

Cabinet

Tuesday 16 July 2019

4.00 pm

Ground Floor Meeting Room GO2C, 160 Tooley Street, London
SE1 2QH

Supplemental Agenda No.1

List of Contents

Item No.	Title	Page No.
22.	Report and Recommendations of the Southwark Serious Youth Violence Panel To welcome the work and accept the recommendations of the cross part panel on serious youth violence.	1 - 32
23.	The Old Vic Annex To approve the draft Head of Terms and finance arrangements for the loan to enable The Old Vic to expand their footprint to build a new community cultural hub for the theatre called The Annex, to open in 2022 that will provide a permanent home for the community to train, learn, connect and enjoy.	33 - 50
25.	New Homes Site Purchase, SE15 To authorise pursuant to s120 of the Local Government Act 1972 and s9 of the Housing Act 1985, the acquisition of the freehold interest in the site identified in the closed report.	51 - 55

Contact

Paula Thornton 020 7525 4395 or email: paula.thornton@southwark.gov.uk;
constitutional.team@southwark.gov.uk
Webpage: www.southwark.gov.uk

Date: 8 July 2019

Item No. 22.	Classification: Open	Date: 16 July 2019	Meeting Name: Cabinet
Report title:		Report and Recommendations of the Southwark Serious Youth Violence Panel	
Ward(s) or groups affected:		All wards	
Cabinet Member:		Councillor Evelyn Akoto, Community Safety and Public Health	

FOREWORD - COUNCILLOR EVELYN AKOTO, CABINET MEMBER FOR COMMUNITY SAFETY AND PUBLIC HEALTH

The subject of serious youth violence is one that is being discussed across the country due to its devastating impact on communities and families. The ongoing reports of knife fatalities have become commonplace not only in the capital but across the country. In Southwark, over the 12 months prior to May 2019, 112 young people up to the age of 24 were injured in knife attacks and unfortunately this number could easily rise in the next year.

The number of victims of serious youth violence in London has been rising over the past four years, with knives continuing to play a significant part in serious youth violence. Although Southwark has experienced a gradual decline in knife offences our numbers are still too high. My ambition is to eradicate serious youth violence in all forms in our borough. No child should be afraid to go about their daily activity; our children, families and communities should not be dealing with the trauma of losing young lives in horrific violent circumstances.

The cross party Southwark Serious Youth Violence panel was therefore established to look at the current issue in our borough in order to find solutions to the ever-pervasive problem. In order to achieve this, it was important that panel members reflected the various aspects of our communities and that key partners like schools, youth workers, police officers, faith and community leaders - as well as parents and especially young people all contributed to the work of the panel. The issue is complex and solving this problem will take time to achieve, unfortunately there are no quick fixes. It is therefore important that the solution to serious youth violence is found within a community wide approach, with all partners working collaboratively together to support our young people to have a safe and positive future. I am determined to build upon the COMMITMENT of frontline officers and programmes including the Positive Futures Fund in the borough that help towards tackling violence and place OUR young people and communities at the centre.

RECOMMENDATIONS

That cabinet:

1. Welcomes the work of the Cross Party Panel on Serious Youth Violence, appended to this report.
2. Accepts the recommendations from the Serious Youth Violence Panel and instructs officers to report back to Cabinet with a more detailed council wide delivery plan that also incorporates the findings of the Southwark Learning Review on Violence and Vulnerability.

3. Requests that the Cross Party Panel on Serious Youth Violence reconvenes in January 2020 to review progress with the recommendations.

BACKGROUND INFORMATION

4. Southwark Council recognises that youth violence and knife crime is a concern for many in our community and tackling it is the responsibility of everyone in society.
5. Though the trend in knife crime had declined in London over a period of years, it spiked again in 2016-2017. Southwark has a higher level of knife crime than the London average although over the last nine months Southwark has seen a continuous reduction. Despite this, the council recognises that these crimes still remain too high and the public remains rightly concerned about violence in the borough, specifically knife crime and carrying.
6. Serious youth violence is defined by the Metropolitan Police Service as any offence of most serious violence or weapon enabled crime, where the victim is aged 1-19 i.e. murder, manslaughter, rape, wounding with intent and causing grievous bodily harm. 'Youth violence' is defined in the same way, but also includes assault with injury offences.
7. Southwark Council has a Knife Crime & Serious Violence Action Plan that runs until 2020. In January 2019, an Independent External Learning Review on Violence & Vulnerability deemed some of the council's programmes and initiatives exemplary national practice which could be further improved through bringing together how we deal with a range of exploitative crimes. The council is now in the process of setting up a Community Harm and Exploitation Board (CHEB), as recommended by the review, to progress this work.
8. While the council has a role in reducing youth violence and knife crime, other partners and crucially communities across the borough also have an important role in this area. All organisations, agencies and communities need to play their part. The panel's report makes recommendations for how the council will facilitate the better integration and effectiveness of action by all who have a role to play in making the borough a safer place to live and work.

KEY ISSUES FOR CONSIDERATION

9. In November 2018, the cabinet agreed the proposal of the cabinet member for community safety and public health to establish a cross party, member-led 'Serious Youth Violence Panel' to lead and co-ordinate evidence gathering on the current status of youth violence and knife crime in Southwark and to use this evidence to further inform the council's response.
10. The Youth Violence Panel was a time limited task focused group which included members of ruling and opposition parties as well as youth and community representatives. Alongside receiving written and verbal evidence from council officers, partner agencies and community organisations the Panel paid particular attention to the experiences and perceptions of young people who are disproportionately affected.
11. The Panel held a series of meetings that are summarised in this report, starting in December 2018. It took evidence from a range of stakeholders, local service providers, community organisations and young people. The range of issues considered by the Panel included education, health, policing, the criminal justice system and youth provision.

12. The report at Appendix 1 sets out the findings of the Southwark Youth Violence Panel. The table below sets out each recommendation and how it can be addressed and by when.
13. A summary of the Youth Violence Panel's recommendations include:

Early Years & Education		
Recommendation	Action	Date
Undertake a more in-depth scrutiny review on school exclusions, managed moves, home schooling along with alternative provision and its impact on young people and vulnerability.	Propose thematic area to be undertaken as Community Safety Scrutiny Commission for completion within 19/20	January 2020, (TBC)
Co-produce charter on preventing school exclusions working with schools, young people and parents/carers.	Consultation and co-production of charter Charter developed and launched	September - December 2019 March 2020
Recommendation	Action	Date
Provide an information/resource pack for educational settings on violence and vulnerability which includes information on referral routes and services and support on offer.	Shared narrative agreed on local profile of violence and vulnerability Development of local resource pack including referral routes and support for frontline staff in educational settings	September 2019 December 2019

<p>Review current offer from schools to help children transition from primary to secondary school to ensure every child that needs one has the offer of a support package to aid transition.</p>	<p>Review of current programmes in schools to assist with transition</p> <p>Design and pilot support package to aid support for school transition</p> <p>Roll out support package</p>	<p>September 2019</p> <p>January 2019</p> <p>April 2020</p>
<p>Advocate for a zero exclusions policy to central government.</p>	<p>Lobby government to reconsider current guidelines on school exclusions in line with Timpson Review</p> <p>Act as an advocate highlighting the risks and impacts of school exclusions</p>	<p>March 2020</p>
Mental Health & Public Health Approach		
Recommendation	Action	Date
<p>To work in partnership to raise awareness of mental health & wellbeing with young people specifically the perceived stigma attached to this by young people and how this impacts their vulnerability to violence.</p>	<p>Through programmes such as the Young Advisors and Peer Navigators create mental health and wellbeing ambassadors to raise awareness especially considering the links to violence and vulnerability.</p> <p>Ensure all services commissioned for young people involve these ambassadors' voices</p>	<p>January 2020</p> <p>March 2020</p>
<p>The panel supports Southwark Council and its partners on the Health and Wellbeing Board's pledge to treat 100% of children diagnosed with mental health conditions by 2022.</p>		
<p>Southwark Council should work with partners to produce a framework for action that has at its centre the public health approach to violence prevention. This work should be</p>	<p>Joint Strategic Assessment of Youth Violence completed as a baseline</p> <p>Implement a serious</p>	<p>September 2019</p>

led by the Community Safety Partnership Team working closely with the Public Health Team.	violence framework which puts 'Prevention' at the centre supporting a multi-faceted response - -preventing risk factors -preventing violence -reducing long term impact	March 2020
Role Models and Parents/Carers		
Recommendation	Action	Date
Support parents and wider community to develop the capacity and skills in supporting their children to resist pressure to becoming involved in knife crime and serious violence.	Support offer developed for parents to build capacity and skills to support their children resist the pressure to become involved in knife crime and serious violence.	December 2019
Promote raising young people's aspirations through signposting to mentoring schemes and through the use of trusted role models to both male and females at risk of youth violence.	Signposting and referral pathways produced for young people highlighting access to mentoring scheme and support for both males and females	December 2019
Southwark should consult with young people on the best way to recognise and reward young people within the borough for excellence building on the success of the Positive Futures Fund.	With young people identify different ways in which young people and their lives can be recognised, celebrated and rewarded. Plan of events and initiatives.	December 2019 January 2020
Criminal Justice/Police		
Recommendation	Action	Date
Advocate for more resources for local policing and active engagement with MOPAC and their newly forming Violence Reduction Unit, (VRU)	Lobby MOPAC and Central Government for more local police resources. Co-working with the	Ongoing

	VRU to ensure Southwark has access to resources/support.	Ongoing
Recommendation	Action	Date
Facilitate better communication between police and young people in the borough to support confidence building.	Communication led by our young people (e.g. Young Independent Advisory Group) to ensure their voices are heard and to facilitate and foster better relations.	September 2019 – ongoing
Youth & Community Services		
Southwark to work with young people to redesign its youth provision to ensure that it is fit for purpose and helps give young people the best chance to thrive in life.	Review of `Youth and Play Strategy to enable redesign of borough provision.	March 2020
Southwark Council should work with the community, faith groups, the voluntary sector, parents and Tenants & Residents Associations, (TRAs) to build resilience and address the trauma of serious youth violence. As part of this, Southwark Council should re-examine their victim support/ support offer for parents and carers.	Deliver community led resilience and support programme which is based on trauma informed approach. Review victim support offer across the borough.	December 2019 October 2019
Recommendations	Action	Date
Community led organisations and TRAs should be supported to make their resources and halls available for young people/services targeted at young people to use. TRAs should be encouraged to consider the diversity of their boards.	Map current use of community assets and how they are used to support young people.	March 2020
Southwark Council to use all commissioning frameworks to consider how they can contribute to addressing youth violence and to specifically rethink alternative	Council Strategic Commissioning Board will ensure that all decisions and work	Immediate

education provision and how our resources are used to support young people and parents and carers to complete their education.	programmes consider the contribution they make on preventing youth violence	
--	---	--

14. The set of recommendations tabled above will require cross council departmental delivery and will be integrated with the recommendations of the recent Southwark External Learning Review on Violence & Vulnerability. A more detailed action plan will come back to Cabinet in October 2019.

Policy implications

15. The Southwark Serious Youth Violence Panel was not a decision making body, however its report sets out recommendations to cabinet which, if adopted, may impact on future policy.
16. The recommendation for 100% of children diagnosed with a mental health need to receive appropriate treatment was an aim agreed by the Health & Wellbeing Board on 21 November 2018.

Financial implications

17. Most of the panel's recommendation for the council can be accommodated within existing budgets and processes. The proposal to provide particular children with a transition package on leaving primary school may entail additional cost which has yet to be fully quantified and which will be included in the Medium Term Financial Plan for 2019-2020 onwards.

Community impact statement

18. The Southwark Youth Violence Panel took professional and personal evidence on the cause and consequences of knife crime and youth violence in order to inform more effective working between the council, partner agencies and the community. The recommendations of the panel identify a range of measures that can be taken to better address the needs of vulnerable young people and improve their engagement with public services and community activities.
19. The impact of these proposals should be to reduce knife crime and violence in the borough through the provision of greater support for young people at risk of committing or becoming victims of violence, increase the confidence of the community in the work of the council, the police and other agencies, as well as provide opportunities for local community service providers.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Democracy

20. This report is asking cabinet to accept the recommendations from the Serious Youth Violence Panel; as these cut across a number of portfolios this is a decision for cabinet.
21. Section 17 of the Crime and Disorder Act 1998 places a duty on local authorities when carrying out its functions to give due regard to the likely effect of its work on its functions and a need to do all that it reasonably can to prevent: crime and disorder,

misuse of drugs, alcohol and other substances, and reoffending. This duty extends to the work of the panel.

22. However in making the decision to accept these recommendations, consideration has also been given by the cabinet to the council's duty under the Equality Act 2010 which requires the council to have due regard when taking decision to the need to:
- Eliminate discrimination, harassment, victimisation or other prohibited conduct
 - Advance of equality of opportunity between persons who share a relevant protected characteristics and those who do not share it
 - Foster good relations between those who share a relevant characteristic and those that do not share it.
23. Of particular regard here are issues of age, one of the protected characteristics.
24. Having due regard to the need to advance equality of opportunity is further defined in s.149 as having due regard to the need of:
- Remove or minimise disadvantages connected with a relevant protected characteristic
 - Take steps to meet the different needs of persons who share a relevant protected characteristic
 - Encourage persons who share a relevant protected characteristic participate in public life or any other activity in which they are under- represented.

Strategic Director of Finance and Governance (FC19/008)

25. The strategic director of finance and governance notes the report and the recommendations of the Serious Youth Violence Panel. The report acknowledges that most recommendations could be achieved within the existing budget available.
26. However, given the uncertainty around the council's resources going forward, the requirement for, and scale of savings needed may impact on current funding levels. Proposals requiring additional funding need to be fully quantified and considered alongside other service priorities for inclusion in the appropriate departmental budget plans for 2020-21 (specifically Education given the current scale of the DSG deficit).

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
None		

APPENDICES

No.	Title
Appendix 1	Southwark Serious Youth Violence Panel Report

AUDIT TRAIL

Cabinet Member	Councillor Evelyn Akoto, Community Safety and Public Health	
Lead Officer	Michael Scorer, Strategic Director of Housing and Modernisation, Stephen Douglass, Director of Communities	
Report Author	Caroline Thwaites, Assistant Director, Community Safety and Partnerships	
Version	Final	
Dated	8 July 2019	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Director of Law and Democracy	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team		8 July 2019

SOUTHWARK SERIOUS YOUTH VIOLENCE PANEL REPORT

July 2019

FOREWORD: CLLR EVEYLN AKOTO CABINET MEMBER FOR COMMUNITY SAFETY AND PUBLIC HEALTH



London's knife epidemic has reached unprecedented levels with more than 30 deaths in the capital since the start of 2019. Some of these fatalities have been in Southwark, which has had a devastating impact for individuals, families, communities and society at large.

Southwark has been working hard over the years to find a lasting solution to the issue of youth violence. The council has long adopted an Integrated Anti-Violence Unit approach, co-working as a unified team, police, youth offending team, probation, council community safety, voluntary sector agencies, Department for Work and Pensions with further links with children's social care. The council and our partners were also the first in London to have a dedicated knife crime action plan and a strong track

record of working across the whole community safety partnership on issues such as youth violence. All of this emphasises the importance of an integrated approach to combating youth violence.

In 2017 the Education and Children's Services Scrutiny Sub-Committee conducted a review on youth violence, in order to make recommendations to the Cabinet and relevant partners. In 2018 a Scrutiny in a Day event was held on ending knife crime. The Council has put tackling serious youth violence, including knife crime, at the top of its list of priorities and wants to see urgent action to protect our children and young people. If we are going to succeed we need a whole community response to the issue.

Southwark Youth Violence panel continues the vital work of creating an important forum for ideas and voices to be heard. What this panel exemplifies is the role we all have in making young people and communities feel safer, removing knives from the streets and supporting positive choices. We all know that youth crime is a complex issue and there is no quick fix or one size fits all response. This panel has heard from a range of people on a number of topics who have all contributed to the recommendations in this report. The panel observed the significance of early intervention in the lives of young people and their families and noted with great concern, the growing levels of School exclusion in the borough and the link with those excluded becoming vulnerable when they are not supported to remain in some level of appropriate education.

In Southwark, we have all seen the damage that has been caused by knife crime particularly, and I am determined that Southwark Council will play a key part in

working toward a solution. We work closely with partners across the community, schools, police, MOPAC, the Mayor's Violence Reduction Unit and others. I am also proud that alongside colleagues from different political parties we have had two eloquent and thoughtful young people as members of this panel. They have both brought personal experience which is so important for a project of this nature. It is key that their voices and the voices of other young people in the borough are heard and that they are part of the conversation along with being in the centre of solutions. I know that our young people are equally determined to work towards a safer environment; and the work of our young advisors, peer navigators and youth council is testament to this ambition.

I would like to thank everyone who has contributed their time, expertise and lived experience to this panel. We have heard honest and informative testimonies, which in many cases, have taken courage to share. I am grateful to everyone in our community who has come together to tackle this issue. And now our biggest task is to ensure that these recommendations are implemented with a sense of urgency.

.

PANEL RECOMMENDATIONS TO CABINET

Early Years & Education

1. Southwark Council to undertake a more in-depth scrutiny review of school exclusions, managed moves and home schooling, along with alternative provision and its impact on young people and vulnerability.
2. Co-produce a charter on exclusions for schools, parents and young people/children to sign up to. This charter as a minimum to include:
 - A commitment for the council, police and schools, to improve the collection and sharing of data related to youth violence and other exploitative crime (child sexual exploitation, gangs, modern day slavery and school exclusions)
 - A commitment to reduce exclusions and to work with the council, parents, police and young people to support every child at risk of exclusion.
 - Work with parents, schools and young people to improve the quality of alternative provision to ensure a supportive environment where every child is supported and can thrive.
3. Provide an information/resource pack for educational settings on violence and vulnerability that includes information on referral routes, services and the support on offer. Southwark Council should appoint a strategic lead for this task and for youth more generally to be responsible for the systematic review of our current provision.
4. Review what our schools currently offer to help children transition from primary to secondary to ensure every child that needs one has the offer of a support package to help them through what can be a difficult change.
5. Southwark Council should work with their neighbouring boroughs to lobby government for a zero tolerance policy on exclusions.

Mental Health & Public Health Approach

6. The council to work in partnership to raise awareness of mental health & wellbeing with young people, including the perceived stigma attached to this and how that affects their vulnerability to violence.
7. The panel recognises the link between poor mental health and serious youth violence. We support Southwark Council and its partners on the Health and

Wellbeing Board's pledge to treat 100% of children diagnosed with mental health conditions by 2022.

8. Southwark Council should work with partners to produce a framework for action that has at its centre the public health approach to violence prevention. This work should be led by the Community Safety & Partnership Team working closely with the Public Health Team. The framework should include the following elements:
 - Co-ordination between all relevant agencies (statutory and voluntary);
 - Evidence-based enforcement and disruption activities;
 - Preventative work addressing the circumstances that lead people to offend;
 - Work with communities to deliver local solutions to local issues and good quality interventions for those who have offended;
 - Initiatives that reduce the drivers for youth violence, including addressing the demand for drugs;
 - Preventative work in schools and the wider community that safeguards and builds the resilience of communities and young people in particular.

Role Models and Parents/Carers

9. Support parents and the wider community to develop the capacity and skills to support their children to resist pressure to becoming involved in knife crime and serious violence.
10. Promote raising young people's aspirations through signposting to mentoring schemes and through the use of trusted role models for both males and females at risk of youth violence.
11. The council should consult with young people on the best way to recognise and reward young people within the borough for excellence building on the success of the Positive Futures Fund.

Criminal Justice and Police

12. Southwark Council should lobby the government on more funding for community policing.
 13. Southwark Council will actively engage with the Mayor's Office for Policing and Crime (MOPAC) and support our young people to take part in the development of the Violence Reduction Unit (VRU).
 14. Southwark Council should hold the police to account for improving relationships with young people and the community to build trust and
-

confidence. This should include increasing diversity in the police as well as being open and transparent in respect of monitoring stop and search the management of community tensions.

Youth and Community Services

15. The council should work with young people to redesign its youth provision to ensure that it is fit for purpose and helps give young people the best chance in life.
16. Southwark Council should work with the community, faith groups, the voluntary sector, parents and Tenants & Residents Associations, (TRAs) to build resilience and address the trauma of serious youth violence through an all community trauma informed approach. As part of this, Southwark Council should re-examine its victim support/ support offer for parents and carers.
17. Community led organisations and TRAs should be supported to make their resources and halls available for young people/services targeted at young people to use. TRAs should be encouraged to take into account the diversity of their residents and seek to include young people in their activities.
18. Southwark Council to use all commissioning frameworks to consider how they can contribute to addressing youth violence and to specifically rethink alternative education provision and how our resources are used to support young people, parents and carers.

SOUTHWARK SERIOUS YOUTH VIOLENCE PANEL REMIT

The Southwark Youth Violence Panel was set up as a time limited, task focused group to investigate local concerns and the root causes of youth violence, particularly knife crime, and to explore possible solutions. The panel was chaired by the council's Cabinet Member for Community Safety and Public Health and was cross party made up of 6 politicians (4 Labour and 2 Liberal Democrat councillors). Two young people from local youth initiatives and a local community representative were also invited to be panel members.

The panel held evidence gathering sessions with a range of stakeholders, community groups, voluntary sector groups, young people affected by and with experience of youth violence, criminal and education bodies, as well as other interested parties in order to develop a detailed picture of youth violence and the challenges we face in the borough. The panel heard about both professional and personal experiences via written and verbal evidence. The panel was not a decision making body, but was tasked to report back to Cabinet and make recommendations for decisions where relevant and appropriate.

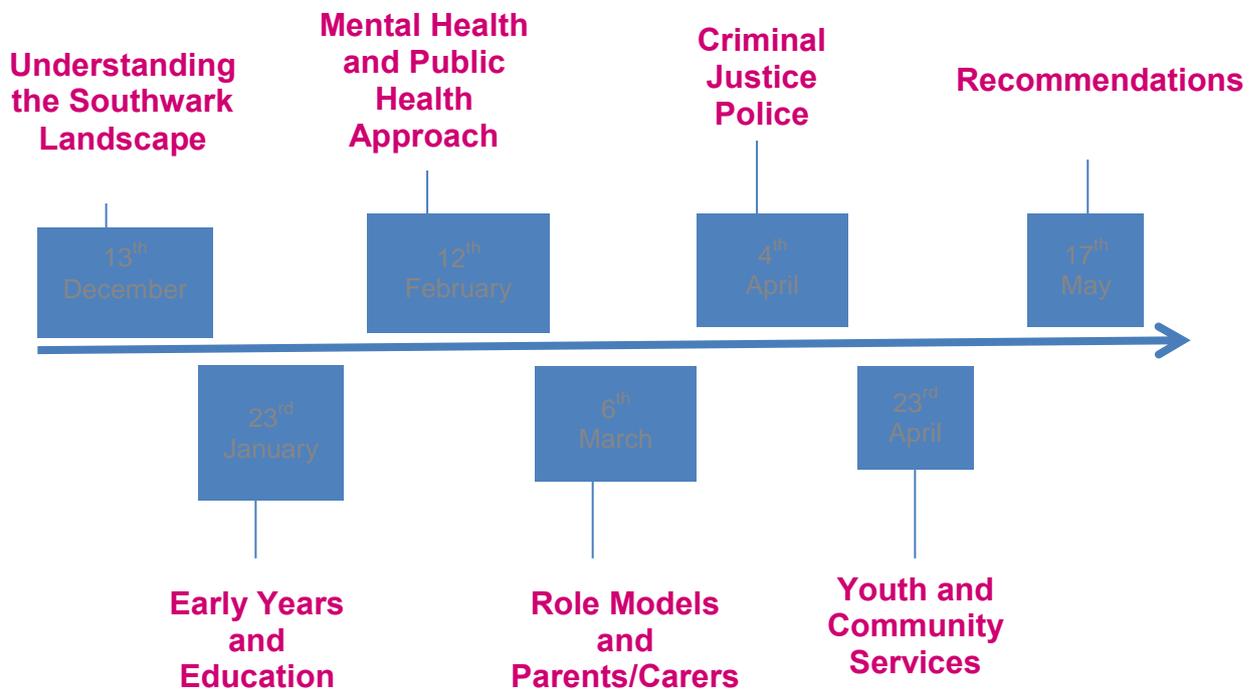
The Southwark Serious Youth Violence Panel was established with the following terms of reference:

1. To lead and co-ordinate evidence gathering from local stakeholders and responsible public sector organisations.
2. To build a picture of the current status of youth violence and knife crime in Southwark.
3. To use this evidence to inform the council's response to tackling youth violence and knife crime.

Membership of the Serious Youth Violence Panel:

- Councillor Evelyn Akoto (Chair)
- Councillor Peter Babudu
- Councillor William Hougbo
- Councillor Alice Macdonald
- Councillor David Noakes
- Councillor Jason Ochere
- Lisa Dalton, Secretary of the Manor Estate Tenant & Resident Association
- Abi Ikeola, Southwark Young Advisor
- Taylor Price, Southwark Peer Navigator

The panel sessions centred upon six thematic sessions as outlined below.



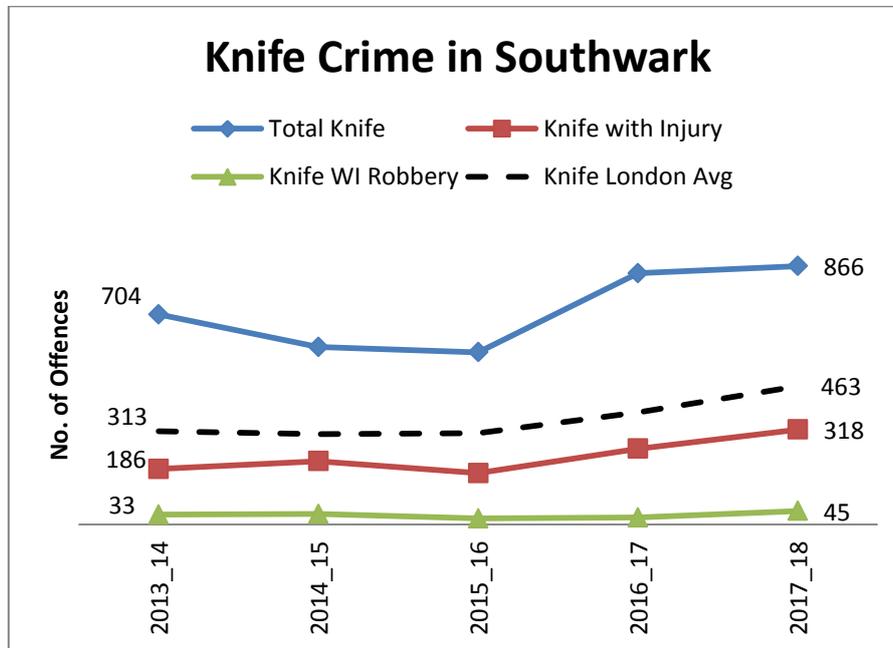
From the outset, the panel was keen to focus on identifying evidence-based, community-focused, long-term actions that could be undertaken or facilitated by the council. Through the evidence sessions, we listened to:

- young people who have themselves been affected by violence
- practitioners and youth workers
- public servants
- police officers
- experts from across the criminal justice system
- former gang members and people formerly involved in violent crime
- community leaders
- family members and many other experts/community members.

Every session was open to the public and sought to evidence from a cross section of those in Southwark impacted by serious youth violence. The recommendations focus on the key areas that emerged.

WHAT WE KNOW

Following a downward trend in knife crime from 2016/2017 London has experienced a marked increase. Not all knife crime is gang related or committed by young people, however, young people are disproportionately affected both as victims and perpetrators. For the last five years, Southwark has had a higher than the London average level of offences for knife crime as illustrated in the graph below.



Graph 1: Metropolitan Police Knife Crime Data

In the 12 months to April 2019, knife crime offences in London rose by 1.13% (168 offences). This denotes a slowing down of the rate of increase previously seen across the capital. For the 12 months ending April 2019, Southwark saw an 8% reduction in the number of knife crime offences compared to the previous 12 months, (64 offences).

Despite these efforts, the volume of knife crime is still far too high in the borough, especially knife crime with injury.

Serious youth violence is defined by the Metropolitan Police Service as any offence of most serious violence or weapon enabled crime, where the victim is aged 1-19' i.e. murder, manslaughter, rape, wounding with intent and causing grievous bodily harm. 'Youth violence' is defined in the same way, but also includes assault with injury offences.

Southwark Council is currently implementing a knife crime and serious violence action plan. This is a requirement for all local authorities and their statutory partners. This multi-agency action plan was developed using the following eight themes below and included consultation with a broad range of stakeholders.

Southwark Knife Crime & Serious Violence Action Plan 2018-2020



The Southwark Extended Learning Review on Violence & Vulnerability

As part of the delivery of the local knife crime and serious violence action plan, Southwark commissioned an External Learning Review into its work relating to Violence and Vulnerability. This took place in January 2019 and was conducted by an Independent Peer Reviews team from the Violence and Vulnerability Unit, endorsed by the Home Office. The panel heard evidence on the key findings of the review. This included a range of programmes which were deemed as exemplary practice nationally along with areas where further improvement could be made. A key recommendation was for Southwark to reposition its thinking and delivery on a range of exploitative crimes such as knife crime, gang violence and criminal exploitation into a more coherent focus of community harm and exploitation.

KEY FINDINGS

Early Years & Education

This panel calls for collective action to reduce school exclusions and ensure they are used as a last resort. This serves to increase the protective factors for our young people raising their aspirations and diverting them away from criminality.

There is a clear link between school exclusions and increased vulnerability to youth violence. Many who gave evidence identified exclusion as the beginning of a slippery slope into crime, gangs and lack of self esteem. The panel received powerful testimony from young ex-offenders on the difficulty of getting back into mainstream or alternative education, training or employment. The panel heard of significant challenges in relation to alternative provision with many children struggling to be re-introduced into mainstream education. It became acutely apparent through the sessions that there were a multitude of reasons, ranging from educational needs through to attendance and behaviour, why, once excluded, young people are often not integrated back into mainstream education.

It was also apparent that young people felt that individual success at school was driven by academic achievement and not enough focus was attached to more vocational and non academic pathways. There is a need to explore in more detail how this perception is influenced by government policy and what more can be done celebrate and raise the profile of non academic outcomes for young people.

The difficulty of partnership working across the fragmented schools landscape was also identified as a barrier to effective data collection/sharing to better help identify those young people at risk and who require more support. There was good practice identified through the use of police schools officers and programmes operating in schools and delivered by the Youth Offending Services and the Community & Voluntary Sector. It was clear that there is no common system to identify young people at risk of youth violence. Schools are clearly a key area where early intervention needs to be a priority and vulnerable children need to be supported. The transition from primary to secondary schools was also identified as being particularly difficult for some young people.

The panel heard from a head teacher from one of the borough's primary schools who strongly advocated for knife crime programmes to be delivered pre secondary school and reinforced the need for parents and carers to be supported as part of the wider school environment. The earlier children can be supported the better, which is why early years' education is key to any violence reduction strategy.

“With the right support at the right time,
we can manage risk.”

Geethika Jayatilaka, CEO, Chance UK

Recommendations

- ✓ Southwark Council to undertake a more in-depth scrutiny review of school exclusions, managed moves and home schooling, along with alternative provision and its impact on young people and vulnerability.
- ✓ Co-produce a charter on exclusions for schools, parents and young people/children to sign up to. This charter as a minimum to include:
 - A commitment for the council, police and schools, to improve the collection and sharing of data related to youth violence and other exploitative crime (child sexual exploitation, gangs, modern day slavery and school exclusions)
 - A commitment to reduce exclusions and to work with the council, parents, police and young people to support every child at risk of exclusion.
 - Work with parents, schools and young people to improve the quality of alternative provision to ensure a supportive environment where every child is supported and can thrive.
- ✓ Provide an information/resource pack for educational settings on violence and vulnerability that includes information on referral routes, services and the support on offer. Southwark Council should appoint a strategic lead for this task and for youth more generally to be responsible for the systematic review of our current provision.
- ✓ Review what our schools currently offer to help children transition from primary to secondary to ensure every child that needs one has the offer of a support package to help them through what can be a difficult change.

- ✓ Southwark Council should work with their neighbouring boroughs to lobby government for a zero tolerance policy on exclusions.

Mental Health & Public Health Approach

The panel calls for mental health to be addressed as a contributing factor to serious youth violence.

Many of those who gave evidence were former perpetrators or worked with perpetrators of serious youth violence identified with a history of undiagnosed and untreated mental health issues. They felt this was a contributing factor to the slide into serious youth violence. At the same time, the trauma of being a victim of serious youth violence had affected many within the community.

Southwark must address the increased stress and pressures on young people's mental health. Young people talked about how current provision and places could be used more effectively as drop-ins to provide more informal and discreet support. A need was identified to spot the signs of mental health earlier. Many of the young people don't understand terms like 'CAMHs,' they just know what they are feeling. Mental health services are seen as very formal and helping people too late down the road. The young people wished for more focus on wider wellbeing, peer support and relatability from staff.

Council staff noted that we are already do much from the public health approach, with prevention, upstreaming and partnership working. Experts underlined how critical ACE awareness across our prevention services is. Improving data sharing specifically with A&E and LAS would enable us to pick up and intervene earlier. Formal mental health pathways were seen as very complex and with high thresholds. A representative of the Southwark Anti-violence Unit's bespoke forensic mental health practitioner(TOGETHER) spoke about how to navigate this and take a trauma informed approach.

“There is stigma about mental health in all communities.”

Deji, Southwark Anti-Violence Unit

This panel calls for the preventative public health approach to tackle serious youth violence

The public health approach to serious youth violence was pointed to by experts who presented to the panel a best practise evidence based approach for tackling the root causes of serious youth violence. Members of the Mayor's Violence Reduction Unit discussed its structure and process of formation. They spoke of being eager to work with Southwark and the council's Public Health Team gave evidence about their work.

“The public health approach is a framework: all this is preventative”

Kirsten Watters, Consultant in Public Health

Recommendations

- ✓ The council to work in partnership to raise awareness of mental health & wellbeing with young people, including the perceived stigma attached to this and how that affects their vulnerability to violence.
- ✓ The panel recognises the link between poor mental health and serious youth violence. We support Southwark Council and its partners on the Health and Wellbeing Board's pledge to treat 100% of children diagnosed with mental health conditions by 2022.
- ✓ Southwark Council should work with partners to produce a framework for action that has at its centre the public health approach to violence prevention. This work should be led by the Community Safety & Partnership Team working closely with the Public Health Team. The framework should include the following elements:
 - Co-ordination between all relevant agencies (statutory and voluntary);
 - Evidence-based enforcement and disruption activities;
 - Preventative work addressing the circumstances that lead people to offend;
 - Work with communities to deliver local solutions to local issues and good quality interventions for those who have offended;
 - Initiatives that reduce the drivers for youth violence, including addressing the demand for drugs;

- Preventative work in schools and the wider community that safeguards and builds the resilience of communities and young people in particular.

Role Models and Parents/Carers

The panel calls for better support for parents, carers and the wider community to increase capacity to support children to resist a lifestyle of violence.

Role models and parents/carers are vital for protecting children from serious youth violence. Those who gave evidence spoke of the need for better access support especially from those who have similar lived experience. To be a positive role model to young people, people need to not just be relatable but also consistent and deliver what they say they are doing.

Southwark has many inspiring young people with so many positive stories about the good things they are doing. Cleese Buck spoke powerfully of how family is important, but we must recognise that this means different things to different people. The council needs to be aware that culture has an impact on one's response to events and therefore support needs to be tailored to the individual. Young people identified peer-to-peer as a powerful tool of support, as well as involving young people in designing support for parents and carers.

Recommendations

- ✓ Support parents and the wider community to develop the capacity and skills to support their children to resist pressure to becoming involved in knife crime and serious violence.
- ✓ Promote raising young people's aspirations through signposting to mentoring schemes and through the use of trusted role models for both males and females at risk of youth violence.
- ✓ The council should consult with young people on the best way to recognise and reward young people within the borough for excellence building on the success of the Positive Futures Fund.

Police and Criminal Justice

This panel calls on the police to be open and transparent with the Southwark community.

There is a significant lack of trust between the police and many young people in Southwark. Community members and police alike gave evidence that this could be improved through more community level policing and relationship building. In

particular, stop and search was raised as a cause of friction with many perceiving it as unfairly targeting young BAME people. Another issue identified was a lack of diversity within the police and of understanding the communities they have dealings with.

The police and community members spoke of the value of community policing and having a strong partnership between schools, Southwark council and police. Police budget cuts were identified as a contributing factor to serious youth violence. Serious youth violence is a London-wide issue requiring solutions to be found in partnership with MOPAC and the Greater London Authority.

“A lot of my friends distrust and fear the police. People don’t know about stop and search; they feel they are being targeted and racially profiled.”

Joy, SGTO Youth Forum

Recommendations

- ✓ Southwark Council should lobby the government on more funding for community policing.
- ✓ Southwark Council will actively engage with the Mayor’s Office for Policing and Crime (MOPAC) and support our young people to take part in the development of the Violence Reduction Unit (VRU).
- ✓ Southwark Council should hold the police to account for improving relationships with young people and the community to build trust and confidence. This should include increasing diversity in the police as well as being open and transparent in respect of monitoring stop and search the management of community tensions.

Youth and Community Services

This panel calls for young people and the community to be at the heart of tackling serious youth violence.

The panel was inspired and impressed by the young people who gave evidence about their personal experiences of serious violence. Young people's voices must be heard in any violence reduction strategy and within the commissioning of all youth services in Southwark. The panel discussed the challenge of joining up activities across the borough and raising awareness of what is available. For this reason the panel agreed that there needs to be a refresh of the directory of youth provision. Serious youth violence is also linked to child sexual exploitation (CSE).

Community groups identified short term funding as a challenge to sustainability across the sectors as well as access to buildings which the council charges for. They requested that TRA halls become more accessible and their resources more open to local people.

“We need to show young people their options”

Jay (Jamal) Jones, YouthInk

This panel calls on the community to work with Southwark Council to support young people and help them thrive.

Southwark has a strong community spirit with untapped potential to support early intervention and address youth violence. The council Positive Future's Fund will support community organisations to provide inspiring opportunities for young people that divert them away from crime. There are a range of TRA and community resources that are underused and where young people's needs are underrepresented. The panel clearly heard that every death vibrates through our communities with many feeling the impact of the trauma caused and with many having the desire to support the community around them to prevent these deaths.

“I want to talk to someone living the same life as me and who won’t judge me”

Sharon Carty, Parent

Recommendations

- ✓ The council should work with young people to redesign its youth provision to ensure that it is fit for purpose and helps give young people the best chance in life.
- ✓ Southwark Council should work with the community, faith groups, the voluntary sector, parents and Tenants & Residents Associations, (TRAs) to build resilience and address the trauma of serious youth violence through an all community trauma informed approach. As part of this, Southwark Council should re-examine its victim support/ support offer for parents and carers.
- ✓ Community led organisations and TRAs should be supported to make their resources and halls available for young people/services targeted at young people to use. TRAs should be encouraged to take into account the diversity of their residents and seek to include young people in their activities.
- ✓ Southwark Council to use all commissioning frameworks to consider how they can contribute to addressing youth violence and to specifically rethink alternative education provision and how our resources are used to support young people, parents and carers.

Appendix

EVIDENCE SESSIONS: SUMMARIES AND KEY ISSUES

The Southwark Serious Youth Violence Panel held six meetings between December 2019 and April 2019 to gather evidence from a range of stakeholders in the borough to understand the impact of Serious Youth Violence on residents, businesses, public services, community groups and others. A list of the evidence sessions is detailed below.

Session one: Understanding the Southwark Landscape

13th December 2018

The panel took evidence from the following individuals:

- Alasdair Smith, Director of Children & Families
- Simon Messinger, Detective Chief Superintendent - Southwark Police Borough Commander.
- Helen Lyons, Detective Superintendent, Southwark Police
- Kirsten Watters, Public Health
- Nina Dohel, Director of Education
- Lisa Dalton, Community Representative
- Stephen Douglass, Director of Communities

The first session gave the panel an overview of Southwark's current serious youth violence challenges and services, including speeches from the two young people who then joined the panel, Taylor Price and Abi Ikeola.

Kirsten Watters from Southwark Council's Public Health Department explained the Public Health Approach as a preventative trauma focused approach. Stephen Douglass (Director of Communities, Southwark Council) explained the Safeguarding Partnership's current knife crime and serious violence actions and the council's leadership role, and also referred to the link between serious violence and drugs and gangs in the borough. Alasdair Smith (Children's & Families, Southwark Council) set the scene with a case study of a 16 year old boy who lost his life to knife along with the recommendations which were implemented based on the learning of this case across the partnership.

Simon Messinger and Helen Lyons (Police) explained the role of the police as a partner of the council in preventing serious violence. Nina Dohel (Education Southwark Council) explained the complex educational picture in Southwark while Lisa Dalton (Secretary of Manor Estate TRA) gave a community perspective about the youth groups her organisation runs and how young people need to be supported by their communities

Session two: Early Years and Education

23rd January 2019

The panel took evidence from the following individuals:

- Geethika Jayatilaka, CEO, Chance UK
- Nina Dohel, Director of Education
- Jenny Brennan, Assistant Director of Family Early Help & Youth Justice
- Nicola Noble, Head Teacher. Surrey Square Primary School
- PC Marcus Kudliskis, Safer Schools Officer
- T Morgan, young person
- C Buck, young person
- T Ajose, young person

Nina Dohel (Education, Southwark Council) explained fragmentation of the current school landscape means that councils are responsible for some aspects of the school system but don't have control over all education matters or institutions.

Geethika Jayatilaka, (Chance UK) spoke about the need to deal with trauma and how exclusion is the beginning of a slippery slope. She emphasised how effective mentoring and support within schools can be. Jenny Brennan (Children's Services, Southwark Council) presented on the role of children's services to prevent serious youth violence by addressing childhood trauma.

Nicola Noble (Headteacher at Surrey Square Primary School) discussed the need for knife crime awareness in primary schools. PC Kudliskis explained the role of school officers in building trust between the police and young people. Tajo Morgan spoke about his experience at school with learning difficulties. The panel discussed the impact of exclusions and flaws in the SILS system.

Key issues:

- The fragmented schools landscape
- The need for increased awareness and support within schools
- The clear link between school exclusions and vulnerability to youth violence as well as problems in alternative provision.

Session three: Mental Health and a Public Health Approach

12th February 2019

The panel took evidence from the following individuals:

- Councillor Jasmine Ali, Cabinet Member for Children, Schools and Adult Care
- A Jeffs, young person

- M Chowdhry, Youth Ink
- R Miah, Peer Navigator
- J Jones, Peer Navigator
- J Sahrkah, Peer Navigator
- Deji and Fabio, Southwark Anti-Violence Unit
- Kirsten Watters, Consultant in Public Health
- Rushi Singh, Mayor's Office for Policing and Crime (MOPAC), Mobilisation Lead for the Mayor's Violence Reduction Unit

Mifta Choudhury introduced YouthInk and the young people shared their experiences of offending with a knife and accessing mental health services and the stresses they experience. Mifta urged more activities for young people to divert them from gangs.

Cllr Jasmine Ali and Genette Laws (Commissioning, Southwark Council) presented on the CAMHs review and Southwark's progress towards the 100% target for children with mental ill health. Deji and Fabio (Together for Mental Wellbeing) spoke on the work of SAVU and how they provide support for individuals aged 16 to 25 at risk from gang related activity or serious violence. They discussed the interventions they offer in areas including education and training, substance misuse, finance and health.

Kirsten Watters (Public Health, Southwark Council) explained the public health approach and issues regarding its application in Southwark. She explained that Southwark is exploring how to apply the learning from the Glasgow model here. A statement was read from MOPAC on its progress in setting up the Violence Reduction Unit

Key Issues

- The increasing stress and pressures young people are under.
- The commitment of Southwark Council to achieve the 100% target for treating children with mental ill health.
- The importance of activities for young people to support positive mental wellbeing.

Session four: Role Models and Parents/Carers

6th March 2019

The panel took evidence from the following individuals:

- Grace Idowu, parent
- Sharon Carty, parent
- C Bucks, young person
- J Fraser, young person

- Andrew Hillas, Head of Southwark Youth Offending Service
- Amanda Singh, Youth Offending Service Parents Groups
- Sayce Holmes- Lewis – Mentivity (Mentoring Youth Through Positive Activities, Sports and Education)

Grace Idowu and Sharon Carly shared their experiences of losing a child/having a child involved in knife crime and the support they received. They spoke of their trauma in the aftermath and how they have been community advocates on serious violence since. They shared their thoughts about how support for parents in their situation could be improved.

The panel discussed a need for increased community awareness and support. Cleese Buck and J Fraser shared their lived experience of knife crime and their lack of trust in police. Sayce Holmes explained Mentivity and their alternative education model emphasising the importance of positive role models.

Key issues

- The importance and value of role models
- The need for increased community awareness and support
- The lack of trust in police/authorities in some sections of the community
- The desire for more universal youth activities

Session five: Criminal Justice and Police

4th April 2019

The panel took evidence from the following individuals:

- Kapree, Joy and Hope, SGTO Youth Forum
- Julian Wright, SAVU
- Helen Lyons Detective Superintendent, Southwark Police
- Steve Bending (MOPAC)
- Don McKerrow JP, Chair of the South London (London Justice Area) Youth panel
- Toks Adesuyan, Senior District Crown Prosecutor, Advocacy & Youth Lead

Steve Bending (MOPAC) answered questions on the new Violence Reduction Unit and its proposed structure. Joy and Kapree (SGTO Youth Forum) discussed their own experiences with the police and that of the young people they work with. They talked about mistrust and negative stop and search experiences. Superintendent Helen Lyons discussed how the police are trying to work with communities and the issues around the Stop and Search policy.

Don McKerrow (Magistrate) and Toks Adesuyan (Crown Prosecutor) gave evidence on the youth justice system and how youth conditional disposals work as well as how sentencing should be used to support young people down a better path.

Key issues

- The relationship between the police and the community
- The work MOPAC is currently doing on violence reduction
- The sentencing of youth offenders

Session six: Youth and community services

23rd April 2019

- Lawrence Laryea, Active Communities
- Oli Rahman, Active Communities
- Aileen Cahill, Head of Culture, Environment & Leisure Department
- Tina Thorley, Youth Operations and Commissioning Manager
- Chloe Newman, Southwark Young Advisers
- Paul Rymer, CEO, Community Southwark
- Anthony Aina, Penifcent

Chloe Newman explained the role of young advisors and three young advisors present shared their stories and talked about their work. Oli Rahman, Active Communities talked about his organisation's struggles to find space and asked that TRAs opened up more.

Aileen Cahill, (Head of Culture, Environment & Leisure Southwark Council) explained the Youth services in Southwark. Cara Jones, (Southwark Information Advice and Support Manager) explained how her team works with vulnerable groups (disabilities, care leavers and youth offenders) reaching 9000 families. Paul Rymer, (CEO, Community Southwark) discussed supporting small organisations through the commissioning process and asked Southwark Council to improve their communications with the community.

The panel discussed the potential of the upcoming Positive Futures Fund to support young people's involvement in the local community.

Key issues

- The need for young people to be involved in youth services
- The trouble the community have with understanding how services are commissioned
- The potential of the Positive Futures Fund

Item No. 23.	Classification: Open	Date: 16 July 2019	Meeting Name: Cabinet
Report title:		The Old Vic Annex	
Wards or groups affected:		All wards	
Cabinet Member:		Councillor Rebecca Lury, Deputy Leader and Cabinet Member for Culture, Leisure, Equalities and Communities	

FOREWORD - COUNCILLOR REBECCA LURY, DEPUTY LEADER AND CABINET MEMBER FOR CULTURE, LEISURE, EQUALITIES AND COMMUNITIES

Culture is at the heart of everything that we do in Southwark; in the last year we have hosted nearly 1500 cultural celebrations, engaging 500,000 residents from Southwark and beyond.

It was only a few months ago that we formally signed off on our plans to ensure that every primary school child has a trip to theatre every year, and it is hugely exciting to be able to enter this partnership with a world-renowned theatre.

The Old Vic already makes a great contribution to Southwark, with 24% of participants in Old Vic outreach programmes being drawn from our Borough. The loan being made to the Old Vic through this report will enable them to achieve their vision to further enhance the educational and cultural space and provide even more opportunities for our residents to engage with them.

From mentoring, to work experience and apprenticeships – the community benefits programme will help us to deliver on our ambitions for our residents, opening the door to new and exciting opportunities. It will also support our priorities around providing youth opportunities, being an age-friendly borough, and enabling primary school theatre visits.

This opportunity to work with the Old Vic demonstrates the outstanding position that Southwark is in, leading the way and further supporting the creative industries to thrive, helping to secure our position as the cultural hub in London.

RECOMMENDATIONS

1. That the Cabinet approves the draft Head of Terms and finance arrangements for the loan of £3,750,000 to enable The Old Vic to expand their footprint to build a new community cultural hub for the theatre called The Annex, to open in 2022 that will provide a permanent home for the community to train, learn, connect and enjoy.
2. That the Cabinet notes the community benefits programme offered by The Old Vic and the anticipated positive impact on Southwark residents.
3. That the Cabinet notes that in recognition of the geography of The Old Vic building and its catchment area The Old Vic are in parallel discussions with Lambeth Council about a similar arrangement due to the associated social value.

4. That the Cabinet notes that to protect and oversee the Council's financial investment in the Annex, Southwark will seek a nomination to the Old Vic Board of Trustees. The Council has nominated the Cabinet Member for Culture, Leisure, Equalities and Communities. The nomination will be reviewed on an annual basis.
5. That the Cabinet delegates to the Strategic Director of Finance and Governance in consultation with the Cabinet Member for Finance, Performance and Brexit and the Cabinet Member for Culture, Leisure and Communities powers to negotiate and agree the final terms relating to the financial arrangements.

BACKGROUND INFORMATION

6. The Old Vic, a registered charity, is a Grade II* listed, 1,000-seat, not-for-profit producing theatre, located on The Cut, opening in 1818 as the Royal Coburg Theatre and renamed in 1833 the Royal Victoria Theatre. The theatre that began life as a music hall and an opera house went on to become the home of great acting, dance, musical extravaganzas, vaudeville and spectacle. Many of our great actors have appeared here, including Laurence Olivier, Sybil Thorndike, John Gielgud and Ralph Richardson. Others, like Judi Dench, Michael Gambon and Maggie Smith, first made their names here.
7. The theatre is now under the stewardship of Olivier and Tony Award-winning theatre and film director Matthew Warchus (selected credits include: Matilda, A Christmas Carol, Groundhog Day, Art, PRIDE). Following its bicentenary in 2018, the theatre is on a new adventure: to make it a sustainable artistic powerhouse and an indispensable part of the nation's theatre for the next 200 years.
8. To achieve this, the theatre has embarked on a £21million transformational programme of investment. This involves the restoration and renewal of the historic theatre building, and the creation of a new annex to transform the audience experience, educate and inspire the next generation and unlock new audiences. This bold plan will secure The Old Vic's future as an independent theatre with a social mission for the next generation to enjoy.
9. Southwark Council has been a supporter of The Old Vic for many years, funding two paid annual resident internships and making a £500,000 donation to The Old Vic Endowment Fund in 2015. £100,000 of this paid for an immediate, significant employability project (Stage Business and INSPIRE), and the remainder was placed in a permanent fund which generates approximately £12,000 of income annually that contributes to the education and community provision in Southwark by The Old Vic.
10. As a result of Southwark's endowment and internship funding and an additional £111,000 of funding which The Old Vic raises itself each year to carry out projects in Southwark. Southwark residents, schools and community groups are represented across 100% of all their outreach projects and are given priority place on all. Out of 4,927 direct participants in 2018/19 1,178 or 24% live in Southwark. This is the largest single beneficiary group of any borough with whom they work.
11. Across the year they engage with 31 Southwark schools, primary and secondary,

as part of their outreach programmes and also support them through access to free professional rehearsal space for drama exams and school performances.

12. The Old Vic has shown leadership in enshrining the organisation's values and workplace culture to help reassure people they have a voice. As part of this they have created a Guardian scheme. The Old Vic Guardians are a group of trained staff who offer a confidential outlet for colleagues to share concerns about behaviour or the culture at work. Additionally the Guardians Network has been formed to bring together the group of organisations from all sectors (not just the arts) who have implemented the principles of a Guardian Programme. Currently with over forty organisations, the network is designed to help them go further in their commitment to creating a safe and secure working environment for all.
13. The Old Vic is a London Living Wage employer and follows union rates. Where its rates of pay differ from LLW, this is in accord with union guidance, with whom The Old Vic work in partnership to ensure that all staff are paid appropriately.
14. The Old Vic's bi-centennial investment plan has two phases.
 - Phase one upgraded the façade of the building including the restoration of the Emma Cons plaque in October 2017, renewal of all external signage and replaced the front doors to enhance accessibility and security in line with MET recommendations. The remainder of this phase will see the development of a new entrance on Waterloo Road with a platform lift allowing disabled access to the basement café-bar for the first time. Wheelchair spaces in the auditorium will increase from the current two, to up to 10. It also provides much needed extra female toilets by doubling the number of cubicles available. A technical upgrade of the auditorium and a restoration of the roof will follow.
 - Phase 2 will be the development of a whole new wing on the adjacent site to The Old Vic which will create a dedicated education studio inside the theatre to transform the opportunities and creative experience that can be offered to young people and the local community, together with a new cafe-workspace to bring a contemporary dimension to the historic theatre.
15. The Annex, a newly built community hub, will present The Old Vic the opportunity to deepen, expand and evolve its community cultural offer and pioneering work in arts education, talent, skills and training. The hub will be a purpose built, civic resource from which to run community programmes in perpetuity, further enhancing the cultural capital of the borough, enhancing the lives of our residents today and the prospects of their children tomorrow.
16. The proposal will enable The Old Vic to construct an Annex to provide educational and cultural space at the rear of their existing building. The building will be a brand-new Annex to the Grade II* main theatre building. It will have its own entrance but also be integrated with the existing historic theatre through the back of house areas of the theatre. The Annex will consist of four key areas; the third floor Clore Learning Centre that will enable the expansion and creation of new education and community programmes with integrated education offices and a library of play texts, the second floor education & meeting pod, the basement, ground & first floor café – workspace and the third floor rehearsal room and studio.

17. The Old Vic purchased the freehold of the building, situated on Waterloo Road, in 2013 with the long-term vision to redevelop the site to create a community hub with an education and learning space. The building is currently on a flexible short-term lease to a pop-up restaurant. The Old Vic has already had planning permission granted in April 2013 by Lambeth Council for a more ambitious scheme. Planning for the new scheme will be sought in early 2020 once the design stage has been funded and completed.

KEY ISSUES FOR CONSIDERATION

18. The proposal will enable The Old Vic to construct an Annex to provide educational and cultural space at the rear of their existing building. The £11.5m project will expand the total area of The Old Vic by 15%. The £11.5m costs will be funded from the £7.5m loan from the two Boroughs, subject to Lambeth's decision making process being completed and income from external fundraising after the acquisition costs of the site that have been incurred. Planning for the new scheme will be sought in early 2020 once the design stage has been funded and completed, to enable completion and a fully operational new space by the end of 2022.
19. The Old Vic is a significant undertaking with annual income of around £14m arising from box office income, front of house spend and external fundraising. The Annex is not scheduled to make a profit until its third year of operation. The Old Vic is not a National Portfolio Organisation of Arts Council England and therefore is not able to apply for lottery funding. A commercial loan, even if available, would be at a high rate of interest given the covenant of The Old Vic and the repayments would not be affordable.

Positive community impact

20. The Old Vic's social mission is to give access to theatre to as broad a group of young people and community members as possible, not just through attending a production but giving them insight into the creative process and life of a working theatre.
21. In theatre there are many more people working off stage than on. Opening access to the variety of careers available to Southwark residents is of vital importance if we are to demystify the perception that you can only work in a theatre if you enjoy performing on stage. The next generation of school leavers need to understand this more than most.
22. There are now more than two million jobs in the creative industries, accounting for one in eleven jobs across the UK. This is 700,000 more people than in the financial services¹ — and it is one of the fastest growing parts of the UK economy.
23. We need to raise awareness of the variety of roles that exist and equip school-leavers for them. More broadly than that, we know that participating in theatre offers a range of soft skills (communication, resilience, confidence, creative imagination, empathy) that are additive no matter what sector you ultimately work in as well as to your home life and personal growth. Given that 85% of

¹ Creative Industries Federation, <https://www.creativeindustriesfederation.com/statistics>

available job types in 2030 don't exist yet², offering training in these soft skills will equip Southwark's young people for any eventuality in the workplace and life in general.

24. Working with The Old Vic to deliver The Annex will allow the theatre to deliver training and widen access to 10,000 more young people and community members a year. The Annex will provide the space to open access to the range of opportunities that are available, from finance to marketing to technical support and administration, and offer training and employment routes in for those who need it most. It will enable The Old Vic to develop strong and long-lasting relationships with the local Southwark community participants through having a permanent base in which they can engage. It will allow them to create more projects that can travel across the borough and activate partnerships with smaller cultural and community organisations, broadening access to world class theatre, training and skill development. Overall, it will embed their work in the broader work Southwark carries out as a centre for creative business innovation, as a pioneer in culture, health and wellbeing, and as a place to nurture and grow your creative skills and talents.
25. The Old Vic plans to deliver a series of new and expanded projects in and out of their new space for the principal benefit of Southwark residents and school children in response to local need and supporting the delivery of the council strategic priorities.

KEY ISSUES FOR CONSIDERATION

Community benefits programme

26. The council have worked with The Old Vic to develop a substantial community benefit programme that responds to the council priorities and Fairer Future Promises. This programme also supports the delivery Creative Southwark, the council's cultural strategy. As part of the loan partnership, The Old Vic will deliver of each of the projects set out below. If the council's priorities change over the period of the ten year loan payment or the needs of the community the projects can alter in response. The Old Vic will seek to deliver the following projects:

Creative economy - new programmes

27. Drop-in skills & training sessions and mentoring: In furtherance of our shared objective to develop cultural skills and more generally employability each month The Old Vic will open the doors of The Annex to local residents, offering regular drop-in after school skills and development training. This training will be delivered through theatre-based workshops that support social mobility and build on five core employability skills: communication, self-management, self- belief, teamwork and problem solving. This project is Annex dependent.
28. Attendees at the drop-in sessions can also apply to The Old Vic for a mentor, who will give them six half hour sessions of mentoring with a member of The Old Vic existing staff and freelancing team, corporate or individual supporters, suppliers, or audience members. 15 mentoring opportunities will be ring-fenced for Southwark residents. A dedicated youth worker will access hard to reach

² Realizing 2030: A Divided Vision of the Future, Dell Technologies, p.3, <https://www.delltechnologies.com/content/dam/delltechnologies/assets/perspectives/2030/pdf/Realizing-2030-A-Divided-Vision-of-the-Future-Summary.pdf>

groups, excluded students engaging with colleges, estates and community groups. This project is Annex dependent.

29. Work experience weeks at The Old Vic: Each year The Old Vic will offer two periods of a week's work experience for up to nine Southwark participants each week, aged 16 to 18 years old, in an Old Vic Takeover (30 participants in total). No area of the theatre will be out of bounds – the idea is to showcase the variety of roles available within a working theatre that exist off-stage. During their week, participants will work directly with key departments within the front and back of house of the theatre, gaining insight and developing skills in specific areas of work. The Annex will enable The Old Vic to run an enhanced 'bespoke for Southwark' version of the project, enabling participants to engage in a more practical experience utilising the Annex space and equipment.
30. Apprenticeships: A new apprentice scheme will be introduced focusing across technical, creative, facilitator, operations and events areas. The Old Vic would be interested in partnering with other cultural organisations across the borough to offer participants a broader learning experience. The Old Vic would be interested in partnering with other cultural organisations across the borough to offer participants a broader learning experience.

Creative economy – expanded existing programmes

31. Front Line: Giving 16 to 25 year olds the opportunity to discover more about careers in theatre and develop key transferable skills through paid placements with the Front of House team. Participants watch a production, shadow various members of staff and take on important roles welcoming patrons to the theatre. There is also a CV workshop to explore the skills they have developed and to reflect on the scheme.
32. Front Line Facilitators: This highly successful creative practitioner programme is for young people aged 18+, offering advanced hands-on experience in creative facilitation and the chance to develop key transferable skills.
33. Take the Lead: Working with up to 1,000 16 to 18 year olds per year, offering high quality theatre based workshops that will support social mobility and build on five core employability skills: communication, self-management, self-belief, teamwork and problem solving. These skills can be immediately transferred to interviews, future jobs and further education, and are also key to building a theatrical company and staging a production. Workshops explore these skills through the framework of creating a production, drawing on The Old Vic's extensive experience as a theatrical institution.
34. Southwark Internship: Each year The Old Vic will continue to offer up to two paid internship opportunities across a variety of projects. 55% of past participants have been employed by The Old Vic on completion of their internship.
35. The Old Vic 12 - An opportunity for Southwark residents to apply to join eleven other exciting theatre artists to explore their creative potential and take the next step in their careers through a year-long attachment with The Old Vic. Participants expand their networks, receive first class mentorship, deliver masterclasses to other emerging artists and collaborate with each other to create three brand new pieces of work.

36. [Connect at The Old Vic](#) - Connect brings together The Old Vic programme and production alumni, inviting them back for ongoing artist development, £10 tickets to shows, access to bespoke panel talks, debates and creative insights, new work development and collaborative platforms. This scheme is open to Southwark residents.

Creative growth – new programmes

37. Partnership space: A huge barrier to making connections is the lack of space through which to do it. The Annex will have protected time on the two floors of café/workspace where local groups can come and use the space for a free or discounted rate, including: local schools performing GCSE and A-level exam pieces; project alumni rehearsal space; community activity groups. They will offer priority hires to groups from Southwark and Lambeth.
38. The Annex will provide a publically accessible café for more informal work and meetings, a free-to-access play library for students and regular patrons to use, and ad hoc cabaret performances for emerging performers.
39. The Old Vic will look to partner with local organisations such as Theatre Peckham, Mountview Academy, London Bubble and Blue Elephant Theatre on a commercial basis for the use of their rehearsal and development space.

Creative people – new programmes

40. 2,000 free tickets each year towards the Primary School in to Theatre programme, accounting for 10% of the pledge that Southwark has made. Visits will be accompanied by resource packs which include exclusive interviews, photographs, and production insights and follow up activities for the classroom.
41. Additionally, there may be times during the year when other age-appropriate productions have unsold capacity within the auditorium (this could include adult productions e.g. Shakespeare or other syllabus productions which would appeal to secondary school pupils). In these instances, a 'Southwark Family' offer will be made available to all schools within Southwark on a first come, first served basis to give access to free tickets.
42. Touring community performances: Providing a free, accessible and unthreatening first experience of theatre, The Old Vic would produce an annual two-week tour of Southwark, rehearsing in the Annex and visiting up to two venues per day totalling twenty shows. Welcoming the immediate local community venues might include cultural centres, libraries, TRA halls, youth centres, a park, a local event or hospital ward. A further two performances will take place in The Annex so the space is regularly opened-up to those who may walk past every day, and need to feel encouraged to come in and connect with us and each other. This project is Annex dependent.
43. Free Christmas Community Concerts: Each December, The Old Vic will bring together older people and young performers from Southwark through a series of free intergenerational Christmas Concerts by residents, for residents. Connecting to the council's loneliness strategy, twelve schools will be matched with local care homes to take part in joint rehearsals in their schools and care homes led by an Old Vic music director, before performing live at The Old Vic in front of an invited community audience. Residents young and old will have the chance to meet, connect and enjoy a shared experience and improve their

mental health and wellbeing. It has been found that singing in a group makes people feel closer to others. The Annex will enable The Old Vic to expand this intergenerational project making it more regular, sustainable and impactful in reducing isolation and loneliness issues.

44. New Old Vic Community Choirs: In the new community hub The Old Vic will provide a home for two singing groups, one daytime and one evening for participants aged 16+ referred by GPs, Guy's and Thomas' NHS Foundation Trust outpatients, social workers and local charities who work with those who would benefit most. Using this social prescribing methodology, the programme aligns with the thinking around the council's emerging culture, health and wellbeing programme. Classes will run weekly each term in ten-week blocks with a sharing at the end of each term and an annual voluntary concert each year in July. There will be no auditions to join, and no one will be rejected from this group. The choirs will be relaxed, inclusive and fun. This project is Annex dependent. Community Drop-in Sessions - Bi-monthly drop in sessions will use theatre to facilitate conversation and debate whilst giving participants an opportunity to meet new people and a space to discuss important social issues. This project is Annex dependent.
45. Adult Learning programme: Termly classes for adults offered at a subsidised community rates, including playwriting, storytelling and technical skills. Potential partners include Morley College, Blue Elephant Theatre, Theatre Peckham and Mountview Academy.

Creative people – expanded existing programmes

46. Southwark Presents: The Old Vic will continue to offer all year-round discounts and special access to Southwark residents alongside access to The Old Vic's PwC £10 tickets available for 500 people a night for the first five performances of every show.
47. Schools Club: Providing bespoke workshops, theatre tickets, backstage tours and diverse educational resources for staff and students. Supporting the curriculum, The Old Vic will work with more Southwark schools and students especially those with poor arts provision.
48. Summer School: Free workshops for up to two local people with industry professionals in July. The programme is for people aged 16 to 25 from any backgrounds who want to learn new skills and gain confidence, as well as find out about a career in theatre.
49. Curtain Up: Offers community groups, in Southwark and London, the opportunity to see a main stage show and take part in a pre-show workshop. The pre-show workshop introduces participants to the story and themes of the production and is designed to increase confidence, creativity and well-being through drama.
50. Matinee Idols: For people aged 60+: Open to anyone aged 60+, the scheme is free to join and includes ticket discounts for matinee performances, pre-show events and an opportunity to socialise, meet new people and learn more about The Old Vic. Currently 200 people benefit from the scheme. With the new community hub, this can increase the number of benefits for the current participants and inspire more Southwark residents to join as a result.

Value of a community benefits programme

51. The value of the community benefits programme, both new and existing programmes is demonstrated below.

New project	Value
2,000 tickets for the Primary schools in to theatre programme	24,000
Touring community performances	40,000
Free Christmas community concerts	10,000
New Old Vic community choirs	10,000
Monthly drop-in skills & training sessions and mentoring	6,500
Work experience weeks	4,000
Adult learning programme	10,000
Community drop-In sessions	15,000
Partnership space	10,000
Apprenticeships	24,000
Total	153,500
Existing project	Current Cost
Front Line	4,569
Front Line Facilitators	923
Take the Lead	10,000
Southwark Presents	10,000
Schools Club	8,750
Southwark internships	21,375
Summer School	2,000
Curtain Up	1,300
Matinee Idols	2,000
The Old Vic 12	9,600
Connect at The Old Vic	4,000
Total	74,517
Minus £12k endowment funding and £21k internship funding	32,000
	42,517
Total value per annum	196,017
Total over ten years loan period	1,960,170

Additional new projects

52. The new community hub in the Annex will also allow The Old Vic to develop the following additional projects that are available to all Southwark residents:
53. New crime reduction programme: In partnership with Mayors Violence Reduction Unit (VRU) The Old Vic are looking to pilot a scheme that takes a public health approach and targets young people in the danger zone hours between 4pm to 6pm. The community hub will provide a dedicated building from which to deliver projects to tackle violence and its root causes.
54. ZooNation Academy of Dance: The Old Vic is in discussion with ZooNation to be

the newest and only South London location for ZooNation's Academy of Dance (ZAD) Saturday morning workshops. ZAD brings together young people of all ages 4 to 21 years old, of all abilities, and backgrounds to build relationships and develop skills through a shared passion for dance and music. Over 250 students are based at ZAD's Hammersmith and Islington locations. The Annex will bring this amazing hip-hop dance company to South London for the first time for Southwark residents to enjoy.

55. The School for Wise Children summer workshops: The Old Vic is in discussion with Wise Children to deliver holiday workshops for 16+, alternative, ensemble theatre makers. Wise Children's current unique three-week courses offer an intensive grounding in the skills needed to create and perform as an ensemble — and to make theatre magic. The current model Wise Children run is that 50% of places are available for free.
56. Studio performances: The community hub Studio will host a four to six-week studio theatre season. The Studio would generally house work from emerging talent (short, new work, lo-fi fringe or festival style offer), for family programming, music and comedy try-outs, readings, One Voice monologues, and Voices Off talks, debates and conversations.

Measuring success

57. The Old Vic routinely undertakes a robust evaluation process for all of its programmes, and it will be no different for the new programmes outlined above; drawing together quantitative and qualitative data and ensuring that all learning feeds into the future success of projects.
58. Monitored by the council's culture and events team key performance indicators will reflect the outcomes of the cultural strategy and associated programmes such as Primary Schools into Theatre programme and culture, health and wellbeing programme. Details monitoring and evaluation programme will be developed and will include:
 - The participants' assessment of how they have grown in confidence, the skills they have developed, attainment in other subjects, improvements in wellbeing, enjoyment of the project, and progress with independent projects.
 - The opportunities that open-up as result of taking part in an Old Vic project, whether that's employment at The Old Vic or elsewhere, increased awareness of the jobs available in theatre, inspiring a love of theatre, seeking out further opportunities or achieving personal goals.
 - Diversity of participants (age, gender, social-economic background, race and ability).

Policy implications

59. The project directly delivers a number of themes and objectives set out in the councils' fairer future plan and cultural strategy. The community cultural hub will continue to revitalise the borough especially the neighbourhoods of North Southwark, and provide a new community hub in the heart of the cultural quarter. The project will also help give residents the best start in life through direct access

to a world class theatre productions with a dedicated community programme. The proposal will also promote new opportunities for health & wellbeing, education, employment training and talent development in the new building.

60. The project will directly deliver objectives and policies set out in national planning guidance, the London Plan and the New Southwark Plan, including social regeneration to revitalise neighbourhoods, create the best start in life, and have healthy active lives.

Community impact statement

61. The new community cultural hub will create a valuable new facility for Southwark, with a range of opportunities for the local community to access training, an outreach programme across Southwark, and local employment opportunities in the new building.
62. The new spaces will also be available for the community to hire at discounted rates which will further assist the council perform its public sector equality duty by providing new cultural and community meeting space which can advance the equality of opportunity and foster good relations between those with protected characteristics (e.g. gender, disability) and those without.
63. The Old Vic is committed to a comprehensive policy of equal opportunities for their participants.

Timetable

64. The timetable to practical completion of the build is set out below:

Completion of loan agreement	September 2019
Final RIBA design stages, planning permission ³ , prelims and procurement	September 2019 to August 2020
Drawdown of loan commences	January 2020
Start works on site	September 2020
Practical completion target date	September 2022
Annex fully operational	October to December 2022
Loan repayments commence	2023
Repayment of loan principal and interest complete	2033

Legal implications

65. The loan is for £3,750,000 and for a term of up to 10 years. By way of security the Council, along with London Borough of Lambeth, will have a first charge on the freehold of the Annex as security for the loan. This will grant both Councils security over the Annex on a side by side basis.

66. The loan will be drawn down on an annual basis over 3 years. The purpose of the loan is exclusively to provide money for the works to the Annex. The drawdown will be set out in the loan agreement broadly corresponding with the cash requirements of the development. The drawdown arrangements will be simplified as far as possible to prevent unnecessary bureaucracy, the incentive being on the Old Vic to draw down as late as is possible in order to reduce their costs of debt.
67. There will be a requirement post agreement to secure the community obligations to which the Old Vic will continue to commit to and expand where appropriate.
68. The Old Vic are aware of the Council Fair Futures Procurement Framework and are committed to support this strategy in all aspects of Old Vic activity, including the development of these new facilities.

Financial implications

69. Under a loan agreement, Southwark Council, together with the London Borough of Lambeth, will each loan to the Old Vic Theatre Trust 2000 a sum of £3.75m (total £7.5m) as a contribution towards the cost of construction of the Annex including fees and associated project costs.
70. The loan is for a term of up to ten years at an agreed rate of interest (4.5%), with principal repayment scheduled upon maturity. The arrangement includes a limit on the amount and profile of the funds draw down and includes the option to make principal repayments over the term or repay the loan early, which would have the impact of reducing the overall financing cost to the Old Vic Theatre Trust 2000.
71. The draft Heads of Terms attached in Appendix 1 remain subject to final negotiations to conclude the detailed financial arrangements between the parties.
72. The Old Vic Theatre Trust 2000 will procure all relevant services and works to complete the development. The loan will count as capital expenditure in the council's accounts and be consolidated into the general fund capital programme at the earliest opportunity. Given the extent of commitments on the council's capital programme over the medium term, this may increase the council's underlying need to borrow externally, in which event the repayment arrangements allow for the Council to recover costs for reinvestment in the capital programme.
73. The current forecast spend profile against the capital loan to practical completion is as set out below, although this will remain subject to review in line with the Old Vic's programme of works.

£m	Year
0.750	2019-20
2.350	2020-21
0.650	2021-22

74. The financial position regarding release of funds and borrowing requirements will be reported as part of regular capital monitoring and treasury management reports to Cabinet and Council Assembly.
75. The Old Vic Theatre Trust 2000 is responsible for all legal fees in connection with this arrangement.

Identified Risks

76. The risks associated with this arrangement are set out in the table below.

Risk	Mitigation	Status
Financial: Risk of escalating build costs and building not being completed	<ul style="list-style-type: none"> • The Old Vic has dedicated significant senior resources from executive and trustee level to progress the development. • The Old Vic has a good track record of successfully delivering construction projects. • The Old Vic have appointed professional project managers for the build contract • The Council will take up a place on the capital committee overseeing the contract. 	Med
Financial: The Old Vic Theatre Trust 2000 are unable to pay interest payments, are unable to raise the balance of match funding for the project and/ are unable to fully repay the capital sum	The Old Vic Theatre Trust 2000 has submitted financial projections showing income and loan repayments. The total turnover of the organisation is £14m pa. The Old Vic Theatre Trust 2000 has a good track record of external fundraising as evidenced by the £27m raised between 2015 and 2018. Significant fundraising for the project has already taken place. London Borough of Lambeth are considering a similar loan for agreement this month.	Low

Risk	Mitigation	Status
Planning: The proposals may not secure planning approval	Planning for a more ambitious scheme was granted by LB Lambeth on 2013. LB Lambeth are aware of the revised proposals and it is understood that they are supportive. The majority of the loan drawdown is associated with the construction contract and would therefore not be drawn down if works do not proceed.	Low

Consultation

77. The design of new community cultural hub was consulted upon as part of the approved planning process with Lambeth in 2013; a refreshed application will be made following release of loan funds and final design stages completed during 2019-2020.
78. Consultation and engagement on the charity's fundraising strategy has been linked to the development of the council's cultural strategy and various events have been held in the new space with councillors, officers, and the local community to build awareness about the fundraising campaign.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Democracy

79. The loan must be considered in the context that Old Vic is a non profit making limited company that runs a theatre and the related risks this brings. By way of security for the loan the Council will have a legal charge over the Annex jointly with Lambeth Council. The Annex was purchased by the Old Vic Theatre Trust 2000 in March 2013 for £2,450,000. Security over the Annex is useful while the theatre is operating and solvent and should assist Old Vic to be focused on repayment and ensure co-operation. However if there is an issue with the theatre generally which causes the theatre as a whole not to be viable then the security over the Annex may itself be less viable.
80. The loan must comply with EU State aid rules relating to investments in facilities for the purposes of cultural and artistic education activities. Compliance will require a positive community benefit from the investment and may also require that commercial use of the facility funded by the loan is restricted.
81. So far as the Council's power to grant the loan is concerned, section 1 of the Localism Act 2011 grants a general power of competence which is very broad and allows a local authority to do anything that an individual can do.
82. There are exceptions to this general rule contained within sections 2 and 4 of the Act. Section 2 is not relevant to the circumstances here as it relates to the action not infringing any restrictions contained in other statutory powers whilst section 4

introduces a limitation where the proposal (here the loan) is done for a “commercial purpose” in which case the loan would need to be made through a company. However, “commercial purpose” is interpreted as the authority’s principal motive or dominant purpose being profit –making. Paragraph 14 of the report refers to the ability for the Old Vic to repay before the loan period of 10 years and clearly they will want to do so if the loan is at a higher interest rate than they could obtain elsewhere. Whilst paragraph 29 of the report refers to an initial margin above the cost of the Council borrowing the monies the overall position is assessed as broadly neutral as confirmed in paragraph 32.

Strategic Director of Finance and Governance

83. This report requests approval to the draft Heads of Terms for a loan agreement as set out in Appendix 1.
84. The financial and budgetary implications are set out in the financial implication sections in the main body of the report.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
None		

APPENDICES

No.	Title
Appendix 1	Draft Heads of Terms

AUDIT TRAIL

Cabinet Member	Councillor Rebecca Lury, Deputy Leader and Cabinet Member for Culture, Leisure, Equalities and Communities	
Lead Officer	Rebecca Towers, Director of Leisure	
Report Author	Neil Kirby, Head of Regeneration (South) , Paul Cowell, Culture and Events Manger	
Version	Final	
Dated	8 July 2019	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Director of Law and Democracy	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team		8 July 2019

APPENDIX 1

[26 June] Heads of Terms (Subject to Contract/Cabinet approval)

	Terms
Address	The Old Vic Theatre Trust 2000 ('OV')
Parties	<p>The Mayor and Burgesses of the London Borough of Southwark ("LBS") Property Development Chief Executive's Department 160 Tooley Street London SE1 2QH</p> <p>Contact: Neil Kirby Telephone: 020 7525 1878 Email: Neil.Kirby@southwark.gov.uk</p> <p>AND The Old Vic Theatre Trust 2000 The Cut London SE1 8NB</p> <p>Company no._06753149</p> <p>Contact: Kate Varah Telephone: 020 7981 0911 Email: kate.varah@oldvictheatre.com</p>
LBS Solicitor	<p>Dentons UK & Middle East LLP One Fleet Place London EC4M 7WS</p> <p>Contact: Emma Frost Telephone 020 7320 3833 Email: emma.frost@dentons.com</p>
The Old Vic's Solicitor	<p>Hogan Lovells International LLP Address: Atlantic House Holborn Viaduct, London EC1A 2FG</p> <p>Contact: Philip Brown Telephone: 020 7296 5876 Email: Philip.Brown@hoganlovells.com</p>
Dispositions	<p>LBS to loan to OV part of the monies required for building the Annex up to a maximum of £3.75m. OV to pay interest on the loan over a term of 10 years, with the right but with no obligation to make prepayments of principal of the loan during the term without penalty. Early repayment is permitted without penalty. Early repayment incentive to be agreed.</p> <p>Before the end of the 10 year term LBS and OV agree to discuss in good faith how to enable the OV to finance the repayment.</p> <p>OV to develop out the site shown edged red on the attached plan (the "Annex") as an arts hub together with commercial space. Any material variations to the overall scope of the project will require the consent of LBS.</p> <p>The loan is to facilitate OV to procure pre-construction development activities and to let the construction contract and shall include an obligation on OV to</p>

	Terms
	provide a community offer.
Payment structure	<ol style="list-style-type: none"> 1. Under a loan agreement LBS will loan to OV a sum to reflect a proportion of appropriate building costs to be agreed including development fees and associated costs. 2. The loan will be for a period of 10 years, interest only. OV will require the ability to reduce the principal of the loan by capital payments during the build and thereafter, early repayment will be permitted-terms to be agreed. 3. Loan availability will commence at a date on or after signing of the Loan Agreement when the conditions precedent to drawdown have been satisfied. 4. The loan will be available to draw so an initial amount is available (following compliance with initial CPs) from 1 September 2019 and then (following compliance with construction CPs) during the construction period on a quarterly basis until the date that is 36 months after the first drawdown. 5. The loan is to be used in payment of Annex build cost and associated development and services fees only 6. Interest to be paid annually in arrears from September 2022 onwards. Interest will accrue unpaid prior to that date and will be capitalised in addition to the amount expressed to be available to draw under "Dispositions", above. A fixed interest rate of 4.5% pa will apply to the loan.
VAT	No VAT will be payable in respect of the Loan
Legal Costs	OV will be responsible for their own and the Council's pre-agreed reasonable and proper legal fees in connection with this transaction up to a maximum of £.
Due Diligence	OV will provide LBS with the customary site investigations and archaeological surveys that are carried out in relation to the project for review.
Legal interest	Security to be a first ranking charge on the Annex. LBS to share the security rights pari passu with Lambeth Council.
Insurance	OV to insure.
Specification	OV to fit out.
Timetable	<p>Completion and signing of loan agreement: September 2019</p> <p>Start on site x</p> <p>Completion on site: x</p> <p>Practical completion longstop date: X X</p>
Warranties	Collateral warranties must be transferrable to the lender (LBS) and include architects plans and consent from other contracted professionals to use their plans and specifications.
LDs	Not applicable
Conditions	<p>Agreement and initial drawdowns are subject to:</p> <ol style="list-style-type: none"> 1) LBS approval of Valuation / cost of project / payment structure 2) Any board or committee approvals of each party <p>Drawdowns during the construction phase are subject to:</p> <ol style="list-style-type: none"> 3) A planning and building regulations consent

	Terms
	4) A signed building contract 5) OV to provide confirmation to LBS of how they are taking account of Southwark Council's Fairer Future Procurement Framework 6) OV to identify any other conditionality issues arising out of their agreement with LBS.
Disputes	English law. English courts to have jurisdiction, subject to the below. In the event of a dispute the Parties will first aim for senior dialogue followed by recourse to third party determination by arbitration or mediation.

Signed on behalf of LBS

Name

Position

Date

Signed on behalf of The Old Vic Theatre Trust 2000

Name

Position

Date

Item No. 25.	Classification: Open	Date: 16 July 2019	Meeting Name: Cabinet
Report title:		New Homes Site purchase, SE15	
Ward:		Old Kent Road	
Cabinet Member:		Councillor Leo Pollak, Social Regeneration, Great Estates and New Council Homes	

FOREWORD - COUNCILLOR LEO POLLAK, CABINET MEMBER FOR SOCIAL REGENERATION, GREAT ESTATES AND NEW COUNCIL HOMES

With over 10,000 households waiting for relief from overcrowding and exorbitant housing costs, and still over 2,000 children growing up in temporary accommodation in our borough, the imperative to build high quality new council homes has never been greater. As part of our generational push towards building 11,000 council homes we need to take an assertive stance to acquiring new sites for future council homes projects.

This is why I am really pleased that we are using our resources to expand our land holdings for this purpose at several sites across the borough, including here. The existing proposals for the site give an indication of a significant number of new council homes for local people, and there remains great potential to improve further the range of potential employment uses on the ground floor to help retain the industrial footprint of the Old Kent Rd, as well as elevations that properly engender the pride of place we are striving for in our borough.

It should be always be reiterated that while we should remain purposeful in seeking new council homes development opportunities, we must in parallel continue our campaign for Affordable Land for Affordable Housing. A reform of the 1961 Land Compensation Code that removes the 'hope value' recognised in market valuations of such sites would enable the council to better assemble land, secure infrastructure contributions and build the kinds of genuinely affordable housing that meet the housing needs of our population.

RECOMMENDATIONS

That Cabinet:

1. Authorises, pursuant to s120 of the Local Government Act 1972 and s9 of the Housing Act 1985, the acquisition of the freehold interest in the site identified in the closed version of this report.
2. Authorises the principal purchase terms and negotiating parameters set out in paragraph 14 of the closed version of this report and outlined in paragraph 14 of the open report.
3. Delegates to the director of regeneration in consultation with: the strategic director of housing and modernisation; the strategic director of finance and governance; and, the cabinet member for social regeneration, great estates and new council

homes, authority to agree the final terms of the acquisition provided they are not inconsistent with the principal terms and negotiating parameters and satisfy the council's fiduciary duty.

BACKGROUND INFORMATION

4. From time to time the council becomes aware of land holdings being offered for sale that would be suitable for its needs, but where, for a variety of reasons, the sale timetable does not fit with our reporting processes. In June cabinet agreed the recommendations in a report to deal with a time limited commercial opportunity to buy a site in SE15. This report deals with a similar situation and recommends the same approach to the purchase.
5. An opportunity has arisen where there is a narrow window of opportunity to agree terms to purchase a site that is suitable to be developed to provide new homes. Terms for a purchase have not been finalised, and at this time it would not be to the council's advantage to make public its interest in the land. Waiting to report final terms during the next cabinet cycle is not likely to be the council's commercial advantage.
6. The site is situated within the Old Kent Road Action Area that aspires to transform the area with substantial new housing, an improved public realm, employment opportunities and enhanced transport infrastructure including an extension to the Bakerloo Underground Line.
7. On 28 November 2018 council assembly approved the current Council Plan. This commits the council to build or start on site at least an additional 1,000 homes; so that by 2022 the council will have built or started on site 2,500 new homes.
8. The council does not have sufficient sites to satisfy its ambitious house building target. Purchase of this site would provide an opportunity to make a significant contribution to the delivery of new council homes in line with both the housing strategy and the council plan.

KEY ISSUES FOR CONSIDERATION

9. The version of this report on the closed agenda includes the full address and a site plan, along with the full principal terms and negotiating parameters for a deal to buy the site.
10. The principal recommendation of the report is that authority be delegated to the director of regeneration, in consultation with other senior officers and a cabinet member, to agree the final terms for a purchase – provided these are not inconsistent with the principal terms and within the negotiating parameters approved by Cabinet.
11. Section 120 of the Local Government Act 1972 enables the council to acquire land for any of the council's functions under the Local Government Act or any other enactment, or for the benefit, improvement or development of their area.
12. The acquisition of the site for housing will fulfil the requirements of s120 as the provision of housing is one of the council's functions; in addition the local area will benefit from the new homes and the enhanced environment around the

homes and from the construction jobs created through its development.

13. Section 9 of the Housing Act 1985 provides that a local housing authority may provide housing accommodation by erecting houses or by converting buildings into houses or by acquiring houses. The Housing Act therefore gives the council power to build houses itself on land acquired for that purpose.

Principal purchase terms

14. The principal purchase terms are:
 - a. The site is identified in the closed version of this report.
 - b. The council pays the consideration set out in the closed version of this report.
 - c. The sale is conditional on the vendor providing vacant possession of the site.

Community impact statement

15. The public sector equality duty (PSED) as set out in section 149 of the 2010 Equality Act requires public bodies to have due regard to the need to eliminate unlawful discrimination, harassment and victimisation and to advance equality of opportunity and to foster good relations between people when carrying out their activities.
16. In considering the recommendations herein the cabinet must have due regard to the possible effects on any groups sharing a protected characteristic in order to discharge its PSED. This is an ongoing obligation.
17. If the council completes the purchase of this site it will be cleared and developed to provide new council homes. The homes will improve the quality of life of residents, some of whom may have protected characteristics.

Resource implications

18. Work to negotiate terms for the purchase of land for house building purposes is considered to be part of the normal work load for various officers within the council and will be contained within existing budgets.

Legal implications

19. These are included within the body of the report.

Financial implications

20. The acquisition of the property represents capital expenditure and will form part of the Council's Housing Investment Programme. It will be part funded from retained Right to Buy receipts (30%), with the remaining balance funded from other Housing Investment Programme (HIP) resources, including borrowing where appropriate.
21. There are likely to be holding costs associated with the site whilst it is prepared for development, which will be met from existing budgets.
22. Negotiating the purchase will require support from external specialists and will incur costs but these will be met from existing budgets.

Consultation

23. There have been consultations within the council between officers in housing, finance, regeneration, and legal services.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Strategic Director of housing and Modernisation (H&M 19/041)

24. The site provides the opportunity to build much needed new council housing as part of the programme to deliver 11,000 new council homes by 2043 as well as the opportunity to provide desperately needed temporary accommodation for homeless families for whom the council has a duty to provide interim accommodation.

Director of Law and Democracy

25. As set out in this report the property will be acquired pursuant to s120 of the Local Government Act 1972 which gives the Council power to acquire land by agreement for the purposes of (a) any of the Council's functions under the Local Government Act or (b) the benefit, improvement or development of the area. The report sets out at paragraph 12 how these requirements are met.
26. Section 9 of the Housing Act 1985 states that a local housing authority may provide housing accommodation by erecting houses or converting buildings into houses on land acquired by them for the purposes of the Housing Act.
27. Section 120(2) of the Local Government Act 1972 further provides that where land is acquired for a purpose and it is not immediately required for that purpose, it may be used for the purpose of any of the council's functions until it is required for the purpose for which it was acquired.
28. Taken together these provisions give the Council adequate legal powers to acquire the property for housing and to use it for other temporary uses in the interim period prior to construction of housing.

Strategic Director of Finance and Governance

29. This report seeks cabinet approval for the acquisition of the freehold interest in a site identified in the closed version of this report in accordance with proposed purchase terms and negotiating parameters set out in the report. The financial implications section of the report sets out how the acquisition and other associated costs are intended to be met. Should the council be successful in its negotiations, acquisition of the site would provide the council with an opportunity to build much needed new council homes in line with the housing strategy and the council plan.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Council Plan 2018 – 2022	160 Tooley Street London SE1 2QH	Paula Thornton 020 7525 4395
Link: https://www.southwark.gov.uk/council-and-democracy/fairer-future/council-plan		

APPENDICES

No.	Title
None	

AUDIT TRAIL

Cabinet Member	Councillor Leo Pollak, Social Regeneration, Great Estates and New Council Homes	
Lead Officer	Kevin Fenton, Strategic Director Place and Wellbeing	
Report Author	James Oates, Regeneration North	
Version	Final	
Dated	8 July 2019	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Director of Law and Democracy	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
Strategic Director of Housing and Modernisation	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team		8 July 2019

This page is intentionally blank.

CABINET AGENDA DISTRIBUTION LIST (OPEN)**MUNICIPAL YEAR 2019-20**

NOTE: Original held by Constitutional Team; all amendments/queries to
Paula Thornton Tel: 020 7525 4395

Name	No of copies	Name	No of copies
Cabinet Members		Chief Officer Team	
Peter John	1	Eleanor Kelly	1
Jasmine Ali	1	Duncan Whitfield	1
Leo Pollak	1	David Quirke-Thornton	1
		Michael Scorer	1
Other Councillors		Kevin Fenton	1
Jane Salmon	1	Caroline Bruce	1
Electronic Versions (no hard copy)		Officers	
Rebecca Lury		Doreen Forrester-Brown	1
Stephanie Cryan		Norman Coombe	1
Evelyn Akoto		Ian Young	1
Richard Livingstone		Others	
Victoria Mills		Louise Neilan	1
Johnson Situ		Paula Thornton, Constitutional Officer	10
Kieron Williams			
Ian Wingfield			
Leanne Werner			
Peter Babudu		Total:	28
Victoria Olisa		Dated: 1 July 2019	
Gavin Edwards			
Alice Macdonald			
Helen Dennis			
Jason Ochere			
Humaira Ali			
Jane Salmon			
Victor Chamberlain			
Group Offices			
Chris Page, Cabinet Office	1		
Steffan John, Liberal Democrat group Office	1		
Press			
Southwark News	1		
South London Press	1		