

## APPENDIX 5

### Theme D: Assets Rationalisation - Cuts Proformas

DRAFT

1. Cuts proposal	
Proposal title:	Generating greater value from Lewisham's asset base
Reference:	D-01
Directorate:	Housing, Regeneration and Public Realm
Director of Service:	Paul Moore - Director of Regeneration and Social Inclusion (Interim)
Service/Team area:	
Cabinet portfolio:	Councillor Paul Bell
Scrutiny Ctte(s):	

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

3. Description of service area and proposal
<b>Description of the service area (functions and activities) being reviewed:</b>
<p>The proposal is to secure a further commercial income/rental stream through the development of around 250/300 housing units for market rent. The key elements of this proposal would include:-</p> <ul style="list-style-type: none"> <li>- The identification of land/sites from the Council's existing service/operational and commercial estate that can facilitate this development – either on a single site or as a package of sites.</li> <li>- The formation of a development delivery pathway/package which provides certain and secure delivery capacity – potentially utilising an existing Partner.</li> </ul>
<b>Cuts proposal*</b>
<p>This does not require a service cut – It provides a viable route to securing a sustainable income stream. The development projects should also provide a route to securing further social value:</p> <ul style="list-style-type: none"> <li>• Training and jobs during the construction cycle</li> <li>• Affordable Housing supply – housing at discounted/London Living rent</li> <li>• Potential to configure other community uses/provision within schemes</li> </ul> <p><b>Mitigating Actions for 21/22</b></p> <ul style="list-style-type: none"> <li>• Developing a consolidated 'short-list' of sites for active review/re-purposing.</li> </ul>

### 3. Description of service area and proposal

- Commencing development appraisals.
- Decision on development pathway/partner on-boarding.

At the heart of the proposal is the intent to achieve the accelerated transition of a package of under-utilised council assets to a development programme that provides 250/300 rented homes, generating a net income return of in the region of £500k pa to the Council.

### 4. Impact and risks of proposal

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

Should be minimal – but site dependent.

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

This will require an accelerated programme of decision making and partner on-boarding.

Inevitably there will be risks associated with the planning cycle.

Market considerations – associated with rental values and financing costs and development costs.

### 5. Financial information

Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
HRA				
DSG				
Health				
Cuts proposed*:	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
<b>Release of Assets for Housing Development</b>			500	500
<b>Total</b>			500	
<b>% of Net Budget</b>	%	%	%	%
Does proposal impact on:	General Fund	DSG	HRA	Health
Yes / No	100			
If DSG, HRA, Health impact describe:				

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

1. Any sites/development proposals would need to be progressed through the normal planning route

#### Corporate priorities

1. Open Lewisham
2. Tackling the Housing Crisis

6. Impact on Corporate priorities: list in order of DECREASING impact	
2. Generates general needs housing supply and affordable housing supply	3. Giving Children and young people the best start in life
3.	4. Building an inclusive local economy
4. Generates social and economic value from the development cycle – jobs and skills	5. Delivering and defending: health, social care & support
5.	6. Making Lewisham greener
6.	7. Building safer communities
7.	8. Good governance and operational effectiveness
8.	

7. Ward impact	
Geographical impact by ward:	No specific impact / Specific impact in one or more
	This will depend on site selection
	If impacting one or more wards specifically – which?

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

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

### 9. Human Resources impact

Gender	Female	Male			
Ethnicity	BME	White	Other	Not Known	
Disability	Yes	No			
Sexual orientation	Straight / Heterosex.	Gay / Lesbian	Bisexual	Not disclosed	

### 10. Legal implications

State any specific legal implications relating to this proposal:

The Council already has a delivery Partner procured (Grainger) who could form part of the delivery system for this proposal. Otherwise, there are no specific legal implications at this stage and these will need to be considered as proposals are brought forward.

### 11. Summary timetable

Outline timetable for main steps to be completed re decision and implementation of proposal – e.g. proposal, scrutiny, consultation (public/staff), decision, transition work (contracts, re-organisation etc..), implementation:

Month	Activity
September 2020	Proposals prepared ( <b>this template and supporting papers – e.g. draft public consultation paper, equalities assessment and initial HR considerations</b> )
October 2020	Proposals submitted to Scrutiny committees leading to M&C
November to December 2020	Scrutiny meetings held with consultations ongoing
November to December 2020	Consultations undertaken and full decision reports (where required) prepared
December 2020	Proposals to M&C, including Equality & HR assessments
January 2021	Decision reports return to Scrutiny at the latest
February 2021	Final decisions at M&C with the Budget
March 2021	Cuts implemented

\*If there are any 'invest to save' requirements for the proposal please describe them here and adjust the saving impact in the relevant year(s) to reflect this, please see section 5.2 of the guidance notes.

1. Cuts proposal	
Proposal title:	Generating greater value from Lewisham's asset base – Miscellaneous Items
Reference:	D-02, D-05, D-07, D-08
Directorate:	HR&PR
Director of Service:	Paul Moore, Director of Regeneration and Inclusive Growth (Interim)
Service/Team area:	Property and Estates
Cabinet portfolio:	Cllr Paul Bell
Scrutiny Ctte(s):	

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

3. Description of service area and proposal
<b>Description of the service area (functions and activities) being reviewed:</b>
<p>These proposals seek to set out a number of additional Miscellaneous Asset-based savings that have been presented or secured as part of the review of the Corporate and Service Estate over the Summer/Autumn 2020. The key proposals are:-</p> <ul style="list-style-type: none"> <li>- Corporate Estate Business Rate Revaluation</li> <li>- Income Generation</li> <li>- Meanwhile Use (TA support and reduction in use of Guardian service)</li> <li>- Savings on mothballed assets</li> </ul>
<b>Cuts proposal*</b>
<ul style="list-style-type: none"> <li>• Corporate Estate Business Rate Revaluation – this element proposes an application for a business rates reassessment of assets within the operational corporate estate. The Council's operational portfolio has undergone changes and reconfiguration over the years but an assessment of the business rates has not been carried to reflect the current nature of the stock. For example, Wearside Service centre was recently reassessed following a reconfiguration of the site and is likely to provide a rates savings of approximately £40k. It is therefore assumed that carrying out a similar</li> </ul>

### 3. Description of service area and proposal

exercise across the entire operational asset base of approximately 80 sites is likely to generate some further savings. A profile of the likely savings over the next 3 years is provided below. This is estimated at **£100k** over the period.

- Income Generation – This proposes the exploration of the potential use of a number of the Council's assets for income generation purposes through hire for example as film sets/locations – initially **£25k** pa – with review based on uptake.
- Meanwhile Use (TA support) – As part of the ongoing asset review, a number of assets have been identified for repurposing or potential redevelopment in the long term. However, in the short-term it is felt that these sites could provide vital support for the Council's housing need by providing much needed accommodation for temporary housing. The specific sites currently identified for such purpose are:
  - 14 Wildgoose Drive – New Cross
  - 10 Wisteria Road – Lewisham
  - 47 Slaithwaith Road (House on the Hill) – Lewisham

A number of other assets are currently being operated by a guardianship service as a short-term use. A high level assessment of the above units and those currently being used by guardians suggests that together they could provide approximately 25 units of temporary accommodation of one form or another at **£3k** per unit per year. This is likely to generate savings in the region of **£75k** per year over the next 3 years.

- Operational Estate Running Cost Savings – The ongoing asset review and overall Council transformation and service redesign is expected to lead to a wider rationalisation of the Council's operational asset base leading to a reduction in the running cost of the estate. In the short-term some of this reduction could be as a result of immediate mothballing of sites while consideration is given to longer term repurposing or redevelopment. As the review progresses, it is expected that a number of other sites could be released in a similar way generating further savings on the cost of running the operational estate. The potential saving is estimated at **£50k** over the next 3 years.

### 4. Impact and risks of proposal

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

Should be minimal – but site dependent.

Any housing uses should only be short-term.

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

Planning requirements for any short term change of use in particular for the sites proposed to be used for temporary accommodation.

#### 4. Impact and risks of proposal

Short term Tenancy requirements – to ensure that, whilst they enable essential short term alternative use, they do not frustrate subsequent alternative use/re-purposing of the site.

#### 5. Financial information

Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
HRA				
DSG				
Health				
Cuts proposed*:	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
Business Rates	40	40	20	100
Filming Income	0	25	0	25
Corporate Estate Meanwhile Use (Temporary Housing - TA/Guardians)	25	25	25	75
Corporate Estate - Mothball	0	50	0	50
<b>Total</b>	<b>65</b>	<b>140</b>	<b>45</b>	<b>250</b>
<b>% of Net Budget</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
<b>Does proposal impact on:</b>	<b>General Fund</b>	<b>DSG</b>	<b>HRA</b>	<b>Health</b>
<b>Yes / No</b>	<b>100</b>	<b>No</b>	<b>No</b>	<b>No</b>
<b>If DSG, HRA, Health impact describe:</b>				

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

1. Any sites/development proposals may need to be progressed through the normal planning route	<b>Corporate priorities</b> 1. Open Lewisham 2. Tackling the Housing Crisis 3. Giving Children and young people the best start in life 4. Building an inclusive local economy 5. Delivering and defending: health, social care & support 6. Making Lewisham greener 7. Building safer communities 8. Good governance and operational effectiveness
2. supports short term housing supply and affordable housing supply	
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### 7. Ward impact

Geographical impact by ward:	No specific impact / Specific impact in one or more
	This will depend on site selection
	If impacting one or more wards specifically – which?

### 8. Service equalities impact

Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:		Pregnancy / Maternity:	
Gender:		Marriage & Civil Partnerships:	
Age:		Sexual orientation:	
Disability:		Gender reassignment:	
Religion / Belief:		Overall:	
For any High impact service equality areas please explain why and what mitigations are proposed:			
Is a full service equalities impact assessment required: Yes / No			

### 9. Human Resources impact

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

### 10. Legal implications

State any specific legal implications relating to this proposal:
The Council's functions in respect of homelessness are contained in Part 7 of the Housing Act 1996. A tenancy granted to a homeless household as part of any function

## 10. Legal implications

under Part 7 of the Housing Act 1996 will not be secure, unless the local authority has notified the tenant that it is to be regarded as a secure tenancy. This enables the Council to grant short term non secure tenancies of TA for people where the Council is exercising its functions under Part 7.

## 11. Summary timetable

Outline timetable for main steps to be completed re decision and implementation of proposal – e.g. proposal, scrutiny, consultation (public/staff), decision, transition work (contracts, re-organisation etc..), implementation:

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September 2020	Proposals prepared ( <b>this template and supporting papers – e.g. draft public consultation paper, equalities assessment and initial HR considerations</b> )
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November to December 2020	Scrutiny meetings held with consultations ongoing
November to December 2020	Consultations undertaken and full decision reports (where required) prepared
December 2020	Proposals to M&C, including Equality & HR assessments
January 2021	Decision reports return to Scrutiny at the latest
February 2021	Final decisions at M&C with the Budget
March 2021	Cuts implemented

\*If there are any 'invest to save' requirements for the proposal please describe them here and adjust the saving impact in the relevant year(s) to reflect this, please see section 5.2 of the guidance notes.

## 1. Cuts proposal

Proposal title:	Facilities management general cost reduction
Reference:	D-03
Directorate:	Corporate Resources
Director of Service:	Ralph Wilkinson
Service/Team area:	Facilities Management
Cabinet portfolio:	Cllr De Ryk
Scrutiny Ctte(s):	

## 2. Decision Route

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

## 3. Description of service area and proposal

### Description of the service area (functions and activities) being reviewed:

Facilities Management is responsible for maintenance, security and cleaning of the corporate estate.

### Cuts proposal\*

Since the impact of Covid 19 the Council has used less of its operational estate. Work is in progress to maintain some of the Covid working arrangements permanently which should lead to savings in maintenance, cleaning and security. It is estimated a saving can be made based on these changes of £50k as there will be less estate to clean, maintain and keep secure.

The Cleaning and Security services are both contracted out but due to come in house in 2021. The identified saving is small compared to the size of the contracts so more likely to be achieved through reduced overtime/hours than a job loss. However, it is possible it could result in one or two job cuts for the contractor with a possible small risk of redundancy which could slightly reduce the year 1 saving.

## 4. Impact and risks of proposal

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

There should be no impact on the level of service provided for those buildings that remain in use. This is a reduction in the amount of cleaning / security provided rather than the quality.

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

#### 4. Impact and risks of proposal

**The Council returns to the full use of all its operational assets post Covid.** A work programme is being developed to ensure the Council permanently adopts many of the new working arrangements that have been put in place recently.

**The saving is not made because of the additional measures needed to ensure Covid secure working environments.** The service will endeavour to keep any additional Covid costs to a minimum and further reduce the use of the operational estate to deliver the savings.

#### 5. Financial information

Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
	3,119			
HRA				
DSG				
Health				
Cuts proposed*:	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
FM cost reduction	50			50
<b>Total</b>	50			50
<b>% of Net Budget</b>	1.6%	%	%	%
Does proposal impact on: Yes / No	General Fund	DSG	HRA	Health
	Yes- A decrease in expenditure of £50k.			
<b>If DSG, HRA, Health impact describe:</b>		No	No	No

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

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

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

### 8. Service equalities impact

Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	NA	Pregnancy / Maternity:	NA
Gender:	NA	Marriage & Civil Partnerships:	NA
Age:	NA	Sexual orientation:	NA
Disability:	NA	Gender reassignment:	NA
Religion / Belief:	NA	Overall:	NA
For any High impact service equality areas please explain why and what mitigations are proposed:			
NA			
Is a full service equalities impact assessment required: Yes / No			

### 9. Human Resources impact

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

## 9. Human Resources impact

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## 10. Legal implications

State any specific legal implications relating to this proposal:

NA

## 11. Summary timetable

Outline timetable for main steps to be completed re decision and implementation of proposal – e.g. proposal, scrutiny, consultation (public/staff), decision, transition work (contracts, re-organisation etc..), implementation:

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September 2020	Proposals prepared ( <b>this template and supporting papers – e.g. draft public consultation paper, equalities assessment and initial HR considerations</b> )
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November to December 2020	Scrutiny meetings held with consultations ongoing
November to December 2020	Consultations undertaken and full decision reports (where required) prepared
December 2020	Proposals to M&C, including Equality & HR assessments
January 2021	Decision reports return to Scrutiny at the latest
February 2021	Final decisions at M&C with the Budget
March 2021	Cuts implemented

\*If there are any 'invest to save' requirements for the proposal please describe them here and adjust the saving impact in the relevant year(s) to reflect this, please see section 5.2 of the guidance notes.

### 1. Cuts proposal

Proposal title:	Revision of security services
Reference:	D-04
Directorate:	Corporate Resources
Director of Service:	Ralph Wilkinson
Service/Team area:	Facilities Management
Cabinet portfolio:	Cllr De Ryk
Scrutiny Ctte(s):	

### 2. Decision Route

Cuts proposed:	Key Decision*  Yes / No See para 16.2 of the Constitution <a href="https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution">https://lewisham.gov.uk/ mayorandcouncil/ aboutthecouncil/ how-council-is-run/ our-constitution</a>	Public Consultation Yes / No and Statutory vs informal	Staff Consultation Yes / No and Statutory vs informal
Revision of security service	No	No	Potentially yes- in relation to revised security at Holbeach car park

### 3. Description of service area and proposal

#### Description of the service area (functions and activities) being reviewed:

Service Area: Facilities Management

Function: Responsible for maintenance, security and cleaning of the corporate estate

#### Cuts proposal\*

To remove the security guard patrol from the Holbeach car park (cost c. £76k pa).

To remove the Civic Suite guard at night and weekends (cost c. £24k pa). Both of these services are delivered by the Council's security contractor CIS.

### 4. Impact and risks of proposal

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

This saving could lead to an increased level of crime in the car park.

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

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#### 4. Impact and risks of proposal

There is a risk that the removal of the security patrol from Holbeach car park could lead to more crime in the car park. However, CCTV has recently been installed in the car park along with help points which should reduce this risk.

As this is a reduction in work for the security contractor CIS, it could result in two members of staff being redeployed or made redundant. The Council could be liable for the redundancy costs but these are not considered large and would have a minimal impact on the year 1 saving.

#### 5. Financial information

Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
	£533 (E44558)			
HRA				
DSG				
Health				
Cuts proposed*:	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
<b>Contract cost reduction</b>	£100			100
<b>Total</b>	£100			100
<b>% of Net Budget</b>	19%	%	%	%
Does proposal impact on: Yes / No	General Fund	DSG	HRA	Health
	Yes- a decrease in expenditure of £100k			
<b>If DSG, HRA, Health impact describe:</b>		No	No	No

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

1.	<b>Corporate priorities</b> 1. Open Lewisham 2. Tackling the Housing Crisis 3. Giving Children and young people the best start in life 4. Building an inclusive local economy 5. Delivering and defending: health, social care & support 6. Making Lewisham greener 7. Building safer communities
2.	
3.	
4.	
5.	
6.	
7. A potential perception of a less safe car park, mitigated by the installation of CCTV.	



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

<b>8.</b>	<b>8. Good governance and operational effectiveness</b>
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**7. Ward impact**

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

**8. Service equalities impact**

<b>Expected impact on service equalities for users – High / Medium / Low or N/A</b>			
<b>Ethnicity:</b>	NA	<b>Pregnancy / Maternity:</b>	NA
<b>Gender:</b>	NA	<b>Marriage &amp; Civil Partnerships:</b>	NA
<b>Age:</b>	NA	<b>Sexual orientation:</b>	NA
<b>Disability:</b>	NA	<b>Gender reassignment:</b>	NA
<b>Religion / Belief:</b>	NA	<b>Overall:</b>	NA
<b>For any High impact service equality areas please explain why and what mitigations are proposed:</b>			
NA			
<b>Is a full service equalities impact assessment required: Yes / No</b>			

**9. Human Resources impact**

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

**9. Human Resources impact**

Sexual orientation	Straight / Heterosex.	Gay / Lesbian	Bisexual	Not disclosed	

**10. Legal implications**

State any specific legal implications relating to this proposal:

NA

**11. Summary timetable**

Outline timetable for main steps to be completed re decision and implementation of proposal – e.g. proposal, scrutiny, consultation (public/staff), decision, transition work (contracts, re-organisation etc..), implementation:

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January 2021	Decision reports return to Scrutiny at the latest
February 2021	Final decisions at M&C with the Budget
March 2021	Cuts implemented

\*If there are any 'invest to save' requirements for the proposal please describe them here and adjust the saving impact in the relevant year(s) to reflect this, please see section 5.2 of the guidance notes.

## 1. Cuts proposal

Proposal title:	Catford Campus - Estate Consolidation
Reference:	D-06
Directorate:	Housing, Regeneration and Public Realm
Director of Service:	Paul Moore – Director of Regeneration and Inclusive Growth (Interim)
Service/Team area:	Capital Programme Delivery
Cabinet portfolio:	Cllr Paul Bell
Scrutiny Ctte(s):	

## 2. Decision Route

Cuts proposed:	Key Decision*  Yes / No See para 16.2 of the Constitution <a href="https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution">https://lewisham.gov.uk/mayorandcouncil/aboutthecouncil/how-council-is-run/our-constitution</a>	Public Consultation Yes / No and Statutory vs informal	Staff Consultation Yes / No and Statutory vs informal
Laurence House 5 <sup>th</sup> floor – Lewisham Homes let	No	No	Informal
Former Town Hall - public sector hub	No	No	No
Civic suite closure	No	No	Informal
Holbeach office closure	No	No	Informal
Former Town Hall Chambers – closure/mothballing	No	No	Informal

## 3. Description of service area and proposal

### Description of the service area (functions and activities) being reviewed:

The Catford office estate is made up of six buildings - Laurence House, Civic Suite, Old Town Hall, Holbeach, Town Hall Chambers and Eros House. As part of a wider Asset Review, officers have been reviewing possibilities for office consolidation in order to realise savings or generate income. This builds on work already undertaken over previous years to rationalise the estate. Laurence House is the Council's core office building - pre-Covid it was the office base for around 1700 staff plus the CCG. The intention is for Laurence House to remain the Council's HQ.

Until 2013 The Old Town Hall housed part of the Council's workforce. It is currently occupied by Lewisham Homes (4 floors), Bow Arts (1 floor) and a few smaller tenants. The Council retains responsibility for the basement which has large amounts of archive storage. Lewisham Homes are due to move to Laurence House 5<sup>th</sup> floor early 2021 leaving a large portion of this landmark building empty in central Catford. The Council continues to have to service the building, pay business rates, therefore an alternative use for the building is being considered to ensure that at the very least costs are covered, and where possible additional income is generated.

### 3. Description of service area and proposal

The Civic Suite provides space for Council meetings, public functions and lettings, election functions, back office functions (inprint), Cllr rooms and office accommodation. Since the start of the Covid pandemic in March, the Civic Suite has been closed. Office staff based in the building that require to return to the office have been working in Laurence House (with the remaining staff working remotely from home), Councillors have been using the political rooms provided in Laurence House, and Council committee meetings have been taking place online using Public-I and Microsoft Teams technology.

Eros House is currently occupied by the Council's parking contractor on the 1<sup>st</sup> floor, CCTV on part of the ground floor and archiving in the basement. The remaining vacant space on the ground floor is small and unlikely to yield any savings in running costs given the rest of the building is occupied; and may form part of the strategy for rationalising other parts of the estate.

Holbeach currently has around 100 staff based there plus front-line services including the Youth Offending Service. It is currently open, operating under Covid-safe measures.

Town Hall Chambers forms part of the Grade II listed Broadway Theatre building and pre-Covid housed training/meeting rooms, some office space, the Trade Unions and Lewisham Youth Theatre. The building is currently closed.

Within the Draft Catford Town Centre Framework agreed by Mayor and Cabinet in September, the Former Town Hall site was flagged for potential to achieve a permanent Civic/Public service Hub. In recent weeks positive discussions have taken place with several key public sector partners who are interested in achieving a relocation to central Catford and appear willing to take on a lease of the former Town Hall, linked to their own specific organisational drivers:-

- **DWP** – as part of the expansion of workload, recruitment of Work advisers and desire to co-locate within the Council's own (subject to the bid under the Lewisham Works programme) – employment support offer.
- **Ingeus** (DWP's employment support provider) – who wish to establish four new 'super-hubs' offering a base/space for staff and employment support programmes.
- **South London and Maudsley, Lewisham and Greenwich Hospital Trust and Guys and St Thomas'** – who are exploring the potential to consolidate back office activity out of several ageing/fragmented properties.

#### Cuts proposal\*

This proforma sets out proposals for savings or income generation at five out of the six sites; as follows:

##### Laurence House

Lewisham Homes are to move in to the 5<sup>th</sup> floor of Laurence House and the move will take place early 2021.

### 3. Description of service area and proposal

#### Old Town Hall

It is proposed to lease some or all of the vacant floors of the Old Town Hall to a number of public partners - Lewisham and Greenwich NHS Trust, SLAM, GST and DWP. The Lewisham and Greenwich Trust are seeking to move some of its office functions from within the Lewisham Hospital site elsewhere to free up buildings for clinical use. Their current back office functions are in poor condition. The DWP and its providers are keen to set up a 'super centre' in Catford with work coaching and youth employment support services.

Negotiations are underway currently on space requirements, rent levels and usage, however the various parties are keen to be part of and co-locate to the Public Service Hub in central Catford. The savings are to be achieved by ensuring that the costs for running the Old Town Hall are covered by rental income from the proposed tenants (and where possible additional income generated). The attached analysis shows the net position for the Council of the two main scenarios – mothballing (Option A) or re-letting to establish the Public service Hub (Option B).

There will be some capital costs involved in improving and adapting the Old Town Hall for use by the proposed tenants. The extent of this and who would pick up the costs is yet to be determined and will form part of the more detailed negotiations in due course. On this, we have already received a commitment from GLA for £965K under the 'Get Building' programme that should be capable of being focussed towards the hub.

#### Civic Suite

It is proposed that the civic suite remains for the foreseeable future. The building would effectively be mothballed until regeneration of the Catford town centre begins and the site is demolished as part of a new civic complex. The savings would be derived from reduced building running costs such as utilities, cleaning, security, repairs and maintenance.

#### Holbeach

It is proposed that Holbeach is closed and remains closed until the site is required as part of the Town Centre regeneration programme. This would require moving back office functions to Laurence House. The front-line services, particularly Youth Offending Service, would require alternative facilities. It is not appropriate for the service to be delivered from Laurence House. Potential sites could be Eros House ground floor however further analysis on the appropriateness of this site need to be undertaken and a small capital investment would be needed.

#### Town Hall Chambers

It is also proposed that Town Hall Chambers are closed and remain mothballed until a sustainable and alternative use is found for them. As they form part of the Broadway Theatre, they are an integral and permanent part of the town centre. Access to the upper floors currently restricts most alternative usage, however capital investment in providing new lift access could solve this. Further capital investment would be needed to upgrade the heating system and general decorations and reconfiguration. Long term the space could form part of a wider offering of the theatre.

The short-term savings would be derived from reduced building running costs such as utilities, cleaning, security, repairs and maintenance.

#### 4. Impact and risks of proposal

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

###### Old Town Hall

The letting of the Old Town Hall to health and DWP partners will increase closer working arrangements between them and the Council and enable a 'Public Service hub' to be created. The CCG already reside in Laurence House and has shown to be highly beneficial in terms of partnership working. Employment and training support will be critical over the coming years as unemployment figures rise as a result of the Covid pandemic. Catford is centrally located in the borough with good public transport links. The strategic synergy between these uses taken together creates a benefit beyond the individual parts. Around 400 valued public sector staff would inject much needed footfall and vitality in the heart of the town centre, supporting local businesses and jobs. The alternative option for the Old Town Hall is to mothball.

###### Civic Suite

In the short / medium term staff that require to work in the office can continue to access Laurence House (within agreed desk quotas for individual directorates within Covid-secure layout). In the medium / long term Laurence House utilisation will need to be re-planned in the context of different ways of working and potential wider Catford estate rationalisation; and teams currently based in the Civic Suite will form part of that. Councillors who currently access the Civic Suite will be able to access the Councillor rooms on the 1<sup>st</sup> floor of Laurence House. If the Civic Suite is permanently closed, then Council meetings would need to continue online and / or find alternative premises from which to run. It is suggested that larger meetings (e.g. Council AGM or meetings with contentious issues) could potentially take place in schools or other hireable spaces in the borough. There would be a small cost for hiring such premises and potentially for security any technology support (web casting, microphones etc.). The Civic Suite has also seen use during the day for events and meetings, including citizenship ceremonies. In the short/medium term such events will not be taking place due to Covid restrictions, however in the medium/long term alternative arrangements will need to be found. The Civic Suite is also used for election duties – polling station, postal vote counting, training and equipment storage. Alternative arrangements would also need to be found for these functions – options are available at schools/sports halls. There is a small income derived from letting the Civic Suite to third parties which would be lost; although some of those bookings may use alternative Council run buildings such as community centres.

###### Holbeach

Staff working in Holbeach would need to move to Laurence House. Of more significance is finding an alternative location for the Youth Offending Service and other front-line services. The YOS have worked hard to create a welcoming and safe environment for young people attending and would need this to be replicated elsewhere.

###### Town Hall Chambers

Town Hall Chambers are currently closed and the office staff have access to Laurence House which could be formalised as part of wider consolidation of staff into the main Council building. The trade unions have been moved temporarily into the ground floor of Laurence House however a longer-term solution for their location would need to be considered. Training and meeting rooms could be provided in Laurence House as part of new ways of working needed in a post-Covid world. Lewisham Youth Theatre would

#### 4. Impact and risks of proposal

need to be considered further but access via the theatre with shared facilities in the theatre may be an option.

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

1. **Some or all of the partner organisations decide not to move into the Old Town Hall or decide to take a smaller floorplate;** meaning the running costs for the building cannot be covered and a saving cannot be generated.  
Negotiations are still at an early stage however all parties have expressed a keen interest in making it work. Worst case scenario that none of the leases come to fruition then the building would likely have to be mothballed which would require finding Dek an alternative location.
2. **Negative public response to council meetings continuing online.**  
The online meeting technology currently being utilised is available for public to watch and take part in where relevant, and meetings are also available to view online after the event. As suggested above in the future some critical or large meetings could be held in person and in public by utilising other larger spaces within the borough such as schools or the theatre.
3. **Negative public perception of mothballed buildings in the town centre; and impact on confidence for town centre regeneration**  
Initiatives to animate the town centre and bring confidence to the longer-term regeneration potential have been hugely successful to date, and the Phase 1 works around the Catford Constitutional Club and surrounding area will also help to kick start confidence in the town centre's potential. It is not expected that the closure of Civic Suite, Holbeach or Town Hall Chambers will have a major impact given this activity – provided that the former town hall is occupied.
4. **Lack of formal large event space**  
In the short-term large events, citizenship ceremonies etc. will be unlikely to be taking place due to Covid restrictions; in the medium term they could be delivered elsewhere in the borough, in schools or community facilities. Those spaces would lack the formality of a civic space, but in some cases this may be an advantage.
5. **Suitable alternative accommodation cannot be found for the front-line services in Holbeach,** particularly Youth Offending Service, which requires a safe welcoming, and discreet space to be able to deliver their service.  
Options include Eros House, but further analysis will be undertaken.
6. **Costs associated with finding alternative accommodation for the Trade Unions may outweigh or reduce the savings potential for Town Hall Chambers.** Dependent on outcome of review of front door and library services they could potentially stay on the ground floor of Laurence House.

#### 5. Financial information

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

<b>5. Financial information</b>				
Laurence House 5 <sup>th</sup> floor – Lewisham Homes let	650*	11	12	673
Old Town Hall (net cost/income):				
Option A – Mothball	- 414	0	0	- 414
Old Town Hall (net cost/income):				
Option B - Public Service Hub	- 488	450	- 38	-76
Civic Suite Mothball	248			248
Holbeach office Mothball	120			120
Town Hall Chambers Mothball	70			70
<b>Total Potential Saving(up to £,000s)</b>				
Option A - Mothball	674	11	12	697
Option B – PS Hub	600	461	-26	1,035
<b>% of Net Budget</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
<b>Does proposal impact on:</b>	<b>General Fund</b>	<b>DSG</b>	<b>HRA</b>	<b>Health</b>
<b>Yes / No</b>	100	No	No	No
<b>If DSG, HRA, Health impact describe:</b>				

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



### 7. Ward impact

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

### 8. Service equalities impact

Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	Low	Pregnancy / Maternity:	N/A
Gender:	Low	Marriage & Civil Partnerships:	N/A
Age:	Medium	Sexual orientation:	Low
Disability:	Low	Gender reassignment:	Low
Religion / Belief:	Low	Overall:	Low
For any High impact service equality areas please explain why and what mitigations are proposed:			
Is a full service equalities impact assessment required: Yes / No			No

### 9. Human Resources impact

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

### 10. Legal implications

State any specific legal implications relating to this proposal:
The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations

## 10. Legal implications

2020 came into force on 4 April. These Regulations permit public committee meetings to be held virtually. However, these are temporary changes which have been put in place during the coronavirus pandemic. There is nothing to suggest that authorities will not be required to revert to holding public meetings in person in due course. Accordingly, any proposal to mothball the Civic Suite will need to ensure that the Council will continue to be in a position to hold public committee meetings once the temporary changes come to an end.

## 11. Summary timetable

Outline timetable for main steps to be completed re decision and implementation of proposal – e.g. proposal, scrutiny, consultation (public/staff), decision, transition work (contracts, re-organisation etc..), implementation:

Month	Activity
September 2020	Proposals prepared ( <b>this template and supporting papers – e.g. draft public consultation paper, equalities assessment and initial HR considerations</b> )
October 2020	Proposals submitted to Scrutiny committees leading to M&C
November to December 2020	Scrutiny meetings held with consultations ongoing
November to December 2020	Consultations undertaken and full decision reports (where required) prepared
December 2020	Proposals to M&C, including Equality & HR assessments
January 2021	Decision reports return to Scrutiny at the latest
February 2021	Final decisions at M&C with the Budget
March 2021	Cuts implemented

\*If there are any 'invest to save' requirements for the proposal please describe them here and adjust the saving impact in the relevant year(s) to reflect this, please see section 5.2 of the guidance notes.