

Overview and Scrutiny



Public Accounts Select Committee Agenda

Thursday, 17 March 2022

7.00 pm,

Civic Suite

Lewisham Town Hall

London SE6 4RU

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This meeting is an open meeting and all items on the agenda may be audio recorded and/or filmed.

Part 1

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Public Accounts Select Committee Members

Members of the committee, listed below, are summoned to attend the meeting to be held on Thursday, 17 March 2022.

Kim Wright, Chief Executive
Wednesday, 9 March 2022

Councillor Mark Ingleby (Chair)	
Councillor Alan Hall (Vice-Chair)	
Councillor Jim Mallory	
Councillor Joan Millbank	
Councillor Joani Reid	
Councillor James Royston	
Councillor Paul Maslin (ex-Officio)	
Councillor Octavia Holland (ex-Officio)	

Minutes of the Public Accounts Select Committee

Thursday, 27 January 2022 at 7.00 pm

In attendance: Councillors Mark Ingleby (Chair), Alan Hall (Vice-Chair), Jim Mallory and James Royston

Also joining the meeting virtually: n/a

Apologies: Councillor Joan Millbank

Also present: Councillor Paul Maslin (Chair of Overview and Scrutiny), Mayor Damien Egan (Mayor) and Councillor James Rathbone (virtual) Timothy Andrew (Scrutiny Manager), David Austin (Director of Finance)(virtual), Kathy Freeman (Executive Director for Corporate Resources)(virtual), Katherine Nidd (Head of Financial Strategy, Planning and Commercial)(virtual) and Kim Wright (Chief Executive)(virtual);

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

1. Minutes of the meeting held on 1 December 2021

1.1 **Resolved:** that the minutes of the meeting held on 1 December be agreed as an accurate record.

2. Declarations of interest

2.1 There were none.

3. Responses from Mayor and Cabinet

3.1 There were none.

4. Budget reductions report

4.1 Mayor Egan was invited to address the Committee. He noted the extent of the Government cuts faced by the Council over a period of years and the difficulty of responding to the issues caused by the pandemic. He also noted the Council's resilience in the face of challenges and its priorities.

4.2 Kim Wright (Chief Executive) was invited to address the Committee. She noted the impacts of austerity and of the covid-19 pandemic and highlighted the importance of managing the Council's finances effectively to achieve the best outcomes for residents.

4.3 Kathy Freeman (Executive Director for Corporate Resources) introduced the budget reductions report - noting the pressures and uncertainties facing the Council as well as the challenges of bringing forward savings proposals in the context of the continued response to the pandemic.

- 4.4 Kathy Freeman and David Austin (Director of Finance) and Katherine Nidd (Head of Financial Strategy, Planning and Commercial) responded to questions from the Committee – the following key points were noted:
- It could not be guaranteed that the Council would not have to draw on reserves in the next year – given the uncertainties around the savings proposals and other cost pressures. However, the budget had not been set using reserves.
 - It was recognised that rates of inflation were very volatile – Lewisham had maintained its in line with other London authorities.
 - Festive lighting was not part of the private finance initiative (PFI) for street lighting. Officers would seek reputable corporate sponsors to finance future festive lighting (beginning with the provider of the PFI).
 - Work was taking place to manage overspending and implement the sufficiency strategy in children’s social care.
 - The ratio of agency to permanent social workers in children’s social care had improved but there were still workforce challenges.
 - Work was ongoing to improve the numbers of Lewisham foster carers.
 - The adult social care review was ongoing. There were a number of different work streams considering the delivery of a range of services.
 - Overspending in the Public Realm division had been managed down – and additional savings had been identified for the coming year.
- 4.5 In Committee discussions the following key points were also noted:
- The Committee welcomed the comments of the Sustainable Development Select Committee and reemphasised the importance of taking a strategic approach to the management of the commercial estate.
- 4.6 **Resolved:** that the Committee would refer its views to Mayor and Cabinet as follows –
- 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.
 - 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.
 - 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. Capital report

- 5.1 David Austin introduced the report – noting the additional work that had taken place in relation to the housing revenue account. He also outlined the other key elements of the report – highlighting the importance of careful management of the capital programme and some of the risks associated with

its delivery. He noted the different breakdown of the funding for the housing revenue account programme – and the rest of the capital programme.

5.2 David Austin responded to questions from the Committee – the following key points were noted:

- Further work was taking place on a business plan for the housing revenue account. The financial modelling enabled consideration of the risks and priorities for the capital programme.

5.3 In the Committee's discussion the following key point was also noted:

- Committee would welcome further information about the approach to managing risks and the options for the dynamic reprofiling of the housing revenue account programme as it was developed.

5.4 **Resolved:** that the report be noted.

6. Treasury management strategy 2022-23

6.1 Katherine Nidd introduced the report – noting the training session and update on the strategy that was provided for members in the autumn. She highlighted the key elements of the report and noted the revisions to the financial code of practice (and that an update would be provided to members on this in the new financial year).

6.2 Katherine Nidd responded to a question about business case modelling – noting that the Council followed best practice.

6.3 **Resolved:** that the report be noted.

7. Budget report

7.1 Kathy Freeman introduced the report – noting the change to the report format in comparison with previous years. She outlined the key elements of the report as well as key risks and pressures (including the costs of responding to the coronavirus pandemic).

7.2 Kathy Freeman responded to questions from the Committee – the following key points were noted:

- There was a shortage of in-borough placements for children with special educational needs – which meant the Council was required to find placements outside of the borough. Additional capacity was being created – but this would take time to implement.
- The Council had considered a number of the pressures associated with the response to the pandemic – and had factored these into the budget. However, some anticipated pressures remained unknown or were difficult to quantify with the information currently available.
- No covid-19 pandemic response funding had yet been returned to government. However, some funds would be returned where there were very specific relating to expenditure by partner organisations or through contracts (such as the infection control grant)

- Further information could be provided on the pilot ‘drugs pilot’ being run by the Children and Young People Directorate.
- There would be an 8% increase in the levy from the Greater London Authority on Council tax.

7.3 In the committee discussions the following key point was also noted.

- The Committee had not seen the section 25 statement on the reserves in advance of considering the budget.

7.4 **Resolved:** that the Committee would refer its views to Mayor and Cabinet as follows –

- The Committee wishes to place on record its thanks and appreciation for the hard work and dedication of Council officers. In particular, it recognises the level of dedication, professionalism and determination demonstrated by officers in the Corporate Resources Directorate, led commendably by Kathy Freeman (Executive Director for Corporate Resources) and supported by the Directors of Finance and the Head of Strategic Finance. Members recognise the difficult task facing officers in producing a well-considered and balanced budget in the context of uncertainty and ongoing austerity. The Committee asks Mayor and Cabinet to recognise and thank all of the officers who contributed to the delivery of the budget report.
- The Committee recommends that further detail should be provided to Mayor and Cabinet on the possible unallocated budget pressures arising from the Council’s response to the pandemic (and its associated consequences). It notes that there is the potential for significant overspending across a number of services. And, whilst officers’ intended approach to monitoring and managing these risks is acknowledged – the Committee believes that the budget report should further highlight and delineate the potential for significant in-year pressures and overspending, should the ongoing impact of the pandemic be greater than anticipated or healthcare partners unable to assume responsibility for the costs.

8. Select Committee work programme

8.1 The Committee discussed the work programme for the final meeting of the administration – noting the limited committee time available and pressures on officer time and resources. It also considered the proposal from the Overview and Scrutiny Committee to appoint a climate emergency champion.

8.2 The following items were proposed for the meeting on 17 March 2022:

- The Council’s approach to zero based budgeting
- Performance of payments to suppliers
- Local supply chains
- Section 106 spending

8.3 **Resolved:** that the Chair would work with the Executive Director to finalise the work programme for the next meeting. And – that Councillor Royston be appointed as the Committee’s climate emergency champion.

The meeting ended at 9.35 pm

Chair:

Date:

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Public Accounts Select Committee

Declarations of Interest

Date: 2021-22

Key decision: No

Class: Part 1

Ward(s) affected: All (none specific)

Contributors: Jeremy Chambers (Director of Law, Governance and Elections)

Outline and recommendations

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

1. Summary

1.1. Members must declare any personal interest they have in any item on the agenda. 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.

1.2. Further information on these is provided in the body of this report.

2. Recommendation

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

3. Disclosable pecuniary interests

3.1 These 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.

4. Other registerable interests

4.1 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.

5. Non registerable interests

- 5.1. 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).

6. Declaration and impact of interest on members' participation

- 6.1. 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 not 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**
- 6.2. 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 6.3 below applies.
- 6.3. 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.
- 6.4. 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.
- 6.5. 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.

7. Sensitive information

- 7.1. 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.

8. Exempt categories

- 8.1. 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).

9. Report author and contact

- 9.1. Jeremy Chambers, Director of Law, Governance and Elections - [Jeremy Chambers@lewisham.gov.uk](mailto:Jeremy.Chambers@lewisham.gov.uk), 020 83147648



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.

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- **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

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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

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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

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- 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

- 13.1. Katharine Nidd, Head of Strategic Finance, Planning and Commercial
- 13.2. 020 8314 6651, katharine.nidd@lewisham.gov.uk

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Mayor and Cabinet

Officer response to Public Accounts Select Committee comments on the draft 2022-23 Budget Report

Date: 9 February 2022.

Key decision: No.

Class: Part 1.

Wards affected: All.

Contributor: Executive Director for Corporate Resources

Outline and recommendations

This report provides an officer report for Mayor and Cabinet (M&C) in response to the comments and views of the Public Accounts Select Committee, arising from discussions on the Council's draft 2022-23 Budget Report.

Mayor and Cabinet is asked to consider this report alongside the views of the select committee as part of its overall consideration of the budget.

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 and draft budget 2022-23 report to Public Accounts Select Committee

2 February 2022 – budget reduction proposals to Mayor and Cabinet

9 February 2022 – draft 2022-23 budget report to Mayor and Cabinet

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1. Summary

- 1.1. On Thursday 27 January 2022, the Public Accounts Select Committee considered a report on the Council's draft 2022-23 budget ([Public Accounts Select Committee agenda 27 January 2022](#)). The Committee heard from the Executive Director for Corporate Resources and following discussion members agreed to refer their views to Mayor and Cabinet.
- 1.2. This report sets out the officer response to the comments made by the Public Accounts Select Committee for Mayor and Cabinet to consider alongside its consideration of the Budget Report 2022-23.

2. Recommendation

- 2.1. Mayor and Cabinet is asked to consider the officers response to the committee's comments on the Budget Report 2022-23.

3. Select committee comments

- 3.1. The Committee wishes to place on record its thanks and appreciation for the hard work and dedication of Council officers. In particular, it recognises the level of dedication, professionalism and determination demonstrated by officers in the Corporate Resources Directorate, led commendably by Kathy Freeman (Executive Director for Corporate Resources) and supported by the Directors of Finance and the Head of Financial Strategy, Planning and Commercial. Members recognise the difficult task facing officers in producing a well-considered and balanced budget in the context of uncertainty and ongoing austerity. The Committee asks Mayor and Cabinet to recognise and thank all of the officers who contributed to the delivery of the budget report.
- 3.2. The Committee recommends that further detail should be provided to Mayor and Cabinet on the possible unallocated budget pressures arising from the Council's response to the pandemic (and its associated consequences). It notes that there is the potential for significant overspending across a number of services. And, whilst officers' intended approach to monitoring and managing these risks is acknowledged – the Committee believes that the budget report should further highlight and delineate the potential for significant in-year pressures and overspending, should the ongoing impact of the pandemic be greater than anticipated or healthcare partners unable to assume responsibility for the costs.

Officer Response

- 3.3. The Executive Director for Corporate Resources notes the comments made by the Public Accounts Select Committee, and responds that the Budget Report 2022-23 sets out in detail the anticipated pressures to the Council's budget for 2022/23 in paragraphs 6.22 – 6.57. It describes those pressures which are known and quantified and for which mitigation and avoidance is not possible, and therefore recommends that these be funded in 2022/23 so as to ensure that the budget is not only balanced at the start of the year, but should remain so throughout the year. These pressures include both once off pressures which require only a single year of additional funding to manage but also permanent pressures for which base budget growth is recommended.
- 3.4. These pressures included inflationary pressures brought about by the current economic recession, changing demographics in the borough which drive changing resident and service needs, and of course the long term impact from the pandemic, known as Covid scarring. The detail of these items is set out in table A2 and paragraphs 6.29 – 6.42.
- 3.5. However, as the Public Accounts Select Committee has rightly noted, not all pressures

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identified have been funded in full, including those associated with the ongoing impact of the pandemic. In preparing the draft budget the Executive Management Team (EMT) considered and reviewed all of these pressures put forward by services seeking funding in 2022/23. It was accepted and understood by EMT that increasing the pressures to be funded directly increased the resultant budget gap and the savings target for next year's budget. As such, EMT proposed a lower savings target and that a number of risks would be managed by services directly, with the possibility as well that some of these would not materialise to the extent initially forecast.

- 3.6. It is estimated that over £9m of COVID related costs/loss of income will continue into 2022/23 of which circa £4.5m has been incorporated into the budget for next year, with the balance of these pressures being managed by the services through cost reduction measures and efficiencies within their budgets. Following the meeting of the Public Accounts Select Committee on the 27 January 2022, officers amended the Budget Report in paragraph 6.51 to explicitly draw out the level of expected Covid pressures and the proposed funding levels to make clearer the level of financial risk remaining. Officers also note that in addition to the specific Covid pressures funded, there is £1.877m of monies held corporately for additional service investment, transformation and contingency, as set out in paragraphs 6.43 – 6.54, which will provide additional financial resilience in the year.
- 3.7. Finally, the Executive Director for Corporate Resources notes that Section 25 of the Local Government Act 2003 requires the Chief Financial Officer (CFO) to report to an authority when it is making the statutory calculations required to determine its Council Tax. The Authority is required to take the report into account when making the calculations. The report must deal with the robustness of the estimates, included in the budget and the adequacy of the reserves, for which the budget provides. This Statement also reflects the requirements of CIPFA's current Local Authority Accounting Panel (LAAP) Bulletin 99 on 'Local Authority Reserves and Balances'.
- 3.8. Section 114 of the Local Government Act 1988, requires the CFO to issue a report to all the Local Authority members to be made by that officer, in consultation with the Monitoring officer and Head of Paid Service, if there is or is likely to be unlawful expenditure or an unbalanced budget.
- 3.9. This Section 25 statement is included in the Budget Report 2022-23 appendices as Appendix Y6. The Statement sets out the robustness of the Council's budget in respect of external and internal risks for 2022/23, addressing the adequacy of the Council's ability to respond to the challenges ahead, whilst simultaneously supporting the Borough's renewal in an uncertain, post pandemic world.
- 3.10. Sections 5 and 6 detail the extent and nature of the risks to the budget, including both those for which funding is proposed and those that remain unfunded. Detail is provided on the extent and nature of the Covid scarring risks and the Section 25 Statement concludes that: "*despite the funding uncertainties, delivery challenges and an extended capital programme, there are sufficient provisions and healthy reserves to manage potential risks and external shocks to our financial position. In summary, I am satisfied that the Council's budget for 2022/23 as proposed is robust.*"

4. Financial implications

- 4.1. There are no direct financial implications arising from this report, all relevant financial implications are contained within the Budget Report 2022-23.

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

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including recess).

- 5.2. There are no direct legal implications arising from this report, the relevant legal implications are as set out in the Budget Report 2022/23.

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 are no direct equalities implications arising from this report, all relevant equalities implications are as set out in the Budget Report 2022/23.

7. Climate change and environmental implications

- 7.1. There are no direct climate change or environmental implications arising from this report, all relevant climate change and environmental implications are as set out in the Budget Report 2022/23.

8. Crime and disorder implications

- 8.1. There are no direct crime and disorder implications arising from this report, all relevant climate change and environmental implications are as set out in the Budget Report 2022/23.

9. Health and wellbeing implications

- 9.1. There are no direct health and wellbeing implications arising from this report, all relevant climate change and environmental implications are as set out in the Budget Report 2022/23.

10. Background documents

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

Report author and contact

If you have any questions about this report then please contact: Kathy Freeman, Executive Director for Corporate Resources on Kathy.Freeman@lewisham.gov.uk

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Public Accounts Select Committee

Financial Monitoring 2021/22

Date: Thursday 17th March

Key decision: No

Class: Part 1

Ward(s) affected: None Specific

Contributors: Executive Director for Corporate Resources

Outline and recommendations

This report presents the financial monitoring position for the 2021/22 financial year. It sets out the position as at 31 January 2022, noting any exceptional items to the end of February.

The report covers the position on the Council's General Fund, Dedicated Schools Grant, Housing Revenue Account, Collection Fund and Capital Programme. It continues to provide an update on the work done to assess and monitor the financial implications of the Covid response and progress against savings delivery.

The Council-wide financial forecast for General Fund activities is an overspend of £27.8m. The overall position consists of Covid related expenditure or income foregone of £25.9m which is met entirely by Covid grant funding. This means that General Fund 'business as usual' is forecast to overspend by £1.9m. This is an improvement of £0.6m on the Period 9 position, due to £0.4m further direct payment refunds and small underspends across the Directorates.

Financial monitoring will continue throughout the year, and Executive Directors will continue to manage down budget pressures within their directorates in a drive to bring spend back into line with cash-limited budgets.

The Public Accounts Select Committee is asked to note the current financial forecasts for the year ending 31 March 2022 and that Executive Directors will continue to work in bringing forward action plans to manage down budget pressures within their directorates.

Timeline of engagement and decision-making

9th March 2022 – Period 10 (January) Financial Monitoring 2021/22 to Executive Management Team

17th March 2022 - Period 10 (January) Financial Monitoring 2021/22 to Public Accounts Select Committee

Executive Summary

- 1.1. This report sets out the financial forecasts for 2021/22 as at 31 January 2022, noting any exceptional items to the end of February 2022. The key areas to note are as follows:
- i. There is a forecast overspend of £1.9m against the directorates' net general fund revenue budget, after the application of £25.9m Covid grant funding to support the local authority's response to the Covid pandemic. This is a £0.6m improvement on the period 9 position due to £0.4m of additional direct payment refunds and £0.2m of other underspend across the Directorates. There is a key emerging risk on the cost of transporting Children to school, with an additional £0.6m included with the period 10 position. This is due to an additional 37 children being transported during 2021/22, with 55 more children being transported to out of borough schools. This is set out in more detail in sections 4 to 10 of this report.
 - ii. Work is on going between Directors, service areas and finance to bring down the £1.9m overspend. The Adult Social Care recovery board has proposed further one off mitigations of £2.3m which if delivered would improve the reported outturn position. These focus on both demand management and reviews of existing packages, this reduction may be impacted by increased demand on the service during the forthcoming months.
 - iii. To date, £19.5m (70%), of the 2020/21 and 2021/22 savings or demand reduction have either been achieved, are on track to be achieved or are to be delivered in an alternative way. The forecast outturn position takes into account this level of savings delivery. Where savings have not been achieved to date, services are working to find alternative savings or cost reductions to enable the overall savings target to be achieved. When alternative savings have been found to help manage the in year financial position, services have been asked to ensure that action is taken to ensure the sustainability of these savings in future financial years.
 - iv. The Dedicated Schools Grant (DSG) following the high needs secondary transfer process is currently forecasted to overspend by a cumulative £10.8m at the end of the financial year (£5.8m in 2021/22 with £5m brought forward). This is set out in more detail in section 12 of this report.
 - v. The Housing Revenue Account (HRA) is currently projecting a deficit of £14.4m, an adverse movement from the £9.8m reported in period 9. The reported pressure is due to £11.8m unbilled leasehold income and a £5m pressure on Repairs and Maintenance, reduced by other underspends within the service. This is set out in more detail in section 13 of this report.

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- vi. As at 31 January, some 80.9% of council tax due and 83.9% of business rates due had been collected. This is set out in more detail in section 14 of this report.
- vii. The Capital Programme spend as at 31 January is £80m, which is 44% of the revised capital budget of £184m. This has been set out in more detail in section 15 of this report and the appendices 3 & 4.

Purpose and Recommendations

- 2.1 The purpose of this report is to set out the financial forecasts for 2021/22 as at the end of January 2022, noting any exceptional items to the end of February 2022 and projected to the year-end, 31 March 2022.
- 2.2 Members of the Public Accounts Select Committee are asked to: Note the current financial forecasts for the year ending 31 March 2022 and that Executive Directors will continue to work in bringing forward action plans to manage down budget pressures within their directorates.

Policy Context

- 3.1 This financial position demonstrates the impact of the very severe financial constraints which have been imposed on Council services with the cuts made year on year, despite the increasing demand to deliver services to the borough's residents.
- 3.2 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:
- 3.3 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.
- 3.4 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

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- We respect all people and all communities
 - We invest in employees
 - We are open, honest, and fair in all we do.
- 3.5 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.
- 3.6 This joint endeavour helps work through complex challenges, such as the pressures faced by health and social care services, and to secure investment in the borough, for new homes, school improvements, regenerating town centres, renewed leisure opportunities and improvement in the wider environment. This work has and continues to contribute much to improve life chances and life opportunities across the borough through improved education opportunities, skills development and employment. There is still much more that can be done to realise our ambitions for the future of the borough; ranging from our work to support housing supply and business growth, through to our programmes of care and support to some of our most vulnerable and troubled families.
- 3.7 Over the course of the last 18 months, the Council's business, and the day to day lives of Lewisham's residents, 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.
- 3.8 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 pandemic is felt acutely across all of our service areas and throughout the year we have been 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.
- 3.9 While we do not yet fully understand what all of the long-term implications of Covid 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 compared to the beginning of this year and that food insecurity has increased in the borough.

General Fund Outturn Position

- 4.1 The Council is reporting a overspend on general fund activities of £27.8m. This consists of Covid related expenditure or income foregone of £25.9m which is met by Covid grant funding and a general fund 'business as usual' overspend of £1.9m. This has reduced by £0.6 since period 9 due to a £0.4m increase in Direct Payment refunds and other underspends across the services. Work continues to continue to bring this pressure down further, with Finance and the services working closely together on this.

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Table 1 – General Fund Outturn Position for 2021/22 at Period 10

General Fund	Net budget 2021/22	Forecast Outturn 2021/22	Forecast Variance 2021/22	Forecast Outturn Covid-19 related Variance 2021/22	Forecast Outturn Non Covid-19 related Variance January 2021/22	Forecast Outturn Non Covid-19 related Variance December 2021/22
	£m	£m	£m	£m	£m	£m
Children & Young People	58.4	63.6	5.2	4.4	0.8	0.6
Community Services	81.2	96.6	15.4	13.4	2	2.4
Housing, Regeneration and Public Realm	21.9	26.4	4.5	5	-0.5	-0.5
Corporate Resources	32.7	35.6	2.9	3	-0.1	0.2
Chief Executives	11.1	10.9	-0.2	0.1	-0.3	-0.2
Directorate Totals	205.3	233.1	27.8	25.9	1.9	2.5
Covid-19 Government Grant Income - Applied	N/A	-25.9	-25.9	-25.9	0	0
Corporate Items	37.9	37.9	0	0	0	0
Net Revenue Budget	243.2	245.1	1.9	0.0	1.9	2.5

4.2 The change in forecast between monitoring periods 9 (December) and 10 (January) are explained by Directorate below:

- Children and Young People Directorate - An overall adverse movement of £0.2m which consists of additional expenditure on taxi expenditure of £0.6m partially negated by a reduction in the staffing forecast of £0.2m and an increased underspend on Non Recourse to Public Funds of £0.2m. There is a key emerging risk on the cost of transporting Children to school, with an additional 37 children being transported during 2021/22. 55 more children are being transported to out of borough schools than in 2021/22.
- Community Services – A £0.4m favourable movement due to an increase in the value of direct payment refunds.
- Housing, Regeneration and Public Realm – unchanged.
- Corporate Resources – A £0.3m favourable movement due to a revision in the forecast staffing expenditure and a reduction in the non covid related pressure within Residents and Business Services.
- Chief Executive – A £0.1m improvement due to a revision to the forecast staffing expenditure.

4.3 The report position above makes no assumptions regarding further expenditure or income foregone due to any potential further Covid related lockdowns or service restrictions across the remainder of the financial year.

4.4 EMT should noted that the reported pressure has decreased from £8.5m at the end of Period 6. This is broken down as follows:

- £3m corporate funding adjustment to cover the anticipated Children's Social Care

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overspend.

- £1.8m Health monies funding expenditure previously reported within the Period 6 pressure.
- £1.8m favourable movement across the services.

Covid Grant Funding and Utilisation

- 5.1 The Council have been allocated £30.6m of Covid grant funding (either received in 2020/21 but unused and carried forward or received in 2021/22) which can be utilised against General Fund expenditure or income foregone in 2021/22. The list of grants received are shown in the table below and those included are ones which the council have some discretion over how they are utilised (excluding the Sales, fees and charges income):

Table 2 – Covid Grants Received to cover Service Expenditure

Funding Description	2020/21 Remaining Allocation	2021/22 Allocation	Total Across Both Years
Unringfenced Funding and Income Compensation Scheme	£m	£m	£m
Covid-19 Local Authority Support Grant (Tranches 1 to 5)	7.8	10.0	17.8
Sales, Fees and Charges Income – (Tranche 4)	0.0	1.2	1.2
Sub Total Per Annum	7.8	11.2	19.0
Ringfenced Funding - Total Awarded for Service Expenditure	£m	£m	£m
Contain Outbreak Management Fund	4.0	2.6	6.6
Sport England Leisure Relief Funding	0.1	0.1	0.2
Community Asymptomatic Testing	0.0	0.3	0.3
Community Champions	0.3	0.3	0.6
LA Practical Support Funding	0.0	0.3	0.3
Workforce Capacity Fund	0.0	0.7	0.7
Workforce recruitment and retention	0.0	2.6	2.6
Omicron Support Fund	0.0	0.3	0.3
Sub Total Per Annum	4.4	7.2	11.6
Total Across Both Financial Years	12.2	18.4	30.6

- 5.2 The current monitoring position assumes £25.9m of the above grant funding is used to offset General Fund Covid expenditure or income forgone as per the table below. Grant returns are being completed by Finance and the Services over the next few months for the current financial year. Any unspent grant on the Local Authority Support Grant and Contain Outbreak Management Fund (COMF) can be carried forward for use in 2022/23.

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Table 3 – Covid Grant Utilisation

Funding Description	Total Across Both Years	Included within Period 10 Monitoring	Available to use
<u>Unringfenced Funding and Income Compensation Scheme</u>	£m	£m	£m
Covid-19 Local Authority Support Grant (Tranches 1 to 5)	17.8	14.2	-3.6
Sales, Fees and Charges Income – (Tranche 4)	1.2	1.2	0.0
Sub Total Per Annum	19.0	15.4	-3.6
<u>Ringfenced Funding - Total Awarded for Service Expenditure</u>	£m	£m	£m
Contain Outbreak Management Fund	6.6	5.5	-1.1
Sport England Leisure Relief Funding	0.2	0.2	0.0
Community Asymptomatic Testing	0.3	0.3	0.0
Community Champions	0.6	0.6	0.0
LA Practical Support Funding	0.3	0.3	0.0
Workforce Capacity Fund	0.7	0.7	0.0
Workforce recruitment and retention	2.6	2.6	0.0
Omicron Support Fund	0.3	0.3	0.0
Sub Total Per Annum	11.6	10.5	-1.1
Total Across Both Financial Years	30.6	25.9	-4.7

*£0.4m of the COMF monies is being used by the DSG, actual unspent funds available for use is £0.7m.

- 5.3 The Covid Local Authority Support Grant has been provided to support Council's financially through the pandemic, this can be used by the Council to cover expenditure incurred or income foregone as they see fit. There is currently £3.6m of this grant which is not currently badged against forecast expenditure or income foregone and can potentially be utilised to mitigate some of the reported pressure closer to the end of the financial year. This is subject to further expenditure or lost income due to the worsening Covid situation. Any unused grant can be carried forward into 22/23, there is not expected to be further funding support available but there are likely to be an legacy impact on expenditure/income streams due to Covid.
- 5.4 The Sales, Fees and Charges Scheme ran throughout 2020/21 and continued until July 2021 providing compensation for Council's against a proportion (75% after deducting the first 5%) of income foregone as a result of the pandemic.
- 5.5 Contain Outbreak Management Fund is grant awarded to council's to manage cost incurred as a result of the pandemic. The table above shows there is £0.7m of grant current unutilised (after £0.4m being used by the DSG to cover related staffing expenditure), any unused grant can be carried forward into 22/23. This funding is available to support public health activities directly related to the COVID response such as:
- Testing
 - Non-financial support for self-isolation
 - Support to particular groups (clinically extremely vulnerable (CEV) individuals, rough sleepers)

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- Communications and engagement
 - Compliance and enforcement
- 5.6 The Sport England Leisure Relief Funding is the remainder of grant received to support the Covid pandemic and is being used to fund some of the GLL contract costs detailed in paragraph 8.7.
- 5.7 The Community Asymptomatic testing, community champions and Local Authority Practical support are 3 grant funding sources which are being utilised by Public Health to support the Council's response to Covid-19. It is anticipated these grants will be fully utilised however any unused funding will need to be returned to the relevant grant awarding body.
- 5.8 The Workforce Capacity Fund, Workforce Recruitment and Retention and Omicron support have been awarded to Local Authorities by the department of Health and Social Care to provide financial support to the provider market and internal council services through the winter period. £1m of this money has been awarded to providers to date and £1m is being used by the Local Authority to cover the cost of winter pressures within internal services. The remainder will be spent before the end of the financial year.
- 5.9 The Council has also received £11.7m of Covid Grant Funding which is to be used to support businesses or residents as a result of the Pandemic. For these grants the amount awarded to the Council is dependent on the level of expenditure incurred (many are claimed retrospectively) and neither the grant funding or qualifying expenditure is shown in the reported position above.

Table 4 – Covid Ringfenced grants (outside of reported position)

Funding Description	Amount Available in 2021/22
Ringfenced Funding	£m
Re-opening High Streets Safely	0.3
Winter Pressures Funding	3.2
Hospital Discharges	2.9
Infection Control	4.2
Test and Trace Support	1.0
Local Elections Funding	0.1
Sub Total Per Annum - available against specific expenditure	11.7

Saving and Cost Reduction Delivery

- 6.1 There are £8.1m of unachieved savings from 2020/21 which have been carried forward into 2021/22, of which £2.5m are achieved or on track to be achieved by 31st March 2022. This leaves £5.6m of undelivered savings, largely due to Covid (as was the case in 2020/21) with £5.2m being covered by Covid government grant funding (no funding will be available to mitigate these savings in 2022/23). The reported position assumes that the remaining £0.4m of undelivered savings which are not covered by Covid government grant funding are mitigated by other underspends within the service forecast on a one off basis.

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Table 5 – 2020/21 Savings Delivery by directorate

2020/21 Savings	2021/22 Agreed Savings	2021/22 Achieved	2021/22 Gap	Covered by Covid Grants
	£m	£m	£m	£m
Chief Executive Directorate				
Children and Young People Directorate	1.4	0.0	1.4	1.4
Community Services Directorate	3.7	0.8	2.9	2.9
Corporate Resources Directorate	0.9	0.8	0.2	0.2
Housing, Regeneration and Public Realm Directorate	2.2	1.0	1.2	0.8
Cross Cutting				
Total	8.1	2.5	5.6	5.2

6.2 The table below shows progress against the 2021/22 savings by Directorate. The unachieved £8.2m of savings are within the overall reported position. This is also reflected within the individual monitoring positions as shown below in sections 7-11 and further detail is provided within Appendix A of the report.

Table 6 – 2021/22 Savings Delivery by directorate

2021/22 Savings	2021/22 Agreed Savings	2021/22 Achieved	2021/22 Gap
	£m	£m	£m
Chief Executive Directorate	0.8	0.8	0.0
Children and Young People Directorate	2.6	2.5	0.1
Community Services Directorate	12.3	4.8	7.5
Corporate Resources Directorate	2.2	1.5	0.7
Housing, Regeneration and Public Realm Directorate	3.1	3.1	0.0
Cross Cutting	1.5	1.5	0.0
Total	22.6	14.3	8.2

6.3 Due to the outturn position in 2020/21, cost reduction measures have been put in place to mitigate some of the pressure. These are detailed in appendix B and totalled £5.4m, £5.2m is on track to be achieved with services working to deliver the remaining £0.2m. The shortfall of £0.2m is included within the reported position and are being mitigated by other underspends within the service.

Children and Young People directorate

7.1 The Children and Young People Directorate (CYP) are reporting an overspend of £5.2m which is largely negated by £4.4m of Covid grant funding to mitigate costs directly attributable to Covid. This leaves a residual service pressure of £0.8m as detailed in the table below. This is a £0.2m adverse movement from period 9 due to additional emerging pressures on taxi expenditure transporting Children to and from school of £0.6m which is partially negated by other underspends across the service. It should be noted that the above reported position is after £3m drawdown from corporate funding.

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Table 7 – Children & Young People Directorate Period 10 Forecast

Children and Young People Directorate	Net budget 2021/22	Forecast Outturn 2021/22	Forecast Variance 2021/22	Forecast Outturn Covid-19 related Variance 2021/22	Forecast Outturn Non Covid-19 related Variance January 2021/22	Forecast Outturn Non Covid-19 related Variance December 2021/22
	£m	£m	£m	£m	£m	£m
Children’s Social Care	41.2	49.1	7.9	3.4	4.5	4.7
Reserves		-3	-3.0	0.0	-3.0	-3.0
No Recourse to Public Funds	2.6	1.6	-1.0	0.0	-1.0	-0.8
Education Services	11.0	12.8	1.8	1.0	0.8	0.2
Joint Commissioning / Early Help	6.1	5.6	-0.5	0.0	-0.5	-0.5
Schools	-2.5	-2.5	0.0	0.0	0.0	0.0
Total	58.4	63.6	5.2	4.4	0.8	0.6

- 7.2 **Children Social Care** – The service is forecasting a General Fund overspend of £4.5m, after utilising £3.4m of government grant funding to cover costs incurred as a result of Covid. The £4.5m overspend can be broken down further: £4.2m against the placements budget, which is partially negated by £0.6m underspend on other service budgets and £0.9m pressure on staffing budgets.
- 7.3 Placements - The £4.2m overspend on placements is based on expenditure to date and the cost of current placements for the remainder of the financial year. The service are currently working with the CCG to seek funding towards the health costs of specific Children’s placements. Negotiations are ongoing and therefore the current assumptions could change once a final agreement is reached. CYP is currently reviewing tri-party arrangements, with a view to strengthening and formalising processes to ensure recovery of all contributions, Bi-weekly meetings with all stakeholders have now commenced and will be chaired by the Executive Director for CYP.
- 7.4 The total number of Children Looked After (CLAs) at the end of January 2021 is 470 compared to 482 at the start of the financial year, a reduction of 12. This reduction is due to the service undertaking targeted support and intervention to manage demand as defined in the CLA sufficiency strategy, meaning that only the more challenging young people will become CLA’s. Currently £1.3m of Children’s placement costs have been funded by Covid government funding, however a review of 10 higher cost children’s placements suggests a further £0.7m of costs are as a direct result of Covid. The service’s ability to find adequate placement support is still being impacted by Covid, with examples including:
- Circumstances of some specific CLA’s have become more complicated leading to either an increase in need or limiting our ability to move Children to less costly placements.
 - Direct impact on the availability of some of our key partners e.g. Kinship, adoptions resulting in no option but to revert to high cost placements.
- 7.5 Other - The non-staffing or placement budgets are underspending by £0.6m due to the insourcing of contracts, UASC grant claim and minor underspends/income maximisation in other areas.

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- 7.6 Staffing - There is net general fund pressure of £0.9m relating to staffing budgets (an improved position of £0.2m on Period 9, this reflects a seasonal reduction in agency costs in December/January). The pressure on staffing is due to increased staffing capacity, required as a result of additional referrals of approx. 1470 (from 3380 in 20/21 to 4850 in 21/22) due to Covid. Staffing numbers have increased to support Children and their families aimed at minimising the number of CLA's. The service structure is being reviewed by the Director of Children's Social Care and Finance to ensure it is able to meet the service demands whilst managing within the budget available for 22/23. The structure will be built sustainably so that if demand reduces then staffing levels can also be reduced in line.
- 7.7 As part of the budget setting process for 2021/22, Children and Young People put forward a series of cost reduction measures as a drive to reduce the cost base (due to historic overspend), with the aim of managing within the budget figure by 2023/24. £3m Budget has been held within corporate items to mitigate the anticipated cost pressure for 2021/22 which has now been released. This is a one off corporate funding source to recognise the ongoing work being undertaken by Children and Young People's colleagues to reduce the overspend.
- 7.8 **No Recourse to Public Funds** - Since the month of July, 11 new cases were accepted for support and 15 cases resettled or closed. Based on the current data there is £1.0m underspend projected by the end of the financial year. There is some potential for an upside, however, that is subject to the finalisation of the rent account process, which takes place at the end of the year. This is a demand-led budget, therefore, any increase or decrease could impact on the final outturn position, however the risk of any significant increase in the short period between now and the end of the financial year is reduced.
- 7.9 **Education Services** – The forecast position for education services is a general fund pressure of £1.8m, of which £1m is directly attributable to covid and is funded from government grant funding. This is an increase of £0.6m compared to the figure reported in period 9 and relates to the SEND transport budget (taxi services). This is due to an additional 37 children being transported during 2021/22, with 55 more children being transported to out of borough schools. This is over and above an existing pressure on passenger services as the number of Children using the Council buses has increased from 340 in April to 390 in November.
- Finance and CYP are reviewing the taxi service moving forward, the increase in cost is as a result of a combination of:
- An additional 55 out of borough journeys;
 - ULEZ coming into effect from October;
 - Increase in new taxis contracts as a consequence of wider economic issues e.g. driver shortages, increase in fuel prices and general inflation;
 - Increase demand, including some requiring long journeys as a consequence of their placements;
 - Difficulty in achieving savings target.
- 7.10 **Joint Commissioning / Early Help Funds** – The service has an underspend of £0.5m due to vacancies held following a restructure and unspent budgets across the service.

Community Services Directorate

- 8.1 The Community Services Directorate are reporting an overspend £15.4m which is largely negated by £13.4m of Covid grant funding, leaving a business as usual pressure of £2m as detailed in the table below. This is an improvement of £0.4m from Period 9 due to additional direct payment refunds. The remaining pressure is caused by challenges delivering agreed savings around managing the demand on Adult Social care services

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and the cost of placements.

Table 8 – Community Services Directorate

Community Services	Net budget 2021/22	Forecast Outturn 2021/22	Forecast Variance 2021/22	Forecast Outturn Covid-19 related Variance 2021/22	Forecast Outturn Non Covid-19 related Variance January 2021/22	Forecast Outturn Non Covid-19 related Variance December 2021/22
	£m	£m	£m	£m	£m	£m
Adults' Social Care	60.9	72.9	12	8.4	3.6	4.0
Integrated Commissioning	7.7	7.2	-0.5	0	-0.5	-0.5
Public Health	-0.8	1	1.8	2.1	-0.3	-0.3
Communities, Partnerships and Leisure	9.9	12.1	2.2	2.6	-0.4	-0.4
Culture, Learning and Libraries	3.5	3.4	-0.1	0.3	-0.4	-0.4
Reserves	0	0	0	0	0	0.0
Total	81.2	96.6	15.4	13.4	2.0	2.4

- 8.2 **Adult Social Care** – The service is forecasting a business as usual overspend of £3.6m, which has reduced by £0.4m from the position reported in Period 9. This reduction is due to additional direct payment refunds. The savings gap as per appendix 1 is £7.5m, however this is being mitigated by £2.3m one-off Direct Payment refunds and £1.6m Health funding. 1,296 service users have been identified for package reviews during November 2021 to March 2022, if the projected savings materialise the reported overspend will reduce by a further £0.6m. Currently £0.4m has been verified as achieved and is within the Period 10 forecast position.
- 8.3 The Council is seeing an increase in demand for community based care services due to service users being discharged from hospital with increasingly complex care needs, which is a trend across London and nationally. This manifest itself in higher levels of care, increased use of 24-hour care at home and increased use of double-handed care. The number of placements in residential care has increased and this pattern is expected to continue into 2022/23. The current forecast overspend for Residential care is £2.5m of which £0.9m is being funded by NHSE&I discharge funding.
- 8.4 **Integrated Commissioning** – The Integrated Commissioning division is expected to underspend by £0.5m. Prior to Period 9 this variance had been reported as part of the overall position for Adult Social Care but is now separately identified. The Prevention and Inclusion Service which incorporates the Drug & Alcohol Services (PH Grant funded) and the Supporting People budget is projected to underspend by £0.2m - this is a combination of staffing underspends, in year contract savings and underspend on the core budgets for activity based drug treatment services including Tier 4 Rehab resulting from increased external grant funding for the service. The remaining £0.3m relates to Joint Commissioning and includes reductions in spend on Section 75 payments to the CCG, some contract recommissioning and a reduction in spend on spot purchasing arrangements.
- 8.5 **Public Health** – The service is forecasting an underspend of £0.3m on the Public Health grant. There is an overall forecast overspend of £1.8m, of which £2.1m of these costs relate

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to Covid activity. Within the overall position, the forecasted underspend of £0.3m is for sexual health services. This reflects reduced activity and lower payments to out-of-borough clinics.

- 8.6 **Communities, Leisure and Partnerships** - The division is forecasting an underspend of £0.4m by year-end for business as usual activity, unchanged from Period 9. The division is now projecting a Covid related expenditure pressure of £2.6m which is an increase of £0.3m on last month to give an overall net pressure of £2.2m.
- 8.7 The new Leisure contract with GLL is projected to cost the Council £1.8m in 21-22 which is an increase of £0.3m on the previously reported figures. As previously reported the new Leisure contract with GLL is an open book contract with GLL taking a percentage of income for management and overheads and the net cost of the service being borne by the Council. Covid continues to have a significant impact on Health & Fitness income which has still to fully return to pre-pandemic customer number. Over the last quarter GLL have also seen an increase in staff costs resulting from the need to cover staff who were self isolating as a result of testing positive for the Omicron variant, this has been combined with increases in both projected utility costs and building R&M costs. A combination of these factors has led to an increase in the projected contract costs under the current open book arrangement. In addition there is still a further overspend of £0.2m in relation to legal, cleaning and security costs being incurred at The Bridge Leisure Centre site. This cost has reduced due to having Guardians at the site. The overall pressure of £2.0m is being fully offset against Covid grant funding.
- 8.8 There are Covid related pressures in relation to Parks Summer Events income of £0.1m due to the cancellation of the annual Blackheath Summer event and a further £0.1m on Community Centre budgets from a combination of reduced hire income (which has yet to go back to pre Covid levels) and additional infection control costs at the centres. There are two specific Covid pressures in relation to Bereavement Services, £0.1m in relation to ongoing infection control costs at the Crematorium and a pressure of £0.2m in relation to the contribution made to the London Wide Mortality Management Scheme-Wave 2 which is being coordinated by the London Borough of Camden. There may be a further reduction on this figure (previously £0.4m) later in the financial year, as current costs incurred have been much less than originally anticipated for the scheme. Finally there is a pressure of £0.1m in relation to Community Hub Food and Transport costs. These are all been mitigated by Covid grant funding.
- 8.9 These Covid related cost pressures are being partly offset by a net underspend of £0.4m on business as usual activity. There is additional income of £0.2m that has been generated by Green Scene at Beckenham Place Park from a combination of Events and Parking income. There is an underspend of £0.1m on the core Leisure Management budget resulting from additional income from One Life in relation to Downham. There is also an underspend of £0.2m on the Community Safety Service which is being generated from a combination of staffing vacancies held pending the implementation of a service restructure, operational and some additional income generated from RSL's in respect of forced entry works. The service underspends are offset by a projected overspend of £0.1m on the annual payment made to the LB Southwark under the Coroners Court Consortium arrangements which is a joint funding arrangement with LB Southwark, LB Greenwich and the LB Lambeth with total costs split on a population base. The annual costs have escalated in recent years and underlying pressure now exists for both 21-22 and future years.
- 8.10 **Culture, Learning and Libraries** – The division is still forecasting an underspend of £0.4m by the year-end for business as usual activity, no change from the last period. The division is forecasting a pressure of £0.3m due to a combination of lost income and infection control works in the Libraries and Adult Learning Services which will be funded from Covid grant funding. The business as usual underspend of £0.4m all relates to the Libraries budget, £0.2m resulting from a combination of staffing vacancies and underspent operational

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budgets due to the restricted opening of the Libraries and staffing restructure currently being implemented. A further £0.2m of staffing costs has been charged against COVID Track and Trace grant funding for the staff seconded from the Libraries Service to work on the Test & Trace programme. The Library projections also currently allows for £0.1m of redundancy costs arising from the restructure of the service.

Housing, Regeneration and Public Realm

- 9.1 The Housing, Regeneration and Public Realm Directorate are reporting an overspend £4.5m which is fully negated by £5m of Covid grant funding, unchanged from Period 9. This leaves a residual service underspend from day to day operations of £0.5m as detailed in the table below:

Table 9 – Housing, Regeneration and Public Realm (HRPR) Directorate

Housing, Regeneration and Public Realm	Net budget 2021/22	Forecast Outturn 2021/22	Forecast Variance 2021/22	Forecast Outturn Covid-19 related Variance 2021/22	Forecast Outturn Non Covid-19 related Variance January 2021/22	Forecast Outturn Non Covid-19 related Variance December 2021/22
	£m	£m	£m	£m	£m	£m
Strategic Housing	3.5	5.3	1.8	1.8	0	0.0
Public Realm	17.7	19.8	2.1	2.8	-0.7	-0.7
Regeneration	0	0.6	0.6	0.3	0.3	0.3
Planning	0.7	0.7	0	0.1	-0.1	-0.1
Reserves and Provisions	0	0	0	0	0	0.0
Total	21.9	26.4	4.5	5	-0.5	-0.5

- 9.2 **Strategic Housing** - The service Strategic Housing division is forecasted to end the year with a balanced budget after applying Covid government funding to cover the forecast overspend of £1.8m, which has been entirely incurred due to costs arising as a result of Covid.
- 9.3 There has been an increase in the number of people in nightly paid accommodation from 745 at the start of April 2021 rising to 926 at the end of January. The increase is partly due to accommodating rough sleepers as part of the 'everybody in' initiative of £0.3m, the inability to move-on clients due to Covid restrictions between the different forms of temporary accommodation available and the recent eviction ban (now lifted) preventing move-on to the Private Rented Sector (PRS) of £0.8m. This increase in numbers has put additional pressure on the service in terms of landlord payments and recharges for Housing Benefit payments which have exceeded the caps and limits (otherwise known as HB limitation recharges) and therefore not payable through the DWP Housing Benefit claim. These are included in the pressures outlined above. Numbers in Privately Managed Accommodation (leased accommodation) units at the end of January were 573 with 343 accommodated in PSL units.
- 9.4 There is a net pressure of £0.2m of the incentive payments relate to retaining accommodation that would have otherwise been returned to landlords under the leasing schemes. The service is still accommodating clients where the authority has no liability to house. Move-on was limited by the eviction ban, which has now been lifted, whilst the

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service is starting to instigate evictions, it is creating additional pressure through challenges and judicial reviews, as well as an increase in clients re-presenting. This in turn is likely to increase the need for incentive payments to keep clients in the PRS. There is a £0.1m loss of income for the PHSA licencing team due to the restrictions in the ability to visit properties who require a licence (e.g. HMO/s) and a restriction in enforcement action.

- 9.5 The service continues to respond to additional demands placed on it as a result of the Covid pandemic, £0.4m of staffing costs can be directly attributable to this response.
- 9.6 **Public Realm** – The service is forecast to end the year with a net underspend of £0.7m, after applying government funding to cover the forecast overspend of £2.8m, entirely due to Covid. The narrative below is split into Covid related pressures followed by the business as usual net underspend.
- 9.7 The Parking Service is forecasting an income shortfall of £1.9m shortfall compared to the budget across on and off street parking, entirely attributable to Covid, which will be covered by Covid government grant funding.
- 9.8 The Street Markets Service is currently reporting a loss of income of £0.2m entirely attributable to Covid due to the reduction in service as a result of the social distancing measures still in place.
- 9.9 Refuse Collection (Income) is forecasting an overspend of £0.3m after applying £0.7m of Covid government grant to cover the loss of Commercial Waste and Garden Waste income due to Covid. The Garden Waste income levels reduced significantly in the past months, potentially impacted by restrictions during winter 2021 and people choosing to spend their money in other ways. Commercial Waste income continues to be affected by business sustainability due to Covid. Work is ongoing in this area to generate new business to mitigate the pressure where possible.
- 9.10 The Business as usual underspend of £0.7m is due to a net income surplus of £1m from moving traffic contraventions during the year which is partially negated by the £0.3m non Covid element of the income shortfall on commercial waste, which is related to historic income targets within the service. The service is developing an action plan to increase the take up of the service by local businesses, however the number of businesses is yet to return to pre-covid levels.
- 9.11 **Regeneration** – The service is forecast to end the year with a net overspend of £0.3m, after applying £0.3m of government grant to cover costs attributable to Covid. The £0.3m general fund overspend is due to a change in the plans on the Copperas Street project. There is an income loss of £0.2m on Building Control and £0.1m of staffing costs within the Economy and Partnerships Service relating to Covid projects, both of which are funded by Covid grant funding.
- 9.12 **Planning** - The Planning Service is currently forecasted to end the year with a balanced budget position, however staff have continued to work on Covid projects, therefore £0.1m of costs have been covered by the Covid government grant funding.

Corporate Resources Directorate

- 10.1 The Corporate Resources Directorate are reporting an overspend £2.9m which is fully negated by £3m of Covid grant funding leaving a residual service underspend of £0.1m as detailed in the table below. This is an improvement of £0.3m since period 9 due to a reduction in non covid related pressures in Residents and Business Services and an underspend in Financial Services due to vacancies.

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Table 10 – Corporate Services Directorate

Corporate Resources	Net budget 2021/22	Forecast Outturn 2021/22	Forecast Variance 2021/22	Forecast Outturn Covid-19 related Variance 2021/22	Forecast Outturn Non Covid-19 related Variance January 2021/22	Forecast Outturn Non Covid-19 related Variance December 2021/22
	£m	£m	£m	£m	£m	£m
Assurance	2.7	2.6	-0.1	0	-0.1	-0.1
Financial Services	5.4	5.3	-0.1	0	-0.1	0.0
Resident & Business Services	17.7	20.7	3.0	3.0	0.0	0.2
IT & Digital Services	7.6	7.7	0.1	0	0.1	0.1
Reserves	-0.7	-0.7	0	0	0.0	0.0
Total	32.7	35.6	2.9	3	-0.1	0.2

10.2 **Assurance** – The service is forecasting a net underspend of £0.1m due to salary underspends arising from vacancies.

10.3 **Financial Services** – The service is forecasting a net underspend of £0.1m due to salary underspends arising from vacancies.

10.4 **Resident and Business Services** – The service is forecasting a net overspend of £3m due to covid related pressures arising from the closure of courts resulting in loss of income from court fees, enforcement action, and debt collection. This is fully funded by covid government grant funding.

10.5 **IT & Digital Services** – The service is forecasting an overspend of £0.1m on miscellaneous software and licencing costs.

Chief Executive Directorate

11.1 The Chief Executive's Directorate are reporting a £0.2m underspend, which includes £0.1m of lost income which is covered by Covid government grant funding leaving a reported underspend of £0.3m.

Table 11 – Chief Executive's Directorate

Chief Executive's	Net budget 2021/22	Forecast Outturn 2021/22	Forecast Variance 2021/22	Forecast Outturn Covid-19 related Variance 2021/22	Forecast Outturn Non Covid-19 related Variance January 2021/22	Forecast Outturn Non Covid-19 related Variance December 2021/22
	£m	£m	£m	£m	£m	£m
Assistant Chief Executive	7.2	6.9	-0.3	0	-0.3	-0.2
Law, Governance & Elections	3.9	4	0.1	0.1	0	0.0
Total	11.1	10.9	-0.2	0.1	-0.3	-0.2

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- 11.2 **Assistant Chief Executive** – There is a £0.3m staffing underspend due to vacancies following a restructure.
- 11.3 **Law Governance and Elections** - The overspend of £0.1m is due to loss of income in the legal service of which is covid related and funded from Covid government grant funding.

Dedicated Schools' Grant

- 12.1 The Dedicated Schools Grant (DSG) following the high needs secondary transfer process is currently forecasted to overspend by a cumulative £11m at the end of the financial year (£6m in 2021/22 with £5m brought forward).

Table 12 – DSG allocation and projection 2021/22

Dedicated schools grant (DSG): 2021 to 2022 allocations	2021 to 2022 DSG allocations, after deductions for academies recoupment and direct funding of high needs places by ESFA				
	Schools block (£m)	Central school services block allocation (£m)	High needs block allocation (£m)	Early years block (£m)	Total DSG allocation (£m)
Lewisham – Cash Position	-183.6	-4.3	-61.5	-24.2	-273.4
Projected Spend	182.5	4.3	68.3	24.2	279.3
Forecast Overspend (Cumulative)	-1.1	0.0	6.8	0.0	5.8

- 12.2 **High Needs Block** - There has been an increase in funding in the High Needs Block of £6.8m, plus £1.1m from schools block. Based on the current data provided by the service it is anticipated that the overspend will be £6m for 2021/22 which remains in line with previous month. In addition to this there remains a £5m overspend brought forward from 2020/21, providing a revised cumulative overspend position of £11m. The service is working towards a mitigation plan, with a key aim of supporting more pupils within Lewisham. Work has progressed with schools including applications process for establishing more inhouse provision in our mainstream schools.
- 12.3 **Early Years Block** - The DfE has now confirmed the 2020/21 EY block finalisation. This has resulted in a confirmed underspend of £1.6m. Schools Forum agreed the release of £0.7m return to providers, off the balance £0.5m to support the inclusion fund with the remaining £0.2m to support central spend. The 2021/22 funding remains provisional until the circa June 2022, when pupil data is confirmed and final allocations for 2021/22.
- 12.4 **Central Services Block** - The Central Services Block (CSSB) faced a reduction of circa £0.6m for 2021/22, which supports statutory functions provided by the Local Authority. As a consequence of effective resource management, approximately £0.3m has been carried forward from 2020/21, and will largely support pressures from the service. Initial work is currently being undertaken by officers, which will be carried out with greater details as the requirements of the Covid response reduce.

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Table 13 – Education Health and Care Plan (EHCP)

Phase – EHCPs	Under 5s	Primary	Secondary	Post-secondary	Grand Total
FY 17/18 Used As Base Line	42	831	769	537	2,179
FY 18/19	24	889	821	626	2,360
FY 19/20	37	929	887	774	2,627
FY 20/21	74	1,027	974	931	3,006
FY 21/22	88	1071	1063	1052	3,274
Increase on Baseline Numbers	46	240	294	515	1,095
Increase on Baseline %	109.5%	28.9%	38.2%	95.9%	50.3%

The table notes an increase of 268 EHCP since 1st April 2021. Whilst there is an overall increase across all phases, the largest increase is focused on post secondary

- 12.5 In addition to the overall increase and the clear pressure arising from 0-5 and post secondary age children a further pressure is linked to the increase in number of placements that are placed out of borough. The following table shows the split between ‘in-borough and ‘out of borough’ placements. There is clear shift in the proportion of placements being made out of borough which is a key element of pressure on the High Needs Block.

Table 14 – In Borough and Out Borough EHCPs

Borough - EHCPs	LBL	OOB	Grand Total
FY 17/18 Used As Base Line	1,559	620	2,179
FY 18/19	1,653	707	2,360
FY 19/20	1,789	838	2,627
FY 20/21	1,953	1,053	3,006
FY 21/22	2113	1162	3,275
Increase on Baseline Numbers	554	540	1,096
Increase on Baseline %	35.5%	87.1%	50.3%

- 12.6 To support the pressure on High Needs, the SEN Service has been working closely with Schools and Schools’ Forum. A mitigation plan has been developed which is progressing, but will take time to embed and for the benefits to be seen in full. Furthermore, service demands, in terms of increasing numbers of children with some complex needs and higher placement costs, continue to rise. Therefore, the current mitigation plan may reduce the pressure, but not eliminate it fully. The increase in EHCP is also placing a pressure on the transport budget.
- 12.7 Lewisham has historically been one of very few local authorities which has underspent on the DSG – High Needs. With most local authorities overspending, the DfE has attempted to address the pressure with additional funding allocations in 2019/20, 2020/21 and 2021/22. However, it seems that demand is outstripping the cash available. It does however remain important that Lewisham continues to consider alternative ways of providing support to our most vulnerable children within the resources available.
- 12.8 Partial funding announcement has been made for 2022/23. This confirms a reduction of £0.5m in the CSSB. Alongside the partial settlement, the DfE has published a Consultation document on the National Funding Formula. The document considers the next steps

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towards a “hard formula” and the role of Local Authorities alongside the DfE’s preference of Schools moving to Academy Status. Further detailed work is progressing on this, however it is important to note that the funding currently received within the CSSB is at significant risk from 2023/24.

Housing Revenue Account

- 13.1 The table below sets out the current budget for the Housing Revenue Account (HRA) in 2021/22. The Period 10 forecast is for a deficit of £14.4m against allocated budgets, an adverse movement of £4.6m compared to Period 9 due to a forecasted overspend of £5m on revenue Repairs and Maintenance (R&M). The R&M overspend is still being investigated and there is a risk this could be as high as £10m. The costs are being reviewed and may be partially mitigated by the reallocation of capital expenditure to capital budgets, however this will not be certain till closer to year end when a full analysis of the costs within the R&M account has been completed by Lewisham Homes. The forecast outturn position shown in the table below includes a budgeted contribution from reserves of £46.4m, which is to be used to fund the HRA major works and new supply programme and is included as a part of the 30 year HRA business plan.

Table 15 – Housing Revenue Account

Housing Revenue Account	Net budget 2021/22	Forecast Outturn 2021/22	Forecast Variance January 2021/22	Forecast Variance December 2021/22
	£m	£m	£m	£m
Housing, Regeneration and Public Realm (Housing)	15.2	14.9	-0.3	-0.3
Lewisham Homes & Repairs & Maintenance	38.3	43.3	5.0	0.0
Resources	1.8	1.8	0.0	0.0
Centrally Managed Budgets	-55.3	-45.6	9.7	10.2
Total	0.0	14.4	14.4	9.8

- 13.2 **Housing, Regeneration and Public Realm (Housing)** – The £0.3m underspend is due to additional hostel income of £0.1m, underspends on rehousing and lettings of £0.1m and other small underspends across the service of £0.1m.
- 13.3 **Lewisham Homes & Repairs & Maintenance Repairs & Maintenance** – The service is currently forecast to overspend by £5.0m, with a risk this could be as high as £10m. This is being investigated by Lewisham Council and Lewisham Homes finance. Some of this pressure may be partially mitigated by the reallocation of capital expenditure to capital budgets, however this will not be certain till closer to year end when a full analysis of the costs within the R&M account has been completed by Lewisham Homes.
- 13.3 **Centrally Managed Budgets** - There is a significant income target from the charging of major works at properties to leasehold tenants, work undertaken on a leaseholder property is charged to the leaseholder upon completion, as oppose to based on estimates. As at the end of January 2022, a total of £0.1m of charges have been raised to leaseholders. Further discussions with Lewisham Homes indicate that there are likely to be no further significant

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leasehold charges raised for 2021/22 with a pressure on the income target of £11.8m expected. Further income for prior year works is now expected to be raised in financial year 2022/23.

- 13.4 Additional income from tenant's rents and service charges is projected due to void levels being lower than the budgeted rates, the impact of which is an overachievement of £1m. There is also an underspend on the energy budget of £0.5m as well as other underspends of £0.7m which mitigates some of the £11.8m detailed above. In addition, bad debt impairments charge to the HRA may be lower than budgeted, and is currently showing a similar pattern to 2020/21 values. Any additional income or underspends in these areas will be used to compensate for the Major Works income shortfall detailed above and will be clearer closer to year end.
- 13.5 The current 30 year HRA financial model has been refreshed, with the final outturn for 2020/21 as well as the latest updates for the general capital programme, revised stock numbers and reserves allocations incorporated into the plans. Budgets were updated in September 2021 to reflect starting stock numbers from 1 April 2021, as well as incorporating the latest consolidation update for the new supply programme to reflect the latest position. The revisions to the budgets have been agreed and processed and may push some of the planned capital and new supply expenditure into 2022/23 due to a re-programming of works and programme delays due to the Covid pandemic.
- 13.6 Lewisham Homes are currently reporting a forecast spend of £47.8m against the general capital allocations budget of £78.8m. This is a forecast underspend of £31.0m against the programme and may result in a lower than forecasted revenue capital contribution. This is not yet included in the current forecasts.

Collection Fund

Council Tax

- 14.1 As at 31 January 2022, £131m of Council Tax has been collected representing 80.88% of the total amount due for the year. This is £3.9m below the 83.28% target required in order to reach 95% for the year.

Table 16 - Council Tax Collection Fund

Collection Fund	Cash Collected (cumulative)	Cash needed to meet 95% Profile	Difference between collected and 95% profile	Current Year Collection Rate%	Required Collection Rate to reach 95%	Difference	Previous Year Collection Rate
Apr-21	17,119,083	17,558,893	-439,810	10.59%	10.87%	-0.28%	9.98%
May-21	29,752,772	30,943,951	-1,191,179	18.41%	19.15%	-0.74%	17.49%
Jun-21	42,605,074	43,754,273	-1,149,199	26.31%	27.02%	-0.71%	25.46%
Jul-21	55,350,944	57,265,698	-1,914,754	34.14%	35.32%	-1.18%	33.83%
Aug-21	68,165,836	70,047,797	-1,881,961	42.01%	43.17%	-1.16%	41.32%
Sep-21	80,600,744	82,901,808	-2,301,064	49.64%	51.06%	-1.42%	49.39%
Oct-21	93,312,225	96,199,257	-2,887,032	57.55%	59.33%	-1.78%	57.76%
Nov-21	106,207,778	108,947,459	-2,739,681	65.55%	67.24%	-1.69%	65.67%
Dec-21	118,280,494	121,854,515	-3,574,021	73.04%	75.21%	-2.17%	73.25%
Jan-22	130,950,540	134,840,166	-3,889,626	80.88%	83.28%	-2.40%	81.25%

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Business Rates

- 14.2 As at 31 January 2022, £46.8m of Business Rates has been collected representing 83.9% of the total amount due for the year. This is £7.4m below the 96.9% target in order to reach 99% for the year.

Table 17 – Business Rate Collection

Business Rates	Cash Collected (cumulative)	Cash needed to meet 99% Profile	Difference between collected and 99% profile	Current Year Collection Rate%	Required Collection Rate to reach 99%	Difference	Previous Year Collection Rate
Apr-21	2,038,133	8,601,507	-6,563,374	2.81%	11.87%	-9.06%	20.40%
May-21	8,715,032	19,020,075	10,305,043	12.04%	26.28%	-14.24%	33.44%
Jun-21	13,112,362	20,807,044	-7,694,682	23.03%	36.54%	-13.51%	37.56%
Jul-21	18,177,438	25,862,807	-7,685,369	32.06%	45.61%	-13.55%	46.35%
Aug-21	22,890,863	30,315,382	-7,424,519	40.75%	53.97%	-13.22%	51.03%
Sep-21	28,154,526	36,361,080	-8,206,554	50.07%	64.66%	-14.59%	58.07%
Oct-21	32,824,583	41,128,026	-8,303,443	58.43%	73.18%	-14.77%	60.92%
Nov-21	38,350,424	45,877,386	-7,526,962	68.12%	81.46%	-13.34%	65.81%
Dec-21	43,222,051	50,576,998	-7,354,947	76.85%	89.89%	-13.04%	69.85%
Jan-22	46,757,475	54,167,614	-7,410,139	83.94%	96.89%	-12.95%	84.27%

Capital Expenditure

- 15.1 The following table sets out the position on the Capital Programme as at 31 January 2021. It indicates an overall spend of £80m, which is 44% of the revised 2021/22 budget of £184.3. EMT should note that in most cases the unspent budgets for ongoing capital projects and programmes will be rolled forward from 2021/22 to the following year, 2022/23. A summary of the major projects to 2023/24 is attached at Appendix 3. The Capital Programme budget reconciliation is attached at Appendix 4.

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Table 18 – Capital Programme 2020/21 (Major Projects)

2021/22 Capital Programme	Revised Budget (agreed at M&C Feb 21)	Revised Budget December 2021	Spend to 31st January	Spent to Date (Revised Budget)
GENERAL FUND	£m	£m	£m	%
CCTV Modernisation	0.5	1.1	0.5	45%
Leisure Schemes	0.0	3.6	0.9	25%
Schools - School Places Programme	8.8	7.2	5.2	72%
Schools – Other (Inc. Minor) Capital Works	1.7	4.6	2.7	59%
Schools - Unallocated	1.6	0.0	0.0	0%
Highways & Bridges – TfL	0.8	1.5	0.2	13%
Highways & Bridges – LBL	2.5	4.1	0.7	17%
Asset Management Programme	1.3	1.3	0.3	23%
Other AMP Schemes	0.9	1.7	0.8	47%
Unallocated AMP	1.5	0.0	0.0	0%
Broadway Theatre	4.8	2.0	0.5	25%
Catford Phase 1 – Thomas Lane Yard/ CCC	0.6	0.6	0.4	67%
Catford Station Improvements	0.3	0.1	0.0	0%
Travellers Site Relocation	3.6	0.1	0.0	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	0.2	0.4	200%
Milford Towers Decant	0.3	0.3	0.3	100%
Deptford Southern Sites Regeneration	0.3	0.3	0.0	0%
Edward St. Development	8.4	12.0	4.1	34%
Lewisham Homes – Property Acquisition	3.0	3.0	3.0	100%
Achilles St Development	1.0	0.0	0.0	0%
Place Ladywell	2.7	0.8	0.0	0%
Temporary Accommodation - Mayow Rd	6.6	7.0	2.3	33%
Temporary Accommodation - Canonbie Rd	1.4	1.8	0.9	50%
Temporary Accommodation - Sydney Arms	3.8	0.0	0.0	0%
Temporary Accommodation - Morton House	0.1	0.6	0.0	0%
Temporary Accommodation - Manor Avenue	0.0	0.3	0.0	0%
Disabled Facilities Grant	2.1	1.3	1.0	77%

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2021/22 Capital Programme	Revised Budget (agreed at M&C Feb 21)	Revised Budget December 2021	Spend to 31st January	Spent to Date (Revised Budget)
Private Sector Grants and Loans	2.1	0.6	0.4	67%
Other General Fund Housing Schemes	1.5	0.9	0.6	67%
Other Miscellaneous Schemes	2.9	3.1	0.5	16%
TOTAL GENERAL FUND	70.3	64.0	26.2	41%
HOUSING REVENUE ACCOUNT	£m	£m	£m	%
Building for Lewisham Programme (BfL)	50.2	50.2	22.7	45%
Decent Homes Programme	56.0	57.8	30.8	53%
Housing Management System	1.3	1.3	0.0	0%
Other Schemes	6.5	6.5	0.3	5%
TOTAL HOUSING REVENUE ACCOUNT	114.0	115.8	53.8	46%
TOTAL CAPITAL PROGRAMME	184.3	179.8	80.0	44%

Financial Implications

- 16.1 This report concerns the projected financial outturn for 2021/22. Therefore, any financial implications are contained within the body of the report.

Legal Implications

- 17.1 The Council is under a duty to balance its budget and cannot knowingly budget for a deficit. It is imperative that there is diligent monitoring of the Council's spend and steps taken to bring it into balance.

Crime and Disorder, Climate and Environment Implications

- 18.1 There are no specific crime and disorder act or climate and environment implications directly arising from this report.

Equalities Implications

- 19.1 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.
- 19.2 There are no equalities implications directly arising from this report.

Background Papers

Short Title of Report	Date	Location	Contact
Budget Report 2021/22	3 rd March 2021 (Council)	1 st Floor Laurence House	David Austin

Report Author and Contact

Nick Penny, Head of Service Finance nick.penny@lewisham.gov.uk; or

David Austin, Director of Finance at david.austin@lewisham.gov.uk

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APPENDIX 1 – Summary of agreed revenue budget savings for 2021/22

Ref	Director	Proposal	2021/22 Agreed Savings	2021/22 Achieved	2021/22 Gap	Comment
CHIEF EXECUTIVE DIRECTORATE			£'000	£'000	£'000	
A-01	All	Staff productivity - arising from new ways of working better collaboration and a return on IT investment (£3m split council wide)	243	243	0	
A-03	All	Corporate Transport arrangements (£100k split Council Wide) more use of electric bikes and less spend on public transport and cars	3	3	0	
A-10	Jeremy Chambers	Election services	55	55	0	
A-09	Salena Mulhere	Support Leadership	105	105	0	
A-11	Jeremy Chambers	Legal, governance service and elections review.	340	340	0	
A-01a Round 2	All	Staff productivity - arising from new ways of working, better collaboration and a return on IT investment (£1m split Council Wide)	81	81	0	
Total for Chief Executive Directorate			827	827	0	
CHILDREN & YOUNG PEOPLE DIRECTORATE			£'000	£'000	£'000	
E-05	Angela Scattergood	Traded services with schools	50	50	0	
F-12	Lucie Heyes	Housing - No Recourse to Public Funds	300	900	-600	Overachievement expected to continue in 22/23

A-12	Angela Scattergood	Rationalising Central Education Services functions	150	160	-10	No risk to delivery anticipated in 22/23
A-13	Angela Scattergood	Children with complex needs (CWCN Revision)	195	133	62	Full delivery expected in 22/23
A-14	Angela Scattergood	Replace Educational Psychologist locums through expanding the generic EP Team	200	214	-14	No risk to delivery anticipated in 22/23
A-16	Lucie Heyes	Reduction of workforce development budget	50	50	0	
B-13	Angela Scattergood	Early Years Funding Block	54	54	0	
C-09	Sara Rahman	Youth Offending Service (YOS) redesign	152	152	0	
C-30	Angela Scattergood	Rationalisation of Business support across Education services	70	70	0	
D-09	Angela Scattergood	Educational Assets	300	300	0	
A-01 and A-01a	All	Staff productivity - arising from new ways of working (including learning from the Covid 19 pandemic), better collaboration and a return on IT investment	1053	390	663	Due to the level of demand within Children's Services it is challenging to deliver this saving in the proposed way (reduced staffing). The service are looking for alternative savings such as contract efficiencies to deliver against this target.
A-03	All	Corporate Transport arrangements	56	56	0	
E-03	All	Review discretionary sales, fees and charges and increase to the point of full cost recovery.	10	10	0	
Total for Children & Young People Directorate			2,640	2,539	101	
COMMUNITY SERVICES DIRECTORATE			£'000	£'000	£'000	
B-04	Catherine Mbema	Smoking cessation service	221	221	0	
B-05	Joan Hutton	Recharge OT and housing officer costs to the Disabled Facilities Grant	250	250	0	

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B-07	Liz Dart	Review of Council run events	42	42	0	Blackheath Firework Event ceased
B-10	James Lee	Reduction in local assemblies service	45	45	0	Councillor discretionary ward budget ceased
C-02	Joan Hutton	Adult Learning and Day Opportunities	50	50	0	
E-04	Joan Hutton	Introduce charging for certain elements of self-funded care packages	82	0	82	This is linked to the fees and charges review and is likely to be impacted by the Social Care reform.
F-01	Joan Hutton	Adult Social Care Demand management	3,000	1,000	2,000	This follows on from Com-1A. Until the review programme has been completed we are unable to confirm delivery of this saving however we are assuming a full year effect of £3m, maximum anticipated amount is £3.5m. £2m shown here and £0.9m in 20/21 savings
F-06	Joan Hutton	Adults with learning difficulties and 14 - 25yrs transitions costs	760	0	760	Also linked to the review programme in F-01 and Com-1A
F-09	Joan Hutton	In house services reductions - adults passenger transport	600	0	600	The saving is on track to be achieved within Adult Services (due to reduced level of service purchased), however overall the council has not yet delivered a saving from this workstream.
A-18	Liz Dart	Library and Information Service	300	300	0	Staffing restructure complete and saving will be achieved for 21/22. Changes to Catford Libray for 22/23 following the move from Laurence House could effect the long term acheivability of this saving unless funding is transferred from other council budgets to cover the additional costs.
B-11	Joan Hutton	Improved usage of BCF Funding across partners	1,000	1,000	0	

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B-12	Liz Dart	Adult Learning Lewisham - back office efficiencies	96	96	0	
C-12	Catherine Mbema	Weight management services	25	25	0	
C-13	Catherine Mbema	Sexual and Reproductive Health Services in Primary Care	100	100	0	
C-14	Catherine Mbema	Substance Misuse Cuts (Public Health Budget)	150	150	0	
C-15	Catherine Mbema	Integrated Sexual and Reproductive Health Services	150	150	0	
C-16	Dee Carlin	Reduction of Management overheads for the Social Inclusion and Recovery Services (Slam lewisham Community Services)	50	50	0	
C-17	Dee Carlin	Re-configuration of MH Supported Housing pay - social interest group	100	0	100	Not being delivered at this stage
C-24	Liz Dart	Culture Team Salaries & Borough of Culture	60	60	0	
C-28	Dee Carlin	Supported Housing Services	169	169	0	
C-29	James Lee	Crime, Enforcement & Regulation service restructure	50	50	0	Staffing restructure complete and full saving achieved.
F-24	Joan Hutton	Adult Social Care cost reduction and service improvement programme	3,849	0	3,849	This is the saving being delivered as part of the Newton programme, the programme is expected to yield c£1.415m savings in 22/23 (lower banding). This value assumes the Newton fee is paid for corporately.
A-01 and A-01a	ALL	Staff productivity - arising from new ways of working (including learning from the Covid 19 pandemic), better collaboration and a return on IT investment	1,027	1,027	0	
A-03	ALL	Corporate Transport arrangements	23	23	0	

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E-03	James Lee	Review discretionary sales, fees and charges and increase to the point of full cost recovery.	72	0	72	In the 21/22 financial year £56k will be delivered via fee increases in the Pest Control Service with the remaining £16k covered on a once of basis from the Strategy & Performance budget. Options are currently being explored to cover the £16k on an ongoing basis from the overall Greenscene budget and the saving is now expected to be fully achieved on an ongoing basis.
Total for Community Services Directorate			12,271	4,808	7,463	
CORPORATE RESOURCES DIRECTORATE			£'000	£'000	£'000	
A-04	Mick Lear	Process automation in Revs and Bens	60	40	20	Full delivery expected in 22/23
A-05	Mick Lear	Revs and Bens - additional process automation	400	0	400	Following conversation with Head of service full delivery expected in 22/23.
B-08	Mick Lear	Review the Power of Attorney service	160	160	0	
B-09	Mick Lear	Reduction in the discretionary award of concessionary fares	300	300	0	
D-03	Brian Colyer	Facilities management general cost reduction	50	50	0	
D-04	Brian Colyer	Operational estate - security	100	100	0	
D-06	Brian Colyer	Catford Campus - Estate Consolidation	438	179	259	Will be achieved in 22/23 via town hall income overachievement
A-01 Round 1	All	Staff productivity - arising from new ways of working, better collaboration and a return on IT investment (£3m split council wide)	522	522	0	

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A-03 and E-03 Round 1	All	Corporate Transport arrangements AND Review discretionary sales, fees and charges and increase to the point of full cost recovery (£250k split Council Wide)	7	7	0	
A-01a	All	Staff productivity - arising from new ways of working, better collaboration and a return on IT investment (£1m split Council Wide)	174	174	0	
Total Corporate Resources Directorate			2,211	1,532	679	
HOUSING, REGENERATION & PUBLIC REALM DIRECTORATE			£'000	£'000	£'000	
A-07	Fenella Beckman	Housing - Productivity gains	202	202	0	
B-05	Fenella Beckman	Recharge OT and housing officer costs to the Disabled Facilities Grant	175	175	0	
C-05	Fenella Beckman	Housing needs and procurement service review	50	50	0	
C-06	Fenella Beckman	Housing needs and procurement service review	77	77	0	
D-02	Patrick Dubeck	Business Rates Revaluation for the estate	40	40	0	
D-06	Patrick Dubeck	Catford Campus - Estate Consolidation	236	236	0	
D-07	Patrick Dubeck	Meanwhile use - Temporary Accommodation	25	25	0	
E-02	Patrick Dubeck	Income from building control	15	15	0	
E-07	Fenella Beckman	Housing – Increased rent for Private Sector Lease (PSL) and Private Managed Accommodation (PMA)	300	300	0	
C-10	Fenella Beckman	Housing Services Review	300	300	0	

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E-11	Zahur Khan	Environmental Enforcement – Use of Civic Enforcement Officers	100	100	0	
F-17	Zahur Khan	Road safety enforcement	250	250	0	
F-20	Zahur Khan	Emission based charging for Short Stay parking	120	120	0	
F-21	Zahur Khan	Road Safety Enforcement	250	250	0	
A-01 & A-01a	Zahur Khan	Productivity (Additional)	969	969	0	
Total for Housing, Regeneration & Public Realm Directorate			3,109	3,109	0	
Cross-Cutting			£'000	£'000	£'000	
B-07		Review of Council run events	28	28	0	
E-01 / E-01a		Improved Debt collection	750	750	0	
E-08 / E-08a		Contract Efficiencies – inflation management	750	750	0	
Total for Cross-Cutting			1,528	1,528	0	
GRAND TOTAL			22,586	14,343	8,243	

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APPENDIX 2 – Summary of agreed overspend reduction measures for 2021/22

Ref	Proposal	2021/22 Agreed Reduction	2021/22 Achieved	2021/22 Gap	Comment:
CHILDREN & YOUNG PEOPLE DIRECTORATE		£'000	£'000	£'000	
B-02	Strategic recharging	600	340	260	In progress - possible risk of achieving full saving in 2021/22
C-01	Redesign of the CYP Joint Commissioning service.	140	140	0	Achieved
C-03	Reduction in the use of agency social workers.	215	307	-92	Overachieved
C-07	Review Short breaks provision.	65	50	15	Expected to partially achieve in 2021/22, however potential future risk from contract awards
E-06	Reduce care leaver costs	200	587	-387	Overachieved
F-02	Children Social Care Demand management	500	770	-270	Overachieved
F-04	Special Guardianship Order payments	60	60	0	
F-05	VfM commissioning and contract management - CSC	250	0	250	Offset by savings elsewhere
F-10	In house Early Help service	200	200	0	
F-11	Front door arrangements in CYP	50	0	50	Offset by savings elsewhere
A-17	Care leaver accommodation / housing costs	500	398	102	In progress
C-21	Early Help and Prevention Recommissioning	170	170	0	
C-22	Reduction in LBL contribution to CAMHS Service	250	250	0	
C-23	Reduction in the Health Visiting contract	350	350	0	
F-19	Reduction in specialist legal advocacy and assessments for CYP proceedings	500	485	15	In progress- under review as demand led
F-23	Home to school transport	250	68	182	Summer term savings achieved from independent travel training –wider review undergoing as part of transport board
Total for Children & Young People Directorate		4,300	4,175	125	
		£'000	£'000	£'000	

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COMMUNITY SERVICES DIRECTORATE					
E-10	Increase funeral charges	250	250	0	Fully achieved based on current income projections for the 21-22 financial year. A range of significant price increases were implemented for 21-22 . The overall 21-22 income figures are obviously still partly distorted by the ongoing impact of COVID on the mortality rate. We wont be able to fully gauge the long term impact of the price increases until the death rates return to a normal level.
C-26	Reducing leisure spend – The Bridge	355	355	0	This will be achieved as The Bridge LC has remained closed and is not currently part of the new Leisure Contract arrangements with Greenwich Leisure Limited. However some ongoing security cost and legal costs have been incurred in relation to the site in 21-22 which have been set against COVID grant funding.
Total for Community Services Directorate		605	605	0	
CORPORATE RESOURCES DIRECTORATE		£'000	£'000	£'000	
A-08	Reduction in paper usage	35	35	0	
C-08	IT - mobile telephony review	80	80	0	
E-09	Realising further benefits from the Oracle Cloud Solution and exploiting its functionality as a fully integrated enterprise resource planning solution.	100	0	100	Not Achieved – currently under review, and potential risk to delivery
Total Corporate Resources Directorate		215	115	100	
HOUSING, REGENERATION & PUBLIC REALM DIRECTORATE		£'000	£'000	£'000	
C-11	Reduced dependency on agency staff within Highways and Transportation Services	300	300	0	
Total for Housing, Regeneration & Public Realm Directorate		300	300	0	
GRAND TOTAL		5,420	5,195	225	

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APPENDIX 3 – Capital Programme Major Projects Budgets 2021 To 2024

Major Programmes & Projects	2021/22 £m	2022/23 £m	2023/24 £m	2024/25 £m	3 year Total £m
GENERAL FUND					
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	0.3	0.3	0.9
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	0.0	0.8	3.4	0.0	4.2
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	0.0	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	0.9	0.8	0.7	0.0	1.5
Other Miscellaneous Schemes	3.1	1.2	0.0	0.0	1.2
TOTAL GENERAL FUND	64.0	35.8	21.3	0.3	57.4
HOUSING REVENUE ACCOUNT					
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
TOTAL HRA PROGRAMME	115.8	209.6	196.1	135.6	541.3
TOTAL PROGRAMME	179.8	245.4	217.4	135.9	598.7

APPENDIX 4 – Capital Programme Revised 2021/22 Budget

<u>Adjustments Made To The 2021/22 Capital Budget Since Budget Report to M&C In Feb 21</u>		£`m
APPROVED CAPITAL PROGRAMME BUDGET- 21/22		
M&C – February, 2021 as per Budget Report		184.30
Underspends carried-forward from 20/21		6.10
		<hr/> 190.40
New Schemes Post Budget Report		
Schools Minor Works Programme 2021		4.2
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- TheWavelengths & 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
Sayes Court Park Play Improvement		0.14
		<hr/> 18.02
Increase in HRA- Schemes Post Budget Report		
General Capital & Decent Homes Programme		38.80
Reduction in HRA Programme		-47.50
Reprofiled Schemes		
Reprofiled 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

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Excalibur Phases 3	0.28
Greenvale school	-2.45
Fleet Vehicle Replacement 2019/20 & Future Programme	-1.58
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- TheWavelengths & 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
Achilles Street - Development	-0.96
Excalibur Phases 4	-0.28
Excalibur Phases 5	-0.27
	-17.62
Completed Projects	
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

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Acquisition & conversion of 118 Canonbie Road and Hamilton Lodge.and 354 , Stanstead Rd	-0.57
Temporary Accomodation - Sydney Arms	-0.99
Roundings	0.19
	-2.30
Revised December Capital Programme Budget 21/22	179.80

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Public Accounts Select Committee

Report On The Work Of The Audit Panel 2021-22

Date: 17 March 2022

Key decision: No

Class: Part 1

Ward(s) affected: No individual wards

Contributors: Head of Assurance

Outline and recommendations

This Committee's Terms of Reference direct that it should scrutinise the effectiveness of the Audit Panel. This report outlines the Audit Panel's work in the municipal year 2021/22 to support this Committee in discharging that responsibility.

We recommend PASC **note** this report.

Timeline of engagement and decision-making

- *2 March 2022: Approved informally by Audit Panel Chair*
- *15 March 2022: Presented for comment at Audit Panel*

1. Summary

- 1.1. Section 6.7 of the Council's Constitution details specific terms of reference for each Committee. For the Public Sector Accounts Select Committee, the terms of reference direct, among other instructions, that the Committee should "*scrutinise the effectiveness of the audit panel*".
- 1.2. At Section 9.3, the Constitution directs that the Audit Panel should comprise 6 non executive Councillors (one serving as Chair) and up to 4 independent co-opted members. The Constitution then details eleven areas where the Panel should "*receive, review and where appropriate advise [...] and make recommendations*".
 - *Review and approve the Council's Internal Audit strategy, plans and resources.*
 - *Internal audit quarterly progress reports.*
 - *Annual Report of the Council's Head of Internal Audit.*
 - *Reports of Internal Audit on where management has failed to undertake necessary actions within the planned audit time frame.*

- *The external auditor's Annual Plan and relevant reports.*
 - *External inspection reports and specific reports as agreed with the external auditor.*
 - *Monitoring effectiveness of risk management, control environment and anti-fraud and anti-corruption arrangements.*
 - *Overview of the Council's Constitution on audit procedure, contract procedure and financial regulations.*
 - *Assurance arrangements, including the Statement of Internal Control.*
 - *The Annual Statement of Accounts, including whether appropriate accounting policies have been followed and any concerns arising from the Financial Statements*
 - *The External Auditor's opinion and reports to members, and monitoring management action in response to issues raised by external audit.*
- 1.3. This report sets out the Panel's work during the municipal year 2021/22, assuring this Committee that the Panel has appropriately and fully discharged its responsibilities.

2. Recommendations

- 2.1. We recommend PASC **note** this report.
- 2.2. Noting this report will aid PASC in discharging its responsibility to scrutinise the Audit Panel's effectiveness.

3. Policy Context

- 3.1. The report supports the Council's Governance goals, recognising that strong corporate governance arrangements are crucially important to managing a modern and successful local authority.

4. Background

- 4.1. This report sets out the respective responsibilities of PASC and the Audit Panel in Section 1.
- 4.2. The Audit Panel has met four times during the 2021/22 municipal year, and by the time PASC discusses this report, it will have met for the fifth time. Meetings and attendance details as summarised below:
- 23 June 2021: 6/6 Members present (including one substitute) plus 2/3 Co-Optees.
 - 16 September 2021: 6/6 Members present plus 3/3 Co-Optees.
 - 10 November 2021: 5/6 Members present plus 2/3 Co-Optees.
 - 7 December 2021: 3/6 Members present plus 3/3 Co-Optees.
 - 15 March 2022

5. External Audit & Financial Statements

- 5.1. There exists a regular cycle for external audit and the financial statements, as set out in the Accounts and Audit Regulations 2015. This cycle – in a typical year – would include preparatory work over the winter, an audit plan in the spring with the accounts audit work, audit findings and opinion concluded by the end of July. External audit would then complete their work on Whole of Government accounts and housing benefit certification in the autumn, issuing an annual audit letter by the end of the year.
- 5.2. However, as with much else, the initial waves of the Covid-19 pandemic significantly delayed this timetable. The Council's financial statements audit concluded in

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November 2020, in line with the Government's revised reporting timetable. Inevitably, these delays in completing the 2019/20 audit had a knock-on effect into subsequent years. The Government has recognised these continuing challenges by moving the deadline from July to September for at least the next two years.

- 5.3. During 2021/22, the Council's external auditors, Grant Thornton, attended and presented at each meeting. In June, Grant Thornton presented their annual audit plan, covering the Council, Group Accounts, and Pension Fund. This plan described Grant Thornton's perspective on the key risks to the financial statements' material accuracy.
- 5.4. In September, Grant Thornton presented a progress report and an overview of the sector's developments. In November, with the primary financial statements audit work nearly but not wholly complete, the Panel received Grant Thornton's Audit Findings report. This report acknowledged the audit was not completed by the 30 September deadline but set out findings so far and work remaining. The report also anticipated unmodified ('clean') audit opinions for the Council and the Pension Fund. The Panel noted and welcomed this conclusion while recognising it as provisional.
- 5.5. In December, the Panel received a progress report. In March, the Panel expect to receive a final version of the Audit Findings report, following the conclusion of the audit and issue of clean audit opinions on 16 December 2021.
- 5.6. The Audit Findings report summarised Grant Thornton's conclusions in its headlines:
"The quality of the draft financial statements presented to audit were an improvement on the prior year and the statements had been subject to more rigorous management reviews. The Council are on an improvement journey, but our reviews and testing are still identifying [a] high level of audit adjustments to the financial statements, albeit the majority of these are presentational in nature".
- 5.7. In the December progress report, the Panel received an update from officers against the matters raised by Grant Thornton. The Panel noted officers' acceptance of the findings and commitments to remedial action for their resolution. The Panel will receive further updates from officers in March and through 2022/23 as they fulfil the actions.

6. Internal Audit

- 6.1. In June, the Panel received the Annual Opinion from the then Head of Internal Audit, who had been seconded from PWC from August 2020 to January 2022. While noting that the pandemic had forced a reduced audit plan, the Opinion nonetheless offered the Panel 'Satisfactory' assurance on the Council's governance, risk management and internal control for 2020/21.
- 6.2. In June, December and March, the Panel also received updates on progress against the 2021/22 Internal Audit plan approved in February 2021. These updates included information on the Council's continued improvements in responding to internal audit recommendations, spurred on by the Panel's clear leadership and expectation of prompt remedial action.
- 6.3. As well as receiving update reports, the Panel approved a revised Internal Audit Charter in June. This Charter, an essential requirement of Public Sector Internal Audit Standards, sets out the local approach to internal audit. The internal audit service is currently undergoing a peer External Quality Review of its conformance to the Standards. The Panel will receive the outcome report of this review early in 2022/23.
- 6.4. In January, the Council appointed a new Head of Assurance. He has picked up the Head of Internal Audit role from the PWC secondee and taken on responsibility for the Council's Risk Management, Insurance and Counter Fraud Services. In March, he will first present to the Panel the Internal Audit Service's proposed 2022/23 plan.

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7. Anti-Fraud and Corruption

- 7.1. The Anti-Fraud and Corruption Team (A-FACT) continued through 2021/22, supporting the Council's disbursement of government business grants. This was alongside its regular work, summarised in an Annual Report presented to Audit Panel in June.
- 7.2. This report highlighted a year-on-year increase in employee-related frauds, albeit within the bounds of variation over the past several years. A-FACT noted no apparent link to the pandemic in changes to the level of identified fraud. The overall activity of the team remained relatively stable, with 113 active cases in the year (compared with 140 in 2019/20 and 135 in 2018/19), not including pre-employment checks.
- 7.3. The report also highlighted the A-FACT team becoming the first local authority to become a full member of the Government's Counter Fraud Profession.

8. Risk Management

- 8.1. During 2021/22, the Panel continued reviewing the Corporate Risk Register at each meeting. The Panel received a risk update at each meeting except November (which was given over to reporting related to the financial statements).
- 8.2. As well as reviewing the corporate risk register in full, the Panel also undertakes a specific review into particular risks. These reviews invite individual risk owners to the Panel to speak about the risks under their control and provide additional detail on their management. During 2021/22, the Panel received further information on financial and cybersecurity risks.
- 8.3. In June, the Panel also reviewed the Council's Risk Management Strategy 2017-20. The Panel accepted an officer recommendation to review the Strategy and extend its lifespan for two years to 2022.

9. Annual Governance Statement

- 9.1. The Annual Governance Statements forms part of the Financial Statements that the Panel reviewed in November.
- 9.2. The Annual Governance Statement highlighted several governance priorities for 2021/22 and onwards:
 - Delivery of the Corporate Strategy,
 - Successful implementation of further cuts to reflect continuing budget reductions,
 - Addressing the Chief Executive's priorities for improvement, including financial management, evidence-based decision making, organisational culture, resident experience, governance and risk, project and people management and communications,
 - Aligning schemes of delegation and financial procedures to the new Directorate structures,
 - Update payroll and HR procedures to capture operational changes from the move to Oracle Cloud,
 - Address internal and external audit findings,
 - Continue implementing the areas for improvement identified in the August 2019 review of Children's Services,
 - Working with local and regional partners on Covid-19 response.
- 9.3. The Audit Panel will monitor and review progress on these priorities as part of its work.

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10. Other Business, Including Priorities Carried Forward from 2020/21

- 10.1. The equivalent report to PASC in March 2021 highlighted four areas where the Panel had been unable to complete its 2020/21 work and noted these were to carry forward into 2021/22. These areas were:
- **Redmond Review:** The Panel received a report in June 2021 summarising the Government's responses to the Redmond Review's recommendations.
 - **Additional Meeting to Review Financial Statements:** The Panel included a fifth meeting in 2021/22 for this specific purpose.
 - **Review Panel Status and terms of reference:** This work has continued through 2021/22 and will seek to come forward with proposals following this Spring's elections.
 - **Recruiting a fourth independent Member:** Noting the continued value and enormously appreciated contributions of independent Members, this remains an ambition of the Panel that will be taken forward alongside any terms of reference revision post-elections.

11. Financial implications

- 11.1. There are no financial implications arising directly from this report.

12. Legal implications

- 12.1. There are no legal implications arising directly from this report.

13. Equalities implications

- 13.1. There are no equalities implications arising directly from this report.

14. Climate change and environmental implications

- 14.1. There are no climate change or environmental implications arising directly from this report.

15. Crime and disorder implications

- 15.1. There are no crime or disorder implications arising directly from this report.

16. Health and wellbeing implications

- 16.1. There are no health or wellbeing implications arising directly from this report.

17. Background papers

- 17.1. The background papers to this report are the Audit Panel meeting records published on the Council's website. [Linked here](#).

18. Report author and contact

- 18.1. For any queries on this report, please contact Rich Clarke, Head of Assurance, on 020 8314 8730.

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Public Accounts Select Committee

Update on the Local Supply Chain in Lewisham

Date: 17 March 2022

Key decision: No

Class: Part 1

Ward(s) affected: All

Contributors: Head of Strategic Finance, Planning and Commercial and the Head of Economy, Jobs and Partnerships

Outline and recommendations

The current Corporate Strategy 2018 – 2022 contains seven key priorities, one of which is to build an inclusive local economy, and a commitment to enable this by reviewing public sector procurement to maximise investment in local independent businesses and support local inclusive growth. The delivery of this has been via both the Corporate Procurement team's changes to policy and practice, and the work under the Lewisham Deal, but also through the work of the Council's Economy, Jobs and Partnerships team.

Public Accounts Select Committee are recommended to note the update on the work with the local supply chain within Lewisham.

Timeline of engagement and decision-making

February 2019 – Lewisham's Social Value Policy agreed by Mayor and Cabinet

July 2019 – the signing of the Lewisham Deal and first Annual Social Value Report published

September 2020 – second Annual Social Value Report published

June 2021 – the Sustainable Procurement Strategy agreed by Mayor and Cabinet

September 2021 – third Annual Social Value Report published

1. Summary

- 1.1. The current Corporate Strategy 2018 – 2022 has seven key priorities, one of which is to build an inclusive local economy, and a commitment to enable this by reviewing public sector procurement to maximise investment in local independent businesses and support local inclusive growth. The delivery of this has been via both the Corporate Procurement team's changes to policy and practice, and the work under the Lewisham Deal, but also through the work of the Council's Economy, Jobs and Partnerships team.
- 1.2. In the period 2018 – mid 2021 the Council's procurement service has developed and adopted a Social Value Policy that targets an increase in local businesses into the Council's supply chain at all levels of spend. The Council has signed and entered the Lewisham Deal, a common commitment by local public sector institutions to promoting inclusive growth in the borough, and has published the annual Social Value Reports for 2018/19 – 2020/21 demonstrating the increase in social value obtained from our contracted spend each year. Within the Lewisham Deal the Procurement Sub-group commits to holding an annual Meet the Buyer Day and has successfully held this three times (with the exception being 2020 due to Covid restrictions). In July 2021 the Sustainable Procurement Strategy 2021 – 2025 was approved and adopted which commits to tendering below threshold procurements to Lewisham-based organisations, as a first point of market engagement, where possible.
- 1.3. The impact of the Covid pandemic on the Borough, and especially its business base, was profound. The Council provided over £76m in over 14,000 grants to local businesses during the pandemic. Securing contracts within the supply chain of the Council and other local partners could help to secure their longer-term recovery. As such the Council has put in place a pilot "Ready to Supply" project to support local businesses.

2. Recommendations

- 2.1. Public Accounts Select Committee is recommended to note the report on the local supply chain in Lewisham.

3. Policy Context

- 3.1. The Council's 2018 to 2022 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 the priority outcomes that organisations, communities and individuals can work towards to make this vision a reality.
- 3.2. In developing and adopting a single Contract Management Framework we will seek to ensure the continued delivery of value for money and best value. In developing and adopting this framework 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.
 - We are open, honest and fair in all we do.
- 3.3. These core values align with the Council's seven corporate priorities namely:
 - *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 & 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 engagement and participation of the local supply chain in Lewisham delivers specifically against a commitment under building an inclusive local economy, which is that we will review public sector procurement to maximise investment in local independent businesses and support local inclusive growth. This further supports the aim of ensuring a future we all have a part in and an economically sound future.

4. Progress to 2021

- 4.1. The current Corporate Strategy 2018 – 2022 has seven key priorities, one of which is to build an inclusive local economy, and a commitment to enable this by reviewing public sector procurement to maximise investment in local independent businesses and support local inclusive growth. The delivery of this has been via both the Corporate Procurement team's changes to policy and practice, and the work under the Lewisham Deal, but also through the work of the Council's Economy, Jobs and Partnerships team.
- 4.2. The Lewisham Deal is a common commitment by local public sector institutions to promoting inclusive growth in the borough. Based on the principles of community wealth building, the Lewisham Deal seeks to ensure we build an economy that works for everyone in the borough. The anchor institutions involved in the Lewisham Deal are: the London Borough of Lewisham, Lewisham Homes, Goldsmiths University of London, Lewisham and Greenwich NHS Trust, Lewisham College and Phoenix Community Housing. There are six key commitments of the Deal: Apprenticeships; Information, Advice and Guidance; London Living Wage; the Climate Emergency; Black Asian and Minority Ethnic staff progression; and Procurement. Each of these commitments is overseen by a sub-group with relevant members from each organisation and specific objectives agreed by the group. The Procurement sub-group is chaired by the Council's Head of Strategic Finance, Planning and Commercial, with business and operational support provided by the Council's Social Value Officer. The Procurement sub-group's key objectives are:
- To make our contract opportunities more accessible to small and medium

enterprises (SMEs);

- To organise a minimum of one Lewisham Meet the Buyer event a year for our SMEs; and
- To publish an annual Social Value Report.

- 4.3. Procurement also generally supports and aids the other five commitments of the Lewisham Deal, specifically the London Living Wage, where the Council requires that for all contracts let which deliver services into the borough that the London Living Wage is paid, and Climate Emergency whereby the Sustainable Procurement Strategy contains a requirement for suppliers to submit a Carbon Reduction Plan as part of relevant tenders with an annual value of £5m or more. The service also supports the Apprenticeships pillar through the inclusion of apprenticeships as a key KPI in the Social Value delivered via contracts.
- 4.4. Whilst the Lewisham Deal was officially signed in the summer of 2019, the sub-groups began working towards their commitments in early 2018, with the first Meet the Buyer event in the autumn of 2018 held at Goldsmiths University of London, supported by all members and with over 80 local businesses attending. In July 2019 the Lewisham Deal was officially signed by all member organisations and the first annual Lewisham Deal Social Value Report published.
- 4.5. During 2018 the Procurement service was also developing its first Social Value Procurement Policy, which now provides for a weighting for social value within all tenders in excess of £50k, ranging from 5% - 10% but also clearly identifies a range of Key Performance Indicators (KPIs) which we would expect providers to meet as part of the service delivery. In recognising the importance of social value, the previous standard evaluation weighting of 60:40 for price:quality was amended to 50:50, with social value given a weighting of 5% - 10% of the quality weighting. This places both greater emphasis on social value but also consistently and collectively focuses wider societal benefit on those areas which the Council has identified as being of the greatest strategic need as defined in our core strategies and objectives. The Social Value Policy was formally agreed by Mayor and Cabinet on the 6 February 2019 and immediately implemented.
- 4.6. To support the implementation of the Social Value Policy, the Council's Social Value Officer developed a social value monitoring toolkit, which is included in every relevant above threshold tender pack and then forms part of the contract schedules once awarded and operational. This enables the Council to record and monitor the delivery of social value via its supply chain.
- 4.7. The second Meet the Buyer Event was held in the autumn of 2019 at Goldsmiths University of London with 60 local businesses attending.
- 4.8. In July 2020, despite the impact of Covid, the Lewisham Deal published its second annual Social Value Report but was not able to host another Meet the Buyer event due to pandemic restrictions.
- 4.9. In July 2021 the Sustainable Procurement Strategy 2021 – 2025 was approved and adopted which commits to tendering below threshold procurements to Lewisham-based organisations, as a first point of market engagement, where possible. The Lewisham Deal also published its third Annual Social Value Report.
- 4.10. In September 2021, the Economy, Jobs and Partnerships team conducted a survey of the local business community designed to solicit feedback from employers on the challenges they faced and support they required to enable them to secure contracts with the Council and Lewisham Deal partners, and to inform the agenda for the Meet the Buyer event. The survey was promoted through a number of channels including the fortnightly business newsletter and by stakeholders/partners including the Federation of Small Business (FSB) and South East London Chamber of Commerce. The survey was also shared internally with teams across the Council who were encouraged to

share with their employer contacts.

- 4.11. In total 46 businesses completed the survey. Whilst the number of respondents to the survey was relatively low, the feedback received provided some useful insights into the challenges and needs of businesses interested in securing contracts from the Council and its Lewisham Deal Partners. The findings included:
- *Over 50% of the respondents were from the Construction and Social Care sectors*
 - *The majority were well-established i.e. trading for more than 4 years*
 - *90% were small or medium sized businesses (SMEs)*
 - *60% had never bid for a Council contract*
 - *50% of the businesses said they 'wouldn't know where to start' in completing a tender which suggests that their needs are very elementary*
 - *An on-line toolkit, mentoring and workshops were, by some way, the most popular types of support identified as being helpful by businesses*
 - *59% were either interested in being part of a consortium or would like more information*
 - *89% were interested attending our Meet the Buyer event*
 - *48% were paying the London Living Wage but are not currently accredited.*
- 4.12. The Meet the Buyer event was held in November 2021, again at Goldsmiths University of London. Over 100 businesses attended. The event included a marketplace where businesses could directly talk to over 20 organisations who had contract opportunities to promote including all of the Lewisham Deal partners, large construction firms and major local developments. There were also a number of presentations on topics including Lewisham Deal partner procurement procedures, the Living Wage, business development support, sustainable construction and how to access Lewisham's Housing Improvement contracts.

5. Progress since 2021 and Next Steps

- 5.1. The success and energy generated by the Meet the Buyer Event in November 2021 highlighted the breadth of local suppliers within the borough, but also that for the majority of these they felt unclear or unable to successfully bid for and win contracts with the anchor institutions.
- 5.2. It is clear that the procurement service can seek to improve the generic support it offers businesses via increased and improved advice and guidance on the website, but essentially its role is to ensure that all procurement activity is compliant with either UK legislation or the Council's Contract Procedure Rules (as set out in the Constitution). One of the key principles of public procurement is equality and transparency, therefore the procurement service cannot support individual suppliers.
- 5.3. However, the role of the Economy, Jobs and Partnerships team is to support local businesses and enable them to grow. Therefore this team can engage directly with businesses to help promote upcoming contract opportunities and put in place the support necessary to make sure that Lewisham businesses are in a strong position to secure contracts with the Council and Lewisham Deal partners.
- 5.4. Based on the feedback from the business survey and Meet the Buyer event, a new "Ready to Supply" project is being piloted. This project is being delivered by ELBA Works, who have experience of delivering similar projects in east London boroughs and has been funded for delivery to September 2022 initially.
- 5.5. The project provides direct support to local SMEs who are interested in supplying goods or services to the Council and Lewisham Deal partners. The project provides capacity building, ready-to-supply workshops and 1-2-1 support to Lewisham SMEs

including, but not strictly limited to, the following:

- *Initial business needs analysis*
- *Clarification of current & future bidding potential*
- *Business planning/scaling up*
- *Procurement & tendering*
- *Consortia formation and bidding*
- *Compliance (key policies & accreditations)*
- *Environmental credentials*
- *Carbon reduction/net zero planning*
- *Diversity & inclusion*
- *Social value*
- *Scaling up/finance*
- *Pitching & presenting/meeting buyers*
- *Marketing & social media*

5.6. The targets for this pilot project are:

- *Number of SMEs registered – 50*
- *Number of SMEs receiving a minimum of 6 hours support – 35*
- *Number of SMEs evidencing improved “fit to supply” – 25*
- *SMEs implementing new carbon reduction/net zero roadmaps – 15*
- *SMEs evidencing London Living Wage employer status – 15*
- *SMEs evidencing new/improved diversity & inclusion policies – 15*
- *SMEs evidencing contract wins/new sales (to end-Mar 23) – 10*
- *Indicative value of contract wins/new sales - £1m*
- *Number of workshops for SMEs (average 12 SMEs per workshop) – 10*
- *Number of networking and/or round-table events (average 25 SMEs per event) – 3*

5.7. An evaluation of the pilot project will be undertaken so that a decision can be taken later on in the year about whether this or a similar service is continued in the longer-term, subject to funding being available.

5.8. The Lewisham Deal is regarded as an example of good practice amongst London boroughs. A new London Anchor Institutions Network has recently been launched by the London Recovery Board (chaired by the Mayor of London and Cllr Georgia Gould, Chair of London Councils Board). This network replicates some of the work done by the Lewisham Deal but at a regional level. Signatories to the London Anchor Institutions Charter include regional public services (e.g. TfL, Metropolitan Police, London Fire Brigade, NHS London), London Chamber of Commerce and Industry, Film London, Thames Water, the Church of England and the Trade Unions Congress (TUC). Procurement is again the focus of one of the six working groups of the London Anchor Institution Network.

5.9. Alongside seeking contract opportunities with the Council and Lewisham Deal partners, opportunities are also sought for local businesses to secure contracts in the supply chains for major local developments. During the Planning approval process, obligations to secure local contracts are included in Section 106 agreements where possible. In

2020/21 15 contracts totalling £1.9m were secured by local businesses through obligations secured in Section 106 agreements.

- 5.10. One of the other barriers to increasing the number of contracts secured by local businesses is for commissioners of contracts to be aware of what businesses are available in the borough. Whilst there is a business database on the Council website, it is recognised that it may be helpful to produce a directory which lists local businesses by categories relevant to those who may be responsible for procuring contracts. For example, providing developers and large construction companies with a directory of local building supply merchants; trades and crafts people; and catering and security firms. Similar directories could be produced for Council officers responsible for procuring lower value (i.e. below £50,000) contracts for goods and services. Responsibility for the production of this directory will be included in the 2022/23 work plan for the Economy, Jobs and Partnerships service.

6. Financial Implications

- 6.1. This report provides an update on the work with the local supply chain within Lewisham, including both the changes made by the Procurement service in terms of policy, practice and approach to increase social value from our contracts and the number of local businesses in the supply chain, as well as the work being undertaken by the Economy, Jobs and Partnerships service.
- 6.2. There are no financial implications arising from this report.

7. Legal Implications

- 7.1. Legal implications were provided at the point at which new policies or strategies were developed and approved, as well as any relevant implications for individual procurements undertaken as part of the Council's approved procurement activity.
- 7.2. There are no direct legal implications arising from this report.

8. Equalities Implications

- 8.1. The Council has a public sector equality duty (the equality duty or the duty - The Equality Act 2010, or the Act). It covers the following protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation. In summary, the Council must, in the exercise of its functions, have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
 - advance equality of opportunity between people who share a protected characteristic and those who do not.
 - foster good relations between people who share a protected characteristic and those who do not.
- 8.2. It is not an absolute requirement to eliminate unlawful discrimination, harassment, victimisation or other prohibited conduct, or to promote equality of opportunity or foster good relations between persons who share a protected characteristic and those who do not. It is a duty to have due regard to the need to achieve the goals listed above. The weight to be attached to the duty will be dependent on the nature of the decision and the circumstances in which it is made. This is a matter for Mayor and Cabinet, bearing in mind the issues of relevance and proportionality. Mayor and Cabinet must understand the impact or likely impact of the decision on those with protected characteristics who are potentially affected by the decision. The extent of the duty will

necessarily vary from case to case and due regard is such as is appropriate in all the circumstances.

8.3. The Equality and Human Rights Commission (EHRC) has issued Technical Guidance on the Public Sector Equality Duty and statutory guidance. The Council must have regard to the statutory code in so far as it relates to the duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found on the EHRC website.

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

8.5. There are no equalities implications directly arising from this report.

9. Climate change and Environmental Implications

9.1. There are no environmental implications directly arising from the report.

10. Crime and Disorder Implications

10.1. There are no crime and disorder implications directly arising from the report.

11. Health and Wellbeing Implications

11.1. There are no health and wellbeing implications directly arising from the report.

12. Appendices

12.1. The following appendices are attached:

- *Appendix 1: first Annual Social Value Report (2019)*
- *Appendix 2: second Annual Social Value Report (2020)*
- *Appendix 3: third Annual Social Value Report (2021)*

13. Background papers

13.1. None

14. Report author(s) and contact

14.1. Katharine Nidd, Head of Strategic Finance, Planning and Commercial, 02083146651, katharine.nidd@lewisham.gov.uk

14.2. John Bennet, Head of Economy, Jobs and Partnerships, 020 8314 7791, john.bennett1@lewisham.gov.uk

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

14.4. Peter Allery xxxxx

14.5. Comments for and on behalf of the Director of Law, Governance and HR

14.6. Mia Agnew

The Lewisham Deal

Maximising social value

2018/19



Foreword by the Mayor



In Lewisham we celebrate and welcome diversity. We have a proud history of embracing new communities and working together to make Lewisham a place people want to live and work.

After almost a decade of austerity and cuts to local government funding, it is vital that social value is embedded in our local economy.

Our community is rich in diversity but the wealth and growth generated in our borough doesn't always benefit everyone equally, which is why in Lewisham we've put social value at the heart of what we do. This means improving economic, social and environmental wellbeing across our communities.

Local people are central to achieving this, so working closely with residents to maximise the impact of the work we do together is extremely important. Community wealth building is at the heart of this partnership, ensuring that we develop and maintain an economy that works for everyone.

This report sets out the shared commitment from local anchor institutions to work together to improve the lives of local people.

Building on the successes of the last year, we are focusing on delivering in four key areas:

- Asking all large contractors to provide high-quality apprenticeships for local residents and support an extra 250 people through the Mayor's Apprenticeship Scheme.
- Continuing to support businesses to become London Living Wage employers. This commitment to fair pay is a vital part of ensuring fairness in our local economy and we have set ourselves a target doubling the number of LLW employers by 2022.
- Increasing the provision of advice and support for local small businesses through our procurement process, offering stability to the local economy.
- Continuing to offer digital advice and support to Lewisham businesses.

I look forward to building on the progress we have made over the last year and seeing the impact of putting social value at the heart of our work, making Lewisham a fantastic place to live and work.

A handwritten signature in black ink that reads "Damien Egan". The signature is fluid and cursive.

Damien Egan, Mayor of Lewisham

The Lewisham Deal

The Lewisham Deal is a shared commitment by local public sector institutions to promoting inclusive growth in the borough. Based on the principles of community wealth building, the Lewisham Deal seeks to ensure that we build an economy that works for the many. The anchor institutions involved in the Lewisham Deal are:

Lewisham Council

Goldsmiths, University of London

Lewisham College

Lewisham Homes

Phoenix Community Housing

Lewisham and Greenwich NHS Trust

Social value policy

Lewisham Council passed a new social value policy at Mayor and Cabinet in February 2019. The new policy looks to strengthen the Council's ability to achieve added value from its procurement.

Apprenticeships

- We will support the growth of apprenticeships by transferring levy funds.
- We will advertise apprenticeship opportunities through the Mayor's Apprenticeship Programme.
- We will review all our entry level roles in order to identify suitable roles that can become apprenticeships.

Procurement

- We will make our contract opportunities more accessible to SMEs.
- We will organise a minimum of one Lewisham partners Meet the Buyer event a year for our SMEs.
- We will publish an annual social value report.

London Living Wage

- We will promote the London Living Wage accreditation to businesses in the borough.
- We will support local businesses to become LLW accredited.
- We will procure where possible at the London Living Wage rate.

Information and guidance

- We will develop a new online IAG portal available for residents and businesses.
- We will explore the gaps in the IAG provision currently not being met by the offers available.
- We will explore opportunities for funding for projects to plug the gaps.

Apprenticeships

Apprenticeships are jobs that include on-the-job learning and off-the-job training. They provide fantastic opportunities for people to earn and learn, whether for a young person starting out in their career or for an existing worker to up-skill or re-train.

The London Borough of Lewisham has championed apprenticeships for the last 10 years. The Mayor's Apprenticeship Programme has supported over 500 Lewisham residents to take their first steps in a new career.

As local anchor institutions, we pay a large amount in the Apprenticeship Levy, and we have a wide range of opportunities available, many of which are appropriate for apprenticeships.

We are determined to increase the number of apprenticeships we offer locally, and to support other organisations locally to take on apprentices. We will also ensure that these apprenticeships are accessible to local residents looking to get a start and progress in their careers.

Over the last year we have seen 154 new apprenticeships be created through our organisations' shared commitment to providing brilliant opportunities for our residents.



In Lewisham, we have secured apprenticeships within a number of different sectors including:

- horticulture
- IT
- plumbing
- painting and decorating
- project management
- business administration.



Apprenticeships Levy transfer policy

Lewisham Council is using its unspent Apprenticeship Levy funds to increase the number of people participating in local apprenticeships. The Lewisham Apprenticeship and Workforce Development Fund provides up to £90,000 of unspent levy funds to support Lewisham businesses to recruit apprentices.

Apprenticeships

The Mayor of Lewisham's Apprenticeship Programme is seeking to support an additional 250 apprentices between 2018–2022.

The award winning programme works alongside local businesses and with key partners to deliver opportunities for Lewisham residents.

Over 90% of our apprentices secure full-time employment upon completing their 14-month contract.



Former computer operator Tony Ellie, 47, wanted to retrain in an industry that had more job opportunities. Tony got in touch with the Lewisham Construction Hub and secured an electrical installation apprenticeship.

'Since last summer, I've been based at a site in Pagnell Street, Deptford, managed by the Kane Group. I learn something new every month and tasks can vary depending on what needs to be done on site.

'I think the Lewisham Construction Hub is a good guide for people and can help point you in the right direction. A lot of people are unsure about what they need to do to get trained or qualified in a trade. I wasn't clear on the process of becoming qualified until I started my course, talked to tutors and became more knowledgeable.'

Procurement

Lewisham’s local economy is dominated by a large number of small businesses, and a small number of large public sector employers.

As anchor institutions, we are determined to do all we can to support local businesses to grow and create high-quality employment opportunities.

One of the main ways we can do this is through making our procurement processes more open for local businesses. Together we spend over £100 million a year on procuring goods and services. We are determined to ensure that as much of this as possible stays within the local economy.

Through its procurement policies, Lewisham Council is looking to provide more local businesses with the chance to win their contracts by mandating that every contract under £50,000 include at least one quote from a Lewisham-based business.

Meet the Buyer events

The public sector partners will be holding an annual ‘Meet the Buyer’ event bringing businesses together with commissioners with the aim of supporting our businesses to be successful in securing public sector contracts.

The first ever Meet the Buyer event took place in June 2018, bringing together 120 businesses and a pipeline of over 60 contract opportunities.

Lewisham Construction Hub

Through the Lewisham Construction Hub, eight Lewisham businesses have secured contracts worth over £2,787,929.



Meet the Buyer event, June 2018

Procurement spend 2018/19 (from data available from partners)



SE London



London



Outside of London

Information and guidance

Employment

While the employment rate in Lewisham stands at a record high, many of our residents still struggle to find jobs. We want to ensure that all Lewisham residents can get the support they need to access decent quality work.

As large local anchor institutions, Lewisham Council, Goldsmiths, University of London, Lewisham and Greenwich NHS Trust, Lewisham College, Lewisham Homes and Phoenix Community Housing are major employers in the local economy. Through our procurement we will look to increase the percentage of locally employed people on our contracts.

We have seen over 249 Lewisham residents access job opportunities within the last year as a result of our procurement and construction opportunities.

Through the development of the Lewisham Deal, the main public sector partners within the borough will be developing a new online information and guidance portal to help Lewisham residents get the support they need.



Phoenix Community Housing run a job club for residents at their Green Man hub.

400 Lewisham residents have attended across a total of 48 job clubs held in 2018/2019.

Thanks to the job club, Lewisham residents have been able to access roles across multiple sectors, including:

- security
- retail
- health and social care.



Our Lewisham Deal partners continue to work together to deliver employment opportunities for our residents via job fairs and sharing and promoting the opportunities available.

Information and guidance

Volunteering and work experience

Lewisham has a strong and vibrant community, which includes a thriving voluntary sector. Volunteering not only contributes to our community and to individual wellbeing, but also helps people to build the skills, experience and confidence they need to get into work.

In addition to volunteering, work experience can play an important role in supporting people to develop skills and experience, and to get a job. Together, as local anchor institutions, we are committed to supporting local residents to access volunteering opportunities and high-quality work experience.



Fiona Lochtefeld from Goldsmiths, University of London, worked at Lewisham Local as a social media volunteer. She is one of 135 students who have been placed with local organisations over the last year.



Goldsmiths' Community Volunteering Award 2019 awarded to Gregory Bent for volunteering with My Complete Focus CIC, Lewisham.

Information and guidance

At the Lewisham and Greenwich NHS Trust, Lewisham residents have undertaken a number of roles, including in the following areas:

- A&E department
- children's activities
- elderly activities
- admin support
- arts and crafts
- hospital guide
- maternity services
- imaging department.



Working with people aged 16 and above, the Lewisham and Greenwich NHS Trust has provided 197 Lewisham residents with volunteering opportunities.



Lewisham Local connects Lewisham residents with volunteering opportunities across the borough.

Lewisham Local has helped people secure volunteering roles in social media, admin, marketing and promotion as well as data and design.

On average, volunteers spend 8.8 hours of their time supporting Lewisham – a total of 1,201 hours within the last year.

You can find out more about Lewisham Local at www.lewishamlocal.com.

Business support

The deK Business Growth Programme is a joint European Regional Development Fund (ERDF) business growth support programme, delivered in partnership with Lewisham Council, London South Bank University and Goldsmiths, University of London.

The programme aims to provide 12 hours of free support to businesses looking to grow across London.

So far we have supported 120 Lewisham-based businesses by providing access to one-to-one mentoring, workshops and seminars.

You can find out more about the programme at www.deklondon.com.

The Lewisham Construction Hub (LCH) is based at the Lewisham College, Deptford Campus. The LCH supports local residents to find work and training opportunities in the construction sector, and also helps Lewisham construction businesses to find out about and bid for contracts locally.

The Construction Hub has so far supported over 60 Lewisham businesses with things such as procurement, employment and training, and access to business growth workshops and networking events.

Over the last year, £2,787,929 was secured for Lewisham businesses by the LCH.

To find out more go to www.lewishamconstructionhub.co.uk.



London Living Wage

While the employment rate is at a record high, one in four people working in Lewisham still earn below the Living Wage – the amount people need to live off in a given area, as calculated by the Living Wage Foundation. Tens of thousands of people in Lewisham are in work, but in poverty.

As anchor institutions, we are determined to tackle in-work poverty through promoting the Living Wage.

In 2012, the London Borough of Lewisham was the joint first Council to become accredited as a London Living Wage (LLW) local authority. Since then, the Council have championed the Living Wage, and many other anchor institutions are also now Living Wage employers, including Lewisham Homes, Phoenix Community Housing and Goldsmiths, University of London.

Being an accredited LLW organisation, you have to procure the majority of your contracts at the LLW rate (£10.55 per hour). We are proud that we do this for contracts within sectors that are notorious for low pay, such as security, cleaning and catering.

Lewisham is the proud home to 77 London Living Wage businesses and is continuing to champion these businesses by providing newly accredited businesses with a business rate discount.

‘We are committed to tackling poverty pay and building an economy that works for the many. We are proud to have been the first living wage council in the country, but one in four jobs in the borough still pays below the living wage, so we have far more to do.’

Cllr Joe Dromey, Cabinet Member for Culture, Jobs and Skills (job-share)

Lewisham Council has become one of the first local authorities to sign up to UNISON’s Ethical Care Charter, which both ensures that all care workers will receive the Living Wage and seeks to improve the quality of work in the sector



London Living Wage



'The benefits are clear – a happier workforce produces better results. It also benefits the local economy in the Lewisham borough. We should all be doing it.'

*Nik James,
Aldworth James and Bond*

Supporting our communities

Lewisham is home to a number of different communities and cultures across the borough. One of Lewisham Council's key values is respecting all people and communities across all of our 18 wards.

The Council supports a number of community projects each year, which happens alongside the regeneration in the borough, with many community groups devising their own schemes and projects to improve their areas.

Within 2018/19, public sector partners have supported over 350 community programmes across the borough. These public sector partners also secured over £21,500 worth of community funding from our social value outcomes within our highways contracts. This has also included £500 per ward from FM Conway, as well as over £120,000 of in-kind contributions from Goldsmiths, University of London in the form of meeting space.

The Evelyn Community Store was opened by Lewisham Homes, offering low cost, healthy groceries.

The shop is run by residents, for residents and has been set up to help residents save up to £30 a week on household essentials.



Supporting our communities



Phoenix Community Housing residents

Phoenix Community Housing has provided £600k of funding from their annual Community Chest to support five community projects in Downham and Bellingham.

The winning projects included:

- Brent Knoll and Watergate Co-operative Trust
- Family Action
- Healthy Living Therapies for Over 55s
- Young Carers Holiday Club
- Youth First Summer Fun.



Battle of Lewisham mural

During the 40th anniversary events in August 2017, people of all ages and abilities created forty vibrant collages telling the complex story of the Battle of Lewisham to inform a future public artwork.

In late 2017, Goldsmiths established a community advisory group to collaboratively design an artwork based on these collages. The group includes Goldsmiths historian, Dr John Price, local artists and representatives from Lewisham Council. The design itself was created by Goldsmiths graduate Ted Low based on input from the group.

Funded by financial obligations from developers (Section 106) provided by Lewisham Council, the current proposal is for the artwork to be situated in the pocket park on Batavia Road, a short distance from the commemorative plaque on Clifton Rise. We hope to install and launch the artwork in summer 2019.

Roadmap for the next three years

This report is the first of its kind in Lewisham. As anchor institutions, we will continue to report annually on the progress that we have made across these key areas. Next year's report, which is due in July 2020, will also include a number of measures around the environment and health and wellbeing.

Over the next three years we will continue to work together to increase the social value that we deliver locally. We will continue to make progress on the key commitments outlined in this report:

- Delivering more high quality apprenticeships.
- Using procurement to support local small businesses and provide opportunities for residents.
- Promoting the London Living Wage and decent work.
- Providing information and advice to support residents to access opportunities.





The Lewisham Deal

Maximising social value

2019/20



Mayor's foreword



COVID-19 is first and foremost a public health emergency. But the significant economic impact of the crisis is now starting to be felt locally by many residents, businesses and in the wider economy in Lewisham.

No-one knows the full impact of COVID-19 yet. What we do know is that as of September, 44,500 Lewisham residents have been put on furlough. If even a small percentage of those residents lose their jobs, this will have a devastating impact. We have seen claims for Universal Credit and Free School Meals soar.

Lewisham Council is doing everything in our power to help those impacted by COVID-19. We have distributed £38 million of direct grant support to local businesses, we have provided an additional £2.4 million for specific financial support for lost commercial fees, and we have provided a further £2 million to businesses through our Discretionary Business Support Fund. We are now supporting employers to open up again in a COVID secure way.

We have launched a new campaign to hire 100 new apprentices in 100 days, using our apprenticeship levy to put money back into the borough. The Lewisham Mayor's Apprenticeship Scheme is open to Lewisham residents only, and our 100 new roles will provide an opportunity for people to earn as they learn. If any employer in the borough is interested in hiring an apprentice, we can help you with the process so please get in touch.

In Lewisham we have shops, family-run businesses and restaurants with products and food from all over the world that reflect Lewisham's history of migration. In a recession, all too quickly and all too quietly we could start losing these businesses, and before we know it our high streets would start to look and feel very different. So the Council will undertake a new annual survey of our high streets, becoming the first Council to go out, every year, and count and publish the number of independent retailers and the number of Black and BAME-owned businesses on Lewisham's high streets. This is a signal to small businesses that they'll always be at home in Lewisham.

Our new 'Lewisham Backs Business' Taskforce will drive this work, and I want to put on record my thanks to Cllr Joe Dromey for leading these important initiatives.

One thing is clear in these challenging times - Lewisham's recovery from COVID-19 will be done in partnership. The Lewisham Deal is the place where the borough's anchor institutions and major employers come together to make progress, share best practice and work collaboratively to deliver on our values.

The Lewisham Deal is as important now as it has ever been.

A handwritten signature in black ink that reads "Damien Egan". The signature is written in a cursive, flowing style.

Damien Egan, Mayor of Lewisham

The Lewisham Deal

The Lewisham Deal is a common commitment by local public sector institutions to promoting inclusive growth in the borough. Based on the principles of community wealth building, the Lewisham Deal seeks to ensure that we build an economy that works for the many. The anchor institutions involved in the Lewisham Deal are:

Lewisham Council

Goldsmiths, University of London

Lewisham College

Lewisham Homes

Phoenix Community Housing

Lewisham and Greenwich NHS Trust

Lewisham Deal commitments

Apprenticeships

- We will support the growth of apprenticeships by transferring levy funds.
- We will advertise apprenticeship opportunities through the Mayors Apprenticeship Programme.
- We will review all our entry-level roles in order to identify suitable roles that can become apprenticeships.

Information and guidance

- We will develop a new online information and guidance (IAG) portal for residents and businesses.
- We will explore the gaps in the IAG provision not currently being met.
- We will explore opportunities for funding projects to plug these gaps.

Procurement

- We will make our contract opportunities more accessible to small and medium size enterprises (SMEs).
- We will organise a minimum of one Lewisham Meet the Buyer event a year for our SMEs.
- We will publish an annual social value report.

London Living Wage

- We will promote the London Living Wage (LLW) accreditation to businesses in the borough.
- We will support local business to become LLW accredited.
- We will procure where possible at the LLW rate.

Apprenticeships

Apprenticeships are jobs which include on-the-job learning and off-the-job training. They provide fantastic opportunities for people to earn and learn; whether that is for a young person starting out in a career, or for an existing worker to up-skill or re-train.

The London Borough of Lewisham has championed apprenticeships for the last 10 years. The Mayor's Apprenticeship Programme has supported over 570 Lewisham residents to take their first steps in a new career.

As local anchor institutions, we pay a large amount into the apprenticeship levy, and we have a wide range of opportunities available, many of which are appropriate for apprenticeships.

We'll aim to increase the number of apprenticeships we offer locally, by aligning suitable roles with apprenticeship standards and sharing opportunities. We will support other local organisations to take on apprentices too, through our apprenticeship levy. We will also ensure that the apprenticeships are accessible to local residents looking to get a start in their careers and to progress.

We now have over 570 apprentices that have started on the programme since 2009. 82% of leavers go into full time employment or education at the end of their placements. We have worked with over 50 partner organisations, delivering apprenticeships in 49 different subject areas. We offer a full front-end recruitment service to any Council department or local employer, wishing to recruit an apprentice, with ongoing on programme and transition support at the end of the contract. This is at no cost on the condition we ring-fence the role to a Lewisham resident and pay at least the NMW for 21 year olds.

Achieved:

- 500th apprentice employed via programme
- 200th apprentice employed directly at the Council
- 95% into work progression by the 2019/2020 cohort.

Over the last year we have seen 85 new apprenticeships created through our organisations' shared commitment to providing quality learning employment opportunities for our residents. However, that could have been more was it not for the impact of a recruitment freeze as a result of the COVID-19 lockdown.



Apprenticeships

In Lewisham, in line with local needs and employers' demands, we have secured opportunities within sectors such as retail, construction, creative and health, and widen jobs delivered via apprenticeships, including:

- Horticulture
- IT
- Plumbing
- Painting and decorating
- Project management
- Business administration
- Mammography associate
- Social media and business engagement
- Advanced clinical practitioner
- Highways maintenance
- Adult care worker



The Mayor of Lewisham's Apprenticeship Programme is seeking to support an additional 250 apprentices between 2018–2022, with 122 new apprenticeships already achieved towards this target.

The award winning programme works alongside local businesses and with key partners to deliver apprenticeship opportunities in almost 50 different subject areas for Lewisham residents.

Over 95% of our apprentices secure full time employment upon completion of their 14 month contract.

The Mayor's apprenticeship programme was required to pause recruitment in response to lockdown precautions due to COVID-19. In order to re-start recruitment and progress against target, we have launched the '100 in 100 days' campaign.



This campaign aims to achieve commitments to advertise and recruit to 100 apprenticeship job opportunities in 100 days across the borough from 3 August – 18 December 2020. The campaign enjoys the full support of the Lewisham Deal partners and we aim to achieve these commitments by working together and alongside local employers. This is a great opportunity for all partners to help each other and local employers to reduce training and recruitment costs and have access to high-quality training and support whilst providing valuable work opportunities to Lewisham residents. As of day 25 of the 100 days, Lewisham Council had negotiated 61 jobs with 32 expressions of interest, 19 committed roles and 10 active via live adverts and interviews .



Apprenticeships

In the summer of 2019 the Lewisham Construction Hub teamed up with Kenson Contractors Ltd to provide a six week highways maintenance training course for residents, which led on to an apprenticeship and other employment opportunities.

Another pre-employment programme provided residents with valuable training and work experience opportunity with leading painting and decorating firm Cousins. After completing the training, two participants of the programme were chosen and offered apprenticeship opportunities with the company. Another resident also joined the company on a business administration apprenticeship.

Apprenticeships levy transfer policy

Lewisham Council and the Lewisham Deal partners support the transfer of unspent apprenticeship levy funds to increase the number of people participating in apprenticeships available locally.

Lewisham Council launched a Lewisham Apprenticeship and Workforce Development Fund to help local small and medium sized businesses (SMEs) to recruit more apprentices. Created from unspent apprenticeship levy funds, the Lewisham Apprenticeship and Workforce Development Fund



will be worth £90,000 a year. SMEs will be able to apply to the fund, which can either be used to train new apprentices recruited to the organisation or to upskill or retrain existing workers.

Apprenticeships

National apprenticeship week 2020

As part of national apprenticeship week in February the Mayor of Lewisham Damien Egan learnt about the experience of Conner Sanwell, an apprentice gas engineer in Phoenix Community Housing subsidiary Phoenix Repairs Service. Working with partners Phoenix have helped more than 50 Lewisham residents gain invaluable skills and training, and many have progressed to permanent jobs at the community housing association.



Lewisham College celebrating national apprenticeship week 2020

Lewisham College, along with the Department of Work and Pensions invited local people to a jobs and apprenticeships fair to celebrate national apprenticeship week on Thursday 6 February. The College sets out to bring a range of opportunities to the public.

They brought in employers from a variety of industries such as Santander, Pizza Express, Morgan Hunt, The London Fire Brigade and many more.

We value the great feedback from apprentices past and present about their experience of on-the-job training with our partners.



Apprenticeships

Lewisham Homes apprentices Ciara Bacchus-Thompson and Ashley Williamson-Prehay, spoke about their experiences as apprentices.

Ciara recalled: 'I did a Level 2 housing apprenticeship with the Chartered Institute for Housing in the strategic asset management team. One of the main reasons that I applied for the apprenticeship was because I've lived in Catford my whole life but I knew basically nothing about the area, so I thought that it would be a great way to learn.

'I am now the apprentice in people services, so I work in both human resources (HR) and organisational development. I'm about to start my Level 3 apprenticeship doing the HR side of the Chartered Institute of Personnel and Development qualification.

'I wouldn't have been able to see all the things that contribute to running a successful housing organisation if I wasn't an apprentice. For instance, I was given the opportunity to shadow the housing and communities team for a week, and was able to meet residents and go to their houses which wouldn't have happened if I weren't doing the apprenticeship.

'I now know a lot more about the area that I live in, and I'm a lot more confident in my knowledge and skills than when I started. I feel like I can take what I've learned from the apprenticeship and apply it to



other roles. I have a better attitude towards learning and know my preferred learning style, and doing the apprenticeship has opened up other doors for me where I'm being trusted with big tasks and given more responsibility.'

Ashley said: 'I have done two apprenticeships during my time at Lewisham Homes. The most recent apprenticeship I completed was a Level 3 apprenticeship in housing practice. This course was ideal for me, and so relevant to my goals of learning more about housing and gaining a much broader understanding of the sector. It also helped me grow and become a housing professional.

'It has made a big difference! I feel like I am able



to help contribute more to my team in my role, due to the knowledge I gained from completing the apprenticeship. I have started a permanent role at Lewisham Homes. I am now an independent living officer, having applied for the role during my apprenticeship.

'My advice to others considering an apprenticeship would be to go for it and grasp every opportunity given to you! I did not expect to come so far this soon after completing the apprenticeship. Looking back, I don't think I would be in the role I am now if I hadn't been on the apprenticeship course. Being an apprentice has helped my confidence build on a daily basis as I'm constantly learning new things. It's helped me grow as an individual. Apply – it'll change your life!'

Apprenticeships



Over the past year the Lewisham and Greenwich NHS Trust have worked to push sharing of apprenticeship levy funds available and highlight the retention and recruitment benefits of training.

Apprenticeship recruitment has been embedded into their recruitment process to help health care support staff recruitment and their apprenticeship team continues to raise the apprenticeship profile and agenda within the trust and across the local community as part of the Lewisham Deal.

All suitable NHS vacancies are to be recruited as apprentices including higher level roles such as leadership and management and service manager levels and will promote the update of degree and masters level apprenticeships.

How we are doing – apprenticeships

We will support the growth of apprenticeships by transferring levy funds.

Lewisham Council launched the Lewisham Apprenticeship and Workforce Development Fund to help SMEs recruit apprentice using transfer levy for training. Other partners are actively in discussion with respective organisations to explore how they can progress this in future.

One option under consideration is the 'reskilling the recovery' proposal, where partners can pay levy funds forward into a central 'pot' which will be allocated by the GLA to any businesses that want to take on apprentices, which reduces the administration on the organisations giving the levy over. It also may be possible for contributing organisations to ensure that their funds are used specifically to benefit local organisations or residents. Some organisations can also 'gift' levy funds to selected local organisations in the same sector to take on and develop apprentices.

We will advertise apprenticeship opportunities through the Mayor's Apprenticeship Programme. A further 85 roles were advertised and secured through the Mayors Apprenticeship Programme over the last year, this was impacted by a recruitment freeze during COVID-19 lockdown.

Phoenix Community Housing and Lewisham Homes already recruit through this platform and they have also committed to providing 13 apprenticeship positions towards the ongoing 100 in 100 days campaign. The remaining partners intend to advertise new opportunities moving forward.

We will review all our entry-level roles in order to identify suitable roles that can become apprenticeships.

Lewisham Council and Lewisham Homes are already implementing this, with an HR policy commitment in place within the Council. Remaining Lewisham Deal partners are working towards implementation over the coming year using shared best practice from other partners to consider how to implement it within their respective organisations.

Procurement

Lewisham's local economy is dominated by a large number of small businesses, and a small number of large public sector employers.

As anchor institutions, we are determined to do all we can to support local businesses to grow and create high quality employment opportunities.

One of the main ways we can do this is through making our procurement processes more open for local businesses. Together, we spend over £100 million a year on procuring goods and services. We are determined to ensure that as much of this as possible stays within the local economy.

For example, through its procurement policies Lewisham Council is helping provide more local businesses with the chance to win contracts by mandating that every contract under £50,000 include at least one quote from a Lewisham based business.

Lewisham Council has also undertaken a re-organisation where housing regeneration and economic development are working more closely together to identify sub-contracting opportunities for SMEs through Council's capital build programme.

Meet the buyer event

In November 2019, the public sector partners held our annual "Meet the Buyer" event held at Goldsmiths University, which brought over 60 businesses



together with commissioners of over 200 available contracts, with the aim of supporting our businesses to be successful when tendering. The event was well received and led to a number of Council contracts being won by local SMEs valued up to £20,000.

Building social value into procurement

The Council's procurement team is working to embed measurable social value outcomes into all relevant contracts at the tendering phase. Lewisham Council has capacity-built the Procurement team (moved back in-house from a tri-borough managed service) to develop a social value database to track and monitor social value KPIs on new tenders and retendering contracts.

Phoenix Community Housing has a procurement policy and toolkit which asks managers to assess how their contracts are set up to attract SMEs.

Moving forward, the Lewisham Deal partners aim to work together to share KPI's and to introduce



measurable annual social value returns for the partnership's contractors.

How we are doing – procurement

We will make our contract opportunities more accessible to SMEs.

A number of local businesses have secured contracts with partners over the past year. With 200 available contracts promoted to businesses at the meet the buyer event and £20k contracts won; and a further £80.7m procurement opportunities promoted through Lewisham Construction Hub and £13.7k contract value secured by Lewisham's SMEs.

We will organise a minimum of one Lewisham meet the buyer event a year for our SMEs.

A meet the buyer morning event took place in November 2019 which was attended by over 60 businesses.

We will publish an annual social value report. Published September 2020.

London Living Wage

One in four people working in Lewisham still earn below the living wage – the amount calculated by the Living Wage Foundation based on the cost of living. Tens of thousands of people in Lewisham are in work, but remain in poverty.

As anchor institutions, we are determined to tackle in-work poverty through promoting the London living wage.

The London Borough of Lewisham was the joint first Council to become accredited as a London living wage (LLW) local authority in 2012. Since then the Council has championed the living wage, and many other anchor institutions are also now living wage employers, including Lewisham Homes, Phoenix Community Housing and Goldsmiths, University of London.

Being an accredited LLW organisation means you have to procure the majority of your contracts at the LLW rate (£10.75 per hour rate). We are proud that we let contracts within sectors that are notorious for low rates of pay, including security, cleaning and catering. To this aim Lewisham College has transferred five on-site CIS security workers onto LLW at the start of August 2020 and are reviewing pay scales for cleaning and catering staff as part of their annual review. In addition, Goldsmiths University has taken both cleaning and security

staff positions back in-house from previously sub-contracted roles, offering increased opportunities.

Lewisham and Greenwich NHS Trust advertise their apprenticeship vacancies at 60–75% of basic pay which is equivalent to the London Living Wage.

Lewisham Council has a corporate target to double the number of LLW employers in Lewisham to 94 by 2022. We are now the proud home to 79 LLW businesses and are continuing to champion these businesses by providing newly accredited businesses with a business rate discount.

Lewisham Council has become one of the first local authorities to sign up to UNISON's Ethical Care Charter, which both ensures that all care workers will receive the living wage, and seeks to improve the quality and security of work in the sector.

Lewisham Council has also signed up to the Mayor's of London Good Work Standard, that brings together best employment practice and links to resources and support from across London to help employers improve their organisations

Living Wage Foundation—LLW event

Lewisham, in conjunction with tri-borough partners in Lambeth and Southwark, will be inviting businesses to attend our online LLW event in the autumn (one was held in autumn 2019). The event



Councillor Joe Dromey presenting Lewisham business Filigree Communications with the London Living Wage plaque

will encourage businesses across the boroughs to discover the benefits of paying the living wage and the positive impact paying the living wage can have, particularly during a time of economic uncertainty.

'We are committed to building an economy that works for the many and to tackling poverty pay. We are proud to have been the first living wage council in the country. But one in four jobs in the borough still pays below the living wage, so we have far more to do.'

Cllr Joe Dromey, Cabinet Member for Culture, Jobs and Skills (job-share)

London Living Wage



SWOP (Shop Without Packaging)

SWOP is a zero-waste shop in Lewisham, selling food, groceries and household products without packaging. The shop was opened in 2018 by local entrepreneur Jess Currie providing ‘organic, zero-waste shopping that doesn’t cost the earth!’ Jess employs a number of workers in her store and pays everyone the London living wage.

Jess said, ‘Shop work is demanding work and staff deserve to be paid the London living wage.’

More information about SWOP can be found at: www.swop.market



How we are doing - London Living Wage

We will promote LLW accreditation to businesses in the borough.

This remains ongoing and is tracked within the Council. The mayoral target to double the number of businesses becoming accredited has reached 79, on track to reach the Council’s target of 94 by 2022.

We will support local business to become LLW accredited

This remains ongoing with an event scheduled for November 2020 with regular ongoing support being provided by Council and Cllr Joe Dromey.

We will procure where possible at the LLW rate

The council’s apprentices are all employed at LLW and Lewisham Homes, Phoenix Community Housing and Lewisham and Greenwich NHS trust are advertising their new opportunities at the LLW. Phoenix Community Housing ask their contractors to employ at the LLW.

Information and guidance

With the COVID-19 pandemic set to push the employment rate in Lewisham towards 20,000 and the reduction in available opportunities, many of our residents will struggle to access employment. As Lewisham Deal partners, it is vital that we contribute to ensure that all Lewisham residents can get the support they need to access decent quality information, advice & guidance plus training towards work.

As large local anchor institutions, Lewisham Council, Goldsmiths, University of London, Lewisham & Greenwich NHS Trust, Lewisham College, Lewisham Homes and Phoenix Community Housing are major employers in the local economy. Through our procurement we will look to increase the percentage of locally employed people on our contracts.

We have seen over 327 Lewisham residents access job opportunities within the last year supported through our procurement and construction opportunities.

Through the development of the Lewisham Deal the main public sector partners within the borough are supporting the development of a new online information and guidance portal to assist Lewisham residents access to the support they need, via the Better Placed programme; and in the meantime launching a web page on the Council's website to cover information and signposting on jobs, training and support.



Phoenix Community Housing job club

Phoenix Community Housing run a job club for residents at their Green Man hub.

During 2019-2020 the weekly job club at the centre supported 47 Lewisham residents into employment with 18 of those being Phoenix Community Housing residents across multiple sectors, including:

- Security
- Retail
- Hospitality
- Health and social care

Phoenix also has a dedicated financial inclusion team who support residents to maximise their income. This team supported tenants to obtain an additional £624K of grants or benefits in 2019-2020.

SLP (Strategic Learning Partnership)

The SLP is comprised of Lewisham College (chair), Lewisham Council Schools, Lewisham Adult Learning and others; a strong, strategic partnership which has a working sub-group focusing on the south of Lewisham borough. The SLP has now been joined by Goldsmiths, which allows the development of 'Routeways' for learners from Job Centre Plus, Lewisham Local and others, to receive IAG and potentially onto further development opportunities with Goldsmiths.

Lewisham and Greenwich NHS Trust

Lewisham and Greenwich NHS Trust (L&G NHS) has launched a knowledge hub across the South London NHS Trust, Primary Care and Health and Social care. The three key aims of this project are a 'One Stop Shop' that provides IAG, link with satellite organisations i.e. JCP and local colleges, to increase the number of apprenticeship starts especially in Leadership and Management, Business Administration and Nursing Associates.

Business support

deK growth programme

The deK business growth programme is a joint ERDF business growth support programme delivered in partnership with Lewisham Council, London South Bank University and Goldsmiths, University of London.

Over the past year, the programme has provided support to 137 local businesses by providing 12 hours of free support in the forms of 1:1 mentoring, workshops and seminars to businesses looking to grow across London. This includes 29 new enterprises supported.

You can find out more about the programme at www.deklondon.com.

Since the Lockdown, Lewisham Council has provided regular information, advice and guidance through the COVID-19 business support newsletter, social media and website. You can find out more about the COVID-19 IAG at www.lewisham.gov.uk/myservices/business/business-support-during-covid-19

The Lewisham Construction Hub (LCH)/Local Labour & Business Scheme supported local residents to access employment and training opportunities in the construction sector, and also Lewisham construction businesses to access contracts locally.

So far they have supported over 60 Lewisham businesses, within a variety of areas including procurement, employment and training needs and providing access to business growth workshops and networking events.

CEZ (Creative Enterprise Zone)

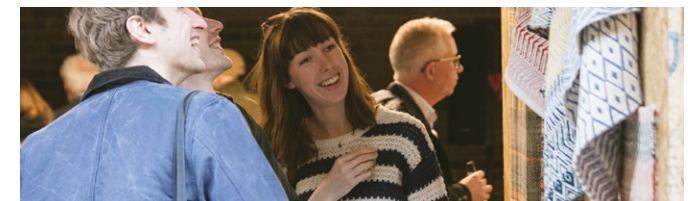
Lewisham was chosen as one of the capital's first-ever CEZs by the Mayor of London as part of a ground-breaking initiative to support artists and creative businesses.

The creative sector provides one in six jobs in London and is growing faster than any other sector in the UK economy. The CEZ initiative aims to provide investment and support for creative businesses in the capital, ensuring that London remains one of the most entrepreneurial and innovative business centres in the world. This new initiative aims to: protect the creative sector across the capital; increase affordable spaces for artists and entrepreneurs, and boost job and training opportunities for local people.

It works in close engagement with research, innovation and entrepreneurship provision from Goldsmiths, and new apprenticeship courses posed by Lewisham College; and one of the key flagship projects is the NX Hub, Goldsmith's enterprise



deK



CEZ

Business support

and knowledge exchange hub currently under development on New Cross Road.

SHAPESLewisham, initiative of the Creative Enterprise Zone has been providing regular COVID-19 updates and talks to the creative and digital community via social media
www.shapeslewisham.co.uk/news/

More information can be found at:
shapeslewisham.co.uk

Volunteering and work experience

Lewisham has a strong and vibrant community, which includes a thriving voluntary sector. Volunteering not only contributes to our community and to individual wellbeing, but it helps people to build the skills, experience and confidence they need to access work.

In addition to volunteering, work experience can play an important role in supporting people to develop skills and experience, and to get a job and develop their careers.

Together, as local anchor institutions, we are committed to supporting local residents to access volunteering opportunities and high-quality work experience

Three food-store volunteers named mayoresses of Lewisham. The Evelyn Community Store was opened by Lewisham Homes, offering low cost, healthy groceries.

The shop is run by residents, for residents and has been set up to help residents save up to £30 a week on household essentials.

Three ‘amazing’ volunteers at a community store dedicated to tackling food poverty in Lewisham have been named the new mayoresses of the borough.

‘This is something that we will embrace and it’s nice that we’re doing it as a trio and not solo because there’s always safety in numbers and many hands make light work!’ Natasha said.



Voluntary Services Lewisham (VSL)

VSL, which works in conjunction with Lewisham Council, recruits, trains and places volunteers in activities which develop their skills and confidence. They promote volunteering and actively work to identify new opportunities for their volunteers.

VSL works in partnership with other voluntary and statutory agencies as appropriate to ensure effective and professionally delivered services.



Goldsmiths University

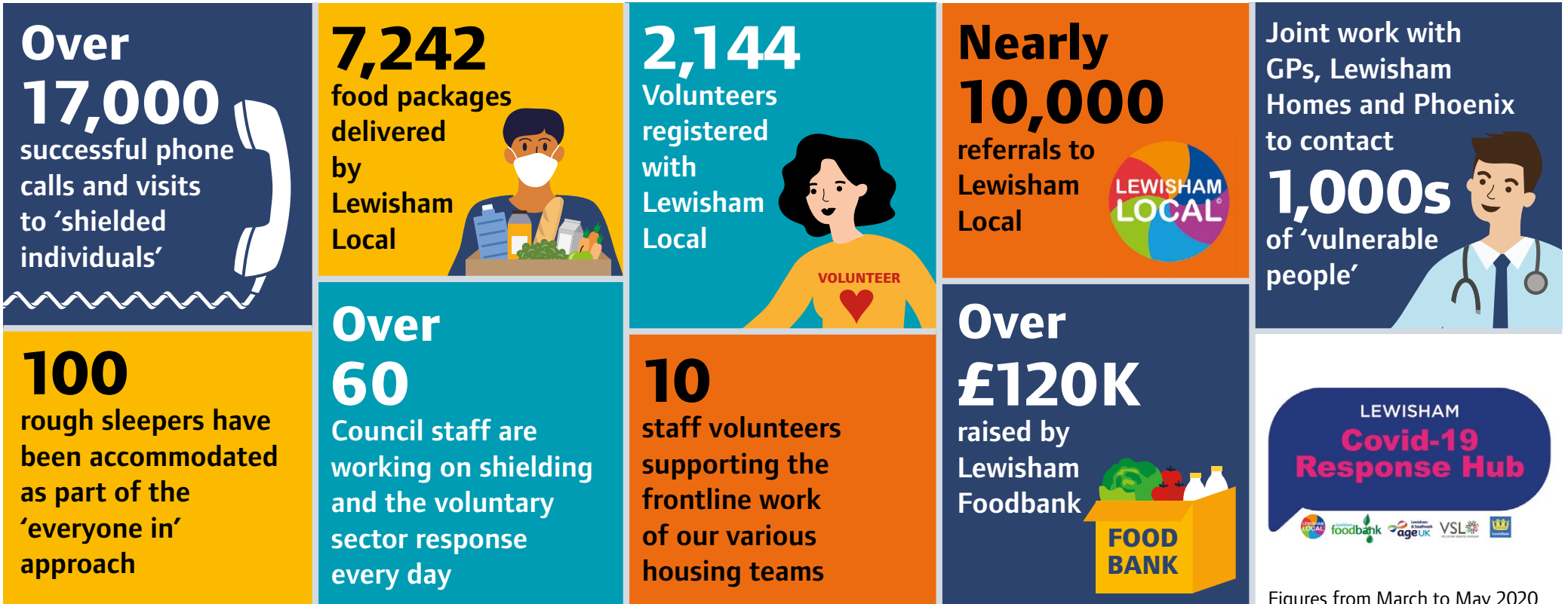
Goldsmiths University has a working volunteering relationships with 83 organisations, with 162 students placed into volunteering roles with 17 different organisations including Lewisham Education Arts Network (LEAN) and Lewisham Local.



‘We already engage with our members about different issues they’re having so I think for us now it’s about creating that stamp around what we’re doing with food poverty.’

Volunteering and work experience

Lewisham's response to COVID-19



Figures from March to May 2020

Volunteering and work experience

Lewisham Local

Lewisham Local connects Lewisham residents with volunteering opportunities across the borough.

Lewisham Local is a busy bunch in normal times delivering a joined-up access to support and services. Even before the pandemic, Lewisham Local welcomed the support of over 5,000 volunteer hours across Lewisham Local projects with 500 volunteers and 100 young people volunteering at events.

They are also affiliated with 450 local businesses who are giving back to volunteers through the Lewisham Local discount card and with another 200 local businesses giving back to the community through the community toilet and free water refill schemes.

Lewisham Local created a shared CRM system to facilitate the delivery of services, which is now shared across four main partners - AGE UK Lewisham and Southwark, Voluntary Services Lewisham, Lewisham Food Bank and Lewisham Council. This portal is currently being accessed by 9,000 local people.



Lewisham Local – COVID-19 Response

- 2,433 volunteers signed up to help the COVID-19 Response Hub across charity partners
- 712 volunteers matched to a shift across COVID-19 Response Hub partners
- Over £18,000 raised from the local community, businesses and partners to support Lewisham’s COVID-19 response
- Lendlease gave £10,000 towards COVID-19 Response, distributed as grants to BAME focused project delivering meals and befriending

Leah Byrne – volunteer dog walker, Lewisham Local

Leah volunteered with Lewisham Local as a phone befriender and a volunteer PA – which has included collecting prescriptions or shopping for people who are shielding, and walking Piloup the dog while his owner is shielding.

On average volunteers spend 10 hours of their time supporting Lewisham. This equates to a total of 5,000 hours within the last year.

You can find out more about Lewisham Local at www.lewishamlocal.com

Lewisham Community Response (LCR) Hub Services

These partners, incorporating over 2,470 volunteers included Rushey Green Timebank, Voluntary Services Lewisham, AgeUK Lewisham and Southwark, Lewisham Foodbank and LB Lewisham

Number of referrals to Lewisham Community Response Hub via phone and online totalled 14,058 including 1,397 befriending requests and 493 practical assistance requests.



Leah Byrne



Evrad Kameugne Kouchou – volunteer medicine deliverer, telephone befriender, shopper and cleaner with Lewisham Local

Supporting our communities

Lewisham is home to a number of communities and different cultures across the borough. One of the key values for Lewisham Council is that we respect all people and communities across all of our 18 wards.

The Council supports a number of community projects each year which happens alongside the regeneration in the borough, with many community groups devising their own schemes and projects to improve their areas.

Within 2019–2020 the public sector partners have helped to support over 350 community programmes across the borough.

Lewisham ‘bubbles’ with Lewisham foodbank for COVID-19 response partnership

Lewisham Council’s Community Development Team Member Lucy coordinates fresh fruit and vegetable deliveries with Caro from Lewisham’s Trussell Trust Foodbank. (Pictured right).

The team has been providing daily food parcel deliveries to thousands of families as part of Lewisham’s response to the challenges posed by COVID-19.

Lewisham Council’s Social Value Officer also directly volunteered at the Food Bank, helping to improve



operational systems to speed up the distribution of food parcels.

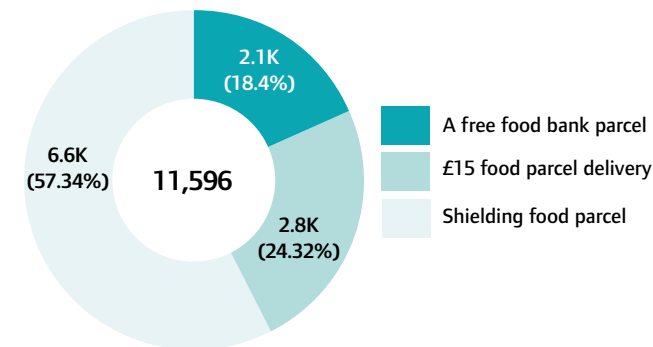
Supporting Shielding Residents

The number of shielding residents was 11,252 over the course of the period. Volunteers and staff made over 43,600 outreach calls and visits to shielding residents with over 27,700 being successful.

In addition we contacted a further 2,775 vulnerable people who were not shielding and made 5,502 calls and visits to these residents.

Food parcels delivered during COVID-19 response

Food requests all Record count



Phoenix Community Housing has awarded grant funding for five projects to support a spectrum of community based organisations including Jelly Babies (infant massage) to and the Phoenix Senior Super Singers.

Other large winning projects included:

- Brent Knoll and Watergate (children’s holiday activities)
- Youth First (school lunch clubs)
- Career Progression (supporting residents through financial hardship)
- Sports Fun 4 All (free football coaching for young people)

Supporting our communities

The Lewisham Construction Hub, working with The Divert Programme and Lewisham Police provide a pathway for young offenders to access training, work experience and other support services aiming to reduce reoffending.

DIVERT addresses a gap in the statutory provision for young adults, and is in operation in a number of the busiest police custody suites in London.

For further info see twitter: @DIVERTLondon



Divert custody intervention coach Tom Rolt with Mayor Damien Egan with Divert lead Chief Inspector Jack Rowlands



How we are doing – information, advice and guidance

We will develop a new online information and guidance (IAG) portal for residents and businesses

We will utilise the Better Placed Programme, tri-borough Skillbot AI initiative to develop an interactive careers and learning portal, which is set to be available next year. In the interim, the partners are developing the ‘information and sign-posting

page’ on Lewisham’s website.

We will explore the gaps in the IAG provision not currently being met

The IAG sub-group undertook research and identified that 75% of Lewisham’s provision is located in the New Cross and Deptford area; i.e. IAG offer is poorly spread across the borough.

Gap analysis considered feedback from focus-groups, which suggested people are more likely to recommend ‘Google’ or ‘someone who already does that’ to someone seeking IAG or employment, rather than any of the borough’s IAG-related providers or services. Lewisham Local has created a shared CRM system currently being accessed by 6,000 local people and it is important that the links that have been created during this crisis are built on further reaching out to the community.

We will explore opportunities for funding projects to plug these gaps

Leveraging funding streams that share common objectives, for example secured £50k across the tri-borough partnership of Better Placed to develop an interactive career IAG portal currently under development for launch in 2021. Lewisham Council is leading on a “youth hub” bid with Lewisham College, JCP and other strategic partners to provide at least two hubs with a multi-agency model to deliver advice, training and employment opportunities.

COVID-19 recovery, the road to 2022

Following the unprecedented impact of the coronavirus pandemic, if the Lewisham Deal did not already exist, it would be needed now as its roots lay in combating the disproportionate impact of the weakening of the local economy for our residents and businesses. It is now incumbent upon us, as anchor institutions, to help to lead Lewisham forward, towards sustainable economic and social resilience, and recovery.

To this aim, we are committed to continue to work together to increase the economic and social value that we deliver locally. We will continue to make progress on the key commitments outlined in this report and in addition we are willing to explore how we can fully support two further shared commitments outlined in the Council's corporate priorities to build back better an inclusive local economy:

1. Black Asian Minority-Ethnic employees – to reduce the gender and ethnicity pay gaps in Lewisham.
2. The climate emergency – the Council's priorities:
 - Maximise opportunities for energy efficiency in all council buildings and new developments.
 - We will explore working with publicly owned not-for-profit energy suppliers that do not penalise poorer residents using pre-pay meters.

- We will ban single-use plastics from Council buildings.
- We will promote cycling through our own bike-loan scheme and dockless bike hire schemes.
- Support extending the Ultra-Low Emission Zone so that it covers the borough and the whole of London.
- We will increase the amount of electric vehicle charging points, and develop opportunities for local business owners to access discounted electric vehicles.
- We will continue to campaign for more low-emission buses throughout our borough.
- We will work with TfL to extend the Bakerloo line.

There are already a number of working groups set up within the partners' organisations, including one between the Council and Lewisham Homes, which is tackling climate issues by building strategies into supply chains and everyday business operations such as greener meetings.

Lewisham College has a working group to reduce emissions, reducing single use plastics; while Goldsmiths' University has committed to becoming carbon neutral by 2025 and has recently launched their specific carbon reduction and enhancement



plus plans around biodiversity and community engagement.

All partners are keen to share best practice and explore how to implement these commitments in the future, working independently and as part of the partnership of the Lewisham Deal.



The Lewisham Deal

Maximising social value

2020/21



Mayor's foreword



It has been a particularly challenging 18 months for us all. The COVID-19 pandemic has triggered an economic crisis and although, in many ways, it feels we are turning a corner, the impact continues to be felt across the borough by both businesses and residents.

As a Council we have delivered a package of support including practical advice and financial help to support our businesses so they could weather the ever-changing restrictions and reopen safely.

Since the start of the pandemic we have distributed over £76 million in 14,000 grants to local businesses. Many have done an incredible job at adapting their services and the way they operate, in order to continue serving their local communities although sadly some had no choice but to close.

With all restrictions now lifted, we are focussed on building an economically sound future for all in Lewisham.

We continue to encourage and support local businesses in providing local employment opportunities, including six month placements through the Kickstart programme for young Lewisham residents. As a Council we have committed to providing 25 placements across our own services this year.

Last summer we launched a campaign to hire 100 new apprentices in 100 days, ensuring residents could still access high quality training and employment opportunities during the pandemic. We exceeded this target by 86 and are well on the way to our four-year target of finding 250 apprenticeship placements by 2022.

We are also reviewing our procurement processes to ensure any future spending and contracts are in line with our commitment to become carbon neutral by 2030 and so we will be looking to partner with more sustainable businesses in order to achieve this.

Small businesses will always be at home in Lewisham. Our high streets and town centres reflect the borough's diverse cultures and history of migration. We know that small family-owned shops and businesses can disappear all too quickly and all too quietly. This year we became the first Council to launch an annual census of the number of independent retailers and the number

of Black, Asian and Minority Ethnic-owned businesses on Lewisham's high streets. We are publishing the results soon and will provide support based on the recommendations.

The Mayor of Lewisham Business Awards are the annual opportunity for our local businesses to celebrate their successes and to acknowledge the outstanding contribution they make to the borough. We have added a new Social Value category to reward those businesses that go the extra mile, positively influencing the community around them and bringing social value to our residents.

The Lewisham Deal is the place where the borough's anchor institutions and major employers come together to make progress, share best practice and work collaboratively to deliver on our values.

The Lewisham Deal is as important now as it has ever been.

A handwritten signature in black ink that reads "Damien Egan". The signature is written in a cursive, flowing style.

Damien Egan, Mayor of Lewisham

The Lewisham Deal

The Lewisham Deal is a common commitment by local public sector institutions to promoting inclusive growth in the borough. Based on the principles of community wealth building, the Lewisham Deal seeks to ensure we build an economy that works for everyone in the borough. The anchor institutions involved in the Lewisham Deal are:

- Lewisham Council
- Goldsmiths, University of London
- Lewisham and Greenwich NHS Trust
- Lewisham College
- Lewisham Homes
- Phoenix Community Housing



The Lewisham Deal

Lewisham Deal commitments

Apprenticeships

- We support the growth of apprenticeships by transferring levy funds.
- We advertise apprenticeship opportunities through the Mayor's Apprenticeship Programme.
- We review all our entry-level roles in order to identify suitable roles that can become apprenticeships.

Procurement

- We make our contract opportunities more accessible to small and medium size enterprises (SMEs).
- We organise a minimum of one Lewisham Meet the Buyer event a year for our SMEs.
- We publish an annual social value report.

London Living Wage

- We promote the London Living Wage (LLW) accreditation to businesses in the borough.
- We support local business to become LLW accredited.
- We procure at the LLW rate, where possible.

Information, advice and guidance

- We develop a new online information and guidance (IAG) portal for residents and businesses.
- We explore the gaps in the IAG provision not currently being met.
- We explore opportunities for funding projects to plug these gaps.

Black, Asian and Minority Ethnic Progression

- We teach people to recognise unconscious bias and to cope with the disparity of power in relationships.
- We track progress and focus action in addressing inequalities including ethnicity pay gaps; management workforce composition; and job application success rates in typically underrepresented roles.
- We explore the value of inclusive mentoring through conducting and assessing pilot projects across the partnership.

Climate Emergency

- We create opportunities to engage with residents and partners from all sectors to inspire action on climate change across Lewisham including through a Lewisham Climate Conversation in 2021.
- Demonstrate leadership on carbon reduction by measuring and reporting emissions across the Lewisham Deal partners in a consistent way.
- Identify opportunities to use procurement policies and delivery of retrofit programmes to reduce emissions and benefit the local economy.

Apprenticeships

Meet the Apprentices

The economic impact of COVID-19 saw a rise in unemployment across the borough. To address this, the Council spearheaded the '100 Apprenticeships in a 100 days' initiative in August 2020. Calling on Lewisham Deal partners and local businesses to join the drive to support local people into jobs, by providing opportunities for real workplace experience and accredited training. The scheme exceeded its target and advertised 186 new apprenticeship opportunities for residents during the coronavirus crisis. We caught up with some of the newest apprentices to find out how they are getting on.

At Lewisham Council

"It has been a bit weird starting my apprenticeship during this time with so much communication online rather than in person. Everyone has been so kind and taken the time to meet with me. I've been working on supporting local COVID-19 testing and vaccination work, developing guidance for local organisations and businesses, and working on the COVID-19 database which can help us identify patterns and hotspots for infections."

Genesis Adeleye, Public Health Apprentice



Genesis Adeleye



Amber McCoy



"I had been keeping an eye on the council's job website when I saw the vacancy. After taking a career break for childcare reasons this seemed the perfect opportunity. The application process was straight forward and there is no upper age limit so it is a possibility for anyone."

"I'm office based so although it is about half full I've met my colleagues and am enjoying supporting our tenants with resolving their housing issues, queries and complaints. With an apprenticeship you get a recognised qualification too. I'm glad I put myself forward and applied."

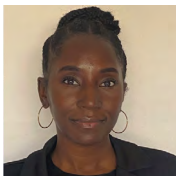
Amber McCoy, Housing Apprentice

Apprenticeships

At Lewisham Homes

Lewisham Homes is committed to supporting and investing in local young people with nine residents currently on programmes with further opportunities looking likely later in the year. Apprenticeships are not just for entry-level school leavers. They have now evolved to be highly valued training and education routes, emphasising quality, knowledge and practical skills. Lewisham Homes is also investing in apprenticeships to upskill new managers in line with industry standards.

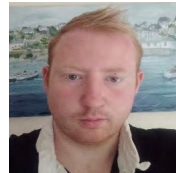
Hands-on experience



Olivia Douglas is Lewisham Homes' newest apprentice working in the Recruitment team, studying the Level 3 Recruitment Consultant Apprenticeship.

Olivia admits the field can be very competitive and difficult to get into without the relevant hands on experience, so the opportunity that Lewisham Homes is offering will be extremely beneficial. The opportunity to study whilst learning on the job is fantastic for providing an individual with all the experience needed to succeed within that field. She is really enjoying working for the company and looking forward to seeing where it takes her in the future.

New challenge, new career!



Lawrence Duckett works in Lewisham Homes' Compliance department, as a multi-skilled apprentice. In his role he contacts residents, contractors and collects information always adhering to the government guidelines.

Before lockdown, Lawrence was employed as a chef, so the apprenticeship at Lewisham Homes offered him the opportunity to move into a new role and change career whilst working and learning a completely different industry.

"The apprenticeship programme is a brilliant way of introducing learners to new, like-minded people who want to make a difference to the local area", Lawrence says.

At Lewisham College

Lewisham College celebrates National Apprenticeship Week

Lewisham College ran a series of Virtual Roadshow events for schools to celebrate National Apprenticeship Week 2021 and spread the word about the many benefits apprenticeships offer.

Asfa Sohail, Principal said: "At Lewisham College, we are excited to take part in National Apprenticeship



Bricklaying competition winner Shaun Wigzell

Week and bring the Virtual Roadshows to our local community to showcase and highlight the many benefits of apprenticeships and to encourage learners to take a different route to achieve their career ambitions."

Lewisham students show off their skills at the NCG Annual Skills Competition

Last December, trainees studying bricklaying, plumbing, and painting and decorating at Lewisham College's Deptford Construction Campus competed for a place in the finals of the inter-college NCG Annual Skills Competition which are due to take place later this year.

Apprenticeships

The trainees faced tough competition. After carrying out a number of skills-based tasks, their work was presented to the judging panel who then selected the two top learners or apprentices for each discipline. Lewisham College apprentice Shaun Wigzel was named overall winner of the Bricklaying competition. Shaun is currently completing his Apprenticeship with Flahive Brickwork Ltd.

Rob Lynch, Head of Construction and Engineering at Lewisham College, said: "We are delighted to be part of such a collaborative event. Winning has been a testament to the hard work of all the students who competed and the staff supporting them. It has been a great experience for everyone and will help them to prepare for future skills-based competitions and the types of practical work they will do in future employment."

At Phoenix Community Housing

Phoenix is proud to continue to support the Mayor's Apprenticeship Scheme. Working with its partners it has helped more than 50 Lewisham residents gain invaluable skills and training, and many have progressed to permanent jobs at Phoenix.

In 2020/21 five new apprentices were recruited to support the Lewisham Deal and 100 in 100 days initiative and as part of efforts to sustain the local economy through the coronavirus pandemic. Phoenix also have two apprentices currently learning



Ben Ogunsanwo

new skills with their subsidiary organisation the Phoenix Repairs Service.

Phoenix apprentices flourish since joining during lockdown

The past year has been a learning curve for all of us, but especially for the five apprentices who joined Phoenix in the midst of lockdown. They had an unusual start as they navigated their new roles while working from home. We caught up with two of the new apprentices, Molly and Ben to see what they enjoy about their apprenticeship and why they would recommend it.



Molly Buttigeig

"I've found that an apprenticeship is a really good way to get into the workplace. The combination of on-the-job training and supervision by an apprenticeship tutor means that I will finish my course with all the skills I need to move forward with my career."

Financial Wellbeing Apprentice, Molly

Lewisham and Greenwich NHS Trust Apprenticeship performance:

The trust is keen to develop, train and retain its workforce. Apprenticeships remain a great way, to support staff and provide high quality care for every patient, every day.

Apprenticeships

There were 64 new staff apprenticeship starts at the trust in the past year with some of the most popular roles being in Business Administration and Nursing Associate.

The trust is now working with The Prince's Trust to support recruitment and create a talent pipeline of ready candidates who have completed bespoke employability programmes (Get Started and Get Into) for available jobs at the Trust. A partnership with The Prince's is expected to continue in 2021/22.

Aida Popescu – now a Lead Maternity Support Worker and who completed the Health Care Support Worker (HCSW) apprenticeship at the trust said, "I would definitely recommend the apprenticeship programme for anyone considering working as a healthcare assistant and I always use myself as an example of what can be achieved in career progression."

The Apprenticeship Forum

Learning from home has been a challenge for our apprentices so to support them, the Council runs the Apprenticeship Forum. It is a one-hour monthly get together aimed at supporting and enriching the apprentices' journey and delivers workshops such as public speaking, resilience and health. During National Apprenticeship Week attendees also got an opportunity to meet the Mayor.

In June 2021 the forum was extended to placements in Lewisham schools and our partners, Lewisham Homes and Phoenix Community Housing. This led to increased attendance and broadened the support network for apprentices.

Apprenticeships levy transfer policy

Each anchor institution supports the transfer of any of its unspent levy funds to local small and medium sized enterprises, thereby increasing the number of apprenticeships opportunities within the borough. In the last financial year, Lewisham Deal partners reported over £481,000 in apprenticeship levy transfers.



Lewisham's Mayor Damien Egan meets with apprentices online during National Apprenticeship Week 2021

Procurement

The annual 'Meet the Buyer' event did not take place in 2020 due to COVID-19 restrictions, however plans for this year are well underway. The event is due to be hosted at Goldsmith's in November 2021, offering businesses the opportunity to bid for Lewisham Deal partners' contracts and other local construction development contracts. It also provides them with direct access to practical support, advice and development.

Lewisham Deal partners are working together on ways to consolidate local purchasing and use procurement spending to drive down local emissions whilst helping to fuel the borough's economic recovery from the impact of the pandemic.

Lewisham Council's most recent gross revenue expenditure budget was just over £1.2bn, with around £320m of this being spent on contracts for works, services and supplies. This spend on externally procured services includes both contracted and commissioned services.

The Council spent over £100m in the borough in 2020/21 with those levels expected to continue.

While Lewisham Homes currently has 10 contracts with local suppliers totalling more than £4.7m. Future



Goldsmiths, University of London

contracts will have a greater focus on working with sustainable businesses.

Goldsmiths, University of London, has been used as a case study in a report on how universities can contribute to London's economic revival.

£39m of Goldsmiths' £41m goods and services spend in 2018/19 went to UK-based businesses, which is estimated to have supported over 400 UK jobs. Of these, 64 jobs (16%) are with employers based in the borough of Lewisham and 191 (47%) are with employers based in London.

Procurement

Phoenix Community Housing – local spend

Phoenix currently has four main contracts with local suppliers, with a combined spend of over £7 million, including its subsidiary Phoenix Repairs Service.

Social Value in Council Procurement

The council now requires tendering companies to commit to delivering social value from all contracts that exceed £50k in value. In line with our corporate objectives, there are four key themes:

- Employment, Skills and the Economy
- Greener Lewisham
- Healthier Lewisham
- Training Lewisham's future

This jointly shared set of commitments will improve opportunities for residents and support inclusive local economic growth. They include:

- A coordinated approach to apprenticeships and to the use of the Apprenticeship Levy
- A shared commitment to promoting the London Living Wage, flexible working and opportunities for job progression
- A common approach to procurement and social



- A shared strategic approach to the skills and local economic development agenda, including training, employment opportunities and business engagement
- A commitment to understand local spend and investigate local economy's capacity to provide goods and services to anchor institutions, keeping more money in the borough
- A coordinated approach to volunteering, linking staff and service users with local volunteering opportunities, and a joint commitment to supporting the community and voluntary sector
- A commitment to engage with local schools and FE colleges to raise aspirations and provide information and advice about apprenticeships and further/higher education opportunities

London Living Wage (LLW)

London Living Wage (LLW)

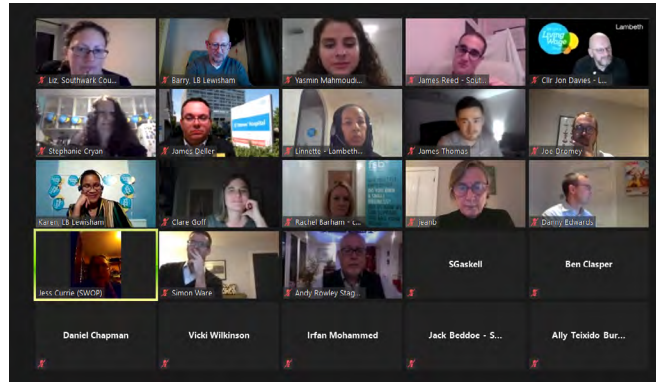
The LLW of £10.85 per hour is calculated by the Living Wage Foundation based on the cost of living. One in four employees in Lewisham is paid below that rate. The Lewisham Deal anchor institutions continue to drive the promotion of the LLW to tackle in-work poverty.

Lewisham Council became the first accredited Living Wage council in the country in 2012. Since then we have championed the living wage, encouraging more organisations in the borough to become accredited, through incentives such as discounted business rates. We have set a corporate target to double the number of LLW employers in Lewisham to 94 by 2022 and continue to progress towards achieving this.

Many of the other anchor institutions are also now living wage employers, including Lewisham Homes, Phoenix Community Housing and Goldsmiths, University of London. Lewisham College pay all security staff the London Living Wage, their catering staff the Real Living Wage and cleaning staff the National Minimum Wage, although this is due to be reviewed.

Living Wage Foundation–LLW event

The borough partners Lewisham, Lambeth and Southwark



Living Wage Foundation–LLW event

co-hosted an online London Living Wage event last November when Councillors, colleagues and business representatives from all boroughs came together to promote and celebrate the London Living Wage.

Highlights included Southwark-based catering company ‘Local Greens’ winning this year’s ‘Community Champions’ award, for services to their community during the pandemic.

Local Greens was the idea of two eco-conscious Herne Hill mums, Jean & Therese, who wanted to provide their neighbourhood with organic or biodynamic seasonal veg grown as near as possible to their South East London homes to ensure maximum freshness and minimum food miles.



Local Greens

London Living Wage (LLW)

“The Living Wage represents respect and appreciation. Without the people around me contributing to my business, I have no business. I want to show my respect and appreciation for the contribution they bring to our survival and growth.”

Amanda Miles; owner – My Aerial Home

My Aerial Home is based in Bell Green, Lower Sydenham and has recently become a LLW employer. The school of aerial dance and circus started in a local school hall 12 years ago, with three borrowed trapezes and since then has grown an international reputation for an outstanding venue for training, aerial circus rehearsals and filming and for contemporary circus productions and events.

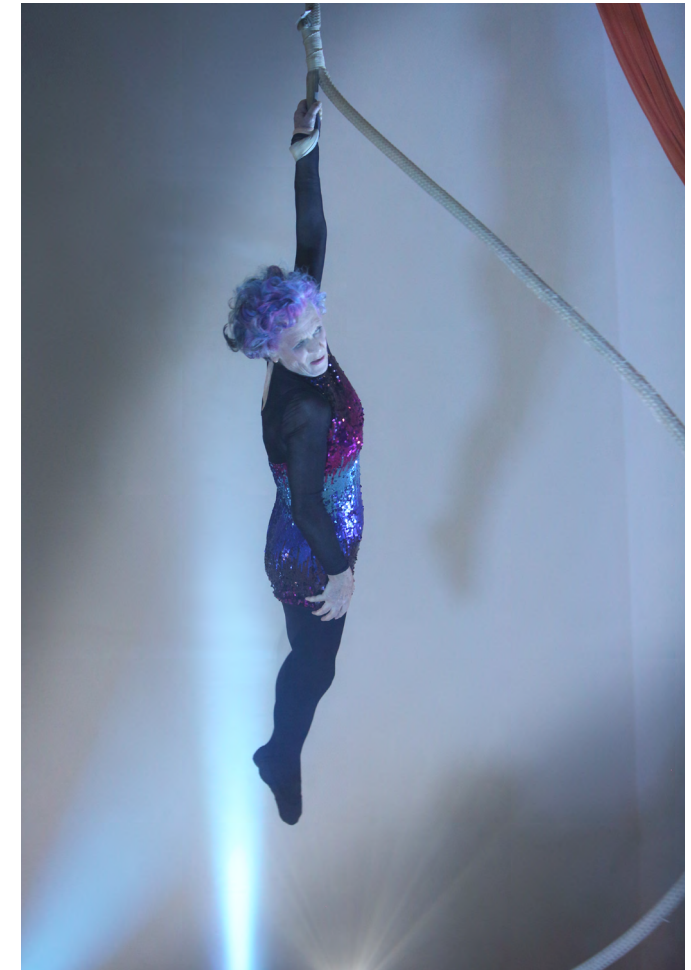
The school trains anyone and everyone who wants to learn an aerial circus skill, from 2-year-olds in their ‘Munchkins’ parent and toddler group up to ‘Octo-plusses’ – Joan (pictured) who is over 80 will be starting the professional 3-month intensive course in September!

The class programme caters for ordinary people looking for a fun alternative to the gym and these classes run alongside professional development courses for dancers, actors and other artists who need aerial skills for professional use.



You can learn flying trapeze, silks, rope, hoop, silk sling and static trapeze. There is also a thriving after school club with over 140 young people learning aerial a week.

My Aerial Home employ over 16 specialist freelance trainers a week and 5 support staff all paid at or above the London Living Wage.



Information, Advice and Guidance (IAG)

‘Skillbot AI’

Skillbot is a partnership project between the Better Placed partnership of Lambeth, Lewisham and Southwark and London South Bank University (LSBU) and a key commitment of the Lewisham Deal. It is a ‘proof of concept’ pilot project that uses Artificial Intelligence to help residents navigate the employment, skills and careers advice (IAG) landscape. If the pilot is successful, the next phase will be developing the ‘knowledge’ that the ‘chatbot’ will use to advise residents, ensuring they can easily navigate to the best sources of information. Building the knowledge base is a significant activity, and the partnership are currently identifying the best approach.

Lewisham Deal Web Pages – Centralised News Feed

In the past year, the council has included a Lewisham Deal area to the ‘Employment support and careers advice’ pages to its website.

These new pages host links to each of the Lewisham Deal partners websites, making it easier to navigate the business opportunities, jobs, training, work experience and support that the partnership has to offer.

The new set-up is shortly to be complimented by an embedded ‘News feed’ which will host centralised information from the partners’ websites into one

place. This service is anticipated to be in place by the end of the year.

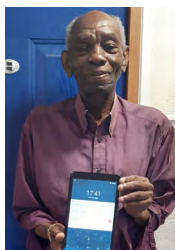
Residents Digital Skills Support Service

Led by Lewisham Homes, the Residents Digital Skills Support Service is a partnership wide project to offer a single point of contact to signpost any Lewisham residents to digital support. A campaign to promote the service is now underway.

Phoenix Community Housing

The team at Phoenix had to adapt the way they shared information, advice and guidance through the pandemic and are pleased to have been able to offer a range of options from socially distanced visits and WhatsApp, Teams and telephone calls.

Residents who have received digital devices



Hubert Alexander, 80, has been a Phoenix resident for 13 years. Hubert was already confident in watching TV and clips online but felt he could improve his knowledge of using the internet. Hubert has received a device and been connecting with his Digital Champion, John, through Whatsapp.

He’s excited to use his device to keep in touch with his family and relatives in Canada. He says: “I’m extremely grateful. It will take me time to get used to it but I am confident I can learn how to use it”.



Lily Buckley, 81, is one of Phoenix Bellingham residents who has recently received a free device. Lily had felt isolated and like she wasn’t part of the community. She says, “Getting a device ‘is a new lease of life for me. Gradually I’m learning to video call my family and

friends in Ireland”. Along with the device Lily was paired up with Digital Champion, and fellow resident, Nanssi Philippe, to help her get set up and offer her digital support. Lily adds, “I’ve no confidence in using technology, having someone help me is fantastic.”

Phoenix resident **Emily Barcoe** (below) receives her free digital device.



Information, Advice and Guidance (IAG)

Phoenix activities during the year:

- Job Club continued during the pandemic and eight people have been supported into work
- 493 training places provided, benefitting 80 Phoenix residents
- Supported 152 external training places through use of its buildings and other resources- benefitting 54 Phoenix residents and other 14 non-Phoenix residents living in the Phoenix area
- Financial inclusion team supported residents to gain grants and benefits totalling over £438K
- The Energy Advice Café has supported 146 residents to save energy, cash savings totalled over £16.5k
- £47k worth of Paypoint emergency fuel fund vouchers accessed and distributed to residents with pre-payment meters in danger of self-discounting though lack of funds
- Developed and launched a new well-being support service for residents so they can access support out of hours and in a crisis
- Held 17 children and young people consultations and 29 events/workshops for young people.

Lewisham Homes

At the beginning of this year Lewisham Homes launched a survey (Reset, Reskill and Rebuild) to identify resident priorities for 2021. Actions arising from the survey include:

- Providing a child-minding course delivered by Lewisham College, to enable residents to become fully qualified childminders and overcome the barrier of costly childcare
- The delivery of a three year creative coding project in partnership with the Albany to support young people to find employment in coding
- The provision of 30 free data Hubbub phones to older residents without digital access for 12 months
- Offering a 10 week small business support course, with access to seed funding and networking and mentoring opportunities

Further steps Lewisham Homes is taking to support residents:

- Lewisham Homes supports three community stores in the borough which enable residents to access low cost food alongside volunteering opportunities and training



Evelyn Gardens

Information, Advice and Guidance (IAG)

- We deliver a range of environmental improvement projects. The most recent has been the Evelyn community garden which has seen 40 residents volunteering to build plant beds and improve the landscape
- The Lewisham Homes Academy offers regular training to residents, the sessions are currently online but will move to be in person, they currently include level 2 certificates in Business Start-Up, Event Planning, Data Protection and Adult Social Care
- Since March 2020 Lewisham Homes has been working very closely with Catbytes – a Lewisham-based community interest company. They take donated tech and devices from Lewisham residents, wipe them, fix them and loan them to families without financial means to buy their own, or who don't have enough devices at home to work through lockdown. We successfully bid for funding to support Catbytes which led to a paid post, and more resource for Catbytes to deliver further training



Catbytes worker



**Catbytes
Digital
Community**

Business support

The business supporting 'Dek Growth Programme' which delivered workshops, one to one mentoring and consultancy for growing businesses came to an end in December 2020

In response to COVID-19, we adjusted the programme to help participating businesses develop resilience in the face of the economic downturn. In total 375 businesses participated in the programme, with 204 completing 12 or more hours of support. 25 new jobs were created, and 73 businesses were supported to create new products and services.

Dek Case Study – PRMS

Clayton M Coke is a lifelong Lewisham resident and the founder and managing director of PRMS Limited. He shares his journey through the Dek Business Growth Programme.

What made you sign up to the programme?

"I initially found out about the DeK programme via an article in the Lewisham Life magazine. I knew Lewisham didn't have as many initiatives for SME businesses and so I needed to check this out. It helped with making great connections, which are the mainstay of any business. Dek provided me with outside input to aide me in achieving my business goals. When growing a business, you have to be committed, have an open mind and a willingness to take advice. The more you put in the more you will get back."



Clayton M Coke, PRMS – Founder

Business support

Dek Case Study – Griot Communications

Griot Communications was born out of a passion for story and its power to inspire, engage and transform. They help purpose-driven businesses who want to be intentional about their business stories; work with businesses to create connections and build relationships, converting audiences into loyal customers through story-based, values-driven content writing and strategies.

What did you hope to achieve with Dek Business Growth Programme?

I had zero business experience when I started Griot Communications and felt completely at sea. I wanted to learn and get support to develop the skills and the confidence I needed to run a business and market to my audiences. I was hoping the business advisors available at the beginning would give me the much-needed guidance on the areas I struggled with, like financial management and business planning.

What part of the programme did you enjoy the most?

Dek had a broad range of courses that were practical and designed to help you get going straight away. I got started with those and it was great to meet others in the same boat, or who were further along. I also went to some inspiring networking events with some

of the trainers on the programme. But what I really valued most was the one-to-one mentoring sessions that I received. It helped me to be accountable and someone with expertise who would give me clarity on what I needed to focus on in my business. This kind of support is invaluable when you're just starting out.

Starting and running a business can be a lonely journey and having free opportunities to network and gain clarity and new skills and the potential to access funds was truly a gift.

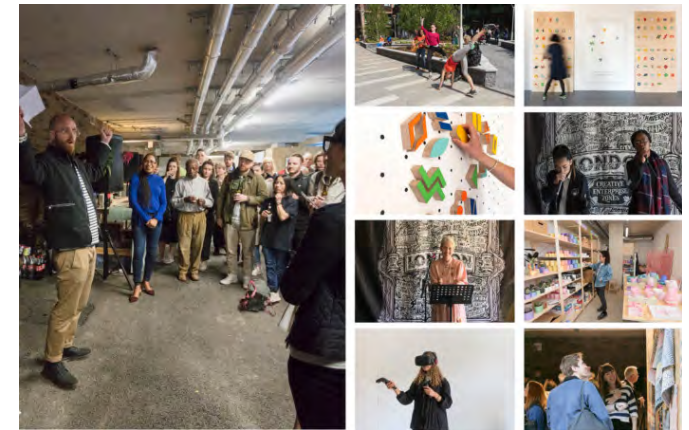
Find out more at: griotcomms.co.uk



CEZ (Creative Enterprise Zone)

Lewisham was chosen as one of the capitals' first-ever CEZs by the Mayor of London as part of a ground-breaking initiative to support artists and creative businesses.

Before the pandemic, the creative sector provided one in six jobs in London. The CEZ initiative aims to drive recovery by continuing to provide investment and



CEZ (Creative Enterprise Zone)

support for creative businesses in the capital, ensuring that London remains one of the most entrepreneurial and innovative business centres in the world.

The initiative will continue to work to support and protect the creative sector across the capital; increase affordable spaces for artists and entrepreneurs, and boost job and training opportunities for local people; opening up the expertise and facilities of our educational and cultural institutions toward much more purposeful creative knowledge exchange; testing new types of collaborative practice to ignite the innovation potential of the creative industries.

Volunteering

“Lewisham Local harnesses the strengths of the voluntary sector for the benefit of Lewisham residents”

During 2020/21 Lewisham Local was a key partner in the COVID-19 Response Hub as a single point of access for those who needed support. This resulted in:

- 9,354 adults and children being supported
- 11,187 food parcels delivered
- 1,391 isolated people supported through befriending
- 493 people supported with practical assistance, supported by 712 volunteers with 2,470 registering to volunteer

Despite the uncertainty and the issues local businesses faced due to the pandemic, many were still keen to play their part in the COVID-19 response and recovery, giving and sharing what they could to meet community needs. This has resulted in £23,730 of in-kind goods and services donated, and the emergence of a Collaborative Partnerships Network where 22 businesses and 28 community groups pitched their offers and requests to support each other.



Volunteers and Local restaurant business 'Cummin Up' lend a hand with deliveries of local meals



Lewisham College Teacher wins the Mayor of London's Volunteering Award



Maths teacher, Divanio Crooks received the Mayor of London's Volunteering Award on International Volunteer Day 2020 for his work with Southside Young Leaders Academy (SYLA) supporting communities during the lockdown.

The award recognises the invaluable contribution that volunteers make to creating safer, stronger and more resilient communities.

Lewisham College staff member Divanio volunteers at the academy to help support young boys from Black and Minority Ethnic backgrounds to break down the barriers to education and help reduce the risk of social exclusion through personal development, teamwork and skills training.

Commenting on receiving the award, he said: “I am deeply touched to be recognised amongst the hundreds of volunteers and NHS workers that serve and support the public during the pandemic. I had become a volunteer to learn and gain experience for my career development, but I aim to make a difference in the community and inspire young people to achieve their goals.”

Volunteering

Voluntary Services Lewisham (VSL) – Befriending

Since March 2020, in response to the COVID-19 pandemic, VSL has expanded its befriending services.

These now include an ambitious telephone befriending project involving 420 volunteers and over 1,000 service users who include older residents, those with physical or mental health issues and others who are lonely and isolated. One year into the project, as of April 2021, the project supported more than 600 active befriending relationships and continues to take new referrals and recruit volunteers.



Carol



Stewart

community store, which has supported hundreds of families on low incomes to purchase food at a low cost throughout the pandemic. The number of residents using the store has more than trebled since the start of the pandemic and now has around 500 members on average. The store also provided over 7,000 packed lunches for local school children over lockdown and distributed around 1,500 Christmas hampers to Lewisham schools.

In 2021 the Mayoresses trained to become COVID-19 ‘Vaccinators’ and now spend many of their Saturday’s inoculating residents at some of the borough’s many vaccine sites.

Mayoress Christina said “The community needs to start to get back to normal and we see that by vaccinating residents, we’re doing our bit towards this.”



Resident Mr Chowdhury receives his jab from Mayoress Natasha



Mayoress Christina with newly vaccinated resident Vanessa Dicka

Quote from service user

“I wanted to call you to thank you and say that the befriender you matched me up with has made a huge difference to me. We have built an excellent relationship and have had some calls via skype which has brought a whole new dimension to the calls and I am so grateful to your service and your wonderful volunteer. I can’t thank you enough.”

Supporting Our Communities

Lewisham’s Mayoresses

Lewisham’s Mayoresses Dawn Atkinson, Natasha Picketts and Christina Norman run the Evelyn

Black, Asian and Minority Ethnic Progression

The focus of this pillar of the Lewisham Deal is to ensure we are meeting our commitment towards the shared vision of fair, open, and inclusive organisations. This new group originated at the Lewisham Deal leaders meeting of 2020. At the inaugural session of this group, partners compared their existing policies and approaches to tackling inequality and increasing BAME representation. Over time, the group will collaborate to:

- Share best practices and address the challenges of Black, Asian and Minority Ethnic representation and progression in the workplace within the scope of the Lewisham Deal partnership
- Apply the use of an established framework to provide a greater understanding of Black, Asian and Minority Ethnic gender/pay-gap analysis
- Look at how to encourage Black, Asian and Minority Ethnic participation in wider professions



Climate Emergency

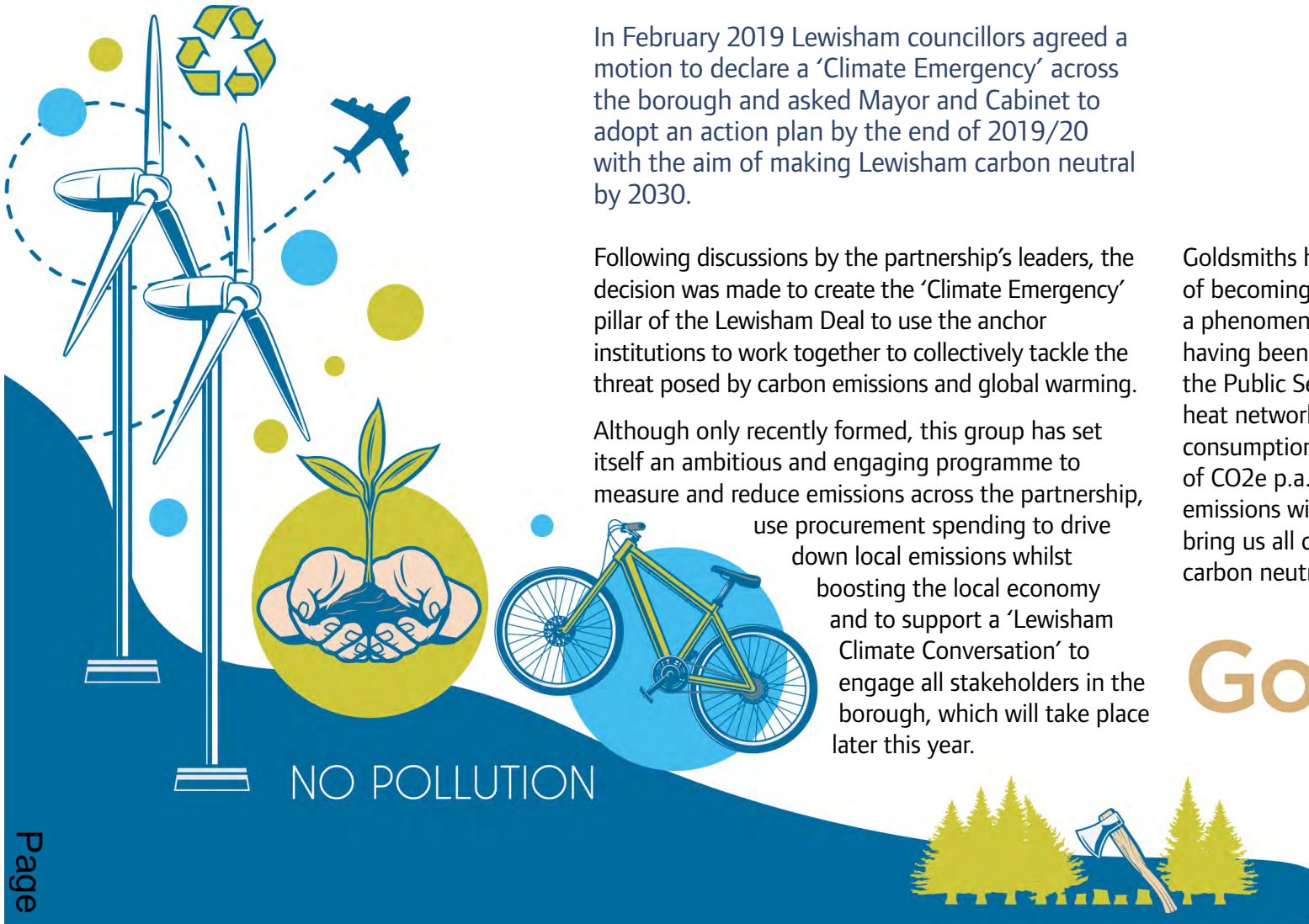
In February 2019 Lewisham councillors agreed a motion to declare a 'Climate Emergency' across the borough and asked Mayor and Cabinet to adopt an action plan by the end of 2019/20 with the aim of making Lewisham carbon neutral by 2030.

Following discussions by the partnership's leaders, the decision was made to create the 'Climate Emergency' pillar of the Lewisham Deal to use the anchor institutions to work together to collectively tackle the threat posed by carbon emissions and global warming.

Although only recently formed, this group has set itself an ambitious and engaging programme to measure and reduce emissions across the partnership, use procurement spending to drive down local emissions whilst boosting the local economy and to support a 'Lewisham Climate Conversation' to engage all stakeholders in the borough, which will take place later this year.

Goldsmiths have also developed an ambitious goal of becoming carbon neutral by 2025 and have made a phenomenal step towards achieving this goal, having been successful in securing a £5m grant from the Public Sector Decarbonisation Scheme. The new heat network will allow Goldsmiths to reduce gas consumption by over 75%, saving over 1,100 tonnes of CO₂e p.a. This significant cut to the colleges' emissions will contribute to improved air quality and bring us all closer to achieving our shared target of carbon neutrality by 2030.

Goldsmiths
UNIVERSITY OF LONDON





Lewisham



Public Accounts Select Committee

End of administration work programme report

Date: 17 March 2022

Key decision: No.

Class: Part 1

Ward(s) affected: none specific

Contributor: Assistant Chief Executive

Outline and recommendations

The Committee is asked to:

- note the completed work programme for 2021-22 (appendix B)
- reflect on the work programmes for the previous years of the administration (appendix B)
- note the four strategic themes of the borough's recovery plan: 'Future Lewisham' and the Council's corporate priorities for 2018-22
- put forward suggestions for the draft 2022-23 work programme

Timeline of engagement and decision-making

There were 22 meetings of the select committee in the years 2018-22. At each meeting, the Committee discussed, prioritised and agreed the work programme for subsequent meetings.

1. Summary

- 1.1. Local government elections are due to take place in May 2022. This meeting of the Public Accounts Select Committee is the final scheduled meeting of the municipal year 2021-22 and as such it is also the last of the 2018-22 administration.
- 1.2. Members are asked to note the work that has been completed over the course of the administration – and put forward suggestions for members of the incoming committee in the new administration (2022-26).

2. Recommendation

- 2.1. The Committee is asked to note the completed work programme for 2021-22 – in addition to the completed work programmes in the preceding years – and put forward suggestions for the draft 2022-23 programme.

3. Policy context

- 3.1. The [Corporate Strategy for 2018-2022](#): set out these priorities:

- [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.

- 3.2. The Committee should also note and take into account the four strategic themes of the borough's Covid-19 recovery plan, 'Future Lewisham':

3.3. An economically sound future

We are working to get the borough back in business, with a future where everyone has the jobs and skills they need to get the best that London has to offer.

We are a borough with businesses that are adaptable and prepared for change, a thriving local economy that sees 'local' as the first and best choice, with digital inclusion at the heart of our plans. We do all we can to support residents into jobs that pay fairly and provide families with the opportunities and security they deserve.

3.4. A healthy and well future

Good health and wellbeing should be something we can all depend on, something that is equally accessible to everyone.

We know this is much wider than 'medicine' and the NHS. Our health and well-being is also dependent on our housing, the air we breathe, our support networks and more. We will make sure to pay as much attention and invest as much effort into improving these wider factors and taking action on inequality at every turn. Rectifying health inequalities and developing good mental health & wellbeing for everyone drives what we do.

3.5. **A greener future**

Our next steps will be our greenest yet, continuing our efforts to preserve our climate for future generations and ensuring everyone can enjoy the place we call home.

We will capture and build on the best of what we saw from the increase in walking and cycling locally, and all the other ways our environment benefitted from behaviour changes over the last year. We will nurture and protect the place we call home so that we can continue to appreciate its benefits for generations to come.

3.6. **A future we all have a part in**

We work together as one borough, within our communities and identities, to harness the power of volunteering and community spirit that has helped get us through the last year.

We will work alongside our strongest asset – our community – to strengthen and enhance our borough for everyone. We achieve more together and being connected and taking an active role in our borough benefits us all. Our year as Borough of Culture 2022 will be Lewisham's best year yet, celebrating our fantastic part of London and providing opportunities for everyone to connect and get involved in our local community.

4. **Public Accounts Select Committee 2018-22**

- 4.1. There were 22 formal Committee meetings in the years 2018-22. Meetings lasted for a total of nearly 50 hours (with the average meeting lasting just under two and a half hours).
- 4.2. Members considered 133 reports – totalling more than four thousand pages of reading, reporting and analysis.
- 4.3. Some of the longest reports dealt with the Committee's key area of business – the budget and the budget setting process.
- 4.4. The Committee made a number of referrals to Mayor and Cabinet – sharing its views for improvements to Council policy and the efficient implementation of budget reductions. See appendix C – for a full list of the Committee's referrals.
- 4.5. Over the course of the administration the Committee has had three different chairs – Councillor Jim Mallory (2018-20) and Councillor Patrick Codd (2020-21) and Councillor Mark Ingleby (2021-22)
- 4.6. The coronavirus pandemic resulted in some disruption the committee meeting cycle in early 2020 – but meetings quickly moved online – and subsequently into a 'hybrid' format, with some members attending remotely and some in person.

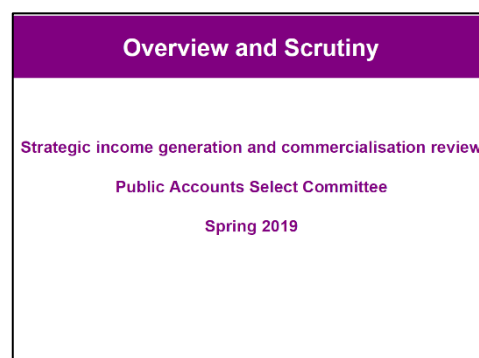
Meeting date	Start	End	Duration	Reports	Pages
09/07/18	19:35	21:35	02:00	7	175
25/09/18	19:30	22:05	02:35	6	91
07/11/18	19:00	22:00	03:00	5	343
20/12/18	19:00	22:20	03:20	8	223
05/02/19	19:15	21:50	02:35	6	178
20/03/19	19:00	22:00	03:00	7	89
09/05/19	19:00	20:20	01:20	6	99
13/06/19	19:00	21:55	02:55	6	165
10/07/19	19:00	21:15	02:15	6	87
24/09/19	19:00	21:55	02:55	7	226
06/11/19	19:00	21:15	02:15	7	104
16/12/19	19:00	21:15	02:15	6	110
04/02/20	19:00	21:15	02:15	5	251
24/09/20	19:05	21:15	02:10	6	147
03/12/20	19:00	21:35	02:35	5	372
02/02/21	19:05	21:20	02:15	6	529
17/03/21	19:00	20:30	01:30	6	93
07/07/21	18:35	20:15	01:40	7	117
23/09/21	19:05	21:20	02:15	8	157
01/12/21	19:00	20:30	01:30	6	93
27/01/22	19:00	21:35	02:35	7	501
Average			02:21	6	198
Total			49:10	133	4150

4.7. In the last year of the administration, the scrutiny process was modified as part of the response to the [Local Democracy Review](#). This resulted in the creation of ‘task and finish groups’ to carry out in-depth scrutiny – and a reduction in the frequency of formal committee meetings.

4.8. Nonetheless, the Committee has looked at a number of issues in depth over the course of 2018-22, including:

- Strategic income generation and commercialisation review (2018-19)

The Committee has a long-standing interest in income generation and commercialisation. In previous years, it has devoted considerable time and effort on exploring this topic. In 2018-19, it oversaw the development of a new income generation strategy (alongside regular updates from officers about their work in this area). The Committee also benefitted from the independent work and research carried out by its Vice-Chair, who acted as rapporteur. The strategic income generation and commercialisation review built on this research (as well as evidence from the Association for Public Service Excellence) to push the agenda forward and to ensure that funding for the strategic procurement and commercial services function was retained.



- Commercialisation and culture change review (2019-20)

Following from the Committee’s previous work on income generation and commercialisation – it agreed to carry out a focused piece of work exploring the role of culture change in the pursuit of increased commercial activity amongst Council employees. The Committee held two evidence-gathering visits for the review with officers from other London boroughs. This provided useful comparisons for the Committee’s scrutiny of Lewisham’s approach to culture change and people management.



Other issues considered in 2018-22

- Children’s social care

The Committee expressed serious concerns about the level of overspending in children’s social care because the budget for the service had been under severe pressure for an extended period. In recognition of this pressure, Mayor and Cabinet agreed to the application of an additional £6m to the Children and Young People’s directorate base budget (bringing the gross budget to £71.3m) in 2018-19. The Committee has been consistent in its requests for additional detailed information about the Directorate’s budget as well as evidence of management action to control overspending.

- Adult social care

The Committee has been resolute in its approach to spending in adult social care. It has regularly questioned the directors and managers who are responsible for this service. It was a recommendation from the Committee that led to the external review of adult social care spending – which, it is anticipated, will maintain services for vulnerable residents whilst containing cost pressures and modernising Council processes.

- Budget reductions

The Committee oversaw the scrutiny of the budget cuts proposals in each year of the administration. Officer proposals for reductions to services were considered by each of the select committees, according to their terms of reference. The Public Accounts Select

Committee then considered the overall impact of the budget cuts proposals - alongside referrals and representations from select committees and their chairs in advance of Mayor and Cabinet. The Committee has supplemented this work with its consideration of the capital programme, medium term financial strategy and the Council's approach to treasury management.

- Financial forecasts

The Committee received financial forecasts with details of the Council's financial position throughout the administration. The Council's Directors of Finance as well as directorate group finance managers also attended Committee meetings to answer questions about budget pressures and the management action being taken to reduce overspending.

- Cost pressures in the environment division

The Committee used the regular reporting of pressures through the financial forecasts to highlight the significant pressures in the Environment Division. The Executive Director and relevant Service Managers attended the meeting to answer questions about the performance of the division and the plans being put in place to control overspending.

- Financial stabilisation

The Committee led on the scrutiny of the Council's financial assessment of the response to the coronavirus pandemic. In a referral to Mayor and Cabinet on the subject – the Committee recognised the difficult situation facing the Council and it urged Mayor and Cabinet to be resolute in making the best use of the Council's limited resources.

5. Planning for the next administration

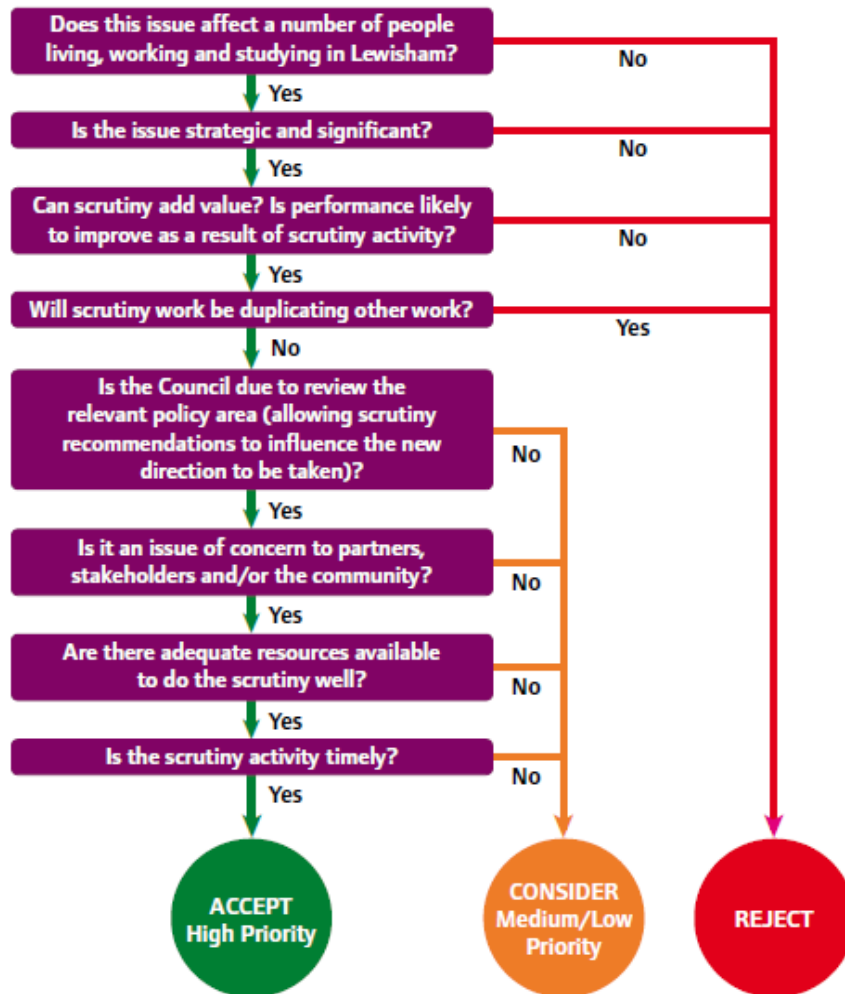
5.1. A work programme report will be put forward at the first Public Accounts Select Committee meeting of 2022-23. The report will take account of the Committee's previous work and will draw on a range of sources for ideas and suggestions, including:

- items suggested by the Committee in the course of the previous year
- items suggested by Council officers
- issues arising as a result of previous scrutiny (including any items outstanding from previous work programmes)
- those items that the select committee is required to consider by virtue of its terms of reference

5.2. The new Committee will also need to give consideration to decisions due to be made by Mayor and Cabinet.

5.3. Members are asked to put forward suggestions for the Committee to consider in 2022-23 – having regard to the scrutiny prioritisation process:

Scrutiny work programme – prioritisation process



6. Financial implications

- 6.1. There are no financial implications arising as a result of the implementation of the recommendations in this report.

7. Legal implications

- 7.1. In accordance with the Council’s Constitution, all scrutiny select committees must devise and submit a work programme to the Business Panel at the start of each municipal year.

8. Equalities implications

- 8.1. The [Equality Act 2010](#) (The Act) legally protects people from discrimination in the workplace and in wider society. It replaced the previous anti-discrimination laws with a single act, making the law easier to understand and strengthen protection in certain situations. 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.
- 8.2. The Act also imposes a public sector equality duty. This means that in public bodies, of which this Council is designated, they must consider all individuals in carrying out their

day-to-day work when shaping policy, in delivering services and in relation to their own employees. It also requires public bodies to:

- Have due regard to the need to eliminate discrimination
- Advance equality of opportunity
- Foster good relations between different people when carrying out their activities

8.3. The Council recognises diversity is one of its strengths and is committed to creating a more inclusive community. Therefore, having due regard to the Act, is confirmation of the Council's commitment to eliminating all forms of discrimination against any group within the community and to actively promote an equality of opportunity and positive community partnership.

8.4. The delivery of the Council's equalities objectives is to be achieved through the delivery of all of the Council's strategies, plans and procedures. As such, all select committees and other scrutiny bodies, when planning their work and scrutinising items, bear in mind the delivery of the Council's equality objectives.

8.5. Scrutiny tries to make sure that its work reflects the diversity of Lewisham's communities and that the views of residents are fairly represented in scrutiny processes. Any recommendations arising from scrutiny work support the Council's corporate strategy and reflect the needs of local residents

9. Climate change and environmental implications

9.1. There are no direct climate change or environmental implications arising from the implementation of the recommendation in this report. However, in February 2019 Lewisham Council declared a Climate Emergency and proposed a target to make the borough carbon neutral by 2030. Items on the work programme may have climate change and environmental implications and all reports considered by the Committee should acknowledge this.

9.2. At the Overview and Scrutiny Committee meeting held on 30 November 2021, it was recommended that each select committee should appoint a climate change champion to ensure that (a) the annual work programme takes climate change matters into account; and (b) officers are given appropriate steers in relation to the reports for specific items, to ensure they include relevant climate change considerations. The Committee considered this recommendation at its meeting in January 2022 and appointed Cllr James Royston to this important role.

10. Crime and disorder implications

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

11. Health and wellbeing implications

11.1. There are no health and wellbeing implications arising as a result of the implementation of the recommendations in this report.

12. Background papers

12.1. Full details of the committee's agendas, decisions and minutes on the Council's website [link to the committee pages on the Council's website](#). Meeting dates:

09/07/18	16/12/19
25/09/18	04/02/20
07/11/18	24/09/20
20/12/18	03/12/20
05/02/19	02/02/21
20/03/19	17/03/21
09/05/19	07/07/21
13/06/19	23/09/21
10/07/19	01/12/21
24/09/19	27/01/22
06/11/19	

13. Glossary

13.1. [Link to Oxford English Dictionary here.](#)

Term	Definition
Municipal year	A term used in local government to describe the period between annual general meetings of the Council (typically May to April the following year).

14. Report author and contact

14.1. If you have any questions about this report please contact Timothy Andrew (Scrutiny Manager) timothy.andrew@lewisham.gov.uk (020 8314 7916)

15. Appendices

- Appendix A –select committee terms of reference
- Appendix B – completed select committee work programmes 2018-22
- Appendix C – select committee referrals to Mayor and Cabinet 2018-22

Appendix A - Select Committee terms of reference

The following roles are common to all select committees:

(a) General functions

- To review and scrutinise decisions made and actions taken in relation to executive and non-executive functions
- To make reports and recommendations to the Council or the executive, arising out of such review and scrutiny in relation to any executive or non-executive function
- To make reports or recommendations to the Council and/or Executive in relation to matters affecting the area or its residents
- The right to require the attendance of members and officers to answer questions includes a right to require a member to attend to answer questions on up and coming decisions

(b) Policy development

- To assist the executive in matters of policy development by in depth analysis of strategic policy issues facing the Council for report and/or recommendation to the Executive or Council or committee as appropriate
- To conduct research, community and/or other consultation in the analysis of policy options available to the Council
- To liaise with other public organisations operating in the borough – both national, regional and local, to ensure that the interests of local people are enhanced by collaborative working in policy development wherever possible

(c) Scrutiny

- To scrutinise the decisions made by and the performance of the Executive and other committees and Council officers both in relation to individual decisions made and over time
- To scrutinise previous performance of the Council in relation to its policy objectives/performance targets and/or particular service areas
- To question members of the Executive or appropriate committees and executive directors personally about decisions
- To question members of the Executive or appropriate committees and executive directors in relation to previous performance whether generally in comparison with service plans and targets over time or in relation to particular initiatives which have been implemented
- To scrutinise the performance of other public bodies in the borough and to invite them to make reports to and/or address the select committee/Business Panel and local people about their activities and performance
- To question and gather evidence from any person outside the Council (with their consent)
- To make recommendations to the Executive or appropriate committee and/or Council arising from the outcome of the scrutiny process

(d) Community representation

- To promote and put into effect closer links between overview and scrutiny members and the local community
- To encourage and stimulate an enhanced community representative role for overview and scrutiny members including enhanced methods of consultation with local people
- To liaise with the Council's ward assemblies so that the local community might participate in the democratic process and where it considers it appropriate to seek the views of the ward assemblies on matters that affect or are likely to affect the local areas, including accepting items for the agenda of the appropriate select committee from ward assemblies.
- To keep the Council's local ward assemblies under review and to make recommendations to the Executive and/or Council as to how participation in the democratic process by local

people can be enhanced

- To receive petitions, deputations and representations from local people and other stakeholders about areas of concern within their overview and scrutiny remit, to refer them to the Executive, appropriate committee or officer for action, with a recommendation or report if the committee considers that necessary
- To consider any referral within their remit referred to it by a member under the Councillor Call for Action, and if they consider it appropriate to scrutinise decisions and/or actions taken in relation to that matter, and/or make recommendations/report to the Executive (for executive matters) or the Council (non-executive matters).

(e) Finance

- To exercise overall responsibility for finances made available to it for use in the performance of its overview and scrutiny function.

(f) Work programme

- As far as possible to draw up a draft annual work programme in each municipal year for consideration by the overview and scrutiny Business Panel. Once approved by the Business Panel, the relevant select committee will implement the programme during that municipal year. Nothing in this arrangement inhibits the right of every member of a select committee (or the Business Panel) to place an item on the agenda of that select committee (or Business Panel respectively) for discussion.
- The Council and the Executive will also be able to request that the overview and scrutiny select committee research and/or report on matters of concern and the select committee will consider whether the work can be carried out as requested. If it can be accommodated, the select committee will perform it. If the committee has reservations about performing the requested work, it will refer the matter to the Business Panel for decision.

Public Accounts has specific responsibilities for the following:

- (a)) To exercise all the functions and roles of the overview and scrutiny committee in relation to the following matters:
- To make reports and recommendations to the Council or the Executive which promote the better custodianship of the Council's finances and to make recommendations for best financial practice across the authority.
 - To investigate the possibilities for improving the Council's financial management practice and to make reports and recommendations to Executive or Council as appropriate.
 - To encourage the highest standards of financial custodianship where necessary overseeing training activity for all members in this area.
 - To consult on and to comment on and make recommendations to the Executive in respect of the actual and proposed contents of the Council's budget and without limiting the general remit of the committee, to hold the Executive to account for its performance in respect of all budgetary matters.
 - To receive reports as appropriate from the Audit Panel in respect of their overview of contract procedure rules and financial regulations.
 - To make recommendations and reports for consideration by the Executive or Council to improve procurement practice.
 - To scrutinise the effectiveness of the Audit Panel.

Appendix B – completed work programmes 2018-22

Work programme 2018-19

Public Accounts Select Committee Work Programme 2018/19

Programme of work

Work item	Type of item	Priority	Strategic priority	Delivery deadline	09-Jul	25-Sep	07-Nov	20-Dec	05-Feb	20-Mar
Savings proposals	Performance monitoring	High	CP10	Ongoing			Proposals			
Election of the Chair and Vice-Chair	Constitutional requirement	High	CP10	Jul						
Select committee work programme 2017/18	Constitutional requirement	High	CP10	Ongoing						
Financial forecasts 2018/19	Performance monitoring	Medium	CP10	Mar				Capital programme		
Medium term financial strategy	Performance monitoring	High	CP10	Jul						
Final outturn 2017/18	Performance monitoring	High	CP10	Jul						
Income generation	In-depth review	High	CP10	Ongoing						
Cost pressures in children's social care	Performance monitoring	High	CP10	Sep						
Adult social care budget	Performance monitoring	High	CP11	Nov						
Mid-year treasury management review	Performance monitoring	Medium	CP10	Dec						
Finance control review	Performance monitoring	High	CP10	Dec						
Social value policy	Policy development	High	CP10	Dec						
Annual budget 2019/120	Standard item	High	CP10	Feb						
Asset management	Standard item	Medium	CP10	Dec						
Audit panel update	Constitutional Requirement	High	CP10	Mar						

Public Accounts Select Committee Work Programme 2019/20

Programme of work

Work Item	Type of item	Priority	Corporate priority	Delivery deadline	09-May-19	13-Jun-19	10-Jul-19	24-Sep-19	06-Nov-19	16-Dec-19	04-Feb-20	18-Mar-20
Catford regeneration partnership	Standard item	High	All	May								
Income generation and commercialisation	Standard item	Medium	All	June								
Final outturn 2018/19	Performance monitoring	Medium	All	July								
Children's social care	Performance monitoring	High	CP3	November								
Adult social care	Performance monitoring	High	All	December								
Financial forecasts 2019/20	Performance monitoring	High	All	March								
Medium term financial strategy	Performance monitoring	Medium	All	July								
Mid-year treasury management review	Performance monitoring	Medium	All	September								
Budget cuts	Performance monitoring	High	All	November				Cuts				
Cost pressures in the environment division	Performance monitoring	Medium	All	September								
Annual budget 2019/120	Standard item	High	All	February							Budget	
Asset management	Standard item	Low	All	March								
Audit Panel update	Constitutional Requirement	Low	All	March								
Income generation and commercialisation	In-depth review	High	All	December			Scope		Evidence	Evidence		Report

Work programme 2020-21

Item	Type of item	Corporate priority	24-Sep-20	03-Dec-20	02-Feb-21	17-Mar-21
Income generation and commercialisation review 2019-20	In-depth review	All	Final report			
Financial stabilisation - budget update and medium term plan	Performance monitoring	All				
Children's social care	Standard item	All, CP3				
Budget cuts	Performance monitoring	All				
Council budget 2021-22	Policy development	All				
Cost pressures in the Public Realm division	Standard item	All, CP6				
Capital programme	Standard item	All				
Financial forecasts 2020-21	Performance monitoring	All				
Adult social care review	Standard item	All				

Work programme 2021-22

Item	Type of item	Priority	07-Jul-21	23-Sep-21	01-Dec-21	27-Jan-22	17-Mar-22
Draft contract management framework	Policy development	All					
Medium term financial strategy	Standard item	All					
Financial results 2020-21	Performance monitoring	All					
Children's social care	Performance monitoring	All, CP3					
Adult social care review	Performance monitoring	All, CP5					
Treasury management	Performance monitoring	All		Mid-year review		Draft 22-23 strategy	
Budget cuts	Performance monitoring	All					
Capital programme review	Performance monitoring	All					
Council budget 2022-23	Policy development	All					
Audit Panel update	Performance monitoring	All					

Appendix C – referrals to Mayor and Cabinet 2018-22

Over the course of 2018-22 the Committee made 14 referrals to Mayor and Cabinet:

- Cost pressures in children’s social care (considered at Mayor and Cabinet 10 October 2018) see the [link](#) for the full referral.
- The draft income generation strategy (considered at Mayor and Cabinet 6 February 2019) see the [link](#) for the full referral.
- The draft social value policy (considered at Mayor and Cabinet 6 February 2019) see the [link](#) for the full referral.
- Financial control (considered at Mayor and Cabinet 6 February 2019) see the [link](#) for the full referral.
- Income generation and commercialisation (considered at Mayor and Cabinet 26 June 2019) see the [link](#) for the full referral.
- Finance and audit (considered at Mayor and Cabinet 30 October 2019) see the [link](#) for the full referral.
- Financial stabilisation (considered at Mayor and Cabinet on 7 October 2020) see the [link](#) for the full referral.
- Commercialisation and culture change review (considered at Mayor and Cabinet on 7 October 2020) see the [link](#) for the full referral.
- Budget cuts (considered at Mayor and Cabinet on 9 December 2020) see the [link](#) for the full referral.
- Budget cuts (considered at Mayor and Cabinet on 3 February 2021) see the [link](#) for the full referral.
- Council budget 2021-22 (considered at Mayor and Cabinet on 3 February 2021) see the [link](#) for the full referral.
- Financial forecasts (considered at Mayor and Cabinet on 19 May 2021) see the [link](#) for the full referral.
- Budget reductions (considered at Mayor and Cabinet on 2 February 2022) see the [link](#) for the full referral.
- Council budget 2022-23 (considered at Mayor and Cabinet on 9 February 2022) see the [link](#) for the full referral.