



# AGENDA

## MAYOR AND CABINET

**Date: WEDNESDAY, 2 FEBRUARY 2022 at 6.00 pm**

**Council Chamber  
Civic Suite  
Lewisham Town Hall  
London SE6 4RU**

**Enquiries to: Kevin Flaherty 0208 3149327  
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### MEMBERS

Damien Egan	Mayor	L
Councillor Brenda Dacres	Deputy Mayor and Safer Communities	L
Councillor Chris Barnham	Children's Services and School Performance	L
Councillor Paul Bell	Housing and Planning	L
Councillor Chris Best	Health and Adult Social Care	L
Councillor Kevin Bonavia	Democracy, Refugees & Accountability	L
Councillor Andre Bourne	Culture	L
Councillor Patrick Codd	Environment & Transport	L
Councillor Kim Powell	Business & Community Wealth Building	L
Councillor Amanda De Ryk	Finance and Resources	L

**Members are summoned to attend this meeting**

**Kim Wright  
Chief Executive  
Lewisham Town Hall  
Catford  
London SE6 4RU  
Date: Wednesday, 02 February 2022**



INVESTOR IN PEOPLE

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

## ORDER OF BUSINESS – PART 1 AGENDA

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**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		
<b>Report Title</b>	Declarations of Interests	
<b>Key Decision</b>	No	Item No. 1
<b>Ward</b>	n/a	
<b>Contributors</b>	Chief Executive	
<b>Class</b>	Part 1	Date: 2 February 2022

## Declaration of interests

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

### 1 Personal interests

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

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

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

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

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

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

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

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

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

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

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

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

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

## **(6) Sensitive information**

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

## **(7) Exempt categories**

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

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

# Agenda Item 2

MAYOR AND CABINET		
<b>Report Title</b>	Minutes	
<b>Key Decision</b>		Item No.2
<b>Ward</b>		
<b>Contributors</b>	Chief Executive	
<b>Class</b>	Part 1	Date: February 2 2022

## 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 January 12 2022 (copy attached) be confirmed and signed as a correct record.

## MINUTES OF THE MAYOR AND CABINET

Wednesday, 12 January 2022 at 6.00 pm

PRESENT: Damien Egan (Mayor), Councillors Brenda Dacres, Chris Barnham, Paul Bell, Kevin Bonavia, Andre Bourne and Patrick Codd.

ALSO IN ATTENDANCE Councillors Paul Maslin, John Muldoon and Coral Howard.

ALSO JOINING THE MEETING VIRTUALLY: Councillors Amanda De Ryk, Chris Best and Kim Powell (Cabinet Members) and Councillors Louise Krupski, Mark Ingleby and James Rathbone.

NB: Those Councillors listed as joining virtually were not in attendance for the purposes of the meeting being quorate, any decisions taken, or to satisfy the requirements of s85 Local Government Act 1972.

### **592. Declaration of Interests**

None were made.

### **593. Minutes**

RESOLVED that the minutes of the meeting held on December 8 2021 be confirmed and signed as a correct record.

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

Councillor Codd presented the report which as well as responding to a referral from the Sustainable Development Committee, contained some further recommendations which would be liable for further consideration at the Overview & Scrutiny Business Panel.

Having considered an open officer report, and a presentation by the Cabinet Member for Environment and Transport, Councillor Patrick Codd, the Mayor and Cabinet for the reasons set out in the report and by a vote of 7-0:

RESOLVED that:

- (1) the officer response be approved and reported to the Sustainable Development Select Committee;
- (2) the results and feedback from the public consultation be received;
- (3) a requirement for motorcycles to hold a valid permit or parking session to park in any permit holder, shared use, or short-stay parking bays, subject to statutory consultation via the TMO process be approved;

(3) a new proposed pricing structure for motorcycle parking charges, subject to statutory consultation via the TMO process be approved;

(4) authority be delegated to the Executive Director for Housing, Regeneration and Public Realm to consider the outcome of the TMO statutory consultation process and whether to approve the implementation of the new scheme.

#### **595. Young Mayor's Budget 2020-2021**

Following a presentation by Councillor Barnham there was a detailed presentation followed by questions and answers on the proposal to fund the Bank of Things, by the outgoing Young Mayor, Femi Komolafe, the outgoing Deputy Young Mayor, Aaliyah Odedina and a Young Advisor, Shanti Elliott.

The Mayor paid tribute to Femi and his team for serving two years through the pandemic while at the same time maintaining a high level of activity as reflected in their Powerpoint presentation and in the written report.

Having considered an open officer report, and presentations by the Cabinet Member for Children's Services and School Performance, Councillor Chris Barnham, and by the outgoing Young Mayor, Deputy Young Mayor and a Young Advisor, the Mayor and Cabinet, for the reasons set out in the report and by a vote of 7-0

RESOLVED that that the Young Mayor's budget proposals set out in section 8 be approved.

#### **596. Lewisham and Lee Green Low Traffic Neighbourhood: Consultation and next steps**

The report was presented by Councillor Patrick Codd, the Cabinet Member for Environment and Transport. In moving the recommendations, Councillor Codd said they reflected the COP26 accords to tackle climate change by aiming to reduce the number of car journeys as part of the process.

Councillor Paul Maslin, the Chair of Overview and Scrutiny confirmed the Business Panel would scrutinise the outcomes reached by the Cabinet at their next meeting on Tuesday January 25.

Councillor Louise Krupski, the Chair of the Sustainable Development Select Committee, reported that her Select Committee had considered the proposals and had expressed a range of views.

Councillor James Rathbone, a Lee Green Ward Councillor outlined the history of the proposals since 2019 and expressed support for the latest recommendations

Councillor Mark Ingleby, the Mayor's Cycling Champion, added his support for the recommendations.

Rosamund Addo Kissi-Debra, mother of Ella Roberta, attended saying she

was present to represent her remaining children. Their health had been monitored during the operation of the LTN and she remained concerned about the effects of pollution on young people. She suggested that rather than be made permanent, the LTN only be extended by six months. She reserved the right to seek a possible Judicial Review on the Cabinet's decision.

Brian Turpin representing Lewisham Cyclists supported the case made by Councillor Ingleby and asked that the LTN be made permanent.

In concluding the debate, the Mayor said difficult decisions had to be made. He believed he should follow the evidence on air quality and traffic counts which demonstrated behavioural change had taken place. In supporting the recommendations he asked that there be continuous monitoring over the next six months and a report come back to Cabinet.

Having considered an open officer report, and presentations by the Cabinet Member for Environment and Transport, Councillor Patrick Codd, Councillors Maslin, Krupski, Rathbone and Ingleby and by two members of the public, the Mayor and Cabinet for the reasons set out in the report and from the options available, by a vote of 7-0:

RESOLVED that:

- (1) the findings of the review of the LTN, including the data monitoring and feedback from the public consultation be noted;
- (2) the Equalities Impact Assessment (EqIA) and specific equalities considerations summarised in section 8 and the full EqIA detailed in Appendix J, be received;
- (3) proposals for a permanent traffic order retaining the revised Lewisham and Lee Green LTN be published, and that the statutory processes be conducted, be approved;
- (4) the physical modal filters within the Lewisham and Lee Green Low Traffic Neighbourhood be converted to automatic number plate recognition (ANPR) camera enforcement and that Lewisham blue badge holders and emergency services be exempt;
- (5) officers work with schools in the LTN area to implement traditional school streets, where schools are supportive;
- (6) additional complementary measures be implemented within the LTN and surrounding areas, subject to statutory processes and detailed design, including:
  - planters/trees and green spaces
  - additional electric vehicle charging points
  - additional bike hangars and cycle stands
  - additional and/or improved pedestrian crossing points
  - new seating

(7) approval be given to continue to monitor the area using a range of indicators, including, but not limited to, traffic counts, speed surveys, air quality and bus journey times.

(8) officers use their existing delegated powers to implement the above recommendations and deliver the package of complementary measures.

#### **597. Council Tax Base 2022-23**

Having considered an open officer report, and a presentation by the Cabinet Member for Finance & Resources, Councillor Amanda De Ryk, the Mayor and Cabinet, for the reasons set out in the report and by a vote of 7-0,

RESOLVED that:

(1) the Council Tax Base calculation for 2022/23, as set out in the annual Council Tax Base government return, attached at Appendix A; be noted;

(2) Council be recommended to agree a Council Tax Base of 88,904.9 Band D equivalent properties for 2022/23;

(3) Council be recommended to agree a budgeted Council Tax collection rate of 95.0%;

(4) Council be recommended to agree no changes be made to the Council Tax Reduction Scheme (CTRS) for 2022/23, that eligible claimants make a minimum contribution of 25% towards their council tax;

(5) Council be recommended to approve the continuation of the discretionary Council Tax discount of 100% for care leavers up to the age of 25, as set out in section five;

(6) Council be recommended to agree that the existing policy of a 0% discount for second homes for 2020/21 be continued for 2022/23, as set out in section five; and

(7) Council be recommended to agree that the existing policy of a 0% discount for empty homes Class A (an empty property undergoing structural alteration or major repair to make it habitable) be continued, as set out in section five;

(8) Council be recommended to agree that the existing policy of a 100% discount awarded for a period of four weeks and then a 0% discount thereafter, for empty homes – Class C (a substantially empty and unfurnished property) be continued, as set out in section five of this report;

(9) Council be recommended to agree that the existing Long Term Empty Property homes premium of 100% for properties empty between 2 and 5 years, and 200% for those empty for over five years continues, and introduce a 300% premium for properties that remain empty for 10 years or more, as set out in section five;

(10) Council be recommended to agree the introduction of a 25% 'sanctuary' discount to ensure residents eligible for a single person discount are not financially worse off as a result of housing a refugee, as set out in section five;

(11) the proposed 2022/23 National Non Domestic Rate (NNDR) estimated net yield of £70m be noted, based on current information available and excluding any potential additional Covid reliefs or rateable value changes; and

(12) Council be recommended to agree to delegate the approval of the final 2022/23 NNDR1 form to the Executive Director for Corporate Resources for submission by the deadline of 31 January 2022.

#### **598. Housing Revenue Account Budget 2022/23**

Having considered an open officer report, and presentations by the Cabinet Member for Finance & Resources, Councillor Amanda De Ryk, and by the Cabinet Member for Housing & Planning, Councillor Paul Bell, the Mayor and Cabinet, for the reasons set out in the report and by a vote of 7-0,

RESOLVED that:

- (1) the comments of the Housing Select Committee be received;
- (2) having considered the views of those consulted on the budget, and subject to proper process, as required, the following recommendations be approved; t

Housing Revenue Account

- (3) the consultation report on service charges to tenants' and leaseholders in the Brockley area, presented to area panel members on 10th November 2021, as attached at Appendix 3, be noted;
- (4) the consultation report on service charges to tenants' and leaseholders and the Lewisham Homes budget strategy presented to area panel members on 24th November 2021 as attached at Appendix 4;
- (5) an increase in dwelling rents of 4.1% be set (an average of £4.07 per week) – as per the formula rent calculations outlined in section 4;
- (6) an increase in the hostels accommodation charge by 4.1% be set (or £3.27 per week), in accordance with formula rent calculations;
- (7) the following average weekly increases/decreases for dwellings be approved for:
  - (a) service charges to non-Lewisham Homes managed dwellings (Brockley) to ensure full cost recovery and 5.90% inflationary uplift for 2022/23;
    - caretaking 5.90% (£0.29)
    - grounds 5.90% (£0.13)
    - communal lighting 5.90% (£0.08)

•	bulk waste collection	5.90%	(£0.09)
•	window cleaning	5.90%	(£0.01)
•	tenants' levy	0.00%	(£0.00)

(b) service charges to Lewisham Homes managed dwellings:

•	caretaking	4.00%	(£0.27)
•	grounds	4.00%	(£0.09)
•	window cleaning	8.00%	(£0.01)
•	communal lighting	20.00%	(£0.21)
•	block pest control	15.00%	(£0.27)
•	waste collection	0.00%	(£0.00)
•	heating & hot water	10.00%	(£1.05)
•	tenants' levy	0.00%	(£0.00)
•	bulk waste disposal	4.00%	(£0.03)
•	sheltered housing	0.00%	(£0.00)

(8) the following average weekly percentage changes for hostels and shared temporary units be approved for;

- service charges (hostels) – caretaking etc.; no change
- energy cost increases for heat, light & power; no change
- water charges increase; no change

(9) an increase in garage rents by 4.9% (£0.77 per week) for Brockley and Lewisham Homes residents be approved as outlined in Appendix 6;

(10) the budgeted expenditure be noted for the Housing Revenue Account (HRA) for 2022/23 is £304.0m, split £94.4m revenue and £209.6m capital, which includes the decent homes and new build programmes;

(11) the HRA budget strategy cut proposals in order to achieve a balanced budget in 2022/23, be approved, as attached at Appendix 1;

(12) to write off twenty-one cases of Former Tenants' Arrears as set out in paragraphs 4.25 to 4.28 and Appendix 7, totalling £365,462.94; HRA Capital Programme;

(13) the 2021/22 Quarter 2 HRA Capital Programme monitoring position and the Capital Programme potential future schemes and resources be noted, as set out in section 5;

(14) the significant proposed rise in prudential borrowing of more than £397.5m by 2026/27, primarily to fund the Building for Lewisham programme capital plans, be approved;

(15) the 2022/23 to 2026/27 HRA Capital Programme of £723.1m, as set out in section 5, be approved.

## **599. Annual Complaints Report 2020-2021**

Having considered an open officer report, and a presentation by the Cabinet Member for Democracy, Refugees and Accountability, Councillor Kevin

Bonavia, the Mayor and Cabinet, for the reasons set out in the report and by a vote of 7-0,

RESOLVED that the contents of the report including the improvement action plan under Appendix 5 be noted

**600. Building for Lewisham Ladywell s105 Consultation**

Having considered an open officer report, and a presentation by the Cabinet Member for Housing and Planning, Councillor Paul Bell, the Mayor and Cabinet, for the reasons set out in the report and by a vote of 7-0,

RESOLVED that:

(1) the responses to the consultation carried out on The Longbridge Road Estate under Section 105 of the Housing Act 1985 and Section 137 of Part V of the Housing Act 1996 between 1 November 2021 and 29 November 2021 be received;

(2) the responses to the consultation carried out with leaseholders and freeholders between 1 November 2021 and 29 November 2021 be received;

(3) having considered the responses to the consultation, with the proposal to build new homes on the site of the former Ladywell Leisure Centre be continued, subject to planning permission being granted.

**601. Building for Lewisham Update (part 1)**

Having considered an open and a confidential officer report, and a presentation by the Cabinet Member for Housing and Planning, Councillor Paul Bell, the Mayor and Cabinet, for the reasons set out in the report and by a vote of 7-0,

RESOLVED that:

(1) the allocation of funding be approved and Lewisham Homes appoint a contractor once the procurement process is complete to deliver construction works for 5 new homes at the scheme known as Elderton Road Garages at a scheme cost indicated in Part 2;

(2) Subject to planning permission being granted, the allocation of funding be approved and Lewisham Homes appoint a contractor once the procurement process is complete to deliver construction works for 5 new homes at the scheme known as Walsham Road Garages at a scheme cost indicated in Part 2;

(3) Subject to planning permission being granted, the allocation of funding be approved and Lewisham Homes appoint a contractor to undertake the necessary enabling works for the Greystead Road development and support investment works at a cost stated in Part 2; and

(4) authority be delegated to the Executive Director of Corporate Resources in consultation with the Executive Director for Housing, Regeneration and Public Realm and Director of Law, Governance and Elections, to agree the final contract sum and Total Scheme Costs.

**602. Mayow Road Supported Living - Award of contract (part 1)**

Having considered an open and a confidential officer report, and a presentation by the Cabinet Member for Health & Adult Social Care, Councillor Chris Best, the Mayor and Cabinet, for the reasons set out in the report and by a vote of 7-0,

RESOLVED that the award of contract for the supported living service at Mayow Road be made to PLUS (Providence Linc United Services) for a contract period of 4 years, at a total value of approximately £3,453,561 following a mini-competition carried out under Lot 1: Supported Living of the Framework Agreement for Adults with Learning Disabilities 2019-2023.

**603. Lewisham Community Wellbeing Service**

Having considered an open officer report, and a presentation by the Cabinet Member for Health & Adult Social Care, Councillor Chris Best, the Mayor and Cabinet, for the reasons set out in the report and by a vote of 7-0,

RESOLVED that approval be given to officers to extend the contract held with BLG Mind, for the delivery of the Lewisham Community Wellbeing service for the period of March 2022 to February 2023 at a cost of £560,345

**604. Food and Garden Waste Contract Award (part 1)**

Having considered an open and a confidential officer report, and a presentation by the Cabinet Member for Environment and Transport, Councillor Patrick Codd, the Mayor and Cabinet, for the reasons set out in the report and by a vote of 7-0,

RESOLVED that:

(1) the contract be awarded to East London Biogas Limited for the provision of the disposal and treatment of the food waste and garden waste based on their tender, for a period of three years with a extension for another two years upon M&C agreement at an estimated annual cost of £240,498.

(2) the current contract be extended for a further two months until 31st March 2022 at an estimated cost of £140,000.

**605. Proposed revisions to the Statement of Community Involvement**

Having considered an open officer report, and a presentation by the Cabinet Member for Housing and Planning, Councillor Paul Bell, the Mayor and Cabinet for the reasons set out in the report and by a vote of 7-0,

RESOLVED that:

(1) an amendment to paragraph 6.9 of the Councils Statement of Community Involvement be authorised so that the requirement to refer certain schemes to the Design Panel applies at pre-application stage and not at application stage and;

(2) the reference to the Design Panel be amended so as to read Design Review Panel.

**606. Contract Award-School Minor Works Programme Consultant (part 1)**

Having considered an open officer report, and a presentation by the Cabinet Member for Children's Services and School Performance, Councillor Chris Barnham, the Mayor and Cabinet for the reasons set out in the report and by a vote of 7-0,

RESOLVED that:

(1) the award of contract, for an initial period of 4 years, be made to McBains Limited for the provision of a Surveyor-led Multi-Disciplinary Consultancy Service to design and project manage the School Minor Works Programme 2022 to 2025;

(2) the value of this contract be based on an annual percentage rate of 6.45% of the annual total SMWP works cost and assuming a SMWP budget of £2.58m, this would equate to an estimated annual fee of £166,410, with an estimated potential total value of £665,640 over the four year period.

(3) the contract will include a break clause every 12 months, for a period of up to 4 years, from 2022 to 2025 and an option to extend the contract for a further year allowing the Council to terminate the contract at the end of each year at its own discretion.

**607. Exclusion of Press and Public**

This item was not required.

**608. Building for Lewisham Update (part 2)**

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

**609. Mayow Road Supported Living - Award of contract (part 2)**

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

**610. Food and Garden Waste Contract Award Report (part 2)**

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

subject.

**611. Contract Award-School Minor Works Programme Consultant (part 2)**

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

The meeting closed at 8.15pm.

# Agenda Item 3

MAYOR AND CABINET		
<b>Report Title</b>	Report Back on Matters Raised by the Overview and Scrutiny Business Panel or other Constitutional bodies	
<b>Key Decision</b>	No	Item No.
<b>Ward</b>		
<b>Contributors</b>	Head of Business & Committee	
<b>Class</b>	Open	Date: February 2 2022

## Purpose of Report

To report back firstly on any matters raised by the Overview and Scrutiny Business Panel or on other matters raised by Select Committees or other Constitutional bodies between January 25 and February 1 2021 and to receive the attached referrals and a proposed response to the second referral

- 3.1 Comments of the Housing Select Committee on the Lewisham Homes repairs service
- 3.2 Scrutiny comments on Budget Reductions
- 3.3 Proposed response to Scrutiny on Budget Reductions



## Mayor and Cabinet

### **Report title: Comments of the Housing Select Committee on the Lewisham Homes repairs service**

**Date:** 2 February 2022

**Key decision:** No.

**Class:** Part 1

**Ward(s) affected:** All

**Contributors:** Assistant Chief Executive (Scrutiny Manager)

### **Outline and recommendation**

This report informs Mayor and Cabinet of the views of the Housing Select Committee arising from discussions held at its meeting on Thursday 20 January 2022 on the Lewisham Homes repairs service.

- The Mayor and Cabinet is recommended to note the views of the committee and agree to provide a response.

## 1. Summary

- 1.1. This report informs the Mayor and Cabinet of the views of Housing Select Committee arising from discussions held at its meeting on Thursday 20 January 2022 on the Lewisham Homes repairs service.

## 2. Recommendation

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

## 3. Policy Context

- 3.1. The Council's *Corporate Strategy 2018-2022* outlines the Council's vision to deliver for residents and includes the following priority relevant to this item:

*Tackling the housing crisis* - Everyone has a decent home that is secure and affordable.

## 4. Housing Select Committee views

- 4.1. At its meeting on Thursday 20 January 2022, the Housing Select Committee received an update report on the performance of the Lewisham Homes repairs service, the challenges the service faces and the action being taken to improve the service to residents. Following presentations from officers, questions and discussion, the committee resolved to refer its views to Mayor and Cabinet in the following terms:
- 4.2. *The committee expresses considerable concern about the current high level of demand on the Lewisham Homes repairs service and the challenges that the service continues to face to meet this demand. The committee requests that the Cabinet Member for Housing and Planning investigates the issue and reports back to the committee about what needs to be done to address these challenges and meet demand.*
- 4.3. The committee also resolved at the meeting to receive an update from Lewisham Homes later in the year.

## 5. Financial implications

- 5.1. There are no direct financial implications arising from the implementation of the recommendations in this report.

## 6. Legal implications

- 6.1. There are no direct legal implications arising from the implementation of the recommendations in this report.

## 7. Equalities implications

- 7.1. Equality Act 2010 brought together all previous equality legislation in England, Scotland and Wales. The Act included a new public sector equality duty, replacing the separate duties relating to race, disability and gender equality. The duty came into force on 6 April 2011. 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.
- 7.2. The Council must, in the exercise of its functions, have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act

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

## **8. Climate change and environmental implications**

- 8.1. There are no direct climate change or environmental implications arising from the implementation of the recommendations in this report.

## **9. Crime and disorder implications**

- 9.1. There are no direct crime and disorder implications arising from the implementation of the recommendations in this report.

## **10. Health and wellbeing implications**

- 10.1. There are no direct health and wellbeing implications arising from the implementation of the recommendations in this report.

## **11. Background papers**

- 11.1. [Housing Select Committee Agenda, 20 January 2022](#)

## **12. Report contact**

- 12.1. *John Bardens, Scrutiny Manager, [john.bardens@lewisham.gov.uk](mailto:john.bardens@lewisham.gov.uk) 020 8314 9976*



## Mayor and Cabinet

### **Scrutiny committee comments on the budget reductions report**

Date: 2 February 2022.

Key decision: No.

Class: Part 1.

Wards affected: All.

Contributor: Public Accounts Select Committee

### **Outline and recommendations**

This report informs Mayor and Cabinet (M&C) of the comments and views of the Public Accounts and Sustainable Development select committees, arising from discussions about proposals for budget reductions.

Mayor and Cabinet is asked to consider the views of the select committees as part of its overall consideration of the budget reductions and, where applicable, ask the relevant officers to provide a response.

### **Timeline of engagement and decision-making**

9 December 2020 – budget cuts report to Mayor and Cabinet

3 February 2021 – budget cuts report to Mayor and Cabinet

3 March 2021 – budget report to Council

14 July 2021 – 2021/22 financial monitoring report to Mayor and Cabinet

14 July 2021 – medium term financial strategy to Mayor and Cabinet

6 October 2021 – 2021/22 financial monitoring report to Mayor and Cabinet

27 January 2022 – budget reduction proposals to Public Accounts Select Committee

2 February 2022 – budget reduction proposals to Mayor and Cabinet

## 1. Summary

- 1.1. On Thursday 27 January 2022, the Public Accounts Select Committee considered a report from officers on budget reductions proposals ([Public Accounts Select Committee agenda 27 January 2022](#)). The Committee heard from the Mayor and the Chief Executive before receiving a summary of the budget cuts report from the Executive Director for Corporate Resources. It also received written comments from the Sustainable Development Select Committee - following that committee's consideration of the same report. The Chair of the Sustainable Development Select Committee was also in attendance at the meeting. No comments on the report were referred from other select committees.

## 2. Recommendation

- 2.1. Mayor and Cabinet is asked to consider the committees' comments, and where applicable, ask the relevant officers to provide a response.

## 3. Select committee comments on the cuts proposals

### Sustainable Development Select Committee

- 3.1. On Tuesday 18 January 2022, the Sustainable Development Select Committee considered a report from officers on budget reduction proposals ([agenda for the meeting of the Sustainable Development Select Committee on 18 January 2022](#)). The Committee received an overview of the report from the Executive Director for Housing, Regeneration and Public Realm. Following questions to the Executive Director, the Committee agreed to refer its views to Public Accounts Select Committee, as follows:
- 3.2. The Committee notes the scale of the challenge facing the Council and it recognises the difficulties facing officers in proposing these cuts. It also recognises and commends the work of officers as they deliver day to day services as well as responding to the ongoing effects of the pandemic and giving consideration to sustainable options for making significant reductions in Council expenditure.
- 3.3. Members recommend that the Public Accounts Select Committee should give further consideration to proposal D10 (Commercial estate review) - with further information provided by officers on the assumptions made about the potential return on investment. The Committee is concerned that – in the absence of detailed figures – it is unable to determine whether the implications of the proposal have been adequately assessed.
- 3.4. The Committee recommends that consideration should be given to the level of subsidy that is provided for organisations through rental agreements in the commercial estate. In the interests of transparency, the Committee would welcome assurance that consideration has been given to making the best return on all properties – with reasons given (in line with Council's strategy for asset optimisation) for any subsidies or reductions.
- 3.5. In reference to making the best use of the Council's assets – and taking a strategic approach to regeneration, the Committee notes the motion on 'unlocking the potential of local high streets' agreed by the full Council in July 2021 ([link to the motion on the Council's website](#)).
- 3.6. The Committee recommends that every endeavour should be made to ensure that the implementation of proposal F25 (Road safety – new yellow boxes) is carried out carefully and sensitively. Furthermore, the Committee asks that – as part of the implementation of this proposal - every consideration be given to options for improving the pedestrian and cycling environment.

## Public Accounts Select Committee views

- 3.7. At its meeting on Thursday 27 January 2022, the Public Accounts Select Committee received the report on proposed budget reductions and asked questions of officers. It also received the views of the Sustainable Development Select Committee before agreeing to refer its views to Mayor and Cabinet as follows:
- 3.8. The Committee recognises the difficult task facing officers in bringing forward cuts proposals, especially in the context of ongoing economic uncertainty and a prolonged period of austerity.
- 3.9. Members welcome the comments of the Sustainable Development Select Committee – particularly in relation to the ‘theme D’ *asset optimisation proposals*. Members would welcome further careful, strategic consideration of the approach to the use of Council assets - in order to maximise both the social and economic benefits for the people of Lewisham.
- 3.10. The Committee recommends that – in relation to proposal E-15 (seek corporate sponsorship for festive lights) the initial approach should be to the providers of the Council’s current street lighting private finance initiative.

## 4. Financial implications

- 4.1. There are no direct financial implications arising from the implementation of the recommendations in this report. However, there may be implications arising from them implementation of the committees’ recommendations. These will need to be considered as part of the response.

## 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. Equalities implications

- 6.1. 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.
- 6.2. 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.
- 6.3. There may be equalities implications arising from the implementation of the committees’ recommendations – these will need to be considered in the response.

## 7. Climate change and environmental implications

- 7.1. There are no direct climate change or environmental implications arising from the implementation of the recommendations in this report. There may be climate change and environmental implications arising from the implementation of the committees’ recommendations – these will need to be considered in the response.

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## 8. Crime and disorder implications

- 8.1. There are no direct crime and disorder implications arising from the implementation of the recommendations in this report. There may be implications arising from the implementation of the committees' recommendations – these will need to be considered in the response.

## 9. Health and wellbeing implications

- 9.1. There are no direct health and wellbeing implications arising from the implementation of the recommendations in this report. There may be implications arising from the implementation of the committees' recommendations – these will need to be considered in the response.

## 10. Background documents

- 10.1. [Sustainable Development Select Committee agenda 18 January 2022](#)  
10.2. [Public Accounts Select Committee agenda 27 January 2022](#)

## Report author and contact

If you have any questions about this report then please contact: Scrutiny Manager, Timothy Andrew on 020 8314 7916 or [timothy.andrew@lewisham.gov.uk](mailto:timothy.andrew@lewisham.gov.uk)



## Mayor and Cabinet

### **Response to Public Accounts Select Committee on Budget Reductions**

**Date:** 2 February 2022

**Key decision:** No

**Class:** Part 1

**Ward(s) affected:** All

**Contributors:** Executive Management Team

### **Outline and recommendations**

Mayor and Cabinet have been asked to consider the comments of the Public Accounts Select Committee of the 27 January 2022, which incorporates the views of the respective select committees. This paper sets out the views of the Public Accounts Select Committee and officers' responses advising as to what has been undertaken, or will be undertaken, to take account of each Committee's comments.

It is recommended that Mayor and Cabinet:

- Notes the response that follows in relation to the Public Accounts Select Committee referral to Mayor and Cabinet on 27 January 2022.

### **Timeline of engagement and decision-making**

9 December 2020 – Budget Cuts Report to M&C (“M&C”)

3 February 2021 – Budget Cuts Report to M&C

3 March 2021 – Budget report to Council

14 July 2021 – Medium Term Financial Strategy to M&C

12 January 2022 - budget reduction proposals to Healthier Communities Select Committee

13 January 2022 - budget reduction proposals to Safer Stronger Communities Select Committee

18 January 2022 - budget reduction proposals to Sustainable Development Select Committee

26 January 2022 - budget reduction proposals to Children and Young People Select Committee

27 January 2022 – budget reduction proposals to Public Accounts Select Committee

## 1. Summary

- 1.1. On Thursday 27 January 2022, the Public Accounts Select Committee considered a report from officers outlining proposed budget reduction measures needed to address new pressures arising from the service-specific, long-term scarring from the COVID-19 pandemic and the wider macroeconomic pressures arising. The new proposals presented in this report equate to £1.994m (of which £1.425m is for 2022/23) and build upon the £10.4m of initiatives identified and approved in 2020/21 for delivery in 2022/23 ([Public Accounts Select Committee agenda 27 January 2022](#)).
- 1.2. The provisional Local Government Finance (LGFS) settlement has been announced and considered in setting the required cuts target for 2022/23. If all the available measures are agreed as part of the budget, including applying the maximum council tax increases, this would close the gap, subject to the budget decisions for next year and timely delivery of the agreed budget reduction proposals in full, for 2022/23 and enable the Council to set a balanced budget.
- 1.3. The Committee heard from the Mayor and the Chief Executive before receiving a summary of the budget reductions report from the Executive Director for Corporate Resources. It also received written comments from the Sustainable Development Select Committee - following that committee's consideration of the same report. The Chair of the Sustainable Development Select Committee was also in attendance at the meeting. No comments on the report were referred from other select committees.

## 2. Recommendations

- 2.1. Mayor and Cabinet have been asked to consider the comments of the Public Accounts Select Committee meeting of the 27 January 2022, which incorporates the views of the respective select committees. This paper sets out the views of the Public Accounts Select Committee and officers' responses advising as to what has been undertaken, or will be undertaken, to take account of each Committee's comments.
- 2.2. It is recommended that the Mayor and Cabinet:
  - Notes the response that follows in relation to the Public Accounts Select Committee referral to Mayor and Cabinet on 27 January 2022.

## 3. Policy Context

- 3.1. The Council's strategy and priorities drive the Budget with changes in resource allocation determined in accordance with policies and strategy. The Council launched its new Corporate Strategy in 2019, with seven corporate priorities as stated below:

### Corporate Priorities

- **Open Lewisham** - Lewisham will be a place where diversity and cultural heritage is recognised as a strength and is celebrated.
- **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 and 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.

### Values

- 3.2. Values are critical to the Council's role as an employer, regulator, and securer of services and steward of public funds. The Council's values shape interactions and behaviours across the organisational hierarchy, between officers, and members, between the council and partners and between the council and citizens. In taking forward the Council's Budget Strategy, we are guided by the Council's four core values:
- 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.

### Future Lewisham

- 3.3. As the Council seeks to support the borough and its businesses and residents through the COVID-19 pandemic and beyond, this recovery is based on the four key themes of Future Lewisham, these are:
- A Greener Lewisham;
  - A healthy and well future;
  - An economically sound future; and
  - A future we all have a part in.
- 3.4. The consideration of budget reduction measures as part of setting a balanced budget for 2022/23 directly supports the theme of an economically sound future for the borough and its residents.

## **4. Background**

- 4.1. Over the past twenty-one months, the day to day lives of Lewisham's residents and the Council's business, , has been turned on its head. In March 2020, Council activity simultaneously ground to a halt and ramped up in equal measure. With "non-critical" services wound down almost overnight and a new, urgent focus on "critical services", the Council's leadership team, members, and vast range of services faced new demands, challenges, pressures and opportunities.
- 4.2. The pace, scope and scale of change has been immense: the pandemic has demanded agility, creativity, pace, leadership, organisational and personal resilience, strong communications and an unerring focus on the right priorities. Within the Council, the impact of the COVID-19 pandemic is felt acutely across all of our service areas and we are grappling with real challenges in how we keep services running for our residents and how we protect the most vulnerable. Across the borough, residents are looking afresh at our borough, their neighbourhoods, and seeing where they live through new eyes.

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- 4.3. While we do not yet fully understand what all of the long-term implications of COVID-19 will mean for the borough, there have been many clear and visible impacts of the pandemic on our residents, Lewisham the place, and also the Council. We know that coronavirus has disproportionately affected certain population groups in Lewisham, matching patterns that have been identified nationally and internationally: older residents, residents born in the Americas & the Caribbean, Africa or the Middle East & Asia, and residents in the most deprived areas of the borough have considerably higher death rates. We know that more Lewisham residents are claiming unemployment benefits than in previous years and that food insecurity has increased in the borough.
- 4.4. The Council's finances have also been severely affected by the ongoing pandemic. The cost of coronavirus for Lewisham is currently estimated to be £25m this year, which will most likely exhaust the current government funds provided. Furthermore, there is forecast to be long-term demand increases, also termed 'Covid scarring' for which government has not provided funding for 2022/23. The impact of diverting resources into the continued efforts against the impact of the pandemic has meant that there have been delays in the delivery of the previously agreed budget reduction measures of £28m for 2021/22 and hence an in year overspend of £8.5m is forecast. Officers have taken management action to make in-year savings to reduce the business as usual overspend or else this will need to be funded from reserves at year end, reducing our ability to manage further budget shocks in 2022/23.
- 4.5. Alongside managing the impact of the pandemic on services, and re-focusing resources to best support the health and government initiatives for residents and businesses, the Council had started implementing its recovery plan of Future Lewisham (see further detail below). However, with the rise of new variants such as Delta and now Omicron, coupled with winter pressures, the Council is once again facing significantly increased demand and reassessing non critical service delivery to ensure that those most critical services continue to be delivered to our most vulnerable residents.

## **5. Response to Public Accounts Select Committee comments to Mayor and Cabinet on 27 January 2022**

- 5.1. At its meeting on Thursday 27 January 2022, the Public Accounts Select Committee received the report on proposed budget reductions and asked questions of officers. It also received the views of the Sustainable Development Select Committee before agreeing to refer its views to Mayor and Cabinet as follows:
- 5.2. The Committee recognises the difficult task facing officers in bringing forward cuts proposals, especially in the context of ongoing economic uncertainty and a prolonged period of austerity.
- 5.3. Members welcome the comments of the Sustainable Development Select Committee – particularly in relation to the 'theme D' *asset optimisation proposals*. Members would welcome further careful, strategic consideration of the approach to the use of Council assets - in order to maximise both the social and economic benefits for the people of Lewisham.
- 5.4. The Committee recommends that – in relation to proposal E-15 (seek corporate sponsorship for festive lights) the initial approach should be to the providers of the Council's current street lighting private finance initiative.
- 5.5. In response to the Committee's comment with regards to proposals in theme D 'asset optimisation' the Executive Director for Housing, Regeneration and Public Realm notes the comment and that work is ongoing to review options to optimise the benefits from Council owned assets, exploring opportunities which seek to secure economic or social

outcomes for residents, enable land supply for housing or to enable service transformation. A key priority is to ensure a strategic approach to the Council's utilisation of assets, which ensures the best use of council resources. Officers are happy to bring back further detail of the asset optimisation work to Sustainable Development Select Committee in line with the agreed workplan.

- 5.6. In response to the Committee's comment with regards to proposal E-15 (corporate sponsorship for festive lighting) the Executive Director for Housing, Regeneration and Public Realm notes the comments and responds that officers will explore all opportunities available to achieve the level of sponsorship required, including speaking to the PFI service provider and the primary contractor Milestone as suggested.
- 5.7. The following paragraphs set out the comments and clarifications from Sustainable Development Select Committee. Officers have provided responses to each of the referrals below. The Mayor and Cabinet are recommended to consider the comments of Select Committees and officers' responses.

## Sustainable Development Select Committee views

- 5.8. At its meeting on Tuesday 18 January 2022, the Sustainable Development Select Committee received a report on proposed budget reduction measures.
- 5.9. The Committee notes the scale of the challenge facing the Council and it recognises the difficulties facing officers in proposing these cuts. It also recognises and commends the work of officers as they deliver day to day services as well as responding to the ongoing effects of the pandemic and giving consideration to sustainable options for making significant reductions in Council expenditure.
- 5.10. Members recommend that the Public Accounts Select Committee should give further consideration to proposal D10 (Commercial estate review) - with further information provided by officers on the assumptions made about the potential return on investment. The Committee is concerned that – in the absence of detailed figures – it is unable to determine whether the implications of the proposal have been adequately assessed.
- 5.11. The Committee recommends that consideration should be given to the level of subsidy that is provided for organisations through rental agreements in the commercial estate. In the interests of transparency, the Committee would welcome assurance that consideration has been given to making the best return on all properties – with reasons given (in line with Council's strategy for asset optimisation) for any subsidies or reductions.
- 5.12. In reference to making the best use of the Council's assets – and taking a strategic approach to regeneration, the Committee notes the motion on 'unlocking the potential of local high streets' agreed by the full Council in July 2021 ([link to the motion on the Council's website](#)).
- 5.13. The Committee recommends that every endeavour should be made to ensure that the implementation of proposal F25 (Road safety – new yellow boxes) is carried out carefully and sensitively. Furthermore, the Committee asks that – as part of the implementation of this proposal - every consideration be given to options for improving the pedestrian and cycling environment.
- 5.14. In response to the Committee's comment on proposal D-10, the Executive Director for Housing, Regeneration and Public Realm has noted the Committee's comment and clarifies that this refers specifically to a target to increase income within our commercial estate and is premised on bringing unlet units to a condition where they can be viably let. Work to identify specific units has commenced and further work will explore additional opportunities for income generation. The income projection given is that which officers believe, with confidence, can be achieved.

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- 5.15. In response to the Committee's comment on the levels of subsidy's provided to organisations in the commercial portfolio, the Executive Director for Housing, Regeneration and Public Realm has noted the Committee's comment and clarified that properties within the Council's commercial estate portfolio are leased on commercial terms. Market valuations of assets are undertaken at lease renewal, rent review and for new lettings, in order to ensure that the income achieved from the commercial estate is maximised. This process gives due regard to the condition of the asset and any likely opportunities for future redevelopment, which may have a bearing on the duration on any lease and therefore the commercial terms offered.
- 5.16. In response to the Committee's comment noting the full Council motion in support of 'unlocking the potential of local high streets' the Executive Director for Housing, Regeneration and Public Realm has noted the Committee's comment and responds that our high streets and town centres are vital in supporting local jobs and providing a sense of place and community. This is why the Council commissioned the country's first headcount and survey of independent and Black, Asian and Minority Ethnic owned businesses in our town centres and main high streets. The Council has also recently begun to establish a new partnership for Lewisham town centre to bring together public services, businesses, land owners, education providers, cultural organisations and community representatives to agree a vision for the future of the town centre.
- 5.17. In response to the Committee's comment on proposal F-25, the Executive Director for Housing, Regeneration and Public Realm has noted the Committee's comment and responded that the proposals are to identify borough junctions that are regularly congested by traffic and could benefit from enforced yellow box junctions measures. These measures aim to improve traffic flow by keeping junctions clear for through traffic and avoid traffic jams. Less congestion can lead to better air quality.
- 5.18. Clearer junctions may also assist cyclists with improved sightlines and visibility. Where pedestrian crossing points exist at junctions in the form of signals crossings, the measures will help keep these areas clearer and improve sight lines for pedestrians.
- 5.19. Traffic surveys will be undertaken to identify where these measures may be placed in (up to three for this specific work stream) and clear notification at the junction erected, ahead of planned enforcement. All Council communication channels will be used through a communications engagement plan. Ward members will be kept abreast of progress.

## 6. Financial implications

- 6.1. This report responds to the comments to Mayor and Cabinet on the Budget Reductions report for 2022/23. The report is concerned with the budget reduction proposals to enable the Council to address the future financial challenges it faces. There are no direct financial implications arising from the report other than those stated in the report and appendices itself.

## 7. Legal implications

### Statutory duties

- 7.1. The Council has a variety of statutory duties which it must fulfil by law. The Council cannot lawfully decide not to carry out those duties. Even where there is a statutory duty there is often a discretion about the level of service provision. Where there is an impact on statutory duty that is identified in the report. In other instances, the Council provides services in pursuit of a statutory power, rather than a duty, and though not bound to carry out those activities, decisions about them must be taken in accordance with the decision making requirements of administrative law.

### Reasonableness and proper process

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- 7.2. Decisions must be made reasonably taking into account all relevant considerations and disregarding all irrelevant matters. These are particular to the service reductions proposed and are set out in the body of the report. It is also imperative that decisions are taken following proper process. Depending on the particular service concerned, this may be set down in statute, though not all legal requirements are set down in legislation. For example, depending on the service, there may be a need to consult with service users and/or others and where this is the case, any proposals in this report must remain proposals unless and until that consultation is carried out and the responses brought back in a further report for consideration with an open mind before any decision is made. Whether or not consultation is required, any decision to discontinue a service would require appropriate notice. If the Council has published a procedure for handling service reductions, there would be a legitimate expectation that such procedure will be followed.

### **Staffing reductions**

- 7.3. If service reductions would result in redundancy, then the Council's usual redundancy and redeployment procedure would apply. If proposals would result in more than 20 but fewer than 100 redundancies in any 90 day period, there would be a requirement to consult for a period of 30 days with trade unions under Section 188 Trade Union and Labour Relations (consolidation) Act 1992. The consultation period increases to 45 days if the numbers are 100 or more. This consultation is in addition to the consultation required with the individual employees. If a proposal entails a service re-organisation, decisions in this respect will be taken by officers in accordance with the Council's re-organisation procedures.

### **Equalities Legislation**

- 7.4. The Equality Act 2010 (the Act) introduced a public sector equality duty (the equality duty or the duty). It covers the following protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation. 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.
- 7.5. It is not an absolute requirement to eliminate unlawful discrimination, harassment, victimisation or other prohibited conduct, or to promote equality of opportunity or foster good relations between persons who share a protected characteristic and those who do not. It is a duty to have due regard to the need to achieve the goals listed in the paragraph 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 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. The Equality and Human Rights Commission has issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled "Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice". The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet

the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at:

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

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

- The essential guide to the public sector equality duty.
- Meeting the equality duty in policy and decision-making.
- Engagement and the equality duty: A guide for public authorities.
- Objectives and the equality duty. A guide for public authorities.

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

- <https://www.equalityhumanrights.com/en/advice-and-guidance/public-sector-equality-duty-guidance#h1> The EHRC has also issued Guidance entitled “Making Fair Financial Decisions”.
- <https://www.equalityhumanrights.com/en/advice-and-guidance/making-fair-financial-decisions>. It appears at Appendix 4 and attention is drawn to its contents. The equalities implications pertaining to the specific service reductions are particular to the specific reduction.

### **The Human Rights Act**

7.8. Since the introduction of the Human Rights Act 1998 (HRA) the rights set out in the European Convention on Human Rights (ECHR) have been incorporated into UK law and can be enforced in the UK courts without recourse to the European courts. Those articles which are particularly relevant in to public services are as follows:

- Article 2 - the right to life
- Article 3 - the right not to be subject to inhuman or degrading treatment
- Article 5 - the right to security of the person
- Article 6 - the right to a fair trial
- Article 8 - the right to a private and family life, home and correspondence
- Article 9 - the right to freedom of thought, conscience and religion
- Article 10 - the right to freedom of expression
- Article 11 - the right to peaceful assembly
- Article 14 - the right not to be discriminated against on any ground The first protocol to the ECHR added
- Article 1 - the right to peaceful enjoyment of property

- Article 2 - the right to education
- 7.9. Some of these rights are unconditional, such as the right not to be tortured or subject to degrading treatment. Others may be limited in finite and well defined circumstances (such as the right to liberty). Others are qualified and must be balanced against the need of the wider community – such as the right to a private and family life. Where there are human rights implications associated with the proposals in this report regard must be had to them before making any decision.

**Best value**

- 7.10. The Council remains under a duty under Section 3 Local Government Act 1999 to secure continuous improvement in the way its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. It must have regard to this duty in making decisions in respect of this report.

**Specific legal implications**

- 7.11. Members’ attention is drawn to the specific legal implications arising in relation to particular proposals set out in the relevant proforma in Appendices 2 to 5 and 7 of the Budget Reductions report.

**8. Equalities implications**

- 8.1. A detailed policy and equality implications have been appended to the report to Mayor and Cabinet as Appendix 8.

**9. Climate change and environmental implications**

- 9.1. Section 40 Natural Environment and Rural Communities Act 2006 states that “every public authority must, in exercising its functions, have regard, so far as is consistent with the proper exercise of those functions to the purpose of conserving biodiversity”
- 9.2. The specific climate change and environmental implications identified as arising from the current cuts proposals will require further consideration, however, none of the new proposals are likely to impact negatively on our ability to conserve biodiversityCrime and disorder implications

**10. Crime and disorder implications**

- 10.1. Section 17 of the Crime and Disorder Act 1998 requires the Council to have regard to the likely effect on crime and disorder when it exercises its functions, and the need to do all that it reasonably can to prevent crime and disorder in its area.
- 10.2. Whilst there are no specific crime and disorder implications as yet identified as arising from the current cuts proposals, C-44 will require further consideration as to whether this will impact either positively or negatively on our ability to reasonably prevent crime and disorder, or the perception of crime and disorder.

**11. Health and wellbeing implications**

- 11.1. The specific health and wellbeing implications identified as arising from the current cuts proposals will require further consideration, however, those flagged as likely to impact either positively or negatively on the health and wellbeing of residents or service users is E14.

**12. Glossary**

Term	Definition
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CPZ	Controlled Parking Zone
CSR	Comprehensive Spending Review
DSG	Dedicated Schools Grant
ECHR	European Convention of Human Rights
EMT	Executive Management Team
FFR	Fair Funding Review
GF	General Fund
GLA	Greater London Authority
HR	Human Resources
HRA	Housing Revenue Account
LGA	Local Government Association
LGFS	Local Government Finance Settlement
M&C	Mayor & Cabinet
MHCLG	Ministry for Housing, Local Government and Communities
MTFS	Medium Term Financial Strategy
PASC	Public Accounts Select Committee
PMO	Programme Management Office
SLT	Senior Leadership Team (EMT plus Directors)
VFM	Value for Money

### 13. Report author and contact

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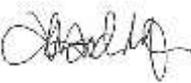
# Agenda Item 4

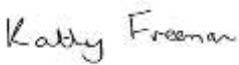
<b>Report for: Mayor and Cabinet</b>	
<b>Part 1</b>	<input checked="" type="checkbox"/>
<b>Part 2</b>	<input type="checkbox"/>
<b>Key Decision</b>	<input type="checkbox"/>

<b>Date of Meeting</b>	2 February 2022	
<b>Title of Report</b>	Budget Reductions report	
<b>Author</b>	Katharine Nidd	<b>Ext.</b> 46651

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

Category	Yes	No
<b>Financial Comments</b>	X	
<b>Legal Comments</b>	X	
<b>Cabinet Briefing consideration</b>		
<b>EMT consideration</b>		
<b>Agenda Planning Group consideration</b>	X	

Signed:   
 Cabinet Member for Finance and Resources  
 Date: 24/01/2022

Signed:   
 Executive Director of Corporate Resources  
 Date: 24/01/2022

<b>Control Record by Committee Services</b>	
Action	Date
Listed on Key Decision Plan	
Date submitted to Legal & Finance	
Date submitted to Cabinet Members for sign off	
Date submitted to Executive Director for sign off	



## Mayor and Cabinet

### **Report title: Budget Reductions report**

**Date:** 2 February 2022

**Key decision:** No

**Class:** Part 1

**Ward(s) affected:** None specific

**Contributors:** Director for Finance, Head of Strategic Finance, Planning and Commercial, Executive Director for Corporate Resources, Executive Director for Children and Young People, Executive Director for Community Services, and Executive Director for Housing, Regeneration and Public Realm, and Director of Law, Governance and Elections

## Outline and recommendations

The purpose of this report is to present Mayor and Cabinet with officers' draft proposals for net budget reductions identified to date. These initiatives are needed to address new pressures arising from the service-specific, long-term scarring from the COVID-19 pandemic and the wider macroeconomic pressures arising. The new proposals presented in this report equate to £1.994m (of which £1.425m is for 2022/23) and build upon the £10.4m of initiatives identified and approved in 2020/21 for delivery in 2022/23. The provisional Local Government Finance (LGFS) settlement has been announced and considered in setting the required cuts target for 2022/23. If all the available measures are agreed as part of the budget, including applying the maximum council tax increases, this would close the gap, subject to the budget decisions for next year and timely delivery of the agreed budget reduction proposals in full, for 2022/23 and enable the Council to set a balanced budget.

Mayor and Cabinet are recommended to:

- Agree the budget reduction proposals of £10.4m presented in Section 7 and Appendix 6, the detail of which was considered in detail and approved on 9 December 2020 and 3 February 2021
- Review the new budget reduction proposals presented in Section 7 and Appendices 2 to 5, totalling £1.994m.
- Consider the comments of the Public Accounts Select Committee of the 27 January 2022, which incorporates the views of the respective select committees.
- Authorise officers to carry out consultations where staff consultation is necessary in relation to the proposal and delegate the decision to the relevant Executive Director for the service concerned.
- Authorise officers to carry out public consultations where required in law or under the Constitution in relation to the proposal and ask officers to report back to the Mayor with the outcome, for a decision to be made.
- Where no consultation is required, either:
  - agree the proposal, or
  - delegate the decision to the relevant Executive Director for the service concerned.
- Or, request officers to complete further work to clarify the proposal and that officers then re-submit the proposal at the earliest opportunity for a decision.

## Timeline of engagement and decision-making

- 9 December 2020 – Budget Cuts Report to M&C (“M&C”)
- 3 February 2021 – Budget Cuts Report to M&C
- 3 March 2021 – Budget report to Council
- 14 July 2021 – 2021/22 financial monitoring report to M&C
- 14 July 2021 – Medium Term Financial Strategy to M&C
- 6 October 2021 – 2021/22 financial monitoring report to M&C
- 27 January 2022 – budget reduction proposals to Public Accounts Select Committee

### 1. Summary

- 1.1. The purpose of this report is to present Mayor and Cabinet with officers’ draft proposals for the budget reductions needed to set a balanced budget for 2022/23. These initiatives are needed to address new pressures arising from the service-specific, long-term scarring from the COVID-19 pandemic and the wider macroeconomic pressures arising.
- 1.2. The new proposals presented in the report total £1.994m, of which £1.425m are towards the gap in 2022/23. At this stage the focus has to be on the gap for the next financial year. The provisional Local Government Finance (LGFS) settlement has been announced and considered in setting the required reduction target for 2022/23. If all the available measures are agreed as part of the budget, including applying the maximum council tax increases, this would close the gap, subject to the budget decisions for next year and timely delivery of the agreed proposals in full, for 2022/23 and enable the Council to set a balanced budget.
- 1.3. The process of identifying budget reduction proposals sits in the context of a decade of austerity in which cuts of £217m have already been made, £136m reducing spending and £81m reallocated to meet emerging risks and pressures between 2010 and 2021. Given the Council’s focus on protecting the most vulnerable and those in need, the budgets for key front line services, in particular social care, have not reduced by the same extent as other services across the Council. This position is not a sustainable one going forward.
- 1.4. To address the current overspend, in-year savings and tighter spending controls have been implemented which should help address the position at the margins but not deal with it in its entirety. In developing proposals to address the MTFS budget gap the thematic approach introduced last year has been continued. This recognises the different ways of working now common practice due to the COVID-19 pandemic, helps develop more collaboration to explore new opportunities, and breaks away from previous ‘siloes or salami’ cut rounds to build a new ‘one Council’ culture. It also supports the four key themes of Future Lewisham, developed by the Council to support the borough and its businesses and residents through the pandemic and beyond into sustainable recovery.
- 1.5. The thematic approach to date has identified £1.425m, which coupled with the £10.4m of budget reduction proposals agreed in 2021 and the provisional Local Government Finance (LGFS) settlement will enable the Council to set a balanced budget for

2022/23.

- 1.6. There continues to be significant financial risk however from the uncertainty of the continued impact of the COVID-19 pandemic on demand for services and the commensurate shrinkage of the UK economy that this has brought about. This has impacted our ability to fund new pressures arising and to deliver previously agreed budget reduction measures. Without further budget reduction measures these risks will fall to reserves.

## 2. Recommendations

- 2.1. Mayor and Cabinet are recommended to:
- 2.2. Agree the budget reduction proposals of £10.4m presented in Section 7 and Appendix 6, the detail of which was considered in detail and approved on 9 December 2020 and 3 February 2021.
- 2.3. Review the budget reduction proposals presented in Section 7 and Appendices 2 to 5, totalling £1.425m.
- 2.4. Consider the comments of the Public Accounts Select Committee of the 27 January 2022, which incorporates the views of the respective select committees.
- 2.5. Authorise officers to carry out consultations where staff consultation is necessary in relation to the proposal and delegate the decision to the relevant Executive Director for the service concerned.
- 2.6. Authorise officers to carry out consultations where required in law or under the Constitution in relation to the proposal and ask officers to report back to the Mayor with the outcome, for a decision to be made.
- 2.7. Where no consultation is required, either:
  - agree the proposal, or
  - delegate the decision to the relevant Executive Director for the service concerned.
- 2.8. Or, request officers to complete further work to clarify the proposal and that officers then re-submit the proposal at the earliest opportunity for a decision.

## 3. Policy Context

- 3.1. The Council's strategy and priorities drive the Budget with changes in resource allocation determined in accordance with policies and strategy. The Council launched its new Corporate Strategy in 2019, with seven corporate priorities as stated below:

### Corporate Priorities

- **Open Lewisham** - Lewisham will be a place where diversity and cultural heritage is recognised as a strength and is celebrated.
- **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.

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- **Building and 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.
- 3.2. As the Council seeks to support the borough and its businesses and residents through the COVID-19 pandemic and beyond, this recovery is based on the four key themes of Future Lewisham, these are:
- A Greener Lewisham;
  - A healthy and well future;
  - An economically sound future; and
  - A future we all have a part in.
- 3.3. The agreement of the budget reduction measures will enable the Council to set a balanced budget for 2022/23 and therefore directly support the theme of an economically sound future for the borough and its residents.

#### Values

- 3.4. Values are critical to the Council's role as an employer, regulator, securer of services, and steward of public funds. The Council's values shape interactions and behaviours across the organisational hierarchy, between officers, and members, between the council and partners and between the council and citizens. In taking forward the Council's Budget Strategy, we are guided by the Council's four core values:
- 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.
- 3.5. Very severe financial constraints have been imposed on Council services with significant reductions made year on year for over a decade. This on-going pressure is addressed in this report.

## 4. Background

- 4.1. Over the past twenty-one months, the day to day lives of Lewisham's residents and the Council's business, , has been turned on its head. In March 2020, Council activity simultaneously ground to a halt and ramped up in equal measure. With "non-critical" services wound down almost overnight and a new, urgent focus on "critical services", the Council's leadership team, members, and vast range of services faced new demands, challenges, pressures and opportunities.
- 4.2. The pace, scope and scale of change has been immense: the pandemic has demanded agility, creativity, pace, leadership, organisational and personal resilience, strong communications and an unerring focus on the right priorities. Within the Council, the impact of the COVID-19 pandemic is felt acutely across all of our service

areas and we are grappling with real challenges in how we keep services running for our residents and how we protect the most vulnerable. Across the borough, residents are looking afresh at our borough, their neighbourhoods, and seeing where they live through new eyes.

- 4.3. While we do not yet fully understand what all of the long-term implications of COVID-19 will mean for the borough, there have been many clear and visible impacts of the pandemic on our residents, Lewisham the place, and also the Council. We know that coronavirus has disproportionately affected certain population groups in Lewisham, matching patterns that have been identified nationally and internationally: older residents, residents born in the Americas & the Caribbean, Africa or the Middle East & Asia, and residents in the most deprived areas of the borough have considerably higher death rates. We know that more Lewisham residents are claiming unemployment benefits than in previous years and that food insecurity has increased in the borough.
- 4.4. The Council's finances have also been severely affected by the ongoing pandemic. The cost of coronavirus for Lewisham is currently estimated to be £25m this year, which will most likely exhaust the current government funds provided. Furthermore, there is forecast to be long-term demand increases, also termed 'Covid scarring' for which government has not provided funding for 2022/23. The impact of diverting resources into the continued efforts against the impact of the pandemic has meant that there have been delays in the delivery of the previously agreed budget reduction measures of £28m for 2021/22 and hence an in year overspend of £8.5m is forecast. Officers have taken management action to make in-year savings to reduce the business as usual overspend or else this will need to be funded from reserves at year end, reducing our ability to manage further budget shocks in 2022/23.
- 4.5. Alongside managing the impact of the pandemic on services, and re-focusing resources to best support the health and government initiatives for residents and businesses, the Council had started implementing its recovery plan of Future Lewisham (see further detail below). However, with the rise of new variants such as Delta and now Omicron, coupled with winter pressures, the Council is once again facing significantly increased demand and reassessing non critical service delivery to ensure that those most critical services continue to be delivered to our most vulnerable residents.

## 5. Lewisham's Recovery from COVID-19

- 5.1. Lewisham's recovery from the pandemic will be underpinned by the following anchoring principles which will be at the heart of all decision-making, planning and action over the coming months:
  - Tackling widening social, economic and health inequalities;
  - Protecting and empowering our most vulnerable residents;
  - Ensuring the Council's continued resilience, stability and sustainability;
  - Enabling residents to make the most of Lewisham the place; and
  - Collaborating and working together with our communities and partnership across the borough.
- 5.2. Recovery will mirror the Council's successful response structure, with two perspectives: internal (the Council's recovery) and external (the Borough's recovery).
- 5.3. The Council's internal recovery is to be driven by the lessons learned from responding

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to COVID-19, the known and emerging impacts on our communities and the need to deliver transformation at the scale needed to meet the current financial challenge. Given the scale of the challenge and the ongoing impact of and learning from responding to COVID-19, officers adopted a different approach to budget reduction proposals last year, where cuts are made strategically, across the Council, with a focus on transformation, not 'salami slicing'. This approach has been continued this year to enable the further development and embedding of these cross cutting initiatives and transformation.

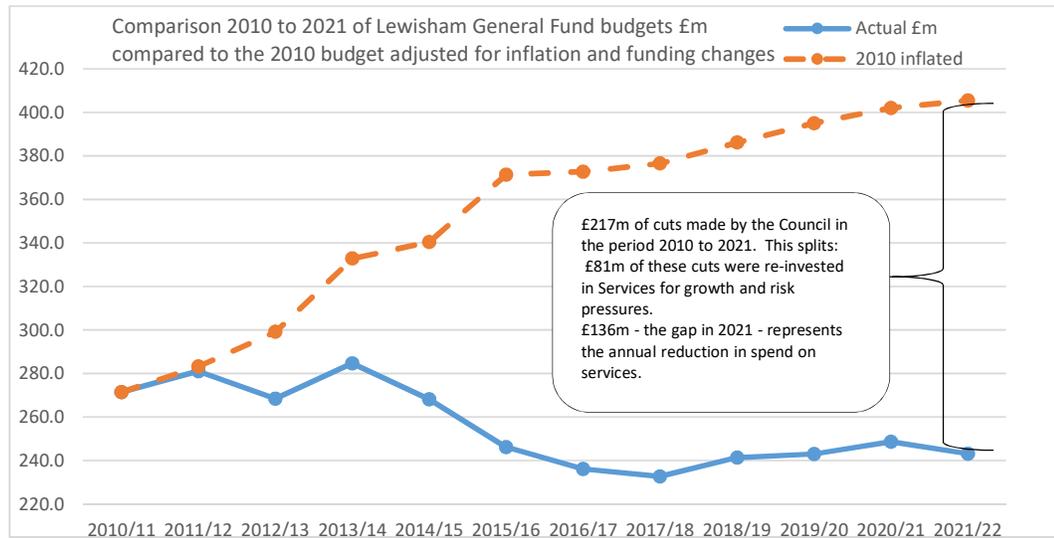
- 5.4. The budget reduction proposals have therefore again been identified according to the six strategic budget themes, underpinned by the recovery principles above. They are:
- Productivity;
  - Joint working;
  - Service reconfiguration;
  - Asset realisation;
  - Commercial approach; and
  - Better demand management.
- 5.5. Officers will continue to apply a programme management approach to deliver the strategic budget proposals as set out in the MTFs, if agreed. Officers will be supported to ensure that the proposals identified are deliverable and taken through the new Programme Management Office (PMO) assurance and governance processes, giving continued rigour to the structure and delivery of the individual projects.
- 5.6. This internal recovery approach is inherently linked to the 'external' recovery of the borough, the recovery of Lewisham the place. For Lewisham, a post-pandemic future could bring opportunities and it is vital our communities are able to make the most of what's on their doorstep. We look ahead to a huge opportunity to 'build back better' in partnership with our communities and partners and neighbours, to support community development and resilience, to nurture and develop Lewisham's vibrant cultural scene, to promote a sustainable and thriving local economy, to tackle health inequalities, to achieve a fairer, zero-carbon future, and to support our borough's children and young people. The borough's long-term recovery, 'Future Lewisham' has been set out by the Mayor and is based on four key themes:
- A Greener Lewisham;
  - A healthy and well future;
  - An economically sound future; and
  - A future we all have a part in.

## 6. Financial Context

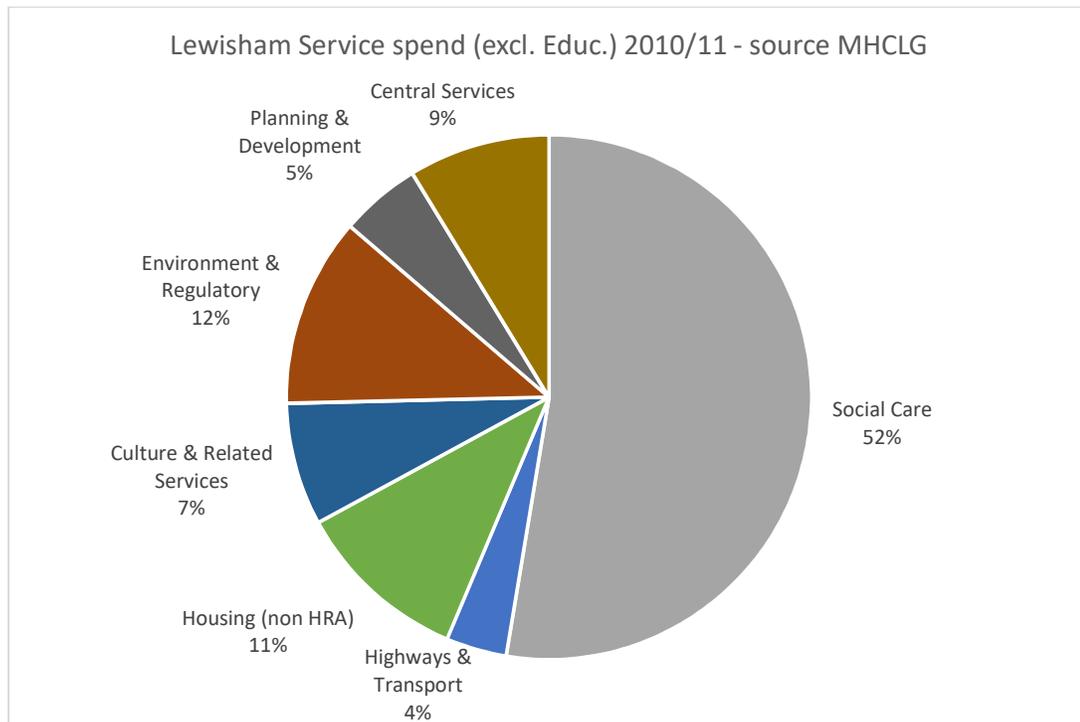
### Decade of austerity

- 6.1. This report comes on the back of a decade of austerity in terms of reduced funding for local government services. In Lewisham the Council's spending power has been reduced by 26% in real terms while the population has grown by over 30,000 over that time period or 12%, leading to increased demand for services. This has led to reduced service provision, leaner practices in terms of support, and more risk for the Council as it seeks to maintain good customer service and quality services.
- 6.2. Or put another way, as shown in the graph below, the Council is now able to spend the

equivalent of £450 less per person, per year, in the Borough (£136m / 305,000). At the same time the share of the Council's net general fund budget (i.e. that realised from business rates and council tax) has seen the portion from local council tax payers rise from 34% in 2010 to 49% in 2021.



6.3. Over this period the Council had also seen its spending choices focused on protecting those front line services on which the most vulnerable in our communities are dependent. In particular, through the children and adult social care services the Council is responsible for. This is shown by comparing the two pie charts below which present the proportion of the Council spend by service area – 2010/11 compared to 2020/21 (the latest published data).

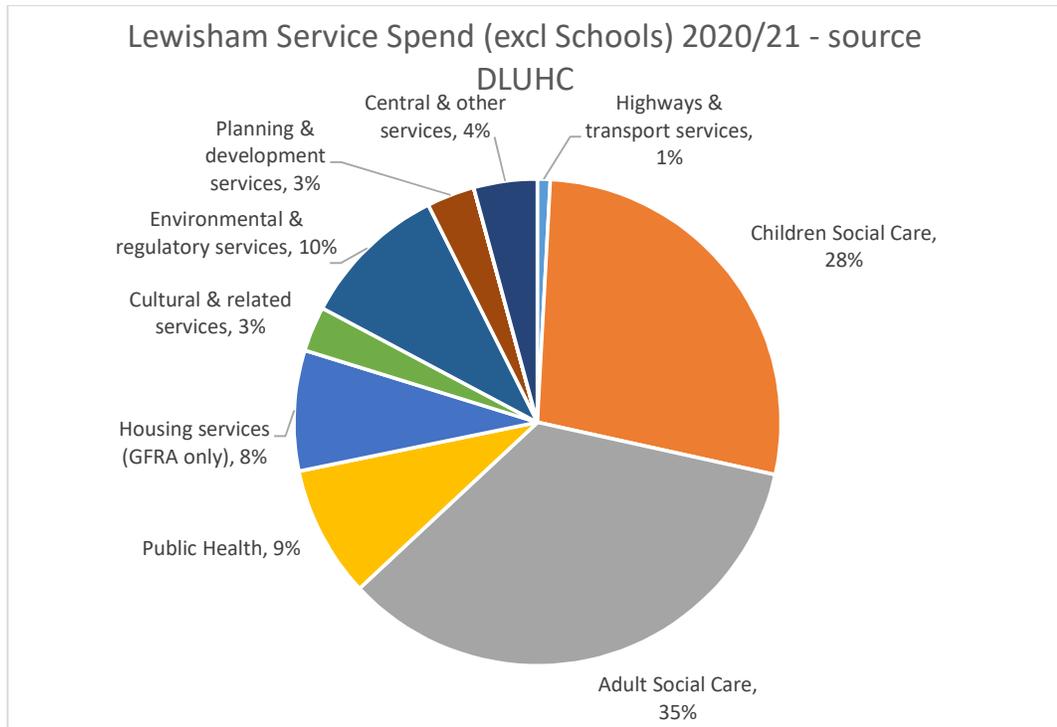


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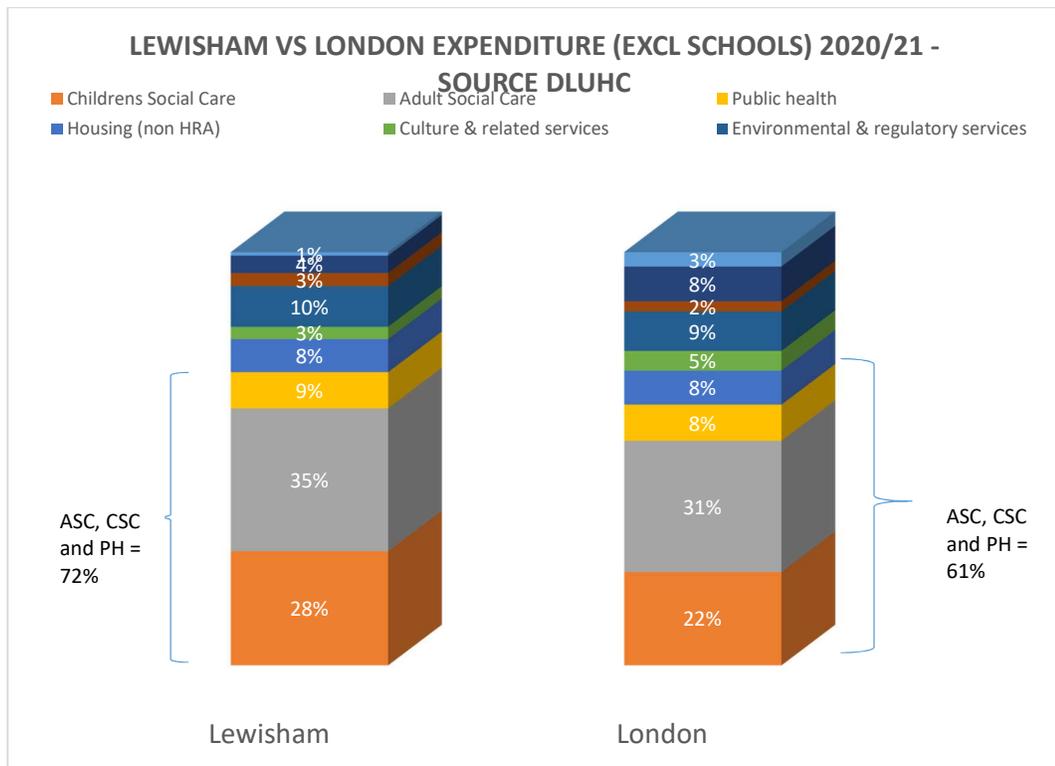
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- 6.4. In 2010/11, 52% of the Council's general fund service spend was on social care. By 2020/21, that had increased to over 70% across adult and children social care services and including the new public health responsibilities.
- 6.5. This position is not unique to Lewisham as can be seen when comparing the 2020/21 position to that of the combined position for other London Boroughs in the bar chart below.



6.6. Since 2010-11, the Council has used reserves to support the setting of a balanced budget for five of these years. Whilst this protected frontline services, it has meant that budgets have been artificially held higher than funding allowed for. Furthermore, there have been persistent overspends in latter years, which has meant that the Council has had to set increasingly challenging cuts targets.

COVID-19 and overspending in 2021/22

- 6.7. The impact of COVID-19 has been significant in terms of additional costs and lost income. At the end of September the impact for this year was estimated at £25m. To date, the committed government support covers the full impact, however this may be insufficient as new variants of concern emerge and if further restriction measures are brought in before the end of year with the position continuing to change. The collection fund continues to be impacted as well with a gap of £12m built into future years.
- 6.8. There are £5.5m of undelivered cuts being charged to Covid as well, and services are implementing plans to achieve these for the year 2022/23 as well as £9m of cuts for 2021/22 which have not yet been achieved in full. The full detail of these cuts and their current status is explored in the financial monitoring report at M&C on the 6 October. These cuts will still have to be made as the Council recovers from COVID-19 as any shortfall this year, and indeed into next year, will have to be met from further budget reduction measures or reserves.
- 6.9. The work to find in-year savings and preserve cash to limit the call on reserves while the Council responds to Covid and identifies and agrees budget reduction measures continues. From October, tighter spending and recruitment controls have also been introduced to extend the restrictions on any non-essential spend.

### Looking forward – MTFS and Local Government Finance Settlement

- 6.10. The Medium Term Financial Strategy (MTFS), agreed by M&C on the 14 July 2021 identified an anticipated funding gap over the next three years of £18.3m with £2.3m for 2022/23 in addition to the £10.4m of budget reductions already agreed in 2021.
- 6.11. Over the period July – October 2021 it became evident that, due to the extension of the Covid pandemic and the resultant shrinkage in the UK and global economy, pressures were arising within services which could not be managed or mitigated within the allocation for this in the MTFS.
- 6.12. The Executive Management Team (EMT), in consultation with the Mayor and Cabinet, began the process of identifying budget reduction measures that would not only meet the initial MTFS gap of £2.3m but would also allow these new pressures to be funded.
- 6.13. Alongside the process of seeking budget reduction proposals, actions to mitigate and manage the continuing and growing pressures arising from Covid and changes to ways of working were also developed, as these are not expected to be funded in full through either more once-off covid resources from government or an increase in core funding at this point in time.
- 6.14. The Provisional Local Government Settlement (PLGS) was announced on the 16 December 2021. The announcement was slightly better than that assumed and modelled in the MTFS, which has meant that the budgetary gap has reduced to £1.4m.
- 6.15. However, much of the new or increased funding available for 2022/23 are one-off grants which cannot be taken into the Council's base budget. This, coupled with the fact that the settlement is only for one year and the uncertainty as to how the Fair Funding review will be implemented means that it is imperative that the Council continue to identify and agree budget reduction measures for 2022/23.
- 6.16. The existing proposals of £10.4m and the new proposals of £1.4m presented in this report, if agreed, would enable the Council to set a balanced budget for 2022/23.

## **7. Thematic Approach and Cuts Proposals**

### General

- 7.1. The approach to developing the officers' draft proposals for cuts this year continued the approach adopted last year which was intentionally more strategic and collaborative. Not only at the officer level with more collective working at Executive Director, Director and senior manager level across Directorate boundaries but also with Members through two sessions across the six themes to discuss and collect as many perspectives and ideas as possible. This section sets out by theme:
  - a general description of the theme and ground covered;
  - a summary of the ideas which continue to be developed but are not as yet formed proposals; and
  - a list of the proposals by theme with supporting detail accessed via the navigation sheet at Appendix 1 and detailed proposals in the Appendices 2 to 7.
- 7.2. For those more medium term ideas for which firm proposals have not yet been developed, plans will need to be fully assessed to understand the possible need for investment, in particular invest to save on specific areas. This might include for example, digital, automation, assets use, and parking arrangements.
- 7.3. In summary the cuts proposed for the next three years by theme are:

Theme	2022/23 £'000	2023/24 £'000	2024/25 £'000	Total
A. Productivity	0	0	0	0
B. Partnership working	0	0	0	0
C. Service design	999	25	0	1,024
D. Asset optimisation	111	224	195	530
E. Commercial Approach	145	125	0	270
F. Demand Management	170	0	0	170
<b>TOTAL</b>	<b>1,425</b>	<b>374</b>	<b>195</b>	<b>1,994</b>

- 7.4. It is inevitable that some services will be reduced or stopped altogether. However, the approach has been to look to increase income streams and deliver efficiencies through service re-design wherever possible, rather than cutting services. Where services have been stopped or reduced this can be revisited at a future date, funding permitting.
- 7.5. The reduction measures across the themes have also been reviewed to ensure that where services are being reduced or stopped the impact of doing so is assessed, mindful in particular of the risk of cost shunts to other services. This includes an assessment of the equality implications.
- 7.6. The proposals are itemised by theme below with the full supporting detail in the proforma provided in the appendices to this report.

#### A – Staff productivity

- 7.7. Over the past three years the Council has been on a significant journey to improve the availability, flexibility and security of its technology infrastructure. This was further boosted with the rapid and successful move at the start of the COVID-19 response to getting all staff online and able to work remotely and across different services.
- 7.8. The investments to make these changes were also about seeking to streamline decision making and automate more transactional work to make processes more efficient and capture a productivity gain. The theme focuses on how these benefits are being tracked and where necessary identify where fewer resources are now needed.
- 7.9. This theme is not limited to productivity from technology. It also considers where working practices and related human resources policies and governance arrangements can be updated to help staff and teams better collaborate and integrate to provide improved more streamlined services for users.
- 7.10. There were no specific new proposals generated in this theme for 2022/23 – 2024/25 which require a decision to implement. However a number of opportunities continue to be explored and developed and may be brought forward in a future cuts round. They include:
- 7.11. Improving Productivity through localised decision making and recalibrating attitude to risk. It was recognised that while there were lots of ideas about how we could streamline processes in different parts of the Council, there was not a “one size fits all” solution to deliver “cashable savings”. It was proposed that we develop a “toolkit” of potential ideas that could help services to decide how to manage within reduced budgets. This may mean at times the Council might have to review its risk tolerances for example slower response times, looking to partners or the community for solutions or increasing thresholds for access to services.
- 7.12. Specific ideas cited as examples:
- Review of skill mix to make sure that where possible, tasks are taken away

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from more expensive staff (e.g. managers or social workers) and completed by an appropriately skilled workforce of business support. However, transfer of activity does not equate to delegation of accountability. Examples included authorising leave, Oracle payments, or agency staff invoices etc. This could enable services to redesign their establishment to work within reduced cash envelopes.

- Exploring how we use our systems to get suppliers, residents or businesses to undertake tasks for us – for example, using portals to upload invoices, original documents etc.
- Exploring how we can use partnership arrangements to reduce duplication, for example, using information and data collected by partners to support decision making instead of doing everything ourselves (e.g. Trusted Assessment).
- More efficient recruitment processes reducing the length of time for individual appointments – thus minimising agency spend in high turnover areas.

7.13. Where services develop specific opportunities or approaches (e.g. piloting a given approach) outputs from this are fed back to other areas to support learning.

7.14. Another possible area to improve our productivity is via the opportunity to centralise applications support across the Council. The full analysis of service areas will be undertaken to establish where there is IT application and administration support undertaken in service teams and assess whether this would be more efficiently delivered via a centralised model. This initiative does not necessarily mean pulling everything back to a single central function, but it may mean pooling resources across similar functions.

#### B – Partnership working and collaboration

7.15. The Council continues to listen and consult with its partners to understand how the impact of COVID-19 and the resulting economic and community changes are driving different needs and expectations for Council services going forward.

7.16. This theme explores and pushes the boundaries of how we currently work differently within the Council but also how we work with our residents, our communities, our voluntary sector, anchor institutions and strategic partners. As well as addressing the immediate financial challenge this work will also lay the foundations for longer term successful working.

7.17. The driver for our Resident's Experience programme is to improve the quality of our services and improve the experience of interacting with the Council for our residents. By understanding our resident's needs, and designing our services around these, we should inevitably improve our processes through streamlining them and improve our communication and empowerment for residents. At this stage, the programme is about to start the discovery work which will identify the areas and size of opportunity and the potential for benefits including savings against these areas. The programme should deliver savings whilst improving experience for our residents. Channel shift opportunities are being considered as part of this work, recognising this has historically proven difficult to deliver savings against without also reducing our ability to deliver successful outcomes for our residents.

7.18. The Council will make a commitment to explore how we continue to work not just with our established anchor institutions but with other colleges and universities on the creation of work placements to attract students to Lewisham. This will help tackle the skills shortages in Lewisham for social workers, planners, teachers and other hard to

recruit to professions. Although this will not realise savings during this Medium Term Financial Plan, working closely with further and higher education institutions to attract skilled people can only improve the productivity of our workforce.

- 7.19. The biggest strand of this theme is working closer with our health partners and redressing the balance of how services are funded going forward. We will prioritise the assessment of care packages so those with the most complex need and those most likely to be eligible for support from health services receive it. This will apply to care packages for children and adults.
- 7.20. We recognise that our voluntary sector partners have played a strong role in providing continued support to our community to reduce the pressure on council services, for example reducing social isolation of our vulnerable adults and supporting their wellbeing. We will continue to seek efficiencies in the delivery of the Civic Events programme through working in partnerships with other organisations, seeking match funding wherever possible and sponsorship where appropriate.
- 7.21. There were no specific new proposals generated in this theme for 2022/23 – 2024/25 which require a decision to implement. However a number of opportunities continue to be explored and developed and may be brought forward in a future cuts round. They include:
- 7.22. Information sharing with partners and third party suppliers. The intention would be to review those services that commission external delivery partners to manage and process data on our behalf as part of the contractual arrangements in place. Where possible this reliance will be removed from the scope of the contract and systems and/or data will be provided by the Council to enable those suppliers and partners to manage their data processing responsibilities. The primary objective is to reduce our reliance on third parties, but it may also deliver cost savings.
- 7.23. Further suggestions which are being considered include:
- Looking to consolidate the use of the public estate in Lewisham, co-working with partners from a smaller foot print to save costs and extend joint working in support of changing and more agile working practices experienced through the COVID-19 pandemic.
  - Review the direct and indirect (e.g. discounted rents) support provided to the voluntary and community sector, and ensure scarce resources are effectively shared to help the reduced investment the Council can support to go as far as possible.
  - Explore increased and improved shared and joint opportunities to access grant funding with partner organisations to support core services. Building on the success of this approach in housing and the borough of culture seek to ensure that we access all external sources of funding where these are available for joint initiatives with appropriate partner organisations.
  - The implications of exiting certain services where alternative private or other public sector provision is available. For example; youth centres, crematorium, sports centres, and others.

#### C – Service design

- 7.24. Extending the productivity theme above, there will be opportunities to change how the Council engages with customers and delivers services. For example; our front door services operated largely online and via the call centre with appointments available where necessary for the majority of 2020/21. There are also opportunities, through better collaborative working, to review how different services serving the same

customers might better come together to do this.

- 7.25. In addition to the approach to engagement with external customers, this theme also looked at the relationships and role of corporate functions supporting frontline delivery. This is the theme that has probably received the most attention in previous years as a means to protecting front line services. Nonetheless, there are significant benefits from having a stronger strategic focus on customer service and digital changes which will, when coordinated via the PMO, provide opportunities to realise further savings and strengthen the organisation's culture.
- 7.26. The individual proposals put forward for this theme (see details at Appendix 2) are:

Ref*	Title	2022/23 £'000	2023/24 £'000	2024/25 £'000	Total £'000
C-35	Specialist social care support review	177	0	0	177
C-36	Reduction of commissioned care leaver housing costs	600	0	0	600
C-38	Strategic development team cost capitalisation	100	0	0	100
C-39	Aligning the Kickstart scheme with Government plans	25	25	0	50
C-40	Substance misuse – contract review and staffing	92	0	0	92
C-44	Removal of graffiti from private property	5	0	0	5
	<b>Theme total</b>	<b>999</b>	<b>25</b>	<b>0</b>	<b>1,024</b>

\*some references are missing from the sequence. This is because some proposals initially in development are not yet ready to be presented as fully costed cuts but may come forward in subsequent rounds.

- 7.27. In addition; a number of opportunities continue to be explored and developed and may be brought forward in a future cuts round. They include, with some overlap to other themes:
- 7.28. A proposal to review services to seek to explore where these could more effectively and efficiently delivered as a shared service with other boroughs. The shared services model works well where there are economies of scale that can be maximised and where there is synergy between policy or regulatory frameworks under which the services operate. Whilst it's more common for non-frontline services to operate this model, there are currently shared services in health, such as tri-borough commissioning of sexual health services which can be further explored or used as exemplars. The opportunity to join existing shared services will also be considered, such as the South London Legal Partnership or similar. The Council has experience of successful shared services via its shared ICT and so can draw on the lessons learnt from this.
- 7.29. Similar to the sharing of services, it is also considered appropriate to review outsourcing models, and whether there is the opportunity to seek to transfer

responsibility for certain services to either external organisations, other anchor institutions or the third and voluntary sector. The creation of longer term partnerships rather than short term contracts would be considered as this can mitigate in part some of the risks perceived with outsourced services, including loss of control. This would be considered where there are clear and tangible benefits of doing so that ensured quality of outcomes for residents whilst delivering efficiencies.

- 7.30. Another proposal that has come forward looks at how services might be redesigned if the Council's attitude and approach to risk were to be amended. This includes opportunities to look at streamlining public engagement, access to information, responses to questions, schemes of delegation and decision making, all of which could allow for service efficiencies to be delivered. This would include our procurement regulations and accounting policies as well. The review will carefully explore the additional risk that these changes might introduce and balance this with the likely financial gain from these changes.
- 7.31. Further suggestions which are being considered include;
- Encouraging more residents to recycle by increasing the number of local disposal facilities and supporting community skips.
  - Enable place-based cleaning and waste removal through the integration of operational teams.
  - Further and deeper integration of services across Directorates and working with housing with a view to the customer / family journey to deliver less costly and better outcomes for the more vulnerable residents (e.g. care leavers).

#### D – Asset optimisation

- 7.32. As well as looking at the revenue budget considerations, it is important that the Council also reviews its assets and capital programme to maximise efficiencies where possible. With changing ways of working and different service delivery mechanisms the Council may no longer require the same asset base. From this work there could be running cost savings and there may be some one-off receipts that could be used to invest in transformation plans and outcomes which take longer to realise. These changes need to be balanced with the need for the majority of the cuts currently anticipated next year.
- 7.33. Through this significant strategic theme the Council can unlock social, economic and financial benefit from its considerable landholdings within Lewisham. These range across a broad base of office, commercial and service/operational estate. The Executive Management Team (EMT) has commissioned work to explore the potential to utilise some parts of the asset base in a measured and sensitive way to release value that can help address the budget gap. It should be stressed at the outset that this review in no way seeks to sell core parts of the service and operational estate – nor to sell strategic assets. The shared challenge has been to re-purpose under-used parts of the Council's asset/estate base in a way that 'unlocks' value over time.
- 7.34. The individual proposals put forward for this theme (see details at Appendix 3) are:

Ref	Title	2022/23 £'000	2023/24 £'000	2024/25 £'000	Total £'000
D-10	Commercial Estate Review	0	50	100	150
D-11	Business Rates revaluation of Council owned properties	100	50	0	150

Ref	Title	2022/23 £'000	2023/24 £'000	2024/25 £'000	Total £'000
D-12	Asset Use Review and Regularisation	0	15	85	100
D-13	Review of commercial opportunities for nurseries within children's centres	11	9	0	20
D-14	Facilities Management	0	100	10	110
	<b>Theme total</b>	<b>111</b>	<b>224</b>	<b>195</b>	<b>530</b>

7.35. In addition; a number of opportunities continue to be explored and developed and may be brought forward in a future cuts round. They include, with some overlap to other themes:

- Seek to retain assets and keep them in use where this may be more cost effective than mothballing them. If the assets are not required for direct Council services seek to bring other community, voluntary or partnership organisations in.
- Investigate whether Council assets could be converted/made suitable for the provision of high needs services rather than relying on external parties to provide these as part of procured services.
- Work alongside and more actively promote private sector delivery of housing supply to increase suitable and necessary housing in the borough to complement that which we are providing under the Building for Lewisham programme. This not only increases much needed housing supply in the borough but increases the Council tax revenue base, generating income to support services and could be delivered either independently of or in partnership with the Council.
- Improve our data management and insight to ensure that we are able to accurately forecast demand (schools, housing, etc.) and then focus delivery of assets to match this local demand and reduce the risk of asset underutilisation.
- Ensure that the proposals coming forward in both the capital programme and the budget setting process fully align with and consider the Catford master plan.
- Review surplus vacant/empty assets that costs money to maintain or mothball and seek to dispose of such properties in order to generate capital receipts that can be reinvested into the Council's strategic asset base.

#### E – Income generation and commercialisation

7.36. PASC's investigations over the past few years, have demonstrated that as well as traditional methods of looking after the Council's finances, councils can and do develop new ideas and innovations to produce income and create value. Services functioning well from a financial perspective are more able to be responsive to the needs of those using their services.

7.37. Commercialisation is about more than just chasing financial returns. The focus with this approach is improving services and ensuring that resources are available to

protect the most vulnerable. 'Thinking commercially' is a mind-set that prioritises the best use of resources – whether financial or otherwise. In an organisation such as the Council, a commercial mind-set with a public sector ethos becomes an important part of its culture.

- 7.38. The Council has been championing the development of greater commercial understanding and rigour in its service offering. This has been around achieving greater social value as well as financial return from engaging in such activities. This work, through this theme, assesses the culture and approach to considering risk and reward in the Council's commercial dealings and collection of debt. It also reviews how sales, fees and charges are set relative to benchmarks and assesses market potential to ensure rates are set at the optimum level in line with the Council's priorities, examples of this include the introduction of emissions based charges for parking and the extended use of controlled parking zones (CPZs), ensuring that funding is available to support the maintenance of the borough's highways, roads and travel network.
- 7.39. The Council currently runs a number of traded services. The most significant being services to schools, the environmental services for commercial and garden waste, and bereavement services. The Council does not have to be in these business areas as fully as it currently is with options to change how much they support or contribute to core service delivery. As well as linking to the commercial discussion (i.e. cost recovery), there will be questions of strategic policy fit and risk that continued delivery of these services can be assessed against.
- 7.40. The Council has a number of key commercial partners, some significant contracts for key line of service delivery and systems, and uses a large number of smaller local contractors for a variety of work. In total, the Council spends over £200m annually with third parties. This theme will review how these contracts are being managed to identify opportunities to improve performance and also to plan further in advance how they may be retendered to ensure the Council has the most opportunity (time and choice) to improve value for money from these service areas.
- 7.41. The individual proposals put forward for this theme (see details at Appendix 4) are:

Ref	Title	2022/23 £'000	2023/24 £'000	2024/25 £'000	Total £'000
E-12	Building Control Service Efficiency	20	30	0	50
E-14	Changes to leisure concessions for older people	95	95	0	190
E-15	Seek corporate sponsorship for Festive Lighting	30	0	0	30
	<b>Theme total</b>	<b>145</b>	<b>125</b>	<b>0</b>	<b>270</b>

- 7.42. In addition; a number of opportunities continue to be explored and developed and may be brought forward in a future cuts round. They include, with some overlap to other themes:
- Improved use of CIL and S106 funding. The current proposal looks to make a targeted effort in the very short term to review the capital programme and look at opportunities to replace borrowing and/or base budget funds with S106 and/or CIL. The approach to be adopted is to work across the organisation to allocate S106 and CIL and improve the use of this to support the capital

programme will take place over the coming months to look at opportunities to support the setting of the capital budget before the start of next financial year. Whilst this is not a revenue budget reduction it will improve capacity in the capital programme.

- Extending possible traded services, for example arboreal or garden services with in-house parks service.
- Identifying areas for more extensive enforcement to improve general environment – e.g. fly tipping and littering, estate agent boards not removed etc. This will also include exploring working with and supporting businesses and traders to install CCTV to address fly tipping.
- Ensuring services are open to and seeking out grant support and other investment partners to support council service delivery in the Borough.
- Continuing to strengthen the commercial skills in those letting contracts and commissioning services to secure the best value for money.
- Review the methods of enabling residents and businesses to report and provide evidence to facilitate enforcement.

#### F – Demand management and behaviour change

- 7.43. As much as the Council has a significant number of statutory services to deliver it also has discretion about how it does so. This enables services to ensure the value for money of provision within the overarching responsibility for stewardship of the public pound. Aligned with this, preventative work can lead to better outcomes for less cost in the long run compared to the need for crisis intervention.
- 7.44. For the Council's largest services (in budgetary terms), in particular adult and children social care but also environment services when considering levels of waste, how this translates into demand management around when users are engaged with the support they are offered has a the potential for promoting greater independence with significant positive budget impacts.
- 7.45. The approach to this theme has been to explore opportunities to focus on volume and cost and the means by which they can be reduced, diverted, or shared. A fundamental principle in adult social care especially is about promoting greater independence for adults, and our ability to better manage demand through preventive action and a range of early help. The council is tracking the changes emerging from government policy for the future of health and social care and is developing an evidence based approach to implementing this. Most of all the bedrock of adult social care needs to build on the importance of assisting people to maximise their life opportunities and to support greater moves towards independence. The work already underway as part of the review of the delivery of Adult Social Care, coupled with the improvements in the systems used to support and deliver these services, means that we will be better able to measure the effectiveness of the interventions that are available. This will include the establishment of more rounded and detailed set of performance measures that will enable the impact of a refreshed approach to promoting independence (and managing demand) to be better understood whilst enabling costs to be taken out of the system. We will also continue to look at shared pathways with our health partners to achieve better outcomes.
- 7.46. The individual proposals put forward for this theme (see details at Appendix 5) are:

Ref*	Title	2022/23 £'000	2023/24 £'000	2024/25 £'000	Total £'000
F-25	Road Safety – new yellow boxes	150	0	0	150
F-26	Subscriptions	20	0	0	20
	<b>Theme total</b>	<b>170</b>	<b>0</b>	<b>0</b>	<b>170</b>

\*some references are missing from the sequence. This is because some proposals initially in development are not yet ready to be presented as fully costed cuts but may come forward in subsequent rounds.

7.47. In addition; a number of opportunities continue to be explored and developed and may be brought forward in a future cuts round. They include, with some overlap to other themes:

- Prevention and early intervention model to reduce the need to for crisis interventions. Ensure service provision is in place and teams trained and supported to secure the good work to move to early help and prevention at less cost and limit the demand for the expensive intensive intervention settings, other than in the limited cases where they may be needed.
- Clarity is required with regards to the levels of statutory provision across the Council and the cost of this versus discretionary services. There is consideration of a zero-based budgeting exercise which builds budgets up on the basis of funding statutory services first, whilst looking for the most efficient delivery model of these, and then seeking to budget for and fund those services which are discretionary. This exercise is challenging and resource intensive but will allow improved clarity as to where to focus attention in order to achieve the most significant improvements and transformation.
- Explore different ways of working with and supporting voluntary/community organisations, especially post pandemic to draw on the learning from how to co-deliver services and maximise benefit for residents.
- Improve our awareness of and success in applying for and securing grants, and ensure that we work with and support the third sector to secure sustainable funding.
- Exploring new approaches for housing, both temporary and permanent accommodation, including targeted measures such as seeking to match those requiring housing with those in under-occupied homes.

#### Previously Agreed Proposals

7.48. As part of setting the 2021/22 budget a number of budget reduction proposals were reviewed by Members and then agreed by Mayor and Cabinet on the 9 December 2020 and the 3 February 2021. Those proposals which impacted on the 2021/22 budget were then incorporated into the Budget Report agreed by full Council on the 3 March 2021. Many of the proposals contained measures for 2022/23, which totalled £10.4m. The summary list of these and the detailed proformas are in Appendix 6.

7.49. Mayor and Cabinet are asked to reconfirm agreement for these proposals to be included in the budget for 2022/23.

## 8. Timetable and Decisions

### Timetable

- 8.1. The key dates for considering the budget reduction report via scrutiny and Mayor and Cabinet (M&C) are as follows:

12 January	Healthier Communities
13 January	Safer Stronger
18 January	Sustainable Development
20 January	Housing
26 January	CYP
27 January	PASC
2 February	Mayor and Cabinet

- 8.2. Subject to the decisions at M&C on the 2 February the budget reduction measures will be implemented by officers in line with the decision making route (see below). This will allow those proposals agreed to progress, including those requiring consultation, to be either concluded or well developed before the end of this financial year so that a full year financial effect is achieved for 2022/23.

### Decision making process

- 8.3. The decision making process for the proposals depends on the nature of each individual measure being proposed. The decision depends on the scale and impact of the proposal and the actions required to deliver it. For example; a proposal requiring staff consultation can either be reserved by Mayor and Cabinet to themselves or follow the usual delegation for employment matters to the Chief Executive. In either case the decision can only be taken after completion of the consultation and a full report setting out the equalities, legal and financial implications for the decision maker.
- 8.4. The table below shows the combination of criteria possible for a proposal (the first three rows) with the remaining rows identifying the options for concluding the decision available to Mayor & Cabinet.

### **Options for Decisions**

<b>Decision combinations</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
Key Decision - >£500k and/or specific ward impact	<b>N</b>	<b>Y</b>	<b>Y</b>	<b>N</b>	<b>Y</b>	<b>Y</b>
Public Consultation	<b>N</b>	<b>N</b>	<b>Y</b>	<b>N</b>	<b>N</b>	<b>Y</b>
Staff Consultation	<b>N</b>	<b>N</b>	<b>N</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>
<b>Decision routes for M&amp;C</b>						
M&C agree to consult – proposal to return to M&C for decision			✓	✓	✓	✓
M&C take decision – no consultation required	✓	✓				
Delegate to Exec. Dir. to consult and take decision				✓	✓	
Delegate to Exec. Dir. – no	✓	✓				

consultation required						
Other – e.g. seek clarification, reject, endorse.	✓	✓	✓	✓	✓	✓

- 8.5. The decision combinations for each new proposal are summarised in the navigation sheet at Appendix 1.

## 9. Financial implications

- 9.1. This report is concerned with the cuts proposals to enable the Council to address the future financial challenges it faces. There are no direct financial implications arising from the report other than those stated in the report and appendices itself.

## 10. Legal implications

### Statutory duties

- 10.1. The Council has a variety of statutory duties which it must fulfil by law. The Council cannot lawfully decide not to carry out those duties. Even where there is a statutory duty there is often a discretion about the level of service provision. Where there is an impact on statutory duty that is identified in the report. In other instances, the Council provides services in pursuit of a statutory power, rather than a duty, and though not bound to carry out those activities, decisions about them must be taken in accordance with the decision making requirements of administrative law.

### Reasonableness and proper process

- 10.2. Decisions must be made reasonably taking into account all relevant considerations and disregarding all irrelevant matters. These are particular to the service reductions proposed and are set out in the body of the report. It is also imperative that decisions are taken following proper process. Depending on the particular service concerned, this may be set down in statute, though not all legal requirements are set down in legislation. For example, depending on the service, there may be a need to consult with service users and/or others and where this is the case, any proposals in this report must remain proposals unless and until that consultation is carried out and the responses brought back in a further report for consideration with an open mind before any decision is made. Whether or not consultation is required, any decision to discontinue a service would require appropriate notice. If the Council has published a procedure for handling service reductions, there would be a legitimate expectation that such procedure will be followed.

### Staffing reductions

- 10.3. If service reductions would result in redundancy, then the Council's usual redundancy and redeployment procedure would apply. If proposals would result in more than 20 but fewer than 100 redundancies in any 90 day period, there would be a requirement to consult for a period of 30 days with trade unions under Section 188 Trade Union and Labour Relations (consolidation) Act 1992. The consultation period increases to 45 days if the numbers are 100 or more. This consultation is in addition to the consultation required with the individual employees. If a proposal entails a service re-organisation, decisions in this respect will be taken by officers in accordance with the Council's re-

organisation procedures.

### Equalities Legislation

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

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

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

10.11. The EHRC has also issued Guidance entitled “Making Fair Financial Decisions”.

- <https://www.equalityhumanrights.com/en/advice-and-guidance/making-fair-financial-decisions>. It appears at Appendix 4 and attention is drawn to its contents.

10.12. The equalities implications pertaining to the specific service reductions are particular to the specific reduction.

#### The Human Rights Act

10.13. Since the introduction of the Human Rights Act 1998 (HRA) the rights set out in the European Convention on Human Rights (ECHR) have been incorporated into UK law and can be enforced in the UK courts without recourse to the European courts.

10.14. Those articles which are particularly relevant in to public services are as follows:

- Article 2 - the right to life
- Article 3 - the right not to be subject to inhuman or degrading treatment
- Article 5 - the right to security of the person
- Article 6 - the right to a fair trial
- Article 8 - the right to a private and family life, home and correspondence
- Article 9 - the right to freedom of thought, conscience and religion
- Article 10 - the right to freedom of expression
- Article 11 - the right to peaceful assembly
- Article 14 - the right not to be discriminated against on any ground

10.15. The first protocol to the ECHR added

- Article 1 - the right to peaceful enjoyment of property
- Article 2 - the right to education

10.16. Some of these rights are unconditional, such as the right not to be tortured or subject to degrading treatment. Others may be limited in finite and well defined circumstances (such as the right to liberty). Others are qualified and must be balanced against the need of the wider community – such as the right to a private and family life. Where there are human rights implications associated with the proposals in this report regard must be had to them before making any decision.

#### Best value

10.17. The Council remains under a duty under Section 3 Local Government Act 1999 to secure continuous improvement in the way its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. It must have regard to this duty in making decisions in respect of this report.

#### Specific legal implications

10.18. Members’ attention is drawn to the specific legal implications arising in relation to particular proposals set out in the relevant proforma in Appendices 2 to 5 of this report

and Appendix 7 which is a summary of specific legal implications for each budget cut proposal.

### Equalities Implications

- 10.19. Detailed policy and equality implications have been appended to this report as Appendix 8.

## **11. Equalities implications**

- 11.1. Proformas included in Appendices 2 to 5 consider the service equalities impact for each proposed cut. This identifies whether the cut is expected to have a high, medium or low impact on service users with protected characteristics, as well as mitigations that can be put in place and whether a full equalities impact assessment is required. A detailed review of the policy and equality implications across all cuts is included within the attached Appendix 8 and has been reviewed by all of the scrutiny select committees and PASC.

## **12. Climate change and environmental implications**

- 12.1. Section 40 Natural Environment and Rural Communities Act 2006 states that “every public authority must, in exercising its functions, have regard, so far as is consistent with the proper exercise of those functions to the purpose of conserving biodiversity”
- 12.2. The specific climate change and environmental implications identified as arising from the current cuts proposals will require further consideration, however, none of the new proposals are likely to impact negatively on our ability to conserve biodiversity.

## **13. Crime and disorder implications**

- 13.1. Section 17 of the Crime and Disorder Act 1998 requires the Council to have regard to the likely effect on crime and disorder when it exercises its functions, and the need to do all that it reasonably can to prevent crime and disorder in its area.
- 13.2. Whilst there are no specific crime and disorder implications as yet identified as arising from the current cuts proposals, C-44 will require further consideration as to whether this will impact either positively or negatively on our ability to reasonably prevent crime and disorder, or the perception of crime and disorder.

## **14. Health and wellbeing implications**

- 14.1. The specific health and wellbeing implications identified as arising from the current cuts proposals will require further consideration, however, those flagged as likely to impact either positively or negatively on the health and wellbeing of residents or service users is E14.

## **15. Background papers**

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### 15.1. Previous reports setting the financial context

- 3 March 2021 – 2021/22 Budget report to Council
- 10 June 2020 – Council’s response to COVID-19 – financial update report to M&C
- 9 July 2020 – First 2020/21 financial monitoring report to M&C
- 7 October 2020 – Financial stabilisation and budget update report to M&C

### 14.2 Appendices

1. Navigation sheet – new proposals
2. **C** – Service design
3. **D** – Asset optimisation
4. **E** – Commercial approach
5. **F** – Demand management
6. Previously Agreed Proposals
7. Specific legal implications – to follow for M&C
8. Summary equalities report
9. Making fair financial decisions

## 16. Glossary

16.1. The glossary below identifies the acronyms used in the report.

Term	Definition
CPZ	Controlled Parking Zone
CSR	Comprehensive Spending Review
DSG	Dedicated Schools Grant
ECHR	European Convention of Human Rights
EMT	Executive Management Team
FFR	Fair Funding Review
GF	General Fund
GLA	Greater London Authority
HR	Human Resources
HRA	Housing Revenue Account
LGA	Local Government Association
LGFS	Local Government Finance Settlement
M&C	Mayor & Cabinet
MHCLG	Ministry for Housing, Local Government and Communities
MTFS	Medium Term Financial Strategy

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Term	Definition
PASC	Public Accounts Select Committee
PMO	Programme Management Office
SLT	Senior Leadership Team (EMT plus Directors)
VFM	Value for Money

## 17. Report author and contact

- 17.1. David Austin, Director of Finance, 020 8314 9114, [david.austin@lewisham.gov.uk](mailto:david.austin@lewisham.gov.uk)
- 17.2. Katharine Nidd, Head of Financial Strategy, Planning and Commercial, 020 8314 6651, [Katharine.nidd@lewisham.gov.uk](mailto:Katharine.nidd@lewisham.gov.uk)

## 18. Comments for and on behalf of the Executive Director for Corporate Resources

- 18.1. The financial implications were provided by David Austin, Director of Finance, 020 8314 9114, [david.austin@lewisham.gov.uk](mailto:david.austin@lewisham.gov.uk)

## 19. Comments for and on behalf of the Director of Law, Governance and Elections

- 19.1. The general legal implications were provided by Jeremy Chambers, Director of Law, Governance, and Elections, [jeremy.chambers@lewisham.gov.uk](mailto:jeremy.chambers@lewisham.gov.uk)

**APPENDIX 1**

**Navigation Sheet – new proposals**

Ref	Title	Proposal	2022/23	2023/24	2024/25	Total	Full Report / Key Decision Req'd?	Public Consultation Required?	Staff Consultation Required?	Committee
C-35	Specialist social care support review	This proposal would see us review the arrangements for specialist social care support in the Youth Offending Service, Family Thrive and Schools to ensure that these are optimised and that where possible these costs are correctly attributed to Health partners. This is part of a wider approach to developing a more integrated adolescent offer and is not a reduction in the service offer.	177	0	0	177	N	N	N	SSCSC / CYP
C-36	Reduction in cost of commissioned care leaver housing	The Council has a duty to provide 'suitable accommodation' to its Care Leaver population. Lewisham currently supports about 600 Care Leavers, in a range of different types of accommodation. About 50 Care Leavers live in semi-independent accommodation, currently costing an average of £1,500 per week for each young person. Through the work that is already being carried out, to strengthen our placements 'Sufficiency Strategy' - including through improved commissioning arrangements and entering partnerships with providers to deliver this accommodation at less cost- we plan to reduce placement costs this year. There will be no reduction in the quality of support provided to our care leavers. There will be a reduction in spend with independent accommodation providers by negotiating contracts. As part of this change there is also a further saving of £200,000 from the No Recourse to Public Funds budget, which	600	0	0	600	N	N	N	CYP

		is underspending currently as a result of improved earlier interventions and also improved commissioning arrangements.									
C-38	Strategic development team cost capitalisation	The Strategic Development team's staffing costs are split across the General Fund and Housing Revenue Account, with a portion of costs recharged to capital. The team grew in 2020-21, funded in part by the GLA's Homebuilding Capacity Fund. These posts have been retained and the funding for them costed to the General Fund. The funding recharge to the capital programme in 20/21 was £272k, allowing for GLA grant. However, a review of staffing costs and time attributed to the Building for Lewisham Programme has established a higher recharge cost to capital. It is anticipated that this level of recharge will be retained in 2022/23 as a one-off cost of c£400K, delivering a saving to the general fund, anticipated to be £100K. It is not unusual to recharge these types of costs to the capital programme. This is a standard approach adopted by housebuilding/ developing Councils. Other London councils adopt the same approach.	100	0	0	100	N	N	N	PASC	
C-39	Aligning the Kickstart scheme with Government plans	In early 2021 the Council signed up to participate in the Government's Kickstart scheme aimed at tackling youth unemployment and committed to take on at least 40 Kickstart trainees. Given our commitment to the Living Wage, it was agreed that the Council would pay Kickstart trainees the London Living Wage (LLW). A £50k budget growth was allocated to the Economy, Jobs and Partnerships service to cover the funding gap between the Government funding and payment of LLW to the trainees. The Kickstart programme is time limited. The Government has announced that it will not approve any additional Kickstart placements after 31 December, and all placements must have begun by 31 March 2022. The Council has 45 placements approved by the Government. These placements will all be filled by January 2022. The six-month placements will continue in to next year and therefore some budget will be required in 2022/23 to continue to ensure Kickstart trainees receive the LLW. It is estimated that this will be no more than £25k, and indeed may be less if some of the trainees move on to permanent employment before the end of their six-month placement. Therefore, it is possible to cut the	25	25	0	50	N	N	N	SDSC	

		Kickstart budget by £25k in 2022/23, with the remaining £25k being saved in 2023/24. All 45 placements will continue unaffected by this saving. Training and employment support and opportunities will continue to be offered via other schemes within the Economy, Jobs and Partnerships team.								
C-40	Substance misuse - contract review and staffing	The 'core contract' for substance misuse was recommissioned through an open tender process for April 2022. This was agreed through M & C on 3 November 2021. The new contract value is £112,236 lower than the current value. £20,000 of this has substituted prescribing savings not made. This proposal identifies the remainder (£92,236) as a potential area that could be used to fund other services that benefit Public Health and thus reduce general fund costs.	92	0	0	92	N	N	N	HCSC
Page 65 C-44	Removal of graffiti from private property	<p>The Council has a statutory duty to remove graffiti from public property. It also has a duty to remove racist and obscene graffiti from all property regardless of ownership. There is no requirement for the Council to remove graffiti from private property and privately-owned surfaces which include: shops (incl. shuttered shops, bus stops, phone boxes, utility boxes) etc. The service currently removes graffiti from private property free of charge. The Council is, as a result, entitled to levy a fee for the removal of graffiti from private property. Until a forthcoming fee structure has been determined for entry into the Council's fees and charges structure, a saving has been identified from reduced use of materials and chemicals needed for graffiti removal.</p> <p>It is possible to enforce graffiti removal against owners of private buildings and private land by the issuance of a graffiti removal notice. The owner has 28 days to remove the graffiti. General communications messages and updated information on the corporate website will communicate the Council's position on graffiti. The Council will continue to remove racist and obscene graffiti from surfaces regardless of land or property ownership.</p>	5	0	0	5	Y	N	N	SDSC

D-10	Commercial Estate Review	<p>There are a range of vacant assets that are in a poor state of repair and require capital investment in order to bring them back into a lettable condition so that in turn they can become income producing. Two examples of properties that require investment are the parade of shops on Turnham Road and 203 Deptford High Street.</p> <p>It is estimated that a once off capital investment of circa £200k will help stabilise and boost the income generation potential of the commercial estate by £50k in 2023/24 and £100k in 2024/25. This represents a growth of £150k on the commercial estate income by 2025. A full return on investment will be made within 4 years of the initial capital outlay.</p>	0	50	100	150	N	N	N	SDSC
D-11	Business Rates revaluation of Council owned premises	<p>The Council's assets and operational portfolio has undergone changes and reconfiguration over the years but an assessment of the business rates has not been carried out to reflect the current nature of the stock.</p> <p>This proposal relates to a revaluation or reassessment of all the assets for which the Council currently holds the business rates liability. This work is already underway.</p>	100	50	0	150	N	N	N	PASC
D-12	Asset Use Review and Regularisation	<p>A number of Council assets are utilised by third parties where the current consideration is less than market rate. For example, there are some businesses that occupy council assets on commercial leases, whilst paying a modest or nominal rent. If these are reviewed and regularised this would create a fairer playing field for these local businesses and could generate an additional income of circa £50k income to the commercial portfolio.</p> <p>A strategic asset review of the entire property portfolio is currently being undertaken. There are certain operational assets that are likely to be no longer required for their existing purposes, and could therefore be re-let on a commercial basis. Securing these units as commercial lets will mean that the Council will no longer be responsible for maintaining those assets, generating further savings on the facilities management budget. The level of savings on the facilities manager budget is likely to be similar to the increased income proposed here but will be captured separately under any savings proposed by the facilities management team.</p>	0	15	85	100	N	N	N	SDSC

D-13	Review of commercial opportunities for nurseries within children's centres	We will seek to expand the use of commercial nurseries in existing children's centres where this is viable and appropriate. This will focus on one children's centre in Telegraph Hill first.	11	9	0	20	N	N	N	CYP
D-14	Facilities Management	Proposal to self-deliver a greater proportion of building maintenance and small works with a direct labour force. Proposal to reduce the level of central contract (bundling) and manage smaller contracts directly with an in-house resource. These changes will also remove a level of dependency on a very small number of external service providers (main contractors). There will also be a review of security arrangements for the Corporate Estate. Provide full project and operational costs to external building partners ensuring full cost recovery where appropriate.	0	100	10	110	N	N	Y	PASC
Page 67 E-14	Building Control Service Efficiency	The Council received applications for 650 building works in 2019/20 compared to over 2,000 planning applications. The current programme already commits to £50k of increased income from this service in 2022/23 and the proposal is to double this over the same period. The service will be benchmarked against its peers in Q4 of this financial year, with improvements and efficiencies made immediately after. This will drive increased market share of current applications going through the Planning system and delivery efficiencies. The Council can do this by 'selling' this service to individuals and developers operating in Lewisham but to also consider expanding this.	20	30	0	50	N	N	N	PASC
E-14	Changes to leisure concessions for older people	This proposal changes the concessions available for users aged over 60. The Be Active programme with affordable concessionary "pay and play" rates will continue, but we will not continue with universal free swim and gym for all over 60s. If the Council were to remove the free sessions and replace them with affordable provision, this would generate a saving of £170,000 across the GLL sites and £190,000 across all sites. Free gym and swim will be retained for residents in receipt of disability benefits. The saving will be implemented in October 2022 in line with the extension of the GLL contract.	95	95	0	190	Y	N	N	HCSC

E-15	Seek corporate sponsorship for Festive Lighting	In November of each year Lewisham puts up a number of festive lighting displays on lamp columns and other locations across the borough. This is not a statutory service. It is carried out by the Lighting team (part of Highways in Public Realm) at a cost of around £30k PA which is paid directly to a contractor who carry out the works. This proposal is for the Council to cease funding festive lighting. Sponsorship will be sought from partners.	30	0	0	30	Y	N	N	PASC
F-25	Road Safety - New Yellow Boxes	<p>The proposal is to investigate and introduce new yellow box junctions where data gathering evidence suggests this type of measure will improve congested junctions, especially at peak times. The proposal will help manage safety and congestion on our roads, improve air quality and confidence for all vulnerable road users and motorists that these sites are being managed correctly. This will also assist in meeting our and the Mayor for London's targets to improve road safety and improve air quality.</p> <p>Enforcement will then be via cameras. We have assumed an investment of £100,000 is required to introduce up to five yellow box junctions, locations will be dependent on surveys. Based on performance of similar measures, it is estimated that these cameras will generate payback of the investment within the first 12 months following implementation.</p> <p>If capital funding is not available then this investment will need to be pushed back a year, whilst funding is identified.</p>	150	0	0	150	Y	N	N	SDSC
F-26	Subscriptions	This is a straightforward reduction in subscriptions and will have no impact on residents and will be actioned as part of business as usual by Officers.	20	0	0	20	N	N	N	PASC
		<b>TOTAL</b>	<b>1,425</b>	<b>374</b>	<b>195</b>	<b>1,994</b>				

## APPENDIX 2 – THEME C SERVICE DESIGN PROPOSALS

1. Proposal Overview	
Proposal title:	Specialist social care support review
Reference:	C-35
Lead officer:	Sara Rahman
Ward/s affected	None
Cabinet portfolio	Cllr Chris Barnham, Children's Services and School Performance
Scrutiny committee/s	Safer Stronger Communities Select Committee and Children and Young People Select Committee

2. Decision Route		
Key Decision	Public Consultation	Staff Consultation
N	N	N

**3. Contextual Information**

**Which service area/s are in the scope of the cuts proposal?**

There are three different service areas in Families, Quality and Commissioning which are in scope of the savings proposal – Youth Offending Service, Family Thrive and CAMHS.

Proposal 1 – The funding for this post sits within the Youth Offending Service (YOS), it is a Remand Social Work post that would hold cases specifically where the young person has been remanded. As demand has been very low no permanent appointment has been made and currently the post is currently occupied by a locum Social Worker who has a caseload of 3. The impact on the cases will be minimal as they are already allocated to Social Workers in Children's Social Care

Proposal 2 – The Practice and Partnership post sits in the Family Thrive Service within Early Help. This post was designed following the insourcing and restructure of the Family Thrive service, however it has been vacant and with the wider developments across the service and the close working with the Principal Social Worker to support the Signs of Safety practice model for Family Thrive workers, the post is no longer required.

Proposal 3 – This is a CAMHS post that supports the social, emotional and mental health needs of pupils at New Woodlands School. The post holder provides assessment and treatment to young people attending New Woodlands and their networks while providing specialist advice to school colleagues to assist them in their work. Clinical supervision for this post is provided through South London and Maudsley. The proposal is to transfer the funding of this post to the health budget and funding for this has already been identified. The proposal does not involve any loss of capacity but transfers the funding of this post to the health budget and funding for this has already been identified.

**What is the controllable budget of the service area/s?**

Budget Type	Spend (£000)	Income (£000)	Net Budget (£000)
General Fund			6.682m
HRA			
DSG			
Health			
<b>TOTAL</b>			<b>£6.682m</b>

**What is the staffing profile of the service area/s?**

Grades	Number Of Posts	FTE	Vacant Posts	
			Agency / Interim Cover	Not Covered
Scale 1 – Scale 5				
Scale 6 – SO2				

<b>PO1 – PO5</b>				
<b>PO6 – PO8</b>				
<b>SMG1 – SMG3</b>	6	6		3
<b>JNC</b>	1	1		

**4. Cuts Proposal**

**What changes are proposed to the service area/s?**

Proposal 1 – Deletion of the vacant Remand Social Worker post in the Youth Offending Service.

Proposal 2 – Deletion of the vacant Practice in Partnership post in Family Thrive (Early Help) service.

Proposal 3 – Transfer of liability for the CAMHS post in Woodlands School to Health which is currently funded by the LA.

There are no redundancies as a result of the proposals below:

Proposal 1 – operational changes identified. This is a specific role where children who are remanded by Court are allocated to the Remand Social Worker. Most children who come through the Courts already have an existing SW allocated in the social care teams. If they do not have a Social Worker they will need one via the Multi Agency Safeguarding Hub (MASH) and the numbers are very limited. Should the numbers increase, these referrals should be referred MASH for allocation within social care. Nationally the number of children remanded has reduced and in the last couple of years there have been very limited numbers for Lewisham YOS – at the moment there are none and the current worker Remand Social Worker who is locum has 3 cases.

Proposal 2 – the key functions of the Practice and Partnership post will be delivered through the other key roles in the Family Thrive service that are already identified to develop partnerships and practice for example, the Group Manager, the Early Help Coordinators and the Hub Managers. The practice element will be further with collaboration with social care and the extending of signs of safety training for early help staff. This post has not been recruited to and feedback from the staff consultation supported this change.

Proposal 3 – this is a CAMHS post that supports the social, emotional and mental health needs of pupils at New Woodlands School. The post holder provides assessment and treatment to young people attending New Woodlands and their networks while providing specialist advice to school colleagues to assist them in their work. Clinical supervision for this post is provided through South London and Maudsley. The proposal is to transfer the funding of this post to health.

<b>Are there any specific staffing implications?</b>	No			
<b>What level of saving will be achieved? (NET OF ANY CAPITAL OR REVENUE INVESTMENT)</b>				
<b>Proposal strand</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>TOTAL</b>
Proposal 1	£57k			£57k
Proposal 2	£70k	0	0	£70k
Proposal 3	£50k	0	0	£50k
<b>TOTAL</b>	<b>£177k</b>	<b>£0</b>	<b>£0</b>	<b>£177k</b>
<b>% Net Budget</b>	<b>2.6%</b>			<b>2.6%</b>
<b>Does proposal impact on:</b>	<b>General Fund</b>	<b>HRA</b>	<b>DSG</b>	<b>Health</b>
	Y	N	N	N

<b>If yes, please describe impact:</b>	
<b>What are the potential delivery risks and mitigation?</b>	
<p>Proposal 1 – there may be a situation where we see an increase in children and young people who are remanded, however over the years there has been a decrease due to the focus around preventative work and good practice. The mitigations are that most children who do come to the notice of the courts are already known to social care and have an allocated worker. In the event that they do not have a worker they will be referred through the MASH and if remanded into LA care we are required to exercise our statutory duties therefore this cohort of children will be allocated within the social care teams. This is already happening via the MASH and there will be no change to this.</p> <p>Proposal 2 – the functions of this post in relation to practice and partnership will be delivered through the other management roles in the Family Thrive Service and this is outlined above. This post has not been recruited to therefore there are no redundancy risks.</p> <p>Proposal 3 – there will be no impact on the service delivery as the post will remain, only the funding arrangements are to change.</p>	
<b>Are there any specific legal implications?</b>	
Not identified	
<b>Is public consultation required (formal/statutory)?</b>	Not required

<b>5. Impact &amp; Outcomes</b>	
<b>What is the likely impact of the proposed changes?</b>	
<b>Service Users</b>	
<p>Proposal 1 – through effective resource deployment and collaborative working within the services, the outcome will continue to be delivered therefore the impact on service users would be limited.</p> <p>Proposal 2 – this post has not been recruited to therefore the impact will be minimal.</p> <p>Proposal 3 - there is no suggestion to alter the service therefore there will be no impact.</p>	
<b>Staff</b>	
<p>Proposal 1 – the post is occupied by a locum therefore the impact will be low. Any casework will be going via the MASH to the social care teams. This will streamline the work i.e. all children looked after and children on child protection and child in need plans will sit in one service and allow for better data collection. Should cases increase, support can be provided by the YOS teams as there are some YOS officers who are qualified SWs however this will not be desirable as the model does not support this.</p> <p>Proposal 2 – feedback from the staff consultation during the restructure raised that the structure felt ‘management heavy’ and as a result the Practice and Partnership role in scope for deletion. In comparison to the other management role, the post did not have any line management responsibilities therefore the impact would be low and the delivery of the partnership and practice development functions would be deployed via the remaining management roles.</p> <p>Proposal 3 – there is no change to the delivery model therefore minimal impact.</p>	
<b>Other Council Services</b>	

Proposal 1 – the teams within Children’s Social Care will see the allocation of all cases where children have been remanded, this is already happening and therefore there will be minimal negative impact.

Proposal 2 – no impact identified.

Proposal 3 – No impact identified.

**Partners**

Proposal 1 – partners will not see a change in the service response as this is a statutory duty already delivered.

Proposal 2 – Partners will not see a change to service delivery. Engagement with partners will still be part of the role for existing managers (Group Manager, Hub Managers, Early Help Leads) and training and support for partners will be accessed through the wider offer via workforce development and the social work academy.

Proposal 3 - There is an assumption that Health partners will agree to the transfer of liability of the post. This could have a financial impact on health partners.

**Are there any specific equalities implications? Please provide a response for each protected characteristic/equalities consideration, even if the impact is neutral.**

Protected characteristics and other equalities considerations	High (Positive / Negative)	Medium (Positive / Negative)	Low (Positive / Negative)	Neutral
Age			X	
Disability			X	
Ethnicity			X	
Gender			X	
Gender reassignment			X	
Marriage and civil partnerships			X	
Pregnancy and maternity			X	
Religion and belief			X	
Sexual orientation			X	
Socio-economic inequality			X	

Is a full EAA required? No

**How do the proposed changes align with the Council’s Corporate Strategy?**

Corporate Priorities	High (Positive / Negative)	Medium (Positive / Negative)	Low (Positive / Negative)	Neutral
Open Lewisham	X			
Tackling the Housing crisis			X	
Giving children and young people	X		X	

<b>the best start in life</b>				
<b>Building an inclusive local economy</b>	X			
<b>Delivering and defending: health, social care &amp; support</b>	X		X	
<b>Making Lewisham greener</b>			X	
<b>Building safer communities</b>	X			
<b>Good governance and operational effectiveness</b>	X		X	

1. Proposal Overview	
Proposal title:	Reduction of commissioned care leaver housing costs
Reference:	C-36
Lead officer:	Lucie Heyes – Director Children’s Social Care Pinaki Ghoshal – Exec Director CYP Services
Ward/s affected	N/A
Cabinet portfolio	Cllr Chris Barnham, Children’s Services and School Performance
Scrutiny committee/s	Children and Young People Select Committee

2. Decision Route		
Key Decision	Public Consultation	Staff Consultation
No	No	No

3. Contextual Information				
Which service area/s are in the scope of the cuts proposal?				
Children’s Social Care				
What is the controllable budget of the service area/s?				
Budget Type	Spend (£000)	Income (£000)	Net Budget (£000)	
General Fund CSC placement	28,000	0	28,000	
General Fund NRTPF	2,623		2,623	
HRA				
DSG				
Health				
<b>TOTAL</b>	<b>28,623</b>	<b>0</b>	<b>28,623</b>	
What is the staffing profile of the service area/s?				
Grades	Number Of Posts	FTE	Vacant Posts	
			Agency / Interim Cover	Not Covered
Scale 1 – Scale 5	N/A			
Scale 6 – SO2				
PO1 – PO5				
PO6 – PO8				
SMG1 – SMG3				
JNC				

4. Cuts Proposal
What changes are proposed to the service area/s?
<p>0) The Local Authority has a duty to provide ‘suitable accommodation’ to its Care Leaver population. Lewisham currently has c600 Care Leavers, in a range of different types of accommodation. It is estimated c50 Care Leavers are living in semi-independent accommodation that is spot purchased at an average cost of £1,500 per week. Through the work that is already being carried out, to strengthen our placements ‘Sufficiency Strategy’ we plan through improve commissioning arrangements and enter partnerships with providers to deliver accommodation at less cost. This will not involve a reduction in our support for care leavers, indeed, in line with our ongoing improvement plans the aim will be to improve the quality of support and stability of placements for care leavers.</p>

1) This proposal is the next step, connected to existing savings proposals from last year (E-06, A-17 & F-05).

The total budget for placements is £28m. The care leavers' budget is part of the overall placements budget. Overall the CSC budget is overspending by circa £3m and so this action is part of a wider programme which seeks to reduce the overspend. Initially these actions will include the expansion of a supported lodging scheme (11 places) and the addition of 9 units at a further site.

2) Through the overall improvement work in Children's Social Care and a focus on earlier support the NRPF budget is projected to underspend. This budget is part of the wider set of budgets used to support vulnerable families and children and the work set out in this proposal, together with work initiated last year as part of the previous budget savings collectively means we project that the spend will continue to be less than the budget that was previously allocated.

**Are there any specific staffing implications?** N

**What level of saving will be achieved? (NET OF ANY CAPITAL OR REVENUE INVESTMENT)**

Proposal strand	2022/23	2023/24	2024/25	TOTAL
1) Care Leaver accommodation	£400k			£400k
2) NRPF	£200k			£200k
<b>TOTAL</b>	£600k			£600k
<b>% Net Budget</b>	2%			2%
<b>Does proposal impact on:</b>	<b>General Fund</b>	<b>HRA</b>	<b>DSG</b>	<b>Health</b>
	Y	N	N	N

**If yes, please describe impact:**

**What are the potential delivery risks and mitigation?**

Risk - Increasing population of Care Leavers for the next two years.

Mitigation - Other less expensive accommodation options are being developed through a revised Sufficiency Strategy

Wider changes in policy including Economic and Fiscal changes e.g inflation, increase in National Insurance Levy, London Living wage etc. Affecting the overall placements budget. For example staffing elements associated with overall placements will see an increase in costs pressure arising from 1.25% increase in staffing costs which is likely to be passported to the council.

**Are there any specific legal implications?**

No

**Is public consultation required (formal/statutory)?** No

**5. Impact & Outcomes**

**What is the likely impact of the proposed changes?**

**Service Users**

Some young people in the existing accommodation may be required to move. This will be minimised and managed with the support of the young person's personal advisor. The

quality of semi-independent accommodation is variable and new arrangements are aim to provide higher quality support and stability.				
<b>Staff</b>				
N/A				
<b>Other Council Services</b>				
N/A				
<b>Partners</b>				
N/A				
<b>Are there any specific equalities implications?</b>				
Protected characteristics and other equalities considerations	High (Positive / Negative)	Medium (Positive / Negative)	Low (Positive / Negative)	Neutral
Age				Neutral
Disability				Neutral
Ethnicity				Neutral
Gender				Neutral
Gender reassignment				Neutral
Marriage and civil partnerships				Neutral
Pregnancy and maternity				Neutral
Religion and belief				Neutral
Sexual orientation				Neutral
Socio-economic inequality				Neutral
<b>Is a full EAA required?</b>			Y/N (with Corporate Policy input)	
<b>How do the proposed changes align with the Council's Corporate Strategy?</b>				
Corporate Priorities	High (Positive / Negative)	Medium (Positive / Negative)	Low (Positive / Negative)	Neutral
Open Lewisham				
Tackling the Housing crisis				
Giving children and young people the best start in life	Supporting the most vulnerable young people to live in stable and supported housing while transitioning to independence			

<b>Building an inclusive local economy</b>				
<b>Delivering and defending: health, social care &amp; support</b>				
<b>Making Lewisham greener</b>				
<b>Building safer communities</b>				
<b>Good governance and operational effectiveness</b>				

1. Proposal Overview	
Proposal title:	Strategic Development Team cost capitalisation
Reference:	C-38
Lead officer:	Patrick Dubeck
Ward/s affected	Strategic Development
Cabinet portfolio	Cllr Paul Bell, Housing and Planning
Scrutiny committee/s	Public Accounts Select Committee

2. Decision Route		
Key Decision	Public Consultation	Staff Consultation
N	N	N

3. Contextual Information				
<b>Which service area/s are in the scope of the cuts proposal?</b>				
The Council's Strategic Development team is responsible for overseeing the delivery of new housing within the Borough. This includes the strategic clienting of the Council's Building for Lewisham Programme, delivered by Lewisham Homes.				
<b>What is the controllable budget of the service area/s?</b>				
Budget Type	Spend (£000)	Income (£000)	Net Budget (£000)	
General Fund	405			
HRA				
DSG				
Health				
<b>TOTAL</b>	405			
<b>What is the staffing profile of the service area/s?</b>				
Grades	Number Of Posts	FTE	Vacant Posts	
			Agency / Interim Cover	Not Covered
Scale 1 – Scale 5				
Scale 6 – SO2				
PO1 – PO5	8	8		1
PO6 – PO8	3	3		
SMG1 – SMG3	2	2	1	
JNC	1	1		

4. Cuts Proposal	
<b>What changes are proposed to the service area/s?</b>	
The Strategic Development team's staffing costs are split across the General Fund and HRA, with a portion of costs recharged to capital. The team grew in 2020-21, funded in part by the GLA's Homebuilding capacity fund. These posts have been retained and the funding for them costed to general fund. The funding recharge to the capital programme in 20/21 was £272k, allowing for GLA grant. However, a review of staffing costs and time attributed to the Building for Lewisham Programme has established a higher recharge cost. It is anticipated that this level of recharge will be retained in 2022/23 as a one off cost of c£400K, delivering a saving to the general fund, anticipated to be £100K.	
It is not unusual to recharge these types of costs to the capital programme. This is a standard approach adopted by housebuilding/ developing Councils. Other London Councils adopt the same approach.	
<b>Are there any specific staffing implications?</b>	N
<b>What level of saving will be achieved? (NET OF ANY CAPITAL OR REVENUE INVESTMENT)</b>	

Proposal strand	2022/23	2023/24	2024/25	TOTAL
	100			100
<b>TOTAL</b>	<b>100</b>			<b>100</b>
<b>% Net Budget</b>				
<b>Does proposal impact on:</b>	<b>General Fund</b>	<b>HRA</b>	<b>DSG</b>	<b>Health</b>
	Y	Y	N	N
<b>If yes, please describe impact:</b>	Proposal proposes a capitalisation of costs to HRA and a saving to the General Fund.			
<b>What are the potential delivery risks and mitigation?</b>				
<p>This proposal adds an additional cost burden to the HRA capital programme, with costs needing to be attributed to capital delivery to ensure they do not become a revenue cost liability.</p> <p>Strategic Development and Finance colleagues are working closely with Lewisham Homes to establish the principles and mechanism for attributing these costs to the HRA programme as part of the programme's development allowances. The mechanism should not unduly impact the viability of individual development schemes.</p>				
<b>Are there any specific legal implications?</b>				
To be completed with Legal input.				
<b>Is public consultation required (formal/statutory)?</b>			N	

**5. Impact & Outcomes**

**What is the likely impact of the proposed changes?**

**Service Users**

N/A

**Staff**

N/A

**Other Council Services**

N/A

**Partners**

The Lewisham Homes programme will need to accommodate this cost base and agree the principle for assuming them within development allowances.

**Are there any specific equalities implications for service users?**

Protected characteristics and other equalities considerations	High (Positive / Negative)	Medium (Positive / Negative)	Low (Positive / Negative)	Neutral
<b>Age</b>				Y
<b>Disability</b>				Y
<b>Ethnicity</b>				Y
<b>Gender</b>				Y
<b>Gender reassignment</b>				Y

<b>Marriage and civil partnerships</b>				Y
<b>Pregnancy and maternity</b>				Y
<b>Religion and belief</b>				Y
<b>Sexual orientation</b>				Y
<b>Socio-economic inequality</b>				Y
<b>Is a full EAA required?</b>			N	
<b>How do the proposed changes align with the Council's Corporate Strategy?</b>				
<b>Corporate Priorities</b>	<b>High (Positive / Negative)</b>	<b>Medium (Positive / Negative)</b>	<b>Low (Positive / Negative)</b>	<b>Neutral</b>
<b>Open Lewisham</b>				Y
<b>Tackling the Housing crisis</b>				Y
<b>Giving children and young people the best start in life</b>				Y
<b>Building an inclusive local economy</b>				Y
<b>Delivering and defending: health, social care &amp; support</b>				Y
<b>Making Lewisham greener</b>				Y
<b>Building safer communities</b>				Y
<b>Good governance and operational effectiveness</b>			Positive	

1. Proposal Overview	
Proposal title:	Aligning the Kickstart scheme with Government plans
Reference:	C-39
Lead officer:	Patrick Dubeck
Ward/s affected	N/A
Cabinet portfolio	Cllr Kim Powell, Business and Community Wealth Building
Scrutiny committee/s	Sustainable Development Select Committee

2. Decision Route		
Key Decision	Public Consultation	Staff Consultation
N	N	N

3. Contextual Information				
<b>Which service area/s are in the scope of the cuts proposal?</b>				
<p>In response to the increase in youth unemployment, the Government created the Kickstart scheme. This provides unemployed young people aged 16-24 a six month paid work placement with an employer. The Government provides participating employers with funding to cover six months salary at National Minimum Wage for each Kickstart trainee (25 hours per week).</p> <p>In early 2021 EMT agreed that the council should participate in the scheme and take on at least 40 Kickstart trainees. Given our commitment to the Living Wage, it was agreed that the council would pay Kickstart trainees the London Living Wage (LLW). A £50k budget growth was allocated to the Economy, Jobs and Partnerships service to cover the funding gap between the Government funding and payment of LLW to the trainees.</p>				
<b>What is the controllable budget of the service area/s?</b>				
Budget Type	Spend (£000)	Income (£000)	Net Budget (£000)	
General Fund	50	0	50	
HRA				
DSG				
Health				
<b>TOTAL</b>	<b>50</b>	<b>0</b>	<b>50</b>	
<b>What is the staffing profile of the service area/s?</b>				
Grades	Number Of Posts	FTE	Vacant Posts	
			Agency / Interim Cover	Not Covered
Scale 1 – Scale 5	0			
Scale 6 – SO2	0			
PO1 – PO5	0			
PO6 – PO8	0			
SMG1 – SMG3	0			
JNC	0			

4. Cuts Proposal
<b>What changes are proposed to the service area/s?</b>
<p>The Kickstart programme is time limited. The Government have announced that they will not approve any additional Kickstart placements after 31 December, and all placements must have begun by 31 March 2022. The council has 45 placements approved by the Government. These placements will all be filled by January 2022.</p>

The six month placements will continue in to next year and therefore some budget will be required in 2022/23 to continue to ensure Kickstart trainees receive the LLW. It is estimated that this will be no more than £25k, and indeed may be less if some of the trainees move on to permanent employment before the end of their six month placement. Therefore it is possible to cut the Kickstart budget by £25k in 2022/23, with the remaining £25k being saved in 2023/24.

Training and employment support and opportunities will continue to be offered via other schemes within the Economy, Jobs and Partnerships team.

<b>Are there any specific staffing implications?</b>		No		
<b>What level of saving will be achieved? (NET OF ANY CAPITAL OR REVENUE INVESTMENT)</b>				
<b>Proposal strand</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>TOTAL</b>
	£25	£25	£0	£50
<b>TOTAL</b>	£25	£25	£0	£50
<b>% Net Budget</b>				
<b>Does proposal impact on:</b>	<b>General Fund</b>	<b>HRA</b>	<b>DSG</b>	<b>Health</b>
	Y	N	N	N
<b>If yes, please describe impact:</b>				
<b>What are the potential delivery risks and mitigation?</b>				
The council has secured external funding to operate a youth employment hub which is supporting unemployed young people. Further external funding is expected to be secured by the end of 2021 (European Social Fund) which will allow the council to increase the capacity of the youth employment hub and also establish an all-age employment support service.				
<b>Are there any specific legal implications?</b>				
None				
<b>Is public consultation required (formal/statutory)?</b>		No		

<b>5. Impact &amp; Outcomes</b>				
<b>What is the likely impact of the proposed changes?</b>				
<b>Service Users</b>				
The Kickstart programme will end regardless of this savings proposal as it was a Government programme which is ending in March 2022. Ending the Kickstart programme will mean that there are no paid work placements available for unemployed young people.				
<b>Staff</b>				
None				
<b>Other Council Services</b>				
None				
<b>Partners</b>				
None				
<b>Are there any specific equalities implications for service users?</b>				
<b>Protected characteristics and other equalities considerations</b>	<b>High (Positive / Negative)</b>	<b>Medium (Positive / Negative)</b>	<b>Low (Positive / Negative)</b>	<b>Neutral</b>
<b>Age</b>				Neutral
<b>Disability</b>				Neutral

<b>Ethnicity</b>				Neutral
<b>Gender</b>				Neutral
<b>Gender reassignment</b>				Neutral
<b>Marriage and civil partnerships</b>				Neutral
<b>Pregnancy and maternity</b>				Neutral
<b>Religion and belief</b>				Neutral
<b>Sexual orientation</b>				Neutral
<b>Socio-economic inequality</b>				Neutral
<b>Is a full EAA required?</b>			No	
<b>How do the proposed changes align with the Council's Corporate Strategy?</b>				
<b>Corporate Priorities</b>	<b>High (Positive / Negative)</b>	<b>Medium (Positive / Negative)</b>	<b>Low (Positive / Negative)</b>	<b>Neutral</b>
<b>Open Lewisham</b>				Neutral
<b>Tackling the Housing crisis</b>				Neutral
<b>Giving children and young people the best start in life</b>			Negative	
<b>Building an inclusive local economy</b>			Negative	
<b>Delivering and defending: health, social care &amp; support</b>				Neutral
<b>Making Lewisham greener</b>				Neutral
<b>Building safer communities</b>				Neutral
<b>Good governance and operational effectiveness</b>				Neutral

1. Proposal Overview	
Proposal title:	Substance misuse - contract review and staffing
Reference:	C-40
Lead officer:	Dee Carlin & Catherine Mbema
Ward/s affected	All wards
Cabinet portfolio	Cllr Chris Best, Health and Adult Social Care
Scrutiny committee/s	Healthier Communities Select Committee

2. Decision Route		
Key Decision	Public Consultation	Staff Consultation
N	N	N

3. Contextual Information				
<b>Which service area/s are in the scope of the cuts proposal?</b>				
1.1 The London Borough of Lewisham commissions a range of services to create a system to meet the treatment needs of those with drug and alcohol problems.				
1.2 The treatment system provides medical treatment and rehabilitation programmes as well as intensive support services that promote recovery and encourage individuals to maintain their recovery through engagement in positive activities such as employment, training or volunteering. The system also delivers support through arrangements known as 'shared care' with GPs in the borough and work with community pharmacies on harm minimisation projects.				
1.3 The system consists of four main contracted services:				
<ul style="list-style-type: none"> <li>• Core contract</li> <li>• Community based / shared care service for people with drug and alcohol problems</li> <li>• Drug and alcohol treatment service for young people under 25</li> <li>• Detox and rehabilitation services</li> </ul>				
<b>What is the controllable budget of the service area/s?</b>				
Budget Type	Spend (£000)	Income (£000)	Net Budget (£000)	
General Fund				
HRA				
DSG				
Health		£3,412,000		
MOPAC grant		£353,000		
<b>TOTAL</b>	<b>£3,765,000</b>	<b>£3,765,000</b>	<b>0</b>	
<b>What is the staffing profile of the service area/s?</b>				
Grades	Number Of Posts	FTE	Vacant Posts	
			Agency / Interim Cover	Not Covered
Scale 1 – Scale 5				
Scale 6 – SO2				
PO1 – PO5				
PO6 – PO8				
SMG1 – SMG3				
JNC				

4. Cuts Proposal
<b>What changes are proposed to the service area/s?</b>
The 'core contract' for substance misuse was recommissioned through an open tender process for April 2022. This was agreed through M & C on Nov 3rd 2021.

The new contract value is £112,236 lower than the current value. £20,000 of this has substituted prescribing savings not made. This proposal identifies the remainder (£92,236) as a potential area that could be used to fund other services that benefit Public Health and thus reduce general fund costs.				
<b>Are there any specific staffing implications?</b>				N
<b>What level of saving will be achieved? (NET OF ANY CAPITAL OR REVENUE INVESTMENT)</b>				
<b>Proposal strand</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>TOTAL</b>
<b>TOTAL</b>	£92,236			
<b>% Net Budget</b>	n/a (net budget 0)			
<b>Does proposal impact on:</b>	<b>General Fund</b>	<b>HRA</b>	<b>DSG</b>	<b>Health</b>
	N	N	N	Y
<b>If yes, please describe impact:</b>	This service is funded entirely through external grant income. So this cut is a reduction in spend against the Public Health grant, which will require reallocation to another area of the Council delivering Public Health outcomes			
<b>What are the potential delivery risks and mitigation?</b>				
This cut is delivered through an open tender process, and the successful tenderers submission is legally binding, so officers do not anticipate risk to delivery				
<b>Are there any specific legal implications?</b>				
No specific legal implications, confirmed by legal colleagues 1/12/21 (MA)				
<b>Is public consultation required (formal/statutory)?</b>				N

## 5. Impact & Outcomes

### What is the likely impact of the proposed changes?

#### Service Users

This cut will impact on the overall capacity of the service, but officers believe the proposed overall service model in the tender submission is robust. This reduction will mostly be in the non-opiate engagement team reducing overall activity and hospital inreach targeting alcohol users in particular. Some mitigation is presented in the planned introduction of an alcohol care team within University Hospital Lewisham

#### Staff

This is not a reduction in Council staffing, but in a commissioned service. Officers will work with the provider, with the intention of avoiding compulsory redundancies. This cut will impact on the overall capacity of the service, but officers believe the proposed overall service model in the tender submission is robust.

#### Other Council Services

Substance misuse services work particularly closely with Public Health, Adults & Children's Social Care and Housing. This cut will impact on the overall capacity of the service, but officers believe the proposed overall service model in the tender submission is robust.

#### Partners

This reduction will particularly impact work with Lewisham & Greenwich Trust. This cut will impact on the overall capacity of the service, but officers believe the proposed overall service model in the tender submission is robust. Some mitigation is presented in the planned introduction of an alcohol care team within University Hospital Lewisham

The service works to reduce drug and alcohol related offending as it is well demonstrated that cessation of drug use reduces re-offending significantly and reduces harm in local communities. This cut will impact on the overall capacity of the service, but officers believe the proposed overall service model in the tender submission is robust.

**Are there any specific equalities implications?**

<b>Protected characteristics and other equalities considerations</b>	<b>High (Positive / Negative)</b>	<b>Medium (Positive / Negative)</b>	<b>Low (Positive / Negative)</b>	<b>Neutral</b>
<b>Age</b>				X
<b>Disability</b>				X
<b>Ethnicity</b>				X
<b>Gender</b>				X
<b>Gender reassignment</b>				X
<b>Marriage and civil partnerships</b>				X
<b>Pregnancy and maternity</b>				X
<b>Religion and belief</b>				X
<b>Sexual orientation</b>				X
<b>Socio-economic inequality</b>				X

**Is a full EAA required?**

N

**How do the proposed changes align with the Council's Corporate Strategy?**

<b>Corporate Priorities</b>	<b>High (Positive / Negative)</b>	<b>Medium (Positive / Negative)</b>	<b>Low (Positive / Negative)</b>	<b>Neutral</b>
<b>Open Lewisham</b>				X
<b>Tackling the Housing crisis</b>				X
<b>Giving children and young people the best start in life</b>				X
<b>Building an inclusive local economy</b>				X
<b>Delivering and defending: health, social care &amp; support</b>			X	
<b>Making Lewisham greener</b>				X

<b>Building safer communities</b>			X	
<b>Good governance and operational effectiveness</b>				X

1. Proposal Overview	
Proposal title:	Removal of graffiti from private property
Reference:	C-44
Lead officer:	Zahur Khan
Ward/s affected	Wards identified in the priority list, based on where there is evidence and justification for new measures
Cabinet portfolio	Cllr Patrick Codd, Environment and Transport
Scrutiny committee/s	Sustainable Development Select Committee

2. Decision Route		
Key Decision	Public Consultation	Staff Consultation
Y	N	N

3. Contextual Information				
<b>Which service area/s are in the scope of the cuts proposal?</b>				
<p>The Council has a statutory duty to remove graffiti from public property. It also has a duty to remove racist and obscene graffiti from all property regardless of ownership. There is no requirement for the Council to remove graffiti from private property and privately-owned surfaces which include: shops (incl. shuttered shops, bus stops, phone boxes, utility boxes) etc.</p> <p>A review of statutory and non-statutory services has identified that the service has been expected to remove graffiti from private property free of charge.</p> <p>The Council is, as a result, entitled to levy a fee for the removal of graffiti from private property and a price for service entry to the Council's fees and charges structure is being established.</p> <p>The Council can compel owners of private buildings and private land to remove graffiti through the issuance of a graffiti removal notice. The owner has 28 days to remove the graffiti. Failure to comply can result in the Council removing the graffiti and recovering costs.</p>				
<b>What is the controllable budget of the service area/s?</b>				
Budget Type	Spend (£000)	Income (£000)	Net Budget (£000)	
General Fund	180	0	180	
HRA	0	0	0	
DSG	0	0	0	
Health	0	0	0	
<b>TOTAL</b>	<b>180</b>	<b>0</b>	<b>0</b>	
<b>What is the staffing profile of the service area/s?</b>				
Grades	Number Of Posts	FTE	Vacant Posts	
			Agency / Interim Cover	Not Covered
Scale 1 – Scale 5	0	0	0	0
Scale 6 – SO2	0	0	0	0
PO1 – PO5	0	0	0	0
PO6 – PO8	0	0	0	0
SMG1 – SMG3	0	0	0	0
JNC	0	0	0	0

<b>4. Cuts Proposal</b>				
<b>What changes are proposed to the service area/s?</b>				
<p>The proposal is to stop removing graffiti from private property. This is a policy decision and is deliverable by stopping removal of graffiti from private land and privately owned buildings.</p> <p>Until a forthcoming fee structure has been determined for entry into the Council's fees and charges structure, a saving has been identified from reduced use of materials and chemicals needed for graffiti removal. There is only one graffiti removal team and is staffed at a minimally viable level.</p> <p>The Council will continue to remove racist and obscene graffiti from surfaces regardless of land or property ownership.</p>				
	<b>2022/23</b>			
<b>Capital Investment</b>	0			
<b>First year Rate of Return</b>	£5k			
<b>Are there any specific staffing implications?</b>				No
<b>What level of saving will be achieved? (NET OF ANY CAPITAL OR REVENUE INVESTMENT)</b>				
<b>Proposal strand</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>TOTAL</b>
If funded from capital				
If funded from revenue	5			5
<b>TOTAL</b>	5			5
<b>% Net Budget</b>				
<b>Does proposal impact on:</b>	<b>General Fund</b>	<b>HRA</b>	<b>DSG</b>	<b>Health</b>
	Y	N	N	N
<b>If yes, please describe impact:</b>				
<b>What are the potential delivery risks and mitigation?</b>				
<p>There are no delivery risks operationally in implementing the change. Identification of private and public land and property is simple.</p> <p>Graffiti on private land will remain on surfaces for longer. A consequential impact will be that graffiti on public land and publicly owned surfaces will be removed quicker. The change will also add capacity to the service and allow it to be more responsive.</p> <p>One of the main surfaces that the council removes graffiti from are the metal shutters in front of shops. Although these are usually 'rolled up' during trading hours, they are visible as premises close later in the evening.</p> <p>General communications messages and updated information on the corporate website will communicate the Council's position on graffiti.</p> <p>The council can charge for this service and a price for service for entry to the Council's fees and charges is being established should the proposal be approved for implementation.</p>				

Are there any specific legal implications?	
The Council can address offences which have a negative impact on a community's quality of life by serving a Community Protection Notice (CPN) in accordance with Section 43 of the Anti-Social Behaviour, Crime and Policing Act 2014. Any behaviour that is detrimental to a community's quality can result in a CPN. This can include offences such as noise nuisance, rubbish on private land, graffiti and antisocial behaviour. A CPN can be issued to an individual aged 16 or over if an authorised person is satisfied that the behaviour: has a detrimental effect on the quality of life of those in the locality; is unreasonable and is of a persistent nature. A written warning must first have been given.	
Is public consultation required (formal/statutory)?	N

5. Impact & Outcomes				
What is the likely impact of the proposed changes?				
Service Users				
Businesses (shops, restaurants etc) that would have previously had this service free of charge will now have to pay either a private company if they want graffiti removed, or the Council. The initiation of removal will be through the services of a Graffiti Removal Notice.				
Staff				
None.				
Other Council Services				
None				
Partners				
None				
Are there any specific equalities implications for service users?				
Protected characteristics and other equalities considerations	High (Positive / Negative)	Medium (Positive / Negative)	Low (Positive / Negative)	Neutral
Age				N
Disability				N
Ethnicity				N
Gender				N
Gender reassignment				N
Marriage and civil partnerships				N
Pregnancy and maternity				N
Religion and belief				N
Sexual orientation				N
Socio-economic inequality				N
Is a full EAA required?			N	

<b>How do the proposed changes align with the Council's Corporate Strategy?</b>				
<b>Corporate Priorities</b>	<b>High (Positive / Negative)</b>	<b>Medium (Positive / Negative)</b>	<b>Low (Positive / Negative)</b>	<b>Neutral</b>
<b>Open Lewisham</b>				Neutral
<b>Tackling the Housing crisis</b>				Neutral
<b>Giving children and young people the best start in life</b>				Neutral
<b>Building an inclusive local economy</b>				Neutral
<b>Delivering and defending: health, social care &amp; support</b>				Neutral
<b>Making Lewisham greener</b>			Negative	
<b>Building safer communities</b>				Neutral
<b>Good governance and operational effectiveness</b>				Neutral



**CUTS PROPOSAL PROFORMA 2022/23**

<b>1. Proposal Overview</b>	
<b>Proposal title:</b>	Commercial Estate Review
<b>Reference:</b>	D-10
<b>Lead officer:</b>	Patrick Dubeck
<b>Ward/s affected</b>	All wards
<b>Cabinet portfolio</b>	Cllr Paul Bell, Housing and Planning
<b>Scrutiny committee/s</b>	Sustainable Development Select Committee

<b>2. Decision Route</b>		
<b>Key Decision</b>	<b>Public Consultation</b>	<b>Staff Consultation</b>
N	N	N

<b>3. Contextual Information</b>
<b>Which service area/s are in the scope of the cuts proposal?</b>
The commercial portfolio comprises approximately 250 secondary and tertiary assets and generates an income of circa £2.4M pa. It includes retail shops, offices, light industrial units, nurseries and various community assets.
The portfolio is generally in poor condition with a number of assets requiring investment in order for them to sustain the current rate of income or to bring assets back into lettable condition.

<b>What is the controllable budget of the service area/s?</b>			
<b>Budget Type</b>	<b>Spend (£000)</b>	<b>Income (£000)</b>	<b>Net Budget (£000)</b>
<b>General Fund</b>	231	(3,020)	(2,789)
<b>HRA</b>			
<b>DSG</b>			
<b>Health</b>			
<b>TOTAL</b>	231	(3,020)	(2,789)

<b>What is the staffing profile of the service area/s?</b>				
<b>Grades</b>	<b>Number Of Posts</b>	<b>FTE</b>	<b>Vacant Posts</b>	
			<b>Agency / Interim Cover</b>	<b>Not Covered</b>
<b>Scale 1 – Scale 5</b>				
<b>Scale 6 – SO2</b>				
<b>PO1 – PO5</b>				
<b>PO6 – PO8</b>				
<b>SMG1 – SMG3</b>				
<b>JNC</b>				

<b>4. Cuts Proposal</b>
<b>What changes are proposed to the service area/s?</b>
There are a range of vacant assets that are in a poor state of repair and require capital investment in order to bring them back into a lettable condition so that in turn they can become income producing. Two examples of properties that require investment are the parade of shops on Turnham Road and 203 Deptford High Street.
It is estimated that a once off capital investment of circa £200k will help stabilise and boost the income generation potential of the commercial estate by £50k in 2023/24 and £100k in 2024/25. This represents a growth of £150k on the commercial estate income by 2025. A full return on investment will be made within 4 years of the initial capital outlay.

**CUTS PROPOSAL PROFORMA 2022/23**

<b>Are there any specific staffing implications?</b>		No		
<b>What level of saving will be achieved? (NET OF ANY CAPITAL OR REVENUE INVESTMENT)</b>				
<b>Proposal strand</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>TOTAL</b>
	£-200 one-off capital	£50	£100	£150
<b>TOTAL</b>	£-200	£50	£100	£150
<b>% Net Budget</b>				
<b>Does proposal impact on:</b>	<b>General Fund</b>	<b>HRA</b>	<b>DSG</b>	<b>Health</b>
	Y	N	N	N
<b>If yes, please describe impact:</b>				
<b>What are the potential delivery risks and mitigation?</b>				
<p>A key risk of failure to deliver the proposal is that the assets which are in dire need of repair will not only reduce the income potential of the portfolio but will become liabilities to the Council where the authority will be liable for rates and all outgoings as well as keeping the buildings wind and water tight.</p> <p>There is also a risk that market forces may mean that the sort of rental growth estimated may not be achieved. This will be monitored and where possible adjustments will be made on other parts of the estate to ensure the target is met.</p> <p>Tender processes will be followed to ensure that the proposed works provide value for money. Fully costed surveys and valuations will be undertaken to ensure as far as possible that the works will produce the desired increase in rental income.</p>				
<b>Are there any specific legal implications?</b>				
None				
<b>Is public consultation required (formal/statutory)?</b>		No		

**5. Impact & Outcomes**

**What is the likely impact of the proposed changes?**

**Service Users**

An improved quality of commercial lettings offer from the Council will provide opportunities to small businesses and provide improved footfall and vitality in areas of vacancy.

**Staff**

None

**Other Council Services**

None

**Partners**

None

**Are there any specific equalities implications for service users?**

<b>Protected characteristics and other equalities considerations</b>	<b>High (Positive / Negative)</b>	<b>Medium (Positive / Negative)</b>	<b>Low (Positive / Negative)</b>	<b>Neutral</b>
<b>Age</b>				Neutral
<b>Disability</b>				Neutral
<b>Ethnicity</b>				Neutral
<b>Gender</b>				Neutral

CUTS PROPOSAL PROFORMA 2022/23

<b>Gender reassignment</b>				Neutral
<b>Marriage and civil partnerships</b>				Neutral
<b>Pregnancy and maternity</b>				Neutral
<b>Religion and belief</b>				Neutral
<b>Sexual orientation</b>				Neutral
<b>Socio-economic inequality</b>				Neutral
<b>Is a full EAA required?</b>			No	
<b>How do the proposed changes align with the Council's Corporate Strategy?</b>				
<b>Corporate Priorities</b>	<b>High (Positive / Negative)</b>	<b>Medium (Positive / Negative)</b>	<b>Low (Positive / Negative)</b>	<b>Neutral</b>
<b>Open Lewisham</b>				Neutral
<b>Tackling the Housing crisis</b>				Neutral
<b>Giving children and young people the best start in life</b>				Neutral
<b>Building an inclusive local economy</b>		Positive		
<b>Delivering and defending: health, social care &amp; support</b>				Neutral
<b>Making Lewisham greener</b>				Neutral
<b>Building safer communities</b>				Neutral
<b>Good governance and operational effectiveness</b>		Positive		

## CUTS PROPOSAL PROFORMA 2022/23

1. Proposal Overview	
Proposal title:	Business Rates revaluation of Council owned premises
Reference:	D-11
Lead officer:	Patrick Dubeck
Ward/s affected	All Wards
Cabinet portfolio	Cllr Paul Bell, Housing and Planning
Scrutiny committee/s	Public Accounts Select Committee

2. Decision Route		
Key Decision	Public Consultation	Staff Consultation
N	N	N

3. Contextual Information				
<b>Which service area/s are in the scope of the cuts proposal?</b>				
The Council's Property team is responsible for paying rates for all non-HRA assets excluding schools but including the operational corporate estate.				
<b>What is the controllable budget of the service area/s?</b>				
Budget Type	Spend (£000)	Income (£000)	Net Budget (£000)	
General Fund	1,677,721	1,553,735	123,987	
HRA				
DSG				
Health				
TOTAL				
<b>What is the staffing profile of the service area/s?</b>				
Grades	Number Of Posts	FTE	Vacant Posts	
			Agency / Interim Cover	Not Covered
Scale 1 – Scale 5				
Scale 6 – SO2				
PO1 – PO5				
PO6 – PO8				
SMG1 – SMG3				
JNC				

4. Cuts Proposal
<b>What changes are proposed to the service area/s?</b>
<p>The Council's assets and operational portfolio has undergone changes and reconfiguration over the years but an assessment of the business rates has not been carried out to reflect the current nature of the stock.</p> <p>This proposal relates to a revaluation or reassessment of all the assets for which the Council currently holds the business rates liability.</p> <p>The current savings programme has £200k earmarked from the rates revaluation programme from 2020-2024. This proposal seeks to extend the ongoing revaluation programme based on gains achieved to date.</p> <p>Early analysis of the assets suggests a full review could generate an additional £150k savings over the next two years.</p>

**CUTS PROPOSAL PROFORMA 2022/23**

<b>Are there any specific staffing implications?</b>		No		
<b>What level of saving will be achieved? (NET OF ANY CAPITAL OR REVENUE INVESTMENT)</b>				
<b>Proposal strand</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>TOTAL</b>
	£100	£50	£0	£150
<b>TOTAL</b>	£100	£50	£0	£150
<b>% Net Budget</b>				
<b>Does proposal impact on:</b>	<b>General Fund</b>	<b>HRA</b>	<b>DSG</b>	<b>Health</b>
	Y	N	N	N
<b>If yes, please describe impact:</b>				
<b>What are the potential delivery risks and mitigation?</b>				
<p>This proposal looks at seeking rate revaluations based on the current national rating system therefore any national changes in rating policy (such as a higher than expected annual rate increase) is likely to affect the actual level of savings achieved.</p> <p>Achieving the full savings as proposed and in a timely fashion is also reliant on the capacity of the Valuation office to process the appeals our agents submit.</p>				
<b>Are there any specific legal implications?</b>				
None				
<b>Is public consultation required (formal/statutory)?</b>		No		

**5. Impact & Outcomes**

**What is the likely impact of the proposed changes?**

**Service Users**

None

**Staff**

None

**Other Council Services**

The successful reduction in rateable value of the Council's estate will have an impact on the Borough wide NNDR receipt.

**Partners**

None

**Are there any specific equalities implications for service users?**

<b>Protected characteristics and other equalities considerations</b>	<b>High (Positive / Negative)</b>	<b>Medium (Positive / Negative)</b>	<b>Low (Positive / Negative)</b>	<b>Neutral</b>
<b>Age</b>				Neutral
<b>Disability</b>				Neutral
<b>Ethnicity</b>				Neutral
<b>Gender</b>				Neutral
<b>Gender reassignment</b>				Neutral
<b>Marriage and civil partnerships</b>				Neutral
<b>Pregnancy and maternity</b>				Neutral

**CUTS PROPOSAL PROFORMA 2022/23**

<b>Religion and belief</b>				Neutral
<b>Sexual orientation</b>				Neutral
<b>Socio-economic inequality</b>				Neutral
<b>Is a full EAA required?</b>			No	
<b>How do the proposed changes align with the Council's Corporate Strategy?</b>				
<b>Corporate Priorities</b>	<b>High (Positive / Negative)</b>	<b>Medium (Positive / Negative)</b>	<b>Low (Positive / Negative)</b>	<b>Neutral</b>
<b>Open Lewisham</b>				Neutral
<b>Tackling the Housing crisis</b>				Neutral
<b>Giving children and young people the best start in life</b>				Neutral
<b>Building an inclusive local economy</b>				Neutral
<b>Delivering and defending: health, social care &amp; support</b>				Neutral
<b>Making Lewisham greener</b>				Neutral
<b>Building safer communities</b>				Neutral
<b>Good governance and operational effectiveness</b>			Positive	

## CUTS PROPOSAL PROFORMA 2022/23

1. Proposal Overview	
Proposal title:	Asset Use Review and Regularisation
Reference:	D-12
Lead officer:	Patrick Dubeck
Ward/s affected	All wards
Cabinet portfolio	Cllr Paul Bell, Housing and Planning
Scrutiny committee/s	Sustainable Development Select Committee

2. Decision Route		
Key Decision	Public Consultation	Staff Consultation
N	N	N

3. Contextual Information				
<b>Which service area/s are in the scope of the cuts proposal?</b>				
The commercial portfolio comprises approximately 250 secondary and tertiary assets and generates an income of circa £2.4M pa. It includes retail shops, offices, light industrial units, nurseries and various community assets.				
<b>What is the controllable budget of the service area/s?</b>				
Budget Type	Spend (£000)	Income (£000)	Net Budget (£000)	
General Fund	231	(3,020)	(2,789)	
HRA				
DSG				
Health				
<b>TOTAL</b>	231	(3,020)	(2,789)	
<b>What is the staffing profile of the service area/s?</b>				
Grades	Number Of Posts	FTE	Vacant Posts	
			Agency / Interim Cover	Not Covered
Scale 1 – Scale 5				
Scale 6 – SO2				
PO1 – PO5				
PO6 – PO8				
SMG1 – SMG3				
JNC				

4. Cuts Proposal
<b>What changes are proposed to the service area/s?</b>
<p>A number of Council assets are utilised by third parties where the current consideration is less than market rate. For example, whilst most nurseries occupy council assets on commercial leases, a few pay a modest or nominal rent. If these are reviewed and regularised this could generate an additional income of circa £50k income to the commercial portfolio.</p> <p>A strategic asset review of the entire property portfolio is currently being undertaken. There are certain operational assets that are likely to be no longer required for their existing purposes, and could therefore be re-let on a commercial basis.</p> <p>Securing these units as commercial lets will mean that the Council will no longer be responsible for maintaining those assets generating further savings on the FM budget. The level of savings on the FM budget is likely to be similar to the increased income proposed here but will be captured separately under any savings proposed by the FM team.</p>

## CUTS PROPOSAL PROFORMA 2022/23

Delivering these proposals will require an increased staffing resource base due the complex and sometimes protracted nature of the negotiations. This is anticipated to be equivalent to an additional full time post to support this and other commercial portfolio income generating initiatives.

Taken together, a review and regularisation of current arrangements could generate an additional net increase of £100k on the commercial income by 2024/25.

<b>Are there any specific staffing implications?</b>		No		
<b>What level of saving will be achieved? (NET OF ANY CAPITAL OR REVENUE INVESTMENT)</b>				
<b>Proposal strand</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>TOTAL</b>
	£25	£50	£85	£160
	£-25	-35	0	-£60
<b>TOTAL</b>	<b>£0</b>	<b>£15</b>	<b>£85</b>	<b>£100</b>
<b>% Net Budget</b>				
<b>Does proposal impact on:</b>	<b>General Fund</b>	<b>HRA</b>	<b>DSG</b>	<b>Health</b>
	Y	N	N	N
<b>If yes, please describe impact:</b>	The proposal requires an increase in the capacity of the team with an additional post			
<b>What are the potential delivery risks and mitigation?</b>				
<b>Proposal not delivered because of potential misalignment with corporate or Member objectives.</b> Efforts will be made on early engagement with affected sites and proposals considered on for example phasing rent increase over time to ease the immediate impact on the users of the building.				
<b>Estimated increased income not delivered in full.</b> Early work carried out by the team to understand and quantify the potential across the estate suggests that the estimated net increase in income is realistic but is only fully deliverable if there is alignment with corporate and Member objectives.				
<b>Are there any specific legal implications?</b>				
Any efforts to renegotiate lease terms will need to give due regard the provisions in any pre-existing lease agreements, particularly in respect of lease term, break clauses and rent review timings. Where there are existing leases, the Council may only make changes where this is permitted by the lease. If there is no provision in an existing lease for rent review, the Council is unable to make changes to the rent during the lease term.				
<b>Is public consultation required (formal/statutory)?</b>		No		

### 5. Impact & Outcomes

**What is the likely impact of the proposed changes?**

#### Service Users

This proposal has potential impacts on the leaseholders for Council owned estate, particularly where we deem there to be commercial interests operating from council owned premises at below market rates. Due consideration will need to be given to the impacts on those with protected characteristics in particular circumstance.

#### Staff

None

#### Other Council Services

None

#### Partners

CUTS PROPOSAL PROFORMA 2022/23

None				
<b>Are there any specific equalities implications for service users?</b>				<b>Yes</b>
<b>Protected characteristics and other equalities considerations</b>	<b>High (Positive / Negative)</b>	<b>Medium (Positive / Negative)</b>	<b>Low (Positive / Negative)</b>	<b>Neutral</b>
Age				X
Disability				X
Ethnicity				X
Gender				X
Gender reassignment				X
Marriage and civil partnerships				X
Pregnancy and maternity				X
Religion and belief				X
Sexual orientation				X
Socio-economic inequality				X
<b>Is a full EAA required?</b>			<b>No</b>	
<b>How do the proposed changes align with the Council's Corporate Strategy?</b>				
<b>Corporate Priorities</b>	<b>High (Positive / Negative)</b>	<b>Medium (Positive / Negative)</b>	<b>Low (Positive / Negative)</b>	<b>Neutral</b>
Open Lewisham				Neutral
Tackling the Housing crisis				Neutral
Giving children and young people the best start in life				Neutral
Building an inclusive local economy		Positive		
Delivering and defending: health, social care & support				Neutral
Making Lewisham greener				Neutral
Building safer communities				Neutral
Good governance and operational effectiveness		Positive		

## CUTS PROPOSAL PROFORMA 2022/23

1. Proposal Overview	
Proposal title:	Review of commercial opportunities for nurseries within children's centres
Reference:	D-13
Lead officer:	Sara Rahman
Ward/s affected	All
Cabinet portfolio	Cllr Chris Barnham, Children's Services and School Performance
Scrutiny committee/s	Children and Young People Select Committee

2. Decision Route		
Key Decision	Public Consultation	Staff Consultation
N	N	N

3. Contextual Information				
<b>Which service area/s are in the scope of the cuts proposal?</b>				
<p>The key functions of the Children and Family Centre contract is to act as a focus for ensuring early help, which whilst primarily focused at an early years stage also take a 'whole-family' approach building appropriate teams around families to ensure all children and young people's needs are met through multi-agency responses.</p> <p>The Children and Family Centre contract is currently delivered by three separate providers commissioned from the Children Centre contract. Each provider covers different areas of the borough. The Early Years Alliance cover Area 1 of the borough where this site is located. It is close to other sites in the area, and has not been used as a Children's Centre since 2016, following a Public Consultation to de-designate this site. There has been some limited service delivery, but it has mainly been as a training site and professionals meeting space and has not been used by children and families. The part of the site dedicated in lease and site plans to Children and Family Centre activity has remained empty. It is however connected to a nursery which would like to expand into this space."</p>				
<b>What is the controllable budget of the service area/s?</b>				
Budget Type	Spend (£000)	Income (£000)	Net Budget (£000)	
General Fund	£20	0	£150	
HRA				
DSG				
Health				
<b>TOTAL</b>	<b>£20</b>	<b>0</b>	<b>£150</b>	
<b>What is the staffing profile of the service area/s?</b>				
Grades	Number Of Posts	FTE	Vacant Posts	
			Agency / Interim Cover	Not Covered
Scale 1 – Scale 5	N/A			
Scale 6 – SO2				
PO1 – PO5				
PO6 – PO8				
SMG1 – SMG3				
JNC				

4. Cuts Proposal
<b>What changes are proposed to the service area/s?</b>

## CUTS PROPOSAL PROFORMA 2022/23

Review of commercial opportunities for nurseries within children's centres starting with one specific children's centre.

The proposal is an asset transfer 50% of a local Centre which was previously designated as a Children Centre under the CYP Directorate to a Commercial Lease to enable the expansion of a nursery currently occupying the other 50% of the building

Operational changes identified. There will be no specific operational change as there is no service delivery currently from this site or proposed. However, because this part of the site is part of the CYP Portfolio with Premises Management responsibility for Business Rates, building maintenance, cleaning and utilities, this empty site still has an operational cost against the Children Centre budget. The proposal to transfer this part of the building to the private nursery on site will remove these annual costs being incurred. In addition to this it will increase the Commercial Lease and therefore the Commercial rent applied to the nursery generating more income for the Council and ensuring this site is more sustainable moving forward.

As stated there is currently no Children and Family Centre service delivered from this site, the Nursery who wish to expand into this space will do so with the aim of develop three aspects of their work:

1. to increase support and guidance to local parents and carers by providing workshops on subjects such as toilet training, sleep routines, healthy eating, importance of play, natural resources, developmental milestones, EYFS, oral health and hygiene routines, etc.
2. to create a community hub that would offer space and facilities to local community groups that provide child care, educational and recreational provision such as exercise classes, mental wellbeing, meditation, yoga, massage, etc.
3. to meet their long-term needs for additional nursery-age provision by expanding their current baby room into the area, and by some pilot schemes that would facilitate before/after school and school holiday activities.

The proposed vision does support Lewisham's CYP priorities under their four key areas listed below:

the best start in life and protection from harm;

- good physical and emotional health; by encouraging sound mental well-being and physical health
- making progress, achieving and being prepared for adulthood;
- feeling listened to and respected

<b>Are there any specific staffing implications?</b>		N (with HR input)		
<b>What level of saving will be achieved? (NET OF ANY CAPITAL OR REVENUE INVESTMENT)</b>				
<b>Proposal strand</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>TOTAL</b>
Proposal 1	£11	£9		£20
<b>TOTAL</b>		£0	£0	£20
<b>% Net Budget</b>				
<b>Does proposal impact on:</b>	<b>General Fund</b>	<b>HRA</b>	<b>DSG</b>	<b>Health</b>
	Y	N	N	N

**CUTS PROPOSAL PROFORMA 2022/23**

<b>If yes, please describe impact:</b>	<p>This will reduce an operation cost of £20,000 against the Children Centre budget. The operating costs of an empty site specifically relate to the following:</p> <ul style="list-style-type: none"> <li>• Business Rates = £6,000</li> <li>• Insurance = £118</li> <li>• Security = £4,000</li> <li>• Cleaning = £9,600</li> <li>• Weekly compliance checks = £4,000</li> <li>• Pre-planned Maintenance = £2,000 (estimate)</li> </ul> <p>Many of these costs will be passed on to the organisation with the Commercial lease as they are still required, there will be no negative impact to Children Centre delivery and only a positive impact for the Children Centre budget.</p> <p>There is also the potential to increase the Commercial rent generated from this site.</p>
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**What are the potential delivery risks and mitigation?**

<p>Two risks:</p> <ol style="list-style-type: none"> <li>1. The biggest risk to this is the DfE Capital Grant utilised to building this site initially which was completed within the 25 year claw back range, however, this is to be mitigated by the nursery vision and service delivery plan detailed above for the additional space created.</li> <li>2. The 2015 public consultation may not be sufficient to satisfy change of use of this building and therefore there might need to be a public consultation and Mayor and Cabinet decision before this plan can be initiated.</li> </ol>
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**Are there any specific legal implications?**

<p>There is a statutory duty to consult on any proposal to cease using a building as a children’s centre. Any proposal is therefore expressly subject to that consultation and a decision on closure being taken by Mayor &amp; Cabinet.</p> <p>The specific site contained within this proposal has already been de-designated following public consultation in 2016. Therefore any further sites coming forward would require specific public consultation.</p>
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<b>Is public consultation required (formal/statutory)?</b>	Unknown
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**5. Impact & Outcomes**

**What is the likely impact of the proposed changes?**

**Service Users**

<p>Proposal 1 – there would be no negative impact on service users as there is currently no service being delivered, the impact will be positive as there is an initial saving against the Children Centre contract and the potential for greater income generation at the site from an expanded Commercial Lease.</p> <p>Proposal 1 - there may be positive benefits as the nursery is looking to expand their offer making more spaces available to local residents, there is also an intention to provide more community based information, like information, advice and guidance, so local residents will have more benefit from this site than they currently receive</p>
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**Staff**

Proposal 1 – no impact on staff
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**CUTS PROPOSAL PROFORMA 2022/23**

<b>Other Council Services</b>				
Proposal 1 – there will be a positive impact on Early Years and Sufficiency as this expansion will create more nursery places in the ward and access to community services.				
<b>Partners</b>				
Proposal 1 – partners will not see a change in the service by the Children Centres but local community organisations will see a potentially increased opportunity to utilise space. Two other organisations currently utilise this space and they would have to be factored into the agreed expansion and new lease for this site by the Nursery.				
<b>Are there any specific equalities implications?</b>				
<b>Protected characteristics and other equalities considerations</b>	<b>High (Positive / Negative)</b>	<b>Medium (Positive / Negative)</b>	<b>Low (Positive / Negative)</b>	<b>Neutral</b>
<b>Age</b>			X	
<b>Disability</b>			X	
<b>Ethnicity</b>			X	
<b>Gender</b>			X	
<b>Gender reassignment</b>			X	
<b>Marriage and civil partnerships</b>			X	
<b>Pregnancy and maternity</b>			X	
<b>Religion and belief</b>			X	
<b>Sexual orientation</b>			X	
<b>Socio-economic inequality</b>			X	
<b>Is a full EAA required?</b>			N (with Corporate Policy input)	
<b>How do the proposed changes align with the Council's Corporate Strategy?</b>				
<b>Corporate Priorities</b>	<b>High (Positive / Negative)</b>	<b>Medium (Positive / Negative)</b>	<b>Low (Positive / Negative)</b>	<b>Neutral</b>
<b>Open Lewisham</b>	X			
<b>Tackling the Housing crisis</b>			X	
<b>Giving children and young people the best start in life</b>		X		
<b>Building an inclusive local economy</b>	X			
<b>Delivering and defending: health, social care &amp; support</b>			X	
<b>Making Lewisham greener</b>			X	

**CUTS PROPOSAL PROFORMA 2022/23**

<b>Building safer communities</b>	x			
<b>Good governance and operational effectiveness</b>	x			

**1. Proposal Overview**

**Proposal title:**

Facilities Management 2022/23 proposed savings

**CUTS PROPOSAL PROFORMA 2022/23**

<b>Reference:</b>	D-14
<b>Lead officer:</b>	Currently Director not in post (Lead officer, Kathy Freeman/Brian Colyer
<b>Ward/s affected</b>	All Wards
<b>Cabinet portfolio</b>	Cllr Amanda De Ryk, Finance and Resources
<b>Scrutiny committee/s</b>	Public Accounts Select Committee

<b>2. Decision Route</b>		
<b>Key Decision</b>	<b>Public Consultation</b>	<b>Staff Consultation</b>
No	No	Yes

<b>3. Contextual Information</b>			
<b>Which service area/s are in the scope of the cuts proposal?</b>			
<b><u>Facilities Management Front of House/Soft Services:</u></b>			
<ol style="list-style-type: none"> <li>1. Cleaning services across the corporate managed properties. Review services and adjust to identify requirements. Majority of this service is delivered by a newly in-housed workforce</li> <li>2. Front of House services (Reception duties, Post Room, Document Management, Technical services and Chauffeur services). These services are provided by an in-house workforce.</li> <li>3. Security Services. Currently this service is being provided by an out-sourced contract but consideration of insourcing is under review</li> </ol>			
<b><u>Energy and Utilities Management:</u></b>			
<ol style="list-style-type: none"> <li>1. Management of LBL energy and utilities contracts and supplies. This includes corporate property, estates rented properties, Lewisham home and schools. This service is provided with an in-house team. Note: Currently potentially procuring a contract for invoice validation. This service is proposed to be funded by a proposition of a vacant post</li> </ol>			

<b>What is the controllable budget of the service area/s?</b>			
<b>Budget Type</b>	<b>Spend (£000)</b>	<b>Income (£000)</b>	<b>Net Budget (£000)</b>
<b>General Fund</b>	3,776	133	3,643
<b>HRA</b>	NA	NA	NA
<b>DSG</b>	NA	NA	NA
<b>Health</b>	NA	NA	NA
<b>TOTAL</b>	3,776	133	3,643

<b>What is the staffing profile of the service area/s?</b>				
<b>Grades</b>	<b>Number Of Posts</b>	<b>FTE</b>	<b>Vacant Posts</b>	
			<b>Agency / Interim Cover</b>	<b>Not Covered</b>
<b>Spot scale (LLW)</b>	59	TBC	TBC	TBC
<b>Scale 1 – Scale 5</b>	18	18	TBC	TBC
<b>Scale 6 – SO2</b>	1	1	TBC	TBC
<b>PO1 – PO5</b>	1	1	0	1
<b>PO6 – PO8</b>				
<b>SMG1 – SMG3</b>				
<b>JNC</b>				

<b>4. Cuts Proposal</b>	
<b>What changes are proposed to the service area/s?</b>	
1 This saving will be achieved by greater efficiency and reduction in headcount across the Facilities Management sections along with some level of reduction to building related	

**CUTS PROPOSAL PROFORMA 2022/23**

services on closed buildings. The saving will be delivered from 23/24 due to the time it takes to decommission the Council's wider corporate estate.

2. Proposal to self-deliver a greater proportion of building maintenance and small works with a direct labour force. Proposal to reduce the level of central contract (bundling) and manage smaller contracts directly with an in-house resource. These changes will also remove a level of dependency on a very small number of external service providers (main contractors)
3. Review of all buildings and FM services to ensure appropriate cost are recharged to the external partners who lease our buildings for full cost recovery.

**Are there any specific staffing implications?** Y (with HR input)

**What level of saving will be achieved? (NET OF ANY CAPITAL OR REVENUE INVESTMENT)**

Proposal strand	2022/23	2023/24	2024/25	TOTAL
		£100k	£10k	£110k
<b>TOTAL</b>				
<b>% Net Budget</b>		£100k	£10k	£110k
<b>Does proposal impact on:</b>	<b>General Fund</b>	<b>HRA</b>	<b>DSG</b>	<b>Health</b>
	Y	N	N	N

**If yes, please describe impact:** 2022/23 saving are planned to provide already programmed saving. 2023/25 savings are planned to provide already programmed savings along with additional savings.

**What are the potential delivery risks and mitigation?**

1. Redundancy costs which has been factored in addition to the proposed savings.
2. Planned Buildings closure not taking place or only part closure which has limited savings to FM. FM to work closely with the estates and capital team.
3. Cost of contract inflation and shortage of skilled contractors is likely to present a price increase.
4. Changes to the number of Council maintained properties.
5. Energy and Utilities inflation has been assumed to be funded.
6. Reduction in Capital funding support for out-of-life plant and equipment. Any reduction would have a direct impact on FMs revenue budgets. It is planned that FMs capital expenditure will form part of the budget forecasting in the future.
7. Current FMs Planned Maintenance is of a low standard. Improvement to the level of maintenance is likely to increase costs. Additional savings will be reviewed to support increased costs.

**Are there any specific legal implications?**

Yes, TUPE and employment law

**Is public consultation required (formal/statutory)?** No (with Legal input)

**5. Impact & Outcomes**

**What is the likely impact of the proposed changes?**

**Service Users**

Limited impact

**Staff**

Facilities Management are planning a department restructure which will place the appropriate staff in realigned roles. This change is likely to provide a greater job

**CUTS PROPOSAL PROFORMA 2022/23**

satisfaction due to clear roles and responsibilities along with appropriate levels of ownership. Greater efficiency in the service is planned which will lead to redundant posts.				
<b>Other Council Services</b>				
Limited impact				
<b>Partners</b>				
Limited impact				
<b>Are there any specific equalities implications?</b>				
<b>Note:</b> This information is currently not available but will be submitted as part of the potential restructure				
<b>Protected characteristics and other equalities considerations</b>	<b>High (Positive / Negative)</b>	<b>Medium (Positive / Negative)</b>	<b>Low (Positive / Negative)</b>	<b>Neutral</b>
<b>Age</b>				
<b>Disability</b>				
<b>Ethnicity</b>				
<b>Gender</b>				
<b>Gender reassignment</b>				
<b>Marriage and civil partnerships</b>	the information for this table to be provided by hr and included in planned restructure documentation			
<b>Pregnancy and maternity</b>				
<b>Religion and belief</b>				
<b>Sexual orientation</b>				
<b>Socio-economic inequality</b>				
<b>Is a full EAA required?</b>			Y/N (with Corporate Policy input)	
<b>How do the proposed changes align with the Council's Corporate Strategy?</b>				
<b>Corporate Priorities</b>	<b>High (Positive / Negative)</b>	<b>Medium (Positive / Negative)</b>	<b>Low (Positive / Negative)</b>	<b>Neutral</b>
<b>Open Lewisham</b>				Yes
<b>Tackling the Housing crisis</b>				NA
<b>Giving children and young people the best start in life</b>				NA
<b>Building an inclusive local economy</b>				NA
<b>Delivering and defending: health, social care &amp; support</b>				NA
<b>Making Lewisham greener</b>				NA

**CUTS PROPOSAL PROFORMA 2022/23**

<b>Building safer communities</b>				NA
<b>Good governance and operational effectiveness</b>	Yes			

## APPENDIX 4 – THEME E COMMERCIAL APPROACH

1. Proposal Overview	
Proposal title:	Building Control Service Efficiency
Reference:	E-12
Lead officer:	Patrick Dubeck
Ward/s affected	N/A
Cabinet portfolio	Cllr Paul Bell, Housing and Planning
Scrutiny committee/s	Public Accounts Select Committee

2. Decision Route		
Key Decision	Public Consultation	Staff Consultation
N	N	N

3. Contextual Information				
<b>Which service area/s are in the scope of the cuts proposal?</b>				
<p>Building control are responsible for the review and approval of Building Work ranging from small scale changes to large scale redevelopment proposals. The Building Control regime is delivered via the Council as well as through approved inspectors in the private sector meaning that the Council is in competition with the private sector to deliver the service.</p> <p>In addition, the impending Building Safety Bill has been published with the intention of overhauling current building regulations across England and Wales. It is intended to strengthen the whole regulatory system for building safety by establishing a comprehensive new building safety regime governing design, construction and occupation of higher risk buildings, with particular focus on fire safety measures.</p> <p>Local authorities will have a significant role in the way the new regulations will work. It is therefore important to ensure the service in Lewisham is redesigned and remains fit for purpose when the new regime becomes law in 2022. There are also opportunities to increase the market share of Council provided services. The Council can do this by 'selling' this service to individuals and developers operating in Lewisham but to also consider expanding this. For instance this service could be provided to other local authorities needing support.</p>				
<b>What is the controllable budget of the service area/s?</b>				
<b>Budget Type</b>	<b>Spend (£000)</b>	<b>Income (£000)</b>	<b>Net Budget (£000)</b>	
<b>General Fund</b>	£558 (E43004)	£691 (E43004)	(133)	
<b>HRA</b>				
<b>DSG</b>				
<b>Health</b>				
<b>TOTAL</b>				
<b>What is the staffing profile of the service area/s?</b>				
Grades	Number Of Posts	FTE	Vacant Posts	
			Agency / Interim Cover	Not Covered
Scale 1 – Scale 5				
Scale 6 – SO2				
PO1 – PO5				
PO6 – PO8				
SMG1 – SMG3				
JNC				

4. Cuts Proposal
<b>What changes are proposed to the service area/s?</b>

The Council received applications for 650 building works in 2019/20. This is compared to over 2,000 planning applications.

The current programme of savings already has £50k earmarked for the service over the next three years including 2020/21. This new proposal is seeking to double that over the same period.

This will be achieved through an increased market share for services for current applications going through the Planning system.

**Mitigating Actions for 22/23**

Increasing market share may mean that additional resources are necessary to meet increased demand. It will be important to work to streamline existing processes and ways of working to improve efficiency alongside seeking additional work.

As part of this, and to ensure readiness to operate in the new regulatory environment, the service will be seeking ISO9001 accreditation. This will be in the form of a review to be carried out Local Authority Building Control service. This objective may require a restructure of the service at some point in the next 12 months.

**Are there any specific staffing implications?** No

**What level of saving will be achieved? (NET OF ANY CAPITAL OR REVENUE INVESTMENT)**

Proposal strand	2022/23	2023/24	2024/25	TOTAL
	£20	£30	£0	£50
<b>TOTAL</b>				
<b>% Net Budget</b>	£20	£30	£0	£50
<b>Does proposal impact on:</b>	<b>General Fund</b>	<b>HRA</b>	<b>DSG</b>	<b>Health</b>
	Y	Y	Y	Y

**If yes, please describe impact:** An increase in income of £50k

**What are the potential delivery risks and mitigation?**

The main risk is the ability to attract and then meet increased service demand. The service review referenced above will help ensure the service is fit for purpose. A peer assessment of the existing service is planned to support this review.

The changing regulatory environment, whilst anticipated to create further opportunities for local authority delivered services, will also carry greater risk due to increased complexity of the incoming regime. The service will need to ensure the necessary technical competence and experience to meet this challenge are retained and recruited.

**Are there any specific legal implications?**

No

**Is public consultation required (formal/statutory)?** No

**5. Impact & Outcomes**

**What is the likely impact of the proposed changes?**

**Service Users**

This proposal is intended to improve the responsiveness of the Council led service and improve the service that customers experience.

**Staff**

None

<b>Other Council Services</b>				
None				
<b>Partners</b>				
None				
<b>Are there any specific equalities implications for service users?</b>				
<b>Protected characteristics and other equalities considerations</b>	<b>High (Positive / Negative)</b>	<b>Medium (Positive / Negative)</b>	<b>Low (Positive / Negative)</b>	<b>Neutral</b>
<b>Age</b>				Neutral
<b>Disability</b>			Positive	
<b>Ethnicity</b>				Neutral
<b>Gender</b>				Neutral
<b>Gender reassignment</b>				Neutral
<b>Marriage and civil partnerships</b>				Neutral
<b>Pregnancy and maternity</b>				Neutral
<b>Religion and belief</b>				Neutral
<b>Sexual orientation</b>				Neutral
<b>Socio-economic inequality</b>				Neutral
<b>Is a full EAA required?</b>			No	
<b>How do the proposed changes align with the Council's Corporate Strategy?</b>				
<b>Corporate Priorities</b>	<b>High (Positive / Negative)</b>	<b>Medium (Positive / Negative)</b>	<b>Low (Positive / Negative)</b>	<b>Neutral</b>
<b>Open Lewisham</b>			Positive	
<b>Tackling the Housing crisis</b>			Positive	
<b>Giving children and young people the best start in life</b>				Neutral
<b>Building an inclusive local economy</b>				Neutral
<b>Delivering and defending: health, social care &amp; support</b>				Neutral
<b>Making Lewisham greener</b>			Positive	
<b>Building safer communities</b>			Positive	
<b>Good governance and operational effectiveness</b>			Positive	

1. Proposal Overview	
Proposal title:	Changes to Leisure Concessions for Older People
Reference:	E-14
Lead officer:	James Lee
Ward/s affected	All wards
Cabinet portfolio	Cllr Andre Bourne, Culture
Scrutiny committee/s	Healthier Communities Select Committee

2. Decision Route		
Key Decision	Public Consultation	Staff Consultation
Y	N	N

3. Contextual Information			
<b>Which service area/s are in the scope of the cuts proposal?</b>			
The Council currently offers various concessions including "Be Active" and free access to its gyms and swimming pools for those aged over 60 or in receipt of disability benefits.			
<b>What is the controllable budget of the service area/s?</b>			
Budget Type	Spend (£000)	Income (£000)	Net Budget (£000)
Leisure contracts budget is being rebuilt year on year but this proposal reflects a real reduction in spend transferring to a base budget reduction (due to surplus being generated across the contracts overall in 23/24.			
<b>What is the staffing profile of the service area/s?</b>			
None.			

4. Cuts Proposal				
<b>What changes are proposed to the service area/s?</b>				
Under this proposal we could continue to provide some concessions such as the Be active scheme. The provision of "free swim and gym" would continue for people in receipt of disability benefits but not for all over 60s. For this option the saving across the GLL sites would be c£170,000 with an overall savings of at least £190,000 anticipated across all sites.				
The GLL figures have been based on the below assumptions:				
<ul style="list-style-type: none"> <li>Total annual usage estimated at 611,170</li> <li>60+ and people in receipt of disability benefits usage reflects 16% of total usage (97,787)</li> <li>Assume 70% of 60+ and people in receipt of disability benefits will continue to use service if they have to pay (68,451)</li> </ul>				
Over 60s would move to existing concessionary pay and play and membership rates.				
The saving would be implemented in October 2022 in line with any extension of the GLL contract and at the same time (contracts allowing) at Downham.				
<b>Are there any specific staffing implications?</b>				N
<b>What level of saving will be achieved? (NET OF ANY CAPITAL OR REVENUE INVESTMENT)</b>				
Proposal strand	2022/23	2023/24	2024/25	TOTAL
	95k	£95k	Full savings taken from base budget.	£190k
<b>TOTAL</b>				£190k

<b>% Net Budget</b>				
<b>Does proposal impact on:</b>	<b>General Fund</b>	<b>HRA</b>	<b>DSG</b>	<b>Health</b>
	Y	N	N	N
<b>If yes, please describe impact:</b>				
<b>What are the potential delivery risks and mitigation?</b>				
<p>Higher than anticipated drop off will have a financial impact with secondary implications for health and social care due to decreased level of physical activity amongst target groups.</p> <ul style="list-style-type: none"> <li>Mitigated through targeted marketing to increase overall cohort aware of the service alongside continued improvement in service standard to make the offer more attractive for those now required to pay.</li> <li>Drop off could be mitigated by retaining free access for those on benefits but this would reduce saving and increase administrative burden</li> </ul> <p>There are reputational risks associated with reducing the concessions available to vulnerable groups.</p> <ul style="list-style-type: none"> <li>This will be mitigated by highlighting the remaining concessions available and wider physical activity available for free in our parks and open spaces.</li> <li>“Be Active” concessions will continue to be available</li> <li>Communication will need to focus on the ongoing cuts from central government, the impact of Covid on leisure services and the need to target our services at those most in need (i.e. it is generally accepted that not all over 60 year olds require a concession and some are able to pay).</li> </ul>				
<b>Are there any specific legal implications?</b>				
No.				
<b>Is public consultation required (formal/statutory)?</b>			N	

## 5. Impact & Outcomes

### What is the likely impact of the proposed changes?

#### Service Users

As outlined above there is likely to be a drop off in the number of users as a result of this cut. This is estimated to be approximately 30% of the current usage. It is anticipated that this will be a mixture of those in most financial need and those least committed to the activity.

#### Staff

Employees of both the Council and the leisure providers are likely to have to deal with a number of complaints and concerns from those who previously accessed the services for free – particularly during the transition period.

#### Other Council Services

If the removal of the concession leads to significant numbers of individual with poor health from discontinuing their use of the gym and swimming pool there may be some impact on health and social care services.

#### Partners

The removal of the concession will reduce some administrative burden from the leisure providers but complaints and concerns are likely to increase – particularly during the transition period.

### Are there any specific equalities implications?

Protected characteristics and other equalities considerations	High (Positive / Negative)	Medium (Positive / Negative)	Low (Positive / Negative)	Neutral
Age	Negative			
Disability				x
Ethnicity				x
Gender		Negative		
Gender reassignment				x
Marriage and civil partnerships				x
Pregnancy and maternity				x
Religion and belief				x
Sexual orientation				x
Socio-economic inequality	Negative			
Is a full EAA required?			N	
How do the proposed changes align with the Council's Corporate Strategy?				
Corporate Priorities	High (Positive / Negative)	Medium (Positive / Negative)	Low (Positive / Negative)	Neutral
Open Lewisham			Negative	
Tackling the Housing crisis				x
Giving children and young people the best start in life				x
Building an inclusive local economy				x
Delivering and defending: health, social care & support		Negative		
Making Lewisham greener				x
Building safer communities				x
Good governance and operational effectiveness		Positive		

1. Proposal Overview	
Proposal title:	Seek corporate sponsorship for festive lighting
Reference:	E-15
Lead officer:	Zahur Khan
Ward/s affected	Wards identified in the priority list, based on where there is evidence and justification for new measures
Cabinet portfolio	Cllr Patrick Codd, Environment and Transport
Scrutiny committee/s	Public Accounts Select Committee

2. Decision Route		
Key Decision	Public Consultation	Staff Consultation
Y	N	N

3. Contextual Information				
<b>Which service area/s are in the scope of the cuts proposal?</b>				
In November of each year Lewisham puts up a number of festive lighting displays on lamp columns and other locations across the borough.				
This is not a statutory service.				
It is carried out by the Lighting team (part of Highways in Public Realm) at a cost of around £30k PA which is paid directly to a contractor who carry out the works.				
<b>What is the controllable budget of the service area/s?</b>				
Budget Type	Spend (£000)	Income (£000)	Net Budget (£000)	
General Fund	30	0	30	
HRA				
DSG				
Health				
TOTAL				
<b>What is the staffing profile of the service area/s?</b>				
Grades	Number Of Posts	FTE	Vacant Posts	
			Agency / Interim Cover	Not Covered
Scale 1 – Scale 5	none			
Scale 6 – SO2				
PO1 – PO5				
PO6 – PO8				
SMG1 – SMG3				
JNC				

4. Cuts Proposal	
<b>What changes are proposed to the service area/s?</b>	
The proposal is to stop funding festive lighting displays from Council budgets and to seek sponsorship from partners or other parties.	
	<b>2022/23</b>
Capital Investment	0
First year Rate of Return	£30k
<b>Are there any specific staffing implications?</b>	No

What level of saving will be achieved? (NET OF ANY CAPITAL OR REVENUE INVESTMENT)				
Proposal strand	2022/23	2023/24	2024/25	TOTAL
If funded from capital	30	30	30	90
If funded from revenue				
<b>TOTAL</b>				90
<b>% Net Budget</b>				
<b>Does proposal impact on:</b>	<b>General Fund</b>	<b>HRA</b>	<b>DSG</b>	<b>Health</b>
	Y	N	N	N
<b>If yes, please describe impact:</b>				
<b>What are the potential delivery risks and mitigation?</b>				
Reputational risk 'council cancels Christmas' and community impacts, no switch on event etc. Mitigation would be seeking sponsorship to enable this to continue.				
<b>Are there any specific legal implications?</b>				
No				
<b>Is public consultation required (formal/statutory)?</b>			No	

**5. Impact & Outcomes**

**What is the likely impact of the proposed changes?**

**Service Users**

The residents and visitors would not be able to enjoy Lewisham's festive lighting displays in the event that sponsorship cannot be generated to fund this service.

When festive lighting encourages people to commercial areas, especially for switch-on events etc, there would be a likely reduction in income if sponsorship cannot be found.

**Staff**

None

**Other Council Services**

None

**Partners**

Reduced revenue for contractor if sponsorship cannot be secured.

**Are there any specific equalities implications for service users?**

Protected characteristics and other equalities considerations	High (Positive / Negative)	Medium (Positive / Negative)	Low (Positive / Negative)	Neutral
Age				N
Disability				N
Ethnicity				N

<b>Gender</b>				N
<b>Gender reassignment</b>				N
<b>Marriage and civil partnerships</b>				N
<b>Pregnancy and maternity</b>				N
<b>Religion and belief</b>				N
<b>Sexual orientation</b>				N
<b>Socio-economic inequality</b>				N
<b>Is a full EAA required?</b>			N	
<b>How do the proposed changes align with the Council's Corporate Strategy?</b>				
<b>Corporate Priorities</b>	<b>High (Positive / Negative)</b>	<b>Medium (Positive / Negative)</b>	<b>Low (Positive / Negative)</b>	<b>Neutral</b>
<b>Open Lewisham</b>				Neutral
<b>Tackling the Housing crisis</b>				Neutral
<b>Giving children and young people the best start in life</b>				Neutral
<b>Building an inclusive local economy</b>			Negative	
<b>Delivering and defending: health, social care &amp; support</b>				Neutral
<b>Making Lewisham greener</b>				Neutral
<b>Building safer communities</b>				Neutral
<b>Good governance and operational effectiveness</b>				Neutral

**APPENDIX 5 – THEME F DEMAND MANAGEMENT**

**PROPOSAL PROFORMA 2022/23**

<b>1. Proposal Overview</b>	
<b>Proposal title:</b>	Road Safety - New Yellow Boxes
<b>Reference:</b>	F-25
<b>Lead officer:</b>	Zahur Khan
<b>Ward/s affected</b>	Wards identified in the priority list, based on where there is evidence and justification for new measures
<b>Cabinet portfolio</b>	Cllr Patrick Codd, Environment and Transport
<b>Scrutiny committee/s</b>	Sustainable Development Select Committee

<b>2. Decision Route</b>		
<b>Key Decision</b>	<b>Public Consultation</b>	<b>Staff Consultation</b>
Y	N	N

<b>3. Contextual Information</b>				
<b>Which service area/s are in the scope of the cuts proposal?</b>				
<p>Lewisham has, implemented traffic measures to manage traffic flows, improve road safety, and allow the expeditious movement of vehicles. These schemes have included banned turns, one way systems, yellow box and other restrictions to address local environmental issues.</p> <p>When such measures are complied with, it allows traffic to move freely and reduces road danger, whilst improving air quality. Such conflicts can also cause delays and congestion, leading to a loss of amenity and negatively affect air quality.</p>				
<b>What is the controllable budget of the service area/s?</b>				
<b>Budget Type</b>	<b>Spend (£000)</b>	<b>Income (£000)</b>	<b>Net Budget (£000)</b>	
<b>General Fund</b>	4,183	14,200	7,388	
<b>HRA</b>				
<b>DSG</b>				
<b>Health</b>				
<b>TOTAL</b>				
<b>What is the staffing profile of the service area/s?</b>				
<b>Grades</b>	<b>Number Of Posts</b>	<b>FTE</b>	<b>Vacant Posts</b>	
			<b>Agency / Interim Cover</b>	<b>Not Covered</b>
<b>Scale 1 – Scale 5</b>				
<b>Scale 6 – SO2</b>				
<b>PO1 – PO5</b>				
<b>PO6 – PO8</b>				
<b>SMG1 – SMG3</b>				
<b>JNC</b>				

<b>4. Proposal</b>
<b>What changes are proposed to the service area/s?</b>
<p>The proposal is to investigate and introduce new yellow box junctions. Should data gathering evidence suggest this type of measure will improve congested junctions, especially at peak times, enforcement will be via cameras.</p> <p>The proposal will be developed and implemented by Parking and our Parking contractor NSL Ltd on CCTV and maintenance functions.</p> <p>This proposal involves:</p>

**PROPOSAL PROFORMA 2022/23**

- A visual assessment of junctions across the borough where there is regular congestion
- Based on this, traffic surveys be undertaken to ascertain the level of congestion and provide a prioritised list of locations to reduce congestion and improve safety.

Surveys will confirm the number of yellow boxes that may be delivered, through an evidence basis. This may be up to five sites, though investigation is required. Local notification and engagement will be undertaken to ensure motorists are aware before installation and enforcement.

This proposal and associated saving will only be taken forward when the necessary capital funding is provided in advance, including feasibility assessments, surveys, design, engagement, procurement of cameras, and civil works to install.

The proposal will help manage safety and congestion on our roads, improve air quality and confidence for all vulnerable road users and motorists that these sites are being managed correctly. This will also assist in meeting our and the Mayor for London’s targets to improve road safety and improve air quality.

The proposals can be implemented in 2022/23. Up to five sites may be possible to install, though exact number of sites and return on investment will be dependent on surveys, which will need to be commenced first.

Costs for the necessary capital investment, as above, will be required, on an invest to save basis. As such a capital investment of £100,000 is required to be allocated to the service to progress this saving. At this stage it is difficult to have detailed costings until the sites have been chosen and surveys have been carried out. Some sites may require more than one camera also there will be civil works which may require temporary traffic management to implement. It will take approximately 6 months to implement any scheme so early allocation of funds is critical.

Based on performance of similar measures and compliance, it is estimated that these cameras will generate payback the investment within the first 12 months following implementation.

If capital funding is not available then it is advisable that this saving be pushed back a year, whilst funding is identified.

	<b>2022/23</b>
<b>Capital Investment</b>	£100k
<b>First year Rate of Return</b>	£150k

**Are there any specific staffing implications?** No

**What level of saving will be achieved? (NET OF ANY CAPITAL OR REVENUE INVESTMENT)**

<b>Proposal strand</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>TOTAL</b>
<b>If funded from capital</b>	150			150
<b>If funded from revenue</b>	50	100		150
<b>TOTAL</b>				150

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<b>% Net Budget</b>				
<b>Does proposal impact on:</b>	<b>General Fund</b>	<b>HRA</b>	<b>DSG</b>	<b>Health</b>
	N	N	N	N
<b>If yes, please describe impact:</b>				
<b>What are the potential delivery risks and mitigation?</b>				
Objections to enforcement - Clear signs will be provided at each location advising of commencement of each measure.				
<b>Are there any specific legal implications?</b>				
The Council has the authority to enforce against moving traffic violations under the London Local Authorities and Transport for London Act 2003. Any surplus income generated will be used in accordance with Schedule 2 of the Act				
<b>Is public consultation required (formal/statutory)?</b>		No, under legislation no traffic management orders are required, hence no consultation. Notification signs will be erected to advise of enforcement commencement dates.		

<b>5. Impact &amp; Outcomes</b>				
<b>What is the likely impact of the proposed changes?</b>				
<b>Service Users</b>				
<ul style="list-style-type: none"> <li>• A wide range of positive impacts around environment, from local streetscape to air quality.</li> <li>• Will encourage less traffic congestion at chosen sites.</li> <li>• Improve road safety</li> <li>• Improve air quality</li> <li>• Perceived impact on personal access and business</li> <li>• Not popular with some motorists</li> <li>• Reinvestment into local environmental improvements and transport and accessibility initiatives and services as per Section 55</li> <li>• Income raised through fines is spent on running of the parking services and</li> <li>• Any surplus is used to subsidise the costs of concessionary fares and transport/highways services.</li> </ul>				
<b>Staff</b>				
As above				
<b>Other Council Services</b>				
As above				
<b>Partners</b>				
As above				
<b>Are there any specific equalities implications for service users?</b>				
<b>Protected characteristics and other</b>	<b>High (Positive / Negative)</b>	<b>Medium (Positive / Negative)</b>	<b>Low (Positive / Negative)</b>	<b>Neutral</b>

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<b>equalities considerations</b>				
<b>Age</b>				Neutral
<b>Disability</b>				Neutral
<b>Ethnicity</b>				Neutral
<b>Gender</b>				Neutral
<b>Gender reassignment</b>				Neutral
<b>Marriage and civil partnerships</b>				Neutral
<b>Pregnancy and maternity</b>				Neutral
<b>Religion and belief</b>				Neutral
<b>Sexual orientation</b>				Neutral
<b>Socio-economic inequality</b>				Neutral
<b>Is a full EAA required?</b>			N	
<b>How do the proposed changes align with the Council's Corporate Strategy?</b>				
<b>Corporate Priorities</b>	<b>High (Positive / Negative)</b>	<b>Medium (Positive / Negative)</b>	<b>Low (Positive / Negative)</b>	<b>Neutral</b>
<b>Open Lewisham</b>				Neutral
<b>Tackling the Housing crisis</b>				Neutral
<b>Giving children and young people the best start in life</b>	Positive			
<b>Building an inclusive local economy</b>				Neutral
<b>Delivering and defending: health, social care &amp; support</b>				Neutral
<b>Making Lewisham greener</b>	Positive			
<b>Building safer communities</b>	Positive			
<b>Good governance and operational effectiveness</b>	Positive			

1. Proposal Overview	
Proposal title:	Subscriptions
Reference:	F-26
Lead officer:	Director of Finance
Ward/s affected	All wards
Cabinet portfolio	Cllr Amanda De Ryk, Finance and Resources
Scrutiny committee/s	Public Accounts Select Committee

2. Decision Route		
Key Decision	Public Consultation	Staff Consultation
N	N	N

3. Contextual Information				
<b>Which service area/s are in the scope of the cuts proposal?</b>				
Both corporately and as services the Council subscribes for membership of and to receive publications from a number of outlets. The current financial reporting shows a total subscription spend across service budgets of £190k per annum.				
<b>What is the controllable budget of the service area/s?</b>				
Budget Type	Spend (£000)	Income (£000)	Net Budget (£000)	
General Fund	190		190	
HRA				
DSG				
Health				
<b>TOTAL</b>	190		190	
<b>What is the staffing profile of the service area/s?</b>				
Grades	Number Of Posts	FTE	Vacant Posts	
			Agency / Interim Cover	Not Covered
Scale 1 – Scale 5	N/A			
Scale 6 – SO2	N/A			
PO1 – PO5	N/A			
PO6 – PO8	N/A			
SMG1 – SMG3	N/A			
JNC	N/A			

4. Cuts Proposal
<b>What changes are proposed to the service area/s?</b>
<p>This proposal is to review all subscriptions and reduce spending by £20k or 10% on current levels.</p> <p>Changing ways of working and better collaboration across Services as we focus on our resident and customer expectations to act as one Council provides the right opportunity to reassess and renegotiate our current subscriptions – last done over three years ago.</p> <p>The intention will be to identify opportunities to</p> <ul style="list-style-type: none"> <li>Better leverage the number of licences / subscribers through moves to online dissemination of material to reduce more expensive hard copy services.</li> <li>Review the take up of training and other discounts available via subscriptions to avoid duplicate payments and missed opportunities.</li> </ul>

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<ul style="list-style-type: none"> <li>Renegotiate the fees paid, including for any add-ons, to ensure value for money is achieved, or for similar offers pick the most suitable for the Council's needs.</li> </ul>				
No investment is required other than time.				
<b>Are there any specific staffing implications?</b>			N	
<b>What level of saving will be achieved? (NET OF ANY CAPITAL OR REVENUE INVESTMENT)</b>				
<b>Proposal strand</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>TOTAL</b>
Review of subscription spend	£20k			£20k
<b>TOTAL</b>	£20k			£20k
<b>% Net Budget</b>	10%			10%
<b>Does proposal impact on:</b>	<b>General Fund</b>	<b>HRA</b>	<b>DSG</b>	<b>Health</b>
	Y	N	N	N
<b>If yes, please describe impact:</b>	N/A			
<b>What are the potential delivery risks and mitigation?</b>				
Loss of access to news and intelligence, professional support networks, and data sources are the three key risks from this proposal. The other risk is that services buy back into subscriptions locally without regard to a one Council view creating a cost shunt.				
The mitigations will be to undertake the review in collaboration and discussion with services to identify any statutory / professional memberships to be protected and the level of service and take up currently used before agreeing to reduce Council subscriptions.				
<b>Are there any specific legal implications?</b>				
None				
<b>Is public consultation required (formal/statutory)?</b>			N	

<b>5. Impact &amp; Outcomes</b>				
<b>What is the likely impact of the proposed changes?</b>				
<b>Service Users</b>				
Negligible				
<b>Staff</b>				
Potentially positive through better communication and dissemination of knowledge arising from better awareness of what is available				
<b>Other Council Services</b>				
Negligible				
<b>Partners</b>				
Negligible				
<b>Are there any specific equalities implications for service users?</b>				
<b>Protected characteristics and other equalities considerations</b>	<b>High (Positive / Negative)</b>	<b>Medium (Positive / Negative)</b>	<b>Low (Positive / Negative)</b>	<b>Neutral</b>
<b>Age</b>				None

PROPOSAL PROFORMA 2022/23

<b>Disability</b>			Digital only access a constraint - Negative	
<b>Ethnicity</b>				None
<b>Gender</b>				None
<b>Gender reassignment</b>				None
<b>Marriage and civil partnerships</b>				None
<b>Pregnancy and maternity</b>				None
<b>Religion and belief</b>				None
<b>Sexual orientation</b>				None
<b>Socio-economic inequality</b>				None
<b>Is a full EAA required?</b>			N	
<b>How do the proposed changes align with the Council's Corporate Strategy?</b>				
<b>Corporate Priorities</b>	<b>High (Positive / Negative)</b>	<b>Medium (Positive / Negative)</b>	<b>Low (Positive / Negative)</b>	<b>Neutral</b>
<b>Open Lewisham</b>				None
<b>Tackling the Housing crisis</b>				None
<b>Giving children and young people the best start in life</b>				None
<b>Building an inclusive local economy</b>				None
<b>Delivering and defending: health, social care &amp; support</b>				None
<b>Making Lewisham greener</b>				None
<b>Building safer communities</b>				None
<b>Good governance and operational effectiveness</b>			Loss of some subscriptions offset by better sharing of information from those retained - Positive	

**APPENDIX 6 – PREVIOUSLY AGREED PROPOSALS**

## Cuts proposal template 2021/22

Ref*	Title	2022/23 £'000	2023/24 £'000	2024/25 £'000	Total £'000
A-01	Staff productivity - arising from new ways of working (including learning from the Covid 19 pandemic), better collaboration and a return on IT investment	3,000	0	0	3,000
A-02	Hybrid roles - enforcement	50	50	0	100
A-03	Corporate Transport arrangements	150	50	0	200
A-04	Process automation in Revs and Bens	100	0	0	100
A-06	Revs and Bens - Generic roles	400	0	0	400
		<b>3,700</b>	<b>100</b>	<b>0</b>	<b>3,800</b>
B-02	Strategic recharging	600	0	0	600
B-06	Cuts to the main grants programme	800	0	0	800
B-07	Review of Council run events	30	0	0	30
B-10	Reduction in local assemblies service	178	0	0	178
		<b>1,608</b>	<b>0</b>	<b>0</b>	<b>1,608</b>
C-02	Adult Learning and Day Opportunities	100	0	0	100
C-03	Reduction in the use of agency social workers.	215	0	0	215
C-07	Review Short breaks provision.	50	50	0	100
C-08	IT - mobile telephony review	10	10	0	20
C-10	Housing Services Review	300	0	0	300
C-17	Re-configuration of MH Supported Housing pay – Social Interest Group	150	0	0	150
C-28	Supported Housing Services	84	0	0	84
		<b>909</b>	<b>60</b>	<b>0</b>	<b>969</b>
D-02	Business Rates Revaluation for the estate	40	20	0	60
D-05	Savings on mothballed assets. A review is in progresses - savings	50	0	0	50

## Cuts proposal template 2021/22

Ref*	Title	2022/23 £'000	2023/24 £'000	2024/25 £'000	Total £'000
	on the cost of running the operational estate				
D-06	Catford Campus - Estate Consolidation	11	12	0	23
D-07	Meanwhile use - Temporary Accommodation	25	25	0	50
D-08	Miscellaneous - income generation	25	0	0	25
		<b>151</b>	<b>57</b>	<b>0</b>	<b>208</b>
E-01	Improved Debt collection	250	0	0	250
E-02	Income from building control	15	20	0	35
E-05	Traded services with schools	50	0	0	50
E-06	Reduce care leaver costs	100	0	0	100
E-07	Housing – Increased rent for Private Sector Lease (PSL) and Private Managed Accommodation (PMA)	375	0	0	375
E-09	Realising further benefits from the Oracle Cloud Solution and exploiting its functionality as a fully integrated enterprise resource planning solution.	100	0	0	100
		<b>890</b>	<b>20</b>	<b>0</b>	<b>910</b>
F-02	Children Social Care Demand management	500	1,000	0	1,500
F-03	Children Service reconfiguration - fostering	250	250	0	500
F-05	VfM commissioning and contract management - CSC	250	0	0	250
F-15	Environment - environmental operations review	330	0	0	330
F-15a	Environment - environmental operations review	567	0	0	567
F-17	Road safety enforcement	250	0	0	250
F-20	Emission based charging for Short Stay Parking	120	0	0	120
F-21	Road Safety Enforcement	375	0	0	375

## Cuts proposal template 2021/22

Ref*	Title	2022/23 £'000	2023/24 £'000	2024/25 £'000	Total £'000
F-22	Motorcycle parking charges	80	0	0	80
F-24	Adult Social Care cost reduction and service improvement programme	430	0	0	430
		<b>3,152</b>	<b>1,250</b>	<b>0</b>	<b>4,402</b>
	<b>Total</b>	<b>10,410</b>	<b>1,487</b>	<b>0</b>	<b>11,897</b>

## Cuts proposal template 2021/22

### THEME A

1. Cuts proposal	
Proposal title:	Productivity Staffing Savings
Reference:	A-01
Directorate:	Cross Council
Director of Service:	Director of Corporate Resources
Service/Team area:	Strategic Finance
Cabinet portfolio:	Finance and Resources – Cllr De Ryk
Scrutiny Ctte(s):	Public Accounts Select Committee / Safer Stronger Communities Select Committee

2. Decision Route			
Cuts proposed:	Key Decision*	Public Consultation Yes / No and Statutory vs informal	Staff Consultation Yes / No and Statutory vs informal
	<p>Yes / No</p> <p>See para 16.2 of the Constitution</p> <p><a href="https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution">https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution</a></p>		
Not increase service staffing budgets in line with expected inflation increases for 2021/22 and 2022/23	Yes – in that its more than £500k	No	No

3. Description of service area and proposal
<b>Description of the service area (functions and activities) being reviewed:</b>
This is a cross Council approach affecting all service areas with staffing budgets.
<b>Cuts proposal*</b>
<p>As part of our medium term financial planning, the Council currently incorporates uplifts to staffing budgets year on year to meet the inflation increase of employee costs, typically assumed to be approximately £3M annually across the Council's overall employee budget. Staff will continue to receive the nationally negotiated pay awards and this cut will be delivered by less temporary staff and productivity improvements. Following the significant changes to how staff have had to work during the Covid 19 pandemic, together with the rapid roll out of technology to support flexible and remote working, many staff are working very differently to the way there were doing so before. There is a recognition that this change in working will be more pronounced for office based staff and that some more front line teams may not see the same level of efficiencies through remote and flexible working. Therefore for office based services in addition to no increase to staffing costs there is an expectation of a small reduction to the staffing budgets with suggestions to budget holders and managers on how to implement such ideas to ensure that they remain within budget. Note: the NJC negotiated pay increases are not affected by this cut, this proposal is instead to not increase the current budget levels (not salary payments) and that in the</p>

## Cuts proposal template 2021/22

### 3. Description of service area and proposal

main it is likely that this will be managed by less temporary staff and productivity improvements, as well as the other measures suggested below.

This will impact all services across the Council.

Guidance will need to be developed and some managers might require more significant levels of support in order to make the changes. The areas that managers should consider include:

- A reduction in the requirement for office bases with a re-design of working arrangements and work-flows to improve productivity of the service
- Greater use of flexible and remote learning using the technology rolled out during the pandemic and the current changes in how staff work – more staff working from home and more staff working flexibly with hand held devices
- Services across the Council to reduce their dependency on higher cost agency staff
- More pro-active and targeted vacancy management
- Greater use of apprentices
- Improved performance management processes

#### Mitigating Actions for 21/22

A process to be devised to ensure that those services which are less able to make such staffing savings receive a partial inflation increase, or are able to identify other areas of savings to support increases in salary budgets. Managers will need to ensure that they identify actions to be undertaken to remain within staffing budgets.

### 4. Impact and risks of proposal

#### Outline impact to service users, partners, other Council services and staff:

There is a risk of a reduction in service offer, but this should be mitigated by changes to working practices and improved performance management. If these productivity improvements cannot be captured and reflected then there is the risk that services may need to reduce staffing numbers to deliver this.

#### Outline risks associated with proposal and mitigating actions to be taken:

Some managers may not have the skills to implement changes to staffing arrangements and may overspend on staffing budgets. Support will be required for such services, as well as scrutiny and challenge through the monthly financial monitoring and reporting to EMT.

### 5. Financial information

Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
	131,827	0	131,827	
HRA				
DSG				
Health				
Cuts proposed*:	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000

## Cuts proposal template 2021/22

5. Financial information				
No inflationary increase to staffing budgets	£3,000	£3,000	£0	£6,000
<b>Total</b>	3,000	3,000	0	6,000
<b>% of Net Budget</b>	2.2%	2.2%	0%	4.4%
<b>Does proposal impact on:</b>	<b>General Fund</b>	<b>DSG</b>	<b>HRA</b>	<b>Health</b>
<b>Yes / No</b>	Yes	No	No	No
<b>If DSG, HRA, Health impact describe:</b>		N/A	N/A	N/A

6. Impact on Corporate priorities: list in order of DECREASING impact	
1. Good governance and operational effectiveness – seeks to positively improve this	<b>Corporate priorities</b> 1. Open Lewisham 2. Tackling the Housing Crisis 3. Giving Children and young people the best start in life 4. Building an inclusive local economy 5. Delivering and defending: health, social care & support 6. Making Lewisham greener 7. Building safer communities  8. Good governance and operational effectiveness
2. All other corporate priorities impacted equally	
3.	
4.	
5.	
6.	
7.	
8.	

7. Ward impact	
Geographical impact by ward:	No specific impact / Specific impact in one or more
	If impacting one or more wards specifically – which?
	Council wide

8. Service equalities impact			
Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	N/A	Pregnancy / Maternity:	N/A
Gender:	N/A	Marriage & Civil Partnerships:	N/A
Age:	N/A	Sexual orientation:	N/A
Disability:	N/A	Gender reassignment:	N/A
Religion / Belief:	N/A	Overall:	N/A
For any High impact service equality areas please explain why and what mitigations are proposed:			

## Cuts proposal template 2021/22

### 8. Service equalities impact

No specific proposals are being put forward at this stage, other than for service managers to ensure that they can increase staff productivity by a margin of approx. 3% to ensure that salary inflation increases are not needed for the next two years.

Is a full service equalities impact assessment required: Yes / No No

### 9. Human Resources impact

Will this cuts proposal have an impact on employees: Yes / No Yes

Workforce profile:

Posts	Headcount in post	FTE in post	Establishment posts	Vacant	
				Agency / Interim cover	Not covered
Scale 1 – 2					
Scale 3 – 5					
Sc 6 – SO2					
PO1 – PO5					
PO6 – PO8					
SMG 1 – 3					
JNC					
Total					
Gender	Female	Male			
Ethnicity	BME	White	Other	Not Known	
Disability	Yes	No			
Sexual orientation	Straight / Heterosex.	Gay / Lesbian	Bisexual	Not disclosed	

### 10. Legal implications

State any specific legal implications relating to this proposal:

Not known.

This is a saving of approx. 3% across all services and it is for individual service managers to identify the measures to be taken to ensure that staff costs remain within budgets which will not increase with inflation for two years.

## Cuts proposal template 2021/22

1. Cuts proposal	
Proposal title:	Enforcement Review – New Ways of Working
Reference:	A-02
Directorate:	Cross-Council
Director of Service:	
Service/Team area:	
Cabinet portfolio:	Safer Communities – Cllr Slater
Scrutiny Ctte(s):	Safer Stronger Communities Select Committee

2. Decision Route			
Cuts proposed:	Key Decision*	Public Consultation	Staff Consultation
	Yes / No See para 16.2 of the Constitution <a href="https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution">https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution</a>	Yes / No and Statutory vs informal	Yes / No and Statutory vs informal
	Yes	Yes	Yes

3. Description of service area and proposal
<b>Description of the service area (functions and activities) being reviewed:</b>
<p>Current enforcement activities across the Council, and its partners, cover a whole range of services and functions that impact directly and indirectly on our residents and their communities, in some cases, affecting the quality of their life.</p> <p>It is proposed that a cross cutting review of all Council enforcement activities be undertaken to deliver more customer-focused, consistent, efficient, integrated and effective enforcement services. We will seek to build closer working arrangements across the Council, aligning practices to increase productivity across the full range of enforcement functions within the Council. This review will deliver a target operating model based on intelligence, evidenced demand and priorities and allow effective deployment of resource to delivering improved outcomes for the community.</p>
<b>Cuts proposal*</b>
<ul style="list-style-type: none"> <li>• Develop a fit-for-purpose, effective and efficient structures for enforcement – develop new structures and tasking model</li> <li>• Clarify the role, function and approach of the enforcement services in Lewisham – developing strategies, policies, process and SLAs</li> <li>• Develop capability of the service and put effective management in place – quality management system, competency framework</li> <li>• Create an environment that the staff can deliver service effectively and efficiently – culture, IT, equipment</li> <li>• Communicating the role and achievement of the enforcement service – Unified brand and communications</li> </ul>
<p>Functions to be included in scope:</p> <ul style="list-style-type: none"> <li>• Community Safety (including ASB)</li> <li>• Environmental Health</li> <li>• Environmental Enforcement</li> </ul>

### 3. Description of service area and proposal

- Licensing including Highways and Premises
- Noise and Pollution Management
- Planning Enforcement
- Private Sector Housing
- Trading Standards
- Street Trading (including shop front trading and markets)
- Lewisham Homes Enforcement including ASB
- Partnerships with the Metropolitan Police
- Due to the commercial nature, Parking Enforcement and Building Control will not form part of the core scope but their activity will be taken into account where recommendations are cross-cutting e.g. ambassadorial role

#### Programme objectives

The initial programme objectives are detailed below.

- a. Review the Enforcement function to better support the delivery of high level outcomes and prioritisation. This will include the end-to-end process from reporting to resolution.
- b. Ensure the enforcement function is designed to respond to additional demand arising from both an increased population and borough growth.
- c. Deliver an integrated enforcement policy and subsequent structures to drive joint working, performance improvements and cost avoidance.
- d. Targeted use of legislation to achieve measurable outcomes and objectives
- e. Enable a cultural shift including how we use legislation
- f. To provide a target operating model for the Council and enforcement activities that provides services based on intelligence and priority and deployed accordingly
- g. Maximise new methods of working and partnership tasking approach to support any changes e.g. virtual teams, ambassadorial role
- h. Unlock and deliver efficiency savings and cost avoidance opportunities
- i. To provide a common methodology for the use of intelligence, mapping, tasking and deployment and, where necessary, joint approaches.

#### Programme governance

A programme board will need to be established with defined terms of reference and will be the Enforcement Strategy Board.

The programme board will consist of the programme sponsors and relevant Director and Heads of Service. The board will also be supported by Finance and HR representatives as appropriate and at particular points in the Review. The board will include attendance by other Managers where their portfolio is potentially impacted by specific proposed changes. This board will report, via the appointed EMT members, directly to EMT as a corporate project and supported by the PMO.

The programme board will meet monthly. A programme delivery group will underpin the board.

Members' briefings and engagement with the wider members group will also be coordinated through the board.

An engagement plan will be developed to ensure the views of various stakeholders are captured, as well as to ensure any change is well communicated to those affected. Engagement with those in the services will commence from the start of the Review.

### 3. Description of service area and proposal

#### Structure of the Review

The Review will be structured under the following areas:

#### Ambition and Prioritisation

- Vision and direction
- Policy
- Integration with local and national priorities and strategies
- Collaboration with others
- Partnership working
- Priorities and what are not priorities including what is statutory and what is discretionary

#### Capacity

- Capacity of the Services in scope to deliver change/meet member expectations
- Resource management
- Understanding of risk and use of intelligence/data
- IT Infrastructure

#### Performance management

- Performance management approach
- Use of performance information to identify gaps and target resources

#### Engagement with Customers

- Understanding local needs and communities
- Responsiveness to customers and stakeholders
- Accessibility
- The role and responsibility of the individual and alternative courses of action

#### Delivery of Outcomes

- Delivery of sustainable outcomes against priorities
- Review and scrutiny
- Evaluation and Learning

#### Key Questions

The Review will include a number of fundamental questions:

- What are our overall priorities and outcomes?
- Can we progress further multi-tasking of roles and functions and in particular our enforcement activities with businesses?
- Can we join up our street presence, or use an ambassadorial role?
- To what extent can officers from different areas carry out enforcement in a generic way?
- What understanding is there for alternatives or the routes for enforcement to ensure the correct process and speedier resolution?
- Reducing duplication of effort and resource e.g. on street and estate activities
- Are the priorities and outcomes being progressed currently, ours or our partners or a shared approach?
- How much can we shift to prevention and education?
- How much is intelligence and outcome a driver for activity?
- How can technology assist?
- How do the needs and accessibility of our communities affect this?
- What is the role of the individual or groups in enforcement?
- Can our offer be expanded commercially to housing providers?

### 3. Description of service area and proposal

The Review is about taking a step forward and asking what the purpose of the Council's enforcement function is from the point of view of all stakeholders. What are we seeking to achieve through enforcement, i.e. a better quality of life, and public protection. What are we enforcing against? There are the issues that residents say are important to them, e.g. tackling fly tipping, dog fouling, and street trading. Then there are more hidden issues, the minimum wage, human trafficking, consumer protection, debt, and housing quality.

Responsibility for Enforcement sits across a range of Directorates and Divisions and the scope of this Review is detailed in this bid. We need to be clear that in scope and in the Review does not mean that services and teams will be automatically be joined up or that a decision has already been made on the shape and delivery of these services. We want to explore every opportunity to help address this key area and want the knowledge, experience and views of our professional officers to add value to this work.

This programme is about re-aligning the Enforcement function to better support the delivery of high level outcomes and corporate commitments, while dealing with the additional demand arising from both an increased population and borough growth.

This programme seeks to drive a transformational-type change in the Enforcement function.

#### **Key milestones**

A programme plan will be developed and the key milestone will be the completion of the full programme plan and a "Blueprint" of the future services. This will set out a target operating model for the enforcement function, financial deliverables including savings and the projects required to get to the service delivery model from the current state.

The programme is expected to move into full delivery phase from late 2021/22 following discussion and approval of the Programme Plan and Blueprint.

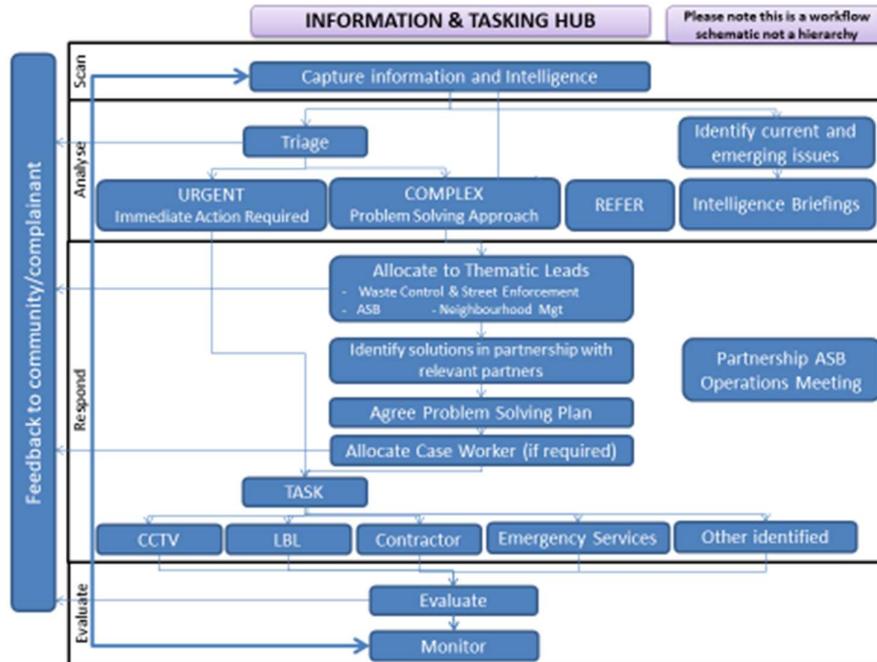
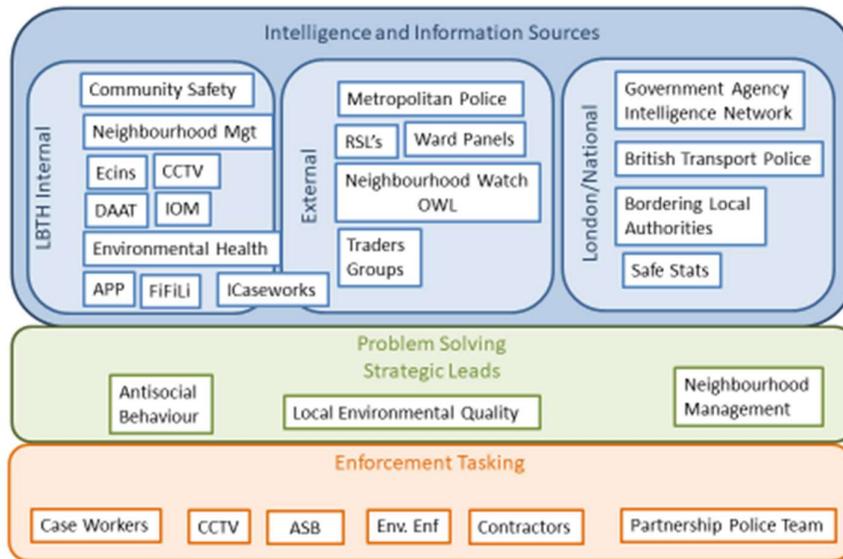
Detailed gap analysis will be undertaken to identify some of the challenges that exist with services in their present state and suggest potential paths that can be taken to achieve the future state. These will be supplemented with benchmarking and the use of models from other authorities.

It is anticipated that the programme will provide a number of financial recommendations including:

- Re-assignment of resource to priority outcomes
- Investment where gaps or low levels of resource cannot be filled by said re-assignment
- Ensuring alignment across the organisation to ensure that outcomes are delivered including support
- Using more commercially minded approaches to enforcement e.g. examples of litter enforcement and subsequent income
- Using an ambassadorial approach to target key activities and reporting
- By focussing on outcomes, thereby looking and impacted areas e.g. addressing fly tipping and overproduction to reduce disposal costs.

**3. Description of service area and proposal**

Potential high level approach



Therefore conservative figures have been put forward for 2022/23 and 2023/24 of £50,000 and £50,000.

## Cuts proposal template 2021/22

### 4. Impact and risks of proposal

#### Outline impact to service users, partners, other Council services and staff:

If not reviewed, potential for:

- Fragmented services
- Intelligence and information flows are not streamlined. Tasking is complicated
- Lack of intelligence sharing and co-production with the partners and community
- Poor customer satisfaction
- Complex cases are not fully dealt with
- Available legal powers are not fully used to tackle issues and deliver strategic priorities
- Often no feedback to residents etc.
- Standard Operating Procedures not linked or not up to date
- Lack of clear priority approach means service stretched and not able to focus on outcomes required
- No comprehensive approach to training need
- Some of the Council strategies are not clear about what they expect for enforcement services
- No internal and external enforcement service communications strategy
- The overarching Enforcement policy/approach is outdated?
- The need to work with external services more closely (e.g. the mediation services and Victim Support).
- Need to clarify the staff's responsibilities

#### Outline risks associated with proposal and mitigating actions to be taken:

- 

5. Financial information				
Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
		0		
HRA				
DSG				
Health				
Cuts proposed*:	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
	0	50	50	100
<b>Total</b>	0	50	50	100
<b>% of Net Budget</b>	%	%	%	%
Does proposal impact on:	General Fund	DSG	HRA	Health
Yes / No	Yes	No	No	No
If DSG, HRA, Health impact describe:				

## Cuts proposal template 2021/22

6. Impact on Corporate priorities: list in order of DECREASING impact	
1. Building safer communities	<b>Corporate priorities</b> 1. Open Lewisham 2. Tackling the Housing Crisis 3. Giving Children and young people the best start in life 4. Building an inclusive local economy 5. Delivering and defending: health, social care & support 6. Making Lewisham greener 7. Building safer communities 8. Good governance and operational effectiveness
2. Good governance and operational effectiveness	
3. Making Lewisham greener	
4.	
5.	
6.	
7.	
8.	

7. Ward impact	
Geographical impact by ward:	No specific impact / Specific impact in one or more
	All
	If impacting one or more wards specifically – which?
	All

8. Service equalities impact			
Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:		Pregnancy / Maternity:	
Gender:		Marriage & Civil Partnerships:	
Age:		Sexual orientation:	
Disability:		Gender reassignment:	
Religion / Belief:		Overall:	
For any High impact service equality areas please explain why and what mitigations are proposed:			
No direct equality impacts are anticipated. Working across different enforcement boundaries and partners will identify efficiencies to deliver the savings but the intention is that this is an efficiency saving so there should be limited impact at the front line and therefore limited equalities implications beyond those staffing implications.			
Is a full service equalities impact assessment required: Yes / No			No

9. Human Resources impact					
Will this cuts proposal have an impact on employees: Yes / No					Yes
Workforce profile:					
Posts	Headcount in post	FTE in post	Establishment posts	Vacant	
				Agency / Interim cover	Not covered
Scale 1 – 2					
Scale 3 – 5					
Sc 6 – SO2					

**Cuts proposal template 2021/22**

<b>9. Human Resources impact</b>					
PO1 – PO5					
PO6 – PO8					
SMG 1 – 3					
JNC					
Total					
Gender	Female	Male			
Ethnicity	BME	White	Other	Not Known	
Disability	Yes	No			
Sexual orientation	Straight / Heterosex.	Gay / Lesbian	Bisexual	Not disclosed	

<b>10. Legal implications</b>
State any specific legal implications relating to this proposal:
N/A

## Cuts proposal template 2021/22

1. Cuts proposal	
Proposal title:	Review of work related travel arrangements to reduce costs
Reference:	A-03
Directorate:	Cross Council
Director of Service:	
Service/Team area:	Corporate Services
Cabinet portfolio:	Finance and Resources – Cllr De Ryk
Scrutiny Ctte(s):	Sustainable Development Select Committee

2. Decision Route			
Cuts proposed:	Key Decision*  Yes / No See para 16.2 of the Constitution <a href="https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution">https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution</a>	Public Consultation Yes / No and Statutory vs informal	Staff Consultation Yes / No and Statutory vs informal
Reduce cost of travel	No	No	Yes – informal only

3. Description of service area and proposal
<b>Description of the service area (functions and activities) being reviewed:</b>
Across the Council officers' claim for work related mileage allowance, use pool/lease cars and take public transport to perform their duties.
<b>Cuts proposal*</b>
The proposal is to make savings from a review of work related travel. The Council has 27 leased pool cars (all hybrid). The total cost for these is £74K pa and includes maintenance, tax and insurance. Our records indicate that these cars do an average annual mileage of 8k. The lease contracts last from 1 – 3 years.
A review of mileage claims on the system found claims for approximately 250K to 300K in 19/20. Replacing the use of private and pool cars or public transport with a car club arrangement and electric bikes could make significant savings to the Council's travel costs and it could also increase the efficiency of officers involved as they may spend less time in traffic or searching for parking spaces.
A detailed review is required to examine the issues and explore the full potential of this saving. The proposed savings are spread over 3 years to allow for the fact this change will require transformation.

4. Impact and risks of proposal
<b>Outline impact to service users, partners, other Council services and staff:</b>
No impact to service users, partners and other Council services. Some staff may be impacted as the mode of work related transport will change.
<b>Outline risks associated with proposal and mitigating actions to be taken:</b>

## Cuts proposal template 2021/22

### 4. Impact and risks of proposal

That car club costs will be lower than lease car costs and that staff will be happy to use electric bikes instead of cars/public transport. A detailed review is required to fully identify the costs and options for cheaper travel as well as a thorough understanding of penalties for damage or late return of vehicles and assessment of the risk of claims in the case of any accidents while on an electric bike.

### 5. Financial information

Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
HRA				
DSG				
Health				
Cuts proposed*:	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
<b>Saving on travel costs</b>	100	150	50	300
<b>Total</b>	100	150	50	300
<b>% of Net Budget</b>	%	%	%	%
Does proposal impact on: Yes / No	General Fund	DSG	HRA	Health
If DSG, HRA, Health impact describe:				

### 6. Impact on Corporate priorities: list in order of DECREASING impact

	Corporate priorities
1. Good governance and operational effectiveness	1. Open Lewisham
2. Making Lewisham Greener	2. Tackling the Housing Crisis
3.	3. Giving Children and young people the best start in life
4.	4. Building an inclusive local economy
5.	5. Delivering and defending: health, social care & support
6.	6. Making Lewisham greener
7.	7. Building safer communities
8.	8. Good governance and operational effectiveness

### 7. Ward impact

Geographical impact by ward:	No specific impact / Specific impact in one or more
	No specific impact
	If impacting one or more wards specifically – which?

## Cuts proposal template 2021/22

7. Ward impact	

8. Service equalities impact			
Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	n/a	Pregnancy / Maternity:	Low
Gender:	n/a	Marriage & Civil Partnerships:	n/a
Age:	n/a	Sexual orientation:	n/a
Disability:	High	Gender reassignment:	n/a
Religion / Belief:	n/a	Overall:	
For any High impact service equality areas please explain why and what mitigations are proposed:			
Some officers with disabilities may still need to use a car.			
Is a full service equalities impact assessment required: Yes / No			No

9. Human Resources impact					
Will this cuts proposal have an impact on employees: Yes / No					No
Workforce profile:					
Posts	Headcount in post	FTE in post	Establishment posts	Vacant	
				Agency / Interim cover	Not covered
Scale 1 – 2					
Scale 3 – 5					
Sc 6 – SO2					
PO1 – PO5					
PO6 – PO8					
SMG 1 – 3					
JNC					
Total					
Gender	Female	Male			
Ethnicity	BME	White	Other	Not Known	
Disability	Yes	No			
Sexual orientation	Straight / Heterosex.	Gay / Lesbian	Bisexual	Not disclosed	

10. Legal implications
State any specific legal implications relating to this proposal:
There will need to be a procurement process to identify a car and bike club scheme that would partner up with the Council

## Cuts proposal template 2021/22

1. Cuts proposal	
Proposal title:	Process automation in Revenues and Benefits
Reference:	A-04
Directorate:	Corporate Resources
Director of Service:	Ralph Wilkinson
Service/Team area:	Public Services / Revenues and Benefits
Cabinet portfolio:	Finance and Resources – Cllr De Ryk
Scrutiny Ctte(s):	Public Accounts Select Committee

2. Decision Route			
Cuts proposed:	Key Decision	Public Consultation	Staff Consultation
	Yes / No	Yes / No	Yes / No
Automation of benefits processes	No	No	No

3. Description of service area and proposal
<b>Description of the service area (functions and activities) being reviewed:</b>
The Revenues Service administers and collects Council Tax, Business Rates, HB overpayments, sundry debt and processes all financial transactions. The Benefits Service administers Housing Benefit, Council Tax Reduction, adult social care financial assessments and concessionary awards.
<b>Cuts proposal*</b>
There are currently 2 system control teams within the Revenue and Benefit areas, each providing support and maintenance on the same systems. The proposal would be to create a single, generic unit providing support to both services making efficiency savings of 1.5 FTE, equivalent to £60k
In addition the team are exploring options with the current software provider to award new awards of CTR without the need for input from an officer or the need for clients to submit a claim form or evidence. This would be done for all new universal claimants initially and would result in their automatically receiving a full CTR award based on their income/information we receive regarding their claiming universal credit.

4. Impact and risks of proposal
<b>Outline impact to service users, partners, other Council services and staff:</b>
There is no impact on service users and partners. There will be an impact on staff as the number needed for processing will reduce and there will be a reduction in the activity needed to oversee and manage the systems.
<b>Outline risks associated with proposal and mitigating actions to be taken:</b>
There are very few risks with this and it is more likely that synergies already exist and more will emerge if a single team provide the support and overview of all systems rather than the current arrangement where there is potential for 2 teams to work independently on the same activity on the same systems. There are numerous examples of similar services in other Councils where there is a single team delivering this. The risk should be further mitigated by benchmarking and communicating with other councils / services to learn and understand how they operate successfully.

## Cuts proposal template 2021/22

### 4. Impact and risks of proposal

A further risk relates to the use of an automated process. Early dialogue with the software providers has been positive and all the key elements to support this transition already exist.

### 5. Financial information

Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
	7,634	(6,198)	1,436	
HRA				
DSG				
Health				
Cuts proposed*:	2020/21 £'000	2021/22 £'000	2022/23 £'000	Total £'000
Single / joint control team in Revenues and Benefits		60	100	160
<b>Total</b>		<b>60</b>	<b>100</b>	<b>160</b>
<b>% of Net Budget</b>		<b>%</b>	<b>34.8</b>	<b>34.8%</b>
Does proposal impact on:	General Fund	DSG	HRA	Health
Yes / No	<b>Y</b>	<b>N</b>	<b>N</b>	<b>N</b>
If DSG, HRA, Health impact describe:				

### 6. Impact on Corporate priorities

Main priority	Second priority	Corporate priorities
8		1. Open Lewisham 2. Tackling the Housing Crisis 3. Giving Children and young people the best start in life 4. Building an inclusive local economy 5. Delivering and defending: health, social care & support 6. Making Lewisham greener 7. Building safer communities 8. Good governance and operational effectiveness
Impact on main priority – Positive / Neutral / Negative	Impact on second priority – Positive / Neutral / Negative	
Positive		
Level of impact on main priority – High / Medium / Low	Level of impact on second priority – High / Medium / Low	
High		

### 7. Ward impact

Geographical impact by ward:	No specific impact / Specific impact in one or more
	No specific impact
	If impacting one or more wards specifically – which?

### 8. Service equalities impact

Expected impact on service equalities for users – High / Medium / Low or N/A

## Cuts proposal template 2021/22

8. Service equalities impact			
Ethnicity:	LOW	Pregnancy / Maternity:	LOW
Gender:	LOW	Marriage & Civil Partnerships:	LOW
Age:	LOW	Sexual orientation:	LOW
Disability:	LOW	Gender reassignment:	LOW
Religion / Belief:	LOW	Overall:	LOW
For any High impact service equality areas please explain why and what mitigations are proposed:			
Is a full service equalities impact assessment required: Yes / No			No

9. Human Resources impact					
Will this cuts proposal have an impact on employees: Yes / No					Yes
Workforce profile:					
Posts	Headcount in post	FTE in post	Establishment posts	Vacant	
				Agency / Interim cover	Not covered
Scale 1 – 2					
Scale 3 – 5					
Sc 6 – SO2	<b>106</b>				
PO1 – PO5	<b>11</b>				
PO6 – PO8					
SMG 1 – 3					
JNC					
Total					
Gender	Female	Male			
	<b>87</b>	<b>30</b>			
Ethnicity	BME	White	Other	Not Known	
	<b>61</b>	<b>54</b>		<b>2</b>	
Disability	Yes	No			
	<b>4</b>	<b>113</b>			
Sexual orientation	Straight / Heterosex.	Gay / Lesbian	Bisexual	Not disclosed	
	<b>19</b>			<b>98</b>	

10. Legal implications
State any specific legal implications relating to this proposal:
None

## Cuts proposal template 2021/22

1. Cuts proposal	
Proposal title:	Process automation in Revenues and Benefits
Reference:	A-06
Directorate:	Corporate Resources
Director of Service:	Ralph Wilkinson
Service/Team area:	Public Services / Revenues and Benefits
Cabinet portfolio:	Finance and Resources – Cllr De Ryk
Scrutiny Ctte(s):	Public Accounts Select Committee

2. Decision Route			
Cuts proposed:	Key Decision	Public Consultation	Staff Consultation
	Yes / No	Yes / No	Yes / No
Automation £0.4m	No	No	No

3. Description of service area and proposal
<b>Description of the service area (functions and activities) being reviewed:</b>
The Revenues Service administers and collects Council Tax, Business Rates, HB overpayments, sundry debt and processes all financial transactions. The Benefits Service administers Housing Benefit, Council Tax Reduction, adult social care financial assessments and concessionary awards.
<b>Cuts proposal*</b>
There are around 70 staff working on benefit and council tax administration. Many of the activities are undertaken in specialist groups although there is much duplication of effort where staff from both services would be working on specific activities for the same claim e.g. council tax staff working on accounts, changes and exemptions / discounts while Benefit staff could be working on the same account when awarding council tax reduction. By introducing generic working, one member of staff having been fully trained will process both functions meaning less staff will be required and transaction complete in a single process and without work mobbing between the 2 different services early significant savings could be made.

4. Impact and risks of proposal
<b>Outline impact to service users, partners, other Council services and staff:</b>
This objective should improve performance and therefore there is unlikely to be any impact on service users or partners. There will be an impact on staff as the number needed for processing across both services will reduce although there remains the option to redeploy some of the resource saving elsewhere within the Services.
<b>Outline risks associated with proposal and mitigating actions to be taken:</b>
There is no evidence or examples of where this generic approach has been successfully implemented elsewhere so this transition within these particular service areas is new. There will be limited options for benchmarking or learning from elsewhere so we would need to ensure tight and careful planning and project management to maintain performance and secure the potential savings from this.

## Cuts proposal template 2021/22

5. Financial information				
Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
	7,634	(6,198)	1,436	
HRA				
DSG				
Health				
Cuts proposed*:	2020/21 £'000	2021/22 £'000	2022/23 £'000	Total £'000
Generic working for Revenues & Benefits			400	400
Total		0	400	400
% of Net Budget		%	34.8	34.8%
Does proposal impact on:	General Fund	DSG	HRA	Health
Yes / No	Y	N	N	N
If DSG, HRA, Health impact describe:				

6. Impact on Corporate priorities		
Main priority	Second priority	Corporate priorities
8		<ol style="list-style-type: none"> <li>Open Lewisham</li> <li>Tackling the Housing Crisis</li> <li>Giving Children and young people the best start in life</li> <li>Building an inclusive local economy</li> <li>Delivering and defending: health, social care &amp; support</li> <li>Making Lewisham greener</li> <li>Building safer communities</li> <li>Good governance and operational effectiveness</li> </ol>
Impact on main priority – Positive / Neutral / Negative	Impact on second priority – Positive / Neutral / Negative	
Positive		
Level of impact on main priority – High / Medium / Low	Level of impact on second priority – High / Medium / Low	
High		

7. Ward impact	
Geographical impact by ward:	No specific impact / Specific impact in one or more
	No specific impact
	If impacting one or more wards specifically – which?

8. Service equalities impact			
Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	LOW	Pregnancy / Maternity:	LOW
Gender:	LOW	Marriage & Civil Partnerships:	LOW
Age:	LOW	Sexual orientation:	LOW
Disability:	LOW	Gender reassignment:	LOW
Religion / Belief:	LOW	Overall:	LOW

## Cuts proposal template 2021/22

### 8. Service equalities impact

For any High impact service equality areas please explain why and what mitigations are proposed:

Note: This proposal will have a positive impact on equalities for residents. The generic processing of these processes will mean that contact and transactions will be completed more consistently and quickly meaning there will be less need for customers to make contact. Their council tax bills will be correct including any awards of council tax reduction and issued more quickly which will help the Council to collect more outstanding council tax and more quickly.

Is a full service equalities impact assessment required: Yes / No

**No**

### 9. Human Resources impact

Will this cuts proposal have an impact on employees: Yes / No

**YES**

Workforce profile:

Posts	Headcount in post	FTE in post	Establishment posts	Vacant	
				Agency / Interim cover	Not covered
Scale 1 – 2					
Scale 3 – 5					
Sc 6 – SO2	<b>106</b>				
PO1 – PO5	<b>11</b>				
PO6 – PO8					
SMG 1 – 3					
JNC					
Total					
Gender	Female	Male			
	<b>87</b>	<b>30</b>			
Ethnicity	BME	White	Other	Not Known	
	<b>61</b>	<b>54</b>		<b>2</b>	
Disability	Yes	No			
	<b>4</b>	<b>113</b>			
Sexual orientation	Straight / Heterosex.	Gay / Lesbian	Bisexual	Not disclosed	
	<b>19</b>			<b>98</b>	

### 10. Legal implications

State any specific legal implications relating to this proposal:

**None**

## Cuts proposal template 2021/22

### THEME B

1. Cuts proposal	
Proposal title:	<b>Changes to Children's Social Care services</b>
Reference:	B-02, C-03, E-06, F-03, F-04, F-05
Directorate:	CYP
Director of Service:	Lucie Heyes
Service/Team area:	Children's Social Care
Cabinet portfolio:	Children's Services and School Performance – Cllr Barnham
Scrutiny Ctte(s):	Children's and Young Peoples Select Committee

2. Decision Route			
Cuts proposed:	Key Decision*  Yes / No See para 16.2 of the Constitution <a href="https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution">https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution</a>	Public Consultation Yes / No and Statutory vs informal	Staff Consultation Yes / No and Statutory vs informal
1. Improve partner contributions to the placement costs for children in care	No	No	No
2. Increase in permanent staffing leading to a reduction in agency staffing costs	No	No	No
3. Claiming of increased UASC grant + reduction in accommodation costs for care leavers	Yes	No	No
4. Increase in the number of in-house foster carers and a reduction in use of independent foster carers	No	No	No
5. Reduction in SGO payments	No	No	No
6. VFM placements	No	No	No

3. Description of service area and proposal
<b>Description of the service area (functions and activities) being reviewed:</b> A range of services and functions sitting within Children's Social Care and in particular the budget for providing placements for children and young people in care or who are care leavers. This budget is currently over-spending.

### 3. Description of service area and proposal

#### Cuts proposal\*

It is firstly important to note that the budget for child placements is significantly overspending at present. All the savings listed below are in train already and are contributing to a reduction in the overspend in this financial year. The proposals will reduce the overspend, but given the scale of current spend here they are not anticipated to lead to additional cuts in the budget over the next 3 years. Managing the budget with little or no overspend however removes some future financial risks to the Council.

1. Partner contributions to children in care placements

It is estimated that this should generate a minimum of £1.2M savings over the next two years. Work is still underway to achieve this including an in-year reduction in expenditure and the level of savings may increase. Actions include ensuring that the education costs for care placements are fully attributed to the High Needs Block of the DSG. Ensuring that young people who are eligible for Housing benefit claim this and the cost of the accommodation is reduced in recognition of the contribution the benefit makes to this cost. Finally discussions are currently taking place with the CCG to develop a process for agreeing Health contributions to care placement costs where an element of the support provided is health care.

2. Staffing savings

As part of the CSC improvement programme a target of 90% permanent staffing has been set (20/21). In recent months there have been successful recruitment rounds and this target is felt to be achievable. An increase in permanent staff and therefore a reduction in agency social care staff is anticipated to lead to a saving of £430k.

3. Care leaver accommodation costs & UASC grants

A total saving of £300k for 2021/22 is anticipated based on ensuring that the UASC grant for care leaver costs is fully claimed for. In addition work has already started with Housing to develop accommodation pathways for both young people under the age of 18 who become homeless (Children's Services have a statutory requirement to accommodate young people in this situation) and also care leavers. It is difficult to quantify this saving at present but a figure assuming a 5% reduction in costs is currently assumed. Work is underway at present to develop improved housing pathways that should also be cheaper than the current arrangements. Once this work is completed the savings figure should increase, in particular for Year 2 after any investments in new accommodation and support have been made.

4. Increase in in-house foster care

The Council is dependent on a high number of foster carers who are employed by independent foster agencies. Such placements are significantly more expensive than in-house placements. There have been attempts previously to increase the number of in-house carers, but with equal numbers of foster carers being lost, we have not achieved a net gain. A more fundamental review of our current service offer will be taking place and work with our communications team, to upscale our advertising campaigns to recruit new carers is required. In year one this will require some investment that will off-set any savings achieved. An estimate of £250k savings in both Year 2 and Year 3 are currently assumed.

5. Reduction in SGO payments

## Cuts proposal template 2021/22

### 3. Description of service area and proposal

Financial support for carers who look after a child through a Special Guardianship Order is currently being reviewed with an estimate of a saving of £60k.

#### 6. Improvement in the value for money of commissioned placement costs

In the current financial year a range of actions are already under way to reduce the average unit cost for all children in care external placements (Independent Fostering and Residential placements). The placement service and processes are subject to a review, to create efficiencies. Over and above the reduction in costs this year a further reduction of £250k is assumed for next year. This figure should increase further once the full impact of current changes have been felt.

#### Mitigating Actions for 21/22

Actions currently underway have generated a significant reduction in expenditure. The actions listed above should continue with this direction of travel.

### 4. Impact and risks of proposal

#### Outline impact to service users, partners, other Council services and staff:

The actions listed above should not have a negative impact on the quality of care and in many cases should lead to an improvement in the service offer. These proposals do not involve denial or downgrading of services to protect children and young people: quite apart from the Council's strong commitment to the safety and wellbeing of our most vulnerable children, the services concerned are governed by strict statutory requirements.

#### Outline risks associated with proposal and mitigating actions to be taken:

Some of the actions taken previously to manage demand, for example for high-cost placements, have not delivered the savings anticipated. The current proposals are being closely monitored by both the Executive Director for Children and Young People and the Executive Director for Finances and Resources, together with the two Cabinet Members. All of these savings have been achieved in other Local Authorities.

### 5. Financial information

Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
	56,103	-3,834	52,269	
HRA				
DSG				
Health				
Cuts proposed*:	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
Partner Contributions	600	600		1200
Staffing savings	215	215		430
Care leaver accommodation costs	200	100		300
Increase in in house foster carers		250	250	500

## Cuts proposal template 2021/22

5. Financial information				
Special Guardianship	60			60
Value for money placements	250	250		500
Total	1325	1415	250	2990
% of Net Budget	2.9%	2.9%	%	%
Does proposal impact on: Yes / No	General Fund	DSG	HRA	Health
	Yes	Yes	No	yes
If DSG, HRA, Health impact describe:		Re-alignment of some costs to the DSG HNB		Some recharge to the CCG for health related costs

6. Impact on Corporate priorities: list in order of DECREASING impact	
1.	<b>Corporate priorities</b> 1. Open Lewisham 2. Tackling the Housing Crisis 3. Giving Children and young people the best start in life 4. Building an inclusive local economy 5. Delivering and defending: health, social care & support 6. Making Lewisham greener 7. Building safer communities  8. Good governance and operational effectiveness
2.	
3. Giving Children and Young People the best start in life	
4.	
5.	
6.	
7.	
8. Good governance and operational effectiveness	

7. Ward impact	
Geographical impact by ward:	No specific impact / Specific impact in one or more
	Borough wide
	If impacting one or more wards specifically – which?

8. Service equalities impact			
Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	low	Pregnancy / Maternity:	low
Gender:	low	Marriage & Civil Partnerships:	N/A
Age:	N/A	Sexual orientation:	N/A
Disability:	low	Gender reassignment:	N/A
Religion / Belief:	N/A	Overall:	low
For any High impact service equality areas please explain why and what mitigations are proposed:			

## Cuts proposal template 2021/22

### 8. Service equalities impact

The proposals listed here relate to the management of placements, the overall costs and the contribution of partners to the costs. It is not intended that there is a reduction in quality to the placements. The placements all relate to children and young people and in a small number of cases mother and baby placements.

Is a full service equalities impact assessment required: Yes / No No

### 9. Human Resources impact

Will this cuts proposal have an impact on employees: Yes / No No

Workforce profile:

Posts	Headcount in post	FTE in post	Establishment posts	Vacant	
				Agency / Interim cover	Not covered
Scale 1 – 2					
Scale 3 – 5					
Sc 6 – SO2					
PO1 – PO5					
PO6 – PO8					
SMG 1 – 3					
JNC					
Total					
Gender	Female	Male			
Ethnicity	BME	White	Other	Not Known	
Disability	Yes	No			
Sexual orientation	Straight / Heterosex.	Gay / Lesbian	Bisexual	Not disclosed	

### 10. Legal implications

State any specific legal implications relating to this proposal:

None

## Cuts proposal template 2021/22

1. Cuts proposal	
Proposal title:	Main Grants Programme
Reference:	B-06
Directorate:	Communities, Partnerships and Leisure
Director of Service:	James Lee
Service/Team area:	Community Development
Cabinet portfolio:	Community Sector – Cllr Slater
Scrutiny Ctte(s):	Safer and Stronger Communities Select Committee

2. Decision Route			
Cuts proposed:	Key Decision*  Yes / No See para 16.2 of the Constitution <a href="https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution">https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution</a>	Public Consultation Yes / No and Statutory vs informal	Staff Consultation Yes / No and Statutory vs informal
£800,000	Yes	Not statutory, but Consultation with Vol/Community Sector required under the terms of the Compact	No

3. Description of service area and proposal
<p><b>Description of the service area (functions and activities) being reviewed:</b></p> <p>The main grants programme has a budget of £2,636,308 p.a. till March 2022, with additional funding from the Better Care Fund of £428,000 to fund social prescribing activity. The last grant programme began in August 2019 and is due to end in March 2022.</p> <p>42 voluntary and community organisations are funded through the main grants programme under the following themes:</p> <ol style="list-style-type: none"> <li>1. Strong and Cohesive Communities</li> <li>2. Communities that Care</li> <li>3. Access to Advice Services and</li> <li>4. Widening Access to Arts and Sports</li> </ol> <p>Funding ranges from grants of £1,000 to a large partnership grant of c£866,000 for advice services.</p> <p>As a response to the pandemic, key grant funded voluntary sector partners were asked to develop a community response hub. The hub has successfully supported residents during the pandemic through a single point of contact, working in partnership and flexing services as needed as demand grew. As lockdown ended, the hub has transitioned to a new service model, learning from the good practice developed by the hub. Community Connections Lewisham now provides the single point of contact for residents to access a wide range of community and voluntary sector services, working in partnership with 25 organisations in the initial phase.</p>

## Cuts proposal template 2021/22

### 3. Description of service area and proposal

In line with these developments, we propose to review the main grants programme to respond to the needs of Lewisham residents, and develop a strategic voluntary sector offer that enables resource to follow demand.

The approach to arts and sports funding will be influenced by Lewisham's London Borough of Culture Programme for 2022 and the forthcoming Physical Activity Strategy respectively.

#### Cuts proposal\*

The final structure of the main grants programme after the budget cut would be finalised following a public consultation, as committed to under the Compact.

However, it is anticipated that the priorities to be consulted on would include a single front door for residents, working with statutory services and building on the learning through COVID-19 and the success of the Community Response Hub.

This front door would work close with the social prescribing services delivered through primary care networks in order to reduce duplication/increase efficiencies in order to generate an element of the saving.

Further areas of direct delivery would be maintained as a grants with key areas of focus tied into the single front door. The key areas of focus will be identified through the demand mapping of the front door either via phone calls, web enquiries or direct service use. This is to ensure that all funding is targeted at areas of need rather than funding services due to historic patterns of provision e.g. an increase in digital support services is likely to be required in coming years.

It is proposed that work on equalities will continue and some resource is made available to match-fund a collaborative fundraising initiatives with voluntary sector partners. This will maximise capacity for leveraging funding in to the sector from external sources.

This proposal will result in a saving of £800,000 p.a. from April 2022.

### 4. Impact and risks of proposal

#### Outline impact to service users, partners, other Council services and staff:

Any reduction in funding to the voluntary sector represents a risk as, without effective mitigation, the level of service to vulnerable groups will be reduced. The service providers via the voluntary sector underpin a range of preventative activity and reduction in this service may increase demand on statutory services.

It is likely that the intended service model may mean that very localised and smaller organisations find it hard to bid for Lewisham Council grants, unless they are able to respond to the specific service areas outlined in the programme, i.e. the grants programme will be less general and more focused on identified need than the previous programme.

#### Outline risks associated with proposal and mitigating actions to be taken:

## Cuts proposal template 2021/22

### 4. Impact and risks of proposal

Proposals to develop a single, prevention-focused front door is being explored with ASC and health partners in the next three months. A sustainable service build on the experiences of the COVID Community Response Hub is being developed with voluntary sector partners working together, that can eventually align more closely with the proposed grants programme from 2022. It is intended that this coordinated effort can realise efficiencies that mitigate the impact of the cut.

A pilot for a collaborative funding model will also be trialled during the year to increase income into the sector from external sources. The collaborative fundraising pilot will trial identifying sectors with less capacity and support them to draw in funding from other sources

Additionally, we plan to bring funders together in a London Funders-type model for Lewisham, to explore the opportunity of pooling resources with other funders to increase the funding available to our voluntary and community sector. Through this approach will work with other funders to both increase the funding pot for local organisations but also to ensure that our grants programmes complement each other and cover all parts of the sector

5. Financial information				
Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
	2,949		2,636	
HRA				
DSG				
Health		313 (BCF)		
Cuts proposed*:	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
<b>Main Grants Programme</b>	0	800		800
<b>Total</b>	0	800		800
<b>% of Net Budget</b>	%	30%	%	30%
Does proposal impact on:	General Fund	DSG	HRA	Health
Yes / No	Yes	No	No	No
If DSG, HRA, Health impact describe:				

### 6. Impact on Corporate priorities: list in order of DECREASING impact

1. Delivering and defending: health, social care and support	<b>Corporate priorities</b> 1. Open Lewisham 2. Tackling the Housing Crisis 3. Giving Children and young people the best start in life 4. Building an inclusive local economy 5. Delivering and defending: health, social care & support
2. Giving Children and young people the best start in life	
3. Building Safer Communities	
4. Open Lewisham	
5. Building an inclusive local economy	

## Cuts proposal template 2021/22

6. Impact on Corporate priorities: list in order of DECREASING impact	
6.	6. Making Lewisham greener
7.	7. Building safer communities
8.	8. Good governance and operational effectiveness

7. Ward impact	
Geographical impact by ward:	No specific impact / Specific impact in one or more
	If impacting one or more wards specifically – which?
	Specific impact in some wards where local activity is currently funded, particularly wards with higher levels of deprivation.

8. Service equalities impact			
Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	L	Pregnancy / Maternity:	L
Gender:	L	Marriage & Civil Partnerships:	L
Age:	L	Sexual orientation:	L
Disability:	L	Gender reassignment:	L
Religion / Belief:	L	Overall:	L
For any High impact service equality areas please explain why and what mitigations are proposed:			
It is difficult to fully assess the impact of the cut on particular groups ahead of the consultation and design of the programme, and ultimately the grants application round, but it is anticipated that due to the mitigation set out above the overall, and specific, impact will be kept low.			
Is a full service equalities impact assessment required: Yes / No			Yes – the letting of the main grants programme includes a full EIA

9. Human Resources impact					
Will this cuts proposal have an impact on employees: Yes / No					No
Workforce profile:					
Posts	Headcount in post	FTE in post	Establishment posts	Vacant	
				Agency / Interim cover	Not covered
Scale 1 – 2					
Scale 3 – 5					
Sc 6 – SO2					
PO1 – PO5					
PO6 – PO8					
SMG 1 – 3					
JNC					

## Cuts proposal template 2021/22

<b>9. Human Resources impact</b>					
Total					
Gender	Female	Male			
Ethnicity	BME	White	Other	Not Known	
Disability	Yes	No			
Sexual orientation	Straight / Heterosex.	Gay / Lesbian	Bisexual	Not disclosed	

<b>10. Legal implications</b>
State any specific legal implications relating to this proposal:

## Cuts proposal template 2021/22

1. Cuts proposal	
Proposal title:	Assemblies
Reference:	B-10
Directorate:	Communities, Partnerships and Leisure
Director of Service:	James Lee
Service/Team area:	Community Development
Cabinet portfolio:	Community Sector – Cllr Slater
Scrutiny Ctte(s):	Safer Stronger Communities Select Committee

2. Decision Route			
Cuts proposed:	Key Decision*  Yes / No See para 16.2 of the Constitution <a href="https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution">https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution</a>	Public Consultation Yes / No and Statutory vs informal	Staff Consultation Yes / No and Statutory vs informal
2x posts for Assembly management, coordination and support (1xPO6 and 1x PO3) £118,574	Yes	Yes	Yes
Assembly meetings £59,700	Yes	Yes	No
Councillors Discretionary Funds £45,700	Yes	Yes	No

3. Description of service area and proposal
<b>Description of the service area (functions and activities) being reviewed:</b>
Assemblies are part of Lewisham’s Council’s constitution and are currently the agreed key mechanism for consultation and engagement with communities. 4x meetings per ward are held every year and residents and community organisations are invited to attend. The meetings are coordinated and supported by the Community Development Team. A coordinating group is convened for each ward made up of the three ward councillors and representatives from the community. A ward newsletter (delivered to each resident) publicises the Assemblies.
The Councillor’s discretionary fund is approximately £2,500 per ward.
<b>Cuts proposal*</b>
The Assembly programme is currently being reviewed in light of The Democracy Review, and the Seldom Heard Voices report, with a view to exploring different approaches to engaging with communities, consulting with them and ensuring better representation.
It is anticipated that as a result of this review, engagement and consultation with communities at ward level can be undertaken in a more efficient and innovative way

### 3. Description of service area and proposal

by officers directly working with communities, engaging Councillors and community organisations as needed.

This work will become a core part of the Community Development Team's work. Therefore it is proposed that the management, coordination and support of assembly meetings will no longer be needed. However, moving forward the alternative and innovative ways recommended by the review of consulting with, engaging and co-producing with communities will need to be resourced.

It is difficult to give an accurate picture of the overall budget available for Assemblies based on the fact that the service is integrated into a wider grants and community development service – the overall salary budget of the team is £554,000. NB This budget is currently supplemented by £110,000 per annum of NCIL administration funds.

The proposal to deliver consultation and community engagement differently will enable a saving of 1xFTE salary at ward officer level and 1xFTE manager, equating to £118,574. The remaining staff resource will be deployed to work on a new model of engagement with communities as identified by the review.

Additional savings will include the fund for assembly meetings (venue, publicity, etc.) of £59,700. It is proposed that the Councillor's Discretionary Fund of £45,000 is also put forward as a saving.

It is proposed that the Councillor's Discretionary Fund is ended from April 2021 but the existing staffing structure would be required for a further year to complete the allocation process for the Neighbourhood Community Infrastructure Levy (NCIL).

The review of assemblies is currently being undertaken by Officers and will involve developing up to date ward profiles, looking at representation at the Assemblies, and feedback received from consultations in the last two years. As Assemblies are part of The Council's constitution, a proposal setting out a number of options on the future of Assemblies will be taken to Mayor and Cabinet in January 2021. Following a decision by Mayor and Cabinet, a process of consultation will begin with Councillors, ward coordinating groups and residents on the way forward and will be undertaken over a period of 9 months to ensure all stakeholders are aware of the change and can participate in how the Assembly function is delivered going forward.

If the option to cease Assemblies as they are currently delivered is agreed, this will be in place by April 2022.

### 4. Impact and risks of proposal

#### Outline impact to service users, partners, other Council services and staff:

The Assembly meetings will not take place in the way that they have traditionally been held, and regular meetings of this kind at ward level may not continue.

Councillors will not have a discretionary fund over which they have direct control to support activities at ward level.

One F/T manager and 1 FTE officer post will be made redundant

## Cuts proposal template 2021/22

### 4. Impact and risks of proposal

#### Outline risks associated with proposal and mitigating actions to be taken:

The Assemblies, while recognised as sometimes unrepresentative of the demographics of the ward, offer a structured process for consultation at ward level. The lack of such a structured process may create a gap in terms of agreeing needs and use of funds at ward level between the Council and residents. Councillors play a significant role in the coordination and running of Assemblies, enabling a clear mechanism for engagement with communities.

The lack of this larger-scale mechanism for engagement may mean that Councillors are not able to have engagement with their residents at such large or ward-level scale, i.e. they may need to have duplicate discussions with a range of communities/residents.

A regular assembly/meetings function ensures continuation of discussion with residents and allows for progression of a range of issues that may be difficult to resolve in one-off meetings or events.

#### Mitigation

The review of assemblies recognises the benefit that Assemblies bring and is looking to develop a model that retains the benefits of the assemblies function while improving the areas that need strengthening. This includes:

- More robust and ongoing online engagement
- the use of social media and WhatsApp groups to engage with people
- Engagement with community leaders who play a large part in their communities but are not affiliated to a formal group
- More innovative ways of gathering data, intelligence and feedback directly from a range of communities who would not otherwise engage with Assemblies

Additionally, we will be undertaking consultation with Councillors, community groups and residents as part of this process.

5. Financial information				
Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
	659	0	659	
HRA				
DSG				
Health				
Cuts proposed*:	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
NB – it is difficult to give an accurate picture of the overall budget available for Assemblies based on the fact that the service is integrated into a wider grants and community development service – the above is the total staffing budget for the entire service plus the Assembly coordination fund and the Cllrs discretionary fund.				
Salaries	0	119		119
Assembly meetings	0	59		59

## Cuts proposal template 2021/22

5. Financial information				
Councillors Discretionary Funds	45	0		45
<b>Total</b>	45	178		223
<b>% of Net Budget</b>	7%	27%	%	34%
<b>Does proposal impact on:</b>	<b>General Fund</b>	<b>DSG</b>	<b>HRA</b>	<b>Health</b>
<b>Yes / No</b>	Yes	No	No	No
<b>If DSG, HRA, Health impact describe:</b>				

6. Impact on Corporate priorities: list in order of DECREASING impact	
1. Open Lewisham	<b>Corporate priorities</b> 1. Open Lewisham 2. Tackling the Housing Crisis 3. Giving Children and young people the best start in life 4. Building an inclusive local economy 5. Delivering and defending: health, social care & support 6. Making Lewisham greener 7. Building safer communities 8. Good governance and operational effectiveness
2. Building Safer Communities	
3. Delivering and defending: health, social care and support	
4. Good governance and operational effectiveness	
5.	
6.	
7.	
8.	

7. Ward impact	
Geographical impact by ward:	No specific impact / Specific impact in one or more
	Significant impact in all wards
	If impacting one or more wards specifically – which?

8. Service equalities impact			
Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	L	Pregnancy / Maternity:	L
Gender:	L	Marriage & Civil Partnerships:	L
Age:	L	Sexual orientation:	L
Disability:	L	Gender reassignment:	L
Religion / Belief:	L	Overall:	L
For any High impact service equality areas please explain why and what mitigations are proposed:			
Reviewing Assemblies and identifying a different mechanism for engagement with communities is likely to have a positive impact on equalities as under-representation of some groups is a key aspect driving the review. However, ensuring an improved mechanism for engagement is critical to mitigating an impact on equalities.			
Is a full service equalities impact assessment required: Yes / No			Yes

## Cuts proposal template 2021/22

<b>9. Human Resources impact</b>					
Will this cuts proposal have an impact on employees: Yes / No					Yes
Workforce profile:					
Posts	Headcount in post	FTE in post	Establishment posts	Vacant	
				Agency / Interim cover	Not covered
Scale 1 – 2					
Scale 3 – 5					
Sc 6 – SO2					
PO1 – PO5		1	1		
PO6 – PO8		1	1		
SMG 1 – 3					
JNC					
Total		2	2		
Gender	Female	Male			
Ethnicity	BME	White	Other	Not Known	
Disability	Yes	No			
Sexual orientation	Straight / Heterosex.	Gay / Lesbian	Bisexual	Not disclosed	

<b>10. Legal implications</b>
State any specific legal implications relating to this proposal:
The Assembly Programme is part of the Council's Constitution so this proposal, if accepted, would require that document to be amended.

## Cuts proposal template 2021/22

### THEME C

1. Cuts proposal	
Proposal title:	Day Service and Supported Learning integration
Reference:	C-02
Directorate:	Community Services
Director of Service:	Joan Hutton
Service/Team area:	Adult Social Care
Cabinet portfolio:	Health and Adult Social Care - Cllr Best
Scrutiny Ctte(s):	Healthier Communities Select Committee and Children and Young Peoples Select Committee

2. Decision Route			
Cuts proposed:	Key Decision*	Public Consultation Yes / No and Statutory vs informal	Staff Consultation Yes / No and Statutory vs informal
	<p>Yes / No</p> <p>See para 16.2 of the Constitution</p> <p><a href="https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution">https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution</a></p>		
Integration of Day Services and Supported Learning	Yes if leads to building closure?	Yes	Yes informal only

3. Description of service area and proposal
<b>Description of the service area (functions and activities) being reviewed:</b>
The Council delivers a wide range of adult learning courses through Adult Learning Lewisham. This includes a significant number of supported learners. The Council also commissions and directly provides day service places.
<b>Cuts proposal*</b>
Move to an integrated model with services for adults with learning disabilities that would incorporate learning opportunities, promote independence, offer pathways to supported employment and provide a respite for carers.

4. Impact and risks of proposal
<b>Outline impact to service users, partners, other Council services and staff:</b>
The new provision would need to be designed in collaboration with service users and their carers to ensure that it meets their ongoing needs and aspirations. We believe this will offer better outcomes than some of the traditional day services and help move some people towards employment and volunteering as well as other elements of independent living. Closer working between the service areas should provide positive opportunities however, it is recognised that this group of service users may not respond well to change.
This should also be seen alongside the NCIL priority of supporting employment opportunities for people with disabilities.
<b>Outline risks associated with proposal and mitigating actions to be taken:</b>
Service users can choose how to spend their personal budgets so any new provision would need to carefully match their needs and aspirations.

## Cuts proposal template 2021/22

### 4. Impact and risks of proposal

Supported learning would need to continue to meet the requirements of the Adult Skills Budget funding from the GLA.

### 5. Financial information

Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
	4,148	4,077	71	
HRA				
DSG				
Health				
Cuts proposed*:	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
<b>Integration of Day services and supported learning</b>	50k	100k		150k
<b>Total</b>	50k	100k		150k
<b>% of Net Budget</b>	%	%	%	%
<b>Does proposal impact on:</b>	<b>General Fund</b>	<b>DSG</b>	<b>HRA</b>	<b>Health</b>
<b>Yes / No</b>	yes			
<b>If DSG, HRA, Health impact describe:</b>				

### 6. Impact on Corporate priorities: list in order of DECREASING impact

1. Delivering and defending health, social care & support	Corporate priorities 1. Open Lewisham 2. Tackling the Housing Crisis 3. Giving Children and young people the best start in life 4. Building an inclusive local economy 5. Delivering and defending: health, social care & support 6. Making Lewisham greener 7. Building safer communities 8. Good governance and operational effectiveness
2. Building and inclusive local economy	
3. Good governance and operational effectiveness	
4.	
5.	
6.	
7.	
8.	

### 7. Ward impact

Geographical impact by ward:	No specific impact / Specific impact in one or more Borough wide
	If impacting one or more wards specifically – which? Residents from across the borough

### 8. Service equalities impact

Expected impact on service equalities for users – High / Medium / Low or N/A

**Cuts proposal template 2021/22**

<b>8. Service equalities impact</b>			
Ethnicity:		Pregnancy / Maternity:	
Gender:		Marriage & Civil Partnerships:	
Age:		Sexual orientation:	
Disability:	High	Gender reassignment:	
Religion / Belief:		Overall:	
For any High impact service equality areas please explain why and what mitigations are proposed:			
Is a full service equalities impact assessment required: Yes / No			Yes

<b>9. Human Resources impact</b>					
Will this cuts proposal have an impact on employees: Yes / No					tbc
Workforce profile:					
Posts	Headcount in post	FTE in post	Establishment posts	Vacant	
				Agency / Interim cover	Not covered
Scale 1 – 2					
Scale 3 – 5					
Sc 6 – SO2					
PO1 – PO5					
PO6 – PO8					
SMG 1 – 3					
JNC					
Total					
Gender	Female	Male			
Ethnicity	BME	White	Other	Not Known	
Disability	Yes	No			
Sexual orientation	Straight / Heterosex.	Gay / Lesbian	Bisexual	Not disclosed	

<b>10. Legal implications</b>
State any specific legal implications relating to this proposal:

## Cuts proposal template 2021/22

1. Cuts proposal	
Proposal title:	Review of Short Breaks delivery
Reference:	C-07
Directorate:	CYP
Director of Service:	Angela Scattergood
Service/Team area:	SEND- Short Breaks
Cabinet portfolio:	Children's Services and School Performance - Cllr Barnham
Scrutiny Ctte(s):	Children and Young People Select Committee

2. Decision Route			
Cuts proposed:	Key Decision*	Public Consultation Yes / No and Statutory vs informal	Staff Consultation Yes / No and Statutory vs informal
	<p>Yes / No</p> <p>See para 16.2 of the Constitution</p> <p><a href="https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution">https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution</a></p>		
Short Breaks	No	No	No

3. Description of service area and proposal
<p><b>Description of the service area (functions and activities) being reviewed:</b></p> <p>The term 'short breaks' is used to describe services delivered to give respite activities and support for disabled children and young people receive and/or time off to their family and carers. These breaks come in different forms. Some families' access short breaks at centres and through commissioned service providers, others are part of schemes involving placements with families. Some receive direct payments to buy their own support.</p> <p>The Council funds a range of short break support through a range of contracts with providers, including local special schools. Many of these arrangements have been in place for a number of years and a review is needed to ensure that those children with the greatest level of need are able to access appropriate short break and for their families respite support and also that the contracts deliver value for money. A review of the contracts will take place. In addition the balance of direct Council spend on short break provision will also be considered in relation to the spend directed to families through Direct Payments. Many families prefer to receive a direct payment so that they can choose the most appropriate provision for their children rather than this being determined by the Council. Nationally there has been a move towards increasing the level of personal budgets/direct payments for families, but any changes here will need to be discussed with families locally. Currently the Council spends in excess of £2M on short breaks so the savings identified are modest and should not have a negative impact on families.</p> <p>Finally the directorate will review the internal mechanisms it uses to determine the level of need that a family has. At present a significant amount of this is done by qualified social workers, but it is hoped that more of the process can be managed by</p>

## Cuts proposal template 2021/22

### 3. Description of service area and proposal

other staff so that social work time is freed up to provide more direct support for families and children.

#### Cuts proposal\*

- Review of targeted and specialist criteria and offer for short breaks.
- Unit costing exercise to assess VFM and impact of services.
- Review of contacts and commissioned services within the offer
- Consider distribution of assessment and monitoring roles across CWCN social work teams- identify activity which could be moved from social workers to family support workers

#### Mitigating Actions for 21/22

Cost reduction measures will be prioritised

### 4. Impact and risks of proposal

#### Outline impact to service users, partners, other Council services and staff:

Cost reduction measures with least impact on direct service delivery will be prioritised

#### Outline risks associated with proposal and mitigating actions to be taken:

### 5. Financial information

Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
	£2M			
HRA				
DSG				
Health				
Cuts proposed*:	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
	65	50	50	165
<b>Total</b>	65	50	50	165
<b>% of Net Budget</b>	2.5%	2.5%	2.5%	7%
Does proposal impact on:	General Fund	DSG	HRA	Health
Yes / No	Yes			
If DSG, HRA, Health impact describe:				

### 6. Impact on Corporate priorities: list in order of DECREASING impact

1. Giving Children and young people the best start in life

2. Building an inclusive local economy

Corporate priorities

1. Open Lewisham

2. Tackling the Housing Crisis

## Cuts proposal template 2021/22

6. Impact on Corporate priorities: list in order of DECREASING impact	
3. Delivering and defending: health, social care & support	3. Giving Children and young people the best start in life
4. Good governance and operational effectiveness	4. Building an inclusive local economy
5.	5. Delivering and defending: health, social care & support
6.	6. Making Lewisham greener
7.	7. Building safer communities
8.	8. Good governance and operational effectiveness

7. Ward impact	
Geographical impact by ward:	No specific impact / Specific impact in one or more
	All
	If impacting one or more wards specifically – which?

8. Service equalities impact			
Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	N/A	Pregnancy / Maternity:	N/A
Gender:	N/A	Marriage & Civil Partnerships:	N/A
Age:	N/A	Sexual orientation:	N/A
Disability:	CYP with complex needs	Gender reassignment:	N/A
Religion / Belief:	N/A	Overall:	Low
For any High impact service equality areas please explain why and what mitigations are proposed:			
To be addressed as part of review.			
Is a full service equalities impact assessment required: Yes / No			Yes

9. Human Resources impact					
Will this cuts proposal have an impact on employees: Yes / No					None
Workforce profile:					
Posts	Headcount in post	FTE in post	Establishment posts	Vacant	
				Agency / Interim cover	Not covered
Scale 1 – 2					
Scale 3 – 5					
Sc 6 – SO2					
PO1 – PO5					
PO6 – PO8					
SMG 1 – 3					
JNC					
Total					

## Cuts proposal template 2021/22

<b>9. Human Resources impact</b>					
Gender	Female	Male			
Ethnicity	BME	White	Other	Not Known	
Disability	Yes	No			
Sexual orientation	Straight / Heterosex.	Gay / Lesbian	Bisexual	Not disclosed	

<b>10. Legal implications</b>
State any specific legal implications relating to this proposal:
None at present

## Cuts proposal template 2021/22

1. Cuts proposal	
Proposal title:	Mobile Telephony
Reference:	C-08
Directorate:	Corporate Resources
Director of Service:	Kathy Freeman
Service/Team area:	IT
Cabinet portfolio:	Democracy, Refugees and Accountability - Cllr Bonavia
Scrutiny Ctte(s):	Public Accounts Select Committee

2. Decision Route			
Cuts proposed:	Key Decision*  Yes / No See para 16.2 of the Constitution <a href="https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution">https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution</a>	Public Consultation Yes / No and Statutory vs informal	Staff Consultation Yes / No and Statutory vs informal
Reduce number of SIM Cards in the estate	N	N	N
Reduce number of mobile devices and switch to Android	N	N	N
Move to Intune mobile device management	N	N	N

3. Description of service area and proposal
<p><b>Description of the service area (functions and activities) being reviewed:</b></p> <p>The council currently has 1628 mobile phones and 1032 iPads in circulation. These are managed through the shared ICT service and the data charges are pooled across the 3 shared service partners of which Lewisham pays 25%. Calls are outside this apportionment and charged directly to Lewisham.</p> <p>The original 20/21 budget allowed for £163k of charges associated with mobile telephony costs, based on last year's usage.</p> <p>Around half of the council's mobile phone fleet has reached its end of life and no longer receives security updates.</p> <p>The council has elected to use I-phones which carry a market premium over android phones. As well as pure cost implications, Android is increasingly becoming the platform of choice for corporate applications.</p> <p>The council uses Mobile Iron security software which carries a subscription cost, however the council also has access to Microsoft Intune through our standard licensing agreements which provides similar functionality with no additional cost.</p>

### 3. Description of service area and proposal

#### Cuts proposal\*

Rather than replacing these, as part of our in year 2021 savings it was agreed that these could be retired and the remaining phones be retrieved and redistributed to those whose jobs have a specific need for them to make calls whilst on the move, and/or to receive life and limb calls.

Where phones do need to be replaced this will be a direct charge to the service. There is currently no budget provision for the replacement of mobile phones.

All fully managed laptops come with the capability to make calls via 8\*8, and therefore it is proposed this becomes the main method of telephony for those working outside the office.

Furthermore it is proposed to retire the council's fleet of iPads once the roll-out of laptops is completed and reduce the allocation of SIM cards within the estate to one per person. The expectation is where an individual is issued with both a mobile phone and a laptop, that they use the hotspot facility on their phone if they need to connect their laptop via 4g.

#### **IT and Digital Services:**

It is proposed to lock in the 20/21 in-year saving of £50k into 21/22. This was already an ambitious target as it represents around a third of the council's mobile spend.

Going forward an additional saving will be possible through a migration from Mobile Iron to Intune, but this will require some investment and it would not be expected to yield benefit before 2023/24.

#### **Cross Council:**

The provision of laptops equipped with a telephony function should significantly reduce the need for services to require mobile phones. We should be looking to reduce the overall numbers in the fleet in by at least 25% which equates to around 400 handsets

Based on a cost of £200 per handset his results in a cost avoidance of £80k.

Migrating to android should yield a saving of at least £25 per handset over the remaining handsets which equates to a total cost avoidance of £30k over the fleet lifecycle. Assuming a 3 year life expectancy, this yields an additional cost avoidance of £10k per annum, although the first year saving is likely to be negated by set up costs

Note – because of the lack of existing budget this is not true savings but rather cost avoidance.

### 4. Impact and risks of proposal

#### Outline impact to service users, partners, other Council services and staff:

## Cuts proposal template 2021/22

### 4. Impact and risks of proposal

The main impact will be a change to the way that a large number of council staff communicate, as they use their laptop soft phones more, and get used to using mobile hotspots.

#### Outline risks associated with proposal and mitigating actions to be taken:

There is a degree of risk around the SIM card reduction cost due to the way the data charges are pooled and apportioned. It is expected that due to organisational growth over the last few years, Lewisham's share of the apportionment will rise, and this could completely negate the saving.

The reduction in devices and sim cards may initially be seen by users as an inconvenience to the way they work. Careful messaging as to how alternatives can provide the support required and senior corporate buy-in are essential (the 20/21 in year saving has been taken to EMT)

The redistribution will potentially be labour intensive – it may be necessary to fund a small project team to co-ordinate activities

5. Financial information				
Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
HRA				
DSG				
Health				
Cuts proposed*:	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
<b>SIM card reduction (ITDS)</b>	50			50
<b>Device reduction (Cross Council avoidance)</b>	30			30
<b>Android migration (Cross Council avoidance)</b>		10	10	20
<b>Intune migration (ITDS)</b>			?	
<b>Total</b>	80	10	10	100
<b>% of Net Budget</b>	%	%	%	%
Does proposal impact on:	General Fund	DSG	HRA	Health
Yes / No				
If DSG, HRA, Health impact describe:				

### 6. Impact on Corporate priorities: list in order of DECREASING impact

1. Good governance and operational effectiveness

2.

3.

Corporate priorities

1. Open Lewisham
2. Tackling the Housing Crisis
3. Giving Children and young people the best start in life

**Cuts proposal template 2021/22**

<b>6. Impact on Corporate priorities: list in order of DECREASING impact</b>	
4.	4. Building an inclusive local economy
5.	5. Delivering and defending: health, social care & support
6.	6. Making Lewisham greener
7.	7. Building safer communities
8.	8. Good governance and operational effectiveness

<b>7. Ward impact</b>	
Geographical impact by ward:	No specific impact / Specific impact in one or more
	No specific impact
	If impacting one or more wards specifically – which?

<b>8. Service equalities impact</b>			
Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	N/A	Pregnancy / Maternity:	N/A
Gender:	N/A	Marriage & Civil Partnerships:	N/A
Age:	N/A	Sexual orientation:	N/A
Disability:	Low	Gender reassignment:	N/A
Religion / Belief:	N/A	Overall:	
For any High impact service equality areas please explain why and what mitigations are proposed:			
Is a full service equalities impact assessment required: Yes / No			No

<b>9. Human Resources impact</b>					
Will this cuts proposal have an impact on employees: Yes / No					No
Workforce profile:					
Posts	Headcount in post	FTE in post	Establishment posts	Vacant	
				Agency / Interim cover	Not covered
Scale 1 – 2					
Scale 3 – 5					
Sc 6 – SO2					
PO1 – PO5					
PO6 – PO8					
SMG 1 – 3					
JNC					
Total					
Gender	Female	Male			
Ethnicity	BME	White	Other	Not Known	

## Cuts proposal template 2021/22

<b>9. Human Resources impact</b>					
Disability	Yes	No			
Sexual orientation	Straight / Heterosex.	Gay / Lesbian	Bisexual	Not disclosed	

<b>10. Legal implications</b>
State any specific legal implications relating to this proposal:

## Cuts proposal template 2021/22

1. Cuts proposal	
Proposal title:	Housing Services Review
Reference:	C-10
Directorate:	Housing, Regeneration and Public Realm
Director of Service:	Fenella Beckman
Service/Team area:	Housing Services Division
Cabinet portfolio:	Housing and Planning
Scrutiny Ctte(s):	Housing Select

2. Decision Route			
Cuts proposed:	Key Decision*	Public Consultation Yes / No and Statutory vs informal	Staff Consultation Yes / No and Statutory vs informal
	Yes / No See para 16.2 of the Constitution <a href="https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution">https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution</a>		
Housing Review	Yes	No	Yes, Statutory

3. Description of service area and proposal
<b>Description of the service area (functions and activities) being reviewed:</b>  The housing division operates with three core service group areas focussing on: <ul style="list-style-type: none"> <li>• <b>Housing needs and refugee services:</b> delivering our statutory homelessness services; front-line homelessness prevention and relief services and our work with residents who have no recourse to public funds.</li> <li>• <b>Private sector housing agency:</b> works to manage and improve the private rented sector in Lewisham through licensing and enforcement interventions, and programmes to adapt homes for vulnerable people's changing needs. The Agency also procure temporary homes for a range of customers across the Council who are in housing need</li> <li>• <b>Housing Partnerships and Service Improvement:</b> sets the framework for the way Lewisham delivers its housing services, through strategy, policy and analysis work. The group holds oversight of our housing management partnerships including Lewisham Homes (our ALMO) and RB3 (Housing PFI), as well as with registered providers. Also delivers our programme to support and house Syrian refugees.</li> </ul>
<b>Cuts proposal*</b> This proposal compliments two budget savings proposals put forward during the Phase 1 of the 20/21 savings programme. In Phase 1, currently going through the Select Committees, are proposals totalling £492k of cuts to the core budget from:- <ul style="list-style-type: none"> <li>• £120k – efficiencies in Housing Needs</li> <li>• £197k – efficiencies in Private Sector Housing Agency</li> <li>• £175k – recharged to disabled facilities grant</li> </ul>

### 3. Description of service area and proposal

As part of Phase 2 cuts, the housing division has been asked to identify an additional £600k savings for 20/21. This means that the overall reduction in General Fund budget will come to £1,092k (approx. 24.5% of the total budget for the Division).

In order to achieve this significant level of reduction in budget, this proposal is to undertake a full restructure of the Housing Needs service in order to streamline existing activity and identify areas where we can realise the additional efficiencies required. This review will include a look at our processes as well as review of staffing numbers.

#### **Mitigating Actions for 21/22**

Staff consultation is required and therefore the process is expected to continue into 2021/22. The majority of the savings is expected to come through the second half of 2021/22 with some coming through early 22/23.

All staff impacts will look to mitigation via redeployment as first route where possible.

### 4. Impact and risks of proposal

#### **Outline impact to service users, partners, other Council services and staff:**

The Housing Services Division delivers a range of statutory activities. The review will ensure that the service (and therefore the Council) continues to meet its statutory obligations.

Regrettably the additional £600k budget saving required for 20/21 will mean reduction in staff numbers and redundancies. It is not possible to confirm how many staff will be impacted as the review will need to be completed but it is possibly in the range of 10-15 FTE.

It should also be borne in mind that the Division's budgets are supplemented by grants such as the New Burdens fund and the Flexible Homeless Support Grant. These have now been confirmed as continuing for 2021/22 at £4.9m. Staffing levels, through the use of fixed term contracts, will adjust in-line with the level of grant.

In summary:-

#### ***The impact of a proposed cut on the users of a service***

- Service users may see some delays in the service they receive which we will try to mitigate in the transformation of the service to make it more efficient and effective. The introduction of the two new IT systems, Assure and the Integrated Housing System, should mean that most of our current manual processes and use of spreadsheets will cease and work flow will be automated

#### ***The impact of a proposed cut on the staff of a service.***

- There will be an impact to staff across the Division as the number of posts funded from Core/General Fund needs to be reduced in order that we can realise the £600,000 savings target

#### ***The impact of the cut on the service overall.***

- The overall impact of the cut on the service is that there will be a period of adjustments while this change programme is being implemented. There is

## Cuts proposal template 2021/22

### 4. Impact and risks of proposal

likely to be a dip in service performance whilst we undertake the changes necessary to transform our approach. Our aim is to streamline our processes using the technology that has been invested over the last two years driving out inefficiencies and delivering a much more effective service to our residents.

#### ***The cumulative impact of the cut on LBL as a whole***

- It is probably inevitable that this deduction will reduce the degree of flexibility in the service in the future and potentially our ability to respond to spikes in demand could be limited
- The cumulative impact of the cut on LBL as a whole will mean that the service has delivered its share of the budget savings required
- The service will need to work more closely with statutory and third sector partner organisations in order to meet the needs of customers who might require additional support

#### **Outline risks associated with proposal and mitigating actions to be taken:**

The risks associated with this proposal is that the savings are not realised. The mitigating actions is to start the service transformation of the whole Division during the fourth quarter of 2020/21 so that we can complete the statutory processes staff consultations and recruitment into roles early in 2021/22.

The potential impact will also be mitigated from the recent investment in new housing systems to streamline processes and ensure more resilience in the service.

5. Financial information				
Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
	33,422	28,777	4,645	
HRA				
DSG				
Health				
Cuts proposed*:	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
<b>Service Review</b>	300	300		600
<b>Total</b>	300	300		600
<b>% of Net Budget</b>	6.5%	6.5%	0%	12.9%
Does proposal impact on:	General Fund	DSG	HRA	Health
Yes / No	Yes			
If DSG, HRA, Health impact describe:				

### 6. Impact on Corporate priorities: list in order of DECREASING impact

1. Good governance and operational effectiveness	Corporate priorities 1. Open Lewisham 2. Tackling the Housing Crisis
2. Tackling the Housing Crisis	

## Cuts proposal template 2021/22

6. Impact on Corporate priorities: list in order of DECREASING impact	
3.	3. Giving Children and young people the best start in life
4.	4. Building an inclusive local economy
5.	5. Delivering and defending: health, social care & support
6.	6. Making Lewisham greener
7.	7. Building safer communities
8.	8. Good governance and operational effectiveness

7. Ward impact	
Geographical impact by ward:	No specific impact / Specific impact in one or more
	Borough wide
	If impacting one or more wards specifically – which?
	Borough wide

8. Service equalities impact			
Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	Medium - High	Pregnancy / Maternity:	Medium - High
Gender:	Medium - High	Marriage & Civil:	Medium - High
Age:	Medium - High	Sexual orientation:	Medium - High
Disability:	Medium - High	Gender reassignment:	Medium - High
Religion / Belief:	Medium - High	Overall:	Medium - High
For any High impact service equality areas please explain why and what mitigations are proposed:			
<p>The division supports the most vulnerable of our citizens in meeting their housing needs. It carries out these functions in a hugely challenging environment. The supply of new social housing in Lewisham has fallen (by more than half in six years) and as a result today we have more than 2400 homeless households in temporary accommodation. Cost pressures exist across the entire housing economy. Home ownership is out of reach for most, private renting is becoming harder to access for our lower income households, and overall demand on our register tops 10,000 households. The Covid-19 pandemic has presented new challenges and it is anticipated that demand from people in housing need over the coming 6-12 months is likely to rise.</p> <p>If this proposal is approved, a full service equalities assessment will be carried out and mitigation measures identified. Our aim is to ensure we continue to meet our statutory obligations and ensure that we are providing a first class service to our residents.</p>			
Is a full service equalities impact assessment required: Yes / No			Yes

9. Human Resources impact				
Will this cuts proposal have an impact on employees: Yes / No				Yes
Workforce profile:				
Posts		FTE		Vacant

## Cuts proposal template 2021/22

<b>9. Human Resources impact</b>					
	Headcount in post	in post	Establishm ent posts	Agency / Interim cover	Not covered
Scale 1 – 2					
Scale 3 – 5	<b>2</b>	2.0			<b>2</b>
Sc 6 – SO2	<b>62</b>	60.8		<b>5</b>	<b>62</b>
PO1 – PO5	<b>45</b>	44.8		<b>2</b>	<b>45</b>
PO6 – PO8	<b>9</b>	9.0			<b>9</b>
SMG 1 – 3	<b>1</b>	1.0		<b>1</b>	<b>1</b>
JNC	<b>1</b>	1.0			<b>1</b>
<b>Total</b>	<b>125</b>	123.6			<b>125</b>
Gender	Female	Male		10	Female
	<b>76</b>	49			<b>76</b>
Ethnicity	BME	White	Other	Not disclosed	BME
	<b>75</b>	44	<b>2</b>	<b>4</b>	<b>75</b>
Disability	Yes	No	PNTS	Not disclosed	Yes
	<b>4</b>	42	34	45	<b>4</b>
Sexual orientation	Straight / Heterosex.	Gay / Lesbian	Bisexual	PNTS	Straight / Heterosex.
	<b>86</b>	1		<b>38</b>	<b>86</b>

## 10. Legal implications

**State any specific legal implications relating to this proposal:**

At this time, if this proposal is approved a detailed proposal will be provided as part of the Change Management process and will include the full equalities assessment.

## Cuts proposal template 2021/22

1. Cuts proposal	
Proposal title:	Re-configuration of Mental Health Supported Housing pathway – Social Interest Group
Reference:	C-17
Directorate:	Community services
Director of Service:	Dee Carlin
Service/Team area:	Adult Integrated Commissioning
Cabinet portfolio:	Cllr Chris Best (Health and Adult Social Care)
Scrutiny Ctte(s):	Healthier Select

2. Decision Route			
Cuts proposed:	Key Decision*  Yes / No See para 16.2 of the Constitution <a href="https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution">https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution</a>	Public Consultation Yes / No and Statutory vs informal	Staff Consultation Yes / No and Statutory vs informal
Reconfiguration of the Supported Housing Pathway	No	No	No

3. Description of service area and proposal
<b>Description of the service area (functions and activities) being reviewed:</b>
The Social Interest Group provides a range of supported housing services for individuals with Serious Mental Illness in order to facilitate community reintegration and independent living. The services are provided through the subsidiary charities SIG Penrose and SIG Equinox in Lewisham. The contracts across both services amount to a significant level of investment. As a component of an overall re-commissioning of the Mental Health Supported Housing Pathway, we have concluded that we can apply savings based on a reduction in care costs and management overheads.
<b>Cuts proposal*</b>
The Social Interest Group has specific contracts that are aimed at supporting those individuals with higher levels of Mental Health severity including housing and supporting individuals that are subject to detention under the Mental Health Act (Penrose No Hope and Jigsaw project). Whilst demand for these services has been consistent, the level of need amongst the patient cohort has changed and in some circumstances is less severe. In addition, the management charges being applied to these services are considerable. Based on the factors above, we will reduce the contract value in-year and through the re-commissioning process for the Mental Health supported housing pathway reconfigure the services and approach to contract management to ensure greater efficiency and value for money in 22/23 through improved alignment of the contract to service users needs.

4. Impact and risks of proposal
<b>Outline impact to service users, partners, other Council services and staff:</b>

## Cuts proposal template 2021/22

### 4. Impact and risks of proposal

Reductions in the cost of care will have no direct impact as we would expect the provider to apply greater efficiencies and to ensure that service provision was aligned to service users needs.

Reductions in management costs will have no direct impact on the costs as they are not related to the direct support that service users receive.

#### Outline risks associated with proposal and mitigating actions to be taken:

This is a cut in the contract value, and a change to contract management approach to reflect the level of complexity of people they are working with. There will be no impact on people who use the service or wider residents.

5. Financial information				
Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
	16.2m	7.7m	8.5m	
HRA				
DSG				
Health				
Cuts proposed*:	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
Reduction of care costs and Management charges	100	150	0	250
Total	100	150	0	250
% of Net Budget	1%	2%	%	%
Does proposal impact on:	General Fund	DSG	HRA	Health
Yes / No				
If DSG, HRA, Health impact describe:				

### 6. Impact on Corporate priorities: list in order of DECREASING impact

1. 5	<b>Corporate priorities</b> 1. Open Lewisham 2. Tackling the Housing Crisis 3. Giving Children and young people the best start in life 4. Building an inclusive local economy 5. Delivering and defending: health, social care & support 6. Making Lewisham greener 7. Building safer communities 8. Good governance and operational effectiveness
2. 2	
3. 7	
4. 8	
5. 3	
6. 4	
7. 1	

**Cuts proposal template 2021/22**

<b>6. Impact on Corporate priorities: list in order of DECREASING impact</b>	
<b>8. 6</b>	

<b>7. Ward impact</b>	
<b>Geographical impact by ward:</b>	<b>No specific impact / Specific impact in one or more</b>
	n/a
	<b>If impacting one or more wards specifically – which?</b>

<b>8. Service equalities impact</b>			
<b>Expected impact on service equalities for users – High / Medium / Low or N/A</b>			
<b>Ethnicity:</b>	Low	<b>Pregnancy / Maternity:</b>	Low
<b>Gender:</b>	Low	<b>Marriage &amp; Civil Partnerships:</b>	Low
<b>Age:</b>	Low	<b>Sexual orientation:</b>	Low
<b>Disability:</b>	Low	<b>Gender reassignment:</b>	Low
<b>Religion / Belief:</b>	Low	<b>Overall:</b>	Low
<b>For any High impact service equality areas please explain why and what mitigations are proposed:</b>			
<b>Is a full service equalities impact assessment required: Yes / No</b>			

<b>9. Human Resources impact</b>					
<b>Will this cuts proposal have an impact on employees: Yes / No</b>					No
<b>Workforce profile:</b>					
Posts	Headcount in post	FTE in post	Establishment posts	Vacant	
				Agency / Interim cover	Not covered
Scale 1 – 2					
Scale 3 – 5					
Sc 6 – SO2					
PO1 – PO5					
PO6 – PO8					
SMG 1 – 3					
JNC					
Total					
Gender	Female	Male			
Ethnicity	BME	White	Other	Not Known	
Disability	Yes	No			
Sexual orientation	Straight / Heterosex.	Gay / Lesbian	Bisexual	Not disclosed	

## Cuts proposal template 2021/22

### 10. Legal implications

State any specific legal implications relating to this proposal:

The existing contract will need to be varied to incorporate the revised budget reductions.

## Cuts proposal template 2021/22

1. Cuts proposal	
Proposal title:	Supported Housing Services
Reference:	C-28
Directorate:	Community Safety
Director of Service:	Dee Carlin
Service/Team area:	Prevention Inclusion & Public Health Commissioning.
Cabinet portfolio:	Cllr Chris Best (Health and Adult Social Care)
Scrutiny Ctte(s):	Healthier Communities Select Committee

2. Decision Route			
Cuts proposed:	Key Decision*  Yes / No See para 16.2 of the Constitution <a href="https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution">https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution</a>	Public Consultation Yes / No and Statutory vs informal	Staff Consultation Yes / No and Statutory vs informal
Adult Placement Scheme – Mental Health	No	Yes	No
Parent & Child Service	No	Yes	No

3. Description of service area and proposal
<p><b>Description of the service area (functions and activities) being reviewed:</b></p> <p>The accommodation based support services in Lewisham are legacy 'Supporting People' services. These services are arranged in three 'pathways' for mental health, young people and vulnerable adults with different levels of support, broadly grouped from 'assessment' (24 hour), specialist (medium) to 'move-through' (visiting). Due to the Council's financial position, investment in these services has reduced from £13,901,015 in 2010 to £4,865,097 in 2019, or a 65% cut, with a commensurate reduction in commissioning staffing. Cuts to date have been made through significant staffing reductions across the board, and through service closure, particularly large reductions in lower support accommodation. As far as possible these cuts have been made working with providers to reduce costs and maximise other income to minimise service closures.</p> <p>The level of cuts to date mean that further cuts will need to be achieved through service closure as described. Service closures have significant impacts elsewhere in the system: in housing and temporary accommodation costs across the board, and specifically in mental health in residential and acute placements, in vulnerable adults in social care and hospital discharge, and in the young people's pathway for children's social care. Proposed closures have been prioritised with this in mind.</p> <p><b><u>Proposed cuts:</u></b></p> <p><b><u>Adult Placement Service – Mental Health</u></b></p>

## Cuts proposal template 2021/22

### 3. Description of service area and proposal

The Adult Placement service was commissioned to provide 12 placements using a Shared Lives model to support people with enduring mental health needs. This annual contract value is: £188,047 which includes £120,000 carers' payments.

This service has not performed as intended, and has not been able to recruit and retain 12 carers. At present the service offers 4 APS placements, and diverts carers' payments for 2 service users to the in-house Shared Lives service. The funding linked with this service affects 6 service users overall.

#### **Parent & Child Service:**

The Parent & Child service was commissioned to provide supported accommodation to young homeless parents between the ages of 16-25. The annual contract value is £93,554.

This service has carried voids across the contract where there does not seem to be any clear demand from the Housing Options Team or Children's Social Care. The small amount of support funding does not enable 24 hour staff cover, and therefore cannot be used to meet the more complex needs of young people requiring more supervision.

#### **Cuts proposal\***

This proposal sets out cuts to the following services:

- 1) Decommissioning of the Adult Placement Service – annual contract price: £188,047 (cut of £159,919).
- 2) Decommissioning of the Parent & Child Service – annual contract price: £93,554.

#### **Mitigating Actions for 21/22**

Current service users will be moved to accommodation options that best meet their needs in the absence of the closed service. 3 service users from the adult placement service will be accommodated within the Council's Shared Lives service. The remaining £28,128 will be transferred to the Council's Shared Lives service with these service users. The Council will ensure that the needs of any new service users not currently provided for will be managed through improved contract management of the remaining provider contracts.

There is no other direct mitigation for these closures, other than the commissioning and contract management team working closely with external and internal partners to prioritise access and make best use of remaining resources.

### 4. Impact and risks of proposal

#### **Outline impact to service users, partners, other Council services and staff:**

#### **Impact of decommissioning the Adult placement service:**

- **Impact to the 4 service users residing in APS placements:** Of the 4 service users residing in the APS, 3 have been assessed as suitable to move to alternative supported housing accommodation. 1 service user would require the ongoing care & support that he currently receives in the APS placement

#### 4. Impact and risks of proposal

and would therefore recommend that funding to continue this support would be transferred to the LBL Shared Lives team to enable the placement to continue.

- **Impact to the 2 service users where carers payments are diverted to LBL Shared Lives service:** It has been assessed that these 2 service users will require ongoing placement in the LBL Shared Lives service, and it is recommended that funding to continue this support is transferred to the LBL Shared Lives team to enable these placements to continue.
- **Impact to partners, other Council services and staff:** A recent joint review between LBL and SLaM of the mental health supported housing pathway (finalised in November 2020) recommended that the ASP be decommissioned as it has not been able to meet the needs of the mental health cohort where carers would often refuse service users with severe and enduring mental health needs. It is therefore anticipated decommissioning this service would have little impact on partners in the borough.

There is an ask to continue 2 placements with the LBL Shared Lives service. However, as these placements are already being managed by the Shared Lives team, officers do not anticipate any negative impact provided the carers funding remains in place.

There is an ask to transfer one placement from the APS to the Shared Lives team. However, as this carer is also used by the Shared Lives team, officers do not anticipate any negative impact, provided the carers payment can be transferred.

#### **Impact of decommissioning the Parent & Child service:**

- **Impact on service users residing in the service:** Of the 16 current tenants all are eligible for move on via the Housing Register and 8 are already bidding for move on accommodation, 1 has been put forward and is awaiting outcome of the application, and the remaining 6 will be ready for independent move on across the year. There are not foreseen cost shunts to provide alternative / more specialist provision.
- **Impact to partners, other Council services and staff:** This service has carried voids across the contract, and utilisation of the service across 2019/2020 averaged at 75% across the year. There does not seem to be a clear demand from HOC or CSC for this service, although referrals to the service from the HOC team has recently improved as has the utilisation of the service.

Referrals from CSC often requiring a higher level of support or more specialist parenting assessment which is not available in the service. Closing the service would likely see more young parents placed in TA who are likely to need support to develop parenting and independent living skills. More investment would be needed to make this service deliver for a higher need cohort.

**Both contracts have a 6 month notice period in their contract.**

#### **Outline risks associated with proposal and mitigating actions to be taken:**

##### **Adult Placement scheme:**

- Risks associated with continuity of support for existing tenants if funding to maintain / transfer to Share Lives placements is not agreed.

## Cuts proposal template 2021/22

### 4. Impact and risks of proposal

*Mitigation:* This proposal recommends transferring carers payments for 3 service users to shared lives to mitigate this risks

- Risks associated with securing suitable pathway accommodation: LBL have a large commissioned pathway and work closely with non-commissioned providers where it is likely we will identify suitable placements
- Reduction in mental health accommodation options:  
Mitigation: LBL has a large mental health pathway with a range of commissioned and non-commissioned services. This proposal will only reduce this pathway by 6 bed spaces.

#### Parent & Child Service:

- Move on from the service may take some time.  
Mitigation: service users ready for move on could be decanted into suitable TA.
- Cost shunts into TA budget:  
Mitigation: all service users are eligible for Housing Benefit which can be claimed to offset TA costs.

The Council will ensure that the needs of any new service users not currently provided for will be managed through improved contract management of the remaining provider contracts.

5. Financial information				
Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
	£6.9m	£2.0m	£4.9m	
HRA				
DSG				
Health				
Cuts proposed*:	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
APS service	£106,613	£53,306		£159,919
Parent & Child Service	£62,369	£31,185		£93,554
<b>Total</b>	168,982	84,491		253,473
<b>% of Net Budget</b>	3%	2%	%	5%
Does proposal impact on: Yes / No	General Fund	DSG	HRA	Health
	Yes	No	No	No
<b>If DSG, HRA, Health impact describe:</b>				

### 6. Impact on Corporate priorities: list in order of DECREASING impact

1.	Corporate priorities 1. Open Lewisham 2. Tackling the Housing Crisis
<b>2. Decommissioning any supported accommodation based services will impact</b>	

<b>6. Impact on Corporate priorities: list in order of DECREASING impact</b>	
on tackling the housing crisis by reducing options for vulnerable homeless groups.	3. Giving Children and young people the best start in life 4. Building an inclusive local economy 5. Delivering and defending: health, social care & support 6. Making Lewisham greener 7. Building safer communities  8. Good governance and operational effectiveness
3. Decommissioning the parent and child service will impact on giving Children & YP the best start in life removing a specialist parenting service.	
4.	
5. Supported housing services are key to defending health, social care, and support providing accommodation based solutions for vulnerable homeless cohorts and offsetting demand on primary care & social care services	
6.	
7. Supported Housing services contribute to building safer communities offering supported accommodation services to vulnerable groups who may otherwise rough sleep, be involved in criminal justice system, or require support with mental health and substance misuse issues.	
8. Supported Accommodation services are cost effective alternatives to most expensive placement options to meet the council's statutory responsibilities towards young people aged 16 +, Children Leaving Care and 117 aftercare duties for those who have been sectioned under section 3 of the MH Act.	

<b>7. Ward impact</b>	
Geographical impact by ward:	No specific impact / Specific impact in one or more
	No specific impact
	If impacting one or more wards specifically – which?

<b>8. Service equalities impact</b>			
Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	Low	Pregnancy / Maternity:	High
Gender:	High	Marriage & Civil Partnerships:	Low
Age:	Low	Sexual orientation:	Low
Disability:	Low	Gender reassignment:	Low
Religion / Belief:	Low	Overall:	Low
For any High impact service equality areas please explain why and what mitigations are proposed:			
Gender: Gender has been flagged as high in this proposal. Decommissioning the parent and child service will impact more on females than males. To date, 100% of			

## Cuts proposal template 2021/22

### 8. Service equalities impact

referrals to the service, and bed-spaces allocated have been to young women who are either pregnant or who have a young infant.

Pregnancy / Maternity: has been flagged as high as this service is the only supported housing service in the borough commissioned to work with young females who are pregnant or who have a young child.

Is a full service equalities impact assessment required: Yes / No

### 9. Human Resources impact

Will this cuts proposal have an impact on employees: Yes / No

no

Workforce profile:

Posts	Headcount in post	FTE in post	Establishment posts	Vacant	
				Agency / Interim cover	Not covered
Scale 1 – 2					
Scale 3 – 5					
Sc 6 – SO2					
PO1 – PO5					
PO6 – PO8					
SMG 1 – 3					
JNC					
Total					
Gender	Female	Male			
Ethnicity	BME	White	Other	Not Known	
Disability	Yes	No			
Sexual orientation	Straight / Heterosex.	Gay / Lesbian	Bisexual	Not disclosed	

### 10. Legal implications

State any specific legal implications relating to this proposal:

6 month notice periods apply to both contracts lists above should LBL wish to terminate.

## Cuts proposal template 2021/22

### THEME D

1. Cuts proposal	
Proposal title:	Generating greater value from Lewisham's asset base – Miscellaneous Items
Reference:	D-02, D-05, D-07, D-08
Directorate:	Housing Regeneration and Public Realm
Director of Service:	Paul Moore, Director of Regeneration and Inclusive Growth (Interim)
Service/Team area:	Property and Estates
Cabinet portfolio:	Housing and Planning - Cllr Bell
Scrutiny Ctte(s):	Public Accounts Select Committee

2. Decision Route			
Cuts proposed:	Key Decision*  Yes / No See para 16.2 of the Constitution <a href="https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution">https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution</a>	Public Consultation Yes / No and Statutory vs informal	Staff Consultation Yes / No and Statutory vs informal
Business Rates	No	No	No
Filming Income	No	No	No
Corporate Estate Meanwhile Use (Temporary Housing - TA/Guardians)	Yes	Yes	No
Corporate Estate - Mothball	No	No	No

3. Description of service area and proposal
<b>Description of the service area (functions and activities) being reviewed:</b>
<p>These proposals seek to set out a number of additional Miscellaneous Asset-based savings that have been presented or secured as part of the review of the Corporate and Service Estate over the Summer/Autumn 2020. The key proposals are:-</p> <ul style="list-style-type: none"> <li>- Corporate Estate Business Rate Revaluation</li> <li>- Income Generation</li> <li>- Meanwhile Use (TA support and reduction in use of Guardian service)</li> <li>- Savings on mothballed assets</li> </ul>
<b>Cuts proposal*</b>
<ul style="list-style-type: none"> <li>• Corporate Estate Business Rate Revaluation – this element proposes an application for a business rates reassessment of assets within the</li> </ul>

### 3. Description of service area and proposal

operational corporate estate. The Council's operational portfolio has undergone changes and reconfiguration over the years but an assessment of the business rates has not been carried to reflect the current nature of the stock. For example, Wearside Service centre was recently reassessed following a reconfiguration of the site and is likely to provide a rates savings of approximately £40k. It is therefore assumed that carrying out a similar exercise across the entire operational asset base of approximately 80 sites is likely to generate some further savings. A profile of the likely savings over the next 3 years is provided below. This is estimated at **£100k** over the period.

- Income Generation – This proposes the exploration of the potential use of a number of the Council's assets for income generation purposes through hire for example as film sets/locations – initially **£25k** pa – with review based on uptake.
- Meanwhile Use (TA support) – As part of the ongoing asset review, a number of assets have been identified for repurposing or potential redevelopment in the long term. However, in the short-term it is felt that these sites could provide vital support for the Council's housing need by providing much needed accommodation for temporary housing. The specific sites currently identified for such purpose are:
  - 14 Wildgoose Drive – New Cross
  - 10 Wisteria Road – Lewisham
  - 47 Slaithwaith Road (House on the Hill) – Lewisham

A number of other assets are currently being operated by a guardianship service as a short-term use. A high level assessment of the above units and those currently being used by guardians suggests that together they could provide approximately 25 units of temporary accommodation of one form or another at £3k per unit per year. This is likely to generate savings in the region of **£75k** per year over the next 3 years.

- Operational Estate Running Cost Savings – The ongoing asset review and overall Council transformation and service redesign is expected to lead to a wider rationalisation of the Council's operational asset base leading to a reduction in the running cost of the estate. In the short-term some of this reduction could be as a result of immediate mothballing of sites while consideration is given to longer term repurposing or redevelopment. As the review progresses, it is expected that a number of other sites could be released in a similar way generating further savings on the cost of running the operational estate. The potential saving is estimated at **£50k** over the next 3 years.

### 4. Impact and risks of proposal

#### Outline impact to service users, partners, other Council services and staff:

Should be minimal – but site dependent.

Any housing uses should only be short-term.

## Cuts proposal template 2021/22

4. Impact and risks of proposal
Outline risks associated with proposal and mitigating actions to be taken:
<p>Planning requirements for any short term change of use in particular for the sites proposed to be used for temporary accommodation.</p> <p>Short term Tenancy requirements – to ensure that, whilst they enable essential short term alternative use, they do not frustrate subsequent alternative use/re-purposing of the site.</p>

5. Financial information				
Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
HRA				
DSG				
Health				
Cuts proposed*:	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
Business Rates	40	40	20	100
Filming Income	0	25	0	25
Corporate Estate Meanwhile Use (Temporary Housing - TA/Guardians)	25	25	25	75
Corporate Estate - Mothball	0	50	0	50
Total	65	140	45	250
% of Net Budget	%	%	%	%
Does proposal impact on:	General Fund	DSG	HRA	Health
Yes / No	100	No	No	No
If DSG, HRA, Health impact describe:				

6. Impact on Corporate priorities: list in order of DECREASING impact	
1. Any sites/development proposals may need to be progressed through the normal planning route	<b>Corporate priorities</b> 1. Open Lewisham 2. Tackling the Housing Crisis 3. Giving Children and young people the best start in life 4. Building an inclusive local economy 5. Delivering and defending: health, social care & support 6. Making Lewisham greener
2. supports short term housing supply and affordable housing supply	
3.	
4.	
5.	

**Cuts proposal template 2021/22**

<b>6. Impact on Corporate priorities: list in order of DECREASING impact</b>	
6.	7. Building safer communities
7.	8. Good governance and operational effectiveness
8.	

<b>7. Ward impact</b>	
Geographical impact by ward:	No specific impact / Specific impact in one or more
	This will depend on site selection
	If impacting one or more wards specifically – which?

<b>8. Service equalities impact</b>			
Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:		Pregnancy / Maternity:	
Gender:		Marriage & Civil Partnerships:	
Age:		Sexual orientation:	
Disability:		Gender reassignment:	
Religion / Belief:		Overall:	L
For any High impact service equality areas please explain why and what mitigations are proposed:			
In making better and more flexible use of our assets, we should help those Households and residents that are more likely to benefit from TA e.g.: older people (age), disabled people (disability), single parents with children (pregnancy and maternity). Better use of assets in this way should help support those in greatest need within Lewisham.			
Is a full service equalities impact assessment required: Yes / No			No

<b>9. Human Resources impact</b>					
Will this cuts proposal have an impact on employees: Yes / No					
Workforce profile:					
Posts	Headcount in post	FTE in post	Establishment posts	Vacant	
				Agency / Interim cover	Not covered
Scale 1 – 2					
Scale 3 – 5					
Sc 6 – SO2					
PO1 – PO5					
PO6 – PO8					
SMG 1 – 3					
JNC					
Total					
Gender	Female	Male			
Ethnicity	BME	White	Other	Not Known	
Disability	Yes	No			

## Cuts proposal template 2021/22

9. Human Resources impact					
Sexual orientation	Straight / Heterosex.	Gay / Lesbian	Bisexual	Not disclosed	

## 10. Legal implications

State any specific legal implications relating to this proposal:

The Council's functions in respect of homelessness are contained in Part 7 of the Housing Act 1996. A tenancy granted to a homeless household as part of any function under Part 7 of the Housing Act 1996 will not be secure, unless the local authority has notified the tenant that it is to be regarded as a secure tenancy. This enables the Council to grant short term non secure tenancies of TA for people where the Council is exercising its functions under Part 7.

## Cuts proposal template 2021/22

1. Cuts proposal	
Proposal title:	Catford Campus - Estate Consolidation
Reference:	D-06
Directorate:	Housing, Regeneration and Public Realm
Director of Service:	Paul Moore – Director of Regeneration and Inclusive Growth (Interim)
Service/Team area:	Capital Programme Delivery
Cabinet portfolio:	Housing and Planning - Cllr Bell
Scrutiny Ctte(s):	Public Accounts Select Committee

2. Decision Route			
Cuts proposed:	Key Decision*  Yes / No See para 16.2 of the Constitution <a href="https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution">https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution</a>	Public Consultation Yes / No and Statutory vs informal	Staff Consultation Yes / No and Statutory vs informal
Laurence House 5 <sup>th</sup> floor – Lewisham Homes let	No	No	Informal
Former Town Hall - public sector hub	No	No	No
Civic suite closure	No	No	Informal
Holbeach office closure	No	No	Informal
Former Town Hall Chambers – closure/mothballing	No	No	Informal

3. Description of service area and proposal
<p><b>Description of the service area (functions and activities) being reviewed:</b></p> <p>The Catford office estate is made up of six buildings - Laurence House, Civic Suite, Old Town Hall, Holbeach, Town Hall Chambers and Eros House. As part of a wider Asset Review, officers have been reviewing possibilities for office consolidation in order to realise savings or generate income. This builds on work already undertaken over previous years to rationalise the estate. Laurence House is the Council's core office building - pre-Covid it was the office base for around 1700 staff plus the CCG. The intention is for Laurence House to remain the Council's HQ.</p> <p>Until 2013 The Old Town Hall housed part of the Council's workforce. It is currently occupied by Lewisham Homes (4 floors), Bow Arts (1 floor) and a few smaller tenants. The Council retains responsibility for the basement which has large amounts of archive storage. Lewisham Homes are due to move to Laurence House 5<sup>th</sup> floor early 2021 leaving a large portion of this landmark building empty in central Catford. The Council continues to have to service the building, pay business rates, therefore an alternative use for the building is being considered to ensure that at the very least costs are covered, and where possible additional income is generated.</p>

### 3. Description of service area and proposal

The Civic Suite provides space for Council meetings, public functions and lettings, election functions, back office functions (inprint), Cllr rooms and office accommodation. Since the start of the Covid pandemic in March, the Civic Suite has been closed. Office staff based in the building that require to return to the office have been working in Laurence House (with the remaining staff working remotely from home), Councillors have been using the political rooms provided in Laurence House, and Council committee meetings have been taking place online using Public-I and Microsoft Teams technology.

Eros House is currently occupied by the Council's parking contractor on the 1<sup>st</sup> floor, CCTV on part of the ground floor and archiving in the basement. The remaining vacant space on the ground floor is small and unlikely to yield any savings in running costs given the rest of the building is occupied; and may form part of the strategy for rationalising other parts of the estate.

Holbeach currently has around 100 staff based there plus front-line services including the Youth Offending Service. It is currently open, operating under Covid-safe measures.

Town Hall Chambers forms part of the Grade II listed Broadway Theatre building and pre-Covid housed training/meeting rooms, some office space, the Trade Unions and Lewisham Youth Theatre. The building is currently closed.

Within the Draft Catford Town Centre Framework agreed by Mayor and Cabinet in September, the Former Town Hall site was flagged for potential to achieve a permanent Civic/Public service Hub. In recent weeks positive discussions have taken place with several key public sector partners who are interested in achieving a relocation to central Catford and appear willing to take on a lease of the former Town Hall, linked to their own specific organisational drivers:-

- **DWP** – as part of the expansion of workload, recruitment of Work advisers and desire to co-locate within the Council's own (subject to the bid under the Lewisham Works programme) – employment support offer.
- **Ingeus** (DWP's employment support provider) – who wish to establish four new 'super-hubs' offering a base/space for staff and employment support programmes.
- **South London and Maudsley, Lewisham and Greenwich Hospital Trust and Guys and St Thomas'** – who are exploring the potential to consolidate back office activity out of several ageing/fragmented properties.

#### Cuts proposal\*

This proforma sets out proposals for savings or income generation at five out of the six sites; as follows:

##### Laurence House

Lewisham Homes are to move in to the 5<sup>th</sup> floor of Laurence House and the move will take place early 2021.

##### Old Town Hall

### 3. Description of service area and proposal

It is proposed to lease some or all of the vacant floors of the Old Town Hall to a number of public partners - Lewisham and Greenwich NHS Trust, SLaM, GST and DWP. The Lewisham and Greenwich Trust are seeking to move some of its office functions from within the Lewisham Hospital site elsewhere to free up buildings for clinical use. Their current back office functions are in poor condition. The DWP and its providers are keen to set up a 'super centre' in Catford with work coaching and youth employment support services.

Negotiations are underway currently on space requirements, rent levels and usage, however the various parties are keen to be part of and co-locate to the Public Service Hub in central Catford. The savings are to be achieved by ensuring that the costs for running the Old Town Hall are covered by rental income from the proposed tenants (and where possible additional income generated). The attached analysis shows the net position for the Council of the two main scenarios – mothballing (Option A) or re-letting to establish the Public service Hub (Option B).

There will be some capital costs involved in improving and adapting the Old Town Hall for use by the proposed tenants. The extent of this and who would pick up the costs is yet to be determined and will form part of the more detailed negotiations in due course. On this, we have already received a commitment from GLA for £965K under the 'Get Building' programme that should be capable of being focussed towards the hub.

#### Civic Suite

It is proposed that the civic suite remains for the foreseeable future. The building would effectively be mothballed until regeneration of the Catford town centre begins and the site is demolished as part of a new civic complex. The savings would be derived from reduced building running costs such as utilities, cleaning, security, repairs and maintenance.

#### Holbeach

It is proposed that Holbeach is closed and remains closed until the site is required as part of the Town Centre regeneration programme. This would require moving back office functions to Laurence House. The front-line services, particularly Youth Offending Service, would require alternative facilities. It is not appropriate for the service to be delivered from Laurence House. Potential sites could be Eros House ground floor however further analysis on the appropriateness of this site need to be undertaken and a small capital investment would be needed.

#### Town Hall Chambers

It is also proposed that Town Hall Chambers are closed and remain mothballed until a sustainable and alternative use is found for them. As they form part of the Broadway Theatre, they are an integral and permanent part of the town centre. Access to the upper floors currently restricts most alternative usage, however capital investment in providing new lift access could solve this. Further capital investment would be needed to upgrade the heating system and general decorations and reconfiguration. Long term the space could form part of a wider offering of the theatre.

The short-term savings would be derived from reduced building running costs such as utilities, cleaning, security, repairs and maintenance.

### 4. Impact and risks of proposal

#### Outline impact to service users, partners, other Council services and staff:

##### Old Town Hall

The letting of the Old Town Hall to health and DWP partners will increase closer working arrangements between them and the Council and enable a 'Public Service hub' to be created. The CCG already reside in Laurence House and has shown to be highly beneficial in terms of partnership working. Employment and training support will be critical over the coming years as unemployment figures rise as a result of the Covid pandemic. Catford is centrally located in the borough with good public transport links. The strategic synergy between these uses taken together creates a benefit beyond the individual parts. Around 400 valued public sector staff would inject much needed footfall and vitality in the heart of the town centre, supporting local businesses and jobs. The alternative option for the Old Town Hall is to mothball.

##### Civic Suite

In the short / medium term staff that require to work in the office can continue to access Laurence House (within agreed desk quotas for individual directorates within Covid-secure layout). In the medium / long term Laurence House utilisation will need to be re-planned in the context of different ways of working and potential wider Catford estate rationalisation; and teams currently based in the Civic Suite will form part of that. Councillors who currently access the Civic Suite will be able to access the Councillor rooms on the 1<sup>st</sup> floor of Laurence House. If the Civic Suite is permanently closed, then Council meetings would need to continue online and / or find alternative premises from which to run. It is suggested that larger meetings (e.g. Council AGM or meetings with contentious issues) could potentially take place in schools or other hireable spaces in the borough. There would be a small cost for hiring such premises and potentially for security any technology support (web casting, microphones etc.). The Civic Suite has also seen use during the day for events and meetings, including citizenship ceremonies. In the short/medium term such events will not be taking place due to Covid restrictions, however in the medium/long term alternative arrangements will need to be found. The Civic Suite is also used for election duties – polling station, postal vote counting, training and equipment storage. Alternative arrangements would also need to be found for these functions – options are available at schools/sports halls. There is a small income derived from letting the Civic Suite to third parties which would be lost; although some of those bookings may use alternative Council run buildings such as community centres.

##### Holbeach

Staff working in Holbeach would need to move to Laurence House. Of more significance is finding an alternative location for the Youth Offending Service and other front-line services. The YOS have worked hard to create a welcoming and safe environment for young people attending and would need this to be replicated elsewhere.

##### Town Hall Chambers

Town Hall Chambers are currently closed and the office staff have access to Laurence House which could be formalised as part of wider consolidation of staff into the main Council building. The trade unions have been moved temporarily into the ground floor of Laurence House however a longer-term solution for their location would need to be considered. Training and meeting rooms could be provided in Laurence House as part of new ways of working needed in a post-Covid world. Lewisham Youth Theatre would

## Cuts proposal template 2021/22

### 4. Impact and risks of proposal

need to be considered further but access via the theatre with shared facilities in the theatre may be an option.

#### Outline risks associated with proposal and mitigating actions to be taken:

1. **Some or all of the partner organisations decide not to move into the Old Town Hall or decide to take a smaller floorplate;** meaning the running costs for the building cannot be covered and a saving cannot be generated.  
Negotiations are still at an early stage however all parties have expressed a keen interest in making it work. Worst case scenario that none of the leases come to fruition then the building would likely have to be mothballed which would require finding Dek an alternative location.
2. **Negative public response to council meetings continuing online.**  
The online meeting technology currently being utilised is available for public to watch and take part in where relevant, and meetings are also available to view online after the event. As suggested above in the future some critical or large meetings could be held in person and in public by utilising other larger spaces within the borough such as schools or the theatre.
3. **Negative public perception of mothballed buildings in the town centre; and impact on confidence for town centre regeneration**  
Initiatives to animate the town centre and bring confidence to the longer-term regeneration potential have been hugely successful to date, and the Phase 1 works around the Catford Constitutional Club and surrounding area will also help to kick start confidence in the town centre's potential. It is not expected that the closure of Civic Suite, Holbeach or Town Hall Chambers will have a major impact given this activity – provided that the former town hall is occupied.
4. **Lack of formal large event space**  
In the short-term large events, citizenship ceremonies etc. will be unlikely to be taking place due to Covid restrictions; in the medium term they could be delivered elsewhere in the borough, in schools or community facilities. Those spaces would lack the formality of a civic space, but in some cases this may be an advantage.
5. **Suitable alternative accommodation cannot be found for the front-line services in Holbeach,** particularly Youth Offending Service, which requires a safe welcoming, and discreet space to be able to deliver their service.  
Options include Eros House, but further analysis will be undertaken.
6. **Costs associated with finding alternative accommodation for the Trade Unions may outweigh or reduce the savings potential for Town Hall Chambers.** Dependent on outcome of review of front door and library services they could potentially stay on the ground floor of Laurence House.

### 5. Financial information

Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
HRA				
DSG				
Health				
Cuts proposed*:	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
Laurence House 5 <sup>th</sup> floor – Lewisham Homes let	650*	11	12	673

## Cuts proposal template 2021/22

<b>5. Financial information</b>				
Old Town Hall (net cost/income): Option A – Mothball	- 414	0	0	- 414
Old Town Hall (net cost/income): Option B - Public Service Hub	- 488	450	- 38	-76
Civic Suite Mothball	248			248
Holbeach office Mothball	120			120
Town Hall Chambers Mothball	70			70
<b>Total Potential Saving(up to £,000s)</b>				
Option A - Mothball	674	11	12	697
Option B – PS Hub	600	461	-26	1,035
<b>% of Net Budget</b>	%	%	%	%
<b>Does proposal impact on:</b>	<b>General Fund</b>	<b>DSG</b>	<b>HRA</b>	<b>Health</b>
<b>Yes / No</b>	100	No	No	No
<b>If DSG, HRA, Health impact describe:</b>				

<b>6. Impact on Corporate priorities: list in order of DECREASING impact</b>	
1. Good governance and operational effectiveness	<b>Corporate priorities</b> 1. Open Lewisham 2. Tackling the Housing Crisis 3. Giving Children and young people the best start in life 4. Building an inclusive local economy 5. Delivering and defending: health, social care & support 6. Making Lewisham greener 7. Building safer communities 8. Good governance and operational effectiveness
2. Building an inclusive local economy	
3. Delivering and defending: health, social care & support	
4. Giving Children and young people the best start in life	
5. Tackling the Housing Crisis	
6. Open Lewisham	
7. Building safer communities	
8. Making Lewisham greener	

<b>7. Ward impact</b>	
<b>Geographical impact by ward:</b>	<b>No specific impact / Specific impact in one or more</b>
	<b>No specific impact</b>
	<b>If impacting one or more wards specifically – which?</b>
	Rushey Green however impact borough wide

**Cuts proposal template 2021/22**

<b>8. Service equalities impact</b>			
Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	Low	Pregnancy / Maternity:	N/A
Gender:	Low	Marriage & Civil Partnerships:	N/A
Age:	Medium	Sexual orientation:	Low
Disability:	Low	Gender reassignment:	Low
Religion / Belief:	Low	Overall:	Low
For any High impact service equality areas please explain why and what mitigations are proposed:			
Is a full service equalities impact assessment required: Yes / No			No

<b>9. Human Resources impact</b>					
Will this cuts proposal have an impact on employees: Yes / No					No
Workforce profile:					
Posts	Headcount in post	FTE in post	Establishment posts	Vacant	
				Agency / Interim cover	Not covered
Scale 1 – 2					
Scale 3 – 5					
Sc 6 – SO2					
PO1 – PO5					
PO6 – PO8					
SMG 1 – 3					
JNC					
Total					
Gender	Female	Male			
Ethnicity	BME	White	Other	Not Known	
Disability	Yes	No			
Sexual orientation	Straight / Heterosex.	Gay / Lesbian	Bisexual	Not disclosed	

<b>10. Legal implications</b>
State any specific legal implications relating to this proposal:
<p>The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020 came into force on 4 April. These Regulations permit public committee meetings to be held virtually. However, these are temporary changes which have been put in place during the coronavirus pandemic. There is nothing to suggest that authorities will not be required to revert to holding public meetings in person in due course. Accordingly, any proposal to mothball the Civic Suite will need to ensure that the Council will continue to be in a position to hold public committee meetings once the temporary changes come to an end.</p>

## Cuts proposal template 2021/22

### THEME E

1. Cuts proposal	
Proposal title:	Improved debt collection
Reference:	E-01
Directorate:	Corporate Services
Director of Service:	Ralph Wilkinson
Service/Team area:	Public Services
Cabinet portfolio:	Finance and Resources – Cllr De Ryk
Scrutiny Ctte(s):	Public Accounts Select Committee

2. Decision Route			
Cuts proposed:	Key Decision*  Yes / No See para 16.2 of the Constitution <a href="https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution">https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution</a>	Public Consultation Yes / No and Statutory vs informal	Staff Consultation Yes / No and Statutory vs informal
Improved debt collection (reduced bad debt)	N	N	N
More targeted collection approaches and policies	N	N	N
More strategic approach to service offering	N	N	N
Channel shift telephone demand to create resource to target the “top 50 debts” for each area of NNDR, HB OPs, ASC and CTAX and use “learning” to review ongoing recovery processes	N	N	N
Use credit checking agencies e.g. Experian to credit rate debtors. To highlight those where their debt is easier to collect and efforts targeted (or harder to collect and	N	N	N

## Cuts proposal template 2021/22

<b>2. Decision Route</b>			
used to decide on write off)			
Review initial contact with service users to prevent negative debt behaviour at the start e.g. ensure they are aware of liability, create direct debits, review interim funding (for ASC cases)	N	N	N
Review delivery of enforcement services across the Council to establish existing opportunities to work generically and synergies and to improve income collection across the Council	N	N	N

<b>3. Description of service area and proposal</b>
<b>Description of the service area (functions and activities) being reviewed:</b>
All services raising debt within the Council, including CTax, recharges to partners (e.g. health etc.) and all sundry debt.
<b>Cuts proposal*</b>
<p>The initial work will be with the central debtor's team within Public Services but will need extensive engagement with all services raising debt.</p> <p>The first strand of this project is to review the overall levels of aged debt with individual services and to develop an action plan to reduce this over a period of 6 months. This reduction in aged debt will result in a once off improvement in the bad debt provision of the Council.</p> <p>The second strand is to work with all service areas to develop policies and protocols to proactively engage with debtors and ensure that the approach to debt collection is tailored to the nature of the debt raised and increases debt collection in a sustainable way. This will ensure that a permanent reduction in the Council's bad debt provision can be achieved.</p> <p>The final strand will be to use the information coming from the debtor's team to ensure that the Council minimises poor debt (i.e. selling discretionary services to repeat non payers) and focuses resource on those services which have high levels of unpaid debt. It will also ensure that a threshold is determined and set so as to ensure that the cost of chasing the debt is always equivalent or lower to the cost of the debt itself.</p>

## Cuts proposal template 2021/22

### 3. Description of service area and proposal

#### Mitigating Actions for 21/22

Start a programme of works with the Debtors Team, focusing on the areas with the highest debt / most aged debt.

### 4. Impact and risks of proposal

#### Outline impact to service users, partners, other Council services and staff:

New ways of working for all those involved in either setting up services or collecting debt. Partners/service users not used to these approaches may need prior notice and clear communication in advance.

#### Outline risks associated with proposal and mitigating actions to be taken:

The levels of bad debt cannot be lowered any further (unlikely) or it is too difficult to ascertain the true costs of debt collection and resource is wasted chasing uneconomic debt. All debt activity must be costed across the Council to ensure strategic and informed decision making in terms of approach.

5. Financial information				
Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
HRA				
DSG				
Health				
Cuts proposed*:	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
Improved debt collection (reduced bad debt)	250			250
More targeted collection approaches and policies		250		250
More strategic approach to service offering		?		
<b>Total</b>	250	250		500
<b>% of Net Budget</b>	%	%	%	%
<b>Does proposal impact on:</b>	<b>General Fund</b>	<b>DSG</b>	<b>HRA</b>	<b>Health</b>
<b>Yes / No</b>	Yes	No	No	No
<b>If DSG, HRA, Health impact describe:</b>	N/A	N/A	N/A	N/A

### 6. Impact on Corporate priorities: list in order of DECREASING impact

1 Good governance and operational effectiveness

2.

3.

Corporate priorities

1. Open Lewisham
2. Tackling the Housing Crisis
3. Giving Children and young people the best start in life

## Cuts proposal template 2021/22

6. Impact on Corporate priorities: list in order of DECREASING impact	
4.	4. Building an inclusive local economy
5.	5. Delivering and defending: health, social care & support
6.	6. Making Lewisham greener
7.	7. Building safer communities
8.	8. Good governance and operational effectiveness

7. Ward impact	
Geographical impact by ward:	No specific impact / Specific impact in one or more
	All
	If impacting one or more wards specifically – which?
	N/A

8. Service equalities impact			
Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	N/A	Pregnancy / Maternity:	N/A
Gender:	N/A	Marriage & Civil Partnerships:	N/A
Age:	N/A	Sexual orientation:	N/A
Disability:	N/A	Gender reassignment:	N/A
Religion / Belief:	N/A	Overall:	N/A
For any High impact service equality areas please explain why and what mitigations are proposed:			
There is not anticipated to be any specific impact service equalities for users as this is simply the chasing of debt which the individual, group or organisation agreed to be charged prior to accessing the paid for service in the main.			
Is a full service equalities impact assessment required: Yes / No			No

9. Human Resources impact					
Will this cuts proposal have an impact on employees: Yes / No					No
Workforce profile:					
Posts	Headcount in post	FTE in post	Establishment posts	Vacant	
				Agency / Interim cover	Not covered
Scale 1 – 2					
Scale 3 – 5					
Sc 6 – SO2					
PO1 – PO5					
PO6 – PO8					
SMG 1 – 3					
JNC					
Total					
Gender	Female	Male			
Ethnicity	BME	White	Other	Not Known	

## Cuts proposal template 2021/22

<b>9. Human Resources impact</b>					
Disability	Yes	No			
Sexual orientation	Straight / Heterosex.	Gay / Lesbian	Bisexual	Not disclosed	

## **10. Legal implications**

**State any specific legal implications relating to this proposal:**

None. The specific legislation relied upon for the charging of the service / raising of the debt will be considered prior to the Council levy such charges.

## Cuts proposal template 2021/22

1. Cuts proposal	
Proposal title:	Income from Building Control
Reference:	E-02
Directorate:	Housing Regeneration and Public Realm
Director of Service:	Paul Moore
Service/Team area:	Building Control
Cabinet portfolio:	Housing and Planning - Cllr Bell
Scrutiny Ctte(s):	Public Accounts Select Committee and Sustainable Development Select Committee

2. Decision Route			
Cuts proposed:	Key Decision*  Yes / No See para 16.2 of the Constitution <a href="https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution">https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution</a>	Public Consultation Yes / No and Statutory vs informal	Staff Consultation Yes / No and Statutory vs informal
Extend commercial presence in local and regional market	no	no	no

3. Description of service area and proposal
<b>Description of the service area (functions and activities) being reviewed:</b>
<p>Building control are responsible for the review and approval of Building Work ranging from small scale changes to large scale redevelopment proposals. The Building Control regime is delivered via the Council as well as through approved inspectors in the private sector meaning that the Council is in competition with the private sector to deliver the service</p> <p>.</p>
<b>Cuts proposal*</b>
<p>The proposal is for increased income through an improved market share</p> <p>The Council received applications for 650 building works in 2019/20. This is compared to over 2,000 planning applications.</p> <p>The proposal is to increase the promotion of Building Control following planning permission being granted to improve the market share of Building Control and thereby increase income.</p> <p><b>Mitigating Actions for 21/22</b></p> <p>Increasing market share may mean that additional resources are necessary to meet increased demand. It will be important to work to streamline existing processes and ways of working to improve efficiency alongside seeking additional work.</p>

## Cuts proposal template 2021/22

### 3. Description of service area and proposal

### 4. Impact and risks of proposal

#### Outline impact to service users, partners, other Council services and staff:

The main risk is the ability to meet increased service demand.

#### Outline risks associated with proposal and mitigating actions to be taken:

Economic downturn may affect availability of work.

### 5. Financial information

Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
	554 (E43004)	676 (E43004)		
HRA				
DSG				
Health				
Cuts proposed*:	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
Increased Building Control market share	15	15	20	50
<b>Total</b>	15	15	20	50
<b>% of Net Budget</b>	%	%	%	%
Does proposal impact on: Yes / No	General Fund	DSG	HRA	Health
	Yes, an increase in income of £50k			
<b>If DSG, HRA, Health impact describe:</b>				

### 6. Impact on Corporate priorities: list in order of DECREASING impact

1. Tackling the housing crisis	Corporate priorities 1. Open Lewisham 2. Tackling the Housing Crisis 3. Giving Children and young people the best start in life 4. Building an inclusive local economy 5. Delivering and defending: health, social care & support 6. Making Lewisham greener 7. Building safer communities  8. Good governance and operational effectiveness
2. Building an inclusive local economy	
3.	
4.	
5.	
6.	
7.	
8.	

## Cuts proposal template 2021/22

7. Ward impact	
Geographical impact by ward:	No specific impact / Specific impact in one or more
	No specific Impact
	If impacting one or more wards specifically – which?

8. Service equalities impact			
Expected impact on service equalities for users – low			
Ethnicity:	N/A	Pregnancy / Maternity:	N/A
Gender:	N/A	Marriage & Civil Partnerships:	N/A
Age:	N/A	Sexual orientation:	N/A
Disability:	N/A	Gender reassignment:	N/A
Religion / Belief:	N/A	Overall:	N/A
For any High impact service equality areas please explain why and what mitigations are proposed:			
This proposal should assist in developing a better integrated and aligned suit of related services – supporting residents and businesses with a range of diverse needs.			
Is a full service equalities impact assessment required: Yes / No			no

9. Human Resources impact					
Will this cuts proposal have an impact on employees: Yes / No					no
Workforce profile:					
Posts	Headcount in post	FTE in post	Establishment posts	Vacant	
				Agency / Interim cover	Not covered
Scale 1 – 2					
Scale 3 – 5					
Sc 6 – SO2					
PO1 – PO5					
PO6 – PO8					
SMG 1 – 3					
JNC					
Total					
Gender	Female	Male			
Ethnicity	BME	White	Other	Not Known	
Disability	Yes	No			
Sexual orientation	Straight / Heterosex.	Gay / Lesbian	Bisexual	Not disclosed	

10. Legal implications
State any specific legal implications relating to this proposal:
n/a

## Cuts proposal template 2021/22

1. Cuts proposal	
Proposal title:	Traded Services with Schools
Reference:	E-05
Directorate:	Corporate
Director of Service:	Selwyn Thompson / Angela Scattergood
Service/Team area:	Corporate Resources / Education
Cabinet portfolio:	Finance and Resources – Cllr De Ryk and Children’s Services and School Performance – Cllr Barnham
Scrutiny Ctte(s):	Children and Young People Select Committee

2. Decision Route			
Cuts proposed:	Key Decision*	Public Consultation Yes / No and Statutory vs informal	Staff Consultation Yes / No and Statutory vs informal
	Yes / No See para 16.2 of the Constitution <a href="https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution">https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution</a>		
Traded Services with Schools	No	No	No

3. Description of service area and proposal
<b>Description of the service area (functions and activities) being reviewed:</b>
Review of the overall package of traded services with schools
<b>Cuts proposal*</b>
<p>The overall package of services traded with schools is worth circa £2m. This proposal seeks to look at options across the complete suite of services to ascertain the possibility of securing additional sustainable income of £50k from 2021/22 onwards.</p> <p>The finance function, HR and payroll services offers services to schools. The payroll team offers a secure payroll service which is provided by experienced staff that have extensive knowledge in all pay related matters and a growing knowledge of the new Oracle Cloud payroll platform. Currently, some 90% of the borough’s schools use the payroll function and benefit from a number of services set out in the SLA.</p> <p>The finance function does not currently operate a wider SLA, but instead provide a bursarial type service to those schools which ‘buy in’ to it.</p> <p>The Council does not currently have a set SLA with schools, but instead has created a bursarial service arrangement where schools pay in the region of circa £150k per annum. This has had the benefit of fully funding two members of staff (principal accountants) for a two-year fixed term period whilst an assessment is made as to how successful the service is. If successful, there are further options of scaling up to build even more capacity into this arrangement and some marginal increase in unit costing and providing other chargeable services to schools.</p>

## Cuts proposal template 2021/22

### 3. Description of service area and proposal

The Council can only win business from schools based on trust it builds with them. A strengthening of the relationship with the schools finance team and the schools themselves has become more noticeable over the course of the last 18 months. This same strengthening and 'reputation re-build' needs to be created for payroll services, who have been adversely impact by delayed to implementing the Oracle Cloud payroll.

Overall, this would have the desired effect of providing these functions with some greater resilience and bolster income. If executed correctly, it will allow for marginal increases in unit costs. e.g. cost per payslip, cost per school visit / budget review etc.,

#### Mitigating Actions for 21/22

N/A

### 4. Impact and risks of proposal

Outline impact to service users, partners, other Council services and staff:

Outline risks associated with proposal and mitigating actions to be taken:

Smaller schools may struggle to afford increase costs- school by school analysis as SLAs are returned

### 5. Financial information

Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
HRA				
DSG				
Health				
Cuts proposed*:	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
	50	50	0	100
<b>Total</b>	50	50	0	100
<b>% of Net Budget</b>	%	%	%	%
Does proposal impact on:	General Fund	DSG	HRA	Health
Yes / No	Y	N	N	N
If DSG, HRA, Health impact describe:				

### 6. Impact on Corporate priorities: list in order of DECREASING impact

1. Giving children and young people the best start in life	<b>Corporate priorities</b> 1. Open Lewisham 2. Tackling the Housing Crisis 3. Giving Children and young people the best start in life
2. Good governance and operational effectiveness	
3.	

## Cuts proposal template 2021/22

6. Impact on Corporate priorities: list in order of DECREASING impact	
4.	4. Building an inclusive local economy
5.	5. Delivering and defending: health, social care & support
6.	6. Making Lewisham greener
7.	7. Building safer communities
8.	8. Good governance and operational effectiveness

7. Ward impact	
Geographical impact by ward:	No specific impact / Specific impact in one or more
	None
	If impacting one or more wards specifically – which?
	N/A

8. Service equalities impact			
Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	N/A	Pregnancy / Maternity:	N/A
Gender:	N/A	Marriage & Civil Partnerships:	N/A
Age:	N/A	Sexual orientation:	N/A
Disability:	N/A	Gender reassignment:	N/A
Religion / Belief:	N/A	Overall:	N/A
For any High impact service equality areas please explain why and what mitigations are proposed:			
Is a full service equalities impact assessment required: Yes / No			No

9. Human Resources impact					
Will this cuts proposal have an impact on employees: Yes / No					No
Workforce profile:					
Posts	Headcount in post	FTE in post	Establishment posts	Vacant	
				Agency / Interim cover	Not covered
Scale 1 – 2					
Scale 3 – 5					
Sc 6 – SO2					
PO1 – PO5					
PO6 – PO8					
SMG 1 – 3					
JNC					
Total					
Gender	Female	Male			
Ethnicity	BME	White	Other	Not Known	

## Cuts proposal template 2021/22

<b>9. Human Resources impact</b>					
Disability	Yes	No			
Sexual orientation	Straight / Heterosex.	Gay / Lesbian	Bisexual	Not disclosed	

<b>10. Legal implications</b>
State any specific legal implications relating to this proposal:

## Cuts proposal template 2021/22

1. Cuts proposal	
Proposal title:	Housing – Bring rents for Private Sector Lease (PSL) and Private Managed Accommodation (PMA) in line with London Housing Allowance.
Reference:	E-07
Directorate:	Housing, Regeneration and Public Realm
Director of Service:	Fenella Beckman
Service/Team area:	Housing Needs and Procurement
Cabinet portfolio:	Housing and Planning – Cllr Bell
Scrutiny Ctte(s):	Housing Select Committee

2. Decision Route			
Cuts proposed:	Key Decision*  Yes / No See para 16.2 of the Constitution <a href="https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution">https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution</a>	Public Consultation Yes / No and Statutory vs informal	Staff Consultation Yes / No and Statutory vs informal
Align rents with LHA	Yes	No	No

3. Description of service area and proposal
<b>Description of the service area (functions and activities) being reviewed:</b>
Housing services provide leased and agent managed homes that are used as temporary accommodation. There are two schemes that we currently operate, the Private Sector Leased (PSL) and Privately Managed Accommodation (PMA).
PSL – with this scheme, landlords lease their property to Lewisham Council for a period of three to five years. The Council let these properties to homeless families in need of long-term accommodation.
PMA – with this scheme, the Council lease residential properties for a period of three to five years and let them to homeless families. The landlord, or property agency fully manage the sub-tenancy, including dealing with repairs and any tenancy issues. On top of the weekly rent, the landlord is paid an additional fee for providing this service.
Under both schemes the Council make the placements and are responsible for rent collection, (landlords get paid their rents according to the contracts or lease agreements they have negotiated with the Council). The service charges tenants rent for these properties which for the most part is paid for by housing benefit.
<b>Cuts proposal*</b>
This proposal is to bring rents for our PMA and PSL homes in line with Local Housing Allowance (LHA). These rents have not changed since 2011 and so this proposal is expected to bring an additional £675k in revenues based on our current customer profile. The savings will be carefully realised in phases as we will need to look at each individual tenancy, ensuring that the correct notice period in relation to annual increases.

4. Impact and risks of proposal
<b>Outline impact to service users, partners, other Council services and staff:</b>

## Cuts proposal template 2021/22

### 4. Impact and risks of proposal

We currently have a total of 942 households in PMA and PSL accommodation and this proposal will have an impact on these households.

#### Outline risks associated with proposal and mitigating actions to be taken:

Our current assessment shows that the increase in rent for at least 93% of households in this accommodation will be covered by housing benefit or discretionary housing payments where applicable. Those households who will not be fully covered by housing benefit or discretionary housing payment will be required to pay the increased rents set at the private rented sector LHA, which is below market rent. Typically, clients that are not in receipt of HB have high incomes.

5. Financial information				
Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
	33,422	28,777	4,645	
HRA	?	?		
DSG	NA	NA		
Health	NA	NA		
Cuts proposed*:	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
Commercial Approach – Rent alignment	300	375		675
<b>Total</b>	300	375		675
<b>% of Net Budget</b>	6.5%	8%		14.5%
Does proposal impact on:	General Fund	DSG	HRA	Health
Yes / No	Yes			
If DSG, HRA, Health impact describe:				

### 6. Impact on Corporate priorities: list in order of DECREASING impact

1. Good governance and operational effectiveness	<b>Corporate priorities</b> 1. Open Lewisham 2. Tackling the Housing Crisis 3. Giving Children and young people the best start in life 4. Building an inclusive local economy 5. Delivering and defending: health, social care & support 6. Making Lewisham greener 7. Building safer communities 8. Good governance and operational effectiveness
2. Tackling the Housing Crisis	
3.	
4.	
5.	
6.	
7.	
8.	
<b>7. Ward impact</b>	

## Cuts proposal template 2021/22

6. Impact on Corporate priorities: list in order of DECREASING impact	
Geographical impact by ward:	No specific impact / Specific impact in one or more
	Borough wide
	If impacting one or more wards specifically – which?

8. Service equalities impact			
Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	Low	Pregnancy / Maternity:	Low
Gender:	Low	Marriage & Civil Partnerships:	Low
Age:	Low	Sexual orientation:	Not Known
Disability:	Low	Gender reassignment:	Not Known
Religion / Belief:	Not Known	Overall:	Low
For any High impact service equality areas please explain why and what mitigations are proposed:			
<p>The majority of the households in PMA/PSL Temporary Accommodation (TA) are BAME women with children. Our assessment shows the impact on at least 93% of households in PSL and PMA will be offset by an increase in housing benefit or discretionary housing payment where applicable. Those households who will not be fully covered by housing benefit or discretionary housing payment will be required to pay the increased rents, however these clients will all be in receipt of high incomes and the rent will be set at the private rented sector LHA, which is below market rent. For PMA/PSL, we don't collect data regarding Religion/Belief, Sexual Orientation and Gender Reassignment.</p>			
Is a full service equalities impact assessment required: Yes / No			Yes

9. Human Resources impact					
Will this cuts proposal have an impact on employees: Yes / No					No
Workforce profile:					
Posts	Headcount in post	FTE in post	Establishment posts	Vacant	
				Agency / Interim cover	Not covered
Scale 1 – 2					
Scale 3 – 5					
Sc 6 – SO2					
PO1 – PO5					
PO6 – PO8					
SMG 1 – 3					
JNC					
Total					
Gender	Female	Male			
Ethnicity	BME	White	Other	Not Known	
Disability	Yes	No			
Sexual orientation	Straight / Heterosex.	Gay / Lesbian	Bisexual	Not disclosed	

**10. Legal implications**

**State any specific legal implications relating to this proposal:**

An equalities analysis assessment has been undertaken and accompanies this proforma.

## Cuts proposal template 2021/22

1. Cuts proposal	
Proposal title:	Realising the Benefits of the Oracle Cloud Solution
Reference:	E-09
Directorate:	Corporate Resources
Director of Service:	Selwyn Thompson
Service/Team area:	Corporate Resources / Education (Schools HR)
Cabinet portfolio:	Finance and Resources –Cllr De Ryk
Scrutiny Ctte(s):	Public Accounts Select Committee

2. Decision Route			
Cuts proposed:	Key Decision*	Public Consultation Yes / No and Statutory vs informal	Staff Consultation Yes / No and Statutory vs informal
	Yes / No See para 16.2 of the Constitution <a href="https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution">https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution</a>		
Oracle Cloud Benefits Realisation	No	No	Not required at this stage

3. Description of service area and proposal
<b>Description of the service area (functions and activities) being reviewed:</b>
Realising further benefits from the Oracle Cloud Solution and exploiting its functionality as a fully integrated enterprise resource planning solution.
<b>Cuts proposal*</b>
<p>The final phases of the Oracle Cloud solution were implemented and went live in April 2020. Therefore, all of the key modules which include finance, e-procurement, human capital management and payroll are now live. There are areas where the solution has not been implemented “out of the box” as intended and so there is some addressing of these issues through a separate, but connected piece of work.</p> <p>The organisation of the HR (corporate and school) and Payroll (including the payroll administrative support function) are fragmented with expertise concentrated within small groups and in some instances an individual. A reconfiguration of this function in addition to full exploitation of the solutions function is expected to realise some cashable benefits over the course of the next year and beyond. These improvements in the service are also expected to put the council in a better position and offer an improved and more seamless service.</p> <p>With regards to other benefits, these will arise by making better use of the integrated functionality of the solution. These will result in reducing staff processing time as well as leading to a reduction in non-staffing costs. For instance, removal of all off-system and paper-based processes and adopting common processes across the council; the creation and extensive use of dashboard information to better inform management decision making; reduction in manual processes and data entry into payroll ensuring that users only enter information once wherever possible and thereby providing a productivity gain.</p>

## Cuts proposal template 2021/22

### 3. Description of service area and proposal

The next 12 to 18 months will provide an opportunity to explore options for the onward selling of some services to schools in the main.

### 4. Impact and risks of proposal

#### Outline impact to service users, partners, other Council services and staff:

There are more risks of NOT doing this in that the Council would not be realising the fully benefits of the solution it invested so heavily in.

#### Outline risks associated with proposal and mitigating actions to be taken:

Lack of engagement from key stakeholders and the challenging time line to deliver this to achieve the full year effect. As a proposal which impacts the widely across the organisation, it will be essential to capture some of these cashable savings from elsewhere in the council as the use of self-service becomes more imbedded.

### 5. Financial information

Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
HRA				
DSG				
Health				
Cuts proposed*:	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
	100	100	0	200
<b>Total</b>	100	100	0	200
<b>% of Net Budget</b>	%	%	%	%
Does proposal impact on:	General Fund	DSG	HRA	Health
Yes / No	Y	N	N	N
If DSG, HRA, Health impact describe:				

### 6. Impact on Corporate priorities: list in order of DECREASING impact

1.	<b>Corporate priorities</b> 1. Open Lewisham 2. Tackling the Housing Crisis 3. Giving Children and young people the best start in life 4. Building an inclusive local economy 5. Delivering and defending: health, social care & support 6. Making Lewisham greener 7. Building safer communities 8. Good governance and operational effectiveness
2.	
3.	
4.	
5.	
6.	
7.	
8.	

## Cuts proposal template 2021/22

7. Ward impact	
Geographical impact by ward:	No specific impact / Specific impact in one or more
	None
	If impacting one or more wards specifically – which?
	Not Applicable

8. Service equalities impact			
Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	N/A	Pregnancy / Maternity:	N/A
Gender:	N/A	Marriage & Civil Partnerships:	N/A
Age:	N/A	Sexual orientation:	N/A
Disability:	N/A	Gender reassignment:	N/A
Religion / Belief:	N/A	Overall:	N/A
For any High impact service equality areas please explain why and what mitigations are proposed:			
Not Applicable			
Is a full service equalities impact assessment required: Yes / No			No

9. Human Resources impact					
Will this cuts proposal have an impact on employees: Yes / No					
Workforce profile:					
Posts	Headcount in post	FTE in post	Establishment posts	Vacant	
				Agency / Interim cover	Not covered
Scale 1 – 2					
Scale 3 – 5					
Sc 6 – SO2					
PO1 – PO5					
PO6 – PO8					
SMG 1 – 3					
JNC					
Total					
Gender	Female	Male			
Ethnicity	BME	White	Other	Not Known	
Disability	Yes	No			
Sexual orientation	Straight / Heterosex.	Gay / Lesbian	Bisexual	Not disclosed	

10. Legal implications
State any specific legal implications relating to this proposal:
There are no legal implications directly arising from delivering this proposal.

## Cuts proposal template 2021/22

### THEME F

1. Cuts proposal	
Proposal title:	Changes to Children's Social Care services
Reference:	F-02
Directorate:	CYP
Director of Service:	Lucie Heyes
Service/Team area:	Children's Social Care
Cabinet portfolio:	Children's Services and Schools Performance – Cllr Barnham
Scrutiny Ctte(s):	Children and Young People Select Committee

2. Decision Route			
Cuts proposed:	Key Decision*  Yes / No See para 16.2 of the Constitution <a href="https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution">https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution</a>	Public Consultation Yes / No and Statutory vs informal	Staff Consultation Yes / No and Statutory vs informal
Reduce numbers of children in care	No	No	No

3. Description of service area and proposal
<b>Description of the service area (functions and activities) being reviewed:</b>
A range of services and functions sitting within Children's Social Care and in particular the budget for providing placements for children and young people in care or who are care leavers. This budget is currently over-spending.
<b>Cuts proposal*</b>
<p><u>DEMAND MANAGEMENT: Reduction of children in care (CLA)</u></p> <p>Historically the rate of Children looked after in Lewisham has been high compared to other London Borough's (2018/19 Lewisham r = 72, 2019/20 r = 69. London r= 64). Through 2019, various steps were taken to prevent the overall number of CLA increasing, by reducing the number of new entries to care. This work continues and is being further strengthened by developing stronger Edge of Care Family Support services to support children to stay safely within their families. Through 2020 additional steps are being taken to move existing CLA into other permanent care arrangements e.g. Special Guardianship Care. There will be a period of approximately 5 – 7 years where the current high numbers of CLA have to work through the care system to adulthood and beyond Care Leaver status. Impact of this action is estimated to save up to £1m per year, initially £0.5m in the first two years.</p> <p><b>Mitigating Actions for 21/22</b></p> <p>Actions currently underway have generated a significant reduction in expenditure. The actions listed above should continue with this direction of travel.</p>

## Cuts proposal template 2021/22

### 4. Impact and risks of proposal

#### Outline impact to service users, partners, other Council services and staff:

The actions listed above should not have a negative impact on the quality of care and in many cases should lead to an improvement in the service offer. These proposals do not involve denial or downgrading of services to protect children and young people: quite apart from the Council's strong commitment to the safety and wellbeing of our most vulnerable children, the services concerned are governed by strict statutory requirements.

#### Outline risks associated with proposal and mitigating actions to be taken:

Some of the action taken previously to manage demand for high-cost placements has not delivered the savings anticipated. The current proposals are being closely monitored by both the Executive Director for Children and Young People and the Executive Director for Finances and Resources, together with the two Cabinet Members. All of these savings have been achieved in other Local Authorities.

5. Financial information				
Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
	56,103	-3,834	52,269	
HRA				
DSG				
Health				
Cuts proposed*:	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
Reduction of children in care	500	500	1,000	2,000
Total	500	500	1,000	2,000
% of Net Budget	2.9%	2.9%	%	%
Does proposal impact on: Yes / No	General Fund	DSG	HRA	Health
	No	No	No	No
If DSG, HRA, Health impact describe:				

### 6. Impact on Corporate priorities: list in order of DECREASING impact

1.	<b>Corporate priorities</b> 1. Open Lewisham 2. Tackling the Housing Crisis 3. Giving Children and young people the best start in life 4. Building an inclusive local economy 5. Delivering and defending: health, social care & support
2.	
3. Giving Children and Young People the best start in life	
4.	
5.	

**Cuts proposal template 2021/22**

<b>6. Impact on Corporate priorities: list in order of DECREASING impact</b>	
6.	6. Making Lewisham greener
7.	7. Building safer communities
8. Good governance and operational effectiveness	8. Good governance and operational effectiveness

<b>7. Ward impact</b>	
Geographical impact by ward:	No specific impact / Specific impact in one or more
	Borough wide
	If impacting one or more wards specifically – which?

<b>8. Service equalities impact</b>			
Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	low	Pregnancy / Maternity:	low
Gender:	low	Marriage & Civil Partnerships:	N/A
Age:	N/A	Sexual orientation:	N/A
Disability:	low	Gender reassignment:	N/A
Religion / Belief:	N/A	Overall:	low
For any High impact service equality areas please explain why and what mitigations are proposed:			
Is a full service equalities impact assessment required: Yes / No			No

<b>9. Human Resources impact</b>					
Will this cuts proposal have an impact on employees: Yes / No					No
Workforce profile:					
Posts	Headcount in post	FTE in post	Establishment posts	Vacant	
				Agency / Interim cover	Not covered
Scale 1 – 2					
Scale 3 – 5					
Sc 6 – SO2					
PO1 – PO5					
PO6 – PO8					
SMG 1 – 3					
JNC					
Total					
Gender	Female	Male			
Ethnicity	BME	White	Other	Not Known	
Disability	Yes	No			
Sexual orientation	Straight / Heterosex.	Gay / Lesbian	Bisexual	Not disclosed	

## Cuts proposal template 2021/22

### 9. Human Resources impact

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### 10. Legal implications

State any specific legal implications relating to this proposal:

None

## Cuts proposal template 2021/22

1. Cuts proposal	
Proposal title:	Street Cleansing - 5% Budget Saving Option for year 2022 - 2023
Reference:	F-15
Directorate:	Housing, Regeneration and Public Realm
Director of Service:	Zahur Khan
Service/Team area:	Cleansing
Cabinet portfolio:	Environment and Transport - Cllr McGeevor
Scrutiny Ctte(s):	Sustainable Development Select Committee

2. Decision Route			
Cuts proposed:	Key Decision*	Public Consultation Yes / No and Statutory vs informal	Staff Consultation Yes / No and Statutory vs informal
	Yes / No See para 16.2 of the Constitution <a href="https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution">https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution</a>		
	Y	N	Y

3. Description of service area and proposal
<b>Description of the service area (functions and activities) being reviewed:</b> <ul style="list-style-type: none"> <li>It is proposed that a service review, for all environmental operations, be undertaken in 2020/21, to provide a full operational and management model for the borough based on a menu of options and approaches, using best practice and industry standards. This review would inform the future shape of services including any efficiencies and capital requirements</li> <li>The current service model for cleansing requires investment in mechanical sweeping machines to enhance and improve the service for the residents of the borough</li> <li>This is linked to the growth proposals around an Integrated Intelligence Hub and Environmental Enforcement.</li> <li>Cleansing Services has been cut by over 30% since 2011 and benchmarking has shown that the service is 11<sup>th</sup> in London on Cost per Km (12<sup>th</sup> when considered on Cost per Head of Population) and 2<sup>nd</sup> lowest in Inner London.</li> </ul>
<b>Cuts proposal*</b> <p>However, if it was deemed necessary to remove resource from this area and pre-empt the Environmental Operations review, 5% could be removed from the budget. This would involve:</p> <ul style="list-style-type: none"> <li>Reducing the geographical working areas from 4 to 3 areas across the borough.</li> <li>Delete 1 x Mobile team – 4 staff.</li> <li>Reorganise the Intensive Town Centres street sweeping beats and reduce the number of staff from 22 to 1</li> </ul> <p>In this option the current frequency of residential sweeping will be unaffected</p>
<b>Mitigating Actions for 21/22</b>

## Cuts proposal template 2021/22

### 3. Description of service area and proposal

- It is proposed that a service review, for all environmental operations, be undertaken in 2020/21, to provide a full operational and management model for the borough based on a menu of options and approaches, using best practice and industry standards. This review would inform the future shape of services including any efficiencies and capital requirements and will give the opportunity, next summer as part of the 2022/23 budget cycle, to decide on any reductions in 202/23 and 2023/34 based on a detailed and evidenced piece of work which also may allay fears and allow for greater efficiencies.
- The current service model requires investment in mechanical sweeping machines to enhance and improve the service for the residents of the borough
- This is linked to the growth proposals around an Integrated Intelligence Hub and Environmental Enforcement

### 4. Impact and risks of proposal

#### Outline impact to service users, partners, other Council services and staff:

- Street Sweepers blue bags and small fly tips will remain out on the streets longer.
- With only 3 mobile teams to cover the whole of the borough, we will have to prioritise work more effectively and efficiently, and undertake to provide a more agile service but there would be delays
- There will be a number of staff affected that may have to be made redundant.
- There will be an increase in the number of complaints by residents.
- An adverse impact on the perception of the borough in terms of cleanliness, attractiveness and management of the local environment,

#### Outline risks associated with proposal and mitigating actions to be taken:

- Prioritisation of those roads swept based on need
- Communications around the service changes
- Change in approach to complaints around cleansing
- We would need to explore our methodology including an enhanced level of mechanisation, use of zoning and possible hybrids of cleansing and litter picking. This is linked to the proposed Environmental Operations review and the growth proposals around an Integrated Intelligence hub and Environmental Enforcement. Tying these together and ensuring the deadline will be essential
- Capital investment is required for mechanical sweeping and the savings contained within this paper.
- The procurement timeline for new fleet and equipment is critical to meeting the 1<sup>st</sup> April 2022 implementation. Given the impact of Covid-19 on procurement, construction and delivery, there is a risk that this could be moved back to 1<sup>st</sup> April 2023.
- This proposal to complete the Environmental Operations review, which will include possible phasing and any opportunities around this, will give the opportunity, next summer as part of the 2022/23 budget cycle, to decide on any reductions in 202/23 and 2023/34 based on a detailed and evidenced piece of work which also may allay fears and allow for greater efficiencies.

### 5. Financial information

Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000
	7,059	642	6,417

## Cuts proposal template 2021/22

5. Financial information				
HRA				
DSG				
Health				
Cuts proposed*:	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
	0	330	0	330
Total	0	330	0	330
% of Net Budget	%	%	%	%
Does proposal impact on:	General Fund	DSG	HRA	Health
Yes / No	Yes	No	No	No
If DSG, HRA, Health impact describe:				

6. Impact on Corporate priorities: list in order of DECREASING impact	
1. Making Lewisham greener	<b>Corporate priorities</b> 1. Open Lewisham 2. Tackling the Housing Crisis 3. Giving Children and young people the best start in life 4. Building an inclusive local economy 5. Delivering and defending: health, social care & support 6. Making Lewisham greener 7. Building safer communities 8. Good governance and operational effectiveness
2. Good governance and operational effectiveness	
3. Building safer communities	
4. Open Lewisham	
5.	
6.	
7.	
8.	

7. Ward impact	
Geographical impact by ward:	No specific impact / Specific impact in one or more
	All
	If impacting one or more wards specifically – which?
	All

8. Service equalities impact			
Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	N	Pregnancy / Maternity:	M/L
Gender:	N	Marriage & Civil Partnerships:	N
Age:	M/L	Sexual orientation:	N
Disability:	M/L	Gender reassignment:	N
Religion / Belief:	N	Overall:	N
For any High impact service equality areas please explain why and what mitigations are proposed:			

## Cuts proposal template 2021/22

### 8. Service equalities impact

The removal of these services would affect all residents and visitors however some increases in litter and detritus may have an impact on those with mobility issues.

- Older people can be less steady on their feet and more prone to trip hazards. A build-up of detritus on footways and carriageways may lead to increased accidents and reduced confidence in going out in public.
- For those with a disability, the same as the above applies but especially important with certain impairments such as poor vision, limited mobility or wheelchair users. Navigating around rubbish, spillages or broken glass is not always easy, causing general inconvenience, burst tyres and a potential loss of confidence.
- Women who are heavily pregnant may be at increased risk of falls as they may be unsteady on their feet.

The service will prioritise all incidents using a risk based approach to reduce the impact on equality groups but waiting times will be longer with reduced resource.

Is a full-service equalities impact assessment required: Yes / No No

### 9. Human Resources impact

Will this cuts proposal have an impact on employees: Yes / No Yes

Workforce profile:

Posts	Headcount in post	FTE in post	Establishment posts	Vacant	
				Agency / Interim cover	Not covered
Scale 1 – 2					
Scale 3 – 5					
Sc 6 – SO2					
PO1 – PO5					
PO6 – PO8					
SMG 1 – 3					
JNC					
Total					
Gender	Female	Male			
Ethnicity	BME	White	Other	Not Known	
Disability	Yes	No			
Sexual orientation	Straight / Heterosex.	Gay / Lesbian	Bisexual	Not disclosed	

### 10. Legal implications

State any specific legal implications relating to this proposal:

The Environmental Protection Act 1990 and DEFRA Code of Practice

## Cuts proposal template 2021/22

1. Cuts proposal	
Proposal title:	Environmental Operations Review
Reference:	F-15a
Directorate:	Housing, Regeneration and Public Realm
Director of Service:	Zahur Khan
Service/Team area:	Cleansing
Cabinet portfolio:	Cllr Sophie McGeevor - Cabinet Member for Environment and Transport
Scrutiny Ctte(s):	Sustainable Development Select Committee

2. Decision Route			
Cuts proposed:	Key Decision*	Public Consultation Yes / No and Statutory vs informal	Staff Consultation Yes / No and Statutory vs informal
	Yes / No See para 16.2 of the Constitution <a href="https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution">https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution</a>		
	Y	N - Statutory Y - Informal	Y

3. Description of service area and proposal
<b>Description of the service area (functions and activities) being reviewed:</b> <ul style="list-style-type: none"> <li>The current service model for street cleansing is a barrow-based, beat street sweeping service, currently delivered on a weekly frequency to residential streets. Higher frequency sweeping is provided to town centres and areas with a higher footfall. In addition to sweeping streets, street sweepers are also responsible for emptying litter bins, reporting fly-tipping and graffiti, weeding pavements, helping Highways to grit icy pavements and clearing large amounts of leaf-fall during autumn.</li> <li>This programmed approach is used by many other authorities, many with higher levels of mechanisation.</li> <li>We believe there are efficiencies to be made within the service, which will reflect the Council's ambitions for the borough, to do things differently and provide a good service for residents, while finding the cuts we need to make.</li> <li>In December 2020, Mayor and Cabinet approved proposals to conduct a strategic review of all environmental operations, to provide a full operational and management model for the borough based on a menu of options and approaches, using best practice and industry standards. This review would inform the future shape of services including any efficiencies and capital requirements.</li> </ul>

### 3. Description of service area and proposal

- It is proposed that on top of the 5% cut to the waste service, approved in December, an additional 10% cut is made by finding efficiencies within the review.

#### Cuts proposal\*

It is proposed to remove a further 10% - or £567k - from the overall environmental services budget.

This would focus on the Street Cleansing budget.

#### Mitigating Actions for 21/22

It is proposed that a service review, for all environmental operations – including street cleansing services - be undertaken in 2020/21, to provide a full operational and management model for the borough based on a menu of options and approaches, using best practice and industry standards.

This review would inform the future shape of services, including any efficiencies and capital requirements, and will give the opportunity next summer as part of the 2022/23 budget cycle, to decide on any further reductions in 2022/23 and 2023/34 based on a detailed and evidenced piece of work which also may allay fears and allow for greater efficiencies.

This would look for efficiencies across the whole of Environmental Operations which would mean, by adopting new agile ways of working, minimising the impact on on-street service delivery around cleansing.

The current service model requires investment in mechanical sweeping machines to enhance and improve the service for the residents of the borough, along with other changes in how the service operates, which could provide long term efficiency savings. This is linked to the growth proposals around an Integrated Intelligence Hub and Environmental Enforcement

2 Pilots were trialled in 2019 and reported to the September 2019 Sustainable Development Committee [September 2019 Cleansing Pilots](#)

### 4. Impact and risks of proposal

#### Outline impact to service users, partners, other Council services and staff:

- Frequency on residential roads reduced. This would need an assessment on the frequencies roads require and appropriate approaches to minimise any adverse impact such as increased mechanisation and litter picking. However this will mean that the current beat approach would see the once per week visit for all streets change to a more graduated service with some areas seeing visits on 2-3 weekly basis.
- Street Sweepers blue bags and small fly tips will remain out on the streets longer.
- With only 3 mobile teams to cover the whole of the borough, we will have to prioritise work more effectively and efficiently, and undertake to provide a more agile service but there would be delays and work assessed and dealt with on priority and impact.

## Cuts proposal template 2021/22

### 4. Impact and risks of proposal

- There will be a number of staff affected that may have to be made redundant. All staff impacts will look to mitigation via redeployment as first route where possible.
- There will be an increase in the number of complaints by residents, as evidenced by the 2019 Pilots
- Increased demand on enforcement services
- An adverse impact on the perception of the borough in terms of cleanliness, attractiveness and management of the local environment, with a build-up of litter and detritus on the streets.

#### Outline risks associated with proposal and mitigating actions to be taken:

Depending on the outcome of the review, the current frequency of residential sweeping could be impacted. In addition, the service could become more reactionary rather than pro-active and strict prioritisation of work/impact could need to be implemented.

Pending the outcome of the review, achieving the savings could require a significant restructure of the service, with potential redundancies. All staff impacts will look to mitigation via redeployment as first route where possible.

5. Financial information				
Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
	6,323	340	5,983	
HRA				
DSG				
Health				
Cuts proposed*:	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
	0	567	0	567
Total	0	567	0	567
% of Net Budget	%	10%	%	%
Does proposal impact on:	General Fund	DSG	HRA	Health
Yes / No	Yes	No	No	No
If DSG, HRA, Health impact describe:				

### 6. Impact on Corporate priorities: list in order of DECREASING impact

1. Making Lewisham greener	Corporate priorities 1. Open Lewisham 2. Tackling the Housing Crisis 3. Giving Children and young people the best start in life 4. Building an inclusive local economy
2. Good governance and operational effectiveness	
3. Building safer communities	

## Cuts proposal template 2021/22

6. Impact on Corporate priorities: list in order of DECREASING impact	
4. Open Lewisham	5. Delivering and defending: health, social care & support 6. Making Lewisham greener 7. Building safer communities  8. Good governance and operational effectiveness
5.	
6.	
7.	
8.	

7. Ward impact	
Geographical impact by ward:	No specific impact / Specific impact in one or more
	All
	If impacting one or more wards specifically – which?
	All

8. Service equalities impact			
Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	N	Pregnancy / Maternity:	M/L
Gender:	N	Marriage & Civil Partnerships:	N
Age:	M/L	Sexual orientation:	N
Disability:	M/L	Gender reassignment:	N
Religion / Belief:	N	Overall:	N
For any High impact service equality areas please explain why and what mitigations are proposed:			
<p>The removal of these services would affect all residents and visitors however some increases in litter and detritus may have an impact on those with mobility issues.</p> <ul style="list-style-type: none"> <li>Older people can be less steady on their feet and more prone to trip hazards. A build-up of detritus on footways and carriageways may lead to increased accidents and reduced confidence in going out in public.</li> <li>For those with a disability, the same as the above applies but especially important with certain impairments such as poor vision, limited mobility or wheelchair users. Navigating around rubbish, spillages or broken glass is not always easy, causing general inconvenience, burst tyres and a potential loss of confidence.</li> <li>Women who are heavily pregnant may be at increased risk of falls as they may be unsteady on their feet.</li> </ul> <p>The service will prioritise all incidents using a risk based approach to reduce the impact on equality groups but waiting times will be longer with reduced resource</p>			
Is a full-service equalities impact assessment required: Yes / No			No

9. Human Resources impact				
Will this cuts proposal have an impact on employees: Yes / No				Yes
Workforce profile:				
Posts		FTE		Vacant

## Cuts proposal template 2021/22

<b>9. Human Resources impact</b>					
	Headcount in post	in post	Establi shment posts	Agency / Interim cover	Not covered
Scale 1 – 2	<b>83</b>	83		<b>46</b>	
Scale 3 – 5	<b>29</b>	29			
Sc 6 – SO2	<b>2</b>	2			
PO1 – PO5	<b>12</b>	12			
PO6 – PO8	<b>2</b>	2			
SMG 1 – 3	<b>1</b>	1			
JNC	<b>0</b>	0			
<b>Total</b>	<b>129</b>	129		<b>47</b>	
<b>Gender</b>	<b>Female</b>	<b>Male</b>			
	<b>6</b>	123			
<b>Ethnicity</b>	<b>BME</b>	<b>White</b>	<b>Other</b>	<b>Not Known</b>	
	<b>44</b>	74	<b>3</b>	<b>8</b>	
<b>Disability</b>	<b>Yes</b>	<b>No</b>	<b>PNTS</b>	<b>Unknown</b>	
	<b>7</b>	84	<b>27</b>	<b>11</b>	
<b>Sexual orientation</b>	<b>Straight / Heterosex.</b>	<b>Gay / Lesbian</b>	<b>Bisexu al</b>	<b>PNTS/Not disclosed</b>	<b>Other</b>
	<b>86</b>	1		<b>29/11</b>	<b>2</b>

## **10. Legal implications**

**State any specific legal implications relating to this proposal:**

The Environmental Protection Act 1990 and DEFRA Code of Practice

## Cuts proposal template 2021/22

1. Cuts proposal	
Proposal title:	Climate Emergency – Parking
Reference:	F-17 and F-18
Directorate:	Housing, Regeneration and Public Realm
Director of Service:	Zahur Khan – Director, Public Realm
Service/Team area:	Parking
Cabinet portfolio:	Environment and Transport - Cllr McGeevor
Scrutiny Ctte(s):	Sustainable Development Select Committee

2. Decision Route			
Cuts proposed:	Key Decision*	Public Consultation Yes / No and Statutory vs informal	Staff Consultation Yes / No and Statutory vs informal
	Yes / No See para 16.2 of the Constitution <a href="https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution">https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution</a>		
	Y	Y	N

3. Description of service area and proposal
<p><b>Description of the service area (functions and activities) being reviewed:</b></p> <p>Air pollution is a major public health issue in London and in February 2019, a motion to declare a 'climate emergency' was agreed asking the Mayor and Cabinet to agree a new action to make the borough carbon neutral by 2030.</p> <p>There are two Air Quality Management Areas (AQMAs) declared within the London Borough of Lewisham and eight Air Quality Focus Areas (AQFAs), which are areas with some of the poorest air quality in Lewisham.</p> <p>Road based transport is responsible for a large proportion of nitrogen dioxide and particulate matter emissions and is one of the largest single contributors in areas where national air quality objectives have failed. It is therefore essential to implement actions that will result in reductions in air pollution on the borough's roads.</p> <p>The Council can influence residents' and visitors' choice of vehicle by promoting more efficient and less polluting vehicles through variations in parking charges and the management of parking space.</p> <p>There is a greater demand for parking than there is space available. Parking Zones (PZs) help prevent commuter parking, discourage unnecessary car use and can help contribute to road safety objectives by preventing unsafe parking. Most of the Victorian road network was not built to accommodate widespread car ownership and use which means the Council must carefully manage the supply of on- and off street parking space according to need.</p> <p>The main purpose of a Parking Zone is to effectively manage the supply and demand for on-street parking in an area. In doing so, the Council helps to improve road safety,</p>

**3. Description of service area and proposal**

reduce congestion, improve the local environment, reduce carbon dioxide emissions and improve local air quality.

Liveable neighbourhoods can only be achieved by reducing the dominance of the private vehicle primarily through the management of on-street parking.

**Cuts proposal\***

This proposal falls in 2 parts:

- Climate Emergency – Parking - One of our strongest tools to reduce car dependence and increase more sustainable modes of transport such as walking and cycling, is the use of parking controls. To meet the challenge of the Climate Emergency in Lewisham, extending our CPZs borough wide would be a key tool as part of the Councils approach to tackling the Climate Emergency and reducing the impact of the car on the environment and health. Given the need for development, design and engagement, it is proposed that this would have to be year 3 of the budget cycle, in 2023/24

It would seem sensible to develop this proposal in parallel with an updated Parking and Enforcement Plan (PEP) for Lewisham allowing convergence of relevant climate, environment and transport policy and ambitions.

Currently there are 163 kms of uncontrolled parking within the Borough or 77% of the available public highway. If CPZ's were introduced into these half of these streets, based upon the above policy, over a 2 year period, a by-product of this approach would be annual net income in the region of £4m.

The initial estimated costs have been identified:

- engagement, design and implementation £1 million
- Additional on-going costs enforcement, IT, maintenance back office staff etc. £2 million per annum.

Income has been estimated extrapolating information from our current CPZs and applied to a number of scenarios of coverage.

**Table A - Parking income projections**

	<b>P&amp;D Net Income</b>	<b>Permit Net Income</b>	<b>Net PCN Income</b>
<b>19/20 Income (23%)</b>	£2,334,541.42	£2,387,585.18	£5,290,380.85
<b>100%</b>	£10,150,180.09	£10,380,805.12	£23,001,655.87
<b>38%</b>	£3,857,068.44	£3,944,705.94	£8,740,629.23
<b>20% or 40%</b>	£771,413.69	£1,577,882.38	£1,748,125.85
<b>Estimated Income</b>	<b>£3,105,955.11</b>	<b>£3,965,467.55</b>	<b>£7,038,506.70</b>

At this stage these are global estimates and it is proposed that further work be undertaken to provide firm figures around implementation and operation. At this stage a placeholder of £1m has been identified for 2023/24.

### 3. Description of service area and proposal

This proposal could be implemented from 1<sup>st</sup> April 2023.

- Parking – Safety and Congestion – To help manage safety and congestion on the boroughs main roads, a recent study identified 19 sites where box junction enforcement would ensure access at these locations. The study looked at 19 sites over a 5 day period which highlighted in excess of 16,000 contraventions. It is proposed to review all 19 junctions and install a network of 12 mobile cameras at these locations, using capital investment, and rotate them as required, to help manage congestion and emergency access and help towards improving road safety and reducing injuries within the borough and meeting our and the Mayor for London's targets.

This proposal could be implemented in 2021/22

Start-up costs are estimated in the region of £60k in terms of staffing, Traffic Order making and necessary remarking and amendment of the sites.

A conservative estimate of 5 Parking Charge Notices (PCNs) per day has been used for modelling and then multiplying that figure by 360 operational days a year and then by 12 CCTV cameras. This figure is then multiplied by the average gross income per ticket of £52 which equates to £1,123,200.00. The processing cost of £6.40 per ticket and maintenance cost of £3.61 is then subtracted resulting in a potential surplus in the region £907,000 surplus. At this stage this an estimated cost and potential surplus and a full analysis will be set out in the business case. The business case will be ready in November 2020 with an implementation date of 1<sup>st</sup> April 2021 estimate that we will submit the business case next month with an insulation date of 4 months.

Given the above it is sensible to consider the financial by-product of adopting this approach would be annual net income in the region of £500,000, subject to the further detailed business case, based on an increased level of compliance.

Once implemented and reviewed, the potential of expanding this function to use enforcement cameras for all of moving traffic offences from banned turns, one ways, no entry's would seem sensible.

Any net income will be used in line with Section 55 of the Road Traffic Regulation Act 1984 which means it is to be spent making good to the general fund where the parking account was in deficit (up to 4 years), meeting all or any part of the cost of provision and maintenance by the local authority of off and on street parking, meeting cost of public passenger transport services, highway or road improvements, maintenance of the public highway, environmental improvements and implementation of London transport strategy.

### 4. Impact and risks of proposal

#### Outline impact to service users, partners, other Council services and staff:

- A wide range of positive impacts around environment, from local streetscape to air quality.
- Perceived impact on personal access and business

#### Outline risks associated with proposal and mitigating actions to be taken:

## Cuts proposal template 2021/22

### 4. Impact and risks of proposal

- Not popular with residents and businesses
- Make sure that an effective engagement process that place with communities explain the challenge around climate and the effective actions that local authorities can take
- Make the services as accessible as possible and ensure that local needs and demands are met, where possible
- Reinvestment into local environmental improvements and transport and accessibility initiatives and services
- Provide travel planning and guidance

### 5. Financial information

Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
	4,042	10,347	-6,305	
HRA				
DSG				
Health				
Cuts proposed*:	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
Climate – Safety	250	250		500
Climate – Parking			1000	1000
<b>Total</b>	250	250	1000	1500
<b>% of Net Budget</b>	3.9%	3.9%	15.8%	23.7%
Does proposal impact on:	General Fund	DSG	HRA	Health
Yes / No				
If DSG, HRA, Health impact describe:				

### 6. Impact on Corporate priorities: list in order of DECREASING impact

1. Building safer communities	Corporate priorities
2. Making Lewisham greener	1. Open Lewisham
3. Good governance and operational effectiveness	2. Tackling the Housing Crisis
4.	3. Giving Children and young people the best start in life
5.	4. Building an inclusive local economy
6.	5. Delivering and defending: health, social care & support
7.	6. Making Lewisham greener
8.	7. Building safer communities
	8. Good governance and operational effectiveness

## Cuts proposal template 2021/22

7. Ward impact	
Geographical impact by ward:	No specific impact / Specific impact in one or more
	All
	If impacting one or more wards specifically – which?
	All

8. Service equalities impact			
Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	N	Pregnancy / Maternity:	N
Gender:	N	Marriage & Civil Partnerships:	N
Age:	M/L	Sexual orientation:	N
Disability:	M/L	Gender reassignment:	N
Religion / Belief:	N	Overall:	N
For any High impact service equality areas please explain why and what mitigations are proposed:			
<p>The extension of CPZs affects all sections of the community especially the young and the elderly in terms of impact on air quality and health, and assists in improving safety for all road users and achieves the transport planning policies of the Mayor for London and the London Borough of Lewisham.</p> <p>The Council carries out extensive and consultation to ensure that all residents and businesses are given a fair opportunity to air their views and express their needs, and this includes road users. The design of the scheme includes special consideration for the needs of people with blue badges, local residents and businesses.</p> <p>The needs of commuters are also given consideration but generally carry less weight than those of residents and local businesses. Bodies representing motorists, including commuters are included in the statutory consultation required for draft traffic management and similar orders published in the local paper and London Gazette</p> <p>In all of any agreed consultation, issues such carers, the use of new technology, cashless systems, signage and hours of operation will be carefully considered in any subsequent design and implementation, if any scheme is agreed, around the impact on users.</p>			
Is a full service equalities impact assessment required: Yes / No			No

9. Human Resources impact					
Will this cuts proposal have an impact on employees: Yes / No					No
Workforce profile: Both of these proposals would see a funded increase in staffing both within the Council and with the contractor.					
Posts	Headcount in post	FTE in post	Establishment posts	Vacant	
				Agency / Interim cover	Not covered
Scale 1 – 2					
Scale 3 – 5					
Sc 6 – SO2					
PO1 – PO5					
PO6 – PO8					
SMG 1 – 3					

**Cuts proposal template 2021/22**

<b>9. Human Resources impact</b>					
JNC					
Total					
Gender	Female	Male			
Ethnicity	BME	White	Other	Not Known	
Disability	Yes	No			
Sexual orientation	Straight / Heterosex.	Gay / Lesbian	Bisexual	Not disclosed	

<b>10. Legal implications</b>
<b>State any specific legal implications relating to this proposal:</b>
Use of surplus income from parking charges and penalty charges is governed by section 55 of the Road Traffic Regulation Act 1984.

## Cuts proposal template 2021/22

1. Cuts proposal	
Proposal title:	Emission based charging for Short Stay Parking
Reference:	F-20
Directorate:	Housing, Regeneration and Public Realm
Director of Service:	Zahur Khan – Director, Public Realm
Service/Team area:	Parking
Cabinet portfolio:	Cllr Sophie McGeevor - Cabinet Member for Environment and Transport
Scrutiny Ctte(s):	Sustainable Development Select Committee

2. Decision Route			
Cuts proposed:	Key Decision*	Public Consultation Yes / No and Statutory vs informal	Staff Consultation Yes / No and Statutory vs informal
	Yes / No See para 16.2 of the Constitution <a href="https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution">https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution</a>		
	Y	Y	N
		Statutory	

3. Description of service area and proposal
<b>Description of the service area (functions and activities) being reviewed:</b> <p>In 2020, the Council, as a response to the declared Climate Emergency, introduced an emissions based policy and charging regime for parking permits.</p> <p>In summary, new banded charges for resident and business parking permits were introduced based on a vehicle's CO2 emissions. Permits for those with the least polluting vehicles were cheaper than previous permits, whilst those with the most polluting vehicles paid more.</p> <p>However, due to technical issues with infrastructure, this change did not allow the Council to cover the Councils short stay, Pay &amp; Display parking with the same approach.</p>
<b>Cuts proposal*</b> <p>This proposal considers the particular adverse environmental and health impacts of fossil fuel emissions on short stay parking and proposes implementing an emission based parking regime similar to that for parking permits within Lewisham. This involves a CO2 based regime on short stay parking visitors, in order to deter the use of such vehicles and reduce the emissions arising. In addition a levy on diesel vehicles is proposed.</p> <p>New infrastructure now allows this policy to be extended over the Short Stay Pay and Display area but the production and delivery timelines will, as with most current procurement, be subject to delay due to Covid-19 and will mean a later start in 2021/22 with a half year of benefits in that financial year.</p>

## Cuts proposal template 2021/22

### 3. Description of service area and proposal

Initial analysis indicates that a full CO2 regime will require modelling but could be similar in approach and operation to the regime currently in place for Permit holders in Lewisham.

This is estimated to potentially generating £140,000.

A Diesel surcharge is in place in other similar inner London authorities and it is proposed to charge a comparable amount of £3 surcharge on diesel vehicles, on top of a CO2 regime. It is estimated this proposal will generate £100,000. However the infrastructure issues highlighted above will mean a half year of benefits in 2021/22.

The proposal will require £60k in 2021/22 for staff time to start up, implementation and consultation/traffic order making/amending.

This proposal is aimed at improving air quality, reducing the harmful effects of pollution to people, especially the young and the elderly and supports the Lewisham's air quality aims and the Mayor of London's Ultra-Low Emission Zone.

To enable this approach, the remaining 65 P&D machines will require a capital upgrade of £400k capital investment. With cashless transactions at around 80%, it would be sensible to consider a full cashless regime. Paypoints can be arranged in shops with 100m of all P&D locations, should motorists still wish to pay by cash. However Members have previously indicated that they wish to retain machines in a number of areas and therefore, if this route is agreed then this will need to be tied in with the proposal for introducing emission based charging for motorcycles and the necessary capital investment.

This will require a borough wide statutory consultation as part of the Traffic Order Making process and can be delivered halfway through 2021/22.

#### Mitigating Actions for 21/22

None

### 4. Impact and risks of proposal

#### Outline impact to service users, partners, other Council services and staff:

- This measure maybe unpopular with users
- Will further support the Council's climate agenda.
- Will contribute to benefitting those most vulnerable to poor air quality.
- Will encourage, along with other measures, to motorists investing in cleaner emission vehicles.

#### Outline risks associated with proposal and mitigating actions to be taken:

5. Financial information				
Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
	4,041,880	10,397,000	6,355,120	
HRA				

## Cuts proposal template 2021/22

5. Financial information				
DSG				
Health				
Cuts proposed*:	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
CO2 surcharge	70	70		140
Diesel surcharge	50	50		100
<b>Total</b>	120	120		240
<b>% of Net Budget</b>	0.0018%	0.0018%	%	0.0037%
Does proposal impact on:	General Fund	DSG	HRA	Health
Yes / No	Y	N	N	N
If DSG, HRA, Health impact describe:				

6. Impact on Corporate priorities: list in order of DECREASING impact	
1. Making Lewisham greener	<b>Corporate priorities</b> 1. Open Lewisham 2. Tackling the Housing Crisis 3. Giving Children and young people the best start in life 4. Building an inclusive local economy 5. Delivering and defending: health, social care & support 6. Making Lewisham greener 7. Building safer communities 8. Good governance and operational effectiveness
2. Good governance and operational effectiveness	
3.	
4.	
5.	
6.	
7.	
8.	

7. Ward impact	
Geographical impact by ward:	No specific impact / Specific impact in one or more
	All Wards within Controlled Parking Zones
	If impacting one or more wards specifically – which?

8. Service equalities impact			
Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	N	Pregnancy / Maternity:	N
Gender:	N	Marriage & Civil Partnerships:	N
Age:	N	Sexual orientation:	N
Disability:	N	Gender reassignment:	N
Religion / Belief:	N	Overall:	N
For any High impact service equality areas please explain why and what mitigations are proposed:			

**Cuts proposal template 2021/22**

<b>8. Service equalities impact</b>	
Is a full service equalities impact assessment required: Yes / No	No

<b>9. Human Resources impact</b>					
Will this cuts proposal have an impact on employees: Yes / No					No
Workforce profile:					
Posts	Headcount in post	FTE in post	Establishment posts	Vacant	
				Agency / Interim cover	Not covered
Scale 1 – 2					
Scale 3 – 5					
Sc 6 – SO2					
PO1 – PO5					
PO6 – PO8					
SMG 1 – 3					
JNC					
Total					
Gender	Female	Male			
Ethnicity	BME	White	Other	Not Known	
Disability	Yes	No			
Sexual orientation	Straight / Heterosex.	Gay / Lesbian	Bisexual	Not disclosed	

<b>10. Legal implications</b>
State any specific legal implications relating to this proposal:
Subject to statutory consultation under the Traffic Management Act with regard to introduction and setting a fee,

## Cuts proposal template 2021/22

1. Cuts proposal	
Proposal title:	Road Safety – Enhanced Enforcement
Reference:	F-21
Directorate:	Housing, Regeneration and Public Realm
Director of Service:	Zahur Khan – Director, Public Realm
Service/Team area:	Public Realm
Cabinet portfolio:	Cllr Sophie McGeevor - Cabinet Member for Environment and Transport
Scrutiny Ctte(s):	Sustainable Development Select Committee

2. Decision Route			
Cuts proposed:	Key Decision*	Public Consultation Yes / No and Statutory vs informal	Staff Consultation Yes / No and Statutory vs informal
	Yes / No See para 16.2 of the Constitution <a href="https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution">https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution</a>		
	Y	N	N

3. Description of service area and proposal
<p><b>Description of the service area (functions and activities) being reviewed:</b></p> <p>Lewisham has, over the years, implemented a great number of traffic measures to manage traffic flow, improve road safety and to prioritise sustainable modes of transport such as walking, cycling and bus priority. These schemes have included banned turns, one way systems and other restrictions to limit vehicular movement, mainly in the more residential areas, to increase safety or address local environmental issues.</p> <p>When such measures are complied with, it allows traffic to move freely and reduces road danger, whilst improving air quality. However, if such measures are contravened, road danger increases for pedestrians, cyclists and motorists. Such conflicts can also cause delays and congestion, leading to a loss of amenity and negatively affect air quality.</p> <p>The vast majority of these are not regularly enforced.</p>
<p><b>Cuts proposal*</b></p> <p>To complement the proposal for the Council to enforce yellow box junctions, it is proposed that a similar programme of enforcement be undertaken to support the Council's priorities around road safety and local environment.</p> <p>The proposal is to review existing restrictions and initially enforce those with the highest number of contraventions and those contraventions where a high risk of occurrence and personal injury is highlighted.</p> <p>The proposal will be developed and implemented by Traffic and supported by Parking and our Parking contractor NSL Ltd on CCTV and maintenance functions. This will involve:</p>

## Cuts proposal template 2021/22

### 3. Description of service area and proposal

- As part of our on-going annual work on road safety and reducing personal injuries within Lewisham, an assessment of accident hotspots along with surveys and restrictions will be undertaken to provide a prioritised list of locations with contraventions.
- A list of around a dozen sites will be initially be made and will be assessed to ensure camera enforcement can be administered.

This will help manage safety and congestion on our roads, improve air quality and confidence for all vulnerable road users and motorists that these sites are being managed correctly. This will also assist in meeting our and the Mayor for London's targets.

Some of the proposals can be implemented in 2021/22, with 5 sites of the initial 12 and the remainder in the following year. Exact sites will be dependent on surveys, which will need to be commenced first.

Costs for the necessary capital investment, including cameras, will be required, on an invest to save basis. As such a capital investment of £360,000, with £100,000 in 21/22 and £175,000 in 22/23 is required.

As a by-product of our reinforcing the effectiveness of our traffic management measures it is anticipated that there will be net income as follows

	2021/22	2022/23
<b>Income</b>	£250k	£375k

The production and delivery timelines will, as with most current procurement, be subject to delay due to Covid-19 and will mean a later start in 2021/22 with a half year of benefits in that financial year.

As these measures exist, no consultation will be required and appropriate signs will be added to the restrictions, as necessary.

### 4. Impact and risks of proposal

#### Outline impact to service users, partners, other Council services and staff:

- A wide range of positive impacts around environment, from local streetscape to air quality.
- Perceived impact on personal access and business
- Not popular with some residents and businesses
- Reinvestment into local environmental improvements and transport and accessibility initiatives and services as per Section 55
- Income raised through fines is spent on running of the parking services and any surplus is used to subsidise the costs of concessionary fares and maintaining our roads.

#### Outline risks associated with proposal and mitigating actions to be taken:

5. Financial information				
Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	

## Cuts proposal template 2021/22

5. Financial information				
	4,042	10,397	6,355	
HRA				
DSG				
Health				
Cuts proposed*:	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
Road Safety – enhanced enforcement	250	375		625
<b>Total</b>	250	375		625
<b>% of Net Budget</b>	2.75%	5.5%	%	8.25%
Does proposal impact on:	General Fund	DSG	HRA	Health
Yes / No				
If DSG, HRA, Health impact describe:				

6. Impact on Corporate priorities: list in order of DECREASING impact	
1. Building safer communities	<b>Corporate priorities</b> 1. Open Lewisham 2. Tackling the Housing Crisis 3. Giving Children and young people the best start in life 4. Building an inclusive local economy 5. Delivering and defending: health, social care & support 6. Making Lewisham greener 7. Building safer communities 8. Good governance and operational effectiveness
2. Making Lewisham greener	
3. Good governance and operational effectiveness	
4.	
5.	
6.	
7.	
8.	

7. Ward impact	
Geographical impact by ward:	No specific impact / Specific impact in one or more
	Wards identified in the priority list
	If impacting one or more wards specifically – which?

8. Service equalities impact			
Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	N	Pregnancy / Maternity:	N
Gender:	N	Marriage & Civil Partnerships:	N
Age:	N	Sexual orientation:	N
Disability:	N	Gender reassignment:	N

## Cuts proposal template 2021/22

8. Service equalities impact			
Religion / Belief:	N	Overall:	N
For any High impact service equality areas please explain why and what mitigations are proposed:			
Is a full service equalities impact assessment required: Yes / No			N

9. Human Resources impact					
Will this cuts proposal have an impact on employees: Yes / No					No
Workforce profile:					
Posts	Headcount in post	FTE in post	Establishment posts	Vacant	
				Agency / Interim cover	Not covered
Scale 1 – 2					
Scale 3 – 5					
Sc 6 – SO2					
PO1 – PO5					
PO6 – PO8					
SMG 1 – 3					
JNC					
Total					
Gender	Female	Male			
Ethnicity	BME	White	Other	Not Known	
Disability	Yes	No			
Sexual orientation	Straight / Heterosex.	Gay / Lesbian	Bisexual	Not disclosed	

10. Legal implications
State any specific legal implications relating to this proposal:
All income must be applied via the hierarchy specific in Section 55 of the Road Traffic regulation Act 1984

## Cuts proposal template 2021/22

1. Cuts proposal	
Proposal title:	Motorcycle Parking Charges
Reference:	F-22
Directorate:	Housing, Regeneration and Public Realm
Director of Service:	Zahur Khan – Director, Public Realm
Service/Team area:	Parking
Cabinet portfolio:	Cllr Sophie McGeevor - Cabinet Member for Environment and Transport
Scrutiny Ctte(s):	Sustainable Development Select Committee

2. Decision Route			
Cuts proposed:	Key Decision*	Public Consultation Yes / No and Statutory vs informal	Staff Consultation Yes / No and Statutory vs informal
	<p>Yes / No</p> <p>See para 16.2 of the Constitution</p> <p><a href="https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution">https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution</a></p>		
	Y	Y	N
		Statutory	

3. Description of service area and proposal
<p><b>Description of the service area (functions and activities) being reviewed:</b></p> <p>Motorcycles currently park free of charge in Controlled Parking Zones (CPZs) and on any permit holder, pay-and-display or dual purpose bay within Lewisham. In addition some motorcycle parking is available in car parks.</p> <p>As part of our commitment to improve local air quality and reduce CO<sub>2</sub> emissions in Lewisham, we are proposing to introduce parking permits for motorcycles. This is aimed at tackling air pollution from motorcycles by encouraging people to switch to less polluting models or more sustainable forms of transport. It will also bring all motorcycle parking charges in line with other vehicles, which have had emissions-based permits since last year.</p> <p>Poor air quality contributes to an estimated 10,000 premature deaths every year in London. As vehicle emissions are the primary source of air pollution in London, it is crucial that Lewisham plays its part in tackling this source of pollution.</p>
<p><b>Cuts proposal*</b></p> <p>As part of our Local Implementation Plan and Parking and Enforcement Plan, Lewisham is committed to encouraging people to travel more sustainably, increasing walking and cycling rates, and promoting public transport use. This also is in-line with our approach to the declared Climate Emergency.</p> <p>These proposals are aimed at encouraging motorcyclists who need to ride to switch to less polluting and zero-emission motorcycles. The proposals would also bring Lewisham in line with the majority of other inner London boroughs that already charge for motorcycle parking.</p>

## Cuts proposal template 2021/22

### 3. Description of service area and proposal

Motorcycles have not been charged to park in the borough up to now, largely because it has not been possible to display a permit securely on a motorcycle. Developments in technology offer a practical solution in the form of cashless parking and e-permits as used currently within the borough.

In support of the Council Climate agenda it is proposed to, within controlled parking zones:

- Introduce a requirement for motorcycles to hold a valid permit to park in any permit holder bay, which would be charged based on emissions.
- Making it a requirement for visitors travelling by motorcycle to display either a visitor e-voucher when visiting friends and family, or purchase a cashless parking session when parked in short-stay bays.

This would mean:

- Motorcycle bay parking will be free for electric motorcycles.
- Motorcyclists could park for £1 a day.
- Each daily permit can move between motorcycle bays during the same day without any further charge.
- Longer term permits have also been proposed below, with the same concession. The proposal will allow motorcycles to park in bays they currently do, but with a charge.

At this stage, the proposed prices shown below are indicative and subject to further change following further research and analysis, including a possible emission based regime.

Permit duration	Price
1 day	£1
1 week	£3
1 month	£10
1 quarter	£30
1 year	£100

The proposal is expected to generate £80k income in 2022/23, but will require £60k in 2021/22 for staff time to start up, implementation and consultation/traffic order making/amending.

To enable this approach, the remaining 65 P&D machines will require a capital upgrade of £400k capital investment. With cashless transactions at around 80%, it would be sensible to consider a full cashless regime. Paypoints can be arranged in shops with 100m of all P&D locations, should motorists still wish to pay by cash. However Members have previously indicated that they wish to retain machines in a number of areas and therefore, if this is the route agreed, then this will need to be tied in with the proposal for introducing emission based charging for short stay P&D and the necessary capital investment.

This proposal can be delivered for 2021/22 and will need to align with the procurement and infrastructure required for the proposal for emissions based Short Stay pay and

## Cuts proposal template 2021/22

### 3. Description of service area and proposal

display. Production and delivery timelines will, as with most current procurement, be subject to delay due to Covid-19 and will mean a later start in 2021/22 with a year of benefits in 2022/23

#### Mitigating Actions for 21/22

Not applicable

### 4. Impact and risks of proposal

#### Outline impact to service users, partners, other Council services and staff:

- This measure maybe unpopular with users
- Will further support the Council's climate agenda.
- Could lead to displacement of parking into adjoining areas without parking controls.

#### Outline risks associated with proposal and mitigating actions to be taken:

There are interest groups who have views on the proposed roll out for charging for motorcycles, such as the Motorcycle Action Group. We shall engage with such groups as the proposals are developed and consulted on.

5. Financial information				
Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
	4,042	10,397	6,355	
HRA				
DSG				
Health				
Cuts proposed*:	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
<b>Motorcycle Parking</b>		80		80
<b>Total</b>		80		80
<b>% of Net Budget</b>	%	<1%	%	<1%
Does proposal impact on: Yes / No	General Fund	DSG	HRA	Health
	Y	N	N	N
If DSG, HRA, Health impact describe:				

### 6. Impact on Corporate priorities: list in order of DECREASING impact

<b>1. Making Lewisham greener</b>	Corporate priorities 1. Open Lewisham 2. Tackling the Housing Crisis
<b>2. Good governance and operational effectiveness</b>	

## Cuts proposal template 2021/22

6. Impact on Corporate priorities: list in order of DECREASING impact	
3.	3. Giving Children and young people the best start in life
4.	4. Building an inclusive local economy
5.	5. Delivering and defending: health, social care & support
6.	6. Making Lewisham greener
7.	7. Building safer communities
8.	8. Good governance and operational effectiveness

7. Ward impact	
Geographical impact by ward:	Zones
	Those Wards with Controlled Parking Zones
	If impacting one or more wards specifically – which?

8. Service equalities impact			
Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	N	Pregnancy / Maternity:	N
Gender:	N	Marriage & Civil Partnerships:	N
Age:	N	Sexual orientation:	N
Disability:	N	Gender reassignment:	N
Religion / Belief:	N	Overall:	N
For any High impact service equality areas please explain why and what mitigations are proposed:			
Is a full service equalities impact assessment required: Yes / No			N

9. Human Resources impact					
Will this cuts proposal have an impact on employees: Yes / No					No
Workforce profile:					
Posts	Headcount in post	FTE in post	Establishment posts	Vacant	
				Agency / Interim cover	Not covered
Scale 1 – 2					
Scale 3 – 5					
Sc 6 – SO2					
PO1 – PO5					
PO6 – PO8					
SMG 1 – 3					
JNC					
Total					
Gender	Female	Male			

## Cuts proposal template 2021/22

<b>9. Human Resources impact</b>					
Ethnicity	BME	White	Other	Not Known	
Disability	Yes	No			
Sexual orientation	Straight / Heterosex.	Gay / Lesbian	Bisexual	Not disclosed	

<b>10. Legal implications</b>
<b>State any specific legal implications relating to this proposal:</b>
Requirement to undertake consultation under the Road Traffic Act

## Cuts proposal template 2021/22

1. Cuts proposal	
Proposal title:	ASC Review
Reference:	F-24
Directorate:	Communities
Director of Service:	Tom Brown
Service/Team area:	Adult Social Care/ Joint Commissioning
Cabinet portfolio:	Cllr Chris Best (Health and Adult Social Care)
Scrutiny Ctte(s):	Healthier Communities Select Committee

2. Decision Route			
Cuts proposed:	Key Decision*	Public Consultation No and Statutory vs informal	Staff Consultation No and Statutory vs informal
	<p>No</p> <p>See para 16.2 of the Constitution</p> <p><a href="https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution">https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution</a></p>		
	No	No	No

3. Description of service area and proposal
<p><b>Description of the service area (functions and activities) being reviewed:</b></p> <p>A full scale service wide review will be completed for Adult Social Care with the objective of reducing costs whilst improving the outcomes for our residents. The review will be expected to build on the first round cuts proposed and deliver second round savings of £4m through:</p> <ul style="list-style-type: none"> <li>• Working with our NHS partners to ensure people have access to rehabilitative therapies and recovery</li> <li>• Better demand management through promoting independence and supporting a strength based model, working with service users to determine how their needs are best met through the assessment process</li> <li>• Assessing our performance, productivity and our unit costs by benchmarking against our statistical neighbours</li> <li>• Improved commissioning and contract management arrangements for our domiciliary, residential, nursing and day care services to ensure the services delivered are of good quality and offer value for money</li> <li>• To assess the providers in the market place to determine whether the alternative offer is better placed to meet our residents' needs (to include a review of Enablement &amp; Linkline services – replacing F-07 &amp; F-08)</li> <li>• Modernising and transforming our building based day centre provision</li> </ul>

4. Impact and risks of proposal
<p><b>Outline impact to service users, partners, other Council services and staff:</b></p> <p>The delivery of this proposal is in addition to £3m cut proposed F-01 and must comply with legislative requirements for ASC, but this proposal aims to ensure that in the first instance we help people to be independent and / or use informal and community resources. Through transforming the way we work with people we aim to empower them to access non-institutional care wherever possible.</p>

## Cuts proposal template 2021/22

### 4. Impact and risks of proposal

Building on existing ways of working we want to support staff to be creative and co-productive in approaches to the commissioning and delivery of support.

#### Outline risks associated with proposal and mitigating actions to be taken:

Decisions are made on an individual basis taking account of the presenting concerns, assessed needs and how these can be met, and by taking into account any risks that are identified to service users and carers or any safeguarding concerns that may need to be investigated.

Adopting a co-productive approach and using positive risk management we seek to transform the way that people meet their needs.

All re-assessments will follow the guidance within the Care Act 2014. However, there may be an increase in the levels of formal complaints received if choices and preferences regarding the care and support offered are not realised.

5. Financial information				
Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
	121.5m	55.4m	66.1m	
HRA				
DSG				
Health				
Cuts proposed*:	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
<b>ASC Review</b>	3849	430	0	4279
<b>Total</b>	3849	430	0	4279
<b>% of Net Budget</b>	%	%	%	%
Does proposal impact on:	General Fund	DSG	HRA	Health
Yes / No				
If DSG, HRA, Health impact describe:				

### 6. Impact on Corporate priorities: list in order of DECREASING impact

1.5	<b>Corporate priorities</b> 1. Open Lewisham 2. Tackling the Housing Crisis 3. Giving Children and young people the best start in life 4. Building an inclusive local economy 5. Delivering and defending: health, social care & support 6. Making Lewisham greener 7. Building safer communities
2.1	
3.2	
4.3	
5.4	
6.8	

## Cuts proposal template 2021/22

6. Impact on Corporate priorities: list in order of DECREASING impact	
7.7	8. Good governance and operational effectiveness
8.6	

7. Ward impact	
Geographical impact by ward:	No specific impact / Specific impact in one or more
	If impacting one or more wards specifically – which?
	All Wards

8. Service equalities impact			
Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:		Pregnancy / Maternity:	
Gender:		Marriage & Civil Partnerships:	
Age:	H	Sexual orientation:	
Disability:	H	Gender reassignment:	
Religion / Belief:		Overall:	H
For any High impact service equality areas please explain why and what mitigations are proposed:			
<p>People who are in receipt of care and support from ASC will have a disability or be an older resident or carer. Any changes to the care and support plans that are already in place will take place following a reassessment of need in accordance with legislation. There are higher levels of young working age adults in receipt of Direct payments.</p>			
Is a full service equalities impact assessment required: No			

9. Human Resources impact					
Will this cuts proposal have an impact on employees: / No					
Workforce profile:					
Posts	Headcount in post	FTE in post	Establishment posts	Vacant	
				Agency / Interim cover	Not covered
Scale 1 – 2					
Scale 3 – 5					
Sc 6 – SO2					
PO1 – PO5					
PO6 – PO8					
SMG 1 – 3					
JNC					
Total					
Gender	Female	Male			
Ethnicity	BME	White	Other	Not Known	
Disability	Yes	No			

## Cuts proposal template 2021/22

<b>9. Human Resources impact</b>					
<b>Sexual orientation</b>	<b>Straight / Heterosex.</b>	<b>Gay / Lesbian</b>	<b>Bisexual</b>	<b>Not disclosed</b>	

<b>10. Legal implications</b>
<b>State any specific legal implications relating to this proposal:</b>
<p>ASC is a statutory service that implements the legislative guidance accordingly. All decisions made regarding how a care and support plan are changed will be influenced by the re-assessment of needs in line with the Care Act guidance.</p> <p>There are care arrangements in place that have prioritised the choices and aspirations of individual service users and carers when considering how needs can be met.</p> <p>The re assessments of these arrangements will follow care act guidance by taking into account the strengths and assets that individuals can contribute to support themselves, for example, looking at what family and community networks can provide, and whether there are sufficient finances to self-fund support required.</p>

## Appendix 7

### Specific Legal Implications – new proposals

Reference	Description	Savings 2022/23 £'000	Legal implications
	<b>Theme C: Service Design</b>		
C-35	Specialist social care support review	177	No specific legal implications
C-36	Reduction in cost of commissioned care leaver housing	600	No specific legal implications
C-38	Strategic development team cost capitalisation	100	No specific legal implications
C-39	Aligning the Kickstart scheme with Government plans	25	No specific legal implications
C-40	Substance misuse - contract review and staffing	92	No specific legal implications
C-44	Removal of graffiti from private property	5	The Council can address offences which have a negative impact on a community's quality of life by serving a Community Protection Notice (CPN) in accordance with Section 43 of the Anti-Social Behaviour, Crime and Policing Act 2014. Any behaviour that is detrimental to a community's quality can result in a CPN. This can include offences such as noise nuisance, rubbish on private land, graffiti and antisocial behaviour. A CPN can be issued to an individual aged 16 or over if an authorised person is satisfied that the behaviour: has a detrimental effect on the quality of life of those in the locality; is unreasonable and is of a persistent nature. A written warning must first have been given.

	<b>Theme D: Asset Optimisation</b>		
D-10	Commercial Estate Review	0	No specific legal implications
D-11	Business Rates revaluation of Council owned premises	100	No specific legal implications
D-12	Asset Use Review and Regularisation	0	Where there are existing leases, the Council may only make changes where this is permitted by the lease. If there is no provision in an existing lease for rent review, the Council is unable to make changes to the rent during the lease term.
D-13	Review of commercial opportunities for nurseries within children's centres	11	There is a statutory duty to consult on any proposal to cease using a building as a children's centre. Any proposal is therefore expressly subject to that consultation and a decision on closure being taken by Mayor & Cabinet.
D-14	Facilities Management	0	No specific legal implications
	<b>Theme E: Commercial Approach</b>		
E-12	Building Control Service Efficiency	20	No specific legal implications
E-14	Changes to leisure concessions for older people	95	No specific legal implications
E-15	Seek corporate sponsorship for Festive Lighting	30	No specific legal implications
	<b>Theme F: Demand Management</b>		
F-25	Road Safety – New Yellow Boxes	150	London Boroughs enforce moving traffic violations by virtue of the London Local Authorities and Transport for London Act 2003. Levels of fines are fixed London wide via the joint committee with the London Boroughs and TfL and have

			to be set having taken into account of  (a) any reasonable costs or expected costs incurred or to be incurred in connection with the administration of the provisions of the enactment under which the particular fixed penalty offence is created; and  (b) the cost or expected cost of enforcing the provisions of the relevant enactment.
F-26	Subscriptions	20	No specific legal implications

Specific Legal Implications – previously agreed proposals

Reference	Description	Savings 2022/23 £'000	Legal implications
	<b>Theme A: Productivity</b>		
A-01	Productivity Staff Savings	3,000	No specific legal implications
A-02	Enforcement Review – New Ways of Working	50	No specific legal implications
A-03	Review of work related travel arrangements to reduce costs	150	There will need to be a procurement process to identify a car and bike club scheme that would partner up with the Council
A-04	Process automation in Revenues and Benefits	100	No specific legal implications
A-06	Process automation in Revenues and Benefits	400	No specific legal implications

	<b>Theme B: Joint Working and Partnerships</b>		
B-02, C-03, E-06, F-03, F-05	Changes to Children's Social Care services	600	No specific legal implications
B-06	Main Grants Programme	800	Full legal consideration will be given as the proposals are developed. It is clear as stated in the proposal that there will need to be consultation and full consideration will need to be given to the potential equalities impacts both when formulating the detailed proposals and when taking future decisions.
B-07	Council Events	30	No specific legal implications
B-10	Assemblies	178	The Assembly Programme is part of the Council's Constitution so this proposal, if accepted, would require that document to be amended.
	<b>Theme C: Service Reconfiguration</b>		
C-02	Day Service and Supported Learning integration	100	Legal implications will depend on the detailed approach to be taken, but it is likely that matters to be considered will include consultation requirements, consideration of equalities impacts and (where appropriate) contract change.
B-02, C-03, E-06, F-03, F-04, F-05	Changes to Children's Social Care services	215	No specific legal implications
C-07	Review of Short Breaks delivery	50	No specific legal implications
C-08	Mobile Telephony	10	No specific legal implications
C-10	Housing Services Review	300	Any changes will need to comply with Council procedures including in relation to consultation.  Otherwise there are no specific legal implications.
C-17	Re-configuration of MH Supported Housing pay –	150	To the extent that achievement of the proposal would require a change to the terms of existing contracts with

	Social Interest Group		providers, there will need to be assessment of whether those changes can be imposed unilaterally by the Council or whether delivery of the outcome would have a compensation implication under the terms of the contract and/or be dependent on reaching agreement with the provider.
C-28	Supported Housing Services	84	To the extent that achievement of the proposal would require a change to the terms of existing contracts with providers, there will need to be assessment of whether those changes can be imposed or whether delivery of the outcome would have a compensation implication under the terms of the contract and/or be dependent on reaching agreement with the provider.
	<b>Theme D: Assets Rationalisation</b>		
D-02, D-05, D-07, D-08	Generating greater value from Lewisham's asset base – Miscellaneous Items	140	The Council's functions in respect of homelessness are contained in Part 7 of the Housing Act 1996. A tenancy granted to a homeless household as part of any function under Part 7 of the Housing Act 1996 will not be secure, unless the local authority has notified the tenant that it is to be regarded as a secure tenancy. This enables the Council to grant short term non secure tenancies of TA for people where the Council is exercising its functions under Part 7.
D-06	Catford Campus - Estate Consolidation	697	Local authorities are required to holding public meetings in person. Unless the legislation is amended and the Council also agrees to move to virtual meetings, any proposal to mothball the Civic Suite will need to ensure that the Council will continue to be in a position to hold public committee meetings.
	<b>Theme E: Commercial approach</b>		

E-01	Improved debt collection	250	None. The specific legislation relied upon for the charging of the service / raising of the debt will be considered prior to the Council levy such charges.
E-02	Income from Building Control	15	No specific legal implications
E-05	Traded Services with Schools	50	Detailed proposals will need to take account of the Council's statutory obligations and powers to trade and make charges.
B-02, C-03, E-06, F-03, F-04, F-05	Changes to Children's Social Care services	100	No specific legal implications
E-07	Housing – Bring rents for Private Sector Lease (PSL) and Private Managed Accommodation (PMA) in line with London Housing Allowance.	375	No specific legal implications
E-09	Realising the Benefits of the Oracle Cloud Solution	100	To the extent that the proposal is for the onward selling of some services to schools consideration will need to be given to the Council's powers to undertake that activity, at the point more detailed proposals are formulated.
	<b>Theme F: Better demand management</b>		
F-02	Changes to Children's Social Care services	500	No specific legal implications
B-02, C-03, E-06, F-03, F-04, F-05	Changes to Children's Social Care services	250	No specific legal implications
F-15	Street Cleansing – 5% Budget Saving Option for year 2022 – 2023	330	Under Section 89(1) of the Environmental Protection Act 1990, the Council is under a statutory duty to ensure that open land under its direct control and to which the public

			<p>have access is, so far as practicable, kept clear of litter and refuse. Under Section 89(2), the Council is also under a statutory duty, so far as is practicable, to ensure that public highways within its area are kept clean. In deciding what standard is required, the Council must have regard to the character and use of the land or highway, as well as the measures which are practicable in the circumstances. Under Section 89(10), the Council is also required to have regard to the code of practice published by the Secretary of State from time to time (the DEFRA Code of Practice). In particular, the code requires the Council to allocate its land into different types or "zones" which must be publicised. The code then sets out cleanliness standards for the different types of land and maximum response times for cleaning an area which has been littered. The duty applies seven days a week. Members of the public may complain to the Magistrates Court where they consider that there is a breach of Section 89. The code of practice is admissible in evidence and the court may take into account any relevant provision in the code of practice. The guidance is provided as a practical guide to the discharge of the duty, but it remains the case that what is appropriate in a particular instance is for the Court to agree. If the complaint is successful, a litter abatement order will be made, failure to comply with which is an offence. The court may also award costs if it is satisfied that there were reasonable grounds for bring the complaint, even if by the time the complaint is heard, the litter has been cleared away or the lack of cleanliness rectified. In considering any savings proposals in relation to these matters, the Mayor must therefore be satisfied that the Council will still be able to comply with its duties under Section 89 and the requirements contained in the code of practice.</p>
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F-15a	Environment – environmental operations review	567	See F15
F-17	Road safety enforcement	250	The Council has the power to introduce such measures under the Road Traffic Regulation Act 1984, as amended, and the procedure for doing so is set out in the Local Authorities' Traffic Orders (Procedure) (England and Wales) Regulations 1996. All income must be applied via the hierarchy specific in Section 55 of the Road Traffic Regulation Act 1984 and cannot be used to raise general Council revenue.
F-20	Emission based charging for Short Stay Parking	120	The Council has the power to introduce such measures under the Road Traffic Regulation Act 1984, as amended, and the procedure for doing so is set out in the Local Authorities' Traffic Orders (Procedure) (England and Wales) Regulations 1996. All income must be applied via the hierarchy specific in Section 55 of the Road Traffic Regulation Act 1984 and cannot be used to raise general Council revenue.
F-21	Road Safety Enforcement	375	The Council enforces moving restrictions under Civil Enforcement powers using the London Local Authorities and Transport for London Act 2003 (as amended by The Civil Enforcement of Traffic Contraventions (Consequential Amendments) (England) Regulations 2018). This specifies the signing which the Council can enforce against and issue PCNs for offences, e.g. by camera. This includes various traffic movements such as banned turns, no entry, bus only routes etc. By virtue of Section 12 of the 2003 Act, all income must be applied via the hierarchy specific in Schedule 2 of the 2003 Act (similar to Section 55 of the Road Traffic Regulation Act 1984) and cannot be used to raise general Council revenue.

F-22	Motorcycle parking charges	80	<p>The Council has the power to introduce such measures under the Road Traffic Regulation Act 1984, as amended, and the procedure for doing so is set out in the Local Authorities' Traffic Orders (Procedure) (England and Wales) Regulations 1996. All income must be applied via the hierarchy specific in Section 55 of the Road Traffic Regulation Act 1984 and cannot be used to raise general Council revenue.</p>
F-24	Adult Social Care cost reduction and service improvement programme	430	<p>ASC is a statutory service that implements the legislative guidance accordingly. All decisions made regarding how a care and support plan are changed will be influenced by the re-assessment of needs in line with the Care Act guidance.</p> <p>There are care arrangements in place that have prioritised the choices and aspirations of individual service users and carers when considering how needs can be met.</p> <p>The re assessments of these arrangements will follow care act guidance by taking into account the strengths and assets that individuals can contribute to support themselves, for example, looking at what family and community networks can provide, and whether there are sufficient finances to self-fund support required.</p>



## APPENDIX 8

### Impact analysis of budget savings proposals for 2022-23

#### Summary

- 1.1. The purpose of this summary is to provide an overview of how budget savings pro formas have taken account of impacts in the following areas:
  - *Equalities (particularly 'protected characteristics')*
  - *Socio-economic Impact*
  - *Ward Impact*
  - *Impact against Corporate Priorities*
- 1.2. The contents of this paper, reflect the totality of information that has been provided and by extension, the way in which relevant guidance has been understood and applied. Through its presentation, the contents of this paper may also inform discussions about the type of information that the Council's Executive and Scrutiny functions may find helpful in the future.
- 1.3. Officers are expected to conduct Equalities Analysis Assessments (EAA) in circumstances set out within the Policy Context section of this paper. This report provides an overview of the circumstances and proposals for which officers are planning to undertake EAAs.

#### 2. Policy Context

- 2.1. The Council has a legal duty under the Equality Act 2010 to have due regard to the need to eliminate unlawful discrimination, advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not. The following equalities characteristics are 'protected' from unlawful discrimination in service provision under the Equality Act 2010:
  - *Age*
  - *Disability*
  - *Gender reassignment*
  - *Pregnancy and maternity*
  - *Marriage and civil partnership*
  - *Race*
  - *Religion and belief*
  - *Sex*
  - *Sexual orientation.*
- 2.2. In addition to the general duty, specific duties include a need to have defined equalities objectives and to publish information to demonstrate compliance with the general equality duty, specifically, information relating to people who share a protected characteristic and who are employed by or affected by the policies

and practices of the organisation.

- 2.3. The 'Fairer Lewisham Duty' is part of the Council's Corporate Equality Policy. Specifically it is an equalities assessment of the likely socio-economic impacts of proposals and decisions on residents and service users.
- 2.4. The Single Equality Framework 2020-24 is a delivery vehicle for Lewisham's Corporate Strategy priorities and commitments. In particular it helps the Council to ensure that all of the various activities that are geared towards the delivery of the Corporate Strategy are 'equality proofed'. It also helps to ensure that, where there are gaps in the Council's knowledge, careful and thoughtful analysis can be undertaken, ahead of time, to identify risks and any mitigating action that needs to be taken. Lewisham Council has a strong and clear commitment to equality and a series of specific objectives are set out within the Single Equality Framework:
  - *Working with partner organisations, commissioned service providers and citizens to find out what is important to communities and working together to make a difference on issues and priorities that matter most.*
  - *Fostering good relations between different groups and communities to build and maintain strong social networks and opportunities for greater cohesion.*
  - *Informing, consulting and involving a wide range of people including employees and stakeholders about decisions which affect them so that they can influence policies and practices.*
  - *Ensuring that people from different backgrounds are able to fully participate in consultation and involvement activities.*
- 2.5. The six equality prisms as defined in the Single Equality Framework 2020-24 are set out below:
  - *Has consideration been given to the 'due regard' duty?*
  - *Is disproportionality a factor?*
  - *Is intersectionality a factor?*
  - *Is unconscious bias a factor?*
  - *Is the risk of unfairness a factor?*
  - *Is marginalisation a factor?*
- 2.6. The Council's Corporate Equality Policy defines the local arrangements for delivering the above objectives, based on evolving best practice, as part of a 'Living Policy Framework'.
- 2.7. Officers who are unsure whether they should complete an Equality Analysis Assessment (EAA) are encouraged to do so anyway. This can be done as part of taking the proposal forward, if agreed. An EAA is a way of documenting thinking, reasoning and logic and it does not need to be extensive or onerous. It provides an opportunity for officers to document the evidence used and action taken related to equalities.

### **3. Background**

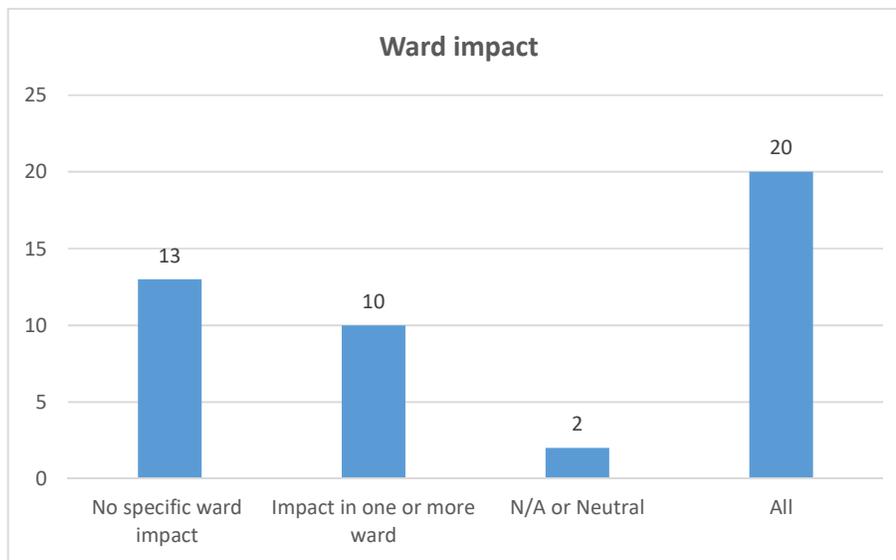
- 3.1. Officers are asked to complete equalities screening as part of the savings pro formas and as part of this, identify an impact level against each of the protected

characteristics. In some instances, mitigating action and data is provided but this is usually limited at the screening phase.

- 3.2. Forty-five savings proposals were received in two tranches (29 proposals in Tranche 1 totalling £10.410m and 16 in Tranche 2 totalling £1.425m), and the impact of changes between the templates used for each tranche are identified in the body of the report.
- 3.3. Officers were also asked to assess 'Ward Impact', 'Impact against corporate priorities' and (in Tranche 2 only) 'Socio-economic Impact'.

#### 4. Ward Impact

- 4.1. The chart below provides the count of proposals which will have either 'No Specific Ward Impact', 'Impact in one or more ward', 'N/A or Neutral' and 'All' as recorded on the savings pro formas:



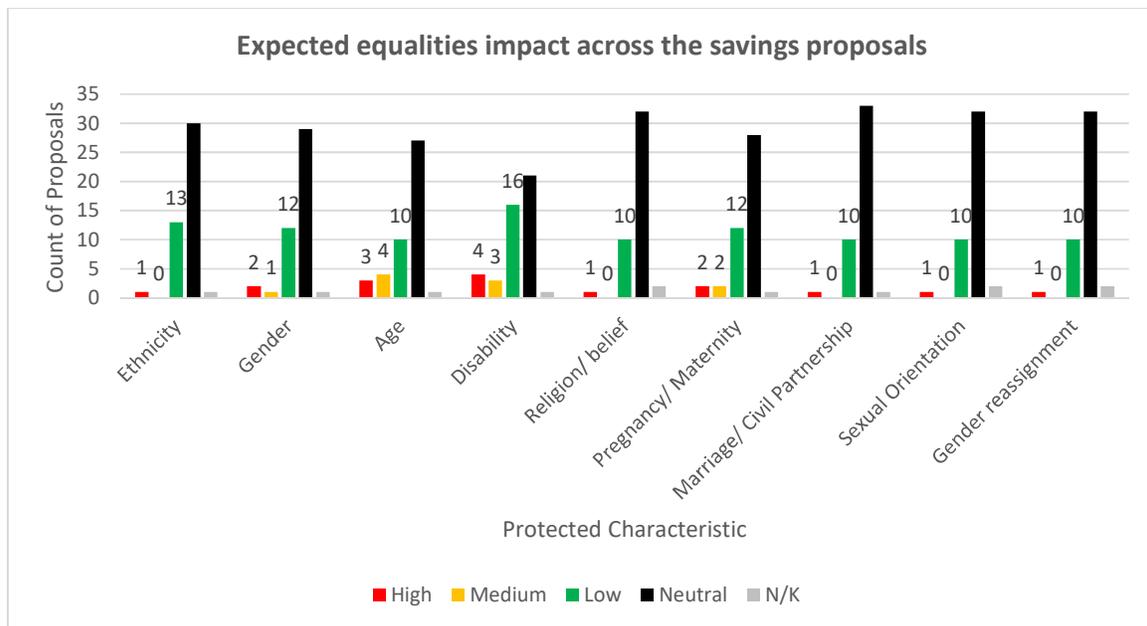
- 4.2. Two proposals are recorded as having either a 'neutral' ward impact or the ward impact is 'not applicable'; these proposals are the removal of an inflation uplift to staff budgets (A-01) and reducing contract value for the Mental Health Supported Housing Pathway Accommodation (C-17) respectively.
- 4.3. Two thirds of proposals are expected to have an impact at ward level and further analysis will be required as part of the development of proposals to fully understand this. The table below displays the ward impact of proposals by directorate.

Ward Impact	Community Services	Corporate Resources	Cross Council	CYP	Housing, Regen. and Public Realm	Total
All	5	3	1	3	8	20

Impact in one or more ward	1			1	8	10
Neutral	1		1			2
No specific ward impact	1	5	1	2	4	13
<b>Grand Total</b>	<b>8</b>	<b>8</b>	<b>3</b>	<b>6</b>	<b>20</b>	<b>45</b>

## 5. Impact Across Protected Characteristics

5.1. As part of the savings pro formas, officers are asked to identify the “expected impact on service equalities for users” against a criteria of “High / Medium / Low or N/A” for each of the protected characteristics. The below chart illustrates how officers identified potential impacts to specific protected characteristics.



5.2. Data labels have been added to clearly display the number of proposals which officers anticipate will have a ‘High’, ‘Medium’ or ‘Low’ impact. It should be noted that the pro forma provides officers with an opportunity to screen for potential equalities impacts, and new impacts may come to light as proposals are developed and information is received from residents.

5.3. It is anticipated that the 2022/23 savings will have the greatest impact on residents with disabilities, with seven proposals anticipating a ‘High’ or ‘Medium’ impact, with a total value of £2.127m. The ‘High’ impact proposals can be summarised as follows:

- *Replacing the use of private and pool cars or public transport with a car club arrangement and electric bikes (A-03) (£150k)*
- *Integration of day services and supported learning (C-02) £(100k)*
- *Full restructure of Housing Needs Service (C-10)(£300k)*

- *Increasing independence and use of community resources to reduce use of institutional care (F-24) (£430k)*
- 5.4. Officers have identified that EAAs are required for C-02 and C-10 and it is recommended that one is also completed for F-24 where the officer was not sure. The savings pro forma indicates that no EAA is required for A-03 as mitigating action, allowing disabled staff to continue using cars, is proposed. In spite of this, it would seem prudent to take a proportionate approach to completing EAAs where any impact has been identified, for example to better understand how many staff the mitigating action would need to be taken for and to ensure safeguards are in place to ensure that disabled staff joining Lewisham in the future, are not disproportionately affected should the budget be removed.
- 5.5. It is anticipated that seven proposals will have a 'High' or 'Medium' impact due to the age of the resident, with a total value of £1.983m. The 'High' impact proposals can be summarised as follows:
- *Full restructure of Housing Needs Service (C-10)(£300k)*
  - *Removing free swim & gym for over 60s without a registered disability (E-14)(£95k)*
  - *Increasing independence and use of community resources to reduce use of institutional care (F-24)(£430k)*
- 5.6. Savings C-10 and F-24 are addressed further on. Officers have indicated that no full Equalities Impact Assessment is required for E-14 however no evidence for this is provided through the pro forma which indicates that "those in most financial need" will be affected. Although the socio-economic 'duty' in s1(1) of the Equality Act 2010 is not in force in England, an EAA would provide an opportunity to consider these factors through the prism of the Single Equality Framework in line with the Fairer Lewisham Duty.
- 5.7. The restructure of the Housing Needs Service (C-10) is the only proposal which expects a 'High' impact across each of the protected characteristics. The other proposal with an identified 'High' impact on 'Gender' and 'Pregnancy/Maternity' is decommissioning the Adult Placement Service and Parent & Child Service (C-28). Officers did not know if an EAA was required for C-28 and hence it is recommended in light of this.
- 5.8. The new savings pro formas for 2022/23 did not ask officers to assess 'Overall Impact' of proposals on the protected characteristics, however the table below shows the level of impact against whether or not officers indicated that an EAA was required for the previously agreed Tranche 1 proposals which total £10.4m.

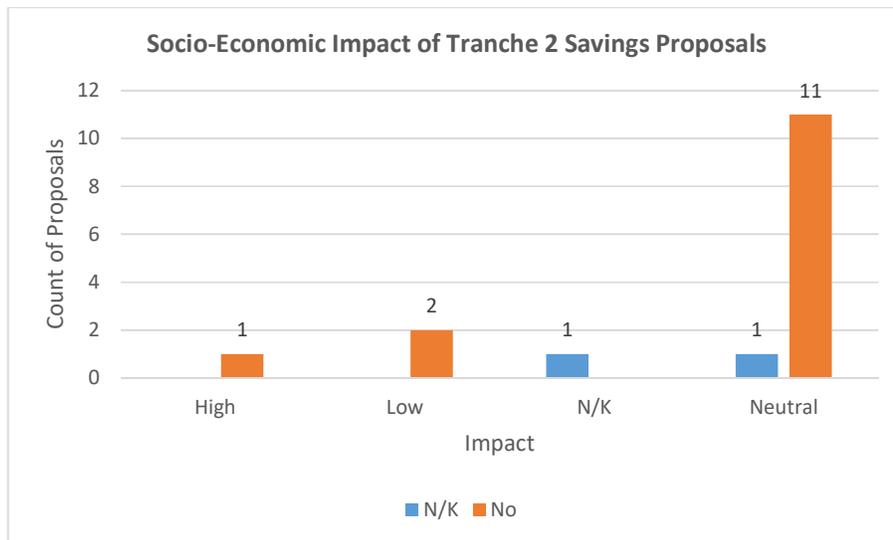
<b>EAA Required</b>	<b>Count of Proposals</b>	<b>Percentage of Proposals</b>
<b>N/K</b>	<b>3</b>	<b>10.34%</b>
Low	2	6.90%
Neutral	1	3.45%
<b>No</b>	<b>20</b>	<b>68.97%</b>
Low	6	20.69%
N/K	1	3.45%
Neutral	13	44.83%

<b>Yes</b>	<b>6</b>	<b>20.69%</b>
High	1	3.45%
Low	4	13.79%
Neutral	1	3.45%
<b>Grand Total</b>	<b>29</b>	<b>100.00%</b>

- 5.9. The purpose of the above table is to highlight the number of low impact proposals for which officers are not planning to complete EAAs. The six proposals which are identified as not requiring an EAA and having an overall 'Low' impact from the previously agreed proposals are as follows:
- *Strengthening edge of care offer (F-02)(£500k)*
  - *Income through Catford estate consolidation (D-06)(£11k)*
  - *Re-evaluating business rates for corporate estate, rationalising corporate estate and utilising as temporary accommodation, and income through filming (D-02, D-05, D-07, D-08)(£140k)*
  - *Creation of a single generic Revenue and Benefits system (A-04)(£100k)*
  - *Reduction in duplication in Revenues and Benefits (A-06)(£400k)*
  - *Improving Children's placements value for money and claiming income for UASC and from partners (B-02, C-03, E-06, F-03, F-04, F-05)(£1,415k)*
- 5.10. Mitigating action is often based on limited data as part of the equalities screening exercises, so it is recommended that EAAs are carried out where there is limited assurance that the public sector equality duty has been met in other ways.
- 5.11. Although the pro forma used for the previously agreed proposals does not differentiate between positive or negative equalities impacts (and respondents have not consistently made this distinction in the new proposals pro formas), it is assumed that the nature of reducing funding for services will typically have a negative impact. In some circumstances, proposals might have a positive impact on the protected characteristics and officers are encouraged to still undertake equalities analysis in these circumstances to ensure that the decisions are evidence-based and sufficient action is taken to ensure that these benefits are realised.
- 5.12. Where officers do not know whether or not the proposal requires a full EAA, they will be advised to complete one in line with the Draft Corporate Equalities Policy and Draft Equalities Analysis Assessment Toolkit as part of implementing the proposal if agreed.

## **6. Socio-Economic Impact**

- 6.1. For the new proposals for 2022/23 budget reductions, officers were asked to assess the socio-economic impact as either: 'High (Positive / Negative)', 'Medium (Positive / Negative)', 'Low (Positive / Negative)', or 'Neutral'. None of the 16 new proposal pro formas indicated that an Equalities Analysis Assessment was required, and officers did not know in relation to two of the proposals.

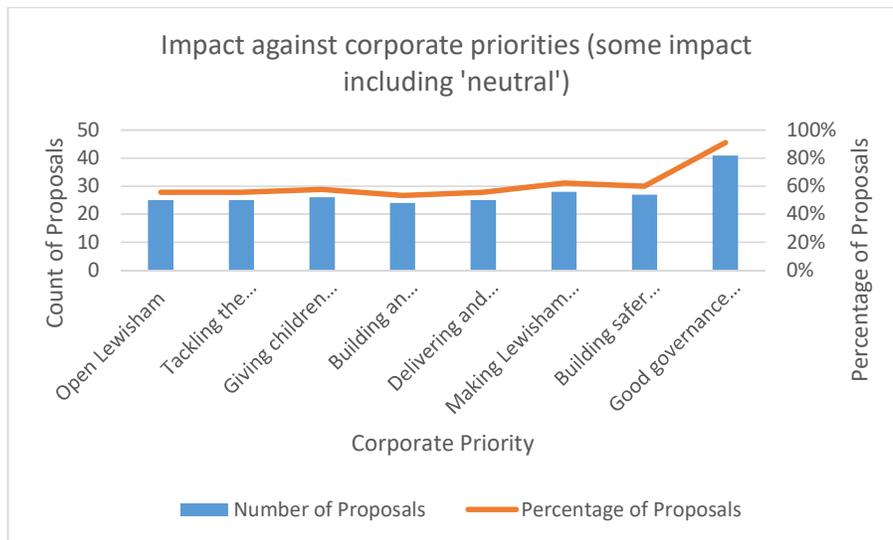


- 6.2. The proposal assessed as having a 'High' socio-economic impact is removing free swim & gym for over 60s without a registered disability (E-14) (£95k). The other two proposals with a socio-economic impact which is not neutral is the income generation from an asset transfer of a Children's Centre (D-13) (£11k) and deleting vacant posts within Youth Offending and Early Help, transferring funding of clinical post in school (C-35) (£177k).

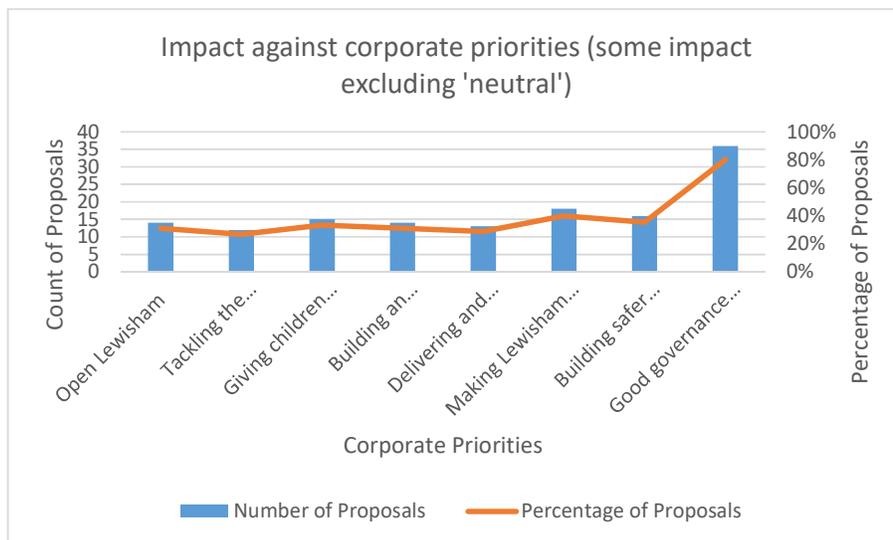
## 7. Corporate Priorities Impact

- 7.1. Officers completing the savings pro formas were asked to assess the impact of the proposal on the corporate priorities. This task has been approached in different ways, by officers, due to changes in the proforma, which were introduced to gather additional information, for more useful analysis. The previously agreed proposals pro forma asked officers to rank priorities in order of impact and the new proposals pro forma asked officers to assess impact level; it is hoped that the revised approach will allow for a more meaningful discussion about the impact of savings on priorities in future years. In the absence of comparable data, the following information is presented:

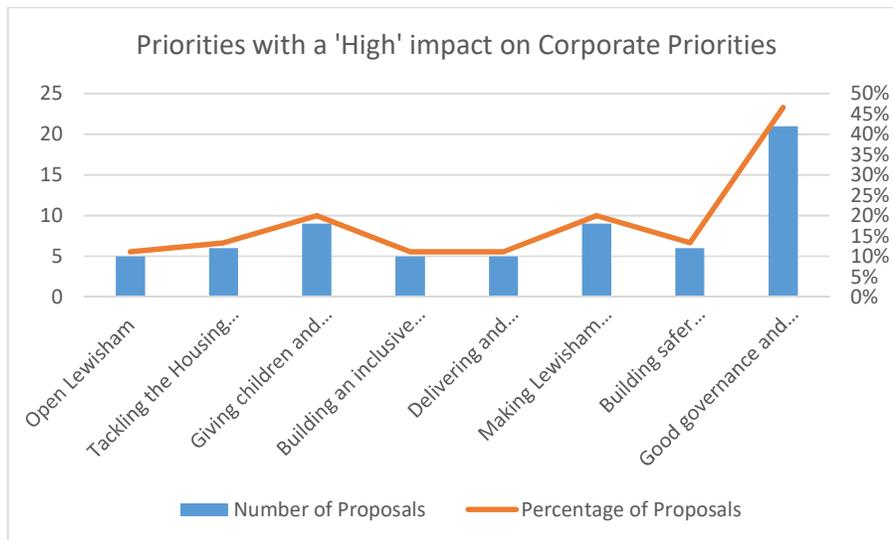
- *Under each priority, the percentage of proposals which list some level of impact or ranking (including neutral impacts)*



- *Under each priority, the percentage of proposals which list some level of impact or ranking (excluding neutral impacts)*



- *Under each priority, the percentage of proposals ranked as having the 1<sup>st</sup> or 2<sup>nd</sup> greatest impact against the proposal or a high impact (positive and negative) proposals.*



7.2. The majority of proposals impact 'Good governance and operational effectiveness' in some way (91% of proposals) and this priority is also the most likely to be highly impacted (47%) (£4,734k).

7.3. Based on responses to the savings pro formas, it is likely that the following corporate priorities other than 'Good governance and operational effectiveness' will be most significantly impacted:

- *Giving children and young people the best start in life ('High' impact in 20% of proposals)(£777k)*
- *Making Lewisham greener ('High' impact in 20% of proposals)(£1,247k)*

## 8. Proposals Identified As Requiring Full EAAs

8.1. Officers have identified that 6 of the 45 proposals require an EAA (13%) (£1,803k). The small number of EAAs proposed could be for a number of reasons, including those provided below or others that are known to the service leads themselves.

- *Many of the savings relate to structural or financial changes which should not impact service delivery (for example 20-25% of the total value of savings sought relate to the removal of an inflation uplift as part of A-01)*
- *Officers may have based their assessment of the requirement to complete an EAA on local evidence which has not been included on the pro forma; service managers are best-placed to make these judgements about the services for which they are responsible.*
- *Officers may be confident that they are able to evidence that they have sufficiently met the Public Sector Equality Duty in other ways. An EAA in itself does not discharge the Council's duty, rather it constitutes a written record of how it has been done.*

8.2. Of equal importance is the fact that, the number of proposals where the requirement to conduct an EAA was 'Not Known' increased in the in 2021/22 (5) compared to those offered in 2020/21 proposals (3). As set out in this summary and for the avoidance of doubt, the decision to undertaken an EAA should be the default, in the face of uncertainty.

**APPENDIX 9    Making Fair Financial Decisions Guidance**



**Making fair financial decisions  
Guidance for decision-makers**

3<sup>rd</sup> edition, January 2015

## **Introduction**

With major reductions in public spending, public authorities in Britain are being required to make difficult financial decisions. This guide sets out what is expected of you as a decision-maker or leader of a public authority responsible for delivering key services at a national, regional and/or local level, in order to make such decisions as fair as possible.

The public sector equality duty (the equality duty) does not prevent you from making difficult decisions such as reorganisations and relocations, redundancies, and service reductions, nor does it stop you from making decisions which may affect one group more than another group. The equality duty enables you to demonstrate that you are making financial decisions in a fair, transparent and accountable way, considering the needs and the rights of different members of your community. This is achieved through assessing the impact that changes to policies, procedures and practices could have on people with different protected characteristics.

Assessing the impact on equality of proposed changes to policies, procedures and practices is not just something that the law requires, it is a positive opportunity for you as a public authority leader to ensure you make better decisions based on robust evidence.

## **What the law requires**

Under the equality duty (set out in the Equality Act 2010), public authorities must have 'due regard' to the need to eliminate unlawful discrimination, harassment and victimisation as well as to advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not.

The protected characteristics covered by the equality duty are: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation. The duty also covers marriage and civil partnerships, but only in respect of eliminating unlawful discrimination.

The law requires that public authorities demonstrate that they have had 'due regard' to the aims of the equality duty in their decision-making. Assessing the potential impact on equality of proposed changes to policies, procedures and practices is one of the key ways in which public authorities can demonstrate that they have had 'due regard'.

It is also important to note that public authorities subject to the equality duty are also likely to be subject to the Human Rights Act 1998. We would therefore recommend that public authorities consider the potential impact their decisions could have on human rights.

## Aim of this guide

This guide aims to assist decision-makers in ensuring that:

- The process they follow to assess the impact on equality of financial proposals is robust, and
- The impact that financial proposals could have on people with protected characteristics is thoroughly considered before any decisions are arrived at.

We have also produced detailed guidance for those responsible for assessing the impact on equality of their policies, which is available on our website at [www.equalityhumanrights.com](http://www.equalityhumanrights.com)

## The benefits of assessing the impact on equality

By law, your assessments of impact on equality must:

- Contain enough information to enable a public authority to demonstrate it has had 'due regard' to the aims of the equality duty in its decision-making
- Consider ways of mitigating or avoiding any adverse impacts.

Such assessments do not have to take the form of a document called an equality impact assessment. If you choose not to develop a document of this type, then some alternative approach which systematically assesses any adverse impacts of a change in policy, procedure or practice will be required.

Assessing impact on equality is not an end in itself and it should be tailored to, and be proportionate to, the decision that is being made.

Whether it is proportionate for an authority to conduct an assessment of the impact on equality of a financial decision or not depends on its relevance to the authority's particular function and its likely impact on people with protected characteristics.

We recommend that you document your assessment of the impact on equality when developing financial proposals. This will help you to:

- **Ensure you have a written record of the equality considerations** you have taken into account.

- **Ensure that your decision includes a consideration of the actions that would help to avoid or mitigate any impacts on particular protected characteristics.** Individual decisions should also be informed by the wider context of decisions in your own and other relevant public authorities, so that people with particular protected characteristics are not unduly affected by the cumulative effects of different decisions.

- **Make your decisions based on evidence:** a decision which is informed by relevant local and national information about equality is a better quality decision. Assessments of impact on equality provide a clear and systematic way to collect, assess and put forward relevant evidence.
- **Make the decision-making process more transparent:** a process which involves those likely to be affected by the policy, and which is based on evidence, is much more open and transparent. This should also help you secure better public understanding of the difficult decisions you will be making in the coming months.
- **Comply with the law:** a written record can be used to demonstrate that due regard has been had. Failure to meet the equality duty may result in authorities being exposed to costly, time-consuming and reputation-damaging legal challenges.

## When should your assessments be carried out?

Assessments of the impact on equality must be carried out at a **formative stage** so that the assessment is an integral part of the development of a proposed policy, not a later justification of a policy that has already been adopted. Financial proposals which are relevant to equality, such as those likely to impact on equality in your workforce and/or for your community, should always be subject to a thorough assessment. This includes proposals to outsource or procure any of the functions of your organisation. The assessment should form part of the proposal, and you should consider it carefully **before** making your decision.

If you are presented with a proposal that has not been assessed for its impact on equality, you should question whether this enables you to consider fully the proposed changes and its likely impact. Decisions not to assess the impact on equality should be fully documented, along with the reasons and the evidence used to come to this conclusion. This is important as authorities may need to rely on this documentation if the decision is challenged.

It is also important to remember that the potential impact is not just about numbers. Evidence of a serious impact on a small number of individuals is just as important as something that will impact on many people.

## What should I be looking for in my assessments?

Assessments of impact on equality need to be based on relevant information and enable the decision-maker to understand the equality implications of a decision and any alternative options or proposals.

As with everything, proportionality is a key principle. Assessing the impact on equality of a major financial proposal is likely to need significantly more effort and resources dedicated to ensuring effective engagement, than a simple assessment of a proposal to save money by changing staff travel arrangements.

There is no prescribed format for assessing the impact on equality, but the following questions and answers provide guidance to assist you in determining whether you consider that an assessment is robust enough to rely on:

- **Is the purpose of the financial proposal clearly set out?**

A robust assessment will set out the reasons for the change; how this change can impact on protected groups, as well as whom it is intended to benefit; and the intended outcome. You should also think about how individual financial proposals might relate to one another. This is because a series of changes to different policies or services could have a severe impact on particular protected characteristics.

Joint working with your public authority partners will also help you to consider thoroughly the impact of your joint decisions on the people you collectively serve.

**Example:** A local authority takes separate decisions to limit the eligibility criteria for community care services; increase charges for respite services; scale back its accessible housing programme; and cut concessionary travel. Each separate decision may have a significant effect on the lives of disabled residents, and the cumulative impact of these decisions may be considerable. This combined impact would not be apparent if the decisions were considered in isolation.

• **Has the assessment considered available evidence?**

Public authorities should consider the information and research already available locally and nationally. The assessment of impact on equality should be underpinned by up-to-date and reliable information about the different protected groups that the proposal is likely to have an impact on. A lack of information is not a sufficient reason to conclude that there is no impact.

• **Have those likely to be affected by the proposal been engaged?**

Engagement is crucial to assessing the impact on equality. There is no explicit requirement to engage people under the equality duty, but it will help you to improve the equality information that you use to understand the possible impact on your policy on different protected characteristics. No-one can give you a better insight into how proposed changes will have an impact on, for example, disabled people, than disabled people themselves.

• **Have potential positive and negative impacts been identified?**

It is not enough to state simply that a policy will impact on everyone equally; there should be a more in-depth consideration of available evidence to see if particular protected characteristics are more likely to be affected than others. Equal treatment does not always produce equal outcomes; sometimes authorities will have to take particular steps for certain groups to address an existing disadvantage or to meet differing needs.

• **What course of action does the assessment suggest that I take? Is it justifiable?**

The assessment should clearly identify the option(s) chosen, and their potential impacts, and document the reasons for this decision. There are four possible outcomes of an assessment of the impact on equality, and more than one may apply to a single proposal:

**Outcome 1: No major change required** when the assessment has not identified any potential for discrimination or adverse impact and all opportunities to advance equality have been taken.

**Outcome 2: Adjustments to remove barriers identified by the assessment or to better advance equality.** Are you satisfied that the proposed adjustments will remove the barriers identified?

**Outcome 3: Continue despite having identified some potential for adverse impacts or missed opportunities to advance equality.** In this case, the justification should be included in the assessment and should be in line with the duty to have 'due regard'. For the most important relevant policies, compelling reasons

will be needed. You should consider whether there are sufficient plans to reduce the negative impact and/or plans to monitor the actual impact, as discussed below.

**Outcome 4: Stop and rethink** when an assessment shows actual or potential unlawful discrimination.

• **Are there plans to alleviate any negative impacts?**

Where the assessment indicates a potential negative impact, consideration should be given to means of reducing or mitigating this impact. This will in practice be supported by the development of an action plan to reduce impacts. This should identify the responsibility for delivering each action and the associated timescales for implementation. Considering what action you could take to avoid any negative impact is crucial, to reduce the likelihood that the difficult decisions you will have to take in the near future do not create or perpetuate inequality.

**Example:** A University decides to close down its childcare facility to save money, particularly given that it is currently being under-used. It identifies that doing so will have a negative impact on women and individuals from different racial groups, both staff and students.

In order to mitigate such impacts, the University designs an action plan to ensure relevant information on childcare facilities in the area is disseminated to staff and students in a timely manner. This will help to improve partnership working with the local authority and to ensure that sufficient and affordable childcare remains accessible to its students and staff.

• **Are there plans to monitor the actual impact of the proposal?**

Although assessments of impact on equality will help to anticipate a proposal's likely effect on different communities and groups, in reality the full impact of a decision will only be known once it is introduced. It is therefore important to set out arrangements for reviewing the actual impact of the proposals once they have been implemented.

**What happens if you don't properly assess the impact on equality of relevant decisions?**

If you have not carried out an assessment of impact on equality of the proposal, or have not done so thoroughly, you risk leaving yourself open to legal challenges, which are both costly and time-consuming. Legal cases have shown what can happen when authorities do not consider their equality duties when making decisions.

**Example:** A court overturned a decision by Haringey Council to consent to a large-scale building redevelopment in Wards Corner in Tottenham, on the basis that the council had not considered the impact of the proposal on different racial groups before granting planning permission.

However, the result can often be far more fundamental than a legal challenge. If people feel that an authority is acting high-handedly or without properly involving its

service users or employees, or listening to their concerns, they are likely to be become disillusioned with you.

Above all, authorities which fail to carry out robust assessments of the impact on equality risk making poor and unfair decisions that could discriminate against people with particular protected characteristics and perpetuate or worsen inequality.

As part of its regulatory role to ensure compliance with the equality duty, the Commission monitors financial decisions with a view to ensuring that these are taken in compliance with the equality duty and have taken into account the need to mitigate negative impacts, where possible.

# Agenda Item 5

<b>Report for: Mayor and Cabinet</b>	
<b>Part 1</b>	<input checked="" type="checkbox"/>
<b>Part 2</b>	<input type="checkbox"/>
<b>Key Decision</b>	<input checked="" type="checkbox"/>

<b>Date of Meeting</b>	2 <sup>nd</sup> February 2022	
<b>Title of Report</b>	Main Grants and Arts and Culture Grants Programme Allocations 2022-25	
<b>Author</b>	James Lee, Director of Communities, Partnerships and Leisure	<b>Ext.</b> 6548

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

Category	Yes	No
<b>Financial Comments</b>	✓	
<b>Legal Comments</b>	✓	
<b>Cabinet Briefing consideration</b>	✓	
<b>EMT consideration</b>	✓	
<b>Agenda Planning Group consideration</b>	✓	



Signed:  
Cabinet Member for Business and Community Wealth Building  
Date: 20/01/22



Signed:  
Executive Director for Community Services  
Date: 20/01/22

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### Control Record by Committee Services

Action	Date
Listed on Key Decision Plan	19 <sup>th</sup> July 2021
Date submitted to Legal & Finance	17 <sup>th</sup> Dec 2021
Date submitted to Cabinet Members for sign off	14 <sup>th</sup> Jan 2022
Date submitted to Executive Director for sign off	20 <sup>th</sup> Jan 2022



## Mayor and Cabinet

### Report Title: Main Grants and Arts and Culture Grants Programme Allocations 2022-25

<b>Date:</b>	2 <sup>nd</sup> February 2022
<b>Key decision:</b>	Yes
<b>Class:</b>	Part 1
<b>Ward(s) affected:</b>	All
<b>Contributors:</b>	James Lee – Director of Communities, Partnerships and Leisure – <a href="mailto:james.lee@lewisham.gov.uk">james.lee@lewisham.gov.uk</a> Sakthi Suriyaprakasam – Community Development Service Manager <a href="mailto:sakthi.suriyaprakasam@lewisham.gov.uk">sakthi.suriyaprakasam@lewisham.gov.uk</a> Andy Thomas – Head of Culture – <a href="mailto:andy.thomas@lewisham.gov.uk">andy.thomas@lewisham.gov.uk</a>

## 1. Purpose and summary of the report

- 1.1. This report seeks agreement for the allocation of the Main Grants and Arts and Culture funding programmes for 2022 – 25.
- 1.2. The two funding programmes were previously both let under a single Main Grants framework which was last fully allocated in 2019 following a full public consultation on the revised framework which was agreed by Mayor and Cabinet on 24<sup>th</sup> April 2019.
- 1.3. These grants are due to expire at the end of March 2022 and this paper details the process that has been undertaken to re-let the programmes through to March 2025.
- 1.4. On 14<sup>th</sup> September 2021 Mayor and Cabinet agreed that this funding be split to create a separate Borough of Culture grants programme (now called the Arts and Culture Fund) alongside the Main Grants. The current level of funding to Arts organisations was therefore identified with a pro-rate level allocated to each fund creating budgets of £1,450,308 for Main Grants and £386,000 for Arts and Culture respectively.
- 1.5. The Main Grants budget is supplemented by £623,000 from the Better Care Fund for social prescribing services. The Better Care Fund has to be used on initiatives agreed between the NHS and the Council that benefit health services.

## 2. Recommendations

It is recommended that Mayor and Cabinet agree:

- The recommended funding allocations as set out in Appendix 3 and Section 7 of this report, for the period 1 April 2022 to 31<sup>st</sup> March 2025
- Retrospective agreement for the awards for Community Fundraisers which were provisionally allocated in November 2021

### Timeline of engagement and decision-making

27<sup>th</sup> May 2021: Launch of consultation via online survey and two engagement events with the voluntary and community sector (VCS)

22<sup>nd</sup> July 2021: Close of consultation (8 weeks)

14<sup>th</sup> September 2021: Revised proposals post-consultation to Mayor and Cabinet

23<sup>rd</sup> September – 18<sup>th</sup> November 2021: Programme open for applications (8 weeks)

December 2021: Provisional allocation letters sent – notice of change in funding to existing groups

13<sup>th</sup> Jan 2022: Safer, Stronger, Select Committee - Main grants pre-decision – recommendations for funding

2<sup>nd</sup> Feb 2022: Mayor and Cabinet – recommended allocations for agreement and hearing of appeals

January 2022: Overview and Scrutiny Business Panel – potential call in

April 2022: New grants begin

## 3. Policy Context

- 3.1 The Council's strong and resilient framework for prioritising action has served the organisation well in the face of austerity and on-going cuts to local government spending. This continues to mean, that even in the face of the most daunting financial challenges facing the Council and its partners, we continue to work alongside our communities to achieve more than we could by simply working alone.
- 3.2 In addition to the ongoing pressures faced by the Council, the Council's finances have been severely affected by the ongoing pandemic. As such, in the midst of the COVID response the Council began the long, difficult process of identifying cuts of at least £40m for the next three years (to April 2024) with up to £24m to be cut in 2021/22 alone. In this context it was agreed by Mayor and Cabinet that the budget for the Main

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Grants (excluding contribution from the Better Care Fund) be cut by £800,000 (approximately one third) from 1 April 2022.

- 3.3 Lewisham's recovery from coronavirus will be underpinned by the following anchoring principles which will be at the heart of all decision-making, planning and action over the coming months:
- Tackling widening social, economic and health inequalities;
  - Protecting and empowering our most vulnerable residents;
  - Ensuring the Council's continued resilience, stability and sustainability;
  - Enabling residents to make the most of Lewisham the place; and
  - Collaborating and working together with our communities and partnership across the borough.
- 3.4 Lewisham Council's Corporate Strategy, developed in 2018, agreed the following priorities for supporting our residents:
- Open Lewisham
  - Tackling the housing crisis
  - Giving children and young people the best start in life
  - Building an inclusive local economy
  - Delivering and defending: health, social care and support
  - Making Lewisham greener
  - Building safer communities
- 3.5 The Council has also reflected on what has worked well and what hasn't worked so well over the pandemic, learning from it, nurturing and developing the new relationships and community networks that have built up and recognising things that stand in the way of a future where we can all benefit equally from what Lewisham and London has to offer.
- 3.6 This has led to the development of four themes which will focus our efforts on building a future for all residents – we are Lewisham, and this is our future. The themes are based on evidence of what our residents need – from all the rich data gathered and analysed during the pandemic, and residents' experiences in their own words as part of the Voices of Lewisham project. They are:
- An economically sound future
  - A healthy and well future
  - A greener future
  - A future we all have a part in
- 3.7 The delivery of each of these themes will be supported by the activities of our residents through local community action, both formally organised and otherwise.

## 4. Background to the Main Grants Programme

- 4.1 Lewisham Council has funded the Voluntary and Community Sector (VCS) through a Main Grants programme for over 20 years, in 3-year funding cycles. The programme was last fully let in 2019 following a full consultation on priorities. The Main Grants programme retained the four themes that had been the basis of the programme in 2015. These are:
- *Strong and Cohesive Communities*
  - *Communities that Care*
  - *Access to Advice Services*

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- *Widening Access to Arts and Sports*
- 4.2 The 2019-2021 Main Grants programme allocation totals £2,949,308 per year made up of £2,636,308 core Council funding and £313,000 from the Better Care Fund (BCF).
- 4.3 Due to the impact of COVID and wider financial pressures the Council is having to cut at least £40m from its budget in the next three years (to April 2024) with up to £24m being cut in 2021/22 alone. In this context the budget for the Main Grants will be reduced by £800,000 from 1<sup>st</sup> April 2022. However, support for voluntary and community sector groups remains a core priority for Lewisham Council which will, in partnership with the NHS, continue to invest £2,459,308 per annum in the sector.
- 4.4 In order to set the priorities for this spend the Council undertook a thorough review of all of the available evidence on the impact of COVID and the needs of the borough during the recovery phase. The review resulted in three new proposed priorities namely:
- **An economically sound future** (specifically Advice Services and Enabling Digital Access for All)
  - **A healthy and well future**
  - **A future we all have a part in**
- 4.5 Overall we proposed to focus on supporting the sector as a whole through strong infrastructure, coordination and fundraising services rather than trying to directly fund everything that is needed in the borough. We proposed to provide some level of project funding but that greater relative weight be given to services that strengthen the sector and allow it to benefit from the wider funding landscape across London and locally with funding available for borough wide and ward based Neighbourhood Community Infrastructure Levy (NCIL) in Lewisham in the coming months. As previously we proposed that the vast majority of the funding will be for services for adults.
- 4.7 Lewisham will be London Borough of Culture in 2022 and we proposed that the best way to protect investment in our cultural services is to align the current level of funding to these organisations (with a proportionate cut) with the Arts & Culture Fund rather than retaining it within the Main Grants programme.
- 4.8 The proposals included:
- Funding under the three broad criteria outlined above
  - Significant grants to partners delivering advice and social prescribing services
  - Three Community Fundraisers hosted by the VCS, with specific focus areas covering equalities, culture and sports, and 'cold spots' - areas of high need and low services coverage in the borough
  - Small partnership grants of £10,000 for organisations willing to work with the Council in the coming years
  - A specific funding pot for the Arts & Culture Fund, administered through the Culture Team as part of the wider legacy for the London Borough of Culture programme
  - An approach to equality and equity that prioritised funding proposals on the basis of those most impacted by Covid, an equalities-focused Community Fundraiser, and a commitment to funding BAME infrastructure support.

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- 4.9 A public consultation to get the views of the voluntary and community sector and residents on the proposals was undertaken between 27<sup>th</sup> May and 22<sup>nd</sup> July 2021.
- 4.10 The consultation included an online survey run on the Council's Citizenspace platform, two information sessions with the VCS, and attendance at two service user forums.
- 4.11 A specific roundtable discussion with key VCS organisations was held to identify the needs of BAME led organisations in relation to capacity building support, to inform the funding of BAME infrastructure support.
- 4.12 The Arts and Culture grant programme was subject to a separate consultation, undertaken in this same consultation period.
- 4.13 The results of the two consultations showed overall support of the proposed priorities and approach. Some small but significant changes were made to the proposals and these final recommendations for the priorities, criteria and application process for the new Main Grants programme and Arts and Culture Fund (set out below in Section 5) were agreed at Mayor and Cabinet on 14<sup>th</sup> September 2021.

## 5. Funding criteria for Main Grants and Arts and Culture Fund

5.1 The new priorities for the Main Grants programme are:

- **An economically sound future** (specifically Advice Services and Enabling Digital Access for All)
- **A healthy and well future**
- **A future we all have a part in**

### 5.2 An Economically Sound Future

The two sub-themes for which applications can be made under an Economically Sound Future are Borough-Wide Advice Services and Enabling Digital Access for All.

#### 5.2.1 Borough-Wide Advice Services

Under this sub-theme organisations would be expected to deliver a good quality, borough-wide independent information and advice service.

Our expectation was that a borough-wide advice service:

- Is fully customer-focused and achieves value for money from the resources available;
- Has the capacity to cater for approximately 25,000 enquiries per year;
- Is flexible to the multiple and complex legal advice needs of people who live, work or study in the borough
- Increases choice in the way clients access services – principally by phone and encompassing partner referrals, access and support through digital channels
- Offers support in a range of community languages
- Empowers clients to address their own advice needs through utilising digital technologies

- Delivers comprehensively and innovatively including face to face outreach as required, so that all geographies and groups are served
- Works collaboratively with key partners to support residents with multiple needs.

### 5.2.2 Digital Access for All

Organisations wishing to apply for Digital Access for All funding had to deliver one or more of the following:

- Projects offering training on digital skills and support to those most in need
- Innovative projects and schemes that enable communities most in need to become digitally enabled
- Enabling residents to access essential online services
- Enabling residents to play an active role in their community including taking part in online consultations and engagement

## 5.3 **A Healthy and Well Future**

### 5.3.1 Coordinated Social Prescribing service

This sets social prescribing as the infrastructure offering coordinated support to residents, and to act as a gateway to the wide range of voluntary and community sector activity in the borough.

The service was expected to provide:

- Access to a range of preventative community-based support
- Capacity to work with approximately 5,000 referrals per year
- Use learning from the pandemic to identify and meet the needs of residents
- Data and intelligence in relation to demand for services, where and how these have been met, changes in need over time;
- Analysis of gaps in services - in terms of communities, issues and geography.

### 5.3.2 Physical and Mental Health Wellbeing Activities

- Projects and activities that connect people to their local community or community of interest and improve physical and mental health and well-being, using an agreed framework such as Five Ways to Wellbeing.
- All activities funded by the programme must prioritise referrals through the social prescribing service and ensure that monitoring data is returned regularly to enable an overview of the impact of social prescribing.
- Use learning from the pandemic to identify and meet the needs of residents.
- Providing volunteering opportunities to improve people's wellbeing
- Providing opportunities for residents to engage in activities which promote the development of community cohesion and/or communities of special interest to them.
- Initiatives to engage with residents not reached by other services, e.g. Seldom Heard Voices and/or community organisations,
- Initiatives to enable residents to participate in co-design and development of community provision.

## 5.4 **A Future We All Have a Part In**

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#### 5.4.1 Building Strong Communities – BAME Infrastructure

Black Asian and Minority Ethnic infrastructure support that is tied to, and works alongside, the Community Fundraiser focused on equalities. Based on feedback from the BAME infrastructure roundtable event, the focus of the support was expected to be capacity building for BAME-lead organisations based on collaboration, enabling organisations to identify need, generate ideas for funding, and support to become sustainable.

#### 5.4.2 Volunteer Brokerage

- Promoting volunteering as an opportunity to give back to communities.
- Developing systems for making residents aware of volunteering opportunities in their area.
- Providing a brokerage service for community organisations to access volunteers and matching interested residents with volunteering opportunities.
- Creating easier mechanisms for people seeking to volunteer to find the appropriate opportunity.

#### 5.4.3 Community Directory

Easy access to information about what's available i.e. a Community Directory of VCS services that is:

- Comprehensive and accessible by residents and referral agencies.
- Available online and also offers solutions to enable residents who are not online to access the information.
- Regularly updated.
- Searchable by category, location.
- Enables organisation to update their own details.

### 5.5 **Small Partnership Grants**

5.5.1 Small partnership grants of £10,000 were available to organisations who could demonstrate commitment to working in partnership with the Council. These funds could enable organisations to attract additional funding, and could support the core activities of organisations. Organisations applying for the partnership funds were asked to commit to:

- Add value in specific areas of the borough or in specific sectors where need is high and infrastructure is needed to meet demand.
- Support consultation with residents
- Coordinate local networks
- Work with the council to develop local engagement
- Act as a critical friend working in constructive dialogue with the council
- Link into appropriate networks for their own service delivery
- Work in partnership with other Council grant recipients and commissioned services, Borough of Culture etc.
- Support the Council in disseminating information to the community

The Council would agree proportionate and reasonable outcomes with successful applicants once grants are awarded.

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As with the general Main Grants, funding would be available for three years starting from April 2022.

## 5.6 Community Fundraisers

5.6.1 The Community Fundraiser posts are intended to strengthen our VCS and ensure future sustainability and is therefore part of the priority: 'A future we all have a part in'.

5.6.2 VCS organisations were offered the opportunity to apply to host the Community Fundraiser posts. We proposed to fund up to three full time equivalent Community Fundraiser posts with a particular focus on:

- 1x FTE Community Fundraiser with a focus on ethnicity and disabilities, but with an expectation that the hosting organisation should specifically look at addressing sexuality and gender reassignment as part of the brief, along with intersectionality.
- 1 x FTE Community Fundraiser with a focus on geographical cold spots in the borough/areas of high deprivation that do not have other sources of income such as NCIL
- .5 FTE Community Fundraiser with a focus on the arts
- .5 FTE Community Fundraiser with a focus on sports

Hosting organisations were asked to demonstrate:

- Good knowledge of their chosen focus area
- Network of relevant partner organisations
- Track record of successfully identifying funding opportunities and of bid development
- Track record of developing and leading on partnerships
- Capacity to recruit and effectively manage the Fundraiser
- Clear approach to delivering capacity-building activities with other organisations
- Methodology for prioritising the Fundraiser's work programme

## 5.7 Arts & Culture Fund

The two themes within this funding are Investing in Cultural Infrastructure and Investing in Diversity.

5.7.1 Investing in cultural infrastructure. This priority focusses on delivering support to the arts and culture sector as a whole through strong infrastructure, coordination and fundraising services rather than trying to directly fund everything that is needed in the borough.

5.7.2 Investing in diversity. Applications were expected to demonstrate how they would tackle inequality and barriers to participation in arts and culture, increase and diversify participation, nurture talent and provide progression pathways, including developing outreach links into other settings such as schools

## 6. Application and Assessment Process

6.1 The programme was launched on 23<sup>rd</sup> September and closed on 18<sup>th</sup> November (8 weeks).

6.2 Due to the strategic importance of the community fundraiser posts, and the need for them to be in post as soon as possible, it was agreed to let this part of the programme through a shortened Expression of Interest and Interview process. The

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deadline for interviews was 17<sup>th</sup> October (3 weeks), with interviews held on 2<sup>nd</sup> and 3<sup>rd</sup> November, and awards made by end of November.

- 6.3 The application process was managed on the recently developed funding portal. The borough-wide NCIL programme was launched and managed through the portal, and learning from this process was utilised to ensure the Main Grants and Arts and Culture Fund application process was as accessible and easy to complete as possible.
- 6.2 The programmes were publicised widely through a press release, Council and partner's websites (including Lewisham Local), by e-mail to our existing funded VCS organisations and by e-mail to wider sector networks, for example faith groups, BAME network, funding partnership, etc. It was also circulated within the Council.
- 6.3 There were four distinct application forms on the funding portal, along with guidance;
1. Expressions of Interest for hosting the Community Fundraiser posts
  2. Specific application forms for £10,000 partnership grants
  3. Specific application forms for grants under the agreed priorities
  4. Specific application forms for the Arts & Culture Fund under the agreed priorities
- 6.4 Two workshops to explain the Community Fundraiser application process were held with the VCS on 30 September and 7 October and were attended by a total of 26 individuals. A further four workshops were held (on 6, 13, 19 and 26 October) to provide guidance on the general Main Grants programme and the arts and culture fund, and these were attended by 112 individuals.
- 6.5 A Main Grants e-mail account was operational throughout for inquiries and requests for additional support. Officers were available to offer one to one sessions for organisations who were unable to attend workshops or had specific questions about their bids.
- 6.6 The assessment process included:
- Initial eligibility checks
  - Two independent assessments by officers based on agreed assessment criteria
  - Agreed score by both officers
  - Moderation by manager
  - Subject matter experts' (internal officers and departments engaged with included Children and Young People's , Adult Social Care, Health, Community Safety, and Digital Access as appropriate)
  - Recommendations of funded projects based on highest scoring applicants along with subject matter experts' comments
  - Panel review of assessments and recommendations to agree final recommendations

## **7. Applications and Recommended Allocations**

### **7.1 Expressions of Interest (EOIs) for hosting Community Fundraisers**

7.1.1 Nine EOIs were submitted. Based on the criteria specified in the guidance, five applicants were shortlisted for interview. Shortlisted applicants were asked to present their service model, and questions included:

- How the work of the Community Fundraiser aligned with the core work of the applying organisation

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- How the applying organisation viewed the balance of fundraising vs. capacity building
- How the applying organisation would work with and engage the VCS in that focus area
- What challenges could they anticipate in hosting Community Fundraisers and how they would address these challenges
- What benefits they could envisage for their organisation in undertaking the work
- How they would prioritise bids
- How they would work with the organisations hosting the other Community Fundraisers and what they anticipated from the partnership
- What outcomes they envisaged from the work
- Who the hosting organisation felt they were accountable to for the work

7.1.2 Further to interviews, the following VCS organisations were awarded the Community Fundraiser posts:

- Age UK Lewisham and Southwark – to host the Community Fundraiser focusing on Cold Spots - £60,000
- Lewisham Local – to host the Community Fundraiser focusing on Equalities - £60,000
- Lewisham Education Arts Network – to host the Community Fundraiser focusing on Arts and Culture - £30,000
- Platform Cricket – to host the Community Fundraiser focusing on Sports - £30,000

7.1.3 While these posts will ensure increased financial health for the Lewisham VCS overall, in the short term it means that only £1,893,308 is available for direct grants.

## **7.2 Main Grants Applications**

7.2.1 The programme received 62 applications in total for main grants. 46 of these were for large grants (generally up to £50,000) and 16 were for small (£10,000) partnership grants.

7.2.2 The total amount bid for was £3,348,364, £1,455,056 in excess of the available funds.

7.2.4 36 of the 62 applications were from organisations currently funded through Main Grants although many of those that didn't apply applied to the Arts and Culture fund.

7.2.5 Existing funded organisations who did not apply for either funding source were:

- Ageing Well
- Lewisham Pensioners Forum (received borough-wide NCIL)
- Lewisham Refugee Welcome (now defunct)
- London Sports Ltd
- Millwall Community Trust (missed deadline)
- Somerville
- 2000 Community Action Centre (NB - submitted a large NCIL bid)

7.2.6 A large number of applications (32 of 46 – 70%) of the applications for larger grants were from existing Main Grants recipients. In contrast, partnership grant applications were more varied, with 75% from non-Main Grants funded organisations.

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- 7.2.7 In total, 23 of the 46 applications for non-partnership grants are recommended for funding.
- 7.2.8 There were a large number of very good applications to the Main Grants programme. Key considerations in recommending projects to be funded were investing in a good spread of projects across the priorities, and continuing our commitment to as many of our vulnerable communities as possible. As a result, prioritising projects was very challenging and a number of worthwhile projects were not able to be funded in this round.
- 7.2.9 In the first instance, the assessment identified the highest scoring applications. Beyond this, projects recommended for funding were based on spread across the priorities, protected characteristics and vulnerable communities supported, and projects that could support people across the health and social care spectrum.
- 7.2.10 Due to the fact that the number of good applications significantly exceeded the level of funding available, the majority of recommended projects have been allocated less than they requested.
- 7.2.11 The recommended allocations are based on an assessment of scale of activity, the unique nature of the service, and a general comparison of like-for-like activity. The projects for Digital Inclusion and BAME infrastructure for example have recommended allocations of £60,000 as they are both projects about creating infrastructure and are looking to work across the borough, and both are partnership bids. Mencap, Wheels for Wellbeing, Bellingham Community Project and Stanstead Lodge have all been recommended allocations of £25,000 due to their similarity in terms of scale and activity.
- 7.2.12 The allocations by size of grants are set out below:

<b>Size of Recommended Grants</b>	<b>Organisations/Projects</b>	<b>Amount applied for</b>
£650,000	Citizens Advice Lewisham (lead partner bid for Advice Lewisham Partnership) – A borough-wide Advice service	£700,000
£440,000	Age UK Lewisham & Southwark – a coordinated social prescribing service	£530,000
£60,000	Catbytes/Lewisham Local - Digital Inclusion	£76,980.20
	Kinaara/Lewisham Local - BAME Infrastructure	£72,810
£50,000	Lewisham Refugee and Migrant Network - core activities	£71,219
	Voluntary Services Lewisham core activities	£50,000

£45,000	Lewisham Speaking Up -Advocacy and support for people with learning disabilities	£50,000
	Metro Charity - One to one support for LGBTQ residents and associated activities at Mulberry	£55,257
£40,000	Voluntary Services Lewisham – Community Transport	£50,000
	Lewisham Local – Community Directory	£51,982
£30,000	Sydenham Gardens – garden based projects for people with mental health support needs & dementia	£40,267.72
	Lewisham Local - Volunteer brokerage	£57,204.20
£25,000	Mencap - Core activities	£26,500
	Wheels for wellbeing – cycling for physically disabled residents	£42,000
	Bellingham Community project – health/well-being of Bellingham residents	£29,000
	Stanstead Lodge – community hub for older and disabled residents	£50,000
£20,000	Goodgym – volunteer runners support the lonely and isolated	£25,300
	Platform Cricket - Sports opportunities for marginalised communities	£57,150
	Age Exchange – supporting people with dementia and careers	£32,000
	London Thunder - Basketball provision primarily attracting BAME YP	£50,000
	Ackroyd Community Association	£20,960
£15,000	St. Lukes Downham – working with & supporting local residents	£30,083
£10,000 –	Lewisham Churches Care	£10,000

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Partnership Grants	South East London Lawn Tennis	£10,000
	Blind Aid	£10,000
	Buddies for All	£10,000
	Lewisham Irish Community Centre	£10,000
	Lee Green Lives	£10,000
	Goldsmiths Community Centre	£10,000
	Therapy 4 Healing	£10,000
	Deptford Methodist Mission	£30,000
	Coco Collective	£22,140
	The Grove Centre	£13,870
	AFC CIC	£15,000
Saxon Crown	£35,000	
£4,500	Lewisham African Initiative Development BAME older/vulnerable people digital access & support	£4,839.50

7.2.13 Again, due to the number of good applications in relation to the level of funding available, and in recognition of the value of working in partnership, five applications that did not score as highly are recommended for partnership grants. Thirteen partnership grants are recommended; of these seven are to existing grant funded organisations.

7.2.14 The total recommended allocation is £2,069,500. This leaves an unallocated balance of £3,808

7.2.15 Organisations not recommended for funding are set out below:

Name of Organisation	Amount applied for	Amount recommended
Contact a Family	£50,000	0

Beelotus	£50,000	0
Active Communities Network	£45,000	0
The Mason Foundation	£34,156	0
Arts Network	£30,000	0
Hawkeye Empire	£194,381	0
Sydenham Arts	£26,474.50	0
Streetlight UK	£39,114	0
Heart n Soul	£50,000	0 (recommended £30,000 funding through Arts and Culture fund)
Blueprint for All	£50,000	0
RAP Association CIC	£50,000	0
Climate Action Lewisham	£23,594	0
Thames Reach Charity	£50,000	0
V22 Communities	£33,200	0
Teatro Vivo	£10,000	0
You Glow CIC	£10,000	0
Inspiring Your Imagination	£10,000	0
Elimu	£10,000	0

7.2.16 The recommended/not recommended groups are set out below against the agreed priorities for the 2022-25 programme.

### **THEME 1: An Economically Sound Future**

#### **Sub-theme a) A borough-wide Advice service**

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<b><i>Recommended for Funding</i></b>		
<b>Name of Organisation</b>	<b>Amount applied for</b>	<b>Amount recommended</b>
Citizens Advice Lewisham (lead partner Advice Lewisham Partnership)	£700,00	£650,000
<b><i>Not recommended for Funding</i></b>		
<b>Name of Organisation</b>	<b>Amount applied for</b>	<b>Amount recommended</b>
Thames Reach Charity	£50,000	0

## **THEME 1: An Economically Sound Future**

### **Sub-theme b) Digital Inclusion for All**

<b><i>Recommended for Funding</i></b>		
<b>Name of Organisation</b>	<b>Amount applied for</b>	<b>Amount recommended</b>
Catbytes CIC/Lewisham Local partnership application	£76,980.20	£60,000
Lewisham African Initiative Development	£4,839.50	£4,500
<b><i>Not recommended for Funding</i></b>		
<b>Name of Organisation</b>	<b>Amount applied for</b>	<b>Amount recommended</b>
V22 Communities	£33,200	£0

## **THEME 2: A Healthy and Well Future**

### **Sub-theme a) A coordinated social prescribing service**

<b><i>Recommended for Funding</i></b>		
<b>Name of Organisation</b>	<b>Amount applied for</b>	<b>Amount recommended</b>

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Age UK Lewisham and Southwark	£530,579	£440,000
<b><i>Not recommended for Funding - None</i></b>		

## THEME 2: A Healthy and Well Future

### Sub-theme b) Connecting People to local community or communities of interest

<b><i>Recommended for Funding</i></b>		
<b>Name of Organisation</b>	<b>Amount applied for</b>	<b>Amount recommended</b>
Lewisham Refugee and Migrant Network	£71,219	£50,000
Platform Cricket	£57,150	£20,000
Voluntary Services Lewisham – Community Transport	£50,000	£40,000
Voluntary Services Lewisham – Core Activity	£50,000	£50,000
<b><i>Not recommended for Funding - None</i></b>		

## THEME 2: A Healthy and Well Future

### Sub-theme c) Physical and Mental Health and Wellbeing Activities

<b><i>Recommended for Funding</i></b>		
<b>Name of Organisation</b>	<b>Amount applied for</b>	<b>Amount recommended</b>
St. Luke's Downham	£30,083	£15,000
Lewisham Speaking Up	£50,000	£45,000
Sydenham Garden	£40,267.72	£30,000
Lewisham Mencap	£26,500	£25,000

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Wheels for Wellbeing	£42,000	£25,000
Goodgym	£25,300	£20,000
Metro Charity	£55,257	£45,000
Bellingham Community Project	£29,000	£25,000
Age Exchange	£32,000	£20,000
Stanstead Lodge	£50,000	£25,000
London Thunder	£50,000	£20,000
Ackroyd Community Association	£20,960	£20,000
<b><i>Not recommended for Funding</i></b>		
<b>Name of Organisation</b>	<b>Amount applied for</b>	<b>Amount recommended</b>
Contact a Family	£50,000	0
Beelotus	£50,000	0
Active Communities Network	£45,000	0
The Mason Foundation	£34,156	0
Arts Network	£30,000	0
Hawkeye Empire	£194,381	0
Sydenham Arts	£26,474.50	0
Streetlight UK	£39,114	0
Goldsmiths Community Association	£32,586.98	0
Voluntary Services Lewisham – Practical Support Scheme	£50,000	0

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Lewisham Local – Time banking	£40,644.45	0
Heart n Soul	£50,000	0 (funded £30,000 through Arts and Culture Grants)
Therapy for Healing	£50,000	0
Deptford Methodist Mission	£30,000	0 (recommended for Partnership Grant)
Coco Collective	£22,140	0 (recommended for Partnership Grant)
The Grove Centre	£13,870	0 (recommended for Partnership Grant)
AFC CIC	£15,000	0 (recommended for Partnership Grant)
Saxon Crown	£35,000	0 (recommended for Partnership Grant)

### THEME 3: A future we all have a part in

#### Sub-theme a) Building Strong Communities – BAME Infrastructure

<b><i>Recommended for Funding</i></b>		
<b>Name of Organisation</b>	<b>Amount applied for</b>	<b>Amount recommended</b>
Kinaara/Lewisham Local partnership	£72,810	£60,000
<b><i>Not recommended for Funding</i></b>		
<b>Name of Organisation</b>	<b>Amount applied for</b>	<b>Amount recommended</b>
Blueprint for All	£50,000	0
RAP Association CIC	£50,000	0

### THEME 3: A future we all have a part in

#### Sub-theme b) Volunteer Brokerage

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<b><i>Recommended for Funding</i></b>		
<b>Name of Organisation</b>	<b>Amount applied for</b>	<b>Amount recommended</b>
Lewisham Local	£57,204.20	£30,000
<b><i>Not recommended for Funding</i></b>		
<b>Name of Organisation</b>	<b>Amount applied for</b>	<b>Amount recommended</b>
Climate Action Lewisham	£23,594	0

### **THEME 3: A future we all have a part in**

#### **Sub-theme c) Community Directory**

<b><i>Recommended for Funding</i></b>		
<b>Name of Organisation</b>	<b>Amount applied for</b>	<b>Amount recommended</b>
Lewisham Local	£50,982	£40,000
<b><i>Not recommended for Funding - None</i></b>		

#### **Partnership Grants**

<b><i>Recommended for Funding</i></b>		
<b>Name of Organisation</b>	<b>Amount applied for</b>	<b>Amount recommended</b>
Lewisham Churches Care	N/A	£10,000
South East London Lawn Tennis	N/A	£10,000
Blind Aid	N/A	£10,000
Buddies for All	N/A	£10,000
Lewisham Irish Community Centre	N/A	£10,000
Lee Green Lives	N/A	£10,000
Goldsmiths Community	N/A	£10,000

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Centre		
Therapy 4 Healing	N/A	£10,000
<b><i>The following organisations applied for larger grants but both because of the lack of funds and because we recognise their partnership potential, we are recommending these organisations for partnership grants</i></b>		
<b>Name of Organisation</b>	<b>Amount applied for</b>	<b>Amount recommended</b>
Deptford Methodist Mission	£30,000	£10,000
Coco Collective	£22,140	£10,000
The Grove Centre	£13,870	£10,000
AFC CIC	£15,000	£10,000
Saxon Crown	£35,000	£10,000
<b><i>Not recommended for Funding</i></b>		
<b>Name of Organisation</b>	<b>Amount applied for</b>	<b>Amount recommended</b>
Metro Charity	N/A	0
Lewisham Speaking Up	N/A	0
Teatro Vivo	N/A	0
VSL	N/A	0
You Glow CIC	N/A	0
Inspiring Your Imagination	N/A	0
Elimu	N/A	0

### 7.3 Arts & Culture Fund Applications

7.3.1 Twenty-two applications were received in total. One of these was under the investing in cultural infrastructure theme, twenty-one were under the investing in diversity theme.

7.3.2 The total amount bid for was £684,351. This is £298,351 in excess of funding available.

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7.3.3 All of the twelve currently funded organisations applied for funding. Ten of these are recommended for further funding.

7.3.4 Two currently funded organisations are not recommended for funding. These are:

- Tramshed (previously Greenwich and Lewisham Young People’s Theatre)
- Trinity Laban

7.3.5 One new organisation is recommended for funding – the Migration Museum.

7.3.6. Organisations recommended for funding:

Organisations	Recommended Grants	Amount applied for
Deptford X	£20,000	£25,000
Entelechy Arts	£30,000	£30,000
Irie!	£30,000	£30,000
Lewisham Education Arts Network	£30,000	£35,000
Lewisham Youth T	£30,000	£30,000
Midi Music	£30,000	£38,200
Migration Museum	£7,250	£30,000
Second Wave	£28,750	£28,750
Heart n Soul	£30,000	£50,000
Montage Theatre Arts	£1,000	£1,000
The Albany	£150,000	£150,000

## 8. Scrutiny and Appeals Process

8.1 All applicants were written to by 17<sup>th</sup> December 2021 informing them of the recommendations, i.e. whether they were recommended for funding and if so what the recommended funding was.

8.2 All existing main grants recipients were sent e-mail notification of their grants coming to an end on 31<sup>st</sup> March by e-mail on October 4<sup>th</sup> 2021. Grant recipients were asked to confirm receipt of end of grant notification, and a further notification was sent on 21<sup>st</sup> October 2021.

8.3 As part of the main grants process organisations are given the opportunity to appeal against officers recommendations. Organisations were given until 3<sup>rd</sup> January to write

to the council disputing their funding recommendation with the appeals considered at a special meeting of Mayor and Cabinet on Monday January 17<sup>th</sup> 2022 where organisations also had the opportunity to present their case in person.

- 8.4 One formal appeal was received from Hawkeye Empire Ltd.
- 8.5 As there was only 1 organisation making an appeal, it was agreed that the special meeting of Mayor and Cabinet scheduled for 17<sup>th</sup> January 2022 could be cancelled and the appeal could be heard at the regular meeting of Mayor and Cabinet on 2<sup>nd</sup> February 2022.
- 8.6 In addition to this process the recommendations were considered at the Safer, Stronger Select Committee on 13<sup>th</sup> January. The Committee was supportive of the recommendations.

## 9. Monitoring and Evaluation Framework

- 9.1 In response to calls to increase the rigour of the Main Grants monitoring and evaluation approach, we commission a specialist organisation, *Shared Intelligence*, to develop a specific framework based on the range of services who receive funding through the programme.
- 9.2 Shared Intelligence initially worked with the Council and health partners to identify the key short, medium and long-term outcomes we want from the main grants programme, taking into account the different themes and sub-themes in the programme.
- 9.3 Based on this, they developed an overarching Theory of Change, capturing draft outputs, outcomes and impact against the key themes and sub-themes in one overarching Theory of Change framework.
- 9.4 An initial workshop was held with funded organisations on 8<sup>th</sup> December 2021 to update on work undertaken so far, introduce the Theory of Change for the new grants programme, and get initial views and thoughts to inform the process.
- 9.5 Two further workshops (one face to face, and one virtual) will be held with new grant funded organisations on 25<sup>th</sup> January and 1<sup>st</sup> February 2022 to further develop, refine and agree the Theory of Change, key performance indicators and the monitoring and evaluation data that needs to be collected.
- 9.6 Alongside this, and based on this work, the consultants will develop a dashboard with key data that captures regular information on the work of the VCS and their impact.
- 9.7 Shared Intelligence will produce a report capturing all the work undertaken along with a dashboard of key indicators to provide a regular update on performance of the funded VCS.

## 10. Financial implications

- 10.1 The current available 21-22 budget for the Main Grants Programme is £2,636,308 plus an additional £313,000 of agreed Better Care Funding (BCF) which specifically supports the grant paid to Age UK Lewisham and Southwark in respect of SAIL (Safe and Independent Living).
- 10.2 As part of the councils Medium Term Financial Strategy a revenue saving of £800,000 (ref B-06 Cuts to Main Grant Programme) has been agreed for the 22-23 financial year onwards. The new Main Grants Programme is due to run for three years from April 2022- March 2025 and the annual cost will need be to be contained within the revised general

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fund budget of £1,836,308 plus the £623,000 of funding agreed from the Better Care Fund (BCF) for 22/23 and future years. The total available funding for the whole Grant Programme is therefore £2,459,308.

- 10.3 The Council core general fund grant budget of £1,836,308 has been split to create a separate Arts and Culture grants programme supporting the Borough of Culture Programme which will sit alongside the Main Grant Programme. The funding for Main Grant Programme will then be supplemented by Better Care Funding (BCF) of £623k for 22/23 onwards to give total funding of £2,073,308 for Main Grants. The funding for the Arts and Culture Programme supporting Borough of Culture delivery and legacy will be a general fund budget of £386,000.
- 10.4 The approval of the recommended grant funding will allow for the full achievement of the general fund revenue saving of £800,000 (ref B-06 Cuts to Main Grant Programme) for 22/23 and future years.

## 11. Legal implications

- 11.1 Under S1 of the Localism Act 2011 the Council has a general power of competence to do anything which an individual may do unless it is expressly prohibited.
- 11.2 The giving of grants to voluntary organisations is a discretionary power which must be exercised reasonably, taking into account all relevant considerations and ignoring irrelevant considerations.
- 11.3 Decisions on making a grant or giving assistance to a voluntary organisation require the approval of Mayor and Cabinet where the level of a grant is over £10,000 (Mayoral Scheme of Delegation section Q). Those decisions will be key decisions (Constitution Article 16(c)(xiii)). As such it is for Mayor and Cabinet to approve the recommendations with regards to the revised process for allocating grants in relation to the Main Grants Programme.
- 11.4 The Equality Act 2010 (the Act) contains a public sector equality duty (the quality duty or the duty). It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

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.
- 11.5 The duty continues to be a “have regard duty”, and the weight to be attached to it is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations.
- 11.6 The Equality and Human Rights Commission has issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled Practice”. The Council must

have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at:

<http://www.equalityhumanrights.com/legal-and-policy/equality-act/equality-act-codes-of-practice-and-technical-guidance/>

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

- The essential guide to the public sector equality duty
- Meeting the equality duty in policy and decision-making
- Engagement and the equality duty
- Equality objectives and the equality duty
- Equality information and the equality duty

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

<http://www.equalityhumanrights.com/advice-and-guidance/public-sector-equality-duty/guidance-on-the-equality-duty/>

## 12. Equalities implications

12.1 A full Equalities Analysis Assessment for Main Grants and the Arts and Culture Grants programmes are attached as Appendix 1 and 2 respectively.

## 13. Climate change and environmental implications

13.1 London Borough of Culture has provided the opportunity for the arts and culture sector to take a lead in addressing the climate emergency, highlighting the issues in an engaging way and bringing residents together to develop a solutions based approach. A greener future is one of the strategic themes of the proposed programme of future funding for art and culture, thereby resourcing this continued role over the coming three years.

13.2 London Borough of Culture has also highlighted the role of art and culture in partnering with the Council to address strategic objectives. During this time important relationships have been developed between voluntary organisations and the Council's Climate Emergency Team which will continue to bear fruit as a result of the proposed funding programme.

13.3 As part of London Borough of Culture a sustainable events plan has been developed as a means of encouraging organisations to consider environmental issues in their planning. Funding applicants will be expected to sign up to this plan and describe how they will contribute to a sustainable future.

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## 14. Crime and disorder implications

- 14.1 A significant number of the recommended projects, particularly those funded through the Arts and Culture Fund such as Second Wave, will be undertaking activities that will support the reduction of crime and disorder.

## 15. Health and wellbeing implications

- 15.1 Many of the activities proposed projects in the new grants programme address the health and well-being of Lewisham residents and one of the criteria is specifically to improve residents physical and mental health and well being. Additionally, the the new programme proposes social prescribing and voluntary sector services as a specific coordinated approach to supporting physical and mental health and wellbeing.

## 16. Background papers

- 16.1 Appendix 1 – Equalities Analysis Assessment Main Grants Programme  
16.2 Appendix 2 – Equalities Analysis Assessment Arts and Culture Grant Programme  
16.3 Appendix 3 – Full list of recommended projects, Main Grants Programme and Arts and Culture Fund  
16.4 Appendix 4 – Main Grants Programme Consultation

## Glossary

Term	Definition
Main Grants programme	A funding programme operated by Lewisham Council, providing support to a range of voluntary and community organisations working with vulnerable residents and contributing to the borough's key priorities
Voluntary and Community Sector	Independent not-for-profit organisations, often registered with the Charity Commission, working towards social objectives

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## Appendix 1: Equalities Analysis Assessment

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<b>Date</b>	21/12/21	<b>Service</b>	Community Development
<b>The project or decision that this assessment is being undertaken for</b>			
<p>This Equalities Analysis Assessment (EAA) analyses the impact on equalities of the draft recommendations for funding under the London Borough of <b>Lewisham Main Grants programme 2022 – 2025</b>. A separate EAA have been undertaken on the recommended allocations for the Arts and Culture Fund.</p> <p>At its meeting on 14th September 2021, the Mayor and Cabinet agreed the priorities for the 2022 - 2025 Main Grants programme following analysis which included the impact of the Covid-19 pandemic on residents and a determination that the Council’s efforts should go into building a future for all residents. The priorities were agreed after feedback from a consultation with the voluntary and community sector which supported three over-arching priorities:</p> <p><b>A. An economically sound future</b>, specifically:</p> <p>(i) Advice services and</p> <p>(ii) Enabling digital access for all.</p> <p><b>B. A healthy and well future.</b></p> <p><b>C. A future we all have a part in.</b></p> <p>A fourth priority of “A Greener Future” would be embedded across the three above-listed priorities as a cross-cutting theme.</p> <p>The response to the consultation showed a high level of support for initiatives to be funded under all three priorities.</p> <p>The consultation also provided an opportunity to inform the local voluntary and community sector formally of an £800,000 reduction in the Council’s Main Grants funding budget. In total, the budget available for this round of Main Grants funding plus a separate round of applications for Cultural and Arts projects associated with Lewisham’s 2022 London Borough of Culture delivery, was £2,073,308.</p> <p>Given the level of cuts and recent emergency situations as a result of the Covid-19 pandemic, Lewisham’s VCS agreed that the priorities subject to consultation were appropriate for their understanding of need and equalities requirements in the borough.</p> <p><b>Agreed Main Grants Priorities</b></p> <p>The priorities aim to help address the needs of local residents as follows:</p> <p><b>An economically sound future</b> focuses on two key areas of delivery:</p>			

- Advice – following analysis that the pandemic has had a significant financial impact on individuals and families, requiring high quality advice and information to equip people to address a range of financial needs, including food and fuel poverty.
- Ensuring digital access for all – in recognition that a lack of digital engagement has a significant adverse effect on people’s ability to access services and education, training and employment opportunities.

**A heathy and well future** addresses findings that loneliness and isolation are significant local needs which can be addressed through initiatives such as social prescribing and, in some cases, volunteering, all helping people to connect back into their local communities.

**A future we all have a part in** focuses on the resilience of the local VCS in continuing to be able to support vulnerable local residents and includes sub-themes relating to:

- Building strong communities – BAME infrastructure support
- Volunteer brokerage – aiming to strengthen the volunteering infrastructure across Lewisham and recognising the increased level of interest in volunteering demonstrated during the Covid emergency
- Community directory – improving residents’ access to information about the VCS in Lewisham.

#### **The protected characteristics/equalities factors impacted**

The criteria for the Main Grants programme were based on:

- reviewing the ongoing inequity in Lewisham (set out in the Consultation document, May 2021)
- identifying the emerging and/or worsening issues brought about by the pandemic (set out in the Consultation Document, May 2021)
- consulting with our VCS and residents on the impact of proposals on equalities (Section 6.22 – 6.36 of Mayor & Cabinet Report 14<sup>th</sup> Sep 2021)
- Consulting with specific service users on the proposals (Section 8 M & C Report 14<sup>th</sup> Sep 2021))

The review of ongoing inequity and emerging need through Covid highlighted a number of key issues that were important to address for recovery through the Main Grants programme:

- Increasing financial hardship
- Impact on physical mental health and well-being
- Digital exclusion and the impact of this both in terms of accessing information and support, in an intensely digitally-driven context
- The disproportionate impact of Covid, highlighting existing inequalities, for people from BAME communities, people with disabilities, and those impacted by socio-economic deprivation
- The need for communities to connect and become resilient post-pandemic

The proposals for the programme aimed to directly address these issues in the context of the voluntary and community sector, and the preventative support they can offer, reaching out to our most disadvantages communities and residents.

The proposals for large grants for advice and social prescribing aimed to respond to increasing financial hardship and the impact on physical and mental health; digital inclusion and building strong communities is one of our key priorities, and within this we highlighted what we believe will be strong foundations for infrastructure that will enable communities to navigate their way to services, volunteer and participate – a good community directory and volunteering brokerage are examples.

We also set out our approach to achieving equity by:

- Focusing grants on those most impacted by Covid 19, residents with protected characteristics, and our seldom heard communities
- Supporting BAME lead infrastructure
- Funding a Community Fundraiser targeted on equalities

The equalities factors listed below have been identified by Lewisham Council as key factors on which the Main Grants programme will impact. On the basis of existing grant recipients, we assess that the following protected characteristics and those additional factors/characteristics identified since Covid are those most impacted by the Main Grants programme. They are a combination of Equality Act and locally identified factors, with the five factors that are also Equality Act-defined protected characteristics indicated in **bold**).

- **Age**
- **Race**
- **Disability**
- **Sexual orientation**
- **Gender reassignment**
- Seldom Heard Voices
- Communities most impacted by covid
- Intersectionality

Organisations were asked to identify the factors most likely to be addressed by their projects when they made their applications.

### **The evidence to support the analysis**

This evidence collection focuses on the equalities factors (including protected characteristics) that will be targeted by the recommended projects.

#### **Age**

According to the Office for National Statistics (ONS) mid 2020 Population Estimate, almost 14% of Lewisham's population of 305,309 is aged over 60 and over 22% are aged 0-18.

#### **Gender identity/reassignment**

The ONS 2021 Census topic consultation identified a need amongst a number of data users for information about gender identity for policy development and service planning; especially in

relation to the provision of health services. These requirements are strengthened by the need for information on those with the protected characteristic of gender reassignment as set out in the Equality Act 2010.

### **Seldom heard voices**

The Institute for Research and Innovation in Social Services defines seldom-heard groups as “under-represented people who use or might potentially use social services and who are less likely to be heard by social services professionals and decision makers” and identifies the potential factors which can contribute to someone being seldom-heard as including disability, ethnicity, sexuality, communication impairments, mental health issues and homelessness. In Lewisham, the Democracy Review which reported in 2020 highlighted seldom heard voices as a key area for targeted action.

### **Disability**

The 2011 Census asked about long-term health problems and disabilities. It found that in Lewisham, 14.4% of the population reported that were living with a long-term health condition that limited their day-to-day activities. 7.1% reported that they were limited a lot and 7.3% reported that they 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.

### **Sexual Orientation**

The Annual Population Survey has released experimental statistics on sexual identity at a local authority level, using estimates based on a smaller survey. In Lewisham, it is estimated that 89.0% of the adult population identify themselves as heterosexual or straight; 2.5% identify themselves as lesbian, gay or bisexual; and 8.5% don't know, refuse to answer or identify themselves as other (i.e. neither heterosexual / straight, lesbian, gay or bisexual).

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.

### **Communities most impacted by Covid**

According to the Trust for London, Covid-19 has particularly impacted on individuals, families and communities that were already struggling prior to the pandemic and has hit London particularly hard, both in terms of health and the economy, especially those living on the lowest incomes. For example, Trussell Trust figures show that food parcels distributed in London increased by 128% between March and September 2020 while the increase in the rest of England was 56%.

### **Ethnicity/race**

The below table sets out the ethnic profile of Lewisham from the 2011 census.

Ethnic Group	2011	
	Number	%
All usual residents	275,885	100
<b>White</b>	<b>147,686</b>	<b>53.5</b>
Mixed/multiple ethnic groups	20,472	7.4
Asian/Asian British	25,534	9.3
Black/African/Caribbean/Black British	74,942	27.2
Other ethnic group	7,521	2.6
<b>BAME</b>	<b>128,199</b>	<b>46.5</b>

### Intersectionality

Intersectionality is the theory, identified in 1989, that the overlap of various social identities such as race, gender, sexuality and class contributes to the way in which individuals experience discrimination and disadvantage on a personal level. For example, on average, women earn less than men, but minority women earn even less, was a result of the intersectionality of two key forms of discrimination.

### Impact summary

The Main Grants programme, including Partnership and Community Fundraiser grants, provides an opportunity for the Council to work with local organisations within a clear framework to identify what is working well in current provision and adjust and prolong service delivery to ensure it is as targeted as it can be on the current needs of Lewisham residents, including needs which have become more stark as a result of the Covid-19 pandemic and the increasing recognition of the impact of intersectionality on disadvantages experienced at individual level.

The current Main Grants programme has also acknowledged the importance of organisations reducing reliance on the Council for core funding and taking a longer term approach to developing the sustainability of their organisations. The Community Fundraiser posts created for the current Main Grants programme are central to this approach and four organisations have been recommended to host Community Fundraisers to support Lewisham's VCS and give renewed energy to accessing resources from wider sources and improved innovation. The Community Fundraiser posts will provide support in organisations with the following specialisms:

Lewisham Local - Equalities

Age UK – “Cold spots”

Platform Cricket – Sports

Lewisham Education and Arts Network – Arts and Culture

It should be noted, though, that the Community Fundraiser programme is intended to support the entire VCS in preparing for and accessing additional funding from alternative sources, with the aim of increasing sustainability of funding across the sector and across all equalities factors.

Although the impact of funding reduction in the direct funding of service delivery is potentially negative at the beginning of the grants period, the Community Fundraiser programme will enable organisations to access wider ranges of funding which, in some cases, may be more applicable for their delivery than current Council funding.

The recommendations for funding under the Main Grants programme, including partnerships and Community Fundraiser applications, total £2,069,500.

The analysis below provides summaries of the applicant organisations and their proposed activities for Main Grants and Partnership applications. Only seven successful applicants identified a single key factor as their primary area of focus, with Metro Centre identifying the two key factors relating to sexuality and gender identification only. All organisations citing communities impacted by covid and/or intersectionality as key factors had also identified additional key factors such as race or disability, as would be expected given that covid impact and intersectionality are identified as compounding factors in already existing disadvantage/discrimination.

Many of the borough-wide services, by their very nature will be accessed by people facing particular challenges, either through their protected characteristics or due to the impact of covid, particularly, in the case of covid, requiring support to address financial hardship. Notwithstanding this the below map shows that some areas have fewer funding groups and the recommended 'cold spots' fundraiser will concentrate on these areas.

## Geographical spread of projects

Main Grants 2022-25 - organisations recommended for funding



## Organisations citing all key factors as priorities

Of the 34 applications recommended for funding (including Partnerships applications), nine indicated that they expected to address seven or eight key factors identified by Lewisham Council and agreed at consultation.

These organisations are:

Organisation	Activity
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Sydenham Garden	Five core projects and several supplementary. Four of these projects focus on adults recovering from mental ill health, and one on people in the early stages of Dementia.
Stanstead Lodge Senior Club	The physical and mental wellbeing activities provided include Chair yoga, Tai Chi, Zumba, Line Dancing and garden group. Also Vista Reminiscence, Art History, Quiz, Craft, Music, Choir and Games and Chat. The aim is that members reconnect with a skill or interest they used to have or discover a new one. The Lodge has 37 active, mostly retired volunteers, offering a total of 127 hours a week.
Ackroyd Community Association	Offering a programme of physical and mental health wellbeing activities, 5 days a week, to help older people in the community remain independent and active. The activities provided help reduce loneliness and isolation, these include yoga, meditation, exercise, dance, reading group, social group including lunch club and Art along with monthly complementary therapy services. In the Summer season they run coach trips to seaside and historical destinations.
Citizens Advice	Application to provide a comprehensive, borough-wide information and advice service, tailored to client capability and capacity, empowering individuals to resolve their problems and achieve longer term independence.
Age UK	The Community Connections Social Prescribing Service is delivered by an experienced team incorporating: 4 Partnerships Coordinators, 4 Community Facilitators, 2 Community Development Workers, 1 Engagement Officer, 2 Project Managers and 1 Senior Manager. The Service will have an open access phone line staffed 5 days a week, receiving queries from Lewisham residents and professionals improving health and wellbeing in the Borough.
Lewisham Local - Volunteer Brokerage	Application will continue and expand current offer to provide Volunteer Brokerage, including bringing it into the digital age by reaching digitally excluded and unemployed people. The plan is to address the overarching aims of promoting volunteering opportunities and helping local residents identify useful and relevant volunteering opportunities through: a digital offer, an in person offer, a communication offer, a training offer
Lewisham Local - Community Directory	Has delivered a Community Directory since 2019 with 945 active listings (350 community groups, 503 local businesses, 92 public facilities/services). A Community Events Calendar and Virtual Maps launched in 2021. The application will develop the Community Directory, to be comprehensive and accessible online and offline as a resource for social prescribers, volunteers, referral partners and residents.
Lee Green Lives	LGL's mission is to contribute to the cohesion of the local community. They run a volunteer-led community centre in the rundown Leegate precinct, providing activities and advocacy focusing on health, wellbeing, learning and opportunities to

	socialise. Includes social prescribing for mental health and hosting Foodbank.
Goldsmiths Community Association	Provides community space and activities for local deprived community in Downham to promote wellbeing - including cultural and sports activities, community gardening etc. Engage in community development e.g. development of community choir, community food growing conference.

Of these applicant organisations, Age UK is recommended to deliver the social prescribing borough-wide co-ordinating role and Advice Lewisham is recommended to deliver the borough-wide advice co-ordinating role. In the case of Lewisham Local, the applications are for borough-wide volunteer brokerage and community directory services. The remaining organisations provide an area-based approach which is aimed at all residents.

All the applications in this group will deliver services to residents from wide-ranging backgrounds and will target resources as required to meet the needs of people with all identified key factors.

### Age

Of the 34 applications recommended for funding (including Partnerships applications), 15 indicated that age was a key factor on which their project would focus (not including those listed above). Some applications will appear under other key factors as they indicated that they would address more than one factor but not the full range. Of the 15, 11 were for direct Main Grant and four were made under the Partnerships strand.

The NCIL programme specifically sought applications for projects to support younger people. Therefore the majority of projects citing “age” as a key factor in the Main Grants programme are for older people and/or people encountering dementia. In some cases, the funding sought for age-related factors in the Main Grants programme is to continue delivering or provide enhancements to current services. However, this may be at a lower financial level than previously accessed in some cases.

Organisation	Activity
Age Exchange	The Age Exchange Caring Together Service provides activities for people living with a Dementia diagnosis and their carers, including an 'Active Aging' programme to help people stay connected, reduce isolation and improve health and wellbeing, as well as offering extensive volunteering opportunities.
Platform Cricket	1) Coaching, Leadership & Volunteering: focus on capacity building and adult beneficiaries who train, qualify and deploy a team of volunteer cricket coaches and leaders, aged 16+. 2) Growing/sustaining existing infrastructure: inc. the 6X Lewisham Platform Cricket Hubs to maintain coach-child ratios. 3) Fortifying the Charity and its core functions: effectively growing/administering a comprehensive Coaching, Leadership & Volunteer aspect to the project.

GoodGym	GoodGym will achieve following each year as minimum: Good Deeds 1380, Group Runs 52, Group Run Attendances 1,000, Missions to support older People 180, Community Missions 200, Volunteering hours 1380.
VSL - Core Activities	Continue to provide: Befriending – over 1000 individuals, Transport – over 4000 journeys, Mental Health Drop Ins – 50 individuals with high levels of support needs, Christmas Project – 3000 individuals. In addition: run additional mental health drop ins, befriending groups and volunteer role providing 1-2-1 support for referred service users. Funding the post of CEO.
VSL – Community Transport	Access Lewisham is a unique community transport service providing a low-cost fixed rate door to door minibus and car service utilising volunteers, to meet the transport needs of Lewisham’s most vulnerable, isolated residents. There is currently no alternative community transport provision in Lewisham. The closure of Lewisham Community Transport in October has led to a substantial increase in requests
Catbytes and Lewisham Local	Partnership application between Catbytes CIC and Lewisham Local (LL). Catbytes is a social enterprise improving digital inclusion in Lewisham by: 1. Providing clients with a device including fixing existing devices 2. Training clients to use devices: device management, internet browsing and tasks (e.g. filling in essential forms), finding affordable internet access options.
Kinaara and Lewisham Local	LL and Kinaraa’s BAME Infrastructure programme will build the capacity of marginal BAME groups to develop systems, processes, and structures, raise funds and deliver services to their communities.
Lewisham African Initiative	Register 145 BAME over 50’s, identified BAME older and vulnerable persons of our communities (who live in Care Homes, their own homes or sheltered housing, members of self-help group networks) will be joining weekly online e-classes@21weeks (6hrs/week)
<b>Partnerships</b>	
Lewisham Churches Care	LCC works to help older people maintain independence and reduce isolation through programmes that encourage community connection and physical and mental wellbeing. LCC also provides information and signposting to other services. LCC’s two projects, Ageing Well in Lewisham and Bring Me Sunshine, together reach 300 older Lewisham residents.
Lewisham Irish Community Centre	LICC exists to support the Irish and local community in Lewisham including Irish culture and heritage, and community wellbeing. In partnership with LBL, services to over 170 residents per week includes frontline advice service, playgroup, youth club, food poverty projects; older people’s activities.
Blind Aid	BlindAid works to improve quality of life and independence and reduce isolation for Londoners with a visual impairment, through individualised practical and emotional support. Core service is Community Sight Support Service, which reaches 135 beneficiaries in Lewisham.

V22 Communities	Support in how to use Technology as well as providing access. Will deliver 50 dedicated hours a week at 3 current locations. Plus source new locations. Linking up with community centres and libraries, working with organisations we have established relationships with.
Deptford Mission	Support residents who are isolated and/or vulnerable, addressing isolation at their day centre. Also providing transport to help those who cannot travel independently and ensure needs are met across a wider area.
AFC Lewisham CIC	Provide good quality, safe and aspiring sport sessions for young people; we strive to empower them to reach their full potential, to take more control over their lives and to become self-sufficient and responsible people within society.
The Grove Centre	Deliver IT training to small groups. Appointing/ training/ supporting a course leader. Providing, maintaining, renewing hardware and software infrastructure

### Gender identity/reassignment and Sexual orientation

Organisation	Activity
Metro Centre Ltd	METRO is an equality and diversity charity anchored in Greenwich & Lewisham, providing health and wellbeing services across Sexual & Reproductive Health, Community, Mental Health & Wellbeing, Youth, and HIV. In Lewisham, we manage the Mulberry Centre where we are developing a collaborative 'equality hub'.

As a long-standing, specialist LGBTQI+ organisation, Metro Centre Ltd is the only organisation recommended for funding to support individuals addressing gender identity and sexual orientation. As shown below, the Metro Centre also identified intersectionality as a key factor because they will inevitably work across multiple factors that can lead to discrimination in working across the LGBTQI+ community.

### Seldom heard voices (SHV)

All 13 successful applicant organisations listed below as delivering services to SHV individuals also named at least one other key factor that they would target as part of their activity. This suggests the applicant organisations see SHV as not existing in isolation but rather as an integral factor in their targeted provision to specific groups.

Organisation	Activity
LRMN	Advice, information and casework on immigration, housing and welfare; 1:1 Counselling and weekly therapeutic support. Mothers and kids summer programme. Counselling for men in trauma. Advocacy for rights and access to health care service. Mental health prevention and recovery service. Integration activities Social Prescribing service through cross referrals of clients. Campaigns, Emergency support – including food parcels, food vouchers, hardship funds, and grants applications.

	Championship/leadership and Advocacy training for RASM.
Speaking Up	Core funding to continue the support of our main advocacy services: 1-2-1 Advocacy, People’s Parliament, SelfAdvocacy, and Training. Funding to continue, strengthen and develop our existing projects.
St Luke’s Downham	The Front Room Club community café based at St Luke's Downham Estate - providing a safe and supportive community for people struggling with isolation and loneliness. The café runs on Monday, Tuesday and Friday a place to meet people, access support / advice, develop social/practical skills, and talk about mental health issues.
Lewisham Mencap	Provide volunteering activities for people with and without disabilities. Enable our members to connect with their community of interest. Physical exercises. Mental health – reducing isolation and offering early support. We offer 140 evening clubs a year.
Catbytes and Lewisham Local	<i>Described above</i>
Lewisham African Initiative	<i>Described above</i>
<b>Partnerships</b>	
Blind Aid	<i>Described above</i>
Therapy 4 Healing	1-2-1 and group sessions. We specifically support women and children living in Lewisham who have experienced Domestic Abuse. A range of accredited psychological support and Domestic Abuse services to men.
V22 Communities	<i>Described above</i>
Deptford Mission	<i>Described above</i>
AFC Lewisham CIC	<i>Described above</i>
The Grove Centre	<i>Described above</i>

## Disability

The four organisations whose proposed activities are described in the below table cited only Disability as the key factor their service will focus on. Three of these are sports-related, with the fourth providing bespoke buddying support to increase the inclusion of people with disabilities. Of the remaining organisations, all of which listed more than one key factor as a focus for their activity, most are either specialist organisations who deliver disability services but recognise intersectionality in their approach or generalist organisations who support disabled people amongst their wider group of service users.

Organisation	Activities
Age Exchange	<i>Described above</i>
Speaking Up	<i>Described above</i>
Wheels for Wellbeing	Activities for Disabled people Weekly, gentle and fully accessible cycling sessions supported by our experienced team. On and off-site bespoke accessible cycling discovery sessions. “Cycling down Memory Lane” programme.

Lewisham Mencap	<i>Described above</i>
VSL – Core Activity	<i>Described above</i>
VSL – Community Transport	<i>Described above</i>
Catbytes and Lewisham Local	<i>Described above</i>
Lewisham African Initiative	<i>Described above</i>
St Luke’s Downham	<i>Described above</i>
<b>Partnerships</b>	
Buddies for All	A buddying service for disabled adults and people with mental health conditions. Our aim is to provide online, telephone and face-to-face support. This will be achieved by matching anyone who identifies themselves as having, or having had, a physical, mental, or sensory impairment, or disability, with a volunteer buddy.
South East London Tennis	SEL Tennis works closely with LBL and aims to provide affordable, quality tennis coaching to people of all ages and ability in the local community. Programmes are delivered in parks, and include free tennis for primary school children, disability access sessions and Sporting Recovery for adults with mental health needs.
Lewisham Irish Community Centre	<i>Described above</i>
Blind Aid	<i>Described above</i>
Therapy 4 Healing	<i>Described above</i>
Saxon Crown Swimming Club	Top up sessions each day of the week during school holidays (154 hours in total) a primary schools gala. 2 extra hours of pool time for disabled swimmers each week (88 hours per year). Annual gala for disabled swimmers. Organisation of teams for the LYG. 20 newly trained volunteers, teachers and coaches. A part-time Development manager to coordinate activities.
Deptford Mission	<i>Described above</i>
AFC Lewisham CIC	<i>Described above</i>
The Grove Centre	<i>Described above</i>

### **Communities most impacted by Covid**

All successful applicant organisations listed below identified communities most impacted by Covid alongside other key factors, confirming the greater impact of Covid on communities already in need.

<b>Organisation</b>	<b>Activities</b>
LRMN	<i>Described above</i>
Speaking Up	<i>Described above</i>
Platform Cricket	<i>Described above</i>
Lewisham Mencap	<i>Described above</i>
St Luke’s Downham	<i>Described above</i>
VSL – Core Activity	<i>Described above</i>
VSL – Community Transport	<i>Described above</i>

Catbytes and Lewisham Local	<i>Described above</i>
Kinaara and Lewisham Local	<i>Described above</i>
Lewisham African Initiative	<i>Described above</i>
<b>Partnerships</b>	
AFC Lewisham CIC	<i>Described above</i>
The Grove Centre	<i>Described above</i>

### **Ethnicity/race**

Two successful applicants (described below) identified race as the only key equalities factor for their provision. All other applicants expect to target race alongside other key factors. As with all applicants citing more than one factor, this indicates a strong element of intersectionality across applications.

It should be noted that Kinaara/Lewisham Local's service will be to support infrastructure development in BAME-led organisations, complemented further by their hosting of the Equalities-specific Community Fundraiser, focused initially purely on BAME fundraising capacity development.

<b>Organisation</b>	<b>Activities</b>
LRMN	<i>Described above</i>
Platform Cricket	<i>Described above</i>
London Thunder Basketball Club	Project is to increase female participation. We are bidding for core costs alongside project funding to enable us to maintain the venue and continue to deliver our core activities. Who we work with: Children, young people aged 7 - 10 and adults.
VSL – Core Activity	<i>Described above</i>
VSL – Community Transport	<i>Described above</i>
Catbytes and Lewisham Local	<i>Described above</i>
Kinaara and Lewisham Local	<i>Described above</i>
Lewisham Irish Community Centre	<i>Described above</i>
<b>Partnerships</b>	
Therapy 4 Healing	<i>Described above</i>
AFC Lewisham CIC	<i>Described above</i>
The Grove Centre	<i>Described above</i>
CocoCollective	CocoCollective is an “Afro diaspora” led community organisation using African heritage to promote sustainability. They have developed a new food growing and well-being initiative called Ital Community Garden in Bellingham, focusing on growing cultural heritage foods and healing herbs.

### **Intersectionality**

Seven applicant organisations expressly stated that they believed their service would directly address intersectionality as a factor in its own right. However, as indicated throughout this report, intersectionality in terms of addressing multiple needs of individuals within one service is intrinsic across the range of successful applications recommended for funding.

<b>Organisation</b>	<b>Activities</b>
LRMN	<i>Described above</i>
Sydenham Garden	<i>Described above</i>
Speaking Up	<i>Described above</i>
Metro Centre Ltd	<i>Described above</i>
VSL - Community Transport	<i>Described above</i>
St Luke's Downham	<i>Described above</i>
<b>Partnerships</b>	
Therapy 4 Healing	<i>Described above</i>

### **Impact on specific Protected Characteristics**

While it would be expected that a significant reduction in the Main Grant budget is likely to have an overall negative impact on protected characteristics, analysis of funding recommended in 2019-22 vs funding recommended for 2022-25 shows the following impacts on the specific protected characteristics funded through the Main Grants programme. The overall focus on equalities has meant that the potential negative impact on these following protected characteristics has been reduced, with investment for vulnerable communities protected as far as possible and funding reductions to these communities kept to a level above the overall reduction to the budget.

#### **Age**

Investment in projects supporting older people reduced from the last main grants round by 16%, less than the overall cut to the programme of roughly 30%. The proportion of the total allocation rose from 4.9 to 5.8% on specific older people's projects, not including the Age UK allocation which is also likely to disproportionately focus on older people. Therefore, the impact on older people is not disproportionate.

#### **Ethnicity**

In keeping with the commitment to support BAME led organisations, funding for BAME focused projects rose to three times that in the previous round. The impact on ethnicity is therefore positive, particularly as a large part of this investment is focused on fundraising and capacity building for the BAME led sector for the next three years.

#### **Disability**

Funding for projects to support disabled residents reduced by 25% which is less than the overall reduction to the programme budget. However, funding for disabled residents as a proportion of the Main Grants programme remains relatively high compared to other protected characteristics; the proportion of funding increased from 9.3% in the last round to 10% in this round. Therefore, the impact on disabled people is not disproportionate and investment as far as possible has been

protected through the cuts. In addition the Lewisham Disabled People's Commission continues to be funded and its recommendations will be considered across the Council in due course.

### **Sexual Orientation**

Funding for LGBT communities increased by 63% in this round primarily through a larger grant to the Metro and a percentage of the equality fundraiser's time; the overall proportion of allocation for sexual orientation more than doubled. Therefore, the impact on LGBT communities is positive.

### **Refugees and Asylum seekers**

Funding for refugees and asylum seekers reduced by 11% (significantly less than the overall cut to the budget), but the proportion of funding increased from 2.3 to 4%. The impact to refugees and asylum seekers is therefore not disproportionate.

### **Deprivation**

Locally based organisations in areas with high levels of deprivation also saw a reduction overall, but of 11% vs. the 30% reduction to the main grants budget. The proportion of funding to these projects increased from 5 to 6%.

### **Mitigation**

The reduction in Main Grants funding has had an impact on the range of services that can be provided under the new funding round. However, the feedback from consultation suggests that the new priorities are targeted at the current and emerging needs in the borough and take into account the impact of Covid-19.

It should also be noted that NCIL ward and borough-wide funds totalling £3,908,364 over the next two years will significantly supplement support available to residents, particularly those projects which were funded in the last round to support people in our most deprived wards. As an example, a local organisation in Evelyn ward has been recommended through NCIL for a substantially larger grant for support of local residents than they were awarded through the last main grants round.

The Community Fundraiser initiative provides an opportunity to lever in significant levels of funding to complement Main Grants provision and develop sustainable approaches to funding organisations and initiatives. It should be noted that one full time role is particularly targeted at working to support organisations to access funds to support equalities-based initiatives, focusing on BAME organisational development in the first instance.

Lewisham is the 2022 London Borough of Culture and many of the initiatives to support the Culture programme will focus on promoting equalities in the arts and culture sector.

### **Service user journey that this decision or project impacts**

The provision of new services will be communicated to relevant service teams within the Council. In addition, the projects will be part of the borough's broader community development networks and will be monitored for their activities to address and promote equalities as integrated part of their general performance monitoring. This monitoring will be undertaken against the new

monitoring framework being developed for consistent monitoring of Main Grants delivery and being co-produced with the voluntary and community sector.

The Main Grants process has involved planning and liaising with a number of different Council services, particularly those relating to public health and community safety to identify how the recommended projects can be tied to specific service pathways.

It should also be noted that a comprehensive monitoring and evaluation framework is being developed with the successful projects to ensure that their outputs and outcomes are tied into broader Council objectives. This has involved the input of officers from a number of different Council services to ensure that their initiatives complement their service delivery.

**Signature of  
Director**



## Appendix 4: Equalities Analysis Assessment

Author	Andy Thomas	Directorate	Community Services
Date	20 December 2022	Service	Culture

### 1. The project or decision that this assessment is being undertaken for

This Equalities Analysis Assessment (EAA) analyses the impact on equalities of the recommendations for funding under the Lewisham Arts & Culture Fund 2022-25. The recommendations are presented within the Main Grants 2022-25 Allocation Report

At its meeting on 14<sup>th</sup> September 2021, Mayor & Cabinet agreed to allocate £386,000 per annum to the Lewisham Arts & Culture Fund 2022-25. The following priorities were also agreed:

- Investing in cultural infrastructure
- Investing in diversity

### Lewisham Arts & Culture Fund 2022-25 Priorities

#### 1. Investing in cultural infrastructure

Annual funding of up to £150,000 to a cultural anchor organisation. This priority focusses on delivering support to the arts and culture sector as a whole through strong infrastructure, coordination and fundraising services rather than trying to directly fund everything that is needed in the borough. In the context of scarce public resources it is essential that we seek to future-proof the local arts and culture sector by cultivating a climate of self-sufficiency, where leadership comes from within.

In order to achieve this an anchor organisation is expected to

An anchor organisation would be expected to:

- Co-ordinate consortium funding bids. Broker partnerships to maximise access to external funding streams
- Support emerging artists and organisations to reflect and develop their creative practices, working closely with other artists
- Nurture partnerships. Develop and coordinate networks and collaborations and provide effective representation.

#### 2. Investing in diversity

Investing in diversity is a key priority for this funding – tackling inequality and barriers to participation in arts and culture. Applications were expected to demonstrate how they will increase and diversify participation, nurture talent and provide progression pathways, including developing outreach links into other settings such as schools. The fund encourages innovation and the ongoing development of an atmosphere in which new things can emerge.

Grants of up to £30,000 were invited to deliver services that focus on:

- Race
- Disability
- Economic disadvantage
- Age (young people and older people)

## Equalities Analysis Assessment

As a result of this prioritisation, funding applications received specifically targeted the equalities factors above, although all recommended applications have indicated that they expect to positively impact on all protected characteristics through their provision.

### 2. The protected characteristics or other equalities factors potentially impacted by this decision

<input checked="" type="checkbox"/> <b>Age</b>	<input checked="" type="checkbox"/> <b>Ethnicity/Race</b>	<input type="checkbox"/> <b>Religion or belief</b>	<input type="checkbox"/> Language spoken	<input type="checkbox"/> Other, please define:
<input type="checkbox"/> <b>Gender/Sex</b>	<input type="checkbox"/> <b>Gender identity</b>	<input checked="" type="checkbox"/> <b>Disability</b>	<input type="checkbox"/> Household type	
<input type="checkbox"/> Income	<input type="checkbox"/> Carer status	<input type="checkbox"/> <b>Sexual orientation</b>	<input checked="" type="checkbox"/> Socio Economic	
<input type="checkbox"/> <b>Marriage and Civil Partnership</b>	<input type="checkbox"/> <b>Pregnancy and Maternity</b>	<input type="checkbox"/> Refugee/Migrant/Asylum seeker	<input type="checkbox"/> Health & Social Care	
<input type="checkbox"/> Nationality	<input type="checkbox"/> Employment			

The equalities factors listed above have been identified by Lewisham Council as key equalities factors in the borough and also include the Protected Characteristics (shown in **bold**) of the Equalities Act 2010, which is intended to protect certain characteristics from unlawful discrimination.

The equalities factors addressed by organisations who have successfully applied and are being recommended for Lewisham Arts & Culture Fund 2022-25 are indicated above.

Of the 18 factors listed above, four equalities factors will be directly impacted by the proposed work of the recommended projects, with all of those projects proposing to deliver services to all equalities factors listed.

### 3. The evidence to support the analysis

This evidence collection focuses on the equalities factors (including protected characteristics) that will be targeted by the recommended projects.

#### Age

According to the Office for National Statistics (ONS) mid 2020 Population Estimate, almost 14% of Lewisham's population of 305,309 is aged over 60 and over 22% are aged 0-18.

#### Ethnicity/race

The below table sets out the ethnic profile of Lewisham from the 2011 census.

Ethnic Group	2011	
	Number	%
All usual residents	275,885	100
<b>White</b>	<b>147,686</b>	<b>53.5</b>
Mixed/multiple ethnic groups	20,472	7.4
Asian/Asian British	25,534	9.3
Black/African/Caribbean/Black British	74,942	27.2
Other ethnic group	7,521	2.6
<b>BAME</b>	<b>128,199</b>	<b>46.5</b>

# Equalities Analysis Assessment

## Disability

The 2011 Census asked about long-term health problems and disabilities. It found that in Lewisham, 14.4% of the population reported that were living with a long-term health condition that limited their day-to-day activities:

7.1% reported that they were limited a lot and 7.3% reported that they 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.

## Socio-economic

According to Trust for London, the proportion of children in poverty in Lewisham (39%) is slightly above the London average (37%). At 38.5%, a large proportion of 19 year-olds in Lewisham do not have a level 3 qualification and only 67% of GCSE students achieve grades between 9-4 (equivalent to A\*-C under the old system) in English and Maths – all potential factors in future socio-economic status. This rate is below the London rate of 75%.

## 4. Impact summary

Lewisham Arts & Culture Fund 2022-25 has provided an opportunity to focus on new key priorities for arts and culture in Lewisham. Lewisham is a borough is rich in cultural opportunities and yet many of our residents still experience significant barriers. The [Taking Part Survey - GOV.UK \(www.gov.uk\)](http://www.gov.uk) indicates that age, ethnicity, disability and socio-economic and employment status all play a part in excluding people from participating in cultural activities. While this continues to be the case, it is important that we support organisations to work with communities that find themselves at a disadvantage.

Funding also seeks to address lack of diversity across the cultural workforce and develop a more proactive way of addressing this issue. The GLA Culture Strategy [Culture for all Londoners](#) identifies that 95 per cent of jobs in London’s creative economy are held by people from advantaged socio-economic groups, only 23.4 per cent of jobs in London’s creative economy are held by people from BAME groups and that in the creative and cultural workforce in England, only 12 per cent of workers classify themselves as disabled.

By their nature and through the application assessment process, these projects have been selected for the positive impact they will have in Lewisham, most specifically for individuals and communities within the listed groups.

In addition, the funded projects will bring in match funding to support Lewisham residents.

## Age

Many of the projects identified as supporting people on the basis of their age will appear elsewhere in this analysis because they will be addressing multiple equalities factors within one project.

In all recommended applications where age was identified by applicants as an area on which they would focus, either young people or “older” people were the primary focus. The following projects will address age as a specific issue within their delivery:

Project	Age group	Impact
Deptford X	Young people	The organisation’s Community Curatorial Panel - a group of local people including young people, teachers and community leads will work with specialists to commission and select festival

## Equalities Analysis Assessment

		works, ensuring the work is led by, and reflects the local community.
Entelechy Arts	Older people	The Creative Ageing programme is a body of artistic work co-created with people aged 65+ who are socially isolated.
Heart 'n' Soul	Young people	Do Your Own Thing and Allsorts are aimed at Young adults with learning disabilities aged 18-25
Irie!	Older people and young people	<ul style="list-style-type: none"> <li>The 'Vintage Tea' service to elders delivered both at the Moonshot Centre and at residential homes and centres.</li> <li>The organisation works with young people Engage through its schools/education programme. Design and dance and drumming classes to children and young people during half term and summer holidays. This work will be expanded through partner schools to form a combined youth dance group.</li> </ul>
LEAN	Young people	<ul style="list-style-type: none"> <li>Engaging with stakeholders, schools and young people to better understand the barriers facing under-represented groups in accessing arts provision and creative careers, adapting the programme in response.</li> <li>Amplifying the voices of young people from underrepresented groups through creative projects.</li> </ul>
LYT	Young people	Outreach activities targeted at young people. The organisation offers projects to a database of over 1100 Lewisham young people age 8-24 who have recently engaged or expressed interest.
Midi Music	Young people	MMC's core programme is specifically for children and young people aged 11 – 30.
Migration Museum	Young people and older people	<ul style="list-style-type: none"> <li>The organisation delivers activities that explicitly cater to families, including an education programme which provides workshops to 3000 young people every year, Also events and activities for young people and their families to enjoy after school, at weekends and during school holidays.</li> <li>Through its community programme the organisation will reach out to groups which support elderly people, such as University of the Third Age and South London Cares. Also links with local social prescribers to identify local gaps in provision that it may be able to fill.</li> </ul>
Montage Theatre Arts	Young people	MTA aims to support the development of young people through access to the performing arts
Second Wave	Young people	The organisation offers a year-round programme of cultural and community activism for young people aged 11-24 years. The youth arts centre offers a safe space to meet, build friendships and participate in regular workshops in drama, lyrics, creative writing, and leadership training. The organisation is committed to the development of

## Equalities Analysis Assessment

		young people to make informed choices in their daily lives and to influence decision-making in their communities
The Albany	Young people	The Albany delivers free, open access and targeted opportunities across the borough for young people in estate-based youth and community centres in partnership with Youth First, Lewisham Council, and Lewisham Homes. The organisation also supports other organisations i.e. Sounds Like Chaos to deliver activity.

Many of the projects target younger people. However, other initiatives such as the Council's Main Grants programme specifically target older individuals. Overall, the impact on specific age groups is positive

### Ethnicity/race

Project	Impact
Deptford X	The organisations 'Supported' programme is an open call for projects by early career Black and People of Colour artists and curators from Lewisham, with work showcased as part of Deptford X festival. Work will be highlighted in the press and shared with curators and gallerists, developing diverse creative talent and audiences.
Irie!	Activities targeted at people of colour include: <ul style="list-style-type: none"> <li>• Intergenerational dominoes club ages 15-80</li> <li>• Saturday drumming classes for families</li> <li>• African dance and drumming for intergenerational, ages 7-69;</li> <li>• Deliver heritage programmes and Black History Month events.</li> </ul>
LEAN	<ul style="list-style-type: none"> <li>• Tracking take up of opportunities against target groups/location to understand and identify issues of equity and respond directly or encourage partners to do so.</li> <li>• Improving representation by supporting and employing diverse artists/practitioners as positive role models across all protected characteristic groups.</li> </ul>
LYT	LYT's ethnic demographics mirror Borough-wide statistics with approximately 65% of participants being from global majority ethnicities.
Midi Music	<ul style="list-style-type: none"> <li>• As a Black-led organisation with a diverse and balanced Board/Management team the organisation has achieved 74% ethnic minority representation</li> <li>• The organisation is working with the Black Curriculum to educate the workforce within the music industry to understand the lived experiences of Black professionals and emerging young artists.</li> </ul>
Second Wave	The new area of project work has been inspired by the Black Lives Matter movement (to challenge racism and Hate Crime in Lewisham). 100% of Trustees, 88% of centre-based participants, 80% of young leaders, and 75% of staff team are from BAME communities
The Albany	Arts Council England ranked the Albany as the 2 <sup>nd</sup> most ethnically diverse major arts organisation in England. The organisation continues to work to further diversify its workforce and works in partnership with local black-led organisations in the borough such as IRIE! Dance. Beneficiaries reflect the diversity of the borough with 73% black and global majority heritage, with much activity led by those young people.

Ethnicity and race issues are addressed specifically by most projects but are also included in the wider outcomes of others. Organisations demonstrate a clear commitment to ensuring that barriers to

## Equalities Analysis Assessment

participation experienced by people of colour are addressed and therefore a clear positive impact from these projects.

### Disability

All recommended projects identified a focus on disability as follows:

Project	Impact
Deptford X	In 2022 the organisation will partner with Heart and Soul and Liberty Festival - the Mayor of London's festival of work by D/deaf and disabled artists, as part of Lewisham Borough of Culture. Deptford X will showcase five D/deaf and disabled artists, selected through open call in February 2022, and delivered in Deptford as part of the Liberty Festival in July 2022.
Entelechy Arts	<ul style="list-style-type: none"> <li>Ambient Jam supports people with profound and multiple learning disabilities, facing inequality of social, leisure and learning opportunities. All have diverse communication needs, which combined with lack of agency and choice has a major impact on wellbeing and mental health.</li> <li>Access is embedded across the organisation's programmes and there is also an Access and Relationship Coordinator on the team who's responsible for removing barriers for those most isolated people to access programmes for example managing transportation, individual care needs and ensuring suitable equipment / materials</li> </ul>
Heart n Soul	Heart n Soul's programmes are designed with and for people with learning disabilities.
Irie!	Access to the first-floor facilities enables wheelchair users to participate in activities at Moonshot..
LEAN	Ensuring accessibility through use of accessible spaces/venues timing of activities, practical support (e.g. transportation)
LYT	Targeted recruitment at participants with disabilities. Approximately 15% have special educational needs or other disabilities, particularly those autism, adhd and other processing differences. As part of the standard support process, all participants who disclose disability receive individual pre-project mentoring to improve access, including identifying any barriers to engagement/retention and support needed. Ongoing pastoral care engages parent/carers to increase retention and progression to further opportunities within LYT and beyond
Midi Music	<ul style="list-style-type: none"> <li>Adapted premises ensure disabled access, including braille floor plans and door signs, ramp to the courtyard and a wheelchair access entrance, plus there is a lift and 2 x disabled toilets, one with shower, and portable induction loop. The Programme Coordinator has completed BSL Level 2 and we have access to BSL Interpreters who has worked with us over the years</li> <li>The organisation works with Deaf Rave and Attitude is Everything to create pathways for Deaf and disabled people, as well as supporting AIE Ambassadors</li> </ul>
Migration Museum	Front of house staff and volunteers are trained to assist audience members who are deaf, disabled or face other barriers. Gallery space is wheelchair accessible and well lit
Second Wave	The organisation has recognised the way that the COVID crisis has intensified levels of social isolation for people who are dealing with physical disabilities or mental health problems and has responded by widening provision of support

## Equalities Analysis Assessment

	groups and specific creative project work. The aim of this work is to build a strong sense of acceptance and encourage ongoing peer support.
The Albany	The Albany has developed work with under-served communities, including with learning disabled and disabled people (through partnerships with Mind the Gap, Heart n Soul, TourettesHero, Entelechy Arts and Spare Tyre)

All recommended projects will be accessible by people with disabilities, including physical disabilities.

### Socio-Economic

The projects which indicated they would target socio-economic issues are:

Project	Impact
Irie!	The organisation championed increasing participation by introducing free or low rates to generate interest, to the economically disadvantaged. This has proved successful particularly with the most economically disadvantaged with a return rate of 85% to the paid activity and concessions maintained at 40% of market price fee.
LYT	Approximately 40% of users receive support for a low income, with others highlighting economic disadvantage that would prevent them for engaging in fee-paying services. Engagement criteria requires participants don't engage in other out-of-school drama provision or attend fee-paying schools, ensuring we're reaching those who would otherwise not access drama activities.
Midi Music	Students, participants and members who are facing financial difficulties are provided with information on accessing finances, references for funding support and referrals to relevant agencies
Migration Museum	All programmes are free to the public so as not to exclude those facing economic disadvantage
Montage Theatre Arts	MTA provides open access for low-income families. Reduced-rate places are openly available on the website and therefore, accessible to everyone. MTA also accept referrals from social services, schools, and young carer associations. Between 20% and 25% of students attend on a concessionary or bursary basis.
Second Wave	The programme includes free workshops, training opportunities and platform event. The organisation also offers free outreach initiatives for young people in schools, colleges and community organisations throughout Lewisham.
The Albany	The organisation aims to remove economic barriers by removing financial barriers through free, 'pay what you decide', discounts and 'fair' pricing and partnership working with social housing providers i.e. Lewisham Homes, programmes i.e. and Artists of Change are designed to remove economic barriers to engagement.

This activity is aimed at working with individuals who need additional support to access mainstream provision due to their current socio-economic position. Many individuals impacted by other equalities factors will have their socio-economic position improved by engagement in these initiatives, meaning that the overall impact of these initiatives in relation to the socio-economic position of people in Lewisham will be positive.

### 5. Mitigation

Three currently funded organisations are not recommended for funding. These are Montage Theatre Arts, Tramshed Arts (previously Greenwich and Lewisham Young People's Theatre) and Trinity Laban. This will

## Equalities Analysis Assessment

result in the reduced availability of services but funded organisations will ensure that similar services are available.

In seeking to mitigate more widely against the negative impact of these cuts and particularly address the current and emerging needs of the arts and culture sector in Lewisham, a wider programme of support has been developed as follows:

- Small grants. We recognise the value of providing one off funding to organisations in order for them to develop new activities and develop a track record for delivering activities and managing funds. In Lewisham we have benefitted hugely from the creative and innovative approaches taken by arts and culture based organisation to addressing some of the most challenging issues and this funding will help us to continue to invest
- Bursary funding for emerging artists in the early stages of their career to help them develop activities that work alongside some of the Council's civic events eg Black History Month, International Women's Day, LGBT+ Month. Alongside the bursaries other support and mentoring will be available around issues such as fundraising and activity development. This approach has been piloted this year and we will be looking to review and build on it.
- Broadway Theatre associate artists. The Broadway Theatre is currently being refurbished and will reopen in 2022 ready to claim its place as a venue fit for the challenges of the 21<sup>st</sup> Century. A refreshed vision will see a multi-purpose approach that includes an associate artist's programme based around the studio theatre.
- Employment and training programmes. We will continue to support employment and training activities which support greater diversity in the cultural and creative sectors. This includes a new £500,000 two-year programme from July 2021 to June 2023, funded by the Council and the European Social Fund (ESF), which will broker work placement and employment opportunities for 125 residents in the creative sector; also the Stride London programme which is supporting a range of employment and training activities in Lewisham, Southwark, Lambeth and Wandsworth to address inequalities in the creative industries.
- Support for Cultural and creative enterprise and growth. Cultural and creative businesses already play an important part in the wider prosperity of Lewisham and will increasingly do so in the future. Working with colleagues in the Council's Economic Development team we will provide a better joined up approach to business advice, support and training. This will build on the existing Creative Enterprise Zone in Deptford/New Cross, using the networks and learning from this programme to also benefit other areas of the borough. We will seek to ensure there is a good supply of suitable and

### 6. Service user journey that this decision or project impacts

The provision of new services will be communicated to relevant service teams within the Council. In addition, the projects will be part of the borough's broader arts & culture and community development communication networks.

Signature  
Director

of



## Appendix 3

### Community Fundraiser Hosting

Organisations	Recommended Grants	Amount applied for
Age UK Lewisham and Southwark - to host the community fundraiser focusing on Cold Spots	£60,000	£60,000
Lewisham Local - to host the community fundraiser focusing on Equalities	£59,998	£60,000
Lewisham Education Arts Network (LEAN) - to host the Community Fundraiser focusing on Arts and Leisure	£30,000	£30,000
Platform Cricket - to host the community fundraiser focusing on sport	£30,000	£30,000
<b>sub-total – Community Fundraiser Hosting</b>	<b>£179,998</b>	

### Main Grants Recommended Projects

Organisations	Recommended Grants	Amount applied for
Citizens Advice Lewisham (lead partner bid for Advice Lewisham Partnership) – A borough-wide Advice service	£650,000	£700,000
Age UK Lewisham & Southwark – a coordinated social prescribing service	£440,000	£530,000
Catbytes/Lewisham Local - Digital Inclusion	£60,000	£76,980.20
Kinaara/Lewisham Local - BAME Infrastructure	£60,000	£72,810
Lewisham Refugee and Migrant Network - core activities	£50,000	£71,219
Voluntary Services Lewisham - core activities	£50,000	£50,000
Lewisham Speaking Up - Advocacy and support for people with learning disabilities	£45,000	£50,000
Metro Charity - One to one support for LGBTQ residents and associated activities	£45,000	£55,257

at Mulberry		
Voluntary Services Lewisham – Community Transport	£40,000	£50,000
Lewisham Local – Community Directory	£40,000	£51,982
Sydenham Gardens - core activities – garden based projects for people with mental health support needs & dementia	£30,000	£40,267.72
Lewisham Local - Volunteer brokerage	£30,000	£57,204.20
Mencap - Core activities	£25,000	£26,500
Wheels for wellbeing – cycling for physically disabled residents	£25,000	£42,000
Bellingham Community project – health/well-being of Bellingham residents	£25,000	£29,000
Stanstead Lodge – community hub for older and disabled residents	£25,000	£50,000
Goodgym – volunteer runners support the lonely and isolated	£20,000	£25,300
Platform Cricket - Sports opportunities for marginalised communities	£20,000	£57,150
Age Exchange – supporting people with dementia and careers	£20,000	£32,000
London Thunder - Basketball provision primarily attracting BAME YP	£20,000	£50,000
Ackroyd Community Association – core activities	£20,000	£20,960
St. Lukes Downham – working with & supporting local residents	£15,000	£30,083
Lewisham African Initiative Development - BAME older/vulnerable people digital access & support	£4,500	£4,839.50
<b>Partnership Grants</b>		

<b>Organisation</b>	<b>Recommended Grants</b>
Lewisham Churches Care	£10,000
South East London Lawn Tennis	£10,000
Blind Aid	£10,000
Buddies for All	£10,000
Lewisham Irish Community Centre	£10,000
Lee Green Lives	£10,000
Goldsmiths Community Centre	£10,000
Therapy 4 Healing	£10,000
Deptford Methodist Mission	£10,000
Coco Collective	£10,000
The Grove Centre	£10,000
AFC CIC	£10,000
Saxon Crown	£10,000

<b>sub-total – Main Grants</b>	<b>£1,889,500</b>
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### **Art and Culture Projects**

<b>Organisations</b>	<b>Recommended Grants</b>	<b>Amount applied for</b>
Deptford X	£20,000	£25,000
Entelechy Arts	£30,000	£30,000
Irie!	£30,000	£30,000
LEAN	£30,000	£35,000
LYT	£30,000	£30,000

Midi Music	£30,000	£38,200
Migration Museum	£7,250	£30,000
Second Wave	£28,750	£28,750
Heart n Soul	£30,000	£50,000
Montage Theatre Arts	£1,000	£1,000
The Albany	£150,000	£150,000

<b>sub-total – Arts &amp; Culture</b>	<b>£387,000</b>	
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<b>GRAND TOTAL</b>	<b>£2,456,498</b>	
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# Safer Stronger Communities Select Committee Supplementary Agenda

Thursday, 12 July 2018

**7.00 pm**, Committee Room 1 - Civic Suite

Civic Suite

London SE6 4RU

For more information contact: Katie Wood (Tel: 02083149446)

This meeting is an open meeting and all items on the agenda may be audio recorded and/or filmed.

## Part 1

<b>Item</b>		<b>Pages</b>
8.	Main Grants Programme Consultation	3 - 28

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SAFER STRONGER COMMUNITIES SELECT COMMITTEE		
Title	Main Grants Consultation	
Key Decision	No	Item No. 8
Ward	Borough wide	
Contributors	Executive Director for Community Services	
Class	Part 1	Date: 12 July 2018

**Reasons for urgency**

It is important that the consultation is launched ahead of the Council’s recess to avoid any delays in re-letting the programme once budgets are considered later in the year.

**Reasons for lateness**

Officers were unable to meet key individuals to seek input ahead of the initial dispatch date. It is acknowledged that this is unacceptable and officers offer apologies to the Committee for the late dispatch.

**1. Exclusion of press and public**

NA

**2. Summary**

NA

**3. Purpose**

This report presents a draft consultation paper on the main grants programme and seeks comments from the Committee on the approach.

**4. Recommendations**

It is recommended that the Committee review and comment on the proposed consultation on the criteria for the main grants programme – attached as Annex A.

**5. Policy context**

5.1 Lewisham’s Sustainable Community Strategy 2008-2020, ‘Shaping our Future’, sets out the borough’s ambitions to encourage development, enable citizens to live healthy lives and to empower Lewisham’s communities to prosper. It has six strategic priorities, including a commitment to creating a borough that is “Empowered and Responsible: where people are actively involved in their local area and contribute to supportive communities”.

5.2 The empowered and responsible strand of the strategy highlights the importance of the community and voluntary sector in all areas of public life. It recognises that the sector plays a significant part in Lewisham’s ongoing success.

- 5.3 This is reflected in Lewisham's corporate priorities: "Community leadership and empowerment: developing opportunities for the active participation and engagement of people in the life of the community".
- 5.4 Lewisham has a strong history of working with the voluntary and community sector and empowering residents and communities. Lewisham is fortunate to have a strong and thriving sector which ranges from very small organisations with no paid staff through to local branches of national charities. The sector includes charities, not for profit companies limited by guarantee, faith organisations, civic amenity societies as well as social enterprises. There are estimated to be around 800 community and voluntary sector organisations in the borough.
- 5.5 What all these organisations have in common is their ability to bring significant additional value to the work that they do through voluntary support and raising funds from sources not available to other sectors such as charitable trusts. In addition they often provide services that the Council cannot easily provide; create links between communities and people; and give people a voice.
- 5.6 As well as being directly involved in delivering services to citizens in the borough, third sector organisations also provide the essential infrastructure to allow the sector as a whole to develop and support individual citizens to be able to play an active role within their local communities.
- 5.7 Lewisham was the first London Borough to develop a Compact with the third sector in 2001. The compact seeks to support a positive relationship between the sector and key statutory partners. It includes expectations around the management of grant aid as well as broader partnership working principles. The compact was further developed in 2010 with the addition of guidelines for commissioning with the third sector in recognition of the important contribution that the third sector should play in identifying needs as well as potentially delivering service solutions.

## **6. Draft consultation on the main grant programme**

- 6.1 Lewisham's main grant programme was last fully let in 2015 following a full public consultation on the revised framework which was agreed by Mayor and Cabinet (Contracts) on 12 November 2014. These grants initially ran until the end of March 2018 but were extended to the end of March 2019 as part of the previous round of budget cuts.
- 6.2 As part of the process of re-letting the programme the Council is proposing a number of changes to the assessment criteria. As such it is necessary to run a three month consultation on these changes which also allows for the sector and the wider community to give their views on the overall approach and to highlight any areas that they believe should be included in the programme.
- 6.3 The draft consultation paper attached as Annex A outlines the proposed changes as well as a number of wider questions relating to the programme. This paper will be amended following feedback from the Committee and the Stronger Communities Partnership Board (Chaired by the Cabinet Member for the Community Sector, Cllr Jonathan Slater) on the 18<sup>th</sup> July 2018. The dates for the consultation meetings will be agreed following discussions at the Partnership Board.

6.4 Following this the consultation will run for three months with the results and revised criteria presented to the Committee and ultimately Mayor and Cabinet (Contracts) for approval later in 2018.

**7. Financial implications**

There are no financial implications arising from the consultation for LB Lewisham. The overall budget for the main grants programme will be set as part of the overall budgeting process later in the year.

**8. Legal implications**

There are no legal implications arising from this consultation for LB Lewisham.

**9. Crime and disorder implications**

There are no direct crime and disorder implications from this consultation.

**10. Equalities implications**

The consultation contains a number of questions specially related to equalities issues. Any changes to the grants criteria will be subject to an Equalities Impact Assessment as will the proposed grant allocations.

**11. Sustainability implications**

There are no sustainability implications arising from this consultation for LB Lewisham.

**12. Conclusion**

The Committee is asked to review and comment on the proposed consultation on the criteria for the main grants programme – attached as Annex A.

**Background documents and originator**

For further information please contact James Lee [james.lee@lewisham.gov.uk](mailto:james.lee@lewisham.gov.uk) 020 8314 6548

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# London Borough of Lewisham

## **Consultation on approach to, and priorities for, the main grants programme**

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July 2018

Cultural and Community Development Service  
2nd Floor, Laurence House  
1 Catford Road, London SE6 4RU  
[Community.Enterprise@lewisham.gov.uk](mailto:Community.Enterprise@lewisham.gov.uk)

## Part 1 – About this Consultation

### Topic of this consultation

- 1.1 This consultation is about the proposed **approach to, and priorities for**, Lewisham Council's main grants programme. We want to seek views on the proposed grants criteria and a number of questions relating to how we might allocate funding across the programme.

### Audience

- 1.2 The consultation is aimed at all residents of the London Borough of Lewisham and voluntary and community organisations that provide services in the borough. We would also welcome the views of other public or private sector partners who work with the voluntary and community sector in Lewisham.

### Duration

- 1.3 The consultation will be open for 3 months from Monday 23rd July 2018. The deadline for responses is Monday 22nd October 2018.

### How to Respond

- 1.4 There are several ways to respond to this consultation:
- Via the council's online consultation portal
  - By post to: Community Enterprise Team, 2nd Floor, Laurence House, 1 Catford Road, London SE6 4RU
  - By attending a consultation meeting

There will be consultation meetings on:

xxxxxxx

xxxxxxx

Places at these consultation meetings must be booked in advance by emailing [Community.Enterprise@lewisham.gov.uk](mailto:Community.Enterprise@lewisham.gov.uk) . Due to potential demand places are limited to one person per organisation at each meeting. If extra spaces are available all those signed up will be contacted one week before the meetings to make this known.

## Part 2 – Background/Context

### **Lewisham Council's Financial Position**

- 2.1 Since May 2010 the Council has cut over £165 million from its budget. This reflects the impact of public sector austerity following the financial crash of 2008. The scale of change means that government funding for local authorities will have been reduced by 63% over the decade from 2010 to 2020. At the same time as managing these reductions, Lewisham has been faced with growth and pressures from taking on additional devolved responsibilities, a growing population, and general inflation. Both of these pressures – funding reductions and rising cost of services – are expected to continue into the 2020s.
- 2.2 Lewisham Council anticipates needing to make a further £30 million reduction to its controllable budget over the next two years. For this reason the council has been undertaking a fundamental review of all its budgets including that for the main grants programme but this work will not conclude until later in 2018.

### **Lewisham Council Commitment to Grant Aid programme**

- 2.3 Notwithstanding the above, and despite the fact that the third sectors role within the commissioning of local public services has grown, the council recognises that there continues to be a need for grant aid investment for the following reasons:
  - A recognition of the importance of maintaining an independent sector that can act as a critical friend to challenge public sector policy and delivery.
  - A recognition of the key role that the sector plays in building civic participation, providing a voice for seldom heard residents and providing community intelligence.
  - A recognition of the great diversity of the sector and the need to engage with small and emerging groups as well as large established organisations.
  - A recognition of the sector's potential to take risks and innovate which does not sit easily within commissioning frameworks.
  - A recognition that third sector organisations have been key delivery partners within Lewisham, including for a wide range of targeted short term initiatives. Grant aid provides a level of security for organisations ensuring that there is a strong sector able to address local need, attract additional resources and be ready to work in partnership with us.
  - A recognition that grant aid allows the sector to demonstrate the borough's endorsement of their work to other funders.

- 2.4 As such we are undertaking this consultation to seek the views of residents and the sector regarding priorities and our proposed approach with a view to this informing our approach once overall budgets are decided.

### **The current main grants programme**

- 2.5 Lewisham's main grant programme was last fully let in 2015 following a full public consultation on the revised framework which was agreed by Mayor and Cabinet (Contracts) on 12 November 2014. In summary the criteria invited applications relating to one or more of 4 broad themes with the below summary of each theme made available at that time:

**Strong and Cohesive Communities** – this theme seeks to develop and maintain strong communities and build a more inclusive and cohesive borough. It is divided into two strands, one to support Borough-wide provision and the other to fund a network of neighbourhood community development projects. With the reduction in statutory resources, residents and communities are being asked to do more for themselves. This theme seeks to ensure that there is an infrastructure across the borough that can encourage and capitalise on active citizenship, supporting grass roots activity. The theme also funds services that provide equalities support to ensure equal access to services.

**Communities that Care** – the overall intention of this theme is to fund a range of organisations that together provide support to vulnerable adults to assist them in accessing services, prevent their needs from escalating, reduce the burden on statutory services and provide links between statutory services, VCS and communities in relation to working together to support vulnerable adults. The activities funded through this theme form an important part of the borough's preventative strategy.

**Access to Advice Services** – the advice sector provides an essential service to some of the borough's most vulnerable residents. Advice organisations provide independent, high quality advice to individuals to ensure that they receive the benefits they are entitled to, are supported to manage debts, address financial exclusion and deal with housing issues. Statutory services work closely with the advice sector as addressing these issues are of mutual benefit.

**Widening Access to Arts and Sports** – this theme seeks to ensure that the rich and diverse contribution that the borough's Arts and Sports organisations make to the quality of life of residents is maintained. The Arts and Sports sectors are adept at attracting resources from external funding, earned income and volunteers. However, the sectors still require a level of core funding to enable them to continue to attract these resources that would otherwise be lost to the borough. The focus of our support is on increasing participation particularly by those who

are less able to participate due to disability, economic disadvantage and age.

2.6 In addition to how well applications met the criteria set out in these themes they were also assessed against two overarching areas aimed at assessing groups' willingness to work together effectively. These, again as described as part of the 2104/15 process, are set out below.

## 2.7 Funding Collaboration

It is our view that in these times of diminishing resources the need for collaboration is greater than ever. Our intention is to fund a group of organisations that are committed to working with each other and us to ensure the best possible outcomes for Lewisham's residents with our shared resources. We intend to take a dynamic approach to grant aid that allows for flexibility over the period of funding to ensure that we are able to respond together to changing needs and priorities. We are not just looking to fund organisations but to enlist active partners who are as passionate about Lewisham as we are and have the drive and capacity to make a difference to people's lives.

## 2.8 Partner Profile

In assessing applications to the grants programme we will be looking at organisation's readiness to work with us as active partners and what they can bring to such a partnership. We will be considering:

- Local Intelligence; the level of understanding you have of local need. Who are your users? Do you serve a geographical area or a community of interest? How do you recognise and record need? What do you know about people who may need your services but are not yet users?
- Transformation; your ability to transform the way you work to better meet needs. How have you adapted your working practices over the last 3 years? What opportunities do you see for further transformation?
- Collaboration; your track record of working in partnership. How well connected are you to other organisations delivering similar services? What opportunities do you see for increased partnership work and what benefit could this bring to your users?
- Resources; your track record of attracting resources both financial and volunteer time. What resources does your organisation bring to the borough? What are your plans for resourcing your work over the next 3 years?
- Shared Values (London Living Wage, Equality, Environmental Sustainability); your commitment to London Living Wage, equalities and environmental sustainability. How can you demonstrate your commitment in these areas? What plans do you have to improve on this?

## Part 3 – The proposal

### Our Proposed funding approach

- 3.1 We consider the majority of the previous grants programme remains sound and the intention is to maintain many aspects of the criteria and the themes that were previously used. These are set out in appendix A for reference.
- 3.2 Given the financial position outlined above we consider the funding collaboration and partner profile criteria (set out in paragraphs 2.6 and 2.7) even more important than in 2015 and we propose to give these areas increased weighting as part of this assessment round.
- 3.3 Linked to the above we would expect to see partnership bids from organisations working together to deliver single services and propose not to fund two different organisations separately to deliver a joint service as we have previously.
- 3.4 In order to further promote partnerships we intend to reduce the number of sub-criteria with the themes in order to promote innovation and cross-organisational working e.g. Communities that Care would no longer be split into 5 strands - connecting and supporting, transport, advocacy, provision for vulnerable adults and support for families with disabled children and young carers but would focus on the overarching outcomes of the theme and seek innovative bids from the sector to meet these.
- 3.5 This change in no way indicates that funding would not be available for these types of service but the feedback we have received is that applicants in the last round often struggled to directly fit into these categories and would have preferred the freedom to articulate programmes that met a range of needs. As such, we are keen to support organisations to articulate their vision and service provision effectively rather than constraining them with strict sub-themes.
- 3.6 Within Strong and Cohesive Communities we again propose to remove the sub-criteria and are considering whether we should target areas of real need. This need could be defined in terms of the type of support needed by organisations, areas of the borough that are particularly lacking in provision or particular communities that are currently underserved by the programme.
- 3.7 A different approach is proposed within the Access to Advice theme due to the work already undertaken to develop the Advice Lewisham partnership.
- 3.8 The Advice Lewisham partnership has led on the overhaul of information and advice services in the borough following a review of provision in 2015. The main elements of the new approach are:

Annex A – draft consultation paper

- single Advice Lewisham freephone telephone number for residents to call to access advice or information or to make an appointment to see a caseworker in one of the advice agencies if the issue could not be resolved over the phone
- a single Advice Lewisham website
- drop-in advice and information at a limited number of main venues across the borough so that residents can, in an emergency, see someone face to face and be triaged appropriately. The continued availability of drop-ins meets the needs of those residents who are unlikely to use the internet or the phone but times and locations are coordinated to make maximum use of resources
- generalist and specialist casework appointments for more complex needs

3.9 As such, under this theme we propose to take a more targeted approach to preserve the infrastructure developed to date. However, will still wish to support the sector to come forward with a fully developed partnership bid that demonstrates how main grant funding will be used to not only deliver direct services but also brings in non-grant funded services and levers in other funding to provide a genuine network of provision across the borough addressing the myriad of different needs in this area.

3.9 Within the Widening Access to Arts and Sports theme we consider the existing criteria to be broadly fit for purpose but we feel there is a need for groups to be able to more actively demonstrate their impact on the health and wellbeing of their participants and therefore intend to include the following statements as one of the aims of the theme – ‘to provide opportunities for people of all ages to improve their health, wellbeing and resilience via participation’.

3.10 The consultation section below seeks your views on these proposed changes and also seeks views on the overall approach and a number of areas that have been highlighted as potential areas of change over the previous 4 years e.g. the provision of ‘core’ rather than project funding.

### **Timetable and application process**

3.11 Once the consultation has closed all responses will be considered and a summary of responses collated and included in a report to Mayor and Cabinet Contracts during the autumn. This report will seek approval for the main grants programme 2019/20 criteria, proposed budget level and permission to invite applications for funding.

3.12 Due to the fact that the budget available for the programme will be decided alongside all other council spend later in the year the full timetable for re-letting the programme has not yet been finalised.

Annex A – draft consultation paper

3.13 It is expected that this timetable will be agreed before the end of the consultation and a full timetable for applications published with those results.

## Part 4 – Consultation Questions

4.1 We are happy to receive responses to this consultation in any format and we are particularly keen to hear your views on the following:

### Overall

- a. The council wishes to retain a commitment to grant aid for the voluntary and community sector. Our rationale for this is laid out in paragraph 2.3 above. Do you agree that grant aid is important? Is there anything missing from the rationale?
- b. How long do you think that grants should run for to allow for both organisation stability and new charities and projects to have the opportunity to bid for funding?
- c. Which of the following do you think would deliver better outcomes for the residents of Lewisham:
  - i) Spreading funding across more organisations with each getting less
  - OR
  - ii) Funding fewer organisations to a higher level
- d. Should grants be provided to cover 'core' or project costs? If you feel that the grants should cover 'core' costs please tell us how you think the impact of this funding should be measured.
- e. Do you agree that the current funding themes are the correct ones? If not, please tell us what you feel is missing.
- f. Do you agree that the funding collaboration and partner profile criteria even more important than in 2015? If not, why not?
- g. Do you feel that the proposed changes would have a negative or positive impact on Lewisham residents on the basis of their race, gender, faith/religious belief, disability, age, sexual orientation, gender assignment or marital status? Please provide comments on the impact you feel the proposed changes could have, which groups you feel may be affected and any action you feel we could take to mitigate any potentially negative impact.
- h. Do you have any other comments on the overall proposals?

### Strong and Cohesive Communities

- a. What particular infrastructure support needs exist in the sector in Lewisham? What other services are available to support groups?

Annex A – draft consultation paper

- b. Should community development funding be targeted at areas of highest need – either geographically OR demographically?
- c. What is the most effective way of targeting funding around equalities?

**Communities that Care**

- a. Do you support the removal the sub-themes under Communities that Care? If not, why not?
- b. Are there any specific areas that you feel we should be focusing on under this theme?

**Access to Advice Services**

- a. Do you support the proposed approach to advice services based on the work of the Advice Lewisham partnership? If not, why not?

**Widening Access to Arts and Sports**

- a. Do you agree that one of the aims of this theme should be ‘to provide opportunities for people of all ages to improve their health, wellbeing and resilience via participation’? If not, why not?
- b. Should funding under this theme be targeted at groups with traditionally lower rates of participant?
- c. Are there any other areas you would like to see included within this theme?

## **Appendix A**

### **Lewisham Grants Programme Criteria July 2015 to March 2019** (these are for reference and will be amended following the consultation)

#### **THEME CRITERIA**

##### **Theme 1: Strong and Cohesive Communities**

This theme is around developing and maintaining strong communities and building a more inclusive and cohesive borough. The theme is split into two strands:

- a. Borough wide infrastructure and equalities support
- b. Neighbourhood community development and youth work support

##### **1a. Borough Wide**

We wish to fund a group of organisations that will adopt a strong collaborative approach, sharing resources and minimising duplication to achieve the following:

- I. Provide support around the development of policies and procedures to ensure that all communities and individuals have fair and equal access to services.
- II. Identify and work in partnership to address issues that lead to particular communities experiencing difficulties accessing services.
- III. Identify inappropriate over representation of particular communities within services and work with partners to address this.
- IV. Build a more inclusive and cohesive borough, promoting understanding across different communities and reducing marginalisation.
- V. Develop and coordinate networks and collaborations and provide effective representation at appropriate levels for the voluntary and community sector
- VI. Assist existing organisations in building their capacity and capability through advising on best practice and supporting the introduction of effective operational and developmental systems in order to provide a responsive range of high quality services, including promotion of the exchange of skills between the VCS and private sector
- VII. Promote and broker partnerships to maximise access to and cost-effective use of both statutory and non-statutory funding
- VIII. Promote volunteering and provide a brokerage service for community organisations to access volunteers
- IX. Provide advice on volunteer recruitment and supervision and advise organisations on effective volunteer management systems

In your application you will need to specify which of the above objectives you intend to address. Describe your intended users and beneficiaries. Outline your programme of activity in Year 1 with milestones, outcomes and outputs. Describe how you will work with the other organisations funded through this

strand and what opportunities you see for collaboration over the course of the 3 year programme. Detail the additional resources you will be leveraging in and provide an income and expenditure budget for Year 1.

### **1b. Neighbourhood**

We wish to fund a network of organisations that will work in designated ward(s) alongside the Local Assembly to deliver:

#### **Community Development** (indicative allocation of £24,000 per ward)

- I. Practical support to build strong and cohesive communities
- II. Strengthen local area partnerships by bringing organisations in an area together to work collectively for and with residents in that neighbourhood, a local level infrastructure provider
- III. Coordination and delivery of locally based community activities
- IV. Harnessing skills and volunteer time to develop strong and resilient communities
- V. Facilitating involvement of residents in the issues which affect their lives; and supporting collective action to deliver change
- VI. Identify gaps in youth and community provision in ward
- VII. Deliver activities to meet gaps where possible and raise additional resources through volunteers and fundraising to extend provision

In your application you will need to identify which ward or wards you would like to work in. Please also indicate whether there is a minimum level of funding that you can operate at i.e. if you apply to cover 3 wards could you still deliver a service if your application was only successful for 1 ward. You will need to provide details of how you would work with the local assembly and other ward based organisations to develop and deliver your work programme for Year 1, giving indicative milestones. The assessment will be largely based on the skills and experience you bring as a local partner as the detail of your work programme will need to be developed with residents and other stakeholders.

## **Theme 2: Communities that Care**

The overall intention of the Communities that Care theme is to fund a range of organisations that together provide support to vulnerable adults to assist them in accessing services, prevent their needs from escalating, reduce the burden on statutory services and provide links between statutory services, VCS and communities in relation to working together to support vulnerable adults. The theme will also offer support to organisations providing services for families with disabled children and young carers. The theme is split into 5 strands:

- a) connecting and supporting
- b) transport
- c) advocacy
- d) provision for vulnerable adults
- e) support for families with disabled children and young carers

### **2a) Connecting and supporting**

We wish to fund a consortium of organisations that will work together to:

- I. Deliver community development support to organisations working with vulnerable adults across the four integrated health and social care neighbourhoods.
- II. Identify gaps in provision for vulnerable adults at neighbourhood level and work in partnership to address these gaps.
- III. Take referrals from health and social care professionals for vulnerable adults who would benefit from being connected to community activity in their area.
- IV. Deliver a volunteer befriending service for vulnerable adults who are experiencing social isolation.
- V. Deliver a network of timebanks across the four integrated health and social care neighbourhoods.

In your application you will need to specify which of the above objectives you intend to address. Describe your intended users and beneficiaries. Outline your programme of activity in Year 1 with milestones, outcomes and outputs. Describe how you will work with the other organisations funded through this strand and what opportunities you see for collaboration over the course of the 3 year programme. Detail the additional resources you will be leveraging in and provide an income and expenditure budget for Year 1.

### **2b) Transport**

We wish to fund an organisation or consortium of organisations that will deliver an integrated community transport service that complements existing provision such as taxi card, dial a ride etc and incorporating group transport, individual journeys and support to access other mainstream transport in order to reduce social isolation and increase access to services for vulnerable adults. The service will need to work closely with referring agencies to ensure provision is targeted at people for whom there is no other feasible transport option. Services such as travel training should form part of the integrated offer to enable those individuals who need to build confidence in using public transport to be able to access mainstream provision rather than become

dependent on a specialist service. The service will need to work with other organisations funded through the Communities that Care theme to encourage them to consider transport at the early stages of planning activities and inform them of the wide range of transport options available to their users.

In your application you will need to describe your intended users and beneficiaries. Outline your programme of activity in Year 1 with milestones, outcomes and outputs. Describe how you will work with the other organisations funded through this strand and what opportunities you see for collaboration over the course of the 3 year programme. Detail the additional resources you will be leveraging in and provide an income and expenditure budget for Year 1.

### 2c) **Advocacy**

We wish to fund an organisation or consortium of organisations to provide advocacy support for people with learning disabilities to ensure that they can:

- Gain access to services improving their quality of life and social well being
- Be better connected and less excluded
- Improve their confidence and be able to assert their rights and views including influencing local policy and practice

In your application you will need to detail how you intend to achieve the above outcomes. How many people you intend to support. How you will use volunteer advocates to further develop the reach of your services. How you will ensure you are well connected with services that PWLD want to access and your approach to building strong partnerships with both statutory and non statutory services in order to deliver positive outcomes for PWLD.

### 2d) **Provision for vulnerable adults**

We wish to fund a network of organisations to provide activities for vulnerable adults that reduce isolation and provide an alternative to mainstream day services. We are looking for activities that can accommodate adults with both moderate and substantial needs and your application should demonstrate your approach to charging and how you are able to accommodate individuals with direct payments where appropriate. Organisations funded through this strand would be expected to work collaboratively with each other and us to adapt services to meet changing needs over the period of the grant. This may mean changing the time or location of activities, improving referral processes, accommodating more or different types of users etc.

We are looking to support activities for the following users:

- Older Adults – to combat isolation, increase independence, reduce or delay the need for statutory services and offer an alternative to day centres. Services for older adults should consider how they are able to accommodate adults with dementia and identify what steps they would need to take in order to achieve this.
- Adults with learning disabilities – to extend the range of available day activities, provide access to social activities in a safe environment.

Annex A – draft consultation paper

- Mental Health service users – to offer cost effective activity programmes that support mental health service users and reduce their dependence on statutory services.
- Adults with complex social needs – to provide positive activities for adults with complex social needs that support them to build their self-esteem and be actively engaged with their local community.

**2e) Support for families with disabled children and young carers**

We wish to fund organisations who can provide support to families with disabled children and young carers in order to deliver the following outcomes:

- Reduce isolation/social exclusion of parent carers of disabled children and young carers.
- Improve access to services and take up of entitlements by parent carers of disabled children and young carers
- Parent carers of disabled children and young carers are able to influence local policy and service design
- Young carers have improved educational attainment and well-being.

In your application you will need to detail which of the above outcomes you intend to achieve and how. How you will ensure that you are working effectively with other CYP services so as to complement rather than duplicate service provision. How you will go about prioritising your resources to ensure that your services reach those with greatest need. What other resources you will lever in to extend the reach of your services.

### **Theme 3. Access to Advice Services**

#### **i. Introduction**

The Council is seeking bids from Lewisham-based voluntary sector advice organisations for the provision of Legal, Advice and Information Services under the Access to Advice Services theme. This theme promotes the delivery of social welfare advice and information services in the borough which are of a high quality, are flexible to changing need and are responsive to ongoing welfare and legal aid reforms.

In particular, the theme is aimed at organisations which deliver effective advice and information services to vulnerable residents, such as older people, disabled people and newly arrived communities, to ensure that all individuals, regardless of their barriers, access services and are supported to live fulfilled and independent lives.

The Council welcomes bids from organisations working in partnership or as part of a consortium and from those who have experience in utilising digital technology innovatively to support local people to address their own advice needs.

#### **ii. Overview of requirement**

Services will need to meet the following core objectives:

- The provision of legal advice services in the borough meets the key borough-wide principles of being fully customer-focused and achieving value for money from the resources available
- Services respond flexibly to the multiple and complex legal advice needs of people who live, work or study in the borough
- Delivery of services is flexible to ensure increased choice in the way in which clients access services
- Clients are empowered to address their own advice needs through utilising digital technologies
- Services are delivered comprehensively and innovatively across the borough, using outreach as required, so that all geographies and groups are served (see section iii below)

The Council wishes to fund a mixture of generalist, specialist and client specific legal advice services. Organisations offering basic advice and casework will require or need to be working towards the appropriate Advice Quality Standard (AQS) Advice or Advice & Casework accreditation. Organisations offering more specialist advice, casework and representation will need to employ supervisors and caseworkers who are appropriately qualified and who individually meet the Specialist Quality Mark (SQM) for their area of competence. Where appropriate, organisations may also require the Lexcel quality mark or be registered with the Financial Conduct Authority (FCA).

Organisations will be required to deliver advice in the following priority areas:

- Welfare rights
- Debt and money advice (including multiple debts and arrears)
- Housing advice (including homelessness, repairs, possession proceedings and tenancy issues)
- Immigration, compliant at OISC Level 1 (Basic Advice);
- Employment advice

In all cases, Assisted Information should be provided to all users to enable active signposting to the appropriate provider.

### **iii. Geographical Coverage and organisational characteristics**

The Council wishes to fund a broad geographical spread of support. However, given their ranking within the 10% most deprived wards in England, services operating within Bellingham, Downham, Evelyn and New Cross wards will be prioritised.

Where a generalist agency is bidding to provide a borough wide service, they will need to demonstrate how they are able to ensure effective delivery of the proposed service across all parts of the borough, particularly in areas where there is a current lack of voluntary/community sector activity.

Organisations offering specialist advice services will be expected to demonstrate effective partnership working with other advice agencies to ensure that the specialist service is accessible on a borough-wide basis. Specialist organisations will also be expected to take referrals from other advice agencies, community groups and statutory agencies.

Providers should demonstrate innovative approaches, using outreach and other techniques to show how they will deliver alternative ways of providing access to services for people unable to make use of open door access. Such techniques may include but are not limited to:

- Empowering and encouraging customers to utilise digital technology to address their own needs
- Showing how need for a home visit or vulnerable/referred clients will be assessed, provided for or referred on
- Provision of targeted outreach or other access routes where there is evidence that particular groups or communities are not accessing open door services
- Plans based on comprehensive needs assessment for the provision of outreach in locations where open door access is not provided or easily accessible by public transport.

Organisations will be expected to comply with the following:

- Staff have the relevant skills, knowledge and competency to deliver advice at specialist level

Annex A – draft consultation paper

- Appropriate case file records are maintained so there is a clear audit trail of the advice and support given to clients
- The organisation is able to meet the language needs of clients through the use of bi-lingual staff, volunteers or use of translation service

**iv. Level of work**

**Generalist social welfare and client specific advice services**

Organisations seeking funding for generalist social welfare and client specific advice services will be expected to comply with the following definition of the level of work to be undertaken:

- General Help – estimated to take an average of 20 minutes and ranging from initial diagnosis of client's problem to general advice (no follow up action required)
- General Help with Casework – estimated to take an average of 60 minutes and ranging from writing a letter/phone call on behalf of clients, form filling and general advocacy.

For client specific advice services, in order to meet the diverse language needs of the various smaller communities and new residents in the borough applicants will also have to show that they are able to provide services to meet the needs of one or all of the following community groups:

- People whose first language is not English
- Older people
- People with disabilities

Organisations providing language based advice services will be expected to demonstrate effective partnership working with other agencies to ensure that the provision is accessible on a borough-wide basis and will also be expected to take referrals from other advice agencies, community groups and statutory agencies.

**Specialist Advice Services**

Organisations applying for specialist advice services will be expected to comply with the following definition of the level of work to be undertaken:

- General Help & Support – estimated to take an average of 60 minutes and including activities such as writing a letter/making a phone call on behalf of clients, form filling and general advocacy
- Casework – estimated to take an average of 3 hours – assumes a degree of complexity and ongoing negotiation with third party, preparation of matters up to appeal level
- Representation – advocating on a client's behalf at tribunals, appeals, or court hearings

Annex A – draft consultation paper

Applicants will also be required to provide second-tier advice and support to generalist advice providers through providing access to training, information sharing and technical supervision support.

## **Theme 4. Widening Access to Arts and Sports**

The intention of this theme is to fund organisations or consortiums of organisations that will take a strategic approach to increasing the number of people who participate in the arts and sport in Lewisham. This will particularly involve addressing barriers and providing opportunities for those who are less able to engage. Applications will be expected to demonstrate how they will:

- a. Increase participation, particularly including people who are less able to participate due to disability, economic disadvantage and age (young people and older people).
- b. Nurture talent and provide progression pathways, including developing outreach links into other settings such as schools.

The theme is split into two strands

### **4a Widening Access to Arts**

Lewisham has a rich and diverse arts sector and is recognised as a borough in which creativity can thrive. It is also home to some of the capital's most exciting and innovative organisations. We recognise the huge impact that the arts and creative industries have had on issues such as health and wellbeing, education and the economy but also value the way in which they have helped to make Lewisham the dynamic place that it is. We want to continue to encourage innovation and the ongoing development of an atmosphere in which new things can emerge. Whilst recognising the importance of access to the arts for all ages we also want to ensure that we are building for the future by responding to the current climate in which opportunities for young people to access the arts and develop creative skills in settings other than school is becoming increasingly important.

Through this theme we expect to fund a network of organisations that will deliver activities that:

- Provide opportunities for people of all ages to engage with the arts as active participants and members of an audience.
- Provide opportunities for people of all ages to explore and develop their creativity and acquire new skills.
- Increase awareness and enhance the reputation of Lewisham as a place to spend leisure time.
- Capitalise on funding and other support opportunities from regional and national bodies.

### **4b Widening Access to Sports**

Lewisham has a strong sporting tradition and recognises the vital role that sport and physical activity can play in improving the quality of life of the borough's residents. We want Lewisham to continue to be a place where talent is nurtured and encouraged and where sporting participants fulfil their potential. We also want to make sure that opportunities are available to all of the boroughs residents to regularly participate in sport and physical activity as a means of maintaining and improving their health.

Annex A – draft consultation paper

In recent years Lewisham Council has invested significantly in developing high quality sport and leisure facilities and continues to fund Fusion and 1Life to manage these facilities and deliver a programme of associated activities.

To complement these facilities we want to work with a range of voluntary sports clubs and organisations to develop a more coordinated and partnership driven approach to sports provision in the borough in order to make the best possible sporting offer available to the residents of Lewisham. In this context we expect to fund partnerships or single organisations that will take a lead in facilitating partnerships to develop & deliver borough wide, development plans for specific sports. Applications will be expected to show how they will meet the general criteria for this fund (a and b above) and also respond to the following questions:

- Can you demonstrate high levels of demand or growing demand for your sport within Lewisham?
- How will you make the best use of the borough's current and emerging facilities?
- How will you capitalise on funding and/or other support opportunities from regional and national bodies?
- How will you provide activities that encourage people to participate in recreational sport and physical activity?

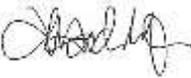
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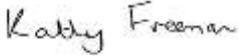
<b>Report for: Mayor and Cabinet</b>	
<b>Part 1</b>	<input checked="" type="checkbox"/>
<b>Part 2</b>	<input type="checkbox"/>
<b>Key Decision</b>	<input checked="" type="checkbox"/>

<b>Date of Meeting</b>	2 February 2022	
<b>Title of Report</b>	Capital Strategy Report	
<b>Author</b>	David Austin	<b>Ext.</b> 49114

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

Category	Yes	No
<b>Financial Comments</b>	X	
<b>Legal Comments</b>	X	
<b>Cabinet Briefing consideration</b>		
<b>EMT consideration</b>		
<b>Agenda Planning Group consideration</b>	X	

Signed:   
 Cabinet Member for Finance and Resources  
 Date: 25/01/2022

Signed:   
 Executive Director of Corporate Resources  
 Date: 25/01/2022

<b>Control Record by Committee Services</b>	
Action	Date
Listed on Key Decision Plan	
Date submitted to Legal & Finance	
Date submitted to Cabinet Members for sign off	
Date submitted to Executive Director for sign off	



## Mayor and Cabinet

### Capital Strategy Report

**Date:** 2 February 2022

**Key decision:** Yes

**Class:** Part 1

**Ward(s) affected:** None Specific

**Contributors:** Executive Director for Corporate Resources

### Outline and recommendations

This report sets out details of the Council's current capital programme for the three years 2022/23 to 2024/25 which informs the Council's Budget for 2022/23.

Mayor and Cabinet are asked to note the current programme projects, budgets and financing and approve the programme for 2022/23 and ask Council to approve the same as part of the setting the 2022/23 Budget.

### Timeline of engagement and decision-making

December 2021 – Capital Programme Review to Public Accounts Select Committee

January 2022 – Housing Revenue Budget report to Mayor & Cabinet

January 2022 – Capital Strategy Report to Public Accounts Select Committee

## 1. Executive Summary

- 1.1 This report sets out details of the Council's current capital programme in the context of the wider Capital Strategy approach and detailed plans for 2022/23 which inform the Treasury Management Strategy and Budget plans.
- 1.2 The capital programme is a three year rolling programme and this report provides a summary and supporting detail for the programmes and projects to which capital resources have been committed and shows the budget for each and how they are financed.
- 1.3 The report includes an analysis showing the breakdown of the three year budget across Council wards.
- 1.4 In addition the report sets out the prior year outturn and also the current year spend and budget for the programmes and projects. A reconciliation showing in year changes to the programme for the current financial year is also provided.

## 2. Policy Context

- 2.1 The Council's strategy and priorities drive the Budget with changes in resource allocation determined in accordance with policies and strategy. The Council launched its current Corporate Strategy in 2019, with seven corporate priorities as stated below:

### 2.2 Corporate Priorities

- **Open Lewisham** - Lewisham will be a place where diversity and cultural heritage is recognised as a strength and is celebrated.
- **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.

- 2.3 Values are critical to the Council's role as an employer, regulator, and securer of services and steward of public funds. The Council's values shape interactions and behaviours across the organisational hierarchy, between officers, and members, between the council and partners and between the council and citizens. In delivering our duties, we are guided by the Council's four core values:

- 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.

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### 3. Recommendations

- 3.1 Mayor and Cabinet:
- 3.2 notes the 2021/22 Capital Programme monitoring position in this report and any Public Accounts Select Committee comments from their meeting of the 27 January;
- 3.3 recommends that Council approves the 2022/23 to 2024/25 Capital Programme of £600.4m, as set out in this report and supporting Appendices.

### 4. Background

#### Capital Programme

- 4.1 Capital expenditure is distinct from revenue expenditure in that it covers expenditure on items such as land and buildings that results in a tangible asset that can be classified as such on the Council's balance sheet.
- 4.2 The capital programme encompasses the range of physical assets the Council holds. The investment assets the Council holds are addressed separately in the Treasury Management Strategy. The capital programme therefore reflects budgets and expenditure on the Council's many physical assets such as housing, schools, roads, major infrastructure projects as well as cultural buildings such as the Broadway Theatre, libraries and leisure centres. These assets are held within one of two funds – the General Fund for the majority of asset types and the Housing Revenue Account (HRA) for social housing stock.
- 4.3 The Council sets its detailed Capital Programme over a three year period based on secured (e.g. grant) and affordable (e.g. level of borrowing) funding. This is because the nature of the projects and programmes mean that the associated expenditure is incurred over a number of years rather than in a single financial year.
- 4.4 Financial monitoring of the programme is carried out in a similar way to the revenue budget monitoring and reported to Mayor & Cabinet (M&C) as part of the periodic Financial Forecasts Report and at year end through the Outturn Report. Financial monitoring together with programme / project delivery is managed through a number of boards as set out in section 8.

#### Capital Strategy

- 4.5 The CIPFA 2017 Prudential Borrowing and Treasury Management Code required all local authorities to produce a capital strategy to provide an overview of how capital spend will support services, the associated risks are being managed, and the impact for future financial sustainability.
- 4.6 The current capital strategy is underpinned with the prudent approach of only committing to schemes once the financial resources are confirmed and robust due diligence has been undertaken on the delivery plans through effective project management disciplines. This underpins the three year rolling plan presented here to support the 2022/23 budget.
- 4.7 The general fund projects in the programme mean it is fully committed at present with a focus on meeting statutory safety obligations and improving the place through investment in the provision of housing for temporary accommodation, public spaces, schools, and the Council's community buildings. This capacity constraint will remain until new grants are identified, non-strategic assets are sold to generate receipts, or additional revenue funds can be committed to support investment or fund borrowing. Work is underway to develop these plans and create headroom to invest in new priorities through the Asset Optimisation budget theme.

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- 4.8 The larger focus of the capital programme at present is on the HRA with significant medium and long term plans for safety and stock condition works on current housing stock and the (re)-development on land owned or acquired by the Council to provide new social housing and homes – the Building for Lewisham programme.
- 4.9 Lewisham Homes, the Council’s wholly owned subsidiary, 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 works. This work includes the recent focus on needing to incorporate fire safety works and address damp issues highlighted in some buildings. The prioritisation of works is informed by the recent stock condition survey of the whole estate which is currently estimated to require investment of £967.5m (before inflation and fees) over the next 30 years, with a significant proportion (around a third of this total) in the next five years.
- 4.10 In January 2020, the Mayor and Cabinet approved plans to advance and expand the Council’s housebuilding programme to deliver on the corporate objectives set for the 2018 to 2022 period. This is the Building for Lewisham programme. This includes developing a number of infill sites as well as major strategic projects for Ladywell, the Achilles Street Estate, and Catford. In addition, with the support of Greater London Authority (GLA) grant secured, the Council is also undertaking an acquisitions programme to deliver more social homes in the Borough. Within the HRA to date, 199 social homes have been completed since 2018 with a further 779 forecast to be complete or under construction by the end of the financial year. In addition, plans for a further 344 new homes across a mix of tenures as the programme continues and a number of acquisitions are in train.
- 4.11 The capital strategy will ensure existing assets are maintained in an effective manner to enable Council services to be provided from appropriate locations in a safe and economical manner. In respect of the HRA it will provide much needed security through affordable housing to a significant number of families resident in the Borough. In addition, these new homes will provide additional council tax revenues to support the cost of providing services to residents and the community.
- 4.12 The key risks to the capital strategy are: 1) slippage in the face of rising costs adds to the financial pressure on the available resources, 2) future rents or running costs of the assets within their useful life do not match the business case assumptions leading to a funding gap, and 3) the ability to create the investment capacity to help deliver the Council strategic priorities, such as the commitment to zero-carbon by 2030.
- 4.13 These risks are mitigated with a significant governance and project management approach to overseeing delivery of the capital programme reporting regularly to senior management and Members on progress. Extensive lobbying and bidding for additional resources to partners and government and engagement with the Borough’s residents to support the ambition to live and work in a sustainable manner. Detailed financial modelling, consulted on and reviewed with third party experts, with regular updates of the assumptions and progress on the schemes through the monitoring arrangements to assess the continued financial sustainability of the programme. These financial considerations are supported by appropriate and prudent accounting policies in respect of financing, valuation, and depreciation of these assets which are externally audited annually as part of the Councils financial statements.

## **5. Capital Programme 2022/23 to 2024/25**

- 5.1 The three year programme for 2022/23 to 2024/25 builds on the existing programme and its delivery for 2021/22. The following table sets out a summarised version of the current three year programme. A more detailed breakdown of projects and programmes is included as Appendix 1.

Programme Area	Budget					3 Year Total
	2021/22	2022/23	2023/24	2024/25		
	£m	£m	£m	£m	£m	
Leisure, CCTV & Other Community Misc	4.7	0.2	0.0	0.0	0.2	
Corporate - ICT	0.6	0.5	0.0	0.0	0.5	
Schools & Other CYP	11.8	11.5	0.9	0.0	12.4	
Asset Management & Major Schemes	17.8	17.0	13.1	0.0	30.1	
Housing - Land Assembly & Temporary Accommodation (General Fund)	29.6	5.4	9.3	0.0	14.7	
Housing Grants - Disabled & Other Grants (General Fund)	1.9	0.6	0.6	0.0	1.2	
<b>Sub Total General Fund</b>	<b>66.4</b>	<b>35.2</b>	<b>23.9</b>	<b>0.0</b>	<b>59.1</b>	
Building For Lewisham Programme (BfL)	50.2	121.2	129.3	67.5	318.0	
Decent Homes Programme	57.8	83.4	62.9	64.1	210.4	
Housing Management System	1.3	1.2	0.0	0.0	1.2	
Other Schemes	6.5	3.8	3.9	4.0	11.7	
<b>Sub Total HRA Programme</b>	<b>115.8</b>	<b>209.6</b>	<b>196.1</b>	<b>135.6</b>	<b>541.3</b>	
<b>TOTAL PROGRAMME</b>	<b>182.2</b>	<b>244.8</b>	<b>220.0</b>	<b>135.6</b>	<b>600.4</b>	

- 5.2 The capital programme is periodically updated throughout the year for changes to the budget and these are split over the three year period. These changes can include the addition of prior year underspends arising during the closing of accounts process, new projects being added to the programme, and the removal of residual redundant budgets on completed projects. In addition, project slippage and the receipt of updated information feeding into the budget forecast may mean that budgets are slipped from the current year to a future year or in some cases brought forward where a project is ahead of schedule.
- 5.3 An exercise to review the budget profile for a number of general fund projects was completed in December 2021 which led to a number of changes on the budget split over the three year programme period. A detailed list of the changes made is shown in Appendix 3. A similar exercise is underway for the HRA programme with the 2021/22 slippage rolled into the 2022/23 budget pending this work being completed.
- 5.4 With the growth in scale and complexity of the programme since 2019, principally through the HRA to reflect the extended stock condition and safety works and new housing supply in Building for Lewisham, it is clear from the recent review that more regular and dynamic reprofiling will need to be undertaken. This is to ensure effective delivery and financial monitoring to respond to the scale and complexity of the programme and deal with current and ongoing challenges it faces. A key challenge behind delays in 2020 and 2021 to projects has been the Covid-19 pandemic, which in some cases has led to increased costs placing significant pressure on already constrained resources. This is causing the need to continually re-appraise the allocation of limited capital resources to meet corporate priorities.
- 5.5 The three year capital programme reflects projects and programmes across the borough. An analysis of the programme by ward has been carried out and is shown in the following table. Some budgets cannot readily be identified against a single ward as they

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may be being held at a high programme level and not yet specifically allocated to a particular project. For example amounts have been set aside for HRA condition works but not allocated to specific sites.

### **LBL 3-Year Capital Programme 2021-2024 By Ward**

	<b>HRA</b>	<b>GF</b>	<b>Schools</b>	<b>Total</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	
Bellingham	-	4.4	3.8	8.2
Blackheath	-	0.3	0.1	0.4
Brockley	-	1.2	2.3	3.5
Catford South	-	0.8	0.7	1.4
Crofton Park	-	0.7	0.2	0.9
Downham	-	1.9	0.4	2.3
Evelyn	-	12.8	1.4	14.2
Forest Hill	-	2.7	0.3	3.0
Grove Park	-	-	0.2	0.2
Ladywell	-	-	-	-
Lee Green	-	-	0.0	0.0
Lewisham Central	72.6	13.7	0.5	86.8
New Cross	38.8	7.1	-	45.9
Perry Vale	-	8.2	9.4	17.6
Rushey Green	-	19.5	0.5	20.0
Sydenham	-	0.1	0.0	0.1
Telegraph Hill	-	-	0.4	0.4
Whitefoot	-	1.1	0.3	1.4
<i>Borough wide</i>	<i>349.0</i>	<i>23.6</i>	<i>3.5</i>	<i>376.1</i>
<b>Total</b>	<b>460.4</b>	<b>97.9</b>	<b>24.0</b>	<b>582.3</b>

## **6. Financing The Capital Programme**

6.1 The following table sets out a summarised version of how the programme is financed broken down by year. A more detailed breakdown is contained in Appendix 2.

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RESOURCES	2021/22 £m	2022/23 £m	2023/24 £m	2024/25 £m	3 year Total £m
<b>GENERAL FUND</b>					
RTB Receipts	3.3	1.7	1.2	0.0	2.9
Capital Receipts & reserves, Corporate Provisions & Reserves	18.0	9.6	6.5	0.0	16.1
Grants / Contributions	7.4	3.9	2.6	0.0	6.5
S106 (Grant)	8.6	4.6	3.1	0.0	7.7
Schools PfS Grant	9.8	5.2	3.5	0.0	8.7
Prudential Borrowing	19.3	10.2	7.0	0.0	17.2
<b>Total GF Resources</b>	<b>66.4</b>	<b>35.2</b>	<b>23.9</b>	<b>0.0</b>	<b>59.1</b>
<b>HOUSING REVENUE ACCOUNT</b>					
Prudential Borrowing	26.1	109.4	140.0	69.7	319.1
Grants	3.0	40.2	15.8	19.2	75.2
RTB Receipts	0.7	9.1	13.5	4.4	27.0
Sale Receipts	0.0	3.5	1.1	16.9	21.5
Other Receipts	0.0	20.0	0.0	0.0	20.0
Reserves / Revenue / MRR	86.0	27.4	25.7	25.4	462.8
<b>Total HRA Resources</b>	<b>115.8</b>	<b>209.6</b>	<b>196.1</b>	<b>135.6</b>	<b>541.3</b>
<b>TOTAL RESOURCES</b>	<b>182.2</b>	<b>244.8</b>	<b>220.0</b>	<b>135.6</b>	<b>600.4</b>

6.2 As can be seen from the table above the Capital Programme is financed through the following funding sources.

- HRA Reserves
- Right to buy capital receipts
- Capital receipts, capital reserves and funding from corporate provisions and reserves
- Specific Grants
- Section 106 / Community Infrastructure Levy (CIL)
- Prudential Borrowing

6.3 HRA Reserves are the balances ring fenced to the HRA generated from it is operations since inception. They are held to fund 1) existing stock maintenance and improvement works and 2) redevelopment and investment in new homes.

6.4 Right to buy capital receipts are received from the sale of council housing. The calculation and application of the receipts are subject to relatively complex rules set by government. An element of the receipts are held unconditionally and can be used to fund HRA and general fund capital expenditure, an element of the receipt is paid to government and an element of the receipt can be held by the Council to replace housing stock on a one for one basis – these are known as “one for one receipts”. One for one receipts must be spent within five years and can only fund 40% of the cost of a new home. These rules have only recently changed and previously the percentage was 30%.

6.5 Capital receipts and capital reserves can be used to fund general fund projects and are distinct from HRA ring-fenced receipts and reserves. Such receipts come from the disposal of general fund assets. In addition there is funding from corporate provisions and reserves where corporate funding has been specifically earmarked for certain projects such as highways and footways. The allocation of corporate funds to capital from revenue reduces the available annual revenue budget for services. The larger the capital programme the more savings needed and the smaller service budgets will be.

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Currently the total available from existing reserves, earmarked funding, and known future disposals is fully allocated to the programme.

- 6.6 Specific grants e.g. Department of Education schools condition funding and funding from the Greater London Authority.
- 6.7 S106 funding refers to funding received from developers towards the costs of providing community and social infrastructure and which makes the planning application acceptable. Currently £16.7m of the total S106 funding received has been allocated to capital projects.
- 6.8 Some projects and programmes require funding from prudential borrowing. Such projects are usually required to demonstrate a positive payback of the required borrowing and interest costs over a certain period. In the case of housing schemes this is usually from rents over a 40 year period.

## 7. Current and Prior Year Capital Programme Budget And Spend

- 7.1 Progress in delivering the Capital Programme is regularly reported to Mayor & Cabinet and the Public Accounts Select Committee throughout the financial year.

### Financial Year 2020/21

- 7.2 For financial year 2020/21 there was overall expenditure of £120.1m representing 70% of the revised budget of £171.6m. These amounts can be split between general fund and HRA. For general fund there was expenditure of £58m representing 82% of the revised budget of £70.4m. For the HRA there was £62.1m expenditure representing 61% of the revised budget of £101.2m. These amounts are shown in the following table and a more detailed breakdown of the spend across the programme is detailed in Appendix 5.

<b>2020/21 Capital Programme</b>	<b>Revised Budget (M&amp;C Feb 20)</b>	<b>Revised Budget Mar 2021</b>	<b>Spend to 31 Mar 2021</b>	<b>% Spent to Date (Revised Budget)</b>
General Fund	63.2	70.4	58.0	82%
Housing Revenue Account	100.4	101.2	62.1	61%
<b>Total Capital Programme</b>	<b>163.6</b>	<b>171.6</b>	<b>120.1</b>	<b>70%</b>

### Financial Year 2021/22

- 7.3 For the current financial year 2021/22 as at the end of October 2021 there had been overall expenditure of £56.7m representing 31% of the revised budget of £182.2m. These amounts can be split between general fund and HRA. For general fund there was expenditure of £18.6m representing 28% of the revised budget of £66.4m. For HRA there was £38.1m expenditure representing 33% of the current revised budget of £115.8m. These amounts are shown in the following table and a more detailed breakdown of the spend across the programme is detailed in Appendix 4.

<b>2021/22 Capital Programme</b>	<b>Revised Budget (M&amp;C Feb 21)</b>	<b>Revised Budget Proposed Oct 2021</b>	<b>Spend to P7 31 Oct' 2021</b>	<b>Spent to Date (Revised Budget)</b>
General Fund	70.3	66.4	18.6	28%
Housing Revenue Account	114.0	115.8	38.1	33%
<b>Total Capital Programme</b>	<b>184.3</b>	<b>182.2</b>	<b>56.7</b>	<b>31%</b>

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- 7.4 As stated earlier in this report, unspent budgets for ongoing capital programmes and projects are rolled forward at year end and a re-profiling exercise has been undertaken to provide budgets that will more accurately reflect expenditure for the three year period. A number of general fund budgets have been re-profiled as a result of this work but the exercise is not yet completed for the HRA. Once completed this is likely to result in some budgets being re-profiled from 2022/23 to future years and this should in turn provide a more accurate percentage of spend to date in future monitoring reports.
- 7.5 The most significant impact on spend that impacted on the amount carried forward for 2020/21, together with the need to re-profile budgets for 2021/22, has been in relation to the Covid-19 pandemic which was in turn compounded the impacts of Brexit. Construction works were paused at stages through the lockdowns of 2020 and 2021. Construction activity re-started but at a reduced capacity due to social distancing requirements. There have also been widespread labour and material shortages which have continued to impact on the pace of delivery and driven up costs, as evidenced by rising inflation and more recently interest rates as well.
- 7.6 The capital programme will be rolled forward to future years to recover the delivery ambition and has been re-profiled to account for the challenges over the last 18 months as well as considering the current market challenges in relation to labour and materials.
- 7.7 Importantly substantial external funding has been secured to support the delivery of the Council's Capital Programme including Brownfield Land Release Fund, GLA (various funding streams) and NHS contributions. Schools capital funding for Special Education Needs places is also increasing for 2022/23 following the announcements in the provision local government settlement. Plans for committing these are being prepared.

## 8. Capital Programme Delivery

- 8.1 The Capital Programme is managed through a number of boards as follows:
- The Regeneration Board has overall oversight of the Capital Programme strategy
  - The Regeneration & Capital Programme Delivery Board (RCPDB) reviews and agrees project initiation documents (PIDs) and delivery of existing projects picking up on any project/programme slippage. This board primarily focusses on general fund projects which includes those housing schemes within the general fund such as those relating to temporary accommodation and land assembly.
  - The Officer New Homes Programme Board (ONHPB) focuses on housing projects and has overall oversight of the Building for Lewisham programme.
  - The Childrens and Young People Capital Strategy Board has oversight of schools and other CYP programmes and projects together with their related funding.
- 8.2 Programmes and projects follow a number of standard processes and documentation.
- 8.3 For General Fund projects a Project Initiation Document (PID) must be completed that sets out the details of the project and this needs to be approved at the RCPDB before a budget or expenditure code is allocated.
- 8.4 Where necessary a report must be prepared for M&C to agree the project, the budgets and financing.
- 8.5 ONHPB provide oversight for housing projects that are delivered by Lewisham Homes as the Council's delivery agent. Where necessary reports are prepared for M&C to agree projects, budgets and financing.
- 8.6 Once the project is agreed a regular highlight report is required to update the RCPDB or

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ONHPB on progress. At the completion of a project a closure report is completed for consideration by RCPDB or ONHPB.

8.7 A review of the governance structure is currently underway with a view to strengthening the links between the boards so that the Regeneration Capital Board has a clearer oversight of the other boards feeding into it. Revisions to the governance structure will further ensure:

- Comprehensive oversight over the capital programme
- Alignment of capital resources with corporate priorities
- A robust approach to programme management
- Formal oversight of regular re-profiling change requests.

## 9. Financial Implications

9.1 This report concerns the Councils three year capital programme for 2022/23 to 2024/25 financial years. Therefore, any financial implications are contained within the body of the report.

## 10. Legal Implications

### Balanced Budget

10.1 In accordance with the Local Government Act 1992 the Council must set its Council Tax for 2022/2023 before 11 March 2022. By law it may not set the Council Tax before receipt of confirmation of the precept from the precepting authority, the GLA which is anticipated on 24 February. A report will be prepared for the Council meeting on 2 March 2022 on the basis of indications from the GLA but the report will be despatched before their final decision. The Executive Director for Corporate Resources will update the Council accordingly before it makes its decision.

10.2 Following the introduction of the Local Authorities (Standing Orders)( Amendment) Regulations 2014 the Council's Constitution was amended to require that when the Council votes on key budget and Council Tax decisions, the vote must be recorded. This requirement will apply when the Council meets to set the Council Tax.

10.3 Members have a duty to ensure that the Council acts lawfully. It must set and maintain a balanced budget each year. The Council must take steps to deal with any projected overspends and identify cuts or other measures to bring the budget under control. If the Capital Programme is overspending, this may be brought back into line through cuts, slippage, or contributions from revenue. The proposals in this report are designed to produce a balanced budget in 2021/22.

10.4 In this context, Members are reminded of their fiduciary duty to the Council Tax payer, effectively to act as trustee of the Council's resources and to ensure proper custodianship of Council funds.

### Capital Programme

10.5 Generally, only expenditure relating to tangible assets (e.g. roads, buildings or other structures, plant, machinery, apparatus and vehicles) can be regarded as capital expenditure. (Section 16 Local Government Act 2003 and regulations made under it).

10.6 The Local Government Act 2003 introduced a prudential system of financial control, replacing a system of credit approvals with a system whereby local authorities are free to borrow or invest so long as their capital spending plans are affordable, prudent, and sustainable. Authorities are required to determine and keep under review how much they can afford to borrow having regard to CIPFA's Prudential Code of Capital Finance in

Local Authorities. The Code requires that in making borrowing and investment decisions, the Council is to take account of affordability, prudence, and sustainability, value for money, stewardship of assets, service objectives, and practicality.

- 10.7 Section 11 Local Government Act 2003 allows for regulations to be made requiring an amount equal to the whole or any part of a capital receipt to be paid to the Secretary of State. Since April 2013, there has been no requirement to set aside capital receipts on housing land (SI2013/476). For right to buy receipts, the Council can retain 25% of the net receipt (after taking off transaction costs) and is then entitled to enter an agreement with the Secretary of State to fund replacement homes with the balance. Conditions on the use of the balance of the receipts are that spending has to happen within three years and that 70% of the funding needs to come from Council revenue or borrowing. If the funding is not used within three years, it has to be paid to the Ministry of Housing, Communities and Local Government, with interest. In London, the monies are then transferred to the GLA. However, the Council has entered into an agreement with the GLA where the GLA has agreed in principle that all monies received from central government arising from right to buy disposals in Lewisham will be ring fenced and made available to the Council as social housing grant.

## **11. Crime and Disorder, Climate and Environment Implications**

- 11.1 There are no specific crime and disorder act or climate and environment implications directly arising from this report.

## **12. Equalities Implications**

- 12.1 The Equality Act 2010 (the Act) introduced the public sector equality duty (the equality duty or the duty). It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 12.2 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.
- 12.3 The duty continues to be a “have regard duty”, and the weight to be attached to it is a matter for the Mayor and Cabinet, 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. Assessing the potential impact on equality of proposed changes to policies, procedures and practices is one of the key ways in which the Council can demonstrate that they have had ‘due regard’.
- 12.4 The Equality and Human Rights Commission 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 services and public functions. 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

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be found at: <http://www.equalityhumanrights.com/legal-and-policy/equality-act/equality-act-codes-of-practice-and-technical-guidance/>

- 12.5 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
- 12.6 The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties, and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at: <http://www.equalityhumanrights.com/advice-and-guidance/public-sector-equality-duty/guidance-on-the-equality-duty/>
- 12.7 The EHRC has also issued Guidance entitled “Making Fair Financial Decisions”. It appears at Appendix Y9 and attention is drawn to its contents.
- 12.8 Assessing impact on equality is not an end to itself and it should be tailored to, and be proportionate to, the decision being made. Whether it is proportionate for the Council to conduct an Equalities Analysis Assessment of the impact on equality of a financial decision or not depends on its relevance to the Authority’s particular function and its likely impact on people from protected groups, including staff.
- 12.9 Where proposals are anticipated to have an impact on staffing levels, it will be subject to consultation as stipulated within the Council’s Employment/Change Management policies, and services will be required to undertake an Equalities Analysis Assessment (EAA) as part of their restructuring process.
- 12.10 It is also important to note that the Council is subject to the Human Rights Act, and should therefore, also consider the potential impact their particular decisions could have on human rights. Where particular cuts have such implications, they must be dealt with and considered in relation to those particular proposals before any final decision is made.

### 13. Background Papers

Short Title of Report	Date	Location	Contact
2021/22 Budget	3 March 2021	Council	David Austin
Financial Monitoring	8 December 2021	M&C	David Austin
Capital Programme	1 December 2021	PASC	David Austin
HRA Budget	12 January 2021	M&C	David Austin

### 14. Report Author and Contact

David Austin, Director of Finance at [david.austin@lewisham.gov.uk](mailto:david.austin@lewisham.gov.uk)

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**APPENDIX 1 – Capital Programme Major Projects Budget 2021/22 and three Year Programme Budget 2022/23 to 2024/25**

Major Programmes & Projects	2021/22 £m	2022/23 £m	2023/24 £m	2024/25 £m	3 year Total £m
<b>GENERAL FUND</b>					
CCTV Modernisation	1.1	0.0	0.0	0.0	0.0
Leisure Schemes	3.6	0.2	0.0	0.0	0.2
Schools - School Places Programme	7.2	6.0	0.9	0.0	6.9
Schools – Other (Inc. Minor) Capital Works	4.6	4.0	0.0	0.0	4.0
Schools - Unallocated	0.0	1.5	0.0	0.0	1.5
Highways & Bridges – TfL	1.5	0.0	0.0	0.0	0.0
Highways & Bridges – LBL	4.1	3.1	0.0	0.0	3.1
Asset Management Programme	1.3	1.7	2.0	0.0	3.7
Other AMP Schemes	1.7	1.4	0.0	0.0	1.4
Unallocated AMP	0.0	0.8	0.6	0.0	1.4
Broadway Theatre	2.0	4.8	0.2	0.0	5.0
Catford Phase 1 – Thomas Lane Yard/ CCC	0.6	1.3	1.3	0.0	2.6
Catford Station Improvements	0.1	0.5	0.9	0.0	1.4
Travellers Site Relocation	0.1	1.0	2.7	0.0	3.7
Lewisham Gateway (Phase 2)	3.5	0.0	4.8	0.0	4.8
Beckenham Place Park (Inc. Eastern Part)	0.4	0.9	0.6	0.0	1.5
Catford Town Centre	0.2	0.8	0.0	0.0	0.8
Milford Towers Decant	0.3	0.3	3.4	0.0	3.7
Deptford Southern Sites Regeneration	0.3	0.0	2.2	0.0	2.2
Edward St. Development	12.0	0.0	0.0	0.0	0.0
Lewisham Homes – Property Acquisition	3.0	0.0	0.0	0.0	0.0
Achilles St Development	1.0	0.0	3.6	0.0	3.6
Place Ladywell	0.8	0.8	0.0	0.0	0.8
Temporary Accommodation - Mayow Rd	7.0	1.1	0.1	0.0	1.2
Temporary Accommodation - Canonbie Rd	1.8	0.3	0.0	0.0	0.3
Temporary Accommodation - Sydney Arms	1.0	0.0	0.0	0.0	0.0
Temporary Accommodation - Morton House	0.6	1.0	0.0	0.0	1.0
Temporary Accommodation - Manor Avenue	0.3	0.9	0.0	0.0	0.9
Disabled Facilities Grant	1.3	0.0	0.0	0.0	0.0
Private Sector Grants and Loans	0.6	0.6	0.6	0.0	1.2
Other General Fund Housing Schemes	1.5	1.0	0.0	0.0	1.0
Other Miscellaneous Schemes	2.9	1.2	0.0	0.0	1.2
<b>TOTAL GENERAL FUND</b>	<b>66.4</b>	<b>35.2</b>	<b>23.9</b>	<b>0.0</b>	<b>59.1</b>
<b>HOUSING REVENUE ACCOUNT</b>					
Building For Lewisham Programme (BfL)	50.2	121.2	129.3	67.5	318.0
Decent Homes Programme	57.8	83.4	62.9	64.1	210.4
Housing Management System	1.3	1.2	0.0	0.0	1.2
Other Schemes	6.5	3.8	3.9	4.0	11.7
<b>TOTAL HRA PROGRAMME</b>	<b>115.8</b>	<b>209.6</b>	<b>196.1</b>	<b>135.6</b>	<b>541.3</b>
<b>TOTAL PROGRAMME</b>	<b>182.2</b>	<b>244.8</b>	<b>220.0</b>	<b>135.6</b>	<b>600.4</b>

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## APPENDIX 2 – Capital Programme Major Projects Financing 2021/22 and three Year Programme Financing 2022/23 to 2024/25

Major Programmes & Projects	HRA Revenue Contribution	Sale & Other Receipts	RTB Receipts	Capital Receipts & reserves, Corporate Provisions & Reserves	Grants / Contributions	S106 (Grant)	Schools PFS Grant	Prudential Borrowing	FINANCING TOTAL 21/22 TO 24/25 (4 YEARS)
	£m	£m	£m	£m	£m	£m	£m	£m	£m
<b>GENERAL FUND</b>									
CCTV Modernisation	0	0	0	0	1.1	0	0	0	1.1
Leisure Schemes	0	0	0	0	3.1	0.4	0	0.3	3.8
Schools - School Places Programme	0	0	0	0	0	0.7	13.5	0	14.2
Schools – Other (Inc. Minor) Capital Works	0	0	0	0.7	1.9	0.2	5.0	0.9	8.7
Schools - Unallocated	0	0	0	1.5	0	0	0	0	1.5
Highways & Bridges – TfL	0	0	0	0	1.5	0	0	0	1.5
Highways & Bridges – LBL	0	0	0.1	6.2	0.1	0.7	0	0	7.1
Asset Management Programme	0	0	0	4.5	0	0	0	0.5	5.0
Other AMP Schemes	0	0	0	1.5	0.2	0	0	1.5	3.2
Unallocated AMP	0	0	0	1.4	0	0	0	0	1.4
Broadway Theatre	0	0	0	6.7	0	0	0	0.3	7.0
Catford Phase 1 – Thomas Lane Yard/ CCC	0	0	0	1.6	1.6	0	0	0	3.2
Catford Station Improvements	0	0	0	0	0	1.5	0	0	1.5
Travellers Site Relocation	0	0	0	0.7	0.4	2.7	0	0	3.8
Lewisham Gateway (Phase 2)	0	0	0	0	0.6	7.6	0	0	8.2
Beckenham Place Park (Inc. Eastern Part)	0	0	0	1.9	0	0	0	0	1.9
Catford Town Centre	0	0	0	0	0	0	0	1.0	1.0
Milford Towers Decant	0	0	0	0.5	0	0	0	3.5	4.0
Deptford Southern Sites Regeneration	0	0	2.5	0	0	0	0	0	2.5
Edward St. Development	0	0	0	0	0	0	0	12.0	12.0
Lewisham Homes – Property Acquisition	0	0	0	0	0	0	0	3.0	3.0
Achilles St Development	0	0	0	0.5	0	0.9	0	3.1	4.5
Place Ladywell	0	0	0	0	0	0	0	1.6	1.6
Temporary Accommodation - Mayow Rd	0	0	1.5	0	0.6	0.5	0	5.5	8.1
Temporary Accommodation - Canonbie Rd	0	0	0	0.8	0	0	0	1.2	2.0
Temporary Accommodation - Sydney Arms	0	0	0	0	0	0	0	1.0	1.0
Temporary Accommodation - Morton House	0	0	1.6	0	0	0	0	0	1.6
Temporary Accommodation - Manor Avenue	0	0	0.5	0	0	0	0	0.7	1.2
Disabled Facilities Grant	0	0	0	0	1.3	0	0	0	1.3
Private Sector Grants and Loans	0	0	0	1.7	0.1	0	0	0	1.8
Other General Fund Housing Schemes	0	0	0	2.2	0	0.2	0	0	2.4
Other Miscellaneous Schemes	0	0	0	1.5	1.4	0.9	0	0.4	4.2
<b>TOTAL GENERAL FUND</b>	<b>0.0</b>	<b>0.0</b>	<b>6.2</b>	<b>33.9</b>	<b>13.9</b>	<b>16.3</b>	<b>18.5</b>	<b>36.5</b>	<b>125.3</b>
<b>HOUSING REVENUE ACCOUNT</b>									0
Building For Lewisham Programme (BfL)	0	0	0	0	0	0	0	0	0
Decent Homes Programme	0	0	0	0	0	0	0	0	0
Housing Management System	0	0	0	0	0	0	0	0	0
Other Schemes	0	0	0	0	0	0	0	0	0
<b>TOTAL HRA PROGRAMME</b>	<b>0.0</b>	<b>41.5</b>	<b>27.7</b>	<b>164.5</b>	<b>78.2</b>	<b>0.0</b>	<b>0.0</b>	<b>345.2</b>	<b>657.1</b>
<b>TOTAL PROGRAMME</b>	<b>0.0</b>	<b>41.5</b>	<b>33.9</b>	<b>198.4</b>	<b>92.1</b>	<b>16.3</b>	<b>18.5</b>	<b>381.7</b>	<b>782.4</b>

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## **APPENDIX 3 – Capital Programme Revised 2021/22 Budget**

Adjustments Made to the 2021/22 Capital Budget since Budget Report to M&C in Feb 21

	£`m
<b>APPROVED CAPITAL PROGRAMME BUDGET- 21/22</b>	
M&C – February, 2021 as per Budget Report	<b>184.30</b>
Underspends carried-forward from 20/21	6.10
	<hr/> 190.40
<b>New Schemes Post Budget Report</b>	
Schools Minor Works Programme 2021	4.20
TfL Programme 21-22	0.40
Riverside Youth Club Development Project	1.30
Temporary Accommodation - Manor Conversion	1.20
Asset Review - development and site appraisals	0.10
Asset Review - miscellaneous assets	0.10
Amersham and Northover Residential Conversion	0.90
Leisure strategy- The Wavelengths & Bellingham Leisure centres	0.60
Commercial Estate Investment	0.10
120 Rushey Green- Meliot Centre Relocation	0.10
Wavelengths Leisure Pool	0.80
Evelyn Green MUGA and Park Improvements	0.40
Folkestone Gardens Play Improvements	0.20
Public Sector Decarbonisation Scheme(PSDS)- Corporate Sites Project	2.76
Buy Back Lewisham`s ex- council homes	4.72
	<hr/> <b>17.88</b>
<b>Increase in HRA- Schemes Post Budget Report</b>	
General Capital & Decent Homes Programme	38.80
Reduction in HRA Programme	-47.50
<b>Re-profiled Schemes</b>	
Re-profiled HRA Schemes	9.60
Holbeach Road Improvement Works	-0.60
Achilles Street - Development ( Design Work)	2.40
Aids & Adaptations	-0.10
Old Town Hall - Repairs & Refurb.	0.83
Edward Street Development (PLACE / Deptford )	0.30
Catford Town Centre - Phase 1	0.90
Laurence House Customer Service Centre and Library Refurbishment	0.50
Broadway Theatre - Works	0.20
2016 & 2017 PPP Ashmead School	-0.28
2016 Programme Costs	-0.11
Watergate School	-1.77
Private Sector Grants - Discretionary Grants	-1.33
MOVE - PLACE/Ladywell (1000 Homes Programme)	-1.34
Excalibur Phases 3	0.28
Greenvale school	-2.45
Fleet Vehicle Replacement 2019/20 & Future Programme	-1.58

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Glass Mill Soft Play	-0.27	
Riverside Youth Club Development Project	-1.20	
Brockley Rise Adult Learning Centre frontage works	-0.11	
Wearside Depot - Changing facility	-0.10	
Civic Suite - Refurbishment and Improvement Project	-0.60	
Lewisham Library - Repairs & Refurb.	-0.54	
Refurbishment of 43-45 Bromley Road	-0.03	
Amersham and Northover Residential Conversion	-0.85	
Developing 2 Year Old Childcare Provision	-0.17	
Education Catering Investment ( UFSM )	0.02	
CYP - Schools CERA	-1.87	
2021 Schools Minor Works	-0.60	
2020 Schools Minor Works	-0.31	
2018 Schools Minor Works	-0.18	
Asset Management Programme	-2.63	
Leisure strategy- The Wavelengths & Bellingham Leisure centres	-0.60	
Catford Town Centre	-0.77	
Improvements to Calabash Centre	-0.05	
Asset Review - development and site appraisals	-0.05	
Asset Review - miscellaneous assets	-0.10	
Commercial Estate Investment	-0.15	
Travellers Site Relocation	-3.70	
Beckenham Place Park - Eastern Part	-1.50	
Cash Incentive Scheme	-0.11	
Broadway Theatre - Works	-3.30	
Thomas Lane Yard and the Catford Constitution Club'(CCC)	0.02	
Temporary Accommodation Conversions-Morton House	-0.90	
Catford Station Improvement	-0.32	
TFL Programme	1.07	
SMWP 2020	0.30	
PLACE Refurbishment	-0.55	
Temporary Accommodation - Manor Conversion	-0.91	
Creekside	-0.50	
		-16.11
<b>Completed Projects</b>		
Chiddingstone Improvement Works	-0.13	
Heathside & Lethbridge - Partnership Works (Phase 6)	-0.26	
9 - 19 Rushey Green ( 1000 Homes Prog.)	-0.25	
Acquisition of homes in inner LHA Area (Phoenix Acquisitions)	-0.27	
New Homes , Better Places - Greystead Estate and Fairlawn school	-0.01	
Acquisition - Hostels Programme - Ladywell Pop-Up Village	-0.01	
Acquisition & conversion of 118 Canonbie Road and Hamilton Lodge.and 354 , Stanstead Rd	-0.57	
Roundings	0.23	
		-1.27
<b>Revised Capital Programme Budget 21/22</b>		<b>182.20</b>

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## APPENDIX 4 – Capital Programme Spend 2021/22 as at October 2021

2021/22 Capital Programme Major Programmes & Projects	Revised Budget (M&C Feb 21)	Revised Budget Proposed Dec 2021	Spend to 31 Oct 2021	Spent to Date (Revised Budget)
	£`m	£`m	£`m	%
<b>GENERAL FUND</b>				
CCTV Modernisation	0.5	1.1	0.5	45%
Leisure Schemes	0	3.6	0	0%
Schools - School Places Programme	8.8	7.2	3.8	53%
Schools – Other (Inc. Minor) Capital Works	1.7	4.6	1.0	22%
Schools - Unallocated	1.6	0	0	0%
Highways & Bridges – TfL	0.8	1.5	0.3	20%
Highways & Bridges – LBL	2.5	4.1	0.1	2%
Asset Management Programme	1.3	1.3	0.2	15%
Other AMP Schemes	0.9	1.7	0.5	29%
Unallocated AMP	1.5	0	0	0%
Broadway Theatre	4.8	2.0	0.4	20%
Catford Phase 1 – Thomas Lane Yard/ CCC	0.6	0.6	0.3	50%
Catford Station Improvements	0.3	0.1	0	0%
Travellers Site Relocation	3.6	0.1	0	0%
Lewisham Gateway (Phase 2)	3.5	3.5	0.6	17%
Beckenham Place Park (Inc. Eastern Part)	1.7	0.4	0.1	25%
Catford Town Centre	0	0.2	0.2	100%
Milford Towers Decant	0.3	0.3	0.2	67%
Deptford Southern Sites Regeneration	0.3	0.3	0	0%
Edward St. Development	8.4	12.0	3.6	30%
Lewisham Homes – Property Acquisition	3.0	3.0	3.0	100%
Achilles St Development	1.0	1.0	0	0%
Place Ladywell	2.7	0.8	0	0%
Temporary Accomodation - Mayow Rd	6.6	7.0	1.9	27%
Temporary Accomodation - Canonbie Rd	1.4	1.8	0.6	33%
Temporary Accomodation - Sydney Arms	3.8	1.0	0	0%
Temporary Accomodation - Morton House	0.1	0.6	0	0%
Temporary Accomodation - Manor Avenue	0	0.3	0	0%
Disabled Facilities Grant	2.1	1.3	0.7	54%
Private Sector Grants and Loans	2.1	0.6	0.3	50%
Other General Fund Housing Schemes	1.5	1.5	0.2	13%
Other Miscellaneous Schemes	2.9	2.9	0.1	3%
<b>TOTAL GENERAL FUND</b>	<b>70.3</b>	<b>66.4</b>	<b>18.6</b>	<b>28%</b>
<b>HOUSING REVENUE ACCOUNT</b>				
Building For Lewisham Programme (BfL)	50.2	50.2	17.3	34%
Decent Homes Programme	56.0	57.8	20.3	35%
Housing Management System	1.3	1.3	0	0%
Other Schemes	6.5	6.5	0.5	8%
<b>TOTAL HRA PROGRAMME</b>	<b>114.0</b>	<b>115.8</b>	<b>38.1</b>	<b>33%</b>
<b>TOTAL PROGRAMME</b>	<b>184.3</b>	<b>182.2</b>	<b>56.7</b>	<b>31%</b>

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## APPENDIX 5 – Prior Year Capital Programme Outturn 2020/21

2020/21 Capital Programme	Revised Budget (M&C 11/11/20)	Revised Budget Jan' 2021	Spend to 31 Mar' 2021	Spent to Date (Revised Budget)
			£m	%
<b>GENERAL FUND</b>				
Schools - School Places Programme	4.7	3.4	1.9	56%
Schools - Other (Inc. Minor) Capital Works	5.7	5.7	4.2	74%
Highways & Bridges - LBL	3.0	3.0	2.8	93%
Highways & Bridges – TfL	1.2	2.8	2.7	96%
Highways & Bridges - Others	1.5	1.5	0.3	20%
Catford town centre	1.0	1.0	0.9	90%
Asset Management Programme	1.3	1.5	0.9	60%
Other AMP Schemes	0.7	1.1	0.3	27%
Broadway Theatre – Works	0.4	0.4	0.2	50%
Lewisham Gateway ( Phase 2)	14.8	14.8	14.8	100%
Private Sector Grants and Loans (Inc. DFG)	0.6	0.6	1.5	100%
Achilles St. Development	0.8	0.8	0.8	100%
Edward St. Development	9.0	9.0	5.7	63%
Deptford Southern Sites Regeneration	0.4	2.6	2.6	100%
Residential Portfolio Acquisition – Hyde Housing Association	2.9	2.9	2.1	72%
Fleet Replacement Programme	7.8	7.0	6.3	90%
Temporary Accommodation Conversions-Morton House	0.0	5.2	4.2	81%
Other General Fund schemes	7.4	7.1	5.8	82%
<b>TOTAL GENERAL FUND</b>	<b>63.2</b>	<b>70.4</b>	<b>58.0</b>	<b>82%</b>
<b>HOUSING REVENUE ACCOUNT</b>				
Building for Lewisham Programme	36.5	37.3	15.8	42%
HRA Capital Programme ( Decent Works)	47.7	47.7	38.1	80%
Creekside Acquisition	5.7	5.7	6.7	100%
Ladywell Leisure Centre Development Site	4.5	4.5	0.8	18%
Achilles St. Development	4.3	4.3	0.3	7%
Mayow Rd Development	1.1	1.1	0.0	0%
Other HRA schemes	0.6	0.6	0.3	50%
<b>TOTAL HOUSING REVENUE ACCOUNT</b>	<b>100.4</b>	<b>101.2</b>	<b>62.1</b>	<b>61%</b>
<b>TOTAL CAPITAL PROGRAMME</b>	<b>163.6</b>	<b>171.6</b>	<b>120.1</b>	<b>70%</b>

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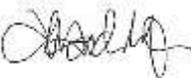
# Agenda Item 7

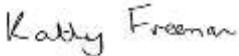
<b>Report for: Mayor and Cabinet</b>	
<b>Part 1</b>	<input checked="" type="checkbox"/>
<b>Part 2</b>	<input type="checkbox"/>
<b>Key Decision</b>	<input checked="" type="checkbox"/>

<b>Date of Meeting</b>	2 February 2022	
<b>Title of Report</b>	Treasury Management Strategy 2022/23	
<b>Author</b>	Katharine Nidd	<b>Ext.</b> 46651

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

Category	Yes	No
<b>Financial Comments</b>	X	
<b>Legal Comments</b>	X	
<b>Cabinet Briefing consideration</b>		
<b>EMT consideration</b>		
<b>Agenda Planning Group consideration</b>	X	

Signed:   
 Cabinet Member for Finance and Resources  
 Date: 24/01/2022

Signed:   
 Executive Director of Corporate Resources  
 Date: 24/01/2022

### Control Record by Committee Services

Action	Date
Listed on Key Decision Plan	
Date submitted to Legal & Finance	
Date submitted to Cabinet Members for sign off	
Date submitted to Executive Director for sign off	



## Mayor and Cabinet

### Treasury Management Strategy 2022/23

**Date:** 2 February 2022

**Key decision:** Yes

**Class:** Part 1.

**Ward(s) affected:** All

**Contributors:** Director of Finance

#### Outline:

The purpose of this report is to set out the following:

- A review of the Treasury Management Strategy;
- An update on the Council's prudential indicators;
- A review of the Council's investment portfolio for 2021/22;
- A review of compliance with treasury and prudential limits for 2021/22; and
- A review of the Council's borrowing strategy for 2022/23.

#### Recommendations:

Mayor and Cabinet are recommended to:

1. approve and recommend that Council approves the prudential indicators and treasury indicators, as set out in section 6 and 7 of this report;
2. approve and recommend that Council approves the Annual Investment Strategy and Creditworthiness Policy, set out in further detail at Appendix 2;
3. approve and recommend that Council approves the Investment Strategy as set out in section 5 of this report, along with the operational boundary & authorised limit for the year as set out in section 7 of this report;
4. approve and recommend that Council approves the Minimum Revenue Provision (MRP) policy as set out in section 6 of this report;
5. agrees and recommends that Council agrees to delegate to the Executive Director of Corporate Resources authority during 2022/23 to make amendments to borrowing and investment limits provided they are consistent with the strategy and there is no change to the Council's authorised limit for borrowing; and
6. approve and recommend that Council approves the overall credit and counterparty risk management criteria, as set out at Appendix 2, the proposed countries for investment at Appendix 5, and that it formally delegates responsibility for managing transactions with those institutions which meet the criteria to the Executive Director for Corporate Resources.

#### Timeline of engagement and decision-making:

9 February 2022 – Treasury Management Strategy 2022/23 to Mayor & Cabinet

2 March 2022 – Treasury Management Strategy 2022/23 to Council

# 1. Summary

## Economic Context and Interest Rate Forecast

- 1.1 The economic recession triggered by the pandemic in 2020 continued into 2021 and the Omicron variant caused a further economic slump. In December 2021 the Bank of England figures confirmed an interest rate rise to 0.25% from 0.10%, quantitative easing totalling £895bn, and inflation at 4.6%\*.
- 1.2 Although the Bank of England raised the interest rate in December 2021, forecasts have been set for another rate hike in June 2022 to 0.50% from 0.25%, and then further increases by 0.25% each March for the following three years until 2025 – see Appendix 1 for more information.
- 1.3 The reduction to the UK Bank Rate, as a result of the pandemic has caused Lewisham to see significantly lower return on investments when placing funds in fixed deposit and notice accounts. The pace and scale of future changes to the Bank Rate are of concern to Lewisham as low rates directly impacts return on investment.
- 1.4 The Government's inflation target for the United Kingdom is defined in terms of the Consumer Price Index (CPI) measure of inflation which excludes mortgage interest payments. Since April 2011, the CPI has also been used for the indexation of benefits, tax credits, and public service pensions.

The Bank of England forecast is that CPI inflation will rise to about 5% in Q2 of 2022 as household energy prices increase further than current levels. Nevertheless, in the November monetary policy report, global goods price inflation forecast is expected to slow markedly from December onwards, as supply bottlenecks ease and demand rotates further away from goods and back to services. Within the forecast, rising unemployment keeps pay growth subdued. The Bank of England's projection is that, as effects from higher energy prices and gains in global costs fade, CPI inflation will fall slightly below the 2% target over the three years ahead to 2025.

- 1.5 This report sets out the current economic conditions in which the Council is operating in respect of its investments and borrowing. There have been no major changes to the Treasury Management Strategy in 2021 aside from the consultation and subsequent update to the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice, although implementation is not required until 2023/24, more information is set out in Appendix 7.
- 1.6 Additionally, in 2021, CIPFA began a review of the Prudential Code for Capital Finance in Local Authorities (Prudential Code). The results of the consultation, and the update to the Prudential Code is not yet clear although this will be brought back to members and included within the Treasury Management Strategy in due course.
- 1.7 Borrowing – the Council's operational boundary and authorised limits of £498.60m and £604.46m respectively were not breached during the year 2021/22.

\*December figures announced on 19th January, 4.6% was November figures published in December.

## Background of Treasury Management Strategy

- 1.8 Our Investment Strategy will be focused on liquidity, security, yield, only investing in approved counterparties from the UK and from other countries with a minimum sovereign credit rating of AA-, further detail in Appendix 5 and 2.
- 1.9 Borrowing limits have also been specified within table 5. The operational boundary for 2022/23 is £607.0m, and the authorised limit for 2022/23 is £723.70m. It should be noted that the Council's operational boundary for 2021/22 of £498.60m, and the authorised limit for 2021/22 of £604.46m had not been breached in 2021/22 as at January 2022.

- 1.10 The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate, with the Council's prudent risk appetite, ensuring adequate liquidity initially before considering investment return.
- 1.11 The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning, to ensure that the Council can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans, or using longer-term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet Council risk or cost objectives.
- 1.12 The contribution the treasury management function makes to the authority is critical, as the balance of debt and investment operations ensure liquidity and the ability to meet spending commitments as they fall due, either for day-to-day revenue purposes or for larger capital projects. Treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund.
- 1.13 Whilst any commercial initiatives or loans to third parties will impact on the treasury function, these activities are generally classed as non-treasury activities, arising usually from capital expenditure, and are separate from the day to day treasury management activities.
- 1.14 Accordingly, treasury management is defined as "the management of the local authority's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."
- 1.15 The Council complies with the requirements of the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised 2017). The primary requirements of the 2017 Code are as follows:
  - a) Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management activities;
  - b) Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives;
  - c) Receipt by the full Council of an annual Treasury Management Strategy Statement - including the Annual Investment Strategy and Minimum Revenue Provision Policy - for the year ahead, a Mid-year Review Report and an Annual Report (stewardship report) covering activities during the previous year;
  - d) Delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions; and
  - e) Delegation by the Council of the role of scrutiny of treasury management strategy and policies to a specific named body. For this Council the delegated body is the Public Accounts Select Committee

## **2. Recommendations**

- 2.1. Mayor and Cabinet are recommended to:

- 2.1.1. approve and recommend that Council approves the prudential indicators and treasury indicators, as set out in section 6 and 7 of this report;
- 2.1.2. approve and recommend that Council approves the Annual Investment Strategy and Creditworthiness Policy, set out in further detail at Appendix 2;
- 2.1.3. approve and recommend that Council approves the Investment Strategy as set out in section 5 of this report, along with the operational boundary & authorised limit for the year as set out in section 7 of this report;
- 2.1.4. approve and recommend that Council approves the Minimum Revenue Provision (MRP) policy as set out in section 6 of this report;
- 2.1.5. agrees and recommends that Council agrees to delegate to the Executive Director of Corporate Resources authority during 2022/23 to make amendments to borrowing and investment limits provided they are consistent with the strategy and there is no change to the Council's authorised limit for borrowing; and
- 2.1.6. approve and recommend that Council approves the overall credit and counterparty risk management criteria, as set out at Appendix 2, the proposed countries for investment at Appendix 5, and that it formally delegates responsibility for managing transactions with those institutions which meet the criteria to the Executive Director for Corporate Resources.

### 3. Policy Context

- 3.1. The Council's Corporate Strategy identifies seven corporate priorities and four core values which are the driving force behind what we do as an organisation. It sets out a vision for Lewisham and priority outcomes that organisations, communities and individuals can work towards to make this vision a reality. Through the work on Covid recovery these are also supported by the four Future Lewisham themes.
- 3.2. In taking action to implement and review the Council's treasury management function, with the overriding objective to achieve security, maintain adequate liquidity, and seek yield in line with the Council's risk appetite, we will be driven by the Council's four core values:
- We put service to the public first;
  - We respect all people and all communities;
  - We invest in employees; and
  - We are open, honest and fair in all we do.
- 3.3. These core values align with the Council's seven corporate priorities, as follows:
- **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.
- 3.4. As the Council seeks to support the borough and its businesses and residents through the pandemic and beyond, this recovery is based on the four key themes of Future Lewisham, these are:
- A greener Lewisham;
  - A healthy and well future;
  - An economically sound future; and
  - A future we all have a part in.
- 3.5. The Treasury Management Strategy will directly support the theme of an economically sound future for the borough and its residents.

## 4. Structure of the Report

This report is structured as follows:

1. Summary
  - Economic Context and Interest Rate Forecast
  - Background of Treasury Management Strategy
2. Recommendations
3. Policy Context
4. Structure of the Report
5. Investments
  - Annual Investment Strategy
  - Creditworthiness Policy
  - Investment Opportunity
6. Borrowing
  - Minimum Revenue Provision (MRP) Policy Statement
  - Borrowing, Treasury Indicators and Debt Rescheduling
7. Council's Capital Programme
  - Capital Investment Plans
  - Capital Strategy
  - Capital Position (Prudential Indicators)
8. Financial Implications
9. Legal Implications
10. Equalities Implications
11. Climate Change and Environmental Implications
12. Crime and Disorder Implications
13. Health and Wellbeing Implications
14. Background Papers (Appendices at end)
15. Report Author and Contacts

## 5. Investments

### Annual Investment Strategy

- 5.1. The DLUHC (previously MHCLG) and CIPFA have extended the meaning of 'investments' to include both financial and non-financial investments. This report deals predominantly with financial instruments (as managed by the Strategic Finance – Treasury Team); non-financial investments, essentially the purchase of income yielding assets, are summarised at the end of this report and covered in detail within the separate Capital Strategy.
- 5.2. The Council's investment policy has regard to DLUHC's Guidance on Local Government Investments ("the Guidance"), the CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code"), and CIPFA's Treasury Management Guidance Notes 2018.
- 5.3. The Council's investment priorities will be security first, liquidity second, then return. The Council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and within the Council's risk appetite. In the current economic climate it is considered appropriate to keep investments short term to cover cash flow needs. However, where appropriate (from an internal as well as external perspective), the Council will also consider the value available in periods up to 12 months with high credit rated financial institutions, as well as wider range fund options.
- 5.4. The outbreak of coronavirus in March 2020 and the global response in implementing lockdowns and coordinating economic support packages has created an unprecedented and prolonged period of economic and fiscal uncertainty, the impact of which is likely to be felt for years to come. In the UK, there has been a sharp recovery from impact of coronavirus as a result of the vaccination programme rollout and easing of restrictions, although there will be risks which will likely persist in both the short and medium term, including:
  - 5.5. The pace and scale of any future changes to the UK Bank Rate, which will impact interest rates for investments that Lewisham have and will provide an increasing returns for the Council.
  - 5.6. Geopolitical risks in Europe, the Middle East and Asia, which could lead to increasing safe haven flows that would keep foreign investment rates low and therefore would not improve the returns for the Council's investments.
  - 5.7. UK/EU trade negotiations causing significant economic disruption. This has caused supply issues and raised prices of construction materials which has then increased the cost of many of the Council's capital projects as well as delaying them.
  - 5.8. The Council uses Link Group, Treasury Solutions as its external treasury management advisor. The Council recognises that responsibility for treasury management decisions remains with the Council at all times and will ensure that undue reliance is not placed upon our external service providers. All decisions will be undertaken with regards to all available information including, but not solely, our treasury advisors. It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.
- 5.9. The Guidance and CIPFA Treasury Management Code place a high priority on the management of risk. The Council has adopted a prudent approach to managing risk and defines its risk appetite by the following means:
  1. Minimum acceptable **credit criteria** are applied in order to generate a list of

highly creditworthy counterparties which also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short term and long term ratings.

2. **Other information**; ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To this end, the Council will engage with its advisors to maintain a monitor on market pricing such as “**credit default swaps**” and overlay that information on top of the credit ratings, as well as information on outlooks and watches. This is fully integrated into the credit methodology provided by the advisors in producing its colour codings which show the varying degrees of suggested institution creditworthiness. This has been set out in more detail at Appendix 2.
  3. **Other information sources** used will include the financial press, share prices and other such information pertaining to the financial sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
  4. The Council has defined the list of **types of investment instruments** that the treasury team are authorised to use in the financial year, and these are listed in Appendix 2 under the categories of “specified” and “non-specified” investments:
    - **Specified investments** are those with a high level of credit quality and subject to a maturity limit of one year; and
    - **Non-specified investments** are those with less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by Members and officers before being authorised for use.
  5. **Lending limits** (amounts and maturity) for each counterparty will be set through applying the credit criteria provided by advisors, and are set out in Appendix 2.
  6. **Interest rate limits** are set out in paragraph 6.14 and Table 1 and place restrictions on the exposure to variable and fixed rate investments.
  7. The Council has placed a limit on the amount of its investments which are invested for **longer than 365 days** (see paragraph 6.16 and Table 2).
  8. Investments will only be placed with counterparties from countries with a specified minimum **sovereign rating** (see Appendix 5).
  9. All investments will be denominated in **sterling**.
  10. As a result of the change in accounting standards for 2018/19 under IFRS 9, the Council will, on an ongoing basis, consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant changes at the end of the year to the General Fund. The DLUHC enacted a statutory override in 2018/19 for a five year period over the requirement for any unrealised capital gains or losses on marketable pooled funds to be chargeable in year, giving local authorities time to initiate an orderly withdrawal of funds if required. The Council does not at present have any pooled investments, though has scope to do so as per the creditworthiness policy in Appendix 2.
- 5.10. Investments will be made with reference to the core balances and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months). In order to maintain sufficient liquidity, the Council will seek to utilise its

notice accounts, money market funds and short-dated deposits (overnight to three months). The remainder of its investments will be placed in fixed term deposits of up to 24 months to generate improved returns, depending on prevailing market conditions.

### **Creditworthiness Policy**

5.11. The Council's Treasury Team applies the creditworthiness service provided by its advisors Link Group. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody's and Standard and Poor's. The credit ratings of counterparties are supplemented with the following overlays:

- Credit watches and credit outlooks from credit rating agencies;
- CDS spreads that may give early warning of changes in credit ratings; and
- Sovereign ratings to select counterparties from only the most creditworthy countries.

5.12. This modelling approach combines credit ratings, credit watches and credit outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads for which the end product is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the suggested duration for investments. The Council will therefore use counterparties within the following durational bands:

- Yellow 5 years\*
- Purple 2 years
- Blue 1 year (only applies to nationalised or semi nationalised UK Banks)
- Orange 1 year
- Red 6 months
- Green 100 days
- No colour Not to be used\*\*

\*for UK Government debt, or its equivalent, Constant Net Asset Value (CNAV) money market funds and collateralised deposits where the collateral is UK Government debt.

\*\*except for those building societies rated BBB- or higher as set out in the policy.

### **Country limits**

5.13. The Council has determined that it will only use approved counterparties from the UK and from other countries with a minimum sovereign credit rating of AA- from Fitch. The list of countries that qualify using this credit criteria as at the date of this report are shown in Appendix 5. This list will be added to, or deducted from, by officers should country ratings change in accordance with this policy.

### **Prior Updates to Investment Strategy**

5.14. For the 2021/22 strategy, an additional unspecified investment was added to the creditworthiness policy at Appendix 2, namely the ability to invest in UK building societies with a minimum credit rating of BBB- from Fitch (or equivalent), specifically those that are shown on Link Group's lending list only (but which may be rated 'No colour') for a maximum of three months and limited to £10m per institution.

5.15. Very few building societies have credit ratings assigned to them due to the lack of large ticket funding transactions that would warrant a formal credit rating being issued by one of the three main ratings agencies, and only a select few within the top ten by asset size have been issued with one. A credit rating of BBB- remains within the

'investment grade' category, subject to moderate credit risk, which is reflected by the monetary and duration limits as set out above.

- 5.16. This addition to the strategy was made as a result of economic conditions and the reduced options available for investing at positive yields; in practice it opens up a limited number of two-three additional counterparties for consideration. Officers will continue to monitor the rating movements against these counterparties to ensure that any investments fall within the set criteria.

### **Prospects for Investment Returns**

- 5.17. Investment returns are likely to remain low during 2022/23 with little increase expected in 2023/24. The coronavirus outbreak has caused huge economic damage to the UK and economies around the world. The Bank of England took emergency action in March 2020 to cut the Bank Rate to first 0.25%, and then to 0.10%. In December 2021, the Monetary Policy Committee (MPC) voted 8-1 to increase the Bank Rate back to 0.25%, with a view of a further increase in 2022.
- 5.18. Money market yields continued to drift lower and some managers resorted to trimming fee levels to ensure that net yields for investors remained in positive territory, or zero, where possible. Rates have seen a slight pick-up since the MPC agreed to raise the Bank Rate to 0.25%. Additionally, investor cash flow uncertainty, and the need to maintain liquidity in these unprecedented times, has resulted in a surplus of cash swilling around at the very short end of the market with only marginally positive returns.
- 5.19. The Council uses the services of its advisor, Link Group, to formulate a view on interest rates; their view is that there will be a steady increase in the Bank Rate up to at least March 2025 as economic recovery is expected to be gradual and therefore prolonged. Given this uncertainty, suggested investment returns are expected to remain low and money market related instruments will be sub 0.50% for the foreseeable future.
- 5.20. In light of these predictions for low returns the Council continues to assess, with support from its advisors, the potential risk and return offered by investing for longer (five or more years) in pooled asset funds. This policy is set with regard to the Council's liquidity requirements and to reduce the risk of a forced sub-optimal early sale of an investment; any investments entered into will be on the advice of the Council's advisors and will continue to meet the objectives of security, liquidity and return.
- 5.21. There is relatively little UK domestic risk of decreases in the Bank Rate and significant changes in shorter term PWLB rates. The Bank of England has effectively ruled out the use of negative interest rates and increases in the Bank Rate have already been seen although the rise will be gradual considering the underlying economic position. However, it is always possible that safe haven flows, due to unexpected domestic developments and those in other major economies, or a return of investor confidence in equities, could impact gilt yields (and so PWLB rates) in the UK.
- 5.22. A more extensive table of interest rate forecasts for December 2021 onwards, including Public Works Loan Board (PWLB) borrowing rate forecasts, is set out in Appendix 1.

### **Non-Treasury Investments**

- 5.23. Treasury management investments represent the placement of cash in relation to the S12 Local Government Act 2003 investment powers, i.e. they represent investments using the residual cash available to the authority from its day to day activities, under security, liquidity and yield principles.
- 5.24. The Council recognises that non-treasury investments in other financial assets and property primarily for financial return, taken for non-treasury management purposes, requires careful management. Such investments tend to be either:
- Policy type investments; whereby capital or revenue cash is advanced for a specific Council objective and will be approved directly through Committee. This may be an advance to a third party for economic regeneration, investments in subsidiaries and

joint ventures, etc.

- Strategic type investments; whereby the objective is primarily to generate capital or revenue resources to help facilitate Council services.
- 5.25. The Council's risk appetite for these investments is reviewed on a case-by-case basis depending on the scale and nature, and strategic fit, of the proposed investment. Where such non-treasury investments exist, they will be identified and summarised at high level within this strategy. The detail and rationale for non-treasury investments are covered in the separate Capital Strategy.

### **Subsidiary Companies**

- 5.26. The Council has two wholly owned subsidiary companies, Lewisham Homes Limited and Catford Regeneration Partnership Limited (CRPL). It has invested in these subsidiaries as summarised below.

#### Lewisham Homes Limited

- 5.27. Lewisham Homes is an arms-length management organisation (ALMO) set up in 2007 as part of the Council's initiative to deliver better housing services and achieve the Decent Homes Standard. The company manages approximately 19,000 homes.
- 5.28. The Council has to date agreed two separate loan facilities with Lewisham Homes, the first on proxy commercial terms financed from internal borrowing and the second on cost-neutral terms financed through the PWLB. Both loans allow Lewisham Homes to purchase properties to address temporary accommodation needs in the borough, and will be repaid on set maturity dates.
- 5.29. Agreement of the property acquisition programme and relevant loan agreements was obtained from Mayor and Cabinet. State Aid issues and other risks and mitigations were considered in the approval of the loan facilities, including for the second loan the requirement for collateral against the loan in order to obtain MRP exemption.
- 5.30. As at 31 March 2022 the Council has advanced all £20m of the commercial loan facility, and all £20m of the agreed facility financed from PWLB debt.

#### Catford Regeneration Partnership Limited (CRPL)

- 5.31. The CRPL is a property investment company created in January 2010 which owns the Catford Shopping Centre and several neighbouring properties used to generate income whilst driving forward a regeneration programme for the town centre and surrounding area.
- 5.32. The Council has existing loan agreements in place with the CRPL, currently on an interest only basis, with interest being capitalised until 2024/25. As at 31 March 2022 the Council expects the outstanding loan principal to be approximately £15.0m, and £0.5m of capitalised interest.

### **Other Non-Treasury Investments**

#### Besson Street Joint Venture

- 5.33. The Council is an equal equity partner in a joint venture with Grainger Plc. to bring forward the development of the currently vacant Besson Street site to provide properties for the Private Rented Sector on long term tenancies. The Council has invested land at this stage and will be required to put forward an estimated £22-27m of cash to make up its share (50%) of the 40% equity, with 60% external long-term borrowing, to be invested once the scheme is built. This is currently forecast to be in 2026/27.
- 5.34. The Council also holds minority stakes in the following:
- 10% in Lewisham Schools for the Future LEP Limited, a Local Education Partnership established under the Council's Building Schools for the Future (BSF)

programme to rebuild and refurbish secondary schools within the borough;

- Less than 1% in South-East London Combined Heat and Power Ltd (SELCHP), a joint venture with the London Borough of Greenwich for the provision of waste disposal and waste to energy processes; and
- A minority share in Newable Ltd (formerly Greater London Enterprise Ltd) which provides property management and consultancy services.

### **Investment Opportunity**

5.35. In accordance with the Treasury Management Code, it is the Council's priority to ensure security of capital and liquidity, and to obtain an appropriate level of return which is consistent with the Council's risk appetite. In the current economic climate it is considered appropriate to keep investments short term to cover cash flow needs, but also to seek out value available in periods up to 12 months with high credit rated financial institutions, using the Link suggested creditworthiness approach, including a minimum sovereign credit rating and Credit Default Swap (CDS) overlay information. As set out previously, it is no longer possible to earn the level of interest rates commonly seen in previous decades as investment rates are considerably lower than pre-pandemic, and the Bank Rate is now at 0.25%. Given this risk environment and economic uncertainty, investment returns are expected to remain low in 2022/23.

5.36. Money Market Fund (MMF) yields have continued to drift lower. Some managers have suggested they might resort to trimming fee levels to ensure that net yields for investors remain in positive territory where possible and practical. Investor cash flow uncertainty, and the need to maintain liquidity, has resulted in a glut of money moving around at the very short end of the market; inter-local authority lending and borrowing rates have also declined due to the surge in the levels of cash seeking a short-term home. However, MMFs are still offering a marginally positive return, as are a number of financial institutions. The increase to the Bank Rate in December 2021 has resulted in a slight increase to interest rates although these remain considerably lower than pre-pandemic levels.

The Council is a member of a treasury benchmarking group (organised by Link Asset Services) containing 15 authorities, including 12 other London authorities. An extract from the latest available benchmarking report is shown in Appendix 3; this shows that the return on investments as at September 2021 is below the Council's model weighted average rate of return provided by the treasury advisors, which is adjusted for the risks inherent in the portfolio. Portfolio performance is in line with the overall benchmarking group, as well as a wider group of 20 London boroughs.

5.37. The current investment counterparty criteria as set out in the Credit Worthiness Policy and included at Appendix 2 of this report are meeting the requirements of the treasury management function, although the current low rate environment and the reluctance of banks and building societies to accept new deposits reduces the available pool of counterparties that meet guideline investment rates.

## **6. Borrowing**

### **Minimum Revenue Provision (MRP) Policy Statement**

6.1. The Council is required to pay off an element of the accumulated General Fund capital spend each year (the CFR) through a revenue charge (the MRP), although it is also allowed to undertake additional voluntary payments if required (Voluntary Revenue Provision – VRP). The MRP must be determined by the Council as being a prudent provision having regard to the DLUHC (Department for Levelling Up, Housing and Communities) (previously MHCLG) Statutory Guidance on Minimum Revenue Provision.

- 6.2. The MRP is the amount the Council charges to the revenue account and does not correspond to the actual amount of debt repaid, which is determined by treasury related issues. Historically the Council has applied a consistent MRP policy which comprises prudential borrowing being repaid over the useful life of the asset concerned and previous borrowing being repaid at the rate of 4% (equivalent to 25 years) of the outstanding balance.
- 6.3. In 2016/17, this policy was changed to reflect the useful lives of the specific asset classes on the Council's balance sheet. It moved to:
- A straight line MRP of 14% equivalent to seven years for plant and equipment (such as IT and vehicles); and
  - A straight line MRP of 2.5% equivalent to forty years for property (such as land and buildings).
- 6.4. In 2017/18, a third element was added to the Council's MRP policy, whereby no MRP need be charged on capital expenditure where the Council has assessed that sufficient collateral is held at a current valuation to meet the outstanding CFR liability, and that should it be determined at any point that insufficient collateral is held to match the Council's CFR liability, a prudent MRP charge will commence.
- 6.5. In 2019/20 the Council commissioned an independent review of its current MRP policy to ensure it is fit for current and future spending plans, as well as a review of historic calculations and a reconciliation to the CFR to identify any potential efficiencies. The review was undertaken by the Council's treasury advisors, Link Group.
- 6.6. The Council implemented one of the recommendations from the report from 2019/20 onwards, specifically to adjust for an historic overcharging of MRP from 2003/04 as a result of a miscalculation in the 'Adjustment A' figure (an accounting adjustment designed to ensure minimal changes in liability when new capital financing regulations were introduced in 2003/04). The Prudential Code allows for MRP to be reduced appropriately, in line with an authority's own judgement, where Adjustment A reflects an error that increases the current MRP liability. As such, the Council reduced its ongoing liability by reducing its MRP charge to account for the higher Adjustment A figure, whilst additionally offsetting current and future years' MRP charges to recover the historic overcharging since 2003/04.
- 6.7. The value of the overcharge has been calculated as £10.1m, which will be recovered from 2019/20 over a 10 year period via an annual reduction to MRP. The outstanding value of the overcharge to be recovered as at 31 March 2022 is £7.1m.

### **Borrowing, Treasury Indicators and Debt Rescheduling**

- 6.8. The Council's external debt as at 31 March 2022, gross borrowing plus long term liabilities, is expected to be £498.6m. The Council's borrowing strategy is consistent with last year's strategy. The Council is currently maintaining an under-borrowed position in that the CFR is not fully funded with loan debt, as cash supporting the Council's reserves, balances and cash flow has been used as an alternative funding measure. In the current economic climate, this strategy is considered prudent while investment returns are low and counterparty risk remains an issue to be considered.
- 6.9. The Executive Director for Corporate Resources will continue to monitor interest rates in the financial markets and adopt a pragmatic and cautious approach to changing circumstances. For instance, if it was felt that there was a significant risk of a sharp fall in long and short term rates then long term borrowing will be postponed and potential rescheduling from fixed rate funding into short-term borrowing considered. Any such decisions would be reported to Mayor and Cabinet and subsequently Council, at the next available opportunity.
- 6.10. Alternatively, if it was felt that there was a significant risk of a much sharper rise in long and short term rates than that currently forecast (perhaps arising from an acceleration

in rate of increase in central rates in the USA and UK, an increase in world economic activity or a sudden increase in inflation risks) then the portfolio position will be re-appraised. Most likely, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in future years. Once again, any such decisions would be reported to Mayor and Cabinet and subsequently Council, at the next available opportunity.

### Policy on Borrowing in Advance of Need

6.11. Members should note that the Council's policy is not to borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within the approved forward CFR estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

### Treasury Indicators

6.12. There are three debt-related treasury activity limits. The purpose of these are to restrain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of any adverse movement in interest rates. These limits need to be balanced against the requirement for the treasury function to retain some flexibility to enable it to respond quickly to opportunities to reduce costs and improve performance.

6.13. The debt related indicators are:

- Upper limits on variable interest rate exposure. This identifies a maximum limit for variable interest rates based upon the debt position net of investments;
- Upper limits on fixed interest rate exposure. This is similar to the previous indicator and covers a maximum limit on fixed interest rates; and
- Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing and are required for upper and lower limits.

6.14. The treasury indicators and limits are set out in Table 1 below:

Limits on Interest Rate Exposures	2022/23	2023/24	2024/25
	<b>Upper</b>	<b>Upper</b>	<b>Upper</b>
<b>Limits on fixed interest rates:</b>			
• Debt only	100%	100%	100%
• Investments only:			
When total portfolio >£400m	90%	90%	90%
When total portfolio <£400m	85%	85%	85%
<b>Limits on variable interest rates</b>			
• Debt only	15%	15%	15%
• Investments only	75%	75%	75%
<b>Limits on Maturity Structure of Fixed Interest Rate Borrowing 2022/23</b>			
		<b>Lower</b>	<b>Upper</b>
Under 12 months		0%	10%
12 months to 2 years		0%	10%
2 years to 5 years		0%	10%
5 years to 10 years		0%	25%

10 years to 20 years	0%	20%
20 years to 30 years	0%	25%
30 years to 40 years	0%	50%
40 years to 50 years	0%	60%
<b>Limits on Maturity Structure of Variable Interest Rate Borrowing 2022/23</b>		
	<b>Lower</b>	<b>Upper</b>
30 years to 40 years	0%	60%
40 years to 50 years	0%	40%

### Long Term Investments Indicator

6.15. This indicator sets a limit on the total principal funds invested for greater than 365 days. This limit is set with regard to the Council's liquidity requirements and to manage the risks associated with the possibility of loss which may arise as a result of having to seek early repayment, or redemption of, principal sums invested.

6.16. The indicator is set out in Table 2 below. As at 31 March 2022, the Council is not expected to hold any investments for longer than 365 days.

**Table 2: Treasury Indicators and Limits**

<b>Maximum Principal Sums Invested for Longer than 365 days</b>			
	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Limit on principal sums invested for longer than 365 days	50.0	50.0	50.0

### Debt Rescheduling

6.17. As short-term borrowing rates will be considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate efficiencies by switching from long-term debt to short-term debt. However, these efficiencies will need to be considered in light of the current treasury position and the size of the cost of debt repayment (premiums incurred).

6.18. The reasons for any rescheduling to take place will include:

- The generation of cash savings and/or discounted cash flow savings;
- Helping to fulfil the Treasury Strategy; and
- Enhancing the balance of the portfolio (to amend the maturity profile and/or the balance of volatility).

6.19. The Council will continue to explore rescheduling opportunities as appropriate in respect of the financing of its PFIs and external loans.

6.20. The Council has £120m of LOBO loans at nominal value as at 31 March 2022 of which £35m will be in their call period in 2022/23 for fixed rate LOBO loans, along with £12.5m of capitalised interest in respect of the stepped LOBO loan. In the event that the lender exercises the option to change the rate or terms of the loans within their call period, the Council will consider the terms being provided and also the option of repayment of the loan without penalty.

- 6.21. The Council continuously reviews its debt position to optimise its cash flow. Any consideration of debt rescheduling will be reported to Mayor and Cabinet and subsequently to Council at the earliest meeting possible.
- 6.22. No new external borrowing has been undertaken to date in 2021/22 as of 10 January 2022. There was an increase in PWLB margins over gilt yields in October 2019, although the general margin of PWLB rates over gilt yields was then reduced by 100 bps in November 2020. The subsequent consultation on these margins by HM Treasury, together with the impact of coronavirus on the capital programme, has led the Council to make use of internal borrowing where required in 2021/22 financial year.
- 6.23. Debt rescheduling of current borrowing is unlikely to occur as there is still a very large difference between premature redemption rates and new borrowing rates.
- 6.24. Debt rescheduling opportunities have been very limited in the current economic climate and following the various increases in the margins added to gilt yields which have impacted PWLB new borrowing rates since October 2010. No debt rescheduling has therefore been undertaken to date in the current financial year.

## **7. Council's Capital Programme**

### **Capital Investment Plans**

- 7.1. The Treasury Management Strategy for 2022/23 incorporates the capital plans of the Council, which are a key driver of treasury management activity. The output of capital expenditure plans is reflected in the prudential indicators, which are designed to assist Members' overview and confirm capital expenditure plans.
- 7.2. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes so that sufficient cash is available to meet service activity and the Council's Capital Strategy. This involves both the management and monitoring of cash flows and, where capital plans require, the arrangement of appropriate borrowing facilities.

### **Capital Strategy**

- 7.3. The CIPFA 2017 Prudential and Treasury Management Codes require all local authorities to produce a Capital Strategy, which will provide the following:
- A high-level long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services;
  - An overview of how the associated risk is managed; and
  - The implications for future financial sustainability.
- 7.4. The aim of the strategy is to ensure that all elected Members on full Council fully understand the overall long-term policy objectives and resulting Capital Strategy requirements, governance procedures and risk appetite.
- 7.5. The Capital Strategy is reported separately from the Treasury Management Strategy; non-treasury investments will be reported through the former. This ensures the separation of the core treasury function under security, liquidity and yield principles, and the policy and commercialism investments usually driven by expenditure on an asset. The Capital Strategy shows:
- The corporate governance arrangements for these types of activities;
  - Any service objectives relating to the investments;
  - The expected income, costs and resulting contribution;
  - The debt related to the activity and the associated interest costs;
  - For non-loan type investments, the cost against the current market value; and

- The risks associated with each activity.

7.6. The 2022/23 Capital Strategy will be presented to Members on 2 February 2022.

### Capital Position (Prudential Indicators)

- 7.7. Forward projections for borrowing as at 31 March 2022 are summarised below in Table 3, which shows the actual external debt from treasury management operations and other long-term liabilities against the underlying capital borrowing need (the Capital Financing Requirement - CFR) which is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's indebtedness, and its underlying borrowing need; any increase to capital expenditure which has not immediately been paid for through a revenue or capital resource will increase the CFR.
- 7.8. The CFR does not increase indefinitely, as the Minimum Revenue Provision (MRP) is a statutory annual revenue charge which broadly reduces the indebtedness in line with each asset's life, and so charges the economic consumption of capital assets as they are used.
- 7.9. The CFR includes any other long-term liabilities (e.g. PFI liabilities). Whilst these increase the CFR and therefore the Council's borrowing requirement, these types of scheme include a borrowing facility by the PFI or PPP provider and so the Council is not required to separately borrow for these schemes.
- 7.10. Changes in external debt incorporate upcoming loan maturities and projected prudential borrowing requirements in both the General Fund and the Housing Revenue Account (HRA).
- 7.11. Table 3 below illustrates over/(under) borrowing relative to the combined CFR for the General Fund and HRA.

**Table 3: External Debt Projections**

	2020/21 Actual £m	2021/22 Forecast £m	2022/23 Forecast £m	2023/24 Forecast £m	2024/25 Forecast £m
External Debt at 1 April	217.00	223.50	268.70	387.20	532.50
Change in External Debt	6.50	45.20	118.50	145.30	69.50
Other Long-Term Liabilities	240.20	229.90	219.80	209.00	197.50
<b>Gross Debt at 31 March</b>	<b>463.70</b>	<b>498.60</b>	<b>607.00</b>	<b>741.50</b>	<b>799.50</b>
CFR - HRA	55.50	81.60	190.40	327.00	389.80
CFR – General Fund and Other Long-Term Liabilities	451.70	457.40	469.20	459.80	442.30
<b>Total Capital Financing Requirement at 31 March*</b>	<b>507.20</b>	<b>539.00</b>	<b>659.60</b>	<b>786.80</b>	<b>832.10</b>
<b>Borrowing – over / (under)</b>	<b>(43.50)</b>	<b>(40.40)</b>	<b>(52.60)</b>	<b>(45.30)</b>	<b>(32.60)</b>

\*The Capital Financing Requirement includes the prudential borrowing figures shown in Section 6.1 of the 2022/23 Capital Strategy. The previous year's forecast prudential borrowing for capital did not materialise as expected and there is a risk that this recurs. This will be monitored during the year and reported back. This is a more acute risk given the scale and ambition of the capital programme, particularly in the HRA. We will ensure that we only borrow as the need arises.

- 7.12. Within the prudential indicators, there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for the

current and following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue or speculative purposes.

- 7.13. The Executive Director for Corporate Resources reports that the Council has complied with this prudential indicator in the current year to date and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in this report.

### Limits to Borrowing Activity

- 7.14. There are two measures of limiting external debt; the 'operational boundary' and 'authorised limit for external debt', which the Council reports on as part of its prudential indicators. Both are described in further detail in the following paragraphs.

#### The Operational Boundary for External Debt

- 7.15. This is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt and the ability to fund under-borrowing by other cash resources. The Council's operational boundary is set out in Table 4.

**Table 4: Operational Boundary**

	2021/22 £m	2022/23 £m	2023/24 £m	2024/25 £m
Maximum External Debt at 31 March	268.70	387.20	532.50	602.00
Other Long-Term Liabilities	229.90	219.80	209.00	197.50
<b>Operational Boundary for Year</b>	<b>498.60</b>	<b>607.00</b>	<b>741.50</b>	<b>799.50</b>

#### The Authorised Limit for External Debt

- 7.16. This key indicator represents a control on the maximum level of borrowing, and provides a limit beyond which external debt is prohibited. It reflects the level of external debt which, while not desired, could be afforded in the short term but is not sustainable in the longer term.

- 7.17. This is a statutory limit determined under Section 3(1) of the Local Government Act 2003, and needs to be set and revised by full Council. The Government retains an option to control either the total of all Councils' plans, or those of a specific Council, although this power has not yet been exercised.

- 7.18. The authorised limits are as set out in Table 5.

**Table 5: Authorised Limits for External Debt**

	2021/22 £m	2022/23 £m	2023/24 £m	2024/25 £m
<b>Operational Boundary for Year</b>	<b>498.60</b>	<b>607.00</b>	<b>741.50</b>	<b>799.50</b>
Provision for Non Receipt of Expected Income	56.00	56.00	56.00	56.00
Additional 10% Margin	49.86	60.70	74.15	79.95
<b>Authorised Limit for Year</b>	<b>604.46</b>	<b>723.70</b>	<b>871.65</b>	<b>935.45</b>

## **8. Financial Implications**

- 8.1. There are no additional financial implications besides those mentioned elsewhere in this report.

## **9. Legal Implications**

- 9.1. Local authorities are required to produce and monitor for the forthcoming year a range of indicators based on actual figures; these are set out in the report. The CIPFA Treasury Management Code of Practice says that movement may be made between the various indicators during the year by an Authority's Chief Finance Officer so long as the indicators for the total Authorised Limit and the total Operational Boundary for external debt remain unchanged. Any such changes are to be reported to the next meeting of the Council.
- 9.2. Under Section 5 of the Local Government Act 2003, the prudential indicator for the total Authorised Limit for external debt is deemed to be increased by an amount of any unforeseen payment which becomes due to the Authority within the period to which the limit relates, which includes, for example, additional external funding becoming available but not taken into account by the Authority when determining the Authorised Limit. Where Section 5 of the Act is relied upon to borrow above the Authorised Limit, the Code requires that this fact is reported to the next meeting of the Council.
- 9.3. Authority is delegated to the Executive Director of Corporate Resources to make amendments to the limits on the Council's counterparty list and to undertake treasury management in accordance with the CIPFA Code of Practice and the Council's Treasury Policies.

### Balanced Budget

- 9.4. In accordance with the Local Government Act 1992 the Council must set its Council Tax for 2022/2023 before 11 March 2022. By law it may not set the Council Tax before receipt of confirmation of the precept from the precepting authority, the GLA which is anticipated on 24 February. A report will be prepared for the Council meeting on 2 March 2022 on the basis of indications from the GLA but the report will be despatched before their final decision. The Executive Director for Corporate Resources will update the Council accordingly before it makes its decision.
- 9.5. Following the introduction of the Local Authorities (Standing Orders)( Amendment) Regulations 2014 the Council's Constitution was amended to require that when the Council votes on key budget and Council Tax decisions, the vote must be recorded. This requirement will apply when the Council meets to set the Council Tax.
- 9.6. Members have a duty to ensure that the Council acts lawfully. It must set and maintain a balanced budget each year. The Council must take steps to deal with any projected overspends and identify budget reductions or other measures to bring the budget under control. If the Capital Programme is overspending, this may be brought back into line through cuts, slippage, or contributions from revenue.
- 9.7. In this context, Members are reminded of their fiduciary duty to the Council Tax payer, effectively to act as trustee of the Council's resources and to ensure proper custodianship of Council funds.

## **10. Equalities Implications**

- 10.1. The Equality Act 2010 (the Act) introduced the public sector equality duty (the equality duty or the duty). It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race,

religion or belief, sex and sexual orientation.

- 10.2. 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.
- 10.3. The duty continues to be a “have regard duty”, and the weight to be attached to it is a matter for the Mayor and Cabinet, 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. Assessing the potential impact on equality of proposed changes to policies, procedures and practices is one of the key ways in which the Council can demonstrate that they have had ‘due regard’.
- 10.4. The Equality and Human Rights Commission 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 services and public functions. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at: <http://www.equalityhumanrights.com/legal-and-policy/equality-act/equality-act-codes-of-practice-and-technical-guidance/>
- 10.5. 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
- 10.6. The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties, and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at: <http://www.equalityhumanrights.com/advice-and-guidance/public-sector-equality-duty/guidance-on-the-equality-duty/>
- 10.7. The EHRC has also issued Guidance entitled “Making Fair Financial Decisions”.
- 10.8. Assessing impact on equality is not an end to itself and it should be tailored to, and be proportionate to, the decision being made. Whether it is proportionate for the Council to conduct an Equalities Analysis Assessment of the impact on equality of a financial decision or not depends on its relevance to the Authority’s particular function and its likely impact on people from protected groups, including staff.
- 10.9. It is also important to note that the Council is subject to the Human Rights Act, and should therefore, also consider the potential impact their particular decisions could have on human rights.

## **11. Climate Change and Environmental Implications**

11.1. There are no direct climate or environmental implications arising from this report.

## **12. Crime and Disorder Implications**

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

## **13. Health and Wellbeing Implications**

13.1. There are no direct health and wellbeing implications arising from this report.

## **14. Background Papers**

14.1. The following papers are appended to this report:

- *Appendix 1 – Interest Rate Forecasts 2021 – 2025*
- *Appendix 2 – Extract from Credit Worthiness Policy*
- *Appendix 3 – Benchmarking Extract*
- *Appendix 4 – Economic Update from Link Asset Services*
- *Appendix 5 – Approved Countries for Investment*
- *Appendix 6 – Requirement of the CIPFA Treasury Management Code of Practice*
- *Appendix 7 – Background of revised CIPFA TM Code 2021*
- *Appendix 8 – Investment Portfolio*

## **15. Report Author and Contacts**

15.1. For more information please contact Kathy Freeman, Executive Director of Corporate Resources, 1<sup>st</sup> Floor Laurence House, 020 8314 9249, [Kathy.Freeman@lewisham.gov.uk](mailto:Kathy.Freeman@lewisham.gov.uk)

15.2. Financial implications: Michael Docherty, Senior Accountant – Financial Strategy, Planning and Commercial

15.3. Legal implications: Mia Agnew, Contracts Lawyer

## APPENDIX 1: Interest Rate Forecasts 2021 - 2025

The Council has appointed Link Group as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. The following table provides Link's latest central view.

Period	Bank Rate	PWLB Borrowing Rates % (including certainty rate adjustment of 20 basis points)			
		5 year	10 year	25 year	50 year
	%				
Dec 2021	0.25	1.40	1.60	1.80	1.50
Mar 2022	0.25	1.50	1.70	1.90	1.70
Jun 2022	0.50	1.50	1.80	2.00	1.80
Sep 2022	0.50	1.60	1.80	2.10	1.90
Dec 2022	0.50	1.60	1.90	2.10	1.90
Mar 2023	0.75	1.70	1.90	2.20	2.00
Jun 2023	0.75	1.80	2.00	2.20	2.00
Sep 2023	0.75	1.80	2.00	2.20	2.00
Dec 2023	0.75	1.80	2.00	2.30	2.10
Mar 2024	1.00	1.90	2.10	2.30	2.10
Jun 2024	1.00	1.90	2.10	2.40	2.20
Sep 2024	1.00	1.90	2.10	2.40	2.20
Dec 2024	1.00	2.00	2.20	2.50	2.30
Mar 2025	1.25	2.00	2.30	2.50	2.30

## APPENDIX 2: Extract from Credit Worthiness Policy

### (Linked to Treasury Management Practice (TMP1) – Credit and Counterparty Risk Management)

#### Annual Investment Strategy:

The key requirements of both the CIPFA Code of Practice on Treasury Management in the Public Services and Department for Levelling Up, Housing and Communities (DLUHC's) Investment Guidance are to set an annual investment strategy, as part of its annual Treasury Management Strategy for the following year, covering the identification and approval of the following:

- The strategy guidelines for choosing and placing investments, particularly non-specified investments;
- The principles to be used to determine the maximum periods for which funds can be committed;
- Specified investments that the Council will use. These are high security (i.e. high credit rating, although this is defined by the Council, and no guidelines are given), and high liquidity investments in sterling and with a maturity of no more than a year; and
- Non-specified investments, clarifying the greater risk implications, identifying the general types of investment that may be used and a limit to the overall amount of various categories that can be held at any time.

The investment policy proposed for the Council is:

**Strategy guidelines** – The main strategy guidelines are contained in the body of the treasury strategy statement.

**Specified investments:** These investments are sterling investments of not more than one-year maturity, or those which could be for a longer period but where the Council has the right to be repaid within 12 months if it wishes. They also include investments which were originally classed as being non-specified investments, but which would have been classified as specified investments apart from originally being for a period longer than 12 months, once the remaining period to maturity falls to under twelve months. These are considered low risk assets where the possibility of loss of principal or investment income is small. These would include sterling investments which would not be defined as capital expenditure with:

1. The UK Government, such as the Debt Management Account Deposit Facility (DMADF), UK Treasury bills or a gilt with less than one year to maturity;
2. Supranational bonds of less than one year's duration;
3. A local authority, housing association, parish council or community council;
4. Pooled investment vehicles (such as money market funds) that have been awarded a high credit rating (AAA) by a credit rating agency; and
5. A body that is considered of a high credit quality (such as a bank or building society).

Within these bodies, and in accordance with the Code, the Council has set additional criteria to define the time and amount of monies which will be invested in these bodies, as shown in the table further below.

**Non-Specified Investments:** These are any investments which do not meet the specified investment criteria, and include certificates of deposit issued by banks or building societies, fixed deposits with building societies that do not meet the basic security requirements of specified investments, corporate bonds, and property funds. Provision has been made in the Strategy to invest in a limited number of lower rated building societies within the restrictions set out, certificates of deposit with both banks and building societies, and pooled asset funds (should the relevant opportunity arise). The Council will seek guidance on the status of any pooled fund or collective investment scheme it may consider using, and appropriate due diligence will also be undertaken before investment of this type is undertaken.

The Council applies the creditworthiness service provided by Link Group. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody's and Standard and Poor's. The credit ratings of counterparties are supplemented with the following overlays:

- Credit watches and credit outlooks from credit rating agencies;
- Credit Default Swap (CDS) spreads to give early warning of likely changes in credit ratings;
- Sovereign ratings to select counterparties from only the most creditworthy countries.

These factors are weighted and combined with an overlay of CDS spreads. The end product is a series of ratings (colour coded) to indicate the relative creditworthiness of counterparties. These ratings are used by the Council to determine the suggested duration for investments.

The Link Group creditworthiness service uses a wider array of information other than just primary ratings. Furthermore, by using a risk weighted scoring system, it does not give undue precedence to just one agency's ratings.

The criteria, time limits and monetary limits applying to institutions or investment vehicles are:

	<b>Minimum credit criteria / colour band</b>	<b>Max % of total investments/ £ limit per institution</b>	<b>Max. maturity period</b>
DMADF – UK Government	N/A	100%	6 months
UK Government gilts	UK sovereign rating	£20m	1 year
UK Government Treasury bills	UK sovereign rating	£60m	6 months
Money Market Funds - CNAV	AAA	£30m	Liquid
Money Market Funds - LVNAV	AAA	£30m	Liquid
Money Market Funds - VNAV	AAA	£30m	Liquid
Local authorities	N/A	£10m	1 year
Term deposits with banks and building societies	Yellow* Purple Blue Orange Red	£30m £25m £40m £25m £20m	Up to 5 years Up to 2 years Up to 1 year Up to 1 year Up to 6 Months

	Green No Colour	£15m Not for use**	Up to 100 days Not for use**
CDs or corporate bonds with banks and building societies	Blue Orange Red Green No Colour	£40m £25m £20m £15m Not for use**	Up to 1 year Up to 1 year Up to 6 Months Up to 100 days Not for use**
Term deposits or CDs with building societies on Link's counterparty list rated 'No colour'	BBB-	£10m	Up to 3 months
Call accounts and notice accounts	Yellow* Purple Blue Orange Red Green No Colour	£30m £25m £40m £25m £20m £15m Not for use	Liquid
Pooled asset funds		£50m	At least 5 years

\*for UK Government debt, or its equivalent, Constant Net Asset Value (CNAV) money market funds and collateralised deposits where the collateral is UK Government debt.

\*\*except for those building societies rated BBB- or higher as set out elsewhere in the table.

**The monitoring of investment counterparties:** The credit rating of counterparties will be monitored regularly, on at least a weekly basis. The Council receives credit rating information (changes, rating watches and rating outlooks) from Link Group as and when ratings change, and the impact of those changes are assessed promptly. On occasion ratings may be downgraded when an investment has already been made. The criteria used are such that a minor downgrading should not affect the full receipt of the principal and interest upon maturity. Any counterparty failing to meet the criteria will be removed from the lending list immediately, and if required new counterparties which meet the criteria will be added to the list. Any fixed term investment held at the time of the downgrade will be left to mature as such investments cannot be broken mid-term.

Sole reliance will not be placed on the use of this external service. In addition, the Council will make use of market data and information on any external support for banks to help support its decision-making process.

**Accounting treatment of investments:** The accounting treatment may differ from the underlying cash transactions arising from investment decisions made by this Council. To ensure that the Council is protected from any adverse revenue impact which may arise from these differences, we will review the accounting implications of new transactions before they are undertaken.

# APPENDIX 3: Benchmarking Extract

The following three pages present an extract, with glossary, of the Council's treasury benchmarking report as at 30 September 2021.

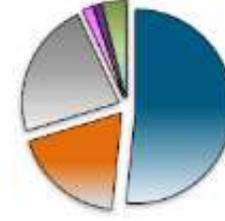
## London Borough Of Lewisham

### Summary Sheet

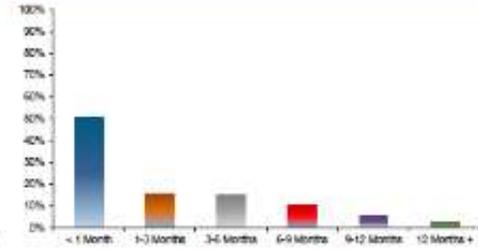
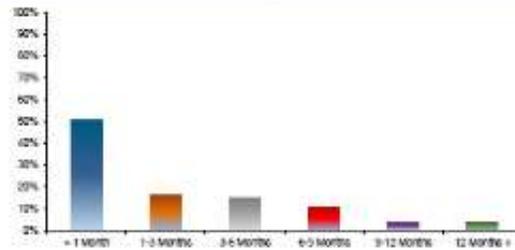
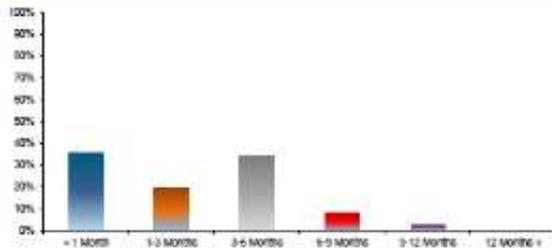
London Borough Of Lewisham	Benchmarking Group 2 (15) Basic Portfolio Characteristics	London (20)
WARoR	0.11%	0.22%
WAM	94	89
WATT	150	178
WA Credit Risk	3.57	2.76
Model WARoR	0.16%	0.20%
Difference	-0.05%	0.02%
Model Band	0.12% - 0.21%	0.16% - 0.25%
Performance	Below	Inline

#### Asset Breakdown

- Fixed Deposits
- Calls & O/N
- MMFs
- USDBPs
- Struct. Prods.
- Bonds
- CDs



#### Maturity Profiles



## London Borough Of Lewisham

### Peer Comparison

	London Borough Of Lewisham	Benchmarking Group 2 (15)		London (20)		Population Average (215)	
<b>Basic Characteristics</b>							
Principal	£436,643,000	£249,031,867		£280,014,843		£111,256,212	
WARoR	0.11%	0.25%		0.22%		0.15%	
WAM	94	85		89		74	
WATT	150	192		178		133	
WA Credit Risk	3.57	2.79		2.76		3.03	
<b>Portfolio Breakdown</b>							
Fixed Deposits	51.53%	48.35%	14	51.58%	18	41.37%	188
Calls & O/N	20.61%	21.56%	11	18.71%	15	29.20%	192
MMFs	27.86%	23.40%	14	22.71%	15	25.92%	165
USDBFs	0.00%	1.84%	2	1.76%	2	1.26%	19
Struct. Prods.	0.00%	0.00%	0	0.00%	0	0.27%	5
Bonds	0.00%	4.73%	2	1.26%	1	0.61%	9
CDs	0.00%	0.12%	1	3.98%	1	1.38%	18
<b>Institution Breakdown</b>							
Banks	72.14%	45.83%	15	43.37%	19	46.35%	204
Building Soc.	0.00%	3.57%	3	5.04%	5	6.12%	69
Government	0.00%	23.98%	9	25.84%	12	19.79%	127
MMFs	27.86%	23.40%	14	23.16%	16	25.82%	166
USDBFs	0.00%	1.84%	2	1.76%	2	1.26%	19
MLDBs	0.00%	0.00%	0	0.00%	0	0.03%	2
Other	0.00%	1.37%	2	1.03%	2	0.62%	15
<b>Domestic/Foreign Exposure</b>							
Domestic	41.22%	66.62%	15	67.44%	19	68.07%	209
Foreign	30.92%	8.13%	9	7.63%	11	4.80%	66
MMFs	27.86%	23.40%	14	23.16%	16	25.87%	166
USDBFs	0.00%	1.84%	2	1.76%	2	1.26%	19
<b>Maturity Structure</b>							
< 1 Month	35.87%	50.62%		50.54%		55.17%	
1-3 Months	19.47%	16.37%		15.32%		13.96%	
3-6 Months	34.35%	14.62%		15.00%		19.89%	
6-9 Months	8.02%	10.75%		10.83%		4.95%	
9-12 Months	2.28%	3.81%		5.65%		4.05%	
12 Months +	0.00%	3.54%		2.65%		2.19%	

## Definitions

<b>WARoR</b>	Weighted Average Rate of Return	This is the average annualised rate of return weighted by the principal amount in each rate.
<b>WAM</b>	Weighted Average Time to Maturity	This is the average time, in days, till the portfolio matures, weighted by principal amount.
<b>WATT</b>	Weighted Average Total Time	This is the average time, in days, that deposits are lent out for, weighted by principal amount.
<b>WA Risk</b>	Weighted Average Credit Risk Number	Each institution is assigned a colour corresponding to a suggested duration using Link Asset Services' Suggested Credit Methodology 1 = Yellow; 1.25 = Pink 1; 1.5 = Pink 2, 2 = Purple; 3 = Blue; 4 = Orange; 5 = Red; 6 = Green; 7 = No Colour
<b>Model WARoR</b>	Model Weighted Average Rate of Return	This is the WARoR that the model produces by taking into account the risks inherent in the portfolio.
<b>Difference</b>	Difference	This is the difference between the actual WARoR and the model WARoR; Actual WARoR minus Model WARoR.

## APPENDIX 4: Economic Update from Link Asset Services

### UK Economy

- 1.1 On 16<sup>th</sup> December 2021, the Monetary Policy Committee (MPC) voted 8-1 to raise Bank Rate by 0.15% from 0.10% to 0.25% and unanimously decided to make no changes to its programme of quantitative easing purchases due to finish in December 2021 at a total of £895bn.
- 1.2 The Bank of England retained its guidance that only a “modest tightening” in policy will be required, it cannot be thinking that it will need to increase interest rates that much more. A typical policy tightening cycle has usually involved rates rising by 0.25% four times in a year. “Modest” seems slower than that. As such, the Bank could be thinking about raising interest rates two or three times next year to 0.75% or 1.00%
- 1.3 As for the timing of the next increase in Bank Rate, the MPC dropped the comment from November’s statement that Bank Rate would be raised “in the coming months”. That may imply another rise is unlikely at the next meeting in February and that May is more likely. However, much could depend on how adversely, or not, the economy is affected by Omicron in the run up to the next meeting on 3<sup>rd</sup> February. Once 0.50% is reached, the Bank would start shrinking its stock of QE (gilts purchased by the Bank would not be replaced when they mature).
- 1.4 The MPC’s forward guidance on its intended monetary policy on raising Bank Rate versus selling (quantitative easing) holdings of bonds is as follows:
  - Raising Bank Rate as “the active instrument in most circumstances”
  - Raising Bank Rate to 0.50%, before starting on reducing its holdings.
  - Once Bank Rate is at 0.50%, it would stop reinvesting maturing gilts.
  - Once Bank Rate had risen to at least 1%, it would start selling its holdings.
- 1.5 On 14<sup>th</sup> December 2021, the labour market statistics for the three months to October and the single month of October were released. The fallout after the furlough scheme was smaller and shorter than the Bank of England had feared. The single-month data were more informative and showed that labour force employment fell by 240,000, unemployment increased by 75,000 and the unemployment rate rose from 3.9% in September to 4.2%. However, the weekly data suggested this didn’t last long as unemployment was falling again by the end of October. What’s more, the 49,700 fall in the claimant count and the 257,000 rise in the PAYE measure of company payrolls suggests that the labour market strengthened again in November.
- 1.6 The other side of the coin was a further rise in the number of vacancies from 1.182m to a record 1.219m in the three months to November which suggests that the supply of labour is struggling to keep up with demand, although the single-month figure for November fell for the first time since February, from 1.307m to 1.227m.
- 1.7 These figures by themselves, would probably have been enough to give the MPC the assurance that it could press ahead to raise Bank Rate at the meeting in December. However, the advent of Omicron potentially threw a spanner into the works as it poses a major headwind to the economy which, of itself, will help to cool the economy. The financial markets, therefore, swung round to expecting no change in Bank Rate.
- 1.8 On 15<sup>th</sup> December 2021, it was announced that the CPI inflation figure for November spiked up further from 4.2% to 5.1%, confirming again how inflationary pressures have been building sharply. However, Omicron also caused a sharp fall in world oil and other commodity prices; (gas and electricity inflation has generally accounted on average for about 60% of the increase in inflation in advanced western economies).

- 1.9 Other elements of inflation are also transitory e.g., prices of goods being forced up by supply shortages, and shortages of shipping containers due to ports being clogged have caused huge increases in shipping costs. But these issues are likely to clear during 2022, and then prices will subside back to more normal levels. Gas prices and electricity prices will also fall back once winter is passed and demand for these falls away.

### **USA Economy**

- 1.10 Shortages of goods and intermediate goods like semi-conductors, have been fuelling increases in prices and reducing economic growth potential. In November, CPI inflation hit a near 40-year record level of 6.8% but with energy prices then falling sharply, this was probably the peak. The biggest problem for the Federal Reserve (Fed) is the mounting evidence of a strong pick-up in cyclical price pressures e.g., in rent which has hit a decades high.
- 1.11 Shortages of labour have also been driving up wage rates sharply; this also poses a considerable threat, feeding back into producer prices and then into consumer price inflation. It now also appears that there has been a sustained drop in the labour force which suggests the pandemic has had a longer-term scarring effect in reducing potential GDP. Economic growth may therefore be reduced to between 2% and 3% in 2022 and 2023, while core inflation is likely to remain elevated at around 3% in both years instead of declining back to the Fed's 2% central target.
- 1.12 Inflation hitting 6.8% and the feed through into second round effects, meant that it was near certain that the Fed's meeting on 15<sup>th</sup> December 2021 would take aggressive action against inflation. Accordingly, the rate of tapering of monthly \$120bn QE purchases announced at its November 3<sup>rd</sup> meeting was doubled so that all purchases would now finish in February 2022. In addition, Fed officials had started discussions on running down the stock of QE held by the Fed.
- 1.13 Fed officials also expected three rate rises in 2022 of 0.25% from near zero currently, followed by three in 2023 and two in 2024, taking rates back above 2% to a neutral level for monetary policy. The first increase could come as soon as March 2022 as the chairman of the Fed stated his view that the economy had made rapid progress to achieving the other goal of the Fed – “maximum employment”.
- 1.14 The Fed forecast that inflation would fall from an average of 5.3% in 2021 to 2.6% in 2023, still above its target of 2% and both figures significantly up from previous forecasts. What was also significant was that this month the Fed dropped its description of the current level of inflation as being “transitory” and instead referred to “elevated levels” of inflation: the statement also dropped most of the language around the flexible average inflation target, with inflation now described as having exceeded 2 percent “for some time”. It did not see Omicron as being a major impediment to the need to take action now to curtail the level of inflationary pressures that have built up, although Fed officials did note that it has the potential to exacerbate supply chain problems and add to price pressures.

### **Eurozone Economy**

- 1.15 The slow roll out of vaccines initially delayed economic recovery in early 2021 but the vaccination rate then picked up sharply. After a contraction of -0.3% in Q1, Q2 came in with strong growth of 2%. With Q3 at 2.2%, the EU recovery was then within 0.5% of its pre Covid size. However, the arrival of Omicron is now a major headwind to growth in quarter 4 and the expected downturn into weak growth could well turn negative, with the outlook for the first two months of 2022 expected to continue to be very weak.

- 1.16 November's inflation figures breakdown shows that the increase in price pressures is not just due to high energy costs and global demand-supply imbalances for durable goods as services inflation also rose. Headline inflation reached 4.9% in November, with over half of that due to energy. However, oil and gas prices are expected to fall after the winter and so energy inflation is expected to plummet in 2022. Core goods inflation rose to 2.4% in November, its second highest ever level, and is likely to remain high for some time as it will take a long time for the inflationary impact of global imbalances in the demand and supply of durable goods to disappear. Price pressures also increased in the services sector, but wage growth remains subdued and there are no signs of a trend of faster wage growth which might lead to persistently higher services inflation - which would get the ECB concerned. The upshot is that the euro-zone is set for a prolonged period of inflation being above the ECB's target of 2% and it is likely to average 3% in 2022, in line with the ECB's latest projection.

### **China Economy**

- 1.17 After a concerted effort to get on top of the virus outbreak in Q1 2020, economic recovery was strong in the rest of 2020; this enabled China to recover all the initial contraction. During 2020, policy makers both quashed the virus and implemented a programme of monetary and fiscal support that was particularly effective at stimulating short-term growth. At the same time, China's economy benefited from the shift towards online spending by consumers in developed markets. These factors helped to explain its comparative outperformance compared to western economies during 2020 and earlier in 2021.
- 1.18 However, the pace of economic growth has now fallen back in 2021 after this initial surge of recovery from the pandemic and looks likely to be particularly weak in 2022. China has been struggling to contain the spread of the Delta variant through using sharp local lockdowns - which depress economic growth. Chinese consumers are also being very wary about leaving home and so spending money on services. However, with Omicron having now spread to China, and being much more easily transmissible, this strategy of sharp local lockdowns to stop the virus may not prove so successful in future. In addition, the current pace of providing boosters at 100 million per month will leave much of the 1.4 billion population exposed to Omicron, and any further mutations, for a considerable time.
- 1.19 The People's Bank of China made a start in December 2021 on cutting its key interest rate marginally so as to stimulate economic growth. However, after credit has already expanded by around 25% in just the last two years, it will probably leave the heavy lifting in supporting growth to fiscal stimulus by central and local government.
- 1.20 Supply shortages, especially of coal for power generation, were causing widespread power cuts to industry during the second half of 2021 and so a sharp disruptive impact on some sectors of the economy. In addition, recent regulatory actions motivated by a political agenda to channel activities into officially approved directions, are also likely to reduce the dynamism and long-term growth of the Chinese economy

### **Japan Economy**

- 1.21 2021 has been a patchy year in combating Covid. However, recent business surveys indicate that the economy has been rebounding rapidly in 2021 as the bulk of the population had been double vaccinated and new virus cases had plunged. However, Omicron could reverse this initial success in combating Covid.
- 1.22 The Bank of Japan is continuing its very loose monetary policy but with little prospect of getting inflation back above 1% towards its target of 2%, any time soon: indeed, inflation was actually negative in July. New Prime Minister Kishida, having won the November general election, brought in a supplementary budget to boost growth, but it is unlikely to have a major effect.

## **Global Growth Prospects**

- 1.23 World growth was in recession in 2020 but recovered during 2021 until starting to lose momentum in the second half of the year, though overall growth for the year is expected to be about 6% and to be around 4-5% in 2022. Inflation has been rising due to increases in gas and electricity prices, shipping costs and supply shortages, although these should subside during 2022. While headline inflation will fall sharply, core inflation will probably not fall as quickly as central bankers would hope. It is likely that we are heading into a period where there will be a reversal of world globalisation and a decoupling of western countries from dependence on China to supply products, and vice versa. This is likely to reduce world growth rates from those in prior decades.

## **Supply Shortages**

- 1.24 The pandemic and extreme weather events, followed by a major surge in demand after lockdowns ended, have been highly disruptive of extended worldwide supply chains. Major queues of ships unable to unload their goods at ports in New York, California and China built up rapidly during Q2 and Q3 of 2021 but then halved during Q4. Such issues have led to a misdistribution of shipping containers around the world and have contributed to a huge increase in the cost of shipping. Combined with a shortage of semi-conductors, these issues have had a disruptive impact on production in many countries. The latest additional disruption has been a shortage of coal in China leading to power cuts focused primarily on producers (rather than consumers), i.e., this will further aggravate shortages in meeting demand for goods.
- 1.25 Many western countries are also hitting up against a difficulty in filling job vacancies. It is expected that these issues will be gradually sorted out, but they are currently contributing to a spike upwards in inflation and shortages of materials and goods available to purchase.

## **Gilt Yields/PWLB Rates**

- 1.26 Since the start of 2021, there has been a lot of volatility in gilt yields, and hence PWLB rates. As the interest forecast table for PWLB certainty rates in Appendix 1 shows, the forecast rise is to be steady, but slow, in both Bank Rate and gilt yields during the period to March 2025, though there will be a lot of unpredictable volatility during this forecast period.
- 1.27 On 25<sup>th</sup> November 2020, the Chancellor announced the conclusion to the review of margins over gilt yields for PWLB rates which had been increased by 100 bps in October 2019. The standard and certainty margins were reduced by 100 bps but a prohibition was introduced to deny access to borrowing from the PWLB for any local authority which had purchase of assets primarily for yield in its three-year capital programme.
- 1.28 The current PWLB rates are set as margins over gilt yields as follows:
- PWLB Standard Rate is gilt plus 100 basis points (G+100bps)
  - PWLB Certainty Rate is gilt plus 80 basis points (G+80bps)
  - PWLB HRA Standard Rate is gilt plus 100 basis points (G+100bps)
  - PWLB HRA Certainty Rate is gilt plus 80bps (G+80bps)
  - Local Infrastructure Rate is gilt plus 60bps (G+60bps)

As the interest forecast table for PWLB certainty rates, (gilts plus 80bps), above shows, there is likely to be little upward movement in PWLB rates over the next three years as the Bank of England is not expected to raise Bank Rate above 1.00%.

- 1.29 While monetary policy in the UK will have a major impact on gilt yields, there is also a need to consider the potential impact that rising treasury yields in America could have on the UK gilt yields. As an average since 2011, there has been a 75% correlation

between movements in US 10-year treasury yields and UK 10-year gilt yields. This is a significant upward risk exposure to the UK's forecasts for longer term PWLB rates. However, gilt yields and treasury yields do not always move in unison.

### **US Treasury Yields**

- 1.30 During the first part of 2021, US President Biden's, and the Democratic party's, determination to push through a \$1.9trn (equivalent to 8.8% of GDP) fiscal boost for the US economy as a recovery package from the Covid pandemic unsettled financial markets. However, this was in addition to the \$900bn support package already passed in December 2020. This was then followed by additional Democratic ambition to spend \$1trn on infrastructure, (which was eventually passed by both houses later in 2021), and an even larger sum on an American families plan over the next decade. Financial markets were alarmed that all this stimulus was happening at a time when:
- A fast vaccination programme had enabled a rapid opening up of the economy during 2021;
  - The economy was growing strongly during the first half of 2021 although it has weakened overall during the second half;
  - It started from a position of little spare capacity due to less severe lockdown measures than in many other countries; and
  - The Fed was still providing substantial stimulus through monthly QE purchases during 2021.
- 1.31 There are also possible downside risks from the huge sums of cash that the UK populace have saved during the pandemic; when savings accounts earn little interest, it is likely that some of this cash mountain could end up being invested in bonds and so push up demand for bonds and support their prices i.e., this would help to keep their yields down. How this will interplay with the Bank of England eventually getting round to not reinvesting maturing gilts and then later selling gilts, will be interesting to monitor.

### **Creditworthiness**

- 1.32 Significant levels of downgrades to Short and Long Term credit ratings have not materialised since the crisis in March 2020. In the main, where they did change, any alterations were limited to Outlooks. However, as economies are beginning to reopen, there have been some instances of previous lowering of Outlooks being reversed.
- 1.33 Although CDS prices (these are market indicators of credit risk) for banks (including those from the UK) spiked at the outset of the pandemic in 2020, due to the heightened market uncertainty and ensuing liquidity crisis that affected financial markets, they have subsequently returned to near pre-pandemic levels. However, sentiment can easily shift, so it remains important to undertake continual monitoring of all aspects of risk and return in the current circumstances.

### **Debt Rescheduling**

- 1.34 Debt rescheduling of current borrowing is unlikely to occur as there is still a very large difference between premature redemption rates and new borrowing rates, even though the general margin of PWLB rates over gilt yields was reduced by 100 bps in November 2020.
- 1.35 Debt rescheduling opportunities have been very limited in the current economic climate and following the various increases in the margins added to gilt yields which have impacted PWLB new borrowing rates since October 2010. No debt rescheduling has therefore been undertaken to date in the current financial year.

## **APPENDIX 5: Approved Countries for Investment**

This list is based on those countries which have sovereign ratings of AA- or higher, (we show the lowest rating from Fitch, Moody's and S&P) and also, (except - at the time of writing - for Hong Kong, Norway and Luxembourg), have banks operating in sterling markets which have credit ratings of green or above in the Link credit worthiness service.

### **AAA**

- Australia
- Denmark
- Germany
- Luxembourg
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

### **AA+**

- Canada
- Finland
- USA

### **AA**

- Abu Dhabi (UAE)
- France

### **AA-**

- Belgium
- Hong Kong
- Qatar
- U.K.

## **APPENDIX 6: Requirement of the CIPFA Treasury Management Code of Practice**

### **Treasury Management Scheme of Delegation**

#### **(i) Full Council**

- budget consideration and approval;
- approval of annual Treasury Management Strategy;
- approval of/amendments to the organisation's adopted clauses and treasury management policy statement.

#### **(ii) Public Accounts Committee**

- receiving and reviewing reports on treasury management policies, practices and activities.

### **The Treasury Management Role of the Section 151 Officer**

#### **The S151 (responsible) officer has responsibility for:**

- recommending treasury management policies for approval, reviewing the same regularly, and monitoring compliance;
- submitting regular treasury management policy reports;
- submitting budgets and budget variations;
- receiving and reviewing management information reports;
- reviewing the performance of the treasury management function;
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
- ensuring the adequacy of internal audit, and liaising with external audit;
- approval of the division of responsibilities;
- approving the organisation's treasury management practices;
- preparation of a capital strategy to include capital expenditure, capital financing, non-financial investments and treasury management, with a long-term timeframe;
- ensuring that the capital strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money;
- ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the authority;
- ensuring that the authority has appropriate legal powers to undertake expenditure on non-financial assets and their financing;
- ensuring the proportionality of all investments so that the authority does not undertake a level of investing which exposes the authority to an excessive level of risk compared to its financial resources;
- ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long term liabilities;
- provision to Members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees;
- ensuring that Members are adequately informed and understand the risk exposures taken on by an authority; and
- ensuring that the authority has adequate expertise, either in-house or externally, to carry out the above.

## **APPENDIX 7: Background of revised CIPFA TM Code 2021**

2021 revised CIPFA Treasury Management Code and Prudential Code – changes which will impact on future TMSS/AIS reports and the risk management framework

CIPFA published the revised codes on 20th December 2021 and has stated that formal adoption is not required until the 2023/24 financial year. This Council has to have regard to these codes of practice when it prepares the Treasury Management Strategy Statement and Annual Investment Strategy, and also related reports during the financial year, which are taken to Full Council for approval.

### **The revised codes will have the following implications:**

- a requirement for the Council to adopt a new debt liability benchmark treasury indicator to support the financing risk management of the capital financing requirement;
- clarify what CIPFA expects a local authority to borrow for and what they do not view as appropriate. This will include the requirement to set a proportionate approach to commercial and service capital investment;
- address ESG issues within the Capital Strategy;
- require implementation of a policy to review commercial property, with a view to divest where appropriate;
- create new Investment Practices to manage risks associated with non-treasury investment (similar to the current Treasury Management Practices);
- ensure that any long term treasury investment is supported by a business model;
- a requirement to effectively manage liquidity and longer term cash flow requirements;
- amendment to TMP1 to address ESG policy within the treasury management risk framework;
- amendment to the knowledge and skills register for individuals involved in the treasury management function - to be proportionate to the size and complexity of the treasury management conducted by each council; and
- a new requirement to clarify reporting requirements for service and commercial investment, (especially where supported by borrowing/leverage).

In addition, all investments and investment income must be attributed to one of the following three purposes:

### **Treasury management**

Arising from the organisation's cash flows or treasury risk management activity, this type of investment represents balances which are only held until the cash is required for use. Treasury investments may also arise from other treasury risk management activity which seeks to prudently manage the risks, costs or income relating to existing or forecast debt or treasury investments.

### **Service delivery**

Investments held primarily and directly for the delivery of public services including housing, regeneration and local infrastructure. Returns on this category of investment which are funded by borrowing are permitted only in cases where the income is "either related to the financial viability of the project in question or otherwise incidental to the primary purpose".

### **Commercial return**

Investments held primarily for financial return with no treasury management or direct service provision purpose. Risks on such investments should be proportionate to a council's financial capacity – i.e., that 'plausible losses' could be absorbed in budgets or

reserves without unmanageable detriment to local services. An authority must not borrow to invest primarily for financial return.

As this Treasury Management Strategy Statement and Annual Investment Strategy deals solely with treasury management investments, the categories of service delivery and commercial investments will be dealt with as part of the Capital Strategy report. However, as investments in commercial property have implications for cash balances managed by the treasury team, it will be for each authority to determine whether they feel it is relevant to add a high level summary of the impact that commercial investments have, or may have, if it is planned to liquidate such investments within the three year time horizon of this report, (or a longer time horizon if that is felt appropriate).

In 2023, members will be updated on how all these changes will impact our current approach and any changes required will be formally adopted within the 2023/24 TMSS report.

## APPENDIX 8: Investment Portfolio

A full list of outstanding investments held as at 10 January 2022 is shown below:

Counterparty	Duration (Days)	Principal £m	Interest Rate	Interest £
<b>Fixed Rate Investments – Banks and Building Societies</b>				
Australia and New Zealand Banking Group	273	15.0	0.15%	16,829
Bank of Montreal	364	10.0	0.60%	59,836
Close Brothers Ltd	182	20.0	0.25%	24,932
DBS Bank Ltd.	277	5.0	0.14%	5,312
DBS Bank Ltd	90	5.0	0.30%	3,699
DBS Bank Ltd	365	15.0	0.15%	22,500
Goldman Sachs International Bank	181	20.0	0.115%	11,405
Landesbank Hessen-Thuringen Girozentrale	92	5.0	0.23%	2,899
Landesbank Hessen-Thuringen Girozentrale	276	10.0	0.11%	8,318
Landesbank Hessen-Thuringen Girozentrale	181	5.0	0.33%	8,182
National Bank of Canada	90	20.0	0.20%	9,863
National Westminster Bank PLC (RFB)	276	20.0	0.13%	19,660
National Westminster Bank PLC (RFB)	365	10.0	0.17%	17,000
National Westminster Bank PLC (RFB)	364	10.0	0.23%	22,937
Norddeutsche Landesbank	90	15.0	0.36%	13,315
SMBC Bank International Plc	181	20.0	0.27%	26,778
Toronto-Dominion Bank	365	5.0	0.12%	6,000
Toronto-Dominion Bank	364	20.0	0.68%	135,627
<b>Variable Rate Investments – Money Markets</b>				
Aberdeen Standard	N/A	30.0	0.08%	N/A
BlackRock	N/A	3.6	0.03%	N/A
Federated Hermes	N/A	30.0	0.07%	N/A
Goldman Sachs	N/A	0.0	0.01%	N/A
Insight	N/A	30.0	0.08%	N/A
<b>Variable Rate Investments – Notice Accounts</b>				
Australia and New Zealand Banking Group	185	10.0	0.28%	N/A
Bank of Scotland Plc (RFB)	175	20.0	0.06%	N/A
Barclays Bank Plc (NRFB)	95	20.0	0.15%	N/A
Lloyds Bank Plc (RFB)	175	20.0	0.06%	N/A
Santander UK Plc	180	20.0	0.58%	N/A

The Executive Director of Corporate Resources confirms that the approved limits within the Annual Investment Strategy were not breached as at 10 January 2022, during the 2021/22 financial year.