

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

APPENDIX W1

2020/21 TO 2023/24 CAPITAL PROGRAMME - MAJOR PROJECTS

Major Projects over £2m	2020/21	2021/22	2022/23	2023/24	Total
	£m	£m	£m	£m	£m
GENERAL FUND					
Schools - School Places Programme	3.4	10.4	2.4	-	16.2
Schools – Minor Works Capital Programme	3.9	0.1	-	-	4.0
Schools - Other Capital Works	1.7	1.6	-	-	3.3
Highways & Bridges - TfL	1.3	-	-	-	1.3
Highways & Bridges - LBL	3	2.5	2.5	-	8.0
Highways - Others	1.5	0.8	0.1	-	2.4
Catford town centre	1.0	0.3	0.3	3.4	5.0
Asset Management Programme	1.5	2.8	2.5	-	6.8
Other AMP Schemes	0.7	0.9	-	-	1.6
Broadway Theatre - Works	0.4	4.8	1.7	-	6.9
Catford Phase 1 – Thomas Lane Yard / Catford Constitution Club'	0.1	0.6	2.6	-	3.3
Lewisham Gateway (Phase 2)	14.8	3.5	-	4.8	23.1
Beckenham Place Park	0.5	-	-	-	0.5
Beckenham Place Park (Eastern Part)	0.2	1.7			1.9
Lewisham Homes – Property Acquisition	-	3.0	-	-	3.0
Residential Portfolio Acquisition – Hyde Housing Ass.	2.9	-	-	-	2.9
Disabled Facilities Grant	0.4	2.1	-	-	2.5
Private Sector Grants and Loans	0.2	2.1	-	-	2.3
Edward St. Development	9.0	8.4	-	-	17.4
Achilles St. Development	0.8	1.0	-	3.6	5.4
Mayow Rd Development	0.6	6.6	1.1	0.1	8.4
Canonbie Rd Development	0.8	1.4	0.3	-	2.5
Ladywell Leisure Centre Development site (1,000 Homes Prog.)	0.1	2.7	-	-	2.8
Deptford Southern Sites Regeneration	2.6	0.3	-	2.1	5.0
Acquisition of Sydney Arms	0.0	3.8	-	-	3.8
Fleet Replacement Programme	7.0	0.8	0.8	0.8	9.4
Travellers Site Relocation	0.2	3.6	-	-	3.8
Other Schemes	5.0	4.4	2.3	0.1	11.8
	63.6	70.2	16.6	14.9	165.3
HOUSING REVENUE ACCOUNT					
Building for Lewisham Programme	33.6	48.3	56.4	57.2	195.5
Creekside Acquisition	5.7	13.9	2.0	0.0	21.6
Ladywell Leisure Centre Development	4.5	15.4	43.4	27.7	91.0
Achilles St. Development	4.3	0.4	1.0	21.6	27.3
Mayow Rd Development	1.1	0.8	0.0	0.0	1.9

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

General Capital & Decent Homes Programme	47.7	70.4	42.3	41.3	201.7
Other Schemes (Hostels etc.)	3.5	3.6	4.4	4.5	16.0
	100.4	152.8	149.5	152.3	555.0
TOTAL PROGRAMME	164.0	223.0	166.1	167.2	720.3

The paragraphs below set out a descriptive overview of the key delivery objectives of the capital programme major schemes. Appendix W2 sets out the changes in these schemes from original budget.

Schools – School Places Programme

Primary place demand has levelled off recently across London and the priority for school place delivery has shifted mainly to Special Educational Need and Disability provision. Four schemes are currently in development and delivery over the next 3 years to 2024. They include:

- Works to Ashmead Primary in Brockley to expand from one to two forms of entry. Works commenced in April 2019 and are due to be completed by February 2021. The project will deliver a new standalone block adjacent to Lewisham Way, improved landscaping within the site and a new entrance and enhanced public realm area to the South of the site.
- Greenvale School, in Whitefoot ward, is Lewisham’s community special school for children and young people between the ages of 11 and 19 years who have significant learning difficulties. A new satellite facility to accommodate an additional 93 students will be constructed on the site of the former Brent Knoll building in Perry Vale. The design stage is now complete, and works are expected to commence onsite in early 2021.
- New Woodlands, in Downham Ward, is a special school which supports children from 5 to 16 who have Social, Emotional and Mental Health (SEMH) special educational needs. The school recently began admitting Key Stage 4 students, and works to expand the facility took place over the summer holidays last year, ensuring that the school can provide a full curriculum. The works included minor remodelling and refurbishment of the existing building, provision of a new food technology practical room, and improvements to existing landscaping and external play areas. The final works to the boundary treatment were completed last summer, and final snagging works will be completed in February 2021.
- Watergate is Lewisham’s primary special school for children between the ages of three and eleven years who have severe learning difficulties, located in Bellingham Ward. Approval has been granted to expand the school by 59 places through the construction of a new teaching block on the existing site, although further feasibility studies are currently being conducted to confirm whether this approach would cater for the need or if a different design solution is required.

Schools – Minor Works Capital Programme

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

Highways & Bridges

The Council continues to invest resources in maintaining its 397km of highway borough roads, most notably through its annual programme of carriageway and footway resurfacing works. The budget for highways has allowed 70 roads (or part of a road) to

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

be resurfaced each year. Until 2017, the majority of these roads were those in the worst condition and categorised as “Red” – lengths of road in poor overall condition and in need of immediate further engineering assessment with a planned maintenance soon.

In 2020/21, the carriageway resurfacing programme is to be carried out on up to 32 roads (or part of road) funded from the Council’s Capital programme. At the time of this report (November 2020) over 90% of the carriageway resurfacing programme has been completed. This programme is on course to deliver in time and within budget

Future carriageway resurfacing works will focus on roads classified with the Condition Index of “Amber” (lengths of road which, without a planned early intervention could result in further severe defects and move the Condition Index to “Red”). The Council also carries out ongoing responsive carriageway maintenance works that remedies localised hazards and defects caused through accidents and deterioration of the asset from wear, age, excavations and failures

The footway resurfacing programme aims to bring improvements to 17 roads where the Condition Index classifies as “Red” and thus in need of future works. At the time of this report (November 2020) approximately 75% of the current footway resurfacing programme has been completed, with an expectation to complete the full programme on time and within budget by February 2021.

Future Council Capital investment is to be aimed at the borough’s footways as over 20% of this asset requires essential maintenance works. Such works to the footways potentially will reduce future insurance claims.

The replacement of the span for the Sydenham Park footbridge is planning, and with active discussions about bridge design, method of construction, risk management and approvals underway, the Council in its client capacity is working closely with consultants to secure a delivery plan agreement with Network Rail. Subject to a Network Rail track possession agreement, the span replacement and associated works for the Sydenham Park Footbridge is scheduled for winter 2021.

Catford Town Centre

On 16 September 2020 M & C approved the draft Catford Town Centre Framework document and the next steps to commence with a non-statutory public consultation process. Architects Studio Egret West have been retained in the event that any amendments are required to the Framework. The consultation began on 17 November 2020 and encompasses an invitation for the public to give feedback on the Catford consultation activities over the past four years that provided significant foundation to the document. Consultation is being delivered via various platforms including: a pull-out section within the Catford Chronicle magazine that is sent to 18,000 homes in Catford with a freepost return for comments, a series of Zoom presentation sessions with questions answered, visual displays at shop 24 Catford Precinct, feedback via phone, an email and via a website address. Officers plan to return to M&C in spring 2021 to provide the consultation results and to request endorsement of the final version of the Framework document. The Catford Town Centre Framework document will then be used as an evidence base for the emerging Local Plan.

Work with TfL has just recommenced following a temporary postponement of the programme due to the impact of Covid-19 and the furlough of the Transformation Team. There is an agreed proposal to realign the South Circular A205 through the Town Centre. The Greater London Authority (GLA) Housing Infrastructure Funding (HIF) of £10m has been secured on condition that the road is delivered by TfL. Officers have been seeking an extension to the grant agreement to accommodate the time lost on the project. TfL have confirmed that they are awaiting a new programme to begin extensive modelling of the preferred design option for the road. DfT require completion of this activity in order to confirm the provisional funding in the sum of £40M. Subject to an approved design, early work is expected to start in 2021/22.

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

Meanwhile, at the same meeting of M&C on 16 September 2020 officers received approval to commence with two projects in Catford town centre. The first will provide a series of public realm improvements to the areas around Catford stations to be funded from S.106 funding from the Catford Green development by Barratt's. This scheme aims to provide a better environment for movement around the stations in preparation for the recovery from the pandemic with an aim to be on site in early 2022. The second scheme has been enabled by successful funding from the GLA in the form of the Good Growth Grant that has been match funded by the Capital Programme. This will see the refurbishment of the Catford Constitution Club (CCC) and the development of a mixed-use scheme up to Planning stage on the T/Lane car park site to provide a mix of business units and up to 100 homes that would realise multiple regeneration benefits including: jobs retention, business creation and potential early housing delivery and can also support the Post-Covid19 recovery plan. This early investment proposal can be delivered independently but also corresponds fully with the vision set out in the draft Catford Framework document endorsed by Mayor & Cabinet on 16th September 2020, providing fundamental improvements to the public realm for Catford and meeting social and economic integration objectives, opportunities for town centre. The objective is to obtain Planning consent for both schemes by the end of summer 2021 and to deliver the CCC refurbishment in 2022.

Officers are in further negotiations with the GLA on additional funding following a successful bid to the GLA for Get Building Funding of just under £1m. The funding aims to secure additional town centre improvement schemes including public realm improvements to the pedestrian area on Holbeach Road and a partnership project to provide a public sector hub in the Old Town Hall.

Lewisham Gateway Development

The Council is supporting the delivery of Phase 2 of the Lewisham Gateway development by the provision of:

- (a) £9,558,850 of grant from its own resources being a commuted sum earmarked for affordable housing under a section 106 agreement relating to the Loampit Vale development.
- (b) £13,500,000 of housing infrastructure fund (HIF) grant that comes from government via government's delivery partner, The Greater London Authority (GLA).

The Lewisham Gateway is a long-term regeneration project which is being delivered by Lewisham Gateway Developments Limited (**LGDL**), a special purpose vehicle which is a subsidiary of Muse Developments Limited. The project is being delivered via a development agreement dated 19th December 2006 between LBL, various public sector partners and LGDL. Amendments to this development agreement agreed by the parties in 2020. Phase 1 was completed in 2019 providing construction of the new highway layout and pedestrian crossings (including re-location of River Ravensbourne and Quaggy), 362 residential units, commercial café and retail space, Confluence Place Park: a public space connecting the river, station and public realm as well as a number of commercial food and beverage units

Phase 2 of the project will deliver four buildings to provide 530 residential apartments, 119 co-living units, retail units, a gym space and a cinema together with associated public realm (including hard and soft landscaping). A basement energy centre will also be provided in the building known as building block E

Asset Management Programme

Funding from the Asset Management Programme (AMP) has continued to support reactive and much needed capital works across the operational corporate estate. This has included fabric works such as roof replacement and mechanical works; including, boiler replacements and lift repairs across the estate of approximately 90 buildings and sites. More recently, the programme has funded works to the Civic Suite, Registry

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

Office and some essential works as part of the main Laurence House refurbishment programme. A full condition survey of the corporate estate was completed in 2020 and is helping define the future investment need of the estate, the Asset Review, and underpin the use of the AMP capital programme funding for future years. A comprehensive Corporate Estate Maintenance Programme is being developed to start in 2021/22 (with some urgent health and safety works already underway).

Broadway Theatre

The Broadway Theatre building is not fully compliant in a number of areas, and is long overdue investment in its mechanical, electrical and fabric elements. Urgent work is required to address key risk areas of building failure.

The proposed works include rewire of the theatre, replacement fire detection equipment, new emergency lighting, new central heating and domestic water system, damp proofing and decorations, improvements to support disabled access and get-in, toilet expansion and external improvements

Given the significant amount of investment needed the theatre will be closed to enable the work to be carried out effectively and efficiently. The works are proposed to complete late 2022

Lewisham Library

The roof of the library is in urgent need of repair. This was identified as part of recent condition survey of the building which also highlighted a number of key areas of failing across the building structure and M&E services. The roof's condition puts the entire building fabric and services at risk.

The report also found the mechanical and public health services (MEPH) within the building are generally at or past their life expectancy. The general condition of all elements is poor with some obvious signs of deterioration and failures including hot water plant and ventilation systems. In addition, the two lifts serving the building requires major overhaul. There is currently no allocation in the capital programme to support this project.

Mayor and Cabinet agreed that officers look at options that will sustain the library service provision into the future. A number of options are currently being explored

Old Town Hall

Officers are developing a programme of investment works for the Old Town Hall. This is part of proposals to convert the Old Town Hall into a public sector hub for a number of public sector partners. Some of the investment will address immediate health and safety as well as compliance requirements of the building. It will aim to secure a new use for the building as a public sector hub supporting a number of public sector partners such as the NHS and DWP.

Lewisham Homes – Property Acquisition

This funding supports the delivery of the Lewisham Homes acquisitions programme that secures properties for temporary accommodation for homeless households, making a saving on the Council's spend on bed & breakfast accommodation.

Fleet vehicle replacement

The current year's budget is to finance the replacement of 65 vehicles in the Council's fleet in order to meet the approaching Low Emissions Zone (LEZ) changes in October 2020. As of the end of December 2020 all 65 vehicles have been delivered and are in service at a total cost of £7,022.536.

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

Future fleet replacement capital budget for the years 2021 - 2024 of 800k per annum has been allocated.

Smart Working Programme

The Smarter Working programme seeks to consolidate offices and release sites for future redevelopment in Catford town centre, as well as the refurbishment of the council's main office site, Laurence House, to ensure it is fit for purpose until new council offices can be built. The ground floor was refurbished in 2018 to provide a modern, welcoming and better functioning reception for the council and refurbishment work on floors 1 to 5 was completed in 2019. The works included improved welfare provision, delivering new meeting rooms and kitchens, improving the heating and ventilation system, new energy efficient LED lighting, decoration and a layout and furniture which supports and encourages agile working. Options are being considered to deliver improvements to the ground floor and the civic suite.

Edward Street

Edward St will provide 34 new high-quality temporary accommodation homes for local families in housing need. The tender and contractor appointment has been completed following Mayor and Cabinet approval. The manufacturing of the homes has commenced in the factory.

Residential Portfolio Acquisition – Hyde Housing Association

The acquisition of a portfolio currently comprising 120 residential properties from Hyde Housing Association, as per a report to Mayor & Cabinet on 13 March 2019.

The Council completed on the acquisition of a portfolio of homes from Hyde Housing Association earlier this financial year. Hyde Housing Association have offered the option of further acquisitions. The Council are currently considering this option and carrying out due diligence in relation to this.

Achilles Street

Residents on the Achilles Street Estate have voted for the redevelopment of the estate to go ahead. Work is underway to carry out due diligence and the procurement of the design team has commenced with estate residents. The scheme will deliver new homes for all existing residents as well as a significant number of new council owned homes for social rent.

Acquisition of Sydney Arms

In response to COVID-19 local authorities were instructed by the government to bring 'Everyone In'. The initial approach was to find and accommodate all rough sleepers, and those sleeping in night shelters, to minimise their potential risk to COVID-19. This approach ended in the summer, and authorities have been working with the government and the GLA to find permanent move on accommodation for those it has temporarily housed.

There has been an increase in rough sleeping. Since the start of the pandemic the Council has worked with nearly 200 rough sleepers, whereas over the entirety of 2019/20 there were 229 rough sleepers that services engaged with in Lewisham. The pandemic continues to pose a substantial health risk to residents, particularly rough sleepers, and the impact on homelessness of a severe economic shock is yet to be fully realised.

In response to the above pressures, the council has been using temporary accommodation to house rough sleepers it has identified. However, such

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

accommodation is often expensive and does not come with support provision included. The council is projecting an expenditure of £800k during the course of 20/21 that it would not have spent in previous years, although a grant of £300k from government has been made available to cover some of that cost.

The acquisition and refurbishment of the Sydney Arms will allow up to 16 rough sleepers, or other households, to be accommodated in affordable accommodation with support available to meet their needs. The purpose of this accommodation will be to provide accommodation and support on a short to medium term basis whilst staff work with those accommodated to find secure longer-term homes for households to move into.”

Ladywell Leisure Centre Development site

The redevelopment of the former Ladywell Leisure Centre Site continues to progress with planning applications due later in the summer of 2021. This mixed-use development will see approximately 69 new homes come forward in addition to retaining the 24 homes that are in the PLACE building. The Council, through Lewisham Homes, will directly deliver these new homes. In 2019, a budget of £2.55m was approved by Mayor and Cabinet to take the scheme forward to planning and to fund the feasibility of the relocation of PLACE/Ladywell

Mayow Road Development Site

At the Mayow Road site we will deliver 26 family-sized homes for homeless families. These will consist of self-contained flats with two and three bedrooms, all with their own private amenity space. The homes will provide much-needed temporary accommodation, supporting residents to remain in their local community. We will also deliver six supported living homes for residents with learning disabilities or autism, helping them to remain in borough and live more independent lives. This will be supported by 24-hour on-site care and support staff. We are supporting these aims in partnership with NHS England’s transforming care Programme.

Planning has been secured and funding agreed for construction. A contractor has been appointed and a start on site has been achieved for this scheme. Work is ongoing.

Traveller’s site relocation

The latest site search for a Gypsy and Traveller site has identified a site at Pool Court as the most appropriate location to develop a new Gypsy and Traveller site for the borough. The construction cost of the 6-pitch site is estimated at £1.8m including design fees and other costs.

A section of the identified site is owned by Network Rail and the rest by the Council. The acquisition cost of the Network Rail section of the site is estimated at up to £2m. The Capital programme already has an allocation of circa £1.1m, including historic GLA grant, to support the scheme. The total cost for the development of the Pool Court site to provide 6 pitches to meet the Gypsy and Traveller Housing need is approximately £3.8m, with additional budget of £2.7m now allocated in the plan.

Beckenham Place Park

The restoration of Beckenham Place Park (to the western side of the railway) has been completed.

The listed stable block is now home to the new park café and environmental education centre, and the long anticipated restored landscape, with its reinstated lake, is being enjoyed by thousands of local people. The stable yard itself will become an arrival and visitor’s hub, as new tenants take up occupation of the cottages over the next year. The new play facilities are much loved, as part of the restored pleasure grounds, and

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

the previously derelict Gardener's cottage is now fully restored and re-purposed as a hub for volunteer activity in the park, in the midst of the new community garden. Open water swimming now takes place on the lake, and visitors will be encouraged to explore the breadth and nature of Lewisham's largest park on new paths and trails.

Mayor & Cabinet on 24 April 2019 approved an additional capital contribution of up to £1.936m towards works on the eastern side of the park. Work is now underway to develop the scope of works to the eastern side of the park and it is hoped that this allocation could be used to lever in further support from the GLA and GLA and the Environment Agency.

Meanwhile, work has just begun to look at options on a route to secure the future of the other assets mainly in the western side of the park. These include the Mansion House and Foxgrove Club. A paper will be taken to Mayor & Cabinet in due cause setting out the options and next steps on a route to secure beneficial use of those assets.

Building for Lewisham Programme update

The Building for Lewisham (BfL) supersedes the Housing Matters Programme. In January 2020, the Mayor and Cabinet approved recommendations to advance and expand the Council's housebuilding programme to meet the corporate objectives set for the period between 2018 and 2022. The M&C paper sets much of the context for the budget identified in this paper

The BfL programme will deliver a significant proportion of new council housing for the borough. Funding has currently been agreed for the continuation of the former New Homes Better Places programme and for a series of additional infill sites. In addition, funding for feasibility and preparation of planning and tender information for major strategic projects at Ladywell, Achilles Street Estate and Catford has been allocated; as well as funding for wider feasibility studies for sites across the borough.

The Council, via its development agent, Lewisham Homes, is also investigating acquisition opportunities on land and sites from the market. These schemes may offer an opportunity to deliver more homes on an expedited timescale.

The current consolidation of the BfL programme notes funding for 1,686 new homes across a mix of tenures. This has been modelled over a 40 year period and has been inflation-adjusted accordingly. However, the assumptions used in this report represent an over-programming of developments and not all developments modelled will necessarily come forward. Therefore, this represents the most budget-intensive scenario. The financial and programme risk associated with the BfL programme will be monitored closely and mitigations implemented accordingly. Should any material changes to this budget be required, approval from Members will be sought.

The programme is supported by grant funding from the GLA via the Building Council Homes for London Programme. This provides £37.7m at a rate of around £100,000 per social unit. In addition to this the Council have secured funding from the GLA through their Small Sites Small Builders Fund, Housing Capacity Fund and Accelerated Construction Fund. The NHS have also provide grant support for Supported Housing. In addition to this, the Council will continue to subsidise the programme with the use of Right to Buy 1-4-1 receipts.

The majority of spend for the remainder of 2020/21 relates to feasibility and planning application preparation for the new homes programme and delivery of a number of schemes by Lewisham Homes on site. Around 458 new social homes are forecast to achieve planning permission or start on site in 2021.

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

APPENDIX W2

PROPOSED CAPITAL PROGRAMME – ORIGINAL TO LATEST BUDGET

	Total		Total
	£'000		£'000
GENERAL FUND			
Original Budget (Mayor & Cabinet 9 July 2020)			210,947
New Schemes			
Lewisham Market Scheme	322		
2020/21 LIP Programme	1,300		
Lewisham Gateway Phase 2	14,812		
82, Newland Park	176		
Holbeach Road Public Realm & Catford Hub	245		
Catford Station Improvements	82		
Catford Phase 1 – Thomas Lane Yard / Catford Constitution Club	49		
Brockley Rise Adult Learning Centre Frontage Works	146		
Improvements to the Calabash Centre	45		
Beckenham Place Park (Eastern Part)	200		
			17,377
Approved variations on existing schemes			
Excalibur (Phase 3)	200		
Canonbie Road Development	677		
			877
Re-allocated Budgets			
Lewisham Library – repairs and refurb	-1000		
			-1000
Re-profiled Budgets			
CYP CERA (capital charged to revenue account)	-500		
Achilles St. Development (Design Work)	-401		
Achilles St. Development	-4,764		
Ladywell Leisure Centre Development	3,290		
Unallocated AMP	-792		
Excalibur (Phases 4&5)	-1,265		
Milford Towers Decant	-2,769		
Creekside Acquisition	5,711		
19, Yeoman St. Improvements	7		
Deptford Southern Sites	1,826		
Lewisham homes property acquisition	-3,000		
Schools Pupils Places Programme	-5,794		

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

2020 Schools Minor Works Capital Programme		-79		
Heathside & Lethbridge		-244		
Milford Towers Decant		-100		
DFG & Disc Grants		-1,040		
Fleet Vehicle Replacement		-800		
9-19 Rushey Green		-250		
Deptford Park Improvements		-40		
Sydenham park footbridge		-489		
Broadway Theatre - Works		-1,594		
Acquisition of homes in inner LHA Area		-75		
Watson Street Streetscape Improvements		-120		
Refurbishment of 43-45 Bromley Road		-235		
Essential footpath resurfacing parks		-7		
Catford Broadway - Phase 2		-5		
				-13,529
Re-phasing Budgets				
HRA				-50,585
Revised Capital Programme Budget 2020/21				164,087

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

APPENDIX X1: Proposed Housing Revenue Account Savings 2021/22

X1.1 The HRA strategy and self-financing assessments are continually updated and developed with the view to ensuring resources are available to meet costs and investment needs and are funded for 2021/22 and future years.

X1.2 Savings and efficiencies delivered in the 2021/22 budget can be re-invested to off-set constrained rent rises or to help bridge any investment gap identified. As a prudent measure the original financial model was developed with no savings identified. Subsequently, discussions have taken place regarding appropriate savings and 'target' management and maintenance costs per unit. For example, there is already an assumed reduction in the Lewisham Homes fee in 2021/22 to reflect stock losses through Right to Buy Sales. Although no direct efficiencies/savings are currently being considered for 2021/22, work continues to identify opportunities for cost reductions and efficiencies relating to the HRA business model. Where identified, these savings would be available to off-set future rental losses due to a constrained uplift to protect investment in stock or services.

X1.3 An update of the HRA Strategy, Savings Proposals, proposed rent & service charge increases and comments from consultation with tenant representatives will be reported to Mayor & Cabinet as part of the HRA Rents and budget strategy report. Mayor & Cabinet will make the final budget decisions in the New Year.

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

APPENDIX X2: Leasehold and Tenants Charges Consultation 2021/22

Committee	Brockley Residents Panel		Item No	
Report Title	Leasehold and Tenant Charges Consultation			
Contributor	Regenter Brockley Operations Manager			
Class	Decision	Date	16th December 2020	

1 Summary

- 1.1 The report sets out proposals to increase service charges to ensure full cost recovery in line with Lewisham Council's budget strategy.
- 1.2 The report requests Brockley Residents Panel members to consider the proposals to increase service charges based on an uplift of **2.1%** for **2021/22** on specific elements. This is based on full cost recovery in line with previous years' proposals.

2 Policy Context

- 2.1 The policy context for leasehold and tenant service charges is a mixture of statutory and Council Policy.
- 2.2 The Council's Housing Revenue Account is a ring-fenced revenue account. The account is required to contain only those charges directly related to the management of the Council's Housing stock. This requires that leaseholder charges reflect the true cost of maintaining their properties where the provision of their lease allows. This prevents the situation occurring where tenants are subsidising the cost of leaseholders who have purchased their properties.

3. Recommendations

- 3.1 The Brockley Residents Panel is requested to consider and comment on the proposals contained in this report and the feedback from the residents will be presented to Mayor and Cabinet as part of the wider rent setting report.

4. Purpose

- 4.1 The purpose of the report is to:
 - outline the proposals for increases in service charges in line with the contract arrangements for leaseholders and tenants to recover costs incurred for providing these services

5. Housing Revenue Account Charges

- 5.1 There are several charges made to residents which are not covered through rents. These charges are principally:
 - Leasehold Service Charges
 - Tenant Service Charges

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

- 5.1 A service charge levy is applied to Tenants for caretaking, grounds maintenance, communal lighting, bulk waste collection and window cleaning. Tenants also pay a Tenants Fund Levy which is passed onto the Tenants Fund as a grant.
- 5.2 The key principles that should be considered when setting service charges are that:
 - The charge should be fair and be no more or less than the cost of providing the service
 - The charge can be easily explained
 - The charge represents value for money
 - The charging basis allocates costs fairly amongst those receiving the service
 - The charge to all residents living in a block will be the same
- 5.3 The principle of full cost recovery ensures that residents pay for services consumed and minimises any pressures in the Housing Revenue Account in providing these services. This is in line with the current budget strategy.

In the current economic environment, it must however be recognised that for some residents this may represent a significant financial strain. Those in receipt of housing benefit will receive housing benefit on increased service charges. There are approximately 444 council tenants in receipt of housing benefit and 287 tenants on Universal Credit.

6. Analysis of full cost recovery

6.1 The following section provides analysis on the impact on individuals of increasing charges to the level required to ensure full cost recovery. The tables indicate the overall level of increases.

6.2 Leasehold service charges

The basis of the leasehold management charge has been reviewed and externally audited this summer to reflect the actual cost of the service. The management charge now incorporates Resident Engagement and Customer Service charges which makes this combination £86.22 for street properties and £183.05 for blocks, which is unchanged from the current year.

6.2.1 The uplift in leaseholder charges should reflect full cost recovery for the type of service undertaken. It is proposed that any uplift is applied at 2.1% [RPI (September 2020 being 1.1%) +1.00%].

6.2.2 The following table sets out the post audited current average weekly charge and the proposed increase for the current services provided by Regenter Brockley:

6.3 Leasehold service charges

Service	Leasehold No.	Current Weekly Charge	Weekly Increase	New Weekly Amount	Increase (2.1%)
---------	---------------	-----------------------	-----------------	-------------------	-----------------

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

Caretaking	397	£5.96	£0.13	£6.09	2.1%
Grounds Maintenance	397	£3.11	£0.07	£3.18	2.1%
Communal Lighting	397	£1.80	£0.04	£1.84	2.1%
Bulk Waste	397	£1.43	£0.03	£1.46	2.1%
Window Cleaning	222	£0.16	£0.00	£0.16	2.1%
Resident Involvement	563	£0.24	£0.01	£0.25	2.1%
Customer Services	563	£0.39	£0.01	£0.40	2.1%
Ground Rent	563	£0.00	£0.00	£0.00	set at £10 per annum
General Repairs	563	£3.62	£0.08	£3.70	2.1%
Technical Repairs	401	£0.71	£0.01	£0.72	2.1%
Entry Phone	140	£0.05	£0.00	£0.05	2.1%
Lift	236	£2.48	£0.05	£2.53	2.1%
Management Fee	563	£3.05	£0.06	£3.11	2.1%
Total		£23.00	£0.49	£23.49	

- 6.3.1 Tenant service charges were separated out from rent (unpooled) in 2003/04 and have been increased by inflation since then. RB3 took over the provision of the caretaking and grounds maintenance services in 2007/08. Both tenants and leaseholders pay caretaking, grounds maintenance, communal lighting, bulk waste collection and window cleaning service charges.
- 6.3.2 In addition, tenants pay a contribution of £0.15pw to the Lewisham Tenants Fund. At present there are no plans to increase the Tenants Fund charges.
- 6.3.3 As outlined in this report, the principle to be applied to service charges is that full cost recovery should be maintained wherever possible. The service charge increase applied for 2020/21 was set in November 2019 to be applied from 6th April 2020. However, in the period between these dates an increase in hourly rates (moving to London Living Wage) and increase in working hours was introduced within the services where there was a staffing element. This is not currently reflected within the service charge amounts currently being paid by tenants, as the changes were too late to be incorporated into the charges to be applied.
- 6.3.4 Therefore, the data in the tables have been reworked to reflect the charge applied for 2020/21 and amended to show what the charge rate should be based on the updated rates and working hours. Inflation has then been applied to this revised charge, as allowed for within the contract at a rate of 2.1% (RPI of 1.1% + 1.0)

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

Overall, charges are suggested to be increased by an average of £1.55 per week which would move the current average weekly charge from £11.37 to £12.92.

6.3.5 The effect of increases in tenant service charges to a level that covers the full cost of providing the service is set out in the table below.

Service	Current Weekly Charge	Adjustment Required (see 6.3.4)	Revised Weekly Charge	Increase @ 2.10%	New Weekly Amount
Caretaking	£5.43	£0.53	£5.96	£0.13	£6.09
Grounds Maintenance	£2.38	£0.73	£3.11	£0.07	£3.18
Communal Lighting	£1.78	£0.02	£1.80	£0.04	£1.84
Bulk Waste	£1.43	£0.00	£1.43	£0.03	£1.46
Window Cleaning	£0.20	£0.00	£0.20	£0.00	£0.20
Tenants fund	£0.15	£0.00	£0.15	£0.00	£0.15
Total	£11.37	£1.28	£12.65	£0.27	£12.92

6.3.6 The RB3 Board is asked for their views on these charges from April 2021 to March 2022. Results of the consultation will be presented to Mayor and Cabinet for approval in Spring 2021.

7. Financial implications

7.1 The main financial implications are set out in the body of the report.

7.2 The principle of full cost recovery ensures that residents pay for services consumed and minimises any pressures in the Housing Revenue Account in providing these services. This is in line with the current budget strategy.

7.3 Those in receipt of housing benefit will receive housing benefit on increased service charges. There are approximately 444 council tenants in receipt of housing benefit and 287 tenants on Universal Credit.

8. Legal implications

8.1 Section 24 of the Housing Act 1985 provides that a local housing authority may make such reasonable charges as they determine for the tenancy or occupation of their houses. The Authority must review rents from time to time and make such changes as circumstances require. Within this discretion there is no one lawful option and any reasonable option may be looked at. The consequences of each

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

option must be explained fully so that Members understand the implications of their decisions.

- 8.2 Section 76 of the Local Government and Housing Act 1989 provides that local housing authorities are under a duty to prevent a debit balance in the HRA. Rents must therefore be set to avoid such a debit.
- 8.3 Section 103 of the Housing Act 1985 sets out the terms under which secure tenancies may be varied. This requires: -
- the Council to serve a Notice of Variation at least 4 weeks before the effective date.
 - the provision of enough information to explain the variation.
 - an opportunity for the tenant to serve a Notice to Quit terminating their tenancy.
- 8.4 The timetable for the consideration of the 2021/22 rent levels provides an adequate period to ensure that legislative requirements are met.
- 8.5 Part III of Schedule 4 of the Local Government and Housing Act 1989 provides that where benefits or amenities arising out of the exercise of a Housing Authority's functions, are provided for persons housed by the authority, but are shared by the community as a whole, the authority shall make such contribution to their HRA from their other revenue accounts to properly reflect the community's share of the benefits or amenities.
- 8.6 Whereas an outcome of the rent setting process, there are to be significant changes in housing management practice or policy, further consultation may be required with the tenants affected in accordance with section 105 of the Housing Act 1985.

9. **Crime and disorder implications**

There are no specific crime and disorder implications in respect of this report paragraph.

10. **Equalities implications**

The general principle of ensuring that residents pay the same charge for the same service is promoting the principle that services are provided to residents in a fair and equal manner.

11. **Environmental implications**

There are no specific environmental implications in respect of this report.

12. **Conclusion**

- 12.1 Revising the level of charges ensures that the charges are fair, and residents are paying for the services they use.
- 12.2 The additional resources generated will relieve some of the current pressures within Housing Revenue Account and will contribute to the funding of the PFI contract which is contained within the authorities Housing Revenue Account.

If you require any further information on this report, please contact

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

Kate Donovan
Area Manager
or
Sandra Simpson
Project Manager

Brockley.customerservice@pinnaclegroup.co.uk

Or on 0207 635 1200.

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

APPENDIX X3: Leasehold and Tenants Charges 2021/22 Lewisham Homes

Meeting	Resident Engagement Panel	Item No.	X
Report Title	Service Charges 2021/22		
Report Of	Director of Finance and Technology - Rowann Limond		
Class	Information	Date	17 December 2020

1. Purpose of the Report

- 1.1 This report sets out proposals for residents service charges in 2021/22. Residents are invited to comment on the proposals which will be fed back to the Mayor as part of the Council's budget setting process.

2. Recommendations

- 2.1 To consult residents on the service charge proposals and provide feedback to the Mayor.

3. Background of the Report

- 3.1 The Council's Housing Revenue Account is a ring-fenced account. The account can only contain those charges directly related to the management of the Council's housing stock. By implication leaseholders must be charged the true cost of maintaining their properties, where the provision of their lease allows. This prevents tenants subsidising the cost to leaseholders, who have purchased their properties.
- 3.2 Each year a review of the actual costs is undertaken as part of the budget setting process and recommendations made to the council in respect of proposed charges.
- 3.3 Where possible we aim to keep these charges within the inflation rates. It should be noted that the inflation rates as at September 2020 were CPI 0.5% and RPI 2.4%. The overall increase to the weekly service charge is 2.07%.

4. Tenant and Leasehold service charges 2021/22

- 4.1 The proposed 2021/22 charges as compared with 2020/21 are shown in Appendix 1
- 4.2 Changes to repairs and maintenance charges have been modelled on the last 3 years actual costs. These charges are estimates and leaseholders will receive a charge adjustment based on actual costs incurred. This charge adjustment will take place in September 2021.
- 4.3 A proposed increase in communal heating of 17p per week is due to an increase in energy costs.

If you require further information on this report please contact Rowann Limond on 020 3889 0650 or email rowann.limond@lewishamhomes.org.uk

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

Appendix 1

Existing Service	Tenant (T)/Leaseholders (LH)	Estimate (per week charge)	Estimate (per week charge)	Change in weekly charge		
		2020/21	2021/22			
		£	£	£	%	
Caretaking	T & LH	6.36	6.49	0.13	1.99%	Increase
Ground Maintenance	T & LH	2.07	2.11	0.04	1.94%	Increase
Repairs and Maintenance - Building	LH	2.92	2.98	0.06	2.19%	Increase
Repairs and Maintenance Technical	LH	1.03	1.05	0.02	2.09%	Increase
Lifts	LH	2.69	2.69	0.00	0.00%	No change
Entry Phone	LH	0.74	0.75	0.01	1.79%	Increase
Block Pest Control	T & LH	1.79	1.83	0.04	2.20%	Increase
Ground Rent	LH	0.19	0.19	0.00	0.00%	No change
Sweeping	LH	1.02	1.04	0.02	2.33%	Increase
Management	LH	2.45	2.50	0.05	2.14%	Increase
Window Cleaning	T & LH	0.10	0.12	0.02	26.01%	Increase
Bulky House Hold Waste Collection Service	T & LH	0.47	0.58	0.11	23.20%	Increase
Bulk Waste Disposal	T & LH	0.85	0.85	0.00	0.00%	No change
Insurance	LH	0.94	0.96	0.02	1.92%	Increase
Total excluding energy charges		23.61	24.14	0.53	2.24%	
Communal Lighting	T & LH	1.07	1.10	0.03	2.55%	Increase
Communal Heating and Hot Water	T & LH	10.29	10.46	0.17	1.62%	Increase
Total energy charges		11.37	11.56	0.19	1.71%	
Grand Total		34.98	35.70	0.72	2.07%	

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

APPENDIX X4: Other Associated Housing Charges for 2021/22

Garage Rents

1. The detail of these charges and the changes are as set out in appendix X5 below.

Tenants Levy

2. As part of the budget and rent setting proposals for 2005/6, a sum of £0.13 per week was 'unpooled' from rent as a tenants service charge in respect of the Lewisham Tenants Fund. The current charge is £0.15pw.
3. No proposals have been put forward by Lewisham Tenants Fund (LTF) to vary this levy for 2021/22. Therefore the charge will remain at £0.15pw for 2021/22.

Hostel charges

4. Hostel accommodation charges are set based on current Government requirements and will increase by 1.5% (£0.53 per week).
5. Hostel service charges are set to achieve full cost recovery, following the implementation of self-financing. For 2021/22, the charge for Caretaking/management and Grounds Maintenance will remain at current levels. This will leave the average charge at £72.96 per unit per week.
6. In addition, the charge for Heat, Light & Power will also be held at current levels and will remain at £5.98pw. Water charges will not be increased and will remain at £0.20pw. The charge for Council Tax will be based on the total recharged received from Council Tax section. All charges will be based on the total number of hostel units and is forecast to remain unchanged for 2021/22.
7. Hostel residents were consulted on these proposals via individual letters. Officers also invited hostel residents to meet them to discuss the changes and how these may affect them. However, no comments or representations were received.

Linkline Charges

8. The delivery of the service to a 'full visiting service' to better reflect service need was implemented in 2018/19. The resulting annual charge to the HRA for 2020/21 was increased to £420k. Current indications are that an inflationary increase of 2.5% will be applied for 2021/22, increasing the HRA charge by £11k (to £431k for 2021/22). The current linkline charge to HRA residents is £6.10 per week, and does not fully recover the full charge applied to the HRA.

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

9. Consultation with HRA residents/current users of the service is due to be undertaken in the New Year. The results of any consultation will be reported to Mayor & Cabinet. Consultation would need to be completed by mid-February 2021 to comply with the 28 day statutory notice of charge increases and allow increased charges to be applied from April 2021. However, if consultation is delayed, the charge increase can only be applied from April 2022. There are no proposals to increase the maintenance charge, which will remain at £0.94 per week.

Private Sector Leasing (PSL & PMA)

10. Rent income for properties used in the Private Sector Leasing (PSL) and Privately Managed Accommodation (PMA) scheme are General Fund resources. From April 2021, rents for homes let under these schemes will be charged at the applicable Local Housing Allowance (LHA) for private rented sector (PRA) properties. This will support the schemes to remain viable in the longer-term and reduce the General Fund subsidy that is presently required to keep them in operation.

Heating & Hot Water Charges

11. As part of last year's rent setting process the Mayor agreed to continue with the current formula methodology for calculating increases in Heating & Hot Water charges to tenants and leaseholders. This formula was originally approved by Mayor & Cabinet in December 2004.
12. The current charging methodology allows a limited inflationary price increase plus a maximum of £2 per week per property increase on the previous year's charge. Consumption levels are also updated and included in the formula calculation.
13. The existing corporate contract for the supply of electricity is let by the property services team with Crown Commercial Services; an Executive Agency of the Cabinet Office. The contract frameworks have been designed to comply with the findings of the Pan Government Energy Project, which recommends that all public sector organisations adopt aggregated, flexible and risk-managed energy procurement with public sector buying organisations.
14. The proposal for 2021/22 is for an increase of £0.17pw or 1.62%. This will move the current charge from £10.29pw to £10.46pw. This is based on the latest available unit rates and consumption data.

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

15. The proposal for communal lighting is for an increase of 2.55% or £0.03 per week. This will move the current average charge from £1.07pw to £1.10pw. The increase is due to updated consumption rates.

16. Officers will review the costs, actual energy usage and new contact prices in both 2020/21 and 2021/22 as part of the monitoring regime. Once the new long-term energy supply contracts are in place, recommendations for changes to charges will be brought forward as part of the 2022/23 budget process.

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

APPENDIX X5: Garage Rent Increase Report 2021/22

INCLUSIVE REGENERATION Estates Team Report		
Report Title	Rental Increases for Garages from April 2021 – Lewisham Homes and Regenter RB3	
Key Decision	Yes	Item No.
Contributors	Directorate of Housing, Regeneration and Public Realm	
Class		Date: November 2020

1. Purpose and Summary of the report

The purpose of this report is to advise the resident panel of the proposed increase in the rent paid by tenants for domestic garages owned by the Council for the next financial year. As is our usual practice, the rents for next year will be increased in line with the Retail Price Index.

2. Recommendation

It is recommended that the Council approves, in principle, an increase in rent for the garage portfolio of 1.1%, to be effective from April 2021. This increase is in line with the increase in the Retail Price Index for the current year.

Blue Badge holders will continue to receive a 50% deduction on the weekly rent.

3. Policy Context

The contents of this report are consistent with the Council's policy framework. It supports the achievements of the following corporate strategy objectives:

- Building an inclusive local economy – Everyone can access high-quality job opportunities, with decent pay and security in our thriving and inclusive local economy.
- Making Lewisham greener – Everyone enjoys our green spaces and benefits from a healthy environment as we work to protect and improve our local environment.

4. Background

For the forthcoming financial year from April 2021 it is intended that the increase imposed is an inflationary one only, in line with the Retail Prices Index, as is our usual practice.

There are approximately 134 Council garage sites in the borough, comprising 182 garage blocks. There are approximately 2,379 individual garages. Approximately 1,801 of the

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

garages are let to Lewisham Homes and Brockley social tenants and 578 are let to non-Lewisham Homes or Brockley social tenants.

The current waiting list for garages is over 2,000 applicants.

A housing tenant with LB Lewisham pays the basic price for a garage (subject to any specific discounts agreed) and a non-housing tenant pays the basic price with the addition of 20% VAT. Blue Badge holders receive a 50% deduction on the weekly rent.

The application of a discount is entirely a discretionary decision on behalf of the Council; garages are not a core social dwelling provision and all could be charged at a higher level, although there is some logic in offering some abatement to housing customers to help mitigate parking issues and neighbourhood management problems.

The highest rent charged is £23.48 per week and the lowest is £5.80 per week. However, some garages are charged at less than the lowest rate per week. These are discounted rates (50% of the full charge) for tenants with blue badges.

5. Financial Implications

The current annual rent roll for the garage portfolio is £1.403M, based on a basic average standard charge of £15.68 per week per garage (i.e. before discounts are applied).

If the rents are increased by RPI as proposed in April 2021, the revised annual rent roll will increase to approximately £1.419M, or £15.85 per week per garage, an uplift of 1.1%, or £0.17 per week on average, and a total increase of approximately £20,000 on the annual rent roll.

6. Legal Implications

The Council's duties in relation to the consultation of tenants on matters of housing management, as set-out in Section 105 of the Housing Act 1985, do not apply to rent levels, nor to charges for services or facilities provided by the authority. There is therefore no requirement to consult with secure tenants regarding the proposed increase in charges. The Council still needs to act reasonably and the decision maker should therefore be satisfied that the increase is reasonable and justified. The general principle is that the Council should be seeking best value.

The Equality Act 2012 (the Act) introduced a new public sector equality duty (the equality duty or the duty). It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

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.

The duty continues to be a "have regard duty", and the weight to be attached to it is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations.

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

The Equality and Human Rights Commission has recently issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled "Practice". The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at: <http://www.equalityhumanrights.com/legal-and-policy/equality-act/equality-act-codes-of-practice-and-technical-guidance/>

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

- The essential guide to the public sector equality duty
- Meeting the equality duty in policy and decision-making
- Engagement and the equality duty
- Equality objectives and the equality duty
- Equality information and the equality duty

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

7. Crime and Disorder Implications

There are no specific crime and disorder implications in this report. However, levels of voids could increase in the future if there is a lack of investment. Poorly maintained garages with high vacancy rates can in turn lead to increased levels of crime and anti-social behaviour.

8. Equalities Implications

The proposed 1.1% increase will be applied across the portfolio to residents and non-residents. Blue badge holders will continue to receive a 50% discount on the weekly rent as existing.

9. Environmental Implications

There are no specific environmental implications in this report.

10. Conclusion

The proposed rental increase is considered to reflect market rent and be sustainable, and will raise additional revenue from the portfolio of approximately £20k.

11. Further Information

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

If there are any queries on this report, please contact David Lee on extension 49823, david.lee@lewisham.gov.uk

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

Appendix X6: Tenants' rent consultation 2021/22

The Tenants' rent consultation meetings took place on 16th December 2020 with Regenter B3 (Brockley) managed tenants and 17th December 2020 with Lewisham Homes managed tenants.

Views of representatives on rent and service charge changes & savings proposals.

	Lewisham Homes	Brockley PFI
No of representatives (excl Cllrs)	14	10+
Rent Increase @ 1.5%	See Below	No direct comments
Savings Proposals:-		
No Savings proposed	n/a	n/a
Service Charges inc:		
Heating & Hot Water Charges	See Below	No direct comments
Garage Rents	See Below	No direct comments
Tenants Fund	n/a – no increase proposed	n/a – no increase proposed

Summary of comments made by representatives;

The Lewisham Homes panel requested additional time to consider the proposals and provide feedback.

This was agreed and a deadline of 31st December 2020 was given for all responses to Lewisham Homes, who would then forward the feedback to the Council.

The following table provided a summary of the comments received on the night and general feedback.

A transcript of the meeting and comments received are contained at the end of this summary. There was no further feedback received from residents up to the extended deadline of 31st December 2020.

<p>Lewisham Homes Panel</p>	<p>Rent increase:</p> <p>Panel members felt that there are issues of affordability given the</p> <p>There was questioning relating to whether a rise in rents is needed at all and could this be changed.</p> <p>Officers responded by informing the panel that the authority is bound by legislation to ensure that the HRA does not fall into a deficit and that the rent rise would off-set increasing costs and provide resources for investment.</p> <p>Tenants Service Charges & Heating & Hot water Charge:</p> <p>A presentation was given on the proposals.</p> <p>A discussion was held on the issue of service standards and costs.</p> <p>There were questions of value for money as charges are increasing but service delivery is not improving.</p> <p>Lewisham Homes officers responded by requesting panel members to contact them with specific service queries, that they will note and respond to specific issues.</p> <p>Garage Charges:</p> <p>Panel members queried the need for the rise and questioned what is happening with all the void garage units which need to be brought back into use.</p> <p>Officers responded by requesting the details of the specific garages panel members referring to.</p>
------------------------------------	---

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

	<p>Members also queried if the additional income raised would be reinvested into the garage stock to bring them back into use.</p> <p>Officers responded by informing panel members that there is an investment programme in place for garages.</p> <p>Tenants Fund:</p> <p>n/a – no increase proposed</p> <p>Savings Proposals:</p> <p>n/a</p>
--	---

The following is a full transcript of the panel meeting, comments and responses. No further comments/responses were received by Lewisham Homes by the agreed 31st December 2020 deadline;

Rent setting and service charge meeting. 17 December 2020 via Zoom

Staff attending: Jon Kanareck (Lewisham Homes' Director of Resident Services), Simon Williams (Lewisham Homes' Head of Finance), Alys Exley-Smith (Lewisham Homes' Community Relations Manager), Fenella Beckman (Director of Housing Services), Rachel Dunn (Senior Group Manager - Housing Partnerships and Service Improvement), Tony Riordan (Lewisham council Principal accountant), David Lee (Lewisham council, garages), Gloria Biggs (Administrator, Lewisham Tenant's Fund)

14 residents attended

General update (Lewisham Homes and Lewisham council)

- Decision made by Mayor and Cabinet. This feedback will form the feedback to mayor and cabinet
- Rent setting and rental for the financial year. Last year was the first year for a couple of years that there was rent rise. We continue to use this method of rent rise consumer price index +1%. Equates to 1.5% this year for 2021/21 financial year £1.46 per week over a 52 week period. The report shows the average rise per bed six
- We used to have discussions at REP about these things. Part of the framework is this change. Only 6 people came last year. 5 people voted against of the 6 for the increase but it happened anyway. The reason for this meeting is for these comms to go to Mayor and Cabinet.
- Comments will be fed in to the budget process. It depends on the decision that's made by mayor and cabinet on rent and service charge for this year. This meeting doesn't have any direct impact but comments are fed back and considered by the Mayor.

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

- As part of the decision making process which takes place further down the line. The Mayor and cabinet will be looking at the input from this meeting.
- Council has an obligation to balance its books. Inflationary costs affecting budgets

General resident feedback:

- Why increase on rent at this time, we are all facing crisis at the moment, some are not working, businesses are down. Why could this not wait till everything is settled and know where we are heading?
- This was far too short notice for what is meant to be a public meeting for all residents.
- There should be a follow up meeting discussing the issues with more tenants and residents.

Rent setting

- Concerns the £50pw rent increase per year. It will take tenants over the threshold. Rent increase could put them over the threshold so they're charged more.
- **Lewisham council:** Confirmed housing benefit will raise to cover the increase.
- Resident stated they felt there was no justification for rent increase.

Garage rent setting

- **Lewisham Council:** Similar to last year. Rate going up RPI, which this year is 1.1%. Last year it was 2.4%. The average uplift works about 17p a week a garage. Blue badge holders receive 50% discount at the moment and that will continue. The overall impact to the council is modest. Increases rents by about £20,000 per annum.
- **Resident:** asked if all void are used to maximise income.
- **Lewisham council:** Yes, some are too expensive to maintain (e.g., asbestos). Some may be potential development sites.
- **Resident:** Final point is on garages. £20,000 revenue for garages per year. Will it be invested in garages? Can you make them look ok and repair broken doors. Need electric points for cars

Lewisham Tenant's Fund

- **LTF Administrator;** Residents association and training. Very little action this year. Last month this has picked up. We're not going to increase the 15p a week. Any money of underspend, will use it to fund new resident engagement structure. Jane will work with new TRA panel, she will be in contact with chairs 3-4 weeks before meeting to help set the agenda. Any other surplus for tenants and residents association for more IT equipment. Still a problem with broadband and cost implication. Any comments?
- **Resident:** One of the issues that comes up is that tenants get the money taken out of their rent directly. Much harder to get leaseholders contributions. Tenants associations deal with leaseholders too. Is there any progress on this to get leaseholders to pay through service charges.

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

- **LTF administrator:** There's nothing we can do at LTF. It's not written in to their leases so can't put it in to charges. The reason we fund leaseholders as active TRA members, there are lots of leaseholders on TRAS, but they do represent the TRAs and not just leaseholders. Building communities and caretaking, etc. which is why we also fund leaseholders, but we wouldn't fund leaseholder panel

Service charges

- **Head of Finance:** Increase of 2.7%. Average of 72p for weekly service charges. They were audited over the summer. We've been looking at costs whilst working out what to pay for. Staffing element 2.5% increase in staff this year. CPI was 0/5%

Looking at caretaking and grounds maintenance. Big cost is staffing, cost of living has increased, have tried not to put this on to residents as much as possible, whilst still delivering services we've committed to delivering. Lifts kept the same. Entry phones 1p increase, we're incurring additional costs for contracts there, but trying to limit costs. Ground rent same. Sweeping has gone up, which is the staffing element. Window cleaning up by 2p per week. Bulk household waste has gone up, we've seen an increase here, has gone up by 11p. Disposal is the same. Insurance has gone up, affected by the insurance we're charged.

- **Resident:** Still getting complaints that caretaking isn't done properly. Same with grounds maintenance. Window cleaning has been done some blocks for over a year, should be twice a year. Bulk waste not paladin bins. Paying for service we're not receiving
- **Resident:** Maintenance is cheaper when buildings are maintained to good high quality.
- **Resident:** We also have problems with deep cleaning which does not seem to happen as charged.
- **Resident:** For repairs, it seems that management at LH knows how the job should be done well, but that doesn't translate into the operatives that carry out the job unfortunately. We have a case at Bence of a leak only recently repaired and still holes in the panel were not filled before painting. The resident was unhappy but said that they would do it themselves as the case was hopeless.
- **Resident:** Coordination between LH departments needs to be better - especially between Repairs and Major Works for example.
- **Lewisham Homes:** Bulk waste fly-tipping has been an increase. If there are service failures then you need to contact us and tell us you're not happy and why. Some of the day to day service affected by increase work by COVID. Increase itself is staff.
- **Resident:** Linkline. Call for help and there's nobody to help. Cleaning needs to be looked in to. Why is this poor?
- **Lewisham Homes:** Current linkline system is Tunstall, run on analogue, we are due to upgrade them, and are out to contract, hope to let it in early January. Will upgrade hardware so it works better. Work in some area at the

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

moment is picking up that new fibre arrangement. Post summer, new system that works better.

- **Resident:** Some charges were duplicates. Operatives came back several times to do the same job. Model used by LH is that they are billed on current market value of what job will cost. LH staff charge 2-3 times for same jobs. On market value this isn't fair. In house staff and those associated with this, but costs are market value. We want to pay but want the building to be maintained. System isn't working well. We are charged quite large amounts but our external areas have many patches that are bare. Ground maintenance charges need to be more precise. It's not obvious where it's all happening.
- **Lewisham Homes:** Repair point, currently looking at this (modernisation) we use commercial spec at moment, will move to a more formula arrangement at property costs per annum. Moved away from individual bills to now on salaries for operatives, so not paid extra money for jobs they do. Working with council for potential new model. Modernisation program will stop billing being manual, sometimes there is a duplicate. Grounds maintenance contact with Glendale was maintenance only. We have been reinvesting. Talk to Grounds Maintenance team about whether some areas have been replanted. Looking at reviewing how we charge service charges and will need to revisit this.
- **Resident:** Street sweeping service wasn't being done. Recently it has been done. Jackie came and visited. Concerned what is estate sweeping and grounds maintenance? It can be a blurred line. Repairs aren't being done properly. Damp problems in one home and have been told LH can do anything, happened since decent homes. Repairs reported several times with different job numbers and repairs are terrible. Costs rising slowly, but cuts in service. Hope there is some investment in maintenance to keep properties up to scratch
- **Lewisham Homes:** Modernisation program because repairs program wasn't doing what it should, but will take a few months. Difficult at moment due to COVID and taking longer than they should. You should escalate if there are ongoing issues.
- **Resident:** Liaising with waste collection at Lewisham council and impact on repairs charges. Bins weren't emptied by waste collection team and we're charged for unblocking it. Can be expensive when not working with council. They're under quite a lot of pressure at the moment. Will continue to work on the relationship. Caretakers also frustrated.
- **Resident:** Separated in to different parts. Deep clean, etc. Is there a system of tracking? Are you refunding money for services not done? Am talking about communal windows
- **Lewisham Homes:** Cost went up slightly. David Tutt is lead on this contract please contact us if there are concerns with this service. That's a service failure
- **Resident:** Bins on street needs additional caretaking duties. Does rent impact on private sector leasing
- **Lewisham Homes:** Purely private sector through the landlord
- **Resident:** Paying for service not receiving. Can we provide the service ourselves? Have evidence of this complaining since last year.

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

- **Lewisham Homes:** We'll need to discuss that. Council likes to deliver direct services and politicians like that, so unlikely it will be outsourced.
- **Resident:** Lighting isn't good. If a cleaner can't see then how can know where to clean.

Other feedback

-**Resident:** A lot of complaints in block on water charges. Can we look for another provider? Not happy with services.

-**Lewisham Homes:** Thames Water taken back responsibility for water. Not sure if you can with water.

-**Lewisham council:** Will look in to this.

<p>Brockley PFI Area</p>	<p>Rent increase:</p> <p>No direct comments received at the meeting.</p> <p>Tenants and Leaseholders Service Charges:</p> <p>No direct comments received at the meeting.</p> <p>Garage Charges:</p> <p>No direct comments received at the meeting.</p> <p>Tenants Fund:</p> <p>n/a – no increase proposed</p> <p>Savings Proposals:</p> <p>n/a</p>
---------------------------------	---

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

APPENDIX Y1 2021/22 Budget Cuts – Round 1 December 2020

Ref	Proposal	2021/22 £'000	2022/23 £'000	2023/24 £'000	TOTAL
Theme A - Productivity					
A-01	Staff productivity - arising from new ways of working (including learning from the Covid 19 pandemic), better collaboration and a return on IT investment	3,000	3,000	-	6,000
A-02	Hybrid roles - enforcement	-	50	50	100
A-03	Corporate Transport arrangements	100	150	50	300
A-04	Process automation in Revs and Bens	60	100	-	160
A-05	Revs and Bens - additional process automation	400	-	-	400
A-06	Revs and Bens - Generic roles	-	400	-	400
A-07	Housing - Productivity gains	202	-	-	202
A-08	Reduction in paper usage	35	-	-	35
Total for Theme A - Productivity		3,797	3,700	100	7,597
Theme B – Joint working					
B-02	Strategic recharging - improve partner contributions to the placement costs for children	600	600	-	1,200
B-04	Smoking cessation service	221	-	-	221
B-05	Recharge OT and housing officer costs to the Disabled Facilities Grant	425	-	-	425
B-06	Cuts to the main grants programme	-	800	-	800
B-07	Review of Council run events	70	30	-	100
B-08	Review the Power of Attorney service	160	-	-	160
B-10	Reduction in local assemblies service	45	178	-	223
Total for Theme B – Joint working		1,821	1,608	-	3,429
Theme C – Service Reconfiguration					
C-01	Redesign of the CYP Joint Commissioning service.	140	-	-	140
C-02	Adult Learning and Day Opportunities	50	100	-	150
C-03	Reduction in the use of agency social workers.	215	215	-	430
C-05	Housing needs and procurement service review	127	-	-	127
C-07	Review Short breaks provision.	65	50	50	165
C-08	IT - mobile telephony review	80	10	10	100
Total for Theme C – Service Reconfiguration		677	375	60	1,112
Theme D – Asset Realisation					
D-01	Generating greater value from Lewisham's asset base	-	-	500	500

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

D-02	Business Rates Revaluation for the estate	40	40	20	100
D-03	Facilities management general cost reduction	50	-	-	50
D-04	Operational estate - security	100	-	-	100
D-05	Operational estate - mothballing premises	-	50	-	50
D-06	Catford Campus - Estate Consolidation	674	11	12	697
D-07	Meanwhile use - Temporary Accommodation	25	25	25	75
D-08	Miscellaneous - income generation	-	25	-	25
Total for Theme D – Asset Realisation		889	151	557	1,597
Theme E – Commercial Approach					
E-01	Improved Debt collection	250	250	-	500
E-02	Income from building control	15	15	20	50
E-03	Review discretionary sales, fees and charges and increase to the point of full cost recovery.	150	-	-	150
E-04	Introduce charging for certain elements of self-funded care packages	82	-	-	82
E-05	Traded services with schools	50	50	-	100
E-06	Reduce care leaver costs	200	100	-	300
E-07	Housing – Increased rent for Private Sector Lease (PSL) and Private Managed Accommodation (PMA)	300	375	-	675
E-08	Contract Efficiencies – inflation management	500	-	-	500
E-09	Realising further benefits from the Oracle Cloud Solution and exploiting its functionality as a fully integrated enterprise resource planning solution.	100	100	-	200
E-10	Increase funeral charges	250	-	-	250
Total for Theme E – Commercial Approach		1,897	890	20	2,807
Theme F – Demand Management					
F-01	Adult Social Care Demand management	3,000	-	-	3,000
F-02	Children Social Care Demand management	500	500	1,000	2,000
F-03	Children Service reconfiguration - fostering	-	250	250	500
F-04	Special Guardianship Order payments	60	-	-	60
F-05	VfM commissioning and contract management - CSC	250	250	-	500
F-06	Adults with learning difficulties and 14 - 25yrs transitions costs	760	-	-	760
F-09	In house services reductions - adults passenger transport	600	-	-	600
F-10	In house Early Help service	200	-	-	200
F-11	Front door arrangements in CYP	50	-	-	50
F-12	Housing - No Recourse to Public Funds	300	-	-	300
F-15	Environment - environmental operations review	-	330	-	330
F-16	Environment - new waste strategy	-	-	250	250
F-17	Road safety enforcement	250	250	-	500
F-18	Controlled Parking Zone Extension	-	-	1,000	1,000
Total for Theme F – Demand Management		5,970	1,580	2,500	10,350
GRAND TOTAL					
		15,051	8,304	3,237	26,592

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

APPENDIX Y2 2020/21 2021/22 Budget Cuts – Round 2 February 2021

Ref	Proposal	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
Theme A - Productivity					
A-01a	Staff productivity - arising from new ways of working (including learning from the Covid 19 pandemic), better collaboration and a return on IT investment	1000	-	-	1000
A-09	Support to leadership	105	-	-	105
A-10	Elections services	55	-	-	55
A-11	Legal, governance service and elections review.	340	-	-	340
A-12	Rationalising Central Education Services functions	150	-	-	150
A-13	Children with complex needs (CWCN) revision	195	-	-	195
A-14	Replace Educational Psychology (EP) locums / Expand generic EP Team	200	-	-	200
A-16	Reduction of workforce development budget	50	-	-	50
A-17	Care leaver accommodation / housing costs	500	-	-	500
A-18	Library and Information Service	300	-	-	300
Total for Theme A - Productivity		2,895	-	-	2,895
Theme B – Joint working					
B-11	Improved usage of BCF Funding across partners	1000	-	-	1000
B-12	Adult Learning Lewisham - back office efficiencies	96	-	-	96
B-13	Early Years Funding Block	54	-	-	54
B-11	Improved usage of BCF Funding across partners	1000	-	-	1000
B-12	Adult Learning Lewisham - back office efficiencies	96	-	-	96
B-13	Early Years Funding Block	54	-	-	54
Total for Theme B – Joint working		1,150	-	-	1,150
Theme C – Service Reconfiguration					
C-09	Youth Offending Service (YOS) redesign	152	-	-	152
C-10	Housing Services Review	300	300	-	600
C-11	Reduced dependency on agency staff within Highways and Transportation Services	300	-	-	300
C-12	Weight management services	25	-	-	25
C-13	Sexual and Reproductive Health Services in Primary Care	100	-	-	100
C-14	Substance Misuse Cuts (Public Health Budget)	150	-	-	150
C-15	Integrated Sexual and Reproductive Health Services	150	-	-	150
C-16	Reduction of Management overheads for the Social Inclusion and Recovery Service (SLaM Lewisham Community Services)	50	-	-	50
C-17	Re-configuration of MH Supported Housing pay – Social Interest Group	100	150	-	250
C-21	Early Help and Prevention Re-commissioning	170	-	-	170
C-22	Reduction in LBL contribution to CAMHS service (monies ringfenced for investment in Early Help)	250	-	-	250
C-23	Reduction in the Health Visiting contract	350	-	-	350
C-24	Culture Team Salaries & Borough of Culture	60	-	-	60

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

C-26	Reducing leisure spend – temporary closure of the Bridge	355	-	-	355
C-28	Supported Housing Services	169	84	-	253
C-29	Crime, Enforcement & Regulation Service Restructure	50	-	-	50
C-30	Rationalisation of Business support across Education services	70	-	-	70
Total for Theme C – Service Reconfiguration		2,801	534	-	3,335
Theme D – Assets Realisation					
D-09	Educational Assets	300	-	-	300
Total for Theme D – Assets Realisation		300	-	-	300
Theme E – Commercial Approach					
E-01a	Improved Debt collection	500	-	-	500
E-08a	Contract Efficiencies – inflation management	250	-	-	250
E-11	Environmental Enforcement – Use of Civil Enforcement Officers	100	-	-	100
Total for Theme E – Commercial Approach		850	-	-	850
Theme F – Demand Management					
F-15a	Environment - environmental operations review	-	567	-	567
F-19	Reduction in specialist legal advocacy and assessments for CYP proceedings	500	-	-	500
F-20	Emission based charging for Short Stay Parking	120	120	-	240
F-21	Road Safety Enforcement	250	375	-	625
F-22	Motorcycle parking charges	-	80	-	80
F-23	Home to school transport	250	-	-	250
F-24	Adult Social Care cost reduction and service improvement programme	3849	430	-	4279
Total for Theme F – Demand Management		4,969	1,572	-	6,541
GRAND TOTAL		12,965	2,106	-	15,071
TOTALS		2021/22	2022/23	2023/24	TOTAL
		£'000	£'000	£'000	
Theme A - Productivity					
Round 1		3,797	3,700	100	7,597
Round 2		2,895	-	-	2,895
Theme B – Joint working					
Round 1		1,821	1,608	-	3,429
Round 2		1,150	-	-	1,150
Theme C – Service Reconfiguration					
Round 1		677	375	60	1,112
Round 2		2,801	534	-	3,335
Theme D – Assets Realisation					
Round 1		889	151	557	1,597
Round 2		300	-	-	300
Theme E – Commercial Approach					
Round 1		1,897	890	20	2,807
Round 2		850	-	-	850
Theme F – Demand Management					
Round 1		5,970	1,580	2,500	10,350
Round 2		4,969	1,572	-	6,541
GRAND TOTAL					
Round 1		15,051	8,304	3,237	26,592
Round 2		12,965	2,106	-	15,071
TOTAL		28,016	10,410	3,237	41,663

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

APPENDIX Y3: Allocation of Cuts to Base Budget and Overspend

Ref	Round 1 Proposals	2021/22 £'000	O/spend	Base budget
Theme A - Productivity				
A-01	Staff productivity - arising from new ways of working (including learning from the Covid 19 pandemic), better collaboration and a return on IT investment	3,000	-	3,000
A-02	Hybrid roles - enforcement	-	-	-
A-03	Corporate Transport arrangements	100	-	100
A-04	Process automation in Revs and Bens	60	-	60
A-05	Revs and Bens - additional process automation	400	-	400
A-06	Revs and Bens - Generic roles	-	-	-
A-07	Housing - Productivity gains	202	-	202
A-08	Reduction in paper usage	35	35	-
Total for Theme A - Productivity		3,797	35	3,762
Theme B – Joint working				
B-02	Strategic recharging - improve partner contributions to the placement costs for children	600	600	
B-04	Smoking cessation service	221	-	221
B-05	Recharge OT and housing officer costs to the Disabled Facilities Grant	425	-	425
B-06	Cuts to the main grants programme	-	-	-
B-07	Review of Council run events	70	-	70
B-08	Review the Power of Attorney service	160	-	160
B-09	Reduction in the discretionary award of concessionary fares	300	-	300
B-10	Reduction in local assemblies service	45	-	45
Total for Theme B – Joint working		1,821	600	1,221
Theme C – Service Reconfiguration				
C-01	Redesign of the CYP Joint Commissioning service.	140	140	
C-02	Adult Learning and Day Opportunities	50	-	50
C-03	Reduction in the use of agency social workers.	215	215	
C-05	Housing needs and procurement service review	127	-	127
C-07	Review Short breaks provision.	65	65	-
C-08	IT - mobile telephony review	80	80	-
Total for Theme C – Service Reconfiguration		677	500	177

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

Theme D – Asset Realisation				
D-01	Generating greater value from Lewisham's asset base	-	-	-
D-02	Business Rates Revaluation for the estate	40	-	40
D-03	Facilities management general cost reduction	50	-	50
D-04	Operational estate - security	100	-	100
D-05	Operational estate - mothballing premises	-	-	-
D-06	Catford Campus - Estate Consolidation	674	-	674
D-07	Meanwhile use - Temporary Accommodation	25	-	25
D-08	Miscellaneous - income generation	-	-	-
Total for Theme D – Asset Realisation		889	-	889
Theme E – Commercial Approach				
E-01	Improved Debt collection	250	-	250
E-02	Income from building control	15	-	15
E-03	Review discretionary sales, fees and charges and increase to the point of full cost recovery.	150	-	150
E-04	Introduce charging for certain elements of self-funded care packages	82	-	82
E-05	Traded services with schools	50	-	50
E-06	Reduce care leaver costs	200	200	-
E-07	Housing – Increased rent for Private Sector Lease (PSL) and Private Managed Accommodation (PMA)	300	-	300
E-08	Contract Efficiencies – inflation management	500	-	500
E-09	Realising further benefits from the Oracle Cloud Solution and exploiting its functionality as a fully integrated enterprise resource planning solution.	100	100	-
E-10	Increase funeral charges	250	250	-
Total for Theme E – Commercial Approach		1,897	550	1,347
Theme F – Demand Management				
F-01	Adult Social Care Demand management	3,000	-	3,000
F-02	Children Social Care Demand management	500	500	-
F-03	Children Service reconfiguration - fostering	-	-	-
F-04	Special Guardianship Order payments	60	60	-
F-05	VfM commissioning and contract management - CSC	250	250	-
F-06	Adults with learning difficulties and 14 - 25yrs transitions costs	760	-	760
F-09	In house services reductions - adults passenger transport	600	-	600
F-10	In house Early Help service	200	200	-
F-11	Front door arrangements in CYP	50	50	-
F-12	Housing - No Recourse to Public Funds	300	300	-
F-15	Environment - environmental operations review	-	-	-
F-16	Environment - new waste strategy	-	-	-
F-17	Road safety enforcement	250	-	250
F-18	Controlled Parking Zone Extension	-	-	-
Total for Theme F – Demand Management		5,970	1,360	4,610
GRAND TOTAL		15,051	3,045	12,006

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

Ref	Proposal	2021/22 £'000	O/spend	Base budget
Theme A - Productivity				
A-01a	Staff productivity - arising from new ways of working (including learning from the Covid 19 pandemic), better collaboration and a return on IT investment	1000	-	1000
A-09	Support to leadership	105	-	105
A-10	Elections services	55	-	55
A-11	Legal, governance service and elections review.	340	-	340
A-12	Rationalising Central Education Services functions	150	-	150
A-13	Children with complex needs (CWCN) revision	195	-	195
A-14	Replace Educational Psychology (EP) locums / Expand generic EP Team	200	-	200
A-16	Reduction of workforce development budget	50	50	-
A-17	Care leaver accommodation / housing costs	500	500	-
A-18	Library and Information Service	300	-	300
Total for Theme A - Productivity		2,895	550	2,345
Theme B – Joint working				
B-11	Improved usage of BCF Funding across partners	1000	-	1000
B-12	Adult Learning Lewisham - back office efficiencies	96	-	96
B-13	Early Years Funding Block	54	-	54
Total for Theme B – Joint working		1,150	-	1,150
Theme C – Service Reconfiguration				
C-09	Youth Offending Service (YOS) redesign	152	-	152
C-10	Housing Services Review	300	-	300
C-11	Reduced dependency on agency staff within Highways and Transportation Services	300	-	300
C-12	Weight management services	25	-	25
C-13	Sexual and Reproductive Health Services in Primary Care	100	-	100
C-14	Substance Misuse Cuts (Public Health Budget)	150	-	150
C-15	Integrated Sexual and Reproductive Health Services	150	-	150
C-16	Reduction of Management overheads for the Social Inclusion and Recovery Service (SLaM Lewisham Community Services)	50	-	50
C-17	Re-configuration of MH Supported Housing pay – Social Interest Group	100	-	100
C-21	Early Help and Prevention Re-commissioning	170	170	-
C-22	Reduction in LBL contribution to CAMHS service	250	250	-
C-23	Reduction in the Health Visiting contract	350	350	-
C-24	Culture Team Salaries & Borough of Culture	60	-	60
C-26	Reducing leisure spend – temporary closure of the Bridge	355	355	

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

C-28	Supported Housing Services	169	-	169
C-29	Crime, Enforcement & Regulation Service Restructure	50	-	50
C-30	Rationalisation of Business support across Education services	70	-	70
Total for Theme C – Service Reconfiguration		2,801	1,125	1,676
Theme D – Assets Realisation				
D-09	Educational Assets	300	300	-
Total for Theme D – Assets Realisation		300	300	-
Theme E – Commercial Approach				
E-01a	Improved Debt collection	500	-	500
E-08a	Contract Efficiencies – inflation management	250	-	250
E-11	Environmental Enforcement – Use of Civil Enforcement Officers	100	-	100
Total for Theme E – Commercial Approach		850	-	850
Theme F – Demand Management				
F-15a	Environment - environmental operations review	-	-	-
F-19	Reduction in specialist legal advocacy and assessments for CYP proceedings	500	500	-
F-20	Emission based charging for Short Stay Parking	120	-	120
F-21	Road Safety Enforcement	250	-	250
F-22	Motorcycle parking charges	-	-	-
F-23	Home to school transport	250	250	-
F-24	Adult Social Care cost reduction and service improvement programme	3,849	-	3,849
Total for Theme F – Demand Management		4,969	750	4,219
GRAND TOTAL		12,965	2,725	10,240

TOTALS	2021/22 £'000	O/spend	Base budget
Theme A - Productivity			
Round 1	3,797	35	3,762
Round 2	2,895	550	2,345
Theme B – Joint working			
Round 1	1,821	600	1,221
Round 2	1,150	-	1,150
Theme C – Service Reconfiguration			
Round 1	677	500	177
Round 2	2,801	1,125	1,651
Theme D – Assets Realisation			
Round 1	889	-	889
Round 2	300	300	-
Theme E – Commercial Approach			
Round 1	1,897	550	1,347
Round 2	850	-	850
Theme F – Demand Management			
Round 1	5,970	1,360	4,610
Round 2	4,969	750	4,219
GRAND TOTAL			
Round 1	15,051	3,045	12,006
Round 2	12,965	2,725	10,240
TOTAL	28,016	5,770	22,246

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

APPENDIX Y4: Ready Reckoner for Council Tax 2021/22

	Budget	Council	Increase /	GLA	Total	Total
	Requirement	Tax	(Decrease)	Precept	Council	Increase /
	Lewisham		Lewisham		Tax	(Decrease)
		(Band D)		(Band D)	(Band D)	
	£m	£	%	£	£	%
2020/21	248.714	1,314.37	3.99%	332.07	1,646.44	3.91%
2021/22	243.100	1,379.96	4.99%	363.66	1,743.62	5.90%
	242.529	1,373.52	4.50%	363.66	1,737.18	5.51%
	241.947	1,366.95	4.00%	363.66	1,730.61	5.11%
	241.365	1,360.38	3.50%	363.66	1,724.04	4.71%
	240.782	1,353.80	3.00%	363.66	1,717.46	4.31%
	240.200	1,347.23	2.50%	363.66	1,710.89	3.91%
	239.618	1,340.66	2.00%	363.66	1,704.32	3.52%
	239.035	1,334.09	1.50%	363.66	1,697.75	3.12%
	238.453	1,327.52	1.00%	363.66	1,691.18	2.72%
	237.871	1,320.94	0.50%	363.66	1,684.60	2.32%
	237.288	1,314.37	0.00%	363.66	1,678.03	1.92%

APPENDIX Y5 - Chief Financial Officer's Section 25 Statement

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

1. This statement makes reference to the 2021/22 Budget Report to Mayor & Cabinet circulated to all Members.
2. 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. 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.

Structure of the report

4. This Statement seeks to outline:
 - The impact of COVID-19 and the ongoing financial risks it poses to the Council
 - The Medium Term Financial Strategy and future uncertainty of Local Government Finances
 - The budget assumptions in the Council's MTFs
 - Delivery risks of the cuts
 - Budget management, financial controls and systems
 - Capital programme and & Housing Revenue Account
 - Adequacy of reserves and provisions
 - Conclusion and opinion

Impact of COVID-19 and ongoing risks

5. The impact of COVID has been devastating on individuals, on communities, businesses and the economy. The financial impact has been significant and has put the financial resilience of councils under stress. To date, the cost of COVID for Lewisham is c£60m and rising. Government support has been provided on the costs incurred through the emergency response and the Sales, Fees and Charges scheme funds 75% of 95% eligible lost income against our budget position.
6. Despite the financial support received from central government the effects felt by our community and businesses will impact on the level of income we can both raise and collect through Council Tax and Business rates next year.
7. In response, officers have reduced our Council Tax base from a collectible amount of 97% to 95% on Council Tax and work will continue into next year to manage the number of appeals from businesses and our collection rates. The number of working age residents claiming Council Tax Support has increased from our expected levels of 15,536 to 16,689.
8. During 2020/21, the government has granted S31 relief payments to almost 50% of our businesses amounting to £32m against our net collectible amount of £65m. Concerns remain on the financial viability of those businesses receiving rate relief and business closure grants as there is no confirmation at this stage the financial support will continue. Through the creation of a newly established Economic

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

- Development team the Council aims to provide agile support to support business survival, building sustainable resilience through to sector led growth.
9. Increased demand for the Council's services to support hospital discharges and to provide the homeless with accommodation is likely to continue into next financial year.
 10. To mitigate the risks above, officers have considered the potential risks in our Medium Term Financial Strategy and have made a series of assumptions based on the best available information available.
 11. The full financial impact of COVID is still very much unknown. To date, central government has announced a one-off £10m COVID grant to fund costs for next year, and has extended the Sales, Fees and Charges support scheme into the first quarter of 21/22. Officers have set this money aside in full to respond to the potential continuation of the pandemic into 21/22. Through close monitoring and accurate forecasting of this funding, we will continue to inform MHCLG of the ongoing financial pressures faced by the Council so our COVID related direct costs are recognised and Lewisham is sufficiently compensated. The indirect costs of COVID, the impact on the economy, the potential job losses when the furlough schemes ends remain a concern but the council will be providing support through our Council Tax Support scheme where required.

Medium Term financial strategy and future uncertainty of Local Government Finances

12. Since 2010, the Council has made savings in excess of £190m. The Financial Stabilisation budget reported to Mayor & Cabinet in September 2020 set out the Medium Term Financial (MTFS) for 2021/22 to 23/24 with a budget gap over £40m plus a £10m to recognise the recurring overspends in a number of service areas. Of the £50m plus cuts target, £34m fell in year one of the MTFS period.
13. The provisional Local Government Settlement announced on the 17th December 2020, reduced the funding gap for next year from £34m to £28m. However, over 86% of the Council's Core Spending Power increase is through increasing local taxation, a regressive tax that disproportionately affects our lower paid residents. This has been recognised in the Council's Equalities Impact Assessment and will be mitigated through providing Council Tax Support, Welfare Support, Discretionary Housing Payments including other forms of support where applicable.
14. To address the scale of the financial challenge, the Council's Executive Management Team (EMT) has adopted a themed approach to identify cuts, savings, income generation proposals through the lens of collaborative, moving away from the traditional siloed approach to the cuts process. Each EMT member led a specific theme with cross-cutting council wide initiatives being identified.
15. Following a series of scrutiny committees throughout Autumn 2020 to January 2021 to consider the proposed cuts in two rounds, officers have put forward proposals of £41.663m in total, broken down into £28.016m for 2021/22, £10.410m for 2022/23 and £3.237m for 23/24. The cuts will fully enable the Council to set a balanced budget for 21/22 with a gap of circa £9m in the remaining 2 years of the MTFS.
16. As with 20/21, the Treasury and MHCLG have announced a one year settlement and have delayed the Fair Funding Review, the business rates reset, longer term changes to social care to 22/23 at the earliest. Our MTFS assumes some changes to the Settlement Funding Assessment in years 2 & 3 but are based on our best estimates as opposed to any certainty on our funding position.

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

17. Following 10 years of austerity, over 70% of the Council's expenditure is now spent on Public Health and Adult's and Children's social care. This makes future cuts processes increasingly difficult as universal services, organisational capacity on HR, ICT & Digital, Finance, procurement and effective contract management will bear a disproportionate impact of future cuts. The budget process for 21/22 has begun to address this as the Council made demand management reductions for both Adult and Children's social care.

Budget assumptions

18. For financial planning purposes in the budget, the Council anticipates an average inflation of 1.5% per annum for non-pay costs and 2% for pay costs, which equates to approximately £4m for both pay and non-pay costs.
19. COVID has brought about many changes in our working practices and has in many ways improved the productivity of our workforce. As such the pay inflation of £7m for year 1 & 2 of the MTFs has been put forward as a cut with officers managing a vacancy factor in their budgets of c5%. This is not dissimilar an approach to many other councils and is achievable through managing the recruitment process, holding vacancies, addressing staff sickness and tackling performance issues.
20. Contract inflation will be carefully managed through creating a better contract management approach across the Council, creating a Community of Practice approach of sharing good practice, encouraging officers to adopt a commercial mind set when negotiating with our suppliers.

Budget risks, delivery of cuts

21. It will be essential that the Council is able to deliver the cuts proposed over the MTFs, with the focus on ensuring the undelivered cuts in 2020/21 of £7m (out of £16.6m) is delivered alongside the proposed cuts of £28m for 2021/22.
22. The proposed cuts will address both the £18m base budget reduction required and the £10m in persistent overspend in order to ensure a balanced budget is set for 2021/22. In addition to this the MTFs for 2021/22 sets aside a further £6.5m for budget pressures and risks. To this it is recommended the saving of £1.5m is added from reduced contributions required to the London concessionary fares scheme as a result of reduced demand through 2020/21. In addition, it is recommended that the £2.339m of additional social care grant (on top of the £8.434m received in 2020/21 and continuing for 2021/22) be used to address current pressures. These actions will provide £10.339m to be allocated to selected budget pressure and growth areas that will present as challenges in future budgets if not corrected.
23. In terms of accounting for these, it is proposed that these investments and pressures are allocated in line with the decisions of this budget from the corporate risk and pressures monies and £3.5m from the Social Care precept to the relevant Directorates when determining their cash limits for 2020/21.
24. To fund the costs outlined above officers have added the NHB of £2.652m, lower tier baseline grant of £0.700m, and corporate items to support one-off pressures identified as needing funding in 2021/22.
25. Using cash budgets (in particular grants such as the Social Care Grant) presents a risk for future years although the medium planning assumptions are that this level of funding for 2021/22 from government is in recognition of the pressures faced by local authorities and will effectively form the baseline pending fair funding review.

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

26. The budget pressures anticipated in 2021/22 have been reviewed and it is recommended that the following identified pressures are funded now, set against the Corporate Strategy priorities. These exclude pressures associated with services experiencing persistent overspends as these have been addressed via the cuts process.
27. The Chief Executive and the Executive Director of Corporate Resources are working on creating and instilling a culture of accountability and ownership of the cuts process and work is already underway to RAG rate the proposals and directors are being asked to provide “delivery action plans” to outline “how” and “when” the cuts will be implemented and key milestones for success.
28. Investment will be made in creating a Project Management Office (PMO) that will create capacity to support the delivery of proposals that are complex and/or cross-cutting.
29. Officer capacity on the delivery of budget cuts will continue to be stretched as often the same officers will be vital in support of the Council’s emergency response during the Pandemic. At present, it is unclear how quickly and how effective the vaccines will begin to contain the outbreak allowing for the Council to slowly return to the “new normal”.
30. The longer term financial impact of COVID cannot be quantified in full at this stage. However, it is more than likely to create additional pressures on the cost of the services we provide and increase the complexity of support required of our vulnerable residents. There has been a marked increase in children with Special Educational Needs and Disabilities and those requiring an Education, Health and Care Plan (EHCP) by 35% comparing 2020/21 to 2017/18 (2,947 in 2020/21 versus 2,179 in 2017/18). The wider economic impact of COVID, the effect it’ll have on our residents and our businesses will no doubt put a large proportion of the income we collect at risk. Knowing what these risks are, we will ensure a responsible approach to debt management and intervening early to enforce debts fairly, agreeing payment plans where necessary.

Budget management, financial control & systems

31. To increase budget manager accountability, directors and heads of service will be asked to sign off their budgets for next year with the aim to instilling the culture of budget ownership across the Council. All budget managers will be asked to contain their expenditure within the available funding envelope.
32. The delivery risks to the savings will be managed closely by Finance and where there are delays to the implementation, this will be communicated clearly to the responsible directors so that mitigating actions are put forward or alternative proposals are progressed with. Financial management information will be reported in a timely manner so budget managers are able to redress an adverse forecast at the earliest opportunity.
33. During 2020/21, in order to contain the significant overspend forecast in the Council, Spending Controls were introduced in October 2020 with only directors being authorised to spend up to £5,000 and executive directors authorising spend over £5,000. Recruitment approvals were also introduced with all requests requiring authorisation by executive directors. The Council’s financial systems and the spend authorisation limits were adjusted to reflect these financial controls on Oracle. This position is being reviewed carefully and is likely to continue until the Council’s forecast overspend is significantly reduced.
34. A review of the system is required to improve the quality of the financial management information so it is accessible and easy to understand. This should

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

further encourage a budget manager self-service approach to financial management and support ownership and accountability.

35. The 2021/22 Budget identified an extra £10m to address a number of historic service related overspends that will be applied to the relevant service budgets but the Council must fully deliver the £28m of cuts for 2021/22 as well as implement the 20/21 cuts of £7m that remain undelivered to date. This equates to over £35m of cuts to be implemented during 21/22. In addition, services must contain emerging demand led pressures within their financial envelope. Adopting a programme management office approach will create delivery capacity for the directors to mitigate some of this risk.

Capital Programme & Housing Revenue Account

36. The Council's three year capital programme for 2021/22 – 2023/24 is budgeted at £556.3m. The programme is fully funded through a combination of reserves, capital receipts, grant and borrowing.
37. There are no changes to the General Fund capital programme, the HRA capital programme will be increasing by more than £50m which will be more than double the annual budget for works next year. This now includes an amendment to increase the general capital and decent homes programme line by £38.8m in 2021/22 (£31.6m to £70.4m) to reflect the priorities arising from the conclusion of the stock condition survey. Delivery risk aside, the cost of borrowing an additional £78m is estimated to be £45m-£50m over the life of the loan and savings will be identified in the HRA to offset this cost, specifically there is a commitment to reduce the annual R&M budget in 2021/22 by £1m. Further investment will be required for essential resident and fire safety works.
38. The Council maintains its ambitious Building for Lewisham Programme focused on providing the much needed increase supply of new social and affordable homes. These plans, their scale, and the complexity of delivering such a programme add significant new risk to the Council's finances.
39. In respect of the capital works these are managed scheme by scheme. Officers review required funding (be it from capital receipts, grant support, or borrowing) quarterly and updated projections are reported regularly to Mayor & Cabinet.

Adequacy of Reserves & Provisions

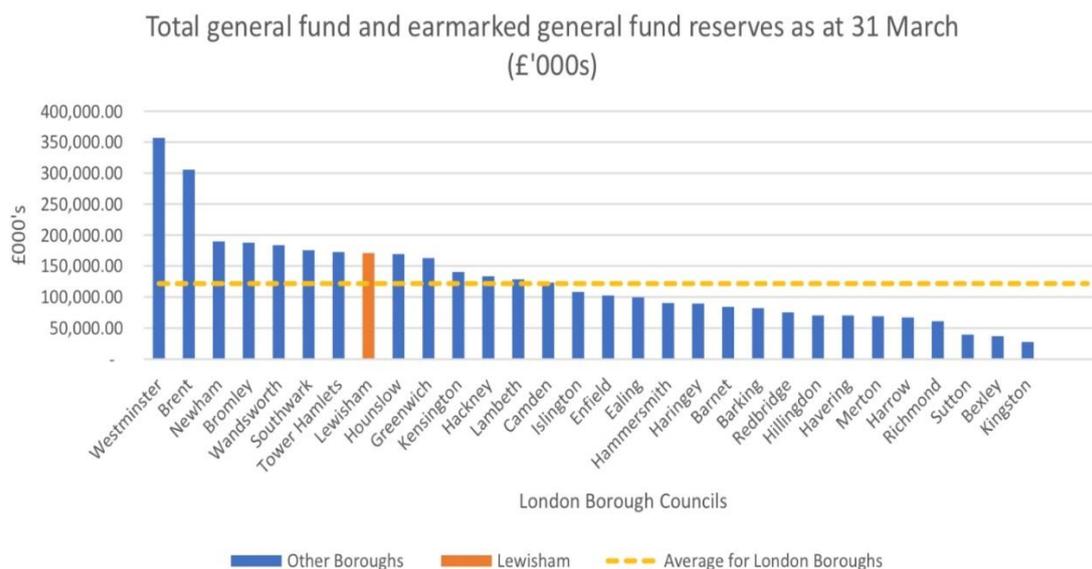
40. In setting this budget, the Council will maintain a level of corporate balances and reserves which should be adequate to deal with any risk associated with the delivery of this budget. The Chief Financial Officer recommends that the un-earmarked reserves are held at the current level of £20.0m. Should the need arise to call upon these reserves during the year, consideration should be given to replenish them as soon as possible.
41. In addition, the Council held Specific Earmarked Reserves which totalled £66m at the end of March 2020 (£57m at March 2019) plus £24m for schools. These funds are earmarked for various future planned spending and to undertake one-off projects or work that does not happen every year. Examples include, the transformation fund, redundancy provisions, elections, replacement of obsolete equipment and contractual claims that may become due (e.g. dilapidations that may become payable on properties we lease from the private sector to provide housing).
42. Officers have maintained an extremely prudent approach to financial management and have worked hard to ensure that reserves are maintained at an adequate

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

level. This helps to ensure the Council can remain resilient in the event of an unexpected financial shock.

43. The graph below illustrates Lewisham's position on reserves, relative to its London borough counterparts:

Graph 1: total general fund and non-schools earmarked general fund reserves as at 31 March 2020



Population: London Borough Councils which had published draft 2019/20 financial statements

Summary and conclusion

44. Although there is much financial uncertainty ahead, the MTFS seeks to address many of the risks known to the Council over a three year period.
45. Furthermore, the financial plans and strategies have contributed to the achievement of the Council's corporate objectives to date and will continue to do so. Focus must now be turned to the continual alignment of the MTFS to the 5 key principles that underpin our Recovery programme.
- Tackling widening social, economic and health inequalities;
 - Protecting and empowering our most vulnerable residents;
 - Ensuring the Council's continued resilience, stability and sustainability;
 - Enabling residents to make the most of Lewisham the place; and
 - Collaborating and working together with our communities and partnership across the borough.
46. Work continues to improve the culture of budget ownership and accountability and through better financial management and a programme management approach, giving directors the support required to deliver the proposed cuts.

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

47. Whilst the Council does currently have adequate reserves and an established financial management regime, the ongoing delivery risks of the cuts and emerging demand led pressures could unbalance this position. In the event that the Council becomes heavily reliant on reserves to support either the setting of the budget or the delivery of the budget, this will be addressed through robust medium term financial planning as a matter of priority and spending controls will be re-introduced to contain this position.
48. This budget is being set following more than 10 years of continued austerity for Local Government. There are a number of risks to our financial position for not just next year but in the medium term. However, through careful financial planning officers have identified cuts of £28m that enables the Council to deliver a balanced budget without the use of reserves in spite of the challenge.

Kathy Freeman – Executive director of Corporate Resources

Chief Financial officer – Section 151

February 2021

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

APPENDIX Y6: Council Tax and Draft Statutory Calculations

Council Tax Calculation

As part of the Localism Act 2011, core Council Tax may not be increased by 2% or more (inclusive of levies) without triggering an automatic referendum of all registered electors in the borough. In addition, there is also the opportunity to increase Council Tax by up to a further 3% under the social care precept for 2021/22. This means, for 2021/22, an automatic referendum will be triggered if the Council Tax increase is 5% or above. The recommended social care precept for 2021/22 is 3%, therefore the recommended total increase is 4.99%. The statutory calculation for whether the Council is required to hold a referendum is based upon the 'relevant basic' amount of Council Tax, which under accounting regulations, includes levies. Any final recommendations on Council Tax levels will need to meet statutory requirements.

The Environment Agency confirmed that the 2021/22 levy would increase by £6,883, agreed on the 10 February 2021. The Lee Valley Regional Park has confirmed a £2,424 increase for 2021/22. The London Pensions fund Authority confirmed that the contribution for 2021/22 would decrease by £8,679 from the 2020/21 level.

Council Tax and Levies

'Relevant Basic' Amount of Council Tax	2020/21	2020/21
Council Tax Base	90,099.3	88,614.3
Council Tax Requirement with Levy (£)	118,423,817	122,284,176
Basic Amount of Council Tax (£)	1,314.37	1,379.96
Increase in basic amount of Council Tax (%)	3.99%	4.99%

Levy bodies for Lewisham	2020/21 £	2021/22 £	Change £
LPFA	1,288,738	1,280,059	(8,679)
Lee Valley Regional Park	210,883	213,307	2,424
Environment Agency	201,262	208,145	6,883
Total Levies	1,700,883	1,701,511	628

The term "relevant basic amount of council tax" is defined in section 52ZX of the 1992 Act (inserted as above and amended by section 41(1) and (9) to (13) of the Local Audit and Accountability Act 2014).

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

Statutory Calculations

1) It be noted that at its meeting on 20 January 2021, the Council calculated the number of **88,614.3** as its Council Tax base for 2021/22 in accordance with the Local Authorities (Calculation of Tax base) Regulations;

2) The following amounts be now calculated by the Council for the year 2021/22 in accordance with the Local Government Finance Act 1992:

a. **£1,212,121,675** being the aggregate of the amounts which the Council estimates for gross expenditure, calculated in accordance with Section 32(2)A of the Act;

b. **£969,021,760** being the aggregate of the amounts which the Council estimates for income, calculated in accordance with Section 32(3)A of the Act;

c. **£243,099,915** being the amount by which the aggregate of 2(a) above exceeds the aggregate of 2(b) above, calculated by the Council, in accordance with Section 32A(4) of the Act, as its General Fund budget requirement for the year;

d. **£123,304,020** being the aggregate of the sums which the Council estimates will be payable for the year into its General Fund in respect of the Settlement Funding Assessment.

e. **£9,000** being the aggregate of the sums which the Council estimates will be transferred into its general fund from reserves, in relation to part of the 2020/21 London Pilot Pool Growth, S31 NNDR grant, and its share of NNDR deficit.

f. **£119,785,915** being the residual amount required to be collected from Council Tax payers. This includes a deficit on the Council's Collection Fund of £2,498,000.

g. **£1,379.96** being the residual sum at (f) above (adding the deficit on the Collection Fund), divided by the Council Tax base of **88,614.3** which is Lewisham's precept on the Collection Fund for 2021/22 at the level of Band D;

Band	Council Tax (LBL)
	£
A	919.97
B	1,073.30
C	1,226.63
D	1,379.96
E	1,686.62
F	1,993.27
G	2,299.93
H	2,759.92

Being the amounts given by multiplying the amount at (g) above by the number which, in proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

applicable to dwellings listed in valuation Band D, calculated by the Council in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands;

3) It be noted that for the year 2021/22, the Greater London Authority is currently consulting on the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992 (as amended), for each of the categories of dwellings shown below:-

Band	GLA Precept
	£
A	242.44
B	282.85
C	323.25
D	363.66
E	444.47
F	525.29
G	606.10
H	727.32

4) Having calculated the estimated aggregate amount in each case of the amounts at 2) (g) and 3) above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, assumed the following amounts as the amounts of Council Tax for the year 2021/22 for each of the categories of dwellings shown below:-

Band	Total Council Tax (LBL & GLA)
	£
A	1,162.41
B	1,356.15
C	1,549.88
D	1,743.62
E	2,131.09
F	2,518.56
G	2,906.03
H	3,487.24

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

APPENDIX Y7

Summary of proposed budget pressures to be funded in 2021/22

Description	£'000 Base Budget	£'000 Once off	£'000 Total
Corporate Strategy priorities			
Open Lewisham			1,870
Leisure contracts support	600	1,200	
Neighbourhood planning	70		
Tackling the Housing Crisis			200
Strategic housing		200	
Giving Children the best start			4,040
Children Social Care	700		
School catering contract	690		
Troubled Families	200		
SEN Transport	1,000		
Transport pressures held centrally	750		
Adoption services	100		
Corporate provision for Schools DSG		600	
Building an inclusive economy			50
Support for the Kickstart Programme.	50		
Defencing health & social care			3,494
Social Care precept from Council Tax	3,494		
Making Lewisham greener			2,632
Tree works (to be held corporately)	300		
Energy	62		
Environment Services	70		
Waste costs	200		
Recycling and disposal	1,200		
Fleet replacement (build capital fund)	800		
Building a safer community			82
Bereavement	82		
Total Corporate Strategy priorities			12,368
Organisational value for money			3,220
Corporate Services	500		

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

Technology and Digital	1,115		
Estate compliance	300		
PMO Support		350	
Salary inflation	955		
Transformation investment and potential unachieved savings		4,097	
Grand Total Funded Pressures	13,538	6,447	19,685

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

APPENDIX Y8

Making Fair Financial Decisions



Making fair financial decisions Guidance for decision-makers

3rd edition, January 2015

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

Introduction

With major reductions in public spending, public authorities in Britain are being required to make difficult financial decisions. This guide sets out what is expected of you as a decision-maker or leader of a public authority responsible for delivering key services at a national, regional and/or local level, in order to make such decisions as fair as possible.

The public sector equality duty (the equality duty) does not prevent you from making difficult decisions such as reorganisations and relocations, redundancies, and service reductions, nor does it stop you from making decisions which may affect one group more than another group. The equality duty enables you to demonstrate that you are making financial decisions in a fair, transparent and accountable way, considering the needs and the rights of different members of your community. This is achieved through assessing the impact that changes to policies, procedures and practices could have on people with different protected characteristics.

Assessing the impact on equality of proposed changes to policies, procedures and practices is not just something that the law requires, it is a positive opportunity for you as a public authority leader to ensure you make better decisions based on robust evidence.

What the law requires

Under the equality duty (set out in the Equality Act 2010), public authorities must have 'due regard' to the need to eliminate unlawful discrimination, harassment and victimisation as well as to advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not.

The protected characteristics covered by the equality duty are: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation. The duty also covers marriage and civil partnerships, but only in respect of eliminating unlawful discrimination.

The law requires that public authorities demonstrate that they have had 'due regard' to the aims of the equality duty in their decision-making. Assessing the potential impact on equality of proposed changes to policies, procedures and practices is one of the key ways in which public authorities can demonstrate that they have had 'due regard'.

It is also important to note that public authorities subject to the equality duty are also likely to be subject to the Human Rights Act 1998. We would therefore recommend that public authorities consider the potential impact their decisions could have on human rights.

Aim of this guide

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

This guide aims to assist decision-makers in ensuring that:

- The process they follow to assess the impact on equality of financial proposals is robust, and
- The impact that financial proposals could have on people with protected characteristics is thoroughly considered before any decisions are arrived at.

We have also produced detailed guidance for those responsible for assessing the impact on equality of their policies, which is available on our website at www.equalityhumanrights.com

The benefits of assessing the impact on equality

By law, your assessments of impact on equality must:

- Contain enough information to enable a public authority to demonstrate it has had 'due regard' to the aims of the equality duty in its decision-making
- Consider ways of mitigating or avoiding any adverse impacts.

Such assessments do not have to take the form of a document called an equality impact assessment. If you choose not to develop a document of this type, then some alternative approach which systematically assesses any adverse impacts of a change in policy, procedure or practice will be required.

Assessing impact on equality is not an end in itself and it should be tailored to, and be proportionate to, the decision that is being made.

Whether it is proportionate for an authority to conduct an assessment of the impact on equality of a financial decision or not depends on its relevance to the authority's particular function and its likely impact on people with protected characteristics.

We recommend that you document your assessment of the impact on equality when developing financial proposals. This will help you to:

- **Ensure you have a written record of the equality considerations** you have taken into account.
- **Ensure that your decision includes a consideration of the actions that would help to avoid or mitigate any impacts on particular protected characteristics.** Individual decisions should also be informed by the wider context of decisions in your own and other relevant public authorities, so that people with particular protected characteristics are not unduly affected by the cumulative effects of different decisions.
- **Make your decisions based on evidence:** a decision which is informed by relevant local and national information about equality is a better quality decision. Assessments of impact on equality provide a clear and systematic way to collect, assess and put forward relevant evidence.

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

- **Make the decision-making process more transparent:** a process which involves those likely to be affected by the policy, and which is based on evidence, is much more open and transparent. This should also help you secure better public understanding of the difficult decisions you will be making in the coming months.
- **Comply with the law:** a written record can be used to demonstrate that due regard has been had. Failure to meet the equality duty may result in authorities being exposed to costly, time-consuming and reputation-damaging legal challenges.

When should your assessments be carried out?

Assessments of the impact on equality must be carried out at a **formative stage** so that the assessment is an integral part of the development of a proposed policy, not a later justification of a policy that has already been adopted. Financial proposals which are relevant to equality, such as those likely to impact on equality in your workforce and/or for your community, should always be subject to a thorough assessment. This includes proposals to outsource or procure any of the functions of your organisation. The assessment should form part of the proposal, and you should consider it carefully **before** making your decision.

If you are presented with a proposal that has not been assessed for its impact on equality, you should question whether this enables you to consider fully the proposed changes and its likely impact. Decisions not to assess the impact on equality should be fully documented, along with the reasons and the evidence used to come to this conclusion. This is important as authorities may need to rely on this documentation if the decision is challenged.

It is also important to remember that the potential impact is not just about numbers. Evidence of a serious impact on a small number of individuals is just as important as something that will impact on many people.

What should I be looking for in my assessments?

Assessments of impact on equality need to be based on relevant information and enable the decision-maker to understand the equality implications of a decision and any alternative options or proposals.

As with everything, proportionality is a key principle. Assessing the impact on equality of a major financial proposal is likely to need significantly more effort and resources dedicated to ensuring effective engagement, than a simple assessment of a proposal to save money by changing staff travel arrangements.

There is no prescribed format for assessing the impact on equality, but the following questions and answers provide guidance to assist you in determining whether you consider that an assessment is robust enough to rely on:

- **Is the purpose of the financial proposal clearly set out?**

A robust assessment will set out the reasons for the change; how this change can impact on protected groups, as well as whom it is intended to benefit; and the intended outcome. You should also think about how individual financial proposals

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

might relate to one another. This is because a series of changes to different policies or services could have a severe impact on particular protected characteristics.

Joint working with your public authority partners will also help you to consider thoroughly the impact of your joint decisions on the people you collectively serve.

Example: A local authority takes separate decisions to limit the eligibility criteria for community care services; increase charges for respite services; scale back its accessible housing programme; and cut concessionary travel. Each separate decision may have a significant effect on the lives of disabled residents, and the cumulative impact of these decisions may be considerable. This combined impact would not be apparent if the decisions were considered in isolation.

• **Has the assessment considered available evidence?**

Public authorities should consider the information and research already available locally and nationally. The assessment of impact on equality should be underpinned by up-to-date and reliable information about the different protected groups that the proposal is likely to have an impact on. A lack of information is not a sufficient reason to conclude that there is no impact.

• **Have those likely to be affected by the proposal been engaged?**

Engagement is crucial to assessing the impact on equality. There is no explicit requirement to engage people under the equality duty, but it will help you to improve the equality information that you use to understand the possible impact on your policy on different protected characteristics. No-one can give you a better insight into how proposed changes will have an impact on, for example, disabled people, than disabled people themselves.

• **Have potential positive and negative impacts been identified?**

It is not enough to state simply that a policy will impact on everyone equally; there should be a more in-depth consideration of available evidence to see if particular protected characteristics are more likely to be affected than others. Equal treatment does not always produce equal outcomes; sometimes authorities will have to take particular steps for certain groups to address an existing disadvantage or to meet differing needs.

• **What course of action does the assessment suggest that I take? Is it justifiable?**

The assessment should clearly identify the option(s) chosen, and their potential impacts, and document the reasons for this decision. There are four possible outcomes of an assessment of the impact on equality, and more than one may apply to a single proposal:

Outcome 1: No major change required when the assessment has not identified any potential for discrimination or adverse impact and all opportunities to advance equality have been taken.

Outcome 2: Adjustments to remove barriers identified by the assessment or to better advance equality. Are you satisfied that the proposed adjustments will remove the barriers identified?

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

Outcome 3: Continue despite having identified some potential for adverse impacts or missed opportunities to advance equality. In this case, the justification should be included in the assessment and should be in line with the duty to have 'due regard'. For the most important relevant policies, compelling reasons will be needed. You should consider whether there are sufficient plans to reduce the negative impact and/or plans to monitor the actual impact, as discussed below.

Outcome 4: Stop and rethink when an assessment shows actual or potential unlawful discrimination.

• **Are there plans to alleviate any negative impacts?**

Where the assessment indicates a potential negative impact, consideration should be given to means of reducing or mitigating this impact. This will in practice be supported by the development of an action plan to reduce impacts. This should identify the responsibility for delivering each action and the associated timescales for implementation. Considering what action you could take to avoid any negative impact is crucial, to reduce the likelihood that the difficult decisions you will have to take in the near future do not create or perpetuate inequality.

Example: A University decides to close down its childcare facility to save money, particularly given that it is currently being under-used. It identifies that doing so will have a negative impact on women and individuals from different racial groups, both staff and students.

In order to mitigate such impacts, the University designs an action plan to ensure relevant information on childcare facilities in the area is disseminated to staff and students in a timely manner. This will help to improve partnership working with the local authority and to ensure that sufficient and affordable childcare remains accessible to its students and staff.

• **Are there plans to monitor the actual impact of the proposal?**

Although assessments of impact on equality will help to anticipate a proposal's likely effect on different communities and groups, in reality the full impact of a decision will only be known once it is introduced. It is therefore important to set out arrangements for reviewing the actual impact of the proposals once they have been implemented.

What happens if you don't properly assess the impact on equality of relevant decisions?

If you have not carried out an assessment of impact on equality of the proposal, or have not done so thoroughly, you risk leaving yourself open to legal challenges, which are both costly and time-consuming. Legal cases have shown what can happen when authorities do not consider their equality duties when making decisions.

Example: A court overturned a decision by Haringey Council to consent to a large-scale building redevelopment in Wards Corner in Tottenham, on the basis that the council had not considered the impact of the proposal on different racial groups before granting planning permission.

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

However, the result can often be far more fundamental than a legal challenge. If people feel that an authority is acting high-handedly or without properly involving its service users or employees, or listening to their concerns, they are likely to be become disillusioned with you.

Above all, authorities which fail to carry out robust assessments of the impact on equality risk making poor and unfair decisions that could discriminate against people with particular protected characteristics and perpetuate or worsen inequality.

As part of its regulatory role to ensure compliance with the equality duty, the Commission monitors financial decisions with a view to ensuring that these are taken in compliance with the equality duty and have taken into account the need to mitigate negative impacts, where possible.

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

APPENDIX Z1: Interest Rate Forecasts 2021 - 2024

The Council has appointed Link Group as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. The following table provides Link's latest central view.

Period	Bank Rate	PWLB Borrowing Rates % (including certainty rate adjustment of 20 basis points)			
		5 year	10 year	25 year	50 year
Mar 2021	0.10	0.80	1.10	1.50	1.30
Jun 2021	0.10	0.80	1.10	1.60	1.40
Sep 2021	0.10	0.80	1.10	1.60	1.40
Dec 2021	0.10	0.80	1.10	1.60	1.40
Mar 2022	0.10	0.90	1.20	1.60	1.40
Jun 2022	0.10	0.90	1.20	1.70	1.50
Sep 2022	0.10	0.90	1.20	1.70	1.50
Dec 2022	0.10	0.90	1.20	1.70	1.50
Mar 2023	0.10	0.90	1.20	1.70	1.50
Jun 2023	0.10	1.00	1.30	1.80	1.60
Sep 2023	0.10	1.00	1.30	1.80	1.60
Dec 2023	0.10	1.00	1.30	1.80	1.60
Mar 2024	0.10	1.00	1.30	1.80	1.60

APPENDIX Z2: Creditworthiness Policy (Linked to Treasury Management Practice (TMP1) – Credit and Counterparty Risk Management)

Annual Investment Strategy:

The key requirements of both the CIPFA Code of Practice on Treasury Management in the Public Services and MHCLG's Investment Guidance are to set an annual investment strategy, as part of its annual Treasury Management Strategy for the following year, covering the identification and approval of the following:

- The strategy guidelines for choosing and placing investments, particularly non-specified investments;
- The principles to be used to determine the maximum periods for which funds can be committed;
- Specified investments that the Council will use. These are high security (i.e. high credit rating, although this is defined by the Council, and no guidelines are given), and high liquidity investments in sterling and with a maturity of no more than a year; and
- Non-specified investments, clarifying the greater risk implications, identifying the general types of investment that may be used and a limit to the overall amount of various categories that can be held at any time.

Specified investments: These investments are sterling investments of not more than one-year maturity, or those which could be for a longer period but where the Council has the right to be repaid within 12 months if it wishes. They also include investments which were originally classed as being non-specified investments, but which would have been classified as specified investments apart from originally being for a period longer than 12 months, once the remaining period to maturity falls to under twelve months. These are considered low risk assets where the possibility of loss of principal or investment income is small. These would include sterling investments which would not be defined as capital expenditure with:

1. The UK Government, such as the Debt Management Account Deposit Facility (DMADF), UK Treasury bills or a gilt with less than one year to maturity;
2. Supranational bonds of less than one year's duration;
3. A local authority, housing association, parish council or community council;
4. Pooled investment vehicles (such as money market funds) that have been awarded a high credit rating (AAA) by a credit rating agency; and
5. A body that is considered of a high credit quality (such as a bank or building society).

Within these bodies, and in accordance with the Code, the Council has set additional criteria to define the time and amount of monies which will be invested in these bodies, as shown in the table further below.

Non-Specified Investments: These are any investments which do not meet the specified investment criteria, and include certificates of deposit issued by banks or building societies,

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

fixed deposits with building societies that do not meet the basic security requirements of specified investments, corporate bonds, and property funds. Provision has been made in the Strategy to invest in a limited number of lower rated building societies within the restrictions set out, certificates of deposit with both banks and building societies, and pooled asset funds (should the relevant opportunity arise). The Council will seek guidance on the status of any pooled fund or collective investment scheme it may consider using, and appropriate due diligence will also be undertaken before investment of this type is undertaken.

The Council applies the creditworthiness service provided by Link Group. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody's and Standard and Poor's. The credit ratings of counterparties are supplemented with the following overlays:

- credit watches and credit outlooks from credit rating agencies;
- Credit Default Swap (CDS) spreads to give early warning of likely changes in credit ratings;
- sovereign ratings to select counterparties from only the most creditworthy countries.

These factors are weighted and combined with an overlay of CDS spreads. The end product is a series of ratings (colour coded) to indicate the relative creditworthiness of counterparties. These ratings are used by the Council to determine the suggested duration for investments.

The Link Group creditworthiness service uses a wider array of information other than just primary ratings. Furthermore, by using a risk weighted scoring system, it does not give undue precedence to just one agency's ratings.

The criteria, time limits and monetary limits applying to institutions or investment vehicles are:

	Minimum credit criteria / colour band	Max % of total investments/ £ limit per institution	Max. maturity period
DMADF – UK Government	N/A	100%	6 months
UK Government gilts	UK sovereign rating	£20m	1 year
UK Government Treasury bills	UK sovereign rating	£60m	6 months
Money Market Funds - CNAV	AAA	£30m	Liquid
Money Market Funds - LVNAV	AAA	£30m	Liquid
Money Market Funds - VNAV	AAA	£30m	Liquid
Local authorities	N/A	£10m	1 year

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

Term deposits with banks and building societies	Yellow* Purple Blue Orange Red Green No Colour	£30m £25m £40m £25m £20m £15m Not for use**	Up to 5 years Up to 2 years Up to 1 year Up to 1 year Up to 6 Months Up to 100 days Not for use**
CDs or corporate bonds with banks and building societies	Blue Orange Red Green No Colour	£40m £25m £20m £15m Not for use**	Up to 1 year Up to 1 year Up to 6 Months Up to 100 days Not for use**
Term deposits or CDs with building societies on Link's counterparty list rated 'No colour'	BBB-	£10m	Up to 3 months
Call accounts and notice accounts	Yellow* Purple Blue Orange Red Green No Colour	£30m £25m £40m £25m £20m £15m Not for use	Liquid
Pooled asset funds		£50m	At least 5 years

*for UK Government debt, or its equivalent, Constant Net Asset Value (CNAV) money market funds and collateralised deposits where the collateral is UK Government debt.

**except for those building societies rated BBB- or higher as set out elsewhere in the table.

The monitoring of investment counterparties: The credit rating of counterparties will be monitored regularly, on at least a weekly basis. The Council receives credit rating information (changes, rating watches and rating outlooks) from Link Group as and when ratings change, and the impact of those changes are assessed promptly. On occasion ratings may be downgraded when an investment has already been made. The criteria used are such that a minor downgrading should not affect the full receipt of the principal and interest upon maturity. Any counterparty failing to meet the criteria will be removed from the lending list immediately, and if required new counterparties which meet the criteria will be added to the list. Any fixed term investment held at the time of the downgrade will be left to mature as such investments cannot be broken mid-term.

Sole reliance will not be placed on the use of this external service. In addition, the Council will make use of market data and information on any external support for banks to help support its decision-making process.

Accounting treatment of investments: The accounting treatment may differ from the underlying cash transactions arising from investment decisions made by this Council. To ensure that the Council is protected from any adverse revenue impact which may arise from these differences, we will review the accounting implications of new transactions before they are undertaken.

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

Creditworthiness impact of COVID-19: Although the credit rating agencies changed their outlook on many UK banks from Stable to Negative during the quarter ended 30/6/2020 due to upcoming risks to banks' earnings and asset quality during the economic downturn caused by the pandemic, the majority of ratings were affirmed due to the continuing strong credit profiles of major financial institutions, including UK banks. However, during Q1 and Q2 2020, banks made provisions for expected credit losses and the rating changes reflected these provisions.

As we move into future quarters, more information will emerge on actual levels of credit losses (quarterly earnings reports are normally announced in the second half of the month following the end of the quarter). This has the potential to cause rating agencies to revisit their initial rating adjustments from 2020; these adjustments could be negative or positive, although it should also be noted that banks entered this pandemic with strong balance sheets. This is predominantly a result of regulatory changes imposed on banks following the Great Financial Crisis; indeed, the Financial Policy Committee (FPC) report on 6th August 2020 revised down their expected credit losses for the UK banking sector to "somewhat less than £80bn". It stated that in its assessment, "banks have buffers of capital more than sufficient to absorb the losses that are likely to arise under the Monetary Policy Committee's central projection". The FPC stated that for real stress in the sector, the economic output would need to be twice as bad as the MPC's projection, with unemployment rising to above 15%.

All three rating agencies have reviewed banks around the world, with similar results in many countries of most banks being placed on Negative Outlook, but with a small number of actual downgrades.

CDS price impact of COVID-19: Although bank CDS prices (market indicators of credit risk) spiked upwards at the end of March / early April 2020 due to the heightened market uncertainty and ensuing liquidity crisis that affected financial markets, they have returned to more average levels since then. Nevertheless, prices are still elevated compared to end-February 2020. Pricing is likely to remain volatile as uncertainty continues. However, sentiment can easily shift, so it will remain important to undertake continual monitoring of all aspects of risk and return in the current circumstances. The Council's advisers, Link Group, monitor CDS prices as part of their creditworthiness service and the Council has access to this information via its Link-provided Passport portal.

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

APPENDIX Z3: Approved Countries for Investment

This list is based on those countries which have sovereign ratings of AA- or higher (we show the lowest rating from Fitch, Moody's and S&P) and also have banks operating in sterling markets which have credit ratings of green or above in the Link Group creditworthiness service.

AAA

- Australia
- Denmark
- Germany
- Luxembourg
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

AA+

- Canada
- Finland
- USA

AA

- Abu Dhabi (UAE)
- France

AA-

- Belgium
- Hong Kong
- Qatar
- U.K.

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

APPENDIX Z4: Requirement of the CIPFA Treasury Management Code of Practice

Treasury Management Scheme of Delegation

(i) Full Council

- budget consideration and approval;
- approval of annual Treasury Management Strategy;
- approval of/amendments to the organisation's adopted clauses and treasury management policy statement.

(ii) Public Accounts Committee

- receiving and reviewing reports on treasury management policies, practices and activities.

The Treasury Management Role of the Section 151 Officer

The S151 (responsible) officer has responsibility for:

- recommending treasury management policies for approval, reviewing the same regularly, and monitoring compliance;
- submitting regular treasury management policy reports;
- submitting budgets and budget variations;
- receiving and reviewing management information reports;
- reviewing the performance of the treasury management function;
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
- ensuring the adequacy of internal audit, and liaising with external audit;
- approval of the division of responsibilities;
- approving the organisation's treasury management practices;
- preparation of a capital strategy to include capital expenditure, capital financing, non-financial investments and treasury management, with a long-term timeframe;
- ensuring that the capital strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money;
- ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the authority;
- ensuring that the authority has appropriate legal powers to undertake expenditure on non-financial assets and their financing;
- ensuring the proportionality of all investments so that the authority does not undertake a level of investing which exposes the authority to an excessive level of risk compared to its financial resources;
- ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long term liabilities;
- provision to Members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees;
- ensuring that Members are adequately informed and understand the risk exposures

APPENDICES W1 to Z4 2021/22 BUDGET REPORT

taken on by an authority; and

- ensuring that the authority has adequate expertise, either in-house or externally, to carry out the above.