



AGENDA

MAYOR AND CABINET

Date: THURSDAY, 10 OCTOBER 2019 at 6.30 pm

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

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MEMBERS

Damien Egan	Mayor	L
Councillor Chris Best	Deputy Mayor and Cabinet Member for Health and Adult Social Care	L
Councillor Chris Barnham	School Performance and Children's Services	L
Councillor Paul Bell	Housing	L
Councillor Kevin Bonavia	Democracy, Refugees & Accountability	L
Councillor Andre Bourne	Culture, Jobs and Skills (jobshare)	L
Councillor Joe Dromey	Culture, Jobs & Skills (jobshare)	L
Councillor Brenda Dacres	Environment & Transport (jobshare)	L
Councillor Sophie McGeevor	Environment & Transport (jobshare)	L
Councillor Amanda De Ryk	Finance and Resources	L
Councillor Joani Reid	Safer Communities	L
Councillor Jonathan Slater	Community Sector	L

Members are summoned to attend this meeting

**Janet Senior
Acting Chief Executive
Lewisham Town Hall
Catford
London SE6 4RU
Date: Thursday, 10 October 2019**



INVESTOR IN PEOPLE

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

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- ensure that you never leave your recording equipment unattended in the meeting room.

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

MAYOR & CABINET		
Report Title	Declarations of Interests	
Key Decision	No	Item No. 1
Ward	n/a	
Contributors	Acting Chief Executive	
Class	Part 1	Date: 10 October 2018

Declaration of interests

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

1 Personal interests

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

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

2 Disclosable pecuniary interests are defined by regulation as:-

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

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

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

(3) Other registerable interests

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

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

(4) Non registerable interests

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

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

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

(6) Sensitive information

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

(7) Exempt categories

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

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

Agenda Item 2

MAYOR AND CABINET		
Report Title	Minutes	
Key Decision		Item No.2
Ward		
Contributors	Acting Chief Executive	
Class	Part 1	Date: October 10 2019

Recommendation

It is recommended that the minutes of that part of the meeting of the Mayor and Cabinet which were open to the press and public, held on September 18 2019 (copy attached) be confirmed and signed as a correct record.

MINUTES OF THE MAYOR AND CABINET

Wednesday, 18 September 2019 at 6.30 pm

PRESENT: Damien Egan (Mayor), Councillors Chris Best, Chris Barnham, Paul Bell, Kevin Bonavia, Andre Bourne, Joe Dromey, Brenda Dacres, Amanda De Ryk, Joani Reid and Jonathan Slater.

ALSO PRESENT: Councillor Bill Brown and Councillor John Muldoon.

Apologies for absence were received from Councillor Sophie McGeevor.

117. Declaration of Interests

Councillor Bell declared a prejudicial interest in Item 20 and withdrew from the meeting during consideration of this item.

118. Minutes

RESOLVED that the minutes of the meeting held on July 10 2019 be confirmed and signed as a correct record.

119. Outstanding Scrutiny Matters

RESOLVED that the report be noted.

120. Achilles Street Landlord Offer for an Estate Regeneration Ballot part 1

The Cabinet accepted this report as a late and urgent item having been told the report was late owing to the need to finalise the proposed Landlord Offer and to ensure that Mayor & Cabinet were provided with the most up to date information possible. The report was deemed urgent and could not wait until the next meeting of the Mayor & Cabinet meeting as this would cause significant delay to the publishing of the Landlord Offer which in turn would delay the holding of a resident ballot for estate regeneration.

The application was presented by Councillor Paul Bell who gave a comprehensive explanation of the offer to tenants and leaseholders which would be the subject of a ballot. He was supported by Housing Officers who explained the detailed engagement process which had been undertaken with residents.

The Cabinet was then addressed by local resident Martin Williams who claimed the proposals would do little to add to the net housing stock. He disputed claims made about rental levels and affordability saying the officer report showed aspirations but lacked detail. He believed residents were not able to make an informed choice.

Councillor Bell disputed any claim that the proposals were intended to benefit

the private sector, explaining a private element was required to make the proposals economically viable and provide much needed social and council housing.

The Mayor concluded by pointing out the provision of additional social and council housing had been a key election pledge in a borough where 10,000 were on the housing waiting list. In terms of safeguards for residents, he pointed out there would be a ballot and then a full planning process. He warmly welcomed the proposals.

Having considered an open and a confidential officer report, and a presentation by the Cabinet Member for Housing, Councillor Paul Bell, the Mayor and Cabinet, for the reasons set out in the report and by a vote of 9-0:

RESOLVED that:

- (1) the Equality Analysis Assessment attached as Appendix B be received;
- (2) the text of the Achilles Landlord Offer attached as Appendix A, should form the Council's offer to residents on the Achilles Street Estate;
- (3) a resident ballot for estate regeneration should be held on the Achilles Street Estate as set out in section 6;
- (4) authority be delegated to the Executive Director of Housing, Regeneration & Environment to agree any minor amendments and the graphic design of the Landlord Offer and to set the date of the resident ballot for estate regeneration on the Achilles Street Estate;
- (5) subject to the resident ballot for estate regeneration resulting in a "yes" vote agrees the budgets requirements set out in the confidential report be approved.

121. Article 4 Direction for Lewisham's southern wards of Bellingham, Downham, Whitefoot and Grove Park to withdraw permitted development rights

The Mayor confirmed the response to the consultation from residents had been very positive and he welcomed the powers that would become available in March 2020 to curb rogue landlords. Councillor Slater, who represented one of the four affected wards, welcomed the initiative which he believed would drive up housing quality for everyone.

Having considered an officer report, and a presentation by the Mayor, the Mayor and Cabinet, for the reasons set out in the report and by a vote of 9-0:

RESOLVED that:

- (1) the responses to the consultation be noted;
- (2) the Director of Law be authorised to approve the confirmation of the non-immediate Article 4 Direction, which removes permitted development rights

from C3 Dwelling houses to C4 Houses in Multiple Occupation (HMO) for 3 to 6 unrelated people in Lewisham southern wards of Bellingham, Downham, Whitefoot and Grove Park; and

(3) the legal and financial implications as set out be noted.

122. Anti Idling Enforcement Traffic Management Order

In introducing the policy, Councillor Reid stated it would be particularly important to discourage idling near schools and officers would be empowered to issue penalty charge notices.

Having considered an officer report, and a presentation by the jobshare Cabinet Member for Safer Communities, Councillor Joani Reid, the Mayor and Cabinet, for the reasons set out in the report and by a vote of 9-0:

RESOLVED that:

(1) a Traffic Management Order be made applicable to roads in the borough to allow for Penalty Charge Notices to be issued in contravention of the order under the provisions of the Road Traffic Regulation Act 1984 (as amended by section 87 of the Environment Act 1995), throughout the borough;

(2) the Head of Parking Operations, be authorised, acting in his name and on his behalf, to authorise traffic marshals to exercise the powers; and

(3) officers should, where appropriate, utilise the powers to allow for Penalty Charge Notices to be issued in contravention of the order under the provisions of the Road Traffic Regulation Act 1984 (as amended by section 87 of the Environment Act 1995).

123. CRPL Appointment of Non-Exec Director

Having considered an officer report, and a presentation by the Mayor, the Mayor and Cabinet, for the reasons set out in the report and by a vote of 9-0:

RESOLVED that:

(1) the appointment of Cllr Eva Stamirowski as Non-Executive Member Director of the Catford Regeneration Partnership Limited (CRPL) be approved; and

(2) Cllr Eva Stamirowski be indemnified as Director in accordance with the attached Deed of Indemnity as with the two current Directors of the Company.

124. Additions to Lewisham's Local List

The Mayor received confirmation from Conservation Officers that there were 69 additions to the list and none of the nominations were from existing conservation areas. It was pointed out this was the first stage of the review

and there would be wider consultation later.

Councillor Best praised the review and asked if postcodes could be indicated for all sites.

Having considered an officer report, and a presentation by the Mayor, the Mayor and Cabinet, for the reasons set out in the report and by a vote of 9-0:

RESOLVED that:

- (1) the proposed new additions to the Local List as laid out be noted;
- (2) a six week period of public consultation for the proposed new additions to the Local List be approved; and
- (3) the legal and financial implications as set out be noted.

125. Alteration of SEN provision at Deptford Green School

The report was presented by Councillor Barnham who laid out the rationale for the suggested change. The proposals were welcomed by Councillor Dacres who believed mainstream support could be most effective for children in the autism spectrum.

Having considered an officer report, and a presentation by the Cabinet Member for School Performance and Children's Services, Councillor Chris Barnham, the Mayor and Cabinet, for the reasons set out in the report and by a vote of 9-0:

RESOLVED that:

- (1) the results of the consultation conducted on the proposal to alter the SEN provision at Deptford Green School be noted;
- (2) the designation of the SEN provision at Deptford Green School be altered from Dyslexia to ASD from Autumn 2019 so as to enable new entrants with a primary diagnosis of ASD from September 2020.

126. Response to OSC questions to the Mayor

Having considered an officer report, and a presentation by the Mayor, the Mayor and Cabinet:

RESOLVED that the response from officers be approved for submission to the Overview & Scrutiny Committee.

127. Response to CYP Select Referral on EH savings proposals

Having considered an officer report, and a presentation by the Cabinet Member for School Performance and Children's Services, Councillor Chris Barnham, the Mayor and Cabinet:

RESOLVED that the response from officers be approved for submission to the Children & Young People Select Committee.

128. Response to Public Accounts Select Committee Income Generation

Having considered an officer report, and a presentation by the Cabinet Member for Finance and Resources, Councillor Amanda De Ryk, the Mayor and Cabinet:

RESOLVED that the response from officers be approved for submission to the Public Accounts Select Committee.

129. Response to Healthier Communities Select Committee BAME Mental Health

Councillor Best pointed out the work being carried out by the Health and Well Being board which was focusing on health inequalities.

Having considered an officer report, and a presentation by the Deputy Mayor, Councillor Chris Best, the Mayor and Cabinet:

RESOLVED that the response from officers be approved for submission to the Healthier Communities Select Committee.

130. Downham Enterprise Centre part 1

Having considered an open and a confidential officer report, and a presentation by the Cabinet Member for Housing, Councillor Paul Bell, the Mayor and Cabinet, for the reasons set out in the report and by a vote of 9-0:

RESOLVED that:

(1) the disposal of Downham Business Enterprise Centre, 157-159, Boundfield Road, London SE6 to Phoenix Community Housing on the terms set out be approved; and

(2) authority be delegated to the Executive Director for Corporate Services, in consultation with the Director of Law, to finalise the terms of the legal documentation for the disposal to Phoenix Community Housing.

(3) the disposal of the site to Phoenix Community Housing for the sum stated in the confidential report be approved.

131. Exclusion of Press and Public

RESOLVED that in accordance with Regulation 4(2)(b) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information)(England) Regulations 2012 and under Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3, of Part 1

of Schedule 12(A) of the Act, and the public interest in maintaining the exemption outweighs the public interest in disclosing the information

16. Downham Enterprise Centre part 2
17. Achilles Street Landlord Offer for an Estate Regeneration Ballot part 2
18. VAWG Permission to Tender
19. Management Development Programme
20. Permission to tender Youth Services
21. Mental Health Accommodation Based Support Service
22. Award of Contract Tier 4 Substance Misuse
23. Learning Disability Framework Extension
24. Annual Renewal of Microsoft Enterprise License

132. Downham Enterprise Centre part 2

This report was considered in conjunction with the Part 1 item on the same subject.

133. Achilles Street Landlord Offer for an Estate Regeneration Ballot part 2

This report was considered in conjunction with the Part 1 item on the same subject.

134. VAWG Permission to Tender

Having considered a confidential officer report, and a presentation by the Cabinet Member for Safer Communities, Councillor Joani Reid, the Mayor and Cabinet, for the reasons set out in the report and by a vote of 9-0:

RESOLVED that:

(1) a VAWG service be tendered for Lewisham residents covering community and emergency accommodation services;

(2) the service will provide advocacy and advice for victims of VAWG in Lewisham, supporting victims to improve their safety, reduce their vulnerability to abuse and support in accessing statutory and voluntary services to improve health and wellbeing; and

(3) the service will be for a duration of 3 years from April 2020, with the option to extend for 2 years, at a maximum stated annual value and maximum total (including extension) stated value.

135. Management Development Programme

Having considered a confidential officer report, and a presentation by the Cabinet Member for Finance and Resources, Councillor Amanda De Ryk, the Mayor and Cabinet for the reasons set out in the report and by a vote of 9-0:

RESOLVED that:

(1) a contract be awarded to Hawk Management (UK) Ltd from 01 November 2019 until 30 October 2023 for the provision of Management Development Programmes in relation to Apprenticeships for Team Leader level 3 and Operational Departmental Manager level 5 with an option to extend the contract for a fourth year; and

(2) the cost for the initial three-year contract would be a stated value with the addition of the possible fourth year, giving a total maximum contract stated value.

136. Permission to tender Youth Services

Councillor Bell vacated the room during consideration of this item.

From the options available, Councillor Barnham said while he believed the Council should be the preferred provider that was not achievable at this time and he wished to recommend a course of action which would give the best outcomes for young people.

Having considered a confidential officer report, and a presentation by the Cabinet Member for School Performance and Children's Services, Councillor Chris Barnham, the Mayor and Cabinet for the reasons set out in the report and by a vote of 8-0:

RESOLVED that:

(1) the importance of maintaining and where possible strengthening a youth services offer which is outcomes focused, demonstrating positive impact for Lewisham young people be confirmed;

(2) while providing a core universal and high quality open door offer of places to go and things to do, this should be an enhanced offer providing a responsive and creative use of space across the borough improving young people's access; and be able to respond and intervene to the needs of young people, including the ability to case hold, outreach and mentoring;

(3) a tender be made for Youth Services for young people in Lewisham; and

(4) the contract be tendered for a duration of 4 years from 1st April 2020, with an option to extend for 2 years, at a stated the annual maximum value and stated maximum total value excluding extension, and maximum stated total value including extension.

137. Mental Health Accommodation Based Support Service

Having considered a confidential officer report, and a presentation by the Deputy Mayor, Councillor Chris Best, the Mayor and Cabinet for the reasons set out in the report and by a vote of 9-0:

RESOLVED that the contract with Equinox Care be extended for a period of one year from 1 April 2020 to 31 March 2021 at a stated cost to support

people with mental health problems.

138. Award of Contract Tier 4 Substance Misuse

Having considered a confidential officer report, and a presentation by the Deputy Mayor, Councillor Chris Best, the Mayor and Cabinet for the reasons set out in the report and by a vote of 9-0:

RESOLVED that:

(1) the organisations listed below be appointed onto the framework for the provision of residential rehabilitation, quasi rehabilitation, day programme and detoxification services for a period of 4 years under the following category headings or 'Lots':

Lot 1: Structured Day Programmes (2 organisations)

Freedom Recovery Centre
Kairos

Lot 2: Residential Rehabilitation Programme (11 organisations)

Acorn Recovery	The Nelson Trust
Bosance Farm	Somewhere House
Kairos	Streetscene Addiction Recovery
Kaleidoscope	Ltd
Phoenix Futures	Salvation Army
	Thomas
	Western Counselling

Lot 3: Quasi Rehabilitation Programme (2 organisations)

Acorn Recovery	Freedom Recovery Centre
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Lot 4: Specialist Interventions (7 organisations)

Bosance Farm	Kaleidoscope
Burton Addiction Services	Phoenix Futures
Delphi	Western Counselling
East Coast Recovery	

(2) the approval to purchase residential rehabilitation, quasi rehabilitation day programme and detoxification services from organisations not appointed on to the framework agreement in exceptional cases, be delegated to the Executive Director for Community Services.

139. Learning Disability Framework Extension

Having considered a confidential officer report, and a presentation by the Deputy Mayor, Councillor Chris Best, the Mayor and Cabinet for the reasons set out in the report and by a vote of 9-0:

RESOLVED that:

(1) a nine month extension of the contracts between the Council and the following organisations be approved as detailed below:

Provider	Name of Service	Category of service	Extension to:
Royal Mencap	Avon Road	Supported Living	30/06/20
Lewisham Nexus Service	191c Burnt Ash Hill	Supported Living	30/06/20
Three C's Support	133 Mayow Road	Supported Living	30/06/20
Three C's Support	25 Canadian Avenue	Supported Living	30/06/20
Three C's Support	53 Bargery Road	Supported Living	30/06/20
Three C's Support	59 Culverley Road	Supported Living	30/06/20
PLUS	Haddington Road	Supported Living	30/06/20
Aurora Options	94 Burnt Ash Hill	Residential Care	30/06/20
PLUS	Elwis House	Residential Care	30/06/20
Aurora Options	George Lane	Residential Care	30/06/20
Three C's Support	1 & 10 Friendly Street	Supported Living	30/06/20
Three C's Support	112 Breakspears Road	Supported Living	30/06/20
Aurora Options	Jutland Road	Supported Living	31/07/20
Aurora Options	Kitto Road	Supported Living	31/07/20

(2) the total stated expenditure be approved.

140. Annual Renewal of Microsoft Enterprise License

Having considered a confidential officer report, and a presentation by the Cabinet Member for Democracy, Refugees & Accountability, Councillor Kevin Bonavia, the Mayor and Cabinet for the reasons set out in the report and by a vote of 9-0:

RESOLVED that authority be delegated to the Executive Director for Corporate Services to approve the final contract renewal price resulting from the procurement by the Shared ICT Service up to a maximum stated value for a period of one year.

The meeting closed at 7.31pm.

MAYOR AND CABINET		
Report Title	Report Back On Matters Raised By The Overview And Scrutiny Business Panel or other Constitutional bodies	
Key Decision	No	Item No.
Ward		
Contributors	Head of Business & Committee	
Class	Open	Date: October 10 2019

Purpose of Report

To report back on any matters raised by the Overview and Scrutiny Business Panel following their consideration of the decisions made by the Mayor on September 18 2019 or on other matters raised by Select Committees or other Constitutional bodies.

Agenda Item 4

MAYOR & CABINET		
Report Title	Outstanding Scrutiny Matters	
Key Decision	No	Item No. 3
Ward	n/a	
Contributors	Head of Business and Committee	
Class	Part 1	Date: 10 October 2019

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
Overview & Scrutiny Business Panel - Equalities	ED Corp Services.	5 June 2019	10 October 2019	No
Comments of Sustainable Development Select Committee – Home Energy Conservation	ED HRE	26 June 2019	30 October 2019	Yes
Comments of Public Accounts Select Committee – Income Generation Review	ED Corp Services.	26 June 2019	10 October 2019	Yes
Comments of Sustainable Development Select Committee – on response to referrals on Pubs	ED HRE	10 July 2019	10 October 2019	No
Comments of Sustainable Development	ED Community	10 July 2019	10 October 2019	No

Select Committee – on response to referrals on Fire Safety				
Children & Young People Select Committee – Review on Exclusions	ED CYP	10 July 2019	10 October 2019	No
Comments of Sustainable Development Select Committee on Catford Regeneration	ED HRE	10 July 2019	10 October 2019	No

BACKGROUND PAPERS and AUTHOR

Mayor & Cabinet minutes 5 and 26 June, 10 July 2019 available from Kevin Flaherty 0208 3149327.

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

Agenda Item 5

Mayor and Cabinet		
Title	Comments of the Safer Stronger Communities Select Committee on the Budget Cuts	
Contributor	Safer Stronger Communities Select Committee	Item
Class	Part 1 (open)	10 October 2019

1. Summary

- 1.1 This report informs the Mayor and Cabinet of the comments and views of the Safer Stronger Communities Select Committee, arising from discussions held on the Budget Cuts at the meeting on 12 September 2019.

2. Recommendation

- 2.1 Mayor and Cabinet is asked to consider the views of the Select Committee as set out in this report and provide a response to the Committee.

3. Safer Stronger Communities Select Committee views

- 3.1 On 12 September 2019, the Safer Stronger Communities Select Committee considered a report entitled "Budget Cuts". The Committee resolved to recommend the following to Mayor and Cabinet: That

"It is important that all Council subsidised rents to commercial and voluntary sector organisations should be understood and a list should be available for review and for scrutiny."

4. Financial implications

- 4.1 There are no financial implications arising out of this report.

5. Legal implications

- 5.1 The Constitution provides for Select Committees to refer reports to the Mayor and Cabinet, who are obliged to consider the report and the proposed response from the relevant Executive Director; and report back to the Committee within two months (not including recess).

6. Further implications

- 6.1 At this stage there are no specific environmental, equalities or crime and disorder implications to consider. However, there may be implications arising from the implementation of the Committee's recommendations.

Background papers

Safer Stronger Communities Select Committee agenda 12 September 2019: [link](#)

If you have any questions about this report, please contact Katie Wood, Scrutiny Manager (katie.wood@lewisham.gov.uk)

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	10 th October 2019	
Title of Report	London Borough of Lewisham's Brexit Preparations	
Originator of Report	Executive Director for Corporate Services	Ext.46651

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:
Cabinet Member
Date: 1st October 2019



Signed:
Interim Chief Finance Officer
Date 1st October 2019

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	London Borough of Lewisham's Brexit Preparations	
Key Decision	No	Item No:
Ward	All	
Contributors	Executive Director for Corporate Services	
Class	Part 1	Date: 10 October 2019

Summary

1. Brexit has potentially significant implications for local authorities in terms of budgets, the local economy, the regulatory framework and service provision, as well as community cohesion. This report provides an update on how the Council is preparing for the United Kingdom's exit from the EU.

Recommendation

2. Mayor and Cabinet are asked to note and comment on the findings of this report.

Policy Context

3. Lewisham's Corporate Strategy 2018-2022 sets out the Council's vision for residents for the next four years. The Council's corporate priorities are:
 - Open Lewisham – Lewisham is a welcoming place of safety for all where we celebrate the diversity that strengthens us.
 - Tackling the housing crisis – Everyone has a decent home that is secure and affordable.
 - Giving children and young people the best start in life – Every child has access to an outstanding and inspiring education and is given the support they need to keep them safe, well and able to achieve their full potential.
 - Building an inclusive local economy – Everyone can access high-quality job opportunities, with decent pay and security in our thriving and inclusive local economy.
 - Delivering and defending: health, social care and support – Ensuring everyone receives the health, mental health, social care and support services they need.
 - Making Lewisham greener – Everyone enjoys our green spaces and benefits from a healthy environment as we work to protect and improve our local environment.
 - Building safer communities – Every resident feels safe and secure living here as we work together towards a borough free from the fear of crime.
4. Mayor and Cabinet will be aware that on 3 October 2018 full Council agreed a Motion to full Council setting out the full Council's views which included the following:

- If the UK leaves the European Union, our country will be permanently poorer, have diminished influence in the world and the greatest burden will fall on the poorest and youngest in society;
- For communities up and down the country, jobs and businesses are under threat and it is absolutely right for local authorities to be making a stand on their behalf;
- Any form of Brexit will damage the NHS; the Nuffield Trust projects the economic impact will translate into an annual £2.4bn shortfall in funding, but the economic impact is not the only area on which we need to be focusing;
- Since the referendum there has been a marked increase in hostile behaviour towards immigrants and an unpleasant and dangerous increase in nationalism and xenophobic attitudes in this country;
- That Councils already struggling as a result of the “austerity” policies of this government and the constituents they represent, will be hit hardest by the detrimental economic effects of Brexit.

Background

5. On 23 June 2016, the UK voted in a referendum on whether the UK should ‘remain’ in or ‘leave’ the European Union. The UK as a whole voted to leave the EU with 52% of those registered voting in favour of leaving the EU. In Lewisham, 69.9% of those registered to vote voted to remain in the EU. On 29 March 2017, the former Prime Minister triggered article 50 and began the two-year countdown to the UK formally leaving the EU. While the UK was due to leave the EU on March 29 2019, the EU agreed for Article 50 to be extended twice – initially to 30 June 2019, and subsequently to 31 October 2019.
6. In July 2019, Boris Johnson became Prime Minister, pledging to leave the European Union on 31 October, with or without a deal in place. From July, the Government has been stepping up its plans to prepare for a no-deal Brexit scenario which is the central planning assumption in Whitehall.
7. The European Union (Withdrawal) (No.2) Act 2019 was enacted on the 9 September. The Act requires a delay to Brexit beyond October 31 unless a divorce deal is approved or Parliament agrees to leaving the EU without a deal by 19 October 2019. In August, the Prime Minister advised the Queen to prorogue parliament from 9 September to 14 October. However, on 24 September the Supreme Court ruled that this advice and the prorogation were unlawful. Therefore, Parliament was not prorogued on 9 September and the previous parliamentary session resumed on 25 September 2019.
8. On 2 August 2019, the Government’s ‘Operation Yellowhammer’ report was leaked to the press. The report was subsequently published by the Government in September 2019. The document identifies a series of ‘reasonable worst case assumptions’ for the impact of a no-deal Brexit on 31 October 2019. Operation Yellowhammer identifies the following planning assumptions:
 - Transport disruption due to immediate controls at the French border. This may last up to three months and will specifically impact Kent.

- Increased immigration checks for UK citizens travelling to and from the EU.
 - Disruption to the supply of medicines and medical supplies.
 - Decreased supply of certain fresh foods, reducing the availability and choice of products.
 - Disruption to the flow of personal data from the EU where an alternative legal basis for transfer is not in place.
 - Protests and counter-protests across the UK as well as a potential rise in public disorder and community tensions, potentially absorbing a significant amount of police resource.
 - Disruption of fuel distribution to London and the South-East.
 - Low income groups will be disproportionately affected by any price rises in food and fuel.
 - Growth of the “illegitimate economy”.
 - Adult Social Care provider failure from 2 months after no-deal Brexit due to increased inflation leading to increased staff and supply costs. Winter pressures may exacerbate challenges facing social care providers.
9. The lack of clarity around the specifics of the UK’s exit from the European Union has created considerable uncertainty for the country and local government. While Operation Yellowhammer provides some clarity about the government’s planning assumptions, there is still a high degree of uncertainty about the longer term impacts of a no-deal Brexit on local services. The Council’s Brexit preparedness planning began in early November 2018. Working on the government’s central planning assumption at the time, Lewisham’s preparations were focused meeting the original exit date from the EU on 29 March 2019. Subsequent work has been focused on updating risk assessments and addressing new government guidance as it is published.
10. The constantly shifting position with regards to Brexit also leads to changing potential implications for local government to consider. The government plans to publish an updated version of Operation Yellowhammer to reflect its current planning assumptions and a recent National Audit Office (NAO) report has found that there is “still significant work to be done” around securing medical supplies in the event of a no-deal Brexit.

London Borough of Lewisham Preparations for Brexit

11. Brexit has potentially wide-ranging implications for local authorities in terms performance of functions, provision of services as well as impacts upon the local community. This section of the report provides an update on specific issues arising and action being taken as Lewisham prepares for the United Kingdom’s exit from the EU.
12. The Council’s preparations to date have included:
- assimilating a wide range of national guidance from government departments into local planning;
 - participation in, regional co-ordination across local government and weekly submissions to the London Resilience Forum and London Councils;
 - engaging with partners through the Local Resilience Forum,
 - meeting with the police and coordinating with health partners through the South East London Sustainability and Transformation Partnership;

- providing direct support to EU nationals both residents and staff;
- communication initiatives to increase awareness of EU Settled Status (EUSS);
- assessing impact on the Council's finances;
- evaluating Council service risks,
- testing business continuity plans for a variety of Brexit related scenarios informed by government guidance and Operation Yellowhammer.

Lewisham Brexit Coordination Group

13. Established in November 2018, Lewisham's Brexit Coordination group coordinates the Council's Brexit preparation activities, oversees a cross-directorate action plan and disseminates national guidance across the organisation. The Group comprises of representatives from each of the Council's four directorates, officers for key corporate services such as Human Resources, legal and finance and the Chair of the Local Resilience Forum. At the time of writing, the Brexit Coordination Group meets weekly and works in liaison with the London-wide regional co-ordination arrangements for Brexit planning.
14. The Council's Brexit Action Plan has been refreshed to reflect the extended Brexit deadline of 31 October. The Action Plan is regularly updated to reflect progress against actions. All directorates are preparing their services to support business continuity arrangements.
15. The Group is also monitoring the demand for key services, such as schools, children's social care, housing and homelessness to establish if there is evidence of an increase in demand as we move towards Brexit on 31 October and beyond. The Council has been in contact with the operators of local food banks to assess current levels of demand for food. Over the school holidays, there were increasing numbers attending food banks and there is concern that any potential adverse economic impact of Brexit will significantly increase demand for food, while at the same time reducing contributions from donors.

Participation in regional and sub-regional preparations

16. Preparations for a no-deal Brexit have been coordinated across London since February 2019 through the London Resilience Forum and London Councils. Robust reporting arrangements have been in place to provide for two way communications on no-deal preparations being made. London boroughs are identifying key issues and communicating these to the London-wide coordination group on a weekly cycle. Issues are escalated to the Ministry of Housing Communities and Local Government as appropriate, highlighting to Government the key concerns of the sector. The Chair of Lewisham's Brexit Coordination Group also participates in regular teleconferences with the Secretary of State for Housing, Communities and Local Government.
17. The Chair of the Brexit Coordination Group, the Director of Public Protection and Safety and the Chair of the Local Resilience Forum meet fortnightly with the police to share intelligence and ensure coordination at a local level. The Coordination Group is also in contact with the South East London Chamber of Commerce to ensure coordination with local businesses who are also preparing for Brexit. Additional workshops are being organised for local companies setting out the possible impact of Brexit for their business, through the Council's European

Regional Development Fund Growth Programme. The borough's university, Goldsmiths, has been working closely with Universities UK to assess impact and readiness for Brexit. This includes speaking to European partners, communicating to staff and students about EUSS and liaising with relevant authorities about EU funding.

Supporting EU nationals

European Union Settlement Scheme (EUSS)

18. The European Union Settlement Scheme (EUSS) allows EU citizens to continue to live, work and study in the UK.
19. In May 2019, the Council launched a local service to help EU residents applying for Settled Status. The Customer Service Centre offers an in-person verification process for EU nationals who wish to have their ID documentation verified at the council. By September 2019, 222 people had used the in-house ID verification service.
20. Over 1.5 million EU nationals have applied for EU Settled Status in the UK. In Lewisham, there are 20,826 EU nationals on the electoral register. In Lewisham, 10,810 EU nationals have applied for settled status as of September 2019. The Council is committed to doing further work to promote the scheme.

Employees

21. Since January 2018, Lewisham Council has collected nationality data for all new employees. The Council is currently aware of 22 of Lewisham employees who are EU nationals, however this figure does not include employees who joined the Council before 2018. Human Resources has put measures in place to improve the recording of this information in order to provide targeted support for EU nationals working for Lewisham.
22. An information event was held in March 2019 for EU national employees of the Council. The event was led by an experienced EU immigration lawyer and provided an opportunity for staff to find out more about applying for EU Settled Status. In total about 40 Council employees attended the event to find out more about the Settled Status scheme.

Communications

23. The Secretary of State for MHCLG has advised councils to ensure clear communication to local residents and businesses to support their own preparations for Brexit. The Council has dedicated webpages about Brexit that went live on 16 January 2019. As at September 2019, there have been 8,365, visits to the [Brexit webpages](#).
24. The webpages are monitored to ensure that information is up to date. In August, the *Advice to EU citizens running a business* section on the webpage was changed to *Business and Brexit* and now includes links to guidance and the application process for businesses needing to import or export after the end of October.

25. Internal communications activity on Brexit has included a dedicated Intranet page for staff who are EU citizens, items on News for You and updates in the Chief Executive's newsletter. The Communications team continue monitoring for news on Brexit and further targeted work is to be done with staff who are EU Nationals.
26. The Council has developed a targeted marketing and communications campaign, using posters and leaflets in the borough's libraries, in Lewisham Homes properties as well as via social media and the website. A community engagement event is being planned to support Lewisham's EU nationals apply for EUSS.

Finance and EU Funding

27. As a member of the EU, the UK can currently participate in a range of funded programmes such as the European Structural and Investment Funds (ESIF), grant funding for research and strategic investment funding among other streams. Currently, the Council's DeK Business Growth programme receives £1 million funding from the European Regional Development Fund. The government has guaranteed to cover all EU-funded projects from 2014-2020. The government's 'Shared Prosperity Fund', a new regeneration funding programme, is the UK's proposed replacement for ESIF funding. However, as it stands the government's consultation paper on the 'Share Prosperity Fund' has not yet been published.
28. Local government is already facing considerable funding challenges which are likely to be exacerbated by the financial impacts of Brexit. The government's analysis (Yellowhammer) recognises that the possible impacts of Brexit will impact lower-income families most. Depreciation of the pound (raising the cost of imported goods such as food, clothing and fuel) and disruption to supply chains will increase the cost of living. In turn this is likely to increase pressure on Council services as levels of need rise and may impact the ability of residents to afford to pay Council Tax and Business Rates, upon which the Council is increasingly reliant as key funding sources. Moreover, although the recent one-year settlement provides local authorities with some certainty about budgets, councils await a long-term funding solution in order to plan more effectively for the longer-term. The financial situation with regards to Brexit is continually monitored by the Interim Chief Finance Officer.
29. In January, the Ministry for Housing, Communities and Local Government (MHCLG) announced that local authorities would receive a share of £56.5m to help support preparations for Brexit. The allocation of this money was split over two financial years, with £20m received in 2018/19 and £20m received in 2019/20. As a share of this £40m allocated to local authorities, London Boroughs and unitary councils were allocated a total of £210,000 each. In August, MHCLG announced a further £105,000 for London Boroughs to be used to support Brexit preparations. To date, a portion of this funding has covered staffing capacity for the ID verification scheme for EUSS applicants, communications activity and Brexit planning coordination work. The balance is being held to be allocated when there is a clearer picture of need across the borough.

Council Services

30. Each of the key service areas below have identified that their service will potentially be directly impacted by Brexit. Work to understand and assess the risks and actions necessary in each area has been coordinated by the Brexit Coordination

group and the specific challenges for each area are outlined below.

Social Care

31. Nationally, Social Care services are facing significant funding challenges and may be therefore particularly sensitive to any national economic downturn as a result of Brexit. The Department of Health and Social Care has produced guidance for adult and children's social care providers with regard to Brexit preparations. The guidance recommends that social care services and providers conduct risk assessments and review their business continuity plans to reflect Brexit risks. There is the potential for future staffing shortages if current EU nationals return to the EU or do not apply for EUSS. Currently, this risk is low but will continue to be monitored after 31 October to evaluate the ongoing impact of Brexit on staff retention.
32. Brexit preparations for health and adult social care are coordinated at a South East London level and joint planning mechanisms are in place across NHS England and the Association of Directors of Adult Social Services to coordinate Brexit preparedness. The South East London Sustainability and Transformation Partnership (OHSEL) is coordinating the South East London Brexit Oversight Group. This group includes six local authorities, Clinical Commissioning Groups, NHS Trusts and local health providers in South East London in relation to Health and Social Care.
33. There are a number of organisations providing social care services to adults in Lewisham. Local providers have been contacted seeking assurance that risk assessments have been carried out. All providers contacted have responded with assurances and have been asked to alert the Council if there are any changes to their situation. Providers have also been given advice and information to share with staff about applying for EUSS and have been advised to continually check government guidance for new information.

Schools and children's services

34. The Council is responsible for identifying EU Looked after Children and Care Leavers and ensuring that they have applied to EUSS. The Council is working to identify all children and care leavers eligible for EUSS in order to support them in their application.
35. For schools in Lewisham, risks are a potential loss of teaching staff, disruptions to food supplies impacting on school catering provision and that a reduced demand for school places which would impact schools' funding and the delivery of capital projects such as school building. Lewisham's Education Services have contacted schools with an offer of support with applications to EUSS and are currently working with schools to mitigate any potential oversupply for school places. Lewisham has a coordinated school meals offer covering the majority of schools in the borough. The schools catering contractor source 86% of their produce from either UK producers or non-EU supply chains and is confident that they can sustain supplies and services to Lewisham Schools, and have adequate mitigation strategies in place.
36. For the Children's Social Care and Commissioning services, the range of risk areas

identified as a result of Brexit extend to Children-in-Need and children on Child Protection Plans with family members who are EU nationals, Children Looked After by the Council and Care Leavers. As at 30/09/19 there are 21 Children Looked After and 11 Care Leavers who have identified as EU nationals and will be require support to apply for British Citizenship. In addition, the service has recognised that there could be a further risk to children and young people as a result of shortages of medicines.

37. Consideration has also been given to the risk arising from third party service provision such as foster carers who, as EU nationals, may decide to return to the EU (an action which may cause a reduction in available foster home placements). A similar issue could also impact residential provision staffed by EU nationals, who choose not to make a Settled Status application and decide to return to the EU.
38. The Children's Social Care and Commissioning Services are taking active steps to address the areas of risk highlighted above. All children who have been identified as EU nationals are being supported to remain – including, where necessary with legal support from a Department for Education funded programme delivered by Coram.
39. Arrangements are in place for social work staff to talk with parents and carers of Children-in-Need, those with Child Protection Plans, Children Looked After and our Care Leavers who have medication needs to ensure that they have adequate supplies for the coming months.
40. In addition to the above, it has been confirmed that there are no in-house foster carers who require support to remain in the UK. Furthermore, all contracted/external providers are being contacted to request either their Business Continuity Plans (including any Brexit risks) or a written statement on potential impact and mitigation of (no deal) Brexit.

Regulatory services

41. Many local government services and activities are affected by EU rules including procurement, environmental health and trading standards. The European Union (Withdrawal) Act 2018 will end the supremacy of EU law in UK law, convert directly applicable EU legislation into domestic law at the moment of exit and will preserve legislation previously made in the UK to implement EU obligations. According to government guidance, the legislation will generally have the same effect as before the UK left the EU unless it is changed by Parliament, but some legislation has been amended by Statutory Instruments made under the European Union (Withdrawal) Act 2018. This is to ensure that legislation will work properly once the UK has left the EU.
42. Lewisham Council's Trading Standards service has conducted a thorough risk assessment and have identified a number of changes and challenges associated with Brexit. The lack of clarity for post-Brexit consumer markets is a major threat that cannot yet be quantified. It is likely that enquiries from businesses will increase significantly and Trading Standards will need to advise accordingly. There is currently no further information regarding the introduction of or access to new UK systems that are to replace current EU systems. The service is closely monitoring government guidance and technical notices and works closely with other boroughs

and the London Trading Standards Board which regularly liaises with central Government on a range of issues. Similarly, there is still uncertainty regarding the level of staffing and training required to comply with changes to import and export regulations in the event of a no-deal Brexit. Additional capacity and training is likely to be necessary in the case of a no-deal exit from the EU.

43. In the event of a no-deal Brexit, public procurement regulations will remain broadly unchanged after Brexit. The key difference for contracting authorities will be the need to send advertisement notices to a new UK e-notification service, Find a Tender (FTS), instead of the EU Publications Office. FTS will be deployed at 11pm on 31 October in the event of a no-deal Brexit. The Council's procurement rules are consistent with the guidance issued by government about post-Brexit procurement arrangements.

Housing, Homelessness and Capital Programme Delivery

44. Under the Homelessness Reduction Act, the Council has an obligation to provide housing and homelessness advice to anyone who approaches us, to prevent homelessness or help homeless people find accommodation, regardless of housing eligibility status. Advice from government to date has indicated that EEA nationals will continue to be eligible for benefits and assistance as before. EEA residents will be supported to apply for EUSS by December 2020. All staff are receiving updated information summaries to ensure they are aware of current government advice as well as legal advice agencies that can support EEA nationals.
45. The Housing and Homelessness Service monitors approaches to the service and will continue to monitor the status of approaches beyond October 2019. The service is ready to respond to any increased workload as a result of increased demand.
46. The service has ongoing relationships with neighbouring boroughs in homelessness and rough sleeping as well as with other boroughs via London-wide forums. Impacts of Brexit on homelessness and issues in regard to displacement of individuals are routinely monitored and discussed.
47. There is a risk around cost and material supply for housebuilding and repairs, as well as a possible shortage in skilled labour in the building trade. The Council is in ongoing discussions with contractors to ensure supply chain and labour is available to complete delivery of projects.

Data protection

48. When the UK leaves the EU, the Data Protection Act 2018 would remain in place and a UK version of General Data Protection Regulations (GDPR) will be incorporated into UK law. In the event of a no-deal Brexit, the UK will be considered a 'third country'. Although the Data Protection Act ensures that personal information from the UK can flow into the EU, data from the EU flowing into the UK will be considered an international transfer and will not flow freely.
49. Lewisham's Information Governance Team have identified all data flows from an EU country into the Council, including all data hosted in an EU cloud. Only one

application is hosted in the EU which is used to carry out email communications with multiple email accounts. This is not a 'core' business application but the Council is working to mitigate any impact on business as usual.

Emergency Planning

50. The Emergency Planning and Business Continuity Service within the Public Services Division of the Corporate Services Directorate is responsible for working across the organisation and alongside borough partners to develop and maintain arrangements to prepare, respond and recover from emergencies. The service also ensures the Council has business continuity management arrangements in place so that key services can continue to deliver critical services in any eventuality. The service has a long track record of successfully responding to incidents in the borough and in London.
51. The Council maintains robust and well-rehearsed arrangements for responding to emergencies. Selected officers are on call at all hours every day of the year and are trained to manage the Council's response to whatever may occur. The Council is also part of the London-wide emergency planning arrangements and has played a significant part in responding to some of the major incidents in recent years. It is these arrangements which will be used to manage any incidents arising from Brexit.
52. Any emergency or disruption as a result of Brexit is highly likely to be London wide if not country wide so the response and recovery will be centrally coordinated and locally delivered. Any emergency or disruption, other than civil disorder, is likely to emerge over days as opposed to immediately. This means that those coordinating and responding will have the opportunity to plan and manage resources.
53. The Emergency Planning and Business Continuity Service is undertaking a series of exercises with key service leads about their business continuity arrangements. These exercises will focus on some potential incidents that may arise as a result of Brexit, and are designed to test and strengthen the services' business continuity arrangements.

Financial implications

54. As stated in section 5, there are potentially many varied and significant financial implications of Brexit, both for local citizens and businesses which may impact the Council and for the Council itself, which cannot be fully assessed and quantified at this stage. Central government has allocated £315,000 to Lewisham to prepare for Brexit of which some £60,000 has been earmarked to date for supporting work in respect of settled status, communications, and planning coordination. Should the costs to the Council of responding to the impact of Brexit not be covered by government they will need to be borne within existing service budgets where possible or, if not possible, funded from Council reserves until service costs can be brought back within budget.

Legal implications

55. The legal implications of Brexit, particularly if there is a "no deal" Brexit are very wide ranging. They are dependent in part on precisely what form of Brexit may

occur and the steps taken by the UK and EU governments in such circumstances. Some of the potential legal implications for the Council are explained in the body of the report. Within the context of this report it is possible to give a summary only.

56. The European (Withdrawal) Act 2018 (EUWA) will end the supremacy of EU law in UK law on exit and will convert directly applicable EU legislation into domestic law. Legislation will generally have the same effect as before leaving the EU unless changed by Parliament. Some legislation will however have been amended by Statutory Instruments (SI's) to correct "retained EU law" to make it work properly once the UK has left the EU. Statutory instruments have already been made and are continuing to be made under EUWA.

57. The Lawyers in Local Government (LLG) have noted that the following are the principal Brexit related SI's with EU exit local government implications to date :

- The Allocation of Housing and Homelessness (Eligibility) (England) (Amendment) (EU Exit) Regulations 2019 (SI 2019/861)
- The Environmental Assessments and Miscellaneous Planning (Amendment) (EU Exit) Regulations 2018 (SI 2018/1232)
- Environment (Amendment etc.) (EU Exit) Regulations 2019 (SI 2019/458)
- Conservation of Habitats and Species (Amendment) (EU Exit) Regulations 2019 (SI 2019/579)
- The Childcare (Miscellaneous Amendments) (EU Exit) (England) Regulations 2018 (SI 2018/1116)
- The Jurisdiction and Judgements (Family) (Amendment etc) (EU Exit) (No.2) Regulations 2019 (Si 2019/836)
- The Social Security (Amendment) (EU Exit) Regulations 2019 (2019/128)
- The State Aid (EU Exit) Regulations 2019
- The European Structural and Investment Funds Common Provisions (Amendment) (EU exit) Regulations 2019 (SI 2019/785)
- The Local Government (Miscellaneous Amendments) (EU Exit) Regulations 2018
- The Data Protection, Privacy and Electronic Communications (Amendments etc) (EU Exit) Regulations 2019
- Public Procurement (Amendment etc.) (EU Exit) Regulations (Si 2019/560)
- The Employment Rights (Amendment) (Eu Exit) Regulations 2019 (SI 2019/535)
- The Employment Rights (Amendment) (EU Exit) (No.2) Regulations 2018
- The Recognition of Professional Qualifications (Amendment Etc.) (EU Exit) Regulations 2019 (SI 2019/312)
- The Health and Safety (Amendment) (EU Exit) Regulations 2018 2018 No.1370

Explanations of their effects can be found within an LLG paper at :

https://www.lawyersinlocalgovernment.org.uk/news_articles/llg-publishes-guidance-on-eu-exit-statutory-instruments-with-local-government-impact

58. LLG have also noted that the main core policies held by a local authority which might be affected by EU Exit SI's are :

- Planning & Building Policy
- Planning Enforcement Policy
- HSAB Escalation Policy
- Local Plan

- Licensing Policy
- Environmental Enforcement Policy
- Recycling & Waste Policy
- Transport Policy
- Allocations Policy
- Housing Enforcement Policy
- Children Missing Education
- Safeguarding Adults Policy
- Foster Carers Delegated Authority Policy
- Local Housing Allowance Policy
- Equal Opportunities and Human Rights Policy
- Procurement, Tenders & Contracts Policy
- HR Policies- Pensions, Redundancies, Redeployment, Capability, Recruitment, Disciplinary, Whistleblowing etc.

59. Future decisions will, as those decisions arise, need to take into account the detailed consequences of changes in legislation on particular issues.

60. However, more generally in relation to a “no deal” Brexit, legal implications that would arise would include those relating to UK-EU trade in goods and services, UK-EU border issues, EU funding, the rights of UK citizens in the EU and EU citizens in the UK, EU-UK data transfer, UK trade with non EU countries and UK-EU future relationship negotiations. In the absence of agreements for pre-Brexit reciprocal arrangements to continue post Brexit, significant amendments are likely to be needed to UK law to remove references to the previous reciprocal regime; clarify the basis for the replacement UK regime and set out what will happen to UK procedures that straddle the two regimes.

61. Potential consequential effects as set out in the “Yellowhammer” documents have been noted above at paragraph 4.4. Were a no deal Brexit to occur, all consequential effects would need to be carefully monitored to ensure that the Council continues to comply with all its legal and statutory obligations from any consequences that may arise as a result.

62. The Equality Act 2010 (the Act) introduced a public sector equality duty (the equality duty or the duty) which replaced, broadened and expanded upon similar duties which already existed in relation to race, disability and sex. It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

63. 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.

64. The duty continues to be a “have due 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.

65. The Equality and Human Rights Commission has issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled “Equality Act 2010
66. 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/publication-download/services-public-functions-and-associations-statutory-code-practice>
 - <https://www.equalityhumanrights.com/en/publication-download/technical-guidance-public-sector-equality-duty-england>
67. 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
68. The essential guide provides an overview of the equality duty requirement 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>

Equalities implications

69. Brexit has and will have an impact across all of the country however, particular vulnerable groups could be significantly affected if left unsupported. These groups include, but are not limited to, EU nationals and their families (particularly those who do not speak the English language), families on lower incomes, those in receipt of support from social services and people who are homeless.
70. Preparations around the EUSS are of particular note as people are required to apply to retain a right to live and work in the UK may not speak English or reside in hard-to-reach communities. The Council continues to promote the EUSS on the Council website and through work with our Voluntary and Community Sector partners, and provides direct support through our in house verification process.
71. The council has encouraged workers to apply through the EUSS to ensure they retain the right to continue living and working in the UK. The Council has made it

clear that staff are valued as employees and has taken steps in communications to reassure and support staff.

72. The Council is mindful of potential community tensions as the Brexit situation progresses, particularly as there may be an increase in community tension and hate crimes, as seen in the lead up to and aftermath of the EU referendum. The Council will monitor community tension and work with local partners across all sectors to promote cohesion and tolerance. Working with partners, including the police, the Council will take appropriate action to protect and ensure the safety and wellbeing of all communities and cultures.

Climate change and environmental implications

73. There are no specific climate change and environmental implications that arise directly from this report.

Crime and disorder implications

74. The lead up and aftermath of the EU referendum in 2016 saw an increase in hate crime and racist attacks across the London and the UK more widely. A series of pro and anti-Brexit protests have taken place in London and more campaigning activity. The government is planning for “protests and counter protests” taking place across the UK as well as a “rise in public disorder and community tensions”. The Council will continue to work closely with the police and voluntary partners to monitor and respond to any rise in community tensions.

Background papers

75. [Corporate Strategy 2018-22](#)

Report author and contact

76. Barrie Neal, Director of Corporate Policy and Governance. 02083149852.

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

Date of Meeting	10 th October 2019	
Title of Report	Recommissioning of building based day services for older adults	
Originator of Report	Laura Harper	Ext.46096

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)		

Laura Harper

Signed:
Cabinet Member
Date: 1ST October 2019

Laura Harper

Signed: _____
Executive Director
Date 26th September 2019

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	Recommissioning of Building Based Day Services for Older Adults		
Key decision	Yes	Item no	
Wards	All wards		
Contributors	Executive Director for Community Services		
Class	Part 1	10 October 2019	

1. Purpose of report

- 1.1. The purpose of the report is to feedback on the consultation about proposed changes to commissioned day services for older adults. The report also makes recommendations for the future re-commissioning of older adult day services.
- 1.2. On June 5th 2019, Mayor and Cabinet considered a report which set out in detail the wide range of community based activities which are available to, and accessed by, older adults in Lewisham. The report highlighted the ongoing reduction in demand for building based day services in Lewisham as an outcome of such changes to the wider community offer and the increase in the use of direct payments. Notably, that demand has reduced from an average of 75 places used a day in 2012/13 to 34 places used a day in 2018/19 across the three commissioned building based day services at the Calabash Centre, Cinnamon Court and Cedar Court.
- 1.3. Mayor and Cabinet agreed that Officers could consult on the proposal to re-commission the 3 current building based day services as a single service at the end of this contract period. The proposal would constitute a significant change in service delivery and a formal consultation was required with service users, their families and other significant stakeholders about the impact of this proposal, specifically:
 - The impact of combining the three services currently delivered at Calabash, Cedar Court and Cinnamon Court into a single location
 - Views as to the proposal that the service should be located at the Calabash Centre
 - Views as to how important ethnic and cultural needs will be met within the single service offer
- 1.4. Between June and September 2019, council officers wrote to everybody who would be directly affected by the proposals should they be agreed. Officers carried out two meetings at each of the three services to explain the proposed changes to services and to answer questions from service users and their family members. Further meetings were carried out in the evening and an

additional daytime meeting was held at Cinnamon Court to provide more opportunities for people to speak to officers. Officers also met with local community groups on request. The survey was available online and hard copies were made available via stakeholder organisations and as additionally as requested. The Council also commissioned an independent advocacy service to support those adults directly affected and officers organised visits for people using the Cedar Court and Cinnamon Court day services to the Calabash Centre.

- 1.5. This report sets out the findings of the consultation at section 8. In summary, feedback was mixed with more people who responded to the consultation in favour of the three proposed changes than against them.
- 1.6. Feedback from service users who currently attend services at the Calabash Centre was that they would welcome other service users to the centre, provided there were enough staff to support people and they can continue to enjoy the activities they currently enjoy at the centre.
- 1.7. Feedback from service users who currently attend services at Cedar Court was that they like the service they currently attend and they would like to continue to attend day services at Cedar Court. Should the proposed changes be agreed then service users from Cedar Court would need to be supported to adapt to the changes and some may need travel assistance to attend a different service location.
- 1.8. Feedback from services users who currently attend services at Cinnamon Court and who are directly affected by the proposed changes was that they would need to be supported to adapt to the changes and some may need travel assistance to attend a different service location.
- 1.9. There were some other objections to the proposals by a two individuals who did not agree that the Council should combine the three services into one service and that this would limit choice.
- 1.10. Other concerns were raised by 4 respondents about the impact of the changes on the Black African Caribbean community and their historical allegiance and alliance with the Calabash Centre in addition to concerns about the specific proposals around no longer commissioning a separate day service for BAME older people.
- 1.11. Officers met with the Active Elders Groups (African Caribbean Active Elders Group and the Asian Elders Group) who also use the Calabash Centre as part of the Council's wider non-commissioned offer to explain the proposal in detail and to hear their views which were generally supportive of the proposals.
- 1.12. Officers have considered the comments made throughout the consultation and proposed mitigations within the report to ensure that the range of activities and resources can be retained and strengthened, including meeting the cultural needs of all people accessing older adults' day services.
- 1.13. Based on the findings of the consultation and the proposed mitigations being put into place this report recommend that the three services currently

commissioned at Cedar Court, Cinnamon Court and the Calabash Centre, are re-commissioned as a single service, and that this service is located at the Calabash Centre, George Lane SE13.

- 1.14. Should Mayor and Cabinet agree with the recommendation to re-commission the services as a single service at The Calabash Centre, then it is recommended that this is tendered via an OJEU-compliant open tender as set out in section 11.

2. Recommendations

It is recommended that Mayor and Cabinet:

- 2.1. Notes the consultation findings and officer response set out at Section 8,
- 2.2. And, having considered these, agrees the proposal to re-commission the older adult day services currently provided at Cedar Court, Cinnamon Court and The Calabash Centre as a single service offer, based on the principles set out at Section 9.
- 2.3. Agrees that officers can proceed to procure a provider for the service, via the process set out at Section 11.

3. Policy Context

- 3.1. The function of Adult Social Care is to ensure that vulnerable adults receive services appropriate to their needs within the framework of statutory duties and agreed policies. For adults, this is determined through the completion of an assessment in accordance with section 9 of the Care Act 2014 and associated guidance and regulations, followed by the application of the appropriate eligibility criteria and service decisions.
- 3.2. The Care Act 2014 is the most substantial piece of legislation relating to adult social care to be implemented since 1948. It consolidated previous legislation, common law decisions and other good practice guidance. The Care Act places a wide emphasis on prevention, the provision of advice and information, changes to eligibility, funding reform and market shaping and commissioning. This final aspect of the Act also emphasises the use of personal budgets and direct payments to promote individualisation of provision, and requires the Council to promote appropriate service supply across the provider market and assure quality and diversity to support the welfare of adults in the community. It also requires the Council to engage with providers and local communities when redesigning service and planning for the future.
- 3.3. There have been a number of government documents which set out the pathway of 'Personalisation' as a way of meeting needs so that eligible service users have both greater flexibility about the service they receive and greater control over how they are delivered (for example: 'Putting People First' (2007); 'Transforming Social Care' [LAC (DH) 2008]; 'Caring for Our Future: reforming care and support' (2012)). There is also emphasis upon the achievement of outcomes which the service user prefers/desires, rather than provision of service to a uniform pattern. The policy and guidance documents promote the

provision of Direct Payments whereby eligible adults are given an assessed sum as cash to purchase their own service and the local authority's role, rather than being one of a direct provider of services, has become one more focused on market development and shaping to help provide opportunity, choice and options.

- 3.4. The Council seeks to maximise the independence of older adults by enabling them to live in their own homes in their local communities wherever possible. This is reflected when allocating resources in adult social care by prioritising community care services for those with the most needs.
- 3.5. Older adults may have Care and Support needs which are eligible under the Care Act 2014 for Council funded care. A care assessment seeks to identify ways in which an individual can meet their needs and achieve their desired outcomes. This includes using:
 - Their personal resources, abilities, skills, knowledge, potential, etc.
 - Their social network and its resources, abilities, skills, etc.
 - Community resources
- 3.6. Outcomes which can be supported by day activities, direct payments and day services include, but are not limited to:
 - Developing and maintaining family or other personal relationships
 - Managing and maintaining nutrition
 - Maintaining personal hygiene
 - Managing personal care needs
 - Socialisation
 - Reducing loneliness
- 3.7. The recommendations within this report also relate directly to the Council's Corporate Strategy 2018-2022 priorities:
 - Delivering and defending: health, social care and support – Ensuring everyone receives the health, mental health, social care and support services they need.
 - Open Lewisham – Lewisham is a welcoming place of safety for all where we celebrate the diversity that strengthens us
- 3.8. The Corporate Strategy also sets out the Council's commitment that when considering whether to commission services, there will be an assumption that the Council is our preferred provider and to in-source our contracts. An initial options appraisal has been carried out by officers to compare the options for the future delivery of older adults' day services.
- 3.9. The options appraisal was undertaken using a standard framework, drawn from a model designed by the Association of Public Sector Excellence to allow Local Authorities to explicitly consider insourcing of services, which assesses various options and appraises these using both qualitative and quantitative metrics. The qualitative considerations for each operating model were: the risks associated with service delivery, the barriers to entry into the marketplace (high start-up costs or other obstacles that prevent new competitors from easily entering an industry), the responsiveness and control achievable, and the commercial potential. The quantitative assessment

looked at the potential and likely estimated cost of service delivery under each model. When combined the qualitative and quantitative measures provide an indication of the overall value for money and ranking of each option. Given the nature of the services the three options considered were: insourcing, placing a contract with an external provider, and the Council itself either setting up or procuring a service provider.

- 3.10. It is to be noted however that this model has not been previously used by the Council and that as with all models it is a desk top exercise which attempts to predict an outcome for each scenario. As such there is potential for the actual results to differ from those anticipated, and there is further the inherent risk that the modelling itself is not reliable.
- 3.11. The results of this exercise (as summarised at Appendix 3) were presented to the IJCG as part of the procurement Gateway 1 review with the recommendation that the Council procures this service through an external provider. This Appendix also formed part of the June 5th Mayor and Cabinet Report 'Recommissioning building based day services for older adults'.

4. Background

- 4.1. Over the past ten years, there has been a significant reduction in the numbers of people in Lewisham who are placed in residential and nursing care homes. The Council has worked to develop the support available in the community to enable people to maintain independence and to stay in their own homes for longer. The Council has also been shaping and growing its community based service offer to older adults, including older adults eligible for council funded services. The detail of these developments are set out in the report to Mayor and Cabinet on June 5th 2019, but include Council-funded initiatives such as Community Connections, Meet Me at the Albany, and the Active Elders group at Calabash.
- 4.2. As a result of these changes, there has been a decrease in the numbers of older people with mild to moderate levels of need accessing formally commissioned building-based day services, and an increase in demand from people with moderate to high levels of care and support needs.
- 4.3. The Council currently commissions three building based day services for older adults eligible for funded care: one for BAME older adults at the Calabash Centre owned by the Council and managed as part of the day service contract with Hestia Care & Support and Cedar Court and Cinnamon Court owned and managed by Housing 21 delivered in their Extra Care settings. Additionally, the Council also directly provides a dementia specific day service for older adults at the Ladywell Centre.
- 4.4. The reduction in overall demand for building-based day services was previously reported in the 'Recommissioning Culturally Specific Day Services for Older Adults' report to Mayor and Cabinet in 2014. In this report, the number of commissioned spaces in the BAME-specific service was reduced from 51 places a day to 30 places a day. This reflected that the numbers of attendees at the day service fell well below the contracted level at that time.

- 4.5. The reduction in demand was further highlighted in the 'Remodelling Lewisham Council's Day Service Offer.' report to Mayor and Cabinet in 2015, which detailed that services at Cedar and Cinnamon Court were under delivering on the 50 day services spaces commissioned by approximately 10 spaces per day. Commissioned capacity at the Housing and Care 21 services was consequently reduced in 2017 to 12 spaces per day at each service, with the option to spot-purchase additional places.
- 4.6. Officers' view is that this reduction in demand for day services also reflects the growth in take up of Direct Payments across all groups, including older adults. People can use the money, which would otherwise be allocated to a commissioned day service, to create their own routines and preferred ways of meeting their needs through the use of Personal Assistants or by purchasing their service from a provider of choice. This means that people are able to access a wider range of community-based activities.
- 4.7. Conversely and in line with general demographics, there is a growing number of older adults with severe dementia meaning there is a slow but steady growth in demand for dementia-specific provision. Since October 2015 the Council has increased the number of places per day from 19 to 24 in readiness at its own directly-provided service at the Ladywell Centre. That said, this additional provision is also under delivering on its commissioned level of service.
- 4.8. When contracts for Housing 21 and Hestia were extended or recommissioned in 2017, it was planned that all 3 contracts should end in September 2019. This purpose was to allow for a check point to determine whether this was an ongoing trend or whether these decreases in demand were 'one off'. Evidence is that this reduction is consistent and should be considered as a trend that will continue. This is further detailed in Appendix 3 – Historic Service Usage.

5. Commissioned and directly provided older adults day services

- 5.1. The Council currently commissions 3 building-based day services for older adults at Cedar Court, Cinnamon Court and the Calabash Centre. The contracts for these services, which provide a total of 49 place a day across the 3, were due to end in September 2019 but were extended to end June 2020 to enable consultation on the future commissioning of building based day service in Lewisham. The Council also directly provides 24 day service places per day for people with severe dementia at the Ladywell Centre. Ladywell Dementia service is not affected by the changes recommended in this report. Full details of the number of places and costs of services are shown in Appendix 1- Costs and Current Usage Data, Table 1.
- 5.2. The Council currently commissions 12 day service places per day at both Cinnamon Court Deptford and Cedar Court Grove Park (total places 24 per day). The costs of the 'general' (non-dementia specific) older adults' day services provided at Cedar Court and Cinnamon Court are £45.12 a day at 2019/20 prices.
- 5.3. The Older Adults' day service at the Calabash Centre is delivered by Hestia Support. The Council currently commissions 25 day service places per day at this service. The service has been commissioned since 2006 as a service for

people from Black and Minority Ethnic Communities, prior to this there was a day service at St Mauritius House which was grant funded by the Council. The Costs of the 'general' (non-dementia specific) older adults' day services provided at the Calabash Centre is £45.09 a day at 2019/20 prices.

- 5.4. There is flexibility to spot purchase additional places built into all 3 commissioned service contracts. However, since the current contracts were commissioned in 2014 for Calabash and 2017 for Housing 21, this facility has only been required at Cedar Court, and is regularly used on a Tuesday, which is a popular day to attend the service. On other days there are fewer than the contracted number of places used.
- 5.5. Staff in all commissioned services are paid at the London Living Wage, which was increased to £10.55 per hour in November 2018.
- 5.6. The Council directly provides 24 day service places at the Ladywell Centre for people with advanced dementia. The costs of Ladywell Dementia Day Service are £80.96 a day, which reflects the specialised nature of the higher care and support needs associated with the behavioural and psychological symptoms of advanced dementia.
- 5.7. As at March 2019, 135 individual service users attend the 4 building based day services for a total of 309 days. The majority of people attend for between 1 and 3 days a week. A small number (14) attend for 5 days a week. Current Service Usage is shown in more detail in Table 2 at Appendix 1.
- 5.8. All Day Services, with the exception of Cedar Court, were underutilised in 2017/18 and continued to be underutilised in 18/19. This is shown in Table 3, Appendix 1.
- 5.9. Across all services there were a higher average number of people on the register than actually attend on an average day. This is to be expected given the age and care and support needs of service users.
- 5.10. There were an average of 23 more spaces commissioned or directly provided per day than were required in 2018/19 financial year based on actual attendance. The service at the Calabash Centre was underused by an average of ten places per day in 18/19 and the service at Cedar Court was underused by an average of 5 placed per day in 2018/19, at a combined cost to the Council of £165,000
- 5.11. The service take up at Cedar Court is higher than at Cinnamon Court, however there has been a reduction in demand for this service, as illustrated by the declining total numbers of people on the register and total numbers of people attending between 2017/18 and 2018/19.
- 5.12. While numbers of older adults referred to commissioned building based services overall are decreasing, the people being referred are increasingly physically frail. There is also an increase in older adults requiring intimate personal care in addition to the social interaction and range of activities usually associated and commissioned with day services. This needs to be addressed in any new offer commissioned by the Council.

- 5.13. The rationale and need for Council commissioned day services for older adults is changing. Historically, day services were accessed by people with overall low level support needs. Now, the need for activity and socialisation for this low to medium need group of people is being increasingly met by the Council's wider community offer, and the demand for day services is from people with more significant care and support needs.
- 5.14. There has to be sufficient 'core' places commissioned for any contract to be cost efficient. It is officers' view that the demand for commissioned building based day services is now at the level where it is no longer efficient to commission a service across 3 separate contracts, across 3 separate locations.
- 5.15. As at March 2019, the majority (69%) of people accessing Older Adults Day Service at March 2019 were assessed as having increasing needs for intimate personal care and assistance, a service characteristic not historically commissioned in these services. Therefore there would seem to still be a demand for a commissioned service offer for older adults who are physically frail at a price the Council can afford. There is an opportunity to develop the general older adults' service specification to ensure that the service can better meet current and future needs of Lewisham residents.
- 5.16. The service at the Calabash Centre was commissioned specifically as a service for people from Black and Minority Ethnic communities in 2006. The service was last commissioned for 25 places in 2015, which was a reduction on the previous contract for 30 people per day. There was an expectation within the contract that the provider would ensure numbers on the register were above the numbers of commissioned places to allow for the usual service user appointments and other absences and to ensure that the service is used to its maximum capacity. Even so, demand for this service continues to fall, as people access a broader range of community based day activities.
- 5.17. Recent quality assurance visits to the service have highlighted additionally that some of the people who attend the Calabash Centre currently are developing additional support needs directly related to personal care and more serious symptoms of dementia. This, plus the level of referrals being low, again signpost to further ongoing reduction in numbers.
- 5.18. The Council's in-house Specialist Dementia Service at Ladywell is also underutilised. There were an average of 18 people on the register and 16 people attending in 2018/19 financial year. The service therefore has additional capacity to support older adults with dementia.

6. Consultation recommendations and rationale

- 6.1. The proposed changes which were consulted on, and the rationale for the proposals are set out in this section.
- 6.2. **Proposed Change 1:** To re-commission the three day services for older adults at Cedar Court, Cinnamon Court and the Calabash Centre as a single service, rather than three separate services

- 6.3. The rationale for this proposed change is that, as set out in section 5, there has been a significant decrease in the numbers of people accessing older adults' day services and the Council is currently paying for an average of 15 spaces per day in commissioned services which are not being used at a total cost of £169,000 per annum based on 19/20 prices.
- 6.4. By amalgamating the three services the Council would no longer need to pay for spaces in commissioned services which aren't being used. Even allowing for £30,000 additional staffing the proposal will save £139,000 per annum that can offset cuts elsewhere in the Council. By having more people together in a single service, with more staff, there is an opportunity for the service to provide a wider range of activities and allow people attending the service to have more choice over what they want to do at the day service.
- 6.5. The single service proposed would be commissioned for 30 places per day, with the ability to spot based on actual usage of 34 places per day across all 3 building based services over the past 2 years, as shown in Table 3 at Appendix 1. By commissioning an additional 10 places per day the service would provide sufficient capacity for the current service users in a block of 30 places and making use of spot purchased places, the Council would not incur void costs should the demand for the service continue to decline in line with current trends. Commissioning as a single service would mean that the Council was no longer paying for places no longer required currently. This would release in the region of £139,000 savings, even with an amount built into the new service for personal care, by reducing the costs of void places.
- 6.6. The specification would be written in a way similar to the current specification to facilitate the high levels of day to day 'no show' of older adults because of illness etc by setting a higher level of expected attendance than commissioned places and also supporting unexpected peaks in demand through spot purchased places.
- 6.7. **Proposed Change 2:** That the single service will be located at the Calabash Centre, George Lane
- 6.8. The Calabash Centre, 24-26 George Lane is owned by Lewisham Council and is currently managed by Hestia, who also provide the commissioned day services for older adults at the centre. The centre is also used by another commissioned social care service for people with Learning Disabilities and complex health needs, New Beginnings, which is provided by Lewisham Nexus Service 5 days a week out of the centre.
- 6.9. There are two community-led social groups which operate out of the Calabash Centre, the Active Elders Group (for African Caribbean Elders) and the Asian Elders Group. The Active Elders Group (for African Caribbean Elders) use the centre Tuesdays and Thursdays 10-4pm. The Asian Elders Group use the centre on Fridays from 10-3pm. By operating a commissioned day service from this location the centre is able to support these social groups with subsidised rental costs. The centre is also available for rent on evenings and weekends to support the ongoing management and maintenance costs of the building.

- 6.10. Officers have approached Housing 21 to advise on whether they would be prepared to support an independent provider to deliver a day service from Cinnamon Court or Cedar Court, which are also the locations of their extra care services. Housing 21 have agreed in principle to negotiate with the Council to allow a third party to access the space. However, the terms and conditions which are proposed by Housing 21 would allow for them to terminate the licence with 6 months' notice, or immediately in the event of a breach, which could jeopardise the delivery of services and is therefore not recommended.
- 6.11. On this basis, it is recommended that the preferred option for location is the Calabash Centre, which is in the ownership of the Council and was refurbished as part of the 2014 award of contract to support this number of people in addition to sharing space with other groups such as people with a learning disability and the Active Elders voluntary group. The consultation would therefore be to seek views about a single service offer to be delivered at the Calabash Centre.
- 6.12. **Proposed change 3:** That there will no longer be a BAME-Specific service offer, but the single service will support older adults from all backgrounds
- 6.13. The impact of combining 3 services into a single service whether at the Calabash Centre or elsewhere does, however, have an impact as it means that the Council will no longer commission a separate BAME specific day service for older adults. This would mean that the service would be for people from all backgrounds, however, the service would be required to provide person-centred support tailored to meet the cultural needs of the people attending the service.
- 6.14. Service users of the current BAME specific day service at the Calabash are predominantly Black Caribbean (78%), with other service users coming from Black African, Mixed Race, and Black other Backgrounds. The activities programme and meal choices at this service are reflective of the cultural and religious needs of this community.
- 6.15. The services at Cedar Court, Cinnamon Court and Ladywell Dementia all support people from a range of diverse backgrounds. The Council expects all services to support people in a person-centred way, respecting their needs and preferences. Service users from Black Caribbean communities make up 39% of service users at Cinnamon Court and 29% of service users at Ladywell Dementia Service. Whilst service users at Cedar Court are predominantly White British (75%), this is broadly reflective of the fact that the over 65s population in Lewisham is less diverse than Lewisham's population (65% of over 65s are White British), and that Grove Park, where the service is located, is less diverse than other parts of Lewisham.

7. Formal Consultation Process

Activity and process of consultation

- 7.1. Moving from 3 services to a single service, and no longer commissioning a BAME specific building based offer was considered a significant change in service and a formal consultation has been carried out. The consultation period was between the 7th June and the 13th September 2019, a longer period than usual at the request of Healthier Communities Select Committee. A full Chronology of the consultation can be found at Appendix 4.
- 7.2. The consultation was formally posted on the Council's website and the link was shared with key stakeholders to forward to their networks and contacts.
- 7.3. Officers wrote to all services users directly affected by the proposals and their families and invited them to meet with officers to discuss the proposals and the impact on them. Where people didn't have family to support them to engage in the consultation, the Council engaged independent advocacy through POWhER to support them.
- 7.4. There were a total of 7 meetings held across the three services. These meetings took place on the 2nd and 9th July at Cedar Court, 2nd, 9th and 12th July at Cinnamon Court, and on the 24th June and 3rd July at the Calabash Centre. At each meeting, officers offered to meet both as a big group and individually.
- 7.5. Evening meetings were also held on the 1st July and the 17th July at the Civic Suite between 5pm and 7pm, to enable people who weren't able to attend meetings during the day, to speak to Officers face to face.
- 7.6. Service users from Cedar Court and Cinnamon Court were invited to visit the Calabash Centre with support and transport provided. These visits took place on Monday 9th September and Wednesday 11th September, respectively, between 10am and 12pm.
- 7.7. Hard copies of the consultation document and questionnaire were made available upon request and over 20 hard copies were provided throughout the consultation to individuals to share with their networks. An audio version of the consultation and an Easy read version in simple language were also produced at the request of a member of the public. Officers were also accessible to, and approached by family members and organisations outside the consultation meeting times and dates.
- 7.8. Officers met with the African Caribbean Elders Group which meets at the Calabash Centre on Tuesdays and Thursdays between 10am and 3pm. Hard copies of the consultation questionnaire were provided for all members of the African Caribbean Active Elders Group along with a letter clarifying the confusion that arose from the wording of the original Mayor and Cabinet report was written which allowed for an interpretation that the proposals related to changes to the Council's support to the Active Elders groups.
- 7.9. Officers also met with the Asian Elders Group which meets at the Calabash Centre on a Friday between 10am-3pm. Hard copies of the consultation questionnaire were provided for all members of the Asian Active Elders Group.

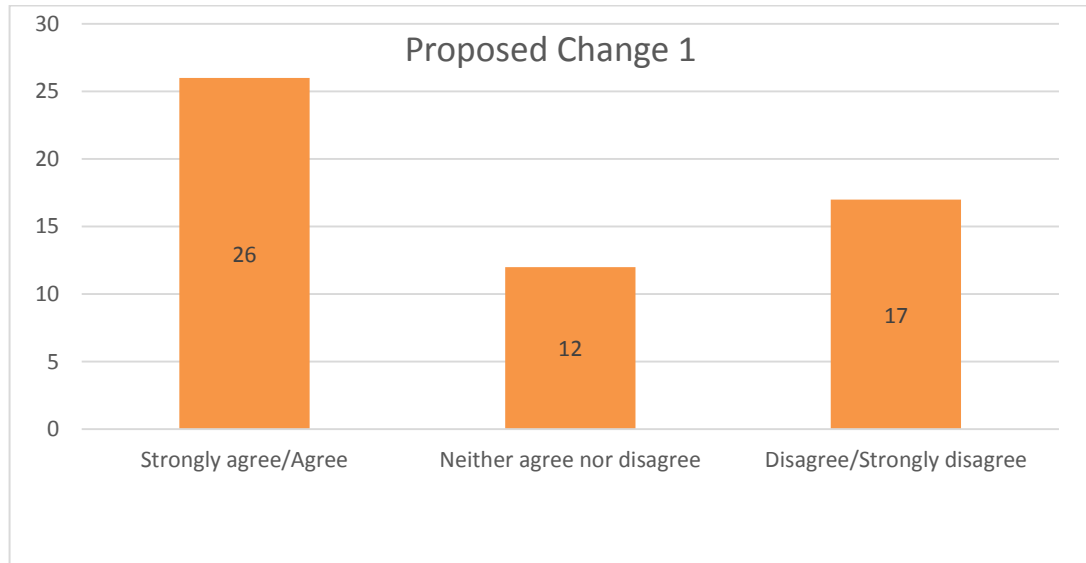
- 7.10. Officers wrote to the following key stakeholder groups: Healthwatch, BME Carers Network, Mental Health Carers Network, Positive Ageing Council, Age UK, Bromley and Lewisham Mind and Your Voice in Health and Social Care, to ensure that they were aware of the consultation. Officers would like to take this opportunity to advise Mayor and cabinet and apologise to the Lewisham Pensioners Forum that the letter sent to them was initially inadvertently sent to the wrong address, and that they received the letter two weeks after the other organisations. Notwithstanding the delay in receiving the letter, the Lewisham Pensioners Forum still had 12 weeks to respond and engage in the process and officers considered that sufficient time and opportunity were provided for proper consideration and response to the consultation. In the letter, officers signposted the organisations to the consultation website and offered to address their meetings or management committees. No specific request for this was received to address committees specifically.
- 7.11. Officers and the Cabinet Member for Health and Social Care met with approximately 30 members of the Positive Ageing Council Steering Group on 25th July. They also attended the Lewisham Pensioners Conference at the request of the organisation on 24th July and met with representatives from the Forum on 31st July and 10th September. Officers also attended the Dementia Hub, a group for people in the early stages of a dementia diagnosis, at their request, to talk about the proposals on 4th September 2019.
- 7.12. In total, 55 people completed the consultation questionnaire, 15 completed it online and 40 submitted a hard copy response. Of the completed questionnaires 21 were completed by service users, 12 were completed by their family/friends and 6 by carers. 6 voluntary organisations also responded.
- 7.13. Analysis of the questionnaire responses can be found in full at Appendix 6. In the following section of the report, the key consultation comments are set out with officer responses.

8. Consultation Outcomes

- 8.1. The Council met with a wide range of individual people and stakeholder/partner organisations with an interest in day services for older people in Lewisham. The majority as detailed on sections 8.6 to 8.34 below acknowledged that the proposed changes seemed sensible in response to the financial challenges faced by the local authority, and the overall reduction in numbers of people using building-based day services.
- 8.2. Some service users at Cedar Court expressed a strong preference initially to continue to attend their current day services. Other concerns were raised by service users and family members at Cinnamon Court about the impact of a change in service location for service users who live on site, and who currently do not receive transport services. Officers have met with service users from Cedar court and Cinnamon Court and their families to understand their concerns with the proposals. Mitigation is proposed within this report. Supported visits were organised to the Calabash Centre for service users from both Cedar Court and Cinnamon Court.

- 8.3. Most stakeholder/ partners did not raise objections to a single commissioned day service though did raise the importance of supporting the cultural identity, interests and activities of the service users from BAME culture and promoting service user choice in relation to an integrated service offer.
- 8.4. Those people who might be considered to be most directly affected by no longer commissioning a BAME specific day service offer – people currently attending the Calabash Centre and both Active Elder groups – were generally supportive. The groups acknowledged the link between the Council having a core commissioned day service and the subsidy this provides to their use of the building.
- 8.5. Specific concerns were raised by the Lewisham Pensioners Forum about the impact of the proposals on the Windrush Generation. They strongly advocated that the proposals reflected a sense that the Council had lost sight of the cultural significance of the Calabash Centre to many people from that generation living in the borough. They emphasised the belief of the organisation that the Centre had been gifted to the population by the Council. In the meeting with the LPF representatives and also at their conference, officers sought to reassure that the proposals being consulted on related directly to the commissioned day service offer for older adults with eligible social care needs and that they do not seek to undermine or alter the wider uses of the Calabash Centre. The LPF continue to hold these views throughout both meetings, and have separately written to the Council outside of the consultation period regarding their position.
- 8.6. These views were also reflected in 4 questionnaire responses from individuals, three of which stated they were friends and family of service users.
- 8.7. In meetings with the African Caribbean Active Elders Group and the Asian Elders Group, members expressed concerns about their ongoing access to the building for their groups and activities. They raised a number of historical issues about access. Officers confirmed that the proposals would not affect the days and times that the Active Elders Groups would be able to use the centre. In discussion with the groups, officers suggested that should the proposals be agreed, then it might be helpful to put in place a three-way agreement between the Active Elders Group, the Council and any service provider to this effect. The groups were also keen to explore opportunities for closer integration with any commissioned day service. They also asked officers to support them and others as appropriate to find ways of encouraging access to the centre at evenings and weekends to support culturally specific activities.
- 8.8. The proposed changes which were formally consulted on relate to the commissioned older adult day services at the Calabash Centre, Cedar Court and Cinnamon Court. The graphs specifically reflect the analysis of the questionnaires received, including those completed by service users. Comments from the questionnaire responses, and comments from consultation meetings are described in the below section.

Response to Proposed change 1: To re-commission the three day services for older adults at Cedar Court, Cinnamon Court and the Calabash Centre as a single service, rather than three separate services

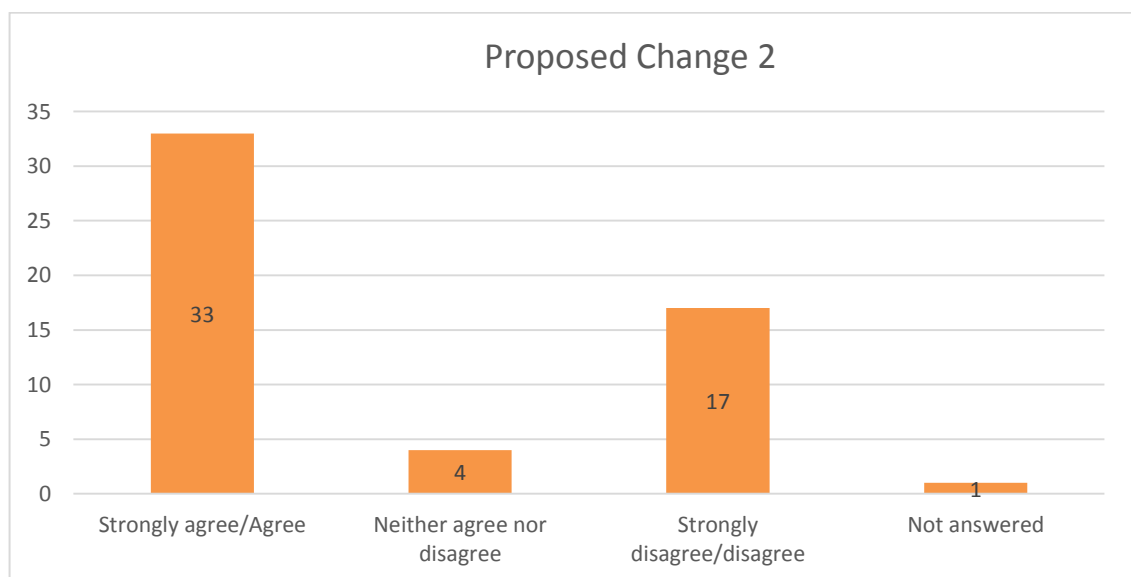


- 8.9. Analysis of the consultation questionnaires show that more people agreed with proposed change one than disagreed with it. 26 respondents either agreed or strongly agreed, 12 respondents neither agreed nor disagreed with this proposal, and 17 respondents either disagreed or strongly disagreed.
- 8.10. General feedback on this proposal from both questionnaires and consultation meetings has been that people understand the need for the Council to save money where possible in response to government cuts. Respondents acknowledged that the Council cannot spend money on day service places which aren't used.
- 8.11. Service users from across the Calabash Centre and Cinnamon Court gave positive feedback on this proposal in completed questionnaires as it would give them the opportunity to mix with a wider group of people and to have a more varied activities programme. Comments from service users at the Calabash Centre in questionnaires include "no concerns, will like to see more people at the centre", "I am happy for people to come here to the Calabash" and "more people here will make me very happy".
- 8.12. The majority of service users at the Calabash Centre and their families who responded to the questionnaire said that they were in agreement with this change, this reflects the fact that they are content and settled at the centre, and by having the location for the single service as the Calabash Centre, potentially that they would do not need to get used to another location.
- 8.13. At consultation meetings at the Calabash Centre, which were attended by officers and Lewisham Council's Cabinet Member for Health and Social Care, services users recognised that the centre is currently underused and stated they would like to have more people at the centre so that they could socialise

with a wider group of people. This mirrors the consultation questionnaires returned by the majority of service users at the Calabash centre, and their families.

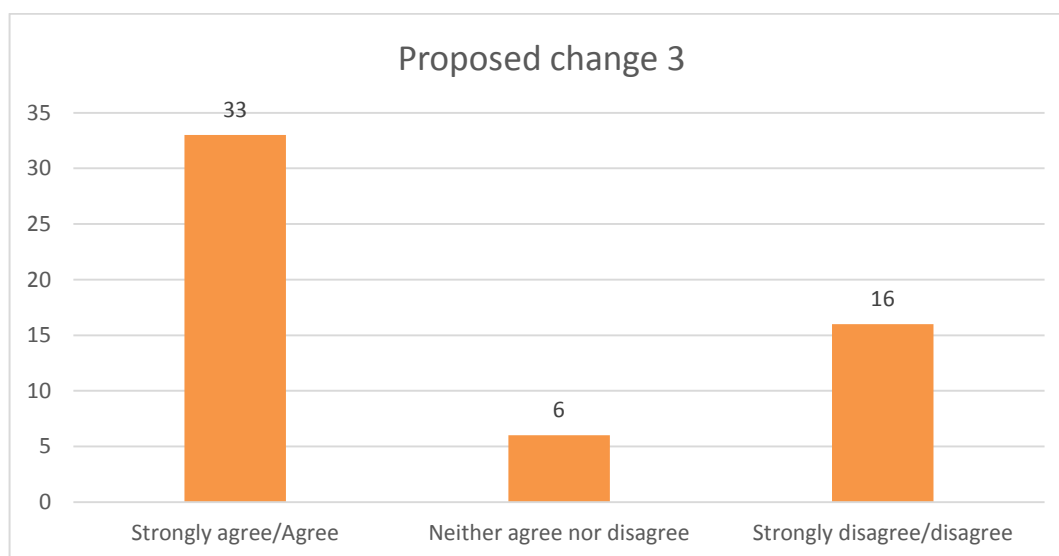
- 8.14. Through the consultation meetings, service users at the Calabash were keen to ensure that they would still be able to access the activities they enjoy, celebrate events which are important to them and access an African Caribbean meal choice every day. The main concern expressed by service users at the Calabash was that Staff were not going to be adversely affected by the proposed changes.
- 8.15. Respondents to the questionnaire commented that there would need to be sufficient staff to provide care and support for the increased numbers of people. Service users were also concerned about the impact of the proposed changes on staff. It is clear that service users have good relationships with existing staff.
- 8.16. The majority of people who disagreed with proposed change 1, and who have provided details about their relationship to current services, are people currently attending Cedar Court (or their family members advocating for them) who would be directly affected by the change. These service users initially expressed very strong views in consultation meetings that they did not want to move from the service which they currently attend. Comments from questionnaires and consultation meetings included “I do not agree with the move”, “I don’t like changes”, and “I would not want to go anywhere else”, though the visit to the Calabash Centre as part of the consultation resulted in a less negative response from the 8 people from Cinnamon Court who attended.
- 8.17. Some people who responded to the consultation questionnaire queried the figures presented in the report and suggested that the decline could be because the services are not promoted sufficiently.

Response to Proposed Change 2: That the single service will be located at the Calabash Centre, George Lane



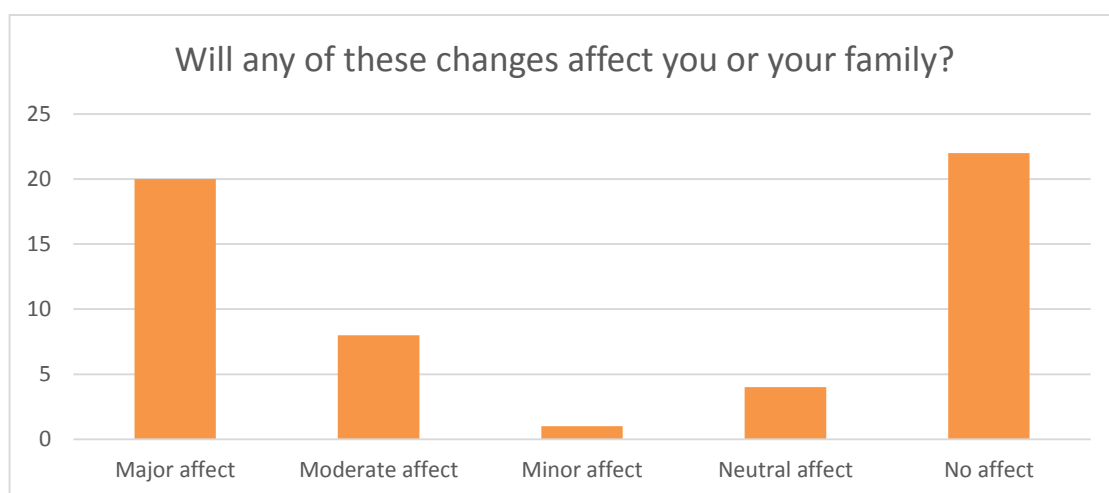
- 8.18. More questionnaire respondents agreed with Proposed Change 2 than disagreed with it. 33 respondents agreed or strongly agreed with the proposed change. 4 respondents neither agreed nor disagreed with the proposed change. 17 respondents disagreed or strongly disagreed with the proposed changes.
- 8.19. As for Proposed Changed 1, there were a number of respondents from Cedar Court who did not agree with the proposed changes and would prefer for nothing to change. Some of the people currently attending Cedar Court suggested in questionnaire responses and in consultation meetings that if the services had to be amalgamated into a single service, they would prefer it to be at Cedar Court. Some service users from Cedar Court expressed very strong views that they would not want to go to a service at another location.
- 8.20. Service users from Cedar Court and Cinnamon Court took part in supported visits to the Calabash Centre, so that they could see the proposed location for the single service and meet some of the service users and staff. Feedback to officer after the visit was that the centre was bright and airy, and that staff were nice.
- 8.21. Service users from the Calabash Centre commented within questionnaires and to officers at consultation meetings that they were pleased that the proposed location was the Calabash Centre as that would mean they would not have to change their routine significantly.

Response to proposed change 3: That there will no longer be a standalone BAME-Specific service offer, but the service will support older adults from all backgrounds



- 8.22. More questionnaire respondents agreed with proposed change 3 than disagreed with it. 33 respondents agreed or strongly agreed with the proposed change, 6 respondents neither agreed nor disagreed with the proposed change, and 16 respondents either disagreed or strongly disagreed with proposed change 3.

- 8.23. Those people who responded to the questionnaire who disagreed with this proposed change cited reasons including concerns that the service would not be able to meet cultural needs and may have a negative impact on mental health.
- 8.24. Others who disagreed with Proposed Change 3 in the questionnaire responses cited personal reasons that they would prefer not to move day service from Cedar or Cinnamon Court. This was also raised at consultation meetings at both Cedar and Cinnamon Court, and the impact was highlighted in particular for those people who currently attend a day service on the site where they live in Extra Care Accommodation.
- 8.25. Some service users at Cedar Court expressed concerns at consultation meetings that they may not be accepted by service users at the Calabash Centre, because they are not BAME.
- 8.26. The majority of service users at The Calabash Centre, who are directly affected by this proposed change, did not raise concerns about the commissioned day service offer expanding to provide services for people from other backgrounds.
- 8.27. The Lewisham Pensioners Forum strongly disagreed with this proposal saying that the loss of the BAME- specific service offer is valued by the community and that the proposals may lead to increased social isolation for BAME older people.
- 8.28. **Responses to Question: Will any of these changes affect you or your family?**

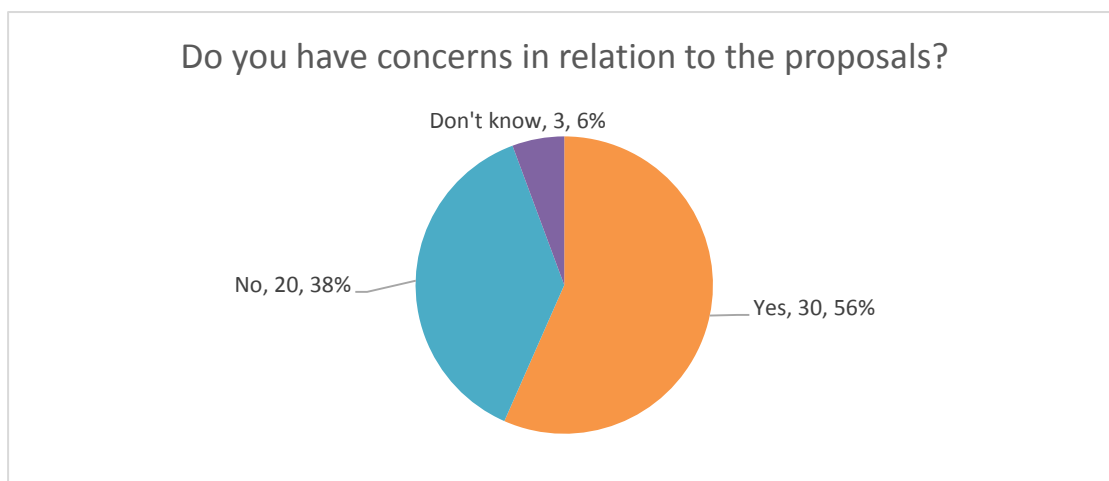


- 8.29. Of the 55 questionnaire respondents, 20 people said that the proposed changes would have a Major effect on them, 8 people said the proposed changes would have a Moderate effect on them, and 22 people said the proposed changes would have No effect on them.

8.30. The questionnaire then provided an opportunity for people to describe the effects on them or their family members as free text. The main themes which were described were:

- People not wanting to move from existing services at Cedar Court
- Transport
- Concern that cultural needs won't be met
- Concern that day service may not be available for their family members if capacity is reduced through the changes

8.31. **Responses to the question: Do you have concerns in relation to the proposals?**



8.32. Comments, questions and concerns were invited from respondents in the free text boxes of the questionnaire. This allows for more qualitative information to add context to the quantitative 'yes/no' of the consultation questions. These comments have been summarised for each proposal in the tables below, alongside specific comments raised in consultation meetings with service users, their families and other key stakeholders.

8.33. Comments and questions about Proposed Change 1: To re-commission older adult day services currently provided at Cedar Court, Cinnamon Court and the Calabash Centre into a service offer at a single location.

Comment/question	Officer Response
Will there be enough day services for the future	There has been a decline in use of building-based day services over the last ten years. Whilst there is a growing older population in Lewisham who may be eligible for care and support from Adult Social Care, the numbers of people choosing to access traditional building-based day services continues to reduce.
It's all about cuts	The proposals would realise savings to the Council. However, the proposal would also ensure a sustainable and high quality commissioned day service offer in the future. By bringing together three services in one, there is an opportunity to pool resources and improve the activities offer and level of support available.
Lewisham states that it is a dementia friendly borough, I'm concerned about consistency.	Lewisham is working towards becoming a dementia friendly borough. This means that the Council is committed to empowering people with dementia to have good wellbeing and to take part in a life, society and a home environment that is meaningful. The Council is committed to improving services for people with dementia, including day services. We will work with individuals and their families to minimise disruption as much as possible for them should the proposals be taken forward.

8.34. Comments on Proposed Change 2, that the older adults' day service location would be the Calabash Centre, George Lane.

Comment/question	Officer Response
Will there be enough staff at the service at the Calabash Centre?	The level of staffing required at the service will reflect the staffing ratios of the existing services. The proposal includes provision for some additional staff resource to support increased need related to personal care support.
Will there be staff from all the day services in the single service.	Specific legislation called TUPE (Transfer of Undertakings (Protection of Employment) Regulations 2006 may apply to existing staff working in the services. However this is dependent on a number of factors and will only be determined when any decision has been made about the changes to the service.
Is there enough space at the Calabash Centre for the proposed number of people	The size of the proposed single service is no greater than the original service commissioned at the Calabash Centre 5 years ago. The centre is a large space with a number of different rooms and spaces which can comfortably accommodate the number of people proposed to attend the commissioned day service

Will the environment still be calm with all the extra people?	The size of the proposed single service is no greater than the original service commissioned at the Calabash Centre 5 years ago. Council officers are currently exploring how the space can be further improved to support 'zoning' for different activities including a quiet area.
Will the services be blind friendly?	The day service will be person-centred and support will be provided to meet individual needs. Should specific staff training be required and/or changes to the environment to support people with visual impairment to access the centre then this could be arranged.
Carers look forward to free time while a relative is at the Day Centre.	The day service will continue to offer support to older people and support carers to have a break from their caring responsibilities/.

Comment/question	Officer Response
The travel time will be too long.	Officers have been working with the current transport provider for Calabash to model new journeys. What has this shown? Apart from those people attending day centre who also live at the Extra Care location there is no change? A small number of people will have journeys between 10 and 15 minutes longer?
Is it not possible to have the service at Cedar Court?	The Council is proposing the Calabash Centre as it owns the building. Housing 21 own Cedar Court and Cinnamon Court. The Council would not have long-term control over access to that space or what it would be charged for rental and services.
A change in location may be confusing or distressing for people	The Council will work closely with service users, their families and friends, and service staff to support people through the change process.
Some service users have had to move services already in the last four years and will struggle to cope with another move, especially the older service users.	Council officers understand that this will be another change for some people should the proposals be agreed. As in other change programmes, the Council will nominate specific staff to work with individual people and their families to look at how individuals might be supported to manage any change.
I can't afford to pay for transport. Will transport be free?	Transport will continue to be arranged based on eligibility as is currently the case.
Can my personal care time be changed so that I am ready to leave to travel to new service?	Where necessary, individual care and support plans will be updated to accommodate any impact that a change in the day service people attend might have.

Comment/question	Officer Response
Will there be meals available?	Lunch time meals and snack options will be available at a similar cost to those currently available at all the current centres. There will be food to be available for a wider range of dietary requirements. Meal options will also reflect cultural preferences.
If the day service not on the Extra Care site then we can't go down later or go back to our room for a rest after lunch.	Officers note that the provision of day services in the same location as the Extra Care service has offered increased flexibility for those people accessing both. However, it is also an expectation that people attend the day service for the day as this is the assessed need.

- 8.35. Comments on Proposed Change 3: That there will no longer be a standalone BAME-Specific service offer, but the service will support older adults from all backgrounds

Comment	Officer Response
The service at the Calabash is able to support people to reminisce and share with a peer group who come from similar backgrounds to them	The new service would continue to support people with reminiscence activities which are relevant to them and their cultural background. The single service will continue to have a high proportion of people from African-Caribbean countries attending it.
It's important that staff are familiar with and able to understand people's cultural backgrounds.	Equalities Training will be provided by the service to all staff to ensure sensitivity and awareness of people's cultural backgrounds and heritage and how these can be supported in how the service is delivered. Specific standards and requirements will be set and monitored.
People need to have access to materials (pictures/videos/radio) and events which show the positive impact black people have had on the world.	The Council recognises the importance of environments that reflect culture and heritage positively. Materials which reflect the service users' culture and history will continue to be available and will be monitored in the service specification. Officers will liaise with other partners such as the Elders groups to strengthen this criterion in the service specification.
Activities need to enable people to express themselves.	The service specification will be developed with service users, their families/friends and partners/stakeholders to ensure that a range of activities are delivered which reflect the preferences and needs of service users and which enable people to express themselves.
There would not be a space dedicated to black people.	There are a number of services currently operating out of the Calabash Centre, including a Learning Disability Services and other third sector groups. The centre is already inclusive and not a building specifically available to and

	used by black people. However, officers recognise the significance of the Calabash building and its history to the Lewisham African Caribbean population. Discussions with the Active Elders groups and the Lewisham Pensioners Forum have highlighted opportunities to explore improving access and availability to that community.
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Other suggestions for improvements to day services for older adults

- 8.36. Throughout the consultation period, service users and their families have provided feedback on the activities which they enjoy and that they would like to be incorporated into any day service activity programme. Should the proposals be agreed, then there would be a further opportunity for coproduction of the service specification including the activities programmes with service users, families and stakeholders/ partners.

9. Recommendations and proposed mitigation

- 9.1. The outcomes of the consultation are mixed, with some specific groups notably current users and families at Cedar Court and the Lewisham Pensioners Forum have strongly held positions on (a) location of any single service and (b) not having a specifically commissioned BAME day service respectively. However, there is also a generally acknowledged view that the Council needs to get best value from its resources and cannot pay for services that are not used.

- 9.2. Officers have given additional consideration through the consultation period to the option to retain 3 services by giving everybody a direct payment for their existing day service. Officers have modelled what this might actually mean is available in practice based on current usage in terms of budget available. The below table shows the total income which the provider would receive based on 19/20 prices and the average number of places used per day at each of the centres. It also reflects the direct staff capacity that this might fund.

Centre	Ave number of places	Cost per day	Total income per annum based on average number	Costs of space used	Cost of overheads (12% of contract cost)	What staffing can this support with remaining funding (based on 35 hr week and ave. costs across providers)

Cedar Court	12	£45.12	£135,360	Notional £4,000 per month, total £48,000 per annum	£16,243	1 x FTE coordinator, 2.7 x FTE support worker
Cinnamon Court	7	£45.12	£78,960	Notional £4,000 per month, total £48,000 per annum	£9,475	0.8 x FTE coordinator
The Calabash Centre	15	£45.09	£169,088	Actual £10,000 per month, £120,000 per annum		1 x FTE Coordinator, 1.4 x support worker

- 9.3. This modelling demonstrates that when the access and services costs are subtracted from the available budget, the balance available to pay for the management and delivery of care is potentially risky and unsafe. The usual ratio for staff at the commissioned day services is 1:4 staff to service users on any day. There are additional cover requirements for annual leave and training and sickness and other absences.
- 9.4. Officers have talked to Housing 21 through the consultation period about whether they would consider developing a service accessed by individuals through direct payments. They have advised that they are not considering such a service development at this time.
- 9.5. Officers would recommend that Mayor and Cabinet agree the proposal put forward in the paper of 5th June 2019 that the three existing commissioned services at Cedar Court, Cinnamon Court and Calabash Centre be commissioned as a single service operating from the Calabash Centre. This service would be inclusive and person-centred, and reflect Lewisham's diversity by providing all service users with opportunities to celebrate their cultural heritage but with a proactive approach to protecting and celebrating the culture and heritage of the African Caribbean population.
- 9.6. Commissioning one service in a single-location, will assist with maintaining provision of a broader number and range of activities as well as better provision of personal care related services. It will support a safe level of service delivery plus an enhanced level of staffing to better support personal care.
- 9.7. It is proposed that 30 older adult day service places are commissioned as a block contract at the Calabash Centre, five days a week, from 9.30am -

4.30pm. The total estimated value of this contract is £403,000, which includes an additional sum to enable personal care to be provided through the service. The Council will retain an option to purchase additional places on a spot-purchase basis to ensure that it could meet fluctuations in demand.

- 9.8. Commissioning older adult day services in this way would have a positive impact on service users, as they will be able to receive personal care support during the day and continue to access day services should their needs change.

Change process

- 9.9. Throughout the consultation process, service users and their families have raised concerns about how the proposed changes may affect people with dementia and other cognitive impairment. Approximately 15% of all service users attending older adult day services have mental health or memory/cognition listed as their primary support reason, however, a higher proportion of people attending the services are affected by dementia but have another primary support need. As such, it is important that should the recommendations in this report be agreed, that the changes are communicated clearly with service users and that they are supported appropriately to adapt to the change.
- 9.10. To minimise the potential negative impact to individuals moving from services at Cedar Court and Cinnamon Court, named social care staff will be assigned to supporting service users with planning for the transition in a personalised way.
- 9.11. Officers will work closely with existing providers as part of this personalised approach to ensure that people are able to continue to attend services at the same days and times and that they have access to at least the same range and level of activities..
- 9.12. Service users from Cedar Court and Cinnamon Court, and their families will continue to be given opportunities to visit the Calabash Centre through the transition period to get to know the environment and each other. It is proposed that service users from all services will also be invited to take part in workshops to develop the service specification for the new service.
- 9.13. Officers will establish a user/ family/ stakeholder/ partner group to support the development of the service specification and advise on and review the change management process.
- 9.14. Service users affected by these proposals may also wish to consider the wider range of community-based activities which are available in and around Lewisham, which are referenced in detail in the Day Service Report to Mayor and Cabinet on 5th June 2019.
- 9.15. The Council works closely with the voluntary and community sector and grant funds a range of organisations and activities which work with older people to

reduce their social isolation, and improve their health and wellbeing. Examples of grant-funded activities which people may wish to attend, with a personal assistant are: Age exchange, Meet me at the Albany, Stanstead Lodge Seniors Club. Support planners can help people to consider other options available on an individual basis.

- 9.16. Service users may wish to consider alternative day services, which they can access using a direct payment. These include Deptford Mission, Deptford, which operate 11-3pm three days a week, and Bromley and Lewisham Mindcare, Beckenham, which is open all day 5 days a week.

Requirements for Service Specification

- 9.17. Should the proposals be agreed, there would be a further period of engagement with service users from all services, their families, and other stakeholders/ partners as part of developing the specification for the service.
- 9.18. The service will continue to operate Monday-Friday 9am-4.30pm.
- 9.19. The service will be able to provide care and support for people with significant personal care needs, including double-handed personal care needs.
- 9.20. In response to the feedback from the consultation there are other key elements which need to be included within the specification to ensure that the service can meet the needs of existing and future service users. These are listed in the table below.

Requirement for the specification	Comment
Diverse service staff to reflect Lewisham's diversity	The law does not allow specific targets to be set in a specification. However, the specification will set out the need to consider genuine occupational exemptions should there be a need to recruit staff. Staff characteristics in comparison with service user characteristics will be reviewed as part of contract monitoring to assess the degree to which they 'match'.
Service meets the needs of the service users (and gets regular feedback from service users and family/carers)	The specification will require the establishment of a family/carers forum will be established to provide feedback to the service as to what is working well and what is not working well and needs to change. A 'lay visitor/ experts by experience' approach will also be developed for the monitoring of the service to ensure that the Councils (and the provider's) commitment to cultural and heritage sensitivities are being met Service user satisfaction surveys will include equality monitoring data to ensure that the service meets the needs of all users.

Requirement for the specification	Comment
Service users should have choice of meaningful activities to participate in.	At least two choices of activity per session required. Activity programmes should be reviewed regularly with service users.
Materials used by the service will reflect the diversity of Lewisham's older population	The service will be monitored to ensure that materials used reflect Lewisham's diverse older population (photos, pictures, news, music).
Culturally specific and reminiscence activities should be available	The activities programme will include specific reminiscence activities that reflect the history and backgrounds of specific service users, as well as other culturally specific activities.
Culturally relevant events	Key festivals and religious and historic events which will be celebrated will be agreed with the service user steering group, and will reflect the cultural heritage of service users.
Culturally appropriate meal choices	An African-Caribbean meal choice should be made available for purchase every day.
Clarity on the expectations of centre users	Officers will reference and include a 3 way partnership agreement between the Council, the day service provider and the users of the building confirming access agreements and arrangements.
Improved accessibility and use of the Calabash Centre in particular for non-day service specific activities to African Caribbean communities	While not a specific service requirement, the consultation has highlighted the allegiance and history of the Calabash building with the Lewisham African Caribbean community. In discussion with both the Active Elders groups and the Lewisham Pensioners Forum it is clear that there is potential for improved access to the building for events and social occasions that officers will include in a specification

Transport and travel assistance

- 9.21. Service users and their families expressed the need for transport and travel assistance to be provided to service users, should the commissioned older adult day service offer be consolidated at the Calabash Centre.
- 9.22. The Council will apply its Transport and Travel Assistance Policy on a case by case basis to assess whether or not an individual is eligible for travel assistance. It is expected that everyone who is currently eligible for travel assistance will remain eligible for travel assistance and that people not currently travelling because they also live in the Extra Care services at Cedar Court and Cinnamon Court are likely to be eligible.

Transport to and from the Calabash Centre is currently provided by Voluntary Services Lewisham (VSL) who have modelled the routes for a combined service which they would need to run should they need to provide transport for service users from Cedar Court and Cinnamon Court should the proposals in this report be agreed. VSL have and confirmed that they would be able to provide transport to get everyone from their homes to a day service with a maximum journey time of 1 hour. Average journey times currently for people attending Cedar Court and Cinnamon Court are between 30 and 45 minutes.

Ensure the Active Elders groups continue to be able to use the Calabash Centre

- 9.23. The African Caribbean and Asian Active Elders Groups are vibrant social groups which provide a range of activities for independent older people. Both groups have used space at the Calabash Centre for many years providing a valuable opportunity to for people from these communities to get together and represent a key part of the Council's preventative strategy.
- 9.24. Despite this, in meetings with officers, the groups expressed concern about the vulnerability of their position in their ongoing use of the Calabash Centre. As mentioned above, officers will develop a formal collaboration agreement between the Council, the care and support provider and the Active Elder Groups. This will help to provide greater clarity for all parties about how the centre is used by the different groups and how they work together.
- 9.25. The Active Elders groups are voluntary and volunteer run organisations which receive a nominal subscription fee from their members which fund their activities. Their use of the Calabash building is subsidised by the Council. In their meetings with officers, they signposted that they would like to expand membership and offer a wider range of events and activities. Officers who met with the Active Elders Groups have undertaken to liaise with those officer who support volunteer/ third sector organisations to explore whether there are ways the Council can support them with this objective.
- 9.26. Council officers have invited both groups to be involved in developing the specification for the commissioned day services, and the plans for improvements to the centre. As part of the specification development process, officers will also be talking to the groups about opportunities to expand shared activities with the commissioned day service and to be part of the quality monitoring process for the commissioned service.

Invest in the facilities at the Calabash Centre

- 9.27. Officers have been exploring options for making improvements to the Calabash Centre to make it more comfortable and accessible for people who attend the centre. The improvements also need to consider how the other organisations who use the building use the space, and their specific requirements. This includes the learning disability service, New Beginnings, which operates out of the Calabash Centre at present, as well as the Active Elders Groups.
- 9.28. Occupational therapists have visited the centre and met with staff and service users to find out what works well and what could be improved at the centre.

9.29. Initial ideas for improvements to the Calabash Centre include:

- Garden re-surfacing and planting
- New furniture
- Modernisation of bathrooms to improve accessibility.
- Installation of a ceiling track hoist to support with personal care
- Re-purposing rooms to improve use of the space

9.30. An initial bid has been made to the Council's Capital programme Board for this purpose. If the proposals are agreed, further feasibility work will be carried out over the next few months which will include further dialogue with service users about their priorities for improvements. Officers will then develop a final proposal for the improvements and finalise a bid for funding to the Board.

10. Staffing and Possible TUPE Implications

10.1. Should the recommendations in this report be agreed, and a single service is agreed, then TUPE may apply for staff employed across the three services affected by this change.

10.2. There are 13 permanent members of staff employed across all three services. 6 members of staff are employed by Hestia at the Calabash Centre, 2 members of staff are employed by Housing 21 at Cinnamon Court, and 4 members of staff are employed by Housing21 at Cedar Court.

10.3. In total there are 8 support workers/day care assistants, 4 coordinators/managers and 1 Chef who may be eligible for TUPE.

10.4. Until the commissioning and procurement process has been completed, it cannot be confirmed what staffing establishment and structure for the new service may be required.

10.5. This will be proposed by the provider through the tender process and agreed by the Council. The TUPE 'due diligence' discussions will be the responsibility of the receiving provider.

11. Next steps and timescales

11.1. Should the recommendations at Section 2 be agreed, then officers will write to all service users and their families to inform them of the outcome of the consultation and provide them with named workers from Adult Social Care who are able to support them with any individual queries or assessments which may be required.

11.2. An operational project group will be established to manage the implementation of the proposals. The project plan will include a social work assessment work stream, a communications work stream, a commissioning work stream and a buildings improvement work stream.

- 11.3. Representation will be sought from service users, their families and key stakeholder groups to be involved in the development of the service specification. This will be managed through a series of workshops so that people can fully participate.
- 11.4. They will also be invited to be involved in plans for the centre improvement works.
- 11.5. A schedule of visits to the Calabash Centre will be put in place for service users from Cedar Court and Cinnamon Court to visit the Calabash Centre so that they can become more familiar with the environment. These visit will also incorporate planned shared activities so that service users from across the three services get to know each other.
- 11.6. Officers will also write to the current providers and other stakeholders to advise them of the changes and indicative timeframes for the procurement and new service start.
- 11.7. Officers have considered options for delivering the day service at the Calabash Centre. Given the nature of the services the three options considered were: insourcing, the Council itself setting up a company, or procuring a service provider. The option which is recommended is to re-procure the older adults day service from a provider at the Calabash Centre via a competitive process. This option was favoured as it minimises the costs of delivering the services whilst ensuring the quality required for the service. An options appraisal can be found at Appendix 3 of this report.
- 11.8. The proposed procurement route is an open tender. The estimated contract value for 5 years (3 years plus a 2 year optional extension) is £1,687,500 (based on 30 places at £45 per day, 5 days a week, 50 week year). This is above the OJEU Threshold for Light Touch procurement. In accordance with the Council's Standard Procedure Rules the Contract will need to be awarded by Mayor and Cabinet.
- 11.9. The tender pack would include: Invitation to Tender, Service Specification, Pricing Schedule, and Code of Conduct.
- 11.10. It is proposed that the Council adopts the standard 50:00, price: quality waiting. Officers will ensure that there is a clear scoring mechanism which will deliver the minimum quality required.
- 11.11. The Council will require tenderers to submit method statements relating to Social Value. Possible activity which would demonstrate social value in this contract would be to appoint an apprentice and/or provide other skills and employment training to people interested in working in Health and Social Care.
- 11.12. Officers will explore whether there are opportunities for service users, their families and key stakeholder partners to be involved in the commissioning process.

11.13. Advise the Procurement Team so that they are aware of the Procurement and the Timetable for publishing documentation on the London Tenders Portal and Contract Finder.

11.14. Indicative timeframes are set out below:

Date	Activity
Early November – mid-December	Develop service specification with input from service users.
Early November – mid-December	Develop procurement documentation.
6th January –10th February	Tender period
10th February -	Tender closes
10 th Feb- 9 th March	Evaluate tenders and clarification meetings
End March	Contract award
1 st April – 30 th June 2020	Contract Mobilisation
1 st July 2020	Contract start

12. Financial Implications

12.1. The current annual cost for Older Adults Day Services is £1,038,293 based on 2019/20 prices. The total value of the three commissioned service contracts, which are the subject of this report, is £552,533 in 2019/20.

Service	Ave. cost per person per day		Number of contracted places	Total Cost of Service per annum	
	18/19	19/20		18/19	19/20
H21 at Cedar Ct	£43.93	£45.12	12	£131,790	£135,360
H21 at Cinnamon Ct	£43.93	£45.12	12	£131,790	£135,360
Hestia at Calabash	£43.90	£45.09	25	£274,375	£281,813
In-house provider at Ladywell Dementia	£80.96	£80.96	24	£485,760	£485,760
Total			73	£1,023,715	£1,038,293

12.2. The current void costs at the Calabash Service, Cedar and Cinnamon Court is approximately £169,000 per annum, based on 15 void places at £45 per day, 5 days a week, 50 weeks a year. The proposals seek to eliminate this cost by reducing overall capacity to align with current usage.

- 12.3. However an investment in a new single service would be required to allow for additional requirements in new spec. This cost of additional staffing at key times is estimated at £30,000 p.a.
- 12.4. The overall potential impact of the proposals is therefore a budget reduction of approximately £139,000. Should the proposals be implemented then the budget for commissioned Older Adults Day Services would be reduced to £413,533 p.a. (and overall budget for Older Adult Day Services would be £899,293 p.a.)
- 12.5. There may be costs associated with TUPE and/or redundancy of staff for which the Council may have some liability. Full information will be provided when final recommendations are brought back to Mayor and Cabinet following the consultation period.

13. Legal Implications

- 13.1. Services to adults are provided according to the statutory framework provided by the Care Act and associated guidance. Changes to service provision to individuals can only be carried out after re assessment of need, changes to service configuration overall, after full and proper consultation with those affected or likely to be affected, or having an interest in the proposals, with sufficient time and opportunity being provided for proper consideration and response. What are often referred to as the Cabinet Office Principles set out that there is no one framework for consultation (although there has been Judicial comment on frameworks which have been challenged), but there must be consultation at a point when the proposals are at a formative stage, provide sufficient information and reasons for any proposal to allow for intelligent and informed consideration, and allow adequate time for consideration and response.
- 13.2. In making proposals for service changes, a Local Authority has an overall duty to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness(S3 LGA99), and also to consult for the purpose of deciding how to fulfil the duty.
- 13.3. Assuming that Mayor and Cabinet accepts the recommendation for future delivery of older adults day services by an external provider, the Contract Procedure Rules place requirements on how that should happen. The Rules require that when letting contracts steps must be taken to secure value for money through a combination of cost, quality and competition, and that competitive tenders or quotations must be sought depending on the size and nature of the contract (Rule 5). Given the potential spend on this contract the procurement regulations (Public Contracts Regulations 2015) will also apply. The contact value will be above the OJEU Threshold for Light Touch procurement. The requirements of both Contract Procedure Rules and the procurement regulations would be satisfied by use of an open tender procedure. The process for procurement and the award of the contract would have to be in accordance with the Contract Procedure Rules. As a Category A contract, it would be for Mayor and Cabinet to take a decision on the award of any contract.

- 13.4. The Public Services (Social Value) Act 2012 requires that when the Council is procuring services above the EU threshold it must consider, before commencing a procurement process, how the procurement might improve the social, economic and environmental wellbeing of the area, and consider how the procurement might be conducted so as to secure that improvement. The matters to be considered must only be those relevant to the services to be procured and it must be proportionate in all the circumstances to take those matters into account. The Council has adopted a Social Value policy which must also be applied; and the Council's Sustainable Procurement Code of Practice will be applied to the contract. The report sets out the social value issues which arise, and any future decision by the Executive Director will also need to take those matters into consideration.
- 13.5. The Council has a public sector equality duty (the equality duty or the duty - The Equality Act 2010, or the Act). It covers the following protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 13.6. In summary, the Council must, in the exercise of its functions, have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
 - advance equality of opportunity between people who share a protected characteristic and those who do not.
 - foster good relations between people who share a protected characteristic and those who do not.
- 13.7. It is not an absolute requirement to eliminate unlawful discrimination, harassment, victimisation or other prohibited conduct, or to promote equality of opportunity or foster good relations between persons who share a protected characteristic and those who do not. It is a duty to have due regard to the need to achieve the goals listed above. 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 Mayor and Cabinet, bearing in mind the issues of relevance and proportionality. Mayor and Cabinet must understand the impact or likely impact of the decision on those with protected characteristics who are potentially affected by the decision. The extent of the duty will necessarily vary from case to case and due regard is such regard as is appropriate in all the circumstances.
- 13.8. The Equality and Human Rights Commission (EHRC) has issued Technical Guidance on the Public Sector Equality Duty and statutory guidance. The Council must have regard to the statutory code in so far as it relates to the 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 on the EHRC website.

- 13.9. The EHRC has issued five guides for public authorities in England giving advice on the equality duty. The 'Essential' guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice.

14. Crime and disorder implications

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

15. Equalities implications

- 15.1. An Equalities Analysis Assessment was carried out and identified that the proposals would have a neutral impact on the protected characteristic of Race because whilst part of the proposal is to no longer separately commission a BAME-specific service, the new service would be commissioned to work with people in a person-centred way to ensure that their cultural needs are met. The Equalities Analysis Assessment can be found at Appendix 8 of this report.
- 15.2. The majority of the people who currently use the service commissioned at the Calabash Centre are African Caribbean. A large number of African-Caribbean people now also access other older adult day services and opportunities, which was not the case when the Calabash Service was originally specified.
- 15.3. Throughout the consultation the majority of service users from the Calabash Centre were in agreement with the proposals, on the basis that they will continue to have access to the range of activities and cultural events which they enjoy, socialise with people from similar backgrounds to themselves (and others) and are able to access an African-Caribbean meal choice.
- 15.4. The improvements to the service offer generally will help to offset any potential negative impact and officers are exploring ways to mitigate any possible negative impact through the use of personalised care plans which reflect people's culture and ethnicity. This will be considered through the Consultation.
- 15.5. The changes will primarily affect older people with a disability, as they are the primary users of this service. The possible negative impact of the change is that people may have to travel further to a single service offer, however, the negative impact would be mitigated by the provision of travel assistance in line with the Council's Travel Assistance Policy. The improved service offer which will be able to support people with higher care and support needs is likely to also positively benefit the protected characteristics of Disability and Age.

16. Environmental implications

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

Background Documents and Report Originator

Title	Date	File Location	Contact Officer
Recommissioning Culturally Specific Day Services for Older Adults	12th February 2014	Link	Heather Hughes
Remodelling Lewisham Council's Day Service Offer and Associated Transport including Evening Club Provision	11th February 2015	Link	Heather Hughes
Recommissioning of Building Based Day Services for Older Adults	10th May HCSC	Link	Laura Harper
Recommissioning of Building Based Day Services for Older Adults	5th June 2019	Link	Laura Harper

If you have any queries relating to this report please contact Laura Harper on 0208 314 6096

Appendix 1 – Costs and Current Usage data

Table 1 - Service Costs

Service	Ave. cost per person per day		Number of contracted places	Total Cost of Service per annum	
	18/19	19/20		18/19	19/20
H21 at Cedar Ct	£43.93	£45.12	12	£131,790	£135,360
H21 at Cinnamon Ct	£43.93	£45.12	12	£131,790	£135,360
Hestia at Calabash	£43.90	£45.09	25	£274,375	£281,813
In-house provider at Ladywell Dementia	£80.96	N/A	24	£485,760	N/A
Total			73	£1,023,715	

Table 2 – Service usage as at 31 March 2019

Service	5 days	4 days	3 days	2 days	1 day	Total no of days	Total no of users
Cedar Court			6	13	15	59	34
Cinnamon Court	1	3	5	5	4	46	18
Calabash	4	2	7	12	13	86	38
Ladywell Dementia	2	2	10	21	12	102	47
TOTAL	7	7	28	51	44	293	137

Table 3–Analysis of Usage

Service name	Hestia Service at the Calabash Centre		Housing 21 Service at Cedar Court		Housing 21 Service at Cinnamon Court		In-House Dementia Service at Ladywell	
	17/18	18/19	17/18	18/19	17/18	18/19	17/18	18/19
Commissioned Days	25	25	12	12	12	12	24	24
Ave number per day on register	23	17	12 (+8)	12(+2)	12	10	19	18
Ave number per day attendance	18	15	12 (+2)	12	9	7	15	16
Ave percentage of people on register	91%	68%	163%	120%	100%	83%	77%	75%
Ave percentage of people attending	73%	60%	121%	100%	75%	58%	63%	66%
Spare capacity based on usage	7	10	0	0	3	5	9	8

Appendix 2 – Pen portraits of service users in commissioned/directly managed services

Anonymised pen portrait of person supported at Lewisham in-house dementia service

Mr R is an 85 year old man who attends Ladywell Dementia Day Service 5 days a week. Mr R lives with his daughter (also his main carer), and other family members live nearby and visit regularly. Mr R was diagnosed in dementia in 2013 and the disease has progressed over the years causing many changes in his presenting behaviour. Mr R has severe memory loss and is no longer able to communicate effectively. He requires prompting and constant supervision as he has little insight into his care needs and risks. He can be aggressive and become distressed easily. At times he refuses care.

Mr R started attending Ladywell 1 day a week in 2014 and has increased to 5 days a week gradually over time due to increasing needs. Mr R used to attend the Calabash service, but his needs could no longer be met there and he needs additional support around wandering and managing his aggressive behaviour. Mr R also has arthritis which can cause severe pain and cannot access the first floor of his home. OT have assessed and have recommended a downstairs bathroom is installed.

Mr R attends the day service to socialise as he is no longer able to access the community safely due to the advanced behavioural symptoms of his dementia. The day service also enables his main carer to have a break from their caring role. In addition to attending the day service Mr R receives 28 hours domiciliary care support in the morning, evening and at bed time. In order to access the day service, the Council provides transport.

Anonymised Pen Portrait of person supported at Cinnamon Court

Ms A is a 90 year old woman. She lives alone and her family live in another part of London. They provide support at weekends and do shopping and other domestic tasks for Ms A. Ms A primary needs are physical, though she does experience confusion from time to time, which is linked to some of the medication which she takes for pain relief.

Ms A is a full time wheelchair user and requires double-handed support with a hoist for personal care. In addition to attending day care, she also receives 21 hrs double-handed domiciliary care support a week, and has a package of telecare through Linkline in case of an emergency.

Due to her mobility difficulties, Ms A is unable to access the community. Ms A attends Cinnamon Court day service 2 days a week where she enjoys socialising and participating in organised activities.

Anonymised Pen Portrait of person attending Cedar Court

Mr T is a 78 year old man who lives with his wife, who is his main carer, in a single storey bungalow. His daughter lives nearby and helps with domestic tasks. Mr T has had a diagnosis of dementia since 2016 and is also diagnosed with COPD and diabetes. Mr T uses a frame to mobilise indoors and uses a wheelchair outdoors due to mobility issues.

Mr T attends Cedar Court day service 3 days a week to enable him to socialise as it is difficult for him to access the community due to his mobility difficulties. Over the past year his wife has reported an increase in the frequency of Mr T's confused episodes which can leave Mr T agitated. In addition to this Mr T receives support with personal care of 10.5 hrs a week to minimise self-neglect. His diabetes is monitored by the district nurse as he is at high-risk of pressure ulcers. Mr T is rarely left alone, and has Linkline telecare installed in his home. The 3 days which Mr T attends the day service enable Mr T's wife to take a break from her caring role and to attend to her own wellbeing.

Anonymised Pen Portrait of person attending Calabash Centre

Mrs L is an 80 year old woman who lives with her daughter and adult grandchild. Her daughter is her main carer and provides support at home with dressing, washing, preparing meals and all domestic tasks.

Mrs L was recently diagnosed with dementia, but has been attending the day service since she had a stroke in 2014 which left her speech and mobility affected. She is able to mobilise independently over short distances but is not able to access the community independently. She attends the centre 2 days a week to help reduce the risk of socialisation whilst her family are at work. She enjoys the art and exercise activities in particular. Over recent years she has started to experience memory loss and disorientation to time, place and people, which prompted a referral to the memory clinic and her dementia diagnosis. Mrs L does not currently have any package of support other than Linkline, as her care is managed by her daughter and her grandchild.

Appendix 3 - Historic Service Usage

Cedar Court							
Year	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Number of contracted places	30	30	20	30	30	12	12
Ave number people on register each day	24	20	15	18	18	17	14
Ave number of people attending each day	18	15	12	14	14	14	12

Cinnamon Court							
Year	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Number of contracted places	30	20	20	20	20	12	12
Ave number people on register each day	19	18	15	13	13	12	10
Ave number of people attending each day	16	14	12	10	11	9	7

Calabash (formerly St Mauritius)							
Year	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Number of contracted places	30	51	51	25	25	25	25
Ave number people on register each day	29	45	30	24	23	18	17
Ave number of people attending each day	22	36	27	21	20	13	15

Ladywell Dementia							
Year	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Number of contracted places	19	19	21*	24	24	24	24
Ave number people on register each day	19	18	18	21	22	19	18
Ave number of people attending each day	16	16	14	18	19	15	16

*The capacity changed from 19 to 24 on 01/10/14

Appendix 4 - Consultation Chronology

Date	Time	Location	Description	Approximate attending/engaging with consultation
14 th May 2019	7.30pm	The Civic Suite, Catford	Healthier Communities Select Committee	n/a
5 th June 2019	6.30pm	The Civic Suite, Catford	Mayor and Cabinet	n/a
6 th June 2019		Website	Consultation launched on website	
11 th June 2019	n/a	Post	Letters to service users and their families	120 people
7 th June-14 th June 2019	n/a	E-mail	Letters out to stakeholder organisations	10 organisations
Monday 24 th June 2019	11am-12pm	The Calabash Centre	Meeting	15
Monday 1 st July 2019	5pm-7pm	The Civic Suite, Catford	Drop-in meeting	4
Tuesday 2 nd July 2019	11am-12pm	Cedar Court	Meeting	20
Tuesday 2 nd July 2019	2pm-3pm	Cinnamon Court	Meeting	8
Wednesday 3 rd July 2019	2pm-3pm	The Calabash Centre	Meeting	15
Tuesday 9 th July 2019	10.30-11.30	Cinnamon Court	Meeting	12
Tuesday 9 th July 2019	2-3pm	Cedar Court	Meeting	15
Friday 12 th July 2019	11.30-12.30	Cinnamon Court	Meeting	10
Wednesday 17 th July 2019	5-7pm	The Civic Suite, Catford	Drop-in meeting	
24 th July 2019	10-2pm	The Civic Suite, Catford	Attendance at third party event – Pensioner's Forum day	60 at talk 8 spoke to officer afterward
25 th July 2019	12.30-1pm	The Civic Suite, Catford	Positive Ageing Council Steering Group	25
26 th July 2019	11-12pm	The Calabash Centre	Meeting with Asian Elders Group	15 people

31 st July 2019	3pm-4.30pm	The Civic Suite	Meeting with Lewisham Pensioners Forum representatives	2 representatives
1 st August 2019	11am-12pm	The Calabash Centre	Meeting with Active Elders Group	30
22 nd August 2019	N/A	Post	Letters out to service users and their families	120 people
30 th August	10-3pm	The Calabash Centre	Advocacy "surgery"	15
2 nd September 2019	10-3pm	Cedar Court	Advocacy "surgery"	15
4 th September	10-3pm	Cinnamon Court	Advocacy "surgery"	12
Various dates between 30 th August and 13 th September 2019	Various times	All services	Advocacy by appointment	TBC
2 nd September 2019	11am-1pm	Dementia Hub	Meeting with people in early stages of dementia	10
9 th September 2019	10am-12pm	The Calabash Centre	Cedar Court visit to the Calabash Centre	8 visitors plus all regular attendees
10 th September 2019	1pm-2pm	The Civic Suite	Meeting with Lewisham Pensioners Forum representatives	2 representatives
11 th September 2019	10am-12pm	The Calabash Centre	Cinnamon Court visit to the Calabash Centre	11 visitors plus all regular attendees

Appendix 5 - Correspondence Summary

Date	Contact type	Summary
13/06/19	Telephone	Phone call to service user relative to ask for postal address and to explain the proposals. Comment that their relative would benefit from getting out to a different centre and that there wasn't a lot of activity at the centre they currently attend. Highlighted the need for transport for their relative to attend a service offsite. Questionnaire subsequently sent via post.
13/06/19	Telephone	Phone call to ask service user relative for more contact details and to explain the proposals. Questionnaire subsequently sent via email.
13/06/19	E-mail	E-mail from Healthwatch who commented that the consultation process is extensive and well thought out. Healthwatch also agreed that the link to the consultation would be placed on their website and in their next e-bulletin.
14/06/19	Telephone	Phone call to service user relative to ask for postal address and to explain the proposals. Relative commented that their loved one would have to travel further. Officer responded that there may be ways to lessen the impact of this through careful route planning. Service user relative also commented that the decision will have already been made and that there is little point of consultation. Reassurance given that no decision has been made and that it won't be made until October, after the consultation closes in September.
16/06/19	E-mail	<p>E-mail from service user highlighting that some service users in older adults' day services had been part of previous changes to services and had moved to Cedar Court from the Ladywell Centre 4 years ago. Concerns raised that long-established friendships were broken up as a result of these changes. Further concerns raised that now service used with Dementia would be split from service users without dementia and this would have a negative effect on their wellbeing and that these comments would not be listened to.</p> <p>Response explaining that officers worked with people affected by earlier changes to support people to identify their friends and move as groups where possible. Response also clarified that the</p>

		proposal is that all current service users from Cedar court would move to a new service at the Calabash Centre. This proposed change does not seek to move anyone with dementia to specialist services, and the service proposed at the Calabash Centre would be able to support people with dementia in much the same way they are supported currently at Cedar Court. There may be some people who need an assessment because their circumstances have changed and this which may lead to them being offered different services to meet their needs.
27/06/19	E-mail	E-mail requesting the paper version of the consultation paper. E-mail response with copy of consultation paper.
05/07/19	E-mail	E-mail requesting additional formats of consultation document: Large Print, Easy-to-read version, Audio version. All versions were made available within 2 weeks.
11/07/19	E-mail	Email: "In today's society, it is important for the Caribbean elderly to have a sense of belonging. A community where they are culturally acceptable. Often one is discriminated against in one's old age for being black and not understanding and accepting cultural differences as well as celebrating them. Although I'm all about diversity, to what extent should we then lose ourselves? Please keep the Calabash open. Keep the social group together. Please do not isolate as they will lose the will to live."
12/07/19	Letter	Letter from Lewisham Pensioner's Forum to the Mayor of Lewisham to express deep concern about the proposals to not have a stand-alone BAME service offer and to raise concerns about the potential for increased social isolation. The response from the Mayor set out the rationale behind the proposals and invited Lewisham Pensioners Forum to take part in the consultation.
19/07/19	E-mail	"I think this is outrageous and would welcome the opportunity to table why I think this is not in the interest of the minorities. "
08/07/19	E-mail	E-mail with completed questionnaire. Responded with thanks.
09/07/19	E-mail	E-mail with completed questionnaire. Responded with thanks.

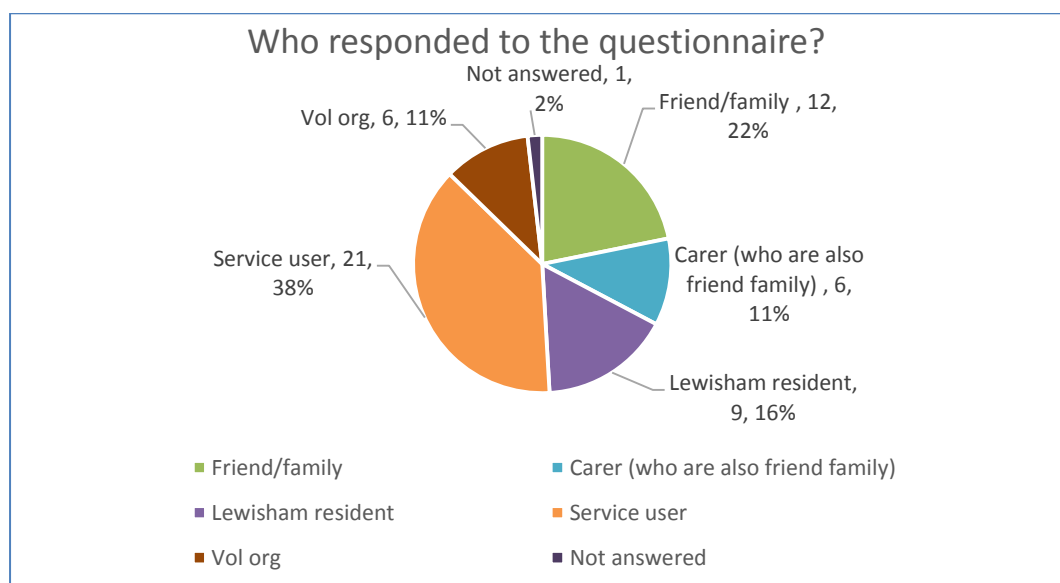
Appendix 6 - Consultation Questionnaire Responses

Who responded to the consultation questionnaire?

Respondent	Number
Friend/family	12
Carer (who are also friend family)	6
Lewisham resident	9
Service user	21
Vol org	6
Not answered	1
Grand Total	55

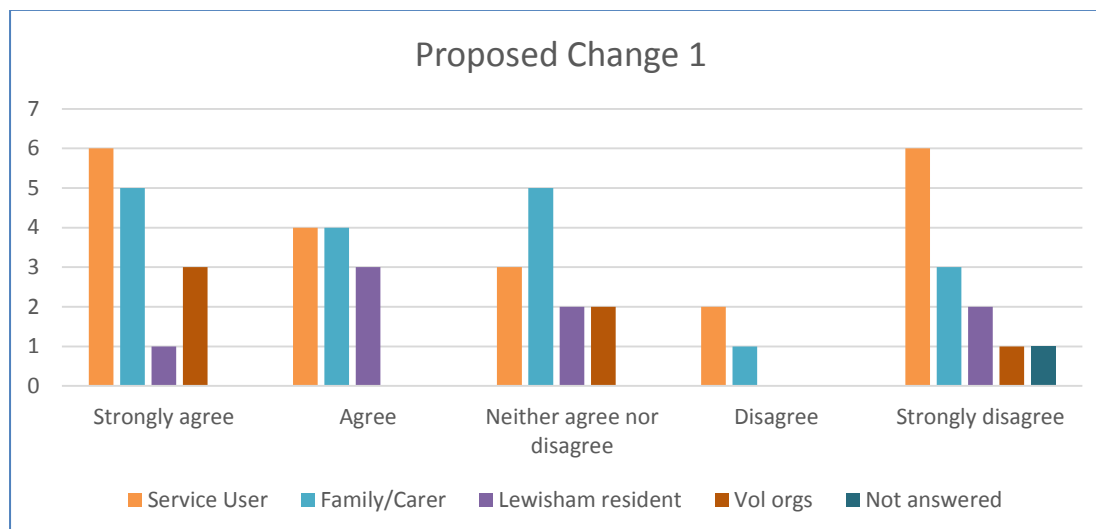
Overall 55 people completed the consultation questionnaire. 40 people submitted hard copy responses and 15 people completed the questionnaire online.

The largest group of respondents were service users. The second largest group of respondents was family/friends of service users. Responses from carers are counted separately in this graph, though it is recognised that they are also friends and family. In the further analysis these categories are grouped.



Proposed change 1

The below charts show the breakdown of responses for Proposed Change 1, combining three services into one. The first chart and table show responses broken down by how the respondent describes themselves. The second chart and table show the breakdown between those people who responded online and those who responded with a hard copy questionnaire.



Breakdown of responses to Proposed Change 1	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	TOTAL
Service User	6	4	3	2	6	21
Family/Carer	5	4	5	1	3	18
Lewisham resident	1	3	2		3	9
Vol orgs	3		2		1	6
Not answered					1	1
TOTAL	15	11	12	3	14	55

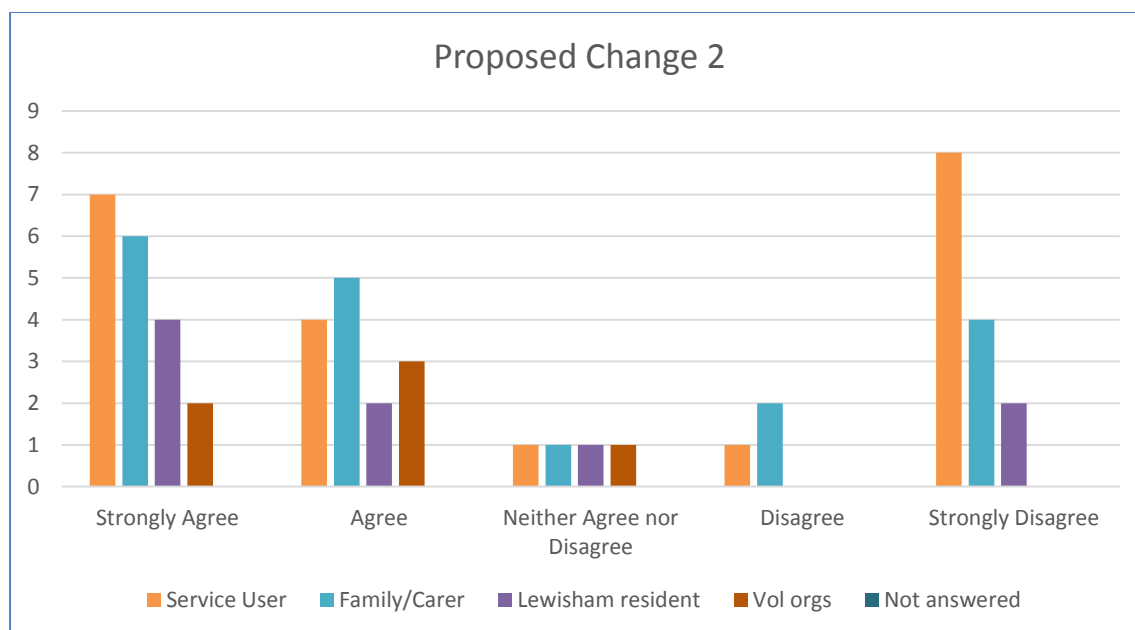
The data shows that views on the proposals were mixed. An equal number of service users strongly agreed (n=6) with the proposals as strongly disagreed (n=6) with them.

Overall more service users and carers agreed or strongly agreed with the proposals than disagreed or strongly disagreed with them. A small number of Lewisham residents who do not use the services or have a family or friend who uses them currently disagreed with the proposals. Other Lewisham residents either strongly agreed, agreed or neither agreed or disagreed with Proposed Change 1.

Proposed change 2

The below charts show the breakdown of responses for Proposed Change 2, that the location proposed for the new service is the Calabash Centre. The first chart shows the breakdown of agreement/disagreement with the proposal based on how the respondent describes themselves.

The 8 service users who strongly disagreed with the proposals were all service users from Cedar Court who specifically would like to continue to receive services at Cedar Court and were against their proposed move to the Calabash Centre. These questionnaires were submitted at the consultation meeting before the supported visit to the Calabash Centre took place.



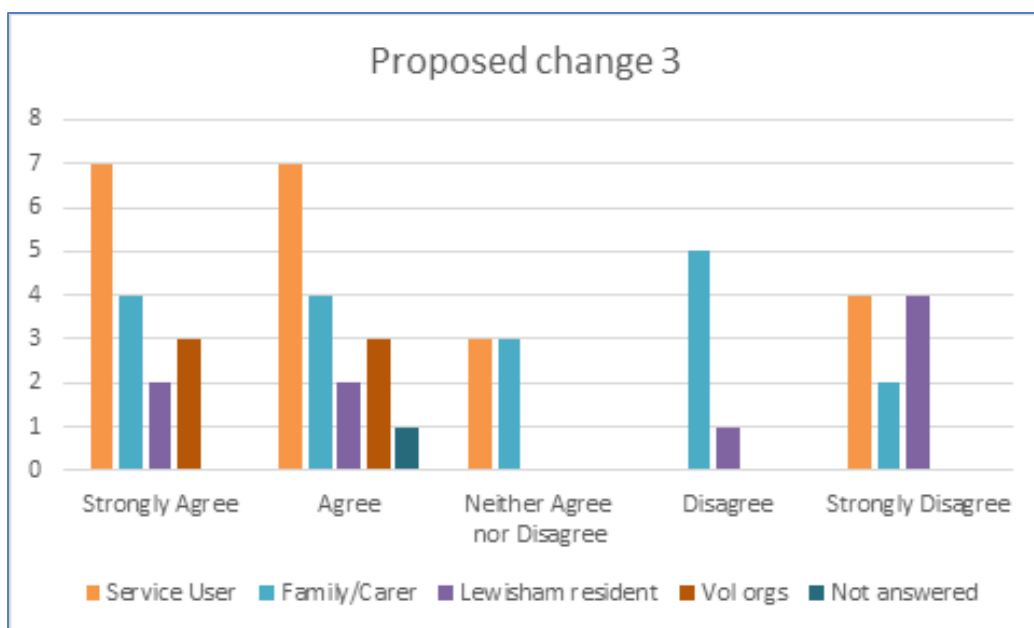
Change 2	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree	Not answered	TOTAL
Service User	7	4	1	1	8	0	21
Family/Carer	6	5	1	2	4	0	18
Lewisham resident	4	2	1	0	2	0	9
Vol orgs	2	3	1	0	0	0	6
Not answered	0	0	0	0	0	1*	0
TOTAL	19	14	4	3	14	1	55

**this individual is not included in the proposed change 2 chart to ensure clarity around the responses*

Proposed Change 3

The below charts show the breakdown of responses for Proposed Change 3, that this would mean there would be no BAME-specific day service

The first chart shows the breakdown in responses based on how the respondent describes themselves. Higher numbers of service users either strongly agreed (n=7) or agreed (n=7) with the proposed change compared to service users who disagreed (n=0) or strongly disagreed (n=4) with the proposed change. Families and carers had mixed views about this proposed change with 8 family members or carers strongly agreeing or agreeing with the proposals compared to 7 disagreeing or strongly disagreeing with the proposals.

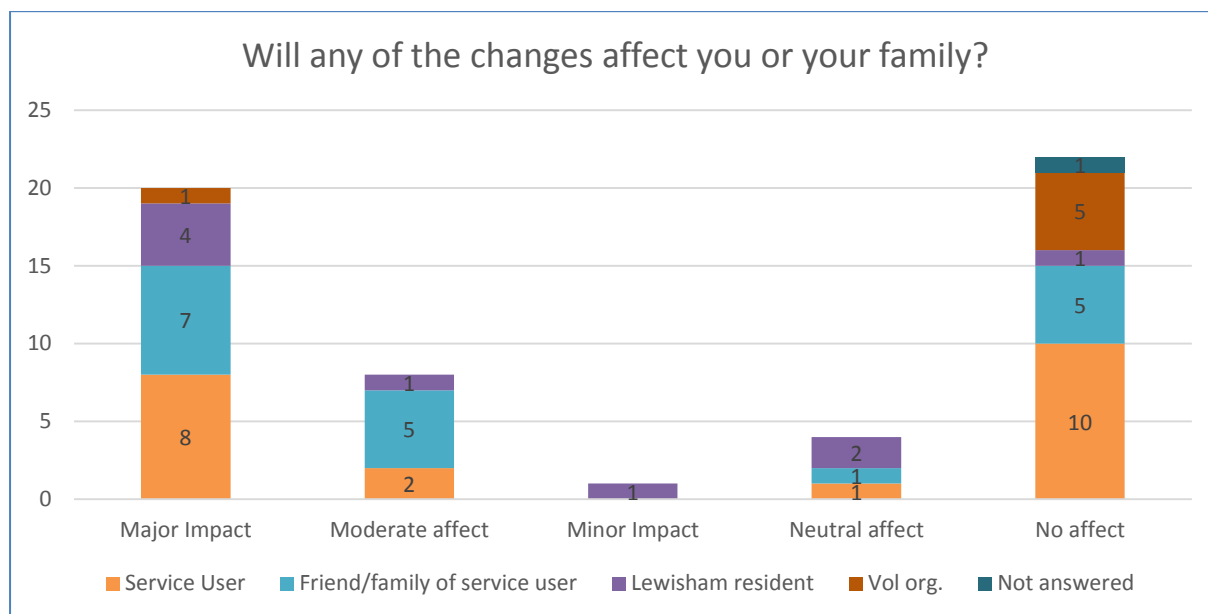


	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly Disagree	TOTAL
Service User	7	7	3	0	4	21
Family/Carer	4	4	3	5	2	18
Lewisham resident	2	2	0	1	4	9
Vol orgs	3	3	0	0	0	6
Not answered		1	0	0	0	1
TOTAL	16	17	6	6	10	55

Will any of the changes affect you or your family?

The below charts show whether the proposed changes will affect the responder or their family.

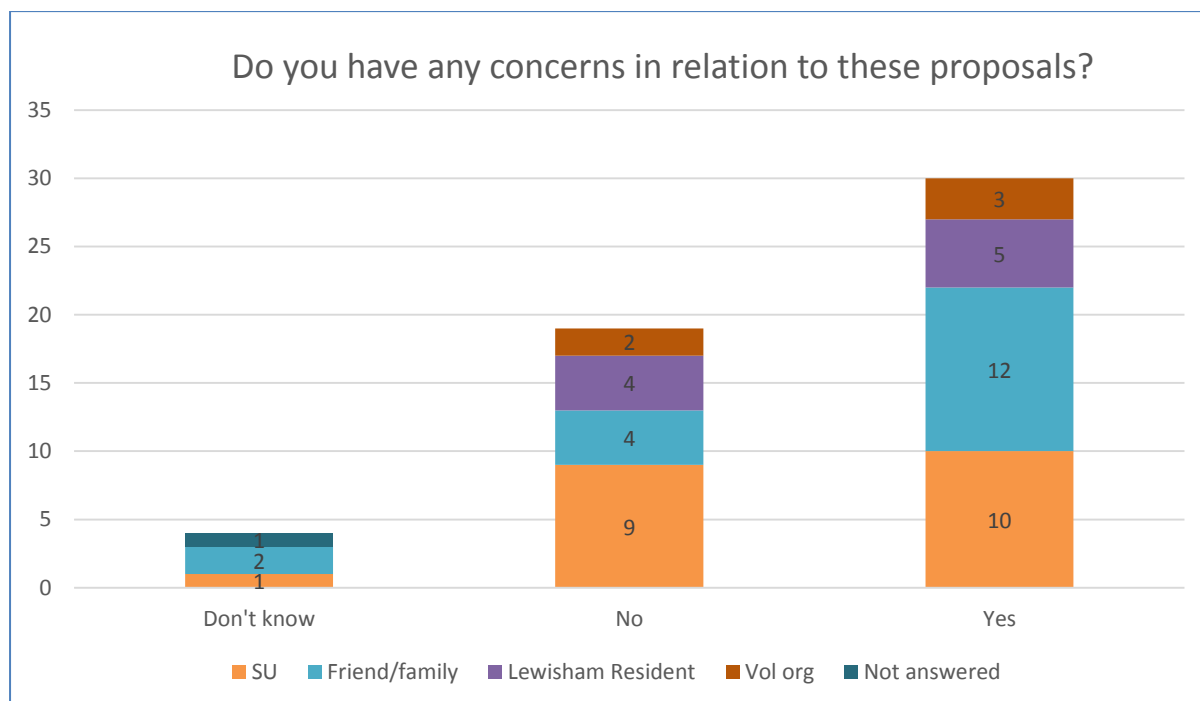
More respondents to the consultation stated that the changes would have no effect on themselves or their family (n=22) compared to having a major impact (n=20). Eight out of twenty one service users stated that there would be a major impact on themselves and their families. Ten stated there would be no effect. Nine of the service users who stated that the changes would not affect them currently attend services at the Calabash Centre.



	Major effect	Moderate effect	Minor effect	Neutral effect	No effect	TOTAL
Service user	8	2		1	10	21
Friend/family of service user	7	5		1	5	18
Lewisham resident	4	1	1	2	1	9
Vol. org	1	0	0	0	5	6
Not answered	0	0	0	0	1	1
TOTAL	20	8	1	4	22	55

Do you have any concerns in relation to these proposals?

The below charts show whether respondents are concerned by the proposals. Of the fifty five respondents, thirty had concerns about the proposals. Twenty two of these were service users (n=10) and family members or carers (n=12). Nineteen respondents had no concerns about the proposals.



	Don't know	No	Yes	No response	TOTAL
SU	1	9	10	1	20
Friend/family	2	4	12	0	18
Lewisham Resident	0	4	5	0	9
Vol org	0	2	3	1	5
Not answered	1	0	0	0	1
TOTAL	4	19	30	2	55

Appendix 7 – Options Appraisal for delivery of service

1. Officers have carried out an options appraisal on possible delivery options for a single day service for older adults. The options which were considered were: Commercial contractor, In-house, Wholly Owned Contractor. The option to make use of a shared service was not considered as there was no relevant local shared service.
2. The options appraisal was undertaken using a standard framework, drawn from a model designed by the Association of Public Sector Excellence to allow Local Authorities to explicitly consider insourcing of services, which assesses various options and appraises these using both qualitative and quantitative metrics. The qualitative considerations for each operating model were: the risks associated with service delivery, the barriers to entry into the marketplace (high start-up costs or other obstacles that prevent new competitors from easily entering an industry), the responsiveness and control achievable, and the commercial potential. The quantitative assessment looked at the potential and likely estimated cost of service delivery under each model. When combined the qualitative and quantitative measures provide an indication of the overall value for money and ranking of each option. Given the nature of the services the three options considered were: insourcing, placing a contract with an external provider, and the Council itself either setting up or procuring a service provider.
3. It is to be noted however that this model has not been previously used by the Council and that as with all models it is a desk top exercise which attempts to predict an outcome for each scenario. As such there is potential for the actual results to differ from those anticipated, and there is further the inherent risk that the modelling itself is not reliable.
4. Please see table below which summarises the options appraisal for service delivery models:

Delivery option	Surety of Service Delivery 10%	Barriers to entry into marketplace 10%	Responsiveness and Control 10%	Commercial potential 10%	Cost 60%	TOTAL (out of 100%)
<i>Commercial contractor</i>	7	7	7	5	60	86
<i>In house</i>	7	6	8	6	48.79	75.79
<i>Wholly owned contractor</i>	7	5	7	7	48.79	74.79

5. Commercial Contractor Model – In this scenario the Council commissions the service from a third party. This is the current delivery model for services at Cedar Court, Cinnamon Court and the Calabash Centre. On this basis the commercial contractor model scored high on surety of service delivery as the service has been delivered consistently to a high standard in the commissioned service arrangements. Commissioned services are contract monitored and receive quality assurance visits to ensure that they are working well. Barriers to entry into the marketplace were low as there is an existing local provider market for day services. On this basis the commissioned service model also scored high in this area. The Commercial Contractor scored high on price as it costs

approximately £100,000 below the alternative options to commission services. The appraisal model scored the Commercial Contractor as the most favourable delivery route for the general older adults' day service.

6. In-house service model – In this scenario the Council would bring the service in-house with direct management arrangements. The benefit of the in-house service option would be greater responsiveness and control over how the service is delivered. The in-house service option scored high in this area. It should be noted that the Council currently has limited management infrastructure for the delivery of day services, and continues to prioritise the direct delivery of specialist services like the Dementia day service at Ladywell, and the Intensive Support Resource Service and Challenging needs service for people with a learning disability. In order to take on the management of another service additional management capacity would be required and this could have a negative impact on the surety of delivery of the service and act as a barrier to entry into marketplace. This is reflected in the options appraisal scores given to the in-house service for these areas. The costs of the in-house service option would be approximately £100,000 more per annum than the proposed contracted service option.
7. Wholly owned Contractor Model - In this scenario the Council would need to create a new wholly owned company which would manage the day-to-day operations of the day service. The Council as sole owner of the company would retain responsibility and accountability for its actions. As such the scores which given to this option for Surety and Delivery were high, and similarly the scores for responsiveness and control were high, though not as high as in the in-house scenario as there would be less direct control. The costs are assumed to be the same as the in-house service model, though there may be additional costs associated with contract monitoring the wholly owned contractor model. The barriers to the marketplace are high as this would likely be a new company which would need to establish new structures and ways of working, as well as recruiting and training staff. This option does however have some commercial potential, which remains untested, and has therefore been scored higher than the in-house option and the commercial contractor option in this area.
8. It is not recommended to in-source this service at this time as the Commercial Contractor scores higher in the option appraisal than the In-house Option and the Wholly Owned Contractor Model.

Equalities Analysis Assessment

Review of Older Adults Day Services

Laura Harper
Joint Commissioner
Joint Commissioning Team,
Community Services & Lewisham Clinical Commissioning Group
April 2019

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1. Summary

This document is the Equalities Analysis Assessment of the proposed changes to Older Adults Day Services. It considers how the proposed changes might affect different groups in society differently and assesses whether these effects are positive or negative. It also outlines the activity that the Council will take to ensure that equal opportunities are promoted and that no group is disproportionately discriminated against.

The assessment has found that the proposal to re-commission all older adults day services as a single service offer from a single location does not unlawfully discriminate against any group based on the protected characteristics. It is noted that the proposals will affect older people with disabilities more than any other group, as the majority of service users are older and have some level of disability. People will be supported to engage in consultation and their support needs will be taken into consideration through this process. Assessment of individual needs will be carried out to ensure that the proposed single service will meet people's individual care and support needs. The proposal not to re-commission a stand-alone BME service will impact on people from BME backgrounds more than others, however, it is proposed that the single service offer will be able to deliver personalised services which meet individual cultural and ethnic needs and preferences. Overall the assessment found there would be a neutral impact on equalities.

2. Introduction

Lewisham Council is committed to supporting all of its citizens to live full lives and maintain their health, wellbeing and independence. This includes older adults with disabilities and with social care needs. Where an individual is eligible for support from the Council, it will be from the perspective of empowering people and where appropriate their families or carers, to take decisions and make choices as to how their needs can best be met, calling upon their own resources, those of the Council and its providers, and those available in the local community.

This review looks at Day Activities and Day Services which are available for older adults with care and support needs who are eligible under the Care Act 2014. Outcomes which can be supported by day services include, but aren't limited to:

- Developing and maintaining family or other personal relationships
- Managing and maintaining nutrition
- Maintaining personal hygiene
- Managing toilet needs

Adult Social Care currently provides building-based day care, Monday to Friday, at four services across the Borough: Calabash, Cinnamon Court, Cedar Court and Ladywell Dementia Day Service. The proposals are:

1. To re-commission all older adults day services as a single service at a single location
2. That this service will not be BME-Specific, but will support people from all backgrounds

The proposed changes to day services would be underpinned by the principles of the Care Act 2014 to ensure that it complies with current legislation. The Act's principles

of promoting independence, offering choice; and considering the most appropriate, cost effective and least restrictive options for meeting people's needs are at the core of the proposed changes.

3. What is an Equalities Analysis Assessment

An Equalities Analysis Assessment (EAA) is the process of systematically analysing a proposed or existing policy, strategy or service to identify what effect, or likely effect, will follow from its implementation for different groups in the community. Assessments should consider the effect of a service on Race, Gender, Disability, Age, Sexual Orientation, Religion/Belief, Pregnancy and Maternity, Marriage and Civil Partnership, and Gender Reassignment. In addition, EAAs consider whether proposals might contravene human rights. By conducting an EAA, organisations can consider what good practice could be shared or what measures might need to be taken to address any adverse impact.

Lewisham's diversity is one of its strengths and the Council is committed to supporting an inclusive and cohesive local community. EAAs support this intention, by identifying how the Council's services can actively promote equal opportunities and avoid direct and indirect discrimination.

4. Scope and structure of the EIA

This document considers the equalities impact of the proposed changes to Older Adults Day Care only. It draws upon information to assess what effect the recommendations will have on the people currently accessing these services, and the wider population of people aged over 65 in Lewisham who may have Care Act eligible needs in the future.

The EIA provides the answers to the following questions:

1. Could the proposed changes affect some groups in society differently?
2. Will the proposed changes disproportionately affect some groups more than others?
3. Will the proposed revisions promote equal opportunities?

5. Equalities Context

National context

The Equality Act 2010 provides cross-cutting legislative framework to protect the rights of individuals and advance equality of opportunity for all. It aims to deliver a simple and accessible framework of discrimination law which protects individuals from unfair treatment and promotes a fair and more equal society.

On 5 April 2011 the new public sector Equality Duty came into force. The Equality Duty replaces the three previous duties on race, disability and gender, bringing them together into a single duty, and extends it to cover age, sexual orientation, religion or belief, pregnancy and maternity, and gender reassignment. The aim of the Duty is for

public bodies to consider the needs of all individuals in their day to day work, in developing policy, in delivering services, and in relation to their own employees.

This EIA has been undertaken in line with the Council's legal duties in relation to equality and as such has assessed the potential impact across the nine quality protected characteristics.

The Human Rights Act came into effect in the UK in October 2000. It means that people in the UK can take cases about their human rights as defined in the European convention on Human Rights to a UK court. At least 11 Articles of the European Convention on Human Rights have implications for the provision of public services and functions. This EIA assesses whether the proposed recommendations are in line with duties established by this Act.

Local context

The Lewisham Values which are set out in *Lewisham Council Corporate Plan 2018-22* are:

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

These inform the corporate priorities, which are also set out in the same document and demonstrate the Council commitment to a fair and inclusive society:

1. Open Lewisham – Lewisham is a welcoming place of safety for all, where we celebrate the diversity that strengthens us.
2. Tackling the housing crisis – Everyone has a decent home that is secure and affordable.
3. Giving children and young people the best start in life – Every child has access to an outstanding and inspiring education, and is given the support they need to keep them safe, well, and able to achieve their full potential.
4. Building an inclusive local economy – Everyone can access high-quality job opportunities, with decent pay and security in our thriving and inclusive local economy.
5. Delivering and defending: health, social care and support – Ensuring everyone receives the health, mental health, social care and support services they need.
6. Making Lewisham greener – Everyone enjoys our green spaces, and benefits from a healthy environment as we work to protect and improve our local environment
7. Building safer communities – Every resident feels safe and secure living here as we work together towards a borough free from the fear of crime.

The Comprehensive Equalities Scheme (CES) is Lewisham Council's equality policy. It sets out the Council's commitment to meeting the Equality Duty. The five objectives of the policy are to:

1. Tackle victimisation, discrimination and harassment.
2. Improve access to services
3. Close the gap in outcomes for all residents

4. Increase mutual understanding and respect within and between communities
5. Increase citizen participation and engagement

8. Policy Context

There have been a number of government documents which set out the pathway of 'Personalisation' within adult social care as a way of meeting people's needs so that eligible service users have both greater flexibility about the service they receive and greater control over how they are delivered.

For example: 'Putting People First' (2007); 'Transforming Social Care' [LAC (DH) 2008]; 'Caring for Our Future: reforming care and support' (2012)). These policy and guidance documents have promoted the provision of Direct Payments whereby eligible adults are given an assessed sum as cash to purchase their own service and the local authority's role, rather than being one of a direct provider of services, becomes one more focused on market development and shaping.

The Care Act 2014 (The Act) is the most substantial piece of legislation relating to adult social care to be implemented since 1948. It has taken previous legislation, common law decisions and other good practice guidance and consolidated them. The Care Act places a wide emphasis on prevention, the provision of advice and information, changes to eligibility, funding reform and market shaping and commissioning. This final aspect of the Act also emphasises the use of personal budgets and direct payments; and requires the Council to promote appropriate service supply across the provider market and assure quality and diversity to support the welfare of adults in the community. It also requires the Council to engage with providers and local communities when redesigning services and planning for the future.

9. Equalities Assessment of the proposed changes to Older Adults Day Services

Disability

Impact: Neutral

Data summary for disability

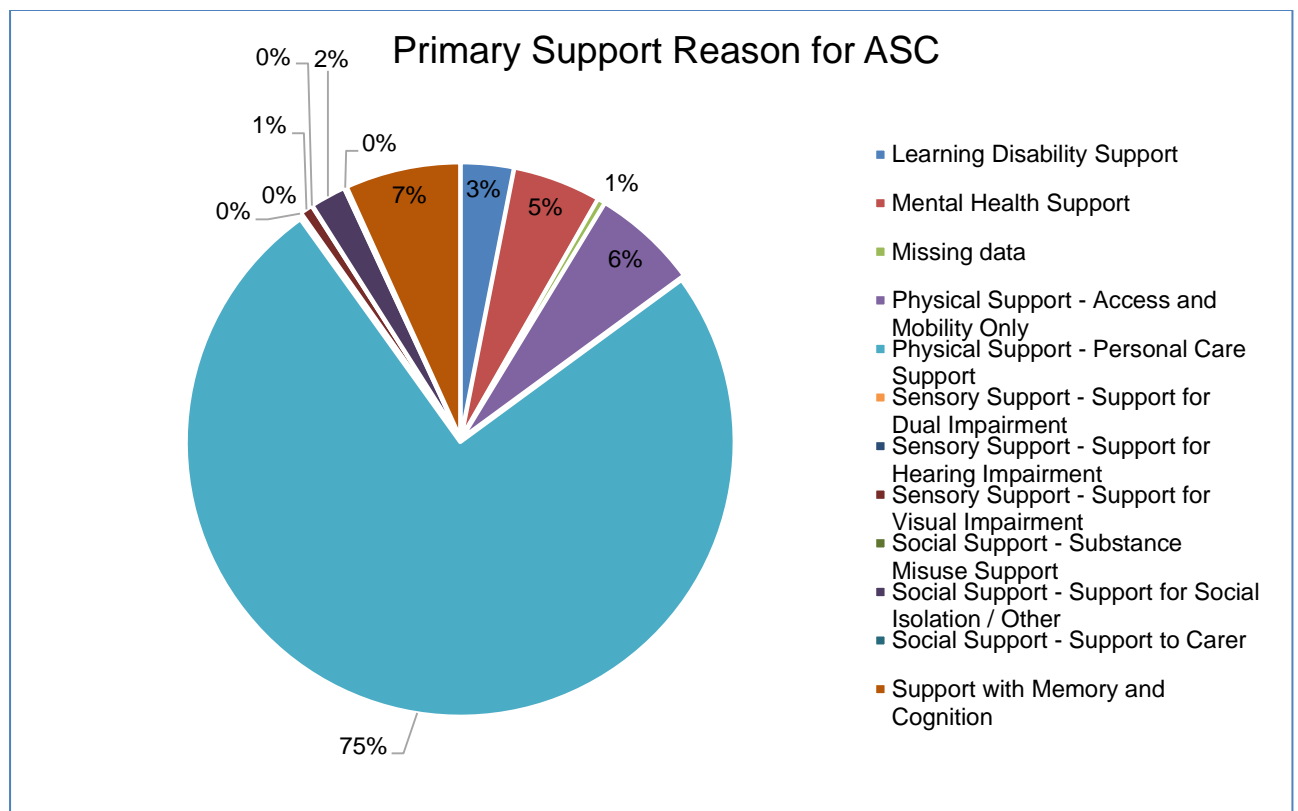
According to the 2011 Census (All Ages):

7.1% (19,523) Lewisham residents indicated that their day-to-day activities were limited a lot, and 7.3% (20,212) indicated that their day-to-day activities were limited a little;

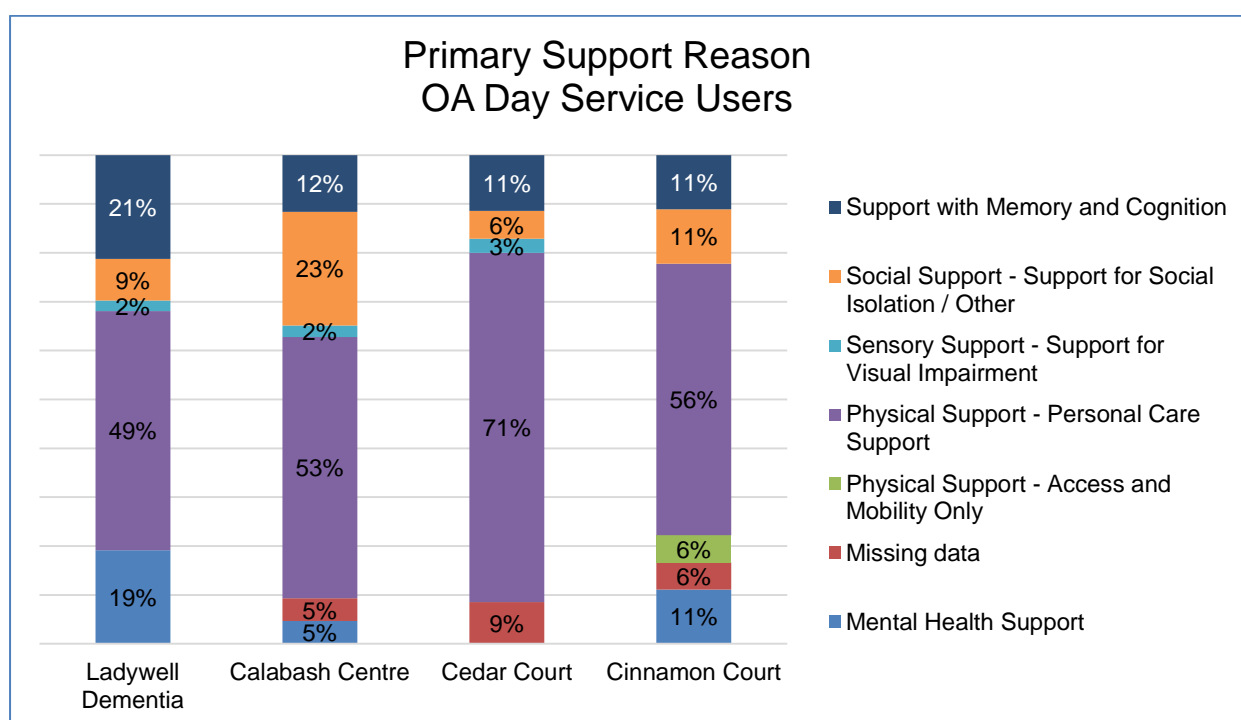
5.3% (14,318) Lewisham residents indicated that they are in bad health or very bad health;

8.1% (22,521) Lewisham residents provide some form of unpaid care. Over 5,000 Lewisham residents provide 50+ hours of unpaid care per week.

Service users affected by the proposals will have some form of disability as they are currently being supported by Adult Social Care. The Care Act 2014 defines a person as being eligible for care and support if they are unable to achieve daily activities which will significantly impact on their well-being. The below chart sets out the Primary Support Reason given on LAS for all people aged over 65 who are in receipt of Adult Social Care Services.



Day services specifically support people’s care and support needs resulting from disability. As a consequence the proposed changes will significantly impact people with a disability more than people without a disability. As we don’t routinely ask service users whether they consider themselves to have a disability and/or the nature of their disability, then closest proxy is the Primary Support reason listed on Lewisham’s Adult Social Care System, LAS. Older Adult Day Services mostly support people with a primary support need of Physical Support- Personal Care Support.



The proposed recommendation to combine the three general older adults’ day services which are currently commissioned across three locations at the Calabash Centre, Cinnamon Court, and Cedar Court will primarily affect people with a primary support reason of physical support – personal care support, who are the majority of service users across all services.

Part of the proposal is to review the service specification to ensure that the proposed single service can meet higher levels of care and support needs, including advanced personal care needs and support with taking medication. This may have a positive impact on service users and the wider population of older adults who may require building based day services in the future to meet these needs.

All service users will need to be assessed to better understand their specific individual needs and how these may be affected by the proposed changes. Once the proposals have been agreed these assessments will be used by support planners working in conjunction with service users to identify suitable alternative

ways to meet their needs. Care Act eligible needs will continue to be met, mitigating the impact of the proposed changes on those who are most vulnerable.

Sexual Orientation
Impact: No Impact

Data summary for sexual orientation

There are no accurate statistics available regarding the profile of the lesbian, gay, bisexual and transgender (LGBT) population either in Lewisham, London or Britain as a whole.

The Greater London Authority based its Sexual Orientation Equality Scheme on an estimate that the lesbian and gay population comprises roughly 10% of the total population.

At the 2011 census 2% of over 16 year olds were cohabiting with someone of the same sex or were in a civil partnership, this is higher than both the England and London averages (0.9 % and 1.4% respectively).

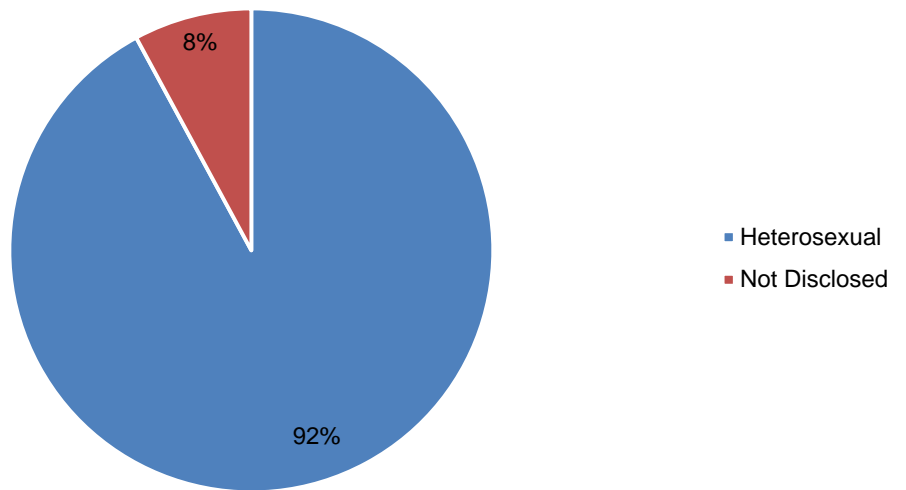
The 2015 Annual Resident Survey, a question on sexual orientation found that 3% of respondents identified as lesbian or gay.

Sexual orientation is not very well recorded in social care records, with 76% of records not having orientation noted for adults over 65. This makes it difficult to consider the full implications that the recommended changes would have on this protected characteristic.

There is limited data about Sexual Orientation for service users who attend older adults day services. Of the 36 service users who have a recorded sexual orientation, 92 (no.=33) are recorded as heterosexual, and 8% (no=3) Not disclosed.

A change of service may have a negative impact on the protected characteristic of sexual orientation if, for instance, someone feels less able to disclose their sexuality to a new group of staff members or other service users following the proposed change. However, based on the information we have on service users it does not appear that there will be anybody directly affected at this time, as such it has been assessed as having no impact. The service will be required to provide equalities and diversity training for staff and to ensure that all service users are treated with respect by staff and other service users.

Sexuality OA Day Service Users



Race

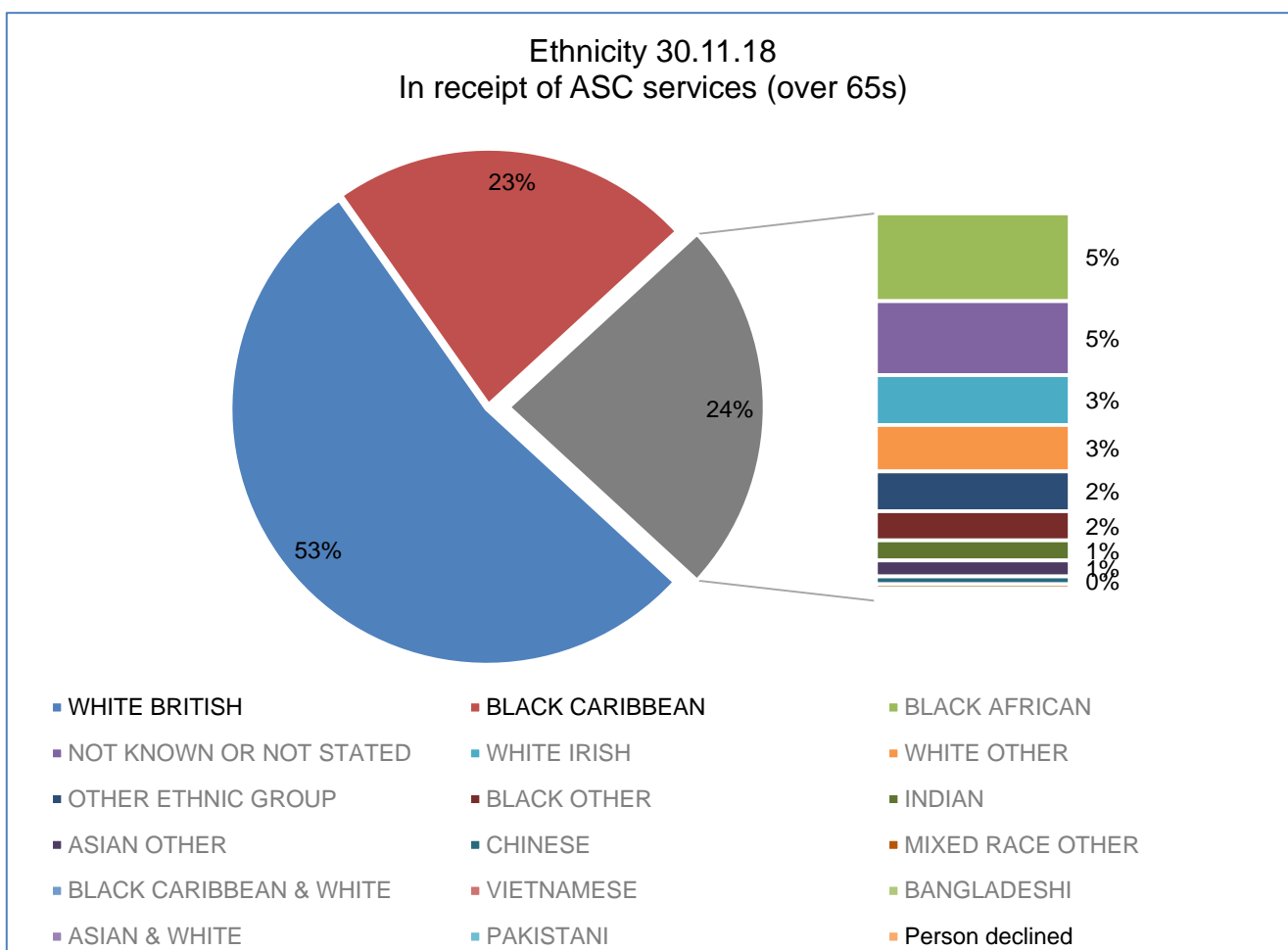
Impact: Neutral

Data summary for Race

According to Census data from 2011, 53.6% (147, 686) of all Lewisham residents are white (White British, White Irish and White European). Currently people from a Black Caribbean, Black African and Black other ethnic background represent 27.2% (74,942) of the population.

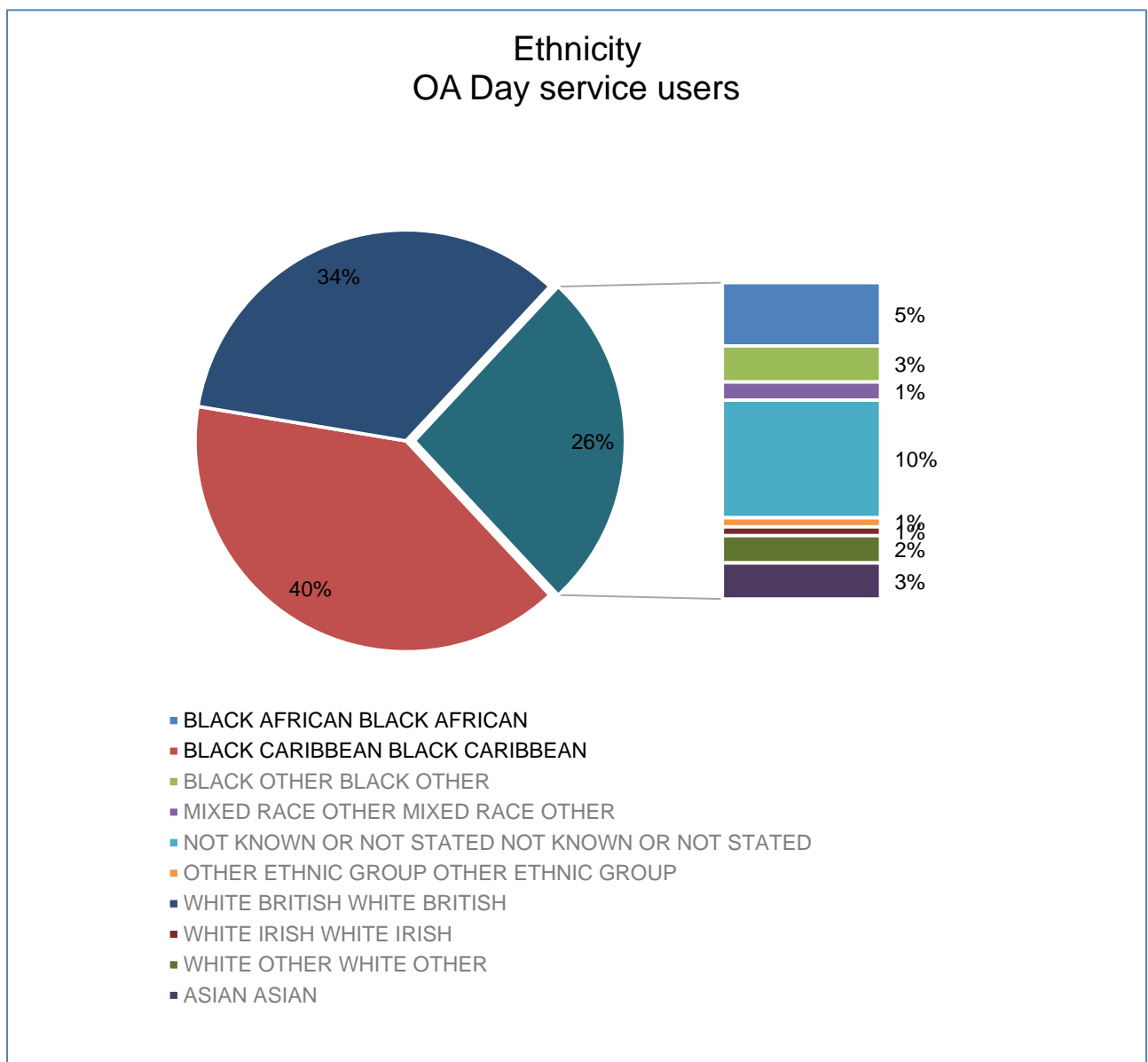
The over 65s population (26,135) is less diverse than Lewisham’s overall population. The proportion of over 65s who are White British is 65% (16,996), those from White Irish, White European and White Other backgrounds is 10% (2,499). The proportion of the over 65s population who are from a Black Caribbean background is 13% (3,528 people), whilst those from Black African and Black other ethnic background is 4% (1,170). There are much smaller numbers of people from other ethnic backgrounds, with the next largest group reported in the Census as being Asian Other at 2% of the over 65s population (490).

The below chart shows the ethnicity of all over-65s in receipt of ASC Services. This includes those in Residential and Nursing Care which is Council-funded. Relative to Lewisham’s wider over 65s population there are higher proportions of people from Black Caribbean, Black African and Black Other in receipt of Adult Social Care



Packages, and lower proportions of White British, White Irish and White Other Populations.

The below chart shows the ethnicity of Service users in Older Adult's Day Services. Compared to the general over-65s population in Lewisham and the population of older adults in receipt of services from ASC, there is a higher proportion of people from Black Caribbean, Black African and Black other ethnic backgrounds in day services. There is a lower proportion of people from



White British, White Irish and White Other backgrounds in day services, compared to the proportions of people from these backgrounds who are in receipt of ASC Services.

The ethnic breakdown of service users varies across the different day services. As expected, the BME-specific day service at the Calabash Centre has the highest proportion of Black Caribbean Service Users with 76% of service users from this ethnic background.

Other older adult day services have a higher proportion of White British Service Users, and a higher proportion of service users from other ethnic backgrounds which is expected as these are not culturally specific. The demographic make-up of these

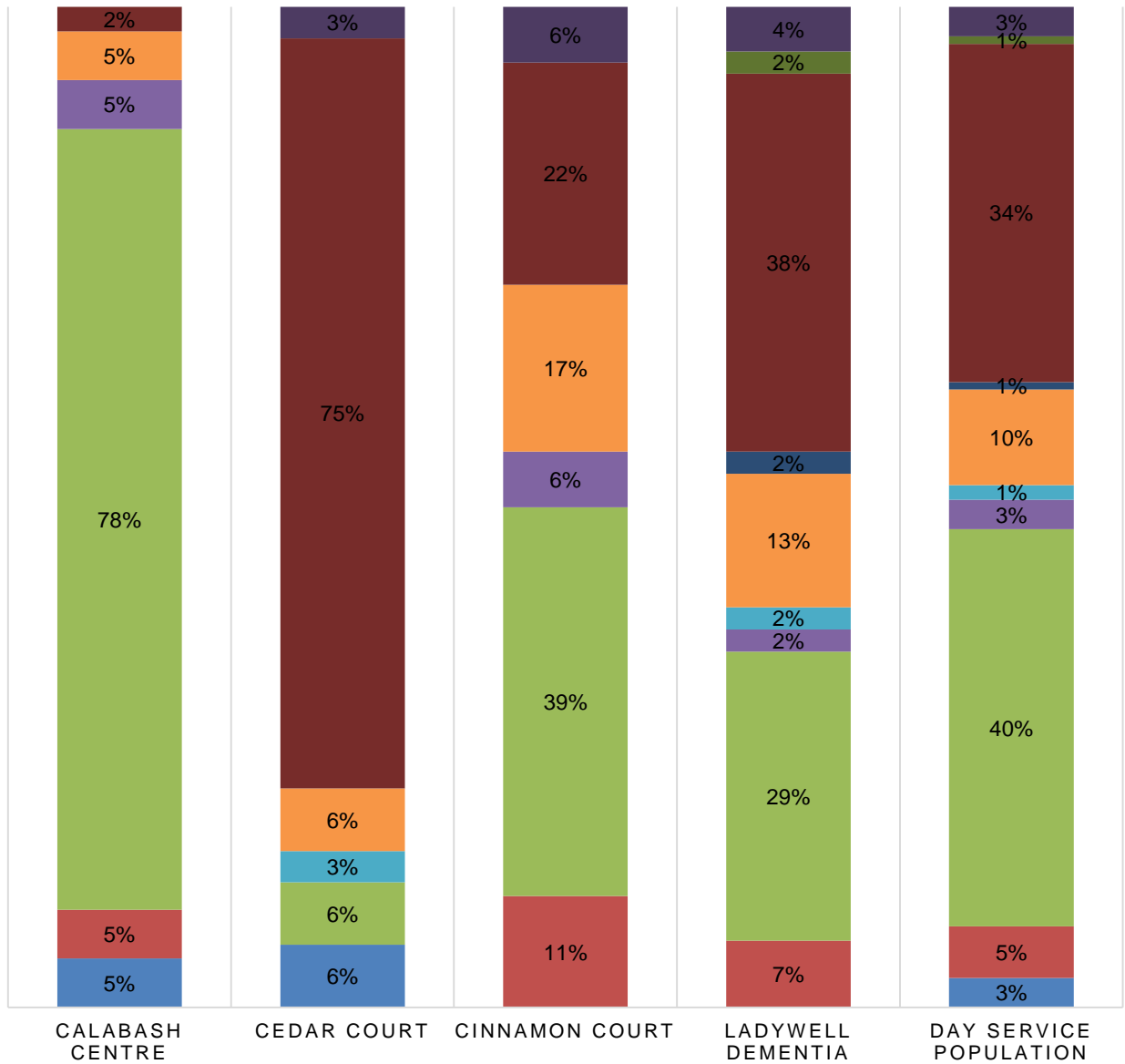
services is broadly aligned to the overall proportions of people from different ethnic groups in receipt of ASC Services.

The proposals include the recommendation to combine all three general older adults' day services into one single service offer, and to not re-commission a specific separate BME day service offer. This will affect people who currently attend the BME- specific day service at the Calabash. This service was originally commissioned as an African-Caribbean Day Service and aimed to meet specific cultural and dietary needs of this group. Now there are large numbers of people from Afro-Caribbean backgrounds accessing other older adult's day services.

The proposal is that the single service offer would be able to provide an activities programme and provide meal choices which will reflect the preferences and cultural needs of service users. There are also opportunities to work with the Active Elders group to support culturally relevant activities to mitigate any possible negative impact.

ETHNICITY OA DAY SERVICE USERS

- ASIAN
 - BLACK OTHER
 - OTHER ETHNIC GROUP
 - WHITE OTHER
- BLACK AFRICAN
 - MIXED RACE OTHER
 - WHITE BRITISH
- BLACK CARIBBEAN
 - NOT KNOWN OR NOT STATED
 - WHITE IRISH



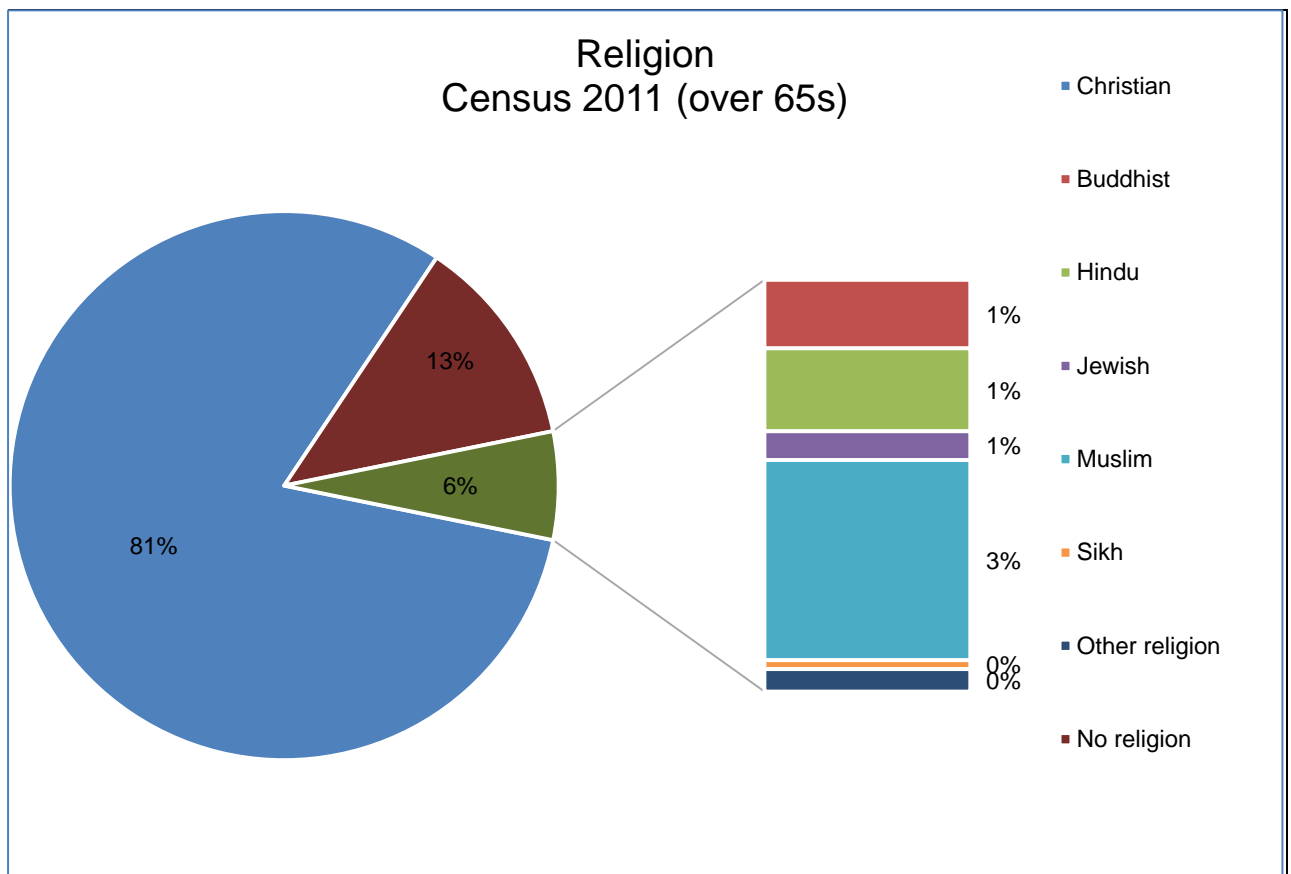
Religion or belief

Impact: No Impact

Data summary for religion or belief

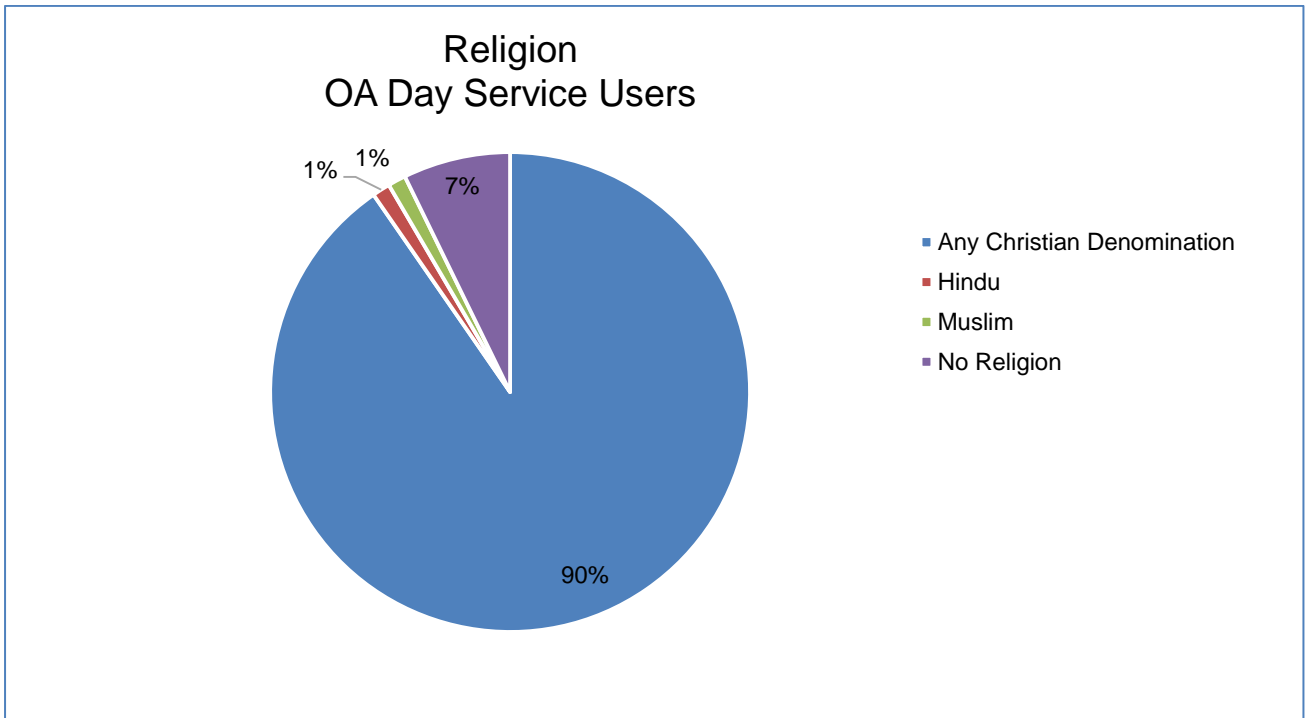
The most up to date information on religion or belief in Lewisham is from the Census of 2011. This revealed that nearly 64% of Lewisham residents described themselves as having a faith or religion, whilst around 27% of residents described themselves as having no faith or religion.

Amongst those residents that described themselves as having a faith or religion some 52.8% identified their faith as Christian, whilst 6.4% described themselves as Muslim. Of other religions, Hindus represent 2.4% of the population, whilst Buddhists represent just over 1.3% of the population.

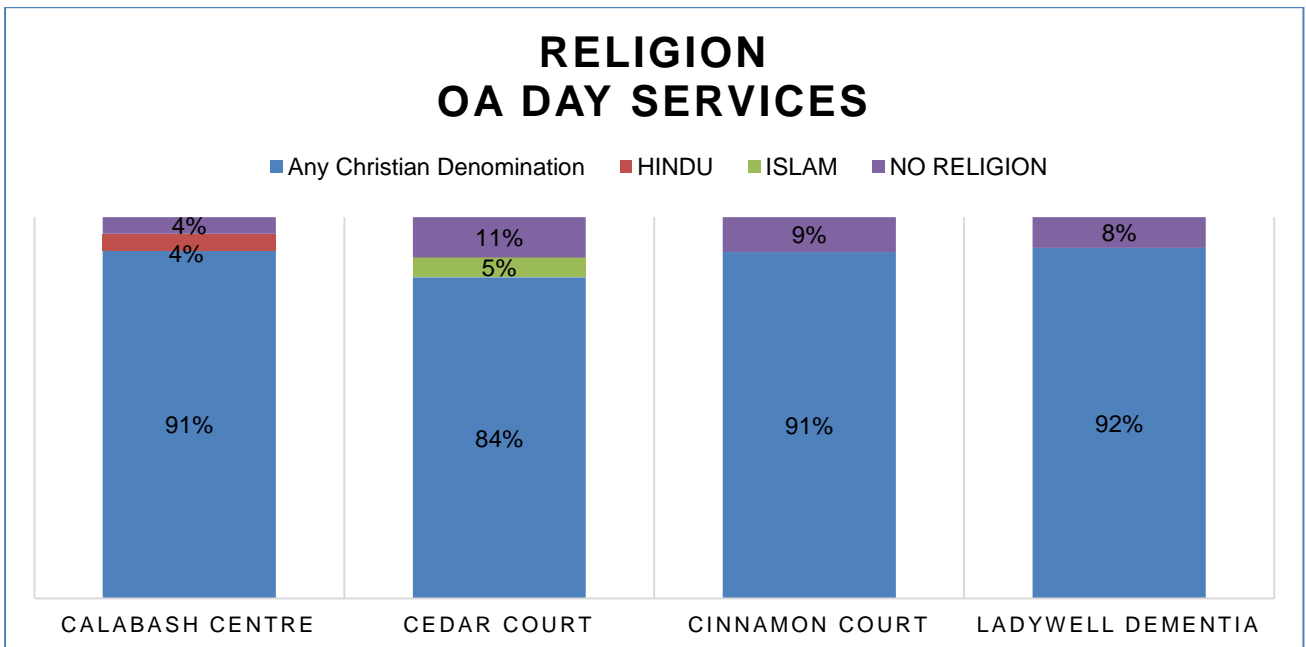


Please note that 10% of respondents had no religion recorded and were therefore excluded.

The majority (81%) of people aged 65 and over in receipt of Adult Social Care Services in Lewisham who have a recorded religion identify as Christian. The next biggest recorded group is those who have No Religion (13%). There are relatively small proportions of people who belong to other religions, 1% of people are Buddhist, 1% are Hindu, 1% are Jewish and 1% are Muslim.



Please note that Religion was not recorded for 55 of the 150 service users attending Older Adult’s Day Services, and this data was therefore excluded. The majority (88%) are Christian, 1% are Hindu and 1% are Muslim.



80 out of 136 service users in a day service have a religion. 66/136 are not known and were excluded from the analysis.

The majority of people attending older adult day services with a recorded religion are Christian. The next largest proportion of people recorded have “no religion”. There are a small number of Hindu service users at the Calabash and a small number of

Muslim service users at Cinammon Court. There is variation across the different schemes, but in reality the numbers of service users with a recorded religion are so small that this is not likely to be a significant difference.

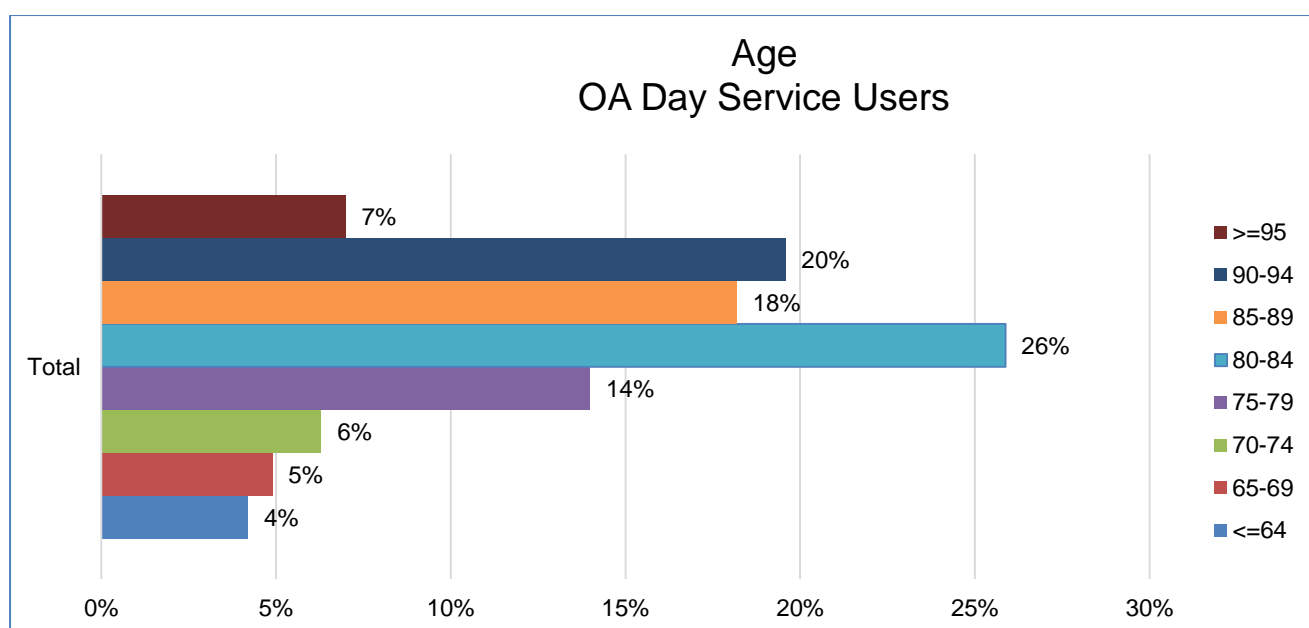
The proposals do not affect the protected characteristic of Religion, as people will continue to be supported in line with their individual assessments and support plans, which will take into consideration any religious requirements.

Age

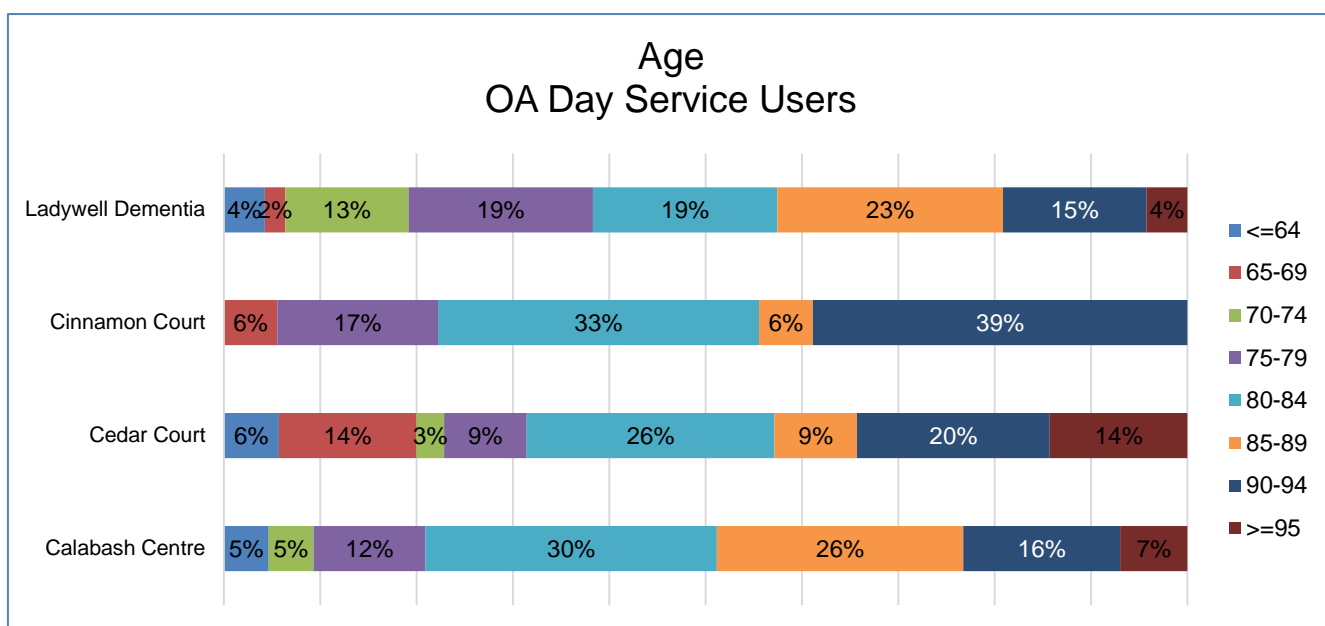
Impact: No Impact

Data summary for age

The 2011 Census identified some 70,100 Lewisham residents are aged between 0-19 (25% of the population), whilst some 179,800 residents are aged between 20-64 (65% of the population). By contrast there are some 26,200 older people aged 65 and over (9.5%).



The Age distribution for Service Users at Older Adult's Day service is shown below. 67% of Service Users are aged 80 and over. 24% are aged 90 and over. Only 40% of service users are aged 79 and under, and only 9% are aged under 69. Due to the nature of the service provided, all proposals are likely to affect older people more than younger people.



There is variation in the age profile across the different services. Cedar Court day service has both the largest proportion of people aged under 65 (6%) and the highest proportion of people aged over 95 (14%) attending. The most represented age group across all services is 80-8 year olds, which make up between 19% of the service users at Ladywell and 30% at Calabash.

The proposals do not seek to differentiate the service available based on age and therefore it has not been assessed at having an impact on the protected characteristic of Age.

Sex

Impact: Slight Positive

Data summary for sex

According to the 2011 Census there are 135,000 (49%) males living in Lewisham and 140,900 (51%) females; however, by 2030 it is forecast that the number of males would have surpassed that of females (158,500 men to 157,100 women).

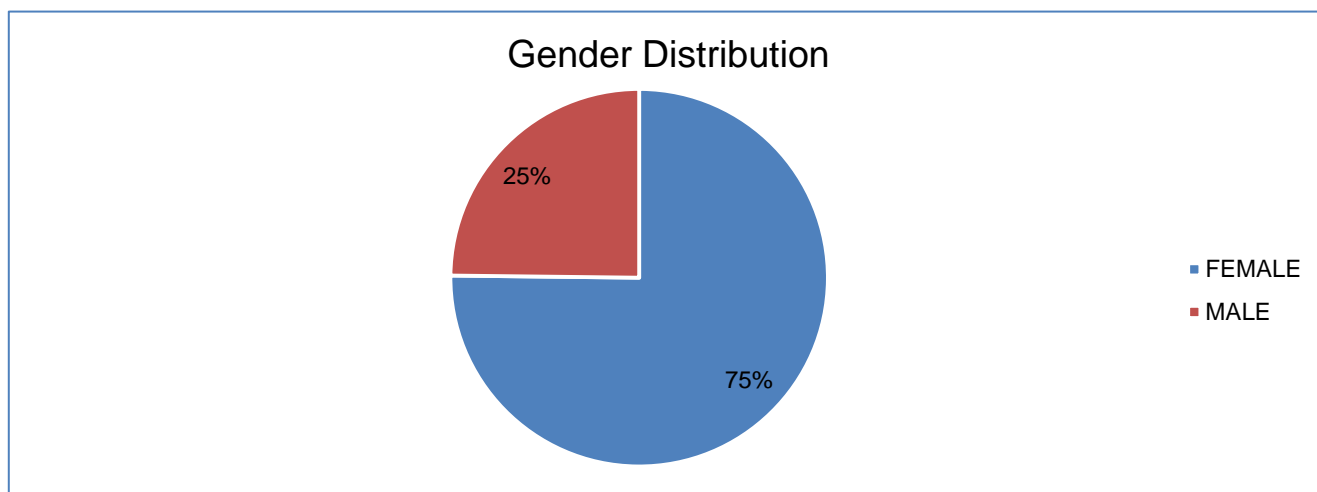
The Census found that of the 25,622 over 65s living in Lewisham there are 10,916 (43%) males and 14,706 (57%) females.

Of all adults who are aged 65+ in receipt of Adult Social Care Services, there are more female services users (1365, 66%) than male service users (704,34%).

Females are overrepresented in the cohort of Older Adult Day Service Users, when compared with the wider over 65s population and the whole population of over 65s who are in receipt of care. There are 110 Female services (75%) and 33 Male Service Users (25%).

No service users have indicated that they are transgender and/or transitioning between genders.

The proposal to re-commission a single service, rather than three services at Calabash Centre, Cedar Court and Cinammon Court, will mean that there would be an opportunity for men who currently attend services with a high proportion of women to socialise with more men. There is also an opportunity for the provider of the new service to plan activities around the needs and preferences of this group. The proposals therefore are assessed as having a slight positive impact on Sex.



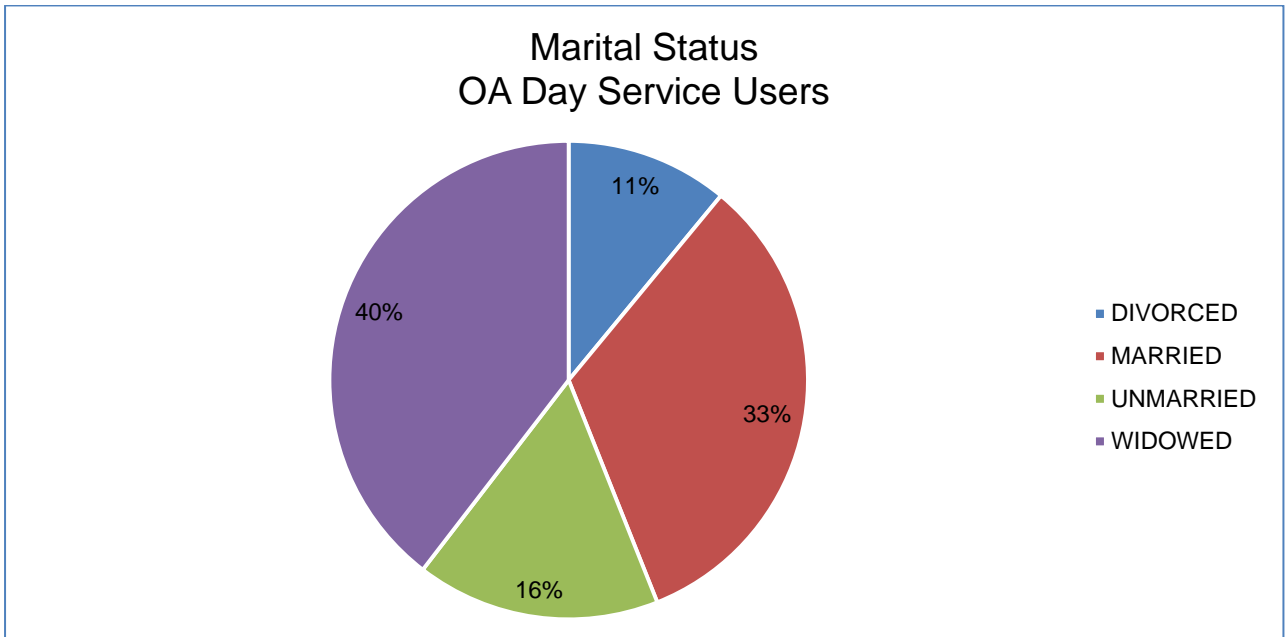
Gender	Calabash Centre	Cedar Court	Cinnamon Court	Ladywell Dementia	Grand Total
FEMALE	68%	76%	83%	78%	75%
MALE	32%	24%	17%	22%	25%
Grand Total	100%	100%	100%	100%	100%

Marriage or Civil Partnership

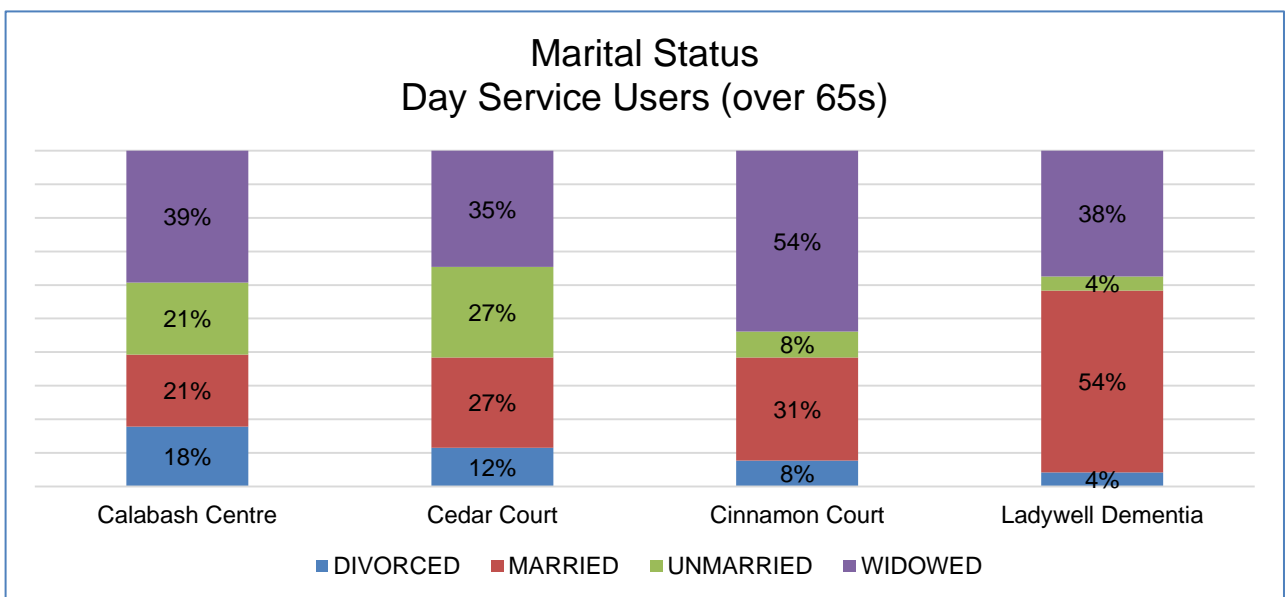
Impact: No Impact

Data summary for marriage and civil partnership

In 2011 about half of Lewisham residents over 16 have never been married or in a civil partnership. This is higher than England as a whole. A third of over 16s in Lewisham are currently married or in a civil partnership (0.5% in civil partnership). 17% of residents (aged 16 and over) have been married or in a civil partnership but are now separated, divorced or widowed.



52 of the 143 service users of older adult day services have no information recorded for Marital Status. They have been excluded from the analysis. Of the service users with recorded information for Marital Status, 40% are widowed, 33% are married, 16% are unmarried and 11% are divorced.



Of the people we hold data on, there are a higher proportion of married people at Ladywell Dementia, 54%, compared with the proportion of married people at the commissioned schemes, which is between 21% and 31%. There is a higher proportion of divorced people at Calabash Centre than at other services, 18% compared to between 4% and 12% at other services. There is a higher proportion of widowed people at Cinnamon Court than other services, 54% compared to 35%-54%.

The proposals will not have any impact on the protected characteristic of Marriage.

Mayor and Cabinet			
Report title	Comments of the Healthier Communities Select Committee on the Recommissioning of building-based day services for older adults		
Contributors	Healthier Communities Select Committee	Item No.	7
Class	Part 1	Date	10 October 2019

1. Summary

1.1 This report informs the Mayor and Cabinet of the comments and views of the Healthier Communities Select Committee arising from discussions held at its meeting on Tuesday 8 October 2019.

2. Recommendation

2.1 The Mayor and Cabinet is recommended to note the views of the committee as set out in section three of this referral and agree to provide a response.

3. Healthier Communities Select Committee views

3.1 At its meeting on Tuesday 8 October 2019, the Healthier Communities Select Committee received a report on the outcome of the consultation on proposed changes to building-based day services for older adults.

3.2 The committee received reports from council officers and took evidence from members of the public, including a Professor of Caribbean Literature and Culture at Goldsmiths University, Professor Joan Anim-Addo.

3.3 After questioning and discussion the committee resolved to refer its views to Mayor and Cabinet in the following terms:

- *The committee noted that travel modelling on the proposed changes shows that no current service user would need to be in transport for longer than an hour each way in order to get to the Calabash Centre, but the committee expressed concern about the potentially severe impact of increased journey times on frail and older people, including those who have not previously needed to travel or use transport to access this service.*
- *The committee noted that an Equalities Impact Assessment (EIA) had been carried out as part of the consultation on the proposed changes, but requests that the EIA is revisited to have regard to the points made in evidence to the committee about the significance of the day services at the Calabash Centre to the African and Caribbean community and ageing well.*
- *The committee noted that some service users had strongly objected in the consultation to any relocation of services and noted the concerns expressed in the evidence to the committee from members of the public, and expressed concern about the potential impact on service users' wellbeing and the inherent potential for incidences of racism from moving and combining the various groups of service users.*
- *Therefore, the committee requests that the Mayor and Cabinet delays taking a decision on this matter until the points above have been fully considered and the EIA revisited.*

4. Financial Implications

4.1 There are no financial implications arising out of this report.

5. Legal Implications

5.1 The Constitution provides for select committees to make recommendations to the Executive or appropriate committee and/or Council arising from the outcome of the scrutiny process.

6. Further Implications

6.1 At this stage there are no specific environmental, equalities or crime and disorder implications to consider.

Background papers

[Healthier Communities Select Committee Agenda \(8 October 2019\)](#)

If you have any queries on this report, please contact John Bardens (Scrutiny Manager) on 020 8314 9976.

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

Date of Meeting	10 th October 2019	
Title of Report	Surrey Canal Triangle Regeneration – Update on Conditional Land Sale Agreement and Compulsory Purchase Order Indemnity Agreement between LBL and Renewal.	
Originator of Report	Viv Evans, Head of Programmes	Ext. 07736280442

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:
The Mayor
Date: 2nd October 2019



Signed:
Executive Director
Date 1st October 2019

Control Record by Committee Support

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

MAYOR & CABINET		
Report Title	Surrey Canal Triangle Regeneration – Update on Conditional Land Sale Agreement and Compulsory Purchase order Indemnity Agreement between LBL and Renewal.	
Key Decision	Yes	Item No. 8
Ward	New Cross	
Contributors	Executive Director Housing, Regeneration and Environment	
Class	Part 1	Date: 10 October 2019

1.0 Purpose of this Report

1.1 The purpose of this Report is to:

1.1.1 update Mayor and Cabinet as to progress with the re-development of the Surrey Canal Triangle site (**Site**), including in relation to the emerging Surrey Canal Triangle Development Framework, preparation of planning applications by Renewal Group Limited (**Renewal**) and Millwall Football Club (**MFC**) and also the current position regarding land assembly for the scheme; and

1.1.2 to ask Mayor and Cabinet to agree certain recommendations relating to the termination and replacement or variation of existing agreements between the Council and Renewal Group Limited (Renewal) as set out in Section 2 of this Report.

1.2 The Site is shown edged red on the plan attached to this Report at **Appendix 1. The land to be sold to Renewal as part of the revised Land Sale agreement are shown on the plan attached to this Report at **Appendix 2**.**

2.0 Recommendations

2.1 Mayor and Cabinet is recommended to:

2.1.1 agree that the Conditional Land Sale Agreement entered into on 20 December 2013 between the Council and Renewal Group Limited be terminated conditional upon the adoption of the Surrey Canal Triangle Design Framework Supplementary Planning Document and such other terms as the Executive Director of Housing, Regeneration and Environment shall consider appropriate, and a new agreement entered into for the disposal to Renewal Group Limited of the Council's freehold interest in the

land shown coloured orange on the plan attached at **Appendix 2** to this Report;

- 2.1.2 agree that the Compulsory Purchase Indemnity Agreement entered into on 20 December 2013 between the Council and Renewal Group Limited should be terminated and replaced or (if the Executive Director for Housing, Regeneration and Environment shall consider it appropriate, varied) so as to exclude the prospective compulsory acquisition of the leasehold interests of Millwall Football Club and Millwall Community Scheme.
- 2.1.3 delegate authority to the Executive Director for Housing, Regeneration and Environment to agree the terms of the new Conditional Land Sale Agreement referred to in paragraph 2.1.1 of these Recommendations, and to take all necessary steps to terminate the existing Conditional Land Sale Agreement and enter into such new Conditional Land Sale Agreement and any associated legal documentation;
- 2.1.4 delegate authority to the Executive Director for Housing, Regeneration and Environment to agree the terms of a varied (or new) Compulsory Purchase Order Indemnity Agreement referred to in paragraph 2.1.2 of these recommendations with Renewal Group Limited, such varied or new Compulsory Purchase Indemnity Agreement to exclude all land owned by the Council and leased to Millwall Football Club and Millwall Community Scheme, and to enter into such varied or new Compulsory Purchase Order Indemnity Agreement; and
- 2.1.5 confirm to Renewal Group Limited, Millwall Football Club and Millwall Community Scheme that the Council wishes to achieve the comprehensive regeneration of the Site and the regeneration objectives of the Core Strategy and other policy documents and in the event that any of the parties are unable to secure the necessary third party land interests/rights to achieve that, then the Council will consider supporting the acquisition of the necessary land and rights through use of its compulsory purchase powers.

3.0 Policy context

- 3.1 '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 major development opportunity within the Borough. The strategy is also placed within the framework of the key national and regional policies which affect the Council's work around regeneration of the borough, including the London Plan.

- 3.2 The Council's 'Corporate Strategy 2018-2022' sets out the new direction the current administration is taking for the future of the Borough. The Council has as one of its priorities 'Tackling the Housing Crisis' and commits the Council to setting a target of 50% genuinely affordable housing delivered through developer-led projects. It also commits to not sell strategic Council land to private property developers.
- 3.3 Building an inclusive local economy is another corporate priority, where everyone can access high quality job opportunities with decent pay and security in our thriving local economy.
- 3.4 The Council's Strategic Asset Management Plan 2015-2020: an important driver throughout the Strategy is to connect the Council's property assets with other assets in and around the borough, particularly highways, public realm, open spaces as well as property and assets owned by relevant partners from across the public sector and beyond, in turn providing powerful levers for change. The Strategy recognises that the total estate is a resource that can drive regeneration and economic growth, deliver the infrastructure to meet Lewisham's needs now and into the future and deliver services improving residents' quality of life.
- 3.5 Lewisham's Housing Strategy 2015-20, 'Homes for Lewisham' provides a 'driver for change'. The strategy sets out the areas of greatest challenge, and provides a common goal for all the Borough's partners to work towards. It outlines the Council's ambitions for housing in Lewisham, and its commitment to the community. It refers to other plans which support the strategy, including Lewisham's ambitious regeneration strategy which sets out how housing supply will contribute to the development of dynamic and vibrant neighbourhoods, supporting thriving communities for our families and citizens and emphasises how regeneration plans and proposals for new transport infrastructure in particular are essential for maximising our capacity for developing new homes.
- 3.6 In terms of planning policy, the Council's Core Strategy (2011), the Site Allocations Local Plan (2013) the Lewisham Town Centre Local Plan (2014) and the Development Management Local Plan (2014), together with the Mayor of London's London Plan form the statutory development plan for the Borough. These are supported by a number of supplementary planning documents. The suite of documents sets out the vision, objectives, strategy and policies that will guide development and regeneration in the borough up to 2025.
- 3.7 The Council is also currently preparing a new Local Plan which will replace the Core Strategy, the Development Management Local Plan and the Site Allocations Local plan. It is proposed to retain the Lewisham Town Centre Local Plan. This will put in place new planning policies for the period to 2041. The first formal consultation on the new Draft Local Plan is currently intended to take place in the first quarter of 2020.

- 3.8 The Mayor of London has also published a new London Plan for the next 20-25 years. The new draft London Plan was published for public consultation in December 2017. This underwent examination in public earlier this year. A revised draft London Plan - Consolidated Changes version was published in July 2019 and the Panel Report and the Secretary of State's decision is due to be published shortly.
- 3.9 The National Planning Policy Framework (2018, revised February 2019) sets out the Government's planning policies for England and how these should be applied. It is to be taken into account in the preparing development plans and is a material consideration in planning decisions.

4.0 Background

- 4.1 The Surrey Canal Triangle development site is shown edged red on the plan attached to this Report at **Appendix 1**.
- 4.2 The Core Strategy identifies the Site as one of five strategic sites which are to act as catalysts for the regeneration of the wider area and which are key to achievement of the Council's wider regeneration objectives. The strategic sites are considered central to the achievement of the Core Strategy as their 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.
- 4.3 Core Strategy policy (SSA3) allocates the Site for mixed use development and requires a comprehensive phased approach to redevelopment in line with an approved Masterplan. The policy seeks to create a 'destination' to act as a focus and attract other regeneration opportunities. It ensures development facilitates and takes advantage of the proposed new station on the London Overground network and the existing sporting and leisure facilities at the MFC Stadium to create a new high quality destination in an area which is relatively devoid of local facilities. Specifically the policy:
- ensures the continued operations of Millwall Stadium and supports its potential redevelopment;
 - seeks a range of uses including employment, retail, housing (up to 2,400 new homes), leisure and community;
 - makes provision for a range of infrastructure including the London Overground Station at Surrey Canal Road and substantial improvements to walking and cycling routes, including on-site amenity space;
 - ensures high quality design of all new buildings and spaces.

Securing the comprehensive development of the Site forms a key part of the Council's regeneration objectives and is of great importance to the Borough.

4.4 On 30 March 2012, following an application submitted by Renewal, the Council granted outline planning permission (Outline Planning Permission) for the comprehensive phased, mixed-use development of the whole Site, based on a set of planning parameters that would enable detailed proposals to come forward for the following:

1. Demolition of all buildings other than MFC Stadium, Rollins House and Guild House;
2. The provision of up to 240,000sqm of development on 17 different plots;
3. A range of non-residential uses including retail, cafes/restaurants and drinking establishments, hot food takeaways, Business (B1), hotel, community and Leisure and Assembly, with non-residential floor space totalling at least 37,000sqm or 20% of the total floor space provided, whichever is the lower;
4. Up to 2,400 residential dwellings of a range of sizes, including between 0 and 20% by habitable room of 'affordable housing';
5. Minimum and maximum building heights ranging from 5m above ground to 85.7m above ground (between one and 27 storeys);
6. Between approximately 1.51ha and 1.77ha of publicly accessible open space, other public realm areas and residential amenity/play space;
7. Between approximately 3,240m and 4,640sm of Living Roofs;
8. A network of altered and new streets, pedestrian and cycle paths and up to 1,084 car parking spaces and at least 1 cycle parking space per new home, plus at least 282 car parking spaces for staff and visitors;
9. Provision for two bus services to access some of the proposed streets and the provision of bus stops and facilities for bus drivers in order to provide a public transport interchange with a new Surrey Canal Road Station on the East London Line Extension;
10. District Heating Network either connected to the nearby SELCHP plant or powered by an on-site Combined Heat and Power plant and 3,000sqm of photovoltaic panels at roof level; and
11. A vacuum waste storage and handling system.

The 2012 Outline Planning Permission was also subject to a Section 106 Agreement entered into on the same date.

4.5 On 18 December 2015, the Council granted permission pursuant to a Section 73 application for a variation of the Outline Planning Permission to reconfigure some of the uses within the Scheme. The overall quantum of floorspace across the Site as a whole remained the same, however. The Section 73 Permission was granted subject to a Section 106 Agreement containing similar obligations to those contained in the S106 Agreement of 2012.

- 4.6 Renewal began assembling the Site in or around 2004 and this continued following the grant of Outline Planning permission. In March 2012, a report was presented to Mayor and Cabinet regarding in principle support for the use of CPO powers to help with land assembly in respect of the third party interests required for delivery of the Scheme. The Mayor resolved in principle to use such powers, subject to certain pre-conditions being satisfied. The resolution also gave delegated authority to Officers to negotiate and enter into Compulsory Purchase Order Indemnity Agreement with Renewal.
- 4.7 In September 2013, the Mayor resolved that a Conditional Land Sale Agreement be entered into disposing of the Council's freehold interest in certain plots in and around the Site to Renewal. This included small areas of surplus land, and also the plots currently leased to MFC (excluding the Stadium itself) and MCS.
- 4.8 On 20 December 2013, the Council entered into the Conditional Land Sale Agreement (**CLSA**) with Renewal and on the same date, the Council entered into the Compulsory Purchase Order Indemnity Agreement (**CPOIA**).
- 4.9 Under the CLSA, the sale of some of the surplus Council plots was unconditional and was completed in 2018. Other Council surplus land remains to be transferred. The sale of the MFC and the MCS plots and the Council's remaining surplus land is, however, conditional upon the acquisition of the leasehold interests held by MFC and MCS (respectively) by private treaty or through the use of compulsory purchase powers. No such agreement has been made/or CPO confirmed.
- 4.10 Following completion of the CLSA and CPOIA, Renewal continued to negotiate to acquire all the outstanding interests by agreement, including those of MFC/MCS but without success. In September 2016, Cabinet (the then Mayor being recused) resolved that a CPO should be made in respect of the outstanding interests required for the Renewal scheme, including the leasehold interests of MFC and MCS. Various events followed which are set out in previous reports to Mayor and Cabinet and Council, in consequence of which the CPO did not proceed and the development stalled.

5.0 Recent progress

- 5.1 Since May 2018 the Mayor of Lewisham has engaged with MFC and Renewal to seek to find a way to bring forward the comprehensive regeneration of the Site and achieve the regeneration objectives of the Core Strategy and other policy documents. Considerable progress has been made since May 2018 as set out below:

5.1.1 Meetings/workshops

- Regular meetings have taken place between the Mayor, Renewal and MFC;

- Officers and Renewal have held over 20 meetings and workshops;
- Officers and MFC have held over 15 meetings and 3 joint design workshops

5.1.2 A set of broad objectives have been agreed between the principal parties, as follows:

- To facilitate delivery of a comprehensive development of exceptional quality;
- To deliver a significant uplift in genuinely affordable housing with a minimum of 35% across the whole Site
- To enable MFC and MCS to have a secure long-term future in the Borough
- To deliver a mixed-use community at the Site
- To secure an increased long-term income stream for the Council through the review and restructuring of the Council's leases.

5.1.3 All the principal parties have agreed to a fresh approach as follows:

- A Design Framework to be produced by the Council for public consultation with a view to its adoption as a Supplementary Planning Document;
- Whilst comprehensive development of the site is to be the outcome, the approach should allow each party to proceed if the other is unable to at any point in time;
- No single planning application will be required for the entire Site and separate applications may be submitted by each party provided they are in general conformity with the Design Framework and the Council is satisfied comprehensive delivery of the Site will ultimately occur];
- Removal from the CLSA and CPOIA of the land leased to MFC and MCS;
- A restructuring of the lease arrangements between the Council, MFC and MCS;

5.2 The current proposals now being considered by Renewal and MFC and identified in the emerging Design Framework are not capable of being delivered within the parameters of the existing Outline Planning Permission/Section 73 Permission and new applications will need to come forward. To guide this process, the Council is intending to prepare Design Framework for the Surrey Canal Triangle strategic allocation in the Core Strategy.

5.3 The Council is currently undertaking pre-production consultation on the Surrey Canal Triangle Design Framework (SCTDF). It is currently intended to come to the Councils appropriate committees later in October to seek authorisation to go out to full public consultation.

5.4 The Council is currently in pre-application discussions with Renewal with an expectation of a 'hybrid' planning application being submitted toward the end of 2019. MFC is currently in advanced negotiations to secure a development partner and it is currently anticipated that pre-application discussion will commence in the last quarter of 2019/20 with a planning application being submitted later in 2010.

6.0 Existing ownerships and land assembly

6.1 MFC has a long lease with 124 years to run in relation to the Stadium and adjoining land and MCS has a lease of the Lions Centre with 10 years left to run. Neither MFC nor MCS can develop the land leased to them without the Council's consent as landowner and in order for MFC to develop out its land and the MCS land as envisaged, it will be necessary for the existing leases to be surrendered and a new lease/leases granted. At this stage, it is not envisaged that the Lions Centre will need to be relocated.

6.2 Officers are in dialogue with MFC over the terms of such revised arrangements and a further Report will be brought to Mayor and Cabinet in due course. In the meantime, MFC has made clear that the continued operation of the CLSA and the CPO IA in relation to its leasehold interest presents a barrier to progress with its proposals, including in relation to securing commitments from development partners/funders.

6.3 The parties have agreed that, subject to adoption of the Design Framework as SPD which will provide sufficient clarity/certainty regarding the ability of both Renewal and MFC to bring forward their respective proposals separately as part of an overall comprehensive scheme, the CLSA should be terminated and replaced with a new CLSA which does not include the land subject to MFC's and MCS's leasehold interests. Similarly, the CPOIA should be varied to exclude such leasehold interests from the interests subject to the CPOIA.

6.4 Under the terms of the existing CLSA, the sale long stop date has expired and it is open to the Council or Renewal to terminate the CLSA by notice served on the other. In the present circumstances, however, the preferred approach is that the CLSA should be terminated with the consent of Renewal and replaced by a new Conditional Land Sale Agreement as set out in this Report.

6.5 Renewal has continued to seek to acquire the remaining interests it needs to develop out the Renewal Land. As at the time of this Report, there remain outstanding interests to be acquired. If agreement cannot be reached with the relevant landowners for the acquisition of these remaining interests within a reasonable period, then the Council may need to consider use of its compulsory purchase powers to assist with the land required to enable the Renewal Scheme to proceed. Should this be the case, then a further Report will be brought to Mayor and Cabinet at the appropriate time.

7.0 Financial implications

- 7.1 The Council is being asked to terminate the CLSA and replace it with a new CLSA providing for disposal only of the Council's freehold interest in the surplus land as shown on the plan attached at **Appendix 2** to this Report and thus excluding its interest in the MFC and MCS plots. Upon satisfaction of the conditions applicable to the new Conditional Land Sale Agreement, the existing CLSA will be terminated. The additional consideration payable for the further Council-owned plot referred to in paragraph 4.9 which was not included in the original CLSA will be agreed by the Executive Director for Housing, Regeneration and Environment under the authority delegated by this report.
- 7.2 Under the existing CLSA, a consideration is payable to the Council in respect of its freehold interest in the MFC and MCS plots in the event that the conditions applicable to transfer of those plots (agreement with MFC/MCS or acquisition pursuant to CPO) are satisfied. Any consideration which would have been payable to the Council in these circumstances will therefore cease to be payable to the Council on termination of the CLSA.
- 7.3 The price payable under the CLSA remains confidential and is not therefore referred to in this Report. The CLSA will, however, be made available for inspection by Members in accordance with the relevant procedures in the Local Government Act 1972.

8.0 Legal implications

- 8.1 There are not considered to be any further legal implications beyond those set out in this Report

9.0 Crime and Disorder Implications

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

10.0 Equalities Implications

- 10.1 The Equality Act 2010 (the Act) brings together all previous equality legislation in England, Scotland and Wales. The Act includes a public sector equality duty which covers the following nine protected characteristics: age; disability; gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 10.2 The Council must in the exercise of its functions, have regard to the need to:
- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
 - Advance equality of opportunity between people who share a protected characteristic and those who do not.

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

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

10.4 It is not considered that there will be any impact on persons with protected characteristics as a result of the proposed actions (termination of the CLSA, variation/termination of the CPO IA) recommended in this Report.

11.0 Environmental Implications

11.1 It is not considered that any environmental implications arise as a result of as a result of the proposed actions recommended in this Report.

12.0 Conclusion

12.1 In conclusion the circumstances surrounding the most effective way to secure the comprehensive regeneration of the Surrey Canal Triangle have changed significantly since 2012 and 2013. An opportunity now exists for Renewal to bring forward a planning application for the land it controls and MFC are in the final stages of securing a development partner to bring forward proposals for the land leased to the club and the MCS. In these circumstances the following recommendations are made to Mayor and Cabinet:

12.2 Mayor and Cabinet is recommended to;

12.2.1 agree that the Conditional Land Sale Agreement entered into on 20 December 2013 between the Council and Renewal Group Limited be terminated and a new agreement entered into for the disposal to Renewal Group Limited of the Council's freehold interest in the land shown [] on the plan attached at **Appendix 3** to this Report, such agreement to be conditional upon the adoption of the Design Framework Supplementary Planning Document and such other terms as the Executive Director of Housing, Regeneration and Environment (in consultation with the Director of Regeneration and Asset Management and Head of Law) shall consider appropriate;

12.2.2 agree that the Compulsory Purchase Indemnity Agreement entered into on 20 December 2013 between the Council and Renewal Group Limited should be varied or if the Executive Director of Housing, Regeneration and Environment (in consultation with the Director of Regeneration and Asset Management and Head of Law), shall consider it appropriate, terminated and replaced, so as to exclude the prospective compulsory acquisition of the leasehold interests of Millwall Football Club and Millwall Community Scheme;

- 12.2.3 delegate authority to the Executive Director for Housing, Regeneration and Environment (in consultation with the Director of Regeneration and Asset Management and Head of Law), to agree the terms of the new Conditional Land Sale Agreement referred to in paragraph 2.1.1 of these Recommendations, including the consideration payable for the further Council-owned plot referred to at paragraph 4.9, and to take all necessary steps to terminate the existing Conditional Land Sale Agreement and enter into such new Conditional Land Sale Agreement and any associated legal documentation;
- 12.2.4 delegate authority to the Executive Director for Housing, Regeneration and Environment, (in consultation with the Director of Regeneration and Asset Management and Head of Law), to agree the terms of a varied (or new) Compulsory Purchase Order Indemnity Agreement referred to in paragraph 2.1.2 of these recommendations with Renewal Group Limited, such varied or new Compulsory Purchase Indemnity Agreement to exclude all land owned by the Council and leased to Millwall Football Club and Millwall Community Scheme, and to enter into such varied or new Compulsory Purchase Order Indemnity Agreement; and
- 12.2.5 confirm to Renewal Group Limited, Millwall Football Club and Millwall Community Scheme that the Council wishes to achieve the comprehensive regeneration of the Site and the regeneration objectives of the Core Strategy and other policy documents and in the event that any of the parties are unable to secure the necessary third party land interests/rights to achieve that, then the Council will consider supporting the acquisition of the necessary land and rights through use of its compulsory purchase powers.

13.0 Background Papers

13.1

Short title of document	Date	Location
Surrey Canal Triangle Regeneration – “In Principle” resolution to make a Compulsory Purchase Order and Appropriation of Land - Report to Mayor and Cabinet	7 March 2012	Laurence House
Surrey Canal Triangle Regeneration – Update on Land Assembly	11 September 2013 (Part 1 only)	Laurence House

and Conditional Land 7 September 2016 Sale Agreement between LBL and Renewal - Report to Mayor and Cabinet		
New Bermondsey (Formerly Surrey Canal Triangle)– Proposed Compulsory Purchase Order – Report to Mayor and Cabinet	7 September 2016	Laurence House
New Bermondsey – Establishment of an independent inquiry – Report to Mayor and Cabinet	22 September 2017	Laurence House
New Bermondsey – Establishment of an independent inquiry – Report to Council	22 September 2017	Laurence House
New Bermondsey/Surrey Canal Independent Inquiry - Report to Council	17 January 2018	Laurence House

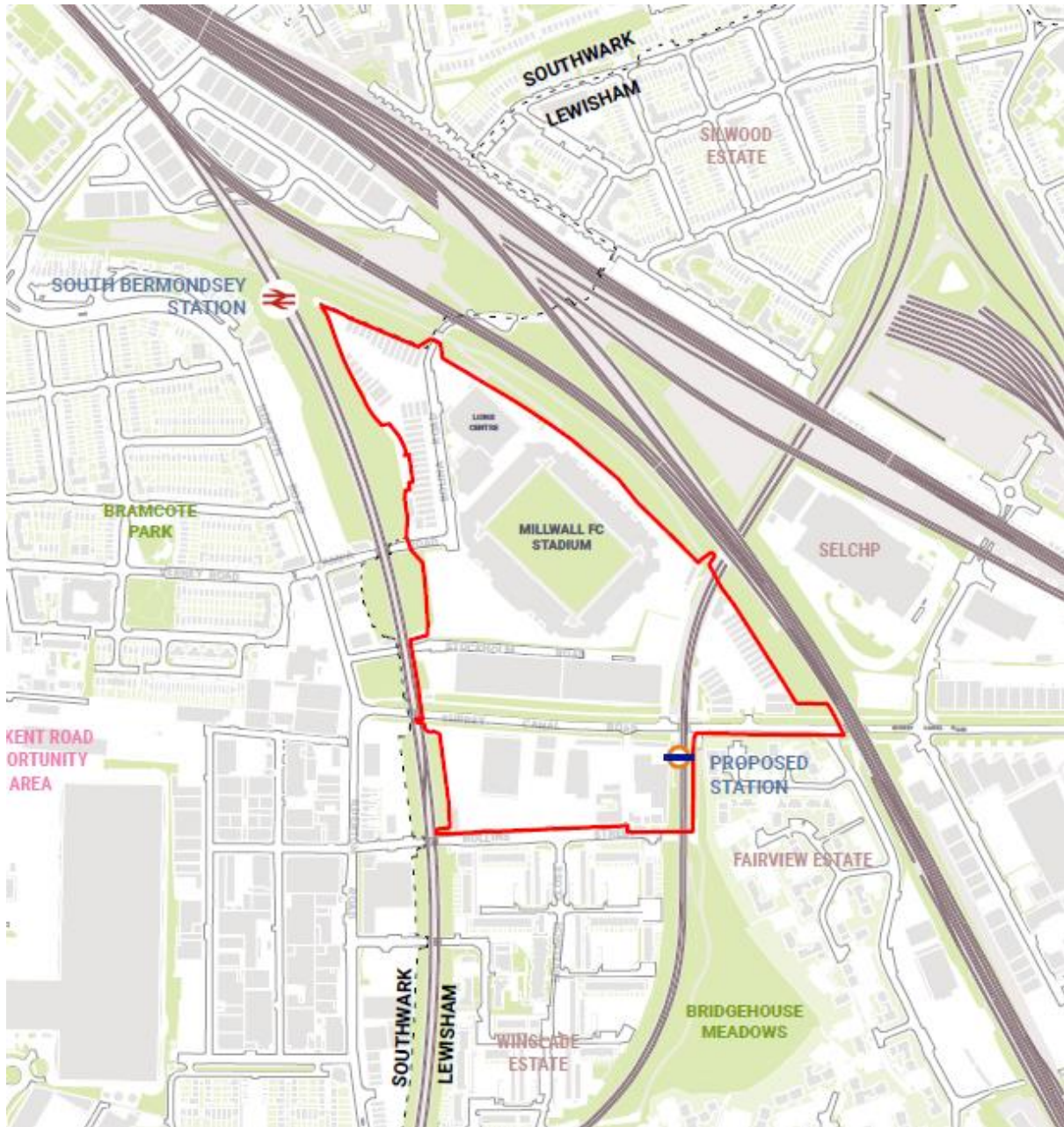
Appendices

Appendix 1: Council's Location Plan

Appendix 2: Plan showing land to be included in new Conditional Land Sale Agreement

**If there are any queries on this report please contact Viv Evans Head of Programmes, 5th Floor Laurence House, Catford Road, Catford SE6 4RX.
E Mail: viv.evans@lewisham.gov.uk or telephone: 07736280442**

Location Plan



Land to be sold to Renewal as part of a revised Land Sale agreement



Agenda Item 9

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	10 TH October 2019	
Title of Report	The future management and maintenance of parks and open spaces	
Originator of Report	Vince Buchanan, Contract and Service Development manager	Ext.42024

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:
Cabinet Member
Date: 1st October 2019



Signed:
Executive Director
Date :1st October 2019

Control Record by Committee Support

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

Mayor & Cabinet		
Report Title	The Future Management and Maintenance of Parks and Open Spaces	
Key Decision	Yes	Item No.
Ward	All	
Contributors	Executive Director for Housing, Regeneration and Environment Director of Law	
Class	Part 1	Date 10 th October 2019

1 Summary

- 1.1 The Council's current Green Space Management and Maintenance Contract expires on 28th February 2020.
- 1.2 The report sets out the current management arrangements for Lewisham's Parks and Open Spaces. The management of the majority of these services are outsourced via the current Green Space Management and Maintenance contract (2010-2020), with a minority delivered in-house i.e. Beckenham Place Park (West) and Cemeteries and Crematorium grounds. The report then explores three potential future service delivery options. These are set out in section 6.
- 1.3 The Council's Corporate Strategy 2018-2022 (Priority: 'Building an inclusive local economy') states that when considering whether to commission services, 'we will have an assumption that the Council is our preferred provider and in-source our contracts'.
- 1.4 The thorough options appraisal undertaken used a standard framework, drawn from a model designed by the Association of Public Sector Excellence to allow Local Authorities to explicitly consider insourcing of services, which assesses various options and appraises these using both qualitative and quantitative metrics. The qualitative considerations for each operating model were: the risks associated with service delivery, the barriers to entry into the marketplace (high start-up costs or other obstacles that prevent new competitors from easily entering an industry), the responsiveness and control achievable, the commercial potential, and the social value that could be derived. The quantitative assessment looked at the potential and likely estimated cost of service delivery under each model. When combined the qualitative and quantitative measures provide an indication of the overall value for money and ranking of each option. The report sets out the outcomes of the analysis.

- 1.5 It is to be noted however that as with all models it is a desk top exercise which attempts to predict an outcome for each scenario. As such there is potential for the actual results to differ from those anticipated, and there is further the inherent risk that the modelling itself is not reliable.
- 1.6 The selection of the optimal future service delivery model will ensure that the Council will be further aligned with the Council's Corporate Strategy. In particular the priority of 'Making Lewisham Greener' which will contribute to the 'Preservation of our award-winning green spaces' and is also congruent with our Values i.e.:
- We put service to the public first
 - We respect all people and all communities
 - We invest in employees
 - We are open, honest and fair in all we do
- 1.7 The options appraisal considered the following factors:
- Risk
 - Advantages/Opportunities
 - Value for money
 - Commercial opportunities to generate income
 - Barriers to Market entry
 - Responsiveness/management and surety of service delivery
 - Social Value

2 Purpose

- 2.1 The purpose of this report is to inform the Mayor and Cabinet of the current position of the Green Space Management and Maintenance Contract (2010-2020) and provide relevant information to inform decisions on the future service delivery model as recommended by officers.

3 Recommendations

It is recommended that the Mayor and Cabinet:

- 3.1 Agree their intention in principle to insource all aspects of Lewisham's parks and open space services on 1 November 2021, subject to further detailed consideration.
- 3.2 Agree officers also undertake a more detailed evaluation of the option to establish a wider divisional LATCo. the outcome of which will be to be reviewed following the insourcing of the parks service.

- 3.3 Agree to extend the current contract on the existing terms and conditions with Glendale Grounds Management for 20 months from 29th February 2020 until 31st October 2021 at a maximum cost to the Council of £4,347,000.

4. Policy Context

- 4.1 This report supports the following priorities within Lewisham's Corporate Strategy 2018 – 2022:
- Building an inclusive local economy – Everyone can access high-quality job opportunities, with decent pay and security in our thriving and inclusive local economy (as referenced at 1.3 above)
 - Making Lewisham greener – Everyone enjoys our green spaces, and benefits from a healthy environment as we work to protect and improve our local environment (as referenced at 1.6 above)

5. Background

- 5.1 The majority of the Council's Green Space Maintenance and Management Services are currently delivered via an outsourced contract with Glendale Grounds Management Limited.
- 5.2 Prior to the outsourcing of the services in February 2000, Lewisham's parks services were provided by its in house 'Parks Department'. This continued until the Local Government Act 1988 extended 'Compulsory Competitive Tendering' (CCT) to services such as grounds maintenance and other environmental services.
- 5.3 The impact of this legislation on the delivery of local services across London led to Lewisham setting up its in-house Direct Labour Organisation (DLO), 'DIRECTeam', to deliver the majority of its environmental services e.g. refuse collection, street sweeping, tree/parks and open spaces maintenance.
- 5.4 Quality and 'contract' compliance along with other elements of park services such as park security and infrastructure maintenance were provided by the internal 'Client'. These arrangements continued until all elements of the parks service were combined and outsourced in February 2000 via a Private Finance Transaction (PFT) contract.
- 5.5 The decision to outsource the service was influenced by, among other considerations, many years of under investment and cuts to parks budgets between the mid-1980s and 1997. The Council considered a PFT contract to be a relatively low risk vehicle to finance much needed parks improvements. Therefore, a PFT model of contract was offered to the market and following the procurement process a contract was awarded to Glendale Grounds Management for a duration of 10 years from March 2000 until February 2010.

- 5.6 In 2009 the Council returned to the market offering the opportunity for suitable companies to bid for a further contract to deliver Lewisham's Parks Services for a further 10 years. However, on this occasion there was a move away from the PFT model of contract as it was considered that it was no longer necessary to require the successful contractor to directly deliver inward capital investment and the financial structure of the contract was changed accordingly. Capital expenditure coming directly from the Council and other outside funding bodies therefore reduced the overall cost of capital required for parks improvements.
- 5.7 The current management and maintenance contract was awarded to Glendale for a second time commencing on the 1st March 2010. This contract expires on 29th February 2020.
- 5.8 The contract requires Glendale to provide a combined management and maintenance service for the boroughs parks and highways enclosures. The following services are included within the scope of the contract:
- Grounds and Ecological Management
 - Environmental Maintenance
 - Serviced facilities e.g. parks buildings and depots
 - Maintenance of park furniture and sports equipment
 - Playground Inspection repair and maintenance
 - Water play and Water Features
 - Infrastructure maintenance
 - Keepers/Patrols/Locking/Unlocking
 - Events and Activities
 - Sports & Sports Development
 - Marketing and Development
 - Customer Care
- 5.9 A limited grounds maintenance only service is provided at other locations such as:
- Closed churchyards
 - Car Parks
 - Homeless Person's Accommodation
 - The Corporate Estate, including Laurence House and the Civic Suite
 - Two School Playing Fields (Elm Lane and Whitefoot Lane)
- 5.10 It should be noted that in addition to the outsourced services provided by Glendale a number of Lewisham's open spaces, as set out below, are managed in-house by the Environment Division. This 'mixed economy' of service delivery has been in place for the duration of the outsourced contract and has delivered comparable levels of quality across all location.

- Mature trees within parks
 - Street Trees
 - Infrastructure maintenance within closed churchyards
 - Beckenham Place Park (West) (In House)
 - 18 Nature Reserves
 - 37 Allotment sites
 - Cemeteries and Crematorium Grounds (In House)
- 5.11 The current contract performance is monitored by Green Scene's Parks and Open Spaces Team. Each month officers undertake a randomly generated inspection of 10% of all park facilities. In addition there is an 'Actual' inspection of the contractor's management systems to ensure that high risk elements of the service are being managed appropriately. This includes Health and Safety, playground inspections, water testing, fire and emergency procedures along with systems related to customer care, such as the contractor's complaints procedure.
- 5.12 There is a robust procedure of 'Targeted Inspection Notices' (TINs) that enable officers to resolve any performance issues found on site or if notified via park users or the council's corporate complaints system. The issuing of a TIN generates a financial deduction from the contractor's monthly unitary payment.
- 5.13 The contractor provides regular data across a basket of KPIs and Service Standards. All of these contract monitoring procedures have ensured that the performance of the contractor over the life of the contract has been good. At no point during the contract term has there been any serious concerns regarding performance which may have led to an early termination of the contract.

6. Current Contract Position

- 6.1 The contract with Glendale is considered a model of good practice with Lewisham's parks being widely recognised as amongst the best in London. This is evidenced in a number of ways including the following:
- The 'Good Parks for London' 2018 benchmarking assessment report confirmed Lewisham as the highest performing London borough
 - 18 of the Borough's parks and open spaces were awarded a prestigious Green Flag in 2019

- 84% user satisfaction for parks recorded in the most recent Residents Survey (2015). The highest score of any non-universal service
 - Local Government Association (LGA) 'Open Space' Value for Money (VFM) Profile April 2019 shows that Lewisham currently spends £12 per head of population on Open Space compared to the other boroughs within the region who currently spend £18
- 6.2 The 'Good Parks for London' assessment criteria and the current ranking of each London borough and how their parks service is delivered i.e. in house or via an outsourced contract are set out in **Appendix A**
- 6.3 It is from this favourable position that officers considered both the opportunities and the risks when making the recommendations regarding the future service delivery model.
- 6.4 **Appendix B** sets out Risk Allocation for the current contract.

7. Options Appraisal

- 7.1 Officers carried out initial research into a number of service delivery models that were considered possible viable options for the delivery of Lewisham's Parks Service as follows:
- In House service provision
 - Outsourced service provision
 - Local Authority Trading Company (LATCo) – sometimes referred to as a 'Wholly Owned Company'.
 - Shared service e.g. with neighbouring boroughs
- 7.2 The Shared Service option was discounted. This was due to decisions taken recently by a number of neighbouring boroughs on the future delivery models for their parks and open space service. Therefore officers considered that there would be no appetite for a shared service at this time. For instance Bromley have recently procured and awarded a long term contract, Lambeth have insourced their service and the Royal Borough of Greenwich have relatively recently reorganised and joined up their housing, parks and open space services. In addition to these local factors there would likely be various challenges that could prevent a successful shared service being developed at this time. Examples of some of these challenges can be found within the Local Government Association (LGA) report 'Stronger Together', these include:
- Lack of a clear and shared vision of the reasons for shared management

- Concerns around the loss of sovereignty of a council
- A fundamental difference in the organisational culture of the councils
- Fears of a 'takeover' by one council
- A poor relationship or lack of trust between councillors, leaders or managers.

7.3 The remaining options considered for future service delivery set out within this report are:

- In House service provision
- Local Authority Trading Company (LATCo)
- Outsourced service provision

7.4 For the purpose of the options evaluation the assumption has been made that the outsourced option would be based on the same contract model as the current contract and that the Council would procure a new contract on that basis.

7.5 Officers advise that there is insufficient time to either procure, insource or set up a LATCo by the last day of February 2020. Therefore officers are requesting an extension to the current contract.

Option 1 In-House

7.6 The decision to include the option of the in-house service provision has been informed by The Corporate Strategy (2018-2022) priority 'Building an inclusive local economy'. This states that when officers are considering whether to commission services, 'we will have an assumption that the Council is our preferred provider and in-source our contracts'.

7.7 APSE research suggests that 'insourcing is happening for practical reasons rather than any ideological stance'. Local Authorities from across the political spectrum have made the decision to insource their grounds maintenance services. These include the London Boroughs of Croydon, Islington, and Lambeth as well as Ashford District Council, Maidstone Borough Council in Kent and Slough Borough Council in Berkshire.

7.8 Various reasons have been given for the move to insource services. These include:

- Need for higher standards and better services
- A need to provide a better service at a reduced cost
- Contracts had reached their natural conclusion
- Political support for bringing service back in-house

- Desire for better and more attractive neighbourhoods
 - Desire for a more flexible, responsive and productive workforce
 - Review of service revealed dissatisfaction with external providers
 - Review of service showed need for service improvement and closer link between service delivery and the local authority's priorities and objectives
- 7.9 APSE research would further suggest that services have also been insourced as a result of unmotivated workforces contributing to poor performance. Poor terms and conditions and poor career development opportunities would appear to impact upon the quality of service delivered.
- 7.10 The option appraisal indicates that costs of delivering the service will increase regardless of the option chosen. However the financial modelling for the in-house and LATCo options indicate that annual cost would be approximately 108k higher than the out sourced option. This should to be considered within the context of the Council's current financial position along with the likelihood that this position will be further compounded by ongoing 'perma-austerity' placing increased pressure on all operational budgets. However, the weighted scoring of all options that include the non-financial elements as set out within Appendix C indicate that In-House service delivery would be the most favourable option.
- 7.11 The Council should be fully aware of the financial risk as the longer term costs of delivering any public service cannot be forecast to a high degree of accuracy and will be dependent on a number factors that are beyond our control e.g. inflation, salaries, fuel costs and possible changes in legislation. The parks service is currently insulated against many of these potential increases in costs as the risks sit with the contractor. However, should the service be insourced any increase in costs could be mitigated by income generation opportunities from events, concessions and other activities such as sports facility hire, which the incumbent provider currently benefits from.
- 7.12 Any increases in costs over and above those as set out within the report will become apparent once the service has been insourced. However, officers assume that based on the Bank of England's Monetary Policy Committee's (MPC) Inflation report February 2019 that annual inflation is likely to be approximately 2% for the Consumer Prices Index (CPI) and 3% for public sector wage inflation. The MPC's forecasts have factored in their potential actions to mitigate any potential risks associated with a possible Brexit and to keep inflation at the target of 2%.
- 7.13 Insourcing could allow the Council to exercise more effective resource allocation. Further it would give the Council greater control over the day to day management of the parks service. It would also allow more control of the budget and spending priorities allowing the Council to consider, and where

possible implement, the findings of the recent Lewisham Parks Consultation: 'A New Strategy For Parks & Open Spaces In Lewisham (Autumn 2018) - Your Chance To Have Your Say'. This could include the renovation of park toilets, exploring the possibility of orientating new play areas with café concessions, improving security and a formal presence in parks. If acted upon these priorities could potentially increase the cost of the service as financial modelling is based on existing provision.

7.14 There will be opportunities to contribute to the implementation of other desired policy outcomes including those that relate to: Social value, increasing the number of directly employed apprentices of all ages, increasing the number of local SMEs within our supply chain, contributing to the mitigation of the Climate Emergency. The ability to work more closely with Public Health, when tendering parks concessions allowing greater consideration given to reduction in obesity via Sugar Smart options and other healthy eating options as part of our selection criteria. The ability to work more closely with Public Health, for example through social proscripting initiatives which support citizens to get more active and improve their physical and mental health, and by seeking to tender park concessions that encourage healthy eating.

7.15 Further, in-house provision would provide more control over quality, local responsiveness and service contribution/connection to other key strategic objectives e.g. the environment, health and/or employment.

7.16 In addition to these potential opportunities the Council will also take on the inherent risks that accompany increased control. Many of the risks are set out within Appendix B. with those shown as currently resting with the contractor will transfer back to the Council. These would include:

- Change to British Standards
- Performance risk
- Service related legislative change
- Other legislative change
- Operational capability
- Industrial action by contractors staff or sub-contractors

7.17 As an external provider currently provides the services and employs the staff working on this contract, it is likely that the Transfer of Undertakings (Protection of Employment) Regulations 2006 ("TUPE") will apply. We do not have information at present about the numbers and types of staff to whom TUPE obligations may be owed. However, depending on the circumstances of Glendale's staffing arrangements, if the contract is terminated it is likely that some staff will transfer to the Council. Further information will need to be obtained from Glendale, and the Council will need to comply with its own TUPE obligations as a potential receiving employer. The benefit of the transfer

of staff is that the Council will inherit staff that already have the experience required in relation to the parks in Lewisham from working for Glendale.

- 7.18 Should TUPE apply, then there will be a presumption to harmonise terms and conditions. It is anticipated that this will increase the staffing costs and the pressure on the LGPS.
- 7.19 In addition to the staff transferring as a result of TUPE, it is possible that the Council would need to recruit staff in order to resource the in-house provision.
- 7.20 Insourcing the parks and open space services could be a medium term 'holding position' allowing the Council the opportunity to explore more fully a wider divisional LATCo to deliver a greater number of environmental services in the longer term.

Option 2 LATCo

- 7.21 In England and Wales, under the 2003 Local Government Act, councils have powers to set up companies to trade with a view to making a profit in areas relating to any of their existing functions. It is under this legislation the LATCo option could offer surplus generating potential for the service.
- 7.22 There are examples of successful transition from an outsourced service to a LATCo. For example Liverpool City Council recently incorporated its parks service into its established LATCo who are responsible for the delivery of many of the City Council's other environmental services.
- 7.23 This successful transition appears to have been partly due to extensive negotiations with the Trade Unions in relation to enhancing terms and conditions of transferring staff in return for a more flexible workforce. Harmonisation did not include admittance to the Local Government Pension Scheme (LGPS).
- 7.24 It should be noted that if the Council's key driver for setting up a LATCo was to generate a surplus to reinvest in services, the harmonisation of staff terms and conditions could have a negative impact on the LATCo's commercial competitiveness.
- 7.25 Given the current time constraints and potential resources required to allow officers to undertake more sufficiently detailed research in to the possibility of setting up a division wide LATCo covering all environmental service, officers advise that it would be prudent to explore this option in the longer term. I.e. following the initial insourcing of the park services currently delivered via the Green Space Contract. The advantage of this approach would be to enable the Council to realise its Corporate Priorities as set out in 1.3 and 1.5 and simultaneously consider more fully the key drivers, governance structures and the benefits and risks of setting up of a LATCo

Option 3 Outsourced

- 7.26 There could be advantages to tendering a further outsourced contract if it is based on the current contract terms, conditions and specifications as it is considered to be a model that has proved successful in Lewisham. The advantages include that it is a tried and tested model that has performed well for a relatively low fixed cost. The legal transfer of the asset has also helped deliver a good service as the contractor has some degree of ownership and accountability. It is in the contractors business interests to ensure that remedial works are carried out in a timely fashion to ensure that the parks fabric, building and wider estate are well maintained and free from hazards.
- 7.27 This success has been driven and supported by the robustness of the contract monitoring processes, potential financial deductions for poor performance, sanctions, the level of risk transferred to the contractor and ability for the contractor to exploit potential commercial opportunities to generate additional revenue streams which they keep. Further, the Council's client team have developed a successful partnership with the contractor contributing to a successful service.
- 7.28 The current outsourced model has also demonstrated over almost 20 years that it is possible to provide a high performing public service with low operational risk to the Council at a relatively fixed cost, along with the additional advantage of the current contract model's inbuilt annual efficiency mechanism i.e. reducing the annual contract sum paid to the contractor by RPIx- 3%.
- 7.29 However it should be noted that past performance is not a guarantee of future results. Information obtained from colleagues delivering similar services across London indicates that costs of recently tendered contracts have increased by between 10% and 15%. This trend has been reflected within the evaluation model. This means that should the Council tender the service this could lead to bidders exceeding available budget potentially leading to a reduction in service and/or standards.

8 Extension

- 8.1 The recommendation to extend the current contract as set out at 3.2 will allow officers from multiple departments across the organisation sufficient time to plan and input to the process of transferring the parks service from a contractor to the Council. The departments, aside from Green Scene, which will be required to input to the process are as follows:
- Legal Services
 - Human Resources
 - Finance

- Pensions Team
- Payroll
- Property Services

- 8.2 The extension will allow Green Scene officers to undertake further detailed evaluation and to plan and make adequate arrangements for the mobilisation and long term delivery of the new service. This will include for the operational elements of the service including budget planning, the calculation of workloads, working patterns, labour requirements and seasonal variations It will provide time to assess if and prepare for any recruitment should that be required. It will also provide time to prepare for where assets will need to be transferred back to the corporate estate. For these reasons an extension is necessary to help manage the risk of bringing the service back in-house after 20 years of externalisation.
- 8.3 The end of the current contract presents an opportunity to reduce the carbon footprint currently generated in the delivery of the service. An extension will offer the opportunity for officers to quantify cost and potential sources of funding to replace older petrol/diesel powered plant, equipment and vehicles used to deliver the service with new environmentally friendly alternatives such as rechargeable grass cutting equipment and electric vehicles. This will contribute to the aims of the Council's objective to be carbon neutral by 2030.
- 8.4 The Council has legal responsibilities under the Health and Safety at Work Act, including a duty to ensure, so far as is reasonably practicable, the health, safety and welfare at work of all its employees. Giving consideration to this duty and other work streams that will be underway in relation to the demobilisation of the current contract and mobilisation of a new in house service, it is officers advice that there is insufficient time to develop and implement a robust health and safety management system for the service to allow us to meet the necessary requirements on the day of transfer.
- 8.5 Lewisham has a borough wide network of 25 Park User Groups who are linked together by the Lewisham Green Space Forum (LGSF). These are our Key Stakeholders who support, constructively input and work closely with the Council and Glendale on various funding initiatives for parks improvements, as well volunteering their own time on a regular basis for various parks related activities. These groups are highly valued by the service and therefore we would use the contract extension to work and consult closely with them on the future shape of the Parks Service as well as, where appropriate, build their aspirations in to future service planning.
- 8.6 Glendale Grounds Management has confirmed that if required they would be willing to extend the contract for a further 20 months i.e. until November 2021 on the same terms and conditions as is currently in place. This will enable officers to mobilise the service in the autumn when there is less seasonal demand and therefore increasing the likelihood of success.

8.7 The extension will require a minor restructuring of the Glendale monthly unitary payment in 2021. This restructuring is required to take in to account the seasonal cash flows that are usually accounted for over a 12 month period and take into account the higher cost incurred by the contractor during the high demand spring and summer months. These costs are recovered across the less resource demanding autumn winter months. This does not reflect an increase in cost simply a profiling to ensure costs are covered.

9 Conclusion

9.1 Please find below total weighted scores for each of the option.

Delivery option	Surety of Service Delivery 10%	Barriers to entry into marketplace 10%	Responsiveness and Control 10%	Commercial potential 10%	Social Value 10%	Cost 50%	TOTAL (out of 100%)
<i>In house</i>	6	6	8	7	8	48.4	83.4
<i>LACTo¹</i>	6	4	6	8	7	48.4	79.4
<i>Commercial contractor</i>	7	7	6	4	5	50.0	79.0

9.2 The current Green Space Contract expires 29 February 2020, therefore the Contract Variation as recommended in section 3 will ensure service continuity from 1st March 2020.

9.3 When developing recommendations to the Mayor and Cabinet consideration was given to the data generated from the APSE insourcing model i.e. the rank and score for each option as summarised at 8.1 and the potential opportunities and risks as set out in Appendix D. This has led officers to the following conclusions:

9.4 Option 1 In-House. In addition to the existing knowledge, skills and experience within the Environment Division, Green Scene and among the existing contractors' staff, who may transfer to the council via TUPE, the Council would be in a good position to deliver a high quality service to citizens. This will be supported by an established corporate centre including HR, Payroll, Legal Services and Corporate Health and Safety. Opportunities will also be presented to work with other services within the Environment Division and exploit possible economies of scale.

¹ Please note that that for the reasons set out below at 8.5 the provisional scores within the table above regarding the LATCo are to be ignored at this stage. As further qualitative and quantitative assessments is required for this option. This work will be undertaken during the agreed extension and is likely to overlap the initial insourcing of the service..

- 9.5 Option 2 LATCo. This option would have a greater chance of success if it were part of a larger Environment Division LATCo. This option would offer the opportunity to increase trading potential and generate additional income. However this would be a much larger entity with a greater scope, delivering significantly more than the parks service. As a totally new entity, i.e. a new company wholly owned by the Council, there would be various political, structural, financial and legal matters to be fully explored and agreed before any realistic chance of developing this further. For these reasons it is therefore not recommended to proceed with this option at this point in time and should more fully explored before a recommendation is brought back to the Mayor and Cabinet.
- 9.6 Option 3 Outsourced. Since the decision was taken to outsource the Parks and Open Spaces service in 1999 we have developed a contract model that has delivered a high quality service for almost 20 years. However, due to ongoing central government budget cuts the Council's financial position continues to worsen. In its efforts to mitigate these challenges the Council has adopted the corporate objectives as set out within the current Corporate Strategy (2018-22). This includes the assumption that the Council will be the preferred provider.
- 9.7 Tendering a new external contract that allows the contractor to take all revenues generated from concessions, events and other income generating aspects of the service, in such a financially challenging environment, would not be prudent. However, without a contractor receiving the revenues generated from these opportunities, whilst at the same time retaining a contract obligation to accept an inbuilt annual efficiency mechanism and absorb the ongoing cost of the London Living Wage, as well as other legislative, public liability and economic risks contained within the current contract model, it is likely that a new contract let on this basis would come at a greater cost to the Council.
- 9.8 Giving consideration to the cost and quality data (see Table at 8.1) generated using the APSE insourcing evaluation model for the three options set out within the report and to our corporate objectives and values, information gathered from colleagues in other public sector organisations indicate that costs of recently tendered parks maintenance contracts have increased by 10% to 15%. This is a potential 375k increase on the current contract cost. Therefore officers would not recommend re-tendering the service.
- 9.9 **Appendix D** sets out the indicative timelines for the implementation for each option

10. Financial implications

- 10.1 The current annual value of the existing Green Space Management and Maintenance contract is £2,497,385.
- 10.2 The recommendation to extend the current contract in paragraph 3.2 for 20 months from 29th February 2020 until 31st October 2021 will cost the Council a maximum of £4,347,000.
- 10.3 The 19/20 budget for this contract is £2,347,100, which implies potential budget pressures of up to £250k over the period. This is likely to be mitigated, in part or whole, by reductions in the contract value through application of the annual RPIX-3% contract efficiencies, inflationary uplift, and cost deductions.
- 10.4 With regards to the potential in-sourcing of the service from 1st November 2021, three options were appraised using both quantitative and qualitative measures with agreed weightings. Indicative costs for each option is set out at Appendix C.
- 10.5 It should be noted that the LATCo option requires further detailed evaluation in order to provide sufficient assurance as to the potential financial costs. This work should feed into the decision making process in due course about the options for the service from 1st November 2021.
- 10.6 The assumptions on which the costs are modelled are essentially sound but there is a risk that these could change and impact on the final costs of each option. In mitigation, the higher end of market price increases has been used for the outsourcing option (15%) and a blended level of corporate overheads (25% of staffing cost) applied to the in-House option.
- 10.7 The appraisal model indicates that both the In-House and LATCo options cost £108k more than the outsourcing option at £3,264,398 and £3,372,770 respectively. However, the In-House option has the highest overall score when the qualitative measures are factored into the appraisal model as shown in paragraph 8.1.
- 10.8 Within the options appraisal model management overheads, staff inflation at 3%, contract inflation at 2% and some running costs are largely included in the current budget, totalling in excess of £500k. This implies real budget pressures in excess of £500k from 2021. Funding implications for 2021 onwards will need to be contained within the appropriate budget.

11. Legal Implications

Extension of the Glendale Contract

- 11.1 Officers recommend that the contract with Glendale is extended for a period of 20 months for the reasons set out in this report. The contract was awarded to Glendale in 2010 for a period of 10 years. It expires in February 2020.
- 11.2 The Council is obliged to comply with the procurement Regulations (Public Contracts Regulations 2015). Some variations to existing contracts may trigger a requirement to undertake a new competitive tender process. The Council's Contract Procedure Rules set out which variations can be made without a new competitive process (Constitution Part IV I, paragraph 17 of Contract Procedure Rules). This report explains why this extension to the contract for a further year is proposed.
- 11.3 Contract Procedure Rules say that where a contract variation is 'not substantial', the variation can be made (paragraph 17.5). The definition of 'substantial' takes into account matters including the nature and size of the proposed change relative to the original contract, and the likely market effect of the change (including the change to the scope and economic balance of the contract). There is a reasonable argument that the proposed extension is not substantial. As such, the variation does not trigger a requirement to undertake a new procurement. On that basis, therefore, the proposed changes are allowable under the Council's Contract Procedure Rules paragraph 17.

Recommendation to insource

- 11.4 Legal issues to be taken into account in this decision are set out below. The report sets out the potential impacts of the options.
- General powers and decision making:
The provision and maintenance of green space is a discretionary service which means the Council is not under a duty to provide it. The Council has a general power of competence contained in the Localism Act 2011 which allows the Council to do anything that individuals generally may do provided it is not prohibited by other legislation. General decision making principles require consideration of all relevant matters, including financial impacts and the Council's fiduciary duty to its council tax payers.
 - Best value:
The Council has a general duty to obtain best value by securing continuous improvement in the way functions are carried out, having regard to a combination of economy, efficiency and effectiveness (Local Government Act 1999 s3). This means that the Council must, on a case by case basis, weigh up the costs of the proposed action against the benefits of the particular relevant issue.
 - TUPE:

The Council has obligations as set out in its contract with Glendale in relation to TUPE, and under the TUPE regulations. These include a requirement to consult in relation to any measures it would take in relation to staff who would TUPE from Glendale to the Council, and to comply with the terms and conditions of employment of any Glendale staff.

- 11.5 The Council has a public sector equality duty (the equality duty or the duty - The Equality Act 2010, or the Act). 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.
- 11.6 In summary, the Council must, in the exercise of its functions, have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
 - advance equality of opportunity between people who share a protected characteristic and those who do not.
 - foster good relations between people who share a protected characteristic and those who do not.
- 11.7 It is not an absolute requirement to eliminate unlawful discrimination, harassment, victimisation or other prohibited conduct, or to promote equality of opportunity or foster good relations between persons who share a protected characteristic and those who do not. It is a duty to have due regard to the need to achieve the goals listed above. 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 decision maker, bearing in mind the issues of relevance and proportionality. The decision maker 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.
- 11.8 The Equality and Human Rights Commission (EHRC) has issued Technical Guidance on the Public Sector Equality Duty and statutory guidance. The Council must have regard to the statutory code in so far as it relates to the 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 on the EHRC website.
- 11.9 The EHRC has issued five guides for public authorities in England giving advice on the equality duty. The 'Essential' guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and

who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice.

12. Crime and Disorder Implications

- 12.1 There are no direct crime and disorder implications arising as a result of this report.

13 Equalities Implications

- 13.1 There are no direct equalities implications arising as a result of this report.

14 Environmental Implication

- 14.1 There are no direct environmental implications arising as a result of this report. However there are a number of potential advantages of delivering an in-house service with respects to environmental/ecological benefits and our aspirations to be carbon neutral by 2030. An in-house service will mean that changes to park specifications to alter the management to benefit ecology are easier and quicker to enact. This may increase or decrease the resource demand in terms of labour and machinery but could be carefully managed to suit.
- 14.2 With respect to the climate emergency, it is difficult to anticipate exactly what future requirements will be in terms of energy efficiency and reducing carbon emissions. The Council will have the flexibility to corporately innovate across a wide range of service areas and divisions to maximise the opportunities for energy efficiency and to reduce carbon emissions if it is operating an in house service. This flexibility may not be available for the other service delivery models without it being reflected in their ability to be commercially competitive and to provide a revenue return.

Background documents

None.

If you have any queries on this report, please contact Vince Buchanan, Contracts and Service Development Manager on 0208 314 2024

Appendix. A

Parks for London are an independent charity that support the mission to improve the criteria applied was as follows:

1. Public satisfaction with parks - taken from borough public satisfaction surveys, where available.

2. Awards for quality - the number of Green Flag Awards attained for parks directly managed by boroughs.

3. Collaboration with other boroughs - indicates that Parks for London/ London Parks Benchmarking Group is supported.

4. Events - is the number of internally and externally managed events held in parks across the borough expressed as a % of green space managed.

5. Health, fitness and well-being - is a combination of the number of outdoor gyms and food-growing areas in Borough parks.

6. Supporting nature - is a combination of the percentage of parks that have a management plan that includes in any borough that have a management plan that includes Biodiversity Action Plan (BAP) objectives (as a % of total parks) and has a BAP.

7. Community partnerships - is a combination of Community Green Flag Awards, number of friends groups and whether the borough has a borough-wide Friends group forum.

8. Skills development- is the number of park apprentices as a percentage of the total workforce.

9. Sustainability - is a combination of green fleet as a percentage of total fleet and battery operated as a percentage of total handheld equipment that contribute to reducing air and noise pollution.

10. Strategic planning -is a combination of having a green/open or infrastructure space strategy and an asset management plan.

Borough	Good Parks for London Score	Current Provision
Lewisham	45	External
Southwark	41.5	External
Lambeth	39.5	Internal
Ealing	39	External
Richmond upon Thames	36	External
Islington	33.5	Internal
Westminster	33.5	External
City of London	32.5	Internal
Haringey	32.5	Internal
Harrow	32	Internal
Hillingdon	31.5	Internal
Tower Hamlets	31.5	Internal
RB Greenwich	30	Internal
Bromley	29.5	External
Hackney	29	Internal
Havering	29	Internal
Camden	28.5	External
Kensington & Chelsea	28	External
Sutton	28	Internal
Hounslow	27	External
Croydon	26	Internal
Barnet	25.5	Internal
Barking & Dagenham	25.5	Internal
Bexley	25.5	External
Redbridge	23.5	Mixed *
Hammersmith and Fulham	22	External
Brent	21.5	Internal
Wandsworth	21.5	External
Waltham Forest	21	Internal
Enfield	20	Internal
Merton	17.5	Internal
Newham	14.5	External
Kingston upon Thames	11.5	External

* Usually a combination external providers and in – house provision

Appendix. B

Risk Allocation – current contract

Type of Risk	Glendale	Council
Legislative change requiring, say, only certain types of fuel to be used in vehicles.	✓	
Legislative change requiring change in waste disposal requirements		✓
Legislative change removing parks function from LBL		✓
General legislative change	✓	
A changing block burns down		✓
A building collapses due to subsidence		✓
A changing room in a park is covered in graffiti	✓	
Change to British Standards	✓	
Performance risk	✓	
Service related legislative change	✓	
Other legislative change	✓	
Operational capability	✓	
Industrial action by contractors staff or sub-contractors	✓	
Sub-contractor default	✓	
Inflation	✓	
Third party income	✓	
Approval of further commercial events	✓	
Health and Safety	✓	
TUPE transfer at start	✓	
TUPE transfer at end	✓	
Generation Play clubs R&M		✓
Enhanced redundancy payments to staff	✓	
Works to redundant buildings		✓
Works inside bowls pavilions		✓
Access denied by LBL		✓

Appendix 3

TOTAL WEIGHTED SCORED OPTIONS APPRAISAL

Delivery option	Surety of Service Delivery 10%	Barriers to entry into marketplace 10%	Responsiveness and Control 10%	Commercial potential 10%	Social Value 10%	Cost 50%	TOTAL (out of 100%)	RANK
<i>Commercial contractor</i>	7	7	6	4	5	50.0	79.0	3
<i>In house</i>	6	6	8	7	8	48.4	83.4	1
<i>LACTo¹</i>	6	4	6	8	7	48.4	79.4	2

¹ Please note that that for the reasons set out at 8.5 within the report, the provisional scores within the table above regarding the LATCo are to be ignored at this stage as further qualitative and quantitative assessments is required for this option.

Appendix 3

Qualitative Evaluation

Delivery option	Surety of Service Delivery 10%	Barriers to entry into marketplace 10%	Responsiveness and Control 10%	Commercial potential 10%	Social Value 10%
	Who bears the delivery risk and how high is this under each option? Ability to manage delivery risk and low risk scores highly.	What barriers exist to entering and operating in this marketplace? Low barriers to entry score highly.	How is control achieved and how flexible will the model be? Is this important? High control and high flexibility scores highly	What other commercial potential exists through using this structure / approach? High potential scores highly	What wider social value (see Council's Social Value Policy here: https://lewishamcouncil.sharepoint.com/sites/Intranet/Intranet%20documents/Lewisham%20Council%20Social%20Value%20Policy.pdf) can be delivered through using this structure / approach? High potential scores highly
<i>Commercial contractor</i>	7	7	6	4	5
<i>In house</i>	6	6	8	7	8
<i>Wholly owned contractor</i>	6	4	6	8	7

Appendix 3

Qualitative Evaluation

In column B describe the nature of the delivery risk, who bears it and how manageable this risk is.

The lower the risk or the more manageable the higher the score. Insert the score in column C.

Delivery option	Surety of Service Delivery 10%	Score out of 10
	<p>Who bears the delivery risk and how high is this under each option?</p> <p>Ability to manage delivery risk and low risk scores highly.</p>	
Commercial contractor	<p><i>The allocation of risk can be determined within the conditions of a new contract. Could include similar to existing Green Space Contract. Ultimately risk remains with the council. There are also other vicarious responsibilities that cannot be passed on to a contractor e.g. those responsibilities related to the management of Health and Safety</i></p>	7
In house	<p><i>The council would be directly exposed to: financial, reputational, public liability, legislative and H&S Risk. Service could be at of risk budget cuts related to 'perma austerity' and the council's responsibility to provide other statutory services.</i></p>	6
Wholly owned contractor	<p><i>The council could be indirectly exposed to: financial, reputational, public liability, H&S risk. Service could be at lower risk of budget cuts related to 'perma austerity' and the council's responsibility to provide other statutory services than in house provision. A lack of organisational capacity and commercial astute staff to operate effectively in a competitive market environment.</i></p>	6

Appendix 3

Qualitative Evaluation

In column B describe what barriers to entry into the market place exist, e.g. lack of expertise or assets.

The lower the barriers the higher the score. Insert the score in column C.

Delivery option	Barriers to entry into marketplace 10%	Score out of 10
	<p>What barriers exist to entering and operating in this marketplace? Low barriers to entry score highly.</p>	<p>See the model, the more expensive the option the lower it will score.</p>
<p>Commercial contractor</p>	<p>Grounds maintenance industry sufficiently mature to enable other contractors to tender for a new contract offering the benefits of competitive tension.</p>	<p>7</p>
<p>In house</p>	<p>Capital expenditure presents a potential high barrier to entry if all plant and equipment is to be purchased at current market prices. However, condition 33.5 of the current contract states that the "Contractor shall ensure that there is immediately prior to the Termination Date adequate Plant and Equipment available to be used in connection with the provision of the Service so as to ensure the continuation of the Service by the Council or another person for a reasonable period thereafter and that all such items of Plant and Equipment are fit for their purpose. Legal opinion will be required to determine the scope of this condition.. This should reduce the amount time effort and requirements for capital expenditure required for mobilisation likely to be the highest barrier for the Council due to the its current financial position . Potential for 60+ staff to transfer (TUPE) into the organisation HR capacity and overheads,, possible T&C harmonisation likely to further increase cost of In house service delivery.</p>	<p>6</p>

Appendix 3

<p>Wholly owned contractor</p>	<p><i>See in house comments above. Organisations appetite for 'Municipal entrepreneurship' The council may not currently be in a position to set up and run a wholly owned Green Space management contract giving consideration to the work required over the next 12 months to either procure or insource the current service? Competition law and state aid issues and other restriction such as the Public Contracts Regulations 2006 may present further barriers (legal imps). May have to bring in-house initially enabling the council to undertake the work required to make the LACTo commercially viable</i></p>	<p>4</p>
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In column B describe how control is achieved and how flexible the model will be, but also whether this is important. If it is important then high control and high flexibility will score highly. Insert the score in column C.

Delivery option	Responsiveness and Control 10%	Score out of 10
	<p>How is control achieved and how flexible will the model be? Is this important? High control and high flexibility scores highly</p>	

Appendix 3

<p>Commercial contractor</p>	<p><i>A performance based contract model to ensure flexibility to deliver best outcomes meeting specification. Not overly prescriptive. Robust monitoring regimes, financial deductions and contract termination process in the event of or poor performance. Opportunities to negotiate changes in specification if budget cuts are required. However this may be difficult as this will impact on the contractors financial forecast. Potential for contract dispute unless this process clearly expressed within the contract conditions. This may increase costs as they build in future cuts to their tender price. There is also a downside risk that the competitive process drives down price to an unsustainable level impacting on the contractors ability to deliver to specification leading to financial defaults and the potential for the contractor to approach the council for additional revenue to support the service.</i></p>	<p>6</p>
<p>In house</p>	<p><i>Managed in such a way that service contributes to the borough moving towards the Council's Vision, reflecting its values and operating within its policies and procedures. Potential opportunities in relation to economies of scope of other council services e.g. facilities management, sports development, public health increasing the number of directly employed apprentices. Increased risk of being subject to budget cuts if the council's financial position becomes more challenging due to further central government funding cuts. would have direct control of how risk will be managed</i></p>	<p>8</p>

Appendix 3

<p><i>Wholly owned contractor</i></p>	<p>Opportunities to ensure a focused governance model via a Management Board made up of Key Stake holders e.g. Elected Members, Staff and Service Users. Managed in such a way that service contributes to the borough moving towards the Council's Vision, reflecting its values and operating within its policies and procedures. Potential opportunities in relation to economies of scope of other council services e.g. facilities management, sports development, public health. environmental services, Increased risk of being subject to budget cuts if the council's financial position becomes more challenging due to further central government funding cuts. The Teckal exemption offers flexibility with up to 20% of its services provided to other public authorities. May offer greater financial freedom to make investment and operational decisions if it meets the functional test of providing 80% of its services to the Council. Opportunity to reinvest any surplus in to the LACTo or return back to the Council</p>	<p>6</p>
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Qualitative Evaluation

In column B describe what commercial potential exists through using this structure (note some services are statutory and have very restricted commercial potential), high potential will score highly.

Insert the score in column C.

Delivery option	Commercial potential 10%	Score out of 10
	<p>What other commercial potential exists through using this structure / approach? High potential scores highly</p>	

Appendix 3

	<p>What wider social value (see Council's Social Value Policy here: https://lewishamcouncil.sharepoint.com/sites/Intranet/Intranet%20documents/Lewisham%20Council%20Social%20Value%20Policy.pdf) can be delivered through using this structure / approach? High potential scores highly</p>	
Commercial contractor	<p>Contractors will commit to the social value policy objectives and the KPIs if they want to be the successful bidder. However post procurement It may be a challenge to influence them to deliver the council's desired policy outcomes. Giving some consideration to 'Agency Theory' we will have no direct control of decision making and there is the risk that the contractors other organisational /financial objectives in their opinion outweigh the clients desire to deliver social value from the contract.</p>	5
In-house	<p>Real opportunities to align the service with the Council's Social Value Policy and work across the organisation and become a vehicle to deliver on all aspects of the policy as set out and measured via the recommended KPIs.</p>	8
Wholly owned contractor (LACTo)	<p>This would be dependent on the structure of the LATCo could present opportunities similar to the In-house option however being at arm's length we could lose opportunities to influence and work across the organisation top deliver desired policy outcomes</p>	7

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Summary of score for costs for service delivery

	Score (out of 10)	Weighted Score
Commercial contractor November 2021	10.0	50.0
In house at point of transfer November 2021	9.7	48.4
LATCo Wholly owned contractor at point of transfer Nov 2021	9.7	48.4

Appendix E

Option 1 In-House

Table 1

Potential Advantages: Value for money; commercial potential	Risk/Comments & barriers to entry into the marketplace
<p>Insourcing allows the public authority to exercise more effective resource allocation and maximise its limited resources. This could allow more control of the budget and spending priorities allowing us to consider and where possible implement the findings of the recent Lewisham Parks Consultation: 'A New Strategy For Parks & Open Spaces In Lewisham (Autumn 2018) - Your Chance To Have Your Say'.</p> <p>Any increased costs could be mitigated by income generating opportunities from events, concessions and other activities such as sports facility hire.</p> <p>Opportunity to improve Terms & Conditions for staff transferring to the council. Although this is also a potential cost driver as set out within risk comments opposite.</p> <p>Potential to reduce transaction costs by cutting out the 'middleman' when procuring goods and specialist services</p> <p>Opportunities to increase the synergies with our other existing in-house open space management and operations such as Nature conservation, Allotments, Beckenham Place Park and our Cemeteries and Crematorium.</p>	<p>How VFM is demonstrated would need to be determined/established. Service budget could be at risk due to internal budget pressures as a result of 'perma-austerity'</p> <p>There is a potential for the overall costs of the service to increase following in-sourcing of the service.</p> <p>Cost drivers could include future harmonisation of terms and conditions of employment for staff transferred to the council.</p> <p>Possible increase in corporate overheads due to the requirement to recruit additional staff at the corporate centre to adequately cover various functions e.g. HR/Payroll/accommodation.</p> <p>Potential increase in transaction costs due to the procurement of goods and other specialist services from multiple contractors that are currently sourced via the current contract.</p>
<p>TUPE T&Cs (indicative)</p> <p>Glendale Gardener</p> <p>Hours Worked 40</p>	<p>Harmonised T&Cs (indicative)</p> <p>NJC Gardener</p> <p>Hours Worked 35</p>

<p>Approximate annual salary with on cost £28,500</p> <p>Annual Leave 22 Days</p> <p>Sick Pay Entitlement</p> <p>10d Full 10d Half - 1 waiting day</p>	<p>Approximate annual salary with on costs £30,714</p> <p>Annual Leave Basic entitlement 26 Days increasing to 34 after 10 years' service.</p> <p>Sick Pay Entitlement</p> <p>NJC dependent on length of service.</p> <p>During 1st year of service</p> <p>1 month's full pay and (after completing 4 months' service) 2 months' half pay. 1 month's full pay and (after completing 4 months' service) 2 months' half pay During 2nd year of service 2 months' full pay and 2 months' half pay.</p> <p>During 3rd year of service 4 months' full pay and 4 months' half pay.</p> <p>During 4th and 5th years of service 5 months' full pay and 5 months' half pay.</p> <p>After 5 years' service 6 months' full pay and 6 months' half pay.</p>
<p>Dependent on the formula used to determine the cost allocation for overheads there could be a potential corporate benefit with costs being allocated across a higher number of staff</p>	<p>Overhead cost allocation could increase the overall budget pressure on the Environment Division.</p>
<p>Potential Advantages: In-sourced responsiveness and management</p>	<p>Risk/Comments</p>
<p>Providing the service in house would meet with one of the Council's key priorities set out within the Corporate Strategy 2018-2022. 'Building an inclusive local economy' it states that when we are considering whether to commission services, we will have an assumption that the Council is our preferred provider and in-source our contracts'.</p> <p>Opportunity to deliver the service in 'The Lewisham Way' contributing more effectively to the Council's Vision, it's Corporate Strategy 2018-2022 and reflecting its values</p>	<p>Required actions include:</p> <p>Corporate support with project delivery, HR, Communications/Marketing, Administration etc.</p> <p>Creating a new management structure and operating model for the service.</p> <p>Identifying the required level of capital funding for vehicles, plant, equipment etc.</p>

<p>the opportunity to achieve this will be enhanced by operating directly within the councils policies and procedures.</p> <p>Presents the opportunity implement all aspects of the council's Social Value Policy'</p> <p>The Environment Division has a good track record of managing good performing frontline environmental services e.g. Refuse Collection , Street Cleansing, as evidenced within the Users satisfaction survey' (2015)</p>	<p>Harmonising the terms and conditions of transferring staff.</p> <p>Investment needed for training and resource management.</p> <p>In-sourcing lessons learnt from other boroughs has identified that recruiting any new skilled workforce may take much longer than anticipated/planned.</p> <p>Challenges could arise in the mobilisation phase leading to short term customer dissatisfaction.</p>
<p>In-house provision would provide more control over quality, local responsiveness and service contribution/connection to other key strategic objectives e.g. the environment, health and/or employment i.e. ability to work more closely with our Public Health colleagues, the 'Local Labour' Manager and the Apprenticeship Team to increase the number of local SMEs within the local supply chain with the potential to increase the number of horticultural apprentices directly employed by the Council. Improving succession planning and increasing the pathways in to work.</p>	
<p>Would allow greater flexibility in future decisions making in relation service provision e.g. when exploring other management and maintenance models for our environmental service such as a LATCo i.e. a company wholly owned by the Council.</p>	
<p>Potential Advantages: Surety of delivery and risk management</p>	<p>Risk/Comments</p>
	<p>The Council will bear all of the risk currently borne by the contractor.</p>

<p>Direct control of risks similar and /or comparable to those borne by other council departments and frontline services.</p>	<p>Challenges could arise in the mobilisation phase of insourcing process leading to short term customer dissatisfaction.</p> <p>Medium to long term risks if budgets are subject to further cuts due to 'perma-austerity'.</p>
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Potential Advantages: Environmental and Ecological benefits	Risk/Comments
<p>Changes to parks specifications to alter the management to benefit ecology and biodiversity is possible. This can increase or decrease the resource demand in terms of labour and machinery.</p> <p>It would be potentially quicker to implement the training/coaching needs for the park teams than via the other delivery models.</p>	

Potential Advantages: Carbon neutral by 2030	Risk/Comments
<p>It is difficult to anticipate exactly what future requirements will be in terms of energy efficiency and reducing carbon emissions. The Council will have the flexibility to Corporately innovate across a wide range of service areas and divisions to maximise the opportunities for energy efficiency and reduce carbon emissions. The council will potentially benefit from economies of scale and will be in control of the whole process to phase implementation delivery and take account of any additional infrastructural or capacity needs.</p>	

Option 2 LATCO

Table 2

Potential Advantages: Value for money; commercial potential	Risk/Comments & barriers to entry into the marketplace
Able to demonstrate VFM via the competitive tendering process	
<p>If the cost of a new contract remains broadly in line with the existing cost there could be a potential cost advantage to the council against an in-house model as this will be lower than the in-house option.</p>	<p>Possible that tenders may exceed available budget leading to reduction in the specified service or standards.</p> <p>The current contract cost and external validation could be considered lagging indicators and it should be recognised that past performance is not a guarantee of future results.</p> <p>Potential surplus value returned to the contractor as profit.</p>
<p>The contract price would be relatively fixed so costs are broadly understood for the lifetime of the contract.</p> <p>The contract sum would cover all elements of the contract specification. It is possible to ask the bidders to include the payment of the London Living Wage (LLW) within their tender and to require the contractor to deliver annual efficiencies.</p> <p>We would be able to give consideration to the council's recently adopted Social Value Policy when evaluating tender submissions,</p>	<p>Potentially less flexibility for the council to negotiate changes to the operating model to reduce costs in response to changing circumstances. Contractors may also find delivering efficiencies unsustainable over a long period of time causing a drop in service standards and worst case scenario, early termination of the contract.</p> <p>Although increase in the LLW are currently absorbed by the contractor and not charged directly to the Council, this could change with the risk of the annual increase in the LLW being passed directly to the Council. Historically the LLW % wage annual increase has been higher than the NJC agreed pay rise for local government workers.</p> <p>There will be costs attached to variation works that fall outside of the specification and/or bills of quantities.</p>
<p>Removing events and concessions management from the contract specification and tendering directly for parks concessions would offer opportunities to generate income for the Council that currently goes to the contractor.</p>	<p>Removing events and concessions management from the contract specification and tendering directly for parks concessions could be reflected in an increase in the tender price for the delivery of the remaining elements of the contract to maximise revenues and close the gap due to loss of income. APSE studies also suggest lack of motivation for outsourced contractors to innovate and this has been cited by some local authorities as a reason for insourcing.</p>

Potential Advantages: Contract responsiveness and management	Risk/Comments
The Council has a good track record of managing a well performing external parks services provider.	There is no guarantee that a new contract would be as successful as the current one.
Potential Advantages: Surety of delivery and risk management	Risk/Comments
Much of the operational risk is transferred to the contractor*	<p>Bidders likely to reflect costs of transferred risks within their tender submission. This will inflate the cost to the council who ultimately retain all risk, including a vicarious responsibility in all aspects the management of health and safety.</p> <p>The transfer of risk may prove to be a barrier for some contractors as experienced during the 2009 procurement process where a bidder stated their withdrawal from the process was due to a 'high level of liability'. This may have been due to their inability to reliably cost this risk in their tender</p>

Potential Advantages: Value for money; commercial potential	Risk/Comments & barriers to entry into the marketplace
Able to demonstrate VFM via the competitive tendering process	
If the cost of a new contract remains broadly in line with the existing cost there could be a potential cost advantage to the council against an in-house model.	<p>Possible that tenders may exceed available budget leading to reduction in the specified service or standards.</p> <p>The current contract cost and external validation could be considered lagging indicators and it should be recognised that past performance is not a guarantee of future results.</p> <p>Potential surplus value returned to the contractor as profit.</p>
<p>The contract price would be relatively fixed so costs are broadly understood for the lifetime of the contract.</p> <p>The contract sum would cover all elements of the contract specification. It is possible to ask the bidders to include the payment of the London Living Wage (LLW) within their tender and to require the contractor to deliver annual efficiencies.</p> <p>We would be able to give consideration to the council's recently adopted Social Value Policy when evaluating tender submissions,</p>	<p>Potentially less flexibility for the council to negotiate changes to the operating model to reduce costs in response to changing circumstances. Contractors may also find delivering efficiencies unsustainable over a long period of time causing a drop in service standards and worst case scenario, early termination of the contract.</p> <p>Although increases in the LLW are currently absorbed by the contractor and not charged directly to the Council, this could change with the risk of the annual increase in the LLW being passed directly to the Council. Historically the LLW % wage annual increase has been higher than the NJC agreed pay rise for local government workers.</p> <p>There will be costs attached to variation works that fall outside of the specification and/or bills of quantities.</p>
Removing events and concessions management from the contract specification and tendering directly for parks concessions would offer opportunities to generate income for the Council that currently goes to the contractor.	Removing events and concessions management from the contract specification and tendering directly for parks concessions could be reflected in an increase in the tender price for the delivery of the remaining elements of the contract to maximise revenues and close the gap due to loss of income. APSE studies also suggest lack of motivation for outsourced contractors to innovate and

	this has been cited by some local authorities as a reason for insourcing.
Potential Advantages: Contract responsiveness and management	Risk/Comments
The Council has a good track record of managing a well performing external parks services provider.	There is no guarantee that a new contract would be as successful as the current one.
Potential Advantages: Surety of delivery and risk management	Risk/Comments
Much of the operational risk is transferred to the contractor*	<p>Bidders likely to reflect costs of transferred risks within their tender submission. This will inflate the cost to the council who ultimately retain all risk, including a vicarious responsibility in all aspects the management of health and safety.</p> <p>The transfer of risk may prove to be a barrier for some contractors as experienced during the 2009 procurement process where a bidder stated their withdrawal from the process was due to a 'high level of liability'. This may have been due to their inability to reliably cost this risk in their tender</p>

Potential Advantages: Environmental and Ecological benefits	Risk/Comments
Changes to parks specifications to alter the management to benefit ecology or biodiversity is possible. It can increase or decrease the resource demand in terms of labour and machinery.	Requires cooperation and formalisation by the LATCo, training & coaching of parks teams.

Potential Advantages: Carbon neutral by 2030	Risk/Comments
<p>It is difficult to anticipate exactly what future requirements will be in terms of energy efficiency and reducing carbon emissions. The Council will have the flexibility to Corporately innovate across a wide range of service areas and divisions to maximise the opportunities for energy efficiency and reduce carbon emissions. It will require close working and coordination so that any changes can be planned and accounted for in the LATCo business operating model. The council will still potentially benefit from economies of scale and will be in control of the whole process to phase implementation delivery and take account of any additional infrastructural or capacity needs.</p>	<p>Coordination may prove problematic and this may be reflected in the ability to be commercially competitive and to provide a revenue return.</p>

Option 3

Outsourced option

Potential Advantages: Value for money; commercial potential	Risk/Comments & barriers to entry into the marketplace
<p>Able to demonstrate VFM via the competitive tendering process</p>	
<p>If the cost of a new contract remains broadly in line with the existing cost there could be a potential cost advantage to the council against an in-house model.</p>	<p>Possible that tenders may exceed available budget leading to reduction in the specified service or standards.</p> <p>The current contract cost and external validation could be considered lagging indicators and it should be recognised that past performance is not a guarantee of future results.</p> <p>Potential surplus value returned to the contractor as profit.</p>

<p>The contract price would be relatively fixed so costs are broadly understood for the lifetime of the contract.</p> <p>The contract sum would cover all elements of the contract specification. It is possible to ask the bidders to include the payment of the London Living Wage (LLW) within their tender and to require the contractor to deliver annual efficiencies.</p> <p>We would be able to give consideration to the council's recently adopted Social Value Policy when evaluating tender submissions,</p>	<p>Potentially less flexibility for the council to negotiate changes to the operating model to reduce costs in response to changing circumstances. Contractors may also find delivering efficiencies unsustainable over a long period of time causing a drop in service standards and worst case scenario, early termination of the contract.</p> <p>Although increase in the LLW are currently absorb by the contractor and not charged directly to the Council, this could change with the risk of the annual increase in the LLW being passed directly to the Council. Historically the LLW % wage annual increase has been higher than the NJC agreed pay rise for local government workers.</p> <p>There will be costs attached to variation works that fall outside of the specification and/or bills of quantities.</p>
<p>Removing events and concessions management from the contract specification and tendering directly for parks concessions would offer opportunities to generate income for the Council that currently goes to the contractor.</p>	<p>Removing events and concessions management from the contract specification and tendering directly for parks concessions could be reflected in an increase in the tender price for the delivery of the remaining elements of the contract to maximise revenues and close the gap due to loss of income. APSE studies also suggest lack of motivation for outsourced contractors to innovate and this has been cited by some local authorities as a reason for insourcing</p>
<p>Potential Advantages: Contract responsiveness and management</p>	<p>Risk/Comments</p>
<p>The Council has a good track record of managing a well performing external parks services provider.</p>	<p>There is no guarantee that a new contract would be as successful as the current one.</p>
<p>Potential Advantages: Surety of delivery and risk management</p>	<p>Risk/Comments</p>
<p>Much of the operational risk is transferred to the contractor*</p>	<p>Bidders likely to reflect costs of transferred risks within their tender submission. This will inflate the cost to the council who ultimately retain all risk, including a vicarious responsibility in all aspects the management of health and safety.</p>

	<p>The transfer of risk may prove to be a barrier for some contractors as experienced during the 2009 procurement process where a bidder stated their withdrawal from the process was due to a 'high level of liability'. This may have been due to their inability to reliably cost this risk in their tender</p>
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*Appendix B sets out the current contract Risk Allocation

Potential Advantages: Environmental and Ecological benefits	Risk/Comments
<p>Changes to parks specifications to alter the management to benefit ecology or biodiversity is possible. It can increase or decrease the contract sum.</p>	<p>Requires cooperation and formalisation by the contractor, training & coaching of contractor's park operatives.</p>
Potential Advantages: Carbon neutral by 2030	Risk/Comments
	<p>It is difficult to anticipate exactly what future requirements will be in terms of energy efficiency and reducing carbon emissions. It is unlikely that contractors working on behalf of the council would be considered outside of the scope of the Council pledge. Therefore, the contract may need to have in built flexibility so the Council can impose change on the Contract. This will be reflected in a possible increase to the contract sum.</p>

Agenda Item 10

V3

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

Date of Meeting	10th October 2019
Title of Report	Local Implementation Plan – Annual Spending Submission 2020/2021

Originator of Report	Nick Harvey	Ext 42269
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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	<input checked="" type="checkbox"/>	
Legal Comments from the Head of Law	<input checked="" type="checkbox"/>	
Crime & Disorder Implications	<input checked="" type="checkbox"/>	
Environmental Implications	<input checked="" type="checkbox"/>	
Equality Implications/Impact Assessment (as appropriate)	<input checked="" type="checkbox"/>	
Confirmed Adherence to Budget & Policy Framework		
Risk Assessment Comments (as appropriate)		
Reason for Urgency (as appropriate)		



Signed: _____ Executive Member
Date:



Signed: _____ Executive Director
Date:

Control Record by Committee Support

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

MAYOR & CABINET		
Report Title	Local Implementation Plan – Annual Spending Submission 2020/21	
Key Decision	Yes	Item No.
Ward	All	
Contributors	Executive Director for Housing, Regeneration and Environment	
Class	Part 1	Date: 10 October 2019

1. Summary

- 1.1 Lewisham's third Transport Strategy & Local Implementation Plan (LIP), covering the period 2019-2041, was ratified by Mayor and Cabinet on 6th February 2019. In March 2019 the final draft was submitted and approved by Transport for London (TfL) and then the Mayor of London. (Background Doc 1)
- 1.2 Each year an Annual Spending Submission (ASS) confirms proposals for the delivery of transport projects for the forthcoming year, with this particular report seeking approval from Mayor & Cabinet to submit the ASS for 2020/21. It also includes an indicative programme for future years (2021/22 and 2022/23). It should be noted that this may need to be varied during the course of the year or in future Annual Spending Submissions to take account of changing LIP allocations or changes in Council scheme priorities, subject to the appropriate approvals.
- 1.3 The 2020/21 programme is the second year featured with the Council's new LIP and looks to enter a delivery phase of schemes developed in year 1 while continually developing schemes for future years that look to deliver the aims and objectives set out in the new LIP.
- 1.4 The Annual Spending Submission for 2020/21 is based on a combination of:
 - Delivery of named larger schemes such as Crofton Park and Deptford Parks Liveable Neighbourhood;
 - The ongoing development and delivery of schemes that fall within rolling annual programme lines, the detail of which is often developed during the year;
 - Strategy work, feasibility studies and design work to help inform the development of future schemes.
- 1.5 It also means that indicative programmes for future years are subject to a full review of policy and funding priorities.

2. Purpose of the Report

- 2.1 This report includes a summary of the priorities in the MTS, a brief description of the proposed LIP projects for delivery during 2020/21, and seeks approval to submit the LIP Annual Spending Submission 2020/21 to TfL for their approval.

3. Recommendation

- 3.1 The Mayor & Cabinet is recommended to approve the LIP Annual Spending Submission 2020/21 to TfL as set out in Tables 1-2 (sections 8 and 9).

4. Policy Context

- 4.1 The Greater London Authority Act requires each London Borough to prepare a Local Implementation Plan (LIP) (Background Doc 1) to implement the London Mayor's Transport Strategy (MTS) (Background Doc 2) within their area. The MTS was published April 2018, alongside statutory guidance to London boroughs on LIPs.
- 4.2 Lewisham's third LIP was approved by the Lewisham Mayor & Cabinet and the London Mayor in February and March 2019 respectively. The LIP was developed within the framework provided by the MTS and consists of an evidence base, objectives, targets and initial three year programme.
- 4.3 The goals, objectives, and outcomes for the LIP reflect local policies and priorities and it aligns and supports the priorities of the **Borough's Corporate Strategy 2018-2022** especially priorities 1, 4 and 6 below;
- Open Lewisham, Lewisham is a welcoming place of safety for all, where we celebrate the diversity that strengthens us.
 - Building an inclusive local economy, everyone can access high-quality job opportunities, with decent pay and security in our thriving and inclusive local economy.
 - Making Lewisham greener, everyone enjoys our green spaces, and benefits from a healthy environment as we work to protect and improve our local environment.
- 4.4 Proposals recommended for 2020/21 LIP funding have been shaped primarily by the LIP3 policy objectives, in the form of existing committed schemes and programmes.
- 4.5 A key theme within the MTS, is the 'Healthy Streets' approach, which aims to improve air quality, reduce congestion reduce road danger and help make London's diverse communities greener, healthier and more attractive places to

live, work, play and do business. Further information can be found in section 6.

5. Background

- 5.1 Much of the investment the Council makes in streets and transport uses TfL funding to support delivery.
- 5.2 LIP funding for “Corridors, Neighbourhoods and Supporting Measures” is allocated to local authorities based on a formula intended to reflect relative needs. The existing formula which has been used to calculate the funding in this report has been in place since 2010.
- 5.3 The funding formula is under review by TfL so it accurately reflects the new priorities set out in the new Mayors Transport Strategy (2018). Draft formulas presented would give Lewisham a small increase in allocated funding of between 100k and 200k. Whilst the programme and allocated funding below use existing funding formula the final figure could be slightly higher, as this figure is relatively small compared to the overall funding figure, this small increase (if realised) would be assumed into the existing programme lines outlined below.
- 5.4 A final decision on the formula will be made by the deputy Mayor for Transport in October 2019. As a result the allocations presented in this report for 2020/21 are subject to change once the new funding formula has been finalised, and will be allocated in discussion with the Cabinet Member.
- 5.5 Annually, each local authority must submit a detailed programme to TfL in the form of an “Annual Spending Submission” for approval and release of this funding allocation. (Table 1)
- 5.6 TfL also requires local authorities to submit annual bids for ‘Principal Road Maintenance’ and ‘Bridge Assessment and Strengthening’ funding (Table 2), However these funding streams have been suspended for the last 2 years and boroughs have to bid for funding for these schemes on an individual basis and they are judged on a priority basis developed by TfL. The funding for ‘Bridge Assessment and Strengthening’ is considered on a pan London basis by the ‘London Bridge Engineering Group (LoBEG)’. Further information on this can be found in section 9 of this report.
- 5.7 Local authorities also may also bid for ‘Liveable Neighbourhoods’ funding which largely replaces the ‘Major Schemes’ funding stream from the last LIP cycle. The Council has already secured Liveable Neighbourhood funding for Deptford Parks, with 2020/21 being the final year for this project. Officers have sought TfL advice on appropriate timing for the submission of a further Liveable Neighbourhood bid, and have been advised to wait until the next bidding round in 2020. Further information on this can be found in section 10 of this report.

- 5.8 Other separate funding streams may become available throughout the year, to fund TfL and Borough projects which achieve shared priorities. Such programmes include the Borough Cycling Programme, Cycleway Programme, Bus Priority and Enabling Works, Mayor's Air Quality Fund, and School Safety. In addition TfL provide boroughs with a Local Transport Fund to address borough priorities. TfL is also funding a new Healthy Streets officer, although full details of this post, and the extent to which the resource will be shared with other boroughs, is yet to be confirmed.
- 5.9 TfL require the annual spending submission for 2020/21 to be submitted by 1st November 2019.

6. The new Mayor's Transport Strategy (MTS) and LIP3

- 6.1 Mayor of London, Sadiq Khan, published the final version of the Mayor's Transport Strategy in 2018. The document sets out the Mayor's policies and proposals to reshape transport in London over the next 25 years, and it has three key themes, and 9 key outcomes. (Background Doc 2)

Theme 1: Healthy Streets and healthy people

- 6.2 Creating streets and street networks that encourage walking, cycling and public transport use will reduce car dependency and the health problems it creates.
- 6.3 Outcomes:
1. Active: London's streets will be healthy and more Londoners will travel actively
 2. Safe: London's streets will be safe and secure
 3. Green: London's streets will be clean and green
 4. Efficient: making more efficient use of our street network

Theme 2: A good public transport experience

- 6.4 Public transport is the most efficient way for people to travel over distances that are too long to walk or cycle, and a shift from private car to public transport could dramatically reduce the number of vehicles on London's streets.
- 6.5 Outcomes:
5. Connected Public Transport: more people will travel on an expanded public transport network
 6. Quality Public Transport: journeys by public transport will be fast, comfortable and reliable
 7. Accessible Public Transport: public transport will be affordable and accessible to all

Theme 3: New homes and jobs

6.6 More people than ever want to live and work in London. Planning the city around walking, cycling and public transport use will unlock growth in new areas and ensure that London grows in a way that benefits everyone.

6.7 Outcomes:

8. Unlocking: support delivery of homes and provide better access to jobs, customers and suppliers
9. Good Growth: developments are sustainable, supported by public transport and active travel options

6.8 The MTS includes over a hundred policy proposals, but there are some headline policies, set out below, which are particularly relevant to the LIP process.

Healthy Streets

6.9 The key way the Mayor wants to deliver change on London's streets is through the Healthy Streets Approach. The Healthy Streets Approach provides a framework for putting human health and experience at the heart of planning our streets.

6.10 This includes a series of ten indicators by which future street improvements should be assessed:

- Pedestrians from all walks of life
- People choose to walk, cycle and use public transport
- Clean air
- People feel safe
- Not too noisy
- Easy to cross
- Places to stop and rest
- Shade and shelter
- People feel relaxed
- Things to see and do

Car use and traffic reduction

6.11 The MTS is heavily focused on reducing car usage in London. The Mayor wants to reduce the need for Londoners to use their cars through improved public transport and an increase in walking and cycling. The Mayor's aim is that by 2041, 80% of all trips made by Londoners will be made on foot, cycling or by public transport. This is from 64% in 2015 and 56% in 2000.

6.12 The scale of this challenge is not to be underestimated. In 2015 there were 26.7million daily trips in London, with 9.6 million (36%) made by car. By 2041 it is predicted that there will be an additional 5 million daily trips. In order to meet this target, not only would all these trips need to be catered for sustainably, but two-thirds of existing car trips would also need to transfer to other modes.

- 6.13 This is particularly challenging towards outer London, where this target would require a more substantial investment in public transport and cycling infrastructure than is currently identified in TfL's Business Plan.
- 6.14 The MTS proposes to support borough traffic-reduction strategies which are in line with the Healthy Streets Approach, though it remains to be seen in practice how TfL will view schemes that impact negatively on the more strategic red route network that it manages.

Vision Zero

- 6.15 The Mayor, through TfL, the boroughs, police and enforcement authorities, will adopt Vision Zero for road danger in London. The Mayor's aim is for no one to be killed in or by a London bus by 2030, and for all deaths and serious injuries from road collisions to be eliminated from London's streets by 2041.

Electric Vehicles

- 6.16 The Mayor will also seek to make London's transport network zero carbon by 2050, which involves, among other measures, accelerating the uptake of electric vehicles by developing a network of charging infrastructure.

LIP3 2019-2041

- 6.17 The Council over the course of 2018/19 developed its third Transport Strategy and LIP detailing the borough's long term transport objectives along with a more detailed 3 year delivery plan, with indicative funding identified. All relevant Lewisham plans and strategies were taken into consideration along with objectives and proposals contained within the MTS whilst recognising the need for a balanced programme and acknowledging that some projects are already committed. This resulted in a LIP that is very closely aligned with the above objectives and that therefore received very positive feedback from TfL.

7. Developing the 2020/21 annual spending submission (ASS)

- 7.1 The programme for 2020/21 represents the second year of delivering the objectives set out in the borough's new LIP, and as such, largely reflects the 2019/20 LIP programme which has so far been very much a scheme development year, but with many schemes now starting to enter the delivery stage.
- 7.2 The borough prioritises its transport projects, using various techniques based around schemes' 'policy fit' with LIP and MTS objectives, projected contribution towards meeting LIP targets, strength of evidence and local support, and deliverability, based on internal capacity, value for money and risk. This enables consistency between the LIP objectives, Delivery Plan and Performance Monitoring Report – the three core parts of the LIP.

- 7.3 The LIP schemes are developed within the context of existing utilities programmes (e.g. Thames Water replacement works) and new developments. LIP scheme funding therefore continues to be supplemented by the use of funds secured through other sources (e.g. section 106 /CIL contributions from developments).
- 7.4 TfL's "Local Implementation Plan (LIP) 2020/21 Annual Spending Submission Guidance", confirmed that Lewisham will receive £1,940,400 through the Corridors and Supporting measures programme and £100,000 from the Local Transport Fund for 2020/21. These are the same amounts as 2019/20. At the time of writing this report there has been no indication that funding for Principle Road Renewal (PRR) will be made available for 2020/21 however the borough will continue to put forward proposed PRR schemes for consideration by TfL.
- 7.5 As mentioned in section 5.3, the formula used for calculating each boroughs allocation is under review and as a result this figure could increase from between 100k and 200k and if this is realised this extra funding will be assumed into the existing programme lines set out below.
- 7.6 The three-year indicative programme of investment has been completed in Table 1. The table summarises, at a programme level, the borough's proposals for the use of TfL borough funding in the period 2020/21 – 2021/23.

TABLE 1 London Borough of Lewisham PROPOSED TfL BOROUGH FUNDING SUBMISSION 2019/20 TO 2021/22	Programme budget		
	Allocated 2020/21	Indicative 2021/22	Indicative 2022/23
CORRIDOR, NEIGHBOURHOODS & SUPPORTING MEASURES	£k	£k	£k
Crofton Park Corridor*	0	0	0
A21 Outcome Definition Study*	0	0	0
Deptford Parks Liveable Neighbourhoods	50	0	0
Healthy Neighbourhoods	908	978	958
Local Pedestrian Improvements	100	100	100
Local Cycling Improvements	250	250	250
Road Danger Reduction	100	100	100
Air Quality and Noise	100	80	100
Safer and Active Travel	327	327	327
Public Transport Supporting Interventions	10	10	10
Small scale schemes	30	30	30
Completion of previous years schemes	65	65	65
Sub-total	1,940	1,940	1940
LOCAL TRANSPORT FUNDING (LTF)	£k	£k	£k
Local Transport Funding	100	100	100
Sub-total	100	100	100
DISCRETIONARY FUNDING	£k	£k	£k
Deptford Parks Liveable Neighbourhoods	940	450	0
Sub-total	940	450	0
EXTERNAL FUNDING BIDS	£k	£k	£k
Deptford Parks Liveable Neighbourhoods*	250	250	0
Sub-total	250	250	0
All TfL borough funding	£3,230k	£2,740k	£2040

* See supporting commentary below.

8. Supporting commentary for the annual programme

8.1 Crofton Park Corridor

8.1.1 During 2014/15 a feasibility study considered the transport issues along the B218 corridor, including Brockley Road, Stondon Park and Brockley Rise. Road safety and air quality were the key issues to be investigated, alongside public realm improvements which would support local places. The purpose of the study was to identify concept stage solutions which might be feasible and affordable, and to consult with the public at an early stage of development. Following an appraisal of the potential schemes, Crofton Park has been recommended as the highest priority scheme along the B218 corridor, largely on the basis of the road safety, air quality and the relatively high footfall it experiences as a local shopping parade. Following public consultation and dialogue with key stakeholders, an initial phase of the project outside the station has been prioritised and work has now commenced on site, which will be completed by spring 2020. The costs for the scheme have been re-profiled to reflect these revised delivery timescales. The project will involve completion of streetscape improvement works, including widened footways and improved pedestrian crossings, raised table junctions, increased street trees and public realm improvements.

8.2 Deptford Parks Liveable Neighbourhood

8.2.1 This scheme will include new cycling and walking links, including the removal of local traffic, road closures, the creation of a world class north/south traffic-free walking and cycling facility, public realm improvements and healthy routes to schools. The interventions will transform streets, travel choices and the health of people, by connecting them with schools, parks, public transport, local businesses and high streets, as well as enabling new journeys beyond the neighbourhood. The project will mobilise and empower the local community, fostering collaboration at the neighbourhood level and empowering people to have a say in the design of their streets and public spaces. LIP funding will contribute £50,000 during 2020/2021. The scheme is currently at the preliminary design stage, with a public consultation planned for the Autumn. Subject to the consultation, work is expected to start on site during 2020.

8.3 A21 Healthy Street

8.3.1 Lewisham is one of the most pro-cycling Boroughs in London, and has a track record of working collaboratively with TfL to deliver cycling infrastructure, including London's first Quietway and Cycleway 4 along Evelyn Street, which is currently under construction. The A21 is the central spine of the Borough. It links our main TLRN routes, rail network, and our two major town centres. It also links in with Cycleway 4 in the north (which will provide a route into central London), and Bromley to the south, providing just the kind of vital link between inner and outer London that would be required to achieve the

ambitious targets set out in the MTS vision. It is included as a key aspiration within the Council's Cycling Strategy.

- 8.3.2 The Council is working in collaboration with TfL on an Outcome Definition exercise, to determine opportunities and priorities along the corridor, and to inform a concept design that responds to the Council's Manifesto pledge to work with TfL to provide a new segregated cycle route connecting Downham to Deptford. The LIP3 programme makes an allowance for a £20k contribution towards this Outcome Definition work in the current financial year (2019/20), in recognition that the northern part of the route is on Lewisham highway. This work is due to conclude in early 2020 and further allocations have not yet been set aside until this work has concluded, but may need to be reflected in future Annual Spending Submissions as the scheme progresses and TfL secures funding for the sections of it's highway.

8.4 Healthy Neighbourhoods

- 8.4.1 Through the Mayor's Transport Strategy and associated LIP guidance, there is a requirement for boroughs to demonstrate a clear strategy of how they intend to reduce traffic by an average of 10-15% across London. The draft Lewisham Transport Strategy and LIP sets out how this will be achieved, and acts as a holistic traffic reduction strategy for the borough.

- 8.4.2 The Healthy Neighbourhoods programme is a key component within this strategy – it will adopt the principles of the Liveable Neighbourhoods schemes, which aims to improve air quality, reduce traffic and congestion and encourage active travel, and will apply them at a smaller-scale. This will include using interventions such as point closures, modal filters (traditionally road closures allowing pedestrians and cyclists to pass while stopping motorised traffic from doing so) and banned turns, enforced by cameras. This will be complemented by a series of other measures such as contraflow cycling, improved crossing points, cycle hangars, and electric vehicle charging points, parklets, street trees and benches. The impact of these small interventions spread across a defined zone or area will create an impact that is greater than the sum of its individual parts, making Lewisham's diverse communities greener, healthier and more attractive places to live, work, play and do business.

- 8.4.3 The intention of this programme is to utilise the responses to the Commonplace public consultation, alongside officer knowledge, to identify areas where low cost but effective traffic reduction techniques might be trialled. The programme will incorporate 'Healthy Schools' principles and provide measures to encourage more active travel. Schemes such as this will link, where possible, with Public Health Department's new 'School Superzones', which will be piloted throughout the Borough during 2019. This new initiative involves a series of interventions in a 400m radius of the school to provide a wide range of benefits across health and wellbeing. Through the Healthy Neighbourhoods scheme, Lewisham will be piloting school-time road

closures at selected schools to address the school run issues around congestion and parking and encourage mode shift and assist traffic reduction.

- 8.4.4 A programme of two to three neighbourhoods a year is envisaged, with funding of around £900k per annum planned over the next three years. This funding has been re-profiled to reflect officers delivering the whole of Crofton Park (phase 1) during 2019/20, whilst community engagement and trials take place on Healthy Neighbourhoods. This effectively enables some of this year's Healthy Neighbourhood budget to be re-profiled into next year, which will be needed as these schemes move into the delivery phase. There is also potential to supplement the programme with other funding sources such as from the TfL Cycleways budget and developer funding.
- 8.4.5 A map showing the proposed neighbourhood areas is included in Background doc 3. Roads and railway lines have been used as boundaries for each area, with each neighbourhood being of a reasonable size to allow analysis and treatment.
- 8.4.6 The order in which the neighbourhoods have been prioritised for treatment is data led and based on a number of criteria. Most of the criteria are related to the changes and benefits that could be expected when areas become less trafficked and more people are encouraged to use active travel for all or part of their journeys. This includes indicators such as personal injury collisions, and levels of air quality, obesity, asthma, deprivation and public transport accessibility, A small element of the selection criteria relates to the acceptability, practicality and viability of introducing the types of intervention to significantly reduce/remove through traffic.
- 8.4.7 There is a desire to see different parts of the borough benefitting from the programme. Cells have therefore been separated into those inside and outside the extended ULEZ boundary (i.e the south circular), with at least one neighbourhood from either side of the boundary to be implemented in each tranche. Other factors may also be taken into consideration when determining the priority for delivery, such as the availability of funding from other sources to progress schemes within a particular area.
- 8.4.8 The results of the above prioritisation exercise have provided us with four areas to be progressed over the first two years of the LIP programme: Lewisham and Hither Green, East Sydenham, Telegraph Hill and Bellingham. Areas will next be re-prioritised in summer 2020, using the latest available data.

8.5 **Local Pedestrian Improvement**

- 8.5.1 Key to this programme will be an £80,000 investment in interim resurfacing and public realm improvement works to the area outside of Lewisham Shopping Centre. With a potential to build on the scheme with more ambitious plans in future years.

- 8.5.2 Year 1 – resurfacing improvements to the footway area, with the exception of the area outside the entrance to the shopping centre, which will be delivered in future years. The interim scheme will address the immediate issues around broken and missing paving in the area, help to address parking/servicing enforcement issues associated with the market operation and deliver a new zebra crossing near the junction with Albion Way.
- 8.5.3 Future years – Public realm design for the area outside the shopping centre. Any scheme delivered would require a significant budget derived from multiple sources and would need to be designed in such a way that it could be adapted to any longer term plans that come forward for the town centre.
- 8.5.4 The remaining funding will provide a detailed improvement strategy comprising small-scale, localised schemes to provide a better walking environment. Schemes will be guided by local need, and Commonplace feedback will be used to identify potential initiatives. A key aspect of this programme will be focusing on improving accessibility around rail stations, ensuring a comprehensive network providing dropped kerbs and tactile paving, ensuring links to public transport are fully inclusive and accessible to all and delivering other small scale interventions that help to achieve healthy streets such as the street trees and benches.
- 8.5.5 This funding will also be used towards match funding for developer contributions, in particular in key growth areas to the north of the Borough. These LIP funded projects will be supported by the Council’s maintenance and capital works programmes to ensure that footways are maintained in a safe condition.

8.6 Local Cycling Improvements

- 8.6.1 There are three key components to the local cycling improvement programme, which will be developed further on an annual basis. These will be supported by the delivery of other actions from the Council’s Cycling Strategy.
- Contraflow cycle routes: a three-year programme of introducing contraflow cycling to the existing one way systems in the borough, where feasible. Through analysis of TfL and Commonplace data a priority list will be developed and individual projects designed and delivered.
 - Cycle parking: areas will be identified to install secure bike hangers across the borough for use by residents who may not have access to off-street parking at home. It is likely that in some areas of the borough on street parking may have to be taken out to accommodate the new and secure cycle parking. This will only be done in consultation with the local community. Furthermore a review of cycle parking in town centres and at railway stations has been carried out to ensure sufficient and

appropriate provision. Officers are in the process of preparing a bid to TfL for further funding for cycle parking.

- Improved cycle routes: finally important walking and cycling links and connections such as bridges across railways and paths through greenspaces will be assessed for potential improvements. This will complement TfL's Cycleway programme. Officers have commenced discussions with TfL on the next phase of Cycleway routes and priorities, and is preparing bids for funding in line with the routes identified in TfL's strategic cycling analysis (which identifies priority corridors) and the borough's Healthy Neighbourhoods programme.

8.6.2 The borough will also be seeking to work with at least one dockless bike sharing scheme provider to see dockless bikes introduced into the borough. This will help further drive uptake in cycling and make it more accessible.

8.7 Road Danger Reduction

8.7.1 The Borough has adopted a new approach to safety on the roads as recognised through the MTS's Vision Zero and Healthy Streets ambitions. This involves a shift in emphasis from 'Road Safety' to 'Road Danger Reduction', Reducing the dominance, speed and overall numbers of the most dangerous vehicles is central to the Healthy Streets Approach and to achieving Vision Zero, and will reduce Londoners' exposure to road danger. By making our streets safer and feel safer, we will create streets where people want to walk, cycle and use public transport.

8.7.2 The 2020/21 road danger reduction programme will consist of a series of interventions across the borough supporting the boroughwide 20mph speed limit, which was implemented in 2016. Interventions will mainly consist of traffic calming measures to encourage compliance of the new and lower speed limit alongside an exploration into enforcement tools available to the council. In parallel to this a review of the emergency services principal road network in the borough will be undertaken in consultation with the various blue light services to ensure that the traffic calming measures installed and planned are suitable for their requirements. The borough will also review any collision hotspots on the Lewisham road network, as highlighted through an annual review of collision data. This will be supported by the phased implementation of 20mph on TLRN, as outlined in the TfL's Vision Zero Action Plan.

8.8 Air Quality and Noise

8.8.1 The Council has developed an Air Quality Action Plan in order to tackle poor air quality and reduce the impact on health. Air quality is a significant priority in the emerging MTS, which supports measures to improve air quality, particularly the development of electric vehicle charging infrastructure. The

recently published Lewisham Low Emission Vehicle Strategy 2018-22 sets out an ambitious vision to ensure that all of Lewisham's residents, businesses and visitors are within 500m of a charging point by 2020. An action plan to deliver a significant increase to the on-street charging assets in the borough is contained within the strategy.

8.8.2 In 2020/21 LIP funding will be used to match fund the electric vehicle charging infrastructure implementation grant we have secured from London Councils Go Ultra Low City Scheme (GULCS) to implement our strategy targets. It will also be used to support the implementation of the recommendations identified through the Mayor's Schools Air Quality Audits, where these are not covered by the Healthy Neighbourhoods programme. Funding may also be used to support the Council's air quality and noise monitoring programme, and to support future DEFRA and/or Mayor's Air Quality Fund bids for other projects, as these arise.

8.9 Safer and Active travel

8.9.1 The supporting measures or active travel programme is an important part of the Lewisham LIP3. The three-year programme has been set at £327,000 per year and will deliver crucial and popular public services such as cycle training, road danger reduction programmes and school travel planning. This programme will be data led and will use the information highlighted in the collision analysis undertaken as part of the LIP. The programme will continue to monitor trends and data in future reviews.

8.9.2 During 2020/21 the following funding breakdown is envisaged:

- £123k will be spent on child and adult cycle training. Level 1 and 2 training will be offered to all schools in the borough for their year 5/6 pupils. Adult cycle lessons will be offered to encourage safer cycling and will aim to make cycling part of everyday life, creating healthier lifestyles, and reducing reliance on the private car.
- £100k will be used to improve the School Travel Planning programme developed over recent years. This includes working with whole school communities to identify ways of encouraging walking and cycling to school and to address real or perceived barriers to using sustainable modes of transport. Projects to raise awareness and promotion of healthy lifestyles, active travel options, walking and cycling initiatives will be developed using tried and tested behaviour change methods.
- £39k will be used for an Active and Sustainable Travel programme of initiatives, events and publicity to raise awareness and use of sustainable modes of transport.
- £65k will deliver the training and publicity programme. For 2020/21 this work will continue to be data led and will focus on a road danger

reduction programme of work. The programme will continue to develop to support the MTS Vision Zero target.

8.10 Public Transport Supporting Interventions

8.10.1 In recognition of the role the local highway has in improving the public transport experience, a LIP funded public transport improvement programme is proposed to build on the recent completion of the bus stop accessibility programme. One area of work is to look at rail stations in conjunction with Network Rail and operators, to identify where there is scope for improvement to facilities, so that as and when appropriate funding streams become available, potential uses can be quickly identified. A further stream of work is to look at the areas around the future Bakerloo Line extensions to assess the quality of surface access and identify potential improvements. Lastly, funding will also be used to make any amendments to the highway that may be required for the smooth running of bus services and to enhance the customer experience, working in conjunction with TfL.

8.10.2 This will be complemented by the more strategic public transport schemes outlined in the TfL Business Plan, and Longer-Term strategy sections. These longer term aspirations include the delivery of the Bakerloo Line Extension, improved station interchanges at Lewisham and Brockley, metroisation, creating step-free access to all rail stations within the Borough, improving orbital public transport connections, and increasing bus provision to lower PTAL areas. These schemes will ensure that travel by public transport is encouraged and facilitated, in turn supporting the delivery of new homes and jobs across the Borough.

8.11 Small Scale Schemes

8.11.1 The Council receives many requests for minor traffic management measures from the public, including those raised during the Commonplace consultation. These are assessed and prioritised based on their cost against factors such as safety, traffic speed and volume, intrusive parking, community use and cost. Small scale schemes are highly valued by local communities, but are often too low in cost, or do not have high enough priority, to be included in the LIP programme in their own right. The programme is therefore funded by various sources, including a LIP contribution, and the Council's own revenue budgets.

8.11.2 Demand for traffic schemes has increased dramatically as a result of heightened concerns about air quality, expectations linked to new 20mph limits, and emerging MTS priorities, such as "Healthy Streets", "Vision Zero" (new target for zero KSIs) and removal of traffic from residential streets. Although some of these will be picked up as part of the Healthy Neighbourhoods programme as individual neighbourhoods are prioritised, there is still a need for a relatively small budget to address priority issues in other areas of the borough.

8.12 Completion of previous years' schemes

8.12.1 Many schemes are carried out each year that require the Council to commission services where it has little or no control over their programming and invoicing. This includes the provision of electrical connections, disconnections and supplies from the statutory companies. It is recommended that £65k be set aside from this annually. This funding is intended to allow a planned approach to settling these 'late' accounts whilst not putting pressure on existing schemes in the programme. Any funding not required for this will be reallocated into existing or new schemes.

8.13 Local Transport Funding

8.13.1 This funding is allocated to boroughs by Transport for London to address local priorities. It is therefore proposed to use this funding: to support and deliver the Council's LIP programmes; to fund feasibility studies and surveys for proposed or potential LIP schemes; or to develop the Council's policies and strategies on key transport issues affecting the borough.

8.14 Complementary projects

8.14.1 Further to the programmes identified above, schemes at Creekside and Bell Green will be brought forward during the period of this LIP3 and are funded through other sources. Although funded separately, these will contribute towards the achievement of the MTS and LIP3 objectives. The Creekside scheme will be fully funded through S106 contributions, and will form a major package of works to improve footway, carriageway and public realm spaces whilst implementing a CPZ. At Bell Green, as part of the proposed Cycleway route through the area, pedestrian crossings will be improved around the Bell Green / Sydenham Road gyratory, with complementary enhancements to traffic signalling through use of SCOOT. This is to be in part funded through S106 and cycleway funding.

9. Recommended Principal Road Maintenance and Bridge Assessment strengthening Funding Bids

9.1 Principal road maintenance is planned work designed to ensure that the main borough roads used for the transportation of people, goods and services remain in a serviceable state and reduce the risk of possible carriageway or footway "failures" that need emergency work. The programme has been developed based on the principle of renewing the roads that are most heavily used and in the worst condition. As mentioned earlier, there is currently no indication that this funding will be made available in 2020/21 however the

borough will still put forward schemes based on the rational above. Our recommendations for bridge maintenance are considered as part of a London-wide prioritisation exercise based on examining the conditions of bridges across London.

- 9.2 The borough's principal roads have been assessed and prioritised on the basis of Detailed Visual Inspection and Scanner surveys. This year's LIP maintenance submission will be accompanied by an Asset Management Status Report which, in future years, may have a bearing on future allocations. Relevant information from the status report will be included in the State of the Borough Report which will be presented to a future Mayor & Cabinet meeting. Table 2 below shows the highest priority principal roads which are proposed for bids to TfL for any 2020/21 Principal Road Maintenance Funding made available.
- 9.3 Historically, highway authorities need to ensure that the railway authorities are aware of the highway authority's aspirations in terms of bridge loadings and highway requirements. Generally the highway authorities seek bridges capable of accommodating vehicles up to 40 tonnes. Network Rail however is only required to ensure that its bridges are capable of carrying 24 tonnes. Highway authorities need to provide the funding for its aspirations over and above the minimum standard set for Network Rail. Application for funding for bridge-related works is made via the LIP funding process and a jointly coordinated procedure of TfL and LoBEG, the latter being subject to a pan-London prioritisation procedure. The budget is ring-fenced to bridge activities and changes in allocations are managed by TfL/LoBEG independently of any LIP funding settlement. Table 2 below shows Lewisham priorities for bridge works in 2020/21, however, final allocations for bridge works in Lewisham will be a matter for TfL/LoBEG.

Table 2. Summary of 'Principle Road Renewal' Funding Bids Recommended for 2020/21

Funding Stream	Proposal	Estimated Funding (£ ,000s)
		2018/19
Principal Road Renewal	1. Baring Road (A205 to Borough boundary)	322
	2. Southend Lane	120
Bridge Assessment & Strengthening	1. Brightfield Road (Deck Reconstruction)	750
	2. Vesta Road (subject to outcome of principle inspection report)	1,000
	3. Blackhorse Road (refurbishment)	

		150
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10. Major Schemes / Liveable Neighbourhoods (LN)

- 10.1 In recent years the Council has been successful in attracting Major Scheme funding, with the Sydenham Town Centre scheme, delivered in 2013, followed by the Deptford High Street Scheme, which was awarded funding in 2014. In line with the Healthy Streets Approach set out in the MTS, major schemes have been replaced with the new Liveable Neighbourhoods programme.
- 10.2 The Liveable Neighbourhoods programme aims to implement exemplar Healthy Streets interventions in areas of London where the street environment does not currently make walking, cycling and public transport the obvious choice for getting around. Part of the wider TfL Healthy Streets Approach puts people, not traffic, at the heart of the decision making. The programme is managed by the Borough Projects and Programmes team at TfL, with £85.9m allocated to Liveable Neighbourhoods up to 2021-22, and funding available through a bidding process.
- 10.3 In 2018 the borough was successful in securing £1,547,000 from the Liveable Neighbourhoods programme for the delivery of Deptford Parks LN. The delivery of this scheme is spread over 3 years and is due for completion in 2021.
- 10.4 The borough has met with the Project and Programmes team to discuss the possibility of submitting a bid for a 2nd Liveable Neighbourhoods scheme for the 20/21 funding round. TfL have indicated that a 2nd bid at this stage would likely be unsuccessful due to the borough already having an active LN scheme with delivery of that scheme yet to be fully realised. The suggestion from TfL is to wait till next year (21/22) before submitting a bid as this will align with the proposed completion of the Deptford Liveable Neighbourhood scheme.

11. Legal Implications

- 11.1 The Council's Local Implementation Plan is a statutory document that sets out how the Council proposes to implement the Mayor of London's Transport Strategy. It shows how the proposals cover the necessary policy, effects, projects, programmes implementing mechanisms, planning and activities. Resources assumptions and performance measures are also included.
- 11.2 By virtue of section 159, subsection 1, of the Greater London Authority Act 1999 (as amended) Transport For London (TfL) may give financial assistance to any body in respect of expenditure incurred or to be incurred by that body in

doing anything which in the opinion of Transport for London is conducive to the provision of safe, integrated, efficient and economic transport facilities or services to, from or within Greater London. (subsection1) Financial assistance may be given under this section by way of grant, loan or other payment. (subsection2).The financial assistance that may be given to any London authority under this section includes in particular assistance in respect of any expenditure incurred or to be incurred by the authority in discharging any function of a highway authority or traffic authority. (subsection 3). Pursuant to subsection 4, when In deciding whether to give financial assistance to a London authority under this section, and if so the amount or nature of any such assistance, the matters to which Transport for London may have regard include—

- (a) any financial assistance or financial authorisation previously given to the authority by any body or person, and
- (b) the use made by the authority of such assistance or authorisation.

11.3 Financial assistance, under this section, may be given subject to such conditions as Transport for London considers appropriate, including (in the case of a grant) conditions for repayment in whole or in part in specified circumstances.

11.4 The Mayor of London issued Guidance on Developing the second Local Implementation Plans in May 2010. This states that TFL will have regard to the following matters in relation to activities undertaken by a borough:

- Use of TfL funding for the programmes or proposals for which it was provided
- Removal or substantial alteration of works carried out or infrastructure installed, with the benefit of TfL funding, without the prior written consent of TfL
- Implementation of the goals, challenges, outcomes and manifesto commitments of the Mayor, as outlined in the MTS
- Other reasonable TfL requests for project management reports and other information relating to the provision of financial assistance

11.5 The Guidance also set out the conditions TfL imposes on financial assistance, namely the recipient authority is required to:

- Use funding for the purpose for which it was provided, except with prior written approval from TfL
- Comply with the requirements as set out in the Guidance

- 11.6 In circumstances where the recipient breaches the above conditions, TfL may require repayment of any funding already provided and/or withhold provision of further funding. In circumstances where, in TfL's reasonable opinion, funding is being used, or is about to be used in breach of these requirements, TfL may suspend payments or withdraw funding pending satisfactory clarification.
- 11.7 TfL issued the Local Implementation Plan (LIP) 2020/21 Annual Spending Submission Guidance. The Guidance contains advice on recent developments, the latest TfL Business Plan and the setting of requirements for each funding stream.
- 11.8 The detailed proposals for the implementation of measures set out in the body of this report are proposals which the Council in its various capacities, for example as the highway authority for the area, has the necessary powers to implement in due course.

12 Financial Implications

- 12.1 In TfL's "Local Implementation Plan (LIP) 2020/21 Annual Spending Submission Interim Guidance", it has been indicated that based on the existing funding formula, Lewisham will receive:

£1.940M*	Corridors, Neighbourhoods and Supporting Measures
£100K	Local Transport Funding

*pending funding formula review (see section 5.3) In TfL's "Local Implementation Plan

- 12.2 The Corridors, Neighbourhoods and Supporting Measures programme allocation of £1,940k is the provisional funding pending funding formula review following TfL's top-slicing to allow for local transport funding, borough officer training and apprenticeships, and support through sub-regional partnerships. The proposals to submit the expenditure plans set out in this report will ensure full take up of this funding.
- 12.3 The Summary of 'Principal Road Renewal' and Bridge Assessment & Strengthening Funding Bids Recommended for 2020/21 in Table 2 is at this point unallocated. If funding is made available these are the two roads that feature highest on the borough's current road condition survey. The indicative costs have been derived from similar schemes delivered in recent years.
- 12.4 The funding for 'Bridge Assessment and Strengthening' is considered on a pan London basis by the 'London Bridge Engineering Group (LoBEG)' and the allocations for 2020/21 have not yet been notified. The programme spend will be contained within that allocation, once notified.

13. Environmental Implications

- 13.1 The development of the third LIP was subject to a linked process of Strategic Environmental Assessment (SEA). This SEA can be found as Background Document 4. The SEA for the draft LIP3 concluded that:
- 13.2 The objectives of the Lewisham Local Implementation Plan complement the objectives of the Strategic Environmental Assessment. The initial assessment identifies that the delivery of the Local Implementation Plan is likely to have a positive effect on Lewisham’s environment.
- 13.3 It is likely that the cumulative effects of all the policies, schemes and measures implemented through the period of LIP3, will bring about significant positive effects on SEA objectives relating to health, air quality, promoting more sustainable modes of transport, promoting safer communities, improving road safety, and improving accessibility in the Borough.

14 Equalities Implications

- 14.1 An Equalities Impact Assessment was developed alongside the LIP document (2019-2041) and is attached to this report in Background Document 5. On the whole the Draft LIP will have either a positive or neutral effect on the equality groups identified in the report. The Council’s Comprehensive Equality Scheme for 2016-2020 provides an overarching framework and focus for the Council’s work on equalities and helps to ensure compliance with the Equality Act 2010.

15 Crime and Disorder Implications

- 15.1 The Corporate Strategy priority 7 ‘Building Safer Communities’ reminds us that ‘Feeling safe is about more than crime and policing, it’s also about how an area looks and feels...’ Many of the recommended Corridor and Neighbourhood proposals seek help deliver the London Mayor’s ‘Healthy Streets’ objective, creating an environment that is well designed, looks well managed and cared for, thus aiding a sense of security.

16 Background documents

Short Title Document	Date	File Location	Contact Officer
1) Mayors Transport Strategy	17/09/2019	https://www.london.gov.uk/what-we-	Nick Harvey

		do/transport/our-vision-transport/mayors-transport-strategy-2018	
2)Local Implementation Plan 2019-2041	17/09/2019	https://lewisham.gov.uk/myservices/roads-and-transport/~//link.aspx?id=9C6C0188FBFA4772A0FDAD8E82069F24&z=z	Nick Harvey
3)Health Neighborhood Map	17/09/2019	https://lewisham.gov.uk/myservices/roads-and-transport/our-traffic-reduction-programme-healthy-neighbourhoods	Nick Harvey
4)Environment Impact assessment (LIP)	17/09/2019	http://councilmeetings.lewisham.gov.uk/documents/s62494/Strategic%20Environmental%20Assessment.pdf	Nick Harvey
5)Equalities Impact Assessment (LIP)	17/09/2019	http://councilmeetings.lewisham.gov.uk/documents/s62495/Equalities%20Impact%20Assessment.pdf	Nick Harvey

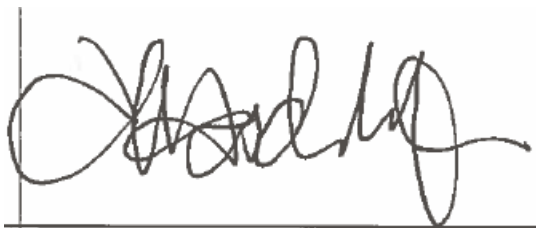
If you have any queries on this report, please contact Nick Harvey Tel No. 0208 314 2265, Transport Policy, 5th Floor, Laurence House, Catford, SE6 4

Chief Officer Confirmation of Report Submission		
Cabinet Member Confirmation of Briefing		
Report for: Mayor		<input type="checkbox"/>
Mayor and Cabinet		X
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	10 th October 2019	
Title of Report	Financial Forecasts 2019/20	
Originator of Report	Selwyn Thompson, Director of Financial Services	Ext.46932

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

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



Signed:
Cabinet Member
Date: 1st October 2019

Signed:
Interim Chief Finance Officer
Date 1st October 2019



Control Record by Committee Support

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

MAYOR & CABINET			
REPORT TITLE	Financial Forecasts 2019/20		
KEY DECISION	No	Item No.	
WARD	N/A		
CONTRIBUTORS	Executive Director for Corporate Services		
CLASS	Part 1	Date	10 th October 2019

1. EXECUTIVE SUMMARY

- 1.1 This report sets out the financial forecasts for 2019/20 as at 31st July 2019, noting any exceptional items to the end of August 2019. The key areas to note are as follows:
- i. There is a forecast overspend of 4.0m against the directorates' net general fund revenue budget. This is set out in more detail in sections five to nine of this report. The main budget pressures are in the Children's & Young People and the Housing, Regeneration & Environment directorates.
 - ii. The Dedicated Schools Grant (DSG) is expected to balance at the year end. There are nine schools with loans totaling £2.4m. This is set out in more detail in section 10 of this report.
 - iii. The Housing Revenue Account (HRA) is currently projecting a balanced budget position. This is set out in more detail in section 11 of this report.
 - iv. As at 31st July 2019, some 35.1% of council tax due and 45.7% of business rates due had been collected. At this point last year, 35.0% of council tax due and 47.5% of business rates due had been collected. This is set out in more detail in section 12 of this report.
 - v. The Capital Programme spend as at 31st August 2019 is £50.1m, which is 25% of the revised 2019/20 budget of £197.3m. At this point last year, 19% of the revised budget had been spent, with the final outturn being 82% (£71.1m) of the revised budget of £87.0m. This has been set out in more detail in section 13 of this report and the appended documents.

2. PURPOSE

- 2.1 The purpose of this report is set out the financial forecasts for 2019/20 as at the end of July 2019, noting any exceptional items to the end of August 2019, and projected to the year end.

3. RECOMMENDATIONS

- 3.1 The Mayor & Cabinet is asked to:

- 3.3.1 Note the current financial forecasts for the year ending 31 March 2020 and the action being taken by the Executive Directors to manage down the forecasted year-end overspend.
- 3.3.2 Note the current position on the Oracle Cloud implementation as set out in Section 9 of this report.

4. POLICY CONTEXT

- 4.1 This financial position demonstrates the impact of the very severe financial constraints which have been imposed on Council services with the cuts made year on year, despite the increasing demand to deliver services to the borough's residents.
- 4.2 The information set out in the body of this report is consistent with the delivery of the Council's corporate priorities (contained within the new Corporate Strategy 2018-22), and is particularly relevant to the Council's strong and resilient framework for prioritising action has assisted the organisation in the face of austerity and on-going cuts to local government spending. This continues to mean, that even with the prospect of the most daunting financial challenges facing the Council and its partners, the Council continues to work alongside our communities to achieve more than it could by simply working alone.

5. DIRECTORATE FORECAST OUTTURN

- 5.1 The forecasts against the directorates' general fund revenue budgets are shown in Table 1 below. In summary, a forecast year end overspend of £4.0m is being reported as at the end of July 2019. At the same time last year, an overspend of some £11.4m was forecast.

Table 1 – Overall Directorate position for 2019/20

Directorate	Gross budgeted spend	Gross budgeted income	Net budget 2019/20	Forecast over/ (under) spend July 2019	Forecast over/ (under) spend May 2019
	£m	£m	£m	£m	£m
Children & Young People (1) (3)	68.7	(9.8)	58.9	3.2	3.0
Community Services	177.6	(85.9)	91.7	(2.2)	(2.1)
Housing, Regeneration & Environment	119.8	(85.1)	34.6	2.1	2.7
Corporate Services (2)	61.8	(27.7)	34.1	0.9	1.0
Directorate Totals	427.9	(208.5)	219.4	4.0	4.6
Corporate Items	23.6	(0.0)	23.6	0.0	0.0
Net Revenue Budget	451.5	(208.5)	243.0	4.0	4.6

(1) – gross figures exclude £290m Dedicated Schools' Grant expenditure and matching grant income

(2) – gross figures exclude approximately £213m of matching income and expenditure for housing benefits.

(3) – includes £5.4m of once-off funding for 2019/20 to be reviewed in 2020/21

- 5.2 Since the last report the budget has been amended to reflect the Council's new directorate structure. The Customer Services directorate has been re-named the 'Housing, Regeneration & Environment' directorate and the Resources & Regeneration directorate has been re-named 'Corporate Services'.

5.3 Within these directorates, the Regeneration & Place and Planning divisions have moved from Corporate Services to Housing, Regeneration & Environment. The Public Services and IT & Digital Services divisions have moved the other way. For ease of explanation, the following tables provide a reconciliation of the Council's revised structure following the divisional movements between directorates for the previously reported position to the end of May 2019.

Table 2a – Reconciliation of Council structure changes: Housing, Regeneration & Environment directorate

	Gross budgeted spend	Gross budgeted income	Net budget 2019/20	Forecast over/ (under) spend May 2019
	£m	£m	£m	£m
Customer Services May 2019 budget	102.4	(59.6)	42.8	3.7
<i>plus:</i>				
Regeneration & Place division	50.0	(42.1)	7.9	0.4
Planning division	2.7	(2.0)	0.7	0.0
<i>less:</i>				
Public Services division	29.6	(18.6)	11.0	0.6
IT & Digital Services division	5.7	0.0	5.7	0.8
Housing, Regeneration & Environment July 2019 budget	119.8	(85.1)	34.6	2.7

Table 2b – Reconciliation of Council structure changes: Corporate Services directorate

	Gross budgeted spend	Gross budgeted income	Net budget 2019/20	Forecast over/ (under) spend May 2019
	£m	£m	£m	£m
Resources & Regeneration May 2019 budget	79.2	(53.2)	26.0	0.0
<i>plus:</i>				
Public Services division	29.6	(18.6)	11.0	0.6
IT & Digital Services division	5.7	0.0	5.7	0.8
<i>less:</i>				
Regeneration & Place division	50.0	(42.1)	7.9	0.4
Planning division	2.7	(2.0)	0.7	0.0
Corporate Services July 2019 budget	61.8	(27.7)	34.1	1.0

5.4 It should also be noted that for this annual reporting cycle, a couple of divisional names have changed from those which had been used in reporting the divisional financial positions in previous years. These are as follows:

- Targeted Services and Joint Commissioning *is now* Joint Commissioning and Early Help
- Technology and Change *is now* IT and Digital Services

6. CHILDREN AND YOUNG PEOPLE'S SERVICES

- 6.1 Based on the July 2019 financial position, there is an anticipated overspend of £3.2m for the Children and Young People's Directorate. This is a continuation of the pressures identified in 2018/19 supporting Special Educational Needs (SEN) Transport, Early Help (Troubled Families), Section 17 and the Youth Service.

Table 3 – Children & Young People Directorate

Service Area	Gross budgeted Spend	Gross budgeted income – including grants*	Net budget	Forecast Outturn for 2019/20	Forecast over/ (under) spend July 2019	Forecast Outturn as at the end of May 2019
	£m	£m	£m	£m	£m	£m
Children's Social Care	43.7	(0.9)	42.8	44.0	1.2	1.0
No Recourse to Public Funds	4.0	(0.0)	4.0	3.0	(1.0)	(1.0)
Education, Standards and Inclusion	11.2	(1.7)	9.5	11.4	1.9	1.9
Joint Commissioning and Early Help	9.8	(5.5)	4.3	5.4	1.1	1.1
Schools	0.0	(1.7)	(1.7)	(1.7)	0.0	0.0
Total	68.7	(9.8)	58.9	62.1	3.2	3.0

* The government grants include the Adoption Reform Grant, SEND reform grant, Troubled Families grant.

- 6.2 The most significant pressures in the current financial year relate to transport for SEN pupils of £1.9m and Early Help of £1.1m.

6.3 Children's Social Care

- 6.3.1 In 2018/19, the *Children Social Care* division reported pressures of £6.9m. The pressures, net of savings, have been funded from corporate resources for 2019/20. The directorate is progressing a placements strategy that reviews all aspects of placements and strategy. The strategy sets out how changes in demand and in client needs will be met, and how resources will be managed. Members will receive regular updates on this as the programme progresses.
- 6.3.2 A staffing reorganisation is also underway, with an interim structure imminent, while progress is made towards a long term review.
- 6.3.3 The *No Recourse to Public Funds* service has significantly reduced the number of households that are being provided with support from 100 cases in April 2018, to 78 at the end of the last financial year. The vast majority of cases closed are because households have regularised their immigration status which provides them with recourse to public funds. This has resulted in an underspend of approximately £1m as at the end of the last financial year, 2018/19. Indications for this finance report of following the new directorate structure for 2019/20, suggests that this level of underspend is expected to continue. The underspend is expected to partially offset the overspends in the following areas, these being Section 17 of £0.3m, Legal Fees of £0.2m and Looked After Children 'additional extras' of £0.7m resulting in a forecast net children's social care overspend of £0.2m. This was also the position reported as at the end of June 2019.

- 6.3.4 It should be noted that the majority of the children's social care budget relates to non-staffing spend committed in the main to fund children's placements. The table below shows placement numbers for four months, i.e. the last one month of 2018/19 and the latest three months of the new financial year, 2019/20. The information is based on figures obtained from the Commissioning and Performance teams and is under continuous review to improve accuracy and consistency.

Table 4 – Looked After Children

Looked After Children Numbers (Average)				
	March 2019	May 2019	June 2019	July 2019
LA Fostering (including kinship)	197	170	164	167
Agency Fostering	196	207	206	197
Residential Children's Homes	45	43	44	46
Semi-Independent placements	36	33	41	39
Leaving Care 18+	397	311	313	333
Special Guardianship Orders	209	213	214	219
Total	1,080	977	982	1,001

6.4 Education Services

- 6.4.1 The main cost pressure within the *Education Services* division relates to SEN transport with a projected overspend of £1.9m. The overspend is consistent with the position for the previous two financial years. This is a demand led budget. Consistent with the national position, the Council has experienced an increase in the numbers of pupils with Education, Health and Care Plans (EHCPs). Officers are closely monitoring the impact of this. The Education Psychology (EP) and Specific Learning Difficulties (SPLD) team has pressure on the salary budget of £0.26m due to demand in the service, but this is alleviated by underspends in Young People Relate service of £0.15m and Business Support recruitment lag of £0.11m.
- 6.4.2 Officers continue to progress work to manage demand. A review into the Council's use of transport is being undertaken this year, but it is still too early to anticipate the full benefits in this financial year.

6.5 Joint Commissioning and Early Help

- 6.5.1 The *Joint Commissioning and Early Help* Division is reporting a budget pressure of some £1.1m for 2019/20. The early help offer for families is funded exclusively from the Troubled Families (TF) grant (attachment fees and payment by results). Although the Council's TF claims are at the level expected by the Ministry of Housing, Communities and Local Government (MHCLG), an unachievable savings income target set up in 2015/16, means that the service is again reporting a pressure of circa £0.9m. The TF grant may come to an end later this year and consideration will need to be given to future funding of this service.
- 6.5.2 A budget shortfall of £0.5m for the Youth Service contract, partially offset by an underspend in the Children's Centres budget of £0.3m accounts for the balance of the overspend. The contract is being reviewed as part of Early Help review which is currently underway.

6.6 Progress on Savings for 2019/20

6.6.1 The progress on revenue budget savings for the directorate have been set out in the table below. Saving proposals of £1.575m were agreed in setting 2019/20 budget. At the stage of the financial year it is expected that these savings are on track to be delivered in full. Work continues to monitor the impact of each of the individual proposals.

Table 5 – CYP Savings Tracker for 2019/20

Ref	Description	Division	£k	Comment
CYP01	More efficient use of residential placements	CSC	500	On track
CYP02	Improved placement process and more efficient systems with rigorous control through operating model and IT	CSC	250	On track
CYP03	More systematic and proactive management of the market for independent fostering	CSC	350	On track
CYP04	Commission semi-independent accommodation for care leavers	CSC	250	On track
CYP05	Residential framework for young people - Joint South East London Commissioning Programme	CSC	200	On track
CYP06	Cease funding for former CYP funded post in Voluntary Action Lewisham	Joint Commissioning/ Early Help	25	On track
	Total		1,575	

7. COMMUNITY SERVICES

7.1 As at the end of July 2019, the Community Services directorate is forecasting an underspend of £2.3m which represents an increase of £0.2m on the underspend position reported at the end of May 2019. At the same time last year, the year-end forecast was an overspend of £0.3m, with the actual year-end outturn being an underspend of £2.8m.

Table 6 – Community Services Directorate

Service Area	Gross budgeted Spend	Gross budgeted income	Net budget	Forecast Outturn for 2019/20	Forecast over/ (under) spend July 2019	Forecast over/ (under) spend May 2019
	£m	£m	£m		£m	£m
Adult Social Care	127.3	(54.8)	72.5	70.4	(2.0)	(2.1)
Cultural and Community Development	16.1	(7.8)	8.3	8.6	0.3	0.3
Public Health	14.9	(15.2)	(0.3)	(0.2)	0.0	0.1
Crime Reduction & Supporting People	18.2	(8.3)	9.9	9.4	(0.5)	(0.4)
Strategy & Performance	1.3	0	1.3	1.3	0.0	0.0
Total	177.8	(86.1)	91.7	89.5	(2.2)	(2.1)

7.2 The most significant cost variances for the directorate fall within the *Adult Social Care division*. The following sections provide a summary of the revenue forecast by division. It provides an explanation of the cause of the variance and any movements from the previous period. It also makes clear what the impact of any management

action or other intervention will have on the forecast projected to the year-end. Where any variance is impacted upon by demand driven activity, then these are also set out and made clear in this section.

7.3 Adult Social Care Services

- 7.3.1 An underspend of £2.0m is projected in the *Adult Social Care* division. The budget has been increased in 2019/20 by the precept of £2m to fund the rise in London Living Wage costs and a rise in the improved Better Care Fund grant of £2.8m. There are cost pressures arising from transition and other demographic effects and from increased costs of care arising from London and National Living Wage. However, the effects of these is less than the new level of resource available for 2019/20.
- 7.3.2 The variance is a £0.1m reduction from the previous reporting position with increased projected spend on packages and placements and enablement largely offset by reduced projections on mental health. This appears to be at least in part because of increased demand to speed up flow from UHL. In order improve the performance of Lewisham hospital, LGT are in receipt of support from the National Director of Urgent and Emergency Care and there is pressure on the community system, particularly adult social care. The impact of this has increased the cost of care and support as people discharged often require more intense and costly care and support.
- 7.3.3 Most of the revenue budget savings have been achieved. There has been improved management of enquiries and how these can be resolved by the staff who handle them. Such new approaches to demand management have reduced the numbers of older service users, particularly smaller care packages. An updated position of the progress of delivering the revenue savings has been set out in the table below.

Table 7 – Community Services Savings Tracker for 2019/20

Ref	Description	£k	Comment
COM01	Managing demand at the point of access to adult social care services	122	On track
COM02	Ensuring support plans optimise value for money	250	On track
COM03	Increase revenue from charging Adult Social Care clients	159	Saving now fully achieved despite auto charging and configuration still not complete – prospect to improve charging in 20/21
COM04	Reduce costs for Learning Disability and Transitions	900	Work in progress – partial achievement expected in 2019/20
COM05	Increased focus of personalisation	260	On track
COM06	Reduction in Mental Health Residential care costs	300	On track
COM07	Reduction in Adult Social Care contribution to Mental Health Integrated Community Services	100	On track
COM09	Cut to intensive housing advice and support service	300	On track
COM10	Crime, Enforcement & Regulation reorganisation	255	On track

COM12	Cut to Main Grants budget	600	On track for full year; part year effect in 2019/20
COM13	Reduction in Arts, Development and Events Funding	85	On track
COM14	Reduce Local Assemblies funds	225	On track
COM16	Cultural and Community Development Service Staffing	75	On track
COM17	Ending the Small & Faith Fund	50	On track
	Total	3,681	

- 7.3.4 Consultation on a new staffing structure that is designed to increase the levels and skills mix of staff at the front door is currently in progress. This along with more effective use of short term interventions, such as enablement has contributed to some delay or reductions in the need for longer term care is being scoped. Work to improve systems with projected costs of £400k have been delayed. Once this is in place, further revenue savings on package and placement budgets will be possible through better demand management. These are difficult to quantify at this stage, and have currently not been reflected in the projections for this period.
- 7.3.5 Officers from within the services of Joint Commissioning and Adult Social Care are working proactively to identify appropriate and cost effective solutions that will reduce some of the costs associated with long term care and support. These reductions are work in progress and have not been factored into the projections.
- 7.3.6 The service is dealing with more complex levels of need from cases that are referred from the acute hospitals due to a reduced length of stay. In addition, the young people with special educational needs and/or disabilities that transition from children's services to adults' social care, tend to be more complex.
- 7.3.7 Additionally, there has been an unexpected increase in the number of residential and nursing placements for service users aged 18 to 65. Transition was expected to increase learning disabilities numbers, but there has been an increase of 20 placements (28%) on other client groups also. Officers are investigating the reasons for this and will consider whether they could be avoided.

7.4 Cultural and Community Development

- 7.4.1 The *Cultural and Community Development* service is currently projecting an overspend of £0.3m. This represents no material change to the position reported at May 2019.
- 7.4.2 The community sector grants programme is showing an overspend of £0.2m. This was highlighted in the Main Grants Programme 2019-22 report to Mayor & Cabinet on 24th April 2019. A revenue budget saving of £600k was taken against the 2019/20 grants budget. However, the new 3-year programme came into effect on 1st August 2019 meaning that the existing programme was extended for four months resulting in the £0.2m budget pressure. The full £0.6m saving will be achieved in a full year for 2020/21 onwards.
- 7.4.3 The Culture and Community Development core staffing team is currently in the process of being restructured in order to deliver a full year saving of £150k per annum. There may be currently unquantified statutory redundancy costs arising from this restructure which ER/VR panel have indicated will need to be covered from the

service budget. This could result in a budget pressure for 2019/20 which will impact on the deliverability of the 2019/20 element of the saving.

- 7.4.4 There is a potential overspend of £55k on the community centres budget which is resulting primarily from the resolution of outstanding commercial rent agreements on several of the community hub buildings where voluntary sector organisations are in occupation. The negotiations with these organisations are ongoing and progress has been made with the completion of some leases - once these negotiations are completed, outstanding lease amounts are back dated to reflect prior occupation. This potential pressure is either partially or totally mitigated moving forward.
- 7.4.5 There is a projected overspend on the Broadway Theatre budget of £35k due to additional staffing costs on marketing and promotion which is not expected to be covered from additional income generation. The pantomime agreement for 2019/20 is on a 'hire only' arrangement with the promoter excepting the risk and the hire fee fully covering our costs to prevent the risk of any potential overspend. There is a potential overspend of £13k on the Blackheath Firework event due to a shortfall in potential contributions to the event. However, there are ongoing discussions with the Royal Borough of Greenwich with regard to their contribution to the event in an attempt to alleviate this pressure. There is a projected underspend of £40k on the Libraries staffing budget resulting from staff turnover and vacancies.
- 7.4.6 The Adult Learning Lewisham (ALL) service has gross expenditure of £4m which it is anticipated will be fully covered for 19/20 from a combination of grant funding from the Education and Skills Funding Agency and the GLA of £3.4m and Student fee/other income of £0.6m.

7.5 Public Health

- 7.5.1 The *Public Health* division has a planned revenue budget saving on staffing which has not yet been delivered in full and therefore an overspend of £0.1m is projected. This is offset by an underspend on sexual health budgets.

7.6 Crime Reduction and Supporting People

- 7.6.1 The *Crime Reduction and Supporting People* service is currently projecting an underspend of £0.5m. This represents an increase of £0.1m in the underspend reported as at the end of May 2019. The primary changes are an increase in the underspend on Secure Remand placements of £40k due to falling activity and an increase of £40k in the underspend on Environmental Health staffing due to staff turnover and a problem recruiting and retaining suitable agency staff.
- 7.6.2 There is a projected underspend of £240k on the budget for secure remand placements in the Youth Offending Service. This in part is due to better demand management, the level of remand activity has continued to be relatively low based on numbers for the April to July 2019 period. This budget can be volatile as placements are at the discretion of the court based on the age/vulnerability of the young person and the nature of the offence. However, based on a combination of the reduced bed night numbers and an increase in annual grant funding received from the Youth Custody Service, a similar level of underspend is projected to last year.
- 7.6.3 There are a range of smaller variances across the division which total to a net underspend of £300k. These are as follows: environmental health staffing is projected to underspend by £90k due to increased staff turnover and the difficulty of

recruiting suitable agency staff in the Food Safety Team; the Youth Offending core staffing budget is projected to underspend by £40k due to recruitment lag in filling new and vacant posts within the service; crime, enforcement and regulation budget is projected to underspend by £60k from a combination of staffing, operational budgets and additional income generation; prevention & inclusion staffing budget is expected to underspend by £60k due to the part year impact of a staff secondment; and there is also expected to be an underspend of £50k on the supporting people service resulting from contract savings.

7.7 Strategy and Performance

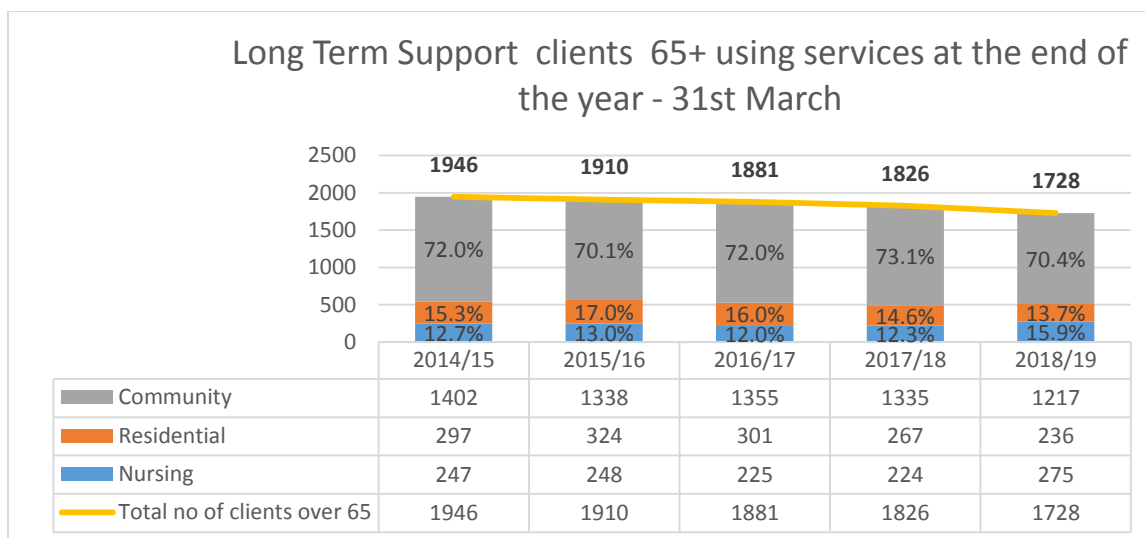
7.7.1 The *Strategy and Performance* division is projected to spend to budget.

7.8 Trends in activity

7.8.1 The following paragraphs show trends in activity in adult social care.

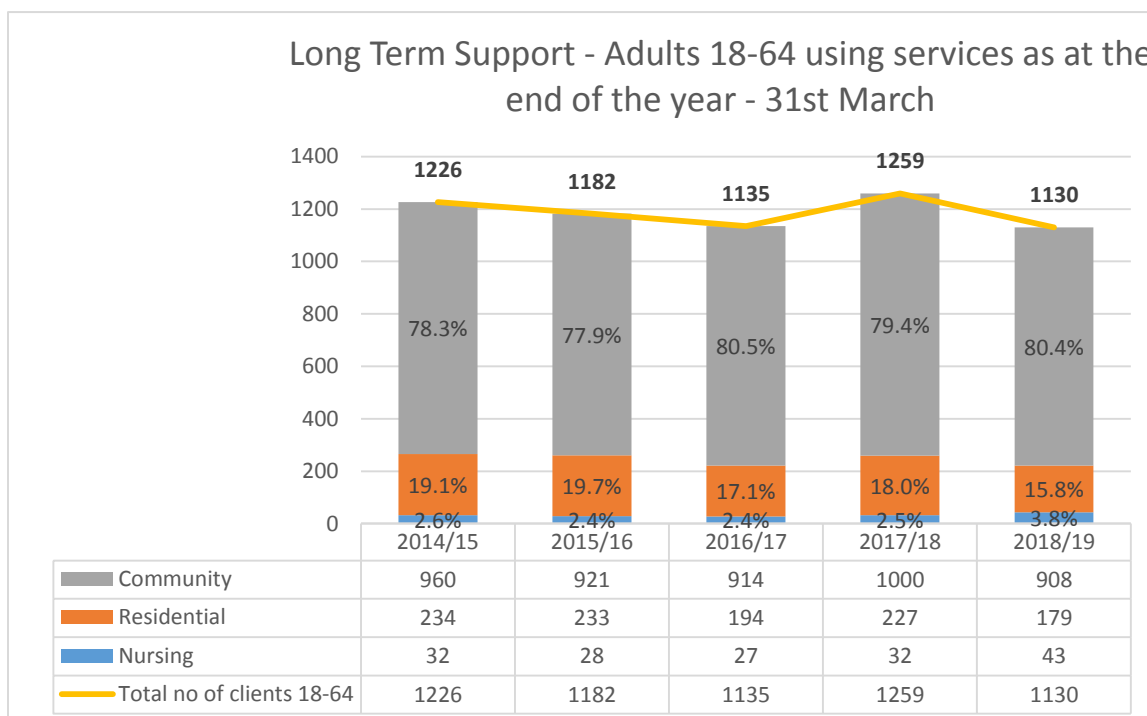
Overall Service Users

Table 8 – Adults 65+ in long term placements as at 31 March 2019



- The overall number of clients in receipt of a service at the end of the year decreased from 1,946 in 2014/15 to 1,728 in 2018/19, (an 11% decrease)
- The number of clients in residential placements decreased from 297 in 2014/15 to 263 in 2018/19, (an 11.4% decrease)
- However, the number of clients in nursing care placements increased by 23% over the period from 224 in 2017/18 to 275 in 2018/19

Table 9 – Adults 18-64 that received long term support as at 31 March



- The number of clients receiving a service at the end of the year decreased from 1,226 in 2014/15 to 1,130 in 2018/19, (an 8% decrease)
- However, the number of clients in nursing care placements at the end of the year increased by 34% over the period
- Residential placements showed 16% decrease over the period, typically the more complicated and expensive placements.

Table 10 – Increase in number of Personal Assistants (PAs)

Date	Employers	In-Year Employee Numbers	In-Year Hours	In-Year Increase in Hours	Annual Saving Compared to Agency Cost
Apr 2017	385		454,582		
Apr 2018	419	889	498,969	44,387	£197,523
Apr 2019	417	906	527,895	28,926	£131,902

7.8.2 Although the number of employers is not increasing as quickly as would be desired, there is a significant amount of work that goes in to recruitment to keep the numbers up as client's Direct Payments (DP) cease, and/or employment ends. On average, 125 employees left DP employment each year in 2017/18 and 2018/19. Additionally, our In-Year PA hours have increased year on year. If those increased hours were provided by care agencies this would have increased costs by £197,523 in 2017/18 and £131,902 in 2018/19.

Table 11 – Increase in use of Shared Lives

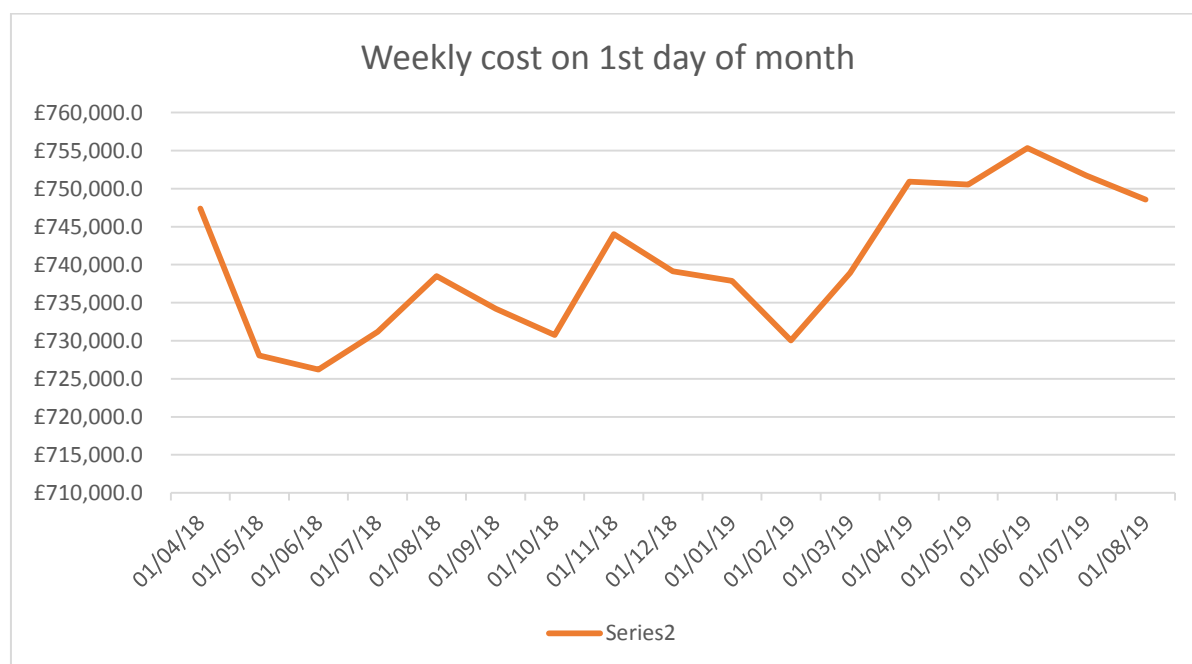
Date	Number of Shared Lives carers	Number of long term service users
April 2016	15	16
April 2017	15	17
April 2018	20	18
April 2019	25	20

7.8.3 Lewisham has increased the numbers of Shared Lives carers by 10 since 2017, officers are planning a further recruitment campaign in September 2019 to further increase the number of carers. Currently, an additional four service users are going through their induction prior to becoming long term.

7.8.4 Learning disability division - the service has been working on various areas of care costs, they have focused their work where they felt they can purchase more cost effective solutions. Working collaboratively with services users and families on assessed care and support needs. Between April 2019 and mid July 2019, there has been a reduction of £273,092 in care costs.

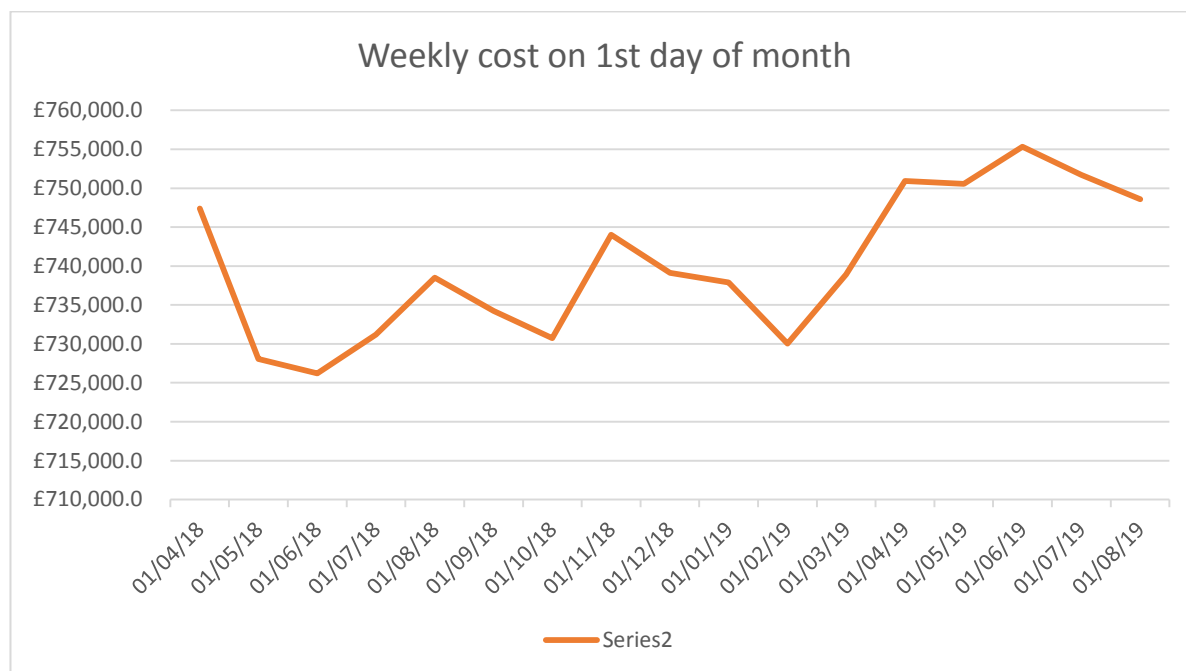
7.8.5 Gross service costs – 18 to 65

The graph below shows weekly costs of services for service users aged 18 – 65. Costs only include inflationary increases agreed and recorded on Controcc.



7.8.6 Gross service costs – 65+

The graph below shows weekly costs of services for service users aged over 65. Costs only include inflationary increases agreed and recorded on the Controcc system.



8. Housing, Regeneration & Environment Directorate

8.1 As at the end of July 2019, the Housing, Regeneration & Environment directorate is forecasting an overspend of £2.1m, an improvement of £0.6m on the position to the end of May.

Table 12 – Housing, Regeneration & Environment Directorate

Service Area	Gross budgeted spend	Gross budgeted income	Net budget	Forecast Outturn 2019/20	Forecast over/ (under) spend July 2019	Forecast over/ (under) spend May 2019
	£m	£m	£m	£m	£m	£m
Strategic Housing	28.7	(23.2)	5.5	5.5	0.0	0.0
Environment	37.4	(17.5)	19.9	22.2	2.3	2.3
Regeneration & Place	49.9	(42.1)	7.8	8.2	0.4	0.4
Planning	2.7	(2.0)	0.7	0.5	(0.2)	0.0
Reserves & Provisions	1.3	(0.6)	0.7	0.3	(0.4)	0.0
Total	120.0	(85.5)	34.6	36.7	2.1	2.7

8.2 The most significant cost pressures for the directorate fall within the *Environment* division. The following sections provide a summary of the revenue forecast by division. It provides an explanation of the cause of the variance and any movements from the previous period. It also makes clear what the impact of any management action or other intervention will have on the forecast projected to the year-end. Where any variance is impacted upon by demand driven activity, then these are set out and made clear in this section also. This section also provides a directorate summary of the progress being made on delivering agreed savings for

2019/20 and what impact if any, slippage on those savings is having on the overall directorate position.

8.3 **Strategic Housing**

- 8.3.1 The net budget for *Strategic Housing* in 2019/20 is £5.5m. The forecast position for July 2019 is for spend to budget. However, pressures are developing with regards to the private sector leasing scheme through the provision of incentive payments, in that the identified budgets having been depleted. This is under review and will be expected to be addressed for future budgets.
- 8.3.2 The budget for bed & breakfast (B&B) is forecast to spend to budget after the use of grants given specifically for this purpose (covering the HB limitation recharge). Throughout the year, new units will continue to come on line in our own stock and be complemented by the Hyde Acquisition properties, and the use of Privately Managed Accommodation (PMA). These will all contribute to reducing the requirement for additional B&B spend.
- 8.3.3 Actual numbers in B&B are at 693 tenancies at the end of July 2019 (704 in May). This number has been kept relatively stable over the last few months due to the continuation of incentive payments to landlords and clients (finding their own accommodation to rent). In 2018/19, a total of 593 preventions were made using this resource. If this resource was not available and these clients had to be housed in nightly paid accommodation, then this would have cost an additional £3.558m to the service.
- 8.3.4 PMA as a product is a cost to the council and will contribute to the pressure in the Housing division, but at a lesser extent than if B&B accommodation was used. PMA is currently forecast to under-spend by £57.6k (£149k underspend in May). Again, this is after the use of specific grant given for this purpose (covering HB limitation recharge). The total number of PMA stock at the start of the financial year is 359 units.
- 8.3.5 The forecast overspend in the Housing Needs Group is mainly due to salaries cost overruns. This is being discussed with the service group managers to identify potential posts which should be funded via specific new burdens and flexible homelessness support grant funding.
- 8.3.6 The Housing, Partnership and Development division is forecast to overspend by £213k (over spend £131k in May). The over-spend is a result of additional repairs costs on the PLACE Ladywell scheme as well as additional costs being incurred by the Strategic Housing and Development teams. This area is currently being updated to separately show the costs associated with the strategic housing management service and the new build and development service which is to be located under the Regeneration & Place service. This is now shown as separate units in the monitoring statement.

8.4 **Environment**

- 8.4.1 The *Environment* division is forecasting a net overspend of £2.3m, which is at the level previously reported. This is set against an overspend of £1.9m in 2018/19 and £0.8m agreed revenue budget savings for 2019/20. A more detailed report on the Environment division's spending position is considered elsewhere on this agenda.

- 8.4.2 The refuse collection services is forecast to be £1.5m overspent, accounting for almost two thirds of the total overspend in Environment. As seen in previous years, the overspends on vehicle costs for refuse services are reducing following the purchase of a number of new vehicles in 2018/19. However, there are still eleven hired in vehicles in use, which is expected to create an overspend position for this year of £0.6m, down from £0.7m last year. Mayor & Cabinet recently approved a report for the acquisition of a fleet of new Euro Low Emission Zone compliant vehicles. Once these vehicles have arrived, it will avoid the need to hire refuse vehicles.
- 8.4.3 There is also a shortfall of income projected for *trade refuse* of £0.3m, which is in line with the income shortfall in 2018/19. Work is being undertaken to analyse the customer base and develop more streamlined marketing contract and debt collection processes to increase the income stream from trade waste and in line with the recommendations of the APSE review. The staff costs are anticipated to exceed the budget by £0.6m, similar to 2018/19. An extra collection round was introduced at the beginning of 2018/19 to improve operational effectiveness with the expectation that this would not be required from 2019/20. However, this has not proved to be the case and is estimated to cost £0.2m per annum.
- 8.4.4 For strategic waste management services, the forecast overspend of £0.2m is being reported, an improvement of £0.1m since May. The pressures are due to claims by the Royal Borough of Greenwich for arrangements pertaining to the SELCHP contract in refuse disposal, unachievable income recharge budget, and overspends on staffing and supplies and services in civic amenities. A one year contract for the disposal of dry recyclables commenced on 1st July 2019 as an interim position. The existing contract expired as the current contractor does not wish to extend so this will allow sufficient time for a thorough procurement process. The cost is estimated at £1.3m, an increase of £0.4m on 2018/19, with the expectation this will be funded from corporate reserves as in previous years.
- 8.4.5 Whilst total waste collection volumes have decreased by 8% over the last five years, the contractual costs of disposal have increased at a greater rate. This has been magnified by the change in the mix, where volumes of incineration waste has declined by 14,000 tonnes (14%) whilst composting volumes have increased by 10,400 tonnes (576%) over the same period. The former is currently charged at £63.52 per tonne for disposal whilst the latter costs up to £78 per tonne. Recycled tonnages has actually decreased by almost 2,000 tonnes (10%) over the same period but the cost is forecast to increase by £0.4m this year as the unit cost has increased by £6.17 (8.4%) pursuant to a new dry recycling contract. It is difficult to quantify the costs of this service early in the year as tonnages and cost per tonne vary. These rising costs described above, faced with a 8% fall in volumes over five years require further analysis. The service will work on getting a better understanding of waste disposal volumes and how this drives costs both in terms of disposal and collection rounds needed. The table below sets out waste disposal volumes for the last five years.

Table 13 – Waste Disposal Volumes

Waste Type	2014/15	2015/16	2016/17	2017/18	2018/19	April - July 2019/20	2019/20 Forecast
Total waste sent for incineration	99,829	99,573	99,835	94,930	85,558	28,807	86,000

Total waste sent to landfill	372	856	958	499	362	46	100
Total waste sent for recycling	18,863	19,231	17,329	16,091	15,801	5,595	17,000
Total waste for composting	1,804	1,372	2,626	7,597	12,138	4,399	12,200
Total waste sent for re-use	725	992	1,303	1,050	811	274	790
Total waste sent for RDF	7,668	8,030	2,003	2,284	2,982	832	2,800
Total waste collected (tonnes)	129,260	130,055	124,055	122,451	117,653	39,953	118,890

- 8.4.6 A detailed review has been undertaken over the last few months by both the service and finance colleagues working in conjunction to identify and understand the reasons behind the ongoing budgetary pressures across the Environment Division. Particular focus on the refuse collection and disposal service.
- 8.4.7 The street management service is forecasting a £0.3m overspend, the same as 2018/19. Most of this overspend is due to staffing, with a small element of residual spend for public conveniences which should be centrally funded. Management are undertaking a detailed analysis of this staffing pressure to have a better understanding of the cost drivers.
- 8.4.8 *The green scene service is forecasting an overspend of £0.1m, the same level reported to the end of May 2019, partly in relation to the parks contract which expires on 1st March 2020. A balanced view has been taken on the likely contract cost for the year as there can be a significant degree of price volatility each month. There are shortfalls on the increased income budget of £0.1m and grounds maintenance costs in the arborists' service add £0.1m pressures. These pressures partially offset by £0.1m additional income in pest control.*
- 8.4.9 The passenger services budget is currently showing no net variance pending agreement on the impact of the implementation of the new Travel and Transport Programme. The cost of passenger services for 2019/20 is currently projected at £4.0m and under the current arrangements, it is anticipated that £3.9m of this cost will be recharged to directorates, predominately CYP (for SEN transport) and Community Services. The overall cost of the service is expected to be £0.2m higher than 2018/19 costs of £3.8m. Part of the costs increase is accounted for by the impact of April 2019 pay award on staffing costs and an inflation allowance of £0.1m was added to the Passenger Services budget in to account for this cost increase.
- 8.4.10 The fleet service is showing a net overspend of £0.1m in line with 2018/19 and 2017/18. Fleet hire rates are set at the beginning of the year to recover the costs of routine maintenance on the core fleet vehicles – the charges are expected to cover the cost of fleet staffing, external maintenance services and, parts. The costs of non-routine maintenance, fuel and hired in vehicles are all charged out to users at cost. The increasing age of the fleet has meant that the costs of routine maintenance are increasing each year and will not be fully recovered through the hire charges, resulting in a potential £0.1m variance.

8.4.11 Bereavement services is forecasting a net overspend of £0.2m, up from £0.1m projected overspend as at end of May 2019, due to increased charges for the *coroners court service* with the London Borough of Southwark and staffing costs overspend. LB Lewisham's contribution to the Coroners Consortium this year is £476k, an increase of £66k on last year and £86k more than budgeted. Forecast staffing costs have increased by £96k since May due to seasonal agency costs and overtime expected in the service and is showing an adverse variance of £99k against budget. With the increase in cost of burials from 1st April 2019, the expectation is a rise in income which is reflected by the £41k reduction in the net income budget to £396k. However, due to the nature of the service and the difficulty in predicting 'take-up' the service has projected a slight overspend in the 1st quarter and expect to review position in the 2nd quarter. The current numbers of deaths and resultant burials and cremations are significantly less than last year, suggesting that there will be a significant shortfall against the income budget which will be reflected next month once further analyses are completed. The service will incur additional expenditure in the year resulting from work to create four new burial plots at Hither Green and Grove Park Cemeteries; the cost of creating the plots is in the region of £27k and work has started. Cremation charges were reduced by 7.5% from 1st April 2019 with the aim of making services more affordable. Table 11 below sets out the numbers of burials, cremations undertaken by the service since 2011 and compares that to the total deaths in the Borough.

Table 14 – Burials and Cremations

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019 Estimate
Burials	554	542	529	505	494	529	499	589	498
Cremations	1,303	1,203	1,249	1,141	1,257	1,223	1,235	1,340	1,149
Our Services	1,857	1,745	1,778	1,646	1,751	1,752	1,734	1,929	1,647
Deaths	1,607	1,500	1,494	1,536	1,599	1,467	1,906	1,743	1,661
Cremations %	81.08%	80.20%	83.60%	74.28%	78.61%	83.37%	64.80%	76.88%	69.18%
Burials %	34.47%	36.13%	35.41%	32.88%	30.89%	36.06%	26.18%	33.79%	29.98%
Total %	115.56 %	116.33 %	119.01 %	107.16 %	109.51 %	119.43 %	90.98%	110.67%	99.16%
Cremations % Services	70.17%	68.94%	70.25%	69.32%	71.79%	69.81%	71.22%	69.47%	69.76%

8.5. **Regeneration & Place**

8.5.1 The Regeneration and Place division is forecasting a £367k overspend, (£74k improvement on May). Income from commercial rents is projected to underachieve the budget by £88k, partly due to void rent loss and limited rent review opportunities this year. Utility costs are forecast to exceed the budget by £173k due to rising prices. Business rates have also increased across the corporate estate as a whole, resulting in a budget pressure of £106k, but this will be funded corporately. The Building Control service is forecasting a £82k overspend due to re-absorption of two Customer Services staff (but without a budget transfer) and the recruitment of a third in order to maintain service delivery. A number of minor underspends across other service areas bring the forecast overspend down to £0.4m overall.

8.5.2 The breakdown of the forecast year-end position is set out in the following paragraphs. Note that the tables show service areas forecasting variances; they do

not include all service areas including those currently forecasting to spend to budget for the 2019/20 financial year.

8.5.3 Commercial Investment and Delivery: £1k underspend

Description	July Variance	May variance
Employee / Agency costs	(54)	(57)
Large format advertising	50	50
Total	(4)	(7)

There is a staffing underspend of £54k due to a vacancy.

Large format advertising: the Canadian Avenue and Molesworth Street car park income budget £50k is unachievable for 2019/20 as this has been unsuccessful at the planning stage and will no longer be taken forward.

8.5.4 Capital Programme Delivery: nil variance

Description	July Variance	May variance
Employee / Agency costs	670	712
Income fees	(670)	(712)
Total	0	0

All staffing costs for the CPD team have been recharged to the relevant projects and external grants.

8.5.5 Estate Compliance: nil variance

Description	July Variance	May variance
Corporate Estate:		
- Health & Safety	(50)	(50)
- Security	25	25
- Building Cleaning	25	25
Total	0	0

Corporate Estate:

- Health & Safety: underspend of £50k due to a delay in the risk tender process.
- Security – the forecast overspend of £25k is due to the 2019/20 increase in the London Living Wage.
- Building Cleaning – the forecast overspend of £25k is due to the 2019/20 increase in the London Living Wage.

8.5.6 Property Strategy: £302k overspend

Description	July Variance	May variance
Income from commercial rents	88	91
Utilities	173	173
Rates	0	106
Ex HRA properties	(40)	(38)
Building Control	82	78
Lewisham Town Hall	(1)	38
Total	302	448

Income Commercial Properties – there is an income shortfall of £88k forecast due to void rent loss and a limited number of rent reviews in this financial year to potentially increase rental income streams this financial year. Note that the 2018/19 outturn was a £99k overspend.

Utilities – overspend of £173k. Utility prices have risen; this has not been matched by a budgetary increase. In addition, there is an outstanding debt of £80k which is still in query with British Gas. Note that the 2018/19 outturn was a £292k overspend.

Rates – The overspend of the previous month of £106k for business rates will be funded corporately.

Ex HRA Properties – this is forecast to over-achieve the income budget by £40k as a result of a better than projected completion in lease renewals and rent reviews.

Building Control – overspend forecast of £82k. This is due to re-absorption of two Customer Services staff (but without a budget transfer) and the recruitment of a third in order to maintain service delivery.

Lewisham Town Hall – an increase in rent income from Lewisham Homes, in line with the lease conditions, has reduced the previous forecast overspend of £38k to £1k underspend.

8.5.7 Highways & Transport: £69k overspend (nil variance in May)

Description	July Variance
Income :Capital Fees	46
Income: Other	(37)
Employee/Agency Costs	60
Total	69

Income Capital Fees: Underachievement of capital fees is forecast at £46k due to the challenges of generating sufficient fees through the capital programme to meet the income target.

Income Other: Additional income for S278 and S106 is projected to bring in an extra £37k

Employee/Agency: The staffing costs for this service area is currently projecting to overspend by £60k due to providing temporary cover for staff for scheme delivery.

8.6. **Planning**

8.6.1 The Planning Service are forecasting a £218k underspend, £170k improvement on May's position.

8.6.2 Development Management are forecast to be underspent by £207k. This is a change of £203k since last month and is due to a substantial amount of planning fee income received in the last month. There was concern in the first few months of the year that fee income may not be as high as in previous years; however current forecasts show we should achieve similar levels to last year. Resourcing within the enforcement team is also being reviewed and may impact on the budget position.

- 8.6.3 Land Charges are forecasting a £11k underspend due to potential reduced staffing and supplies and services costs.
- 8.6.4 Strategic Planning are currently forecast to spend to budget. Corporate funding has been awarded to cover costs incurred in preparing the affordable housing supplementary planning document.
- 8.6.5 It should, however, be noted that the Council is in the process of preparing a new Local Plan, a statutory planning document setting out the council strategy and policies for future growth and change in the borough over a 15 year plan period; this has the potential to increase expenditure as a number of studies will need to be commissioned to contribute to the evidence base of the plan. This expenditure is likely to be incurred over 2019/20 and 2020/21. The Service are also managing greater demands for planning guidance where costs are unrecoverable. The implications of additional workstreams on budgets and resources are being kept under review.

8.7 **Reserves and Provisions**

- 8.7.1 Reserves and Provisions constitutes the costs of the directorate management team and provisions for pay and non-pay inflation. This has been shown separately and not aggregated with Public Services as in previous reports. During the month there was an agreed £300k funding transfer from corporate reserves to IT & Digital to pay for ongoing staffing pressures. The current underspend of £350k will be allocated to services within the directorate with underlying pressures in the autumn when there is greater clarity.

8.8 **Progress on Savings for 2019/20**

Table 15 - Housing, Regeneration & Environment Progress on Savings

Ref	Proposal	Division	19/20 Savings £'000	19/20 Forecast £'000	Comments
CUS02	Income Generation – increase of Garden Waste Subscription	Environment	278	228	Based on current subscription of 9,500 customers @ 80 per annum. Subscribers increasing (70 per week), likely to average 50 per week until autumn. Likely to be closer to achieve income target.
CUS03	Income Generation – Events in Parks	Environment	200	150	Based on current events planned
CUS04	Income Generation – increase in Commercial Waste Charges	Environment	150	0	Ongoing review of potential and existing trade customers and improved operational processes
CUS05	Increase charge for the collection of Domestic Lumbar from households	Environment	30	0	Agreed proposal is based on four items per visit which differs from original proposal based on 3 items per visit

CUS06	Bereavement Services – increase income targets	Environment	67	67	Income difficult to forecast dependant on death rate and uptake of services. Based on lower numbers of deaths, cremations and burials to date than last year, target not likely to be achieved – analysis underway to inform next month's reporting
CUS08	Close the four remaining Automated Public Toilets	Environment	92	92	Any overspend to be met by corporate as per proposal. Full closure expected July 2019.
CUS09	Cost reductions in homelessness provision – income generation and net	Strategic Housing	405	405	Risk remains the numbers in bed & breakfast will not reduce as planned
RES11	Increase in pre-application fees	Planning	100	100	On-track
RES14	Corporate Estate Facilities Management Contract Insourcing	Regeneration & Place	100	100	FM advised 20/21 not achievable, should only be £100k in total
RES17	Beckenham Place Park – income generation	Regeneration & Place	28	28	On-track
RES18	Electric Vehicle charging points	Regeneration & Place	50	0	Delayed, awaiting contract sign off
Total			1,500	1,170	

9. CORPORATE SERVICES

9.1 As at the end of July 2019, the Corporate Services directorate is forecasting an overspend of £0.9m. The overall position has been set out in Table 14.

Table 16 – Corporate Services Directorate

Service Area	Gross budgeted spend	Gross budgeted income	Net budget	Forecast Outturn for 2019/20	Forecast over/ (under) spend July 2019	Forecast over/ (under) spend May 2019
	£m	£m	£m		£m	£m
Corporate Resources	5.7	(3.2)	2.5	2.5	0.0	0.0
Corporate Policy & Governance	5.1	(0.3)	4.8	4.4	(0.4)	(0.4)
Financial Services	4.5	(1.4)	3.1	3.3	0.2	0.2
OD & Human Resources	2.7	(0.2)	2.5	2.3	(0.2)	(0.2)
Legal Services	3.4	(0.5)	2.9	2.9	0.0	0.0
Strategy	5.1	(2.8)	2.3	2.3	0.0	0.0
IT & Digital Services	5.7	0.0	5.7	6.5	0.8	0.8
Public Services	29.6	(18.6)	11.0	11.5	0.5	0.6
Reserves	0	(0.7)	(0.7)	(0.7)	0.0	0.0
Total	61.8	(27.7)	34.1	35.0	0.9	1.0

- 9.2 The *Corporate Resources* division is forecasting a balanced budget position at year end.
- 9.3 The *Corporate Policy and Governance* division is forecasting an underspend of £0.4m. This is mainly on staffing budgets, including the vacant Chief Executive's post.
- 9.4 The *Financial Services* division is forecasting a £0.2m overspend primarily on the staffing budget. This partly relates to a delayed budget saving as per the savings tracker below this section.
- 9.5 The *Organisational Development and HR* division is forecasting a £0.2m underspend. There is an underspend on staffing budgets due to vacancies and also higher than budgeted income is being forecast in relation to Occupational Health and Learning & Development.
- 9.6 The *Legal Services* division is currently forecasting a balanced budget position at year-end.
- 9.7 The *Strategy* division is currently forecasting a balanced budget position at year-end.
- 9.8 The *IT & Digital Services* division is currently forecast to end the year with an overspend of £0.8m due to anticipated additional costs of the Shared ICT Service (£0.6m). Following a licence review, settlement for Microsoft licensing of £0.4m is being funded as a once-off from corporate resources for this year, however there is an ongoing annual pressure of £0.3m that will need to be accommodated. There is also additional pressure within the Finance and HR systems (£0.2m) due to the introduction of Oracle Fusion. The current service delivery and costs for the shared service remain under review as the required performance standards are not currently being met.

Public Services

- 9.9 The *Public Services* division is forecasting an overspend position of £0.5m at the year-end, the main areas of budget variance are set out below:

Service Area	Net budget	Forecast over/ (under) spend July 2019
	£m	£m
Revenue Services	2.6	0.2
Housing Benefits	11.3	0.0
Emergency Planning & Admin	0.9	0.2
Service Point	2.0	0.3
Corporate Information Management	0.0	0.0
Parking Services	(5.8)	(0.2)
Total	11.0	0.5

- 9.10 For the *Revenue* services area, an overspend of £0.2m is anticipated, with £0.3m in the central debtors team, primarily due to staffing and agency overspends. The Integrated Financial Transactions Team are also forecasting an overspend of £0.1m mainly due to agency staff, but this is under review whilst it is clarified whether any

staff should be charged to the Oracle Project. A shortfall income of £0.1m is also anticipated for the enforcement service. Forecast underspends of £0.3m exist in the revenues operation and business rates support & development teams mainly due to staffing. The service is in the final phase of a restructure and recruitment process, with continued realignment of the budgets. Whilst there is little change to the overall variance for the service, there continues to be significant movement in the forecast for individual teams. This situation will continue for a few months until the restructure and consequent recruitment are complete.

- 9.11 The *Housing Benefits Service* is projecting a balanced budget. The overall variance is due to a combination of a £0.4m forecast staffing overspend in the Housing benefit admin team (the budgets need review and realignment) and a £0.3m forecast underspend in concessionary fares; the latter is due to lower settlement figures from TfL based on the number of Freedom Pass holders. The local support scheme provides small loans and grants to at risk individuals in the case of a crisis or emergency. The service is funded from one off grant income received in previous years from the DWP. This funding is due to run out this year and officers are working to conclude the scheme. There is a risk that the funding will run out before the service has been concluded.
- 9.12 Housing Benefits Subsidy is forecasting a £0.5m overspend. The reductions in overpayment income and bad debt requirement are the main drivers for the ongoing budget pressure within Housing Benefit Subsidy. This budget pressure is likely to increase and be reflected in future months, and will be managed corporately. A full review of the budget related to housing benefits and universal credit will be undertaken once the announcement around funding arrangements are known.
- 9.13 An overspend of £0.2m is forecast for the *Emergency Planning & Administration* service mainly due to a £0.2m overspend in the Complaints, Casework and Information Governance team. Overspend on agency staff of £0.3m is partially offset by schools buy back income £0.1m more than budgeted and small underspends on supplies and services; within the same service the Emergency Planning team has a very small overspend on permanent staff.
- 9.14 *Service Point* is projecting a £0.3m overspend, mostly due to £0.4m staffing pressures in the Customer Service Centre team (partially offset by £0.2m overachievement on license and permit income) and £0.2m underachievement of recharge income in the in-house printing service. The Front of House team is forecasting a small underspend of £0.1m, although this has reduced slightly this month. Re-alignment of the staffing budgets for the Customer Service Centre and Front of House teams will be actioned next month following completion of the review of outstanding budgetary disaggregation issues of the former Business Support team; this will inevitably lead to significant swings in variances across these two teams.
- 9.15 The gross costs of the *Parking* service are forecast at £0.2m above budget, due to the increase in bank charges arising from the rise in cashless parking charge payments. Legal costs and business rates are also overspent by £0.1m, partially offset by a small staffing underspend in the team. This is expected to be offset by a favourable variance of £0.5m from fixed penalty notices and pay and display charges, creating a £0.2m surplus for the service. Management are confident that this position will improve by the end of the financial year. However, it is too early to project what this sum will be as there are too many variants including the reliance on motorists' behaviour.

9.16 The table below summarises the progress on delivering budget savings agreed for 2019/20:

Table 17 – Corporate Services Savings Tracker for 2019/20

Ref	Description	Division	Amount	Comment
CUS01	Printing reduction	IT & Digital	£100k	Part of shared service contract
CUS10	Invest to save – create revenues protection team	Public Services	£806k	Work in progress
CUS12	Invest to save – Housing Benefit overpayment recovery improved	Public Services	£480k	Work in progress
CUS14	Parking Service revenue review	Public Services	£500k	On-track
RES01	Benefits Realisation of Oracle Cloud	Finance	£90k	Delayed
RES02	Legal fees increase	Legal	£50k	On-track
RES05	Withdrawal of Councillor Car Run Delivery Service	Policy & Governance	£10k	Car run ended – saving delivered. Alternative arrangements for those not signed up to electronic copies
RES06	Increase income supporting the Funding Officer post and review the Economy and Partnerships Function	Strategy	£30k	On-track
RES08	Insurance costs – premium reduction	Corporate Resources	£30k	On-track
RES09	Insurance costs – self-insurance reserves	Corporate Resources	£200k	On-track
RES10	Cease graduate programme	OD & HR	£78k	On-track
RES16	Commercial Property Investment Acquisitions	Corporate Provisions	£140k	On-track
Total			£2,514k	

Corporate Provisions and Use of Reserves

9.17 The following are examples of activity in 2019/20 that will draw on corporate reserves and provisions for 2019/20, the impact of which has already been reflected in the latest financial forecasts position. These include:

- IT licences, specifically for Microsoft software. The equates to £425k of which £300k has been put into the base for 2019/20 and 2020/21, with a once-off allocation of £125k for 2019/20
- Deprivation of Liberty Safeguards (DoLS). Additional staffing to support Adult Social Care work – £90k on-going
- Sanctuary Borough - £30k ongoing to 2022, then to be reviewed, to support a coordination post in line with this corporate priority
- Borough of Culture - Once off project management support of £35k, with the possibility of once-off underwriting of £1m income target
- Transformation feasibility and development
 - New homes programme - £700k in Regeneration team pending arrangements to charge to developments / capital
 - Business Rates increase for Regeneration and Place - £160k
 - Controcc upgrade for adults and children business case - £50k

9.18 A further update will be provided for the reports being presented to the Public Accounts Select Committee and Mayor & Cabinet on 24th September and 10th October, respectively.

Oracle Cloud Update

9.19 The existing budget for the Oracle Cloud Programme was established and formally agreed at £4.975m by Mayor & Cabinet at the start of the programme in the spring of 2017. This budgetary allocation has enabled the Council to deliver the first phase of the integrated solution which broadly includes, the developments of the business case and options appraisal; the procurement exercise to acquire the services of a systems integrator and the purchase of the software solution itself.

9.20 The Council successfully went live in May 2018 with core HR, finance and e-procurement, budget management and the recruitment module in May 2018. In addition, the Council has delivered the council-wide budget monitoring tool (PBCS) and the new recruitment platform, Taleo. Officers continue to work through resolving some remedial issues.

9.21 The second phase of the Oracle programme which broadly includes the elements for the payroll function, employee self-service and manager self-service has continued to progress since April last year. Although the implementation for this element of the programme was expected to go-live in April 2019, significant delays have occurred, mainly around ensuring the validity of data migration activity. The revised re-phasing of the overall programme has been working towards a go-live date in the autumn of 2019. This phase of the programme also includes the training offer for staff across the organisation and the acquisition of a perpetual read only licence for the Council's legacy system. This is all subject to additional resources being secured and a formal

recommendation will be put forward to Mayor & Cabinet in October to secure the additional resources for this phase and that's expected to be up to a once-off cost of £2.5m.

- 9.22 It is important to recognise that there are revenue budget savings which have been made through the implementation of Oracle through negating the need to purchase subscriptions for a number of other third party solutions. There have also been overall licence fee reductions through no longer using Oracle R12 and where the Council will soon no longer need to use ResourceLink for payroll and HR activity. However, the real benefits will be realised over time. The overall benefits which have already been realised and those benefits to be realised in full is subject to an 'insight' review which will take place in the autumn.

10. DEDICATED SCHOOLS' GRANT

- 10.1 The Dedicated Schools Grant (DSG) for 2019/20 has provisionally been set by the Department for Education at £291.1m, a change of £110k net has occurred in July and this is due to a small amount decrease in the HNB of £108k and an increase of £322k in the Early years amount. Update in pupil numbers could result in changes to the grant. Of this, £24m relates to Early Years. This is a provisional figure which will be confirmed later in the year.
- 10.2 Further grants are given to schools and routed through the local authority. These include the pupil premium (£12.9m), post 16 funding (£5.7m) and the universal free school meals grant (£3.8m) making total funds of £313.3m. This figures are based on last year's allocation and have yet to be formally approved.

Schools

- 10.3 It should be noted that schools are continuing to use surpluses to balance budgets which indicates that the situation could potentially worsen in time subject to the outcome of the spending review. A clearer picture of the expected position at the end of this financial year will be available when the deadline for submitting school budget plans has passed at the end of June.
- 10.4 There are nine schools with loans with a total balance of £2.4m. Of these, six are secondary schools and two are Primary schools and one all through. Work in the coming year will focus on ensuring schools with deficits have a sustainable budget recovery plan.
- 10.5 The central side of the DSG is expected to end the year in balanced budget position.
- 10.6 The Dedicated Schools Grant (DSG) for 2019/20 has provisionally been set by the Department for Education at £291.1m, although this will change during the year to reflect updated pupil numbers. Of this, £24m relates to Early Years. This is a provisional figure which will be confirmed later in the year.
- 10.7 Further grants are given to schools and routed through the local authority. These include the pupil premium (£12.9m), post 16 funding (£5.7m) and the universal free school meals grant (£3.8m) making total funds of £313.5m. This figures are based on last year's allocation and have yet to be formally approved.

High Needs Support

- 10.8 To date Lewisham has successfully managed to provide its High Needs Support within the allocated DSG high needs budget. This has been a result of partnership working with Schools (and schools forum) and where possible Lewisham approach to place pupils in our own provision.
- 10.9 The funding for High Needs is based on a baseline that was determined in 2012/13, which was prior to the changes established as part of the SEND reforms. For example the LA liability is now 0 to 25 age. The baseline was determined when the scope was from 5 to 19 age. This is just an example. Overall the number of Education Health Care plans is continuing to increase coupled with increase in severity and price. A paper was presented to Schools forum in January noting the potential pressures on the High Needs Block. Schools Forum has agreed to support the High Needs Block with funds of circa £1m for 2019/20. We are continuing to work with Forum to review practices with a view to working within budget.
- 10.10 It is important to emphasise that this is a national issue and several meetings have now taken place with London councils as part of a lobby process.

11. HOUSING REVENUE ACCOUNT

- 11.1 The table below sets out the current budget for the Housing Revenue Account (HRA) in 2019/20. The balanced HRA budget seen in the table includes a budgeted surplus of £3.0m, which is to be transferred to reserves at year end as a part of the 30 year HRA business plan. At this relatively early stage of the new financial year, no variation is being reported.
- 11.2 Repairs & Maintenance (R&M) is forecasting spend to budget. There was an overspend in this area in 2018/19. This area will be closely monitored in 2019/20 to ensure that this does not re-occur and costs contained within overall allocations.
- 11.3 The current 30 year HRA financial model has been recently refreshed, with the final outturn for 2018/19 as well as the latest updates for the new build programme and general capital programme incorporated into the plans. Budgets will be updated to reflect starting stock numbers from 1st April 2019 to reflect the latest position.

Table 18 – Housing Revenue Account

Service Area	Expenditure Budget	Income Budget	2019/20 budget	Forecast over/ (under) spend July 2019	Forecast over/ (under) spend May 2019
	£m	£m	£m	£m	£m
Customer Services – Housing	17.3	(3.5)	13.8	0	0
Lewisham Homes & R&M	37.9	0	37.9	0	0
Resources	1.5	0	1.5	0	0
Centrally Managed Budgets	48.3	(101.5)	(53.2)	0	0
Total	105.0	(105.0)	0	0	0

12. COLLECTION FUND

- 12.1 As at 31st July 2019, some £51,343,776 of council tax had been collected. This represents 35.1% of the total amount due for the year. This is below the profiled collection rate of 35.5% if the overall target for the year of 96% is to be met. At the same time last year, the collection rate to date was 35.05%.
- 12.2 Business rates collection is at 45.7%, a decrease of 1.84% compared to the same period last year, and 0.13% higher than the profiled collection rate if the overall target rate for the year of 99% is to be achieved.
- 12.3 The tables below shows the council tax and business rates collection rates and values for 2019/20:

Table 19 Council Tax Collection 2019-20 (Actual against profiled)

Cash needed to meet 100% (monthly)	Cash Collected (cumulative)	Cash Collected (monthly)	Cash needed to meet 96% Profile	difference between collected and 96% profile	Current Year Collection Rate%	Previous Year Collection Rate (2018-2019)	Difference	Required Collection Rate to reach 96%	Difference
16,489,010	15,924,058	15,924,058	15,995,627	-71,569	10.94%	10.79%	0.14%	10.95%	-0.01%
29,316,827	27,849,342	11,925,284	28,186,667	-337,326	19.15%	19.10%	0.05%	19.30%	-0.14%
41,600,619	39,235,018	11,385,676	39,882,273	-647,254	26.91%	26.90%	0.01%	27.30%	-0.39%
54,247,209	51,343,776	12,108,757	51,924,909	-581,133	35.15%	35.05%	0.10%	35.55%	-0.40%

Table 20 Business Rates Collection 2019-20

	Previous Year (%)		Current Year (%)			Difference From Prev Year (%)	
	Excluding Credits	Including Credits	Excluding Credits	Including Credits	Profile	Excluding Credits	Including Credits
April	18.85	18.91	22.35	22.39	11.87%	3.50	3.48
May	31.49	31.61	31.00	31.09	26.28%	-0.49	-0.52
June	40.31	40.47	37.82	37.96	36.54%	-2.49	-2.51
July	47.44	47.58	45.55	45.74	45.61%	-1.89	-1.84

13. CAPITAL EXPENDITURE

- 13.1 The Capital Programme spend as at 31st August 2019 is £50.1m, which is 25% of the revised 2019/20 budget of £197.3m. At this point last year, 19% of the revised budget had been spent, with the final outturn being 82% (£71.1m) of the revised budget of £87.0m.
- 13.2 The table below shows the current position on the major projects in the 2019/20 Capital programme (i.e. those over £1m in 2019/20).

Table 21 – Capital Programme 2019/20 (Major Projects)

2018/19 Capital Programme	Budget Report (February 2019)	Revised Budget	Spend to 31 Aug 2019	Spent to Date (Revised Budget)
	£m	£m	£m	%
GENERAL FUND				

Schools - School Places Programme	11.0	11.1	1.5	14%
Schools - Other (inc. Minor) Capital Works	1.4	5.9	1.4	23%
Highways & Bridges - LBL	3.5	3.5	1.4	40%
Highways & Bridges - TfL	0.0	2.2	0.0	0%
Highways & Bridges - Others	0.0	2.1	0.4	19%
Catford town centre	5.5	5.1	0.7	14%
Asset Management Programme	2.5	2.0	0.6	30%
Smart Working Programme	0.9	2.3	1.9	83%
Beckenham Place Park	2.5	2.4	1.5	63%
Heathside & Lethbridge Regeneration	0.0	0.6	0.0	0%
Excalibur Regeneration	0.0	1.7	0.3	18%
Lewisham Homes – Property Acquisition	6.0	3.0	0.0	0%
Private Sector Grants and Loans (inc. DFG)	1.3	3.8	0.4	11%
Achilles St. Development	0.0	7.3	0.0	0%
Ladywell Leisure Centre Development Site	0.0	1.0	0.0	0%
Edward St. Development	9.1	9.1	0.0	0%
Residential Portfolio Acquisition – Hyde Housing Association	0.0	45.7	32.6	71%
Travellers Site Relocation	1.1	1.1	0.0	0%
Fleet Replacement Programme	0.0	7.8	0.0	0%
Other General Fund schemes	2.2	5.6	0.2	4%
TOTAL GENERAL FUND	47.0	123.3	42.8	35%
HOUSING REVENUE ACCOUNT				
Housing Matters Programme	37.3	21.0	0.7	3%
Decent Homes Programme	57.1	51.4	6.5	13%
Other HRA schemes	0.8	1.6	0.1	6%
TOTAL HOUSING REVENUE ACCOUNT	95.2	74.0	7.3	10%
TOTAL CAPITAL PROGRAMME	142.2	197.3	50.1	25%

13.3 The main sources of financing the programme are grants and contributions, and capital receipts from the sale of property assets. Some £16.3m has been received so far this year, comprising £14.6m (net) from Housing Right to buy sales and other capital receipts and £1.7m of grants and contributions.

13.4 The paragraphs below set out further detail regarding the major capital programmes:

13.5 Schools – School Places Programme

Primary place demand has levelled off recently across London and the priority for school place delivery has shifted mainly to Special Educational Need and Disability provision. Four schemes are currently in development and delivery over the next 3 years to 2021. They include:

- Works to Ashmead Primary in Brockley to expand from one to two forms of entry. Works have commenced in April this year and are due to be completed by summer next year. The project will deliver a new standalone block adjacent to Lewisham Way, improved landscaping within the site and a new entrance and enhanced public realm area to the South of the site.
- Greenvale School, in Whitefoot ward, is Lewisham’s community special school for children and young people between the ages of 11 and 19 years who have significant learning difficulties. A new satellite facility to accommodate an additional 93 students will be constructed on the site of the former Brent Knoll building in Perry Vale. The design stage is currently underway, and works are expected to commence on site in January 2020.

- New Woodlands, in Downham Ward, is a special school which supports children from 5 to 16 who have Social, Emotional and Mental Health (SEMH) special educational needs. The school recently began admitting Key Stage 4 students, and some works have taken place over the summer holidays year to ensure there are adequate facilities onsite to provide a full curriculum from September 2020. This will include minor remodelling and refurbishment of the existing building, provision of a new food technology practical room, and improvements to existing landscaping and external play areas.
- Watergate is Lewisham's primary special school for children between the ages of three and eleven years who have severe learning difficulties, located in Bellingham Ward. Approval has been granted to expand the school by 59 places through the construction of a new teaching block on the existing site. A feasibility has been conducted and is currently being reviewed with a view to commencing design work shortly.

13.6 Schools – Minor Works Capital Programme

The School Minor Works Programme (SMWP) is an ongoing programme of minor capital works to existing community school buildings, primarily relating to mechanical/electrical infrastructure and building fabric needs. The programme is grant funded by central government and has been consistently delivered on budget.

13.7 Highways & Bridges

The Council continues to invest resources in maintaining its 392km of highway borough roads, most notably through its £3.5m programme of carriageway and footway resurfacing works. The budget for carriageways allows for around 70 roads (or part of a road) to be resurfaced each year and, until 2017, the majority of these roads were those in the worst condition and categorised as “Red” – lengths of road in poor overall condition and in need of immediate further engineering assessment with a planned maintenance soon. In 2018/19 we carried out resurfacing to around 22km of roads from the Council's Capital programme and other external funding sources. As a result of the resurfacing programme, over the last few years the focus has moved to works to roads classified with the Condition Index of “Amber” – lengths of road which, without a planned early intervention could result in further severe defects and move the Condition Index to “Red”. Early intervention using appropriate design, based on carriageway coring information and other factors like bus routes, high volume of traffic, usage and environment results in better value for money. From a survey in May 2019 there are around 54km of roads where the condition of part of these roads are classified as either “Red” or “Amber” and will require resurfacing works. There is also, however, an ongoing resurfacing maintenance commitment because the condition of the carriageway deteriorates through wear, age, excavations and failures.

The Council's long-term investment strategy is taking effect, as since 2013 the number of annual insurance claims against the Council for carriageway defects has reduced by approximately 50%.

As progress continues on the condition of carriageways, the balance of focus is also moving towards the footways programme where there are approximately 70 roads categorised as “Red” and a further 220 roads classified as “Amber” based on a

condition survey in 2017. The proposal is to carry out essential footway replacement works in at least 10 roads from 2019/20 and increasing this number in future years.

13.8 Catford Town Centre

Architect's Studio Egret West has been appointed to develop a master plan to guide the regeneration of the Town Centre. The plan will be completed in Spring 2020 and will form the basis of any future plan for the Town Centre. It will be used as an evidence base for the emerging Local Plan. Work is also continuing with TfL on the agreed proposal to realign the South Circular A205 through the Town Centre and work is expected to start in 2021. Meanwhile, the engagement activity of Team Catford has continued to build on the programme of social engagement started in 2016. The Team's work is expected to continue through the development of the master plan and beyond.

13.9 Asset Management Programme

Funding from the Asset Management Programme (AMP) has continued to support reactive and much needed capital works across the operational corporate estate. This has included fabric works such as roof replacement and mechanical works including boiler replacements and lift repairs across the estate of approximately 90 buildings and sites. More recently, the programme has funded works to the Civic Suite, Registry Office and some essential works as part of the main Laurence House refurbishment programme. A full condition survey of the corporate estate is currently under way. The results will help define the future investment need of the estate and also underpin the use of the AMP capital programme funding for future years.

13.10 Smart Working Programme

The Smarter Working programme seeks to consolidate offices and release sites for future redevelopment in Catford town centre, whilst refurbishing the council's main office site, Laurence House, to ensure it is fit for purpose until new council offices can be built. The ground floor was refurbished last year to provide a modern, welcoming and better functioning reception for the council. Refurbishment work is nearing completion on floors 1 to 5, to improve and extend welfare provision, delivering new meeting rooms and kitchens, improving the heating and ventilation system, new energy efficient LED lighting, decoration and a layout and furniture which supports and encourages agile working. The programme of work is due to complete in October 2019.

13.11 Beckenham Place Park

The restoration of Beckenham Place Park (to the western side of the railway) has now been completed. The listed stable block is now home to the new park café and environmental education centre, and the long anticipated restored landscape, with its reinstated lake, is being enjoyed by thousands of local people.

The stable yard itself will become an arrival and visitor's hub, as new tenants take up occupation of the cottages over the next year.

The new play facilities are being much loved, as part of the restored pleasure grounds, and the previously derelict Gardener's cottage is now fully restored and re-purposed as a hub for volunteer activity in the park, in the midst of the new community garden.

Open water swimming and boating now takes place on the lake, and visitors will be encouraged to explore the breadth and nature of Lewisham's largest park on new paths and trails.

13.12 Lewisham Homes – Property Acquisition

This funding supports the delivery of the Lewisham Homes acquisitions programme that secures properties for temporary accommodation for homeless households, making a saving on the Council's spend on bed & breakfast accommodation.

13.13 Achilles Street

Work is underway to prepare a residents ballot on the Achilles Street Estate in New Cross to determine if the estate should be redeveloped to provide additional new homes.

13.14 Edward Street

Edward St will provide 34 new high-quality temporary accommodation homes for local families in housing need. Start on site planned early 2020 following tender and contractor appointment.

13.15 Residential Portfolio Acquisition – Hyde Housing Association

The acquisition of a portfolio currently comprising 120 residential properties from Hyde Housing Association, as per a report to Mayor & Cabinet on 13 March 2019.

13.16 Fleet vehicle replacement

This budget will finance the replacement of 75 vehicles in the Council's fleet in order to meet the approaching Low Emissions Zone (LEZ) changes in October 2020.

13.17 Housing Matters Programmes update

The majority of spend in 2019/20 will relate to feasibility and planning application preparation for the new homes programme and delivery of a number of schemes by Lewisham Homes on site. Around 27 sites including 376 homes for social rent, are forecast to achieve planning permission by early 2020. 5 schemes delivering 85 homes are currently on site and a further 14 sites delivering 122 homes are forecast to start on site between April and January 2020.

13.18 Decent Homes Programme

Lewisham Homes are responsible for ensuring council owned stock under their management is brought up to and maintained to a decent homes level, covering both internal and external enveloping works. Lewisham Homes are leading on the delivery of the decent homes programme (under delegated powers) in consultation / agreement with the Council.

14. FINANCIAL IMPLICATIONS

- 14.1 This report concerns the financial forecasts for the 2019/20 financial year. However, there are no direct financial implications in noting these.

15. LEGAL IMPLICATIONS

- 15.1 The Council must act prudently in relation to the stewardship of Council taxpayers' funds. The Council must set and maintain a balanced budget.

16. CRIME AND DISORDER ACT IMPLICATIONS

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

17. EQUALITIES AND ENVIRONMENTAL IMPLICATIONS

- 17.1 There are no equalities or environmental implications directly arising from this report.

18. CONCLUSION

- 18.1 The council will continue to apply sound financial controls throughout the duration of the financial year. However, the short and medium term outlook remains difficult and challenging. Strong management and fiscal discipline will be required to enable the council to meet its financial targets for 2019/20 and beyond.

BACKGROUND PAPERS AND APPENDICES

Short Title of Report	Date	Location	Contact
Financial Forecasts for 2019/20	10 th July 2019 (M&C)	1 st Floor Laurence House	Selwyn Thompson
Financial Outturn for 2018/19	26 th June 2019 (M&C)	1 st Floor Laurence House	Selwyn Thompson
2019/20 Budget	27 th February 2019 (Council)	1 st Floor Laurence House	David Austin

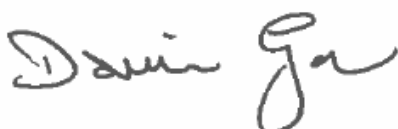
For further information on this report, please contact:
Selwyn Thompson, Director of Financial Services on 020 8314 6932

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	10 th October 2019	
Title of Report	Response to Sustainable Development Select Committee on Catford Regeneration	
Originator of Report	Freddie Murray, Director of Regeneration and Place	Ext.43914

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:
Cabinet Member
Date: 1st October 2019



Signed:
Executive Director
Date 26th September 2019

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 SUSTAINABLE DEVELOPMENT SELECT COMMITTEE ON CATFORD REGENERATION	
Key Decision	No	Item No.
Ward	Catford South and Rushey Green	
Contributors	Executive Director for Housing, Regeneration and Environment	
Class	Part 1	Date: 10 October 2019

1. Purpose

The purpose of this report is to provide Mayor and Cabinet with a response to the referral from Sustainable Development Select Committee (SDSC) in relation to specific elements of the regeneration proposals for Catford Town Centre.

2. Recommendation

- 2.1 Mayor and Cabinet are asked to note the referral and the response from officers and agree that it be submitted to the SDSC.

3. Policy Context

- 3.1 The Council's Corporate Strategy (2018-2022)¹ outlines the Council's vision over the next four years. Building on Lewisham's historic values of fairness, equality and putting our community at the heart of everything we do, the Council will create deliverable policies underpinned by a desire to promote vibrant communities, champion local diversity and promote social, economic and environmental sustainability. Delivering this strategy includes the following priority outcomes that relate to the provision of new affordable homes:

- Tackling the housing crisis– Providing a decent and secure home for everyone;
- Building an Inclusive Economy– Ensuring every resident can access high quality job opportunities, with decent pay and security in our thriving and inclusive local economy;
- Building Safer Communities – Ensuring every resident feels safe and secure living here as we work together towards a borough free from the fear of crime.

1

<http://councilmeetings.lewisham.gov.uk/documents/s61022/Draft%20Corporate%20Strategy%202018-2022.pdf>

4.0 Referral

4.1 At their meeting of 4th July 2019, the SDSC received an update on the Catford Town Centre Regeneration Programme. Following the meeting, SDSCS resolved to share their views with Mayor and Cabinet as follows:

□

- The Committee believes that the *sustainability* of the town centre redevelopment should be a key consideration. It recommends that this should take account of both - the methods used for the construction of new buildings and infrastructure - as well as the long-term sustainability and energy efficiency of the whole centre. Accordingly, it recommends that *sustainability* should become one of the key place shaping principles for the town centre and it would welcome detailed information about how issues of sustainability will be considered in future reports.
- The Committee also believes that further work should take place to secure the future viability of the Broadway theatre.
- The Committee recommends that further consideration should be given to the scope and scale of the development both with and without the extension of the Bakerloo line to the town centre.

5.0 Response

Sustainability of the Town Centre

5.1 The Lewisham Local Plan is required to facilitate the delivery of sustainable development by setting a strategic framework for managing the use of land, and taking a positive approach to the balancing of social, environmental and economic objectives. Lewisham's new Local Plan, which is in the early stages of production, will help give effect to the Council's Corporate Strategy and provide a strengthened focus on Lewisham's neighbourhoods and places, to ensure that development is positively managed, with communities, over the long-term for the benefit of all. The Catford Town Centre Framework Plan will form part of the evidence base for the new Local Plan and inform its delivery framework, including design parameters and guidance for key opportunity sites within the town centre.

5.2 In the early stages of the Catford Town Centre framework study, baseline analysis was undertaken to form the foundation of the framework area for change. The baseline report reviews the opportunities and constraints relating to design, landscape and public realm, socioeconomic, market and technical factors including transport and movement, environment, heritage and culture. This document was produced at the Inception stage as an interim piece of guidance on biodiversity enhancement design concepts which can be incorporated into the Catford Town Centre Masterplan strategy to exploit the opportunities for providing net gains in ecological value whilst providing open space that delivers health and wellbeing benefits for local residents.

- 5.3 The overall purpose of the Catford Town Centre Framework Plan is to establish a vision for shaping the regeneration of the area to ensure the continued vital role of the town centre, respond to changes in retail and employment patterns, and make best use of land to accommodate housing growth to meet the diverse needs of the community into the future. The plan is establishing a set of objectives and principles to ensure that its development considers sustainability issues and their effects, which would in turn help make more informed planning decisions.

Broadway Theatre

- 5.4 One of the key objectives in the masterplan for the town centre is to deliver a framework that provides a physical and commercial environment for the theatre to prosper. That is to say that the framework will create a civic and cultural quarter centred around the Broadway Theatre, with commercial uses that should and will support a vibrant theatre, in particular promoting and enhancing the night time economy and offer within the town centre.
- 5.5 However the Masterplan will create a physical and commercial environment for the theatre; it will not set out what a successful and sustainable operation from the theatre will look like.
- 5.6 To that end, alongside the Masterplan, the Council's Culture Service are developing a piece of work that considers not only options for physical investment in the theatre building but, more importantly, alongside that options for what a more enhanced theatre operation could look like, and the resources required to operate whichever option the Council decides to pursue.

Bakerloo Line Extension

- 5.7 The Council is clear that the Bakerloo Line Extension (BLE) will have a positive influence on the delivery of the Catford Masterplan. The connectivity, capacity and image benefits that the BLE will bring will improve Catford's desirability as a place to live, work and invest and would also have knock-on effects in terms of supporting the success and vibrancy of the town centre. This has guided the council's lobbying of TfL and the GLA for the delivery of the BLE to Hayes as a single phase.
- 5.8 The viability of genuinely affordable housing delivery targets, and higher residential densities (particularly taller buildings) within the Catford Regeneration scheme will be heavily dependent on the values for market rate residential and commercial units within the masterplanned area (which effectively provide a cross-subsidy). In keeping with the areas around other major transport schemes, the arrival of the BLE would be a supporting factor in maximising the number of homes (both affordable and market rate) to be delivered on the site.
- 5.9 Separately, discussion is ongoing with TfL about how the delivery of housing in Catford, as well as other areas such as Ladywell and Lower Sydenham, can

support the business case for the extending the BLE to Hayes. As part of its negotiations to secure investment in the line, it is likely that the Council will need to demonstrate its ongoing commitment to maximising housing delivery in the vicinity of stations.

- 5.10 The Catford Regeneration and BLE Programme Teams are working closely together to assess how the effects of the BLE can be incorporated into viability models for the Catford redevelopment. This will both inform plans for the regeneration of Catford and help the Council to demonstrate the impact of the BLE on housing delivery in TfL's business case for the line. Essentially, the framework that will be delivered will provide flexibility for any future development proposals to respond and flex as necessary depending on the level of transport infrastructure that is in place or being delivered to support it.

6.0 Financial Implications

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

7.0 Legal Implications

- 7.1 There are no legal financial implications arising from this report.

8.0 Crime and Disorder Implications

- 8.1 There are no implications.

9.0 Equalities Implications

- 9.1 There are no implications.

10.0 Environmental Implications

- 10.1 There are no environmental implications.

11.0 Conclusion

- 11.1 Mayor and Cabinet are recommended to approve the recommendations set out in this report.

Contact details for the report author

Freddie Murray
Director of Regeneration
Regeneration & Place

Agenda Item 13

Chief Officer Confirmation of Report Submission Cabinet Member Confirmation of Briefing

Report for: Mayor

Mayor and Cabinet

Mayor and Cabinet (Contracts)

Executive Director

Information Part 1 Part 2 Key Decision

Date of Meeting	10 th October 2019	
Title of Report	Response to the CYP Select Committee review on exlusions	
Originator of Report	Ruth Griffiths, Service Manager, Access Inclusion and Participation	Ext.43499

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:

Cabinet Member

Date: 30th September 2019



Signed:

Executive Director

Date 26th September 2019

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 the CYP Select Committee's Recommendations from the Exclusions Review	Item No	
Contributors	Executive Director for Children and Young People		
Class	Part 1	Date	10 October 2019

1. Purpose of report

- 1.1 As part of its work programme the Mayor has requested a report on the proposed response to the recommendations of the CYP Select Committee's review of exclusions.
- 1.2 This report sets out the current position in relation to exclusions in Lewisham. It also provides a proposed response to the recommendations of the CYP Select Committee Review of Exclusions.

2. Recommendations

The Mayor is asked to:

- Note the reduction in the number of permanent exclusions in Lewisham and the continuing work with schools and other partners to reduce this further; and
- Approve the response to the recommendations of the CYP Select Committee Review of Exclusions which reflects the high priority given to this issue by the Mayor and Cabinet.

3. Policy Context

- 3.1 The roles and responsibilities of the team are underpinned by Lewisham's Corporate Strategy 2018-22 which includes: *Giving children and young people the best start in life. Every child has access to an outstanding and inspiring education, and is given the support they need to keep them safe, well and able to achieve their full potential.*

4. Lewisham exclusions

Pupil-level exclusion data for primary and secondary schools is collected once each term via the Department for Education (DfE) School Census data collection return and published in a Statistical First Release (SFR).

The **national** exclusion data outlined below is published in the DfE Statistical First Release (SFR) in July 2019 and gives the annual exclusion data for 2017/18.

4.1 Primary exclusions 2017/18

The permanent exclusion rate for Lewisham primary schools was **zero per cent** which was better than England at **0.03 per cent**, London at **0.01 per cent** and Inner London at **0.01 per cent**.

The fixed period exclusion rate for Lewisham primary schools was **1.19 percent** which is better than England at **1.40 per cent** but worse than London at **0.85 per cent** and Inner London at **0.94 per cent**.

State-funded primary schools (2017/18)						
	Number of permanent exclusions	Permanent exclusion rate %	Number of fixed period exclusions	Fixed period exclusion rate %	Number of pupil enrolments with one or more fixed period exclusion	One or more fixed period exclusion rate %
ENGLAND	1,210	0.03	66,105	1.40	29,236	0.62
LONDON	69	0.01	6,368	0.85	3,275	0.44
INNER LONDON	31	0.01	2,415	0.94	1,274	0.50
Lewisham	0	0.00	301	1.19	142	0.56

STATISTICAL NEIGHBOURS						
Hackney	3	0.01	209	1.02	111	0.54
Haringey	2	0.01	121	0.51	79	0.33
Islington	6	0.04	321	2.08	156	1.01
Lambeth	9	0.04	305	1.37	169	0.76
Southwark	2	0.01	370	1.47	201	0.80
Brent	1	0.00	239	0.86	124	0.45
Croydon	8	0.02	426	1.25	197	0.58
Enfield	4	0.01	406	1.20	210	0.62
Greenwich	0	0.00	293	1.10	134	0.50
Waltham Forest	3	0.01	229	0.88	120	0.46

4.2 Secondary exclusions 2017/18

The permanent exclusion rate for Lewisham secondary schools improved at **0.34 per cent** (0.43 per cent in 2016/17) which was worse than England at **0.20 per cent**, London at **0.19 per cent**, Inner London **0.21 per cent** and our statistical neighbours (**see below**).

However this does not reflect locally collected data for 2017/18 which calculated 43 permanent exclusions in Lewisham. The interrogation of this data has highlighted that seven Lewisham secondary schools that had incorrectly recorded managed transfers as permanent exclusions. Although not rectifiable for 2016/17 data but this has been picked up and training will be provided to all Lewisham secondary schools on 'coding'.

The fixed period exclusion rate for Lewisham secondary schools improved at **8.49 per cent** (9.71 per cent in 2016/17) which was better than England at **10.13 per cent** and Inner London at **9.31 per cent**.

State-funded secondary schools (2017/18)						
	Number of permanent exclusions	Permanent exclusion rate (1)	Number of fixed period exclusions	Fixed period exclusion rate (2)	Number of pupil enrolments with one or more fixed period exclusion	One or more fixed period exclusion rate (3)
ENGLAND	6,612	0.20	330,085	10.13	153,479	4.71
LONDON	960	0.19	39,185	7.63	23,978	4.67
INNER LONDON	361	0.21	16,030	9.31	9,566	5.55
Lewisham	*50	0.34	1,239	8.49	813	5.57
STATISTICAL NEIGHBOURS						
Hackney	48	0.35	1,842	13.62	1,066	7.88
Haringey	24	0.17	1,536	11.07	966	6.96
Islington	20	0.23	1,420	16.46	720	8.34
Lambeth	38	0.25	1,387	9.30	748	5.01
Southwark	47	0.29	1,421	8.67	844	5.15
Brent	29	0.15	1,416	7.28	895	4.60
Croydon	29	0.13	1,740	7.84	1,126	5.07
Enfield	53	0.23	2,895	12.30	1,794	7.62
Greenwich	14	0.09	1,493	9.54	859	5.49
Waltham Forest	25	0.16	1,530	9.63	977	6.15

5. Locally collected data on permanent exclusions (PEX) and managed transfers (MT) 2018/19

- 5.1 Lewisham council is promptly notified by schools regarding the permanent exclusions and quality assure the circumstances surrounding managed transfers of pupils in Lewisham schools and of Lewisham residents in out of borough schools.
- 5.2 As a result we are able to collect data for the academic year of 2018/19. In 2018/19 there were **19** permanent exclusions from Lewisham secondary schools, **55.8 per cent** less than 2017/18. This brings Lewisham figures much more in line with England, London and Inner London averages. In 2018/19 there were **32** managed transfers from Lewisham secondary schools.
- 5.3 In addition there has been **13** permanent exclusions and **one** managed transfer from out of borough schools in 2018/19. However these figures will not be attributed to the Lewisham data in the 2018/19 Statistical First Release.

6. Lewisham Education priorities

- 6.1 Lowering exclusion figures in Lewisham continues to be a key priority, and whilst there have been many positive changes over the past three years which have resulted in a reduction in exclusions, the external factors that pupils face day to day and present in school will continue to present challenges for Headteachers and staff, which in a small minority of cases may still lead to an exclusion. This is a whole system challenge and needs to be at the heart of the Lewisham Education Strategy and the Early Help Strategy.
- 6.2 Again in 2018/19 we have seen a marked decrease, by **55.8 per cent** in one year, in the number of permanent exclusions from Lewisham schools. This can be attributed to the collaborative approach now embedded in Lewisham, the efforts of Lewisham Secondary schools to avoid last resort approaches, the work of the Fair Access Panel, the Inclusion Board and the Reducing Exclusions group. Also the decrease can be attributed to the introduction of the managed transfer protocol; which brings Lewisham figures overall to approximately the same as 2017/18.

7. CYP Select Committee Review Recommendations

- 7.1 The CYP Select Committee conducted an in-depth review of exclusions which ran from September 2018 to May 2019. It involved visits to schools, the Pupil Referral Unit, meeting with community groups and organisations working for excluded pupils on a London footprint. Officers and partners have found the final report and recommendations from the CYP Select Committee review of exclusions most helpful. This issue remains one on which we will continue to have a strong focus. But, as an initial response to the Committee's review, we propose the following:
- 7.2 "Permanent exclusion from school is a serious sanction, which should be used only as a last resort. Only the headteacher of a school can exclude a child and this must be on disciplinary grounds. The decision to permanently exclude a child should only be taken:
- in response to a serious breach or persistent breaches of the school's behaviour policy; and
 - where allowing the child to remain in school would seriously harm the education or welfare of the child or others
- 7.3 The number of permanent exclusions in recent years has been a concern, both in Lewisham and nationally. That is why the issue has been highlighted in the Mayor's manifesto, in the Corporate Strategy and the new CYP Plan 2019-2022. We are encouraged by the progress schools have made in recent years in reducing permanent exclusions, although we recognise the pressures that schools and young people are under, and the rising trend of exclusions nationally. Against that background, we warmly welcome the Children and Young People Select Committee Review on exclusions, and will take it fully into account as we take forward the continued work of the Lewisham Inclusion Strategy, and the fulfilment of our pledge."
- 7.4 Turning to the Committee's specific recommendations, these are listed below, with responses drafted by Officers. These will be incorporated in relevant team and service plans.

Recommendation	Proposed Response
<p>1. That reducing school permanent exclusions to the unavoidable minimum be an explicit element of Lewisham's published Children and Young People's Plan. (Lewisham Council)</p>	<p>Reducing exclusions has been included in the Lewisham Corporate Strategy and the draft CYP Plan 2019-22 - Priority 3: Children and young people develop, achieve and are ready for adulthood</p> <ul style="list-style-type: none"> ▪ The right support is in place to prevent exclusions from school. <p>Lewisham Council is committed to continue to work collaboratively with Lewisham schools and the community to deliver on this priority.</p>
<p>2. The local authority take steps to remedy disproportionality and increase BAME representation on the following:</p> <ol style="list-style-type: none"> a. primary Fair Access Panel b. Independent Review Panel (IRP) c. School governing bodies. 	<p>This has already been actioned by inviting and recruiting BAME Headteachers in Lewisham to join the Fair Access panel.</p> <p>Recruitment to the pool of people who sit on the IRPs is carried out by the local authority's Governance Support Team. The next recruitment drive will target BAME representatives and provide training.</p> <p>Lewisham governors have recently been surveyed. This shows that BAME representation across Lewisham is better than national averages but is still short of being proportionate with the school population. Officers are working on a targeted recruitment campaign by Spring 2020.</p>
<p>3. That council officers are reminded of our statutory obligation to provide meaningful equality impact assessments to ensure such assessments are robust and comprehensive. (Lewisham Council)</p>	<p>Equality implications are strongly addressed annually to CYP Select Committee in the exclusions report. The Lewisham Corporate Equalities Board is pursuing a whole borough strategy for more robust and comprehensive equality impact assessments.</p>
<p>4. That the local authority improves information packs for parents so the role of each aspect of the permanent exclusions process and each body involved is clearly explained in a concise and accessible way, and that support for parents is signposted. Interested parties, such as IRPs and community groups with experience and expertise in this area should be invited to contribute to these packs. (See also recommendation re Parental Advocates). (Lewisham Council)</p>	<p>This is a continued priority for Lewisham Council through the Reducing Exclusion Action Plan. Lewisham Council will include Lewisham parents in the review and improvement of current information packs so that the exclusion process is clear and transparent for all interested parties. Through the Reducing Exclusions Group we aim to consult with a group of parents and ensure that the information packs are revised by Spring 2020.</p>
<p>5. That the local authority ensures compliance with all statutory deadlines involved in the permanent exclusion process, in order to reduce to the minimum or eliminate altogether any loss of learning time or period of unstructured or unsupervised time which is known to increase the likelihood of risk-taking and/or anti-social behaviour or offending. (Lewisham Council)</p>	<p>Lewisham Council will continue to encourage and advise schools of all statutory deadlines and priorities in relation to exclusions. The Council itself has a specific statutory duty to provide 'sixth day provision' to excluded pupils. On average, it takes around six school days to place permanently excluded pupils into alternative provision. This is much quicker than in previous years. Pupils start sooner at the Lewisham PRU if the parents are fully engaged and supportive in the process. The PRU provides uniform for pupils. This speeds up their start date as there is no additional uniform costs to parents.</p>

	<p>However, some parents delay their child's admission to the PRU in the hope they will be successful at the Governors' Disciplinary Panel and have their child reinstated into school. These panels must be arranged within 15 school days of the date of the exclusion. Schools will aim to hold these panels as quickly as possible after the exclusion, ensuring less disruption to pupil.</p>
<p>6. That training continue to be provided to school governors to build the confidence and skills necessary to provide effective scrutiny and challenge of headteachers' decisions to permanently exclude. (Lewisham Council)</p>	<p>Governor training on preventing and scrutinising exclusions is scheduled for this academic year 2019/20. Bespoke training is also offered to individual governing bodies on request. The training programme will be revised to support building the confidence and skills necessary to provide effective scrutiny and challenge of Headteachers' decisions.</p>
<p>7. That the local authority's Children's Social Care department and its partners in Child and Adolescent Mental Health Services regularly review their thresholds for intervention and ensure there are clear pathways to support so that all children and young people can receive the help appropriate to their level of need within a reasonable timescale. (Lewisham Council)</p>	<p>The safeguarding thresholds were revised and fully disseminated to partners organisations at the beginning of 2019.</p> <p>Through a successful Trailblazer bid with NHS England Lewisham Council is improving interventions tailored to address mild to moderate mental health and emotional wellbeing needs in primary, secondary and special schools, with a focus on behaviour, anxiety, depression and primary to secondary transitions. The teams will provide support to senior mental health leads in the participating education settings, providing timely advice to staff and liaising with external specialist services so that children and young people can get the right support and remain in education. The programme aims to:</p> <ul style="list-style-type: none"> ▪ Target schools affected with a high level of disadvantage ▪ Reduce pupil exclusion ▪ Target and tailor services for Black, Asian, Minority Ethnic and Refugee (BAMER) CYP
<p>8. That Abbey Manor College's premises on both its sites be improved or replaced, ideally on a new site, so that there is sufficient indoor and outdoor space as well as appropriate design to best deliver its services. (Lewisham Council)</p>	<p>Given the reduction in permanent exclusions and the priority to improve early intervention, and reintegration into mainstream education, we will refresh our Alternative Provision Strategy, linked to place planning and sufficiency. This will set out options to improve the PRU accommodation with revenue and capital implications based on projections of demand. Target date April 2020</p>
<p>9. That schools are encouraged</p> <ol style="list-style-type: none"> a. to tailor the local authority's offensive weapons protocol to the needs of their school; and b. to adopt a flexible approach that takes into account the specifics of each individual case. (Schools) 	<p>Lewisham Council and Lewisham schools launched the Offensive Weapons Protocol in September 2017, and it was reviewed by the Inclusion Board in September 2018. The aim of this protocol is to set clear guidelines that enable schools, police and other services in Lewisham to ensure that learners and staff are protected and the carrying of offensive weapons and violent behaviour is discouraged through:</p> <ul style="list-style-type: none"> ▪ Early identification of potential problems. ▪ Early intervention. ▪ The support, agreement and collaborative approach of schools, police and other services.

	<ul style="list-style-type: none"> ▪ Proactive enforcement. Schools are encouraged to adapt the protocol to support their own behaviour policy and ensure individual flexibility for each incident of offensive weapons.
10. That schools are signposted to local groups such as Lewisham Education Group and No More Exclusions, comprising of professionals and parents, in order to reduce the disproportionate rate of permanent exclusions of black Caribbean children. (Schools)	Information has been provided to Lewisham Headteachers to enable them to access support from Parent groups to enrich school Inclusion Strategies and further prevent permanent exclusions.
11. That, in order to address the disproportionate numbers of Black children being excluded, schools are encouraged to choose from a menu of possible actions recommended by Lewisham Education Group and No More Exclusions, which is listed at paragraph 11.11 in the report.	<p>Officers are discussing with schools issues in relation to disproportionality in exclusions, especially for black Caribbean boys. This is a serious and long-standing issue on a national scale, sitting alongside the national attainment gap that the Council is keen to be part of addressing in a broader context working with other local authorities.</p> <p>It is proposed to develop collaboration with other local authorities with a high Caribbean population to lobby the Department for Education and government for specific resourcing of initiatives to address racial disparity and injustice.</p> <p>Officers will continue to work with community groups for better representation on governing bodies, parent / carer forums, etc. Officers are also working to develop a deeper understanding of how unconscious bias impacts on behaviour management through pastoral and inclusion support within schools and how the roll out of unconscious bias training addresses this. Lewisham Learning will follow up the 'Inclusive Curriculum Conference', which aimed to share more effective evidence-based practice from Lewisham and beyond, and organise more events of this kind.</p>
12. That all schools develop policies to facilitate successful transitions between primary and secondary school, so that transitions are well-planned and well-managed in order to support all children, but particularly those with SEND or experiencing mental health challenges. That training on transition to secondary school continue to be provided to school governors. (Schools)	The local authority issues guidance on transition and holds transition days for sharing information on vulnerable pupils. Officers will develop this into a whole borough strategy on transition which supports the child and the family through this process.
13. That secondary schools include in their induction packs details of their behaviour policies including their permanent exclusion policies and processes. (Schools)	This is practice that is already in place. The school behaviour policy is required to be on the school website. We regularly remind heads and governors of the website requirements as this is something that is checked by Ofsted as part of the inspection framework.
14. That schools review their provision of behaviour support units and internal exclusion units and seek to adopt best practice within the units such as providing a stimulating environment	Officers will encourage Lewisham Headteachers to identify and promote best practice from Lewisham and from other boroughs.

where learning takes place, offering therapeutic interventions where necessary, making use of the principles of restorative justice, etc. (Schools)	
15. That where schools are not doing so already, they be encouraged to consider use of the pupil premium payment where appropriate to fund preventative intervention measures to reduce permanent exclusions of eligible students. (Schools)	This recommendation will be shared with Lewisham Headteachers and they will be encouraged to consider the best use of pupil premium to support children at risk of exclusion.
16. That school governors routinely monitor the number of pupils who are removed from the school roll in Key Stage 4 in order to ensure that no students are unlawfully off-rolled. That school governors also track the reasons students are removed from the school roll, and their destinations (including elective home education). (Schools)	Lewisham Council recently responded to Ofsted's 'off-rolling' enquiry, which went to all London boroughs. After full investigation it is clear that we know the destination all our children who have been taken off roll during Key Stage 4, with clear and justifiable decision-making, and challenge by the local authority where appropriate. This is also now a very important focus in Ofsted inspections.
17. That individual schools record an audit of managed transfers together with the reasons for these and students' destinations. That this information be provided termly to school governors, and be included by the local authority in the annual report on attendance and exclusions that the Children and Young People Select Committee receives. (Schools and Lewisham Council).	All schools already inform Lewisham Council of any managed transfers as part of a quality assurance process. Schools are required to provide termly detailed reports to governors on all permanent exclusions, fixed term exclusions and managed transfers.
18. That Abbey Manor College be encouraged to continue on its trajectory of improving educational outcomes that are significantly above the national average for Pupil Referral Units, for its pupils. And that the measurable benefits for its pupils be promoted actively so as to counter its generally negative image. (Abbey Manor College, Lewisham Council)	As part of Lewisham Learning school improvement framework Abbey Manor College will continue to be supported to further improve education outcomes its pupils. The ethos and image of the provision will be considered as part of the refreshed Alternative Provision Strategy (referred to in the response to recommendation 8).
19. That schools are requested to include unconscious bias and equalities training in continuing professional development for all school leaders, staff and members of governing bodies. That this training also be included in the training of Newly Qualified Teachers in Lewisham that it be built into Lewisham's contracts with teacher training providers. (Teacher Training Providers, Schools, Lewisham Council.)	Lewisham Council does not have contracts with teacher training providers. However Lewisham will offer Unconscious bias/ Equality training in future Primary NQT training programme. STEEP Teaching School Alliance (TSA) independently offers an Early Years Foundation Stage (EYFS) NQT training programme and ATLAS Teaching School Alliance independently offers a Secondary NQT training programme which are both open to Lewisham NQTs. It is not a statutory requirement for schools to send NQTs to central NQT training sessions but the Council will recommend to STEEP TSA and ATLAS TSA that they offer Unconscious bias/ Equality training in their future EYFS and Secondary training programmes.
20. Lobby for independent advocacy being made available for families going through the statutory permanent exclusions process. (Department for Education)	Currently Lewisham exclusions letters signpost the national and local sources of support but there is no funding for dedicated independent advocacy for this area and this is something which the council could lobby for.

8. Financial implications

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

9. Legal implications

- 9.1 The Constitution provides for Select Committee to report 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).
- 9.2 The actions proposed in this report are consistent with the local authority fulfilling its statutory obligations under the Education Act 1996, the Education Act 2002 and the Education and Inspections Act 2006, The S school Discipline (Pupil Exclusions and Reviews) (England) Regulations 2012 and The Education (Provision of Full-Time Education for Excluded Pupils) (England Regulations 2007 and relevant statutory Guidance.
- 9.3 The Equality Act 2010 (the Act) introduced a public sector equality duty (the equality duty or the duty) which replaced, broadened and expanded upon similar duties which already existed in relation to race, disability and sex. It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 9.4 In summary, the Council must, in the exercise of its functions, have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
 - advance equality of opportunity between people who share a protected characteristic and those who do not.
 - foster good relations between people who share a protected characteristic and those who do not.
- 9.5 The duty continues to be a “have due regard duty”, and the weight to be attached to it is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations.
- 9.6 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/publication-download/services-public-functions-and-associations-statutory-code-practice>
- <https://www.equalityhumanrights.com/en/publication-download/technical-guidance-public-sector-equality-duty-england>
- 9.7 The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:
1. The essential guide to the public sector equality duty
 2. Meeting the equality duty in policy and decision-making
 3. Engagement and the equality duty
 4. Equality objectives and the equality duty

5. Equality information and the equality duty

9.8 The essential guide provides an overview of the equality duty requirement 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>

10. Crime and Disorder Implications

10.1 There are no crime and disorder implications.

11. Environmental Implication

11.1 There are no environmental implications.

12. Equalities Implication

12.1 Exclusions is a key equalities issue and the report refers to addressing disproportionality and targeted initiatives. The new or refreshed strategies referred to in the report will be subject to equalities assessments.

For further information please contact Ruth Griffiths, Service Manager – Access, Inclusion and Participation on 020 8314 3499

Agenda Item 14

Chief Officer Confirmation of Report Submission Cabinet Member Confirmation of Briefing

Report for: Mayor

Mayor and Cabinet

Mayor and Cabinet (Contracts)

Executive Director

Information Part 1 Part 2 Key Decision

Date of Meeting	10 th October 2019	
Title of Report	Response to Sustainable Development Select Committee on response to referral – Pubs update	
Originator of Report	David Syme, Strategic Planning Manager	Ext.48391

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:

Cabinet Member

Date: 30th September 2019

Signed:

Executive Director

Date 1st October 2019

Control Record by Committee Support

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

MAYOR & CABINET		
Report Title	Response to Sustainable Development Select Committee – Pubs update	
Key Decision	No	Item No.
Ward	n/a	
Contributors	Executive Director for Housing, Regeneration & Environment (Director of Planning)	
Class	Part 1	Date: 10 October 2019

1. Summary

1.1 This report addresses a number of outstanding scrutiny matters and provides a response to Mayor and Cabinet on these. The report covers responses to the following:

- Comments of Sustainable Development Select Committee on Pubs – 27 March 2019; and
- Subsequent response from Sustainable Development Select Committee - 04 July 2019.

2. Policy context

Lewisham Corporate Strategy

2.1 Lewisham's existing statutory development plan, and the emerging draft new Local Plan, will play a key role in delivering the Council's Corporate Strategy 2018-2020. The Local Plan will engage with all of the key priority areas of the Corporate Strategy, with the current and emerging planning policy proposals concerning public houses relevant, in particular, to the following:

1. Open Lewisham – Lewisham is a welcoming place of safety for all, where we celebrate the diversity that strengthens us; and
4. Building an inclusive local economy – Every can access high-quality job opportunities, with decent pay and security in our thriving and inclusive local economy.

Planning policy framework

2.2 The National Planning Policy Framework (2019) and London Plan (2016), along with the emerging draft new London Plan (2017), once adopted, set the planning policy framework for England and London respectively. These higher level policies recognise the value of public houses as community facilities and the important economic role they play. Lewisham's planning policies are required help facilitate the delivery of sustainable development locally in a manner that is consistent with national planning policy and in general conformity with the London Plan.

- 2.3 The Council's detailed planning policies for new development proposals involving public houses is currently set out in the Development Management Local Plan (2014) and specifically, DM Policy 20 (Public Houses). This policy was prepared in response to local issues surrounding the loss of public houses through material changes of use (such as conversions) and redevelopment.
- 2.4 The Council's planning policy team is currently taking the opportunity to review DM Policy 20 through the preparation of the new Lewisham Local Plan. The review will take into account planning decisions on relevant applications and new technical evidence, along with changes in the higher level planning framework since the Core Strategy (2011) and Development Management Local Plans were adopted.

3. Update and Response to the Mayor

Pubs

- 3.1 On the 27 March 2019 a report was presented to Mayor & Cabinet of the comments and views of the Sustainable Development Select Committee, arising from a short review of issues facing the pub trade in Lewisham. This review was presented to SDC on the 12 December 2018.
- 3.2 This was a follow up to a previous review of pubs in Lewisham in 2012 'Preserving Local Pubs', providing a policy review as an addendum in 2017. The Committee heard from witnesses about current issues facing the trade. The resulting report and recommendations were agreed at the committee's meeting in March 2019. David Syme (Strategic Planning Manager) provided a brief update in terms of changes in policy at a national and regional level related to pubs. The following recommendations were agreed at the Committee's meeting on 4 March 2019.

Sustainable Development Select Committee Views

- 3.3 The Committee recommends that Lewisham's new Local Plan should include the following:
- A section that provides automatic protection from redevelopment for all purpose-built pubs built in the 20th century and before. The wording should make clear that all the ancillary parts of the pub including beer gardens, function rooms, car parks, kitchens, cellars and accommodation above should be retained in order to maximise the opportunity to successfully run a pub business. This should also exclude the developer from converting the accommodation above to flats for sale or rent. While protecting the ancillary assets from housing development, the section should be sufficiently flexible to allow the owner to vary the use of the asset, so long as it can be demonstrated that the changes will assist in benefiting the use of the building as a public house.

This section is compliant with Mayor of London's new Draft London Plan policy HC7 C: "Development proposals for redevelopment of associated accommodation, facilities or development within the curtilage of the public house that would compromise the operation or viability of the public house use should be resisted"

The introduction of the 'Agent of Change' principle in the Draft Culture and the Night Time Economy SPG by the Mayor of London highlights the importance of protecting venues such as pubs, ensuring any new

development adjacent, or above, does not restrict its offering as a business.

In order to apply the agent of change principle thoroughly, it is important to make sure the new developer has fully considered the noise at all times of day; people leaving the pub late at night, not just the “noise” emanating from within the pub; potential future noise; consulted properly with the existing publican; installed the right measures; potentially redesigning the layout of the new building to ensure the pub’s business is not impacted by noise complaints.

The Mayor of London’s latest guidance is contained in the London Plan (2019) policy D12 – Agent of Change.

The Council can then adopt the following:

- A. The Agent of Change principle places the responsibility for mitigating impacts from existing noise-generating activities or uses on a proposed new noise-sensitive development.
- B. Lewisham Council should therefore ensure that planning decisions reflect the Agent of Change principle and take account of existing noise-generating uses in a sensitive manner when new development, particularly residential, is proposed nearby.
- C. Development proposals should manage noise and other potential nuisances by:
 - ensuring good acoustic design to mitigate and minimise existing and potential impacts of noise generated by existing uses located in the area.
 - exploring mitigation measures early in the design stage, with necessary and appropriate provisions secured through planning obligations.
 - separating new noise-sensitive development where possible from existing noise-generating businesses through distance, screening, internal layout, sound-proofing and insulation, and other acoustic design measures.
- D. Development should be designed to ensure that established noise-generating venues remain viable and can continue or grow without unreasonable restrictions being placed on them.
- E. New noise-generating development, such as industrial uses, music venues, pubs, rail infrastructure, schools and sporting venues proposed close to residential and other noise-sensitive development should put in place measures such as soundproofing to mitigate and manage any noise impacts for neighbouring residents and businesses.
- F. Lewisham Council should refuse development proposals that have not clearly demonstrated how noise impacts will be mitigated and managed.
- G. In addition the committee recommends that the Local Plan should be reviewed to include the possibility of:

3.4 A mechanism to reduce business rates for public houses under certain circumstances.

- An investigation into how bureaucracy can be reduced in order to help pubs thrive.

Response 5 June 2019 to issues raised 27 March 2019

3.5 In relation to pubs the draft Local Plan is taking on board the National Planning Policy Framework's 2019 (NPPF) revised emphasis on pubs as 'community facilities', embedding this principle in local policies. The draft policies are proposing to go a step further look at providing a presumption against the loss of all pubs within Lewisham (including the ancillary elements of a pub), as well as providing additional protection to pubs in the borough by outlining a revised approach to development proposals that may affect the function of existing pubs.

3.6 The draft London Plan (once adopted) will form part of Lewisham's development plan, meaning the proposed policy (D12 'Agent of Change') will form part of the formal development plan in Lewisham. To provide additional local support to this new planning principle the draft Local Plan is also looking to include a new policy on the principle of the 'agent of change', which will provide additional policy support for this.

3.7 The new Local Plan is being drafted in a form that seeks to be more accessible to developers and communities, and is proposed to be formed of a single document providing an integrated approach to planning in Lewisham. In addition to the work of the planning department on service improvement, the new Local Plan should enable a more accessible and effective approach to planning.

3.8 The setting of business rates is something that falls outside the scope of matters that Local Plan policy can address. Pub Relief ended on the 31 March 2019, however from April 2019 the government has introduced business rates relief in the form of a Retail Discount where eligible retail businesses with a rateable value less than £51,000 could receive 33% off their bill. This discount is available to pubs. Any additional new discretionary scheme introduced locally in Lewisham for a reduced business rates allowance for pubs would need to be funded by the Council and the implication of this would have to be considered carefully as part of future budget decisions.

Resolution at Sustainable Development Select Committee 4 July 2019

3.9 The following was resolved at the meeting of Sustainable Development Select Committee on 4 July 2019:

Resolved: that the Committee would refer its views to Mayor and Cabinet, as follows:

- The Committee believes that Lewisham's pubs are at risk. It has identified an opportunity to increase protection for local pubs through the development of the new local plan. Contrary to the strength of feeling in the Committee about this issue, councillors are not reassured that their comments on preserving Lewisham's pubs have been given full and thorough consideration. The Committee asks that Mayor and Cabinet

direct officers to provide a detailed response to the Committee's recommendations on preserving Lewisham's pubs. This should define the actions that have been taken. Furthermore, it reiterates its view that the protection of Lewisham's pubs should be championed through planning policy and fully incorporated into the new local plan.

Update to issues raised 4 July 2019

- 3.10 Planning policy officers have commenced a process of internal consultation on the main issues to be considered by the new Local Plan, along with the preferred strategic approaches and detailed policies to address these. This has included consultation with councillors through several All Member Workshop sessions over the past year and with officers in other service areas, as appropriate. Through this process planning officers have engaged with the issues surrounding public houses raised by the Select Committee, whilst also providing opportunities for Members and senior officers to provide feedback on the emerging policy proposals, including the emerging draft policy on public houses.
- 3.11 The latest draft of the public houses policy is included in **Appendix 1** to this report, along with policies addressing other detailed matters raised by the Select Committee (e.g. agent of change, noise). The policy and supporting text have been amended following feedback from Members taking into account comments received both through the All Member Workshops and the Select Committee, as well as the latest outcomes of the draft London Plan examination (i.e. minor modifications arising from the examination hearing sessions). The latest changes to the pubs policy are shown marked in underlined and strikethrough text. Of particular note is the new 'presumption against the loss of public houses' that is proposed to be introduced locally. Amendments also include clarifications that the protection of pubs refers to both their operational and ancillary spaces, and additional requirements for the types of evidence applicants must submit in support of planning applications.
- 3.12 The latest draft of the Local Plan policies will be discussed further with the Select Committee in advance of the proposals being progressed to Mayor & Cabinet and Council, when officers will formally seek approval to undertake a statutory public consultation on the draft new Local Plan. The council will be required to take into account feedback received through the consultation process, including responses that may be received from industry and other key stakeholders and the wider public.
- 3.13 Planning policy officers share the views of the Select Committee and other Members in respect of the important role of public houses as valued community facilities and their contribution to supporting the local economy. Therefore, officers are currently reviewing and seeking to strengthen the extant DM Policy 20 (Public houses). The intention is that the new Local Plan will provide stronger planning policy protection to pubs, including by preventing against their loss, harmful alterations and ensuring they benefit from the 'agent of change' principle.
- 3.14 Before the council can adopt the Local Plan it must be found sound by a Planning Inspector through the independent examination process, where the plan will be assessed against the 'test of soundness' prescribed by national planning policy. This will require that the policies are evidence based and not unduly restrictive, including for reasons of economic viability. A balanced

approach to managing development affecting public houses will therefore be necessary. This will ensure the principal objectives of protecting against the loss and harmful alteration of pubs continue to be given effect in Lewisham's development plan. The Scrutiny Committee and other Members are invited to provide further feedback to assist in refining the emerging policy proposals, taking into account the statutory plan making requirements.

RECOMMENDATION that the responses be approved and reported to the Select Committee

4. Financial Implications

4.1 There are no financial implications arising from this report.

5. Legal Implications

5.1 There are no legal implications arising from this report.

6. Equalities Implications

6.1 The Council's Comprehensive Equality Scheme for 2016-20 provides an overarching framework and focus for the Council's work on equalities and helps ensure compliance with the Equality Act 2010. It describes the Council's commitment to equality and fairness for citizens, service users and employees through its powers to influence access to good quality housing, education, safety & security, health and leisure services.

6.2 The emerging draft planning policies set out in Appendix 1 are proposed to be included in Lewisham's draft new Local Plan. The Local Plan will be subject to an Integrated Impact Assessment (IIA) in line with the statutory requirements for plan making, and this assessment will incorporate considerations relevant to Equalities Impact Assessment. The Local Plan will be prepared having regard to findings of the IIA through an iterative assessment process. An interim Integrated Impact Assessment report will be published alongside the draft Local Plan at the next Regulation 18 stage of public consultation.

7. Crime and Disorder Implications

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

8. Environmental Implications

8.1 There are no environmental implications arising from this report.

Appendix 1 – Draft Local Plan Policies

Draft Policy EC 19 Public houses

- A. Public houses are important community facilities that also support the local economy and should be protected. There will be a presumption against the loss of public houses in Lewisham. Development proposals involving the loss of a public house, including through change of use or redevelopment, will only be acceptable where it is demonstrated that:
- Legitimate ~~reasonable~~ efforts have been made to preserve the facility as a public house, including through evidence of regular maintenance and upkeep;
 - The public house is not financially viable and there is no reasonable prospect of the premises remaining in this use, or an alternative community use, as evidenced through a marketing exercise of a minimum continuous period of three-years; and
 - Feasible options for the re-provision of the public house have been fully investigated, and where these are not considered deliverable sufficient justification is provided.
- B. Development proposals affecting a public house, including its operational and ancillary amenity space, must demonstrate that the viability of the pub will not be compromised and development will not detract from the character and appearance of the building, including any features of historic or cultural significance.
- C. Development proposals involving the replacement or re-provision of a public house must ensure the replacement facility has an appropriate amount and configuration of floorspace to enable the continued viability of the public house.
- D. Where the change of use of a public house is considered acceptable, development proposals will be expected to retain the building and other associated features where these makes a positive contribution to local character, including by their historic, streetscape and townscape value.

Explanation

- Public houses, or pubs, are multi-purpose community facilities that are often integral to the life and identity of Lewisham's neighbourhoods. Many exhibit cultural and historic features that help to foster and reinforce sense of place. Pubs are characteristically inclusive places that contribute greatly to social cohesion, for example, by providing venues for functions, performance space, and informal meeting space for residents and community groups. Pubs also support the local economy and are particularly vital to the visitor and night-time economy. In recent years Lewisham, like many other London boroughs, has experienced a decline in public houses. Recognising the important social and economic role they play, we will seek to guard against the unnecessary loss of these facilities.
- Development proposals involving the demolition or loss of an existing public house, including through change of use, must submit evidence to demonstrate that the pub is not financially viable and there is no reasonable prospect of the premises remaining in this use, or an alternative community use. We will expect to see full details of patronage levels and trading accounts over the past 3 years, including accounts from previous management where appropriate. In addition, applicants must provide a statement documenting the steps taken by the owner or operator to respond to viability concerns, including falling patronage levels and profit margins. This might cover considerations given to business diversification (for example, expanding the food and beverage offer), promotions or building refurbishment. Finally, proposals will need to provide proof of a marketing exercise

covering a minimum continuous period of three-years, including details of commercial agents, advertisements and lease terms offered. During this time the pub must be actively marketing at a reasonable local market rent. We will consider whether any ties or restrictive covenants have affected interest. Proposals will be resisted where there is good reason to believe that the viability of the pub has been compromised by deliberate neglect.

3. Public houses require dedicated operational spaces. They also often feature function rooms or ancillary amenity space, including outdoor gardens, which are critical to supporting their role as community facilities and places of gathering. Where proposals involve a reduction or reconfiguration of such operational and ancillary spaces, it must be demonstrated that this will not have a detrimental impact on the financial viability of the public house. Furthermore, proposals must show that the remaining residual space will be of a sufficient amount and quality to continue to meet the needs of pub users. Operational and ancillary spaces include, but are not limited to, beer gardens, function rooms, kitchens, cellars and accommodation integrated into the building.
4. Where sites are redeveloped, including through comprehensive redevelopment, our priority is to protect pubs particularly where they are of historic, cultural or community interest. However, in certain circumstances it may be acceptable that a facility is replaced or re-provided. Proposals will be required to demonstrate that they have considered all reasonable options for retaining the pub in situ. Where this is not possible, the replacement provision must be designed to a sufficient quality and standard to ensure the continued viability of the pub. This aim of this policy is to ensure there is a genuine intention to retain the facility in viable use, so to prevent against future changes to alternative uses.
5. National planning policy recognises the value of public houses as community facilities. We will therefore seek to protect against their loss, having regard also to Policy CI 1 (Safeguarding and securing community infrastructure). Where the loss of a pub is proposed, proposals must suitably demonstrate that there is similar alternative provision elsewhere in the local area. If there is sufficient evidence to support that the loss is acceptable in principle, proposals will be expected to retain the building and any ancillary land or other features, where these makes a positive contribution to local character.
6. Development proposals involving the loss of public houses listed as Assets of Community Value will be assessed against this and other relevant Local Plan policies.

Draft Policy QD 7 Amenity and agent of change

- A. Development proposals must demonstrate how they will protect and wherever possible enhance the amenity of existing and future occupiers and uses, as well as the amenity of neighbouring properties and uses.
- B. Development proposals will be required to positively address amenity through the design-led process in order to:
 - a. Make appropriate provision of privacy both for users of the development and those in neighbouring properties, ensuring development does not result in unreasonable levels of overlooking;
 - b. Make appropriate provision and seek to optimise outlook for users of the development;
 - c. Ensure adequate levels of daylight, sunlight and open aspects including provision of private amenity space where appropriate; and
 - d. Minimise and appropriately mitigate disturbances associated with the construction and operation of the development including noise, vibration, odour, fumes, dust, artificial light and site waste.

C. When considering the amenity impacts of new development the Agent of Change principle will be applied in accordance with the draft London Plan.

Explanation

1. It is important that development contributes to the delivery of high quality environments that people can enjoy without disturbance and live healthily in. Lewisham is an inner-London Borough with a sizeable resident and visitor population. It also accommodates a wide range of activities and land uses including for housing, industry and employment, transport and open space. In this urbanised setting, it is imperative that development is designed in a way that does not adversely impact on the amenity of people in the Borough at any given time, or on the ability of different uses to continue operating (where they are appropriately located). This is especially for economic, community and cultural uses that positively contribute to the vitality of neighbourhoods.
2. We will expect that all new development protects and wherever possible enhances local amenity. Amenity should be central to the design-led process, with careful consideration given to the layout, design, construction and operation of buildings and spaces, including the public realm. Proposals must provide a sufficient level of information to demonstrate that potential impacts have been identified and avoided or appropriately mitigated. We will resist proposals that are likely to cause unreasonable harm to the amenity of users of the development or occupants and uses in neighbouring properties.
3. Local amenity can be compromised or adversely impacted in a number of ways. Some examples include: the loss of daylight and sunlight to existing properties owing to extensions or new structures; odour from restaurants and other commercial activities; vibration and pollution from industrial uses, railways, and roads; noise from cultural or entertainment facilities; and loss of privacy and diminution of outlook due to insensitively sited and designed development. All proposals for new buildings and uses should assess and proactively respond to local amenity having regard to site-specific circumstances. Compatibility of use should be a key consideration during the initial site selection process.
4. Development proposals must appropriately respond to the immediate setting and wider neighbourhood context. For new housing or other development near residential properties, proposals must ensure provision of adequate daylight, sunlight and outlook. Privacy is another key consideration and new development should not cause significant or unreasonable harm in terms of overshadowing or overlooking. Proposals will be expected to take account of existing and proposed future uses, for example, by considering land use principles established by existing planning consents or strategic site allocations.
5. The draft London Plan introduces the 'Agent of Change' principle. This places the responsibility for mitigating the impact of noise on new development. In practice this means that where new developments are proposed close to existing noise generating uses, they must be designed more sensitively to protect the new occupiers from noise impacts. As well, where new noise generating uses are proposed close to noise sensitive uses the responsibility will be on the new use to protect the existing residents or uses from noise. We will apply the Agent of Change principle in accordance with the criteria set out in draft London Plan Policy D12 (Agent of Change).
6. Noise generating cultural venues such as theatres, concert halls, pubs and live music venues should be protected for the benefit of the wider community and the local economy. Development proposals for schemes in the vicinity of these types of facilities must be designed in ways that ensure established cultural and other venues remain viable, can operate without the threat of closure due to noise complaints and can continue to operate

as they are without licensing restrictions. This is particularly important in Lewisham's Creative Enterprise Zone, where a critical mass of cultural venues and community facilities is necessary to support strategic objectives for this element of the local economy.

7. Noise sensitive development such as housing, hospitals, day centres and schools proposed close to noise-generating uses must include acoustic design measures that are developed within the scheme from an early stage. Even greater care must be taken where it would have a disproportionate effect on more vulnerable people such as the elderly or young children. Measures that could be employed to overcome impacts could include soundproofing or insulation. The Mayor's London Environment Strategy provides further guidance on managing and mitigating noise in mixed-use development and town centre development.
8. We will seek to protect open spaces as tranquil havens with positive soundscapes where people can interact with the natural acoustic environment, including natural sounds, animal vocalisation, weather, water and river flows. Development should recognise and positively respond to the value of tranquil and quiet areas. Opportunities should be taken to protect and enhance these environments for the benefit of the local community and biodiversity.

Draft Policy QD 8 Noise and vibration

- A. Development proposals should be designed to avoid or minimise the harmful impacts of noise and vibration at all stages of the development, having regard to the Agent of Change principle.
- B. New noise and vibration generating development must be appropriately located away from noise sensitive uses and suitably demonstrate that measures will be implemented to mitigate any adverse impacts.
- C. New noise sensitive development should be located away from existing or planned sources of noise pollution. Where this is not reasonably practical proposals must demonstrate that:
 - a. Internal and external noise levels can be satisfactorily controlled and managed; and
 - b. There will be no adverse impact on the continued operation and amenity of adjoining and neighbouring uses, having regard to Policy QD7 (Amenity and agent of change).
- D. A Noise Assessment and/or Vibration Assessment will be required to be submitted with proposals where they are noise sensitive developments or involve a noise or vibration generating use.

Explanation

1. It is important for the mental health and wellbeing of Lewisham's resident and visitor population that noise is managed to acceptable levels. There are a wide range of land uses and activities within the Borough, including significant noise generating uses (such as industrial activities) or buildings that are sensitive to noise by virtue of their users or environment (such as schools, health facilities and housing). This policy seeks to ensure that new development provides for the protection of amenity where there is an interaction between noise generating or noise sensitive uses.
2. New development should be designed to avoid or minimise disturbance from noise pollution and vibration, including by appropriately mitigating impacts on site users and

adjacent land uses. We will seek to ensure that noise is managed to acceptable levels having regard to the relative ambient noise levels and the character of the locality. All proposals should consider noise and vibration in the site selection process and, where necessary, address mitigation measures from the early stages of the design-led process.

3. New noise sensitive development (such as housing and community infrastructure) should be located away or appropriately separated from existing or planned sources of noise pollution. This is especially important where noise could have a disproportionate effect on vulnerable groups such as children, young people or the elderly. Appropriate mitigation measures in the design, internal layout and treatment of the building and façade will be required. This includes adequate sound insulation to minimise the adverse impacts of noise, such as from railways, roads or commercial activities. Consideration should also be given to the provision of natural or mechanical ventilation where, for acoustic reasons, an alternative to opening windows is required.
4. Proposals will be expected to submit a Noise and/or Vibration Assessment where sites are located in high-noise areas or where a new development is likely to generate significant noise. This will enable the consideration of how the existing noise environment affects any proposed noise sensitive development and the potential impact that new noise generating development will have on the local area.
5. The council's Good Practice Guide: Control of Pollution and Noise from Demolition and Construction Sites has been prepared to assist developers and their contractors in ensuring that they carry out their works in the most considerate manner in order to reduce the environmental impact and disturbance arising from their works. Transport for London also provides standing guidance on the Construction Logistic Plan required for major developments and the assessment of traffic movements, which applicants are encouraged to refer.

Agenda Item 15

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

<input type="checkbox"/>
X
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Date of Meeting	10 th October 2019	
Title of Report	Response to comments by the Overview and Scrutiny Business Panel on equalities implications in reports	
Originator of Report	Katharine Nidd	Ext.46651

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)		

J. G. Slater

Signed:

Cabinet Member

Date: 1st October 2019

Signed:

Interim Chief Finance Officer

Date 1st October 2019

J. Allen

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 comments by the Overview and Scrutiny Business Panel on equalities implications in reports	
Key Decision	No	Item No.
Ward	Borough wide	
Contributors	Head of Law, Director of Policy and Governance, Strategic Procurement and Commercial Services Manager	
Class	Part 1	Date: 10 October 2019

Purpose of Report

To consider and respond to matters raised by the Overview & Scrutiny Business Panel (OSBP) on 21st May 2019.

1 Overview & Scrutiny Business Panel comments

On 21st May 2019 the Overview and Scrutiny Business Panel resolved:

‘... that Mayor and Cabinet be requested to direct officers to ensure that:

- i. Equalities and the issues surrounding it are addressed as part of contract compliance.*
- ii. Equalities implications become an explicit part of the decision making process.*
- iii. All reports to explicitly include equalities implications or an equalities impact assessment, and evidence that the equalities impact has been considered at every step of the decision making process (at the beginning, throughout the duration and at the end).*
- iv. Looking beyond the Equalities Act; Class should also be included as part of equalities implications.’*

2 Recommendations

It is recommended that Mayor and Cabinet:

- i. Note officer comments as set out in this report;
- ii. Note the report considered by the Safer, Stronger Communities Select Committee (SSCSC) on 9th October 2019 and the comments of the Safer, Stronger Communities Select Committee at that meeting; and

- iii. Consider whether to provide a response to the Business Panel in line with those comments.

3 Responses to comments by the Overview and Scrutiny Business Panel

3.1 Overview and Scrutiny Business Panel have requested that Mayor and Cabinet consider the matters set out in paragraph 1. This paper contains the response to those matters, for consideration by Mayor and Cabinet.

3.2 Mayor and Cabinet are asked to note that the Safer, Stronger Communities Select Committee is carrying out an In-depth Review of Equalities in Lewisham. At its meeting on 9th October 2019 that committee considered a paper (attached at Appendix 1) on these issues:

1. How is Lewisham Council meeting its equalities obligations under the 2010 Equalities Act and Public Sector Equality Duty?
2. What is the Council's Comprehensive Equalities Scheme and how successfully is it embedded in decision-making and policy and strategy development?
3. How else is equalities embedded across the Council including Equality Analysis Assessments and Equalities implications in committee reports?
4. What is the importance of socio-economic inequality and income deprivation? How can the Council promote socio-economic equality?
5. How does the Council ensure equalities are embedded in the commissioning process for third party organisations that deliver services?

3.3 The issues considered by the Safer, Stronger Communities Select Committee therefore overlap with the matters raised by the Business Panel. Table 1 below presents a comparison of the questions raised by SSCSC, and those raised by OSBP.

Table 1

OSBP referrals i – iv (see 1 above)	Does SSCSC questions 1 – 5 address this? (see 3.2 above)
i. Equalities and the issues surrounding it are addressed as part of contract compliance.	SSCSC Question 5 addresses same issue as that raised in OSBP referral (i), being the embedding of equalities into the commissioning process. OSBP referral (i) further asks specifically for consideration of how this addressed throughout the contract period.
ii. Equalities implications become an explicit part of the decision making	SSCSC Question 3 addresses same issue as that in OSBP referral (ii) – consideration of equalities in reports.

process.	OSBP referral (i) also asks specifically for equalities implications to become an 'explicit' part of decision making.
iii. All reports to explicitly include equalities implications or an equalities impact assessment, and evidence that the equalities impact has been considered at every step of the decision making process (at the beginning, throughout the duration and at the end).	See above, in relation to SSCSC Questions 2 and 3; these address the same issue. OSBP referral (iii) also refers specifically for evidence that equalities implications have 'been considered at every step of the decision making process'.
iv. Looking beyond the Equalities Act; Class should also be included as part of equalities implications.	SSCS Question 4 addresses same issue as that in OSBP referral (iv) – consideration of socio-economic inequality and income deprivation.

3.4 A verbal update or supplementary paper will be presented at the Mayor and Cabinet meeting to inform Mayor and Cabinet of the comments made by the Safer, Stronger Communities Select Committee which are relevant to the matters raised by the Overview and Scrutiny Business Panel, so that Mayor and Cabinet can take those into account.

3.5 It is proposed that Mayor and Cabinet approve the actions or responses proposed in Table 2 below, subject to any changes arising from consideration of the comments made by the Safer, Stronger Communities Select Committee. If there are any changes needed, these will be addressed in the verbal update or supplementary paper.

Table 2

OSBP referrals i – iv (see 1 above)	Proposal for action or response
i. Equalities and the issues surrounding it are addressed as part of contract compliance.	The paper to be considered by the Safer, Stronger Communities Select Committee clearly describes the embedding of equalities into the commissioning process and how this forms part of the contractual terms of contracts with third parties. Post procurement and as part of the contract management function services require regular compliance and performance reporting from contractors which would enable the

	identification of equalities issues..
ii. Equalities implications become an explicit part of the decision making process.	SSCSC Question 3 addresses same issue as that in OSBP referral (ii) – consideration of equalities in reports. Officers could be asked to pick up that issue within the SSCSC response, or if that response does not deal with that issue to prepare a separate response for initial consideration by SSCSC as part of their review with referral back to OSBP.
iii. All reports to explicitly include equalities implications or an equalities impact assessment, and evidence that the equalities impact has been considered at every step of the decision making process (at the beginning, throughout the duration and at the end).	Officers could be asked to pick up that issue within the SSCSC response, or if that response does not deal with that issue to prepare a separate response for initial consideration by SSCSC as part of their review with referral back to OSBP.
iv. Looking beyond the Equalities Act; Class should also be included as part of equalities implications.	Socio-economic status is not a ‘protected characteristic’ under the Equality Act and therefore there is no legal obligation to include when reporting. However the SSCSC Question 4 addresses same issues and clearly describes the actions being taken to address socio-economic inequality.

4 Financial Implications

None.

5 Legal Implications

None except as set out in the report, and in the equalities implications below.

6 Crime and Disorder Implications

None

7 Equalities Implications

7.1 The Equality Act 2010 (the Act) introduced a public sector equality duty (the equality duty or the duty). It covers the following protected

characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

7.2 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.

7.3 It is not an absolute requirement to eliminate unlawful discrimination, harassment, victimisation or other prohibited conduct, or to promote equality of opportunity or foster good relations between persons who share a protected characteristic and those who do not.

7.4 It is a duty to have due regard to the need to achieve the goals listed in the paragraph above.

7.5 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.

7.6 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>

8 Environmental Implications

None

9 Conclusion

This report sets out the matters to be considered by Mayor and Cabinet with regard to the matter referred for consideration by Overview and Scrutiny Business Panel, so that Mayor and Cabinet can decide whether to provide a response to the Overview & Scrutiny Business Panel in line with those comments.

APPENDIX 1

**Safer, Stronger Communities Select Committee Paper on In-depth
Review of Equalities in Lewisham considered 9th October 2019**

Safer, Stronger Communities Select Committee			
Report Title	In-depth Review of Equalities in Lewisham		
Contributors	Executive Director for Resources and Regeneration	Item	
Class	Part 1 (Open)	Date	9 October 2019

Introduction

1. This report provides evidence to inform the Safer, Stronger Communities Select Committee review of equalities in Lewisham. A summary of responses to various questions asked by the Committee, are set out further on in this report.

Recommendation

2. The Committee is invited to:
 - i) Note the contents of this report; and
 - ii) Consider the responses to questions raised by the Committee's In-depth Review, set out at paragraphs 8 to 37

Background and context

3. Lewisham is a borough of more than 303,000 residents of which children and young people make up one in four and older people aged over 65 about one in ten of the population. Seven in ten Lewisham residents are of working age (16-64).
4. In terms of ethnicity, about 54 per cent of the population is white, whilst 46 per cent is of Black and Minority Ethnic heritage. Some 15 per cent of Lewisham residents describe themselves as disabled and about a third describe themselves as having a faith. Estimates vary on the proportion of the population who identify as LGBT, but it could be as high as one in ten.
5. In addition to its demographic diversity, Lewisham is economically diverse. Nearly one in four residents are earning below the London Living Wage and just over one in ten households are those in which no-one has ever worked. Nationally, Lewisham ranks 19th out of 326 local authorities (1 equals high), with respect to income deprivation affecting both children and adults and 80th out of 326 against the measure of employment deprivation.
6. An example of the borough's geo-spatial diversity can be seen in the higher concentrations of predominately white and older residents who make their home in the

south of the borough, compared to the higher concentrations of younger and BAME residents who reside in the north of the borough.

Response to questions

7. This section of the report attempts to address the specific questions presented by the Committee's In-depth Review. A summary of responses in each instance, is set out under the sub-headers below.
 - a. How is Lewisham Council meeting its equalities obligations under the 2010 Equalities Act and Public Sector Equality Duty?
8. The Public Sector Equality Duty is a duty under the Equalities Act 2010. It requires public bodies in the exercise of their functions to have due regard to the need to eliminate discrimination between those with a 'protected characteristic' (as defined by the Act) and other people, to advance equality of opportunity between those with and without a protected characteristic, and to foster good relations between different people when carrying out their activities.
9. The provisions of the Duty do not preclude public bodies from making decisions that could adversely impact groups of individuals who have a protected characteristic nor, in limited circumstances, from making decisions to reduce disadvantage by taking positive action in relation to a protected group. However, public bodies must demonstrate that they have taken reasonable steps to acquire relevant information and weigh up relevant factors before reaching decisions. In the event that impacts of decisions are likely to be negative, where possible, public bodies should describe actions that will be taken or have been considered to moderate those impacts on protected groups.
10. Where major changes to policy, strategy and service delivery are required or where major budget decisions are being made, it is expected that officers undertake equality analysis assessments to model the likely impact of such changes on residents and service users. The above assessments will demonstrate how evidence has been weighed and how various factors considered in the development of recommendations for decision-making.
11. In policy terms the Council has also sought to embrace a wide definition of equality. This definition recognises the needs and aspirations of groups such as refugees, asylum seekers, those who do not speak English as a first Language and European Union nationals living in the borough, who face specific challenges as a result of Brexit. The point being made here is the Council has taken active steps to adopt an approach to equality that measures success in terms of its commitment to public welfare, rather than simple compliance with statute.
12. With regard to the above, the main challenge for the Council has been the need to ensure that it has access to data across the range of equality groups. This continues to be a challenge for some protected characteristics where the availability of data relies

upon self-declaration and the issue of discrimination is a barrier for such declarations to be made in the first place.

13. Part of the challenge that the Council faces with regard to gathering diversity data, is that there must always be a clear business case for it and once collected, it must be used for the purpose for which it was collected in the first place. The Council's approach to data collection must always be proportionate. Therefore, diversity data is not collected as a default.
14. There is also the matter of personal choice. Residents and services users are not mandated to share their personal information with the local authority. That said, it is recognised that the Council could and should do more to encourage residents to share such information. In particular, by demonstrating much more clearly how diversity information has been used in the past, to improve services.
15. The desire to ensure that the above process is managed as effectively as possible has led the Executive Management Team to ask Directorate Management Teams to play a much greater role in providing assurance across their areas of responsibility. As part of this directorates are taking a strategic view of data gathering based on an assessment of longer term issues and challenges. This will help ensure that the approach to data collection is not just operationally driven.

b. What is the Council's Comprehensive Equalities Scheme and how successfully is it embedded in decision-making and policy and strategy development?

16. The Comprehensive Equalities Scheme is an assurance framework for evaluating and assessing how the Council addresses and promotes equality and fairness through the performance of functions and the provision of services. The existing Comprehensive Equalities Scheme is comprised of the following five objectives:
 - Tackle, victimisation, discrimination and harassment
 - Improve access to services
 - Close the gap in outcomes for our citizens
 - Increase mutual understanding and respect, within and between communities
 - Increase participation and engagement
17. The above-mentioned objectives are the prism, through which officers and members can assess the rationale and impact of recommendations as they are being developed and before they are agreed. By applying this lens, the Council is better able to understand the impact that its decisions might have on service users and where possible, take reasonable steps to mitigate any negative impacts.
18. The Comprehensive Equalities Scheme is not a strategy. As such, it does not set strategic goals, nor is it accompanied by an action plan and resources to effect delivery. The idea is that the underpinning objectives of the Scheme should instead be reflected in the

strategies, plans and business systems through which the Council delivers and where resources are already invested.

19. The rationale for a strategic framework for equalities rather than a strategy is based on the presumption that it is a much more effective way to ensure that all Council business systems and processes have equalities at their core. This would not be the case if equalities consideration were an adjunct sitting in a separate plan – or for that matter in nine separate plans reflecting each of the nine characteristics protected under the Equality Act.
 20. It is because the Comprehensive Equalities Scheme is a strategic framework and not a strategy that its impact is measured in terms of business assurance and confidence, rather than targets achieved or deadlines met. A particular measure of business assurance is the extent to which, when scrutinising information presented by officers, elected members can satisfy themselves that consideration of equality objectives have been factored into relevant impact assessments and report recommendations.
 21. A good recent example of how the Comprehensive Equalities Scheme framework has been applied is with respect to the development of the Children and Young People's Plan 2019-22. The Plan addresses all five Comprehensive Equalities Scheme objectives and reflects these in its ambition, intent and success measures. The Plan was adopted by Full Council in July 2019.
 22. Another strategy, in development, that will incorporate the above approach is the Council's Housing Supply Strategy. The Strategy will be using equality data as a lens to inform how the Council builds, buys and acquires properties as well as what partners build and develop in the borough.
 23. As elsewhere, there is more that can and should be done to improve the effectiveness of the above approach. Specifically, the systematic and routine application of the Comprehensive Equalities Scheme, as an assurance framework, is not yet custom and practice across the organisation.
- c. How else is equalities embedded across the Council including Equality Analysis Assessments and Equalities implications in committee reports?
24. There are a wide range of ways in which equalities is embedded across Council business systems. Set out below, are some examples of this.
 - Strategy development – various strategies reflect the Council's broader commitment to equality and to the needs of various protected characteristics. Examples of these include: the Corporate Strategy, Safer Lewisham Plan, Children and Young People's Plan, Mental Health and Well-being Strategy and Housing Strategy;
 - Strategic needs analyses – the Council publishes various strategic needs analyses which are used to inform strategic planning, funding bids and service planning. Joint Strategic Needs Assessments (JSNAs) that have been published in the last 18

months include those on 'parenting' and 'maternal mental health'. JSNAs that are scheduled for publication in the next twelve months include those for 'LGBT+ health', 'children and young people self-harm' and 'transitions preparing for adulthood';

- Service planning process – guidance published each year requires directorates to ensure that equality objectives and priorities are incorporated in service planning. This is to help ensure that service plans are effective delivery vehicles for equality objectives;
- Public consultation and engagement - some 50 public consultations are undertaken each year. As part of this, the Council invites survey respondents to complete a diversity questionnaire. The purpose of the questionnaire is to better understand who is responding to surveys and how representative survey responses are;
- Budget savings – each year the Council undertakes a budget savings process. As part of this, officers are required to assess the likely impact of savings proposals for all protected characteristics (where such impacts are known or anticipated). Analysis of this assessment is presented for members' scrutiny and published as part of the Budget Report;
- Performance reporting – performance reports across the Council demonstrate how equalities is embedded. Reports include data relevant to a number of protected characteristics including age, gender, disability and race;
- Service eligibility assessments – services such as housing, children's and adults social care undertake standard statutory assessments which provide a rich source of equalities data regarding those eligible to access their services;
- Service design – the Council designs services in a way that is responsive to the needs of specific communities and groups in the borough. An example of how this works is being undertaken for the LGBT+ community and is set out in the response to the In-depth Review of Services to the LGBT+ Community;
- Training – the Director of Law has delivered Equality Act training for Executive Directors and Service Directors. The purpose of the training is to ensure that senior Council managers are fully conversant with their roles and responsibilities as it relates to the legislation. Other training which is being commissioned by the Council includes that for 'Unconscious Bias'.
- Committee reports - Where reports are prepared for decision making by committee – for example, Mayor and Cabinet – or by other decision makers, equalities issues will be considered. There is a section in reports for the insertion of consideration of the equalities implications of the decision, and the legal implications section of the report will include information for the decision maker about the legal issues involved.

25. It is important to note that the above list is by no means exhaustive. However, it is intended to provide reassurance to members that the Council undertakes a wide range of work to assure itself that statutory and policy obligations regarding equality are being met. That said, it is recognised that more can be done to ensure that as well as being embedded in policy and procedure, consideration of equalities is part of organisational custom and practice.

d. What is the importance of socio-economic inequality and income deprivation? How can the Council promote socio-economic equality?

26. As set out on the Council's website, the Comprehensive Equality Scheme sets out our aspiration to take all reasonable steps to ensure that every citizen is able to do the best for themselves and for others. This will involve the promotion of social economic and environmental well-being for all. As such, an approach to equality that does not address aspirations for advancement for those on the lowest incomes and living in the most deprived communities is will fall short of the Council's best expectations for its residents.

27. Socio-economic status is not a 'protected characteristic' under the Equality Act. However socio-economic inequality is likely to be part of the lived experiences of a wide range of people who have a protected characteristic. For example it is likely that groups including women, lone parents with dependent children, older people, disabled residents and ethnic minorities will face specific challenges which limit their economic potential. Where that issue is a relevant consideration for a particular decision, it can therefore be taken into account.

28. For the Council, it is particularly important to focus on fairness and equity in the performance of roles and discharge of functions. The fact is that, whilst equality is about doing the best for everyone, fairness is about targeting those whose circumstances make them most vulnerable. As such, within the broader definition of what could be termed 'equality' it is incumbent upon the Council to ensure that it focuses effort and resources on those in the greatest need.

29. Examples of actions that the Council takes and should continue to take, which will have the effect of promoting socio-economic fairness include the following:

- Increase the number of Living Wage employers in the borough and ensure that service providers contracted by the Council, pay the London Living Wage;
- Encourage take up of free childcare places to help parents who want to return into the labour market to be able to do so;
- Increase take up of apprenticeships and particularly look to support young people from the most disadvantaged backgrounds;

- Improve attainment at Lewisham secondary schools, but particularly for those pupils who performs least well compared to other pupils such as afro-Caribbean pupils and white pupils in receipt of free school meals;
 - Target early help to families that might be at risk, which would help to prevent the avoidable escalation of need and the risk that children may need to be taken into care;
 - Expand the Council’s business growth programme for small businesses and support more start up business to grow and become sustainable;
 - Continue to monitor the gender pay gap to ensure that women do not suffer pay discrimination.
- e. How does the Council ensure equalities are embedded in the commissioning process for third party organisations that deliver services?

30. The Council ensures that equalities are embedded in the commissioning process at all stages and in a number of ways.

31. Initially equalities will be considered as part of the permission to procure reports and therefore the early scoping of what it is the Council wishes to procure and how it wants these goods, works and/or services to be delivered to assist in the achievement of the Corporate Strategy. All procurements require approval prior to commencement and the Council’s Contract Procedure Rules contained within section I of the Constitution and the Schemes of Delegation clearly define the approval route for procurement of goods, works and services, depending primarily on value.

32. It is expected that an initial scope of services be appended to the permission report and these reports are required to follow the standard report template which includes a section which considers equalities impacts. The specification itself always clearly articulates the service need and the impact this may have on those with protected characteristics and how the goods, works, and/or services to be provided are expected to mitigate or protect these. This shapes the service itself.

33. Decision reports will include a ‘legal implications’ section which – as with other reports - will contain information for the decision maker about the legal issues involved in considering equalities issues.

34. Once permission to procure has been given officers work with the procurement and legal services teams to draft the tender documentation. In addition to the specification this will include the Invitation to Tender document, the Method Statements required, the draft Terms and Conditions of contract, and the Council’s Sustainable Procurement Code of Practice. Within the method statement templates there is a standard method statement on equality and diversity ensuring that all procurements include an explicit question on this unless there is an agreed deviation from standard form.

35. Once live the third party organisations will need to respond to the tender and their approach and commitment to equality and diversity will implicitly tested through their responses on how they will provide the goods, works, and/or services and how this service delivery meet our requirements with regards to equalities.
36. As part of the tender response third party organisations will also need to agree the Council's terms and conditions for the contract. These include a requirement on contractors to comply with the Council's Sustainable Procurement Code of Practice which contains overarching obligations requiring all contractors to consider and address equalities by requiring the following:

“Contractors, suppliers and service providers must follow best practice and comply with all legislation in relation to equality and diversity and be consistent with Lewisham's Comprehensive Equality Scheme (the Council's key equality policy document). Contractors, suppliers and service providers will provide the Council on request with copies of:

- Instructions to those concerned with recruitment, promotion and training.
- Equality and diversity policies, procedures and other documents available to employees, recognised trade unions or other representative groups of employees.
- Recruitment advertisements or other literature.

In order to assist the Council in its objectives under the Equalities Framework for Local Government (EFLG), contractors, suppliers and service providers must demonstrate that they have an understanding and commitment to the principles and practice of equality in the services they provide. They must also regularly review their services and access to them to ensure they continue to be appropriate and accessible to Lewisham's diverse communities.”

37. Finally at the conclusion of every procurement exercise there is the requirement to obtain approval to award, and, similar to permission reports, all procurement award reports follow the standard Council template which includes a section on equalities impact. Again, all reports will include a 'legal implications' section which will contain information for the decision maker about the legal issues involved in considering equalities issues.

Conclusion

38. As set out above, there are a wide range of ways in which equalities is embedded in Council systems and processes. However, there is scope to improve further. This reality is underlined by the fact that Lewisham's population is increasing in its diversity and need. Alongside that, the demands of the government's austerity programme make it all the more essential that the Council fully understands the effects of its decisions and is able to focus resources on those in the greatest need.

39. Furthermore, by focusing on socio-economic inequality, the Committee has rightly alighted one of the key determinants of equality ie: how access to and advancement in the labour market, impacts both life chances and outcomes.

Legal implications

40. None save as set out in the body of this report.

Financial implications

41. There are no direct financial implications from noting the contents of this report.

Crime and disorder implications

42. Section 17 places a duty on partners to do all they can to reasonably prevent crime and disorder in their area. The level of crime and its impact is influenced by the decisions and activities taken in the day-to-day of local bodies and organisations. The responsible authorities are required to provide a range of services in their community from policing, fire protection, planning, consumer and environmental protection, transport and highways. They each have a key statutory role in providing these services and, in carrying out their core activities, can significantly contribute to reducing crime and improving the quality of life in their area.

Equalities implications

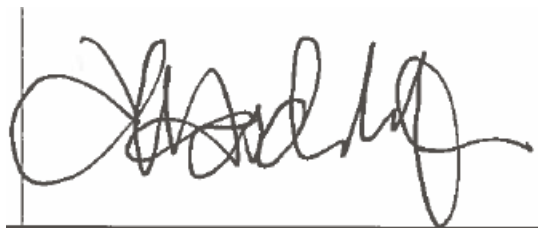
43. The equalities implications are contained in the body of this report.

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	10 th October 2019	
Title of Report	Response to comments by the Public Accounts Select Committee on Income Generation	
Originator of Report	Katharine Nidd	Ext.46651

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:
Cabinet Member
Date: 1st October 2019



Signed:
Interim Chief Finance Officer
Date 1st October 2019

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 comments by the Public Accounts Select Committee on Income Generation		
Key decision	No	Item No	
Contributors	Interim Chief Finance Officer		
Class	Part 1	Date	10 October 2019

1. Purpose of Report

- 1.1. To consider and respond to matters raised by the Public Accounts Select Committee and initially considered by Mayor and Cabinet on 26 June 2019.

2. Recommendations

- 2.1. Mayor and Cabinet are recommended to:

- i. Note officer comments as set out in this report; and
- ii. Consider whether to provide a response to the Public Accounts Select Committee (PASC) in line with those comments.

3. Public Accounts Select Committee views

- 3.1. On Thursday 13 June 2019, the Public Accounts Select Committee considered the Committee's income generation and commercialisation report.

- 3.2. The Committee resolved to refer the Committee's report to Mayor and Cabinet.

- 3.3. Mayor and Cabinet was recommended to:

- i. Note the views and recommendations of the Committee set out in the main report at Appendix A.
- ii. Agree that the relevant officers be asked to respond (where applicable) to the review's recommendations.
- iii. Ensure that a response is provided to the Public Accounts Select Committee.

4. Officer Comments

- 4.1. The relevant officer has been asked to respond (where applicable) to the reviews recommendations which are set out below.

- i. The role of the Committee's rapporteur should continue.

- ii. The cuts programme should be carefully monitored to ensure that the benefits from income generating proposals are realised and that the risks minimised.
- iii. Consideration should be given to new ideas for income generation, including: the potential options for a new social care staffing agency; and implementing a school solar project as per the work done by West Sussex -in line with our Emergency Climate Change commitment.
- iv. Members should have the option to attend a member focused session of the new commercialisation and culture change training that is being developed for staff.
- v. The Council should be bold and consider prototyping different approaches to creating new markets.
- vi. Corporate support should continue for the strategic procurement and commercial services function.
- vii. A mechanism should be created within the council -whereby officers and members can make suggestions and work up ideas.

4.2. Officer's responses to items ii, iii, iv, vi, and vii are set out below.

The cuts programme should be carefully monitored to ensure that the benefits from income generating proposals are realised and that the risks minimised

4.3. The cuts programme forms part of the regular budget monitoring process as once approved the relevant service budgets are amended to reflect the agreed proposal, including where this pertains to income generation. In addition to the monthly budget monitoring which is reviewed corporately the quarterly updates on the medium term financial strategy and the financial forecasts report on the achievement of the agreed cuts programme. Furthermore the annual review of fees and charges in preparation of the Fees and Charges report as part of the budget setting process provides further scrutiny and challenge to income generation as part of fees and charges services. These different forms and forum of financial monitoring collectively ensure that income generation proposals are monitored regularly and that benefits are maximised and risks minimised.

Consideration should be given to new ideas for income generation, including: the potential options for a new social care staffing agency; and implementing a school solar project as per the work done by West Sussex -in line with our Emergency Climate Change commitment.

4.4. The Income Generation Strategy 2019 – 2021 clearly sets out a robust process for the development, refinement, challenge and then adoption of business cases for all new income generation proposals. This ranges from the annual setting of fees and charges to the introduction of new fees and charges but also allows for the introduction of wholly new schemes.

4.5. As part of the Council's corporate strategy commitment to consider in-sourcing all services currently provided through a contract which is reaching the end of its initial term is subjected to an options appraisal process utilising a model developed by the Association of Public Sector Excellence (APSE) and tailored for the Council. This framework allows consistent review of these services. The options appraisal which will be undertaken prior to the current managed agency contract expiring 30 March 2021 will include consideration of the establishment of a publicly owned staffing agency and

officers have met with officers from other Councils who have effectively established this model. This dialogue and exploration of a Council owned agency company continues and will be worked up alongside other appropriate and relevant service delivery models as part of the options appraisal.

- 4.6. Officers continue to review options for improving the sustainability and energy efficiency of both the corporate and schools estate and this work forms part of the joint work of the capital programme and sustainability teams. This is continuously reviewed, not just during any construction works but also throughout the operation of the existing estate, to consider and assess the viability of technological developments within the field of energy efficiency.

Members should have the option to attend a member focused session of the new commercialisation and culture change training that is being developed for staff.

- 4.7. The Organisational Development team have been made aware of the new strategy and work has begun with them to review opportunities to address the cultural shift required, including existing learning and development, new tailored training and softer transmission across the organisation in partnership with our Communications team. However, the Director of Organisation Development and Human Resources is working on updating Lewisham's people management approach: 'the Lewisham Way' and it is vital that any specific commercialisation and income generation training or cultural change initiatives dovetail into the new 'Lewisham Way'. This is necessary to ensure that we make best use of all resources and that we are strategically and culturally aligned.

- 4.8. The Committee has asked for the Director of Organisation Development and Human Resources to attend its meeting in November 2019 to speak to this and it is intended that in the first half of 2020 members be offered a session on the offering that will be made available to staff.

Corporate support should continue for the strategic procurement and commercial services function.

- 4.9. It was agreed in 2017 that £350k of once off monies be made available from corporate reserves to support investment into strategic procurement, contract management and income generation (collectively commercialisation). This led to the creation of an 18 month interim post of Strategic Procurement and Commercial Services Manager and the development and delivery of the Income Generation Strategy. In late 2018 it was then agreed that £200k of base budget be allocated for this service and this has allowed the establishment of new posts, all of which are now filled as of July 2019. The initial 18 month interim post of Strategic Procurement and Commercial Services Manager has been extended for a further 12 months.
- 4.10. Income Generation and Procurement are quarterly standing agenda items at the Executive Management Team (EMT) meetings which provides both senior officer support and guidance as well as constructive challenge and progress and risk monitoring.

- 4.11. The Income Generation Board has senior representation from across the Directorates and their input and support into the work of the income generation function provides further corporate support and buy in for this function.

A mechanism should be created within the council -whereby officers and members can make suggestions and work up ideas.

- 4.12. The Income Generation Strategy 2019-2021 clearly sets out a robust process for the development, refinement, challenge and then adoption of business cases for all new income generation proposals.
- 4.13. This could be further supported by a process akin to a 'call for ideas' whereby officers and members are invited to make suggestions and then supported in the use the business case template to work these up and take them through the scrutiny and challenge process which would allow those viable initiatives to be adopted.
- 4.14. A mechanism to elicit suggestions will be considered and may form part of the training and development package which officers will be bringing forward.

5. Financial Implications

- 5.1. None except as set out in the body of the report.
- 5.2. It is to be noted that income from fees and charges constitutes circa 15% of the Council's total resources, and which is dependent on demand from the relevant market place. Grants and other funding streams from Central government constitute the majority of the Council's income streams and are generally more reliable and stable.

6. Legal Implications

- 6.1. Any decisions by services on how and whether they undertake and deliver commercially traded services would have to be made in line with relevant legal obligations. The proposals in this report would provide support for any such decisions. Otherwise there are no legal implications except as set out in the body of the report.

7. Crime and Disorder Implications

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

8. Equalities Implications

- 8.1. There are no specific equalities implications arising from this report. In the setting of fees and charges or the establishment of new commercial endeavours any potential equalities implications will be considered and reported on a case by case basis as appropriate.

9. Environmental Implications

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

10. Conclusion

- 10.1. This report sets out the matters to be considered by Mayor and Cabinet with regard to the matter referred for consideration by PASC, so that Mayor and Cabinet can decide whether to provide a response to PASC in line with those comments.

MAYOR & CABINET		
Report Title	Exclusion of the Press and Public	
Key Decision	No	Item No.
Ward		
Contributors	Acting Chief Executive (Head of Business & Committee)	
Class	Part 1	Date: October 10 2019

Recommendation

It is recommended that in accordance with Regulation 4(2)(b) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information)(England) Regulations 2012 and under Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3, of Part 1 of Schedule 12(A) of the Act, and the public interest in maintaining the exemption outweighs the public interest in disclosing the information

18. Approval for the Procurement for the Disposal of Dry Recyclables
19. Permission to extend Services for Community Nutrition & Physical Activity and Commercial Weight Management Services
20. The future of the deK Enterprise Hubs

Agenda Item 18

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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of the Local Government Act 1972.

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Agenda Item 20

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
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