

<b>Committee</b>	<b>Mayor and Cabinet</b>		<b>Item</b>	<b>5</b>
<b>Title</b>	Review of Demographic Change: Progress Update on Implementation of Recommendations			
<b>Wards</b>	All			
<b>Contributors</b>	Chief Executive, Executive Director for Resources			
<b>Class</b>	<b>Part 1</b>	<b>Date</b>	19 September 2018	

## Purpose

1. This report provides the Safer Stronger Communities Select Committee with a progress update on implementation of recommendations arising from the Committee's review of "Demographic Change". The Mayor & Cabinet response to the recommendations arising from the review was presented to the Safer Stronger Communities Select Committee on in November 2017.

## Recommendations

2. It is recommended that the Committee:
  - i) Note the contents of this report.

## Policy Context

3. Shaping Our Future, the Council's Sustainable Community Strategy includes the following priority outcomes which shape borough's approach to the welfare of its citizens:
  - Ambitious and Achieving – where people are inspired and supported to fulfil their potential.
  - Safer – where people feel safe and live free from crime, antisocial behaviour and abuse
  - Empowered and Responsible – where people can be actively involved in their local area and contribute to supportive communities.
  - Healthy, Active and Enjoyable – where people can actively participate in maintaining and improving their health and wellbeing.
  - Dynamic and Prosperous – where people are part of vibrant localities and town centres, well connected to London and beyond.
4. The Council's priorities describe the specific contribution that the Council will make to the delivery of the Sustainable Community Strategy priorities. For this report, the relevant Council priorities are as follows:

- Strengthening the local economy
- Young people's achievement and involvement
- Inspiring efficiency, effectiveness and equity

## Background

5. At its meeting in November 2017, the Safer Stronger Communities Select Committee received the officer response to the Committee's recommendations. This report provides an update on progress made in implementing the recommendations since that time.

### Recommendation 1

6. That given the high cost of living in London and the comparatively low levels of income after housing costs; London-weighting should better reflect the additional costs faced by employees.

### Response

7. The London Borough of Lewisham incorporates London Weighting. This was incorporated into base salaries, a number of years' ago. Lewisham is one of London's Borough Councils represented as part of the National Joint Council, which consults on pay at national level with our trade unions.
8. The pay scales for London are already above the National Living Wage and Lewisham Council was one of the first organisations to pay the London Living Wage, which reflects additional costs faced by employees living in London.
9. The new nationally negotiated two year employee pay deal has further helped support lower paid workers at the bottom parts of the pay scale, with above inflation pay rises built in for these staff. It has also helped to secure staff at the bottom of the pay scale above the London Living Wage in the near future.

### Recommendation 2

10. That the National minimum wage for under 25s was a particular concern in London given the changes to housing benefit. It was also important to ensure the London Living Wage remained at an adequate level going forward.

### Response

11. The 2018 London Living Wage was announced in November 2017 as £10.20 an hour, moving up from £9.75 an hour from the previous year. All relevant Lewisham employees were reviewed to ensure they were paid at or above this level.

12. Lewisham remains committed to the London Living Wage as an employer. The commitment extends to procurement exercises where the Council actively champions the London Living Wage. As part of this, the Council also ensures the provision of the London Living Wage in service contracts, awarded to help ensure that the outsourcing of services or contracting with external providers, does not drive down the rates of pay for members of staff employed by companies to work on Lewisham contracts.
13. Apprentices are the only category falling outside the London Living Wage. The Council currently has 16 (15.8 FTE) apprentices under 25 years old. Apprentices are paid at 72% of Scale 1B (£7.89 per hour) approximately equivalent to the over 25 national living wage rate.
14. National Graduate Development Program (NGDP) employees are paid at spinal point 28 (£15.90 per hour) significantly more than the LLW; this is a nationally agreed rate. After 18 months, Lewisham moves NGDP employees to a PO3 salary. The Council currently has 3 out of 4 NGDP employees who are under 25 years of age.

### Referral: Recommendation 3

15. That given the uncertainty around Britain leaving the EU – more work should be done to ensure that the Council understands the policy and service delivery implications as the situation evolves.

### Response

16. Nationally, the Brexit negotiations have been in flux and as such it has not been possible, in any real sense, to undertake 'Brexit planning'. No deal has been struck between the Government and the EU on terms of an exit deal and uncertainty still prevails as to whether or not the UK will even be leaving the EU in March next year.
17. The range of possible impacts for local government including the following:
  - Additional pressures on adult social care as a result of returning 'older' retirees, with higher care needs (as a result of constraints upon free movement of people);
  - Possible reduction of demand on social homes (again as a result of restriction of movement);
  - Recruitment of labour in the construction industry, with whom local councils partner to build housing;
  - Recruitment and retention of EU employees in local government and the wider public sector, particularly skilled labour;
  - Risk that a loss of skilled labour in London, could result in skills gaps elsewhere in the country, as London draws labour in from other regions to fill its own skills gaps;
  - Loss of EU structural funding;
  - Fall in pupil place demand.

## Recommendation 4

18. That long and short term demographic trends, birth rates and migration be monitored closely to ensure that the Council is accurately predicting the need for school places and adapting and investing efficiently to meet future need.

## Response

19. Officers continue to work with the GLA demographics team alongside an independent forecasting advisor to ensure that school place planning is as up to date as possible.
20. Following the launch of the new Place Planning Strategy 2017-22, officers also committed to ensure that, not only would forecasting be reviewed at least twice per annum, but that demand, supply and anticipated need would be reviewed every time new school census data became available each term. Forecasting has been subject to revisions twice since the plan launched in April 2017.
21. In January 2018 the Council also revised the primary place planning localities from six to four to better reflect the current borough demographics as well as provide greater flexibility regarding meeting need. This was one of the key actions highlighted in the new strategy.
22. The most recent revisions helped inform the annual School Capacity return that was submitted to the Department for Education and Skills this summer, and show that the primary need has levelled off and predicts that Lewisham should have sufficient places for the short to medium term. It also shows the increase in need for secondary places to have slowed and that the borough shouldn't require additional secondary places over the same time period. Indeed in the short term the Council is working with schools to help control the potential oversupply of places in some areas.
23. However, it should be noted that London as a whole is experiencing sizable and sudden change as a result of various factors (including Brexit) and as such we may need to significantly revise these forecasts in the short to medium term.
24. Outside of mainstream places, the Council is focussing its efforts on meeting the growing need for places for children and young people with special educational needs and/or disabilities (SEND), by expanding both Watergate and Greenvale School and extending the age range of New Woodlands School.

## Recommendation 5

25. That the Council work to enter into joint housing ventures with the private rental sector to create better opportunities for residents, as a potential method of reducing fees to residents, and as a potential income stream for the Council.

## Response

26. The Council has entered into a partnership with Grainger plc to establish a joint venture to develop at least 230 high quality new rented homes at the vacant Besson Street site. The scheme will provide much greater security for residents than the standard market offer, with a minimum 10 year residency period by providing a 5 year tenancy with the automatic right to renew. 35% of the properties developed will be let at London Living Rent, providing an affordable home for low income, working households in Lewisham, and the site will also enable the development of a high quality new health centre and GP practice for this area of New Cross.
27. By developing its land in this way, the Council will benefit from a long-term and secure income stream, as one means to partially offset the impact of cuts to the General Fund and to support the authority to deliver against its objectives across all service areas

## Recommendation 6

28. That the Council ensures it makes the best possible use of metrics and analytics in informing policy development, budget allocations and decisions on service delivery. Senior officers and politicians should have a solid understanding of the current demographics and future predictions and projections such as 5, 10 and 15 year projections when making their decisions. Resources should be in place to ensure the Council has the capacity to provide this information.

## Response

29. Following a successful £1m bid for government funding, analysts within Strategic Housing are working to combine a wide range of sources to provide greater clarity to current service performance, to better understand service demand and thus to ensure the service is adequately prepared for the likely impact of demographic and policy changes over the coming years.
30. The focus to date has been on identifying the key factors that lead to homelessness in Lewisham, and now the team are expanding their remit to look at a wide range of issues. These include, but are not limited to, the current allocations policy, the utilisation of temporary accommodation and the crossover between Adult Social Care and Housing, and seek to better understand demand and to define the way the service is currently operating so as to support meaningful analysis of the likely future trend in service demand as well as to recommend improvements to current service delivery.

## Financial Implications

31. There are no direct financial implications arising from this report.

## Legal Implications

32. The Constitution provides for Select Committees to refer reports to the Mayor and Cabinet, who are obliged to consider the report and the proposed response from

the relevant Executive Director; and report back to the Committee within two months (not including recess).

## **Equalities Implications**

33. The Council works to eliminate unlawful discrimination and harassment, promote equality of opportunity and good relations between different groups in the community and recognise and take account of people's differences.

## **Crime and Disorder/Environmental implications**

34. Section 17 of the Crime and Disorder Act 1988, as amended, places a duty upon Local Authorities to consider crime and disorder implications and in particular, "to exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area." This statutory obligation is the same for the Authorities "responsible partners" too. The level of crime and its impact is influenced by the decisions and activities taken through the day-to-day functions of local bodies and organisations.

## **Background papers**

[Safer Stronger Communities Select Committee Referral to Mayor & Cabinet - 13 September 2017](#)

[Safer Stronger Communities Select Committee Review of Demographic Change - June 2017](#)

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