ("Second Extension") and 12th February 2015 ("Third Extension") and together known for the purposes of this MOU as "the Preceding Agreements". Annex One adds Lewisham, Hackney, Tower Hamlets and Haringey to the core eight CLF Boroughs of Wandsworth, Kensington and

Chelsea, Hammersmith and Fulham, City of Westminster, City of London Corporation, Camden, Islington, Lambeth and Southwark.

- 8.3 The Third Extension introduced a new clause 15.3 which required that each Special Project had an associated memorandum executed by the participating authorities. The MOU on joint working in Annex allows for the implementation of the 'Special Project' described in Appendices One and Two (the commissioning of the Work and Health Programme).
- 8.4 The Authorities wish also to record the basis on which they will collaborate with each other on the Special Project. The attached MOU sets out:
- the principles of collaboration;
 - the key objectives of the Special Project;
 - the respective roles and responsibilities the Authorities will have during the Special Project;
 - the governance structures for the Special Project; and
 - the MOU with DWP.
- 8.5 The special project is procurement of the Work and Health Programme. For the purposes of clause 15 of the Preceding Agreements, Schedules 2-4 constitute the 'project specification' for the Special Project and the Parties confirm their agreement to the project specification. The Parties have agreed a specification ("Specification") for the contract being procured for to the Special Project (the "Contract").
- 8.6 It is acknowledged by the Related Authorities that the Lead Authority shall enter into a contract with the supplier of the Special Project for the benefit of the provision of the Services to the Lead Authority and the Related Authorities. The MOU is the Access Agreement for the Related Authorities for the purposes of the Contract.

9. Financial Implications

The total spend of the span of the MOU (20k annual subscription to support the core CLF function and £20k contribution for the Special Project and Lewisham's share of the Management Costs of managing the Contract with the Provider).

The Work and Health Programme is funded by the DWP and the contract value is between £29- 53 Million across the Central London.

These costs will be covered through the use of existing resources.

10. Legal Implications

- 10.1 The City of London have procured a Provider for the Work and Health Programme on behalf of the local authorities associated with Central London Forward ("the Special Project") and have followed a compliant EU procurement process.

- 10.2 The Council's spend in relation to the Special Project for the Work and Health Programme (£20k annual subscription to support the core CLF function and £20k contribution for the Special Project and Lewisham's share of the Management Costs of managing the Contract with the Provider) means that this is a Category B contract. Mayor and Cabinet are asked to approve the spend due to the nature of the Special Project and the wider implications.
- 10.3 Both MOUs are between the local authorities that are mentioned in paragraph 1.2. They include non-legally binding provision such as how the authorities are to collaborate with each other to achieve the Special Project. The role of the City of London to manage the Special Project, dealing with all enquiries, complaints, claims or actions, and the annual subscription and contributions that the authorities are to pay are legally binding.
- 10.3 A further legally binding provision in the MOU is that liability as a result of the Provider's default is dealt with by the City of London as the lead authority and distributed to the relevant authority where appropriate.
- 10.4 The MOU cannot be withdrawn from until the expiry date of 1 November 2025.

11. Equalities Implications

There are no direct equalities implications arising from this report. However equalities objectives will be addressed in the contract documentation and formed part of the criteria used in the tender evaluation.

12. Environmental Implications

There are no direct environmental implications arising from this report. The Council's environmental objectives will be addressed in the contract documentation and formed part of the criteria used in the tender evaluation.

Background documents

Overview and Scrutiny Committee, 26th October 2015, Devolution report

Overview and Scrutiny Committee, 10 March 2016, Mayoral response on devolution

Overview and Scrutiny Committee, 24th October, Update on Devolution

Overview and Scrutiny Committee, 23 January 2017, Devolution Update,

Report Author: Robyn Fairman, Head of Strategy, x46635

SUPPORTED BY
MAYOR OF LONDON



European Union
European
Social Fund

DATED

2017

MEMORANDUM OF UNDERSTANDING

between

- (1) THE LORD MAYOR AND CITIZENS OF THE CITY OF WESTMINSTER
- (2) THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF CAMDEN
- (3) THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF ISLINGTON
- (4) THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF LAMBETH
- (5) THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF SOUTHWARK
- (6) THE MAYOR AND BURGESSES OF THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA
- (7) THE MAYOR AND COMMONALTY AND CITIZENS OF THE CITY OF LONDON
- (8) THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF WANDSWORTH
- (9) THE MAYOR AND BURGESSES OF LONDON BOROUGH OF HACKNEY
- (10) THE MAYOR AND BURGESSES OF LONDON BOROUGH OF HARINGEY
- (11) THE MAYOR AND BURGESSES OF LONDON BOROUGH OF TOWER HAMLETS
- (12) THE MAYOR AND BURGESSES OF LONDON BOROUGH OF LEWISHAM

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PARTIES

The parties to this memorandum of understanding are:

- (1) **THE LORD MAYOR AND CITIZENS OF THE CITY OF WESTMINSTER** of Westminster City Hall, 64 Victoria Street, London SW1E 6QP
- (2) **THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF CAMDEN** of Town Hall, Judd Street, London WC1H 9JE
- (3) **THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF ISLINGTON** of Town Hall, Upper Street, N1 2UD
- (4) **THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF LAMBETH** of Town Hall, Brixton Hill, London SW2 1RW
- (5) **THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF SOUTHWARK** of Town Hall, Peckham Road, London SE5 8UB
- (6) **THE MAYOR AND BURGESSES OF THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA** of Town Hall, Horton Street, London W8 7NX
- (7) **THE MAYOR COMMONALTY AND CITIZENS OF THE CITY OF LONDON** of PO Box 270, Guildhall, London, EC2P 2EJ (the “**Lead Authority**”); and
- (8) **THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF WANDSWORTH** the Town Hall Wandsworth High Street London SW18 2PU
- (9) **THE MAYOR AND BURGESSES OF LONDON BOROUGH OF HACKNEY** of Hackney Town Hall, Mare Street, London, E8 1EA (**Hackney**); and
- (10) **THE MAYOR AND BURGESSES OF LONDON BOROUGH OF HARINGEY** of Civic Centre, High Road, Wood Green, London, N22 8LE (**Haringey**); and
- (11) **THE MAYOR AND BURGESSES OF LONDON BOROUGH OF TOWER HAMLETS** of Town Hall, Mulberry Place, 5 Clove Crescent, London, E14 2BG (**Tower Hamlets**); and
- (12) **THE MAYOR AND BURGESSES OF LONDON BOROUGH OF LEWISHAM** of Town Hall, Catford, London SE6 4RU (“**Lewisham**”);

(hereinafter referred to jointly as the “Parties” or “Authorities” and individually as a “Party” or “Authority”, and where all of the Parties save for the Lead Authority are known as the “Related Authorities”)

BACKGROUND

- A. The Authorities entered into a joint venture agreement for Central London Forward on 11th February 2008 (“First Agreement”) which was subsequently varied on 8th June 2009 (“First Extension”), 20th March 2012 (“Second Extension”) and 12th February 2015 (“Third Extension”) and together known for the purposes of this MOU as “the Preceding Agreements”.
- B. The Third Extension introduced a new clause 15.3 which required that each Special Project had an associated memorandum executed by the participating authorities. This MOU is being

entered into pursuant to the provisions of clause 15.3 for the implementation of the Special Project described in Appendices 1 and 2.

- C. The Authorities wish also to record the basis on which they will collaborate with each other on the Special Project.
- D. This MOU sets out:
 - a. the principles of collaboration (Clause 15);
 - b. the key objectives of the Special Project (SCHEDULE 2);
 - c. the respective roles and responsibilities the Authorities will have during the Special Project (SCHEDULE 3);
 - d. the governance structures for the Special Project (SCHEDULE 5); and
 - e. the MOU with DWP (SCHEDULE 8).
- E. For the purposes of clause 15 of the Preceding Agreements, Schedules 2-4 constitute the 'project specification' for the Special Project and the Parties confirm their agreement to the project specification. The Parties have agreed a specification ("Specification") for the contract being procured for to the Special Project (the "Contract") which is attached at SCHEDULE 7.
- F. It is acknowledged by the Related Authorities that the Lead Authority shall enter into a contract with the supplier of the Special Project for the benefit of the provision of the Services to the Lead Authority and the Related Authorities. This MOU is the Access Agreement for the Related Authorities for the purposes of the Contract.

PART A: LEGALLY BINDING PROVISIONS

1. DEFINITIONS

- 1.1. In this MOU, unless the context otherwise requires words with a capitalised letter shall have the meaning set out in Schedule 1.
- 1.2. Nothing in this MOU shall serve to obviate, reduce or otherwise affect the Contract or the Parties rights and obligations under the Contract.

2. COMMENCEMENT AND DURATION

- 2.1. Subject to clause 2.3, this MOU will commence from 1st March 2017 and shall continue in full force and effect until the expiry of the Term of the Contract, unless the Contract is terminated (in whole) earlier, in which case this MOU shall expire on the termination of the Contract.
- 2.2. If the Term of the Contract is extended in accordance with the Contract, the term of this MOU shall be extended until the expiry of the extension period(s).
- 2.3. If the Contract has not been executed and completed by the Lead Authority and the Provider by no later than 1st June 2018 this MOU shall terminate forthwith.
- 2.4. In the event of termination or expiry of the Contract:
 - 2.4.1. as applicable, each Party shall pay an equal share of any Termination Payment payable in accordance with the Contract; and
 - 2.4.2. such termination shall not prejudice the rights or remedies which any Party may have in respect of any breach of the terms of this MOU prior to the Termination Date; and
 - 2.4.3. the provisions of clause 6 Charges and Liabilities, SCHEDULE 6 (Contract Term

Provisions), 23 (Confidential Information), 12 (Severability), 13 (Rights of Third Parties) and 14 (Law and Jurisdiction), and the definitions at Schedule 1, shall survive the termination or expiry of this MOU.

3. PROCUREMENT AND AWARD

3.1. The Lead Authority has agreed with the Related Authorities to procure the appointment of the Provider for the benefit of itself and the Related Authorities in order to provide a region wide service. The Lead Authority has also agreed with the Related Authorities to enter into the Contract with the Provider for the Services in relation to the Special Project on behalf of the Related Authorities. The Related Authorities agree to comply with the provisions set out in SCHEDULE 6.

3.2. The Lead Authority will be receiving the funding from DWP and ESF in relation to all the Related Authorities and the Related Authorities shall not do anything which reduces the funding so received by the Lead Authority for the Services.

4. SPECIAL PROJECT MANAGEMENT

4.1. Subject to paragraphs 3.3, 12 and 15 of SCHEDULE 6, if any of the Related Authorities receive any formal inquiry, complaint, claim or threat of action from a third party (including, but not limited to, claims made by a supplier or requests for information made under the Freedom of Information Act 2000) in relation to the Special Project, the matter shall be promptly referred to the Lead Authority.

4.2. No action shall be taken in response to any such inquiry, complaint, claim or action, to the extent that such response would adversely affect the Special Project, without the prior approval of the Lead Authority.

5. VARIATION

5.1. This MOU, including the Appendices, may only be varied by written agreement of all the Parties.

6. CHARGES AND LIABILITIES

6.1. Except as otherwise provided in SCHEDULE 6, the Parties shall each bear their own costs and expenses incurred in complying with their obligations under this MOU.

6.2. For the avoidance of doubt, the distribution of liabilities and indemnities in relation to this Special Project shall be in accordance with the terms of clause 9.5A of the Preceding Agreements.

7. STATUS

7.1. Part A of this MOU together with SCHEDULE 3, SCHEDULE 6 and SCHEDULE 8 are intended to be legally binding and legal obligations and legal rights shall arise between the Parties from Part A. Part B of this MOU is not intended to be legally binding, and not legal obligations or legal rights shall arise between the Parties from Part B however, the Parties are intending to honour all of their obligations set out in Part B.

7.2. Without prejudice to the Preceding Agreements this MOU does not purport to grant any rights additional to those already granted by the Parties. The Parties enter into the MOU intending to honour all their obligations.

7.3. Nothing in this MOU is intended to, or shall be deemed to, establish any partnership or joint venture between the Parties, constitute either Party as the agent of the other party, nor authorise either of the Parties to make or enter into any commitments for or on behalf of the other Party.

7.4. This MOU may be executed in any number of counterparts, each of which when executed and delivered shall constitute an original, but all the counterparts shall together constitute the same instrument. No counterpart shall be effective until each Party has executed at least one counterpart.

8. **GOVERNING LAW AND JURISDICTION**

8.1. This MOU shall be governed by and construed in accordance with English law and, each Party agrees to submit to the exclusive jurisdiction of the courts of England and Wales.

9. **NOTICES**

9.1. Except as otherwise provided in this MOU all notices which are required to be given under this MOU shall be in writing and shall be sent to the address of the recipient set out at the head of this MOU or such other address as the recipient may designate by notice given in accordance with the provision of this clause 9 and marked for the attention of the relevant Representative.

9.2. Any notice may be delivered personally or by first class pre-paid letter, or facsimile transmission and shall be deemed to have been served as follows:

9.2.1. by hand when delivered;

9.2.2. if by first class post 48 (forty eight) hours after posting; and

9.2.3. if by facsimile transmission when dispatched, subject to satisfactory transmission reports being received by the sender.

9.3. For the avoidance of doubt, electronic mail shall not constitute a valid form of notice and notices served other than in accordance with this clause 9 shall not be validly given.

10. **ASSIGNMENT**

10.1. This MOU is personal to the Parties and the rights and/or obligations under this MOU shall not be assigned, novated or otherwise transferred to any person other than to a successor body following a reorganisation within government or to a body which substantially performs any of the functions that previously had been performed by the affected Party. The Parties shall enter into such agreement and/or deed as may reasonably be required to give effect to such assignment, novation or transfer.

11. **WAIVER**

Failure by one Party to enforce the provisions of this MOU or to require performance by the other Party of any of the provisions contained in this MOU shall not constitute or be construed as a waiver of or as creating an estoppel in connection with any such provision and shall not affect the validity of this MOU or any part thereof or the right of the former Party to enforce any provision in accordance with its terms.

12. **SEVERABILITY**

If any term, condition or provision of this MOU shall be held to be invalid, unlawful or unenforceable to any extent by a Court of competent jurisdiction, such term, condition or provision shall be severed and shall not affect the validity, legality and enforceability of the other provisions of or any other documents referred to in this MOU.

13. **RIGHTS OF THIRD PARTIES**

The Parties agree that this MOU shall not be enforceable by any third party pursuant to the Contracts (Rights of Third Parties) Act 1999 and any rights contained therein are excluded.

14. **LAW AND JURISDICTION**

- 14.1. This MOU shall be governed by and construed in all respects in accordance with the laws of England. The Parties irrevocably agree that the courts of England have exclusive jurisdiction to settle any dispute, claim or matter that arises out of or in connection with this MOU or its subject matter or formation (including non-contractual disputes or claims).

PART B: NON LEGALLY BINDING PROVISIONS

15. **PRINCIPLES OF COLLABORATION**

- 15.1. The Parties agree to adopt the following principles when carrying out the Special Project (**Principles**):
- 15.1.1. collaborate and co-operate. Establish and adhere to the governance structure set out in the Preceding Agreements to ensure that activities are delivered and actions taken as required;
 - 15.1.2. be accountable. Take on, manage and account to each other for performance of the respective roles and responsibilities set out in this MOU and the Preceding Agreements;
 - 15.1.3. be open. Communicate openly about major concerns, issues or opportunities relating to the Special Project;
 - 15.1.4. learn, develop and seek to achieve full potential. Share information, experience, materials and skills to learn from each other and develop effective working practices, work collaboratively to identify solutions, eliminate duplication of effort, mitigate risk and reduce cost;
 - 15.1.5. adopt a positive outlook. Behave in a positive, proactive manner;
 - 15.1.6. adhere to statutory requirements and best practice. Comply with applicable laws and standards including EU procurement rules, data protection and freedom of information legislation. In particular the parties agree to comply with the requirements of the Letter of Intent, Ethical Walls Agreements and the Memorandum of Understanding with DWP as attached to this MOU in Schedule 3;
 - 15.1.7. act in a timely manner. Recognise the time-critical nature of the Special Project and respond accordingly to requests for support;
 - 15.1.8. manage stakeholders effectively;
 - 15.1.9. deploy appropriate resources. Ensure sufficient and appropriately qualified resources are available and authorised to fulfil the responsibilities set out in this MoU; and
 - 15.1.10. act in good faith to support achievement of the Key Objectives and compliance with these Principles.

16. **KEY OBJECTIVES FOR THE PROJECT**

- 16.1. The Parties shall undertake the procurement, award and provision of the Special Project to achieve the key objectives set out in Schedule 1 to this MOU (**Key Objectives**).
- 16.2. The Parties acknowledge that the position with regard to the Special Project and the contributions already made (financial and otherwise) is as detailed in Schedule 3 and subsequent progress reports to the Parties. The Parties acknowledge that prospectively further funding details and other associated costs of and relating to the Special Project will be decided by the relevant CLF Board Meeting.

SIGNED BY: a duly authorised signatory of
THE LORD MAYOR AND CITIZENS OF THE CITY OF WESTMINSTER

on the 2017

SIGNED BY: a duly authorised signatory of
THE LORD MAYOR AND COMMONALTY AND CITIZENS OF THE CITY OF LONDON

on the 2017

SIGNED BY: a duly authorised signatory of
THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF CAMDEN

on the 2017

SIGNED BY: a duly authorised signatory of
THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF ISLINGTON

on the 2017

SIGNED BY: a duly authorised signatory of
THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF LAMBETH

on the 2017

SIGNED BY: a duly authorised signatory of
THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF SOUTHWARK

on the 2017

SIGNED BY: a duly authorised signatory of
THE MAYOR AND BURGESSES OF THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA

on the 2017

SIGNED BY: a duly authorised signatory of

THE MAYOR AND COMMONALTY AND CITIZENS OF THE CITY OF LONDON

on the 2017

SIGNED BY: a duly authorised signatory of
THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF WANDSWORTH

on the 2017

SIGNED BY: a duly authorised signatory of
THE MAYOR AND BURGESSES OF LONDON BOROUGH OF HACKNEY

on the 2017

THE MAYOR AND BURGESSES OF LONDON BOROUGH OF HARINGEY

SIGNED BY: a duly authorised signatory of
THE MAYOR AND BURGESSES OF LONDON BOROUGH OF TOWER HAMLETS

on the 2017

SIGNED BY: a duly authorised signatory of
THE MAYOR AND BURGESSES OF LONDON BOROUGH OF LEWISHAM

on the 2017

**SCHEDULE 1.
DEFINITIONS**

Word or phrase	meaning
Administration Fee	the fee payable by the Related Authorities to the Lead Authority in relation to the conduct of a claim in accordance with paragraph 3.3 of SCHEDULE 6 based on the following charging rates for legal work: Legal Support Assistant/Legal Assistant - £50 per hour Senior Lawyer/Principal Lawyer - £90 per hour Chief Lawyer - £120 per hour Reasonable disbursements (photocopying, binding etc. to be added); VAT where applicable will be added.
Anonymised	Data in a form which does not identify Data Subjects and where identification is not likely to take place;
Board	means the board established by the JVA;
Change	means any change to the Services or the Contract;
Commencement Date	has the meaning given to it in the Contract;
Confidential Information	information that ought to be considered as confidential (however it is conveyed or on whatever media it is stored) and may include information whose disclosure would, or would be likely to, prejudice the commercial interests of any person, trade secrets, Intellectual Property Rights and know-how of either party and all personal data and sensitive personal data within the meaning of the Data Protection Act 1988;
Contract	means the Contract between the Lead Authority and the Provider;
Contract Year	means a complete period of twelve (12) months commencing on the Effective Date and each anniversary of it;
Data	means any data, document or information howsoever stored (including Personal Data) that is: (i) communicated in writing, orally, electronically or by any other means by the Lead Authority to the Related Authorities; (ii) obtained by the Related Authorities during the course of the Provider providing the Service; or (iii) compiled by the Provider for the Lead Authority or the Related Authorities during the course of the Provider's provision of the Services under the Contract;

Word or phrase	meaning
Data Controller	has the meaning as set out in the Data Protection Legislation;
Data Processor	has the meaning as set out in the Data Protection Legislation;
Data Protection Legislation	means: <ul style="list-style-type: none"> (i) from the Effective Date until 24th May 2018: the Data Protection Act 1998, the EU Data Protection Directive 95/46/EC, the Regulation of Investigatory Powers Act 2000, the Telecommunications (Lawful Business Practice) (Interception of Communications) Regulations 2000 (SI 2000/2699), the Electronic Communications Data Protection Directive 2002/58/EC, the Privacy and Electronic Communications (EC Directive) Regulations 2003 and all applicable laws and regulations relating to the processing of personal data and privacy, including where applicable the guidance and codes of practice issued by the Information Commission; and (ii) from the 25th May 2018 any successor legislation which shall include, but not be limited to, the General Data Protection Regulation (GDPR) and all applicable laws and regulations relating to the processing of personal data and privacy, including where applicable the guidance and codes of practice issued by the Information Commission;
Data Subject	has the meaning as set out in the Data Protection Legislation, and shall include Participants of the Services;
Data Subject Access Request	means a request made by a Data Subject in accordance with rights granted pursuant to the Data Protection Legislation to access his or her Personal Data;
Database	means the rights in or to any database developed maintained and/or supplied by the Provider to the Lead Authority in accordance with the terms of the Contract;
Default	any breach by the Provider of the Provider's obligations in connection with or in relation to the subject-matter of the Contract;
Dispute	means any dispute, difference or question of interpretation arising out of or in connection with this MOU, including any matter where this MOU directs the Parties to resolve an issue by reference to the Dispute Resolution Procedure;
Dispute Resolution Procedure	means the procedure for resolution of disputes set out at clause 16 (Dispute Resolution) of this MOU;

Word or phrase	meaning
Document Retention End Date	has the meaning given to it in the Contract;
Extension Period	means the Lead Authority's option, in line with DWP, to extend the Referral Period End Date of the Contract on one or more occasions by a total cumulative period not exceeding twenty four month;
Financial Year	the twelve month period from 1 st April in a year to 31 st March in the following year
Freedom of Information Act or FOIA	means the Freedom of Information Act 2000 and any subordinate legislation made under this Act from time to time together with any guidance and/or codes of practice issued by the Information Commission or relevant government department in relation to such legislation;
General Data Protection Regulations	Regulation (EU) 2016/679 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data;
JVA	the Joint Venture Agreement as entered into on 11th February 2008 as amended by variations dated 8th June 2009, 20th March 2012 and 12th February 2015.
Lead Authority	The City of London as the party to the Contract with the Provider;
Losses	means any and all losses, liabilities, claims, fees, costs, expenses (including without limitation, legal costs on a solicitor and own client basis), demands, litigation, settlement, judgment interest and penalties whether arising in contract, tort (including negligence), breach of statutory duty or otherwise;
Management Costs	means the costs incurred by City in the management of the Contract as set out in SCHEDULE 6. Such Management Costs are to be shared by all the Parties;
Management Information	means the information that the Provider provides to the Lead Authority which is then provided to the Related Authorities from time to time during the Term;
Other Authority Provider	means any provider or Provider of services to City or any of the Related Authorities of any clinical services;
Participant	has the meaning given to it in the Contract;
Partnering Agreement	means an agreement between the Provider and an Other Authority Provider in substantially the same form as the template partnering agreement set out at Schedule 2 (Specification) to the Contract;

Word or phrase	meaning
Personal Data	has the same meaning as that set out in the Data Protection Legislation;
Process	has the meaning given to it under the Data Protection Legislation and “Processed” and “Processing” shall be construed accordingly;
Provider	means the Provider appointed pursuant to the procurement process;
Pseudonymised Data or Pseudonymised	Data relating to a Data Subject where identifiers have been replaced by artificial identifiers to prevent identification of the Data Subject to the individuals who hold or receive the Data, but contains information or codes that would allow other individuals to identify the Data Subject from it;
Public Contracts Regulations	the Public Contracts Regulations 2015;
Related Authorities	means the Parties to this MOU who were named in the OJEU Contract Notice (Ref: 2017: 044-080958) save for the Lead Authority;
Request for Information	means a request for information or an apparent request under the FOIA;
Sensitive Personal Data	has the same meaning as that set out in the Data Protection Legislation;
Service Standards	has the meaning given to it in the Contract;
Services	the services provided by the Provider as more particularly described in the Contract;
Term	means the period from the Commencement Date until the Document Retention End Date;
Termination Payment	has the meaning given to it in the Contract; and
Working Day	means any day Monday to Friday inclusive other than a day which is designated as a bank or public holiday in England.

SCHEDULE 2. KEY OBJECTIVES

Central London Work and Health Programme: Programme Overview

- 1.1 The model will broadly replicate the Working Capital pilot model – appointing one provider to deliver core employability services and integrate these with wider local and health support.
- 1.2 The funding envelope devolved for the CLF WHP is expected to be around £53m to support approximately 21,000 participants.
- 1.3 The scheme will be primarily Payment by Results. 30% of the contract value will fund core services (i.e. non-employment outcomes, health outcomes, service delivery), with the remaining 70% of the contract available for earnings related outcomes.
- 1.4 The model will include two outcome payments. The first paid at the DWP threshold (participants earning £3,000), worth around 50% of total contract value attached to this first threshold. The second threshold will be set at £5,300 – the equivalent of working LLW at 21hrs for 26 weeks. The weighting of the second threshold will be considerably lighter, approximately 15% of total contract value. Both will be updated in link with changes to NMW/LLW.
- 1.5 Providers will be encouraged to bid up against these benchmarks, and thus reducing the outcome payments they will receive.
- 1.6 We expect the appointed Provider to come forward with creative proposals for how they will design services to complex groups, however CLF will demand a number of core programme features from providers including:
 - Assessment and action planning
 - Integration of traditional employment support with local services, underpinned by a detailed borough offer from the 12 core and associate CLF members.
 - Direct or commissioned delivery of appropriate health support where it is not available locally, financed by the provider.
 - Half a dozen Service Standards, including contact hours, maximum caseload sizes, and assessment deadlines.
 - A range of non-employment outcomes to ensure that everyone on the programme has either improved health or employability. The targets will be agreed with the provider, but if the provider falls short on Service Standards and non-employment outcomes, the Service Fee will be reduced until the programme is back on track.
- 1.7 Participants who have made no progress on the programme after 9 months will have their cases reviewed, and their action plans amended in case conferences with CLF programme officers and senior borough officers.
- 1.8 Boroughs will not sign off individual action plans in most cases – however senior borough officers will review random samples. Unsatisfactory action plans will be returned to the provider for improvements.

CLF, February 2017

Work and Health Programme: Design and Delivery Overview

February 2017

November 2016

2. Overview

2.1 Central Government has agreed to devolve the Work and Health Programme (WHP) to London and Greater Manchester following a series of lengthy negotiations between DWP, HMT and DCLG over the summer. The agreement is that London, via its four sub-regions, will lead and own a devolved programme that will be qualitatively different to the national Work and Health Programme and will provide greater opportunity for local investment, integration and innovation. This note describes the approach CLF will take across core elements of the programme, including:

- Basic approach
- Participant journey
- Participants and mandation
- Outcomes and minimum standards
- PBR model
- Procurement
- Integration with Borough Provision
- Integration with health provision
- Contract management termination
- Risks and mitigations

3. Background

3.1 WHP is the national programme that will replace the previous employment support programmes, Work Programme and Work Choice. The programme will take a minimum of 5 years referrals with the possibility of a 2 year extension. WHP is subject to an aggressive timetable with a staggered national launch planned from November 2017 – March 2018. London will launch the programme in March 2018.

3.2 The funding envelope devolved from DWP to Central London will be £31.1m. CLF are looking to match this 29m, matched with ESF funding with ESF, to increase the budget to £62.2m. to offer a maximum contract value of £53m.

3.3 A devolved Work and Health Programme offers sub-regions and boroughs the opportunity to increase employment among disadvantaged groups, unlock additional funding to help more local residents, and integrate employment services with public services, driving co-investment and opportunities to locally test what works with cohorts with complex labour market barriers.

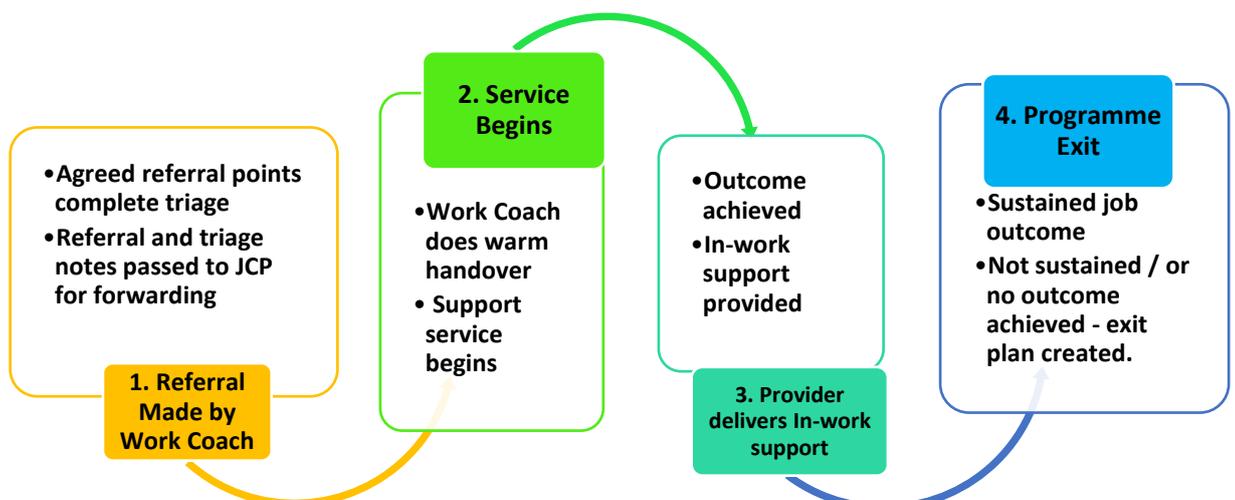
4. Basic Approach

4.1 The CLF board have agreed that the model for Work and Health should broadly replicate the Working Capital pilot model. Following consultation meetings with boroughs, task and finish groups, VCS organisations and health partners including NHS England, CCG's and local authority Public Health Departments, the following design principles have been agreed:

- A Payment by Results model that to include an upfront fee for providers delivering the programme and additional payments for defined outcomes where participants earn the equivalent of working national minimum wage for 26 weeks at 16 hours per week, and where participants earn the equivalent of London Living Wage for 26 weeks at 21 hours per week - (e.g. participants earning £3,000 or £5,300 respectively).
- Matched funding through ESF so that additional volumes and cohorts can be included in the programme subject to approval from Greater London Authority.
- Local integration mirroring the Working Capital model with caseworkers embedded within local authority services and located in borough premises where possible.
- CLF will explore opportunities to unlock funding through negotiating public service deals with health partners. Opportunities to reduce duplication and align resources will be explored in order to maximise the direction of travel that health is moving in where employment outcomes will count as health outcomes.
- Local health partners will help to co-design the programme and support some of the high level decision making. The local design will ask Providers to deliver a specialised health and condition management offer either through health and well-being caseworkers or disability specialist providers

5. Participant Journey

- 5.1 Claimants will spend 15 months on the programme receiving employment and health support, and providers will have a further 6 months to claim earnings outcomes while providing in work support.
- 5.2 Participants especially those in the health and disability group, and early access clients (a combined 83% of clients) will join the programme from a variety of different benefits and different referral routes determined by both the DWP and CLF, as set out in subsequent sections.
- 5.3 All participants will enter the programme via Work Coaches based in Jobcentre Plus. The participant will be invited to attend an interview at Jobcentre Plus, where the Work Coach will use a basic decision tree (the “assessment tool”) and conduct a discussion with the participant to identify whether they meet the basic programme criteria, set jointly by the DWP and CLF.



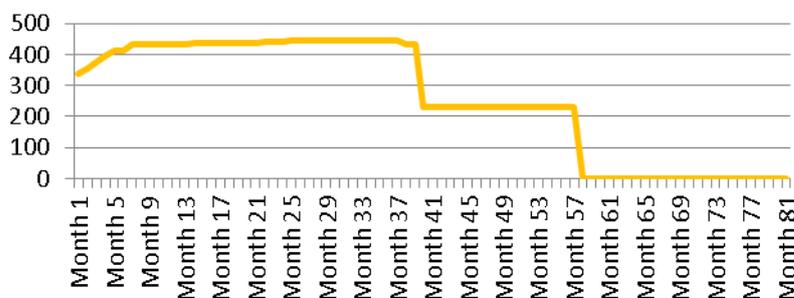
- 5.4 If the participant meets the broad eligibility criteria, they will either be referred to the programme, or placed into the control group (a DWP red line) for ‘business as usual’ services provided by Jobcentre Plus.

- 5.5 Participants referred to Work and Health will receive a warm handover between the JCP Work Coach and the Provider.
- 5.6 All participants should have access to a minimum service offer, including a detailed employability and health assessment, a detailed action plan that can be checked and reworked by boroughs (on a spot-checked basis), access to brokerage, skills training, motivational and cognitive therapies, and other health support where relevant. These will be KPIs for the programme and driven by the payment (or withholding) of the Service Fee.
- 5.7 Regular contact hours on the programme are expected, demanded in the Specification and the market will be tested on the question of maximum caseloads per adviser to ensure that sufficient resources are directed to all participants, and thus acting as an anti-parking measure.
- 5.8 If the participant obtains work, they will be given a minimum of six months in-work support by the supplier to facilitate job sustainment. This support can continue beyond the length of the programme (15 months), as earnings thresholds can be reached even after the official out-of-work programme support has ceased (a further 6 months).
- 5.9 Where participants have not found work after a nine month period (either in hitting either threshold, or any work or work experience), a case review will take place involving either the CLF programme management office or relevant borough officer to review the plan and support for the participant on their final six months on the programme.
- 5.10 If the participant has not obtained work within 15 months, the provider will be expected to produce an exit plan including a “route map” to support their continued access to local services once they have left provider support, coupled with a warm handover back to JCP.
- 5.11 3.124.11 The programme will be voluntary for most while on the programme, however, all JSA LTU claimants will be mandated to certain activities on the programme that will be agreed between the participant and the provider, and participation thereafter will be a requirement. The mandation regime is outlined further below.

6. Participants, cohort groups and mandation

- 6.1 Coupled with ESF funding, we anticipate the programme will support roughly 20-22,000 participants.
- 6.2 The Department anticipate that referral volumes will be evenly distributed throughout the contract, as they will not be drawing from stock cohorts (i.e. ESA support group). In reality because of the disappearance of ESF monies 21 months prior to the end of the referral window, the shape of participants per month is likely to appear as follows.

Figure X.X Estimated Monthly Referral Volumes



Source: DWP 2017

- 6.3 The DWP have defined the core group of participants for the programme. These are predominantly Jobseekers Allowance claimants with health conditions and/or disabilities. The remainder being made up of ESA (WRAG), long-term unemployed (JSA 2yrs), and 'early access' claimants from other benefits.
- 6.4 CLF's base position is to significantly increase the size of participant volumes to match DWP referrals for as long as ESF funding permits, and roughly mirror the cohort split of the national scheme (75% health and disability group, 25% LTU and early access). The make-up of participants is likely as follows::

Figure X.X Participant share



Source: DWP; 2017

- 6.5 Referrals for additional cohorts may be made from a variety of agencies and all referrals will go via the JCP work coach.
- 6.6 Additional referrals from CLF will need to benefit from the core emphasis and content of the programme, and therefore meet the currently broad eligibility criteria for the programme including ESF.
- 6.7 Beyond the core participant groups of JSA and ESA claimants the specification outlines that , providers will be expected to demonstrate that they can effectively support other priority groups that might be covered by an expanded cohort of Early Entrants or Long-Term Unemployment, and should include, but are not limited to:
- Parents (including lone parents)
 - People from Black, Asian and Minority Ethnic (BAME) communities
 - People with low or no qualifications
 - Young people (including young people leaving care)
 - People with (or a history of) alcohol and/or substance misuse issues
 - Ex-offenders (including non-statutory offenders)
 - Carers
 - People affected by welfare reform (including the Benefit Cap and Spare Room Subsidy)
 - Homeless people (including people living in Temporary Accommodation)
 - Economically inactive [subject to discussion with DWP]
- 6.8 **Mandation: [SUBJECT TO FINAL DWP SPEC]** For all expect the long term unemployed, participation in the programme will be voluntary. All claimants will still need to comply with benefit requirements.
- 6.9 Mandation would only be used as follows:

- Work coaches can mandate a claimant to an information session. This session will provide claimants with greater information on the programme's support offer – at which point they can determine whether to continue to participate.
- Long Term Unemployed: The Programme will contain mandatory elements for JSA claimants who reach the 2 year anniversary of their claim (LTU group) and are referred by their Work Coach to the programme. This LTU group represent around 17% of total participants. This was a DWP red line in negotiating the devolution of funding.
- Specifically, DWP guidance states: *Participation in the WHP for the LTU group is mandatory. Suppliers will have the delegated authority to require participants from this group to undertake activity which would help them find and retain work. If LTU participants mandated to the WHP fail to undertake mandatory activity, the supplier will refer to the DWP Labour Market and Decision Making Team who will decide if a benefit sanction is appropriate.*
- The specification is clear that providers will be expected to provide a supportive environment that discourages the claimant being referred for a sanction, and that the provider must comply with DWP requirements so that participation in the programme does not at any point result in an adverse sanctioning decision.

7. Outcomes and minimum service standards

- 7.1 CLF will retain the DWP's core outcome measure to retain comparability with national programme performance – i.e. an outcome is claimed where an individual earns £3,000 or more within 21 months of initial referral to the programme hereafter the 'lower earnings threshold'. This is to be updated in line with changes to the adult national minimum wage.
- 7.2 Payments will be weighted heavily towards this outcome to ensure CLF's programme achieves DWP targets first, and then improves upon them through an additional payment threshold.
- 7.3 The Department expect performance to be significantly between 30-50% of Participants reaching the wage threshold. It is worth noting their estimates do not cover ESA WRAG claimants, who will be 25% of programme participants, and therefore may act as a drag on programme-wide performance estimates. There is considerable uncertainty about future performance that will have a material impact on how a fixed-budget programme will operate.
- 7.4 DWP estimates using RTI data suggest that 37.3% of JSA customers eligible from the programme will hit the £3,000 earnings thresholds within 21 months on the basis of current programme performance (i.e. Work Programme and Work Choice). We will therefore benchmark performance for the first threshold at an average of 40%.
- 7.5 A 40% target at the CLF level would mean helping 400 people on the programme into the 'lower earnings threshold'.
- 7.6 In addition to this core outcome, CLF are considering paying providers for reaching a second threshold of £5,300, (the equivalent of the DWP threshold but at London Living Wage, at 21 hours over 26 weeks) – hereafter the 'higher earnings threshold'. On the basis of previous evidence from the Work Programme, we would expect a very high conversion rate of around 80-90% of people who hit the £3,000 threshold also hitting the higher earnings threshold, and therefore could expect to pay for up to 6,700 bonus payments. Benchmarking will therefore be in the region of 32% of participants reaching this threshold.

- 7.7 As well as being judged on the quality of their responses to the SQ/ITT, providers will be invited to bid up the number (and therefore percentage) of job outcomes and sustainments they deliver, and therefore bid down the price of job outcome payments.
- 7.8 An illustration of participant volumes and outcomes are provided below:

Numbers and Targets		
	Participants	Targets
Attachments	20932	-
Job outcomes ratio	8373	40%
Bonus (LLW)	6698	32%

- 7.9 Finally, the service fee will finance an array of non-employment outcomes for those unable to find work on the programme. These will include:
- having engaged in some paid work, work experience or voluntary work
 - Recorded improvements in their mental / physical health
 - Recorded access to health and well being services outlined as required in their assessment and action plan.

7.10 The provider will be invited as part of their bid to set out non-employment outcomes volumes and their wider non-employment offer. Where targets have been agreed, and the provider has fallen short, the Service Fee for the following reporting year will be reduced by level defined in the contract.

7.11 Minimum Service Standards

7.12 As part of the Service Fee payments, we would expect the provider to meet a short series of minimum delivery standards that they will apply throughout the contract, including for both out of work support and in work support. These may include, but not be limited to the following key metrics:

- The development of action plans (and health and wellbeing plans where appropriate). These are to be available for possible co-signing by senior borough officers or random periodic spot-checks
- Minimum contact time per week between provision and the client, with flexibility for specific conditions.
- A capping of caseload sizes per caseworker, circa 25
- The number of exit plans completed and submitted within 7 days of a client leaving the CLF-WHP.

8. Payment by Results

- 8.1 A further core stipulation for DWP funding is the operation of a PbR programme.
- 8.2 CLF are committed to delivering a PbR programme that generally follows the principles, and critically retains comparability with the DWP national scheme, i.e. CLF propose to pay a service fee at 30% of the contract, and weight performance related payments proportionately towards the obtaining of specific earnings outcomes – the aim of this is to reward suppliers for undertaking activity that lead to a participant entering and sustaining employment.

- 8.3 A Service Fee will be paid on a monthly basis to the provider, based on a fixed percentage of the contract, distributed over the lifetime of referrals to the programme (57 months). This will be in the region of £275,000 per month to support contract delivery, cash-flow at the front end of the contract, and the provision of non-employment outcomes.
- 8.4 There will be a claw-back mechanism built into the service fee element of the contract, whereby if the provider fails to meet agreed non-employment KPIs and service standards, the Service Fee will be reduced in subsequent years until performance against these metrics has improved.
- 8.5 In order to secure DWP funding and maintain comparability with national provision, CLF will retain the DWP’s core measure – where payments to providers are made only once a participant on the programme has earned a minimum of £3,000 whilst in the programme (i.e. the equivalent of minimum wage for 16 hours/week over 26 weeks). Providers will be able to claim for this outcome within 21 months of the participant first attaching to the scheme. Payments are to be weighted heavily to ensure providers focus energies on matching or beating DWP performance on this measure, and thus serving the demonstrate the benefits of local integration of services.
- 8.6 In addition, CLF will add an additional payment for the achievement of a higher earnings threshold, mirroring the DWP calculations. The contract manager would make a further payment to the supplier where, using the same basic formula as the DWP, the participant had worked 16 hours for 26 weeks at an equivalent of the London Living Wage – making the additional threshold circa £5,300. It is anticipated that most participants who meet the lower earnings threshold will also hit the higher earnings threshold with a degree of support from the provider. Therefore payments will be weighted lightly for this outcome.
- 8.7 Both outcome payments will be validated by HMRC RTI, and be paid in two month arrears. The costs associated with validating additional outcomes through RTI is currently under discussion with DWP.
- 8.8 It is unlikely that the DWP’s accelerator model for outcome payments in the national programme will be replicated in the CLF contract, due to the complexity posed, the increased financial risks associated with the model, and the limited impact it is likely to have on the parking of harder to help clients.
- 8.9 To ensure focus on delivering the DWP objective first, and CLF’s additional threshold to follow, the largest weight of the contract will be placed upon the DWP outcome target. By way of example, a likely split in the payments are as follows:
- 30% Service Fee, paid monthly, with a claw-back mechanism for under-delivery on non-employment outcomes and minimum service requirements
 - 50% weight to the DWP Threshold, i.e. paid out when a provider moves an individual into a/multiple jobs earning them a combined £3,000.
 - 20% bonus threshold for reaching £5,300.

At the level of individual participants, the maximum payments per successful individual could look roughly as follows based on the weightings above, a 40% target for the DWP threshold, and a 32% target for the bonus earnings threshold:

	Max Payment	
Service Fee	£	750
Job Outcomes	£	3,124
Bonus (LLW)	£	1,562

9. Procurement Process

- 9.1 The value of the let contract is likely to be around £52-53m, once M&A costs of 8-10% have been accounted for and deducted from ESF (M&A cannot be deducted from DWP funds).
- 9.2 The programme will be capped at 100% of the contract value to prevent risks of programme overspend falling on CLF membership. Providers will be invited to bid their maximum performance against this total funding envelope, including bidding up or down against either the job outcome target, or the additional income threshold
- 9.3 Through the procurement process, CLF will look to award a single contract to a single supplier.
- 9.4 The agreed method by leaders and chief executives for delivering the procurement is through a collective effort between the sub regions, London Councils and the GLA to launch the initial stage of the procurement. Collectively, therefore the group will:
- produce and launch a selection questionnaire to test the suitability of potential suppliers
 - collectively score the applicants to narrow the field of potential suppliers to a long-list prior to launching the ITT.
 - conduct any market engagement as appropriate
- 9.5 The second stage of the procurement will solely be the responsibility of the sub-regions. In CLF's case, the second phase of procurement, including the production of the ITT, scoring thereof, and contract award, will be delivered by the accountable body, the City of London Corporation.
- 9.6 DWP has set the national procurement timetable with a staggered 'Go Live' date between November 2017 – March 2018.
- 9.7 CLF leaders and chief executives have agreed to press ahead for meeting the DWP's Go-live window of November 2017 – March 2018, but expect to push back earlier stages of the procurement process to enable sufficient time for market engagement and testing. As such, the following timetable illustrates the key stages of the process:

Central London Procurement Timeline	
Borough Joint Venture Agreement	January 2017
SQ launched	March 2017
ITT	March 2017
Final Offer from Suppliers	September 2017
Contract Award	October/November 2017
Contract Go-Live	March 2018

10. Integration with Borough Provision

- 10.1 Key to demonstrating additionality in the programme is through the benefits of integration with local services, and therefore a key aspect of the Invitation to Tender will be to test the ability of suppliers to slot into, and design a journey inclusive of, the borough offer of operational and strategic support. This will include the following minimum elements:
- Senior officer buy-in for the WHP

- Support from named staff to ensure provider caseworkers are integrated into local services
- A borough induction – details of priorities, operational practices, standards etc.
- Appropriate office space to deliver support (desk, wi-fi, suitable meeting rooms to provide support) - boroughs need to know how many caseworkers they might need to host
- Support to design and implement integration plans for the caseworkers (keeping the arrangements flexible and responsive to need, to be reviewed every 6 months)
- Key referral points, such as local health provision.
- Management support for caseworkers where they are collocated with council/health teams
- Access to relevant client information to help build good understanding of client needs (and limiting the risk of clients repeating their story)
- Support with aligning S106 and other employment opportunities and supporting discussions with Adult Education and /skills provision (particularly in light of 19+ devolution of Adult Education)

11. Integration with health services

- 11.1 Providers will need to have particular regard for the main types of health conditions/disabilities people are likely to have, for instance the largest share of the caseload will have either mental and behavioural disorders (ranging from mild/moderate to severe and enduring), musculoskeletal issues, or commonly, both.
- 11.2 Borough integration plans include a number of health related aspects, including access to certain local health and wellbeing services within the borough and key local referral routes via GPs, CCGs, and local mental health provision.
- 11.3 In addition, the health partner consultees have agreed on a number of options that the provider will be able to explore to maximise the opportunities for integration, including:
- Senior officer buy-in for the WHP
 - Referral source
 - Outreach and co-location
 - Facilitate access to complementary services
 - Trial models for integrating services within primary and secondary care
 - Advice and guidance on specialist training for the provider's delivery team
 - Advice and guidance on effective specialist support options
 - Data and information sharing (in line with the requirements under the Data Protection Act 1998)
 - Participate in the support pathway, e.g. case conferencing
 - Advice and guidance on positive recruitment practices
 - Facilitate opportunities for user involvement to achieve continuous improvement
- 11.4 Beyond that contained, it will be up to the provider to demonstrate knowledge of, and links with, local health services at both the strategic and delivery level.
- 11.5 The Service Fee will be used to support the funding of non-employment outcomes, such as health, and would expect providers to include their own health offer, including trained, experienced and dedicated health professionals to support the client base.

12. Governance

- 12.1 CLF leaders and chief executives have agreed that the City of London will become the Accountable Body in the event of devolution of funding to the sub-region, with risks shared jointly across the 12 boroughs. Locking this shared responsibility together will be a joint venture agreements between the 12 Boroughs, who collectively will approve the commissioning strategy and accepts any joint risks associated with the Programme.
- 12.2 To ensure decisions concerning programme design are made quickly, new governance arrangements have been established to ensure effective decision-making and oversight of the programme. The core to the new governance arrangements is the establishment of a WHP decision panel membership consisting of Cllr Peck, Cllr Govindia, Cllr John, Cllr Watts, Cllr Aiken, and further members from the Associate boroughs. Lesley Seary to be Chief Executive representative. All boroughs will be copied into communications to the Panel.
- 12.3 The decision panel will be supported by an Advisory Board that will include Senior officers and Officers, tasked with steering the options presented to the senior decision panel – which will draw together individual work streams from Task and Finish Groups.
- 12.4 Once the programme has gone live, the programme will be governed by a Work and Health Programme Board, chaired by senior officers and supported by a wider stakeholder group that will include representation from JCPs and local health partners (Public Health, NHS England and CCG's). Equivalent boards will exist at the borough level.
- 12.5 Overseeing the boarder strategic direction of the Work and Health Programme, Working Capital, and the wider skills agenda, will be an Employment and Skills Board chaired by Cllr Peter John.
- 12.6 Finally, there will be a pan-London governance board between the four sub-regions and the DWP to monitor programme performance, and ensure referral volumes to the programme are matching expectations – including where necessary managing over and underspend risks through referrals
13. **Contract management and termination**
- 13.1 In the event of contract over-performance, CLF will explore the possibility of cap referrals and reduce future referrals volumes. In the even of underperformance, CLF will enact penalties and develop performance improvement plans with the Provider working closely with the boroughs.
- 13.2 In the event of requiring an urgent replacement of existing provision, CLF will retain a second preference provider list from the initial procurement exercise, and in exceptional circumstances consider buying in new provision from the DWP national Umbrella Agreement.

**SCHEDULE 3.
ROLES AND RESPONSIBILITIES**

1. ROLES

a. The Lead Authority shall:

- i. be the designated 'Lead Authority' with respect to the procurement for a supplier for this Special Project and for the purposes of the Public Contracts Regulations 2015 shall be the 'contracting authority'; and
- ii. be the contracting party with the successful supplier under the Contract being procured and shall be responsible for contract management as set out in the Contract.

b. The Related Authorities shall:

- i. be a contributor to the Lead Authority's costs of the procurement in accordance with the provisions set out in Schedule 3 and any further funding details as may be agreed by the relevant CLF Board Meeting during this Special Project; and
- ii. be a 'Related Authority' under the Contract.

2. RESPONSIBILITIES

a. The Lead Authority shall:

- i. run the procurement process in accordance with the Public Contracts Regulations 2015 (as applicable) and in accordance with the Lead Authority's own procurement code and constitution;
- ii. ensure that the terms of the Contract to be awarded under the procurement complies with the stated requirements of the DWP and ESF (EU funding requirements);
- iii. comply with ESF obligations under the grant funding requirements associated with becoming Co-Financing Organisation.
- iv. comply with the governance arrangements for this Special Project throughout the procurement and following award of the Contract as set out in Schedule 1 and Schedule 3;
- v. comply with the principles of collaboration set out in Clause 3 (Principles of Collaboration); and
- vi. shall keep the Related Authorities informed of progress throughout the Special Project via the governance arrangements.

b. The Related Authorities shall:

- i. comply with the obligations under the grant funding requirements of the DWP and ESF (EU funding requirements);
- ii. comply with the governance arrangements for this Special Project throughout the procurement and following award of the Contract as set out in Schedule 1 and Schedule 3;
- iii. comply with the principles of collaboration set out in Clause 3 (Principles of Collaboration); and

provide support and information to the Lead Authority, as reasonably required and/or requested by the Lead Authority, to ensure the effective delivery of the Special Project.

**SCHEDULE 4.
COPY OF OJEU CONTRACT NOTICE**

03/03/2017 S44 – – Services – Contract notice – Competitive procedure with negotiation

United Kingdom–London: Job search services

2017/S 044–080958

Social and other specific services – public contracts

Contract notice

Services

Directive 2014/24/EU

Section I: Contracting authority

I.1)Name and addresses

The Mayor and Commonalty and Citizens of the City of London

City of London, Guildhall, PO Box 270

London

EC2P 2EJ

United Kingdom

Contact person: Alex Lindsay

E-mail: Alex.lindsay@cityoflondon.gov.uk

NUTS code: UKI

Internet address(es):

Main address: <https://www.cityoflondon.gov.uk>

Address of the buyer profile: www.capitalesourcing.com

I.2)Joint procurement

I.3)Communication

The procurement documents are available for unrestricted and full direct access, free of charge, at: www.capitalesourcing.com

Additional information can be obtained from the abovementioned address

Tenders or requests to participate must be submitted electronically via: www.capitalesourcing.com

Tenders or requests to participate must be submitted to the abovementioned address

I.4)Type of the contracting authority

Regional or local authority

I.5)Main activity

General public services

Section II: Object

II.1)Scope of the procurement

II.1.1)Title:

Central London Works (Central London Work and Health Programme).

Reference number: prj_COL_8381

II.1.2)Main CPV code

79611000

II.1.3)Type of contract

Services

II.1.4)Short description:

The City of London (City) is the Lead Authority and is procuring Work and Health Programme (WHP) services on behalf of itself and the London Boroughs of Westminster, Camden, Islington, Lambeth, Southwark, Kensington and Chelsea, Wandsworth, Lewisham, Hackney, Haringey and Tower Hamlets (Participating Authorities).

The intention of the WHP services is to support individuals with a disability, who are long term unemployed and some early access groups to find and sustain work. WHP shall replace the services provided under Work Choice and Work Programme. The aim in addition to helping individuals to find work is to integrate WHP with local services and health provisions so the service users receive co-ordinated, holistic support to improve their health and well-being, and support the principle of localism by ensuring that it meets local priorities and reflects local needs. The draft specification for the services is included in the Procurement Documents.

II.1.5)Estimated total value

Value excluding VAT: 63 400 000.00 GBP

II.1.6)Information about lots

This contract is divided into lots: no

II.2)Description

II.2.1)Title:

II.2.2)Additional CPV code(s)

80500000

80510000

80533200

80420000

75000000

80533100

80000000

75310000

80522000

75314000

85312500

80520000

85312400

75100000

85100000

80400000

80530000

80561000

75110000

85141000

75311000

85312510

II.2.3)Place of performance

NUTS code: UKI

Main site or place of performance:

Within the London Boroughs of Westminster, Camden, City of London, Islington, Lambeth, Southwark, Kensington and Chelsea, Wandsworth, Lewisham, Hackney, Haringey and Tower Hamlets.

II.2.4)Description of the procurement:

The Lead Authority is procuring the WHP services on behalf of itself and the Participating Authorities named in II.1.4). The intention is to award 1 contract under which the services are provided to the Lead Authority and Participating Authorities. The Lead Authority will have a back to back agreement with the Participating Authorities which will govern the conduct of the procurement and the in-contract provision.

The Services are social services governed by Section 7 Chapter 3 PCR 2015. The procedure adopted is detailed in the tender documentation and follows a procedure similar to the Competitive Dialogue Procedure. The Authorities are free to determine the procedure used.

The estimated value of the contract is between 29 000 000 GBP to 63 400 000 GBP. The higher value includes potential ESF Funding, which is not guaranteed, and potential extension — see the Procurement Documents for details on the ESF Funding.

II.2.6)Estimated value

II.2.7)Duration of the contract or the framework agreement

Duration in months: 106

II.2.13)Information about European Union funds

The procurement is related to a project and/or programme financed by European Union funds:
yes

Identification of the project: The Work and Health Programme may be subject to ESF Match Funding. The level of funding to be applied for is included in the estimated value. Further details are included in the Procurement Documents

II.2.14)Additional information

The Contract is for an initial period of 7 years with a potential extension of up to 2 years at the discretion of the Contracting Authority (which is subject to national policy and DWP proposals).

The Contract Period comprises a referral period of 5 years (subject to the potential extension) followed by a payment tail period of 25 months.

Section III: Legal, economic, financial and technical information

III.1)Conditions for participation

III.1.4)Objective rules and criteria for participation

List and brief description of rules and criteria:

Rules and criteria will be set out in the procurement documents.

III.1.5)Information about reserved contracts

III.2)Conditions related to the contract

III.2.1)Information about a particular profession

III.2.2)Contract performance conditions:

As set out in the Invitation to Participate in Dialogue (ITPD).

III.2.3)Information about staff responsible for the performance of the contract

Section IV: Procedure

IV.1)Description

IV.1.1)Form of procedure

Procedure involving negotiations

IV.1.3)Information about framework agreement

IV.1.10)Identification of the national rules applicable to the procedure:

Information about national procedures is available at: <http://gov.uk/>

IV.1.11)Main features of the award procedure:

The Services fall within Schedule 3 PCR and the procurement is within the light touch regime. The Lead Authority is entitled to select a procedure of their choice pursuant to Reg. 76(1)PCR and intends to follow a procedure based on the competitive dialogue (CD) procedure however reserves the right to deviate from the CD process described in the PCR to the extent permitted under the Regulations. The procurement process is as further described in procurement documentation.

IV.2)Administrative information

IV.2.1)Previous publication concerning this procedure

IV.2.2)Time limit for receipt of tenders or requests to participate / Time limit for receipt of expressions of interest

Date: 31/03/2017

Local time: 12:00

IV.2.4)Languages in which tenders or requests to participate may be submitted:

English

Section VI: Complementary information

VI.2)Information about electronic workflows

VI.3)Additional information:

1. To express an interest and to receive information about this procurement economic operators must register on the e-tendering system: www.capitalesourcing.com and submit a SQ/ESPD no later than 12:00 (midday) on 31.3.2017.
2. The guidance pack for the SQ is accessible via the Portal.
3. Economic operators are requested to submit any queries in relation to this project, the SQ, ESPD, this notice or the tender documentation via the Portal.
4. It is anticipated that the final ITPD will be issued to shortlisted applicants on or around 8.5.2017. The Authority reserves the right to vary this date and any other time-scales or arrangements whether set out in this notice or identified later.
5. All applicants are solely responsible for their costs and expenses in relation to this procurement.
6. The Contracting Authority reserves the right to suspend or abort the procurement at any time prior to award in the event that the ESF funding application is not successful.

VI.4)Procedures for review

VI.4.1)Review body

High Court

Royal Courts of Justice, Strand

London

WC2A 2LL
United Kingdom
Telephone: +44 20794760000

VI.4.2)Body responsible for mediation procedures

High Court
Royal Courts of Justice, Strand
London

WC2A 2LL
United Kingdom
Telephone: +44 20794760000

VI.4.3)Review procedure

Precise information on deadline(s) for review procedures:
Information is set out in the Procurement Documentation.

VI.4.4)Service from which information about the review procedure may be obtained

High Court
Royal Courts of Justice, Strand
London

WC2A 2LL
United Kingdom
Telephone: +44 2079476000

VI.5)Date of dispatch of this notice:

01/03/2017

**SCHEDULE 5.
CLF BOARD MEETING MINUTES**

**GOVERNANCE AND RESOURCES FOR CENTRAL LONDON'S WORK ON
EMPLOYMENT AND SKILLS**

1. INTRODUCTION

- 1.1. The Leaders of Central London Forward local authorities and the boroughs of Lewisham, Hackney, Tower Hamlets and Haringey have agreed to work together on a single geographical footprint for the purposes of employment and skills devolution. This note sets out a *Governance* and *Resource* proposition for the co-ordination and leadership of a new programme of work on employment and skills devolution.

2. RECOMMENDATIONS

- 2.1. The Board is asked to:

- 2.1.1. **Note** the Board's wish for separation between CLF and any new work with a wider group of boroughs in Central London and past financial investment in supporting Central London Forward (annex A);
- 2.1.2. **Agree** to convening and the participation in a Special Meeting of the new partnership to agree terms or reference, governance, subscriptions and operating model alongside any urgent business for the partnership such as discussion of the devolved Work and Health Programme.
- 2.1.3. **Indicate** preferences for a future governance model associated with a new partnership;
- 2.1.4. **Comment** on the proposed future subscription model for the new partnership which would form the basis of any future recommendation

3. A NEW PARTNERSHIP ON EMPLOYMENT SKILLS IN CENTRAL LONDON

- 3.1. Following a steer from CLF Board Members and the agreement of Leaders Lewisham, Hackney, Tower Hamlets and Haringey a new partnership is being created to take forward future work on employment and skills devolution. Whilst a full workstream will need to be agreed, in the short-term this is likely to include:
- 3.1.1. A strategic policy and co-ordination function including developing a business plan for this new partnership, governance structures and a new vision and strategy for employment and skills in Central London
- 3.1.2. The design, procurement and implementation of the Work and Health Programme that is launched in October 2017 [up to £50m over 5 years]
- 3.1.3. Applying and agreeing ESF Co-financing status for the new partnership (via a single accountable body)
- 3.1.4. Co-ordination and implementation of the Area Review of Skills including executing a new annual planning cycle for skills

- 3.1.5. Development of plans for the devolution of skills in 2018 and any associated initiatives from the Area review of skills
- 3.1.6. The creation and administration of an Employment and Skills Board
- 3.2. Given the strategic importance of this work, future powers and investment associated with devolution and following on-going dialogue with the extended boroughs it is necessary to develop a governance model that provides all proposed members with the opportunity to influence and agree on the future work plan, governance models and subscriptions:
 - (b) Recommendation:** We propose convening a Special Meeting of the Leaders of all the Local Authorities across this new geographical footprint to agree an approach. Such a meeting would also enable Leaders to discuss the immediate business associated with the Work and Health Programme which will require political sign-off.*
- 3.3. There are a number of governance models that can support this work including:
 - 3.3.1. A Full Board made up of the Leaders of each of the Local Authorities;
 - 3.3.2. A smaller membership that includes nominated representatives of CLF and Leaders from the extended boroughs;
 - 3.3.3. Partnership chaired jointly by a nominated Leader from CLF and an extended Borough alongside the Cabinet leads for Employment and Skills from each authority
 - 3.3.4. Delegated Authority to Senior Officers on behalf of Leaders
- 3.4. Board Members are asked to indicate a preference for any future partnership governance arrangements to aid officers in the development of an approach that will be palatable to Board Members.

4. DEVELOPING A RESOURCING MODEL FOR THE NEW PARTNERSHIP

- 4.1. Recognising the financial constraints in local authorities it is our intention to limit any costs associated with the new partnership by:
 - 4.1.1. Cross subsidising management and core corporate functions between CLF and the New Partnership;
 - 4.1.2. Splitting the core strategic and co-ordination functions of the new partnership from any future delivery functions
 - 4.1.3. Applying lean principles to the development of any new delivery function including seeking administrative/programme management funding [where applicable]
- 4.2. To deliver the range of outputs in 4.1 and a core strategic co-ordination function we propose that the New Partnership will require a **£20k annual subscription per borough**.¹ This subscription will cover:
 - 4.2.1. Salaries and on-costs of a small core team:
 - i. Director (0.5FTE), 1.5FTE Policy Managers, (0.5FTE) Business and Secretariat Manager, 1FTE Secretariat and Business Officer
 - ii. Overheads associated with roles including office/desk space, corporate and HR functions

¹ This does not include the Management and Administration costs that may be reclaimed through ESF

- 4.2.2. Associated policy and consultancy costs to support the work of the partnership's strategic work on devolution.
- 4.3. Accordingly, the 2016/2017 subscription for Central London Forward is £40,000 (forty thousand pounds) per annum, consisting of:
 - 4.3.1. £20,000 per annum for the core CLF function and
 - 4.3.2. £20,000 per annum for the work of the New Partnership on employment and skills devolution.
- 4.4. Investment above and beyond this, such as administration costs for projects or initiatives like the devolved Work and Health Programme, will require a bespoke business case approved by the New Partnership's Board. This investment would be ring-fenced for the purposes of the bespoke project only. Board Members should also note that investment in this New Partnership would be offset by a modest reduction in the subscription for CLF in future years.

Recommendation (d): Board Members are asked to comment *on the proposed future subscription model for the new partnership which would form the basis of any future recommendation.*

WORKING IN PARTNERSHIP WITH LEWISHAM, HACKNEY, HARINGEY AND TOWER HAMLETS ON EMPLOYMENT AND SKILLS

OVERVIEW

This note makes the case for including the boroughs of Lewisham, Hackney, Tower Hamlets and Haringey in a central London area geography for Employment and Skills devolution.

DEFINING CENTRAL LONDON

There is no single definition of *Central London* that can be easily applied to a definition for Central London Forward or for sub-regional partnership purposes. Historically, a number of different definitions have been used for administrative purposes against a series of spatial definitions (see annex A) and it can be argued that a series of key characteristics or traits that would define a London borough as *central* could be used as well.² Indeed, against some measures some members of CLF would also not be categorised as a central London borough.

FIT WITH CENTRAL LONDON AND CENTRAL LONDON FORWARD

Against many of the characteristics and spatial footprint definitions Hackney and Tower Hamlets could be defined as Central London boroughs. Indeed both are included as part of the Central Activities Zone and the more recent expansion into these boroughs of start-up firms and tech companies, in addition to high concentrations of financial and professional services in Canary Wharf and activities in the city fringe fit with this assessment. The case for their inclusion is robust and both areas have a history of working in partnership with CLF members.

The case for Haringey and Lewisham is weaker, but not without merit. Both are classified as Inner London boroughs using the ONS definition. More recently both are experiencing rapidly changing demographics including increased gentrification and the number of residents with degrees, as well as commuting and travel to learn patterns where their residents work or study in central London. In Lewisham the joint work between Southwark and Lambeth on Employment and Skills including the establishment of a Joint Committee makes collaboration easier and serves as evidence of their compatibility. This is also supported by their inclusion in the European Social Fund's Central Contract Package Area although the GLA have suggested privately that this boundary could be changed if required.

CASE FOR EXTENDING BEYOND CLF BOUNDARIES FOR EMPLOYMENT AND SKILLS

Aside from the above debate on fit with *central* London there are a series of pragmatic reasons why an extended geography could be made to work for employment and skills for the purposes of a devolved programme, including:

- **Economic geography of London.** The geography for Central London's labour market is not bound by the geographies of London's sub-regional partnerships, nor do people's perceptions of central London stop at borough boundaries. Given much of the work on skills and employment is heavily geared towards policy thinking on labour supply and labour demand a broader geography fits with this mandate (albeit for some of the suggested boroughs better than others).

² such as high land values and high density built environment, net importer of commuters (by day, highly skilled workforce, sectoral profile specialising in high value added industries and services and large concentrations amongst others

- **Commuting patterns.** One of the stronger cases linked to the economic geography point above is commuting patterns and the “pull” factors associated with the jobs market in central London which draws its talent from a far larger labour pool than CLF’s boundaries. Of course this is broader than the suggested neighbouring boroughs, but both Lewisham and Haringey have argued in the past that a large proportion of their residents work in central London (and that this is larger than other London boroughs as a proportion of total workers).
- **Travel to learn patterns.** The concentration of certain sectors and their scale in central London has created an education and training offer in central London that draws learners from a much wider geographical footprint as colleges and training providers try to capitalise on proximity to key sectors and incorporating industry specific learning to their provision (i.e. catering, retail etc). Therefore travel to learn patterns are much more diverse and broader than our existing boundaries.
- **Making Devolution in London work.** It is clear that London needs to make urgent progress on defining the sub-regional geography for a deal on the Work and Health Programme. Central London leaders have been at the forefront of championing the case for devolution and seeking pragmatic ways of ensuring London is well positioned to deliver against these opportunities. Whilst making a concession on geographical boundaries is not ideal it is consistent with the leadership that Central London has shown and on finding pragmatic solutions to devolutionary issues.
- **Precedents on different geographies.** The Devolution commitments made in London are not confined to fixed local partnership boundaries and are based on what works for that policy area. This was a key principle agreed by Leaders in London. For instance, health boundaries are driven by CCG arrangements rather than sub-regional economic partnerships. So a slightly different geography is not incompatible with this approach. And Leaders in CLF can make a clear distinction between our agreement to work together for the purpose of employment and skills devolution and our on-going work and membership of CLF which would not be included as part of this arrangement.
- **CLF mandate to work beyond our boundaries.** At the December Board meeting Leaders agreed to work more closely with some of our neighbouring boroughs on key issues where a case could be made. The expansion for the specific purposes of employment and skills is not inconsistent with this decision.
- **Alignment with Area Based Review.** There is clearly a case for aligning skills boundaries to employment support boundaries to aid in the ability to integrate complementary services. A wider geography was agreed at a London Council’s Executive meeting before Christmas and so enabling a similar boundary to be created for employment support would strengthen the case on integration and co-investment of these services.

CLARITY ON SCOPE AND GOVERNANCE

In order to make this work for CLF members it is important that there is clarity on the parameters for the new arrangement. The extended geography and joint working arrangements would be confined to employment and skills as they relate to new devolution activity only, and we would not look to retrofit existing schemes. The existing membership of the CLF Board would not be changed and the Board will remain the principle form of governance for CLF.

We would also seek assurances that partners under a new arrangement on employment and skills were broadly content with our policy direction of travel. Moreover, for the purposes of employment support this would include a commitment to develop further the approach that CLF has trail blazed with Working Capital as part of the Work and Health Programme.

In line with December's Board decision and the agreement that CLF is not looking to expand at this time, we would make this clear in forming this new arrangement and re-iterate that this arrangement was not an invitation to join Central London Forward.

To facilitate and agree approaches officers would need to create a separate time-limited governance structure and explore how the new members would contribute resources to support the work in the same way that CLF boroughs have made of employment and skills programmes to date.³At this juncture we would not seek to set up a formal Leader's group for employment and skills, but in the event that we needed to agree an approach we would create a separate session for leaders to endorse proposals. It is envisaged that the day to day operation of any future scheme once developed would report into senior officers rather than Leaders unless this was explicitly requested.

³ CLF have since established an employment and skills board.

Annex A: Selected definitions of Central London

<p>1957–1960 Evidence to the Royal Commission on Local Government in Greater London</p>	<p>Range of definitions:</p> <ul style="list-style-type: none"> ▪ a spatial split that captured major London rail stations, the Tower of London and museums that encompassed the City of London, Westminster, Holborn, Finsbury and the inner parts of St Marylebone, St Pancras, Chelsea, Southwark and Lambeth; ▪ A spatial split that included most of the City of London, the whole of Finsbury and Holborn, most of Westminster and Southwark, parts of St Pancras, St Marylebone, Paddington and a small part of Kensington; ▪ City of London, all of Westminster, Holborn and Finsbury; and the inner parts of Shoreditch, Stepney, Bermondsey, Southwark, Lambeth, Chelsea, Kensington, Paddington, St Marylebone and St Pancras.
<p>Findings of the Royal Commission on Local Government in Greater London</p>	<p>Central London included a spatial geography distinguished by:</p> <ul style="list-style-type: none"> ▪ the inclusion within its boundaries of Houses of Parliament, Royal Palaces, Whitehall, the Law Courts, HQ's of very large commercial and industrial firms and institutions of intellectual life, and centres of activity that attract people from across Greater London and beyond; and ▪ A unique set of characteristics including high land values, significantly higher day population than at night, traffic intensity and larger offices developments associated with head offices.
<p>London Plan (2008)</p>	<ul style="list-style-type: none"> ▪ Central Activities Zone which includes City of London, most of Westminster and the inner parts of Camden, Islington, Hackney, Tower Hamlets, Southwark, Lambeth and Kensington and Chelsea and is described as a <i>“unique cluster of vitally important activities including central government offices, headquarters and embassies, the largest concentration of London's financial and business services sector and the offices of trade, professional bodies, institutions, associations, communications, publishing, advertising and the media.”</i>
<p>London Plan sub-regional definitions</p>	<p>For Strategic planning purposes the GLA uses a Central London sub-region in the London Plan. The geography of which has changed:</p> <ul style="list-style-type: none"> ▪ 2004 -2008 it included Camden, Islington, Kensington and Chelsea, Lambeth, Southwark, Wandsworth and Westminster. ▪ Since 2011 it has included Camden, City of London, Islington, Kensington and Chelsea, Lambeth, Southwark, and Westminster
<p>Inner London [statutory definition] into effect from 1965</p>	<p>This definition is still used as part of the Local Government Act 1963 and includes 12 Inner London Boroughs of Camden, Islington, Kensington and Chelsea, Lambeth, Lewisham, Southwark, Wandsworth, Westminster, Tower Hamlets, Greenwich, Hackney. The City of London Corporation is not classed as an Inner London Borough but is included as an Inner London Local Authority.</p>
<p>Inner London [ONS definition]</p>	<p>The ONS uses a variant of the statutory definition that excludes Greenwich but includes Haringey, Newham and the City of London Corporation.</p>

**SCHEDULE 6.
CONTRACT PROVISIONS**

1. BACKGROUND

- 1.1. The Authorities have agreed that the Lead Authority will enter into the Contract with the Provider. This SCHEDULE 6 sets out the roles and responsibilities, burden and benefits of each party with respect to the Contract once awarded and covers the term of the Contract.

2. PROVISION OF THE SERVICES

- 2.1. Subject to clause 2.2, the Related Authorities shall receive the benefit of the Services from the Commencement Date under the terms of the Contract (unless otherwise stated in this MOU) and subject to the terms of this MOU.
- 2.2. The Related Authorities shall use the Services it receives pursuant to this MOU solely in respect of discharging its obligations as a provider of employment advisory services (the "Approved Purpose").
- 2.3. Nothing in this Schedule shall create or be deemed to create contractual relations between the Related Authorities and the Provider.
- 2.4. A Related Authority shall not attempt or purport to vary, amend or otherwise alter any of the Services or the Contract unless such changes are agreed with the Lead Authority pursuant to paragraph 4 (Changes) of this SCHEDULE 6.

3. QUALITY OF THE SERVICES

3.1. Service Standards

- 3.1.1. It is recognised by the Parties that the Services shall be provided by the Provider in accordance with the Service Standards set out at Schedule 3 of the Contract.
- 3.1.2. Notwithstanding paragraph 3.1.1 of this Schedule, in the event that a Related Authority identifies a Change it wishes to make in relation to the Service Standards, this Change shall be considered at the Board.

3.2. Duty to report Provider Defaults

- 3.2.1. In the event that a Related Authority identifies or anticipates that the Provider has failed or may fail to meet the Service Standards, the Related Authority shall refer the issue to the Lead Authority, for resolution.

3.3. Enforcement

- 3.3.1. If there is a Default by the Provider, its employees, agents, or sub-contractors under the terms of the Contract, any liability of the Provider as a result of such Provider Default shall be dealt with as between the Provider and the Lead Authority under the terms of the Contract.
- 3.3.2. Subject to paragraph 3.3.1, if a Related Authority suffers or incurs any Losses as a direct result of any such Provider Default the relevant Related Authority shall notify the Lead Authority of the Losses incurred and shall demonstrate and provide documentary evidence to support its claim to the Lead Authority. Subject to the Lead Authority being fully informed and provided with all relevant documentation and evidence of the issues surrounding the Provider Default and authorising the Lead Authority to act on behalf of the Related Authority, the Lead Authority shall thereafter actively pursue a claim in accordance with the terms of the Contract against the Provider subject to the terms the Contract.

3.3.3. The Lead Authority shall:

- (i) take conduct of any claim or dispute made pursuant to paragraph 3.3.2 and of any incidental negotiations,
- (ii) be entitled to require the Related Authority to give all reasonable co-operation, access and assistance for the purposes of considering and pursuing such claim, as well as being entitled to require the Related Authority to pay any Administration Fees.
- (iii) keep the Related Authority fully informed and consult with it about material elements of the conduct of the claim; and
- (iv) the Lead Authority shall not reject or settle such claims without proper discussion and the prior consent of the relevant Related Authority and/or Board, such prior consent not to be unreasonably withheld or delayed.

If the Lead Authority recovers a sum which is directly referable to the fact, matter, event or circumstances giving rise to the claim, the Lead Authority shall pay to the relevant Related Authority the sum recovered less any Administration Fees properly incurred by Lead Authority in recovering the same. The relevant Related Authority and Lead Authority shall comply with the requirements of any insurer who may have an obligation to provide an indemnity in respect of any liability arising under the Contract as notified to Lead Authority from time to time.

4. CHANGES

- 4.1. Subject to paragraphs 4.2 and 4.3, each Related Authority acknowledges that the Services shall be provided to it in accordance with the terms of the Contract as at the Commencement Date.
- 4.2. In the event that a Related Authority requires a Change to the Services, the Related Authority shall raise the matter with Lead Authority at the Board for discussion.
- 4.3. All Parties shall co-operate fully with each of the other Related Authorities and Lead Authority and each Party shall act in good faith when discussing any proposed Changes to the Services.

5. GOVERNANCE STRUCTURE

- 5.1. The Board shall provide senior level guidance for the overall delivery of the Services and to deal with the strategic operation and monitoring of the provision of the Services by the Provider. In addition the Board will:
 - 5.1.1. ensuring that the Services are provided throughout the Term in a manner which optimises the value for money and operational benefit derived by the Authorities and the commercial benefit derived by the Provider through the delivery of innovation and efficiencies;
 - 5.1.2. receiving and reviewing reports from Lead Authority which summarise key aspects of the operation of the Services including reports on performance against the Service Standards and confirm decisions for implementation by the Lead Authority who shall enforce through the Contract;
 - 5.1.3. agreeing the content of Management Information and reports to the DWP and ESF as required from time to time;
 - 5.1.4. extension of the Contract in line with any instructions form DWP;

- 5.1.5. consider any reports prepared by the Lead Authority in relation to any disputes with the Provider; and
- 5.1.6. any decision relating to the termination of the Contract.
- 5.2. Each Party agrees to participate in the Board and ensure their Representative attends each meeting of the Board.

6. LEAD AUTHORITY'S MANAGEMENT COSTS

- 6.1. Each Related Authority shall pay a contribution of the on-going Management Costs incurred by the Lead Authority. The Management Costs will be divided equally between all the Authorities. The Related Authorities shall pay their respective share of the Management Costs annually in advance and within ten (Working Days) of receipt of an invoice from the Lead Authority.
- 6.2. The Lead Authority shall identify the estimated projected Management Costs annually in advance of each Financial Year and notify the Related Authorities.

7. SERVICE FEE AND OUTCOME PAYMENTS UNDER THE CONTRACT

- 7.1. In order for the Lead Authority to be able to meet its payment obligations under the Contract it is agreed by the Related Authorities that the Lead Authority shall receive the funding directly from DWP and ESF in relation to the Related Authorities.
- 7.2. Each Related Authority agrees to comply with any requirements of DWP and ESF to ensure that their funding is obtained and shall notify the Lead Authority immediately if they are notified by DWP or ESF that their funding is likely to be changed or stopped.

8. THE LEAD AUTHORITY AND RELATED AUTHORITIES' LIABILITY

- 8.1. For the avoidance of doubt, the distribution of liabilities and indemnities in relation to this Special Project shall be in accordance with the terms of clause 9.5A of the Preceding Agreements.
- 8.2. Nothing in this MOU excludes a Party's liability for death or personal injury caused by that Party's negligence.
- 8.3. The Lead Authority does not give the Related Authorities any warranty or assurance in respect of this MOU.

9. EXIT, WITHDRAWAL AND CONSEQUENCES OF WITHDRAWAL

- 9.1. The Parties acknowledge that the Contract is a product of a tendering exercise supported by all the Authorities and that each is benefitting from a lower price and efficiencies resulting from the anticipated volume of Participants using the Services as a result of the number of Authorities participating. The Parties further acknowledge that it is possible that if one or more Authorities withdraw that the funding may be withdrawn, the Contract may no longer be viable and/or the savings or efficiencies may be reduced or the price of the Services to the remaining Parties increases.
- 9.2. A Related Authority shall not be entitled to withdraw from this MOU prior to 1st November 2025. Thereafter any Related Authority may seek consent to withdraw from this MOU on no less than 12 (twelve) months' written notice to the CLF Board and DWP. Such written notice must be issued no later than 1st November 2024, such consent to align with the notice period under the Contract.
- 9.3. In the event that a Related Authority withdraws from this MOU pursuant to clause 9.2, the terms of the agreement reached shall be formally recorded in writing and signed by the

exiting Related Authority and the Lead Authority and shall include but not be limited to the following matters:

- 9.3.1. payment of any reasonable and properly incurred costs of effecting the termination and any payments that have fallen due and payable up to the date of termination which would normally have become due in accordance with paragraph 6; and
- 9.3.2. a continuing obligation on the exiting Related Authority not to disclose any Confidential Information in relation to this MOU or the Contract in accordance with clause 15 (Confidential Information) of this MOU.
- 9.4. The exiting Related Authority shall not be entitled to any proportion of any Management Fees held by the Lead Authority which shall be used for the future management of the Contract. For the avoidance of doubt the exiting Related Authority shall cease to be a Related Authority for the purposes of this MOU from the date of withdrawal.
- 9.5. The withdrawal from this MOU by a Related Authority shall not prejudice the rights or remedies which any Party may have in respect of any breach of the terms of this MOU prior to the Withdrawal Date.
- 9.6. The withdrawal by a Party from this MOU pursuant to this paragraph 9 shall not cause this MOU to terminate automatically. For the avoidance of doubt, this MOU shall remain in force provided that there are remaining Parties to this MOU until the Contract terminates or expires in accordance with the terms of the Contract.
- 9.7. The provisions from this Schedule 5 of paragraphs 8 (City and Related Authorities' Liability), 9 (Exit, Withdrawal and Consequences of Withdrawal), 11 (Consequences of Termination), 14 (Management Information), 15 (Confidential Information), and clauses 27 (Entire Agreement), 12 (Severability), 13(Rights of Third Parties) and 14 (Law and Jurisdiction), and the definitions at Appendix 1, shall continue to apply to the exiting Party.

10. TERMINATION OF THE CONTRACT

- 10.1. In the event that the Contract terminates earlier than the Expiry Date, this MOU shall automatically terminate on the Termination Date of the Contract.
- 10.2. If the Contract is terminated by the Provider as a result of default by the Lead Authority and the default is as a result of an act, omission, default and/or negligence of one or more of the Parties to this MOU, the defaulting Party/Parties shall indemnify the other Parties against any costs incurred or increased costs arising directly and properly from the termination of the Contract.
- 10.3. On expiry or earlier termination of the Contract the Lead Authority shall share any monies held on account by the Lead Authority, whether comprising Management Fees pursuant to paragraph 6 or otherwise held in accordance with the terms of this MOU, less any exiting costs reasonably incurred by the Lead Authority with the Related Authorities.

11. CONSEQUENCES OF TERMINATION

- 11.1. In the event of termination or expiry of the Contract:
 - 11.1.1. as applicable, each Party shall pay an equal share of any Termination Payment payable in accordance with clause H3.1 (Termination on Notice); and
 - 11.1.2. such termination shall not prejudice the rights or remedies which any Party may have in respect of any breach of the terms of this MOU prior to the Termination Date.

- 4.5. The provisions from this Schedule 5 of paragraphs 8 (City and Related Authorities' Liability), 9 (Exit, Withdrawal and Consequences of Withdrawal), 11 (Consequences of Termination), 14 (Management Information), 15 (Confidential Information), and clauses 27 (Entire Agreement), 12 (Severability), 13(Rights of Third Parties) and 14 (Law and Jurisdiction), and the definitions at Appendix 1, shall survive the termination or expiry of this MOU.

12. INFORMATION MANAGEMENT

Data Protection

- 12.1. Notwithstanding the provisions of this paragraph 12 (Information Management), each Party as a Data Controller shall be responsible for ensuring compliance with the Data Protection Legislation in regard to the processing of data for which that Party is the Data Controller.
- 12.2. For the purposes of this MOU, the Parties hereby agree and acknowledge that they are collectively joint Data Controllers for the purposes of the Data.
- 12.3. The Provider shall process the Data on behalf of the Lead Authority pursuant to the terms of the Contract for which the Parties are joint Data Controllers and shall comply with any directions or instructions of the other Parties with regards to processing of that Data.
- 12.4. The Parties shall receive Data as set out in paragraph 14 below and shall comply with their obligations as Data Controller with respect to that Data.
- 12.5. The Lead Authority shall notify all potential users of any Data in relation to which the Data Controller for that Data has given any directions or instructions which affect or impact on data users or which a data user must comply with any such directions or instructions.
- 12.6. The Parties each undertake to the other Parties that they shall not (save in the proper performance of their respective obligations under this MOU or in accordance with their legal obligations) without the prior written consent of the other disclose to any person any Confidential Information of the other Parties, provided that this paragraph 12.6 shall not apply to any information which is in or enters into the public domain otherwise than in breach of any undertaking of confidentiality or which any Party is obliged to disclose pursuant to any legal obligation.
- 12.7. Each of the Related Authorities undertake to make the Lead Authority aware of any direction or instructions relating to the processing of the Data or any obligations of confidentiality owed to any other person or the identity of the Confidential Information belonging to it.
- 12.8. Data Subject Access Requests (or purported Data Subject Access Requests) relating to this MOU or the Contract shall be dealt with by the Lead Authority.
- 12.9. The Related Authorities shall:
- 12.9.1. process Personal Data only in accordance with instructions from the Lead Authority to enable it to perform its obligations under the Contract;
 - 12.9.2. ensure that at all times they have in place appropriate technical and organisational measures to guard against unauthorised or unlawful processing of the Personal Data and/or accidental loss, destruction or damage to the Personal Data, including any measures as are set out in the Contract;
 - 12.9.3. not disclose or transfer the Personal Data to any third party or staff unless necessary for the provision of the Services and, for any disclosure or transfer of Personal Data to any third party, obtain the prior written consent of City (save where such disclosure or transfer is specifically authorised under the Contract);

- 12.9.4. take all reasonable steps to ensure the reliability and integrity of any staff who have access to the Personal Data and ensure that the staff:
- (i) are aware of and comply with the Related Authority's duties under this Paragraph 4 and relevant provisions of the Contract;
 - (ii) are informed of the confidential nature of the Personal Data and do not publish, disclose or divulge any of the Personal Data to any third party unless directed in writing to do so by the Lead Authority; and
 - (iii) have undergone adequate training in the use, care, protection and handling of Personal Data (as defined in the Data Protection Legislation);
- 12.9.5. notify the Lead Authority within five (5) Working Days if it receives:
- (i) from a Data Subject (or third party on their behalf):
 - ◆ a Data Subject Access Request (or purported Data Subject Access Request);
 - ◆ a request to rectify, block or erase any Personal Data;
 - ◆ a request to withdraw consent to Processing of the Data Subject's Personal Data; or
 - ◆ any other request, complaint or communication relating to the Lead Authority's obligations under the Data Protection Legislation;
 - (ii) any communication from the Information Commissioner or any other regulatory authority in connection with Personal Data; or
 - (iii) a request from any third party for disclosure of Personal Data where compliance with such request is required or purported to be required by law;
- 12.9.6. provide the Lead Authority with full cooperation and assistance (within the timescales reasonably required by the Lead Authority) in relation to any complaint, communication or request made as referred to in Paragraph 12.9.5 including by promptly providing:
- (i) the Lead Authority with full details and copies of the complaint, communication or request;
 - (ii) where applicable, such assistance as is reasonably requested by the Lead Authority to enable the Lead Authority to comply with the Data Subject Access Request within the relevant timescales set out in the Data Protection Legislation; and
 - (iii) the Lead Authority , on request by the Lead Authority , with any Personal Data it holds in relation to a Data Subject; and
- 12.9.7. if requested by the Lead Authority, provide a written description of the measures that it has taken and technical and organisational security measures in place, for the purpose of compliance with its obligations pursuant to this Paragraph 12.8 and provide to the Lead Authority copies of all documentation relevant to such compliance including, protocols, procedures, guidance, training and manuals.
- 12.10. No Related Authority shall process or otherwise transfer any Personal Data in or to any country outside the European Economic Area or any country not deemed adequate by the

European Commission pursuant to the Data Protection Legislation (together “Restricted Countries”).

- 12.11. The Related Authorities shall use their reasonable endeavours to assist the Lead Authority to comply with any obligations under the Data Protection Legislation and shall not perform its obligations under this MOU in such a way as to cause the Lead Authority to breach any of the Lead Authority’s obligations under the Data Protection Legislation to the extent the Related Authority is aware, or ought reasonably to have been aware, that the same would be a breach of such obligations.
- 12.12. The Parties hereby acknowledge that prior to the Commencement Date they have considered the purpose for the Processing of Personal Data and the Parties have agreed provisions relating to implementing data protection by design with respect to data sharing activities with third parties.
- 12.13. The Parties shall not be relieved of their obligations in accordance with this MOU as a result of the introduction of the General Data Protection Regulation which is due to come into force during the Term of this MOU. The introduction of the General Data Protection Regulation shall be dealt with by way of Change to this MOU and any such change shall be agreed between the Parties

13. FREEDOM OF INFORMATION

- 13.1. Requests for Information relating to this MOU or the Contract shall be dealt with by the Related Authority who received the Request for Information.
- 13.2. The recipient Related Authority shall be responsible for co-ordinating the response, agreeing the disclosure with the other relevant Parties and replying to the request.
- 13.3. If a recipient Related Authority wishes the Lead Authority to deal with a Request for Information on behalf of the Related Authority then the Related Authority shall instruct the Lead Authority and in dealing with the request the Lead Authority shall comply with all instructions or directions given by the Related Authority.

14. MANAGEMENT INFORMATION

- 14.1. The Related Authorities acknowledge that they will each require the Management Information as prepared and submitted by the Provider to satisfy their individual internal governance arrangements. The Management Information will be in pseudonymised or anonymised form as applicable in order to protect the Personal Data of the data subjects.
- 14.2. The Lead Authority shall provide the Related Authorities with copies of the Management Information as provided to it by the Provider under the Contract. It is acknowledged that the format, manner, frequency and timescales for the Management Information is governed primarily by ESF and DWP.
- 14.3. The Lead Authority will work with the Provider to ensure that the Management Information prepared by the Provider is accurate and complete.
- 14.4. The Parties shall treat the Management Information as Confidential Information in accordance with paragraph 15 (Confidential Information) and the Parties shall not publish or otherwise disclose the Management Information other than for the purposes of clause 15.4 below.
- 14.5. Upon receipt of the Management Information supplied by the Lead Authority, the Lead Authority hereby permits the Related Authorities:
 - 14.5.1. to store and analyse the Management Information and produce statistics; and

- 14.5.2. to share anonymised data as necessary in order to carry out the Related Authority's functions subject always to ensuring that the data is treated sensitively and only anonymised data is used.

15. CONFIDENTIAL INFORMATION

- 15.1. The Parties acknowledge the sensitive and confidential nature of the information which is likely to be shared during the provision of the Services and agree with each other to treat all information appropriately.
- 15.2. Each Party shall keep the Confidential Information of the other Parties confidential and shall not disclose such information without the consent of the Party which provided it.
- 15.3. The Parties shall apply the same degree of security and care in relation to the Confidential Information provided by other Parties and the Provider (as appropriate) as they do to their own Confidential Information.
- 15.4. The Parties may each disclose Confidential Information:
 - 15.4.1. to their employees and professional advisers for purposes in connection with this MOU;
 - 15.4.2. to the extent required by law and the discharge of the statutory and regulatory duties of the Parties including pursuant to a request under the Freedom of Information Act 2000 or the Environmental Information Regulations 2004 (provided that before making disclosure against any such request the Party concerned shall first consult with the Lead Authority); and
- 1.1.1 to the members of their authority for purposes in connection with this MOU.

16. DISPUTE RESOLUTION

- 16.1. If there are any disputes or differences between the Parties or between one or more of the Related Authorities or between the Lead Authority and one or more of the Related Authorities ("Disputing Parties") in relation to the Contract or the operation of this MOU, the matter shall be referred to the Board who shall use reasonable endeavours to resolve such disputes amicably.
- 16.2. If any Dispute is not resolved within fourteen (14) Working Days of the referral under clause 16.1, or such longer period as the Parties may agree, any Disputing Party may refer the Dispute to the Directors/Chief Executive/senior officers of the Disputing Parties who shall use their reasonable endeavours to ensure that the dispute is resolved. The Directors, Chief Executives or senior offices of the Disputing Parties shall meet within twenty (20) Working Days of referral to discuss the dispute.
- 16.3. If the Dispute is not resolved at Director level, or in the event that the Dispute is not resolved within three (3) months of the date of referral, the Disputing Parties shall attempt to settle it by mediation in accordance with the Centre for Effective Dispute Resolution ("CEDR") Model Mediation Procedure 2014 edition or such edition as is then in force (the "Model Procedure") and the Dispute shall be referred to a mediator appointed by CEDR (the "**Mediator**").
- 16.4. The Mediator shall determine the rules and procedures by which the mediation shall be conducted save that:
 - 16.4.1. Each Disputing Party shall be entitled to make a written statement of its case to the Mediator prior to the commencement of the mediation provided that such statement shall be provided to the Mediator not less than 14 Working Days or such

other period as may be agreed by the Mediator before the mediation is to commence; and

- 16.4.2. within 14 Working Days of the conclusion of the mediation the Mediator shall provide a written report to the Disputing Parties which report shall set out the nature of the dispute and the nature of its resolution if any.
- 16.5. The Mediator shall be entitled to be paid his reasonable fee which the Disputing Parties shall pay in equal shares unless the Mediator orders otherwise.
- 16.6. To initiate a mediation, a Disputing Party must give notice in writing (the "ADR notice") to the other Disputing Parties requesting a mediation in accordance with this clause 24. The mediation is to take place not later than twenty eight (28) Working Days after the date of the ADR notice.
- 16.7. If there is any issue concerning the conduct of the mediation upon which the Disputing Parties cannot agree within ten (10) Working Days after the date of the ADR notice, then CEDR will, at the request of any Disputing Party, decide the issue for the Disputing Parties having consulted with them.
- 16.8. If the Dispute is not resolved within ten (10) Working Days of the mediation taking place then the Disputing Parties may litigate the matter.
- 16.9. Once a dispute is resolved it shall be recorded formally in writing and signed by the Disputing Parties.

17. PUBLIC RELATIONS AND PUBLICITY

- 17.1. Subject to the following provisions of this paragraph 17 and any legal requirements, none of the Parties shall, except with the consent of the Board (such consent not to be unreasonably withheld or delayed), make any press announcements or publicise this MOU or the provision of Services/Contract in any way.
- 17.2. Paragraph 17.1 shall not apply to any information relating to this MOU which is or becomes public knowledge (other than by breach of this paragraph 17).
- 17.3. The Parties agree that all publicity relating to or affecting this MOU or the provision of Services/Contract shall only be undertaken by the agreement of the Board with a requirement to obtain prior approval of the terms of each press release or publicity statement which statements shall in each case mention the involvement of all the Parties in this MOU.

**SCHEDULE 7.
SPECIFICATION FOR THE CONTRACT**



Central London Works Work Health Programme For the Central London Region

Specification

OJEU Notice: 2017/S 044-080958

[PRJ_COL_3239]



SUPPORTED BY
MAYOR OF LONDON



European Union
European
Social Fund

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OVERVIEW

1. Introduction

- 1.1 This specification has been developed by the City of London (City) in conjunction with the Central London boroughs, listed at 2.2 below, that are, together with the City, members of the Central London Forward (CLF) partnership.
- 1.2 The Specification has been co-commissioned with the Department for Work and Pensions (DWP), however the provision will be substantially different from the national Central London Works.
- 1.3 City is the Lead Authority for the CLF members. The Provider shall provide the Services to City as the Lead Authority who has entered into back to back arrangements with the CLF members for the provision of the Services to all the CLF members. References in this Specification to CLF, who shall provide a team of programme officers to manage the provision of the Services, should be interpreted as Lead Authority for the purposes of the Contract.

2. The Central London Works Summary

- 2.1 This Specification for the CLW provides information about the eight CLF core and four associate borough's (hereafter CLF) requirements for the comprehensive delivery of employability services to the residents of Central London who are eligible for participation in the Central London Works.
- 2.2 The programme will support residents living in the following boroughs:
 - 2.2.1 City of London
 - 2.2.2 Camden
 - 2.2.3 Hackney
 - 2.2.4 Haringey
 - 2.2.5 Islington
 - 2.2.6 Lambeth
 - 2.2.7 Lewisham
 - 2.2.8 Royal Borough of Kensington and Chelsea
 - 2.2.9 Southwark
 - 2.2.10 Tower Hamlets
 - 2.2.11 Wandsworth,
 - 2.2.12 City of Westminster.
- 2.3 The Services form the essential elements of a programme to deliver improved employment outcomes for unemployed persons and persons out of work due to sickness and disability.

3. Programme aims

- 3.1 The Programme is looking to demonstrate that - working with an employment Provider - employment support integrated with local services can deliver employment and health outcomes that outperform national employment programme provision.
- 3.2 The delivery model in Central London will be led by a single Provider (or consortium), working with specialist local health and support provision within boroughs and localities.

- 3.3 At the core of the model should be a lead ‘caseworker’, who acts as a single point of contact responsible for the Participant’s journey. They will be responsible from referral through assessment, development of an holistic individual action plan, coordination of local specialist support, brokerage of employment opportunities (collectively for up to 15 months) and provision of in-work assistance (up to 6 months).
- 3.4 Underpinning the model will be the integration of local services to help the Participant overcome their employment barriers. The Provider will lead on the integration of local services around the individual Participant’s needs for employment and related support in a way that best achieves programme objectives. This integration process will be aided by individual ‘borough offers’ covering opportunities for co-location, personnel and access to services, and be matched with a ‘health offer’ mapping out local accessible health provision.
- 3.5 As such, the Provider will need to:
- 3.5.1 complement existing / planned provision and addresses any potential gaps in provision
 - 3.5.2 make the best use of available resources (e.g. existing/planned provision, facilities or other funding sources)
 - 3.5.3 add value to existing provision and not duplicate what is already available
- 3.6 Beyond the strategic objectives and fundamental principles of the delivery model, the Provider is encouraged to be creative and innovative in the provision of the Services

4. **Implementation and Contract Period**

- 4.1 The Provider shall ensure that the Services are ready to be provided on the Commencement Date. The Provider shall carry out the implementation activities as set out in its mobilisation plan in order to ensure that it is capable of providing the Services required and supporting referrals from the Commencement Date.
- 4.2 Referrals will take place between the Commencement Date and the Referral Period End Date unless the same is extended or terminated early in accordance with the provisions of the Contract.

5. **Critical Success Factors**

- 5.1 Below are the Critical Success Factors (CSFs) which will be used by CLW to determine the overall effectiveness of CLW.
- 5.1.1 Critical Success Factor 1:
 - Help persons who have a disability or health condition, the long-term unemployed, and other disadvantaged groups to find and sustain work as measured by earnings received (or duration of self-employment for the self-employed).
 - 5.1.2 Critical Success Factor 2:
 - Integrate CLW with local services and local health provision so that CLW Participants can receive co-ordinated, holistic support to improve their health and wellbeing.
 - 5.1.3 Critical Success Factor 3:
 - Support the principle of localism by ensuring that CLW meets local priorities and reflects local needs.

6. Evaluation of CLW

- 6.1 DWP is conducting a national evaluation of Central London Works, using Randomised Control Trial, research, and management information. This national evaluation will include CLW, and therefore the Provider will be expected to support the national evaluation.
- 6.2 CLW is required by the DWP to supply a sufficient volume of Participants to a 'control group' of a randomised control trial in order that the Department can assess the impact of CLW on labour market outcomes. This control group will be selected from the pool of eligible CLW potential Participants ahead of referrals by Jobcentre Plus., however the volume of programme referrals may be adjusted upwards to account for any potential loss of referral volumes.
- 6.3 Additionally, CLF may appoint an evaluation partner to conduct a separate evaluation of the programme. The Provider will be expected to work closely with the evaluation partner and input management and staff time into capturing the learning from the programme.
- 6.4 Working with the DWP, CLF will develop an evaluation strategy to determine the impact of the programme. To do this, CLF will use existing data (such as MI), and other knowledge captured as part of delivery. Both CLF and DWP may conduct quantitative and qualitative research to build up a picture of the support delivered. Researchers may wish to visit and interview programme Participants, the Provider, and their supply chain as part of the evaluation. The Provider will be notified in advance of any evaluation work or meetings where the cooperation is required.

7. Programme Funding and Participant Volumes

- 7.1 Estimated referral volumes at the Commencement Date are as below. These volumes are limited by the funding that is received (see below details on the ESF) and are dependent on numerous factors, including Jobcentre Plus and wider labour market conditions. Accordingly, these volumes are not guaranteed or warranted:

Table X.X Potential Referral Volumes

	Total
17/18	500
18/19	4950
19/20	5250
20/21	5400
21/22	3200
22/23	1500
23/24	0
24/25	0
Total	20750

- 7.2 Because of the uncertainty about the number of referrals from Jobcentre Plus to CLW, CLF make no guarantee of the number of referrals to be made to the Programme or to the number that lead to attachments, either in totality or by local authority area.
- 7.3 When the programme goes live, the Provider must use all their endeavours to convert the full volume of referrals into attachments to CLW.
- 7.4 The budget for the Services, and therefore the number of people the programme is able to support, is partly reliant on co-financing from European Social Fund (see Section 8).

8. European Social Fund

Bidders Note:

CLF will be applying for ESF Funding. The volumes anticipated and the funding levels set out in this document and the pricing tables are based on the CLF being successful in their application for ESF Funding. If the funding application is not successful then CLF will need to consider the viability of the Services/Contract generally. It is expected that CLF will receive a definitive answer on ESF funding before Autumn 2017. The ESF Funding will only apply until March 2023. While further opportunities for increasing the funding envelope during and beyond the 2023/24-2024/25 will be sought by CLF, at this point there is no guarantee of increasing the budget during or beyond that period outside of the envelope already outlined for this programme.

Bidders should be aware of the ESF requirements which are set out in the annexes.

- 8.1 CLW will be funded by a grant from the 2014-20 European Social Fund programme in London subject to the agreement of the London Enterprise Panel and GLA's European Programmes Management Unit, who are the Intermediate Body responsible for managing ESF in London on behalf of the ESF Managing Authority. City will hold the grant for the programme and will require the Provider to also meet ESF specific requirements set by the European Commission and ESF Managing Authority; failure to comply can result in substantial recovery of funds and financial penalties. Full information on the ESF requirements will be supplied to the successful tenderer prior to the commencement of the contract.
- 8.2 CLW has been designed so that ESF money can be added to the programme, and consequently the caseload of Participants are expanded beyond national provision.
- 8.3 From the point of contract award, the Provider shall act in accordance with requirements for the use of the ESF grant and for reporting expenditure, activity and outputs/outcomes so that the CLF can meet the ESF contractual requirements set out by the European Commission. Failure to meet these requirements will result in funding being clawed back from the Provider. In summary, the key ESF requirements which the Provider will need to observe and which they should contract with their sub-contractors to observe are likely to be, but will not be limited to, the following:
 - 8.3.1 Keep evidence at all stages for individuals who have started on ESF funded provision;
 - 8.3.2 Keep supporting evidence of the activity underpinning claims for payment from the Managing Authority for the full retention period;
 - 8.3.3 Capture, maintain and retain a complete audit trail of key documents and electronic information at all stages throughout the process; this will include detailed monitoring information on participants;
 - 8.3.4 Meet European Union (EU) regulations and the Conditions of the ESF grant to the City for CLW in connection with publicising the ESF support including the use of the ESF logo and strapline on all its publicity and documentation, publically displaying the ESF plaque at office and main delivery locations and ensuring that project participants and the general public are aware that the project is funded by ESF.
- 8.4 Funding for ESF will last until March 2023.
- 8.5 Further details of ESF requirements are highlighted in Annex 3

SERVICE REQUIREMENTS

9. Aim of the Provision

9.1 The primary aim of the provision will be to move participants into sustained employment.

10. The central london works Delivery Model

10.1 The Provider shall deliver targeted, integrated, tailored support to participants with a health condition or disability, the long-term unemployed and 'early access' participants.

10.2 The Provider shall ensure that the Services centre on finding the participant sustained work, and addressing their barriers to accessing and staying in the labour market.

10.3 The Provider shall provide each participant with a maximum of 21 months contact with the Programme to reach the employment outcomes (lower earnings threshold and higher earnings threshold). To reach these thresholds, the Provider shall deliver 15 months of employment support for all Participants, unless the Participant finds work earlier. Once in work, a Participant must receive at least 6 months of in-work support.

10.4 The Provider shall deliver the Services to meet the two earnings outcomes. In addition, the Services will also be measured against non-employment outcomes (NEOs) which will review the extent to which the Provider supports all Participants to improving their health and labour market prospects through their time on the programme.

10.5 The Provider shall ensure that these 'NEOs' provide all Participants with an opportunity to develop the skills, confidence and experiences needed to find and sustain well-paid work, and to assist them in overcoming any health and practical challenges to employment they may be experiencing.

10.6 NEOs will also be underpinned by a number of Service Standards, which refer to key performance expectations at various points of the Participant journey.

10.7 CLF wishes to measure performance at both the programme at aggregate, and within different Participant groups and the Provider shall provide the data for Participants as set out in Annex 7, with the final set of MI to be agreed at contract award.

10.1 The model for the provision of the Services will broadly be outlined by the Provider during the procurement process. However, in the model shall as a minimum be evidence-based and include the following core elements:

10.1.1 Initial meetings with the Participant

10.1.2 Assessment and action planning

10.1.3 Ongoing programme support, including:

i Continuous case management and review

ii Regular and focussed case work support

iii Integration with local services

iv Providing access to health related services

v Training and skills provision

vi Job brokerage and work experience opportunities

vii Support with any cost implications on participants accessing the programme

viii In-work support

11. **Initial meetings:**

- 11.1 At the first meeting with the Participant, the Provider shall explain the purpose and benefits of the programme, to encourage Participants to attach to the provision. For the vast majority of Participants, the WHP will be voluntary, and therefore it is the responsibility of the Provider to ensure that referrals to the programme join the programme and remain actively engaged throughout.
- 11.2 For this initial meeting, the Provider must meet face-to-face with the potential Participant to discuss the provision, and encourage them to join the programme.
- 11.3 This meeting must take place within 7-10 working days of the referral from DWP.
- 11.4 The Provider should then facilitate a 'warm handover' involving the Participant, relevant Jobcentre Plus officer, and where applicable, a relevant officer from the external referral organisation. The Provider is expected to make all appropriate arrangements for these meetings to take place, and confirm these with the client.
- 11.5 The provider will need to understand from the outset what is being asked of participants by Jobcentre Plus and the DWP. As such, participation in CLW provision must allow Participants in receipt of benefit to meet the requirements attached to their benefit, for example the conditionality requirements attached to their benefit.
- 11.6 Within the initial set of meetings, the provider must check that the participant is eligible to take part in the programme, in accordance with ESF rules (to be supplied at contract award), and inform the Participant that the provision is funded by ESF.
- 11.7 In addition, a number of key pieces of information will need to be collected, including but not limited to:
 - 11.7.1 Participant characteristic data;
 - 11.7.2 a declaration from the Participant that they understand that the provision is funded by ESF and that they permit their information to be stored and used to register them for ESF and future ESF research;
 - 11.7.3 endorsement (signature) from the Participant that the data provided is correct;
 - 11.7.4 the address of the venue where the in-depth needs assessment is to be conducted and Action Plan agreed; and
 - 11.7.5 The required evidence must be supported by appropriate evidence as set out in the ESF Data and/or ESF Outputs and Results Guidance.
- 11.8 The Provider must store the original ESF form securely and send a copy to CLF programme office within five working days. It is envisaged that the Provider will send the form via e-mail (more details will be defined following contract award).
- 11.9 CLF programme officers will check information contained in the form. Inaccurate forms will be returned to the Provider to be corrected.

12. **Assessment and action planning:**

- 12.1 Following the initial engagement period and face-to-face start meeting, an agreed Assessment and Action Plan must be in place within 20 working days of the referral.
- 12.2 Assessment and action planning underpins what services are delivered to the Participant and how the Participant accesses them. The tools used for assessment and action planning will also be used for measuring the Participant's progress during their time on the programme and for programme Completers that do not hit either earnings thresholds.

- 12.3 The Provider shall ensure that the assessment is prepared by the caseworker (and in many cases supported by an appropriate qualified healthcare professional) with the Participant in face to face meetings as soon as reasonably practical after the initial meeting.
- 12.4 The assessment must at a minimum contain the following content:
- 12.4.1 Personal and background information about the Participant, including (where relevant) their health condition, attitudinal and motivational information.
 - 12.4.2 A commitment from the Participant to continue to engage with the caseworker in the programme and a plan agreed with the Participant about how that engagement will take place
 - 12.4.3 A description of the participants work history and qualifications, coupled with a description of the type of work and structure of work the participant is interested in pursuing.
 - 12.4.4 Better off in Work calculation
 - 12.4.5 A clear direction of travel provided by the assessment towards the development of a 'detailed employability action plan', and
 - 12.4.6 A completed initial data sharing consent form
- 12.5 The Provider's assessment of each Participant must be thorough. This must therefore go beyond an individual's work history and skills and include a wider assessment of the Participant's needs and the challenges they face in obtaining employment, including a consideration of their family or household circumstances where appropriate.
- 12.6 As the majority of Participants in the scheme will have health issues or a disability, a full health and condition management assessment must be undertaken for these Participants, with qualified and relevant health professionals.
- 12.7 CLF are not prescribing a specific assessment tool or output, but the Provider shall ensure that utilise a detailed, accessible and clear assessment tool and read-out that is usable by the Participant, the Provider, CLF and relevant borough officers. In addition, the Provider shall monitor conditions through a health and well-being scale to be agreed with CLF, so that CLF can monitor Participant progress throughout the programme.
- 12.8 **Action planning:** the Provider shall build upon the assessment by the production of a detailed employability action plan. The Provider should aim to ensure that all Participants who start the programme have a detailed employability action plan as soon as possible and no later than 4 calendar weeks since initial referral.
- 12.9 The Provider shall ensure that the action plan sets out what the Participant will do in order to improve their employability and undertake their journey into employment and what services are required to be 'wrapped around' the Participant and integrated into their journey to employment to provide the support they need. The action plan should be developed in collaboration with the Participant and informed by case conferencing with relevant services where appropriate.
- 12.10 In particular, the plan should include but not be limited to:
- 12.10.1 The practical steps that will be taken by the caseworker to support the Participant and the pace at which that will happen (including milestone dates)
 - 12.10.2 Evidence that the caseworker has mapped out the relevant services that will be seeking to engage in the customer journey going forward
 - 12.10.3 The types of work the participant's plan is geared towards, and any training, work experience or placements that will be required to support this.

- 12.11 The detailed action plan must be 'signed-off' by the Participant and caseworker, and available to City at its request. If it is felt that it would be beneficial for the employability action plan to be shared with other relevant professionals the Provider should seek permission to share it from the Participant.
- 12.12 The action plan should include the rationale and timescale for the agreed actions, who has accountability for carrying them out (Participant/caseworker/other persons) and how progress will be measured. The action plan must set out how the assessed health needs of the Participant will be addressed.
- 12.13 The provision of quality assessments and action plans are an essential element of the service. Therefore CLF programme managers will review individual action plans to ensure these are appropriate, and of sufficient quality. This review process may be at random, through spot checks, or more systematically where required. Where improvements are required, the Provider will be expected to make these improvements, and evidence that these changes have taken place.

13. On-going Programme Support:

- 13.1 The Provider shall provide support for different Participant groups at different stages of their time on the programme. The methods employed by the Provider shall ensure that it deals with the barriers faced by the Participant, and how it will help move the Participant closer to work, and into either improved health or an improved capacity to manage their health condition. These steps are to be included in Participant action plans.
- 13.2 As a standard offer the Provider shall ensure that each Participant is offered support for their health condition (where relevant), motivational support, employability support and access to vocational training opportunities. Where appropriate, support will also be available to Participants to deliver measurable progress in literacy, numeracy, communication and language skills, ESOL and ICT skills.
- 13.3 Beyond this, to the Provider shall include as a minimum the following elements to their programme:
 - 13.3.1 Continuous Case Management and Review – addressing how the Provider will review Participant progress at specified intervals, and adjust plans accordingly. Case management will vary between Participants according to their needs but that the Provider shall ensure that each Participant would receive a minimum number of casework hours, and that there will be regular case reviews and case conferences when required.
 - 13.3.2 Intensive casework support: CLF expect a delivery model with low caseworker caseloads and high intensity of casework support for Participant. The Provider must ensure that caseworkers are able to maintain an appropriate caseload.
 - 13.3.3 Integration with local services: Integration with local provision is a critical part of CLW scheme. The Provider shall operate a joined-up and collaborative programme locking into local services and personnel. The Provider shall design and provide service packages for Participants that ensure that the personal challenges they have to overcome to secure employment are tackled comprehensively and in a coherent and sequenced way, using available local services where appropriate and maximising their own in house expertise in addressing health and employment barriers. A headline description of borough provision is provided in Annex 2.

The Provider will need to utilise support on offer from individual boroughs to join up public services around the needs of the Participant – such as mental health services, skills provision, housing support, etc. Action plans will need account for how these services will be sequenced along the Participant journey. Broader

programme design will therefore need to consider how it will:

- i Complement and add value to existing provision in Central London boroughs including existing assessment processes and local pathways to services
- ii Work collaboratively with existing or newly established local public service and community networks supporting CLW, delivering outcomes by utilising existing provision where practicable.
- iii Work closely with local delivery programmes serving the same Participant cohort as identified by individual local authorities in their Integration Plans.
- iv Implement sophisticated and robust referral and case management processes with key partners to support the Participant journey through available provision.
- v The Provider will be responsible for integrating services into the programme, and the Provider's partnership with them will be crucial to an effective programme. The Provider will be expected to agree and work within the context of the borough Integration Plans produced by each of the boroughs to ensure productive and positive local integration.

13.3.4 Provision of Specialist Health Related Support: improved access to health services and measurable improvements in health and wellbeing are a core programme requirement.

For Participants with a health condition or disability, the Provider will need to identify through a detailed health and wellbeing assessment what additional support is required, and how that support is to be delivered.

As with the borough services Integration Plans, Annex 1 provides further details of what the local health offer will be within the contract geography.

In particular, a large proportion of Participants will present with mental health problems or musculoskeletal conditions. The scheme will therefore need to be designed to address the core health problems Participant are likely to have, and based on the most up to date evidence on the efficacy of the approach.

The Provider shall ensure that the health provision proposed for Participants are delivered in a way that adds value to the existing health offers across the boroughs, as set out in Annexes 1 and 2. This is for the purpose of complementing and integrating with existing local services to maximise the benefits of CLW investment.

Where health provision cannot be obtained through integrating and accessing local services, the Provider will be expected to provide new specialist provision, including but not limited to psychological related treatments for mental health conditions, occupational health, physiotherapy and other treatments for common musculoskeletal conditions. These must be funded through the resources provided in the contract budget.

13.3.5 Training and Skills Provision: The Provider shall work in partnership with FE and other local skills providers to meet the identified skills and training needs of the Participant to improve their employability.

13.3.6 Employment options: The Provider shall provide, and work with existing, job brokerage services to identify and secure suitable good quality employment for Participants – and work closely with employers to improve access to vacancies for CLW clients. The Provider shall also provide brokering of meaningful short term

voluntary work experience, work tasters and work placements. These must be appropriate to the needs and aspirations of the Participant and the job opportunities available across key travel to work areas in order to improve participant's employability.

- 13.3.7 **Support with programme attendance:** Participants should not experience financial difficulties due to intensive participation in CLW. The Provider shall therefore manage how travel, childcare and other personal cost considerations will be reimbursed directly by the Provider to Participants where these costs arise as a direct consequence of attending service provision organised by or through the Provider. Once the programme goes live, the Provider shall keep auditable records of travel, childcare and other expenses paid to Participant.
- 13.3.8 **In-work support:** Once a Participant has secured a job, in-work support should be provided to help them stay, and progress, in their job for at least six months.
- 13.3.9 **Progress review:** For Participants who have made little progress during their time on the programme (i.e. have spent less than 16 hours in voluntary or paid work by 9 months) the Provider shall carry out a formal review, bringing together the caseworker and relevant CLF or borough officer, which will result in additional planning and actions for the final 6 months of out-of-work support.
- 13.3.10 **Exit procedures:** When a Participant completes the programme at the point of departure the Provider will complete and pass to the Participant within five working days a record of achievement and of the support they have received (including timing of report completion and minimum content, timing and update of CLF systems).The exit report must give specific details on what activities the Participant has undertaken; any qualifications gained; behaviours and next steps and any further information required as part of the ESF monitoring processes and MI.
- 13.3.11 **Monitoring Delivery:** CLF programme office will perform regular evidence based checks to ensure that the Provider is adhering to the delivery models and Service Standards agreed in the contract.

PARTICIPANT JOURNEY, PARTICIPANT GROUPS, AND PARTICIPANT TIME ON THE PROGRAMME

14. eligibility

- 14.1 The programme will be available to eligible Participants living in the boroughs that make up CLF's core and associate membership.
- 14.2 Only residents of these local authorities are eligible to participate in the Programme at the point of referral. However, if a CLW Participant moves home to anywhere in Greater London then they should continue to receive the Services provided in the Contract.

15. Participation

- 15.1 Participants will be given up to 15 months of employment support on the programme. If a Participant does not find work during this period, they will leave the programme at the end of 15 months participation – **and will be deemed a completer.**
- 15.2 Where participants find work during the 15 months on the programme, the Provider will deliver at least 6 months of in-work support.
- 15.3 Once a Participant starts CLW provision they will remain on that provision until they complete the allotted time on the programme, or complete the programme early as a result of hitting both earnings thresholds sooner. Further details will be available in guidance made available after the contract has been awarded.
- 15.4 Information about a participant's changes of circumstances and the action required by the Provider for each scenario will be provided after the contract has been awarded.
- 15.5 Jobcentre Plus will notify the Provider when the Participant completes their time on CLW (see Annex 5 for details of the Jobcentre Plus Current Single Operative View). The Participant will be expected to complete an Exit Report with the Participant and send it to the Participant and Jobcentre Plus. The Provider shall record all completion dates on Provider Referral and Payments system (PRaP).
- 15.6 On completing provision, the Provider shall, for the purposes of ESF, collect detailed Participant destination information, (e.g. where the Participant upon leaving is in employment, education or training and where appropriate, submit information where Participant have gained basic skills or a qualification). This information along with the participant's completion date must be securely submitted to CLF.
- 15.7 See Annex 6 which sets out a diagram showing the anticipated WHP Participant Journey.

16. Participant Groups

- 16.1 The Participant groups will be targeted referrals by Jobcentre Plus comprising of:
 - 16.1.1 persons who have a disability or health condition attending CLW on a voluntary basis (health and disability);
 - 16.1.2 long-term unemployed (LTU) attending CLW on a mandatory basis, and
 - 16.1.3 early access disadvantaged groups attending CLW on a voluntary basis (disadvantaged groups)
- 16.2 The distribution between the health and disability group, and LTU and early access is estimated to be around 75% - 25%. These are not guaranteed and may vary from time to time. The Provider will be able to offer support to all Participants and customer groups.
- 16.3 Annex 8 sets out a demographic profile based on data from 2015/16.

17. Persons who have a Disability

- 17.1 The largest proportion of Participants is expected to fall within the ‘health and disability’ category.
- 17.2 Any potential participants who have a disability can be referred at the most appropriate time on a voluntary basis by a Work Coach from the Jobcentre Plus when the following criteria are met. The potential participant:
 - 17.2.1 has a disability or disabilities as defined in the Equality Act 2010;
 - 17.2.2 can be helped, in the opinion of JCP Work Coach, by the offer;
 - 17.2.3 has already been helped by Jobcentre Plus with their core jobsearch activity (if appropriate). Core jobsearch activity includes basic jobsearch skills, tasks such as CV writing, use of e-mail and Universal Jobmatch (UJ). We expect Jobcentre Plus to support individuals with these skills initially before they move into contracted provision, unless the Work Coach identifies that there is clearly a case for an individual going to contracted provision immediately;
 - 17.2.4 needs more support than can be provided within the standard Jobcentre Plus offer (or through other available services and provision); and
 - 17.2.5 has committed to the goal of finding employment within one year.

18. **Long Term Unemployed Claimants (LTU)**

- 18.1 LTU claimants within the intensive work search regime in Universal Credit and equivalent Jobseekers Allowance claimants, will be referred to the Provider by their Work Coach at the Jobcentre Plus on a targeted⁴ mandatory basis after 24 months of unemployment. This would include rules linking periods of unemployment as currently apply, but up to 24 months where appropriate.
- 18.2 On-going participation in CLW for the LTU group is mandatory. The Provider should require this group to undertake activity which would help them find and retain work. If LTU claimants mandated to CLW fail to undertake mandatory activity, the Provider will refer the case to the DWP Labour Market and Decision Making Team. Should the Department have in place a mechanism to enable the Provider to check a Participant’s status before referral to the DWP Labour Market and Decision Making team, the Provider will be required to make use of this.

19. **Early Access Disadvantaged Groups**

- 19.1 Participation in CLW will also be available to a number of disadvantaged groups. These are all groups who may need additional support to move into employment. Allowing access at any point in their claim will help provide support at the right time for people in these groups and will help prevent them becoming long term unemployed. Some of these groups have specific wider support needs that is provided through other support, for example English Language training for refugees. The Provider will not be expected to replicate this support but work with the suppliers of this support and services to meet the needs of the Participant.
- 19.2 Referrals for these groups will be at the discretion of the Work Coach, at the most appropriate time in their claim, on a targeted voluntary basis, when the judgement of the Work Coach is that a potential Participant would benefit from early access to the programme and the following criteria are met. The individual:
 - 19.2.1 can be helped, in the opinion of the JCP Work Coach, by the offer;

⁴ All LTU claimant attendance will be mandatory but DWP will target which claimants will actually go on to the programme.

- 19.2.2 has already been helped by Jobcentre Plus with their core jobsearch activity (if appropriate).
 - 19.2.3 needs more support than can be provided within the standard Jobcentre Plus offer (or through other available services and provision); and
 - 19.2.4 has committed to the goal of finding employment within one year.
- 19.3 The potential, but non-exhaustive, list of early entrant groups are set out below:
- 19.3.1 an ex-offender (someone who has completed a custodial sentence or a community sentence), or offender (someone who is serving a community sentence).
 - 19.3.2 a carer;
 - 19.3.3 an ex-carer;
 - 19.3.4 a homeless person;
 - 19.3.5 an ex-HM Armed Forces personnel Participant;
 - 19.3.6 an HM Armed Forces reservist Participant;
 - 19.3.7 a partner of current or former Armed Forces personnel;
 - 19.3.8 a person for whom a drug/alcohol dependency (including a history of) presents a significant barrier to employment;
 - 19.3.9 a care leaver; and
 - 19.3.10 refugees.
20. **CLF Priority Groups**
- 20.1 Within the broad eligibility criteria and groups outlined above, CLF member and associate boroughs working with JCP Gatekeepers will prioritise individuals that are regular users of other local authority services and individuals or households affected by the benefit cap.
21. **Participant Identification**
- 21.1 The DWP is developing a “Gatekeeper” function to manage referrals to CLW to ensure eligibility requirements are consistent and reflective of required Participant volumes.
 - 21.2 Using guidance and a consistent tool (under development) to identify eligibility, external organisations will be able to signpost potential Participants to this Gatekeeper. These organisations will be located within the contract package area, and may include borough revenues and benefits teams, local housing providers, voluntary sector organisations and local health providers.
 - 21.3 Jobcentre Plus will be the final decision maker for determining if an individual meets the eligibility criteria for CLW. CLF boroughs will work closely with JCP to ensure referrals to the programme are appropriate and reflect local priority groups and necessary volumes.
 - 21.4 The Work Coach assessment of the eligibility of the Participant for CLW will be captured to support continuous dialogue between CLF and JCP as part of maintaining and managing referral volumes, and ensuring decisions are quality and consistent.
 - 21.5 The relationship between the Provider, Jobcentre Plus and CLF Contract Manager will enable feedback about the eligibility and flow of Participant, throughout the life of the programme, and joint governance arrangements will be put in place to ensure regular dialogue and collective responsibility for a quality referral process. The Provider shall work collaboratively with the Jobcentre Plus and CLF Contract Manager.

22. **Work Coaches**

- 22.1 Jobcentre Plus Work Coaches will be the only direct source of referrals for eligible Participants for the Central London Works. All voluntary CLW referrals will be made at the discretion of the Work Coach.
- 22.2 The Work Coach Delivery Model is a model of Work Coach support operating within Jobcentre Plus. Jobcentre Plus Work Coaches will have a key role to play in identifying the right potential Participants to go on CLW and engaging them in accessing the provision. Work Coaches will use their discretion, supported by tools developed by both DWP and CLF to determine whether someone should be referred to the programme.
- 22.3 The sources of information that the Work Coach will have available to them to help them make the decision about whether an individual would benefit from referral to CLW will include:
- 22.3.1 full guidance about the aims, principles and qualifying criteria for CLW;
 - 22.3.2 CLW Selection Tool, which is currently being developed. It is expected that it will support the determination of a potential participant's eligibility, and select Participants into a control group where this applies.
 - 22.3.3 the Disability Employment Adviser (DEA) who will provide upskilling, support and coaching to enhance the ability of the Work Coach to support disabled individuals move closer to or into work by identifying the most appropriate provision for the individual.

23. **Technical referral process**

- 23.1 The Provider must acknowledge a Participant referral from Jobcentre Plus on DWP's PRaP system within two working days of the referral being sent by DWP.
- 23.2 DWP will then transfer appropriate Participant information and data held on DWP systems to the Provider to enable them to offer a bespoke and personalised service to Participant.
- 23.3 To avoid duplicating referral processes and meetings, the Provider should work with Work Coaches to explore the potential for remote approval of referrals where this is appropriate.
- 23.4 The definition of a 'Participant Start' is when an initial face-to-face meeting has taken place between the Participant and the Provider. The Provider shall retain evidence of this having taken place.

24. **Mandation and Benefit Sanctions**

- 24.1 Participation in CLW for the LTU group is mandatory. The Provider shall actively encourage the Participant from this group to undertake activity which would help them find and retain work. If LTU Participants mandated to CLW fail to undertake mandatory activity, the Provider will refer to DWP who will decide if a benefit sanction is appropriate.
- 24.2 The Provider shall work with mandatory Participants to enable them to meet the requirements set out by Jobcentre Plus, and support them as far as possible to avoid the prospect of their being subject to benefit sanctions.
- 24.3 Where appropriate and in line with the legislative provisions relating to the benefit a Participant receives, Work Coaches may set mandatory Work Focussed Interviews (WFIs) to discuss measures which potential voluntary Participant could take to enhance their employment prospects. In these circumstances, and again where appropriate, information about participation in CLW may be included as a potential option. WFIs may also be conducted with voluntary Participant if they cease to engage with CLW.

24.4 Guidance will set out the details of the mandatory elements of CLW and the relevant sanctions processes once the contract has been awarded.

DELIVERY EXPECTATIONS

25. Introduction

25.1 This section provides an overview of the delivery expectations relating to quality, performance and contract management. Supporting information will be detailed in the PG and T&Cs.

26. CORE PERFORMANCE REQUIREMENTS

26.1 While job entry is not a performance related payment of the programme, job entry will need to be recorded by the Provider as management information for performance management and ESF purposes.

26.2 The core areas of the performance offer will be:

26.2.1 The number of forecast Participants who will be supported to meet the lower earnings threshold, broken down by cohort month on the programme and Participant group

26.2.2 The number of forecast Participants who will be supported to meet the higher earnings threshold, broken down by cohort month on the programme and Participant group

27. Non-employment outcomes(NEOs)

27.1 CLF is committed to ensuring that all Participants have a meaningful experience on the programme that moves them closer to the labour market, even when they do not achieve sustained employment. CLF expect that all Participants who actively participate will have improved their employability and have successfully begun to address their identified barriers to work, and that periodic assessment of Participants at the beginning, during and at the end of the Programme will be used to evidence this.

27.2 Non-employment outcomes will cover the following areas:

27.2.1 Participation in work experience relevant to the work goals agreed in their action plans.

27.2.2 Participation in voluntary work relevant to the work goals agreed in their action plans.

27.2.3 Participation in accredited (and non-accredited) skills or training activity relevant to the work goals agreed in their action plans.

27.3 Finally, under the broad grouping of non-employment outcomes, the purpose of the Central London Works is to support Participant manage their health and health condition better so that they can access and sustain work. As such, a final element of the contract will be focussed on improving the health and wellbeing of Participant.

27.4 It is proposed that Participant progress be measured by assessing –

27.4.1 Having been offered access to services that reflect the health needs identified in the assessment and action plan

27.4.2 Improvement in their health condition and in their approach to managing their health using the same health assessment and condition management tools at the end of the programme as those deployed at the beginning. The appropriate measurement tool will be agreed through negotiation after the award of the contract.

Non-Employment Service Standards	
Outcome	Target
<p>1. The Provider will ensure a majority of the cohort who have not successfully accessed paid work on the programme have, by the end of their participation, achieved a relevant non-employment outcome.</p> <p>This will be measured on a Cohort* basis.</p>	BID BACK ITEM
<p>2. The Provider will ensure that the majority of Participants with an identified health condition will have, by the end of their participation, accessed the relevant health support requirements as set out in their action plan.</p> <p>This will be measured on a Cohort basis.</p>	BID BACK ITEM
<p>3. The Provider will ensure that a majority of Participants report an improved health and wellbeing outcome from their participation on the programme (from start to completion)</p> <p>This will be measured on a Cohort basis.</p>	BID BACK ITEM

* a Cohort is a group of Participants who started the CLW in a given month.

28. **OUTCOME PAYMENTS - Employment Outcome Definitions**

- 28.1 For employed Participants, only claim a lower earnings outcome and a higher earnings outcome once per Participant.
- 28.2 Outcomes must be wholly achieved in either employment or self-employment. So the employed job outcome earnings threshold must be achieved entirely with employed earnings i.e. not include any earnings from periods of self-employment, and vice versa: self-employed job outcomes may not include any periods of employed work as part of the calculation of time in self-employment, used to generate a self-employed outcome payment.
- 28.3 A lower earnings outcome will be achieved when Participant' earnings reach an earnings threshold equivalent to the Participant working at the adult National Minimum Wage (NLW), for 16 hours per week, for 26 weeks. Achievement of these outcomes will be verified by City, and paid by City in arrears of up to two months.
- 28.4 A second, higher earnings outcome is achieved when a participant's earnings reach a second threshold equivalent to London Living Wage, for 21 hours per week for 26 weeks within the same 21 month period.
- 28.5 A Self-Employed Outcome will be achieved when the Participant has been trading on a self-employed basis for a cumulative period of six months. Achievement of these outcomes will need to be identified and claimed by the Provider within 23 months of the Participant start. The evidence for validation will need to meet ESF Data Evidence Requirements.
- 28.6 The Provider will be paid for this self-employed outcome at the same weighting as the lower earnings outcome only. There will be no higher earnings outcomes paid for self-employed Participants. To allow for validation activity there will be a three month delay between

receipt of an accurate job outcome claim and payment to the Provider for a Self Employed Job Outcome.

- 28.7 To give assurance that Providers will not have a perverse incentive to employ participants for short periods of time to increase their payment outcomes, but recognising that Providers may be able to offer good quality permanent jobs via their parent companies or from within their supply chains, as part of their proposals Providers may propose ways that direct hires by the Provider or the supply chain can be counted as outcomes. If CLF is not satisfied with the proposal it will stipulate that these job outcomes will not count as a job outcome.
- 28.8 The Provider must not offer employers either a full or part contribution towards a Participant’s wage. The Provider may be able to provide funding for equipment or training. Further requirements regarding this will be detailed following contract award.

General Service Standards

- 28.9 Finally, there are a set of Service Standards outlining the minimum level of support which all Participants, irrespective of whether they successfully secure an employment outcome or non-employment, which CLF expect them to receive.
- 28.10 Along with the non-employment outcomes, performance against these will influence future service fee payments.
- 28.11 The following table outlines the minimum core expectations for the programme, and bidders are welcome to add further service standards as appropriate:

Management Service Standard	Percentage
1. The Provider must ensure that initial Participant meetings occur within 7-10 working days of the initial referral	85% of all initial meetings with referrals must occur within 7-10 working days.
2. The Provider must ensure that for all ‘Participant Starts ⁵ ’, an assessment and detailed action plan is in place within 4 weeks of the Referral. This will be monitored monthly.	80% of Participant Starts must be assessed and a detailed action plan in place within 4 weeks of Referral
3. The Provider will ensure that 80% of “Participant Starts” (who have not changed benefit entitlement or eligibility) will remain engaged with the programme.	80% of Participant Starts remain engaged in the programme
4. The Provider commits to caseload sizes per frontload advisor not exceeding an agreed number. This will be monitored monthly/quarterly.	The caseload size per frontload advisor shall not exceed X BID BACK ITEM.
5. The Provider shall provide a guarantee of minimum caseworker hours for each Participant	Minimum of X casework hours per Participant BID BACK ITEM.
6. The Provider commits to have 90% of exit plans completed and submitted provided within 10 working days of Participant leaving CLW, and 100%	90% exit plans complete within 10 working days and 100% within 15 working days

within 15 working days

29. Performance monitoring requirements

- 29.1 The performance of CLW will be monitored and managed by the CLF contract manager in association with membership boroughs. The full reporting and performance management process and requirements will be set out at the award of contract however will include a wide range of standard MI information, as well as the full suite of ESF-compliant management information.
- 29.2 Throughout the contract, the Provider shall provide information on the performance of the scheme, including the requisite performance data for ESF reporting requirements, and information and data on its Participants subject to the data sharing arrangements.
- 29.3 The CLF Contract Manager will be monitoring this information closely, and working with the Provider to continuously improve programme performance throughout the life of the contract.
- 29.4 With reasonable notice, CLF contract managers and relevant borough officers will have a right to request further information regarding the progress of individual Participants on the programme.

30. Performance management

- 30.1 Performance management is an essential element to ensuring all Participants are able to access services required to improve their employment prospects and health, and also to ensure that the Provider is receiving the support from CLF programme office and member boroughs to deliver the integrated programme for Participants. Performance management will therefore be conducted with a view to collectively adapting and bettering the programme.
- 30.2 The Provider shall attend informal performance management and quality meetings with the CLF contract manager and the CLF programme board (which has representation from each of the 12 CLF boroughs). The frequency may vary, particularly during the early stages of the programme. The spirit of these meetings will be to support the continuous improvement of CLW, and all parties will seek to make improvements to the delivery of services to the Participants within the overall budget for the contract.
- 30.3 Performance against employment outcomes, non-employment outcomes and Service Standards will be reviewed formally quarterly, bringing together boroughs, CLF contract manager and the Provider – and where necessary making adjustments to improve performance.
- 30.4 A formal full programme review point will be set for 12 months following the Commencement Date, and each 12 months thereafter.
- 30.5 CLF will use MI (from PRaP and other sources) for the on-going management of the provision and for discussion with the Provider. CLF will also expect the Provider to capture and use their own MI and retain evidence for contractual and performance purposes (e.g. self-employed outcome claims).
- 30.6 CLF's performance team, including local area stakeholders may visit the Provider's premises on an ad hoc (announced and unannounced) basis to investigate performance (under low or high performance).

- 30.7 CLF may appoint an evaluation partner to support the evaluation of the programme. The Provider will be expected to work closely with the evaluation partner and input management and staff time into capturing the learning from the programme. A draft outcome framework, which describes the qualitative and quantitative elements of the evaluation, will be made available after the contract has been awarded. This will provide an overview of the nature of any additional information the Provider will be required to collect. The programme evaluator will provide a detailed specification when they are appointed.
- 30.8 Participants details will also need to be collected for and provided to the DWP, and any relevant approved third parties, for the purpose of the ESF National Leavers' Survey.
- 30.9 Subject to the Data Protection Act (1998), the Provider will be expected to share all the relevant information with services they refer to for operational purposes to ensure that repeated assessments are avoided and the provision is holistic and seamless.
- 30.10 Subject to the Data Protection Act (1998), for research and evaluation purposes, the Provider is expected to share anonymized data [the data should be anonymised at source] with CLF and the appointed evaluator. This data will be presented and analysed in aggregate and reported in statistical form.
- 30.11 As CLF is committed to transparency on how its programmes are working, the Provider needs to be aware that MI will be shared across suppliers and may also be fed into published official statistics on DWP provision and on CLF and CLF member websites post-validation. Consequently the Provider must treat information they have access to as restricted, and for their use only, ahead of formal publication. Official statistics may also cover performance expectations at supplier level.

31. **Operational Performance Management**

- 31.1 Beyond the core outcome related elements of Provider performance are a number of governance and audit requirements that will be subject to periodic review, including the Provider's internal assurance processes to minimise risk to both CLF and the Provider. This will cut across the following themes:
- 31.1.1 **Governance Arrangements** – covering the Provider's governance arrangements, systems for tracking and reporting performance and their anti-fraud measures;
- 31.1.2 **Service Delivery** – includes the Provider's systems for starting, ending and moving Participants through provision and generally looks to ensure that CLF is getting the service it is paying for. This will also cover management of the supply chain.
- 31.1.3 **Claim Procedures and Payments** – looks to ensure that the Provider has in place effective systems to support their claims for payment, including appropriate segregation of duties; and
- 31.1.4 **Data Security** – looks to ensure that the Provider has in place adequate systems to safeguard data whilst it is being stored and/or transmitted around their organisations.
- 31.1.5 **ESF Requirements** – looks to ensure the ESF Regulatory Requirements, in terms of Marketing and Publicity; Sustainable Development; Equality and Diversity; and Document Retention, are being adhered to.
- 31.2 On completion of each review, the Provider will be awarded an assurance rating from the following four categories – weak, limited, reasonable and strong. They are also sent a formal report which details the review findings including key strengths and areas for improvement; where weaknesses have been identified the Provider will be asked to complete an action plan setting out appropriate steps for improvement and this is followed up at an agreed point.

- 31.3 The timescale for a subsequent review is determined by several risk factors; these include the Provider's current assurance rating, the contract value and intelligence from internal stakeholders. Provider reviews are conducted over a period of up to five months/20 weeks.
- 31.4 Findings from each review are routinely reported to the CLF contract manager. Remedial actions may be taken in the following circumstances:
 - 31.4.1 if following a weak or limited assurance level from assurance review, the Provider's subsequent assurance level is the same or worse for the same reasons, or the Provider is awarded a consecutive third weak or limited assurance, regardless of the reasons;
 - 31.4.2 following a review, if the Provider fails to submit and/or implement the Action Plan within the agreed timescale;
 - 31.4.3 where there are suspicions that the Provider may be acting inappropriately the team will refer to Internal Investigations as the experts trained in the legalities and techniques required to carry out formal investigations; or
 - 31.4.4 where there are serious concerns around data security
- 31.5 Further details on remedial action can be found in the Contract.
- 31.6 CLF may periodically publish Provider assurance levels and names (note - this will not include reports or supporting information).
- 31.7 The CLF contract management team will work with the Provider to ensure that they understand what is expected of them, and are therefore adequately equipped to develop robust systems to support their service delivery model when the provision goes live.

5: THE FUNDING MODEL

32. Background

- 32.1 CLW Funding Model is designed to drive sustained work outcomes. CLF will make Outcome Payments for outcomes measured using earnings data provided by Her Majesty’s Revenue and Customs (HMRC).
- 32.2 Subject to final approval from ESF the total value of the Contract will be up to £50.9m. The funding profile is as follows:

Table X.X Example maximum programme spend by year

	Indicative Budget (£m)	Contract
2017/18	£	0.2
2018/19	£	5.3
2019/20	£	10.9
2020/21	£	12.0
2021/22	£	11.8
2022/23	£	7.8
2023/24	£	2.5
2024/25	£	0.3
Total	£	50.9

33. Summary payment mechanism

- 33.1 Subject to meeting the requirements of the Contract, the Provider will be paid a regular Service Fee and Outcome Payments based on their success in helping Participants achieve the two earnings thresholds

34. The Service Fee

- 34.1 The Service Fee will be an amount payable by City to the Provider on a monthly basis during the months of the programme where Participants are being referred.
- 34.2 The Service Fee is paid for the express purpose of supporting the delivery of support to all participants, and especially to secure the delivery of Service Standards and the provision of the Non-Employment Outcomes.
- 34.3 The Service Fee represents approximately 30% of the total contract value.
- 34.4 The Fee will be paid at different levels during the life of the contract –the Service Fee will be paid at a higher rate for the first 54 months of the contract, after which the rate will halve between months 55-72, and no Service Fee will be paid beyond month 72.
- 34.5 A proportion of the Service Fee can be deducted if Service Standards (both Non-Employment Outcomes Service Standards, and Management Service Standards) have not been met. For instance, if the offered proportion of NEOs have not been met for a client cohort, or if the more than an agreed percentage of action plans have not been delivered by the set deadline. See Schedule 3 of the Contract for more details.

35. The Two Outcome Payments

35.1 Outcome Payments will be the core Payment by Results element of the programme, and will represent at least 70% of the total contract value, divided between the two following outcomes of lower earnings threshold and higher earnings threshold.

35.2 Lower earnings threshold: An outcome payment would be triggered when a Participant earns the equivalent of someone working for 16 hours per week for six calendar months, earning the adult rate (aged 25 or over) of the NLW during their time on CLW, or within six months after provision completion. This threshold currently stands at approximately £2,995, and will be uprated in line with NLW.

An outcome will be achieved when earnings surpass the NLW adjusted threshold appropriate on the date of the payment which caused cumulative earnings to trigger the threshold. Cumulative earnings, below the threshold and prior to threshold uprate will not be pro-rated towards the increased threshold – their value will remain and the new threshold will have to be met in full.

35.3 Higher earnings threshold: A second outcome fee will be paid if a Participant reaches a second payment threshold equivalent to the London Living Wage for 21 hours per week for six calendar months. This threshold currently stands at £5,324, and will be uprated in line with at least NMW increases, or LLW, whichever is higher. The level of the fee will be determined by the final performance offer on the number of Participants the Provider expects to help into reaching this threshold within 21 months.

35.4 For the self-employed, an entitlement to an “lower earnings threshold” outcome would be triggered when a Participant achieves a cumulative period of not less than six calendar months. There will be no eligibility for the ‘higher earnings threshold’ for the self-employed.

35.5 **Validation**

Employed Work

35.5.1 The Provider will be required to collect evidence of the employment outcome in accordance with ESF monitoring requirements and transfer these to the CLF office.

35.5.2 Participants moving into employed work will be identified by DWP solely using HMRC Pay As You Earn (PAYE) on-line data submitted each time an employee is paid by an employer, on or before their pay date. The Provider will be paid based on the outcomes observed in this data.

35.5.3 DWP will share the following information with the Provider and the CLF office, related to the validation of earning based outcomes:

- i when a Participant’s earnings are first declared to HMRC, following a confirmed start on the programme;
- ii when a Participant’s has achieved income milestones of £1,000 and £2,000 during their employment; and
- iii when a participant has achieved the ‘lower earnings threshold’

35.5.4 To allow the DWP to verify employee earnings data, there will be a two-month data settlement period between receipt of the data and notifying the Provider of either an income milestone or an outcome.

35.5.5 **The Provider is required to meet all evidence requirements to robustly demonstrate that the outcome payment thresholds have been reached in accordance with CLF and ESF validation policies. This system may be automated as set out in paragraph 35.5.1 to 35.5.4 above however this is not guaranteed and the Provider will be required to undertake any validation and provide evidence itself irrespective of whether DWP provides the information as set out above.**

Note to Bidders: In the event that the model set out in 35.5.1- 35.5.4 is fully automated the costs attributed to evidencing achievement of outcomes is likely to decrease. Bidders are therefore required to price for:

- (a) a fully automated system,**
- (b) a partially automated system and**
- (c) a fully manual system**

In the pricing tables

Provider will be paid for outcomes once both DWP and ESF validation requirements have been met. Claims can be made at least monthly to the CLF programme office, but we are continuing to develop systems to determine whether this claim process can be achieved at more regular intervals.

Self-Employed Work

- 35.5.6 HMRC data does not contain earnings from self-employment. Therefore, self-employed outcomes will be based on duration of self-employment the Provider will track and claim self-employed outcomes. DWP experience of previous programmes suggests that the percentage of self-employed outcomes could be around 15%, although there is no cap on the number of self-employed outcomes the Provider can claim. Within five working days of the Participant informing the Provider they have commenced self-employment, the Provider must update PRaP with the date the self-employment started.
- 35.5.7 City will conduct pre- and/or post-payment validation checks to determine whether the Provider is entitled to receive payment against the claims submitted. Validation checks will be performed at the optimum time(s) to allow City and DWP systems to be updated. Ultimately, eligibility for payment will rely on validation being confirmed independent of the Provider and/or its supply chain partners.
- 35.5.8 Claims which fail any pre-payment validation checks will not be paid. Claims unable to conclusively be validated in post payment validation will be returned to the Provider for further information. City will in any case recover any overpayment(s) including any associated with claims failing validation and any claims which it is unable to conclusively validate in accordance with the provision in the T&Cs of the contract.

SECTION 6: PROVIDER CAPABILITY AND OPERATIONAL REQUIREMENTS

36. Organisational and Operational Experience and Plans

36.1 CLF Governance

- 36.1.1 CLF is a sub-regional partnership, governed by a board of Borough Leaders and Chief Executives. The Provider will need to operate within this context and support it through attendance at meetings and by providing relevant information, analysis and expert advice when required.
- 36.1.2 The core to CLF governance arrangements in commissioning, launching and managing the Central London Works in London is a WHP decision panel, made up of Borough Leaders and Chief Executives from the Contract Package Area. The decision making panel will meet during key points during the contracting and management of the programme, and lead on the overall strategic direction of Central London Works for Central London Forward.
- 36.1.3 The decision panel is supported by an Advisory Board made up of Senior borough officers, CLF staff and employment programme experts.
- 36.1.4 Once the programme has gone live, the programme will be governed by a Central London Works Board, chaired by senior officers and supported by a wider stakeholder group that will include representation from Jobcentre Plus and local health partners (Public Health, NHS England and Clinical Commissioning Groups). This will meet on at least a quarterly basis, and review operations and performance of the scheme, and senior staff from the Provider will be expected to attend and participate in discussions around continuous programme improvement, as outlined in the section on performance management.
- 36.1.5 The Provider shall support equivalent boards at the borough level – which will bring together senior borough officers, the Provider and representatives from relevant local public services to support integration, review performance, and develop the programme throughout the lifetime of the contract.
- 36.1.6 On a day-to-day basis, the programme will be managed by a core programme management team located in CLF, working in conjunction with the senior officers nominated in the borough Integration Plans.

36.2 Provider governance and staffing

- 36.2.1 The Provider will establish and maintain a full management structure for this Contract.
- 36.2.2 The Provider will be supporting a range of vulnerable Participants. It is therefore essential that as well as having suitably qualified and trained staff, programme staff have been appropriately vetted, including where appropriate, an enhanced Disclosing and Barring Service (DBS) check. Safe recruitment policies must be in place and auditable records must be held for inspection by CLF if required.

37. Business Continuity

- 37.1 The Provider shall have robust business continuity arrangements in place. Once the Contract has been awarded, the Provider shall:
 - 37.1.1 provide CLF with sufficient evidence to demonstrate these are in place;
 - 37.1.2 regularly test all contingency arrangements, providing relevant evidence and outcomes of tests to CLF; and

- 37.1.3 immediately notify CLF in the event of a business continuity incident or a significant disaster.

37.2 **Information and IT**

- 37.2.1 The Provider will provide regular reports and analysis in a format, time and frequency defined by CLF, which can be used to support the planning and/or commissioning of provision and activities to support wider planning and delivery decisions
- 37.2.2 The Data Protection Act (1998) will govern all transfers of personal data between CLF and the Provider and between the Provider and service Providers in Central London (e.g. NHS, Housing). Full details of transfers of personal data and forms for informed consent will be included in the Provider guidance.
- 37.2.3 All data held concerning Participant and their families must meet national guidelines and standards for data protection and Participant confidentiality.
- 37.2.4 Data sharing protocols must be in place so that Participant provide informed consent for how their data is being processed and for what reasons, either through the use of suitable privacy notices or fair processing notices or suitable equivalent notices which are compliant with all relevant legislation and/or instructions from CLF.
- 37.2.5 CLF boroughs will work with the Provider to put in place suitable data sharing protocols and agreements to support service delivery. Subject to the Data Protection Act (1998), where appropriate, relevant local authority held data should be made available to the Provider.
- 37.2.6 In the event of any breach of information security by the Provider resulting in an investigation by the Information Commissioners Office (ICO) the Provider will be responsible for paying any fine levied on CLF by the ICO.

38. **ESF Audit and management information**

- 38.1 The Provider must make its staff and resources available for and fully cooperate in any Audit Inspections to ensure that the CLF is able to satisfy ESF requirements concerning audit and inspection. Co-operation with audits will include :
 - 38.1.1 complying with requests from the ESF Audit Authority, National Audit Office, the European Commission, the European Court of Auditors and other authorised organisations to examine any documents held that relate to the delivery of ESF funded activity
 - 38.1.2 providing access to premises where the relevant documentation is held and reasonable assistance (including the provision of onsite, photocopying, facsimile, and telecommunications facilities) to facilitate the examination of such documents.
- 38.2 Throughout the life of the contract, the Provider and sub-contractors will be required to meet ESF specific requirements set by the European Commission (EC). The ESF requirements are set out in the Contract but include, without limitation:
 - 38.2.1 retain evidence at all stages for Participants who have started on provision;
 - 38.2.2 keep supporting evidence of the activity underpinning claims for payment from CLF for the full retention period, including evidence of job starts;
 - 38.2.3 capture, maintain and retain a complete audit trail of key documents and electronic information at all stages throughout the process;

- 38.2.4 comply with the publicity requirements of the EC. CLF will work with the Provider on the information that their material needs to cover to ensure the relevant CLF and ESF standards are met. CLF must approve all publicity material before publication or use;
 - 38.2.5 meet the requirements relating to sustained development, equality, diversity and equal opportunities;
 - 38.2.6 make all required documentation for each Participant available until at least 31st December 2026 (date subject to change/extension) so that an adequate audit trail exists. The Provider must contact CLF to gain permission before any documentation is destroyed. This is a key audit requirement;
 - 38.2.7 be subject to relevant European audits;
 - 38.2.8 provide the management information included in Annex 7; and
 - 38.2.9 further detail and information can be found in the Generic Guidance for DWP Providers – ESF Requirements 2014–2020 (England only), Chapter 11b, annex 6.
- 38.3 MI will also need to be collected by the Provider which meets ESF requirements.
- 38.4 In the event of UK exiting the EU, there may be a continuing obligation on the Provider to meet ESF conditionality for any funds underwritten by the UK Government when ESF funding ends.
- 39. Monitoring and Reporting**
- 39.1 CLF will report to the Managing Authority for ESF on the progress of the ESF programme each quarter as part of the procedure for claiming funds. These reports will include data on Participants, including data on job starts, on project activities and on total expenditure. Successful applicants will therefore be required to submit reports at the end of each quarter. These reports will enable CLF to meet the ESF and its own reporting requirements but will also form the basis for monitoring your project progress and achievements. Successful projects may also be monitored by and have reports requested of them by the Borough providing the match funding.
- 39.2 Providers are required to retain ESF compliant evidence of Participant job starts.
- 40. Cross Cutting Themes**
- 40.1 The themes of "equal opportunities" and "sustainable development" are required by EU regulation to be addressed throughout the implementation of the ESF programme.
- 40.2 Further information, guidance and requirements on the ESF cross-cutting themes can be found on the national ESF.
- 40.3 Providers (and CFOs as well) are required to promote the cross-cutting themes during the various stages of the implementation of the programme.
- 41. Publicity**
- 41.1 All projects will be expected to publicise their funded project and send up to date messages on key performance indicators and case studies.
- 41.2 Full information on ESF publicity requirements can be found here <https://www.gov.uk/government/publications/european-structural-and-investment-funds-programme-guidance>
- 42. The Department's Code of Conduct and Merlin Standard**

42.1 CLF expects the Provider to adhere to DWP's Code of Conduct which spells out the key values and principles of behaviour which DWP expects of the Provider which are essential for creating healthy, high performing supply chains. The Provider will be expected to operate in accordance with the Code of Conduct.

42.2 The Code is in annex 1 of the DWP Commissioning Strategy and can be found at; <https://www.gov.uk/government/publications/dwp-commissioning-strategy-2014>

42.3 The Provider shall attain the Merlin Standard, if not already held, where they have a supply chain within their delivery model for this contract. Further information can be found in the Contract.

42.4 The current contract for the Merlin Standard expires in 2017 but it is envisaged it will be replaced and its successor will follow similar principles. For further information on the Merlin Standard please see the following:

<http://www.merlinstandard.co.uk/>

<http://www.dwp.gov.uk/docs/merlin-standard.pdf>; and

<http://www.dwp.gov.uk/docs/sub-contracting-merlin-guidance.pdf>

43. **Employability Performance Rating**

43.1 The Employability Performance Rating is designed to provide a consistent approach for assessing the quality of contracted employability service provision across London. The successful Provider will be assessed in line with this rating. More information is available in the Provider Guidance.

44. **The Disability Confident Scheme**

44.1 The Disability Confident scheme aims to help employers make the most of the opportunities provided by employing disabled people. It has been developed by employers and disabled people's representatives. The scheme takes employers on a journey from being Disability Confident Committed (Level One) to being a Disability Confident Employer (Level Two), then going on to be a Disability Confident Leader (Level Three). Signing up to Disability Confident is a requirement for the awarded provider, and the provider must be working towards Level Three within 12 months of CLW contract award. As a Disability Confident Leader, you will be showing disabled people that you are serious about leading the way and about helping other businesses to become Disability Confident. More information can be found at the following link:

<https://www.gov.uk/guidance/disability-confident-how-to-sign-up-to-the-employer-scheme>

45. **Legislation and Principal Regulations**

45.1 The Provider shall ensure that they remain compliant with current and future changes in the law and DWP and CLF Policy. For example:

45.1.1 providing appropriate services to ensure compatibility with the Equalities Act for example, to enable communication with Participant who do not speak English as a first language, or who are deaf, hearing impaired or have a speech impediment; and

45.1.2 where the Provider is operating in an area with a high minority ethnic population, materials in the appropriate ethnic minority language must be made available.

GLOSSARY OF ABBREVIATIONS

Abbreviation	Description
CFO	Co-Financing Organisation
CMO	Compliance Monitoring Officer
CPA	Contract Package Area
CSS	Customer Service Standards
DEA	Disability Employment Adviser
DWP	Department for Work and Pensions
ESO	External Signposting Organisations
ERDF	European Regional Development Fund
ESF	European Social Fund
ESA (WRAG)	Employment and Support Allowance (Work Related Activity Group)
FTE	Full-Time Equivalent
GDP	Gross Domestic Product
HMRC	Her Majesty's Revenue & Customs
ICE	Independent Case Examiner
ICO	Information Commissioner's Office
IT	Information Technology
JSA	Jobseekers Allowance
LCTP	Life Chances Through Procurement
LEP	Local Enterprise Partnership
LTU	Long Term Unemployed
MPL	Minimum Performance Level
MPR	Monthly Performance Return
NUTS	Nomenclature of Units for Territorial Statistics
OJEU	Official Journal of the European Union
NLW	National Living Wage
PAT	Provider Assurance Team
PAYE	Pay As You Earn
PRaP	Provider, Referral and Payment system
PSC	Public Sector Comparator
SCIAT	Supply Chain Information Assurance Team
SME	Small to Medium Enterprise
T&Cs	Terms and Conditions
TUPE	Transfer of Undertakings (Protection of Employment) Regulations
UC	Universal Credit
UC (LCW)	Universal Credit (Limited Capability for Work)
CLW	Central London Works

For a full length of Definitions please refer to the T&Cs.

ANNEX 1 HEALTH INTEGRATION OFFER

In addition to the core borough offer outlined in Annex 1, effective engagement with major health stakeholders will be critical in ensuring that opportunities to integrate CLW with local services are maximised. Therefore it is important that the relationship between the Provider and local health partners is defined in a way that sets out the reasonable opportunities for collaboration and integration.

The health integration offer has been developed in consultation with health partners across the CLF geography and should be read in the context of forming part of the overall borough offer set out in Annex 1. The offer is a summary of the possible opportunities for collaboration and integration and these opportunities will vary across boroughs. It should therefore be read as a series of options for the Provider to explore with health partners, and boroughs, to determine the best approach to achieving effective collaboration and integration in individual boroughs and across the CLF geography.

It is anticipated that the nature of the offer and operating environment will change over time so there is an expectation that the Provider will work with health partners over the duration of the contract period in a way that fosters continuous collaboration and improvement.

Summary of health integration offer

- Introduction to key local health stakeholders including, but not limited to, officers or teams in Adult Social Care, Clinical Commissioning Groups, NHS Trusts and Public Health.
- Facilitate, where feasible, access to complementary health services that could be of benefit to participants.
- As means of encouraging innovation, trialling models for integrated working within primary and secondary care.
- Advice and guidance on suitable specialist training options for the Provider's caseworkers and programme team, where appropriate
- Provide caseworkers, where feasible, with appropriate facilities for co-location or outreach for the purpose of offering support to participants or engaging in relevant partnership activities.
- Advice and guidance on effective specialist support options for people with a disability or health condition.
- Where practicable, participate in case conferences and action planning to enhance the overall package of support available to participants
- In the context of overall information and data sharing arrangements for CLW, put in place information and data sharing protocols so that the caseworker and health officers can share participant information.
- Advice and guidance on positive recruitment practices for people with a disability or health condition.

- Facilitate opportunities for user involvement to inform the support offer and achieve continuous improvement within CLW
- Strategic engagement and support through representation on the CLF Employment and Skills Board and other appropriate local governance structures.

ANNEX 2: THE CLF BOROUGH 'OFFERS'

Central London WHP Borough Integration Plans- January 2017

Local authorities in Central London recognise the positive health benefits that work can bring to residents and are working with partners in Public Health, Mental Health Commissioning and Clinical Commissioning Groups (CCGs) to develop and encourage these links in the commissioning and delivery of services locally.

Local authorities and health partners are increasingly aiming to deliver preventative services that provide greater resilience and independence, rather than continued reliance on public sector provision. The Central London Works provides an opportunity to support this aim and ensure residents with health conditions and disabilities are supported to find and secure good quality employment and improved health.

The following borough Integration Plans aim to help the Provider make relevant local links and embed into local services. We would expect provider organisations to have/source relationships with local voluntary and community organisations to support delivery of services in local settings and environments.

Throughout the delivery of the Central London Works, these Plans will be considered live documents that should be reviewed as part of the governance and performance management arrangements. Boroughs will expect the Provider to work collaboratively and vary the core model where it makes sense to do so, within the overall parameters of the programme.

Boroughs Statement of Intent – what the central London boroughs are committed to:

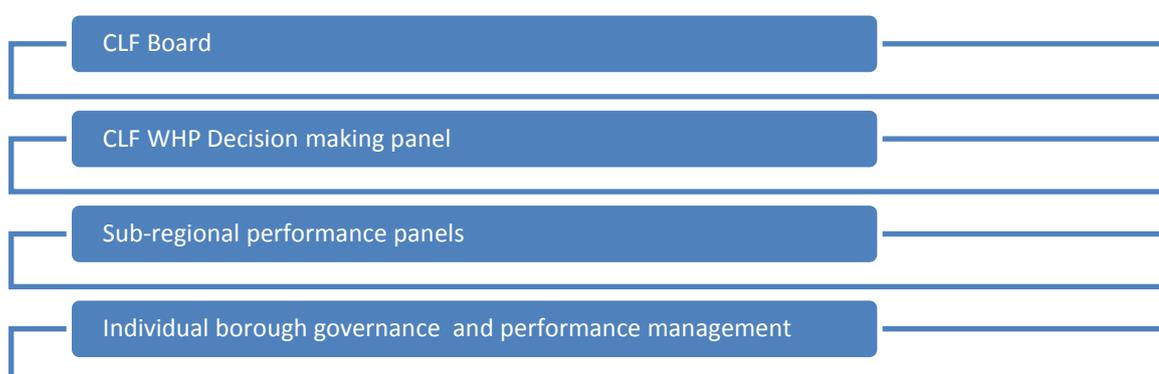
- Where possible provide caseworkers with appropriate office space, relative to caseload size, in which to 'hot desk and touch down' including internet access through Wi-Fi or other means;
- Where possible provide suitable interview space for one to ones with customers and access to meeting rooms;
- Provide caseworkers with an induction to the borough, relevant partners and ways of working and offer, as necessary, access for the caseworkers to training in borough systems and operational practices;
- Together with the Provider, communicate clearly the role and purpose of the caseworker to all relevant staff and partner organisations including reference to the commitment of the borough to supporting delivery of the WHP;
- Where appropriate include the caseworkers in team meetings within the borough and with stakeholder organisations;
- Support the Provider to manage the performance of the 'co-located caseworkers' through regular and honest communication;
- Work with the Provider to develop a clear management process for the escalation and resolution of local problems in delivering the contract;
- Work with the Provider to put in place local data sharing arrangements to support client progression;
- During the contract mobilisation period work with the Provider to design area specific customer journeys; and
- Support, participate in where practicable, and encourage partner organisations to participate in, case conferences and action planning for specific clients.

Expectations of the Provider

Below is a summary of the key expectations Central London Boroughs have of the Provider.

Governance

- The Provider is expected to integrate with local governance arrangements, this could include case conferencing, being a member of local steering groups, inputting into council Cabinet and Scrutiny and Health and Wellbeing Boards; and
- Operational meetings with all boroughs and the Provider on a regular basis initially (potentially monthly at the outset), then on a quarterly basis after the programme has successfully progressed beyond the implementation stage.



Data sharing and performance management

- Data sharing consent forms that participants sign should allow information to be shared with borough/health officers;
- Anonymised and aggregated performance data to be made available to help monitor progress against the council objectives. In addition, these data will need to be accessible to a wider group of stakeholders, including local councillors, senior council officers and members of the relevant Boards;
- Key borough and local health staff should have access to online action plans as part of joint working arrangements. This should be open to councils and identified partners from local health services;
- Action plans should be visible at each stage of client's engagement on the programme and should demonstrate strong local integration, ongoing support and how progression is being achieved. Councils will, in some cases, wish to sign off action plans, as a minimum the plans need to be available to all boroughs for 'sample' checks at regular intervals (to be agreed on a borough basis); and
- Regular performance reports to be supplied to boroughs.

Management

Information

System

- System to be fit for purpose and capturing all the information mentioned for the Participant's action plans. Primary and secondary health conditions should be recorded as should any referrals to partner organisations. The system should be able to produce up to date performance reports as and when requested;

- Boroughs to view Participants in their boroughs and to have viewing access to Participant records (including the action plan and Participant interventions, and
- Postcode checker to be included to enable boroughs to monitor priority wards

Local employer links/job brokerage

- Job brokerage activity to be based on borough knowledge, with existing employer account relationships acknowledged and the provider avoiding cold calling employers the local employment services are already working with;
- Residents and business are provided with singular joined up pathways and provision; and
- Clear approach to job carving and reserve marketing of employment opportunities.

Safeguarding

- The Provider to be up to date with borough safeguarding policies and report child and adult safeguarding concerns.

Borough Integration Plans

City of London Corporation	
Strategic priorities re employment and health	<p>The City's Joint Health and Wellbeing Strategy recognises the importance of employment to individuals, and its Mental Health Strategy promotes the linkage of employment and mental health support through IAPT.</p> <p>The City Corporation is a partner to the development of a 5 Year Locality plan with the City and Hackney CCG, which will seek to increase employment rates among those with mental ill health, learning disabilities and long term LD and LTCs. The plan will shape the commissioning of health based interventions.</p> <p>The City has committed to employing 100 apprentices within the Corporation from 2017/18 onwards to support its commitment to employability and skills.</p> <p>It is also a priority for the City Corporation to support parental employability in workless households, and support those who have experienced homelessness to find employment.</p>
Details of where the case worker(s) could be co-located	<p>The City of London has agreed in principle to share a caseworker with the London Borough of Camden. The City's volume of ESA claimants entering the programme is likely to be very small and therefore greater efficiency can be achieved by developing and delivering an approach in partnership.</p> <p>As such, the caseworkers will be located within Camden's Housing Partnerships team. However, their work with City clients will require close working with a range of teams located within the City's Community and Children's Services. This will be supported by their primary contact being the City's Benefits team.</p>
Any specific gaps in provision in the area that the provider could focus on? Any specialist support required?	<ul style="list-style-type: none"> • Parental employment • Targeted community approaches (e.g. Bangladeshi community)
Key referral points	<ul style="list-style-type: none"> • City Corporation services • Commissioned advice services • JCP
Opportunities for collaboration and integration (including with health partners)	<ul style="list-style-type: none"> • City Corporation: • Tenancy Sustainment Team • Adult Social Care • Apprenticeship Service • Adult Skills • Drug and Alcohol Service • City and Hackney CCG • Cheapside Business Alliance • Aldgate Business Partnership

Camden	
Strategic priorities re employment and health	<p>The Council's overall strategic direction is set by the Camden Plan (2012-2017). The Camden Plan themes include a focus on 'creating the conditions for and harnessing the benefits of economic growth' and 'developing new solutions with partners to reduce inequality'. Reducing the levels of unemployment and all types of inequality (including health) are critical to deliver the ambition of making Camden a place where everyone has a chance to succeed and nobody gets left behind.</p> <p>Camden recognises the positive health benefits that work can bring and is working with our partners in Public Health, Mental Health Commissioning and the CCG in order to develop and encourage these links in the design of our services and in our work, with the aim of delivering services which support greater resilience and independence rather than continued reliance on public sector provision.</p>

	<p>The Council has a dedicated Economic Development service which provides strategic leadership to this agenda and works with Council services and partners to influence the employment and skills system to reduce levels of unemployment in the Borough.</p> <p>There is limited directly delivered or Council-commissioned employability support, though specialist integrated employment support is offered through housing partnerships, troubled families and early years intervention teams.</p> <p>Notable exceptions are the Camden Apprenticeship service, construction brokerage at King's Cross Construction and Skills Centre, Connexions service providing information advice and guidance to 14-19 year olds, and two mental health employment support services in primary care, JCP and secondary care, which is about to go out to tender embedding employment support in mental health services. The Council also works closely with King's Cross Recruit, a free recruitment service for job opportunities in Kings Cross and the surrounding area.</p>
<p>Details of where the case worker(s) could be co-located</p>	<p>It is envisaged that case workers will be co-located in the Housing Partnerships Team, alongside CLF Working Capital caseworkers. A summary of the Housing Partnerships Team is included below though it is worth noting that drop down space and facilities may be available in other Camden offices including libraries and housing offices. These arrangements will be confirmed once the successful provider has been appointed.</p> <p>Housing Partnerships (role, function, relevance)</p> <ul style="list-style-type: none"> • To facilitate and develop links between Council teams and partners to support wellbeing of Council housing tenants; • Provision of some direct support to tenants on issues like money management, employability, and digital inclusion; • Key role in supporting council tenants to respond to Total Benefit Cap and social sector size criteria. This includes multi-agency working with a range of relevant partners; • Management of WISH+ referral hub which enables referrers and residents to access over 20 services from one referral; • Team located within wider Housing Support Services working closely with the Council's housing teams and support services including the Welfare Rights teams.
<p>Any specific gaps in provision in the area that the provider could focus on?</p>	<p>As there are high numbers of people living with mental health conditions (both severe and enduring and common) within Camden, it is expected that the provider will provide sufficient resources in order to meet these needs, including access to specialist services. Similarly, the provider will also be expected to provide appropriate support for those with musculo-skeletal conditions, including pain management. For both conditions, this may include access to Occupational Therapists who can focus on supporting people back into work that is the most suitable.</p> <p>The provider will also be expected to take a pro-active approach to ensuring that the programme is understood widely among key partners including JCP, housing/homelessness support services and key health services such as GPs, local hospitals, and mental health services.</p> <p>The provider is also expected to ensure an inclusive and encouraging approach to engaging Participants referred onto the programme to ensure that the Participant continues to engage.</p>
<p>Key referral points</p>	<p>Key preferred referral routes in Camden include:</p> <ul style="list-style-type: none"> • Benefits, budgeting and debt advice • Housing services • GP services • IAPT services • Musculoskeletal services <p>Please note: this list is not intended to be prescriptive and will vary in line with the provider's approach.</p>
<p>Opportunities for collaboration and integration (including with health partners)</p>	<p>Health partners: The provider will be expected to make referrals and integrate within key health services including appropriate mental health services such as IAPT. Camden will also endeavour to ensure that the provider has clear links with key CCG services (such as GPs and other specialist clinics) though the provider will need to dedicate complementary resources to brokering and building these relationships.</p> <p>Council Services:</p> <ul style="list-style-type: none"> • Housing partnerships • Camden Apprenticeships – apprenticeship delivery team

	<ul style="list-style-type: none"> • Kings Cross Recruit – brokerage service focussing on employment opportunities in Kings Cross and surrounding area • Kings Cross Construction Skills Centre – providing construction skills training to Camden and Islington residents. • Adult Community Learning – offering a range of training courses including digital skills. Often free of charge for Camden residents. • Commissioned activity -incl. Camden Work and Well-being and Camden Ability, integrating employment support within health services • Working Capital - the Working Capital is designed for Participants on ESA and tackles multiple barriers to employment. The provider will be expected to have reference to this provision and its integration within Camden, providing complementary provision whilst minimising duplication. • Mental Health and Employment Partnership – mental health commissioners and the CCG are in the process of commissioning a new programme of mental health employment support, the provision will start in 2017 and continue until 2021/22. It is expected that the provider will have reference to this provision, providing complementary services whilst minimising duplication. <p>Full details of these services and their approaches will be provided to the successful provider as part of the implementation of the programme and introduction to Camden.</p>
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Hackney	
Strategic priorities summary re employment and health	<p>Ensuring out of work residents benefit from the range of employment opportunities being created as a results of Hackney's growing economy; as well as opportunities in the wider London labour market</p> <p>Providing out of work residents facing multiple barriers to the labour market with a high quality, personalised and holistic employment support offer</p> <p>The council has a range of priority groups for supporting into sustainable employment including: Young Black Men; young people in care; residents with learning disabilities and Special Education Needs (SEN); adults with low skill levels; long-term unemployed</p> <p>Ensuring residents are supported into high quality jobs – characterised by: London Living Wage; career progression; not zero hours</p> <p>Whilst JSA claimant numbers have reduced significantly over recent years, IB/ESA claimant counts have remained static. Reducing the latter is a key priority for the council. Approx 50% of IB/ESA claimants have common mental health conditions</p> <p>Given the range of different employment programmes being delivered in Hackney, a key objective for the council is ensuring that both residents and business are provided with singular joined up pathways and provision</p> <p>Outcomes wider than solely jobs is a priority for the council; providing residents with a 'menu' of employment related opportunities. This includes apprenticeships and paid work placements.</p>
Details of where the case worker(s) could be co-located	<p>Hackney has an in house employment support and job brokerage team – 'Ways into Work'. This operates from 3 'Opportunity Hubs' located in different parts of the borough: Hoxton; Homerton; and Woodberry Down.</p> <p>Provider case workers will be expected to co-locate with these teams.</p> <p>Ways into Work will ensure that hot desk space is made available, as well as providing supervisory and administrative support in the hubs.</p> <p>Each hub also has IT facilities and workspace space which it will be possible for the provider to make use of.</p>
Any specific gaps in provision in the area that the provider could focus on? Any specialist support required?	<p>Key gaps in the borough include:</p> <p>Access and relationship with key national accounts – i.e. providing large scale entry level job opportunities.</p> <p>A focus on providing holistic support to residents with mental health and MSK conditions</p>
Key referral points	<p>Hackney's Ways into Work team has a well-established network of local referral organisations, including:</p> <p>Public sector agencies (including council teams)</p> <p>Voluntary sector organisations</p> <p>Housing Associations</p>

	The provider will be expected to work with the Programme Manger – Ways into Work to produce a comprehensive outreach and engagement plan which compliments Ways into Work's existing service offer
Opportunities for collaboration and integration (including with health partners)	As above

Haringey	
Strategic priorities summary re employment and health	<p>Strategic priorities are broadly captured in the council's Corporate Plan and Economic Development and Growth and Health and Wellbeing Strategies; these are to:</p> <p>Improve the volume and quality of labour market outcomes, particularly amongst disadvantaged groups. Equip Haringey residents with the requisite skills and qualifications to access employment in the London labour market. Increase economic wellbeing through maximising the earning potential of residents. Promote employment as a means of improving mental health and wellbeing.</p> <p>Priority groups will have barriers/characteristics that include, but are not limited to:</p> <p>Mental health (common and severe and enduring) Physical disability/health condition Alcohol and substance misuse Criminal history Housing (especially people who are affected by welfare reform) Care leavers Parents (including lone parents) From an ethnic minority background Young people Older people (aged 50 and over)</p>
Details of where the case worker(s) could be co-located	<p>There are a number of local teams/services where cases workers could be co-located and/or conduct outreach from, including:</p> <p>Haringey Employment & Skills Team Haringey Adult Learning Service Barnet, Enfield & Haringey Mental Health Trust (BEH MHT) Clarendon Recovery College Improving Access to Psychological Therapies (IAPT) (Whittington Health) GP Surgeries Community hubs Substance Misuse Services Haringey Early Help and Prevention Service (including the borough's Troubled Families Team) Children's Centres Children In Care & Placements Team Homes for Haringey (including services to support people affected by welfare reform) Citizen Advice Haringey's "Information Advice and Guidance" partnership services Third sector service providers including Bridge Renewal Trust, Mind in Haringey, Hail, Embrace and others.</p>
Any specific gaps in provision in the area that the provider could focus on?	<p>Haringey has a particular interest in the following areas:</p> <p>Provision for people with mental health conditions (common and severe and enduring) influenced by Individual Placement and Support (IPS) models of support Support for people with musculoskeletal problems Numeracy, literacy and English language support Skills and training support to help people access higher level employment opportunities Assistance with brokering suitable employment opportunities with businesses within Haringey and wider labour market beyond Haringey</p>
Key referral points	Preferred referral routes are set out in the co-location section above and contact details can be provided in advance of the Central London Works going live.
Opportunities for collaboration and integration	<p>Employment & Skills</p> <p>The Haringey Employment & Skills Team & Haringey Adult Learning Service, based at Wood Green Central Library, are the council's primary employment and skills services that the Provider(s) will need to collaborate with. There will also be key stakeholders that the</p>

(including with health partners)	<p>Provider(s) will need to engage with, including the College of Haringey, Enfield and North East London.</p> <p>Health Services</p> <p>BEH MHT is a main provider of mental health services in the borough and works collaboratively with a range of providers to support people into employment.</p> <p>There is an IPS project for people with mental health conditions currently embedded within the BEH MHT. The Clarendon Recovery College offers lifelong learning and educational support to people with mental health conditions referred from the BEH MHT.</p> <p>Substance Misuse Services Haringey offers treatment and recovery support from a range of different venues across the borough.</p> <p>Whittington Health provides Community Health services and IAPT services, offering opportunity to co-locate or integrate employment support alongside individual and group based support for physical and mental health conditions.</p> <p>There will be scope to integrate or align the Central London Works with these services, and Haringey has a particular interest in exploring supply chain opportunities with the Prime Contractor as a means of maximising integration with health services.</p> <p>Citizen Advice Bureau Welfare Hubs are currently co-located with four GP practices in Haringey and early evaluation work done suggests this model has delivered positive outcomes. The Provider(s) would be expected to help build on this model with the potential to link further with local primary care services by trialling an approach with a GP collaborative in the borough.</p> <p>There will also be an opportunity to link the Central London Works with a social referrals/community wellbeing framework model currently being developed across the borough.</p> <p>Employer Engagement</p> <p>The Haringey Employment & Recruitment Partnership oversees co-ordinated working with local employers on major recruitment projects. The Provider(s) will be invited to join this partnership and support its co-ordinating role.</p>
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Islington	
Strategic priorities re employment and health	<p>Islington council has identified Employment Support as a key area of focus, and as one of the key interventions which will improve residents' lives. As such they continue to fund an in-house service, known as iWork, which is collocated in the customer services centre at 222 Upper Street, seated alongside the Income Maximisation Team and the CAB.</p> <p>Within the council's strategy on employment support there is a clear focus on supporting adults with health conditions and disabilities, as the ESA claimant rate is consistently high. To support this focus, the borough has a number of governance structures, described below, which monitor the impacts of services on residents who have health conditions, and is increasingly moving to a prevention approach, which recognises that early intervention to prevent entrenched worklessness will have positive impacts on health and whole household life chances. There are existing strong partnership relationships between NHS, CCG, DWP and Local Authority staff, and there is work currently underway to feed this shared understanding into commissioning strategies.</p> <p>The Islington Employment Commission also flagged up the important role that Employers play in supporting local employment, and that people with disabilities include potentially missed talent. The council's iWork service includes iWork for Business whose focus is on engaging employers in positive recruitment policies and new initiatives.</p> <p>We are also looking at how to use procurement and Section 106 agreements to support flexible opportunities for people with LTC.</p>
Details of where the case worker(s) could be co-located	<p>The caseworkers will be collocated with the iWork team, which is the in-house team offering targeted employment support services. Details of collocation will be managed by Johnny Naughton the iWork Operations manager, but it is likely that the desks offered will be at 222 Upper street with the iWork team. Islington council operates a smart working policy so there will be no single designated desk, rather the caseworkers will be offered lockers and access to the desks designated to the iWork services at 222, and also at Central Library.</p>

	<p>We would expect the colocation to involve attendance at iWork team meetings, training days and possibly outreach locations. iWork do a great deal of outreach in children's centres and community locations and at times these may be offered as well</p>
<p>Any specific gaps in provision in the area that the provider could focus on? Any specialist support required?</p>	<p>There are existing strong partnerships supporting adults with mental health conditions into employment, and there is an excellent local offer for adult with a global learning disability. People with physical disabilities or long term conditions, or with sensory impairments, are less well served.</p>
<p>Key referral points</p>	<p>We would like referral routes to be as diverse as possible, to include health partners, colleges, VCS partners, and council services.</p> <p>We will maintain a database of potential referral partners and can share with the provider once appointed</p> <p>Key referral partners would include our employment cluster partners (local VCS groups), the CCG has a senior management lead for health and employment related programmes, Jenni Speller Head of Service Transformation and there is also executive team support. Children's centres, Adult and Community Learning, primary health and specialist health providers e.g. substance misuse, sickle cell.</p> <p>However, until July 2018 the borough will be subject to a randomised control trial in IPS (http://www.candi.nhs.uk/our-services/islington-ips-employment-trial) and in this time initial referrals will be directed to the IPS provider, - control group can then be given the information about the Health and work programme provision and may wish to self-refer.</p>
<p>Opportunities for collaboration and integration (including with health partners)</p>	<p>We would invite the provider to take part in all relevant local working groups. In particular our local Employment Practitioner Networks where practitioners share good practice and undertake workforce development.</p> <p>There are some other local groups we would flag up, including the Help on your Doorstep partnership groups, the ACL partnership group and the JCP community providers group. We maintain an up to date mapping of the local offer and would share this with the provider, but this includes the structures described elsewhere in this document.</p> <p>The CCG has a post dedicated to raising awareness of employment as a health outcome, and this post holder would be a key partner on this project.</p> <p>We would also want close liaison over employer engagement to avoid duplication or numerous approaches to the same employers</p>

<p>Lambeth</p>	
<p>Strategic priorities summary re employment and health</p>	<p>Lambeth's priorities and outcomes are set out in our Borough Plan; the main priority relating to employment and health is "Reducing Inequalities". More specifically: we want more people to have the opportunity to improve their lives through work, and so we will work to reduce long-term unemployment. We will also promote and protect health and wellbeing and work to reduce health inequalities.</p>
<p>Details of where the case worker(s) could be co-located</p>	<p>We will look into opportunities for co-location of caseworkers with Council and/or partners premises, subject to availability and type of space required (e.g. desk space/IT). We would aim for caseworkers to be co-located, for a significant part of their time, in premises where referrals are being made (in order to facilitate 'warm handovers' and support attachments to the programme). This could include jobcentres, or local health settings (to be confirmed).</p> <p>There may be scope, subject to further discussions, for caseworkers to be integrated with the work of the Lambeth Living Well Network Hub, which already operates on an integrated basis with a wider network of local providers.</p> <p>We would also expect to see close integration with Lambeth Working, the Council's employment and skills service. In addition, we would expect provider organisations to have/source relationships with local voluntary and community organisations to support delivery of services in local settings and environments.</p>
<p>Any specific gaps in provision in the area that the provider could focus on?</p>	<p>We would expect providers to demonstrate strong employer engagement to support job matching, integrated with local borough engagement. This should include opportunities for participants to benefit from a range of volunteering, work experience placements, and flexible working.</p> <p>It should also include a clear approach towards job carving and reverse marketing of employment opportunities. There is a need for further work to identify any Lambeth-specific</p>

	gaps in health provision related to the Participant group, and we would expect to work with providers to respond to identified gaps in provision.
Key referral points	In addition to Jobcentre Plus, other local referral points may include Lambeth Council and the Lambeth Living Well Hub Network.
Opportunities for collaboration and integration (including with health partners)	<p>Lambeth Working – providers would be expected to work closely with the Council's employment and skills service, Lambeth Working, ensuring alignment and co-ordination with existing delivery in order to maximise outcomes for participants. An enhanced referral process will be used to support links, potentially including to employment opportunities via a web portal.</p> <p>Lambeth Living Well Network – this service is a collaborative team of mental health practitioners, social workers, community guides and peer supporters within the Hub. It is the front door to mental health services in the borough.</p> <p>In addition, there are a number of voluntary and community organisations (VCOs) that provide a range of employment, debt, health and wellbeing support to Lambeth residents. We would expect providers to demonstrate close links with local organisations to support programme delivery. For example, community venues can be a helpful location for meeting Participants; VCOs can also be a source of peer support and/or volunteering/training/work experience opportunities.</p>

Lewisham	
Strategic priorities summary re employment and health	<p>The strategic objectives set out in the Lewisham Work and Skills Strategy, (a joint Strategy between LBL/JCP) include:-</p> <ul style="list-style-type: none"> Develop strong partnerships across all sectors Improving local skills training to equip adults for work opportunities and self-employment Deliver employment support for those with the most complex needs Encourage residents in employment to progress Maximise social value opportunities with employers and enterprise Develop improved market intelligence <p>In terms of day to day action to support the strategic objectives, the following are our local priorities:-</p> <ul style="list-style-type: none"> Dealing with the high proportion of claimants with health issues (ESA) so priority is to increase the number of these claimants in work Supporting residents who are being impacted by welfare reform Increasing participation in apprenticeships especially for the over 25 year old Reducing the number of over 50s claiming out of work benefits Improving the proportion of BAME claimants in work Reducing the numbers of residents cycling in and out of work Enabling residents to secure jobs and then progress in work into better paid work – i.e. job, better job, career. Moving towards full employment
Details of where the case worker(s) could be co-located	The borough should be able to provide colocation within our children's centres and with some of our Housing Providers. During the next couple of months we will explore opportunities of collocating in GP surgeries.
Preferred approach to assessment/action planning oversight	The provider would be responsible for developing action plans with the Participants and oversee the implementation. The borough and partners should however be able to have access to the action plans and be able to liaise with provider on difficult cases.
Any specific gaps in provision in the area that the provider could focus on? Any specialist support required?	<p>The main gaps in provision are:-</p> <ul style="list-style-type: none"> Support in provision for customers with mental health issues particularly on 1:1 mentoring Additional support and provision especially work placement opportunities for residents with learning disabilities and physical disabilities Access to occupational therapists Opportunities for residents who need to upskill in the sectors that are currently growing
Key referral points	JCP Doctors surgeries Housing providers IAPT

Opportunities for collaboration and integration (including with health partners)	We would expect the successful provider to work with existing provision and partners already delivering in Lewisham. We have the Community Health Partner through JCP. We also have a Service Provider Forum which brings together all providers working in the borough and commissioners e.g. housing partners and JCP so our expectation is that the WHP provider will liaise and engage with the Lewisham Service Providers Forum
Governance	<p>This is still to be determined but it is anticipated that the Governance would be similar to the model currently used to manage Pathways into Work, where the provider provides regular updates to officers/steering group on referrals numbers, raises any operational issues, links to other provision, identifying gaps in service etc on a monthly basis. This could move to quarterly once the programme is running efficiently.</p> <p>We would like to receive performance reports. This would currently be to the team but we will need to report that to whatever oversight group is established to oversee this as well as reports may be needed to go to the Health and Wellbeing Partnership, Scrutiny etc</p>
Management Information Systems	<p>The Provider should have a system that enables the key workers to be able to track Participants through their journey to employment. The system should be fit for purpose and be able to produce the MI reports needed in order for the boroughs to have timely performance data.</p> <p>We would like to be able to get information or reports from the system as a minimum in order to inform the other work we do e.g. tracking families for Troubled Families programme. Where possible it would be important to have access to view records and action plans.</p>

Kensington and Chelsea	
Strategic priorities summary re employment and health	<p>The Royal Borough of Kensington and Chelsea (RBKC) is committed to addressing the issues and barriers faced by our residents, through collaboration and partnerships, to help improve their health, wellbeing and economic circumstance.</p> <p>One of the priorities identified in the Council's mission statement Ambitious for Tomorrow is a commitment to work with partners in the public and voluntary sectors to address the social issues that all urban areas confront, such as:</p> <p>The poor health, worklessness and low incomes of some residents Parents who face a range of problems that affect their ability to keep their children safe from harm and promote their welfare. Antisocial behaviour, crime and the fear of crime. The challenges and opportunities for elderly residents and those who are most vulnerable. Intense pressures on all elements of the borough's housing and the difficulties that arise from this, such as overcrowding.</p> <p>A review of the Joint Strategic Needs Assessment and discussions with residents, patients and professionals, we have agreed priority areas that we believe have the potential to make the biggest and fastest improvements to health and wellbeing in the borough over the next five years. One of these priorities is:</p> <p>Good mental health for all</p> <p>Locally mental health is the most common reason for absence from work and the borough had the 2nd highest population with severe and enduring mental illness known to GPs in the country in 2013. People with mental health problems also face significant physical health problems and live significantly shorter lives as a result.</p> <p>Overall the current claimant count for Jobseekers Allowance/UC has been reducing and sits at 1,630 (Dec 2016). However, the number of residents claiming Employment and Support Allowance/Incapacity benefit is 5,680 (May 2016) and this has been reducing much more slowly.</p> <p>There is a range of complementary activity addressing health and wellbeing, skills training and employment initiatives that the Council supports through co-ordination and delivery.</p>
Details of where the case worker(s) could be co-located	<p>Currently several options exist and would be explored:</p> <p>Within FACES team at the Malton Road Hub W10 Use of office space in Kensington Town Hall, W8 Alongside the Working Well pilot, SW10</p>

	<p>In the above locations there is limited/less appropriate space for the conduct of Participant facing activity, therefore it is expected that the appointed provider will identify locations within community settings.</p> <p>The borough has some adult community learning partners and we would expect in the course of the programme for relationships to develop that would assist in the delivery and engagement of the support.</p> <p>There may be future opportunity within our Health and clinical partnerships to develop co-location teams to provide the holistic support some Participants will require via an IPS approach.</p> <p>What has worked well for engagement is the use of public spaces (where appropriate) such as libraries that best suits the individual and the type of meeting taking place.</p>
Any specific gaps in provision in the area that the provider could focus on?	<p>Mental ill health is the number one cause of health-related unemployment. The prevalence of common mental health issues will require particular attention and effort to integrate with service developments in access and availability of MH services.</p> <p>There should be training for caseworkers to be able to identify and address MH conditions and be able to devise appropriate and tailored individual plans.</p> <p>Assessing motivation for all referrals and being able to build confidence within individuals is key to the overall approach to support.</p> <p>In-work support is another key area of delivery to ensure Participants don't just gain employment but sustain it</p>
Key referral points	<p>Either through our current Housing or FACES team resource – this will be confirmed post-contract award.</p> <p>Additional points through local employment support provision as appointed by LA.</p>
Opportunities for collaboration and integration (including with health partners)	<p>Working with partners and current delivery programmes looking to support residents towards employment include;</p> <p>Local employment and training providers RBKC Worklessness Network RBKC Adult Learning and Employment Team Working Capital (APM) Working Well Pilot (Mental Health) Community Living Well (West London Care Commissioning Group) Housing Employment team (Temporary Accommodation) Adult Social Care and NHS Health partners commissioning; Supported Employment Framework</p>

Southwark	
Strategic priorities summary re employment and health	<p>In Southwark we aim to secure sustainable employment for those furthest from the labour market through the provision of our employment support programme, Southwark Works (commissioned by the Local Economy Team).</p> <p>Southwark Works is a network of providers which supports a range of groups, including those with a mental or physical health condition, learning difficulty/disability and those with substance misuse issues, where it is recognised a tailored intervention is required to help them access labour market opportunities.</p> <p>As part of Southwark Works South London and Maudsley (SLaM) currently provide support to those with mental health and/or substance misuse issues through their Career Management Service, which includes IAPT. Mencap provide support for those with learning difficulties and/or disabilities.</p> <p>Whilst JSA claimant numbers have reduced significantly over recent years, IB/ESA claimant counts have remained static. Reducing the latter is a key priority for the council. Approx 50% of IB/ESA claimants have common mental health conditions.</p>

	<p>The delivery of Southwark Works helps to achieve our Economic Wellbeing Strategy 2017-2022 aims to ensure: <i>Southwark is a full employment borough with a job opportunity for every resident who wants to work; every Southwark resident in work has the opportunity to develop their careers in line with their aspirations and Southwark residents have access to a comprehensive support offer that supports their transition to employment.</i></p> <p>Through the delivery of the Economic Wellbeing Strategy we contribute to Council Plan (2014-2018) promise to <i>guarantee education, employment or training for every school leaver, support 5,000 more local people into job and create 2,000 new apprenticeships.</i></p> <p>We are focused on delivering good quality and sustainable jobs for local residents and are a London Living Wage (LLW) borough. Through Southwark Works we deliver sector specific employment support for residents looking for work in key sectors in the area; construction, health and social care and retail and hospitality.</p> <p>The council has a Southwark Apprenticeship Standard for employers which encourages them to provide apprenticeship opportunities that pay the LLW, offer secure employment (min 12 month contract), offer quality training, mentoring and support.</p> <p>The council is supportive of supported internships (SI) for people with learning disabilities and difficulties with EHCP (young people), recognising the success rate this approach has for this group when securing employment opportunities.</p> <p>Health and Wellbeing Strategy 2015-2020: <i>Improved outcomes for most vulnerable & support for more independent living</i></p> <p>The council works closely with health partners such as the CCG to provide effective preventative support for people with health conditions. Recent consultation for the development of the Mental Health & Wellbeing Strategy for the borough acknowledged the <i>importance of supporting and maintaining preventative services/prevention and support for wellbeing: funding for social prescriptions/managing money & debt advice; support into education training and employment, support for parents, talking therapies, benefits advice (specifically the transition to Universal Credit)s and advocacy.</i></p> <p>Southwark's Wellbeing Hub is located at Thamesreach in Camberwell and provides direct and signposting support for people with mental health conditions.</p>
<p>Details of where the case worker(s) could be co-located</p>	<p>The council can provide hot desking space at Tooley Street, London Bridge, and potentially Queens Road in Peckham. Space permitting we would like the caseworker(s) to be co-located with</p> <p>Other Southwark Works providers may also be able to provide space such as InSpire, based in Walworth. Other potential sites include The Wellbeing Hub and Libraries.</p>
<p>Any specific gaps in provision in the area that the provider could focus on? Any specialist support required?</p>	<p>Southwark has a comprehensive offer for residents seeking employment via Southwark Works, which supports the following 'cohorts':</p> <p>Young people, long-term unemployed and over 50's, those at risk of homelessness/homeless, people with learning difficulties and/or disabilities (including autism), people with mental health and/or substance misuse issues, ex-offenders, young people at risk of gang involvement, lone parents and families. It also provides specific support for those interested in securing roles in key sectors in the borough- construction, health and social care and hospitality and retail.</p> <p>Gaps- ESOL, mental health support at all levels, disability/learning difficulties, suitable vacancies for these groups (low-high skilled) young people leaving care, those at risk of homelessness</p>
<p>Key referral points</p>	<p>We would like referral routes to be as diverse as possible, to include health partners, colleges, VCS partners, and council services.</p> <p>Key referral partners would include our employment programme Southwark Works as well as:</p> <p>Wellbeing Hub Housing Team Adult Community Learning</p>

<p>Opportunities for collaboration and integration (including with health partners)</p>	<p>Welling Hub (CCG)- potentially co-located caseworker here the provider could be part of the steering group for the hub</p> <p>Adult Social Care make referrals for employment support to Southwark Works, referrals could be made to the WHP if suitable</p> <p>The provider will become a member of the Southwark Works network and attend quarterly network meetings</p> <p>Community Southwark- umbrella body for the voluntary and community sector, volunteers and social action in Southwark.</p> <p>Public Health - run the healthy workplace programme</p> <p>Leisure Centres- deliver MSK support</p>
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<p>Tower Hamlets</p>	
<p>Strategic priorities summary re employment and health</p>	<p>In October 2015, LBTH Members agreed an <i>Integrated Employment Support</i> approach as a key plank in the Council's response to welfare reform; the focus being on residents furthest from the labour market and with multiple barriers. The holistic response aims to deliver provision from a central team with support from specialist services and includes advice on: employment, health, housing, finance, skills provision, childcare support, and assistance for specifically impacted groups including women, over 50s and residents with mental health issues.</p> <p>The Health & Well-Being Strategy (HWBS) for 2016-2020 sets out key priorities for the Health and Well-Being Board (HWBB) including a focus on Health and Employment. In defining the priorities for the HWBS the Board highlighted that:</p> <ul style="list-style-type: none"> • Unemployment is linked to high levels of long term illness and mental ill-health in Tower Hamlets • there are 12,500 claiming ESA and IB (3x number claiming JSA) • 45% of those claiming ESA have a mental health condition • previously categorised as unfit for work may now deemed fit for work; • Job Centre Plus and Work Programme engages with < 10% of this group • supporting people to gain and maintain employment is part of health intervention (and reduces use of health services) <p>To address this priority the board aims to:</p> <ul style="list-style-type: none"> • Strengthen the strategic and operational links between health and employment • Develop the workplace as a setting for prevention and early help • Reduce health inequalities by taking action to reduce unemployment and increase healthy employment <p>Specific objectives for the HWBB in the short term (first 12 months are):</p> <ul style="list-style-type: none"> • To align health and care services with the employment hub by using social prescribing as a lever to strengthen links between health and employment services; reviewing best practice in Health and Employment programme elsewhere • To ensure full integration with and shape the local delivery of the DWP WHP. • To sign up partner organisations to the London Healthy Workplace Charter <p>In the longer term, the three year HWBB strategy is to ensure that local residents who are unemployed are fully supported to sustain or improve their health; and that those living with a physical or mental health condition or disability have an equal chance of working and building a fulfilling career that is good for their health.</p> <p>Key links to this work include:</p> <ul style="list-style-type: none"> • Tower Hamlets Together (formerly Vanguard) • Social Prescribing providers commissioned by the CCG • Making Every Contact Count • The London Healthy Workplace Charter • Mental Health First Aid
<p>Details of where the case worker(s) could be co-located</p>	<p>The TH Integrated Employment Service (IES) service is a method of working rather than a single team, so there are a number of options for the co-location of the case workers. Employment support and training is primarily located at Upper Bank Street, Canary Wharf and</p>

	<p>already includes the co-location of Troubled Families workers. However, there are a range of other options depending on the needs of Participants:</p> <ul style="list-style-type: none"> • Children's Centres • Ideas Stores • Drug & Alcohol Services • Offender Management Centre • Primary Care services • Mental health services • Current Social prescribing services <p>This list is not exclusive and location will depend on the provider's final model of service.</p>
Any specific gaps in provision in the area that the provider could focus on?	<p>Tower Hamlets has a particular interest in the following areas:</p> <ul style="list-style-type: none"> • Provision for people with mental health conditions (common and severe and enduring) influenced by Individual Placement and Support (IPS) models of support • Support for people with musculoskeletal problems • Support for people with substance misuse issues • Individuals with learning difficulties
Key referral points	<p>Preferred referral points are set out in the co-location section above and contact details can be provided in advance of the Central London Works going live.</p> <p>From the health perspective, referrals will be bi-directional between the service and primary care. GPs should be able to refer into the service where their patients fulfil the eligibility criteria for the service and they believe that the patient would benefit. In addition primary care provides the gateway to all specialist services within the NHS, including mental health services. Therefore, where the service identifies that a Participant has a health need they will be able to refer this to the GP.</p> <p>Referrals will also be made by TH Employment Support services following needs and barriers assessment.</p>
Opportunities for collaboration and integration (including with health partners)	<p>Employment & Skills</p> <p>Tower Hamlets "Workpath" Employment & Skills Services and partners including Troubled Families practitioners, Childrens Centre services, Housing and Central Benefits services -</p> <p>Health Services</p> <p>Tower Hamlets Public Health has expertise in implementing monitoring of the impact of health interventions.</p> <p>Existing social prescribing providers, commissioned by the CCG, will be key partners</p> <p>Mental Health first aid trainers can provide training in mental health first aid to all caseworkers. Provider caseworkers could also be offered training in Making every Contact Count in order to ensure opportunities for prevention of risky health behaviours are optimised.</p> <p>Substance Misuse Services Tower Hamlets Council for Voluntary Services. There are opportunities available for gaining work experience within the voluntary sector.</p> <p>Adult social care services (particularly if including adults with learning disabilities as a priority group)</p>

Wandsworth	
Strategic priorities summary re employment and health	<p>Employment:</p> <p>Reducing worklessness amongst older workers</p> <p>Focused work on residents of housing estates and deprived neighbourhoods</p> <p>Raising aspirations and employment/career prospects of younger people</p> <p>Aligning employment and skills support to the needs and demand of local employers</p> <p>Health:</p> <p>Wandsworth's key health priorities are taken from the JSNA (2014) and in particular providers are asked to consider how to address:</p> <p>The unemployed are a known vulnerable group, the local emphasis is on building skills to find work and opportunities to the regeneration plans in Wandsworth (e.g. the Aspirations Programme).</p> <p>Educational attainment is correlated with deprivation and several other factors.</p> <p>An expected 48,500 people with a common mental health condition and a root cause or multiple issues across health, care and society.</p> <p>Care leavers and young carers are both vulnerable groups with known inequalities in later life.</p> <p>Wandsworth has the highest proportion of 25-39 of any local authority nationally – 39% compared to an average of 28% across London (2011) and rising.</p> <p>In 2011 BME groups represented 28% of the population but represented 49% of all JSA claimants in 2010/11.</p>

Details of where the case worker(s) could be co-located	The key corporate teams are Economic Development and Public Health which lead on the WHP. It is yet to be decided which should host any case-workers but either will be able to leverage key internal and external relationships to integrate with the WHP.
Preferred approach to assessment/action planning oversight	Borough/health staff have access to the plans as part of the joint working arrangements and do spot checks Align with existing diagnostic templates – e.g. Workmatch will have one relating to employability
Any specific gaps in provision in the area that the provider could focus on? Any specialist support required?	Providing specialist employment related assessment / diagnostic support for Participants that may not be engaging regularly with the Council or local health partners. Support for GPs in understanding how WHP can focus individuals on routes to work as opposed signing off as sick There is strong employer engagement capacity via Wandsworth Workmatch and this should not be duplicated
Key referral points	Details of the preferred referral routes in each borough; Local outreach, especially through estate based teams GPs Community Health teams Citizens Advice?
Opportunities for collaboration and integration (including with health partners)	Wandsworth CCG Wandsworth CCG Well-being Hub WBC Health Trainers Refer – all lifestyle services St George's Healthcare South West London & St. Georges CMHT SPA Talk Wandsworth (IAPT) Talk Wandsworth Employment Support CAMHS Access Service Family Action GP Services Wandsworth Your Way Wandsworth Mind Wandsworth Workmatch (including provider forum) Citizens Advice

Westminster	
Strategic priorities re employment and health	Employment support supplied through an employment provider and integrated with local services, to deliver improved employment and health outcomes for long-term unemployed persons and persons unemployed due to sickness and disability.
Details of where the case worker(s) could be co-located	We will not normally provide accommodation or IT. Caseworkers will be able to access venues in which they can see Participants, depending on what is available. This may include space to meet Participants 1:1 but is more likely to consist of touchdown/canteen/public areas. City of Westminster College's Maida Vale campus is in the north of the borough and is being refurbished; due to reopen in spring 2017. There is potential for 1 or 2 caseworkers to be located in this venue, with access to 1:1 rooms and allowing synergies to be built between the caseworkers and the FE provider's staff. Clinical staff could also be hosted in future Hub developments but there is nothing concrete available at present. In terms of IT, as the caseworker may at times be required to work remotely/peripatetically, the provider will be responsible for supplying them with a smartphone, tablet device and a lone worker safety device/application on their smartphone.

<p>Any specific gaps in provision in the area that the provider could focus on? Any specialist support required?</p>	<ul style="list-style-type: none"> - Unidentified/undiagnosed mental health conditions - difficulty accessing affordable childcare - lack of available work experience/work trials, - high levels of debt and - housing issues. <p>Caseworker inductions will be structured and a suitable training package will be devised and delivered to enable caseworkers to have the skills and competencies required to integrate with borough provision effectively.</p> <p>Due to the complexity of the barriers local residents face, caseworker training will be required to support caseworkers to identify where Participants are in relation to stages of journey to employment and managing their health condition.</p>
<p>Key referral points</p>	<p>Directly from Westminster Employment Service which will itself act a central point of enquiries for the borough and its services (No Wrong Front Door).</p> <p>We are developing referral processes through GPs, community centres, health trainers, talking therapies providers, charities, housing associations and support providers.</p>
<p>Opportunities for collaboration and integration (including with health partners)</p>	<p>Employer Links – key contact will be Recruit London, also the managing agents and supply chains delivering ESF, Big Lottery and other funding streams in the borough and neighbouring boroughs. North West London and Central CCGs.</p> <p>Paddington Development Trust, Vital Regeneration, The Health Trainer Service, Wandsworth and Westminster Mind, Westminster Talking Therapies – CNWL, Westminster Adult Education Service, City of Westminster College, Recruit London, CAP Debt, The House of St. Barnabus, Turning Point and Blenheim, The Cardinal Hulme Centre, Working Capital pilot, Westminster Housing Options/Welfare Reform Team.</p> <p>Employer links: to be developed with the council's supply chain with section 106 commitments. Including but not limited to City West Homes and Groundwork.</p>

ANNEX 3: ESF

ESF

The Central London Works will be funded by a grant from the 2014-20 European Social Fund programme in London subject to the agreement of the London LEP and GLA's European Programmes Management Unit, who are the Intermediate Body responsible for managing ESF in London on behalf of the ESF Managing Authority. The City will hold the grant for the programme and will require the MA to also meet ESF specific requirements set by the European Commission and ESF Managing Authority; failure to comply can result in substantial recovery of funds and financial penalties. Full information on the ESF requirements will be supplied to the successful tenderer prior to the commencement of the contract.

Programme Overview

The European Social Fund (ESF) Operational Programme is part of the European Structural and Investment Funds Growth Programme for England in 2014-2020. It will deliver the Programme's priorities to increase labour market participation, promote social inclusion and develop the skills of the potential and existing workforce. It will incorporate Youth Employment Initiative (YEI) money for areas with very high rates of youth unemployment.

In England the Department for Work and Pensions is the Managing Authority responsible for ESF.

Running from 2014 to 2020, there are three types of funds involved in the programme.

- European Social Fund (ESF) focuses on improving the employment opportunities, promoting social inclusion and investing in skills by providing help people need to fulfil their potential.
- European Regional Development Fund (ERDF) supports research and innovation, small to medium sized enterprises and creation of a low carbon economy.
- European Agricultural Fund for Rural Development (EAFRD) supports rural businesses to grow and expand, improve knowledge and skills and get started. Read information and access documents on this fund [here](#).

Read [more on the programme and the funds](#) and view projects that have received funding from the European Regional Development Fund and European Social Fund [here](#).

Programme Objectives

The programme will contribute to the Europe 2020 Strategy, primarily focusing on the **inclusive** growth dimension. The relevant objectives from that strategy are:

- Employment: 75% of the population aged 20-64 should be in employment.
- Social inclusion: 20 million less people across the EU should be at risk of poverty.
- Education: The share of early leavers from education and training should be under 10%; and at least 40% of 30-34 year-olds should complete third level education.

ESF Outputs and Results

In addition, the MA must supply information on a regular basis to enable the City to report on the ESF Indicators and Results required in the contract for Grant of ESF to Working Capital.

The WHP programme will focus primarily on sustained employment outcomes. In summary the key ESF requirements which the provider will need to observe and which they should contract with their sub-contractors to observe are likely to be, but will not be limited to, the following:

- Keep evidence at all stages for individuals who have started on ESF funded provision;
- Keep supporting evidence of the activity underpinning claims for payment from the Managing Authority for the full retention period;
- Capture, maintain and retain a complete audit trail of key documents and electronic information at all stages throughout the process; this will include detailed monitoring information on Participants;
- Meet European Union (EU) regulations and the Conditions of the ESF grant to the City of London for Working Capital in connection with publicising the ESF support including the use of the ESF logo and strapline on all its publicity and documentation, publically displaying the ESF plaque at office and main delivery locations and ensuring that project participants and the general public are aware that the project is funded by ESF. Full details of the requirements that the MA must meet are published and the link to these can be found in Annex E;
- Meets the requirements under State Aid;
- Meet the requirements relating to sustainable development, equality, diversity and equal opportunities cross-cutting themes;
- Retain and make available all documentation relating to the delivery of the project for a period as required under ESF rules, but which is likely to be for at least 3 years following the closure of the England 2014-20 ESF Operational Programme;
- Meet ESF reporting requirement for the provision of ESF participant management information to the ESF Intermediate Body and Managing Authority;
- Meet ESF programme evaluation requirements and participate in London or national ESF programme evaluation activity.

The provider must make its staff and resources available for and fully cooperate in any Audit Inspections to ensure that the City is able to satisfy ESF requirements concerning audit and inspection. Co-operation with audits will include:

- complying with requests from the ESF Audit Authority, National Audit Office, the European Commission, the European Court of Auditors and other authorised organisations to examine any documents held that relate to the delivery of ESF funded activity
- providing access to premises where the relevant documentation is held and reasonable assistance (including the provision of onsite, photocopying, facsimile, and telecommunications facilities) to facilitate the examination of such documents.

Employability

Performance

Rating

It will also be a requirement that the provider participate in the Employability Performance Rating, which uses management and performance information, supports Participant choice and collects evidence of Participant satisfaction, provides an evidence based track record of delivery against grant, improves transparency of contract management and provides a framework for lead delivery partners to performance manage subcontractors.

The Performance Rating is an annual employability performance rating that builds on the Skills Funding Agency's Framework for Excellence and DWP's Star Ratings, but has been adapted for use by regional and local authority and charity funded providers of skills and employment services.

The successful MA will be rated by the City and will be required to rate all of their subcontractors or delivery partners with an annual expenditure funded from the budget for Working Capital of more than £50,000. Lead provider and subcontractor / delivery partner ratings will be published.

Cross Cutting Themes

The themes of "**equal opportunities**" and "**sustainable development**" are required by EU regulation to be addressed throughout the implementation of the ESF programme.

Further information, guidance and requirements on the ESF cross-cutting themes can be found on the national ESF website or on EPMU's website (<http://www.london.gov.uk/esf/cross-cutting-themes>)

Providers (and CFOs as well) are required to promote the three cross-cutting themes during the various stages of the implementation of the programme/projects.

Publicity

All projects will be expected to publicise their funded project and send up to date messages on key performance indicators and case studies.

Full information on ESF publicity requirements can be found here <https://www.gov.uk/government/publications/european-structural-and-investment-funds-programme-guidance>

Monitoring and Reporting

The City of London will report to the Managing Authority for ESF on the progress of the ESF programme each quarter as part of the procedure for claiming funds. These reports will include data on participants, on project activities and on total expenditure. Successful applicants will therefore be required to submit reports at the end of each quarter. These reports will enable City to meet the ESF and its own reporting requirements but will also form the basis for monitoring your project progress and achievements. Successful projects may also be monitored by and have reports requested of them by the Borough providing the match funding.

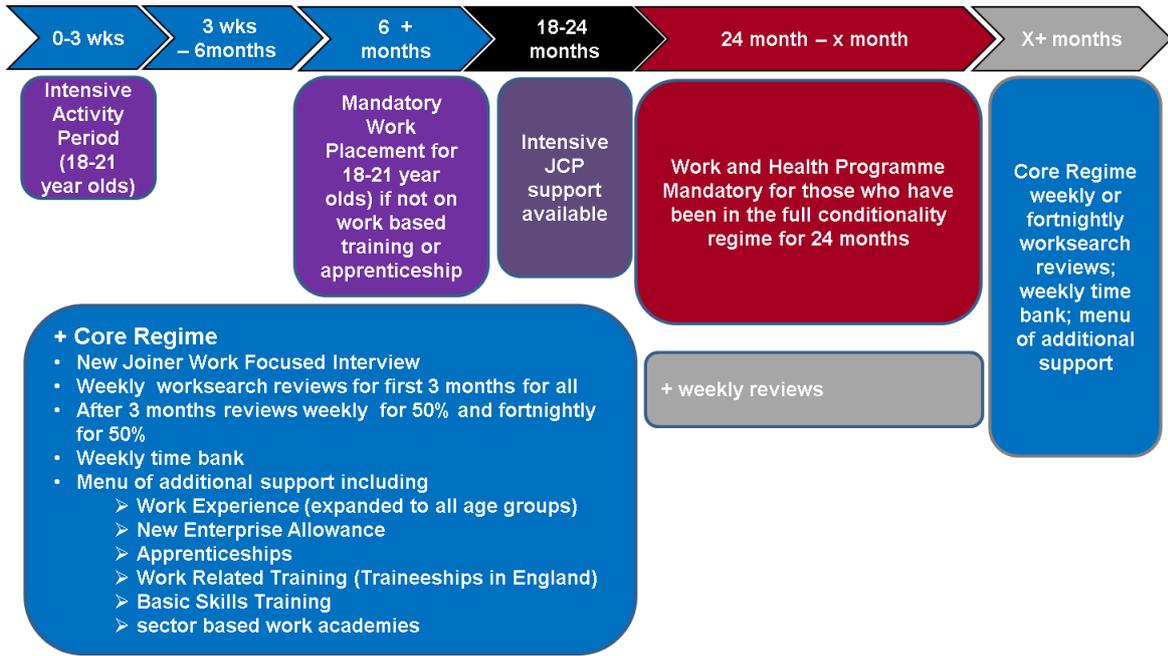
Evaluation

All projects will be expected to perform on-going evaluation of funded projects, providing interim reports to the ESF Managing Authority.

ANNEX 4: OTHER ADDITIONAL INFORMATION

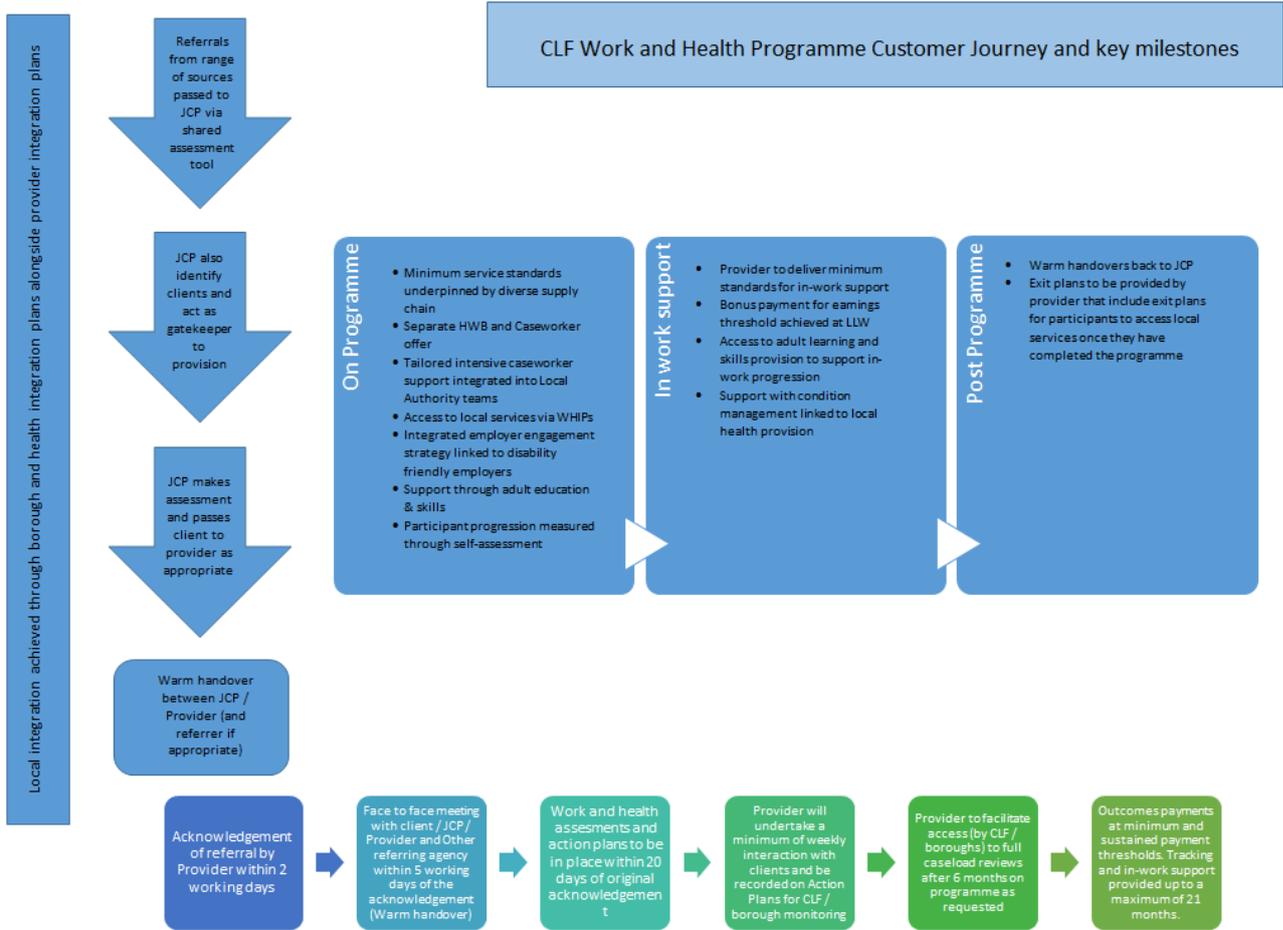
- [Local Enterprise Partnerships Information](https://www.lepnetwork.net/about-leps/)
<https://www.lepnetwork.net/about-leps/>
- Equality Act 2010 (Guidance)
<https://www.gov.uk/guidance/equality-act-2010-guidance>
- Official Journal of the European Union
<http://www.ojeu.eu/>
- European Social Fund (ESF) Requirements 2014 – 2020 (England Only)
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/488979/pg-chapter-11b.pdf
- United Nations Convention on the Rights of Person with Disabilities
<http://www.un.org/disabilities/convention/conventionfull.shtml>

ANNEX 5: JOBCENTRE PLUS CURRENT SINGLE OPERATING VIEW



ANNEX 6: WHP PARTICIPANT JOURNEY

CLF Work and Health Programme Customer Journey and key milestones



ANNEX 7: DEMOGRAPHIC PROFILE

	Total population (2015)	Population aged 16 to 64 (2015)	% with at least a degree level qualification (Jan-Dec 2015)	% with at least an NVQ level 2 qualification (Jan-Dec 2015)	Median gross weekly pay for full-time workers (residents) (2016)	Median gross weekly pay for full-time workers (workplace) (2016)	Jobs density (2015)	JSA claimant count (Dec 2016)	JSA claimant count - % of working age residents	Number of ESA/IB claimants (May 2016)	% of ESA/IB claimants (May 2016)
Camden	241,100	171,100 (71%)	61%	80%	£751	£697	2.23	2,022	1.2%	10,280	6.0%
City of London	8,800	6,400 (73%)	N/A	N/A	£1,034	£958	84.29	36	0.6%	140	2.2%
City of Westminster	242,300	175,300 (72%)	63%	80%	£785	£701	4.30	1,963	1.1%	9,720	5.5%
Hackney	269,000	194,000 (72%)	49%	72%	£613	£627	0.70	3,788	2.0%	13,070	6.7%
Haringey	272,900	193,000 (71%)	49%	75%	£581	£574	0.48	3,538	1.8%	11,460	5.9%
Islington	227,700	171,400 (75%)	63%	82%	£711	£740	1.45	2,717	1.6%	12,110	7.1%
Kensington and Chelsea	157,700	109,200 (69%)	65%	84%	£734	£557	1.36	1,137	1.0%	5,680	5.2%
Lambeth	324,400	242,000 (75%)	65%	82%	£614	£635	0.76	4,211	1.7%	12,510	5.2%
Lewisham	297,300	208,300 (70%)	53%	79%	£621	£601	0.40	3,670	1.8%	12,180	5.8%
Southwark	308,900	227,000 (74%)	57%	80%	£645	£698	1.27	2,590	1.1%	12,550	5.5%
Tower Hamlets	295,200	218,300 (74%)	46%	75%	£669	£849	1.35	3,560	1.6%	11,840	5.4%
Wandsworth	314,500	229,100 (73%)	66%	83%	£759	£620	0.62	2,254	1.0%	8,790	3.8%
Central London	2,718,700	2,145,100 (79%)	57%	78%	N/A	N/A	1.53	31,486	1.5%	120,340	5.6%
London Overall	8,673,700	5,907,800 (68%)	50%	76%	£632	£671	0.98	74,557	1.3%	293,280	5.0%
Great Britain	63,258,400	40,066,400 (63%)	37%	74%	£541	£540	0.83	466,694	1.2%	2,464,740	6.2%

MEMORANDUM OF UNDERSTANDING

ANNEX 8: INITIAL MANAGEMENT INFORMATION

The performance of CLW will be monitored and managed by the CLF contract manager in association with membership boroughs. The full reporting and performance management process and requirements will be set out at the award of contract however will likely include the following information, which will be reported by borough and CPA unless otherwise agreed.

Management Information Requirements (initial)	Reporting
Number of referrals from JCP to CLW	Monthly
Number of referral interviews by Provider	Monthly
Number of attachments to CLW following referral	Monthly
Number of attachments as a % of cumulative profile	Monthly
Highest number of working days referral to interview	Monthly
Average number working days referral interview to attachment	Monthly
Number participated in job interviews by borough and CPA	Monthly
Number participated in work placements by borough and CPA	Monthly
Number participated in voluntary work by borough and CPA	Monthly
Number participated in a work trial by borough and CPA	Monthly
Number achieved a new skill by borough and CPA	Monthly
Number and % accessing health service as required in their assessment	Monthly
Number of Participants referred to JCP re Work Related Activity	Monthly
Number of Participants exiting CLW as completers by borough and CPA	Monthly
Number of Participants exiting CLW early by borough by reason and CPA	Monthly
Number of Participants entering employment	Monthly
Number of Participants achieving a lower earnings outcome	Monthly
Number of Participants achieving a higher earnings outcome	Monthly
Number of Participants achieving a self-employed outcome	Monthly
Early exits as a % of total exits	Monthly
Annual expenditure compared to budget expenditure for year	Annual
Age Analysis of Participants in CLW, including outcome analysis	Monthly
Ethnicity analysis of Participants in CLW (categories to be agreed), including outcome analysis	Monthly
Gender Analysis of Participants in CLW, including outcome analysis	Monthly
Marital Status Analysis of Participants in CLW, including outcome analysis	Monthly
Faith group Analysis of Participants in CLW, including outcome analysis	Monthly
Number and ages of dependant children, including outcome analysis	Monthly
Housing tenure analysis (incl. homeless), including outcome analysis	Monthly
Participant length of unemployment at attachment	Monthly
Participant highest qualification achieved at attachment	Monthly
Participant highest numeracy/ maths achieved at attachment	Monthly
Participant highest literacy achieved at attachment	Monthly
Participant primary health issues (DWP classification) at attachment	Monthly
Participant secondary health issues (DWP classification) at attachment	Monthly
Participant criminal record history (where known)	Monthly
Barriers to work reported by Participant on assessment	Monthly

MEMORANDUM OF UNDERSTANDING

Key confidence/ attitude measures at assessment	Monthly
Personal Outcomes – support by type received by % of Participants	Monthly
Key confidence/ attitude measures at exit	Monthly

MEMORANDUM OF UNDERSTANDING

SCHEDULE 8.
MEMORANDUM OF UNDERSTANDING WITH DWP



CLF - DWP signed
MOU.pdf

Full name: Memorandum of understanding for joint working by public bodies.

DATED

2017

MEMORANDUM OF UNDERSTANDING

between

- (1) THE LORD MAYOR AND CITIZENS OF THE CITY OF WESTMINSTER
- (2) THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF CAMDEN
- (3) THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF ISLINGTON
- (4) THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF LAMBETH
- (5) THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF SOUTHWARK
- (6) THE MAYOR AND BURGESSES OF THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA
- (7) THE MAYOR AND COMMONALTY AND CITIZENS OF THE CITY OF LONDON
- (8) THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF WANDSWORTH
- (9) **THE LONDON BOROUGH OF HACKNEY**
- (10)**THE LONDON BOROUGH OF HARINGEY**
- (11)**THE LONDON BOROUGH OF TOWER HAMLETS**
- (12)**THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF LEWISHAM**

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MEMORANDUM OF UNDERSTANDING

THIS AGREEMENT is dated

2017

PARTIES

The parties to this memorandum of understanding **MoU** are:

- (1) **THE LORD MAYOR AND CITIZENS OF THE CITY OF WESTMINSTER** of Westminster City Hall, 64 Victoria Street, London SW1E 6QP
- (2) **THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF CAMDEN** of Town Hall, Judd Street, London WC1H 9JE
- (3) **THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF ISLINGTON** of Town Hall, Upper Street, N1 2UD
- (4) **THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF LAMBETH** of Town Hall, Brixton Hill, London SW2 1RW
- (5) **THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF SOUTHWARK** of Town Hall, Peckham Road, London SE5 8UB
- (6) **THE MAYOR AND BURGESSES OF THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA** of Town Hall, Horton Street, London W8 7NX
- (7) **THE MAYOR AND COMMONALTY AND CITIZENS OF THE CITY OF LONDON (“the City”)** of PO Box 270, Guildhall, London EC2P 2EJ
- (8) **THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF WANDSWORTH** the Town Hall Wandsworth High Street London SW18 2PU
- (9) **THE LONDON BOROUGH OF HACKNEY** of Hackney Town Hall, Mare Street, London, E8 1EA (**Hackney**); and
- (10) **THE LONDON BOROUGH OF HARINGEY** of Civic Centre, High Road, Wood Green, London, N22 8LE (**Haringey**); and
- (11) **THE LONDON BOROUGH OF TOWER HAMLETS** of Town Hall, Mulberry Place, 5 Clove Crescent, London, E14 2BG (**Tower Hamlets**); and
- (12) **THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF LEWISHAM** of **Lawrence House, 1 Catford Road, Catford, London, SE6 4RU**

(hereinafter referred to jointly as “Authorities” and individually as an “Authority”)

1. **BACKGROUND**

- 1.1. The Authorities entered into a joint venture agreement for Central London Forward on 11th February 2008 (“First Agreement”) which was subsequently varied on 8th June 2009 (“First Extension”), 20th March 2012 (“Second Extension”) and 12th February 2015 (“Third Extension”) and together known for the purposes of this MOU as “the Preceding Agreements”.
- 1.2. The Third Extension introduced a new clause 15.3 which required that each Special Project

MEMORANDUM OF UNDERSTANDING

had an associated memorandum executed by the participating authorities. This MOU is being entered into pursuant to the provisions of clause 15.3 for the implementation of the Special Project described in Appendices 1 and 2.

- 1.3. The Authorities wish also to record the basis on which they will collaborate with each other on the Special Project. This MoU sets out:
 - 1.3.1. the key objectives of the Special Project (appendix 1);
 - 1.3.2. the principles of collaboration (appendix 2);
 - 1.3.3. the respective roles and responsibilities the Authorities will have during the Special Project (Appendix 2).
- 1.4. The same definitions and terminology used in the First Agreement, the First, Second and Third Extension shall be used herein.

2. **KEY OBJECTIVES FOR THE PROJECT**

- 2.1. The Authorities shall undertake the Special Project to achieve the key objectives set out in Appendix 1 to this MoU (**Key Objectives**).
- 2.2. The Authorities acknowledge that the position with regard to the Special Project and the contributions already made (financial and otherwise) is as detailed in Appendix 2 and subsequent progress reports to the Authorities. The Parties acknowledge that prospectively further funding details and other associated costs of and relating to the Special Project will be decided by the relevant CLF Board Meeting.

3. **PRINCIPLES OF COLLABORATION**

- 3.1. The Authorities agree to adopt the following principles when carrying out the Special Project (**Principles**):
 - 3.1.1. collaborate and co-operate. Establish and adhere to the governance structure set out in the Preceding Agreements to ensure that activities are delivered and actions taken as required;
 - 3.1.2. be accountable. Take on, manage and account to each other for performance of the respective roles and responsibilities set out in this MoU and the Preceding Agreements;
 - 3.1.3. be open. Communicate openly about major concerns, issues or opportunities relating to the Special Project;
 - 3.1.4. learn, develop and seek to achieve full potential. Share information, experience, materials and skills to learn from each other and develop effective working practices, work collaboratively to identify solutions, eliminate duplication of effort, mitigate risk and reduce cost;
 - 3.1.5. adopt a positive outlook. Behave in a positive, proactive manner;
 - 3.1.6. adhere to statutory requirements and best practice. Comply with applicable laws and standards including EU procurement rules, data protection and freedom of information legislation. In particular the parties agree to comply with the requirements of the Memorandum of Understanding with DWP as attached to this MoU in Appendix 3;
 - 3.1.7. act in a timely manner. Recognise the time-critical nature of the Special Project and respond accordingly to requests for support;
 - 3.1.8. manage stakeholders effectively;

MEMORANDUM OF UNDERSTANDING

- 3.1.9. deploy appropriate resources. Ensure sufficient and appropriately qualified resources are available and authorised to fulfil the responsibilities set out in this MoU; and
- 3.1.10. act in good faith to support achievement of the Key Objectives and compliance with these Principles.

4. **SPECIAL PROJECT MANAGEMENT**

- 4.1. If any of the Authorities receives any formal inquiry, complaint, claim or threat of action from a third party (including, but not limited to, claims made by a supplier or requests for information made under the Freedom of Information Act 2000) in relation to the Special Project, the matter shall be promptly referred to the City. No action shall be taken in response to any such inquiry, complaint, claim or action, to the extent that such response would adversely affect the Special Project, without the prior approval of the City.

5. **TERM AND TERMINATION**

- 5.1. This MoU shall commence on the date of signature by each Authority, and shall expire on completion of the Special Project.

6. **VARIATION**

- 6.1. This MoU, including the Appendices, may only be varied by written agreement of all the Authorities.

7. **CHARGES AND LIABILITIES**

- 7.1. Except as otherwise provided, the Parties shall each bear their own costs and expenses incurred in complying with their obligations under this MoU.

8. **STATUS**

- 8.1. Without prejudice to the Preceding Agreements this MoU does not purport to grant any rights additional to those already granted by the Parties. The Parties enter into the MoU intending to honour all their obligations.
- 8.2. Nothing in this MoU is intended to, or shall be deemed to, establish any partnership or joint venture between the Parties, constitute either Party as the agent of the other party, nor authorise either of the Parties to make or enter into any commitments for or on behalf of the other Party.
- 8.3. This MoU may be executed in any number of counterparts, each of which when executed and delivered shall constitute an original, but all the counterparts shall together constitute the same instrument. No counterpart shall be effective until each Party has executed at least one counterpart.

9. **GOVERNING LAW AND JURISDICTION**

- 9.1. This MoU shall be governed by and construed in accordance with English law and, each Party agrees to submit to the exclusive jurisdiction of the courts of England and Wales.

SIGNED BY: a duly authorised signatory of
THE LORD MAYOR AND CITIZENS OF THE CITY OF WESTMINSTER

on the 2017

MEMORANDUM OF UNDERSTANDING

SIGNED BY: a duly authorised signatory of
THE LORD MAYOR AND COMMONALTY AND CITIZENS OF THE CITY OF LONDON

on the 2017

SIGNED BY: a duly authorised signatory of
THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF CAMDEN

on the 2017

SIGNED BY: a duly authorised signatory of
THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF ISLINGTON

on the 2017

SIGNED BY: a duly authorised signatory of
THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF LAMBETH

on the 2017

SIGNED BY: a duly authorised signatory of
THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF SOUTHWARK

on the 2017

SIGNED BY: a duly authorised signatory of
THE MAYOR AND BURGESSES OF THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA

on the 2017

SIGNED BY: a duly authorised signatory of
THE MAYOR AND COMMONALTY AND CITIZENS OF THE CITY OF LONDON

on the 2017

SIGNED BY: a duly authorised signatory of
THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF WANDSWORTH

MEMORANDUM OF UNDERSTANDING

on the 2017

SIGNED BY: a duly authorised signatory of
THE LONDON BOROUGH OF HACKNEY

on the 2017

THE LONDON BOROUGH OF HARINGEY

SIGNED BY: a duly authorised signatory of
THE LONDON BOROUGH OF TOWER HAMLETS

on the 2017

SIGNED BY: a duly authorised signatory of
THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF LEWISHAM

on the 2017

**APPENDIX 1
KEY OBJECTIVES**

Central London Work and Health Programme: Programme Overview

- 1.1 The model will broadly replicate the Working Capital pilot model – appointing one provider to deliver core employability services and integrate these with wider local and health support.
- 1.2 The funding envelope devolved for the CLF WHP is expected to be around £53m to support approximately 21,000 participants.
- 1.3 The scheme will be primarily Payment by Results. 30% of the contract value will fund core services (i.e. non-employment outcomes, health outcomes, service delivery), with the remaining 70% of the contract available for earnings related outcomes.
- 1.4 The model will include two outcome payments. The first paid at the DWP threshold (participants earning £3,000), worth around 50% of total contract value attached to this first threshold. The second threshold will be set at £5,300 – the equivalent of working LLW at 21hrs for 26 weeks. The weighting of the second threshold will be considerably lighter, approximately 15% of total contract value. Both will be updated in link with changes to NMW/LLW.
- 1.5 Providers will be encouraged to bid up against these benchmarks, and thus reducing the outcome payments they will receive.
- 1.6 We expect the appointed Provider to come forward with creative proposals for how they will design services to complex groups, however CLF will demand a number of core programme features from providers including:
 - Assessment and action planning
 - Integration of traditional employment support with local services, underpinned by a detailed borough offer from the 12 core and associate CLF members.
 - Direct or commissioned delivery of appropriate health support where it is not available locally, financed by the provider.
 - Half a dozen Service Standards, including contact hours, maximum caseload sizes, and assessment deadlines.
 - A range of non-employment outcomes to ensure that everyone on the programme has either improved health or employability. The targets will be agreed with the provider, but if the provider falls short on Service Standards and non-employment outcomes, the Service Fee will be reduced until the programme is back on track.
- 1.7 Participants who have made no progress on the programme after 9 months will have their cases reviewed, and their action plans amended in case conferences with CLF programme officers and senior borough officers.

MEMORANDUM OF UNDERSTANDING

- 1.8 Boroughs will not sign off individual action plans in most cases – however senior borough officers will review random samples. Unsatisfactory action plans will be returned to the provider for improvements.

CLF, February 2017

APPENDIX 2
CLF BOARD MEETING MINUTES

GOVERNANCE AND RESOURCES FOR CENTRAL LONDON'S WORK ON
EMPLOYMENT AND SKILLS

1. INTRODUCTION

- 1.1. The Leaders of Central London Forward local authorities and the boroughs of Lewisham, Hackney, Tower Hamlets and Haringey have agreed to work together on a single geographical footprint for the purposes of employment and skills devolution. This note sets out a *Governance* and *Resource* proposition for the co-ordination and leadership of a new programme of work on employment and skills devolution.

2. RECOMMENDATIONS

2.1 The Board is asked to:

- a. **Note** the Board's wish for separation between CLF and any new work with a wider group of boroughs in Central London and past financial investment in supporting Central London Forward (annex A);
- b. **Agree** to convening and the participation in a Special Meeting of the new partnership to agree terms or reference, governance, subscriptions and operating model alongside any urgent business for the partnership such as discussion of the devolved Work and Health Programme.
- c. **Indicate** preferences for a future governance model associated with a new partnership;
- d. **Comment** on the proposed future subscription model for the new partnership which would form the basis of any future recommendation

3. A NEW PARTNERSHIP ON EMPLOYMENT SKILLS IN CENTRAL LONDON

- 3.1. Following a steer from CLF Board Members and the agreement of Leaders Lewisham, Hackney, Tower Hamlets and Haringey a new partnership is being created to take forward future work on employment and skills devolution. Whilst a full workstream will need to be agreed, in the short-term this is likely to include:
- A strategic policy and co-ordination function including developing a business plan for this new partnership, governance structures and a new vision and strategy for employment and skills in Central London
 - The design, procurement and implementation of the Work and Health Programme that is launched in October 2017 [up to £50m over 5 years]
 - Applying and agreeing ESF Co-financing status for the new partnership (via a single accountable body)
 - Co-ordination and implementation of the Area Review of Skills including executing a new annual planning cycle for skills
 - Development of plans for the devolution of skills in 2018 and any associated initiatives from the Area review of skills
 - The creation and administration of an Employment and Skills Board
- 3.2. Given the strategic importance of this work, future powers and investment associated with devolution and following on-going dialogue with the extended boroughs it is necessary to

MEMORANDUM OF UNDERSTANDING

develop a governance model that provides all proposed members with the opportunity to influence and agree on the future work plan, governance models and subscriptions:

(b) Recommendation: *We propose convening a Special Meeting of the Leaders of all the Local Authorities across this new geographical footprint to agree an approach. Such a meeting would also enable Leaders to discuss the immediate business associated with the Work and Health Programme which will require political sign-off.*

- 3.3. There are a number of governance models that can support this work including:
- A Full Board made up of the Leaders of each of the Local Authorities;
 - A smaller membership that includes nominated representatives of CLF and Leaders from the extended boroughs;
 - Partnership chaired jointly by a nominated Leader from CLF and an extended Borough alongside the Cabinet leads for Employment and Skills from each authority
 - Delegated Authority to Senior Officers on behalf of Leaders
- 3.4. *Board Members are asked to indicate a preference for any future partnership governance arrangements to aid officers in the development of an approach that will be palatable to Board Members.*

4. DEVELOPING A RESOURCING MODEL FOR THE NEW PARTNERSHIP

- 4.1. Recognising the financial constraints in local authorities it is our intention to limit any costs associated with the new partnership by:
- Cross subsidising management and core corporate functions between CLF and the New Partnership;
 - Splitting the core strategic and co-ordination functions of the new partnership from any future delivery functions
 - Applying lean principles to the development of any new delivery function including seeking administrative/programme management funding [where applicable]
- 4.2. To deliver the range of outputs in 3.1 and a core strategic co-ordination function we propose that the New Partnership will require a **£20k annual subscription per borough**. This subscription will cover:
- Salaries and on-costs of a small core team:
 - Director (0.5FTE), 1.5FTE Policy Managers, (0.5FTE) Business and Secretariat Manager, 1FTE Secretariat and Business Officer
 - Overheads associated with roles including office/desk space, corporate and HR functions
 - Associated policy and consultancy costs to support the work of the partnership's strategic work on devolution.
- 4.3. Investment above and beyond this, such as administration costs for projects or initiatives like the devolved Work and Health Programme, will require a bespoke business case approved by the New Partnership's Board. This investment would be ring-fenced for the purposes of the bespoke project only. Board Members should also note that investment in this New Partnership would be offset by a modest reduction in the subscription for CLF in future years.

Recommendation (d): *Board Members are asked to comment on the proposed future subscription model for the new partnership which would form the basis of any future recommendation.*

MEMORANDUM OF UNDERSTANDING

ANNEX A: BACKGROUND ON CLF RESOURCES

Central London Forward is a strategic partnership created to enable the eight member authorities to work together on strategic areas of interest. Historically, its remit has been limited and its structure has been lean as a result. The core team is just two posts, a Director and Policy Officer, supported and housed by the City of London Corporation to enable CLF to draw on the City of London's wider corporate function. As a result the member subscription for CLF is a relatively modest £25k per year.

More recently CLF and its members have been at the forefront of developing new thinking on employment policy and in 2015 as part of the London Growth Deal CLF developed a new pilot approach to localised employment support that became the forerunner for unlocking the devolution of the Work and Health Programme in this parliament. To support this work and a more expansive work stream on devolution in the past two years individual members have provided additional financial support:

- A. £25k in 14/15 focussed on the development work associated with Working Capital in 2014/15;
- B. £19K in 15/16 focussed on Employment and Skills Devolution in 15/16 including making the case for localising the Work and Health Programme, co-ordinating the Central London Area Based Review of Skills and wider development of options for devolved skills.

This nominal top-up has been supplemented by an administrative budget funded from ESF for the management of Working Capital (agreed as part of the Growth Deal) @ £145K per year (ca.8% of programme costs). This includes two staff focussing exclusively on Working Capital (Programme Manager, Programme Officer) and 1 day per month for the CLF Director.

WORKING IN PARTNERSHIP WITH LEWISHAM, HACKNEY, HARINGEY AND TOWER HAMLETS ON EMPLOYMENT AND SKILLS

OVERVIEW

This note makes the case for including the boroughs of Lewisham, Hackney, Tower Hamlets and Haringey in a central London area geography for Employment and Skills devolution.

DEFINING CENTRAL LONDON

There is no single definition of *Central London* that can be easily applied to a definition for Central London Forward or for sub-regional partnership purposes. Historically, a number of different definitions have been used for administrative purposes against a series of spatial definitions (see annex A) and it can be argued that a series of key characteristics or traits that would define a London borough as *central* could be used as well.¹ Indeed, against some measures some members of CLF would also not be categorised as a central London borough.

FIT WITH CENTRAL LONDON AND CENTRAL LONDON FORWARD

Against many of the characteristics and spatial footprint definitions Hackney and Tower Hamlets could be defined as Central London boroughs. Indeed both are included as part of the Central Activities Zone and the more recent expansion into these boroughs of start-up firms and tech companies, in addition to high concentrations of financial and professional services in Canary Wharf and activities in the city fringe fit with this assessment. The case for their inclusion is robust and both areas have a history of working in partnership with CLF members.

The case for Haringey and Lewisham is weaker, but not without merit. Both are classified as Inner London boroughs using the ONS definition. More recently both are experiencing rapidly changing demographics including increased gentrification and the number of residents with degrees, as well as commuting and travel to learn patterns where their residents work or study in central London. In Lewisham the joint work between Southwark and Lambeth on Employment and Skills including the establishment of a Joint Committee makes collaboration easier and serves as evidence of their compatibility. This is also supported by their inclusion in the European Social Fund's Central Contract Package Area although the GLA have suggested privately that this boundary could be changed if required.

CASE FOR EXTENDING BEYOND CLF BOUNDARIES FOR EMPLOYMENT AND SKILLS

Aside from the above debate on fit with *central* London there are a series of pragmatic reasons why an extended geography could be made to work for employment and skills for the purposes of a devolved programme, including:

- **Economic geography of London.** The geography for Central London's labour market is not bound by the geographies of London's sub-regional partnerships, nor do people's perceptions of central London stop at borough boundaries. Given much of the work on skills and employment is heavily geared towards policy thinking on labour supply and labour demand a broader geography fits with this mandate (albeit for some of the suggested boroughs better than others).

¹ such as high land values and high density built environment, net importer of commuters (by day, highly skilled workforce, sectoral profile specialising in high value added industries and services and large concentrations amongst others

MEMORANDUM OF UNDERSTANDING

- **Commuting patterns.** One of the stronger cases linked to the economic geography point above is commuting patterns and the “pull” factors associated with the jobs market in central London which draws its talent from a far larger labour pool than CLF’s boundaries. Of course this is broader than the suggested neighbouring boroughs, but both Lewisham and Haringey have argued in the past that a large proportion of their residents work in central London (and that this is larger than other London boroughs as a proportion of total workers).
- **Travel to learn patterns.** The concentration of certain sectors and their scale in central London has created an education and training offer in central London that draws learners from a much wider geographical footprint as colleges and training providers try to capitalise on proximity to key sectors and incorporating industry specific learning to their provision (i.e. catering, retail etc). Therefore travel to learn patterns are much more diverse and broader than our existing boundaries.
- **Making Devolution in London work.** It is clear that London needs to make urgent progress on defining the sub-regional geography for a deal on the Work and Health Programme. Central London leaders have been at the forefront of championing the case for devolution and seeking pragmatic ways of ensuring London is well positioned to deliver against these opportunities. Whilst making a concession on geographical boundaries is not ideal it is consistent with the leadership that Central London has shown and on finding pragmatic solutions to devolutionary issues.
- **Precedents on different geographies.** The Devolution commitments made in London are not confined to fixed local partnership boundaries and are based on what works for that policy area. This was a key principle agreed by Leaders in London. For instance, health boundaries are driven by CCG arrangements rather than sub-regional economic partnerships. So a slightly different geography is not incompatible with this approach. And Leaders in CLF can make a clear distinction between our agreement to work together for the purpose of employment and skills devolution and our on-going work and membership of CLF which would not be included as part of this arrangement.
- **CLF mandate to work beyond our boundaries.** At the December Board meeting Leaders agreed to work more closely with some of our neighbouring boroughs on key issues where a case could be made. The expansion for the specific purposes of employment and skills is not inconsistent with this decision.
- **Alignment with Area Based Review.** There is clearly a case for aligning skills boundaries to employment support boundaries to aid in the ability to integrate complementary services. A wider geography was agreed at a London Council’s Executive meeting before Christmas and so enabling a similar boundary to be created for employment support would strengthen the case on integration and co-investment of these services.

CLARITY ON SCOPE AND GOVERNANCE

In order to make this work for CLF members it is important that there is clarity on the parameters for the new arrangement. The extended geography and joint working arrangements would be confined to employment and skills as they relate to new devolution activity only, and we would not look to retrofit existing schemes. The existing membership of the CLF Board would not be changed and the Board will remain the principle form of governance for CLF.

MEMORANDUM OF UNDERSTANDING

We would also seek assurances that partners under a new arrangement on employment and skills were broadly content with our policy direction of travel. Moreover, for the purposes of employment support this would include a commitment to develop further the approach that CLF has trail blazed with Working Capital as part of the Work and Health Programme.

In line with December's Board decision and the agreement that CLF is not looking to expand at this time, we would make this clear in forming this new arrangement and re-iterate that this arrangement was not an invitation to join Central London Forward.

To facilitate and agree approaches officers would need to create a separate time-limited governance structure and explore how the new members would contribute resources to support the work in the same way that CLF boroughs have made of employment and skills programmes to date.²At this juncture we would not seek to set up a formal Leader's group for employment and skills, but in the event that we needed to agree an approach we would create a separate session for leaders to endorse proposals. It is envisaged that the day to day operation of any future scheme once developed would report into senior officers rather than Leaders unless this was explicitly requested.

² CLF have since established an employment and skills board.

MEMORANDUM OF UNDERSTANDING

Annex A: Selected definitions of Central London

<p>1957–1960 Evidence to the Royal Commission on Local Government in Greater London</p>	<p>Range of definitions:</p> <ul style="list-style-type: none"> ▪ a spatial split that captured major London rail stations, the Tower of London and museums that encompassed the City of London, Westminster, Holborn, Finsbury and the inner parts of St Marylebone, St Pancras, Chelsea, Southwark and Lambeth; ▪ A spatial split that included most of the City of London, the whole of Finsbury and Holborn, most of Westminster and Southwark, parts of St Pancras, St Marylebone, Paddington and a small part of Kensington; ▪ City of London, all of Westminster, Holborn and Finsbury; and the inner parts of Shoreditch, Stepney, Bermondsey, Southwark, Lambeth, Chelsea, Kensington, Paddington, St Marylebone and St Pancras.
<p>Findings of the Royal Commission on Local Government in Greater London</p>	<p>Central London included a spatial geography distinguished by:</p> <ul style="list-style-type: none"> ▪ the inclusion within its boundaries of Houses of Parliament, Royal Palaces, Whitehall, the Law Courts, HQ’s of very large commercial and industrial firms and institutions of intellectual life, and centres of activity that attract people from across Greater London and beyond; and ▪ A unique set of characteristics including high land values, significantly higher day population than at night, traffic intensity and larger offices developments associated with head offices.
<p>London Plan (2008)</p>	<ul style="list-style-type: none"> ▪ Central Activities Zone which includes City of London, most of Westminster and the inner parts of Camden, Islington, Hackney, Tower Hamlets, Southwark, Lambeth and Kensington and Chelsea and is described as a “<i>unique cluster of vitally important activities including central government offices, headquarters and embassies, the largest concentration of London’s financial and business services sector and the offices of trade, professional bodies, institutions, associations, communications, publishing, advertising and the media.</i>”
<p>London Plan sub-regional definitions</p>	<p>For Strategic planning purposes the GLA uses a Central London sub-region in the London Plan. The geography of which has changed:</p> <ul style="list-style-type: none"> ▪ 2004 -2008 it included Camden, Islington, Kensington and Chelsea, Lambeth, Southwark, Wandsworth and Westminster. ▪ Since 2011 it has included Camden, City of London, Islington, Kensington and Chelsea, Lambeth, Southwark, and Westminster
<p>Inner London [statutory definition] into effect from 1965</p>	<p>This definition is still used as part of the Local Government Act 1963 and includes 12 Inner London Boroughs of Camden, Islington, Kensington and Chelsea, Lambeth, Lewisham, Southwark, Wandsworth, Westminster, Tower Hamlets, Greenwich, Hackney. The City of London Corporation is not classed as an Inner London Borough but is included as an Inner London Local Authority.</p>
<p>Inner London [ONS definition]</p>	<p>The ONS uses a variant of the statutory definition that excludes Greenwich but includes Haringey, Newham and the City of London Corporation.</p>

MEMORANDUM OF UNDERSTANDING

APPENDIX 3
MEMORANDUM OF UNDERSTANDING WITH DWP



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Agenda Item 6

Chief Officer Confirmation of Report Submission		
Cabinet Member Confirmation of Briefing		
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"/>

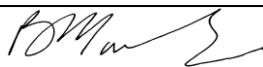
Date of Meeting	21 June 2017
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Title of Report	Local Authority Governor Nominations
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Originator of Report	Suhaib Saeed	Ext. 47670
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At the time of 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: 25 May 2017

Signed:  Executive Director

Date: 24 May 2017

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

MAYOR AND CABINET			
Report Title	Local Authority Governor Nominations		
Key Decision	No	Item No.	
Ward	Whitefoot, Bellingham, Crofton Park		
Contributors	Executive Director for Children and Young People Head of Law		
Class	Part 1	Date:	21 June 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 Local Authority governors for the schools listed in paragraph 6 below.

2. Purpose

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

3. Recommendation/s

The Mayor is recommended to:

- 3.1 note the information concerning the recommended nominated governors in Appendix 1.

- 3.2 agree to nominate the persons 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, as amended by The School Governance (Constitution and Federations) (England) (Amendment) Regulations 2016, 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 nominees have the requisite skills and experience required to be effective in their role as a Local Authority nominated governor.
- 5.4 A Local Authority governor vacancy will arise on the governing body of the schools 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 individuals set out in paragraph 6 would serve the normal 4 years if appointed. The governing body of the respective schools would like to appoint them to the role of Local Authority governor at the next governing body meeting and thus a nomination is required to enable this to happen.

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

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

Name	School
Ms. Victoria Whittle	Conisborough College
Mr. George Kwasniewski	King Alfred Federation
Ms. Lucy Robertson	Stillness Junior

7. Financial implications

7.1 There are no financial implications arising from this report.

8. Legal implications

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

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:
<https://www.equalityhumanrights.com/en/advice-and-guidance/equality-act-codes-practice>
<https://www.equalityhumanrights.com/en/advice-and-guidance/equality-act-technical-guidance>
- 8.7 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](#)
- 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 individuals detailed in Appendix 1 view 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 persons 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 –Services to Schools, 3rd 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
Victoria Whittle	Conisborough College	Head of Employment and Training – Clarion Housing Group	SE13	<p>Victoria joined the Catford Girls governing body in 2001 as a parent governor. She has served as Vice Chair for eight years and took over as Chair of Conisborough College in September 2015. Her role of Head of Employment and Training for the largest national Housing Association in the UK, puts her in touch with a number of secondary schools and colleges where as a team, they deliver careers advice and promote apprenticeship and graduate opportunities.</p> <p>Victoria currently sits on the Mayors Homes for Londoners construction skills sub group and she is also a governor on the South East London Colleges (a merger of Bromley, Greenwich and Bexley colleges) Corporation.</p>	Female Black British
George Kwasniewski	King Alfred Federation	Consultant	SE6	<p>George is presently Chair at Launcelot Primary School and the former Vice Chair at King Alfred Federation. George’s term of office as a Local Authority governor at King Alfred Federation (Athelney and Elfrida Primary Schools) is due to end and thus a nomination is required. George is a National Leader of Governance and a governor trainer with Lewisham Local Authority whose skills are needed on the governing body at King Alfred Federation.</p>	Male White British

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

Lucy Robertson	Stillness Junior	Educational Psychologist	SE23	Lucy is a qualified teacher and educational psychologist. She has taught in special and mainstream schools in Southwark and Newham and worked as an educational psychologist in Newham, Greenwich and Kent. She has extensive knowledge of SEN and experience of promoting mental health and well-being in schools. Her skills also include data analysis and interpretation. The governing body would benefit from the skills and experience Lucy has.	Female White British
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Agenda Item 7

Chief Officer Confirmation of Report Submission	
Repc 	Cabinet
Mayor and Cabinet (Contracts)	<input checked="" 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"/>	

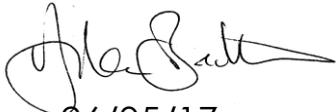
Date of Meeting	21 June 2017
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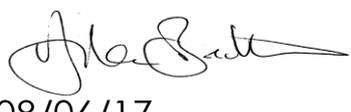
Title of Report	Response to Referral from Healthier Communities Select Committee – In depth report into Integration of Health and Social Care in Lewisham
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Originator of Report	Aileen Buckton, Executive Director for Community Services	Ext. 48107
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At 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 Director
 Date 26/05/17

Signed  Cabinet Member
 Date 08/06/17

Control Record by Committee Support

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

Mayor and Cabinet		
Title	Response To Referral From Healthier Communities Select Committee – In depth report into Integration of Health and Social Care in Lewisham	
Contributor	Executive Director for Community Services and Lewisham Health and Care Partners	Item
Class	Part 1 (open)	21 June 2017

1. Summary

- 1.1. This report sets out the proposed response to the recommendations made by the Healthier Communities Select Committee following the Committee's review of the integration of health and social care in Lewisham.

2. Recommendation

- 2.1. Mayor and Cabinet is recommended to:

- Approve the officer response to the recommendations made by the Healthier Communities Select Committee, and
- Agree that this report be forwarded to the Select Committee.

3. Background

- 3.1. The scrutiny process in Lewisham enables councillors to examine the performance of the Council and partners, to ask questions on how decisions have been made, and the performance of local services, investigate issues of local concern to consider whether service improvements can be put in place and make recommendations to this effect.
- 3.2. In July 2016 the Healthier Communities Select Committee agreed the scope of an in-depth review into the Integration of Health and Social Care in Lewisham and evidence sessions were held between September 2016 and January 2017.
- 3.3. In September 2016 the Committee heard from Lewisham Health Care Partners (LHCP) on the plans, successes and challenges of developing and delivering integrated care. In October 2016 the Committee heard from the Local Government Association, London Councils, Public World, and Age UK Lewisham and Southwark. In January 2017 the Committee heard from Health watch Lewisham, the Lewisham Pensioners' Forum, and the Lewisham Coalition.
- 3.4. The Committee agreed the report of its findings, and resultant recommendations, at its meeting on 1 March 2017.
- 3.5. On 22 March 2017, Cllr John Muldoon, Chair of the Healthier Communities Select Committee presented to Mayor and Cabinet and findings of the review. On receipt of the report and recommendations, the Mayor resolved that the Executive Director for Community Services be asked to provide a response for his consideration.

4. Recommendations and responses

4.1. After consideration of the evidence taken within the review, the Healthier Communities Select Committee made 15 recommendations as a result of the review. The recommendations are listed below, along with the proposed responses for Mayoral consideration.

4.2. Recommendation 1: Lewisham Health and Care Partners (LHCP) should return to the Committee with an update on the progress of the “ward at home” scheme within six months of the conclusion of this review.

Response: The CCG has been working with providers in developing a Discharge to Assess model (D2A) of care “ward at home” for a cohort of patients in order to facilitate early discharge from LGT and ensure that assessments of on-going care take place in the community. The D2A commenced 20th March 2017 and is a pilot to inform the longer term modelling of discharge pathways in Lewisham. An update will be provided to the Committee in 6 months.

4.3. Recommendation 2: LHCP should monitor the figures for discharge delays caused by having to make arrangements for non-Lewisham residents to be discharged outside of the borough. They should also maintain regular contact with partners in other boroughs to tackle these delays as effectively as possible. LHCP should provide the Committee with an update within six months of the conclusion of this review.

Response: All Delayed Transfers of Care (DTC) are monitored and reported weekly to the NHS, and to the Association of Directors of Adult Social Care (ADASS) on the London Monitoring System. The Council and its partners meet twice a week to discuss people who are ready for discharge, this includes residents of other boroughs who are in acute beds. Senior Adult Social Care managers escalate delays to senior managers in other boroughs and work with them where possible to reduce the length of delays. Most delays are due to complex discharges, shortage of beds in residential and nursing homes and family choice. For the most difficult delays or where it is felt that further intervention is needed, delays are discussed with the Head of Adult Social Care, and if necessary the Executive Director for Community Services who in turn make contact with their counterparts in the relevant borough. Following NHS guidance, there are plans in place to work closely with our neighbouring boroughs to develop a trusted assessor model. This will allow staff based at hospitals to assess the needs of patients and make recommendations on care to the responsible borough. It is anticipated that this will help to speed up decision making and reduce the number of delays.

4.4. Recommendation 3: LHCP should return to the Committee within six months of the conclusion of this review with more detail about the model of community-based care being developed (influenced by the Buurtzorg model) in order to address the following questions:

Response: More detail on the development of community based care will be provided within six months of the review. This will include an update on development of new ways of working influenced by the Buurtzorg model. LHCP recognise the challenges of developing a ‘Buurtzorg’ model in Lewisham as highlighted by the Committee. It will not be possible to replicate the approach

exactly as it operates within a very different system and context. However LHCP are committed to exploring the key principles that underpin the model i.e. it is a person centred approach; one person delivers multiple aspects of care and support; workers are empowered to build relationships and networks to support people more effectively. Consideration of the Buurtzorg model is currently focussed on the opportunities to combine and flex the roles of those health and care professionals who visit and support people in their own homes. This activity is being developed within the devolution pilot. It will build on the achievements to date within the existing neighbourhood community teams and reflect the learning from local interpretations of the Buurtzorg model such as the GSTT initiative.

- 4.5. Recommendation 4: With the closer integration of community-based services, LHCP should consider an integrated complaints process, which is accessible to all who may need to use it.

Response: If a complaint covers more than one aspect of health and care, or relates to both the commissioning and provision of a service, complaints officers across the system work closely together to provide a coordinated response. In addition, in accordance with Care Act requirements, we are developing an approach to quality assurance that will give better oversight of the quality of provision within the market place so that we can prevent quality assurance issues becoming a safeguarding concern. This will be achieved by coordinating intelligence from a range of areas which includes complaints, quality assurance monitoring, CQC inspections and individual reviews. Once we have completed the integration of complaints within this process we will undertake a review, as suggested in recommendation 14, to assess how our approach to complaints can align further to the integrated practice that is being developed.

- 4.6. Recommendation 5: The neighbourhood-based care models currently being developed by LHCP should be carefully tailored to meet the needs profile of the areas they'll serve. The Committee should be provided with information about how LHCP plan to do this within six months of the conclusion of this review.

Response: In developing and delivering community based care, which is the care delivered outside a traditional hospital setting, both commissioners and providers will continue to use and monitor a range of information and data to ensure that the care is meeting the needs of local communities and improves health and care outcomes in the area.

Lewisham's commissioners will continue to produce detailed business cases before a service, or integrated service or provision is commissioned. Each business case will continue to set out the case for change, identifying any changes in local demographics or needs, and include an equalities assessment on how the new service or provision will impact on different communities and groups. It will also include feedback on public and patient views. There are no plans to alter this well-established approach to commissioning.

Similarly commissioners will continue to monitor and evaluate local provision and services to ensure the high quality and performance of local care. Providers will continue to be held to account through the contract monitoring process to ensure that they are meeting the specified outcomes and delivering the required

improvements. Where integrated services are being provided, these too will be subject to close monitoring and evaluation.

The establishment of neighbourhood hubs to facilitate the integration of primary and community health and care services and the provision of holistic care is currently at an early stage of development. Detailed analysis of current provision, pathways and any specific local needs will be required. This work will commence with two workshops with stakeholders to begin capturing the required data and information. A robust programme management approach is being established which will ensure full stakeholder engagement and consultation throughout the development of neighbourhood hubs.

- 4.7. Recommendation 6: Given that it is a key aim of integration, LHCP should set clear targets for reductions in unplanned hospital admissions and monitor performance against these. This would allow stakeholders to monitor progress.

Response: As part of the setting our new Better Care Fund Plan for 2017-19, partners will agree reductions in unplanned hospital admissions as part of the integration work. For 16/17, there was a 4.7% reduction in unplanned hospital admissions for Lewisham people.

- 4.8. Recommendation 7: LHCP should do all they can locally to make sure that the regulatory processes involved in health and care do not act as a disincentive to more integrated ways of working.

Response: Regulators have committed to taking a more aligned approach to regulation in London as part of the devolution agreement. Although legislation does not permit devolution of national regulatory functions for health services, NHS England and NHS Improvement have committed to streamlining regulation and oversight with joined up processes at regional level. National regulatory partners (NHSE, NHSI and CQC) have committed to closer working at London level, including alignment of regulatory actions and timelines for reporting wherever possible. CQC, NHS Improvement and NHS England will work with London to develop, support and resource a regulation and oversight model that meets the needs of the London system. Partners have committed to working to ensure that any joint arrangements developed minimise the administrative burden and provide robust governance and conflict of interest management.

- 4.9. Recommendation 8: LHCP should continue to explore ways of embedding integrated health and social care teams in each of the four neighbourhoods in order to achieve lasting cultural change.

Response: LHCP are committed to developing the four Neighbourhood Care Teams to achieve lasting cultural change. Building on the work to date, a range of activity is being undertaken to achieve this, including:

- Co-location of the NCTs – the N1 team will be the first to co-locate at the Waldron (summer 2017).
- Two 12 week pilots to test new approaches to multi-disciplinary working. Both projects will include mental health.

- A review of the Neighbourhood Co-ordinator role and several projects to test ways in which the role could develop further to support and embed integrated working.
- A Standard Operating Procedure for practice based multi-disciplinary meetings has been developed and is being considered as part of the PMS contract negotiations.
- Joint training across adult social care, the DN service and mental health.
- Joint approaches to communication across the NCTs.
- Regular interface meetings with home care providers and mental health services.

4.10. Recommendation 9: LHCP should review how the changes to health and social care are being communicated and how people, residents and staff are being engaged in the process. They should engage with relevant local stakeholders to help with this. Other areas have made use of case studies to help with explaining complex changes like this.

Response: LHCP have recognised the need to strengthen further communication and engagement on developments taking place across the system, both with staff and residents. It has established a communications and engagement group which includes communication and engagement representatives from the Council, the Clinical Commissioning Group, Lewisham and Greenwich NHS Trust, South London and Maudsley NHS Foundation Trust and One Health Lewisham. LHCP have asked the group to support them in developing effective system wide communication and engagement activity. To date this has included developing the vision, sharing key communications and updates across the partnership for onward communication to staff, and seeking opportunities for joint engagement on areas such as the Sustainability and Transformation Plan. Regular updates on key activity across the system are also being provided to Lewisham's Health and Wellbeing Board. LHCP will continue to engage with other key groups such as the Neighbourhood Community Development Partnerships and the primary care neighbourhood meetings. LHCP will also be sharing news on latest developments with staff, such as the Falls service and self-management education activities, via existing digital channels. However LHCP acknowledge that more could be done, including using case studies as suggested to demonstrate the changes that are taking place. LHCP will ask the communication and engagement group to review current practice and make recommendations on how it can be improved across the system.

4.11. Recommendation 10: There should be more co-production in the changes to health and social care and the development of the new models of care

Response: Lewisham Health and Care Partners fully support co-production and the involvement and input of service users and others in shaping and delivering local services. LHCP agree that all those involved in the development of new services, new provision or new models of care should ensure that service users, their families and communities are involved in the different stages of planning, design, delivery and review. LHCP will seek to ensure that this approach continues to be embedded throughout the system.

Adult Social care will use co-production with providers to shape the market so that it delivers more personalised care. This is in the early stages of development within

the neighbourhood teams as we work with the domiciliary care providers and involve them in the service delivery plans

- 4.12. Recommendation 11: While it may not be necessary to communicate to the wider public the organisational changes taking place behind the scenes, LHCP should effectively communicate these changes to relevant staff and health professionals in the borough, and in the voluntary and community sector.

Response: Please see response to recommendation 9.

- 4.13. Recommendation 12: The Committee appreciates that the Council and its partners will do all they can to make sure that the integration of services works for local people, but the Committee also notes that there is a risk to social care as a result of government-imposed cuts.

Response: In recognition that all LA's face pressure on the provision of ASC services, supplementary funding has been made available from central government. The draft conditions for the new money require that plans are agreed by the Health and Wellbeing Board and the CCG Commissioning board. They should contribute to ASC being maintained in line with inflation and should be invested in community services to manage transfers of care from hospital and avoid unnecessary admissions to hospital.

- 4.14. Recommendation 13: LHCP should ensure that all staff are able to provide a personalised and responsive service to people in their homes at all times.

Response: There is a commitment from all Lewisham Health and Care Partners to develop the workforce to ensure that they provide a personalised and responsive service to people in their own homes. A workforce development programme will be established to ensure that this approach is embedded from the initial point of contact a person has with the health and care staff involved in the person's assessment and care planning, through to those staff who work for the agencies responsible for providing the on-going support.

- 4.15. Recommendation 14: LHCP should review how the current complaints process for community-based services is working and how and when people are notified of it.

Response: Please see response to recommendation 4.

- 4.16. Recommendation 15: LHCP should draw up a plan on how they can work together to build capacity and avoid duplication in the area of activities for young adults with learning disabilities. People with learning disabilities represent a significant proportion of adult social care service users and developing more community-led services for this group could have a significant positive impact

Response: Adult Social Care and Children and Young People's services are working together to develop a transition team that will work with young people to prepare them for adulthood. The education, health and support plans will identify the services that are required to support these young people. We are working closely with commissioners and partners in Education and the Voluntary Sector to make sure we are responding to these needs and that more services are in place locally. Many of these young people present with a learning disability so, alongside our education and voluntary sector partners, we are focused on developing more

community based services to meet these needs.

5. Financial implications

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

6. Legal implications

- 6.1. 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).

7. Further implications

- 7.1. 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.

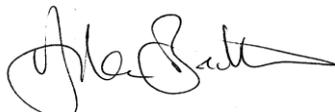
8. Background papers

[Healthier Communities Select Committee Review of integration of health and social care in Lewisham](#)

[Mayor and Cabinet 22 March 2017](#)

If you have any queries about this report, please contact Joan Hutton, Head of Adult Social Care, extension 48634

Agenda Item 8

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

Date of Meeting	21 June 2017
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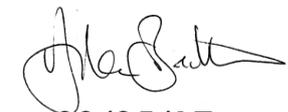
Title of Report	Response to the referral of the Safer Stronger Communities Select Committee report on Capacity in the Voluntary Sector
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Originator of Report	James Lee, Head of Culture and Community Development	Ext. 46548
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At the time of submission for the Agenda, I confirm that the report has:

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

Signed  Executive Director
 Date 26/05/17

Signed  Cabinet Member
 Date 30/05/17

Control Record by Committee Support

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

MAYOR AND CABINET		
Report Title	Response to the recommendations of the Safer Stronger Communities Select Committee report on Capacity in the Voluntary Sector	
Key Decision	No	Item No.
Ward	All	
Contributors	Executive Director for Community Services	
Class	Part 1	Date: 21 June 2017

1. Purpose

- 1.1 This report sets out the response to the comments and views arising from the Safer Stronger Communities Select Committee discussions held on the Council's Main Grants Programme at its

2. Recommendations

It is recommended that the Mayor:

- 2.1 Approves the responses from the Executive Director for Community Services to the recommendations from the Safer Stronger Communities Select Committee.
- 2.2 Agrees that this report should be forwarded to the Safer Stronger Communities Select Committee.

3. Background

- 3.1 At their meeting of 14 April 2016, the Safer Stronger Communities Select Committee, resolved to carry out a review into developing the capacity of the community and voluntary sector.
- 3.2 At its meeting on 15 September 2016, the Committee agreed the scoping paper for a short review of the support offered for organisations in the community and voluntary sector. The scoping paper set out the background and key lines of enquiry for the review. The key areas proposed to be considered were:
To establish:
- The Council's principle means for providing support to the sector
 - The budget available to carry out this work
 - The process for assessing the support needs of community and voluntary sector organisations
- To consider:
- What forms of support should be a priority for the sector?
 - What form should support arrangements for the community and voluntary sector take?
- 3.3 The timeline for the review was as follows:

19 October 2016 – To agree the scope of the review.

19 October 2016 - Evidence-taking session to cover the analysis of the Council's role in and budget for supporting the voluntary sector and to consider evidence from voluntary organisations.

28 November 2016 – Draft Report to Committee coinciding with the report on the main grants programme for 2017/18

January 2017 – final report released

4. Response to the recommendations in the report

4.1 The Committee's report made 10 recommendations which are set out below along with officers response: resolved to advise Mayor and Cabinet of the following:

4.2 Recommendation 1

4.2.1 That the Council continues to work with voluntary organisations in Lewisham to help them adapt to changes in funding and reductions in grants from the Council. Support should be timely and tailored to the needs of organisations.

4.3 Response

4.3.1 Each Main Grant funded organisation has been allocated a lead officer from within the Culture and Community Development team who is responsible for both monitoring performance and providing ongoing support. This includes attending at least one trustee meeting and one in depth discussion with representatives of the organisation per year providing the means for officers to gain a detailed knowledge of the needs of the organisation. There are also themed leads within the team e.g. the arts, sport, information and advice who will have wider strategic knowledge across a number of organisations and will also undertake horizon scanning in order to keep up to date with issues and opportunities. A variety of types of support are offered, including 1:1 advice, information on resources that become available such as funding or training and opportunities to network with other organisations to facilitate greater partnership. We also now monitor the number of funding bids made by each organisation as part of our formal processes.

Voluntary Action Lewisham is also funded to provide support to the borough's voluntary sector. Following the review of services being provided by organisations receiving Main Grant funding as part of the budget cuts in 2016, officers have been working with VAL to redesign and modernise these services to make them more responsive to current needs. The organisation is currently going through a restructuring process to implement these changes.

4.4 Recommendation 2

4.4.1 When the Council reviews the grant-making process, the Council should ensure it considers assessments of skills and opportunities available in an area and not just look at need. This could be considered as an assets model rather than a uniquely deficits model.

4.5 Response

4.5.1 Assessments of skills and opportunities is very much a part of the current grant making process and the assessment of individual applications. The Main Grants Guidance document puts forward a number of key principles that highlight this approach including:

- A recognition of the importance of maintaining an independent sector that can act as a critical friend to challenge public sector policy and delivery.
- A recognition of the key role that the sector plays in building civic participation, providing a voice for seldom heard residents and providing community intelligence.
- A recognition of the great diversity of the sector and the need to engage with small and emerging groups as well as large established organisations.
- A recognition of the sector's potential to take risks and innovate which does not sit easily within commissioning frameworks.
- A recognition that third sector organisations have been key delivery partners within Lewisham, including for a wide range of targeted short term initiatives. Grant aid provides a level of security for organisations ensuring that there is a strong sector able to address local need, attract additional resources and be ready to work in partnership with us.
- A recognition of the sector's ability to utilise resources that are not available to the statutory sector through external funding and volunteers. Every £1 of grant aid invested yields approximately £4 from other sources

The Guidance document goes on to state:

- In establishing the priority themes for the grants programme we have considered the contribution the third sector can make to meeting the priority.
- In assessing applications to the grants programme we will be looking at an organisation's readiness to work with us as active partners and what they can bring to such a partnership

4.6 Recommendation 3

- 4.6.1 LB Lewisham's commissioning models should reflect "The Social Value Act (2013)". Real consideration should be given to the benefits to the community of tenders by local voluntary and SME organisations during the valuation process as a means of countering contract-based culture.

4.7 Response

- 4.7.1 Officers welcome the proposal to consider the benefits of of tenders by local voluntary and SME organisations and will work with the Corporate Procurement Board to explore opportunities in this area. Voluntary Action Lewisham will also be encouraged to identify and help address the capacity building needs of the sector in order to ensure that organisations have the necessary skills to participate in this kind of activity.

4.8 Recommendation 4

- 4.8.1 The Council should consider the possibility of supporting the development of a "brokerage" system between voluntary sector organisations and employers to support increased numbers of and more effective volunteering opportunities.

4.9 Response

- 4.9.1 Over the past year the Council has worked closely with voluntary and community sector to establish Lewisham Local to explore new approaches to volunteering. This initiative has begun to establish bespoke giving opportunities and advertise these to local businesses, groups and individuals. Giving opportunities have attracted some staff volunteering and business donations of items. A notable example was a local HR consultancy volunteering two consultants' time for a morning to work on CV skills and employment support at a local job club. Lewisham Local is continuing to operate in this area in order to broker links between the borough's largest employers and volunteering opportunities with organisations.

4.10 Recommendation 5

4.10.1 That the potential for setting up a liaison support network specifically for Chief Executives in the Community and Voluntary Sector in Lewisham be investigated.

4.11 Response

4.11.1 A support network for Chief Executives is likely to be welcomed by the local voluntary and community sector and yield benefits such as opportunities for skill and resource sharing. The proposal will be taken forward by VAL as part of its redesign of services.

4.12 Recommendation 6

4.12.1 That the Council understands the importance of volunteering and the need for organisations to get support to develop their networks. Larger charities have access to substantial sets of data which enables them to target activities to local demographics. The Council should investigate the possibility of facilitating intelligence and data support to smaller organisations in the sector, for example through purchasing data systems such as MOSAIC and sharing data. In its consideration the Council should consider cost and maintaining and upholding the highest standards of data protection.

4.13 Response

4.13.1 Ad hoc support is provided on request to organisations around access to data, where resources allow. Data gathered by the Policy, Service Design and Analysis team has also been made available on a wider level in the past. However the value of providing this support in a more systematic way is noted and will be explored with Council colleagues and Voluntary Action Lewisham.

4.14 Recommendation 7

4.14.1 The Committee welcomes the involvement of civic society and empowering people to be involved in their communities. The advocacy role voluntary groups deliver was welcomed but work carried out to meet social need was vital.

4.15 Response

4.15.1 The response of the Committee in welcoming the involvement of civic society and empowering people to be involved in their communities is noted and will be used to inform future recommendations around these issues.

4.16 Recommendation 8

4.16.1 The Main Grants Programme should be sustained including providing the opportunity to fund core costs in some circumstances. The value of funding core costs should be recognised both when the Council funds organisations and when it is bidding for external funding itself.

4.17 Response

4.17.1 The support of the committee for provision of core funding in some circumstances is noted and will inform recommendations made to Mayor and Cabinet as part of the proposals for the next round of Main Grants due to begin in April 2019.

4.18 Recommendation 9

4.18.1 The role of local assemblies should include community development and capacity building.

4.19 Response

4.19.1 Local assemblies are encouraged to take on a community development and capacity building function and there are many examples of where this has successfully been achieved. The success of this work is often dependant on the availability and willingness of local voluntary and community sector organisations to work alongside the assembly which has limited capacity. It is also important to note that priorities for individual assemblies are set locally. Sharing the learning around these issues through networking events has been important and officers will ensure that these events continue to take place.

4.20 Recommendation 10

4.20.1 Following the review, there was a concern to ensure infrastructure support organisations provide a greater voice for the voluntary sector.

4.21 Response

4.21.1 The concern of the committee is noted and officers will ensure that this is fed into the development of the new offer being developed as part of the redesign process that VAL is currently going through.

5. Financial Implications

5.1 Any financial implications in respect of the above will be part of the existing budget resourcing.

6. Legal Implications

6.1 There are no specific legal implications associated with this report.

7. Crime and Disorder Implications

7.1 There are no crime and disorder implications associated with this report.

8. Equalities Implications

8.1 There are no adverse equalities implications associated with this report.

9. Environmental Implications

9.1 There are no environmental implications associated with this report.

Background papers

Safer Stronger Communities Select Committee' Report into Capacity in the Voluntary Sector
[Insert link](#)

Report of comments of the Safer Stronger Communities Select Committee on the Main Grants Programme 2017-19

<http://councilmeetings.lewisham.gov.uk/documents/s46647/03MandCResponseMainGrantsProgrammeSSCSC281116.pdf>

Report to the Mayor and Cabinet Committee on the approach to Main Grants Programme savings

<http://councilmeetings.lewisham.gov.uk/documents/s44598/Main%20Grants%20Programme%202017-18.pdf>

For further information on this report please contact James Lee, Head of Cultural and Community Development on 020 8314 9569.

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

Date of Meeting	21 June 2017
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Title of Report	Response to the referral of the Safer Stronger Communities Select Committee regarding the Local Assemblies Programme
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Originator of Report	James Lee, Head of Culture and Community Development	Ext. 46548
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At the time of submission for the Agenda, I confirm that the report has:

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

Signed Executive Director
 Date 26/05/17

Signed Cabinet Member
 Date 30/05/17

Control Record by Committee Support

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

MAYOR AND CABINET		
Report Title	Response to the referral of the Safer Stronger Communities Select Committee regarding the Local Assembly Programme	
Key Decision	No	Item No.
Ward	All	
Contributors	Executive Director for Community Services	
Class	Part 1	Date: 21 June 2017

1. Purpose

- 1.1 This report sets out the response to the comments and views arising from the Safer Stronger Communities Select Committee discussions held on the officer report entitled Local Assemblies Review at its meeting on 8 March 2017.

2. Recommendations

It is recommended that the Mayor:

- 2.1 Approves the responses from the Executive Director for Community Services to the referral from the Safer Stronger Communities Select Committee.
- 2.2 Agrees that this report should be forwarded to the Safer Stronger Communities Select Committee.

3. Background

- 3.1 At their meeting of 8 March 2017 the Safer Stronger Communities Select Committee received an officer report entitled Local Assemblies Review.
- 3.2 The report provided the Safer Stronger Communities Select Committee with information on the performance and achievements of the Local Assemblies programme during the 2015/16 and 2016/17 financial years. It also identified areas for the potential future development of the Assemblies programme.
- 3.3 Following the consideration of the report the Committee resolved to request to Mayor and Cabinet that the following views of the Safer Stronger Community Select Committee be noted: The Committee stressed the importance of local assemblies for the local community and welcomed the Mayor's previous response of protecting funding. The Committee urged the Mayor and Cabinet to maintain the commitment and funding for Local Assemblies in future years.

4. Response to the referral

- 4.1 Officers are grateful for the support of the Committee for the work undertaken to deliver the Assembly Programme across the borough. The programme is a partnership between the local elected members, the officers and the local community who all play their part in the success of the Assemblies.

4.2 Officers recognise that Local Assembly funds play an important role in local community engagement and in stimulating the development of local initiatives. The continuation of funding for Local Assemblies will be a factor in future budget setting considerations.

5. Financial Implications

5.1 There are no specific legal implications associated with this report.

6. Legal Implications

6.1 There are no specific legal implications associated with this report.

7. Crime and Disorder Implications

7.1 There are no crime and disorder implications associated with this report.

8. Equalities Implications

8.1 There are no adverse equalities implications associated with this report.

9. Environmental Implications

9.1 There are no environmental implications associated with this report.

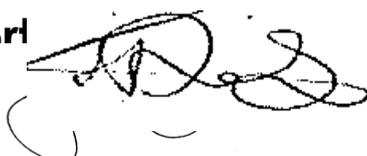
Background papers

Local Assemblies Review paper presented to Safer, Stronger Communities Select Committee on 8 March 2017

<http://councilmeetings.lewisham.gov.uk/documents/s48212/07LocalAssembliesReviewSafer080317.pdf>

For further information on this report please contact James Lee, Head of Culture and Community Development on 020 8314 6548.

Agenda Item 10

Chief Officer Confirmation of Report Submission	
Report  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"/>	

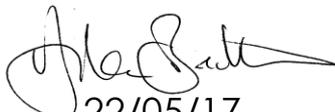
Date of Meeting	21 June 2017
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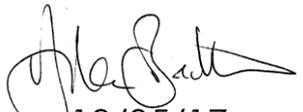
Title of Report	Response to the Comments of the Safer Stronger Communities Select Committee on the performance of the National Probation Service and the Community Rehabilitation Company
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Originator of Report	Geeta Subramaniam-Mooney – Head of Crime Reduction and Supporting People	Ext. 49569
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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 Director
Date 22/05/17

Signed  Cabinet Member
Date 18/05/17

Control Record by Committee Support

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

MAYOR AND CABINET			
Report Title	Response to the Comments of the Safer Stronger Communities Select Committee on the performance of the National Probation Service and the Community Rehabilitation Company and concerned at the results of their recent HMIP inspection		
Key Decision	No	Item No.	
Ward	All		
Contributors	Head Of Crime Reduction and Supporting People		
Class	Part 1	Date: 21 June 2017	

1. **Purpose**

- 1.1 This report sets out the response to the views and comments arising from the Safer Stronger Communities Select Committee, about discussions held on the officer report entitled National Probation Service (NPS) and Community Rehabilitation Company (CRC) update in March 2017.

2. **Recommendations**

It is recommended that the Mayor:

- 2.1 Approve the response from the Executive Director for Community Services to the comments from the Safer Stronger Select Committee.
- 2.2 Agree that this report should be forwarded to the Safer Stronger Select Committee.

3. **Background**

- 3.1 The Safer Stronger Select Committee last received a report from the National Probation Service and the CRC at its meeting on 14 May 2015. At that time they were less than a year on from the Transforming Rehabilitation (TR) Programme and were still going through a period of stabilisation following the change where Probation services were split. Until June 2014 Probation services in London were delivered by the London Probation Trust. Following TR, the service was divided, with the management of low and medium risk offenders being delivered by a Community Rehabilitation Company and the remaining work being undertaken by the National Probation Service.
- 3.2 The purpose of the report provided at the Safer Stronger Select Committee in March 2017 was to give a general update on the service regionally and locally, with a specific focus on the findings from the HMIP inspection that was undertaken in September 2016.

4. **Referral**

- 4.1 Safer Stronger Select Committee received a report on 8 March 2017 which updated them in relation to the NPS and CRC.

- 4.2 At their meeting on 8 March 2017, the Select Committee made a referral to the Mayor and Cabinet. This was considered by Mayor and Cabinet at their meeting on 22 March 2017. The Committee resolved to advise Mayor and Cabinet of the following:
- 4.2.1 That the Committee were very concerned about the performance of the National Probation Service and the Community Rehabilitation Company and concerned at the results of their recent HMIP inspection.
- 4.4 Response
- 4.4.1 Over two weeks in September 2016, HMIP conducted a Quality and Impact inspection, looking at work undertaken by the NPS and CRC in the London boroughs of Barnet, Brent & Enfield; Camden & Islington; and Haringey, Redbridge & Waltham Forest.
- 4.4.2 Both London CRC and the NPS were inspected on their effectiveness against three criteria:
- Protecting the public
 - Reducing reoffending
 - Abiding by the sentence
- 4.4.3 The quality of practice undertaken was inspected in a sample of 21 cases, nine months after commencement or release. The main focus of the inspection was the quality of work with individuals who have offended, but with a particular emphasis on the impact that this work has had on individuals. The Final Report has now been published:
<https://www.justiceinspectrates.gov.uk/hmiprobation/wp-content/uploads/sites/5/2016/12/North-of-London-QI-Report.pdf>

5. Findings

5.1 **Protecting the public**

5.1.2 CRC effectiveness

- Overall, performance was poor. The proportion of work carried out to a sufficient standard did not meet our expectations and was low when compared to our findings to date in other parts of the country.
- Assessment, planning and interventions were not carried out well enough. Significant information was not always recognised as such and there was a lack of awareness of domestic abuse and child safeguarding issues.
- Individual caseloads varied significantly. Some were, in our view, unreasonable and unmanageable. Low levels of contact with service users, coupled with inadequate systems to monitor the frequency of contact inevitably and materially affected the quality of work to protect the public.
- The inexperience of some staff coupled with a lack of management support made this problem more acute in some cases. Senior management appreciation of these difficulties, and plans to resolve them were either absent altogether or else inadequate in our view.

5.1.3 NPS effectiveness

- NPS performance was mixed.
- Overall, most public protection work was carried out sufficiently well but the quality of assessment, planning and interventions was mixed.

- Attention needed to be focused more sharply on public protection and in particular on the formal review of cases, and recognising and responding to significant changes in individuals' circumstances.

5.1.4 The CRC and NPS working together

- There were some obvious tensions between the CRC and the NPS. The quality of case allocation forms and risk assessments prepared at court by the NPS was acknowledged to be variable at best and poor at times. Failure by the NPS to provide detailed information caused difficulties for responsible officers in both organisations but particularly in the CRC. The NPS was working hard to improve this but felt that expectations of what could be achieved within the court timescales were unrealistic.
- Risk escalation was another area of work that had required ongoing management attention to make sure that relevant cases were escalated and accepted. Efforts were being made to resolve this issue by close liaison between the two organisations.

5.2 **Reducing reoffending**

5.2.1 CRC effectiveness

- Overall, performance was poor. The proportion of work carried out to a sufficient standard was low. There was an alarming lack of contact in too many cases: assessments had not been carried out, planning had not taken place and little work to reduce reoffending had been delivered.
- Most service users had not received a service that met their needs or was likely to help them to stop reoffending.

5.2.2 NPS effectiveness

- Performance in the NPS was mixed. The majority of offending behaviour work was done to an acceptable standard but a noticeable proportion was not.
- Not all pre-sentence reports were of good enough quality and a small number did not include relevant safeguarding information, leaving sentencers ill-informed. Sentence planning and reviewing progress also needed to improve. The delivery of work to reduce reoffending was not always focused on the relevant factors.

5.2.3 The CRC and NPS working together

- The NPS found obtaining information from the CRC about their service users in court difficult because of a mismatch between the two organisations' operating models.
- The NPS grouped cases by geographical location, whereas the CRC allocated work according to the category of service user (older male, young adult male etc.), making it difficult for the NPS to identify the relevant CRC office for supervision.
- The delay in implementing the London CRC 'rate card' had caused difficulties for the NPS in obtaining some services.

5.3 **Abiding by the sentence**

5.3.1 CRC effectiveness

- Overall, performance was poor. Fewer than half of the service users in our inspection sample had complied with their sentence.
- Delivery of the legal requirements of the court orders and licences, procedures relating to non-compliance and the number of appointments offered were all unsatisfactory.

5.3.2 NPS effectiveness

- NPS performance was generally good, with work to encourage engagement and to enforce non-compliance carried out well. Individual diversity was largely taken into account and most service users were meaningfully involved in planning.

5.3.3 The CRC and NPS working together

- Working relationships were strained. So for example, CRC breach action requires the preparation of information by the CRC for presentation by the NPS, and there were tensions when NPS enforcement officers considered the information provided inadequate, or CRC staff considered a rejection pedantic, unhelpful or unnecessary.
- The organisations were working together to try and resolve issues.

5.4 **Recommendations**

5.4.1 The Community Rehabilitation Company and National Probation Service should:

1. Produce easily accessible information to enable all staff to make swift contact with relevant colleagues in each organization.
2. Require all staff to work together to solve individual problems and focus on the desired outcome.

5.4.2 The Community Rehabilitation Company should:

3. Make sure that all functional departments prioritise the operational delivery to Service users.
4. Obtain and regularly scrutinise relevant management information to support effective operational delivery.
5. Make every effort to reduce caseloads to manageable levels, setting clear priorities for casework activities.
6. Manage the impact of sickness absence effectively.
7. Provide all staff with supervision and support in accordance with experience and workload.
8. Procure sufficient resource within the supply chain to deliver consistent services to all service users.
9. Provide the rate card to the NPS without further delay.

5.4.3 The National Probation Service should:

10. Make sure that all work is sufficiently focused on public protection
11. Improve the quality of information at allocation from the NPS court staff to the CRC.

6. **Actions to date**

- 6.1 The NPS London and CRC have put a number of measures in place to improve practice. These measures include the delivery of quality assurance and improvement initiatives through the divisional business plan. The objectives of the business plan translate into action plans overseen by various sub groups accountable to the Senior Leadership Team.
- 6.2 The CRC have changed their original model of cohort working and recognised that this was not going to deliver the kind of service that was required to improve services. They have also re engaged with stakeholders and key partners recognising that this aspect had been lost in the changes but was a critical aspect of partnership working.

6.3 For Lewisham, there is a critical role for the Community Safety Partnership and all statutory partners to support and provide critical challenge to both the CRC and NPS in improving services. This will be done through regular reporting to the Safer Lewisham Partnership and ongoing working with the Link senior officers in both the CRC and NPS. It is recognised that this is not a satisfactory position, and a focus on improvement is in place whilst recognising the challenging resource landscape within which all Criminal Justice agencies are operating in.

7. Financial Implications

7.1 There are no direct financial implications for the Council, however improvement actions required may have financial implications for the CRC and NPS.

8. Legal Implications

8.1 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.

9. Crime and Disorder Implications

9.1 There are no implications of specific reference to the referrals made.

10. Equalities Implications

10.1 One of the Partnership's key outcomes is to ensure equity in representation and that equality and diversity issues are followed in the work of the partnership.

11. Environmental Implications

11.1 There are no implications noted.

Background papers

Referral to Mayor and Cabinet – XXXXX

HMIP inspection report

<https://www.justiceinspectorates.gov.uk/hmiprobation/wp-content/uploads/sites/5/2016/12/North-of-London-QI-Report.pdf>

For further information please contact Geeta Subramaniam-Mooney, Head of Crime Reduction and Supporting People on 020 8314 9569.