

## Cabinet

Tuesday 10 December 2013

4.00 pm

Ground Floor Meeting Room GO1A, 160 Tooley Street, London  
SE1 2QH

### Membership

Councillor Peter John  
Councillor Ian Wingfield  
Councillor Fiona Colley  
Councillor Dora Dixon-Fyle  
Councillor Barrie Hargrove  
Councillor Richard Livingstone  
Councillor Catherine McDonald  
Councillor Victoria Mills  
Councillor Veronica Ward

### Portfolio

Leader of the Council  
Deputy Leader and Housing Management  
Regeneration and Corporate Strategy  
Children's Services  
Transport, Environment and Recycling  
Finance, Resources and Community Safety  
Health, Adult Social Care and Equalities  
Communities and Economic Wellbeing  
Culture, Leisure, Sport and Volunteering

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### INFORMATION FOR MEMBERS OF THE PUBLIC

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Webpage: <https://www.southwark.gov.uk>

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Members of the committee are summoned to attend this meeting

**Councillor Peter John**

Leader of the Council

Date: 2 December 2013



# Cabinet

Tuesday 10 December 2013

4.00 pm

Ground Floor Meeting Room GO1A, 160 Tooley Street, London SE1 2QH

## Order of Business

Item No.	Title	Page No.
	<b>PART A - OPEN BUSINESS</b>	
	<b>MOBILE PHONES</b>	
	Mobile phones should be turned off or put on silent during the course of the meeting.	
<b>1.</b>	<b>APOLOGIES</b>	
	To receive any apologies for absence.	
<b>2.</b>	<b>NOTIFICATION OF ANY ITEMS OF BUSINESS WHICH THE CHAIR DEEMS URGENT</b>	
	In special circumstances, an item of business may be added to an agenda within five clear working days of the meeting.	
<b>3.</b>	<b>NOTICE OF INTENTION TO CONDUCT BUSINESS IN A CLOSED MEETING, AND ANY REPRESENTATIONS RECEIVED</b>	1
	To note the items specified which will be considered in a closed meeting.	
<b>4.</b>	<b>DISCLOSURE OF INTERESTS AND DISPENSATIONS</b>	
	Members to declare any interests and dispensation in respect of any item of business to be considered at this meeting.	
<b>5.</b>	<b>PUBLIC QUESTION TIME (15 MINUTES)</b>	
	To receive any questions from members of the public which have been submitted in advance of the meeting in accordance with the cabinet procedure rules.	

Item No.	Title	Page No.
6.	<b>MINUTES</b>	2 - 15
	To approve as a correct record the minutes of the open section of the meeting held on 19 November 2013.	
7.	<b>DEPUTATION REQUESTS</b>	
	To consider any deputation requests.	
8.	<b>BULLYING - SCHOOL AND COUNCIL POLICY TO SUPPORT VULNERABLE CHILDREN AND TO REDUCE POOR AND ABUSIVE PEER RELATIONS (EDUCATION, CHILDREN'S SERVICES AND LEISURE SCRUTINY SUB-COMMITTEE)</b>	16 - 30
	To note the recommendations of the review of bullying – school and council policy to support vulnerable children and to reduce poor and abusive peer relations, and to request that the relevant cabinet members bring back a report to cabinet, in order to respond to the overview and scrutiny committee within eight weeks.	
9.	<b>GATEWAY 1 - PROCUREMENT STRATEGY APPROVAL - SPECIAL EDUCATIONAL NEEDS AND/OR DISABILITY (SEND) TAXIS FOR CHILDREN, YOUNG PEOPLE AND VULNERABLE ADULTS</b>	31 - 45
	To approve the procurement strategy for the special educational needs and/or disability taxis for children, young people and vulnerable adults.	
10.	<b>FAIRER FUTURE INTERIM PERFORMANCE REPORT 2013/14</b>	46 - 110
	To note the progress in the first half of the 2013/14 against the ten fairer future promises and portfolio performance objectives in the council plan.	
11.	<b>HOUSING REVENUE ACCOUNT - INDICATIVE RENT SETTING AND BUDGET REPORT 2014/15</b>	111 - 137
	To note the rent increase implied by the government's rent guidance and other associated issues, and to instruct officers to provide a final report on rent setting and the housing revenue account budget for 2014/15 to cabinet on 28 January 2014.	
12.	<b>RESPONSE TO THE HOUSING, ENVIRONMENT, TRANSPORT AND COMMUNITY SAFETY SCRUTINY SUB-COMMITTEE ON THE REVIEW OF MAJOR WORKS AT DRAPER HOUSE</b>	138 - 144
	To note and agree the responses to the recommendations of the housing, environment, transport and community safety scrutiny sub-committee's investigation into the major works at Draper House.	

<b>Item No.</b>	<b>Title</b>	<b>Page No.</b>
<b>13.</b>	<b>SOUTHWARK PRIVATE RENTAL STANDARD AND ACCREDITATION OF TEMPORARY ACCOMMODATION</b>	145 - 159
	To approve and adopt the proposed Southwark private rental standard.	
<b>14.</b>	<b>LONDON COUNCIL'S GRANTS SCHEME 2014-15</b>	160 - 165
	To approve Southwark council's contribution to the London Council's grants scheme for 2014/15.	
<b>15.</b>	<b>VIOLENT CRIME STRATEGY PROGRESS REPORT</b>	166 - 184
	To note the progress made in delivering the recommendations set out in the violent crime strategy 2010-15.	
<b>16.</b>	<b>COMMUNITY INFRASTRUCTURE LEVY (CIL) REVISED DRAFT CHARGING SCHEDULE</b>	185 - 210
	To agree to publish and invite representations on the community infrastructure levy (CIL) draft charging schedule.	
<b>17.</b>	<b>DRAFT SECTION 106 PLANNING OBLIGATIONS AND COMMUNITY INFRASTRUCTURE LEVY SUPPLEMENTARY PLANNING DOCUMENT</b>	211 - 253
	To approve the draft Section 106 planning obligations and community infrastructure levy supplementary planning document for public consultation.	
<b>18.</b>	<b>WALWORTH ROAD BUSINESS MIX - RESPONSE TO OVERVIEW AND SCRUTINY COMMITTEE</b>	254 - 268
	To note the response from the cabinet members for regeneration & corporate strategy, finance, resources & community safety and communities & economic wellbeing on the set of recommendations in respect of the Walworth Road Business Mix report of the overview and scrutiny committee (July 2013).	
<b>19.</b>	<b>SURREY DOCKS STADIUM SE16: ACQUISITION OF FORMER STADIUM, SALE OF NORTHERN AND EASTERN CAR PARKS AND RETURN OF FISHER FOOTBALL CLUB TO ST PAULS GROUND</b>	269 - 274
	To agree to the acquisition of the former Surrey Docks Stadium land and disposal of the adjoining former northern and eastern car parks sites.	

**OTHER REPORTS**

The following item is also scheduled for consideration at this meeting.

**20. LAKANAL INQUIRY - SPRINKLER FEASIBILITY STUDY****DISCUSSION OF ANY OTHER OPEN ITEMS AS NOTIFIED AT THE START OF THE MEETING****EXCLUSION OF PRESS AND PUBLIC**

The following items are included on the closed section of the agenda. The Proper Officer has decided that the papers should not be circulated to the press and public since they reveal confidential or exempt information as specified in paragraphs 1-7, Access to Information Procedure Rules of the Constitution. The specific paragraph is indicated in the case of exempt information.

The following motion should be moved, seconded and approved if the cabinet wishes to exclude the press and public to deal with reports revealing exempt information:

“That the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraphs 1-7, Access to Information Procedure Rules of the Constitution.”

**PART B - CLOSED BUSINESS****21. SURREY DOCKS STADIUM SE16 - ACQUISITION OF FORMER STADIUM, SALE OF NORTHERN AND EASTERN CAR PARKS AND RETURN OF FISHER FOOTBALL CLUB TO ST. PAULS GROUND****DISCUSSION OF ANY OTHER CLOSED ITEMS AS NOTIFIED AT THE START OF THE MEETING AND ACCEPTED BY THE CHAIR AS URGENT**

Date: 2 December 2013



## **Notice of Intention to conduct business in a closed meeting, and any representations received**

### **Cabinet 10 December 2013**

The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 require that the council give a 28 notice period for items to be considered in private/closed session. This has been implemented through the publication of the council's forward plan.

The council is also required under these arrangements to give a further five days notice of its intention to hold the meeting or part of the meeting in private/closed session and give details of any representations received in respect of the private meeting.

This notice issued in accordance with The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 is to confirm that the cabinet meeting to be held on 10 December 2013 at 4.00pm, Council offices, 160 Tooley Street, London SE1 2QH will be held partly in closed session for consideration of the following items listed on the agenda:

**Item: 21** Surrey Docks Stadium SE16 – Acquisition of Former Stadium, Sale of Northern and Eastern Car Parks, and return of Fisher Football Club to St. Paul's Ground

The proper officer has decided that the agenda papers should not be made available to the press and public on the grounds that they involve the likely disclosure of confidential or exempt information as specified in categories 1 - 7, of the Access to Information Procedure Rules of the Constitution. The reason for both reports is that they contain information falling within category 3: information relating to the financial affairs of any particular person (including the authority holding that information).

In most cases an open version of a closed report is produced and included on the agenda.

No representations have been received in respect of the items listed for consideration in closed session. Any representations received after the issuing of this notice will be reported at the meeting.

Ian Millichap,  
Proper Constitutional Officer

**Dated:** 2 December 2013



## Cabinet

MINUTES of the OPEN section of the Cabinet held on Tuesday 19 November 2013 at 2.00 pm at the Council Offices, 160 Tooley Street, London SE1 2QH

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**PRESENT:** Councillor Ian Wingfield (In Chair)  
Councillor Fiona Colley  
Councillor Dora Dixon-Fyle  
Councillor Richard Livingstone  
Councillor Catherine McDonald  
Councillor Victoria Mills  
Councillor Veronica Ward

### 1. APOLOGIES

Apologies for absence were received from Councillors Barrie Hargrove and Peter John.

### 2. NOTIFICATION OF ANY ITEMS OF BUSINESS WHICH THE CHAIR DEEMS URGENT

The chair gave notice that the following late item would be considered for reasons of urgency, to be specified in the relevant minute:

Item 7 - Deputation requests

Additionally Unison and representatives of home care workers requested an opportunity to address cabinet in respect of Item 15 – Ethical Care Charter Task and Finish Group – Progress and Feasibility Report.

### 3. NOTICE OF INTENTION TO CONDUCT BUSINESS IN A CLOSED MEETING, AND ANY REPRESENTATIONS RECEIVED

No closed items were considered at this meeting.

### 4. DISCLOSURE OF INTERESTS AND DISPENSATIONS

There were no disclosures of interests or dispensations.

## 5. PUBLIC QUESTION TIME (15 MINUTES)

The following question was submitted by Mr Mick Barnard to the Leader of the Council. Mr Barnard did not attend the meeting to ask the question. The question was read out by the deputy leader and cabinet member for housing management on behalf of the leader and answer given as set out below:

Question to Councillor Peter John from Mr Mick Barnard:

“You will be aware of the contents of both the Constitution and Code of Governance in relation to what is required when making decisions, recommendations and amendments, documenting the reasons and providing a rationale on which these are based. Are there any exceptions to these rules and if so what ?”

Response by the Leader of the Council (read out by the Deputy Leader and Cabinet Member for Housing Management)

“There is no requirement in common law to give reasons for administrative decision however it is always good practice. The principles of decision making for the council are detailed in Article 1.3 of the constitution. In addition there is an obligation for any executive decision made by decision-making bodies at meetings to be recorded in a written statement which includes details of:

- the decision and the date it was made
- the reasons for it
- any alternative options considered and rejected
- any conflicts of interests declared and any dispensations granted in respect of any declared conflict.

The proper officer is responsible for ensuring that the written statement is produced but if the proper officer was not present at the meeting the person presiding at the meeting has that responsibility.”

## 6. MINUTES

### RESOLVED:

That the open minutes of the meeting held on 22 October 2013 be approved as a correct record and signed by the chair.

## 7. DEPUTATION REQUESTS

This item had not been circulated five clear days in advance of the meeting. The chair agreed to accept the item as urgent as the request had been submitted in line with the constitutional deadline for the receipt of deputation requests and was therefore eligible for consideration by cabinet.



**RESOLVED:**

That the deputation request from Southwark Association of Street Traders together with the Chair of Walworth Town Team be heard.

The deputation spokesperson addressed the meeting to outline to cabinet issues relating to Walworth town centre, including East Street Market and adjoining streets, which they state had been severely hit by the loss of local residents through the decanting of the Heygate Estate, the decanting of the Aylesbury Estate and the loss of local jobs.

The deputation asked cabinet to consider urgent action to address the following six points:

1. Parking - more parking to be made available and the introduction of lower flexible parking charges
2. Business rate reductions
3. Events and promotions to increase footfall
4. Business support
5. Cleaner, Greener, Safer Walworth (refuse from commercial rubbish bins)
6. Better co-ordination: Asking Southwark council to work better with the whole community in Walworth to ensure sustainable local regeneration.

It was agreed that a report on the issues raised by the deputation be received at a future cabinet meeting.

**8. PETITION - OLD ROTHERHITHE LIBRARY AND CIVIC CENTRE****RESOLVED:**

That the petition in respect of the Old Rotherhithe Library and Civic Centre be noted.

The petition spokesperson addressed the meeting urging the council to consider the regeneration and revitalisation of the Old Rotherhithe Library and Civic Centre for community provision and services as an alternative to the demolition of the building.

The petition spokesperson asked that the council work to bring the structure of the Old Rotherhithe Library and Civic Centre back to public function and value, whilst meeting the actual needs of the neighbours.

Cabinet asked that dialogue continue with the group who presented the petition to explore ideas and opportunities available within the locality.

**9. RESPONDING TO DEPUTATION BY OSWIN STREET RESIDENTS**

Oswin Street residents were in attendance for the consideration of this item and were given an opportunity to address cabinet in respect of the issues outlined in the report to cabinet.

**RESOLVED:**

1. That the report and in particular the option appraisal undertaken in relation to the construction vehicle route prior to formal approval by planning and highway authorities be noted.
2. That the residents' request that no construction vehicles travelling to or from the former London Park Hotel construction site travel along Oswin Street be endorsed.
3. That there be further monitoring and enforcement of any breaches of the approved construction management plan by either Balfour Beatty or Lend Lease.

**10. HARMSWORTH QUAYS COOPERATION AGREEMENT****RESOLVED:**

1. That the director of regeneration and director of legal services be instructed to complete the Harmsworth Quays Cooperation Agreement consistent with the principles document set out in Appendix 1 of the report.
2. That support to the objective of Kings College establishing a new major campus at Harmsworth Quays, to include significant elements of teaching, research and administrative facilities, and to that end instructs officers to support Kings in their viability and feasibility testing be confirmed.
3. That the findings of the emerging review of the Canada Water Area Action Plan be noted and that officers be instructed to ensure any redevelopment of Harmsworth Quays includes a mix of uses and maximises the amount of employment generating uses.

**11. REVENUE MONITORING REPORT QUARTER 2, 2013/14, INCLUDING TREASURY MANAGEMENT****RESOLVED:**

1. That the following be noted:
  - the general fund outturn forecast for 2013/14 and forecast net movement in reserves by department
  - the housing revenue account's (HRA) forecast outturn for 2013/14 and resulting forecast movement in reserves
  - the treasury management activity for the first six months of 2013/14.
2. That the forecast performance for the collection of council tax be noted.
3. That the forecast performance for the collection of business rates and the risks associated with the business rate retention scheme be noted.
4. That the general fund budget movements that exceed £250,000, as shown in

Appendix A of the report be approved.

## **12. QUARTERLY CAPITAL MONITORING REPORT QUARTER 2 AND CAPITAL PROGRAMME REFRESH 2013-21**

### **RESOLVED:**

1. That the general fund capital programme for the period 2013/14 to 2021/22 as at Quarter 2 2013/14, as detailed in appendices A and D of the report be noted.
2. That the housing investment programme for 2013/14 and future years as at Quarter 2 2013/14, as detailed in Appendix B of the report be noted.
3. That the virements and variations to the general fund and housing investment capital programme as detailed in Appendix C of the report, including the updated budget requirement for Phases 1 and 2 of the Aylesbury regeneration programme, as reflected in paragraphs 100-106 of the report be approved.
4. That the re-profiling of the expenditure and resources for 2013/14 and future years for both the general fund and housing investment programmes as detailed in Appendices A, B and D of the report as at Quarter 2 2013/14 be approved and it be noted that further re-profiling will be required during the year based on more up to date information available at that time.

## **13. MOTIONS REFERRED FROM COUNCIL ASSEMBLY**

### **RESOLVED:**

#### **Making Southwark a Carbon Neutral Council**

That the motion referred from council assembly as a recommendation to cabinet, set out below be noted.

That council assembly:

- Recognises the urgent need to plan for a greener, healthier future for Southwark and notes the council's existing commitment to reduce emissions in the borough by 80% on current levels by 2050.
- Welcomes the council's energy and carbon reduction strategy which sets out what the council will do to reduce both council emissions and those from the borough as a whole.
- Notes that the strategy sets out the council's plans to reduce operational emissions from all the council's offices, schools, libraries and leisure centres. Council assembly further notes the council's commitment to encouraging all council staff to work sustainability through monthly workshops and events as part of the council's green buildings programme.

- Notes that the council itself is responsible for 14.5% of the borough's total carbon emissions (including council homes), and believes the council should be leading the way in emissions reduction to encourage residents and local businesses to follow suit.
- Welcomes that this winter, Southwark is leading the way by delivering London's first energy from waste district heating network. Energy from the SELCHP facility will provide heating and hot water to five housing estates in the north east of the borough, in the process reducing carbon emissions by 8,000 tonnes per annum.
- Council assembly therefore and calls on cabinet to ensure the borough continues to make progress against its carbon reduction targets and encourages members who have ideas about what more the council could be doing to bring them forward to cabinet to help the borough achieve its goal.
- Welcomes the real energy efficiency improvements that we are making to our housing stock, making use of funding opportunities such as the energy companies obligation to install cavity wall and solid wall insulation. Council assembly notes that one such project recently completed on 2,200 properties has reduced carbon emissions by around 2,000 tonnes per annum.
- Notes that the council continue to work with a large number of the biggest commercial carbon emitters in the borough through the 200 Club programme of events, providing a forum for encouraging and educating about sustainability and energy efficiency in the work environment.
- Recognises that as well as minimising impact on the environment, reducing emissions will also cut the council's energy bill, save money that can be put to good use elsewhere and reduce pollution.
- Believes that the aspiration of the council should be to be carbon neutral but that the environment is best served by setting challenging but realistic carbon emissions targets.
- Recognises that for a borough of the size and nature of Southwark to be carbon neutral, then both the investment and green technology needs to be available. Council assembly notes that with the government cuts the borough is facing and the green technologies currently available that this is not possible in the next four years.

### **Green Southwark**

That the motion referred from council assembly as a recommendation to cabinet, set out below be noted.

- That council assembly welcomes this administration's commitment to improving Southwark's environment and notes the progress that has been made since 2010, despite aggressive cuts to local budgets from the government.

- That council assembly believes that a green Southwark not only improves our natural environment, but contributes to the health and wellbeing of our residents, the vibrancy of our communities and the richness of our heritage.
- That council assembly notes that 17 Southwark parks and green spaces are now in receipt of the prestigious Green Flag award – more than in the borough's history. It congratulates the fantastic work of the council's parks team, Friends Groups and volunteers who have all made this possible.
- That council assembly notes that Southwark is the 5th best in the whole of England for having sites of importance for nature conservation in positive management demonstrating the council's commitment to the preservation and enhancement of biodiversity across the borough.
- That council assembly welcomes this administration's £8 million investment in Burgess Park which has seen 331 newly planted trees, 92,000 plants and shrubs, new play areas and outdoor gym equipment, the planting of St Georges Gardens and of course a world class new BMX track.
- That council assembly believes that in order tackle climate change, the council itself must set an example and therefore welcomes the news that Southwark has achieved a 20.6% reduction of energy use on its operational estate and school buildings since 2009.
- That council assembly regrets the failure of the Tory Liberal Democrat government's to live up to its promise to be "the greenest government ever" after it slashed the budget for helping fuel poor households with their energy bills, failed to ensure that the energy companies meet their obligations on energy efficiency and failed to back a decarbonisation target.
- That council assembly welcomes the cabinet's commitment to creating a greener Southwark and urges them to continue to ensure that Southwark remains a green borough.
- That council assembly notes the introduction of a tree warden network to Southwark and, for the first time ever, a tree management strategy which records the borough's current tree stock, aims to increase community involvement in tree management and sets out the council's vision for trees for the coming years.
- That council assembly welcomes the opening of two new air quality stations in the borough, at the Old Kent Road and Elephant and Castle and welcomes this reversal of policy from the previous administration.
- That council assembly believes part of a green Southwark is to encourage sustainable forms of transport and notes that the number of people cycling and walking in the borough has increased with the help of key initiatives including free adult cyclist training.

### **Save Our Local Pubs**

That the motion referred from council assembly as a recommendation to cabinet, set out below be agreed.

That council assembly:

1. Recognises the important role local pubs play in the life of our borough by providing a community hub for residents to meet, relax, debate and do business.
2. Notes with regret the decline of community pubs in recent years, as the use of properties for other means has become more financially lucrative.
3. Recognises the community campaigns and their activists who have already successfully managed to get their pubs listed as assets of community value and looks forward to working with those who set up new businesses and create much needed employment.
4. Welcomes the council's groundbreaking approval to bring into force Article 4 planning directions on change of use to help protect our high streets and community assets such as pubs. This makes Southwark the first authority nationally to make such a change.
5. Recognises that highly indebted property companies own over half of Britain's pubs. These charge high rents to tied tenants of pubs. The Fair Deal for Your Local Campaign estimates that to pay these high rents a pint of lager is on average 80p per pint higher and ale is 65p per pint higher than justified by inflation and like for like changes in taxes since 1987. This is pricing pubs out of the market.
6. Council assembly therefore calls on the government to commit to statutory regulation of the relationship between large scale pub landlords and their tenants which specifically includes a "free of tie" option which will enable them to buy produce on the open market and pay a fair rent for their building.

### **Support for Free Healthy School Meals**

That the motion referred from council assembly as a recommendation to cabinet, set out below be noted. It was also noted that the Leader had written to the Deputy Prime Minister as requested below.

That council assembly:

- welcomes the final stage of the roll out of free healthy school meals to all primary school children in the borough.
- notes the feedback from parents, carers and teachers who are reporting improved attainment, better concentration, fewer discipline issues, and healthy eating both inside and outside of school.
- is encouraged that such positive feedback will be contributing towards the

challenge of childhood obesity in Southwark.

- welcomes the commitment from the coalition government that they will be following Southwark's example and introducing a national scheme of school meals for the youngest children in primary schools.

However, council assembly also:

- believes that the government scheme will fall short of what is needed by only providing free school meals for the youngest children.
- notes with concern that the government scheme will mean that primary school children in years 3, 4, 5 and 6 would lose their free healthy school meal unless local councils like Southwark have their own scheme in place and prioritises the budget to do so.
- notes that the Liberal Democrat Group in Southwark has consistently voted to remove the budget for free healthy school meals which would result in children losing this important meal each day.
- notes that free healthy school meals in Southwark have been opposed by Liberal Democrat members who have voted against them and by Bermondsey and Old Southwark MP, Simon Hughes, who was writing to constituents as recently as September opposing Southwark's plans.

That council assembly therefore:

- utterly condemns Southwark Liberal Democrat's record opposition to free healthy school meals in Southwark for all primary school children.
- asks cabinet to write to the Deputy Prime Minister welcoming his announcement on free school meals for all children in their first three years of school, urging an expansion of the scheme to all primary school children, and offering to work with government to show how Southwark has made this such a resounding success.
- calls on cabinet to continue to deliver free healthy school meals for all primary school children in Southwark.

### **Green Flags**

That the motion referred from council assembly as a recommendation to cabinet, set out below be agreed.

That council assembly:

1. Notes that Southwark residents benefit hugely from the many green spaces across the borough, and believes the council should do as much as possible to promote our parks to maximise use.
2. Further notes the great progress which has been made in this respect over

recent years with Southwark having now been awarded a total of seventeen green flags across the borough.

3. Notes that the council can only apply for flags in parks it owns and maintains and so parks such as St Francis would not be eligible.
4. Calls on the cabinet member for transport, environment and recycling and his team to commit to nominating other parks in Southwark for the Green Flag awards for 2014/15, including Nursery Row, Mint Street and Surrey Square which are all wonderful assets to their neighbouring communities.
5. Council assembly further calls on the cabinet member to consider other parks for future rounds of green flag awards including Goose Green and Dawsons Heights as well as Camberwell Green, Nunhead Green and Pasley Park.

### **Damp in Peter Butler House**

That the motion referred from council assembly as a recommendation to cabinet, set out below be noted.

That council assembly notes that in the last three years, the council has received three formal complaints regarding damp in Peter Butler House – two which were due to condensation and one due to a defective balcony all of which have now been resolved.

That council assembly notes that officers have commissioned a survey to assess all dwellings within the block to identify any underlying issues and necessary remedial actions and welcomes the council's commitment to this.

That council assembly calls on the cabinet member for housing management to consider the outcome of the survey and take any remedial action necessary.

### **Clean Up Tower Bridge Road**

That the motion referred from council assembly as a recommendation to cabinet, set out below be noted.

1. That council assembly welcomes the efforts of the Tower Bridge Road Business Alliance to improve Tower Bridge Road.
2. That council assembly welcomes the investment made through the community restoration fund that supported the creation of the Alliance and its initial activities.
3. That council assembly congratulates the Alliance on the success of its recent projects, funded through the cleaner greener safer budget, particularly the decoration of shop shutters, which have helped to improve the appearance of the street and allowed businesses to see the benefits of working with the Alliance.
4. That council assembly welcomes the high standards in street cleaning across the borough and the record public satisfaction with street cleanliness. It further welcomes the council's economic wellbeing strategy which sets out the council's



plans to further improve partnership working with businesses to ensure that the council fully considers the different needs and expectations of businesses, their customers, local communities and residents when delivering basic services.

5. That council assembly calls on the cabinet to:
- continue to ensure that the planned improvements to Tower Bridge Road by Transport for London respond to the needs of local businesses and results improve the general appearance of the street.
  - Implement plans in the economic wellbeing strategy so that businesses on Tower Bridge Road and elsewhere in the borough can have more input into ensuring that local services meet their needs.

### **Making Cathedrals Ward Safer for Residents and Cyclists**

That the motion referred from council assembly as a recommendation to cabinet, set out below be agreed.

That council assembly:

1. Recognises the large number of developments that are either under construction or soon to be under construction in Cathedrals Ward and other areas of the borough and that this brings with it significant construction traffic and logistical challenges.
2. Notes that all construction sites in the area have to have agreed construction management plans in place to demonstrate how deliveries will take place. This often results in a local road closure or a pit lane being installed to ensure HGV's can safely access and unload next to sites.
3. Notes that construction management plans must take account of the safety of other road users around the site including pedestrians and cyclists and that this is rigorously enforced.
4. Notes that all contractors have logistics companies working for them who arrange delivery slots so there should not be any local parking - all deliveries are just-in-time.
5. Notes that for very large projects contractors may need to rent a logistics site such as holding bays on Druid Street for the Shard and London Bridge Station.
6. Notes that the council takes action against any contractors caught parking up locally such highways inspectors taking action against parking on Hopton Street.

That council assembly therefore calls upon cabinet to:

7. Instruct officers to work with contractors to assist them in finding suitable sites to use as waiting areas for construction vehicles which arrive before their allotted time and to continue to rigorously enforce against any use of local streets for circling or parking of vehicles.

**14. PARTNERSHIP AGREEMENT VIA SECTION 75 WITH SOUTHWARK COUNCIL AND SOUTHWARK CLINICAL COMMISSIONING GROUP**

**RESOLVED:**

1. That the partnership approach to commissioning proposed between the council and the local clinical commissioning group for the services set out within the report be noted.
2. That the proposed agreement between the council and the clinical commissioning group under section 75 of the National Health Services Act 2006 be approved and authority be delegated to the strategic director of children's and adults' services to execute the agreement.
3. That authority to approve changes to the services contained within the agreement, be delegated to the strategic director of children's and adults' services.
4. That the opportunity for further service transformation to achieve improved health outcomes in Southwark be noted.
5. That an annual report be received on the progress and performance of services governed by the agreement alongside options for future service transformation.

**15. ETHICAL CARE CHARTER TASK AND FINISH GROUP - PROGRESS AND FEASIBILITY REPORT ON THE WORK OF THE TASK AND FINISH GROUP**

Unison and representatives of home care workers were in attendance and were given an opportunity to address cabinet. They pledged their support to cabinet for its agreement and commitment to sign up to the charter. Issues relating to payment for attendance to training, travel time and future involvement in the commissioning process were raised.

**RESOLVED:**

1. That the principles of the charter be noted and agreement be given to sign up to the charter, and the council's intention to work towards its implementation be continued.
2. That it be noted that affordability and sustainability is and will remain a key consideration when working through the approach to making progress on the charter and the strategic director of finance and corporate services be requested to do financial modelling and set aside a provisional sum in the budget.
3. That it be agreed that a commissioning based approach (as opposed to varying existing contract or bringing home care services in house) is likely to be the most affordable way to implement the charter and will have greatest impact on the quality of provision as set out in paragraphs 40-47 of the report.
4. That the vision and values for home care service that have been developed through the stakeholder group and reviewed by the 'task and finish' group be noted and

agreed.

5. That the strategic director of children's and adults' services develop a new commissioning strategy to deliver the vision and values for home care in a way that is consistent with the charter principles. The strategy would need to ensure that additional investment in home care services achieves measurable improvements in quality, user experience and outcomes.
6. That the interim steps to improve the delivery of home care services including providers better co-ordinating visits to minimise travel time be noted and agreed and that a workforce development group be established to devise a training and development programme that will support up-skilling home care workers as set out in paragraph 38 of the report.
7. That it be noted that there will be a report back to cabinet in June 2014 with a proposed approach for the re-commissioning of home care services in line with the ethical homecare charter.

#### **EXCLUSION OF PRESS AND PUBLIC**

It was moved, seconded and

#### **RESOLVED:**

That the press and public be excluded from the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in category 3 of paragraph 10.4 of the Access to Information Procedure Rules of the Southwark Constitution.

The following is a summary of the closed part of the meeting.

#### **16. MINUTES**

The closed minutes of the meeting held on 22 October 2013 were approved as a correct record and signed by the chair.

The meeting ended at 4.10pm.

**CHAIR:**

**DATED:**

**DEADLINE FOR NOTIFICATION OF CALL-IN UNDER SECTION 21 OF THE OVERVIEW AND SCRUTINY PROCEDURE RULES IS MIDNIGHT, WEDNESDAY 27 NOVEMBER 2013.**

**THE ABOVE DECISIONS WILL NOT BE IMPLEMENTABLE UNTIL AFTER THAT DATE. SHOULD A DECISION OF THE CABINET BE CALLED-IN FOR SCRUTINY, THEN THE RELEVANT DECISION WILL BE HELD IN ABEYANCE PENDING THE OUTCOME OF SCRUTINY CONSIDERATION.**

<b>Item No.</b> 8.	<b>Classification:</b> Open	<b>Date:</b> 10 December 2013	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Bullying - School and Council Policy to Support Vulnerable Children and to Reduce Poor and Abusive Peer Relations (Education, Children's Services and Leisure Scrutiny Sub-Committee)	
<b>Ward(s) or groups affected:</b>		All	
<b>From:</b>		Overview and Scrutiny Committee	

### RECOMMENDATION

1. That the cabinet notes the recommendations of the review of bullying - school and council policy to support vulnerable children and to reduce poor and abusive peer relations, and that the relevant cabinet members bring back a report to cabinet, in order to respond to the overview and scrutiny committee, within eight weeks.

### BACKGROUND INFORMATION

2. Attached is the final report arising from the scrutiny review of bullying - school and council policy to support vulnerable children and to reduce poor and abusive peer relations.
3. The education, children's services and leisure scrutiny sub-committee resolved at its meeting on 10 July 2012 to conduct a review into bullying, considering both school and council policy to support vulnerable children and to reduce poor and abusive peer relations. The sub-committee continued its recent focus on the role of parents and families in supporting young people and resolved to look particularly at young people who are more likely to experience bullying because of social exclusion or disadvantage: lesbian, gay, bisexual and transgender (LGBT) pupils, children in care and girls at risk of gang involvement. Two themes emerged as the review progressed: cyber-bullying and young people at risk of involvement in gangs/serious offending.
4. The overview and scrutiny committee considered the sub-committee's report at its meeting on 11 November 2013. The committee welcomed the report and the valuable work of the sub-committee.

### EDUCATION, CHILDREN'S SERVICES AND LEISURE SCRUTINY SUB-COMMITTEE RECOMMENDATIONS

5. The sub-committee's recommendations are listed below.
  1. That cabinet considers nominating the cabinet member for children and young people to take overall responsibility for implementing the council's work to address bullying.
  2. That cabinet considers nominating a named senior officer to lead on

delivery of this work.

3. That information be cascaded to schools on the work of Kidscape and the Cybersmile Foundation on tackling bullying and cyber-bullying.
4. That training be promoted that brings together teachers, young people and their families to enhance communication and knowledge in relation to online media and cyber-bullying.
5. That initiatives such as Kindness Weeks and cyber-bullying awareness days be encouraged, which promote the values of care and kindness. Initiatives such as these can also help develop emotional intelligence and an awareness of what constitutes acceptable behaviour online.
6. That the use of role play in schools be encouraged in order to develop emotional literacy.
7. That schemes be promoted that support bullied children to build self-esteem and develop assertiveness skills.
8. That counselling services such as Place2Be be supported.
9. That school children be empowered to raise issues and the box scheme and other schemes be extended so that children, young people and the public can raise concerns easily, particularly about school bus routes.
10. That placing wardens and transport police on problematic bus routes, such as the 381, be considered.
11. That training to teachers be promoted on bullying and involvement with gangs/serious offending so that they are more able to work effectively with young people at risk. That it be ensured that the training is done by people who are credible and knowledgeable.
12. That a forum be provided for teachers to share concerns and information on young people involved, or at risk of involvement, with gangs/serious offending.
13. That encouragement and support be provided for schools to develop Gang Prevention Strategies.
14. That groups such as Safe 'N' Sound, Empowering People for Excellence and Citysafe be invited to join the Safer Schools Steering Group.
15. That more accessible information be provided on local LGBT networks for young people and consideration be given to developing a network for Southwark young people, possibly with the support of Southwark's LGBT forum.
16. That Speakerbox, the Looked After Children Panel, the Children Safeguarding Board and the Corporate Parenting Panel be consulted on anti-bullying work with children receiving care.

**BACKGROUND DOCUMENTS**

<b>Background Papers</b>	<b>Held At</b>	<b>Contact</b>
Overview & Scrutiny Committee Agenda 11 November 2013	Scrutiny Team 160 Tooley Street London SE1 2QH	Peter Roberts 020 7525 4350
<b>Link</b> <a href="http://moderngov.southwark.gov.uk/ielListDocuments.aspx?CId=308&amp;MId=4592&amp;Ver=4">http://moderngov.southwark.gov.uk/ielListDocuments.aspx?CId=308&amp;MId=4592&amp;Ver=4</a>		

**APPENDICES**

<b>No.</b>	<b>Title</b>
Appendix A	Report of the Education, Children's Services & Leisure Scrutiny Sub-Committee

**AUDIT TRAIL**

<b>Lead Officer</b>	Shelley Burke, Head of Overview & Scrutiny	
<b>Report Author</b>	Peter Roberts, Scrutiny Project Manager	
<b>Version</b>	Final	
<b>Dated</b>	19 November 2013	
<b>Key Decision?</b>	No	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
	<b>Officer Title</b>	<b>Comments Sought</b>
		<b>Comments Included</b>
	Director of Legal Services	No
	Strategic Director of Finance and Corporate Services	No
	Chief Officers	No
	<b>Cabinet Member</b>	No
	<b>Date final report sent to Constitutional Team</b>	19 November 2013

# **Bullying - School and Council Policy to Support Vulnerable Children and to Reduce Poor and Abusive Peer Relations**

Report of the Education, Children's Services & Leisure Scrutiny  
Sub-Committee

November 2013





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## Introduction

1. The Education, Children's Services & Leisure Scrutiny Sub-Committee resolved at its meeting on 10 July 2012 to conduct a review into bullying, considering both school and council policy to support vulnerable children and to reduce poor and abusive peer relations.
2. The sub-committee continued its recent focus on the role of parents and families in supporting young people and resolved to look particularly at young people who are more likely to experience bullying because of social exclusion or disadvantage: lesbian, gay, bisexual and transgender (LGBT) pupils, children in care and girls at risk of gang involvement.
3. Two themes emerged as the review progressed: cyber-bullying and young people at risk of involvement in gangs/serious offending.

## Evidence

4. Council officers provided overview reports on:
  - the local authority context and work to combat bullying in schools, which included an update on a previous scrutiny report on bullying produced in 2006/07
  - local authority work undertaken with gangs and parents by the Specialist Family Focus Team (SFFT)
5. The sub-committee received evidence from:
  - Southwark Youth Council, which gave verbal evidence on the theme and a presentation on Quality Youth standards
  - Sue Sanders from Schools OUT, a national organisation based in Southwark, working towards equality, safety and visibility in education for the LGBT community
  - Elena Noel from Empowering People for Excellence, a local organisation focused on cohesion and community engagement, working predominantly with young people and families where there is a risk of exclusion
  - Jennifer Blake from Safe 'N' Sound, a local organisation based in Peckham that provides support to young people and parents covering a wide range of issues such as challenging behaviour, anti-social behaviour, gangs, drugs, low self-esteem and housing
  - Kidscape, a national Anti-Bullying Child Protection Charity
  - the Cybersmile Foundation, a national charity committed to tackling cyber-bullying and online hate campaigns, which works with children, young people and adults
6. The sub-committee also considered the following evidence:
  - Government publication on 'Preventing and tackling bullying - Advice for head teachers, staff and governing bodies'
  - research report on 'The impact of cyber-bullying on young people's mental health' November 2010: PEAR and Anglia Ruskin University

## Background

7. The 2006/07 Children's Services & Education Scrutiny Sub-Committee decided to review the bullying of children and young people in Southwark. The sub-committee was interested in finding out the extent to which bullying was a problem and finding out what was being done to combat it.
8. At the start of the current review the Education, Children's Services & Leisure Scrutiny Sub-Committee reviewed the recommendations of the earlier review and asked officers for an update:

Recommendation	Response
<p>That a council officer be identified and tasked with the responsibility of coordinating termly meetings between police beat officers, safer neighbourhood teams, secondary schools and bus and train operators to share information and coordinate initiatives aimed at ensuring that the journey to and from school is safe.</p>	<p>The Safer Schools Steering Group meets half-termly to discuss these issues. The nucleus group consists of the following roles:</p> <ul style="list-style-type: none"> <li>- Partnership and Criminal Justice Police Superintendent</li> <li>- Safer Neighbourhood Chief Inspector</li> <li>- Southwark Headteachers' Representative</li> <li>- Youth Offending Scheme Representative</li> <li>- Southwark Community Safety</li> <li>- Police Sergeant, Youth Engagement Team</li> <li>- Southwark Early Help Team</li> </ul>
<p>That the council takes active steps to facilitate the sharing of information about bullying strategies amongst schools and other key agencies. This should include:</p> <ul style="list-style-type: none"> <li>- organising a two yearly bullying conference</li> <li>- collating school anti-bullying policies and circulating good practice examples to head teachers and chairs of governors as an aid to other schools when reviewing their anti-bullying policies</li> <li>- becoming involved with the Anti-Bullying Alliance</li> </ul>	<p>An Anti-bullying toolkit was produced for schools and the youth services.</p> <p>Schools were supported to take part in national anti-bullying week each November.</p> <p>Case studies on activities were shared with schools.</p>
<p>That the council coordinates a mediation service on a trial basis to resolve any disputes between parents and schools, including disputes that relate to incidents of bullying. That schools should pay for this service on a case-by-case basis, but the council should organise the provision.</p>	<p>Officers worked with the Southwark Mediation Service (SMS) to develop resources for schools.</p> <p>SMS have provided training for peer mentors in many of our schools.</p>
<p>We have also identified two specific areas we think officers need to research further and report back to executive on:</p> <p>That officers look into whether schools want more training around bullying. If so, the LEA should support this either by actively promoting</p>	<p>The Personal, Social, Health &amp; Economic education team arranged regular training events for all schools and bespoke training to individual schools - plus multi agency training for our partner organisations.</p>

Recommendation	Response
the council and Southwark-wide services available, or by directly organising training days.	
That the Executive tasks an officer to look into what extent gambling is a problem amongst children and young people in Southwark.	<p>Officers found no evidence that gambling was a particular problem in Southwark schools.</p> <p>As a precautionary measure all secondary schools were provided with a nationally developed resource to help schools recognise and deal with any issues related to gambling.</p>

### Context

9. In March 2012, the Department for Education issued revised guidance for “Preventing and tackling bullying” which shifted responsibilities to schools. The guidance made only one reference to a local authority having a role – when a bullying incident was so severe it should be addressed as a child protection issue under the Children Act 1989.
10. Officers emphasised that responsibilities had moved to schools and oversight rested primarily with OFSTED, however the council retained responsibility under the council’s safeguarding duties and a ‘moral duty’.
11. Officers and sub-committee members, particularly the education representatives, commended the council’s previous good work, particularly the Anti Bullying Toolkit and officers said that this laid a foundation for schools to build on. Officers said that there were now a variety of providers, from the voluntary and private sector, who offered services that schools could buy in.
12. Just under a third of Southwark schools have been reported on under the arrangements of the current OFSTED framework since January 2012. Inspectors judged that in those schools visited:
  - Pupils’/students’ awareness of types of bullying, including cyber-bullying and racist and homophobic abuse, was well developed and they knew how to keep themselves safe
  - In over 70% of schools bullying is very rare and pupils/students and the wider school community have confidence that incidents are resolved effectively and quickly
  - In 29% of schools pupils/students reported that they had not experienced bullying and that the community did not tolerate it in any form

### Guidance on tackling bullying in schools

13. ‘Preventing and tackling bullying - Advice for head teachers, staff and governing bodies’ made the following recommendations:
  - Involve parents to ensure that they are clear that the school does not tolerate bullying and are aware of the procedures to follow if they believe that their child is being bullied. Parents feel confident that the school will take any complaint about bullying seriously and resolve the issue in a way that protects the child, and they reinforce the value of good behaviour at home;
  - Involve pupils. All pupils understand the school’s approach and are clear about the part they

can play to prevent bullying, including when they find themselves as bystanders;

- Regularly evaluate and update their approach to take account of developments in technology, for instance updating 'acceptable use' policies for computers;
- Implement disciplinary sanctions. The consequences of bullying reflect the seriousness of the incident so that others see that bullying is unacceptable;
- Openly discuss differences between people that could motivate bullying, such as religion, ethnicity, disability, gender or sexuality. Also children with different family situations, such as looked after children or those with caring responsibilities. Schools can also teach children that using any prejudice based language are unacceptable;
- Use specific organisations or resources for help with particular problems. Schools can draw on the experience and expertise of anti-bullying organisations with a proven track record and/or specialised expertise in dealing with certain forms of bullying;
- Provide effective staff training. Anti-bullying policies are most effective when all school staff understand the principles and purpose of the school's policy, its legal responsibilities regarding bullying, how to resolve problems, and where to seek support. Schools can invest in specialised skills to help their staff understand the needs of their pupils, including those with Special Educational Needs and/or Disability (SEND) and Lesbian, Gay, Bisexual and Transgender (LGB&T) pupils;
- Work with the wider community such as the police and children's services where bullying is particularly serious or persistent and where a criminal offence may have been committed. Successful schools also work with other agencies and the wider community to tackle bullying that is happening outside school;
- Make it easy for pupils to report bullying so that they are assured that they will be listened to and incidents acted on. Pupils should feel that they can report bullying which may have occurred outside school including cyber-bullying;
- Create an inclusive environment. Schools should create a safe environment where pupils can openly discuss the cause of their bullying, without fear of further bullying or discrimination; and
- Celebrate success. Celebrating success is an important way of creating a positive school ethos around the issue.

### **Cyber - bullying**

14. Cyber-bullying was a concern raised by young people giving evidence and members were concerned about reports of its damaging effects.
15. The sub-committee took evidence from two national organisations working particularly on cyber-bullying: Kidscape and Cybersmile. A range of social media providers were contacted to give evidence, including Twitter, Facebook, Blackberry, Formspring, however none responded. A research report entitled the "The impact of cyber-bullying on young people's mental health" was also considered. The report was published in 2010 by PEAR and Anglia Ruskin University. The PEAR group is a public health reference group of young people supported by the NCB (National Children's Bureau) Research Centre. Young people took a lead role in devising the research with professional support.

16. PEAR found 18.4% of young people in the research said that they had been cyber-bullied and most of these were girls (69%). The study found that many more girls than boys said they had experienced cyber-bullying in some way and that of those who said they had been affected by cyber-bullying the most common effect was to damage their confidence, self-esteem and mental and emotional well-being. More than a quarter of those who had been cyber-bullied said that they had stayed away from school and over a third said that they had stopped socialising outside school because of it. Of those who had been cyber-bullied, over half had sought support, mainly from parents and friends. Most young people thought that cyber-bullying was as harmful as traditional bullying but some felt that it did not exist and was down to the victim's ability to cope with it. The main reason given by young people for why bullies may choose this method was that 'they think they will not get caught'.
17. The report's practical and policy recommendations were:
- Develop educational programmes around awareness for young people, parents/carers and schools
  - Deliver education that brings together young people and their families to enhance communication in relation to online media
  - Educate young people about what constitutes acceptable behaviour on-line
  - Implement the advice provided by young people in the PEAR project
  - Support young people to report incidents of cyber-bullying through other young people who could help change attitudes and provide a source of support to young people
  - Develop policies that stress the importance of developing values of care and kindness amongst young people
18. Kidscape works on all types of bullying and provided an overview of bullying and its impact on both targets and perpetrators. They said that interventions with targets can be particularly successful through behaviour work to help children become more assertive, as well as encouraging more emotional intelligence in children about the consequences of behaviour. Kidscape provides support in E Safety, bullying intervention, and teacher training.
19. Cybersmile is a service for children, young people and adults provided through a website, a helpline, counselling and workshops in schools. Cybersmile explained that when they go to schools they tackle emotional detachment, by making children aware of the emotional damage that they can cause online. They emphasised the importance of schools first recognising the problem and then having effective policies that they implement.
20. Kidscape and Cybersmile both also advised that it was very important to engage with families and parents, particularly as some parents are unfamiliar with social media and can struggle to support children effectively, for instance by helping children get privacy settings correct and supportively guiding children with on-line interactions. Cybersmile reported some difficulties recruiting parents and the sub-committee suggested developing closer relationships with schools to facilitate this. Both organisations are building their capacity to work with schools in Southwark. Kidscape announced that they had received funding to work in nine boroughs, including Southwark, to do 'Bullying Intervention Training' by providing teacher training, classroom and school support, starting in September 2013.

21. Elena Noel from Empowering People for Excellence and Jennifer Blake from Safe 'N' Sound particularly focused on young people at risk of exclusion and involvement in serious offending or gangs. Both work with young people and their families, in schools and in the community. They gave similar evidence that bullying is pervasive in schools and both raised concerns that some schools will not be aware of the extent of the problem, or will not want to label the problem. Jennifer Blake pointed out that young people who are involved in gangs are also involved in types of bullying, whether as victims or perpetrators or both.
22. The sub-committee received verbal evidence that gang members / serious offenders were using sex to intimidate and that vulnerable girls were being sexual exploited. It was reported that young people on the periphery of gangs may be hassled for money or pressurised into hiding knives.
23. The importance of knowing and looking for signs such as drug trading activity and ensuring that absences from school are explained was emphasised. The sub-committee heard that it was particularly vital to look out for more vulnerable young people, and young women who may be affiliated to gangs, and to do follow up work. Elena Noel reported that gang members often have a high status in schools and referred to a boy on an attempted murder charge who was still in school and put on a pedestal by other children. She explained that these children are often referred to as 'generals' and are often not the disruptive children. She said that frequently teachers were not aware of the children with gang affiliations.
24. The importance of working with parents was emphasised, and Elena Noel commented that many of the parents left school early and are often uncomfortable visiting schools. She recommended encouraging parents to visit schools when things are going well. When there are problems she observed that parents are often frightened and agitated and that home visits can help .
25. The sub-committee's former parental engagement review was referred to and the striking evidence that it is parents, and often fathers, whose positive role most influences their children's educational performance and behaviour. Evidence was heard that many children at risk did not have a positive male role model and often fathers were not around. Mothers are also often under pressure and unable to give sufficient time to their children. It was reported that social issues were very prevalent and increasing with austerity.
26. Elena Noel commented that often young people lack emotional intelligence and that giving time to young people can make a difference, she said that recognising the signs that something is going awry and giving young people home truths is effective. She explained that she worked with young people looking at role play and through this the young people discovered that they did not like being disruptive. Jennifer Blake explained that the project works with schoolchildren on a one to one basis, often with young people not going school.
27. It was reported that Southwark schools often have a large number of black children, but a predominantly white staff who often feel unable to tackle racist bullying.
28. The sub-committee was advised that young people should be involved in developing a Gang Prevention Policy and that it is important that the policy is enacted. Work to prevent gangs needs complementary work on developing good safeguarding policy and practice. One of the key recommendations was to encourage professionals to come together to share information. Safe 'N' Sound reported that it works closely with Southwark police, and would like to replicate this close working relationship with the council. Elena Noel advocated training with people who are credible and knowledgeable. She cautioned that some people offering training are still caught up in their social / criminal networks.



### **Best practice in Schools**

29. Young people, voluntary groups and the PEAR research report all emphasised the importance of nurturing the values of kindness and care, as well as developing emotional intelligence by raising awareness of the impact of different types of bullying: emotional, psychological, physical and sexual. One school had a 'Kindness week', which the young people praised, and there is a Cyber-bullying awareness rising day every 21 June.
30. Young people emphasised the subtle affects of peer pressure and group dynamics, and how this could make people feel. Mentoring of children by other children and the training of staff to tackle bullying was praised, as was the counselling programme offered by Place2Be.
31. Facilitating methods of reporting for all types of bullying was also commonly cited. This could be more traditional bullying as well as cyber-bullying or bullying that took place out of school, such as on the bus. Some schools had a drop box which allowed children to raise concerns, and this was viewed as very effective.
32. The positive role of School Councils in tackling bullying was cited, and the youth focus groups put young people's involvement in decision making as the second most important priority, behind safety.
33. Crown Lane Primary School, in Lambeth, was praised for their very good practice in tackling bullying.

### **Lesbian, Gay, Bisexual & Transgender (LGBT)**

34. Schools OUT gave a presentation on their work to tackle bullying and on working towards equality, safety and visibility in education for the LGBT community. The presentation highlighted children and young people's experiences:
  - Young people identifying themselves as lesbian, gay or bisexual (LGB) worry more about going to school than those who identify themselves as heterosexual
  - 36% of LGB young people reported being bullied at or near school, compared with 15% of heterosexual young people
  - A quarter of LGB young people reported experiencing cyber bullying at least once a month compared with less than 10% of heterosexual young people
35. The presentation spoke about the importance of the whole school approach and said the solutions focused on Language; Law; Role Models and Culture. The presentation highlighted the resources available for work in schools.
36. Schools OUT stressed that support for young LGBT people is vital and that social networks can help this. The best networks that exist for young people are Greenwich Metro and a network in Manchester that organises trips and arts activities. These networks create a supportive space where young people are able to come out in a safety. Sue Sanders reported that children can find it hard to access information about these networks on-line at schools as the software stopped access to the websites that used terms such as 'lesbian'. Southwark has an excellent network for adults - but no network for young people.

### **Safer Schools Steering Group**

37. The previous sub-committee recommended termly meetings between police beat officers, safer

neighbourhood teams, secondary schools and bus and train operators to share information and coordinate initiatives aimed at ensuring that the journey to and from school is safe. This group is now called the Safer Schools Steering Group. Evidence received by the sub-committee highlighted that bullying on transport is still a problem and the 381 bus route was given as an example of poor behaviour. Young people suggested that somebody went on the route to combat bullying.

38. The Safer Schools partnership could be a forum that is used to encourage professionals to come together to share best practice on Gang Prevention Policy and share information.

## **Recommendations**

1. That cabinet considers nominating the cabinet member for children and young people to take overall responsibility for implementing the council's work to address bullying
2. That cabinet considers nominating a named senior officer to lead on delivery of this work.
3. That information be cascaded to schools on the work of Kidscape and the Cybersmile Foundation on tackling bullying and cyber-bullying.
4. That training be promoted that brings together teachers, young people and their families to enhance communication and knowledge in relation to online media and cyber-bullying.
5. That initiatives such as Kindness Weeks and cyber-bullying awareness days be encouraged, which promote the values of care and kindness. Initiatives such as these can also help develop emotional intelligence and an awareness of what constitutes acceptable behaviour online.
6. That the use of role play in schools be encouraged in order to develop emotional literacy.
7. That schemes be promoted that support bullied children to build self-esteem and develop assertiveness skills.
8. That counselling services such as Place2Be be supported.
9. That school children be empowered to raise issues and the box scheme and other schemes be extended so that children, young people and the public can raise concerns easily, particularly about school bus routes.
10. That placing wardens and transport police on problematic bus routes, such as the 381, be considered.
11. That training to teachers be promoted on bullying and involvement with gangs/serious offending so that they are more able to work effectively with young people at risk. That it be ensured that the training is done by people who are credible and knowledgeable.
12. That a forum be provided for teachers to share concerns and information on young people involved, or at risk of involvement, with gangs/serious offending.
13. That encouragement and support be provided for schools to develop Gang Prevention Strategies.
14. That groups such as Safe 'N' Sound, Empowering People for Excellence and Citysafe be invited to join the Safer Schools Steering Group.
15. That more accessible information be provided on local LGBT networks for young people and

consideration be given to developing a network for Southwark young people, possibly with the support of Southwark's LGBT forum.

16. That Speakerbox, the Looked After Children Panel, the Children Safeguarding Board and the Corporate Parenting Panel be consulted on anti-bullying work with children receiving care.

<b>Item No.</b> 9.	<b>Classification:</b> Open	<b>Date:</b> 10 December 2013	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Gateway 1 - Procurement Strategy Approval Special Educational Needs and/or Disability (SEND) Taxis for Children, Young People and Vulnerable Adults	
<b>Ward(s) or groups affected:</b>		All wards	
<b>Cabinet Members:</b>		Councillor Dora Dixon-Fyle, Children's Services and Councillor Catherine McDonald, Health, Adult Social Care and Equalities	

**FOREWORD – COUNCILLOR DORA DIXON-FYLE, CABINET MEMBER FOR CHILDREN’S SERVICES AND COUNCILLOR CATHERINE MCDONALD, CABINET MEMBER FOR HEALTH, ADULT SOCIAL CARE AND EQUALITIES**

It is important to ensure that we meet our statutory duty to provide a safe and reliable transport service for eligible young persons and adults within Southwark. The costs associated with providing SEND taxi transport is commensurate with the need to secure a high quality, safe and specialist service however, we do also need to ensure that we achieve value for money. The strategy contained in this report provides the framework to achieve these criteria.

**RECOMMENDATIONS**

1. That cabinet approve the procurement strategy outlined in this report for the SEND taxis for children, young people and vulnerable adults service which is to undertake a competitive tender process for a four year framework agreement commencing on 1 September 2014 with an estimated annual value of £1.29m and therefore with an estimated total contract value of up to £5.2m.
2. That cabinet approve the delegation of the contract award decision (gateway 2) report to the strategic director of children’s and adults’ services for reasons stated in paragraph 28.

**BACKGROUND INFORMATION**

3. The SEND taxi service provides the council with vehicles, drivers and passenger assistants (PA) to accompany children and adults on their journeys where required and operates alongside the SEND school bus transport contract.
4. The SEND taxi service is used by Children’s and Adults’ Services to support delivery of the council’s statutory transport duties to support children with SEND travel to/from school and vulnerable adults assessed as eligible to receive travel support.
5. There are currently around 70 children and young people and up to 50 vulnerable adults using the SEND taxi transport service. Most of these children travel to Southwark mainstream schools or to special schools outside of

Southwark whereas adult clients, predominantly individuals with learning difficulties require SEND taxis to travel to colleges, day centres or other facilities.

6. In May 2012, the council awarded contracts for the provision of SEND taxi transport for children, young people and vulnerable adults to Ruskin Private Hire Ltd and HATS Ltd for a period of 15 months. The contracts ended in August 2013 with no provision available to extend.
7. The council embarked on a procurement process to put in place a framework for taxis services with a start date of 1 September 2013. However this process was abandoned in July 2013 as an insufficient number of providers were identified which met the council's criteria for that framework.
8. With little time to re-procure, an in principle agreement to continue existing arrangements was made with the incumbent providers pending the completion of this procurement.
9. This procurement will put in place a new framework with a start date of 1 September 2014. The interim arrangements mentioned above allow for the commencement of a new service on or before that date.

#### **Summary of the business case/justification for the procurement**

10. There is an ongoing need for the council to meet its statutory duty to provide travel assistance for children, young people and adults that meet the relevant criteria.
11. Adult social care works with clients to assess their requirements and produce support plans and introduce personalised support arrangements in accordance with the ministerial concordat "*Putting people first: a shared vision and commitment to the transformation of adult social care*" (2007). Adults in receipt of social care services will be considered to be offered self managed personal budgets and have the opportunity to arrange their own care and transport.
12. Adult social care will make use of the framework arrangement developed to purchase transport services for individuals who wish to have a council managed personal budget.
13. A coordinated children's and adults' services departmental approach to purchasing/booking/invoicing systems, comprehensive service monitoring and performance management will be achieved.

#### **Market considerations**

14. The market is made up mainly of private sector companies with local and regional reach.
15. Whilst the market for the provision of supported transport is mature and competitive and it is anticipated that a sufficient number of quality bids will be received for this procurement, the council recognises that it has recently abandoned a procurement process for a taxi framework. A review has been undertaken on the reasons for the limited number of successful applications and the findings will be addressed in the designing of the proposed tender process.

16. Comprehensive feedback was given to all unsuccessful providers and officers are confident that sufficient interest in future arrangements for the council remains.

## **KEY ISSUES FOR CONSIDERATION**

### **Options for procurement route including procurement approach**

17. A project board has been in operation to oversee development of the SEND taxi framework procurement. The project board considered the following options to ensure that market challenge and competition could be demonstrated in the procurement of the SEND taxi transport for children and adults:
- Option 1: Do nothing – this is not an option open to the council as the council has a statutory obligation to provide transport services for eligible children, young people and vulnerable adults. Failure to fulfil the statutory duty would cause considerable disruption to those eligible children and vulnerable adults and damage the council's reputation. Not putting in place medium to long term travel arrangements for these client groups will inevitably result in escalating costs to the council. Taxis provide a necessary form of transport when school buses are not possible/ practical.
  - Option 2: Competitive tender to award one or more contracts – this option could provide the service requirements, however, it is less likely to provide value for money over the life of the contract. The framework agreement by its nature ensures ongoing competitive tension between providers which, it is hoped, will achieve better value for money for the council. With varying factors such as fuel and insurance costs a mechanism that can test prices in a competitive environment is considered a better way forward.
  - Option 3: Participate in an existing framework agreement for taxi services – whilst this is potentially an option, research confirmed that there is no local framework in place which the council can access. There are other frameworks in place however these are not local and therefore would potentially be a more expensive solution.
  - Option 4: Undertake a joint tender with other local authorities - This is an approach the council could explore in the future. Currently the council's timeline for procuring these services is not aligned to neighbouring boroughs.
  - Option 5: Bring service in house. The nature of the service with intermittent use means that this is not a viable option for the council.
  - Option 6: Competitive tender to form a framework agreement with more than one service provider - this option is expected to deliver best value for the council through the competitive tendering of rounds (where appropriate) each year with a number of suppliers.

### **Proposed procurement route**

18. Under the Public Contracts Regulations 2006, the services are Part A services that are in excess of the relevant European thresholds. The council proposes to adopt the restricted procedure for the purposes of this procurement. The

evaluation stages of that procedure are detailed further in paragraphs 35 - 37 of this report.

19. The outcome of the procurement route adopted will be to:
- establish a multi-provider framework agreement;
  - allocate (on the basis of prices submitted during the tendering exercise) a majority of the rounds for the first year; and
  - establish a mechanism to allocate new or additional rounds by way of a mini-competition under the framework agreement.
20. A round will consist of passenger/s and their specific requirements e.g. with wheel chair access and/or passenger assistant. Following the allocation of rounds for the first year of the framework agreement in accordance with paragraph 19 above, the council's intention is to conduct, on an annual basis, mini-competitions for all rounds. The council will identify the rounds that will need to be delivered during the following year and providers appointed to the framework agreement will be given the opportunity to bid for these rounds. In exceptional circumstances e.g. where a change in provider may have an adverse effect on the passenger/s the round may not be reallocated through mini-competition.
21. It is envisaged that the framework will attract both small companies and large companies to bid competitively for work and it is envisaged that a good mix of companies will be achieved to deliver the service in accordance with the service specification.
22. This taxi framework procurement approach will provide a service delivery model that will enable:
- joined up approach across Children's and Adults' Services department
  - a flexible SEND taxi transport service for eligible children, young people and adults
  - value for money - all rounds will be awarded based on competitive price and there will be an annual price review
  - performance monitoring and management of the contracts with clear performance standards and targets.

#### **Identified risks for the procurement**

23. A risk register of the key risks identified is set out in the table below. The project board will regularly review these risks. Actions being taken to mitigate risks are identified in the right hand column of the table.

No	Risk	Likelihood	Risk Control
1	Lack of market interest due to previous tender being abandoned.	Low	Comprehensive review of previous process and a clear communication strategy highlighting the simplification of the process. The scoring and evaluation will be designed to encourage bids from all providers in the market.
2	Lack of sufficient quality bids to form a framework.	Low	Improved approach to assessment of bids taking on board lessons learned from previous process
3	Not enough time to deliver procurement process and ensure continuity of service.	Low	Robust governance arrangements in place to track progress of project.
4	Not enough council resources to deliver this procurement process as there are two tendering processes (SEND taxis and SEND school bus transport) taking place at the same time and there may be a large number of responses.	Low	Additional resources have been identified to support the process. The two procurement processes have also been staggered to ensure the availability of sufficient resources at key points during each procurement process.
5	Tenderers may wish to participate in both of the procurement exercises referred to in point 4 above and may not have sufficient resource to participate in both of those exercises at once.	Low	As noted, the two procurement exercises have been staggered to enable maximum participation by the market in the two procurement exercises.

### Key /Non Key decisions

24. This is a key decision.

### Policy implications

25. This contract will enable the council to fulfil its statutory duty to provide transport services to eligible children and young people as set out in the Education Act 1996 and in the Education and Inspection Act 2006 and will support delivery of the Southwark School Travel Assistance Policy.
26. For adults, the contract will enable the council to fulfil its duties, under the NHS and Community Care Act 1990, National Assistance Act 1948, Health Services and Public Health Act 1968, the Chronically Sick and Disabled Persons Act 1970, the National Health Services Act 1977 and the Mental Health Act 1983, to provide services to meet the needs of vulnerable adults. This includes a duty to provide appropriate travel assistance to meet the welfare needs of adult clients assessed as needing assistance with transport.



27. The contract assists the council in meeting its statutory public sector equality duty (PSED) under 149 of the Equality Act 2010 and also supports the council's published approach to equalities.

**Procurement Project Plan (Key Decisions)**

28. To allow for the necessary mobilisation and TUPE consultation for a contract start date of 1 September 2014, the award decision will need to be made no later than 4 July. Evaluation of tenders are scheduled to be completed by 30 May which will be followed by our internal Gateway 2 reporting process, so the proposed award date is achievable, and would ordinarily be referred to the cabinet for decision. However due to the May elections, there is not a firm date set for the cabinet meetings post June 2014, and therefore no guarantee that the July 2014 Cabinet will be held before 4 July. In order to ensure that there is no delay to the start of this service it is therefore proposed that the award decision is delegated to a chief officer to enable the contract award date to be met.
29. The procurement plan is outlined below and the project board will keep these dates under constant review.

Activity	Complete by:
Forward Plan	22/10/2013
DCRB Review Gateway 1	30/10/2013
CCRB Review Gateway 1	14/11/2013
Notification of forthcoming decision – despatch of Cabinet agenda papers	28/11/2013
Approval of Gateway 1: Procurement strategy report	10/12/2013
Scrutiny Call-in period and notification of implementation of Gateway 1 decision	18/12/2013
Completion of tender documentation	03/01/2014
Advertise the contract	08/01/2014
Closing date for expressions of interest	10/02/2014
Completion of short-listing of applicants	10/03/2014
Invitation to tender	14/03/2014
Closing date for return of tenders	24/04/2014
Completion of evaluation of tenders	30/05/2014
DCRB Review Gateway 2:	11/06/2014
CCRB Review Gateway 2:	19/06/2014
Notification of forthcoming decision	23/06/2014
Delegated Approval of Gateway 2: Contract Award Report	04/07/2014
Scrutiny Call-in period and notification of implementation of Gateway 2 decision	11/07/2014
Contract award	15/07/2014
Alcatel Standstill Period (if applicable)	25/07/2014
TUPE Consultation period (if applicable)	31/08/2014
Place award notice in Official Journal of European (OJEU)	01/09/2014
Contract start	01/09/2014
Contract completion date	31/08/2018

### TUPE/Pensions implications

30. The Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) will apply on a service provision change where activities cease to be carried out by a contractor on the Council's behalf and are instead carried out by another contractor on its behalf, where there is an organised grouping of employees whose principal purpose is the carrying out of that activity, and where the activity is to be carried out otherwise than in connection with a single specific event or task of short-term duration. Only those employees assigned to the transferring activity will transfer.

31. There are no TUPE nor pensions implications for the council as an employer because the council does not deliver these services directly. Whether TUPE will apply in relation to the current contractors is unclear at this stage but it is considered that any likelihood of TUPE applying will be in relation to a transfer of work involving dedicated escorts. However until due diligence is carried out definitive advice on TUPE cannot be provided. This due diligence work needs to be carried out before the tender process commences as its results need to be included in the tender pack. Tenderers will be directed in the tender documentation to seek their own independent advice and no warranties will be given as to the application of TUPE.

### **Development of the tender documentation**

32. The tender documentation required to set up the framework will be developed by the project team which includes officers from the council's legal, finance and corporate procurement teams.
33. The project board will oversee all elements of the procurement process and sign off all the relevant tender documentation ((Official Journal of the European Union (OJEU) notice, pre qualification questionnaire (PQQ), invitation to tender (ITT), service specification and the quality and price evaluation methodologies).

### **Advertising the contract**

34. The tender will be advertised in a number of ways:
- Notice in OJEU
  - Public advertisement in South London Press
  - Advertisement published on the council's website
  - Existing and other taxi transport providers known to the council will also be alerted to the advert placed on the council's website.

### **Evaluation**

35. The contract will be awarded following a Part A EU restricted procedure consisting of three stages – PQQ, ITT and allocation of rounds:
- Stage One – the purpose of the PQQ is to create a short list of organisations who have demonstrated that they have sufficient financial and economic standing, and technical capacity and capability to deliver the services at the standard required. PQQs will be evaluated in accordance with requirements of the Public Contract Regulation 2006. The financial, health and safety and equalities sections will be assessed as pass or fail. For the financial assessment a liquidity test will be undertaken to provide assurance of the continuity of the organisation. Method statements will be used to assess the technical section, for which there will be a minimum pass mark. Only those tenderers who attain the minimum technical score and pass all other sections will be invited to tender. The final PQQ evaluation methodology will be signed off by the project board and advised to tenderers.

- Stage Two – method statements will be used to evaluate tenders against key quality criteria such as quality of resources, approach to service delivery, management of information and approach to service improvement. Only tenders meeting the quality threshold will then be assessed on price.
  - Stage Three – allocation of rounds will be based on prices submitted in the tenders for the first year.
36. The evaluation panel will be made up of representatives from finance, home to school transport, adults' social care, health and safety, sustainability and equalities.
37. It is envisaged that in the event of any minor changes to a round during an academic year e.g. change in the number of passengers/pick ups the price will stay the same within an agreed range. Therefore tolerances for change will be included and these will be agreed as part of the tender documentation.

### **Community impact statement**

38. This is a specialist service that is likely to be delivered to around 75 children and young people with special educational needs and/or physical disabilities and up to 50 vulnerable adults annually. Service users representing a wide range of communities, including families and individuals with English as an additional language, receive support through SEND transport services. This transport service, supports this cohort to fully engage with educational and/or community activities e.g. to be able to attend school or their local community centre, which they would otherwise be unable to do. The provision of this service will support children and young people to access education and vulnerable adults to lead independent lives.
39. A comprehensive review of children's and adults' transport services was carried out during 2012. The consultation included focus group sessions with SEND transport service users including parents and carers of children with disabilities as well as children/young people travelling on the service to and from school. This consultation enabled us to obtain a much greater understanding of what the community wanted from this service. The feedback received was used to develop the council's travel assistance policy and has been central to determining the specific expectations we have for delivery of the service that this procurement strategy seeks to achieve. Companies tendering to deliver this SEND taxi service will receive details of the service we intend to deliver, which is largely based on the results of this extensive engagement with key stakeholders and will be expected to deliver their services accordingly.
40. As SEND taxis are used by some of the most vulnerable members of the community, it is essential that the service is of a high standard and is able to meet the needs of all passengers. The SEND transport service specification will include details of the specific requirements of community needs which are based on community consultation feedback and therefore, will be able to deliver services in accordance with direct requirements highlighted by service users from the community. All potential providers will be required to demonstrate their commitment to diversity and equal opportunities.

### **Economic considerations**

41. Local companies will be able to bid for inclusion on this framework and if successful, will help to promote local jobs to local people in delivering these transport services.

### **Social considerations**

42. In February 2012 the council made a commitment to ensure that the London Living Wage (LLW) benefits were extended to not only the councils directly employed staff but also those who work for the council through contracts. Since that time the LLW has been included in all relevant procurements and in some cases to existing contracts.
43. For this procurement the council will again stipulate the requirement for LLW for all staff directly employed by the provider on the contract. However, it is recognised that with taxi and mini cab providers, a range of business models are in operation especially with regard to the engagement of self employed drivers. In practical terms it is not realistic for the council to insist that such staff be paid LLW as this is a matter for those individuals. The tenderers' support of the council's LLW commitment will be tested fully through the procurement process. This will include business models with self employed components demonstrating their approach to support the council's achievement of its LLW commitment.

### **Environmental considerations**

44. Environmental policies will be assessed at PQQ stage. As a minimum providers will be expected to use and source green, environmentally friendly vehicles whenever it is possible to do so.

### **Plans for the monitoring and management of the contract**

45. As this framework arrangement will be in place across the Children's and Adults' Services department appropriate monitoring and management arrangements to facilitate this change will be required. The current school travel service team has significant experience in managing transport contracts, route planning and passenger support which will be used as a basis for developing this in-house resource.
46. Day to day monitoring of the contract will be achieved through monthly review meetings between officers and the transport provider. The contract will be monitored and managed in respect of:
- compliance with the specification and contract terms and conditions
  - the performance of the contractor
  - cost
  - user satisfaction
  - risk management and
  - key performance indicators
47. Annual awards of rounds will include an element of performance assessment. It is envisaged that poor performance will not lead to continued levels of work being secured through the framework.

### Staffing/procurement implications

48. There is a cross departmental project team tasked with delivering this procurement. There are governance arrangements in place to oversee the progress of the procurement and to make necessary decisions during the process.
49. Monitoring arrangements and contract management of this taxi framework arrangement will be new to the council. Although transferable expertise exists within the home to school transport team this resource will not be sufficient to cover the entire new service.
50. A review of operational requirements to successfully run and manage the framework will be carried out to ensure sufficient resources are in place at the start of the life of the framework.

### Financial implications: (ref: CS0277)

51. The home to school transport budget has consistently experienced over spends for the past three financial years. The service has seen a steady rise in the number of SEND children transported each year; a contributory factor is the 'in-year' increases of SEND children requiring a service. In 2012/13 an 8% increase in children was experienced within the academic year September 2012 to July 2013.
52. The 2013/14 outturn for taxi provision is forecast to be 15% lower than the prior year as the annual reconfiguration of taxi and bus rounds for the start of September 2013 academic year resulted in a reduction in taxi users as mini bus rounds that were part of the taxi contract moved into the main bus contract provision. This is an efficiency saving on the total transport budget however, the full impact of this is offset by the increase in activity on the bus routes. The majority of the remaining SEND taxi users are those who attend schools outside the borough, have conditions which require them to be transported on their own or are the only pupils attending a particular setting, consequently making these high unit cost users.
53. There is an expectation that the new service will not experience an increase in costs on the current forecast of £977k as officers take this opportunity to reconfigure the service with providers and secure efficiencies where possible.

	2011/12 Outturn	2012/13 Outturn	2013/14 Forecast
<b>SEND taxi transport</b>			
<b>Cost (£000's)</b>	737	1,201	977
<b>Number of children with SEND on SEND taxi transport</b>	87	128	67
<b>% of children with SEND using SEND taxi transport</b>	22%	31%	16%

54. Adult clients are offered personal budgets (personalisation), and encouraged to make their own care arrangements, including those for transportation. As result, the client transportation costs for adults' services have fallen year on year over the last 4 years. The introduction of personalisation having contributed to this downward trend. Though reducing, there will remain a core of adult clients who do not wish to make their own transport arrangements, and will continue to use

the transport contracts for vulnerable adults. The impact of personalisation on the Adults transport budget is reviewed annually.

55. The forecast costs for vulnerable adult transportation costs 2013/14 is £308k; these costs can be met from within the existing budget for client transportation.
56. The total forecast cost of taxi services to vulnerable adults and SEND children for the proposed contract duration is £5.2m (1 September 2014 to 31 August 2018); this will be met from existing service budgets. The transport budget is funded via core budget and is therefore subject to the impact of the council's budget strategy during this period.

### **Legal implications**

57. See comments from the Director of Legal Services.

### **Consultation**

58. A comprehensive review of children's and adults' transport services was carried out during 2012 and included consultation with key stakeholders/users of the service. The results of the review were used extensively in the previous taxi framework tender process in development of the service specification and key aspects of the taxi service requirements that service users had informed us were important to them. This consultation feedback is still relevant and will be carried forward to the current taxi framework procurement process.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Director of Legal Services**

59. This report seeks the approval of the procurement strategy for the SEND taxi service as further detailed in paragraph 1. At an estimated value exceeding £4m, this is a strategic procurement under contract standing orders (CSOs), and approval is therefore reserved to the cabinet.
60. The cabinet is advised that the relevant law relating to the council's duty to make arrangements for transporting children and young people with SEN to school is found under the Education Act 1996, and in particular Part IV and schedules 27 and 35. Under s.508B local authorities must make travel arrangements for eligible children to facilitate attendance at school and those arrangements must be free of charge. There are supplementary provisions under the Education and Inspections Act 2006. The statutory authority for providing arrangements for adults is noted in paragraph 26.
61. The taxi service is a 'part A' service under the Public Contract Regulations 2006, and is therefore subject to the full application of those tendering requirements. As noted in paragraph 35 the framework will be established following a restricted procedure in accordance with the EU procurement regulations, and will be advertised through OJEU. Regulation 19 sets out specific requirements which must be met when establishing a framework, for example that the framework period should not exceed 4 years. Officers from the contracts team in legal services will work with the project team to ensure that the framework is established in accordance with those EU requirements.

62. The cabinet will be aware of the Public Sector Equality Duty in section 149 of the Equality Act 2010. In exercising its functions (and in its decision making processes) the council must have due regard to the need to:
- (a) eliminate discrimination, harassment, victimisation or other prohibited conduct;
  - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
  - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
63. The relevant protected characteristics are age, disability, gender reassignment, pregnancy/maternity, race, religion/belief, sex and sexual orientation.
64. The cabinet is referred to paragraphs 38 - 40 of this report which note the community impact statement, and they should consider the equalities impact and issues when approving the procurement strategy, and at each stage of the process.

#### **Strategic Director of Finance and Corporate Services (FC13/086)**

65. This report seeks cabinet approval to the procurement strategy for the SEND taxis for children, young people and vulnerable adults' service. A competitive tender process will be undertaken for a four year framework agreement, commencing on 1 September 2014, with an estimated annual value of £1.29m with an estimated total contract value of up to £5.2m.
66. The strategic director of finance and corporate services notes the financial implications detailed in paragraphs 51 to 56. Close monitoring of these services, alongside other transport arrangements, needs to continue in order to ensure they can be delivered within existing resources.
67. It is noted that financial appraisal and price evaluation will be done ahead of contract award. Details of this and other financial implications will be contained in the gateway 2 report. Officer time to conduct this tender process can be contained within existing staff resources.

#### **Head of Procurement**

68. This report is seeking approval to set up a framework that will deliver SEND taxi services for children, young people and vulnerable adults.
69. The report confirms that the council has a statutory duty to provide transport services for eligible children and adults with physical/ learning difficulties or special educational needs. This duty presents an ongoing need for transport services which are delivered in a variety of ways through a number of contracts. This report covers the provision of taxi services only. The proposed framework will provide a flexible arrangement which will be able to accommodate the council's requirements going forward. The procurement options considered and discounted are outlined in paragraph 17. The benefits of setting up a framework for taxi services are listed in paragraph 22.
70. Paragraph 15 explains that a previous procurement process was abandoned as a limited number of successful applications were received. The tendering process to be adopted for this procurement has been designed to address some of the issues highlighted during the previous process.



71. The procurement project plan is achievable, provided the appropriate resources are allocated to deliver the project. The report confirms that a project board is in operation to oversee the procurement and monitor the progress of the project. It is envisaged that the project board will sign off key stages of the project and the production of key tender documentation.
72. Paragraphs 35 – 36 describe the approach to evaluation. To get onto the framework, providers will need to demonstrate a level of quality that meets the council's standard. All providers meeting the standard will appear on the framework. Routes will then be awarded according to the cheapest price. Routes will be the subject of an annual mini competition to ensure on going value for money is achieved.
73. Paragraphs 45 - 47 outline the monitoring and management arrangements for the framework and services delivered through it. The report confirms that performance will feature in the annual mini competition. This will help ensure that quality standards are maintained throughout the life of the framework

#### **BACKGROUND DOCUMENTS**

<b>Background Documents</b>	<b>Held At</b>	<b>Contact</b>
None		

#### **APPENDICES**

<b>No</b>	<b>Title</b>
None	

**AUDIT TRAIL**

<b>Cabinet Member</b>	Councillor Dora Dixon-Fyle, Cabinet Member for Children's Services Councillor Catherine McDonald, Cabinet Member for Health, Adult Social Care and Equalities	
<b>Lead Officer</b>	Romi Bowen, Strategic Director of Children's and Adults' Services	
<b>Report Author</b>	Glenn Garcia, Head of Pupil Access	
<b>Version</b>	Final	
<b>Dated</b>	28 November 2013	
<b>Key Decision?</b>	Yes	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments Included</b>
Head of Procurement	Yes	Yes
Director of Legal Services	Yes	Yes
Strategic Director of Finance and Corporate Services	Yes	Yes
<b>Contract Review Boards</b>		
Departmental Contract Review Board	Yes	Yes
Corporate Contract Review Board	Yes	Yes
<b>Cabinet Member</b>	Yes	Yes
<b>Date final report sent to Constitutional Team</b>	28 November 2013	

<b>Item No.</b> 10.	<b>Classification:</b> Open	<b>Date:</b> 10 December 2013	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Fairer Future Interim Performance Report 2013 – 2014	
<b>Ward(s) or groups affected:</b>		All	
<b>Cabinet Member:</b>		Councillor Peter John, Leader of the Council	

### **FOREWORD - COUNCILLOR PETER JOHN, LEADER OF THE COUNCIL**

When I think of our borough of Southwark, I think of potential. It is vibrant and diverse and full of life, rich in history and yet rooted in the future. Take a walk through our wards and you will be astonished at how quickly the architecture and communities shift and change. From the workers busily moving through London Bridge to the bustle of Peckham and Camberwell to the transformations happening in Elephant and Castle – and the many areas in between - there is nowhere else like it.

We are so lucky that our borough can offer its residents unparalleled opportunities but this is worthless if only a select few can access them. That is why, in 2010, we promised that everyone in Southwark, no matter their background, would have the opportunity to fulfil their potential. Our vision was for a Fairer Future for All and we made 10 promises to our people which set out how we proposed to make this a reality. This report is our chance to let you know how the council has met those Fairer Future promises, not only in the last six months but since we first made them.

Throughout the last three years, we have been very mindful of our duty to spend every penny as if it came from our own purses and treat every resident as if they were our own parent, child or loved one. Even within these difficult times, we have still sought to protect our most vulnerable residents and treat all people within Southwark with dignity and fairness.

Our work has been happening in the shadow of the financial challenges affecting everyone so deeply but we have tried very hard not to let these challenges limit the scope of what we believe can be achieved for our residents. We have tried to think big and think long-term, hence decisions to protect libraries, our commitment to the building of 11,000 new homes and our commitment to the London Living Wage.

These are not easy times but I am proud to lead a council that puts its residents at the heart of decision-making. I would like to thank all the staff, partners and the residents themselves who make our borough what it is.

### **RECOMMENDATION**

That cabinet,

1. Notes progress in the first half of 2013/14 against the ten fairer future promises and portfolio performance objectives in the council plan.

## BACKGROUND INFORMATION

2. On 6 July 2011 council assembly approved a new council plan. This set out how the council would work to achieve its Fairer Future for All vision in an environment of significantly reduced funding to the council and the wider public sector. Ten fairer future promises were committed to, with a further set of objectives outlined in performance schedules for each cabinet member portfolio.
3. At the core of the council plan were the council's ten Fairer Future promises. By focusing on ten key promises we recognised that in times of reduced funding to local government from central government, we needed to focus our resources on the areas where we can achieve the maximum impact to help meet our vision.
4. The ten Fairer Future promises are:

**Promise 1 Value for money** - "Provide improved value for money and keep council tax increases below inflation"

**Promise 2 A safer borough** - "Work with residents and the police to make the borough safer for all by cracking down on antisocial behaviour and implementing our new violent crime strategy"

**Promise 3 Warm, dry safe homes** - "Deliver the first three years of our five year plan to make every council home warm, dry and safe".

**Promise 4 Improved customer service** - "Improve our customer service with more online services, including delivery of a better housing repairs service, independently verified by tenants".

**Promise 5 Improved educational attainment** - "Introduce free healthy school meals for all primary school pupils, and champion improved educational attainment for our borough's children".

**Promise 6 Support vulnerable people** - "Support vulnerable people to live independent, safe and healthy lives by giving them more choice and control over their care".

**Promise 7 Encourage healthy lifestyles** - "Encourage healthy lifestyles by transforming Burgess Park, opening a new swimming pool at Elephant and Castle and awarding £2m to local projects to leave a lasting Olympic legacy".

**Promise 8 Invest in libraries** - "Open Canada Water library in autumn 2011, open a library in Camberwell and conduct a thorough review of the library service".

**Promise 9 Homes, jobs and growth** - "Bring the full benefits and opportunities of regeneration to all Southwark's residents and build new family homes on the Aylesbury Estate and at Elephant and Castle".

**Promise 10 Cleaner, greener Southwark** - "Double recycling rates from 20 per cent to 40 per cent by 2014 and keep our streets clean".

5. Over 2010/11 a number of changes were made to the performance monitoring and reporting requirements of the council by central government, including abolition of the national indicator set and an end of requirement for local area

agreements. The council plan was therefore designed specifically to reflect local priorities and to use local accountability as the key driver of improvement in the council's performance.

6. Since the council plan's adoption, the council's performance has been reported through a series of interim and annual performance reports. The last of these, the Fairer Future Annual Performance Report was presented to council assembly in July 2013 and it noted progress made over 2012/13, the second year of the council plan.
7. The council has continued to monitor performance against the council plan's ten promises and cabinet member performance objectives during 2013/14, Performance data reviewed in the first quarter of this year was published on the council's website as part of our fairer future principle of being open, honest and accountable.

### **KEY ISSUES FOR CONSIDERATION**

8. This interim performance report and cabinet performance schedules (see Appendices 1 and 2) provides a summary of progress over the first six months of 2013/14, against the ten fairer future promises and cabinet member performance objectives, agreed in the council plan and in subsequent annual performance reports to council. It outlines some of key the things we've delivered in the first six months of 2013/14 and over the life of the plan.
9. Good progress has been maintained on all the fairer future promises in the first half of 2013/14. This is outlined in full in Appendices 1 & 2.
10. Key achievements over the first six months of 2013/14 include:
  - No increase in council tax. We were able to make sure that funding continued to go to those who need it most, targeting support for the low paid, children, and more vulnerable within the community.
  - Tackling crime. In the last three years violent crime fell by 25 per cent with 1,070 fewer offences of violence with injury and 40 per cent fewer of the most serious violent crimes.
  - Investing in housing. Since April 2011, we have spent £123m on improvements to our council housing stock. This has included completion of major works at a number of estates, as well as street properties in Camberwell.
  - Our customer service is improving. In June 2013 we brought our customer service in-house, making a big difference to the way in which we serve our residents and freeing up £3 million this year to be reinvested. Telephone and online services at the new contact centre at Queens Road Peckham and the face to face services in Bermondsey, Peckham and Walworth are improving.
  - Raising attainment levels. Southwark's flagship policy of providing every primary school aged child daily with a free healthy school meal has a 92 per cent take up rate across children in reception to year 4 classes. Since

September the policy has been extended, with year 5 and 6 pupils now also benefitting from a nutritious free lunch.

- Helping more people live independent lives. Since 2010, we have reduced the charge for meals on wheels by 50 per cent and helped more people with learning disabilities to live independently in settled accommodation. We are also one of the boroughs with the largest number of people using personal budgets in the country. 94 per cent of eligible users now have a personal budget. It means that nearly all the people we work with are choosing support that helps them feel fulfilled, independent and in control of their own care.
- Improving the environment. We maintain some of the most beautiful parks in London, with 17 retaining green flag status. Many now offer outdoor gyms and are more widely used by residents. Burgess Park has been transformed and we continue to make real investment in our leisure centres across the borough. Our recycling rate, one of the most improved in London, has reached 37 per cent this year and we expect it to improve.
- Improved libraries services. After consulting with residents we were able to avoid the closure of any of our libraries. We now have over 50 volunteers taking part in our libraries volunteering programmes, with participants telling us that it helps them be more connected to their communities. By the end of September 2013 Canada Water Library received over 830,000 visits and is on track to pass the one million mark by the end of this year.
- Significant progress on major regeneration. The regeneration of the Aylesbury has continued, with the construction of over 320 new homes. At the Elephant and Castle, the construction of the residential developments 'One the Elephant' and Trafalgar Place has started, with the demolition of the former Heygate Estate underway. All of the tenants from the former Heygate estate have been re-housed in the borough and offered the right to return to the new homes that will be built.

### **Community impact statement**

11. The purpose of this report is for cabinet to note progress in the second quarter of 2013/14 against the promises and objectives agreed in the Council Plan and the 2011/12 and 2012/13 Council Plan Annual Performance Reports. No specific equality analysis has been undertaken on this report on performance as there are no impacts arising from the report itself.
12. Future decisions made on the basis of the performance highlighted by this report may require equality analysis to be undertaken and more detailed consideration of the impact on local people and communities as appropriate. The Forum for Equalities and Human Rights and Southwark's Equality and Human Rights Panel were engaged in the council's equality objectives and its feedback was considered in development of the equality objectives for 2013/14 that are set out in this report.

### Financial implications

13. There are no immediate resource implications arising from this report. Any additional funding required will be subject to financial appraisal and reported through the council's budget setting process.

### SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

#### Director of Legal Services

14. It was previously a requirement for local authorities to publish a best value performance plan. The Local Government and Public Involvement in Health Act 2007 removed the powers of the Secretary of State to specify performance indicators and standards for local authorities, the duty on authorities to meet such standards and to publish best value performance plans.
15. However, a local authority is still under a general duty of best value to “make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness”. The Council Plan is one of the ways the council can demonstrate that it is achieving this requirement.
16. No specific equality analysis has been undertaken for this report as there are no impacts on the community arising from the report itself but cabinet is reminded of the requirement to have due regard to the public sector equality duty set out in s.149 Equality Act 2010 in its future deliberations and conclusion.

#### Strategic Director for Finance and Corporate Services (FC13/082)

17. The strategic director of finance and corporate services notes that there are no immediate resource implications arising from this report. Any additional resources required in the future will need to be financially appraised and their approval will be subject to the council's policies and procedures.

### BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Council Plan Annual Performance Report 2012/13	<a href="http://www.southwark.gov.uk/info/200342/council_plan">http://www.southwark.gov.uk/info/200342/council_plan</a>	Chima Amiaka– chima.amiaka@southwark.gov.uk
<b>Link</b> <a href="http://www.southwark.gov.uk/info/200342/council_plan">http://www.southwark.gov.uk/info/200342/council_plan</a>		
Council Plan 2011-14	<a href="http://www.southwark.gov.uk/info/200342/council_plan">http://www.southwark.gov.uk/info/200342/council_plan</a>	Chima Amiaka– chima.amiaka@southwark.gov.uk
<b>Link</b> <a href="http://www.southwark.gov.uk/info/200342/council_plan">http://www.southwark.gov.uk/info/200342/council_plan</a>		

**APPENDICES**

<b>No.</b>	<b>Title</b>
Appendix 1	Fairer Future Interim Performance Report 2013/14
Appendix 2	Quarter 2, 2013/14 Council Plan Cabinet Member Performance Schedules

**AUDIT TRAIL**

<b>Cabinet Member</b>	Councillor Peter John, Leader of the Council	
<b>Lead Officer</b>	Eleanor Kelly, Chief Executive	
<b>Report Author</b>	Chima Amiaka, Senior Strategy Officer	
<b>Version</b>	Final	
<b>Dated</b>	28 November 2013	
<b>Key Decision?</b>	Yes	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments Included</b>
Director of Legal Services	Yes	Yes
Strategic Director of Finance and Corporate Services	Yes	Yes
<b>Cabinet Member</b>	Yes	Yes
<b>Date final report sent to Constitutional Team</b>	28 November 2013	



**Fairer future**

Delivering our promises

APPENDIX 1



**Southwark Council  
Fairer Future**

# **Interim Performance Report 2013/14**

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# FOREWORD

## LEADER OF THE COUNCIL

### Cllr Peter John



When I think of our borough of Southwark, I think of potential. It is vibrant and diverse and full of life, rich in history and yet rooted in the future. Take a walk through our wards and you will be astonished at how quickly the architecture and communities shift and change. From the workers busily moving through London Bridge to the bustle of Peckham and Camberwell to the transformations happening in Elephant and Castle – and the many areas in between – there is nowhere else like it.

We are so lucky that our borough can offer its residents unparalleled opportunities but this is worthless if only a select few can access them. That is why, in 2010, we promised that everyone in Southwark, no matter their background, would have the opportunity to fulfil their potential. Our vision was for a Fairer Future for All and we made ten promises to our people which set out how we proposed to make this a reality. This report is our chance to let you know how the council has met those Fairer Future promises, not only in the last six months but since we first made them.

Throughout the last three years, we have been very mindful of our duty to spend every penny

as if it came from our own purses and treat every resident as if they were our own parent, child or loved one. Even in these difficult times, we have still sought to protect our most vulnerable residents and treat all people within Southwark with dignity and fairness.

Our work has been happening in the shadow of the financial challenges affecting everyone so deeply but we have tried very hard not to let these challenges limit the scope of what we believe can be achieved for our residents. We have tried to think big and think long-term, hence decisions to protect libraries, our commitment to the building of 11,000 new homes and our commitment to the London Living Wage.

These are not easy times but I am proud to lead a council that puts its residents at the heart of decision-making. I would like to thank all the staff, partners and the residents themselves who make our borough what it is.

**Councillor Peter John**  
Leader of Southwark Council

# THE CABINET

## CHILDRENS SERVICES

**Cllr Dora Dixon-Fyle**



Every primary school pupil in Southwark now receives a free healthy school meal every day following our rolling out of the programme to the last children this September. Alongside this, we have continued our capital investment in local schools to make sure there is a place for every primary school child. Working jointly with schools and early years providers, we continue to see improvements in both education quality and children’s educational attainment.

Southwark continues to keep children safe and deliver high quality specialist services. We are transforming our local children’s social work services and have recently introduced a multi agency safeguarding hub to support timely and effective support to those at risk of harm. More local children are finding safe and permanent homes with more being adopted. At any given time, there are about 40 babies and children looking for families. Since it launched in June our ‘Find 40 Families’ campaign has been helping to find homes for these children.

## HEALTH, ADULT SOCIAL CARE AND EQUALITIES

**Cllr Catherine McDonald**



Southwark has large differences in life expectancies and faces many health challenges, including cardiovascular diseases, cancers and sexually transmitted infections. The council has recently assumed responsibility for public health and I am excited that this means we can now embed health in everything we do, and working with partners, improve people’s health.

Our social care services support vulnerable people and help them live independently, as people tell us that they want. We have halved the price people pay for meals on wheels, brought in a single care

advice line, worked to integrate health and social care and increased the number of people with personal budgets, giving people greater choice and control. We are getting people back on their feet after illness or injury, to reduce the need for hospital or residential care admissions. As cabinet member for equalities, I have been working with groups representing different sections of our community to ensure that their voices are heard in the council. I have been ensuring that the council continues to celebrate the diversity of the borough and that all our residents can access everything that Southwark has to offer.



**HOUSING  
MANAGEMENT**  
Cllr Ian Wingfield



We are continuing to deliver on our commitment to make every council home warm, dry and safe. Since April 2011, we have invested £123m and on completion by March 2016 will have invested £326million. Although challenges with our repairs service continue, our monthly surveys of tenants show that improvements are being made, with more tenants getting their repairs completed first time and fewer appointments being missed. Our engagement with tenants and homeowners is helping us with the design and delivery of service

improvements, including bringing the customer services centre in-house and directing the priorities for our investment programme.

We are working with the Homeowners' Council to ensure that major works provide value for money for homeowners and that charges are fully explained and accurately estimated and billed. By cracking down on fraud and illegal sub-letting, we have recovered over 700 properties from illegal occupiers since April 2011. These homes have then been offered to people waiting for a move.

**COMMUNITIES AND  
ECONOMIC WELLBEING**  
Cllr Victoria Mills



Southwark's economy is on the up. Since 2011/12, we have supported 1,412 local people into jobs, including through our work with developers on projects such as The Shard. Our employment rate continues to rise and while economic times are tough we've committed £1m to support Southwark businesses and town centres.

government cuts, our budget consultations have involved people in helping to shape the council's future spending plans. Despite such cuts, we've continued to support advice services and the voluntary sector. We've also established a £1.5m transition fund to help modernise the way the voluntary and community sector works. Our adult learning service has a good OFSTED rating and supports over 4,000 local people each year to improve their skills for life, learn English or take part in other family learning activities.

We're involving more people than ever before in decision making. Thousands got involved in our community conversation about the future of housing and, in the face of continued

**CULTURE, LEISURE,  
SPORT AND  
VOLUNTEERING**  
Cllr Veronica Ward



Southwark's libraries continue to provide a first class service to all our residents. We have more visits and higher satisfaction year on year and despite huge budget pressures have not closed a single library. We are investing in leisure with the £2m Olympic Capital Legacy projects nearing completion and more people using the refurbished Camberwell and Dulwich leisure centres. I am proud that Southwark is one of the few boroughs in London where fitness activity has increased. We are building on the contribution of Southwark volunteers to the

Olympics and Paralympics with new plans to support the thousands of hours that community members contribute to the wellbeing of all.

Southwark's thriving arts and creative sector continues to provide employment, inspiration and community cohesion as well as boosting local economies. Our new cultural strategy sets out how we will support this sector. Events and festivals which celebrate all our communities have continued to flourish in new and imaginative ways.

**REGENERATION  
AND CORPORATE  
STRATEGY**

**Cllr Fiona Colley**



Our major regeneration projects are now really gaining momentum, creating new and improved homes, neighbourhoods and amenities and stimulating economic growth. We can now see award winning new homes as part of phase one of the regeneration of the Aylesbury, with demolition starting on the next phase on Thurlow Street.

At the Elephant, we have seen the beautiful new social housing on Brandon Street, the rapid

progress of homes being built at Trafalgar Place and a hive of activity at the Heygate as the demolition of the concrete blocks begins. Work is also well underway with ‘One The Elephant’ and the new leisure centre. Looking forward we have exciting ambitions to build 11,000 new council homes and to extend the benefits of regeneration still further. The momentum behind our projects is astonishing, with the Fairer Future for All programme delivering real transformation of the borough.

**TRANSPORT,  
ENVIRONMENT  
AND RECYCLING**

**Cllr Barrie Hargrove**



We set out a programme for improving our environment and creating a borough that is green, sustainable and enjoyable. We are well on the way to making our borough one that we can all enjoy and be proud of. The cleanliness of our streets has been maintained, with high levels of satisfaction with our environmental services. Our recycling rate has improved significantly making Southwark London’s most improved borough. The amount of waste we send to landfill has been radically reduced and we have achieved a 20.6 per cent reduction in carbon emissions from our operational buildings and depots.

We have been awarded 17 green flags for our parks and have transformed Burgess Park through the investment we have made. Our other green spaces are well managed and maintained and are helping to encourage biodiversity. We have exceeded our targets for reducing carbon emissions from council operations and are on track to deliver the capital’s first combined heat and power network to 2,500 council homes.

**FINANCE, RESOURCES  
AND COMMUNITY  
SAFETY**

**Cllr Richard Livingstone**



Despite unprecedented government cuts to our funding since 2010, we have kept council tax frozen and protected frontline services by making 70 per cent of the cuts from back office savings and efficiencies. We continue to make progress on our £800m ten year capital programme and are one of the first councils in the country to become a fully accredited Living Wage Employer. This not only ensures that council staff receive the London Living Wage, but also puts in place arrangements for our contractors’ employees to receive this by March 2015.

We are delivering our violent crime strategy and have now seen violent crime fall by 25 per cent since December 2010. Last year, we increased our support service for domestic abuse victims, which is now available all day, every day, seven days a week. Last year’s investment to create a state of the art CCTV control room has enabled our programme to replace outdated cameras on estates with fit for purpose modern systems, which is well on track.



# PROMISE 1 VALUE FOR MONEY

**PROVIDE IMPROVED VALUE FOR MONEY AND KEEP COUNCIL TAX INCREASES BELOW INFLATION.**

## WHY WE MADE THIS PROMISE

In 2010, as the recession kicked in, our residents were coping with huge financial challenges, while the council itself faced the biggest cuts to our funding for a generation. People in Southwark were facing redundancy, pay packets were worth less than they were the year before and for those relying on benefits, the welfare changes were already starting to bite. We thought a great deal about what even the smallest sums meant to the people we work for and knew it was our duty to do whatever we could to ease the pressures on our residents. We vowed to spend every penny as if it came from our own household budgets and to give our residents value for money. Despite cuts to our budget of 25 per cent over three years we had to make sure that valued and important services, from housing repairs to adult social care services, did not suffer.



A resident gives their views on our future budget decisions

## WHAT WE SET OUT TO ACHIEVE

We wanted to make sure that we spent money in a way that ensured a fairer future for all Southwark residents. In February 2011, the council set out a proposed budget for the three years, to March 2014. One way we could make a real difference was by providing people with one of the lowest council taxes in London. So we aimed to keep any council tax

increase below the rate of inflation and to take advantage of any opportunity to freeze council tax at current levels. At the same time, despite the tough financial situation, we wanted to still make room for bold, innovative projects, including roll out of Free Healthy School Meals and regeneration of key estates and areas in the borough.

## WHAT PROGRESS WE HAVE MADE

We've stuck by what we said we would do. There has been no increase in council tax. We were able to make sure that funding continued to go to those who need it most, targeting support for the low paid, for children and for the more vulnerable in the community. We've achieved savings of 70 per cent through efficiencies and back office cuts, with use of agency staff being reduced from 1,200 to 300 and 56 per cent less spent on consultants.

We brought in the London Living Wage, which benefits both our directly employed staff and also those employed by our contractors. Since 2010 we have led the way with the Free

Healthy School Meals programme that has been expanded to all primary school children and established a community restoration fund of £1m, to support businesses and young people across the borough in the areas most affected by the disturbances in the summer of 2011. At the same time, we have continued to invest in the long term future of our borough through our capital programme. This has included investment in the development of the Elephant and Castle leisure centre, Camberwell's new library, and the new centre of excellence for the elderly at Cator Street.

## WHAT NEXT

We are determined to carry on providing services of the highest quality to our residents, whilst making savings to give residents even greater value and investing as planned in our capital programme. We are working on completing the budget for 2014/15 in the context of recent government announcements that indicate that there will be further funding reductions equating to

around 15 per cent. Given the savings of over £90 million that have been made over the last three years, the need to make savings and provide value for money remains a challenge to the council but we will carry on making the needs of our most vulnerable a priority.

## CASE STUDY

The council's Rightfully Yours service helps residents claim what they are entitled to. Mr G, who suffers from severe brain damage, was referred to the Rightfully Yours service following government changes to council tax support. The team reviewed his benefits and were able to increase his

income by £91.50 per week through Disability Living Allowance and Income Support. He was also awarded a hardship fund payment which helped clear his outstanding council tax of £98.00. Mr. G said that 'it was life-changing'.



# PROMISE 2 A SAFER BOROUGH

**WORK WITH RESIDENTS AND THE POLICE TO MAKE THE BOROUGH SAFER FOR ALL BY CRACKING DOWN ON ANTI-SOCIAL BEHAVIOUR AND IMPLEMENTING OUR NEW VIOLENT CRIME STRATEGY.**

## WHY WE MADE THIS PROMISE

Historically Southwark has suffered from relatively high levels of violent crime and serious violence compared to other boroughs in London. That was just not acceptable. Blighted communities, parents worried to let their children walk home after school and young people turning to crime have no place in our borough. We and our partners knew that we had to aim higher for our people and take action to make a change. We believe the people in Southwark deserve better.



Two community wardens on the beat

## WHAT WE SET OUT TO ACHIEVE

We set targets to reduce violent crime in our borough and to see more people feel confident that the council and our partner agencies were addressing anti social behaviour.

One key aim was for the level of the most serious violent crimes to go down each year by two per cent. We didn't just want to think short term. We wanted to help people to either avoid a

life of crime in the first place or make the steps to change their behaviour, through preventative programmes and sustained interventions. Such programmes are not quick or easy options but we wanted to show that they not only provided better value for money in the long term, but more importantly were our best chance to transform lives and communities.

## WHAT PROGRESS WE HAVE MADE

We are especially proud that our work with gangs is making a significant difference. More and more communities now say they do not feel gang violence is a problem for them, with the number of people saying gangs are an issue falling by over a quarter from 2009/10. Our newly established Southwark anti-violence unit (SAVU) works with people affected by gang violence and has helped over half of those engaged with the unit to move into work, training or employment.

In the last three years violent crime fell by 25 per cent since 2010 with 1,070 fewer offences of violence with injury and 40 per cent fewer most serious violent crimes. Gun crime has reduced by 28 per cent and there are 22 per cent fewer cases

of domestic abuse. There has also been a reduction in harassment and common assault, which is down by 25 per cent. When compared to our most similar group (MSG) of community safety partnerships, Southwark has improved its ranking for most serious violence to sixth as of 30 September 2013, compared to 2009/10, when we had the highest rate per thousand for most serious violent offences in our group.

We have also been working to reduce domestic violence. In 2012 we commissioned Solace Women's Aid to make sure that when a victim takes the often difficult first step and asks for help, they have a single contact point. This then allows them to access the many options for support, such as housing or legal advice.

## WHAT NEXT

We will be reviewing the results of our anti-violence programme and will start work to expand the support we can offer to those trying to leave gangs, including emotional support, addressing health needs and help with rehousing. We are also going to be carrying on with innovative work that focuses on helping women who are affected by gangs.

In the face of increasing knife violence across London, with the Southwark youth offending service we are running educational and awareness programmes for young people to turn them away from carrying knives. We will also continue to build our support for young adults affected by relationship abuse.

## CASE STUDY

Andrew came to the attention of the Southwark anti-violence unit (SAVU) after he was shot in 2012. He had offended a number of times, ranging from common assault, possession of an offensive weapon and was involved in some robberies. He was assigned a mentor to work with him and assess what it was he needed in order to help him exit his current lifestyle. SAVU helped Andrew to find accommodation through the Southwark emergency rehousing violence enterprise and his mentor worked very closely with him to support him through this process. Andrew was also assisted by education, training and

employment specialists who helped him to secure a job, giving him some focus and enabling him to manage his finances and develop skills to move forward with his life.

Since Andrew received support from SAVU, he has not offended or been involved with the the police and has now been in steady employment for a number of months. Andrew said he is thankful for the support he received and that it has allowed him to change his life and hopes for the future.

**Andrew (not his real name), a SAVU client**



# PROMISE 3

## WARM, DRY, SAFE HOMES

**DELIVER THE FIRST THREE YEARS OF OUR FIVE YEAR PLAN TO MAKE EVERY COUNCIL HOME WARM, DRY AND SAFE.**

### WHY WE MADE THIS PROMISE

The quality of a person's home can make a huge difference to their lives, from their health to their mental wellbeing to even their career prospects and aspirations.

As one of the biggest social landlords in the country, making sure all our homes are warm, dry and safe is a real challenge. But we know it is the right thing to do for all 52,000 tenants and homeowners.



Construction training at Four Squares, a major works site

## WHAT WE SET OUT TO ACHIEVE

In December 2010, the cabinet committed to making every home warm, dry and safe over a five year period. Following consultation with residents, the programme, known as WDS, was agreed in October 2011.

WDS focuses on three areas, which match a standard set for homes by the government called Decent Homes. This is the work we set out to do:

- **Warm:** to ensure that homes have modern functioning heating, well insulated roofs, cavity wall insulation,

draught excluders on front doors, windows in good condition or double glazed with secure locks, sliding window vents and restrictor hinges where needed.

- **Dry:** to ensure that homes have roofs, windows and building fabric that are in good condition and free from water penetration and damp.
- **Safe:** to ensure that homes have modern electrics including rewiring where necessary, secure front doors and that these are fire rated where necessary.

## WHAT PROGRESS WE HAVE MADE

Since April 2011, we have spent £123m on improvements to our council housing stock. This has included completion of WDS major works at Drayton House, Langland House, Cossall Estate, Crystal Court, Marchwood Close, Elmington Estate and number of street properties in Camberwell. We are continuing WDS major works at many other estates and street properties

Making homes fire safe is a key priority of the WDS major works programme, with a great deal of work carried out to improve fire safety in homes and estates across Southwark. In the three years since the WDS programme began, we have invested over £21m and have completed fire safety works to all 28 of our substantial risk high rise blocks and 166 higher priority moderate risk blocks. In addition, we have replaced over 5,000 individual boilers, refurbished over 100 lifts and many residents have also benefited from works to district heating plants.

We worked to ensure effective communication with residents about major works and make sure they were updated on progress. We made sure that at every stage, residents knew what to expect from the scope and costs of works. This has included holding a drop in session for residents and the local ward councillors, setting up resident project teams of interested residents and issuing an introductory booklet containing information about the contracts and the works. Residents also receive newsletters and are invited to attend regular meetings about the works. The council uses satisfaction surveys to find out what residents thought about the works and to see how services can be improved. The council uses both long term partnering contractors and competitive tendering in order to secure the maximum value in delivering works, and offers a range of payment terms to homeowners facing bills for major works.

## WHAT NEXT

Over 2013/14, we plan to spend at least £80m on our WDS major works programme. This will ensure that by March 2014, work will have started on the vast majority of the WDS programmed schemes. This will include an estimated £14.9m of work brought forward from future years.

In total the works during 2013/14 will bring over 2,000 homes up to the WDS standard. By the end of the five year programme

in March 2016, we aim to see all council homes in the borough become warm, dry and safe in line with the governments Decent Homes Standard.

The council is also looking to the future and planning a long term housing strategy so that we will invest wisely in council homes and make the best use of the money we have available.

**“You couldn’t wish for better workers. They were all very polite and helpful. If you had a problem you went to see or phone [them] and in a matter of minutes it was sorted.”**

**Drayton House resident**

## CASE STUDY



# PROMISE 4

## IMPROVED CUSTOMER SERVICE

**IMPROVE OUR CUSTOMER SERVICE WITH IMPROVED ONLINE SERVICES, INCLUDING DELIVERY OF A BETTER HOUSING REPAIRS SERVICE, INDEPENDENTLY VERIFIED BY TENANTS.**

### **WHY WE MADE THIS PROMISE**

When residents contact us they expect that getting their issue sorted should be easy. Our repairs and customer services are crucial to how the council operates but too many residents were finding it hard to get the work they needed done. We were determined to make customer services something we could be proud of. Many people are used to doing things online, like shopping and internet banking, but our online offer was not keeping up with what residents wanted. We knew that by improving these areas and allowing people to do everyday tasks like paying rent at a time that suited them, we could make a difference to our residents.



Our new call centre

## WHAT WE SET OUT TO ACHIEVE

We were determined to turn our repairs and customer services around. One way we planned to do this was to take customer services back in-house, including the contact centre, three One Stop Shops, web forms and email services.

We wanted our tenants and homeowners to be involved in the design, delivery, scrutiny and continued improvement of repairs

and customer service. Our goal for repairs was to provide our residents with a service that is accessible, customer focused and gets it right first time, every time.

We also wanted to see as many people as possible sign up for a personalised My Southwark online account, to do things like access information, apply for housing and pay council tax.

## WHAT PROGRESS WE HAVE MADE

Bringing customer services in house in June 2013 has made a big difference, with £3m freed up this year to be reinvested in council services. Staff are better trained and relationships with council colleagues and contractors have never been better.

Telephone and online services at our new contact centre at Queens Road Peckham are getting better every month.

We have opened new My Southwark Service Points (formerly One Stop Shops) at The Blue and the Walworth Road which are proving very popular with customers.

Over 55,000 people are now choosing to pay council tax and get information through their new My Southwark accounts. Waiting times are down at our customer service points, with over 90 per cent of people visiting our service points saying they are happy with the service. We were also very happy to receive the Society of IT Managers' highest website rating of

four stars, with particular praise for our mobile website.

In the last 12 months, we terminated contracts with two repair contractors as they just weren't delivering the results our residents need. This did disrupt service delivery, but new contractor Mears hit the ground running and actual repairs have improved. According to our monthly repair surveys, 97 per cent of tenants had their appointment kept, satisfaction in the repair service increased to 82 per cent and 15 per cent more tenants say their repairs have been completed right first time.

In 2012, we brought in a new model so that it is in the contractor's interest to carry out repairs correctly on the first visit, as they will be given a fixed sum of money every year for each property. We're also holding regular meetings with residents, council officers and the cabinet member to explore new ideas and honestly discuss challenges.

We want to improve the speed of answering the telephones in the contact centre, especially with the onset of winter when our customers will need to access our services more quickly. We aim to deliver a self-service tool that will enable housing customers to access information about their service charges, rent accounts and repairs history. Work is also planned to make the Peckham customer service centre a more inviting place for customers to visit.

We will improve the communal repairs service through the introduction of new officers who will take the lead on all matters relating to communal repairs. Every estate with or without a resident association will be inspected at least every six weeks with any issues identified and resolved. We will continue to work with our contractors to increase the number of repairs completed first time, and as a result, improve resident satisfaction.

## WHAT NEXT

## CASE STUDY

**"I am chair of the Brandon 1 Tenants and Residents Association and regularly contact the council to request a repair to a resident's home or a communal area. I always**

**make my requests online. It's convenient, I can do it 24 hours a day and I get a speedy response."**

**Brandon House resident**

# PROMISE 5

## IMPROVE EDUCATIONAL ATTAINMENT

**INTRODUCE FREE HEALTHY SCHOOL MEALS FOR ALL PRIMARY SCHOOL PUPILS, AND CHAMPION IMPROVED EDUCATIONAL ATTAINMENT FOR OUR BOROUGH'S CHILDREN.**

### **WHY WE MADE THIS PROMISE**

We want local children and young people to have the best start in life. Our vision is that every child, young person and family in Southwark thrives and is empowered to lead a safe and healthy life. We are committed to delivering high quality services that make a measurable difference to families and that help families to raise their children successfully and independently. We wanted to work with partners to ensure that children, young people and families can access the right services, at the right time and at the right place from early years to adolescence.



Southwark children taking part in the Nunhead Tales



## WHAT WE SET OUT TO ACHIEVE

We made a promise to introduce free healthy school meals for all primary school children. We did this because we care about the health and wellbeing of local school children and want to provide practical support to families in difficult economic times. The Free Healthy School Meals programme was also part of a programme of tackling obesity and deprivation in Southwark which aims to make sure children are fed well at school, do better in their lessons and have improved general health and wellbeing.

We also committed to providing free early years education for all three and four year olds, and eligible two year olds. We want to provide a local primary school place for every child who wants one and to continue to drive up overall standards, so that children and young people can achieve good levels of educational attainment.

## WHAT PROGRESS WE HAVE MADE

Over the last 12 months Southwark's flagship policy to provide free healthy school meals for all primary school children has shown high rates of take up, with 92 per cent take up by children across reception to year 4 classes. Since September, year 5 and 6 pupils are now also benefitting from a nutritious free lunch.

More Southwark young children are reaching a good level of development in early years in comparison with their London and national peers. Pupils also continue to achieve well in school with local children exceeding the national average at the end of primary school in maths, grammar, punctuation, and spelling; and above both national and London averages for five GCSEs at grades A\* to C.

School standards are continuing to improve, with over 80 per cent of Southwark's primary and 90 per cent of secondary schools judged as good or outstanding by Ofsted. We are continuing to invest in our schools to ensure they are inspirational places to learn and to make sure that we can meet the rising demand for reception places. From 2009 to 2013, the council has created over 1,000 reception places, and is now working to create nearly 500 more by 2015. This investment is helping to ensure that every child

who wants one can take up a local primary place. In addition, just over 95 per cent of parents received one of their preferences for a reception place last September.

Young people in Southwark are getting a better deal, with one of the highest rates for young people in education, training and employment. There is less youth crime and there has been significant investment in local youth provision, including young people having a greater say over local services. The number of teenage conceptions also continues to fall, with the rate halving from 1998 to 2012, and the gap with national benchmarks continuing to narrow.

Our most vulnerable children, such as those needing protection and in care, continue to receive high quality specialist support. Our recently established multi-agency safeguarding hub brings staff together across health, social care, police and the council to ensure a quicker and joined-up response to children at risk. As a result of our successful 'Find 40' campaign, we are also seeing more children being adopted and waiting less time before they find an adoptive family.

## WHAT NEXT

We will continue to improve levels of educational attainment at all key stages, ensuring more primary schools, children's centres and early years providers are rated 'good' or 'outstanding' by Ofsted. We will encourage families to take up the range of local good quality early years provision including children's centres services and entitlements for a free childcare place. We shall assist even more young people succeed into adulthood through investment in more top-quality education, employment and

training opportunities in the borough, including apprenticeships. We shall deliver national led reforms around services for children with a disability or special educational need in a way that meets local needs and improves children's outcomes and experiences. We shall continue to keep children safe including through ensuring they and their families receive timely and joined-up support such as through our multi-agency safeguarding hub and family focus service.

## CASE STUDY

**"My kids liked the free healthy meals provided at school so much, we bought a kids cook book. We've been doing more cooking at home and learning how to make new**

**recipes and they're now interested in cooking."**  
**Parent of child receiving a free school meal**



# PROMISE 6

## SUPPORT VULNERABLE PEOPLE

**SUPPORT VULNERABLE PEOPLE TO LIVE  
INDEPENDENT, SAFE AND HEALTHY  
LIVES BY GIVING THEM MORE CHOICE  
AND CONTROL OVER THEIR CARE.**

### **WHY WE MADE THIS PROMISE**

Supporting people to live independent lives by making it possible for more people to take control over their own care is fundamental to securing a fairer future for all. When we speak to people who use our services, we hear that people want to be treated as individuals. They want their independence to be valued, they want to be able to make choices personal to them and they want to feel in control of their care. For many, receiving support to remain in their own homes makes a huge difference. It is vital that those wishes are respected and we know that support delivered in a way that values our residents' individuality means people stay healthy for longer. With increasing demand on services as the population grows older and reduced financial resources, it is really important that our services are as effective as possible at giving people control over the services they receive, helping people live safely and independently.



A resident receives her meals on wheels

## WHAT WE SET OUT TO ACHIEVE

We aimed to help people to live as independently as possible within their communities. For example, we wanted to make it easier for people to get information and advice on services by bringing in a single social care advice line. We wanted to continue to increase the number of social care users with personal budgets and to continue to reduce the price of meals on wheels. Enabling people to live at home for longer and

reducing new admissions to care homes through community-based support was also a key commitment. We also prioritised shifting the balance of care for people with learning disabilities towards services in people's own homes, rather than in a care home. We also wanted to improve safeguarding processes, with this reflected in the time it took us to complete cases, and to increase our re-ablement services for residents.

## WHAT PROGRESS WE HAVE MADE

Last year we provided social care support to around 4,800 people eligible for care; mostly older people, as well as adults with disabilities or mental health problems. Many more people, who have lower levels of need, have been helped to get information and support that will help them maintain their independence. With the introduction of our single support number, it's now a lot easier for people to find out about the different services on offer, quickly and with the minimum of stress.

an illness to restore their independence and also worked with more carers to review their needs.

We are also one of the boroughs with the highest number of people using personal budgets in the country. 94 per cent of eligible users now have a personal budget; it means that nearly all the people we work with are choosing support that helps them feel fulfilled, independent and in control of their own care. We also brought in the London Living Wage for home care workers. We believe that not only is this the fair thing to do for staff but also ensures that residents get care from skilled workers whose expertise is valued.

Since 2010, we have reduced the charge for meals on wheels by 50 per cent and helped more people with learning disabilities to live independently in settled accommodation. We have worked with more people coming out of hospital or after

## WHAT NEXT

Going forward we intend to carry on working with residents and partners to improve day services, particularly moving forward with our centre of excellence for older people, which will offer longer opening hours, more specialist services and more ways for users to feel part of their communities.

We will help the remaining eligible service users to get personal budgets. We will provide earlier help to older people so that

they can stay healthy and independent for longer through the Southwark and Lambeth Integrated Care initiative. This aims to get health and support services working better together. We shall deliver targets on carers assessments, reablement, learning disability accommodation and safeguarding. We will also need to respond to new responsibilities set out in the Care Bill, including the introduction of national eligibility criteria and new services for people who fund their own care.

## CASE STUDY

**Dudu is a deaf and blind man who attends Southwark Resource Centre three days a week. He has attended day services for approximately 20 years.**

**Support staff have successfully helped Dudu to become much more independent and active within the Southwark Resource Centre this year. Dudu has a "communication passport" which was developed by the**

**support staff and he has now begun to learn new signs and to communicate pro-actively with other people.**

**One year after his support worker started working with Dudu, he has begun to attend community based activities including sailing and cycling and has significantly reduced the level of support he requires during the day.**



# PROMISE 7

## ENCOURAGE HEALTHY LIFESTYLES

ENCOURAGE HEALTHY LIFESTYLES BY TRANSFORMING BURGESS PARK, OPENING A NEW SWIMMING POOL AT ELEPHANT AND CASTLE AND AWARDING £2M TO LOCAL SPORTS PROJECTS TO LEAVE A LASTING OLYMPIC LEGACY.

### WHY WE MADE THIS PROMISE

In 2010, there was a real need for sustained investment in our sports facilities, parks and leisure centres. We knew that when people are more active and spending time in green spaces, then they are likely to have better health and wellbeing. We were really concerned by how many people in our borough were overweight, particularly young people. Young people told us that being able to enjoy sports activities can be lifechanging, not just because it makes them feel healthier, but because it offers the chance to experience being part of a team and feeling encouraged to succeed.

We were also aware that people with higher incomes tend to be in better health than those on low incomes, so providing opportunities for exercise was not only a question of health but of fairness. We wanted to make sure that everyone – regardless of their incomes or where they live or what job they do – had access to opportunities to get active.



Bikers enjoy the BMX track at Burgess Park

## WHAT WE SET OUT TO ACHIEVE

We wanted to improve sport and fitness provision through high quality, accessible facilities for all and to raise awareness of the importance of keeping fit. We wanted to build on the success and inspiration of the London 2012 Olympic and Paralympic Games by building a lasting legacy of improved facilities and

increased participation. The transformation of Burgess Park, the continued participation in the London Youth Games and the refurbishment of Camberwell and Dulwich leisure centres all signified our determination to make the legacy real for residents.

## WHAT PROGRESS WE HAVE MADE

We have some of the most beautiful parks in London, with 17 receiving the coveted green flag status. Many now offer outdoor gyms and are more widely used by residents than ever, for everything from jogging and gardening to games of football at the weekend. The transformation of Burgess Park has been a great success. As well as the many new facilities, including a running track and fishing lake, our borough can now boast an Olympic-standard BMX track, hailed by the professionals as one of the best in the country.

was closed in June last year and work is well underway on the area's brand new sporting hub, which we are pleased to report is progressing both on time and to budget.

The majority of our Olympic Capital Legacy projects are almost complete, with plans in place for the rest of the programme, and achievements so far include improvements to Herne Hill Velodrome and the development of facilities and opportunities for people with disabilities. At the London Youth Games our young teams did fantastically well and we have continued to improve access to sport for women, girls and disabled people. We have also sought to increase support to the many community sports clubs in the borough that help enrich the lives of so many residents.

## WHAT NEXT

Our priority is to get more people more physically fit by helping them to discover the many enjoyable opportunities for getting active in the borough. We also want to create more opportunities for our target groups to get into sport and will continue to work on the refurbishment of facilities including the Southwark Park athletics track.

more closely with local sports clubs and develop better relationships with local communities to help them promote sports opportunities to their members. We also want to explore how digital communications can provide opportunities to get more people doing sport. Finally, we know that volunteers make a huge contribution to sport and fitness in Southwark so we want to help them do what they do and make their roles easier.

We want to improve how we communicate to people about the sports opportunities that are available to them. We will work

## CASE STUDY

Southwark's Sportability Grant supported a twelve week wheelchair basketball programme for young people in the borough, with aim of forming a team for the London Youth Games. At the London Youth Games the team came second, despite never having played together before the competition. Southwark has now secured funding from

British Wheelchair Basketball to start an inclusive wheelchair basketball club at the Salmon Youth Centre. Marion Potter from Tuke School, said, "The whole school is enthusiastic about the wheelchair basketball. It is often hard to provide for the more able pupils so this has enabled me to do something for everyone."



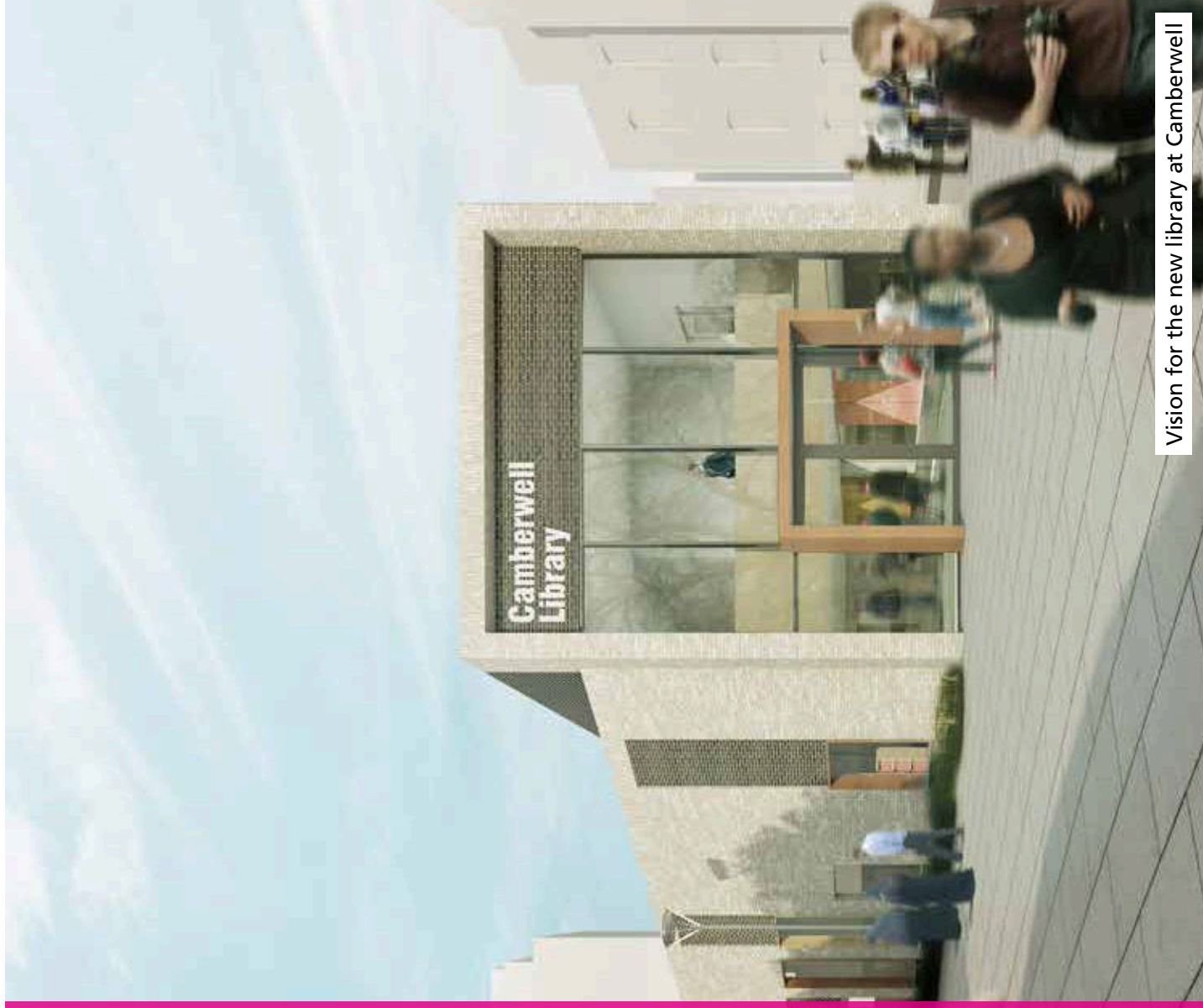
# PROMISE 8 INVEST IN LIBRARIES

**OPEN CANADA WATER LIBRARY IN  
AUTUMN 2011, OPEN A LIBRARY IN  
CAMBERWELL AND CONDUCT A  
THOROUGH REVIEW OF THE  
LIBRARY SERVICE.**

## **WHY WE MADE THIS PROMISE**

Libraries are a vital resource to our communities and if we want to make the vision of a Fairer Future for All a reality, they must play a big part. As the many people who took part in a review of the service in 2011 told us, libraries are hubs for our communities and matter a great deal to our residents. They support people to reach their full potential.

Not only do libraries offer important access to resources - including information, links to council services, work and training opportunities and access to computers - they are a place to study that some residents would struggle to find otherwise. They are spaces to write, learn and enjoy, providing opportunities help our residents expand their horizons. Culture and learning, books and the chance to step into someone else's world are not just nice extras – they shape us and help us achieve more, individually and as a community.



Vision for the new library at Camberwell

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## WHAT WE SET OUT TO ACHIEVE

Though the financial challenges caused many other councils to reduce or shut their libraries entirely, we felt very clear that this was not an option; indeed, we decided to invest more in our libraries. We opened the successful and award winning library in Canada Water and are building a new one in Camberwell. We also wanted to explore how other services – such as community

groups or day opportunities for those with disabilities – could make more use of our libraries' spaces and resources. Finally, we decided to conduct a review of our library services to discover how we could make the most of our assets and ensure that libraries were as accessible, useful and as welcoming as possible.

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## WHAT PROGRESS WE HAVE MADE

We are proud to say that no libraries have had to close in the borough despite the unprecedented cuts in government funding. The library review was completed in the autumn of 2011. It confirmed how valued the libraries are by our residents. With adjustments to opening hours in four smaller libraries and adjustments of income to meet budget targets, we were able to avoid the closure of any libraries. This was wholeheartedly supported by the many volunteers who became involved in their local libraries. We have over 50 volunteers taking part in our volunteer programme and they tell us it helps them be more connected to their communities.

Canada Water Library opened in November 2011 and by the end of September 2013 had received 833,469 visits. The library has also received three design awards. Peckham and Dulwich libraries have been refurbished and self-service facilities installed in both. The People's Network, which provides computer access through the libraries, has been upgraded and there are more laptops now available, as well as free wifi in eight libraries. Planning permission has been granted for the new library in Camberwell which is expected to be completed by the autumn 2014.

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## WHAT NEXT

We look forward to the opening of Camberwell Library in 2014. Refurbishment and the introduction of self service facilities is also planned for Blue Anchor Library. The Walworth Town Hall fire, which forced Newington Library and the

Cuming Museum to close, presents a challenge but we are continuing all programmes in alternative premises. Planning for a temporary space for the Newington Library and Cuming Museum is underway.

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## CASE STUDY

Ifeoma (not her real name) is 15 and lives in Rotherhithe. She started volunteering for libraries in July 2012. Very quickly Ifeoma became a member of the team at Canada Water Library and assisted staff to deliver the summer reading challenge. This was her first work experience and to start with she lacked confidence. In July 2013, Ifeoma

embarked on a Bronze Level Arts Award. As part of the award she interviewed authors and assisted staff in delivering sessions for children. Working for Southwark Libraries has helped Ifeoma to develop her skills and confidence. She also credits the Arts Award with assisting her to choose a career.



# PROMISE 9

## HOMES JOBS AND GROWTH

**BRING THE FULL BENEFITS AND OPPORTUNITIES OF REGENERATION TO ALL SOUTHWARK'S RESIDENTS AND BUILD NEW FAMILY HOMES ON THE AYLESBURY ESTATE AND AT ELEPHANT AND CASTLE.**

### WHY WE MADE THIS PROMISE

As a central London borough with regeneration schemes of national significance we knew we had an opportunity to make a real difference to the lives of local people. We also knew that we faced some significant challenges that needed to be tackled. We had a pressing need for affordable housing; the tough economic times were making it difficult for local people to find work and squeezing living standards; and the unprecedented reductions in funding to the council by government meant our money had to go further than ever. We knew that we needed to think again about the way we worked as an organisation to support local people into work, create economic growth and attract new businesses and investment.



New building in the borough

## WHAT WE SET OUT TO ACHIEVE

We wanted not only to transform places but to transform lives. We wanted to make affordable housing, local jobs and business opportunities central to our plans and to get the borough's major regeneration schemes at the Aylesbury Estate and at Elephant and Castle moving. Closing the gap in Southwark's employment rate compared to the London average was a priority. We wanted to give local people

support to improve their skills and get jobs. Importantly, we wanted these not to just be temporary jobs or jobs where people were not provided adequate support in the key first few months but long term jobs. Our partnerships with developers in the borough would be a key to this objective so we set out to work with them to provide jobs and training for local people.

## WHAT PROGRESS WE HAVE MADE

As the new heart of central London, Southwark is playing a crucial role in supporting the economic recovery. Regeneration in Southwark is bringing new homes, employment and business opportunities to the borough. At the centre of this are our plans for the Aylesbury estate and Elephant and Castle. The regeneration of the Aylesbury has been progressing, with the construction of over 320 new homes and a new centre for independent living. This first phase of the Aylesbury regeneration received the Best New Place to Live award at the London Planning Awards.

In Peckham plans for a new plaza at Queens Road Peckham station, a revitalised station and a new public space at Peckham Rye station are continuing. These projects will create over 90 jobs, supporting plans for an additional 2,000 homes in the area and space for new businesses and shops.

Regeneration of the borough has created more opportunities for local people to find work. Our employment programmes have directly supported over 1,400 local people into work over the last three years, including securing over 300 jobs in the construction of The Shard. Local businesses have also been encouraged to bid for contracts, with local suppliers winning £2.7m worth of business from Lend Lease, our Elephant and Castle development partner.

## WHAT NEXT

This is an exciting time for regeneration in Southwark. This year we made a commitment to build 11,000 new homes in the borough over the next 30 years, the biggest council house building programme in the country.

At the Aylesbury Estate, we will be choosing a development partner for the next phase of the estate's regeneration, a phase that will deliver a further 3,500 new homes. Construction at East Street is also planned to start. This scheme will deliver over 140

new homes, 50 per cent of which will be affordable, and 45 of which will be new family homes with three or more bedrooms.

Regeneration of the borough will bring further opportunities for local people. The regeneration of the Heygate and Aylesbury estates alone are forecast to create some 18,000 jobs. We will carry on pushing developers in the borough to provide training and job opportunities for local people.

## CASE STUDY

*"To me living in the Elephant is like living in the West End. You're so close to everything, including the City. When I first saw the flat I thought 'amazing'. I'm so happy. The day we*

*moved in my daughter slept around the clock just so she could finally make the most of having her own room."*

**Former Heygate resident rehoused in Harper Road**

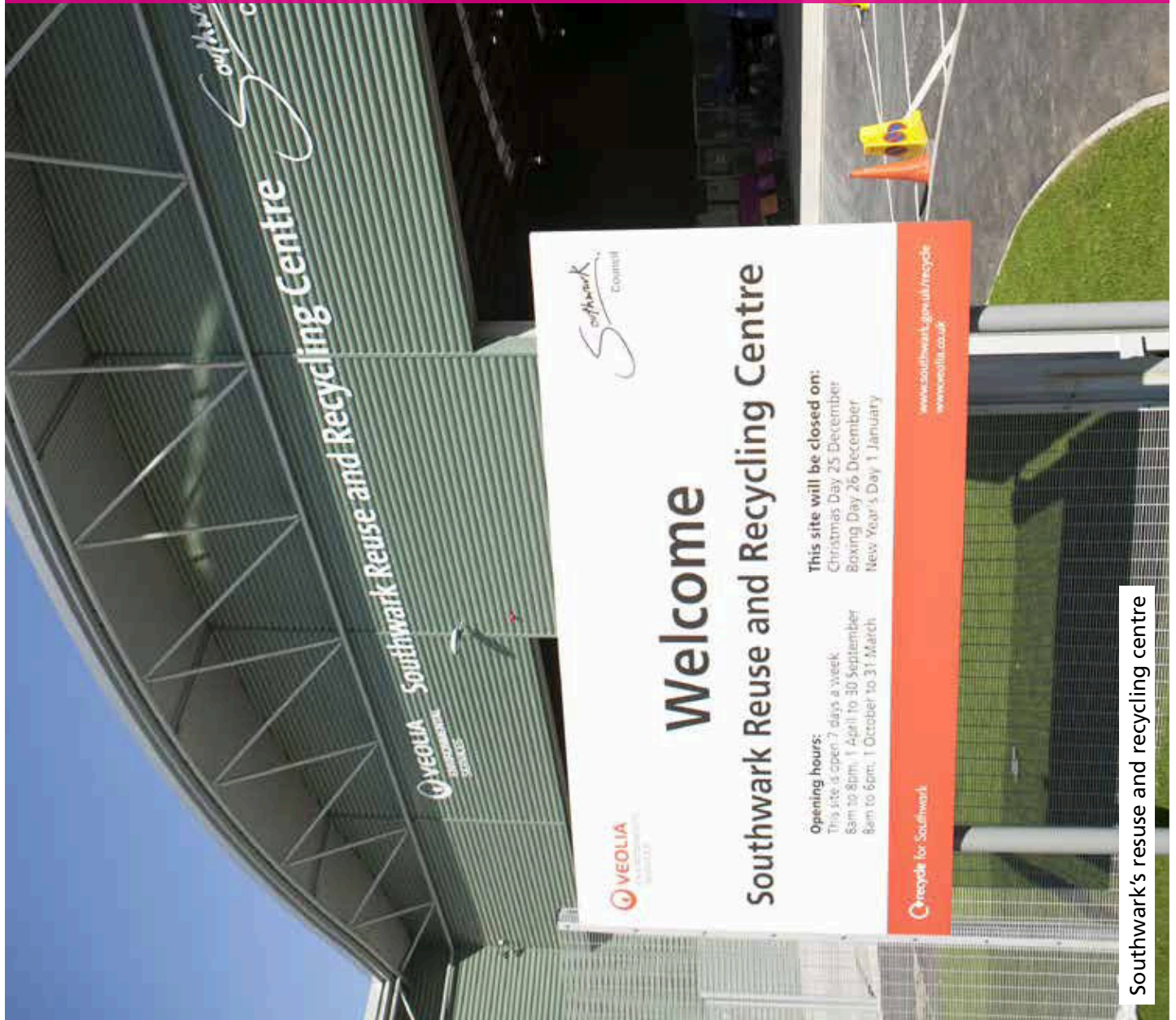


# PROMISE 10 CLEANER, GREENER SOUTHWARK

**DOUBLE RECYCLING RATES FROM 20 PER CENT TO 40 PER CENT BY 2014 AND KEEP OUR STREETS CLEAN.**

## WHY WE MADE THIS PROMISE

The long term sustainability, improvement and maintenance of the borough and its environment is central to our Fairer Future for All vision. We knew that keeping our borough clean and making sure residents have access to vibrant green spaces makes a big difference to people's health and wellbeing and satisfaction. When streets and open spaces are clean and well looked after, communities are more likely to use and enjoy them, which in turn brings people together and creates opportunities for participation in sport and leisure activities.



Southwark's reuse and recycling centre

## WHAT WE SET OUT TO ACHIEVE

We set out an ambitious and wide-ranging environmental programme, covering everything from increasing recycling rates and making cycling easier and safer, to reducing carbon emissions and the amount of waste going to landfill. Maintaining high standards for street cleanliness was a key aim, as was our ambitious target to double recycling rates.

To generate sustainable heat and hot water for residents and further reduce the borough's carbon emissions, we made

plans to connect five Southwark housing estates to the innovative South East London Combined Heat and Power facility. We were also determined to reduce the council's own carbon footprint and to develop relationships with our highways and parking contractors to make visible improvements to the public realm (the public places like parks, streets and public facilities). We also wanted to encourage markets and street trading across the borough.

## WHAT PROGRESS WE HAVE MADE

The borough's recycling rate has reached an all time high of 37 per cent in the last quarter. Data shows that we are the most improved inner London borough for recycling performance. More properties than ever are able to use our clear bag recycling service on estates, and more schools are using our state of the art waste management facilities to learn about building a sustainable future. Our performance on biodiversity planning is one of the best in the country. Resident satisfaction with all environment services remains high.

Street cleanliness standards have been maintained and standards for litter and detritus are holding steady, with recycling and

refuse services continuing to improve on all fronts. We have exceeded our targets for reducing carbon emissions from council operations and are on track to deliver the South East London Combined Heat and Power project to heat five Southwark housing estates, the first scheme of its kind in the capital.

Our parking and highways services have continued to deliver fast, fair and effective services, with high levels of satisfaction maintained. We are also improving road safety, delivering training and encouraging more people to cycle and have set stretching targets for road safety training and the number of young people cycling to school.

## WHAT NEXT

Over the next six months we hope to further improve street cleanliness, targeting night sweeping and priority retail areas. We will also build on the significant progress already made towards meeting our recycling and landfill diversion targets. We aim to have the South East London Combined Heat and

Power project up and running, delivering cheaper, sustainable heat for our residents. We will also aim to maintain high levels of satisfaction with our services and continue to invest, and improve, the public realm, highways, markets, and parks and green spaces for all our residents to enjoy.

## CASE STUDY

One Southwark resident has been delighted with the improvements she has seen to her mother's recycling services, who had previously been reluctant to recycle. Her mother and her neighbours have embraced the introduction of the new blue wheelie bins that sit

alongside the green wheelie bins, and which have made recycling much easier. Such behaviour and perception changes have helped recycling rates reach 53 per cent in homes like this over the last three years.

**Fairer future**

**Delivering our promises**

We'd love to hear what you think. If you have any feedback or questions please do get in touch. Email [chima.amiaka@southwark.gov.uk](mailto:chima.amiaka@southwark.gov.uk) or call 020 7525 7251

Image on cover and on page 25 courtesy of Tim Walker, [electricphotography.co.uk](http://electricphotography.co.uk)



# **Council Plan 2011/12-2013/14**

## **Cabinet member portfolio performance schedules**

### **Quarter 2 2013/14**

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**Council Plan 2011/12-2013/14**

**Cabinet portfolio performance schedule: Children's Services**

**Cabinet member:** Cllr Dora Dixon-Fyle, cabinet member for children's services

**Lead strategic director:** Romi Bowen, strategic director for children's and adults' services

Measure/ Milestone	Description	2012/13 target	Year end 2012/13 performance	2013/14 target	Q1 2013/14 performance	Q2 2013/14 performance	Lead officer
<b>Objective 1</b>	<b>Introduce free healthy school meals for all primary school children</b>						
Milestone	All primary school aged pupils included	From September 2013	Achieved	All primary school aged pupils included from September 2013	In progress	Completed	Kerry Crichlow, director, strategy and commissioning
Q2 2013/14 comment	The rollout of Free Healthy School Meals has remained on target, with all primary school pupils offered a healthy lunch from the start of the academic year in September 2013. The average take up across reception to year four for the last academic year 2012/13 was 92%.						
<b>Objective 2</b>	<b>Give young people real power over 20% of the youth service budget</b>						
Measure	Percentage of the youth service budget that young people have real power over	20	Achieved	20	On track	On track	Merril Haeusler, director, education
Q2 2013/14 comment	The 'youth service budget' for this objective means funds for direct services, excluding staffing and building. For 2013/14 young people have control of approximately 35%. This includes devolved budgets to the Southwark Youth Council and the Youth Community Councils. Young people's involvement in services also includes quality assuring local activities to make sure they are providing the kind of activity young people want.						
<b>Objective 3</b>	<b>Reduce the number of schools below minimum 'floor' standards</b>						
Measure	Number of schools below minimum 'floor' standards	No schools to be below minimum 'floor' standard	Three (2012)	No schools to be below minimum 'floor' standard	Three (2012)	Three (2012)	Merril Haeusler, director, education
Q2 2013/14 comment	The floor standard is defined as: Primary: at least 60 per cent of pupils at the end of Key Stage 2 achieving a level four or above in both English and mathematics and not be below the median school scores for the percentage of pupils making expected progress between Key Stage 1 and Key Stage 2 in both English and mathematics. The government is currently consulting on raising the standard to 65% achieving level 4 or above in reading, writing teacher assessment, and maths from 2014. Secondary: at least 40 per cent of pupils at the end of Key Stage 4 achieving five or more GCSEs at grade A*-C or equivalent, including GCSEs in both English and mathematics, and not be below the median school score for the percentage of pupils making expected progress between Key Stage 2 and Key Stage 4 in English and in mathematics.						
<b>Objective 4</b>	<b>Increase the percentage of pupils achieving Level 4 in grammar, punctuation &amp; spelling at Key Stage 2</b>						
Measure	Percentage of pupils achieving Level 4 in grammar, punctuation and spelling	Performance to be in the top quartile nationally	N/A	Performance to be in the top quartile nationally	Not yet known	76	Merril Haeusler, director, education
Q2 2013/14 comment	The way pupil attainment is measured nationally at key stage 2 has changed from performance in English to performance in reading, writing and grammar. As a result this objective has been redefined to cover results for the new test of 'spelling, punctuation and grammar'. Local performance and national benchmarking information should be available next quarter.						
<b>Objective 5</b>	<b>Increase the percentage of pupils achieving 5 or more A*-C grades at GCSE or equivalent including English and maths</b>						
Measure	Percentage of pupils achieving 5 or more A*-C grades at GCSE or equivalent including English and maths	At least national average	58.8, which is in line with national average of 59 (Final 2012)	At least national average	58.8 (final 2012)	64.6 (Provisional 2013)	Merril Haeusler, director, education
Q2 2013/14 comment	The quarter 2 result is a provisional result (i.e. early release, not validated) for 2013, showing improvement on the last result (2012).						
<b>Objective 6</b>	<b>Increase the number of children achieving a good level of development in the Early Years Foundation Stage</b>						
Measure	Percentage of pupils achieving a good level of development in the Early Years Foundation Stage	At least national average	N/A	At least national average	Not yet known	Not yet available	Merril Haeusler, director, education

Measure/ Milestone	Description	2012/13 target	Year end 2012/13 performance	2013/14 target	Q1 2013/14 performance	Q2 2013/14 performance	Lead officer
Q2 2013/14 comment	The way pupil attainment is measured nationally in the Early Years Foundation Stage has changed - a 'good level of development' is defined as achieving 2 or more points across communications and language; physical development; personal, social and emotional development; literacy, and mathematics. National average performance is not yet available.						
<b>*EQUALITY OBJECTIVE* - Objective 7</b>	<b>Increase percentage of children in care achieving 5 A*-C GCSEs (or equivalent) at Key Stage 4 including English and maths</b>						
Measure	Percentage of children in care achieving 5 A*-C GCSEs (or equivalent) at Key Stage 4 including English and maths	At least national average	17.2 (2012)	At least national average	17.2 (2012)	Not yet available	Merril Haeusler, director, education
Q2 2013/14 comment	This is an attainment we only do annually. It should be noted that quarter 1 figure is last years position (2012). 2013 figures will not be available until the end of December						
<b>Objective 8</b>	<b>Increase the percentage of "good" and "outstanding" Ofsted assessments of educational settings</b>						
Measure	Percentage of primary schools that are good or outstanding	Year on year improvement	81.8	Year on year improvement	80.3	84.80%	Merril Haeusler, director, education
Measure	Percentage of secondary schools that are good or outstanding	Year on year improvement	92.9	Year on year improvement	92.9	93.30%	Merril Haeusler, director, education
Measure	Percentage of children's centres that are good or outstanding	Year on year improvement	64.7	Year on year improvement	64.7	64.70%	Merril Haeusler, director, education
Q2 2013/14 comment	Overall performance is on track, however changing Ofsted assessment methodology may lead to variable future results.						
<b>Objective 9</b>	<b>Increase the percentage of children getting one of their preferences for a primary school</b>						
Measure	Percentage of children getting one of their preferences for a primary school	In excess of 90	94.3	In excess of 90	95.9	95.9	Merril Haeusler, director, education
Q2 2013/14 comment	This objective covers how many children get one of their six preferences for a primary school place - in total 3,272 out of 3,411 on-time applications received an offer at one of their schools of preferences, which equates to 95.9%. This represents a 1.7% increase on preference satisfaction from last year. The remaining 4% (139 pupils) were offered a place at the nearest, alternative school with capacity (see objective 10). Next update: end of October.						
<b>Objective 10</b>	<b>Guarantee that every child that wants a place in a local primary school gets one</b>						
Measure	Percentage of on time applicants offered a primary place within two miles of home	Guaranteed local places for all	98.5	Guaranteed places for all delivered by 2014	99.2	99.2	Merril Haeusler, director, education
Q2 2013/14 comment	Of the 139 children who did not receive one of their preferred schools only 1 child has received an offer which is more than 2 miles from home. Officers are currently working with the family to secure a place nearer to the child's home before the start of the new academic year. Next update: End of October						
<b>Objective 11</b>	<b>Invest in our schools through our primary capital and Building Schools for the Future (BSF) programmes</b>						
Milestone	BSF milestones on track	Phase 2/3 completions	Achieved	Phase 2/3 completion	In progress	In progress	Sam Fowler, project director
Q2 2013/14 comment	All projects are on track and within programme contingencies. In the primary programme, work has successfully completed for the temporary classrooms and met the September 2013 deadlines.						
<b>Objective 12</b>	<b>Respond to the recommendations to the Teenage Pregnancy Commission, and continue to reduce teenage pregnancy rates for females aged 15 to 17</b>						
Milestone	12 month rolling rate of conceptions per 1,000 female 15 - 17 year olds	Reduction delivered, closing gap with comparator group by 2014	42.7 (Provisional 2011)	Reduction delivered, closing gap with comparator group by 2014	In progress	41.9 (June 2012)	Merril Haeusler, director, education

Measure/ Milestone	Description	2012/13 target	Year end 2012/13 performance	2013/14 target	Q1 2013/14 performance	Q2 2013/14 performance	Lead officer
Q2 2013/14 comment	The rate has continued to improve, closing the gap with comparators. It remains high compared to the national average, however, and work with public health colleagues continues to further accelerate improvements.						
<b>Objective 13</b>	<b>Reduce the rate of young people not in employment, education or training (NEET)</b>						
Measure	Percentage of young people not in employment, education or training	At least central London borough average	7.7, compared to central London average of 4.7 (Provisional)	At least central London borough average	4.8 (June 2013)	4.7 (Sep 2013)	Merril Haeusler, director, education
Q2 2013/14 comment	Performance continues to be good, with Southwark's rate among the best in central London. It reflects continued action to not only support young people to take up appropriate education or employment but also to identify and engage those 'not known' to services, and therefore at risk of falling through the net.						
<b>Objective 14</b>	<b>Reduce the number of first time entrants to the youth justice system</b>						
Measure	Number of first time entrants to the youth justice system per 100,000 of young people in Southwark	Year on year improvement Baseline: 1,263 (Jul 2010 to Jun 2011)	921 (Jul 11 - Jun12)	Year on year improvement	833 per 100,000 young people (Oct 11-Sept 12)	652 per 100,000 young people (Jan 12-Dec 12)	Rory Patterson, director, children's social care
Q2 2013/14 comment	The number of first time entrants has fallen dramatically over this quarter, reflecting improved targeting and support for local young people at risk of involvement in crime.						
<b>Objective 15</b>	<b>Reduce the youth offending rate in Southwark</b>						
Measure	Percentage of offences by young people that are reoffences	Year on year improvement. Baseline: 37.03 (Jan-Dec 09)	37.1 (Jan 10-Dec10)	Year on year improvement	38.4 (Apr 10 - Mar 11)	39.7 (Jul 10-Jan 11)	Rory Patterson, director, children's social care
Q2 2013/14 comment	Although there was another small rise in the rate for this quarter, local performance is better than the London average. Services continue to target and support young offenders, particularly in changing the entrenched behaviours of some.						
<b>Objective 16</b>	<b>Keep children safe from harm and neglect</b>						
Measure	Percentage of children on plans for two years or more at the point the plan ceases	7.4 (2011-12)	16.4 (Provisional)	Year-on-year improvement	6.3	4.2	Rory Patterson, director, children's social care
Measure	Percentage of looked after children in the same placement for 2.5 years or more	66.1 (2011-12)	62.6 (Final)	Year-on-year improvement	62	62	Rory Patterson, director, children's social care
Measure	Number of children adopted from care in the year	N/A	20	Year on year improvement	5	16	Rory Patterson, director, children's social care
Measure	Number of children awaiting adoption	N/A	48	Year on year improvement	43	44	Rory Patterson, director, children's social care
Q2 2013/14 comment	Adoption performance is on track for improvement; Direction on Child Protection Plans shows significant improvement for the period.						



## Council Plan 2011/12 to 2013/14

## Cabinet portfolio performance schedule: Communities and economic wellbeing

Cabinet member: Cllr Victoria Mills, cabinet member for communities and economic wellbeing

Lead strategic directors/directors: Gerrit Scott, strategic director for housing and community services, Graeme Gordon, director of corporate strategy, and Deborah Collins, strategic director for environment and leisure

## Communities

Measure/ Milestone	Description	2012/13 target	Year end 2012/13 performance	2013/14 target	Q1 2013/14 performance	Q2 2013/14 performance	Lead officer
<b>*EQUALITY OBJECTIVE* - Objective 1</b>	<b>Maintain the high percentage of local people who think that Southwark is a place where people from different backgrounds get on well together</b>						
Measure	Percentage of people who agree that their local area is a place where people from different background get on well together (Source: Council reputation tracker)	80 net agree	88% average (89% in Apr 2012, 88% in Oct 2012 and 88% in Feb 2013)	90/N/A	90/N/A	88 average (88 in Sep 2013)	Stephen Douglass, head of community engagement
Q2 2013/14 comment	According to the latest results, 88% of residents agree that their local area is a place where people from different background get on well together. This figure is in line with previous high scores, which demonstrates that Southwark has maintained its high performance in this area.						
<b>Objective 2</b>	<b>Maintain the influence that we have on the success of local voluntary and community sector organisations despite the challenging budgetary situation</b>						
Measure	Percentage of organisations satisfied with ability to influence decisions made by Southwark Council (Source: Count us in - Southwark Voluntary and Community Sector Census 2013)	-	44	46/N/A	46/N/A	N/A	Stephen Douglass, head of community engagement
Q2 2013/14 comment	The government was earlier carrying out a national third sector survey but it is unlikely that this will continue. So this action will be replaced by a slightly different survey question that is asked by Community Action Southwark (CAS) yearly and measures the relationship between the Voluntary and Community Sector (VCS) and the public sector. The last survey was completed between February and April 2013 and the next one will be due by March 2014. According to the 2012/13 results, 44% were satisfied with ability to influence decisions made by Southwark Council. However, only 25% were dissatisfied with the remaining 31% neither satisfied nor dissatisfied. It is important to note that only 21% were satisfied with the UK government and the same percentage were satisfied with 'health and care services' for the KPI.						
Measure	Percentage of people, who received advice from council funded advice agencies, report an increased awareness of rights and responsibilities (Source: Client surveys)	-	-	70	Survey due by end September	90	Stephen Douglass, head of community engagement
<b>Q2 2013/14 comment</b>	New contracts started on 1 August 2013. Initial pilot data from the Client surveys inform us that 86% (25 of 29) customers surveyed by Citizen Advice Bureau (CAB) reported increased awareness of rights and responsibilities while 100% (13 of 13) said the same when surveyed by the Law Centre. Blackfriars Advice Centre have not been able to report yet. Further work is required on standardising the survey methodology of the three agencies. Also, we will have a more comprehensive dataset by the end of quarter 3 2013/14.						
Measure	Percentage of people, who received advice from council funded advice agencies, report increased economic well-being (Source: Client surveys)	-	-	50	Survey due by end September	85	Stephen Douglass, head of community engagement
<b>Q2 2013/14 comment</b>	Based on the Client surveys, 100% customers surveyed by CAB reported increased economic wellbeing as a result of the advice received and 40% (4 of 10) reported an increase when surveyed by the Law Centre.						
Measure	Percentage of residents that are aware of Healthwatch Southwark (previously known as Link) (Source: Council reputation tracker)	-	-	To be determined	N/A	N/A	Stephen Douglass, head of community engagement
<b>Q2 2013/14 comment</b>	Healthwatch was launched in June 2013, with the launch event attended by over 90 people. Target to be determined following establishment of baseline.						
<b>Objective 3</b>	<b>Implement the action plan on the community approach to community engagement and consultation</b>						
Measure	Implement and review the Housing Commission Engagement Plan and produce an evaluation and action plan that informs future community engagement and consultation.	-	Started in 2012/13	Jun-13	Lessons learnt report slightly delayed to August	In progress	Stephen Douglass, head of community engagement
Q2 2013/14 comment	Housing Commission Engagement report completed with presentation to cabinet on 16 July. The Housing Commission 'lessons learnt' report was completed in quarter 2 2013/14. Follow up engagement work to share feedback and councils 10,000 homes pledge with consultees is in progress. The 'lessons learnt' report has been circulated to all area housing forums (AHFs) for comment. Eight AHFs received the report in September with the final four considering the report at their October meetings. The Resident Involvement Action Plan to be presented to cabinet in October. Action plan for advancing community engagement approach and improving consultations in development. This process is being informed by the Housing Commission review and consultation with council departments and voluntary sector partners.						
<b>Objective 4</b>	<b>Maintain the extent to which local people feel involved in decisions the council makes</b>						

Measure/ Milestone	Description	2012/13 target	Year end 2012/13 performance	2013/14 target	Q1 2013/14 performance	Q2 2013/14 performance	Lead officer
Measure	Percentage of people who agree that they can influence decisions affecting their local area (Source: Council reputation tracker).	-	48% average (49% in Apr 12, 53% in Oct 12 and 43% in Feb 13)	55	N/A	51% average (51% in September 2013)	Stephen Douglass, head of community engagement
Measure	Satisfaction with the fact that council takes account of residents' views when making decisions (Source: Council reputation tracker).	-	50% average (50% in Apr 12, 51% in Oct 12 and 49% in Feb 13)	55	N/A	43% average (43% in September 2013)	Stephen Douglass, head of community engagement
Q2 2013/14 comment	According to the latest results from September 2013 (wave 11): - 51% residents agree that they can influence decisions affecting their local area. This figure is a statistically significant increase on February 2013's figure of 43%. - 43% residents agree that council take account residents' views when making decisions, however, 24% neither agree nor disagree and only 30% disagree. The 43% figure is generally lower than previous scores, although the change from the February 2013 figure does not constitute a statistically significant decrease. The Sept 2013 figure is also higher than the London average from early 2013.						
<b>EQUALITY OBJECTIVE' - Objective 5</b>	<b>To improve the involvement of our diverse communities in the decision making processes of the council</b>						
Measure	To improve the involvement of our diverse communities in the decision making processes of the council (Community councils, online responses to consultation)	Baseline data to be compiled by September 2012	Baseline to be established June 2013	Target to be set following baseline being established in Jun 2013	Baseline being developed	Baseline being developed	Stephen Douglass, head of community engagement
Q2 2013/14 comment	We are working with Corporate Strategy team to use the Census data to provide baselines for each Community Council (CC) area. The groups and proportions vary between CC areas depending on census profile. It is not straightforward as the census provides ward breakdowns and these need to be translated to area boundaries. In terms of online responses to consultation: Quarter 1: 108 people were engaged in Housing Commission survey responses submitted via Southwark Council website e-forms, Housing Commission thread started on SE1 Forum and East Dulwich Forum, and Twitter Housing Commission Q&A with the Leader. Quarter 2: 150 people have completed the Spending Challenge budget simulator exercise, with a significant number of people taking time to make suggestions on how the council could save money. A resident involvement facebook page is expected to be piloted in the near future.						
<b>EQUALITY OBJECTIVE' - Objective 6</b>	<b>To continue to strengthen our engagement work with new and/or emerging communities in Southwark</b>						
Measure	Number of residents from new and emerging communities in Southwark that have had significant engagement with the council and were not engaged before	Baseline data to be compiled by September 2012	Target confirmed for 2013/14	Engage with 2,000 residents from new and emerging communities not engaged before	530 people from new or emerging communities significantly engaged	471 people from new or emerging communities significantly engaged	Stephen Douglass, head of community engagement
Q2 2013/14 comment	471 people from new and emerging communities were significantly engaged with the council in quarter 2 (530 in quarter 1). Quarter 1: We engaged with some people through intensive mentoring support over a period of weeks, some by supporting their volunteering with the council, some at consultation focus groups, or at reassurance meetings to do with community safety. The engagement was either 5 hours one to one work or 1 hour facilitation of their participation in a workshop with 20 other people. Quarter 2: We engaged with people through health workshops, supporting volunteer community researchers, and via key consultation events around the Spending Challenge. Eid festival, Housing Commission focus groups, welfare reform workshops, sheltered housing outreach project, other consultation focus groups and through supporting people to volunteer. We have started up new work with people living in sheltered housing, and with the Somali Youth parliament, and at workshops for Bengali residents about welfare reform. Once again the type of engagement varies from intensive 1-1 support, to a shorter engagement at a Community Conversations (averaging 30 minutes each).						

## Economic wellbeing

Measure/Milestone	Description	2012/13 target	Year end 2012/13 performance	2013/14 target	Q1 2013/14 performance	Q2 2013/14 performance	Lead officer
<b>Objective 1</b>	<b>Help residents into jobs through the commissioning of employment programmes</b>						
Measure	Gap between the Southwark and London employment rates	Baseline gap of 1.6% below London rate	Southwark: 70.3% London: 69.5% Gap: -0.8%	To maintain an employment rate equal to or above the London average	Southwark: 68.5% London: 69.4% Gap: 0.9%	Q2 data expected to be released 22 January 2014	Graeme Gordon, director of corporate strategy
Measure	Number of people into jobs through council commissioned employment support programmes	This measure was previously divided by workstream for council plan reporting. It will now report all expected outputs across all council-funded employment support programmes.	N/A	Targets established for all programmes up to Oct 2013: 180	Total number of people into jobs: 182	246	Graeme Gordon, director of corporate strategy
Measure	Number of people into jobs sustained for 26 weeks through council commissioned employment support programmes	N/A	N/A	Targets established for all programmes up to Oct 2013: 139	Total number of people into jobs sustained for 26 weeks = 142	195	Graeme Gordon, director of corporate strategy
Milestone	Undertake a comprehensive needs analysis of all protected characteristics to inform effective targeting of future employment and skills support intervention	N/A	N/A	Needs analysis completed	In progress	In progress	Graeme Gordon, director of corporate strategy
Q2 2013/14 comment	Quarter 1 employment rate data released this quarter indicates the Southwark rate dropped slightly up to June 2013, re-establishing a gap of 0.9% with the London rate. However, Southwark's rate remains higher year on year and the overall trend remains positive. Council commissioned programmes achieved strong outcomes in quarter 2: increasing development in the borough led to 148 jobs being secured for unemployed residents in construction via S106 planning agreements. A further 98 were achieved through Southwark Works and associated programmes. Quarter 1 job outcome numbers have now been verified following initial monitoring reports, resulting in minor changes. A further 18 month programme of Southwark Works support will commence in quarter 3, alongside a review of the Council's overall commissioning strategy for employment support. This will include an analysis of equalities monitoring and targeting, due for completion in quarter 4.						
<b>Objective 2</b>	<b>Support business start-ups and promote business survival and growth through the recession through the commissioning of enterprise support programmes</b>						
Measure	Value of new contracts for business assisted through a commissioned enterprise support project	Quarterly targets - thousands (£) (Q1) 510 (Q2) 610 (Q3) 630 (Q4) 830	1,272	Achieve a further £1.2m of new contracts for small and medium sized enterprises based within Southwark	Procurement going ahead as planned. New service expected to be in place from Aug 2013	In progress	Graeme Gordon, director of corporate strategy
Measure	Number of small and medium sized enterprises supported to be 'fit' to compete for public and private sector contract opportunities	Year to date targets - thousands (£) (Q1) 510 (Q2) 1,120 (Q3) 1,750 (Q4) 2,580	2,302	N/A	40	6 SMEs supported to be fit to compete	Graeme Gordon, director of corporate strategy
Q2 2013/14 comment	A new procurement support service is now in place and has started delivery. It is expected to start reporting against value of new contracts in quarter 3.						
<b>Objective 3</b>	<b>Develop a business portal</b>						
Milestone	Establish a business portal linked to the council's website	N/A	N/A	Business portal established by quarter 3	Not started	In progress	Graeme Gordon, director of corporate strategy
Q2 2013/14 comment	Web content for Phase 1 is complete. Re-branding of homepage expected to be completed for early Nov.						
<b>Objective 4</b>	<b>Support development of a Business Improvement District (BID) for Bermondsey</b>						
Milestone	Establish plans for a Business Improvement District for Bermondsey	N/A	N/A	Establish a process to support a Bermondsey BID and an implementation plan	Notice of intention to request a BID Ballot sent to Council 27 Jun 2013	In progress	Graeme Gordon, director of corporate strategy
Q2 2013/14 comment	Bermondsey Business Association has continued to promote the Bermondsey BID and move towards a full BID proposal with support from the Community Restoration Fund. The timeline for the proposed BID ballot and detailed BID proposals are expected to be finalised in quarter 3.						
<b>Objective 5</b>	<b>To develop the council's approach to promoting financial wellbeing and independence</b>						
Milestone	Establish a baseline of current council activity and coordinate a cross-council action plan to promote financial wellbeing and independence	N/A	N/A	Baseline and action plan in place	Support services framework in development. Community budget proposal accepted by DCLG.	In progress	Graeme Gordon, director of corporate strategy
Q2 2013/14 comment	Following agreement from government on the three borough community budget on employment and skills, a Joint Statement of Intent has been agreed. A soft launch event is now planned on 13 November. Work on developing the Local Support Services Framework continues despite the national delay on the roll out of Universal Credit. Mapping and cost analysis has been undertaken and shared with DWP. A stakeholder steering group comprising key public and private sector partners is overseeing progress.						

Adult learning

Measure/ Milestone	Description	2012/13 target	Year end 2012/13 performance	2013/14 target	Q1 2013/14 performance	Q2 2013/14 performance	Lead officer
Objective 1	Sustain course completion rates of adult learners						
Measure	Percentage of adult learners who complete courses	80	95	85	Expected Oct 2013	95	Adrian Whittle, culture, libraries, learning and leisure head of service

**Council Plan 2011/12-2013/14**

**Cabinet portfolio performance schedule:** Culture, leisure, sport and volunteering

**Cabinet member:** Cllr Veronica Ward, cabinet member for culture, leisure, sport and volunteering

**Lead strategic director:** Deborah Collins, strategic director for environment and leisure

Measure/ Milestone	Objective	2012/13 target	Year end 2012/13 performance	2013/14 target	Q1 2013/14 performance	Q2 2013/14 performance	Lead officer
<b>LIBRARIES</b>							
<b>Objective 1</b>	<b>Increase public satisfaction with libraries</b>						
Measure	Percentage of users who are either fairly satisfied or very satisfied. (Source: Council reputation tracker)	94	96 (Feb 2013 survey)	94	Expected in Oct 2013	92 (Sep 2013 survey)	Adrian Whittle, culture, libraries, learning and leisure head of service
Q2 2013/14 comment	The quarter 1 outturn was 92% (taken from the September 2013 tracker survey). The decrease from February 2013 is statistically significant although the absolute figure remains very high and in line with scores pre-2012.						
<b>Objective 2</b>	<b>Increase the average number of visits to libraries per head of Southwark's population</b>						
Measure	Average number of visits per head of Southwark's population	8	7.65	7.8	1.8	3.6	Adrian Whittle, culture, libraries, learning and leisure head of service
Q2 2013/14 comment	Newington Library, which had around 20,000 visits per month has been closed since March 2013 due to the fire at Walworth Road Town Hall. Alternative provision has been made at neighbouring libraries by extending their opening hours and this is picking up some of the displaced Newington customers. October and November are normally busy months and it is still anticipated that the target will be reached.						
<b>Objective 3</b>	<b>Increase the number of items issued by our libraries</b>						
Measure	Number of items issued	1,738,000	1,646,036	1,564,000	389,550	802,259	Adrian Whittle, culture, libraries, learning and leisure head of service
Q2 2013/14 comment	53% of the target has been achieved in the first half of the year, despite Newington Library, the fifth busiest being closed since March 2013 due to the fire at 151 Walworth Road. It is expected that the target will be achieved.						
<b>Objective 4</b>	<b>Reduce the cost per visit for libraries</b>						
Measure	Reduce the cost per visit for libraries (£)	2.45	2.75	2.45	2.85	2.95	Adrian Whittle, culture, libraries, learning and leisure head of service
Q2 2013/14 comment	The closure of Newington Library since March 2013 has had an impact on this indicator. Costs of delivering the service have remained the same and the slightly reduced number of visits due to Newington Library not being open means that cost per visit has increased slightly.						
<b>*EQUALITY OBJECTIVE* - Objective 5</b>	<b>Increase the percentage of members of our libraries who are from black and minority ethnic (BME) backgrounds</b>						
Measure	Percentage of members of our libraries who are from BME backgrounds.	-	43.8	45.8	42	44	Adrian Whittle, culture, libraries, learning and leisure head of service
Q2 2013/14 comment	The second quarter saw the library service moving closer to achieving the year end target of 45.8% of members being from BME communities, increasing from 42% to 44%. A continued programme of outreach and the Black History Month events scheduled in October are expected to improve performance further.						
<b>LEISURE CENTRES</b>							
<b>Objective 6</b>	<b>Increase public satisfaction with leisure centres</b>						

Measure/ Milestone	Objective	2012/13 target	Year end 2012/13 performance	2013/14 target	Q1 2013/14 performance	Q2 2013/14 performance	Lead officer
Measure	Percentage of users of local sports or leisure facilities who are either fairly satisfied or very satisfied. (Source: Council reputation tracker)	93	89 (Feb 2013 survey)	93	Expected in Oct 2013	84 (Sep 2013 survey)	Adrian Whittle, culture, libraries, learning and leisure head of service
Q2 2013/14 comment	The quarter 1 outturn was 84% (taken from the September 2013 tracker survey). The decrease from February 2013 is statistically significant although the September 2013 figure is in line / higher than previous scores after 2 wave peak.						
<b>Objective 7</b>	<b>Increase the average number of visits to leisure centres per head of Southwark's population</b>						
Measure	Average number of visits per head of Southwark's population	4.5	4.4	4.4	1.25	2.52	Adrian Whittle, culture, libraries, learning and leisure head of service
Q2 2013/14 comment	More than 50% of the target visits to leisure centres have already been achieved at the end of quarter 2, reflecting the continued increasing use of the refurbished centres. The busiest quarter of the year is normally quarter 4 and so it is anticipated that the target will be achieved.						
<b>Objective 8</b>	<b>Reduce the cost per visit for leisure</b>						
Measure	Reduce the cost per visit for leisure (£)	2.30	2.42	2.40	1.58	1.52	Adrian Whittle, culture, libraries, learning and leisure head of service
Q2 2013/14 comment	The increasing number of visits to the refurbished centres is impacting positively on this indicator which is currently ahead of target with the busiest quarter yet to come.						
<b>Objective 9</b>	<b>Invest capital in our leisure provision</b>						
Measure	Capital investment in our leisure provision (£, m)	2.495	2.009	1.920	165,408	290,180	Adrian Whittle, culture, libraries, learning and leisure head of service
Q2 2013/14 comment	Capital spend has been re-profiled with some Olympic Legacy projects being carried forward into the next financial year. This includes Southwark Park Athletics Track which is the subject of a bid for additional funding in the forthcoming capital refresh. This refresh will address all outstanding issues with the facility and also the funding allocated for Camberwell Library radio frequency identification project as the library will not now open until later than was originally anticipated. Some other projects have been re-profiled for spend in quarters 3 and 4.						
<b>*EQUALITY OBJECTIVE* Objective 10</b>	<b>Increase the number of visitors to leisure centres from the following groups</b>						
Measure	Number of visitors aged over 60	56,890	106,568	112,294	33,028	73,330	Adrian Whittle, culture, libraries, learning and leisure head of service
Measure	Number of visitors aged 11-19	139,927	176,882	187,739	41,562	100,193	Adrian Whittle, culture, libraries, learning and leisure head of service
Measure	Number of visitors on low income	134,157	155,337	162,993	38,059	76,794	Adrian Whittle, culture, libraries, learning and leisure head of service
Measure	Number of visitors from black and minority ethnic (BME) communities	285,387	280,177	295,381	75,177	151,003	Adrian Whittle, culture, libraries, learning and leisure head of service
Measure	Number of visitors who are disabled	44,260	49,770	53,151	11,014	26,877	Adrian Whittle, culture, libraries, learning and leisure head of service
Q2 2013/14 comment	An increase in leisure centre visits as compared to 2012/13 has been reflected in most of the target groups being ahead of their targets. The popularity of some key targeted sessions for disabled users and people aged 60 years plus has led to extra sessions being provided and that has been a key achievement so far this year. Visits by people on a low income are very slightly below target but as January and February are traditionally two of the busiest months of the year, the end of year target may still be achieved.						
<b>EXTERNAL FUNDING FOR CULTURE, LIBRARIES AND LEISURE</b>							
<b>Objective 11</b>	<b>Secure external funding for culture, libraries, learning and leisure</b>						
Measure	External funding achieved for culture, libraries, learning and leisure (£)	150,000	436,572	300,000	58,054	73,943	Adrian Whittle, culture, libraries, learning and leisure head of service

Measure/ Milestone	Objective	2012/13 target	Year end 2012/13 performance	2013/14 target	Q1 2013/14 performance	Q2 2013/14 performance	Lead officer
Q2 2013/14 comment	External funding achieved is below target, but is expected to increase in quarter 3 and quarter 4. A large funding bid is due to be submitted to the Arts Council in the third quarter, and the outcome of a number of current bids is awaited.						
<b>VOLUNTEERING</b>							
<b>*EQUALITY OBJECTIVE* Objective 12</b>	<b>Agree a volunteering strategy and implement the action plan set out in the strategy</b>						
Milestone	Refresh the Southwark volunteering strategy to build on the legacy of Olympic and Paralympic volunteering and develop the menu of volunteering opportunities for all age groups and interests	By year end	Strategy now going through the decision making process for agreement in May 2013.	By quarter 4	Four actions relating to the volunteering strategy were completed.	One action relating to the volunteering strategy was completed	Stephen Douglass, head of community engagement
Q2 2013/14 comment	The volunteering strategy contains 39 actions, one of which was due for completion this quarter. This action was completed. The action related to a 2012 volunteers reunion on the 17 September 2013 at Millwall Football club. Over 40 2012 volunteers attended.						



**Council Plan 2011/12-2013/14**

**Cabinet portfolio performance schedule:** Finance, resources and community safety

**Cabinet member:** Clif Richard Livingstone, Cabinet member for finance, resources and community safety

**Lead strategic directors:** Duncan Whitfield, strategic director of finance and corporate services, Gerri Scott, strategic director of housing and community services,

and Deborah Collins, strategic director of environment and leisure

Milestone/Measure	Description	2012/13 target	Year end 2012/13 performance	2013/14 target	Q1 2013/14 performance	Q2 2013/14 performance	Lead officer
<b>Objective 1</b>	<b>Contain council tax increases within inflation in line with the Medium Term Resources Strategy</b>						
Measure	Percentage increase in council tax	0% increase	Achieved	0% increase	In progress	Achieved	Duncan Whitfield, strategic director of finance and corporate services
Q2 2013/14 comment	Council tax for 2014/15 will be reviewed as part of the Policy & Resources Strategy, to be agreed by council assembly in February 2014. Any change in the rate of council tax will need to be assessed in the context of significant reductions in government funding, any continuation of council tax freeze grant and regulations surrounding council tax referenda.						
<b>Objective 2</b>	<b>Deliver a balanced revenue budget</b>						
Measure	Actual spend against balanced budget	Actual spend to be no greater than 1% above or more than 1.75% below balanced budget	On target	Actual spend to be no greater than 1% above or more than 1.75% below balanced budget	In progress	In progress	Duncan Whitfield, strategic director of finance and corporate services
Q2 2013/14 comment	Quarter 1 revenue monitor, which forecast a balanced outturn for 2013/14, was reported to cabinet in September and quarter 2 revenue monitor was reported in November.						
<b>Objective 3</b>	<b>Improve council tax collection</b>						
Measure	Council tax collection rate (%)	(Q1) 30% (Q2) 56% (Q3) 81% (Year end) 94.5%	94.35%	(Q1) 29% (Q2) 56% (Q3) 83% (Year end) 94.5%	30.10%	55.59%	Duncan Whitfield, strategic director of finance and corporate services
Measure	Council tax collection (£, millions)	(Q1) £29.6m (Q2) £55.7m (Q3) £75.9m (Year end) £92.8m	£93.48m	(Q1) £32.24m (Q2) £58.24m (Q3) £86.32m (Year end) £100.6m	£31.6m	£59.26m	Duncan Whitfield, strategic director of finance and corporate services
<b>Objective 4</b>	<b>Improve National Non Domestic Rates (NNDR) collection</b>						
Measure	National Non Domestic Rates (NNDR) collection rate (%)	(Q1) 30% (Q2) 60% (Q3) 88% (Year end) 98%	98.20%	(Q1) 31% (Q2) 60% (Q3) 86% (Year end) 98.2%	32.56%	59.90%	Duncan Whitfield, strategic director of finance and corporate services
Measure	National non domestic rates (NNDR) collection rate (£, millions)	(Q1) £65.2m (Q2) £124.6m (Q3) £165.3m (Year end) £209.9m	£200.86m	(Q1) £66.65m (Q2) £129m (Q3) £184.9m (Year end) £211.13m	£89.8m	£127.4m	Duncan Whitfield, strategic director of finance and corporate services
<b>Objective 5</b>	<b>Improve housing rent collection rate</b>						
Measure	Improve housing rent collection rate (%)	N/A	N/A	100%	98.67%	98.82%	Duncan Whitfield, strategic director of finance and corporate services
Measure	Improve housing rent collection rate (£m)	N/A	N/A	£209.4m	£51.9m	£102.9m	Duncan Whitfield, strategic director of finance and corporate services
Q2 2013/14 comment	Rent collection at week 26 is 98.82% (up 0.15%) over quarter 1 and 0.85% better than the comparable period last year (97.97%) for mainstream dwelling rents. Whilst this remains below the budgeted target, the trend remains on an upward trajectory and shows resilience despite the generally weak economic conditions and the impact of the "bedroom tax" and DWP direct payment pilot. In support of this continuous improvement, restructuring is in progress with the team being split North/ South and a new team of income trainees who will be deployed to cover/ support pressure points. Northgate Task manager being implemented in October. Income officer refresher training following the restructure in all aspects of income collection and welfare reform to be rolled out during the second half of the year.						
<b>Objective 6</b>	<b>Improve revenues and benefits claims turn around times</b>						
Measure	New claims (number of days)	20	24	22	28.57	26.28	Duncan Whitfield, strategic director of finance and corporate services
Measure	Changes to claims (number of days)	10	9.2	9	8.77	9.56	Duncan Whitfield, strategic director of finance and corporate services

Milestone/Measure	Description	2012/13 target	Year end 2012/13 performance	2013/14 target	Q1 2013/14 performance	Q2 2013/14 performance	Lead officer	
Measure	Average time taken to process new claims and changes of circumstances ('Flight time') (number of days)	11	10.7	10.7	10	9.74	10.71	Duncan Whitfield, strategic director of finance and corporate services
Q2 2013/14 comment	The service was affected in key areas at the start of the financial year, having a knock on effect on performance in quarter 2, particularly in relation to the level of work being received from central government notifying changes in circumstances and the volume of staff available to process the changes. The service has undertaken two recruitment exercises in the last six months and been unable to attract skilled and sufficiently qualified staff to fill all vacancies. Fortunately the Capita resilience service was able to provide some support; however, the volume of work was disproportionately high at the start of the year. Performance is expected to significantly improve over the next two quarters.							
<b>Objective 7</b>	<b>Increase take up of e-forms for council tax</b>							
Measure	Percentage increase in take up of e-forms	10% increase in the take up of e-forms representing an increase of 150 forms per month	Total average e-forms for the year equates to 289 forms per month = 20%	25%	34%	34%	Duncan Whitfield, strategic director of finance and corporate services	
<b>Objective 8</b>	<b>Reduction in all collectable sundry debt owing to the council</b>							
Measure	Percentage reduction in collectable General Fund sundry debt owing to the council	5%	12.7%	5%	17%	5%	Duncan Whitfield, strategic director of finance and corporate services	
Measure	Reduction in collectable sundry General-fund debt owing to the council (£, millions)	£1m	£2.48m	£1m	£2.8m	£1m	Duncan Whitfield, strategic director of finance and corporate services	
Q2 2013/14 comment	By 'collectable', we mean amounts due which we don't expect to write off or cancel. Debts which have a deferred charge on a property associated with them are excluded from collectable debt because we don't expect to get payment until the property is sold at some unknown point in the future - the amounts are not currently due. By 'sundry debt', we mean the amounts due (usually under an invoice or similar) for commercial rents, parking, the South Dock marina and other miscellaneous income. It excludes council tax, national non domestic rates, housing rents and most other major housing related income. Due to the nature of sundry debt, the sums billed fluctuate throughout the year, and there will be timing differences between billing and collection hence the swing in the quarterly performance levels reported. However, for the full year projection, activities being undertaken are keeping us on target to achieve the £1m/5% reduction target.							
<b>Objective 9</b>	<b>Reduce collectable sundry debt general-fund arrears from prior years</b>							
Measure	Percentage reduction in collectable sundry debt general-fund arrears from prior years	15%	30/19%	15%	30%	40%	Duncan Whitfield, strategic director of finance and corporate services	
Q2 2013/14 comment	Due to the wide variety of income streams covered within sundry debt, there may be huge variations in debt levels across months. The 31 March 2013 position was inflated by very specific items raised late in the year which were subsequently paid in early 2013/14.							
<b>Objective 10</b>	<b>To target an increase in general fund balances to £20m and maintain that level in line with similar London authorities</b>							
Measure	General fund balances (£, millions)	£20m	Target will be achieved, subject to other calls on reserves and balances	£20m	In progress	In progress	Duncan Whitfield, strategic director of finance and corporate services	
<b>Objective 11</b>	<b>To have fully funded capital and housing investment programme in place that is profiled and annually reviewed</b>							
Measure	Fully funded capital and housing investment programme in place that is profiled and annually reviewed	Fully funded capital and housing investment programme in place 2013	On target, outturn report is due to be considered by cabinet in July 2013	Fully funded capital and housing investment programme in place	In progress	In progress	Duncan Whitfield, strategic director of finance and corporate services	
Q2 2013/14 comment	Quarter 1 capital monitor was reported to cabinet in September and quarter 2 was reported in November. The November report will highlight emerging pressures on the programme, revised profiles and updated forecasts on capital receipts. In addition, a capital refresh is due to be considered by council assembly in February 2014.							
<b>Objective 12</b>	<b>Effective prevention and detection of fraud to maximise recovery of cash and other council assets</b>							
Measure	Reactive fraud recovery (£, thousands)	£500k	322 properties recovered by housing investigations team, including 22 properties by Operation Bronze - recovery value estimated at £17.2m; benefit recoveries £1m; single person discount recoveries £950k (including student review and via National Fraud Initiative, (NFI)); 17% increase in referrals to fraud hotline	£500k	£500k	£99k	£9m	Duncan Whitfield, strategic director of finance and corporate services
Measure	Proactive fraud recovery (£, thousands)	£50k	As above	£75k	£119k	£119k	£1.41m	

Milestone/ Measure	Description	2012/13 target	Year end 2012/13 performance	2013/14 target	Q1 2013/14 performance	Q2 2013/14 performance	Lead officer
Measure	Number of sanctions	150	275	150	150	81	Duncan Whitfield, strategic director of finance and corporate services
Q2 2013/14 comment	Reactive fraud recovery - benefits £476k, housing £8.5m (158 properties @ notional £54k) Proactive fraud recovery - NFI: benefits £278k, blue badges £99.5k, freedom passes £1k, personal budgets £87k, residential care £18k, waiting lists £926k.						
<b>Objective 13</b>	<b>Ensure all our staff are in fit for purpose, suitable office accommodation</b>						
Milestone	Exchange contracts by quarter 1 and complete disposal of Southwark Town Hall	N/A	N/A	By quarter 4	In progress	In progress	Duncan Whitfield, strategic director of finance and corporate services
Milestone	Open Queens Road 2	Complete procurement for Queens Road 2 design and build	As per quarter 3	By quarter 4	In progress	In progress	Duncan Whitfield, strategic director of finance and corporate services
Q2 2013/14 comment	Southwark Town Hall - IT/IS infrastructure decommissioning is progressing - now being finalised by Capita. Revised disposal arrangements are in place and final IT/IS infrastructure will move in line with disposal. Queens Road 2 - the main construction programme commenced on 22 July 2013 and is progressing on schedule, with commissioning due for completion in early 2014.						
<b>Objective 14</b>	<b>To be fully compliant with all statutory regulations with regard to the government's openness and transparency agenda</b>						
Measure	Council fully compliant with all statutory regulations	Council fully compliant with all statutory regulations	Spend data published for payments over £250	Ongoing	In progress	In progress	Duncan Whitfield, strategic director of finance and corporate services
Q2 2013/14 comment	Spend data published for payments over £250.						
<b>Objective 15</b>	<b>Generate capital receipts for the housing revenue account and general fund (commercial property holding account)</b>						
Measure	Housing Revenue Account (£ millions)	£20m	£30.97m	£12m	£2.087m	£7.3m	Duncan Whitfield, Strategic director of finance and corporate services and Stephen Platts, director of regeneration
Measure	General Fund (£ millions)	£15m	£8.06m	£25m	£2.3m	£2.3m	Duncan Whitfield, Strategic director of finance and corporate services and Stephen Platts, director of regeneration
Q2 2013/14 comment	2013/14 year end forecasts - Housing Revenue Account £26.544m, General Fund £20.9m						

## Customer experience

Measure/ Milestone	Description	2012/13 target	Year end 2012/13 performance	2013/14 target	Q1 2013/14 performance	Q2 2013/14 performance	Lead officer
Objective 1	Call centre service queries resolved at first point of contact.						
Measure	Percentage of call centre queries resolved at first point of contact	N/A	N/A	85	73% estimated	97% for all service (survey data) 81% repairs only (systems data)	Richard Selley, Head of customer experience
Q2 2013/14 comment	<p>Call volumes on housing repairs are increasing as the weather turns colder. Estate outages result in information only calls reducing point of contact resolution (PCR) as these contacts are by nature unresolved. The resolution of other types of calls remains unchanged. Further training is being rolled out across the staff group empowering staff to resolve more queries. Contractor presence in the contact centre has recently been increased and this will also assist in increasing PCR. The new (call back) satisfaction surveys for all services, which commenced in July 2013, inform us that 97% queries were resolved in just one call. From October, these call back surveys will be complemented with more comprehensive automated after call surveys. According to our systems data, PCR for housing repairs is 81% - PCR tests how efficient the new service delivery model is working and how often we are achieving "right first time". Quarter 3 will see the contact centre achieving target on PCR for housing repairs. (Please note that 73% provided for June 2013 was systems PCR data for all services - the systems data has been replaced by satisfaction surveys which is a more reliable source). Ten Tier 2 staff have been appointed to help with the mentoring of junior staff and to deal with escalated or complex queries, especially related to repairs, Environment and Leisure and out of hours - eventually there will be 30 Tier 2 staff and an additional 25 Tier 1 frontline staff. Temporary staff are being recruited to help deal with the winter peaks due to heating and hot water calls. A new Work Force Management software system has been rolled out in August to monitor call efficiency and this is proving successful with reduced call wait time for customers and increased staff productivity. More space has been found in the contact centre for additional contractor resource to be co-located. The Call Centre management team is working closely with all departments to develop, implement and improve processes, learning and joint working. Channel Shift: The "MySouthwark" personalised account currently has over 50,000 subscribers. The phone option messages (IVR) encourages email and online reporting. A customer self-service tool is being developed to enable customers to carry out transactions in areas such as service charges, rents, housing repairs, web chat, etc.</p>						

## Community safety

Measure/ Milestone	Objective	2012/13 target	Year end 2012/13 performance	2013/14 target	Q1 2013/14 performance	Q2 2013/14 performance	Lead officer
<b>Objective 1</b>	<b>Increase the percentage of people who feel safe walking alone after dark</b>						
Measure	Percentage of people who feel safe and fairly safe walking alone in the area after dark (Source: Police Public Attitude Survey)	Maintain at 76%	72%	Maintain at 2012/13 levels	72%	Expected in February 2014	Jonathon Toy, head of community safety and enforcement
Q2 2013/14 comment	Feelings of safety after dark have continued at 72% in the first quarter of 2013/14.						
<b>Objective 2</b>	<b>Reduce violent crime, including serious violence</b>						
Measure	Percentage reduction in violent crime	2% reduction on 2011/12 outturn	-3%	2% reduction in 2013/14 compared to 2012/13	-11%	-1%	Jonathon Toy, head of community safety and enforcement
Q2 2013/14 comment	In the second quarter of 2013/14, violent crimes (i.e. most serious violence, assault with injury, and common assault) recorded by the police reduced by 1% compared to the same period of the previous year (down from 1605 to 1588 crimes. In total, there has been a 6% reduction in violence in 2013/14 (April to September) compared to the same period in 2012/13; this equates to 175 fewer violent crimes. Southwark currently has the 7th highest rate per 1000 population for violent crime in London.						
<b>Objective 3</b>	<b>Reduce the percentage of people who think Anti-Social Behaviour (ASB) is a problem in their area</b>						
Measure	Percentage of people who think ASB is a problem in their area (Source: Council Reputation Tracker)		20%	20%	Expected in October 2013	A new ASB measure will be agreed and reported for Q3	Jonathon Toy, head of community safety and enforcement
<b>Objective 4</b>	<b>Increase the average number of detections of crime per CCTV camera.</b>						
Measure	Percentage increase in CCTV detections	15% increase in CCTV detections compared to 2010/11 baseline (8,408 recordings against a 2010/11 base line of 7,312)	140%	13% increase in 2013/14 compared to 2012/13	127%	56%	Jonathon Toy, head of community safety and enforcement
Q2 2013/14 comment	There was a 56% increase in CCTV detections in the second quarter of 2013/14 compared to the same quarter the previous year. This equates to 5,926 actual CCTV detections and brings the total for the first six months of 2013/14 to 12,218. There were 233 arrests associated with CCTV in quarter 2, a similar level to the previous three months of 2013/14.						
<b>Objective 5</b>	<b>Improve the effectiveness of drug treatment services in the borough</b>						
Measure	Percentage increase in adults leaving treatment in a planned way		Published in Aug 2013	5% increase on 2012/13 outturn	Expected in August 2013	10%	Jonathon Toy, head of community safety and enforcement
Q2 2013/14 comment	In quarter 1, 2013/14, 56 adults successfully exited from drug treatment. In the first six months of 2013/14, 92 adults exited successfully from drug treatment services. This represents a 10% increase on the first six months of 2012/13 and compares to a 15% increase Londonwide.						
<b>Objective 6</b>	<b>Increase the proportion of premises that comply with environmental health and trading standards regulations</b>						
Measure	Percentage of premises that comply with environmental health and trading standards regulations	75%	80%	80%	84%	83%	Jonathon Toy, head of community safety and enforcement
Q2 2013/14 comment	In the second quarter of 2013/14, 412 premises were inspected in order to assess compliance with health and safety, licensing or food safety regulations. 83% of the premises inspected were compliant. Action taken against uncompliant premises in order to minimise risk to the public included 24 improvement notices, 3 food prosecutions and 4 licensing reviews.						
<b>Objective 7</b>	<b>Value for money through effective partnership working in reducing violence</b>						
Measure	Percentage reduction in the cost of crime on 2012/13 outturn (Source: Home Office economic cost of crime survey)	-2%	-8%	Maintain at 2012/13 level	-13%	-7%	Jonathon Toy, head of community safety and enforcement
Q2 2013/14 comment	Costs associated with violence (i.e. serious violence, assault with injury and common assault) have reduced by 7% in the second quarter of 2013/14, which equates to £1.8m. There was 1 murder in the second quarter of 2012/13 compared to 2 in the same quarter of the previous year; this compares to an increase from 22 to 28 across London.						
<b>Objective 8</b>	<b>Match the rate of hospital admissions per 100,000 for alcohol related harm of neighbouring boroughs</b>						

Measure/ Milestone	Objective	2012/13 target	Year end 2012/13 performance	2013/14 target	Q1 2013/14 performance	Q2 2013/14 performance	Lead officer
Measure	Hospital admissions per 100,000 for alcohol related harm	Maintain at 2011/12 level	5,483	Match average rate of neighbouring boroughs	Annual outturn available in September 2014	Annual outturn available in September 2014	Jonathon Toy, head of community safety and enforcement
Q2 2013/14 comment	There were 5,483 admissions per 100,000 population in 2012/13, which is 11% above the local cohort average of 4,928 admissions (cohort = Lambeth, Lewisham, Hackney, Islington, Southwark and Tower Hamlets)						
<b>*EQUALITY OBJECTIVE* - Objective 9</b>	<b>To improve access to domestic abuse services to the community</b>						
Measure	Reporting amongst 16-17 year olds	N/A	2681	(20% increase on 2012-13)	7	24	Jonathon Toy, head of community safety and enforcement
Q2 2013/14 comment	The number of referrals from 16-17 year olds has significantly increased in quarter 2 of 2013-14; up to 24 compared to 6 in quarter 2 2012/13. This brings the total for the the year so far to 31, a 181% increase compared to the same period in 2012/13.						

**Council Plan 2011/12-2013/14**

**Cabinet portfolio performance schedule:** Health Adult Social Care and Equalities

**Cabinet Member:** Catherine McDonald, Cabinet member for health, adult social care and equalities

**Lead strategic director:** Romi Bowen, Strategic Director for Children's and Adults' Services

Measure/ Milestone	Objective	2012-13 target	Year end 2012/13	2013-14 target	Q1 2013/14 performance	Q2 2013/14 performance	Lead officer
<b>Objective 1</b>	<b>Maximise people's choice and control through the provision of personal budgets</b>						
Measure	Percentage of eligible service users who hold a personal budget	90	90	90	90% + (tbc)	94%	Sarah McClinton, director adult social care
Q2 2013/14 comment	Final 2012/13 performance was that just over 90% of eligible long term community based service users were benefitting from some form of personal budget. During 2013/14 this will become the norm as all new and reviewed long term service users will move on to either a self managed, council managed or third party managed personal budget. On national performance measures regarding personal budgets, which are measured using different metrics from those in the council plan, Southwark is 16th highest nationally out of 150 boroughs.						
<b>Objective 2</b>	<b>Reduce the charges for meals on wheels by 50%</b>						
Measure	Percentage cumulative reduction in meals on wheels charges	26		36% from 1st Apr 2013/14	38% reduction implemented with effect from 1st Apr.	50% reduction implemented with effect from 1st October	Jonathan Lillstone, head of commissioning, adult social care
Q2 2013/14 comment	The price with effect from 1st October 2014 reduced to £1.71 per hot meal, a 50% reduction from the £3.41 charged in 2010/11.						
<b>Objective 3</b>	<b>Provide effective support for people to live in their own homes and shift the balance of care away from residential care</b>						
Measure	Reduced permanent admissions to care homes	177 care home admissions (Overall 5% year on year reduction from 2010/11 baseline in care home admissions).	197 care home admissions	168 admissions (5% reduction per annum from 2010/11 baseline in care home admissions).	51	95 (cumulative total)	Sarah McClinton, director adult social care
Q2 2013/14 comment	At the end of quarter 2 the cumulative total of new permanent care home admissions is 95, of whom 86 are older people. This is similar to the rate of admissions last year. Further initiatives will be considered for avoiding admissions, in particular those straight from hospital, including the work of Southwark and Lambeth Integrated Care (SLIC), reablement and with improved primary and community health care support. This performance is a reflection of growing demand as admissions are always made when people are assessed as requiring care in a care home environment, and there is no question of restricting the provision of care home placements in such cases in order to meet a target. The target was set to reflect our longer term aim of reducing demand for care homes by preventing and/or delaying the onset of needs that require a care home environment through the provision of effective community based services. We expect that the provision of more extra care next year will reduce numbers as it provides an alternative to a care home for people with high needs.						
<b>EQUALITY OBJECTIVE - Objective 4</b>	<b>Support vulnerable people to live independent, safe and healthy lives by giving them more choice and control of their care.</b>						
Measure	Percentage of people with learning disabilities who are in settled accommodation.	70% (453 out of 620) people with learning disabilities classified as in settled accommodation	75%	73% tbc	73% tbc	73% tbc	Sarah McClinton, director adult social care
Q2 2013/14 comment	At the end of 2012/13 a detailed analysis was undertaken which showed 73% of people with learning disabilities were in settled accommodation as defined, which excludes care home accommodation. This has not changed significantly during the year, although an exact figure has not yet been established due to recording issues on the system. Further work on developing supported housing options should ensure the target is met. There has been substantial long term improvement.						
<b>Objective 5</b>	<b>Safeguarding case completion rate</b>						
Measure	Completed referrals as a percentage of all referrals: 70% (baseline 2011/12 63%)	70%	89.30%	75%	62%	76%	Sarah McClinton, director adult social care
Measure	Percentage of service users who say that care services make them feel safe (Source: Outcomes Framework User Survey).	Maintain top quartile position	73.4% reported that care services helped make them feel safe - this is in line with London average.	70%	Survey due in quarter 4	Survey due in quarter 4	Sarah McClinton, director adult social care
Q2 2013/14 comment	In quarter 2 there were 161 safeguarding referrals and 122 closures giving 76% on this measure. Work is being undertaken to ensure that case completion is promptly recorded on the system and it is expected this will help ensure the target is exceeded as it was last year.						
<b>Objective 6</b>	<b>Restore people's independence wherever possible by providing cost effective short term support through expanding reablement services</b>						
Measure	Number of reablement cases	1,200	1,400	1,800 tbc		806 cumulative (draft)	Sarah McClinton, director adult social care



Measure/ Milestone	Objective	2012-13 target	Year end 2012/13	2013-14 target	Q1 2013/14 performance	Q2 2013/14 performance	Lead officer
Q2 2013/14 comment	The number of people completing rehabilitation is currently showing an increase to 806. Whilst it is anticipated that capacity will increase during the year and close the gap it is not yet certain. The original targets were set whilst the model was relatively new, before there was a clear understanding of how many people would benefit from the model. Actual demand from eligible clients is lower than originally anticipated. Targets will be revised reflecting a more targeted approach for next year.						
<b>Objective 7</b>	<b>Redesign supported housing services to secure greater value for money and support independence</b>						
Milestone	Commence tender to renew Framework Agreement	N/A	N/A	By quarter 2	In progress	In progress	Jonathan Lillistone, head of commissioning, adult social care
Milestone	Implement renewed Framework Agreement	N/A	N/A	By Apr 2014	In progress	In progress	Jonathan Lillistone, head of commissioning, adult social care
Q2 2013/14 comment	There has been minor slippage in the programme to commence the tender to renew the Framework Agreement, resulting in a 1 month delay against the quarter 2 target. Overall the programme is on course to be delivered and the outcomes will not be significantly adversely affected by one month's slippage.						
<b>Objective 8</b>	<b>Transform day services to allow a more personalised and outcome focused approach</b>						
Milestone	Identify location for centre of excellence for older people day services and agree development plan	By year end	Architects appointed to assess Cator Street's suitability for the centre of excellence.	By Jul 2013	In progress	Completed	Sarah McClinton, director adult social care
*DRAFT* Milestone	Commence work on Cator Street	N/A	N/A	By Mar 2014	N/A		
*NEW* Milestone	Implement revised service models following consultation	N/A	N/A	By Mar 2014	In progress	In progress	Sarah McClinton, director adult social care
Q2 2013/14 comment	<b>Older people:</b> A decision was made confirming the suitability of the Cator Street site for the centre of excellence in quarter 2. Architects have been working with a design group made up of families, NHS and voluntary sector partners on the plans for Cator Street. <b>Mental Health:</b> A report setting out the basis of the consultation on the development of day services for people with mental health conditions has been agreed by the lead cabinet member. The proposals being consulted on are around a new information, advice and signposting support service, further support for social inclusion and the coordination of peer support for people with mental health needs; and further development of rehabilitation service that will support people with moderate or substantial social care needs. <b>Learning disabilities:</b> In June the lead cabinet member agreed a report setting out the vision for developing day opportunities for people with learning disabilities, based on the outcome of the consultation undertaken in 2012/13. The vision enables people with learning disabilities to choose how they are supported to spend their days, and to focus support on enabling people to be more independent.						
<b>Objective 9</b>	<b>Provide a dedicated telephone response for all queries about help for older and vulnerable people and their carers, including information about universal access and voluntary sector services</b>						
Milestone	Single dedicated number provided	By quarter 3	Single number launched		Completed	Completed	Sarah McClinton, director adult social care
Q2 2013/14 comment	The single number system is operating effectively. In quarter 2 nearly 8,000 contacts were received by the Contact Adult Social Care Team of which over 90% got the advice they needed on the same day.						
<b>EQUALITY OBJECTIVE - Objective 10</b>	<b>Improving the experience of all carers in the support they receive from the council</b>						
Measure	Develop target when local and National Carers Survey results available. The proportion of carers who report they have been included or consulted in discussions about the person they care for (Carers Survey)	n/a	66%	70%			Sarah McClinton, director adult social care
Measure	Percentage of community service users whose carers have received a needs assessments, a review, a specific carers service or advice and information	36	34.8	41		7%	Sarah McClinton, director adult social care
Q2 2013/14 comment	Carers survey to be conducted in 2014. Carers Assessments: Recording time lag to be addressed - expected to increase an meet target, as in previous years.						
<b>EQUALITY OBJECTIVE - Objective 11</b>	<b>Review the council's Approach to Equality policy undertaken</b>						
Milestone	Review the council's Approach to Equality policy undertaken	N/A	N/A	By quarter 3	In progress	In progress	Graeme Gordon, director of corporate strategy
Q2 2013/14 comment	The review of the implementation of the council's Approach to Equality policy has now been completed. Now commencing delivery of actions to further improve the way we deliver the approach and to support the Cabinet Member to promote equality across the borough.						
<b>Objective 12</b>	<b>Establish the key priorities and associated improvement targets for the health and wellbeing of Southwark's population</b>						
Milestone	Develop appropriate council plan improvement targets for public health to support the delivery of the Health and Wellbeing strategy.	N/A	N/A	By quarter 3	In progress	In progress	Dr. Ruth Wallis, director of public health
Q2 2013/14 comment	The intention is to use Public Health (PH) Outcomes framework to inform targets linked to the three priorities in the Health and Wellbeing strategy (HWBS).						

### Council Plan 2011/12-2013/14

#### Cabinet portfolio performance schedule: Housing Management

**Cabinet Member:** Cllr Ian Wingfield, deputy leader of the council and cabinet member for housing management

**Lead strategic director:** Gerrit Scott, strategic director for housing and community services

Measure/Milestone	Description	2012/13 target	April to March 2012/13 performance	2013/14 target	Quarter 1 April to June 2013/14 (unless specified)	Quarter 1 & 2 April to Sept 2012/13 (unless specified)	Lead officer
<b>Objective 1</b>	<b>Warm, dry and safe housing - Implement a minimum housing investment programme of major works of £326m to ensure that the Council's homes meet the Government's Decent Homes Standard by March 2016</b>						
Measure	Spend on warm, dry and safe (WDS) housing investment programme	£1.8m (£65m, including Leather market) of which £2.5m is contingency	£84m spent i.e. 101% of 2012/13 budget spent	£80m spent	£7m spent i.e. 9% of 2013/14 budget spent	£27m spent i.e. 33% of 2013/14 budget spent	David Markham, head of major works
Q2 2013/14 comment	The programme is forecasting to meet the £80m spend target for 2013/14. To date, 33% (£27m) of the 2013/14 £80m budget has been spent against 23% target by end September. We continue to make good progress in the delivery of our five year WDS programme with £123m spent in total on our programme of improvements to our council housing stock since April 2011. The scheduled schemes for 2013/14 (except Aylesbury due to regeneration scheduling and Tusin estate) and schemes planned from previous years, delayed through the reordering of contracts following the mutual conclusion of the Broyer and Wales contracts, will start in the second half of 2013/14. In addition, we are bringing forward some schemes from the 2014/15 programme that will also start on site in the second of 2013/14. Our heating and lift programmes continue to run on or ahead of schedule. The overall WDS programme is expected to be fully committed by March 2016. Fire safety works have also been completed on 28 of the highest risk high rise blocks, with a further 194 moderate blocks also completed. The fire safety works continue to be prioritised and plans are being drawn up to work on lower rise and street properties.						
Measure	Number of homes made decent in 2013/14 through WDS programme (currently falling Decency as of April 2013)	N/A	N/A	2,093	48	498	David Markham, head of major works
Q2 2013/14 comment	We will meet the target for making over 2,000 homes decent through the completion of major works to homes in 2013/14. Most of our 2 year programme schemes and many of our 2012/13 programme schemes will be completing this year. Many residents are currently benefiting from works to their homes. Most of the WDS decency works completing this year are expected to complete in the second half of the year.						
<b>Objective 2</b>	<b>Bill all those who are liable for service charges for major works to their properties fairly, and in a timely manner, explaining the charges clearly to them.</b>						
Measure	Capital billing (£, millions)	6.5	10.6 (due from 01/04/2013)	10.5	10.6	10.6	Martin Green, head of specialist housing services
Measure	Capital arrears (£, millions)	7.4	7.2 (net at 31.03.13)	11	15.4 net	13.9m net at 31/08/13	Martin Green, head of specialist housing services
Q2 2013/14 comment	Under the council's new billing and accounts receivable (BAR) system, in 2013/14 for the first time, estimated major works service charges were included with the usual annual service charges issued in March each year. Our billing practices have been changed in accordance with the recommendations from an independent audit of leaseholder service charges. The audit produced 17 recommendations, including improvements to the quality of information provided to leaseholders in their invoices and statement production and the ability to allocate payments to individual invoices, reducing our reliance on manual accounting and resulting in a more transparent process. A requirement of the audit and subsequent action plan, the BAR system is currently being explored to look at how it can be extended to deliver online service to leaseholders i.e. to allow leaseholders to go online to inspect their own statements. In Summer 2011, the interest free payment plan was increased to 48 months for service charges over £7,200. In addition, the Four Squares estate has been chosen to pilot a 72 month interest free plan because of the size of the invoices. These, together with existing schemes such as equity release and equity loans, means that Southwark offers the widest range of payment options to its leaseholders. The 2011 report by the Scrutiny committee reviewed the service charge process, giving it a clean bill of health. In early 2013, the standard letters were reviewed for clarity and to ensure their tone was at an appropriate level. Current plans are being prepared for a review of the collection process to ensure that it is fair and equitable.						
<b>Objective 3</b>	<b>Improve satisfaction with overall repairs service</b>						
Measure	Percentage satisfaction with overall repairs service	90	81	90	82	82	David Lewis, head of maintenance and compliance
Q2 2013/14 comment	Using our monthly performance data, overall satisfaction with the repair service is 82% in the first half of 2013/14 which is slightly better than 81% in 2012/13. Results are drawn from a combination of telephone and online surveys. In the first half of the year, the council terminated its contract with General Dynamics IT which caused some disruption to service delivery. However, actual repairs performance has improved. Mears, the interim repairs contractor, has hit the ground running since being appointed in October 2012 and Southwark Building Services, the in-house contractor, continues to improve. Similarly, both heating contractors, OCO and TBrown, have progressed against last year's performance. The new Mears contract for repairs in the south of the borough starts on 3 October 2013. There are some differences between this contract and the interim contract, including cheaper rates.						
<b>Objective 4</b>	<b>Increase the number of repairs completed right first time</b>						
Measure	Percentage of repairs completed right first time	90	77	90	80	80	David Lewis, head of maintenance and compliance
Q2 2013/14 comment	Again, our monthly performance data shows the repair service has continued to show improvement. 80% customers said that repairs were completed right first time compared to 77% in 2012/13. - All contractors have an officer stationed at the Contact Centre to assist in day to day issues. SBS and Mears (R&M repairs contractors) have trained contact centre apprentices by pairing them with craft operatives. - All responsive repairs operatives now use PDAs (personal data assistants). - The PDAs used by EOCN operatives (the two heating and hot water contractors) now do not allow them to see the next repair job unless the tenant has signed off the current job. As many parts are readily available, we have 'locked' down a follow up appointment within 1-3 days. If a component is not available, tenants are provided with 'What happens next' cards. - SBS has started using "before" and "after" photos, "now and next" job ordering and more complete job notes recording to improve customer experience. - Mears have provided "before" and "after" photos of jobs from day one of their interim contract, and consistently review/imprint stock on their vans to maximise first time fix. Mears use text back functionality for all repairs - resident is texted 24 hours before the appointment, when the operative is on route and when the appointment is completed; the resident can also text back reducing the number of failed appointments.						

Measure/ Milestone	Description	2012/13 target	April to March 2012/13 performance	2013/14 target	Quarter 1 April to June 2013/14 (unless specified)	Quarter 1 & 2 April to Sept 2012/13 (unless specified)	Lead officer
<b>Objective 5</b>	<b>Deliver housing revenue account savings identified over three years</b>						
Measure	Savings (£, millions)	6.2	6.2	6.2	6 On track	In progress/ On track	Housing and community services senior management team, and Ian Young, head of housing finance
Q2 2013/14 comment	The department is committed to driving out efficiency gains wherever possible whilst improving service delivery across the Housing Revenue Account. A package of measures totalling £21.6m has been identified as part of the three-year budget savings programme (2011/12 to 2013/14). £6m will be achieved during 2013/14 through the systematic improvement in contract management and cost control over high volume, high value budgets such as repairs, engineering and heating. Rationalisation and integration of service responsibilities has also led to more efficient working across the department and corporately, which has contributed to the achievement of the target.						
<b>Objective 6</b>	<b>Reduce the time taken to turnaround void (empty) properties whilst improving tenant satisfaction with quality of property</b>						
Measure	Average void turnaround times in calendar days	24	22	22	22	22	Paul Langford, head of operations
Q2 2013/14 comment	Void turnaround is 21.1 days in quarter 2 against 22 day target which is expected to be top quartile performance. In addition, void levels and void loss continues to be low. Quality is just as important as quantity and we acknowledge in the process, that both time and money will be saved in the long run. We will be piloting a full property void decoration in the coming months to ascertain if this improves tenant satisfaction with the process and their new home. Tenant satisfaction with quality of property is 84% in the first six months of 2013/14 which is a marked improvement from 72% in 2012/13, and satisfaction with the viewings process is 92% in 2013/14.						
<b>Objective 7</b>	<b>Target properties under illegal occupation</b>						
Measure	Number of illegally occupied properties recovered annually	300	322 incl. 3 TMOs & 19 RSLs	500 (incl. TMOs & RSLs)	93 (63 tenants, 3 TMOs & 7 RSLs)	188 (150 tenants, 3 TMOs & 30 RSLs)	Paul Langford, head of operations
Q2 2013/14 comment	183 illegally sublet properties have been recovered to date, which is a substantial achievement compared to 113 properties recovered in the same period last year. In addition, prevention measures have stopped illegal/ fraudulent activity in 30 cases (including a stop to 8 RTB applications and 6 transfer applications). Southwark Council has won The Cliff Nicholson Award 2013 for innovation and relentless war on social housing fraud and was shortlisted by MJ for an award in tackling illegal occupation through partnership working. Estate Action Days produce highly visible targeted activities on an estate, including tenancy checks. A programme of Estate Action Days has been organised to take place throughout the year with other teams including UKBA, the police, Southwark anti-social behaviour unit and Income/Council Tax. A targeted advertising campaign will be launched by December with posters and leaflets at local supermarkets and buses. Additional communication, in the form of area forum presentations, campaigns and press releases, has raised awareness of the problem faced by landlords and the scale of illegal subletting. Illegal subletting will become a criminal offence in October and the council will be running a high profile campaign to highlight this to all residents.						
<b>Objective 8</b>	<b>Minimise number of accepted households in temporary accommodation</b>						
Measure	Number of accepted households in temporary accommodation	775	705 at 31/12/13	Less than 1,000	782 at 30/06/13	796 at 30/9/13	Marlin Green, head of specialist housing services
Q2 2013/14 comment	The council continues to use its housing stock effectively. Whilst the number of households in Temporary Accommodation (TA) remain low in comparison with many other London Authorities, there has been a big increase from 705 at March 2012 to 796 in September. This is due to national government welfare reforms, the weak economic climate and the level of private market rents in inner London. This increase in homelessness comes at a time when TA supply is falling due to the Aylesbury decant and private sector leasing schemes made unviable because of the widening differential between the local housing allowance and private sector market rents. This has resulted in increased use of bed and breakfast which has doubled from 100 at March 2012 to 209 at September 2013. There are likely to be further significant increases in the second half of 2013/14. We continue to maintain excellent performance in preventing homelessness where Southwark out performs all other London boroughs despite the current economic and political climate.						
<b>Objective 9</b>	<b>Increase satisfaction with landlord services</b>						
Measure	Percentage satisfaction with overall landlord services	72	64	66	Results due in quarter 3	64	Housing and community services senior management team
Q2 2013/14 comment	Fieldwork for the STAR survey was completed at the end of September. In an effort to engage a larger number of tenants, nearly 20,050 surveys were sent this year compared to 12,400 in 2012. However there was a drop in return rate from 18.3% to 10.7%. There is a very little change in overall satisfaction across the different cohorts. Tenant satisfaction remains the same at 64%. Although overall satisfaction remained the same, there were areas of clear improvement. Tenant satisfaction with their neighbourhood increased from 69% to 71%. Tenants were also happier with their resident officers, with satisfaction increasing from 57% to 59%. Even though satisfaction with the repairs service dropped overall from 64% to 62%, satisfaction with repairs completed between 1 and 2 years ago. This demonstrates that the measures taken to improve the repairs service are having an effect. There were slight differences in satisfaction levels across gender and ethnicity as shown: (Male=67%, Female=61%, Asian=68%, Black=65%, Latin American=61%, Mixed=55%, White=64%). However the largest discrepancy was between age groups: (18-34)=50%, (35-64)=61%, (65+)=73%.						
<b>Objective 10</b>	<b>Increase satisfaction with the opportunity for participation in decision making</b>						
Measure	Percentage of residents who are satisfied with the opportunities to participate in decision making.	57	46	48	results due in quarter 3	45	Stephen Douglas, head of community engagement
Q2 2013/14 comment	Tenant satisfaction saw a slight drop to 45% from 46% in 2012. There is a marked difference between the cohorts: (Tenants=45%, leaseholder=30%) There is no difference across age groups or gender, however there is a wide variety of satisfaction across different ethnic groups. (Asian=53%, Black=55%, Latin American=46%, Mixed=38%, White=39%)						
<b>Objective 11</b>	<b>Increase resident involvement</b>						
Milestone	Review the implementation of the housing resident involvement (RI) strategy by October 2013 to inform future approaches to tenant and resident engagement		RI strategy agreed, and a thorough review of tenant fund and halls underway	Oct-13	RI strategy action plan being drafted	In progress	Stephen Douglas, head of community engagement
Q2 2013/14 comment	One of the overwhelming messages from the Housing Commission consultation was that our tenants want to see more genuine involvement in the management of their homes - Cabinet is considering a report on 22 October that sets out a direction of travel to enable different areas of the borough to develop localised approaches to tenant management but also to increase the quality of resident involvement in all areas of council housing services. The report is also out for consultation with area housing forums (AHFs) - 8 AHFs received report in September with remaining 4 AHFs to consider report in October.						

Measure/ Milestone	Description	2012/13 target	April to March 2012/13 performance	2013/14 target	Quarter 1 April to June 2013/14 (unless specified)	Quarter 1 & 2 April to Sept 2012/13 (unless specified)	Lead officer
<b>EQUALITY OBJECTIVE - Objective 12</b>	<b>Increase the representativeness (sex, age and ethnicity) of apprenticeships under the two main repair contracts and three major works contracts to reflect Southwark's community</b>						
Measure	Increase representativeness of apprenticeships	N/A	-	Baseline to be developed by quarter 1	Sex = 26 male; 6 female Age = 27 aged 18-25; 5 aged 26-35 Ethnicity = 16 BME; 16 non-BME	Sex = 33 male; 12 female Age = 37 aged 18-25; 7 aged 26-43 Ethnicity = 21 BME; 22 non-BME	David Lewis, head of maintenance and compliance/Dave Markham, head of major works
Q2 2013/14 comment	As of end September 2013, we have 45 apprentices working for the major works and repair contractors. The three major works contractors have 20 apprentices (includes 7 trainees) and the two main repair contractors have 25 apprentices between them. Of these 45 apprentices, 33 are male and 12 are female. The physical nature of jobs makes the repair works less attractive to females. 37 apprentices are aged 17-25 and the other 7 are aged 26-43. Apprentices by their very nature tend to be quite young. 21 apprentices are from the BME community and 22 from non-BME community. Nearly all apprentices are Southwark residents. In addition, there are 41 apprentices in the Customer Contact Center.						
<b>EQUALITY OBJECTIVE - Objective 13</b>	<b>To obtain 15% reduction in evictions of young people by proactively supporting and advising this protected group via structured support framework</b>						
Measure	15% reduction in evictions of young people	N/A	35 (under 26s)	Fewer than 30 (under 26s)	5	18	Paul Langford, head of operations
Q2 2013/14 comment	There has been increased support to residents facing eviction. In the last two years, evictions have reduced to 212 in 2011/12 and 223 in 2012/13 which is about 0.4% of tenants compared to 352 in 2009/10 and 326 in 2010/11. In the first half of this year, 104 tenants have been evicted of which 18 were under 26 years old. Eviction is the last resort after all other pragmatic steps have failed. Welfare reform will only make the financial tipping point for vulnerable and young families even more precarious. SUSTAIN / SHP (Support Housing Project) / Rightfully Yours teams and joint working with CAB, in particular, assist with the young tenants at an early intervention stage and provide a valuable link to enhanced budgeting and advice services for young tenants in financial difficulty.						
<b>EQUALITY OBJECTIVE - Objective 14</b>	<b>Undertake annual property checks on council properties which includes tenancy checks and checking the condition of property</b>						
Measure	Percentage of annual property checks undertaken.	-	-	100% (35,300 checks)	15% (5,421 checks completed)	45% (15,816 checks completed)	Paul Langford, head of operations
Q2 2013/14 comment	It has been some time since we embarked on such a large scale programme of visiting every property every year. More recently, we undertook a programme where we carried out 100% tenancy checks but this was over a two year period - 19,000 checks were carried out in 2009/10 and another 17,000 in 2010/11. In 2011/12, we re-visited just over 3,000 tenants from the 2 year programme for further investigation and took legal action where there was serious concern. Our new programme of annual tenancy checks started in April 2013 and includes checking the condition of property for disrepair. The property checks are conducted immediately after the engineers have undertaken gas safety checks. 100% of our tenants (excl. TMOs) will be visited in 2013/14 @ 3,000 per month. Performance has improved month on month so that 15,816 (45%) checks have been carried out to date. Intense monitoring by Area Managers and initiatives such as estate blitzes, as well as taking advantage of longer days, has bought the programme nearly back on track.						

**Council Plan 2011/12 - 2013/14**

**Cabinet portfolio performance schedule: Regeneration and Corporate Strategy**

**Cabinet Member:** Cllr Fiona Colley, cabinet member for regeneration and corporate strategy

**Lead strategic director:** Eleanor Kelly, chief executive

Milestone/Measure	Description	2012-13 target	Year end 2012/13 performance	2013-14 target	Q1 2013/14 performance	Q2 2013/14 performance	Lead officer
<b>NEW AFFORDABLE HOMES</b>							
<b>Objective 1</b>	<b>Provide more affordable homes across the borough to improve access to housing locally</b>						
Measure	Net new homes in Southwark	1,450	911 net new have been completed to date (Provisional figure) (600 affordable homes and 311 private homes)	1,450	Measure to be reported on the full year	In progress	Simon Bevan, director of planning
Measure	New affordable homes in Southwark	600	Exactly 600 units completed.	600	96 units completed	85 units completed	Stephen Platts, director of regeneration
Milestone	Start on site with Phase 1 of 1,000 new council homes programme	N/A	N/A	By quarter 4	Not started	In progress	Stephen Platts, director of regeneration
Milestone	Agree procurement arrangements for 1,000 new council homes Phase 2 schemes	N/A	N/A	By quarter 3	In progress	In progress	Stephen Platts, director of regeneration
Milestone	Commence design and resident consultation for 1,000 new council homes Phase 2 schemes	N/A	N/A	By quarter 3	In progress	In progress	Stephen Platts, director of regeneration
Measure	Number of empty private homes brought back into use	135	137	100	27	50	Jonathon Toy, head of community safety and enforcement
Q2 2013/14 comment	Measure 2 - Progressing as expected. Known that large proportion projected to complete in quarter 4. Milestone 4 - We work jointly and compare processes and performance with our sub-regional borough partners, however it is difficult to satisfactorily benchmark since they have much lower targets (average of 36 pa) and are counting quick wins relating to the New Homes bonus and bringing temporary accommodation into use. Since Southwark focuses on long term employes, against this benchmark our quarter 2 performance is very good but we will continue to review it based on the changing market conditions and may revise our target prior to year end.						
<b>SECTION 106</b>							
<b>Objective 2</b>	<b>Work with developers to help local people into work through Section 106 agreements</b>						
Measure	Residents into construction related jobs sustained for at least 26 weeks.	Quarterly targets (Q1) 35 (Q2) 51 (Q3) 66 (Q4) 75 Year to date targets (Q1) 35 (Q2) 86 (Q3) 152 (Q4) 227	(Q4 performance) 58  (Year end total) 133	Quarterly targets (Q1) 37 (Q2) 37 (Q3) 37 (Q4) 39 Year to date targets (Q1) 37 (Q2) 74 (Q3) 111 (Q4) 150	63	79  (142 year to date)	Graeme Gordon, director of corporate strategy
Q2 2013/14 comment	In quarter 2 the council has worked with developers and contractors on over 20 sites in the borough to support unemployed residents of Southwark into sustainable construction jobs. This is an increase on previous quarters with a number of new sites starting to create job and training opportunities locally. New opportunities coming through in quarter 2 include the first local jobs on the Trafalgar Place and One The Elephant sites at Elephant and Castle.						
<b>AYLESBURY ESTATE REGENERATION</b>							
<b>Objective 3</b>	<b>Continue with the regeneration of the Aylesbury Estate, including building the first new family homes</b>						
Milestone	Complete Site 1a (site bounded by Westmorland Road, Albany Road, Red Lion Row, Boundary Lane and Bradenham Close) creating a total of 261 units	By quarter 4	201 units now completed with remaining 60 on schedule for completion August 2013	By quarter 2	In progress	Completed	Stephen Platts, director of regeneration

Milestone/Measure	Description	2012-13 target	Year end 2012/13 performance	2013-14 target	Q1 2013/14 performance	Q2 2013/14 performance	Lead officer
Milestone	Appoint preferred development partner for Site 1b/1c (Bradenham, Arklow, Chartridge and Chiltern)	By quarter 3	Procurement continues on programme with three bidders due to submit proposals on 21 May 2013	By quarter 4	In progress	In progress	Stephen Platts, director of regeneration
Milestone	Complete demolition of Site 7 (1-59 Wolverton, which is located on corner of East Street and Thurlow Street)	By quarter 1	Developer ready to commence works subject to vacant possession.	By quarter 2	In progress	In progress	Stephen Platts, director of regeneration
Milestone	Start on site at Site 7 (1-59 Wolverton, which is located on corner of East Street and Thurlow Street) with construction of 147 new homes	By quarter 1	Developer ready to commence works subject to vacant possession.	By quarter 3	In progress	In progress	Stephen Platts, director of regeneration
Milestone	Develop a master plan for the Site 10 (Tykes Corner) to include community and health facilities	N/A	N/A	By quarter 3	In progress	In progress	Stephen Platts, director of regeneration
Milestone	Creation Trust - Continue to deliver support for local residents during the regeneration including re-housing and worklessness	N/A	N/A	By quarter 4	In progress	In progress	Stephen Platts, director of regeneration
Q2 2013/14 comment	All 261 units complete on Site 1a. Demolition of Site 7 due to complete by end of quarter 4 2013/14, with construction work to immediately follow.						
<b>ELEPHANT AND CASTLE REGENERATION</b>							
<b>Objective 4</b>	<b>Improve Elephant and Castle as a place to live, work and do business</b>						
Milestone	Planning consent granted for Phase 2	N/A	N/A	By quarter 3	In progress	In progress	Stephen Platts, director of regeneration
Milestone	Demolition of the Heygate Estate	By quarter 2	Compulsory Purchase Order public inquiry held. Planning application submitted for security fence. Demolition enabling works commenced.	Demolition contract let and work underway Q3	In progress	In progress	Stephen Platts, director of regeneration
Milestone	Agree development strategy for the shopping centre	N/A	N/A	By year end	In progress	In progress	Stephen Platts, director of regeneration
Milestone	Start on site at the new leisure centre site	N/A	N/A	By quarter 1	Completed	Completed	Stephen Platts, director of regeneration
Milestone	Cumulative number of new affordable homes in opportunity area	N/A	578 completed up to year end 2012/13 (against target of 1,650 to be completed by 2020)	750 completed up to year end 2013/14 (against target of 1,650 to be completed by 2020)	In progress	In progress	Stephen Platts, director of regeneration
Milestone	Planning consent for St Mary's churchyard improvement programme	N/A	N/A	By end of quarter 4	In progress	In progress	Stephen Platts, director of regeneration
Milestone	Start on site at Stead Street site	By year end	Planning consent secured and start on site achieved	By quarter 2	In progress	In progress	Stephen Platts, director of regeneration
Q2 2013/14 comment	Elephant and Castle regeneration programme is progressing well and in accordance with programme. In respect of Milestone 5, Guinness Trust, the developer of the site have advised that programme has slipped due to contract negotiation but remain on track to comply with the overall milestone by end of Q3.						
<b>ROTHERHITHE AND CANADA WATER REGENERATION</b>							
<b>Objective 5</b>	<b>Improve Rotherhithe and Canada Water as a place to live, work and do business</b>						
Measure	New affordable and private units at Maple Quays (Site A)	220 units in total 146 private 74 affordable	2012/13 target completed	139 units in total 82 private 57 affordable	In progress	In progress	Stephen Platts, director of regeneration
Milestone	Commence St Olav's public realm improvements	N/A	N/A	By quarter 3	In progress	In progress	Stephen Platts, director of regeneration



Milestone/ Measure	Description	2012-13 target	Year end 2012/13 performance	2013-14 target	Q1 2013/14 performance	Q2 2013/14 performance	Lead officer
Milestone	Agree regeneration strategy for Harnsworth Queys site	N/A	N/A	By quarter 4	In progress	In progress	Stephen Platts, director of regeneration
Q2 2013/14 comment	Canada Water regeneration programme is progressing well and in accordance with programme. In respect of Milestone 2, the target for the financial year is to commence the design phase and the compulsory purchase order process for the acquisition of the toilet building. Both of the targets are progressing as planned.						
<b>BERMONDSEY SPA REGENERATION</b>							
<b>Objective 6</b>	<b>Improve Bermondsey Spa as a place to live, work and do business</b>						
Milestone	Development completed at Site G. (Spa Road)	By quarter 2	Sale completed	By year end	In progress	In progress	Stephen Platts, director of regeneration
Milestone	Development completed at 19 Spa Road	N/A	N/A	By year end	In progress	In progress	Stephen Platts, director of regeneration
Milestone	Complete phase 1 at Site C5 (Grange Walk)	N/A	N/A	By year end	In progress	In progress	Stephen Platts, director of regeneration
Milestone	Complete sale of Mabel Goldwin (Sites C2 and C4)	N/A	N/A	By year end	In progress	In progress	Stephen Platts, director of regeneration
Q2 2013/14 comment	Bermondsey Spa regeneration programme is progressing well and in accordance with programme. In respect of milestone 4, the target for the financial year is to exchange contract for sale by the end of 2013/14 and this is progressing and on track.						
<b>CAMBERWELL TOWN CENTRE REGENERATION</b>							
<b>Objective 7</b>	<b>Improve Camberwell town centre as a place to live, work and do business through better co-ordination of regeneration activity and council service delivery</b>						
Milestone	Preferred street design agreed and publicised	N/A	N/A	By quarter 3	In progress	In progress	Stephen Platts, director of regeneration
Milestone	Preferred design for pocket spaces schemes agreed	N/A	N/A	By quarter 4	In progress	In progress	Stephen Platts, director of regeneration
Milestone	Construction commenced on two pocket spaces projects	N/A	N/A	By quarter 4	In progress	In progress	Stephen Platts, director of regeneration
Milestone	Planning application for Camberwell Green submitted.	N/A	N/A	By quarter 2	In progress	Completed	Stephen Platts, director of regeneration
Milestone	Camberwell Library starts on site.	N/A	N/A	By quarter 4	In progress	In progress	Stephen Platts, director of regeneration
Milestone	Sub-structure of affordable homes blocks under of Elmington Phase 2 completed	N/A	N/A	By quarter 4	In progress	In progress	Stephen Platts, director of regeneration
Milestone	Planning application for Elmington Phase 3 submitted	By year end	N/A	By quarter 1 2014/15	Not started	Not started	Stephen Platts, director of regeneration
Q2 2013/14 comment	Milestones 1 to 5: All projects within the Revitalise5 regeneration programme for Camberwell are on track and as per programme. Milestone 6: 90% substructure completed. Superstructure commenced on several blocks Milestone 7: Contract being finalised (precursor to planning application)						
<b>PECKHAM REGENERATION</b>							
<b>Objective 8</b>	<b>Improve Peckham as a place to live, work and do business</b>						
Milestone	Wooddene starts on site	N/A	N/A	By quarter 3	Not started	Not started	Stephen Platts, director of regeneration
Milestone	Gateway to Peckham planning application submitted	N/A	N/A	By quarter 3	Not started	Not started	Stephen Platts, director of regeneration



Milestone/ Measure	Description	2012-13 target	Year end 2012/13 performance	2013-14 target	Q1 2013/14 performance	Q2 2013/14 performance	Lead officer
Milestone	Stage 2 submission to the Heritage Lottery Fund for the Townscape Heritage Initiative	N/A	N/A	By quarter 4	In progress	In progress	Simon Bevan, director of planning
Milestone	Completion of plaza landscaping as part of Queens Road Peckham station improvements	N/A	N/A	By end of quarter 4	Not started	In progress	Simon Bevan, director of planning
Milestone	Number of shop fronts improved at Queens Road Peckham	N/A	N/A	10 by quarter 4	In progress	In progress	Simon Bevan, director of planning
Q2 2013/14 comment	Milestone 1 - Planning consent granted for Wooddene. Technical solution for heating to Acorn Estate being progressed prior to start on site. Delayed due to unresolved Acorn Plant re-provision issues. Projected start on site quarter 3 2014/15 Milestone 3 - Condition surveys on 44 identified properties completed. Milestone 4 - Works to provide lifts at Queens Road Peckham Station have commenced, work to the plaza to follow in quarter 4. Milestone 5 - Works packages prepared for tender in quarter 3.						
<b>NUNHEAD REGENERATION</b>							
<b>Objective 9</b>	<b>Revitalise the local retail economy by improving the local shopping environment in Nunhead</b>						
Measure	Number of shop fronts improved at Nunhead High Street.	N/A	N/A		32 In progress	In progress	Simon Bevan, director of planning
Milestone	Building work started on New Community Centre	N/A	N/A	By quarter 4	In progress	In progress	Simon Bevan, director of planning
Milestone	Deliver improvements at Nunhead Green.	N/A	N/A	By quarter 4	In progress	In progress	Simon Bevan, director of planning
Milestone	Local festival supported at Nunhead	N/A	N/A	By quarter 3	In progress	In progress	Simon Bevan, director of planning
Milestone	Bridge lighting at Nunhead completed	N/A	N/A	By quarter 2	In progress	Completed	Simon Bevan, director of planning
Milestone	Art project at Nunhead completed	N/A	N/A	By quarter 4	In progress	In progress	Simon Bevan, director of planning
Milestone	Business support initiatives at Nunhead completed	N/A	N/A	By quarter 4	In progress	In progress	Simon Bevan, director of planning
Milestone	Public realm improvements at Nunhead completed	N/A	N/A	By quarter 4	In progress	In progress	Simon Bevan, director of planning
Milestone	Pop-up shop number of tenancies	N/A	N/A	5 by quarter 4	In progress	In progress	Simon Bevan, director of planning
Q2 2013/14 comment	Milestone 1 - Planning permission has been granted and the works have been tendered. Milestone 2 - Planning permission has been granted. Tenders for the works issued in quarter 3. Milestone 3 - Consultation is ongoing and final design developed. Milestone 4 - Successful summer of events including theatre in the cemetery, food festival and free film. Milestone 5 - Lighting completed. Milestone 6 - Working with the designers developing options. Milestone 7 - Working with traders on shop fronts and specific elements of the festivals Milestone 8 - In development with the architects and public realm department. Milestone 9 - The third tenancy ongoing having followed a vintage clothing and Nunhead Voice.						
<b>ESTATE REGENERATION</b>							
<b>Objective 10</b>	<b>Regenerate the housing estates that are most in need of investment</b>						
Milestone	Leasehold acquisition for the Abbeyfield Estate completed	N/A	N/A	By quarter 4	In progress	In progress	Stephen Platts, director of regeneration
Q2 2013/14 comment	Terms agreed with last two leaseholders.						

Milestone/ Measure	Description	2012-13 target	Year end 2012/13 performance	2013-14 target	Q1 2013/14 performance	Q2 2013/14 performance	Lead officer
<b>CORPORATE STRATEGY</b>							
<b>Objective 11</b>	<b>Develop a new long term Housing Strategy</b>						
Milestone	Draft vision for the new strategy developed	N/A	N/A	By quarter 3	In progress	In progress	Graeme Gordon, director of corporate strategy
Q2 2013/14 comment	Work has commenced on the draft vision, including a consideration of key principles.						
<b>Objective 12</b>	<b>To be open and transparent about the council's performance by publishing timely information on progress against the Council Plan</b>						
Milestone	Publishing of quarterly performance reports on the council's website.	N/A	N/A	Previous quarter's performance published within three months.	Completed	In progress	Graeme Gordon, director of corporate strategy
Q2 2013/14 comment	The cabinet member performance schedules for quarter 1 of 2013/14 were published on the council's website in September at <a href="http://www.southwark.gov.uk/downloads/200842/council_plan">http://www.southwark.gov.uk/downloads/200842/council_plan</a> . The quarter 2 cabinet member performance schedules will be published as part of the Fairer Future Interim Performance Report that is going to cabinet in December 2013.						
<b>Objective 13</b>	<b>To progress plans for a landlord accreditation scheme</b>						
Milestone	Plans to progress landlord accreditation scheme	N/A	N/A	By quarter 4	In progress	In progress	Paul Langford, head of operations and David Littleton, environment health and trading standards manager
Q2 2013/14 comment	Draft Southwark Private Rental Standard to go out to consultation in week commencing 14 October and will be open until 22 November. Accreditation scheme is on track for introduction in January 2014.						
<b>PLANNING APPLICATIONS</b>							
<b>Objective 14</b>	<b>Sustain performance on planning applications processed on time – at a minimum of 75%</b>						
Measure	Overall (% processed on time)	75	79	Quarterly target - 75 Year to date target - 75	69	73	Simon Bevan, director of planning
Measure	Other (% processed in 8 weeks)	75	83	Quarterly target - 75 Year to date target - 75	74	78	Simon Bevan, director of planning
Measure	Minor (% processed in 8 weeks)	75	74	Quarterly target - 75 Year to date target - 75	60	68	Simon Bevan, director of planning
Measure	Major (% processed in 13 weeks or in line with planning performance agreement)	N/A	N/A	Quarterly target - 75 Year to date target - 75	73	88	Simon Bevan, director of planning
Q2 2013/14 comment	Measure 3 - Clearing of backlog underway which is impacting slightly on performance.						
<b>Objective 15</b>	<b>Minimise successful appeals against planning decisions</b>						
Measure	Percentage of appeals against planning decisions dismissed	70	57		70	50	Simon Bevan, director of planning
Q2 2013/14 comment	This figure is based on a small number of cases.						

Milestone/ Measure	Description	2012-13 target	Year end 2012/13 performance	2013-14 target	Q1 2013/14 performance	Q2 2013/14 performance	Lead officer
<b>PLANNING ENFORCEMENT</b>							
<b>Objective 16</b>	<b>To be an effective statutory planning authority, ensuring that breaches of planning regulations are resolved within a timely manner</b>						
Measure	Percentage of valid enforcement investigations resolved within twelve weeks	N/A	N/A	70	66	68	Simon Bevan, director of planning
Q2 2013/14 comment	Quarter 2 includes the time period when the performance measure for dealing with enforcement reports has been refined. Until middle of August, what counted as resolved included some actions on a case, but not necessarily a delegated decision to close as case as described above. As such, there is no direct comparison of performance with earlier quarters. The change in performance monitoring, and the refinement of the target has arisen due to the restructuring of the Planning Service, which has also led to a programme of final closure of historic cases. Performance monitoring for quarter 3 onwards will only include cases received and resolved from 1st October 2013, although there will be an ongoing programme of closing historic cases. Monitoring performance on current casework is considered a more meaningful indicator of the effectiveness of the newly created Compliance and Monitoring service.						
<b>PLANNING POLICY</b>							
<b>Objective 17</b>	<b>Further develop the council's planning policies in support of regeneration in Southwark</b>						
Milestone	Publish an Issues and Options discussion paper for Southwark Plan	N/A	N/A	By quarter 4	In progress	In progress	Simon Bevan, director of planning
Milestone	Publish the Community Infrastructure Levy (CIL) schedule for representations and submissions	By quarter 4	Submission delayed	By quarter 3	In progress	In progress	Simon Bevan, director of planning
Milestone	Consult on preferred options for the Harmsworth Quays part of Canada Water Area Action Plan	By quarter 4	Consultation will begin in May 2013.	Consult on submission version AAP and submit to planning inspectorate for examination	In progress	Completed	Simon Bevan, director of planning
Milestone	Publish the Peckham and Nunhead Area Action Plan for representations and submissions	By quarter 3	Examination will be held in July.	EIP held, responding to Inspector's comments	In progress	Completed	Simon Bevan, director of planning
Milestone	Consult on the Blackfriars Supplementary Planning Document	N/A	N/A	By quarter 3	In progress	Completed	Simon Bevan, director of planning
Milestone	Adopt the Camberwell Supplementary Planning Document (SPD)	N/A	N/A	By quarter 4	In progress	In progress	Simon Bevan, director of planning
Q2 2013/14 comment	Milestone 1 - We are no doing a pre-issues and options stage involving community conversations so this has added an additional stage. Milestone 2 - The CIL schedule required further justification and evidence collection to consider issues raised by the Greater London Authority. This has now been completed and this is being taken forward. Milestone 6 - The new project to prepare an SPD for Camberwell is being progressed.						
<b>ENGAGING THE COMMUNITY IN PLANNING</b>							
<b>EQUALITY OBJECTIVE - Objective 18</b>	<b>Increase our understanding of the views of our different communities by increasing the diversity of participation in the planning process</b>						
Milestone	Hold community conversations on the new Southwark Plan	N/A	N/A	By quarter 3	Not started	In progress	Simon Bevan, director of planning
Milestone	Hold events for the Southwark Plan targeting black and minority ethnic communities and other priority groups	N/A	N/A	By quarter 3	Not started	In progress	Simon Bevan, director of planning
Q2 2013/14 comment	These milestones form part of the programme of consultation plan for the new Southwark Plan.						

**Council Plan 2011-12 - 2013/14**

**Cabinet portfolio performance schedule:** Transport, environment and recycling

**Cabinet Member:** Cllr Barrie Hargrove, cabinet member for transport, environment and recycling

**Lead strategic director:** Deborah Collins, Strategic Director of Environment and Leisure

Milestone/Measure	Description	2012/13 target	Year end 2012/13 performance	2013/14 target	Q1 2013/14 performance	Q2 2013/14 performance	Lead Officer
<b>Objective 1</b>	<b>Maintain the standard of Southwark streets</b>						
Measure	Percentage of streets and highways inspected as having unacceptable levels of litter	7	7	7	Expected in Aug 2013	5.5	Ian Smith, Sustainable services head of service
Measure	Percentage of streets and highways inspected as having unacceptable levels of detritus	10	9	9	Expected in Aug 2013	11.3	Ian Smith, Sustainable services head of service
Q2 2013/14 comment	The litter score is significantly better than the target. While detritus is slightly outside the target we are confident of meeting the target. Quarter 2 shows quarter 1 data. Quarter 2 data not yet available.						
<b>Objective 2</b>	<b>Maintain Southwark resident satisfaction with street cleanliness</b>						
Measure	Percentage of residents who are either fairly satisfied or very satisfied with street cleaning. (Source: Council reputation tracker)	87.93	87.93 (Feb 2013) survey	90	Expected in Oct 2013	82% (Sep 2013 survey)	Ian Smith, Sustainable services head of service
Q2 2013/14 comment	Whilst the latest satisfaction level is below the target set, it should be noted that historically, satisfaction with street cleanliness drops when measured in Autumn. This is a seasonal trend due to leaf fall. The last three autumn satisfaction scores were: 81% for Nov 2010, 83% for Oct 2011 and 84% for Oct 2012. The next survey (due in Spring 2014) should show the upward trend experienced in previous years						
<b>Objective 3</b>	<b>Improve the cost of street cleansing</b>						
Measure	Cost of street cleanliness per head of population (£)	26.82	24.74	25.00	24.11	24.11	Ian Smith, Sustainable services head of service
Q2 2013/14 comment	Cost of street cleanliness per head of population is better than target year-to-date. This may rise slightly in the second half of the year due to additional resources being committed to overnight retail area cleansing						
<b>Objective 4</b>	<b>Maintain resident satisfaction</b>						
Measure	Satisfaction with parks and open spaces (%)	83.97	83.97 (Feb 2013) survey	95	Expected in Oct 2013	92% (Sep 2013 survey)	Des Waters, public realm head of service
Measure	Satisfaction with street lighting (%) (Source: Council reputation tracker)	84.90	84.90 (Feb 2013 survey)	90	Expected in Oct 2013	86% (Sep 2013 survey)	Des Waters, public realm head of service
Measure	Satisfaction with parking (%) (Source: Council reputation tracker)	66.76	66.76 (Feb 2013 survey)	75	Expected in Oct 2013	68% (Sep 2013 survey)	Des Waters, public realm head of service
Q2 2013/14 comment	Quarter 1 13/14 outturns (from the September 2013 tracker survey): Parks and Open Spaces = 92%, Street Lighting = 86%, Parking = 68%. Although there are statistically significant decreases in the scores compared to February 2013, they are still very high and in line with previous scores after a 2 wave peak and exceed the 2012 targets.						
<b>Objective 5</b>	<b>Improve recycling collection rates</b>						
Measure	Recycling collection rate (%)	34	30.08	40	31.52	35.85 (provisional)	Ian Smith, Sustainable services head of service
Q2 2013/14 comment	The data for the second quarter is unaudited and may change slightly after final reconciliation - so should be regarded as provisional. The recycling rate has reached as high as 37% in two of the last 3 months, and the year to date recycling rate is 32.85%. We expect performance to continue to increase for the remainder of the year.						
<b>Objective 6</b>	<b>Improve the amount of waste diverted from landfills</b>						
Measure	Amount of waste diverted from landfill (%)	83	69.49	87	70	86.2	Ian Smith, Sustainable services head of service
Q2 2013/14 comment	On current projections, amount of waste diverted from landfill is expected to continue to rise to exceed the annual target by the year end. Performance during quarter 1 was impacted by maintenance work at the Energy from Waste facility.						
<b>Objective 7</b>	<b>Monitor cost of refuse collection per head</b>						
Measure	Cost of refuse collection per head of population (£)	16.96	16.90	17.00	17.09	17.09	Ian Smith, Sustainable services head of service

Milestone/ Measure	Description	2012/13 target	Year end 2012/13 performance	2013/14 target	Q1 2013/14 performance	Q2 2013/14 performance	Lead Officer
<b>Objective 8</b>	<b>Maintain the very low rates of missed collections</b>						
Measure	Missed collections (%)	0.02	0.05	0.02	0.016	0.02	Ian Smith, Sustainable services head of service
Q2 2013/14 comment	The final totals for the second quarter have not yet been audited and reconciled through the contract performance management system which operates three months in arrears. As a result the total given is based on provisional data, and may reduce slightly (i.e improve)						
<b>Objective 9</b>	<b>Reduce carbon emissions from council operations</b>						
Measure	Number of tonnes of carbon emissions from council operations	36,000	32,711	34,000	Yearly figure to be supplied end of Jul 2013	32,584	Ian Smith, Sustainable Services Head of Service
Q2 2013/14 comment	Despite a very long, cold winter in 2012/13, the actual performance is better than target set.						
<b>Objective 10</b>	<b>Reduce carbon emissions and Nox pollution from five Southwark housing estates</b>						
Measure	Carbon emissions and Nox pollution from five Southwark housing estates by connecting to new heat network from SELCHP	Sign contract and construction of heat network	Contract signed. Pipes being laid. Heat supply expected to commence in October 2013	Scheme operational and reduction in emissions in minimal tonnes Nox per annum	Contract signed. Pipes being laid. Heat supply expected to commence in Oct 2013	Construction phase nearing completion	Ian Smith, Sustainable Services Head of Service
Q2 2013/14 comment	Construction is due to finish in early November. Commissioning will then commence to allow heat supply.						
<b>Objective 11</b>	<b>Increase the numbers of big emitters working with Southwark to reduce their carbon emissions</b>						
Measure	Numbers of big emitters working with Southwark to reduce carbon	70 members	71 members	75 members	71 members	71 members	Ian Smith, Sustainable services head of service
Q2 2013/14 comment	Whilst the number of large organisations working with us has grown steadily in the last two years, the introduction of the Carbon Reduction Commitment, which is a type of levy placed on all large companies linked to the amount of carbon they produce, is increasingly becoming the key financial driver that is making large emitters look seriously at reducing the carbon footprint. If this trend continues, the Council's work in this area can reduce and the resources deployed elsewhere focussing on reducing our own emissions still further.						
<b>Objective 12</b>	<b>Complete phase two of the Burgess Park improvements</b>						
Milestone	Complete phase two of Burgess park improvements	Jul-12	Key objective achieved	Complete Phase 2 of Burgess Park Improvements	Replacement of all weather pitch wall	Completed	Des Waters, Public Realm Head of Service
Q2 2013/14 comment	Phases 1 and 2 of the Burgess Park revitalisation are now completed, including the delivery of the BMX Olympic legacy project (£1.2m) and the award of a green flag for excellence.						
<b>Objective 13</b>	<b>Increase the biodiversity of Southwark's green spaces</b>						
Measure	Percentage of Site of Importance for Nature Conservation (SINC) sites in positive management	81	81	80	81	78	Des Waters, Public Realm Head of Service
Q2 2013/14 comment	The percentage of sites in positive management has dropped in quarter 2 because we are now calculating the result from a larger number of SINC sites. We now have a total of 64 SINC sites and 50 are in positive management. Last year we had 58 sites with 47 in positive management.						
<b>Objective 14</b>	<b>Increase the number of registered traders in the borough</b>						
Measure	Number of registered traders in the Borough	N/A	395	415	422	408	Des Waters, Public Realm Head of Service
Q2 2013/14 comment	A number of temporary traders removed from the trading list and an adjustment to remove registered traders that have not traded in the previous quarter has resulted in a small reduction in the number of traders in quarter 2.						
<b>Objective 15</b>	<b>Reduce the level of successful appeals against parking penalties to that of the best performing London boroughs</b>						
Measure	Percentage of successful appeals against parking penalties to that of the best performing London boroughs	44	47.45	40	44	39.1	Des Waters, Public Realm Head of Service
Q2 2013/14 comment	Quarter 2 figures showed a steady improvement from quarter 1 to quarter 2. Southwark is in the top 1/3 of London Borough performance.						

Milestone/ Measure	Description	2013/13 target	Year end 2012/13 performance	2013/14 target	Q1 2013/14 performance	Q2 2013/14 performance	Lead Officer
<b>Objective 16</b>	<b>Increase the percentage of parking fines recovered to that of the best performing London boroughs</b>						
Measure	Percentage of parking fines recovered to that of the best performing London boroughs	68	69	70	72	71	Des Waters, Public Realm Head of Service
Q2 2013/14 comment	The quarter 2 outturn constitutes the result for quarter 1 2013/14 as this statistic is measured one quarter in arrears as parking tickets have a statutory recovery process which can take over 18 months to complete. Performance is in upper quartile for all London Boroughs.						
<b>Objective 17</b>	<b>Maintain highway and lighting repair works completed on time</b>						
Measure	Maintain percentage of highway and lighting repair works completed on time	90	99.2	95	98.8	98.9	Des Waters, Public Realm Head of Service
Q2 2013/14 comment	On programme to comfortably achieve end of year target of 95%.						
<b>Objective 18</b>	<b>Reduce number of children being driven to school</b>						
Measure	Number of children being driven to school (%)	1 percentage point reduction	17.8% (5,120 children driven to school / 28,751 surveyed)	15.2	Annual outturn available at end of year 2013/14	Annual outturn available at end of year 2013/14	Des Waters, Public Realm Head of Service
<b>Objective 19</b>	<b>Provide children with cyclist training</b>						
Measure	A. 10 per cent increase in the number of children receiving cycling training in 2013/14	10% increase in the number of children receiving cycling training in 2012/13 from previous year	959	10% increase in the number of children receiving cyclist training in 2013/14 from previous year	276	774	Des Waters, Public Realm Head of Service
Q2 2013/14 comment	Noticeable improvement to the number of children being trained largely due to the good weather and promotion of training by School Travel Plan Officers.						
<b>Objective 20</b>	<b>Provide adults with cyclist training</b>						
Measure	A. 10 per cent increase in the number of adults receiving cycling training in 2013/14	667 (based on 5% increase in the number of adults receiving cycling training in 2012/13 from previous year)	731	10% increase in the number of adults receiving cyclist training in 2013/14 from previous year	209	539	Des Waters, Public Realm Head of Service
Q2 2013/14 comment	Quarter 2 saw an increase in the number of adults being trained primarily due to the good weather and the borough wide cycling campaign.						
<b>Objective 21</b>	<b>Increase the length of Bikeability Level 1 cycle routes</b>						
Measure	Length of Bikeability Level 1 cycle routes in the borough by 10% over the next five years	58.5km	58.465km	59.465km	Annual outturn available at the end of Qtr 4 2013/14	Annual outturn available at end of year 2013/14	Simon Bevan, Director of Planning
Q2 2013/14 comment	Improvements to Greendale cycle link currently at consultation with implementation planned for commencement in quarter 3.						
<b>*EQUALITY OBJECTIVE - Objective 22</b>	<b>To refresh the current processes for considering the needs of residents and local communities that may be affected by public realm projects to ensure that accessibility needs for specific groups are met.</b>						
Milestone	Consultation, feedback processes and works programmes reviewed, best practice identified	New objective	New objective	By quarter 3	By quarter 3 2013/14	In Progress	Des Waters, Public Realm Head of Service
Milestone	Actions and improvements identified	New objective	New objective	By quarter 3	By quarter 3 2013/14	Will follow review	Des Waters, Public Realm Head of Service
Milestone	Improvement plan produced	New objective	New objective	By quarter 4	By quarter 4 2013/14	Will follow review	Des Waters, Public Realm Head of Service
Milestone	Improvement plan implemented and evaluated	New objective	New objective	To be a target for 2014/15	To be a target for 2014/15	Will follow review	Des Waters, Public Realm Head of Service

<b>Item No.</b> 11.	<b>Classification</b> Open	<b>Date:</b> 10 December 2013	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Housing Revenue Account – Indicative Rent Setting and Budget Report 2014/15	
<b>Ward(s) or groups affected:</b>		All	
<b>Cabinet Member:</b>		Councillor Ian Wingfield, Deputy Leader and Cabinet Member for Housing Management	

## **FOREWORD – COUNCILLOR IAN WINGFIELD, DEPUTY LEADER AND CABINET MEMBER FOR HOUSING MANAGEMENT**

We have established our housing revenue account on a sound financial footing since the introduction of self-financing and this remains the cornerstone of our approach for the future.

However, in times of economic uncertainty, it is the particular responsibility of the local authority to help its residents wherever possible. Following government proposals on rent levels implies another above inflation increase in 2014/15 in order to fund the provision of landlord services.

Whilst it is critical to plan for the future, the needs of the present cannot be ignored, and so the council will be exploring options to ease the financial burden on tenants and target support to those who are vulnerable and in most need of help. This should not be at the expense of our commitment to regenerate our housing stock, nor our plans to build 11,000 new homes, which remain of paramount importance.

## **RECOMMENDATIONS**

1. With regard to rents; cabinet notes that a rent increase implied by the government's rent guidance would be 5.4% (as set out in paragraphs 14 –18), to be applied to all HRA dwellings (including estate voids and hostels), with effect from 7 April 2014, and that the average dwelling rent in 2014/15 under such an increase would be £101.61 per week (an increase of £5.21 per week on average).
2. Cabinet instructs officers to explore options regarding the rent increase for 2014/15, setting out its effects on the HRA for that year, and also their medium and longer-term implications.
3. With regard to other HRA-wide charges, cabinet notes on a provisional basis no increase to tenant fixed service charges as set out in paragraph 39 with effect from 7 April 2014.
4. Cabinet notes on a provisional basis no increase to the standard charge for garages or other non-residential charges, as set out in paragraphs 40 – 41 with effect from 7 April 2014.



5. Cabinet notes on a provisional basis no increase to district heating and hot water charges as set out in paragraph 42 – 43 with effect from 7 April 2014.
6. Cabinet notes on a provisional basis no increase to sheltered housing service charges as set out in paragraph 44 with effect from 7 April 2014.
7. Cabinet notes that water and sewerage charges levied by Thames Water are liable to an inflationary uplift as set out at paragraph 45, but as yet the council has not been informed by Thames Water of what that increase will be.
8. Cabinet instructs officers to provide a final report on Rent Setting and the HRA Budget for 2014/15 after due consultation processes have been followed for consideration at their meeting on 28 January 2014.

## **BACKGROUND INFORMATION**

### **Statutory framework**

9. The Housing Revenue Account (HRA) reflects the statutory requirement under Section 74 of the Local Government and Housing Act 1989 to account separately for local authority housing provision. It is a ring-fenced account, containing solely the costs arising from the provision and management of the council's housing stock, offset by tenant rents and service charges, leaseholder service charges and other income. The council has a statutory responsibility to set a balanced HRA budget (i.e. all budgeted expenditure must be matched by income).

### **Context**

10. The Spending Reviews by the coalition government published in October 2010 and June 2013 contained significant financial issues for local government, as well as the entire public sector. The HRA, despite being ring-fenced from the general fund is not immune from the fall-out from this and in 2010 officers were instructed to identify a three-year savings package in line with that required for the rest of the council. The level of savings that this entailed presupposed certain other financial decisions which the council was minded to make on HRA finances, such as maintaining a prudent and necessary level of reserves and the degree to which capital investment may be supported from revenue.
11. Whilst under self-financing the council is nominally free to set rent levels as it wishes, in reality they are almost entirely predicated on national decisions made by government when calculating the HRA debt settlement figure under which self-financing operates. This is particularly true in the context of the 2015 Spending Review (June 2013), which contained proposals to vary the national social rents policy. The link between rents and service expenditure locally is therefore at best a nominal one, aside from rental income contributing to the overall total within which the HRA at Southwark must operate.

12. The Housing Commission report takes as its start date April 2015, which is after the financial year to which this budget report refers. However the general parameters of the early years of self-financing have been assumed to have been followed for 2014/15 and 2015/16 in order to allow a stable base from which the financial assumptions underpinning the report of the Commission then flow.

## **KEY ISSUES FOR CONSIDERATION**

### **Self-Financing parameters**

13. The key principle underlying the introduction of self-financing was the generation of revenue surpluses sufficient to meet the investment needs of the stock over 30 years, without further government support. However, the key assumptions made by government in arriving at the settlement figure in late March 2012 did not adequately reflect the financial reality facing Southwark for the following reasons:
- Rents were assumed to converge to target by 2015/16, and rise consistently at September RPI + 0.5% thereafter. However, given the historically low starting point for rents in Southwark and the council's scrupulous application of annual affordability limits (to limit individual annual rent increases to RPI + 0.5% + £2) means that only 44% of properties would have converged by 2015/16, rising to the 80%+ level by 2021/22. This means that from the outset government rental projections were over-stated.
  - Government took into account projected demolitions and other stock adjustments up until 2017, but the regeneration of the Aylesbury estate is scheduled to take considerably longer than this. In essence the council is already carrying debt relating to properties that it is committed to disposing of, meaning that the business plan must take account of debt charges for these former properties with no parallel income stream to match it.
  - The settlement assumed that all housing debt would be extinguished over the life of the business plan and if all projected surpluses were applied to debt repayment at the expense of all other policy objectives, the inherited debt would be cleared in around years 17 – 20. However, since the council intends to achieve significant alternative outcomes as part of discharging its responsibilities as a landlord, clearly repayment of debt cannot necessarily be the primary policy objective, and this report contains proposals to establish a structured debt management strategy to address this issue going forward.

### **Formula rent calculation**

14. There are three separate drivers for rent inflation under rent restructuring: the underlying inflation rate (the retail price index at September 2013 (3.2%) as specified by the government); the 0.5% top-up and the effect of phasing the move between actual and formula rents, which is influenced by the 'convergence date' determined by the government. The original intention was that rent restructuring would be complete (or rents would have 'converged') after 10 years (i.e. in 2011/12). However, government intervened on a number of occasions in

order to alleviate the actual rent rises that would otherwise have resulted. The self-financing settlement was predicated on a convergence date of 2015/16, consistent with previous directions. The effect of each of these drivers is summarised below:

<b>Average Rent Inflation</b>	<b>Final 2013/14</b>	<b>Indicative 2014/15</b>
Inflation Uplift (RPI @ September)	2.60%	3.20%
Top-Up Element	0.50%	0.50%
= Increase in Formula Rent	3.10%	3.70%
plus national convergence element	1.67%	1.65%
= Increase in National Guideline Rent	4.77%	5.35%
plus local convergence element	1.81%	2.65%
less annual affordability limits	(1.73%)	(2.60%)
<b>= Total Increase in Actual Rents</b>	<b>4.85%</b>	<b>5.40%</b>

15. Rent restructuring is property-related, actual rent increases (in line with government guidance) being dependent on the formula rent for each property (based on value, size and location) and the existing actual rent at the point of commencement. This generally added around 1.5% – 2.5% to the average rent increase each year, which increased on a tapered basis as the convergence date approached. Without the discretionary application of annual affordability limits (RPI + 0.5% + £2.00), which the council has consistently applied throughout, the average increase would have been considerably higher (i.e. 8% for 2014/15). However, this would have had the corollary that the gap between actual and formula rents post-2015 would have been somewhat ameliorated.
16. Appendix A is a collated list of average and formula (or 'target') rents across London Boroughs. In 2013/14 Southwark's average rent ranked 11<sup>th</sup> lowest of the 29 London Boroughs that manage their housing stock, either directly or via an ALMO. Appendix A also indicates how far each authority had left to travel before reaching the target rent level demanded under this system. Southwark is one of seven London Boroughs where this gap is still at least 6%, meaning that the local convergence pressure would have taken some years to be fully relieved. This point is further illustrated by the chart at Appendix B.
17. It is important to note that any voluntary mitigation of the guideline rent increase would have both immediate and longer-term effects and a foregoing of rental income would require a commensurate increase in savings and/or reduction in services and/or support for the HIP to balance the account. In the longer-term, the loss could not be recouped without compensatory increases above the guideline in future years, if parity were to be subsequently restored. This represents an immediate and enduring challenge to the HRA and the council needs to carefully weigh the short-term benefit to tenants against the longer-term funding implications inherent in such a measure.
18. 2013/14 was a '53-week' rent year, which occurs every seven years. The impact of the removal of the additional week's income, together with stockloss and voids adjustments moving into 2014/15, means the rent debit reduces by £7.7 million

year-on-year before application of any rent increase or consideration of cost pressures and commitments. The net additional yield to the HRA of the dwelling rent increase at the government implied level, once both the stockloss effects on tenant service charges and district heating; and also the assumed water rates increase are included is £2.6 million. These individual elements are set out in Appendix C.

	<b>2013/14 Base</b>	<b>Indicative 2014/15</b>	<b>Indicative 2015/16</b>	<b>Indicative 2016/17</b>
Average Weekly Rent	£91.94	£96.40	£101.61	£104.65
September RPI + 0.5%	3.1%	3.7%	–	–
September CPI + 1.0%	–	–	3.0%	3.0%
Estimated Uplift	£2.85	£3.57	£3.04	£3.14
	£94.79	£99.97	£104.65	£107.79
Cumulative Move to Formula Rent*	£3.20	£4.15	–	–
Caps and Limits Adjustment	(£1.59)	(£2.51)	–	–
<b>Average Rent – Tenanted Stock</b>	<b>£96.40</b>	<b>£101.61</b>	<b>£104.65</b>	<b>£107.79</b>
Increase	4.85%	5.4%	3.0%	3.0%

\*Encompassing both the national guideline increase and local convergence

### Spending Review 2015 – ‘Rents for Social Housing’ consultation

19. The Spending Review 2015 contained proposals for central government to realise considerable savings through its social housing rent policy, via two significant variations to previously agreed principles:
  - A proposal to end the requirement for local authorities to achieve rent convergence by 2016; and
  - A shift from the use of the retail price index (RPI) + 0.5% to the consumer price index (CPI) + 1% as the main inflationary factor used in determining future rent increases.
20. On 31 October 2013 the Department for Communities and Local Government (CLG) issued a consultation paper ‘**Rents for Social Housing from 2015-16**’, with a deadline for submissions by interested parties of 24 December 2013. The paper confirms government intentions to move to a new inflation factor of CPI + 1% and to end convergence from April 2015. Implicit in this proposal is also the abolition of the annual affordability limit mechanism, as it assumes rents will no longer increase beyond the limit of CPI + 1%.
21. Whilst on the face of it this removes a significant inflationary factor for individual tenant’s rents, it introduces uncertainty into the rental income projections that underpin self-financing business plans where councils, such as Southwark have not been able to achieve rent convergence by the stated date and have plans predicated on the basis that convergence would continue to fruition beyond 2015/16.

22. Following formula rent policy for 2014/15 gives rise to an average rent increase of 5.4% to £101.61 per week. This compares to the average formula rent target for Southwark for 2014/15 of £108.80, a shortfall of £7.19 (7.1%), highlighting the extent of the gap between actual average rents and those assumed by government as part of the self-financing settlement. Over the next four years, this gap totals £60.3 million. Restricting rent rises to CPI + 1% from April 2015 onward will only serve to exacerbate the shortfall in rental income by a further £15.1 million over the same time period. Taken cumulatively, the Spending Review proposals create a greater loss of spending power (£75.4 million) over the same period – as the table below sets out.

	'Converging' Rent (current policy)		Consultation Rent (CPI+1% from 15/16)		Formula Rent (settlement position from 15/16)		Rent Foregone p.a.	
	Average	Rent Debit	Average	Rent Debit	Average	Rent Debit	Currently assumed	New level
2014/15	£101.61	£200.8m	£101.61	£200.8m	£108.80	£216.4m	£15.6m	£15.6m
2015/16	£106.26	£207.8m	£104.65	£204.7m	£112.07	£222.9m	£15.1m	£18.2m
2016/17	£110.44	£214.8m	£107.79	£209.6m	£115.43	£229.5m	£14.7m	£19.9m
2017/18	£114.57	£221.5m	£111.03	£214.7m	£118.89	£236.4m	£14.9m	£21.7m
Cumulative Net change							£60.3m	£75.4m <b>£15.1m</b>

*CPI assumed to be 2.0% per annum over period*

23. It is disappointing that whilst CLG acknowledges that there are non-convergence issues generated by the application of previous rent policy, particularly affordability limits, assistance appears only to be made available to Registered Social Landlords (RSL's) and not to local authorities. It is proposed that RSL's experiencing difficulties apply to their regulator for a time-limited waiver of the social rent policy (presumably to allow them to further converge rents), and it is difficult to see on what grounds this concession should not be extended to council providers in the same situation. It should be noted that in keeping with social housing policy since 2002, these changes are not mandatory and authorities could choose their own course and set rents to converge. However, it is almost certain that this action would contravene the housing benefit limitation arrangements resulting in a financial penalty through the loss of rent rebate subsidy.
24. With regard to the proposed change in inflation factor, in September 2013 these two measures (as uplifted) were identical, and whilst CPI has a historical tendency to be below RPI, this is by no means always the case, particularly if the former is uplifted by more than the latter.
25. In another departure from current council policy, the consultation paper takes the policy of moving new-let properties straight to formula rent as a given as a means of defraying the rental income lost by non-convergence. The council has previously resisted this on the grounds that it would create rent differentials between neighbouring properties of an identical standard, and would therefore be inequitable. As convergence of actual and formula rents approaches, this inequity reduces, but the council will need to weigh in the short-term the continuation of this policy against the opportunity to mitigate the loss of resources over the medium to longer-term.
26. The paper also addresses implementing the previous 'Pay to Stay' consultation proposals for what are designated 'high income social tenants', and makes some

technical adjustments to grant-related support for affordable housing, but these matters are not germane to this report at this time.

27. The council's full response to the consultation will form an appendix to the Final HRA Budget report to cabinet in January 2014 for information.

### **Savings and service development**

28. 2013/14 represented the final year of a three-year corporate budget planning horizon (2011/12 – 2013/14), in tandem with the general fund. Over that period, some £21.6 million of efficiency savings and budget rationalisation measures have been successfully delivered in the HRA, whilst maintaining and improving the quality of services to residents. Alongside this, more robust financial management and control of costs has and continues to deliver better value for money and it is these factors that have been instrumental in mitigating the initial impact of self-financing and provided a sound budget platform going forward.
29. Notwithstanding this achievement, the process of budget review and rationalisation is a continuous one, regardless of the overall financial position, particularly with regard to back-office and departmental and corporate overhead functions in order to protect front-line services. Consequently, further savings of £5.9 million have been identified as part of setting a balanced budget for 2014/15.
30. For 2013/14, a programme of service redirection was implemented following resident consultation to determine priorities. For 2014/15, the emphasis shifts to reflect the council's ambitious policy objectives of stock refurbishment/estate regeneration and provision of new council housing, so the imperative becomes to maximise the level of revenue support to the housing investment programme (HIP).
31. Looking beyond delivery of the existing Warm, Dry, Safe (WDS) programme, which is due to conclude in 2015/16, proposals are now being developed for a major refurbishment programme of internal components, such as kitchens and bathrooms. Unlike the WDS programme which is in part funded through Decent Homes backlog funding, no such external funding is likely to be available and resources will be largely generated from the HRA revenue budget. To supplement this, an additional revenue contribution of £4.5 million is recommended in 2014/15. A small-scale programme of kitchens replacements (c. 100 properties) has already begun in the current year linked to WDS and funded from reserves on a one-off basis. However, further funds could be earmarked to continue this programme, albeit on a limited scale pending development of the substantive programme.

### **Commitments/unavoidable demands**

32. General inflation – as with assumptions for the general fund, employee-related inflation has been assumed at 1% across the board. There is a general inflation rate of zero to two percent applicable across HRA operational budgets, depending on the nature of the expenditure, with the exception of works/service contracts that are tied to industry-specific rates. The total is estimated at £2.8 million.

33. Budget commitments are estimated at £8.9 million for 2014/15 as follows:

- Asbestos containment/removal works in response to more onerous legislative requirements that can no longer be contained within the responsive repairs budget;
- Structural works that fall between the scope of the Warm Dry Safe (WDS) programme and the repairs and maintenance term contract that similarly can no longer be contained without additional resources. These works are generally of a capital nature and will be financed by way of a revenue contribution;
- The uplift in the RTB discount has generated an upsurge in activity since April 2012 which has so far been absorbed within existing resources. Similarly, the scaling-up and delivery of the major works programme over the last 18 months has exacerbated capacity shortfalls which need to be addressed to ensure full cost recovery;
- Operational reviews undertaken across a range of housing services, specifically hostels and supported hostel accommodation, mobile alarm response service (SMART) and sheltered housing services require some cost allocation rebasing between the HRA and the general fund to more accurately reflect landlord provision and comply with the HRA ring-fence; and
- Revenue contribution to the housing investment programme, made possible within the context of a balanced budget with the rent and savings parameters as outlined elsewhere within this report.

#### **HRA debt financing**

34. The self-financing settlement assumed that residual debt would be extinguished over the 30-year life of the HRA business plan. Over the next two years, £80.1 million of historic debt matures at interest rates ranging between 9% and 10% and provides the opportunity to establish a structured debt management strategy for the HRA going forward. Moving to a principal repayment model for imminently maturing debt is recommended, which, depending on the term and nature of the borrowing could be contained within the existing revenue budget provision, as we derive the benefit of lower interest costs (prevailing market rates typically 3.5% - 4.5%). Alternatively, a more aggressive approach to accelerate the debt repayment profile would require a modest additional budget commitment (currently estimated at £1.3 million in 2014/15). As debt reduces, HRA borrowing headroom increases by the same amount, thereby providing further scope for new borrowing at a later date should the necessity arise.

#### **HRA reserves**

35. In common with other local authorities and the council's general fund, the HRA holds reserves, together with working cash balances. The level of HRA reserves were considered to be below the optimum level commensurate with the scale of Southwark's combined revenue and capital programmes, representing a financial risk. In accordance with the medium term resource strategy (MTRS),



the council has adopted a structured replenishment of balances over the last few years through an annual base budget contribution of £2 million.

36. Reserves and working balances at 31 March 2013 stand at £31.8 million, albeit over three-quarters are earmarked for pre-determined purposes and the council continues to move towards a similar ratio of unearmarked reserves as the council's general fund (c. £20 million). However, the position is now considered to be at a more prudent and sustainable level in order to mitigate future risks, fulfil future commitments already made and enable the transformation and modernisation of services going forward. It is therefore proposed that the base budget contribution be redirected towards other budget priorities. Any surplus (or deficit) generated during the year will continue to be applied to, or met from reserves in the normal way.
37. The Chartered Institute of Professional Finance and Accountancy (CIPFA) defines reserves and balances in terms of addressing three needs, as set out below, and it should be noted that the application of reserves is normally intended to assist an authority in meeting an unexpected general need or a previously identified specific one. They are by their very nature one-off transactions and are not designed to address a base budget deficit, which if left unattended would have on-going implications for the viability of a self-financed HRA.
- A working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing;
  - A contingency to cushion the impact of unexpected events or emergencies; and
  - A means of building up funds, often referred to as 'earmarked' reserves, to meet known or predicted liabilities.

38. The table below shows the actual reserves and balances position for the HRA at 31 March 2013, compared with an average for inner and outer London boroughs. Whilst this remains below the average for inner London, Southwark is approaching the average for outer London boroughs.

	<b>Committed</b>	<b>Uncommitted</b>	<b>Total</b>	<b>%age</b>
Southwark HRA	£25.0m 79%	£6.8m 21%	<b>£31.8m</b>	12.33%
Inner London HRA			<b>£397.2m</b>	23.01%
Outer London HRA			<b>£140.6m</b>	15.20%
Greater London HRA			<b>£537.8m</b>	20.29%

Source: London Boroughs Audited Statements of Accounts 2012/13

### Tenant service charges

39. Tenant service charges were de-pooled from rent as part of the government's rent restructuring regime in 2003/04. This was to enable greater consistency and transparency between local authority and RSL sectors. Charges were frozen in 2012/13 and 2013/14. Increases are normally capped nationally at

September RPI @ 2.6% + 0.5%, which would equate to an overall increase of 3.1% for 2014/15. However, contract-based savings will offset this underlying increase and so the charges are not proposed to increase in 2014/15. The cash realised from service charges will fall slightly in 2014/15 due to reductions in stock numbers. For reference, the respective service charges are listed in the table below:

	<b>2013/14 £ per week</b>	<b>2014/15 £ per week</b>	<b>Percentage change</b>
Estate Cleaning	4.60	4.60	0.0%
Grounds Maintenance	1.09	1.09	0.0%
Communal Lighting	1.17	1.17	0.0%
Door Entry	0.68	0.68	0.0%
<b>Total</b>	<b>7.54</b>	<b>7.54</b>	<b>0.0%</b>

### **Garage rents and other charges**

40. Garage rents were last subject to review and revision in 2012/13. For the current year charges remained static, with the exception of variations to the terms and conditions of the concessionary rates previously offered. Generally, demand for garages is strong, particularly in the north of the borough and the council has embarked upon a programme of refurbishment designed to bring under-utilised stock back into use, which in turn generates rental growth. There are currently no proposals to increase charges in 2014/15 pending a refresh of the previous London-wide comparison which informed current rates.
41. Non-residential charges such as store sheds, parking bays, etc and estate, block and property-specific charges such as concierge and closed-circuit television charges are all proposed to remain at existing levels for 2014/15. Other fees and charges along with non-HRA charges are the subject of a separate fees and charges report relating to the housing and community services department under delegated approval.

### **District heating charges**

42. The council reviews charges annually to ensure that within the context of the current flexibly-priced gas supply contracts, charges are set at a level to smooth price volatility as far as possible over the contract period. On-going investment in the infrastructure to increase energy efficiency/reduce consumption contributes to the financial sustainability of the heating account which has enabled charges to be maintained at the same level since 2009/10.
43. Energy costs are pooled across the dwelling stock and standardised charges are set on a borough-wide basis for tenants, depending on the number of bedrooms and type of heating installation. Homeowners are charged actual costs, comprising energy and repair and maintenance as determined in their lease. With the application of greater efficiencies in terms of gas consumption as outlined above and potential use of accrued balances, means that charges can be held at existing levels once again for 2014/15. As with tenant service charges, a fall in stock numbers means a small reduction in cash generated.

### **Sheltered housing service charges**

44. These service charges were introduced as an individual member decision by the Deputy Leader and Cabinet Member for Housing Management on 10 January 2013. It is not proposed to vary these charges in 2014/15.

### **Thames Water**

45. Water and sewerage charges applicable to council dwellings will be subject to an increase from April 2014. Thames Water calculates individual property charges and notification of the increase will be advised in due course. The council act as agent for the billing and collection of charges, but have no influence over the charges set by Thames Water, who are an independent commercial entity regulated by Ofwat. A one-off additional increase proposed to meet the cost of major infrastructure investment by Thames Water has been rejected by Ofwat, meaning that the actual increase will be capped by the regulator at 1.4% above inflation as set out in their price limit review covering 2010 – 2015. For 2014/15 an increase of 5% has been assumed for budget planning purposes, which includes an adjustment for stockloss.

### **Leaseholder and other income streams**

46. Tenant rents constitute around 70% of HRA income, the remainder comprising: tenant service charges, homeowner revenue and capital service charges, commercial property rents, interest, commission and capitalised/recharged costs.
47. Homeowner contributions represent the actual costs incurred within the HRA that are recoverable under the terms of the lease. The budget for revenue service charges has been revised to reflect current activity levels and expected future growth in right-to-buy sales and as the council achieves full cost recovery.
48. Capital charges are determined by the scale and delivery of investment in the stock overall and the extent to which it pertains to leasehold property. The base budget contains a relatively prudent expectation of income in order to avoid large budgetary fluctuations due to the variable nature of the works programme. However, given the council's progress in delivering on WDS and other works programmes, the budget has been revised to reflect current delivery and planned activity up to the end of 2015/16.
49. Other contributory elements include a net increase in garage income reflecting higher lettings arising from greater investment in the garage stock and higher capitalised sales costs and fee income arising from the upturn in right-to-buy activity, totalling £5.6 million overall.

### **Consultation and notification**

50. Whilst there is no statutory requirement to consult, the council is committed to engaging with stakeholders, particularly under the terms of the Tenancy Agreement. This process commences with an interim scene-setting report to cabinet on 10 December 2014 setting out the indicative budget and implications for rents and other charges in order that consultation with residents can commence before Christmas. This report will be presented to Tenant Council, area housing forums, TMO Liaison Committee and Homeowner Council (HOC)

during January 2014. HOC are unable to make recommendations in the matter of tenant rents and service charges, but may do so in respect of proposals regarding non-residential rents and other charges and in terms of the budget proposals pertinent to the calculation of their service charges.

51. Cabinet will consider the final rent setting and HRA budget report at their meeting on 28 January 2014. As normal, the results of the consultation processes will be reported to cabinet at that meeting for their consideration.
52. The revised HRA budget for 2013/14 and indicative budget for 2014/15 is summarised in Appendix F, and set out by division in Appendix G.

### **Statutory and contractual notifications**

53. Subsequent to the approval of the final report on 28 January 2014, either as set out or as amended by cabinet, and the passing of the necessary date for its implementation, the council will issue a statutory and contractual notification of variation in rents and other charges to all tenants, not less than 28 days prior to the operative date (7 April 2014) for the commencement of the new rents and charges referred to above.

### **Community impact statement**

54. The council works in accordance with the single public sector equality duty contained within section 149 of the Equality Act 2010. This means the council must have due regard to the need to eliminate unlawful discrimination, harassment and victimisation, and advance equality of opportunity and foster good relations between different groups.
55. Consideration has been given to the report's relevance to equality issues in accordance with the public sector equality duty. This report is primarily to set rents and associated charges and a scoping exercise established there is no differential effect for any community or protected group. Notwithstanding the fact that no increase is being proposed across a range of charges from April 2014), it is recognised that a rent increase may present particular difficulties for people on low incomes, although rents and tenant service charges remain eligible for housing benefit. The assessment also considers the effects of the self-financing regime introduced under the provisions of the Localism Act 2011 and the determinations issued by the Department for Communities and Local Government (CLG) in accordance with the provisions of Section 173 of that act.
56. There is a statutory requirement to set a balanced HRA budget. Extensive consultation previously undertaken incorporated savings proposals totalling £21.6 million over the period 2011/12 to 2013/14, which have all been delivered. For 2014/15 the extent and composition of savings proposed (£5.9 million) are detailed as part of Appendices E and F. An assessment to ascertain their potential impact has been undertaken and concluded there is no differential effect for any community or protected group.
57. Above and beyond the increases in rent there are wider issues impacting both nationally and locally in terms of the government's welfare reforms and housing benefit changes for under-occupancy, which came into force in April 2013. These have also been considered and measures to mitigate the effects on the community have been implemented together with the provision of additional resources to support tenancy sustainment through down-sizing, assist in gaining

employment, prevent eviction and homelessness and provide direct financial assistance through the provision of Discretionary Housing Payments (DHP) from the HRA, for which Southwark has received Secretary of State approval.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Director of Legal Services**

58. Statutory requirements as to the keeping of a Housing Revenue Account (HRA) are contained in the Local Government and Housing Act 1989 ('the 1989 Act'). The 1989 Act provisions include a duty, under Section 76 of the 1989 Act, to budget to prevent a debit balance on the HRA and to implement and review the budget.
59. Further provisions relating to housing finance are set out under Sections 168 to 175 of the Localism Act 2011 ('the 2011 Act') and provide for the determination of settlement payments calculated in accordance with such formulae as the Secretary of State may issue from time to time. The settlement payment under the 2011 Act replaced subsidy payments for England made under the HRA, previously provided for by Section 80 of the 1989 Act and this report sets out the effects of the self-financing settlement.
60. Under Section 24 of the Housing Act 1985, local housing authorities have the power to "make such reasonable charges as they may determine for the tenancy or occupation of their houses". Section 24 also requires local authorities, from time to time, to review rents and make such changes as circumstances may require. The section confers a broad discretion as to rents and charges made to occupiers, however cabinet will note the effective limitation of discretion provided by the calculation of the self-financing debt settlement referred to in this report.
61. Rent and other charges are excluded from the statutory definition of matters of housing management in respect of which local authorities are required to consult their tenants pursuant to Section 105 of the Housing Act 1985 and Sections 137 and 143A of the Housing Act 1996 in relation to secure, introductory and demoted tenants respectively. As a term of the tenancy agreement with its tenants however, Southwark Council has undertaken to consult with the Tenant Council, "before seeking to vary the sums payable for rents and other charges". The report indicates consultation will take place in order to comply with this term.
62. It is further provided by Section 103 of the Housing Act 1985 in relation to secure tenancies, which also applies in respect of introductory tenancies by virtue of Section 111A of the Housing Act 1985, together with the council's agreement with its tenants, that they are notified of variation of rent and other charges at least 28 days before the variation takes effect by service of a notice of variation. The report indicates the notice of variation will be served in time to comply with this requirement.

## BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
<a href="https://www.gov.uk/government/consultations/rents-for-social-housing-from-2015-to-2016">https://www.gov.uk/government/consultations/rents-for-social-housing-from-2015-to-2016</a>	160 Tooley Street London SE1 2QH	Shaun Regan, Senior Finance Manager
<b>Link</b> <a href="https://www.gov.uk/government/consultations/rents-for-social-housing-from-2015-to-2016">https://www.gov.uk/government/consultations/rents-for-social-housing-from-2015-to-2016</a>		
<a href="http://moderngov.southwark.gov.uk/documents/s34365/Report%20-%20Sheltered%20Housing%20Service%20Charges.pdf">http://moderngov.southwark.gov.uk/documents/s34365/Report%20-%20Sheltered%20Housing%20Service%20Charges.pdf</a>	160 Tooley Street London SE1 2QH	Martin Green, Head of Specialist Housing Services
<b>Link</b> <a href="http://moderngov.southwark.gov.uk/documents/s34365/Report%20-%20Sheltered%20Housing%20Service%20Charges.pdf">http://moderngov.southwark.gov.uk/documents/s34365/Report%20-%20Sheltered%20Housing%20Service%20Charges.pdf</a>		

## APPENDICES

No.	Title
Appendix A	Average Rents across London Boroughs 2013/14 – Table
Appendix B	Actual and Formula Rents by London Borough 2013/14 – Chart
Appendix C	HRA Indicative Budget Movements 2013/14 – 2014/15
Appendix D	HRA Revised Base Budget 2013/14 and Indicative Budget 2014/15
Appendix E	HRA Summary Savings and Income Generation Schedule 2014/15
Appendix F	HRA Revised Budget 2013/14 and Indicative Budget 2014/15
Appendix G	HRA Indicative Base Budget 2014/15 by Division

## AUDIT TRAIL

<b>Cabinet Member</b>	Councillor Ian Wingfield, Deputy Leader and Cabinet Member for Housing Management	
<b>Lead Officer</b>	Duncan Whitfield, Strategic Director of Finance and Corporate Services	
<b>Report Author</b>	Ian Young, Divisional Finance Manager, Housing and Community Services	
<b>Version</b>	Final	
<b>Dated</b>	28 November 2013	
<b>Key Decision?</b>	Yes	
<b>CONSULTATION WITH OTHER OFFICERS/DIRECTORATES/CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments Included</b>
Director of Legal Services	Yes	Yes
Strategic Director of Finance and Corporate Services	N/a	N/a
<b>Date final report sent to Constitutional Team</b>		28 November 2013

## APPENDIX A

## AVERAGE RENTS ACROSS LONDON BOROUGHES 2013/14

	Average Rent 2013/14 £	Target Rent 2013/14 £	Average to Target Gap 2013/14 %	Guideline Rent 2014/15 £	Target Rent 2014/15 £
Barking and Dagenham	89.10	94.76	6.4%	96.61	98.26
Barnet	97.98	103.72	5.9%	106.09	107.56
Bexley	–	–	–	–	–
Brent	105.87	110.81	4.7%	113.00	114.91
Bromley	–	–	–	–	–
Camden	103.97	116.67	12.2%	118.79	120.98
City of London	94.43	105.47	11.7%	107.72	109.37
Croydon	100.13	102.97	2.8%	105.40	106.78
Ealing	94.98	99.83	5.1%	102.20	103.53
Enfield	95.99	97.95	2.0%	100.31	101.58
Greenwich	97.32	99.47	2.2%	101.65	103.15
Hackney	95.07	97.20	2.2%	99.31	100.79
Hammersmith and Fulham	97.76	112.55	15.1%	115.08	116.72
Haringey	98.23	103.00	4.9%	105.44	106.81
Harrow	106.88	107.38	0.5%	109.90	111.36
Havering	85.76	93.67	9.2%	95.90	97.14
Hillingdon	104.55	105.61	1.0%	107.94	109.51
Hounslow	95.85	100.96	5.3%	103.19	104.70
Islington	105.70	111.59	5.6%	113.90	115.72
Kensington and Chelsea	111.32	124.22	11.6%	127.06	128.81
Kingston-upon-Thames	107.60	109.04	1.3%	111.51	113.08
Lambeth	102.25	105.27	3.0%	107.30	109.17
Lewisham	91.36	92.98	1.8%	95.15	96.42
Merton	–	–	–	–	–
Newham	93.72	93.72	–	95.82	97.18
Redbridge	98.58	99.80	1.2%	102.14	103.50
Richmond-upon-Thames	–	–	–	–	–
<b>Southwark</b>	<b>96.40</b>	<b>104.67</b>	<b>8.6%</b>	<b>106.87</b>	<b>108.80</b>
Sutton	99.15	103.72	4.6%	105.95	107.56
Tower Hamlets	103.55	107.57	3.9%	109.59	111.55
Waltham Forest	96.13	99.16	3.2%	101.26	102.83
Wandsworth	124.20	121.10	(2.5%)	123.38	125.58
Westminster	116.81	121.14	3.7%	123.55	125.63
<b>London Average</b>	<b>99.99</b>	<b>104.76</b>	<b>4.8%</b>	<b>106.99</b>	<b>108.66</b>

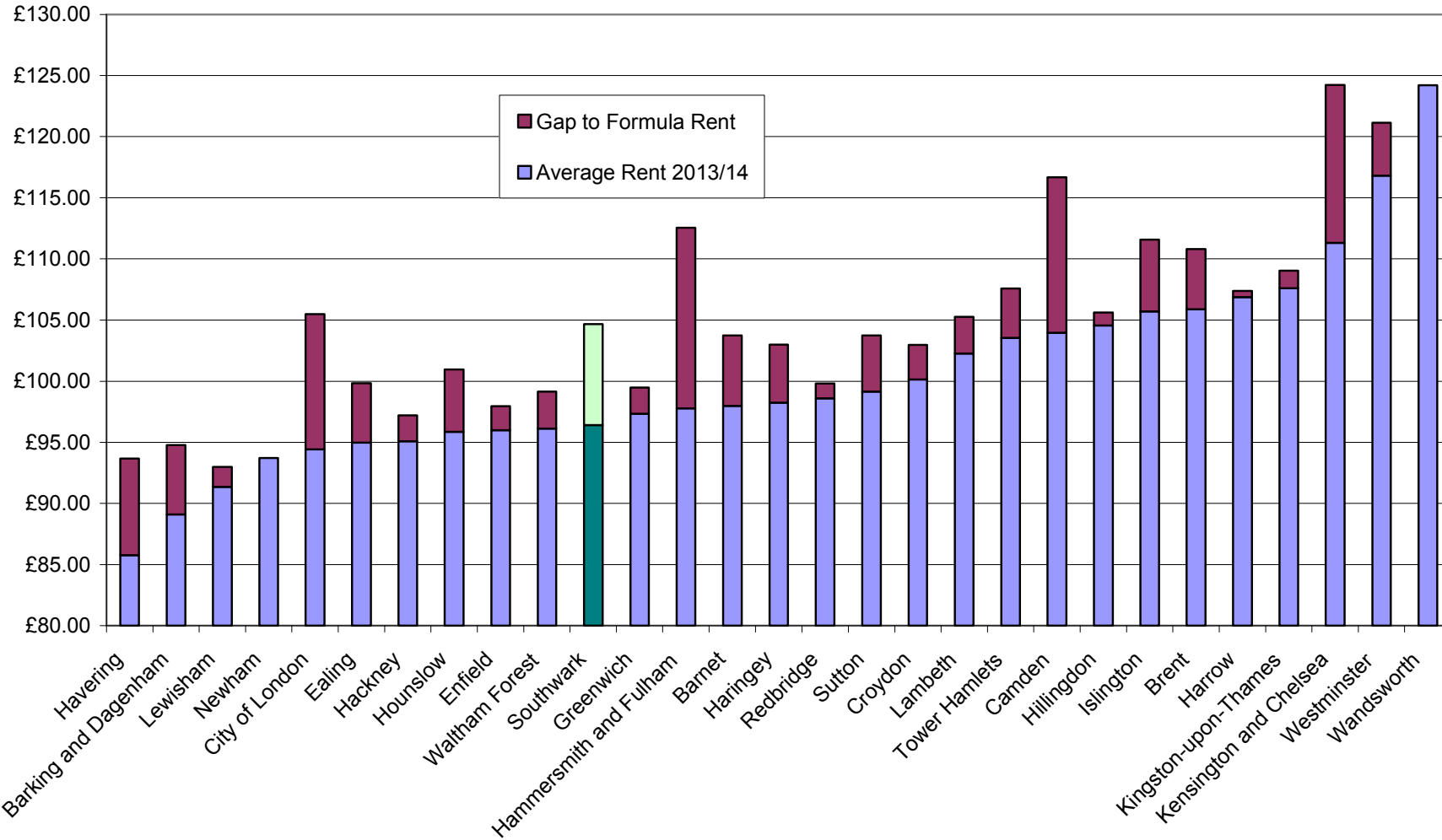
Source: London Boroughs HRA Budget Reports 2013/14

## Notes:

- Southwark's average rent (adjusted mid-year stock position) for 2013/14 ranks 11<sup>th</sup> lowest of the 29 London Boroughs that manage their housing stock either directly or via an ALMO.
- Average rent figures exclude tenant service charges.
- London averages are weighted by stock numbers.
- Where the budget report did not quote an average weekly cash figure, this is extrapolated from their quoted percentage increase.



## APPENDIX B – AVERAGE RENTS 2013/14



Data source: London Boroughs HRA Budget Reports

## APPENDIX C

## HRA INDICATIVE BUDGET MOVEMENTS 2013/14 – 2014/15

	Paragraphs	£m
<b>Contributions and commitments:</b>		
Additional contribution to Investment Programme	30 – 31	4.5
General inflation	32	2.8
Service commitments	33	4.4
Financing	34	2.4
Sub-total		14.1
<b>Rents and charges:</b>		
Guideline dwelling rent increase	14 – 17	(10.6)
Dwelling rents (stockloss/voids/week 53 adj.)	18	7.7
Tenant service charges (stockloss/voids/week 53 adj.)	39	0.5
District heating (stockloss/voids/week 53 adj.)	43	0.2
Thames Water increase	45	(0.4)
Leaseholder and other income streams	46 – 49	(5.6)
Sub-total		(8.2)
<b>DEFICIT/(SURPLUS) BEFORE EFFICIENCY SAVINGS</b>		<b>5.9</b>
<b>Efficiency savings to be funded:</b>		
Savings required to meet corporate programme	28 – 29	(3.9)
Deletion of reserve contribution	35 – 38	(2.0)
Sub-total		(5.9)
<b>OVERALL NET DEFICIT/(SURPLUS)</b>		<b>0.0</b>

## APPENDIX D

## HRA REVISED BASE BUDGET 2013/14 AND INDICATIVE BUDGET 2014/15

	Revised Base Budget 2013/14 £m	Indicative Budget 2014/15 £m
<b>Expenditure:</b>		
Employees	29.5	30.6
Running Costs	21.4	22.0
Thames Water Charges	12.8	13.4
Contingency Reserve	1.5	1.5
Contribution to Reserves	2.0	–
Grounds Maintenance/Estate Cleaning	14.8	14.8
Responsive Repairs/Heating Repairs	49.6	51.4
Contribution to Investment Programme	5.3	9.8
Landlord Commitments	7.4	7.4
Planned Maintenance	9.5	9.6
Corporate Support Costs/SLAs	22.3	21.5
Depreciation	49.9	51.3
Financing Costs	30.9	31.9
Tenant Management Organisation Allowances	2.8	2.8
Heating Account	12.2	12.2
<b>Sub-total</b>	<b>271.9</b>	<b>280.2</b>
<b>Income:</b>		
Rents – Dwellings	(189.9)	(192.8)
Rents – Non Dwellings	(4.9)	(5.0)
Heating/Hot Water Charges	(9.6)	(9.4)
Tenant Service Charges	(13.6)	(13.1)
Thames Water Charges	(12.8)	(13.2)
Commission Receivable	(2.8)	(2.8)
Leaseholders – Major Works	(6.5)	(10.0)
Leaseholders – Service Charges	(15.8)	(17.3)
Interest on Balances	(0.3)	(0.3)
Commercial Property Rents	(6.7)	(6.7)
Fees and Charges	(1.2)	(1.3)
Capitalisation	(7.0)	(7.5)
Recharges	(0.8)	(0.8)
<b>Sub-total</b>	<b>(271.9)</b>	<b>(280.2)</b>
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>

## APPENDIX E

## HRA SUMMARY SAVINGS AND INCOME GENERATION SCHEDULE 2014/15

Division	Savings £'000	Income Generation £'000	Total £'000
<b>Customer Experience:</b>			
Homesearch – transition to online provision	(94)	–	(94)
	<b>(94)</b>	<b>–</b>	<b>(94)</b>
<b>Finance and Corporate Services:</b>			
Support services – re-align accommodation and H&S budgets	(307)	–	(307)
Business applications – reduction in running costs	(192)	–	(192)
CSC – savings arising from transition to in-house provision	(599)	–	(599)
Contribution to Reserves – delete appropriations budget	(2,000)	–	(2,000)
	<b>(3,098)</b>	<b>–</b>	<b>(3,098)</b>
<b>Specialist Housing Services:</b>			
Sheltered Housing – reduced R&M in lieu of PPM/Capital	(100)	–	(100)
Temp Accommodation – R&M volume reduction	(120)	–	(120)
RTB capitalisation – increase due to RTB volumes	–	(453)	(453)
Fees and charges – increase due to RTB volumes	–	(50)	(50)
Service charges – activity driven budget re-alignment	–	(1,500)	(1,500)
Major works – activity driven budget re-alignment	–	(3,470)	(3,470)
Garages – increased lettings/voids reduction	–	(100)	(100)
	<b>(220)</b>	<b>(5,573)</b>	<b>(5,793)</b>
<b>Chief Executive's:</b>			
Regeneration and Delivery – delete recharge budget	(59)	–	(59)
	<b>(59)</b>	<b>–</b>	<b>(59)</b>
<b>Community Engagement:</b>			
TRA halls – reduced R&M in lieu of PPM/Capital	(39)	–	(39)
Resident Involvement Team – restructure	(41)	–	(41)
	<b>(80)</b>	<b>–</b>	<b>(80)</b>
<b>Maintenance and Compliance:</b>			
Voids – transition to fixed price model	(400)	–	(400)
Repairs – service delivery/performance improvements	(120)	–	(120)
Repairs – reduction in external professional fees	(200)	–	(200)
Repairs – transition from lump sum to NHF rates	(419)	–	(419)
Repairs – reduction in schedule of rates	(280)	–	(280)
	<b>(1,419)</b>	<b>–</b>	<b>(1,419)</b>
<b>Operations:</b>			
Move to 3-year review cycle of tenants handbook & reduce subscriptions	(180)	–	(180)
Reduction in temporary accommodation placements	(150)	–	(150)
Reduction in operational running costs across division	(372)	–	(372)
Environment recharge – budget re-alignment	(190)	–	(190)
TV Aerials – increase in income	–	(50)	(50)
	<b>(892)</b>	<b>(50)</b>	<b>(942)</b>
<b>Major Works:</b>			
Programme and Planning – restructure	(31)	–	(31)
	<b>(31)</b>	<b>–</b>	<b>(31)</b>
<b>TOTAL</b>	<b>(5,893)</b>	<b>(5,623)</b>	<b>(11,516)</b>

## APPENDIX F

### HRA REVISED BUDGET 2013/14 AND INDICATIVE BUDGET 2014/15

HOUSING REVENUE ACCOUNT	2013/14	Inflation	Commitments	Financing & Inv. Prog.	Rents & Income Gen.	Savings	2014/15
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Expenditure:</b>							
Employees	29,472	479	863	–	–	(202)	<b>30,612</b>
Running Costs	21,434	749	1,105	–	–	(1,325)	<b>21,963</b>
Thames Water Charges	12,822	641	–	–	–	–	<b>13,463</b>
Contingency/Contribution to Reserves	3,475	–	–	–	–	(2,000)	<b>1,475</b>
Grounds Maintenance/Estate Cleaning	14,779	148	21	–	–	(190)	<b>14,758</b>
Responsive Repairs/Heating Repairs	49,622	755	2,353	–	–	(1,358)	<b>51,372</b>
Contribution to Investment Programme	5,332	–	–	4,500	–	–	<b>9,832</b>
Landlord Commitments	7,400	–	–	–	–	–	<b>7,400</b>
Planned Maintenance	9,514	132	–	–	–	–	<b>9,646</b>
Corporate Support Costs/SLAs	22,279	–	75	–	–	(818)	<b>21,536</b>
Depreciation	49,874	–	–	1,396	–	–	<b>51,270</b>
Financing Costs	30,899	–	–	1,000	–	–	<b>31,899</b>
Tenant Man. Organisation Allowances	2,817	42	(53)	–	–	–	<b>2,806</b>
Heating Account	12,198	–	–	–	–	–	<b>12,198</b>
<b>Sub-total</b>	<b>271,917</b>	<b>2,946</b>	<b>4,364</b>	<b>6,896</b>	<b>–</b>	<b>(5,893)</b>	<b>280,230</b>
<b>Income:</b>							
Rents – Dwellings	(189,895)	–	–	–	(2,910)	–	<b>(192,805)</b>
Rents – Non-Dwellings	(4,868)	–	–	–	(100)	–	<b>(4,968)</b>
Heating/Hot Water Charges	(9,585)	–	–	–	198	–	<b>(9,387)</b>
Tenant Service Charges	(13,621)	–	–	–	456	–	<b>(13,165)</b>
Thames Water Charges	(12,766)	–	–	–	(382)	–	<b>(13,148)</b>
Commission Receivable	(2,806)	(112)	145	–	–	–	<b>(2,773)</b>
Leaseholders – Major Works	(6,530)	–	–	–	(3,470)	–	<b>(10,000)</b>
Leaseholders – Service Charges	(15,850)	–	–	–	(1,500)	–	<b>(17,350)</b>
Interest on Balances	(311)	–	–	–	–	–	<b>(311)</b>
Commercial Property Rents	(6,664)	–	–	–	–	–	<b>(6,664)</b>
Fees and Charges	(1,252)	–	–	–	(100)	–	<b>(1,352)</b>
Capitalisation	(6,978)	(29)	(56)	–	(453)	–	<b>(7,516)</b>
Recharges	(791)	–	–	–	–	–	<b>(791)</b>
<b>Sub-total</b>	<b>(271,917)</b>	<b>(141)</b>	<b>89</b>	<b>–</b>	<b>(8,261)</b>	<b>–</b>	<b>(280,230)</b>
<b>TOTAL</b>	<b>0</b>	<b>2,805</b>	<b>4,453</b>	<b>6,896</b>	<b>(8,261)</b>	<b>(5,893)</b>	<b>0</b>

## APPENDIX G

### HRA INDICATIVE BASE BUDGET 2014/15 BY DIVISION

HOUSING REVENUE ACCOUNT	2013/14 £'000	Inflation £'000	Commitments £'000	Financing & Inv. Prog. £'000	Rents & Income Gen. £'000	Savings £'000	2014/15 £'000
Customer Experience	1,873	13	–	–	–	(94)	1,792
Finance and Corporate Services	145,230	1,414	722	6,896	–	(3,098)	151,164
Specialist Housing Services	(37,286)	380	601	–	(4,954)	(220)	(41,479)
Chief Executive's	1,172	7	–	–	–	(59)	1,120
Community Engagement	2,129	16	–	–	–	(80)	2,065
Maintenance and Compliance	46,820	700	2,770	–	–	(1,419)	48,871
Operations	(173,742)	255	360	–	(3,307)	(892)	(177,326)
Major Works	1,606	20	–	–	–	(31)	1,595
Heating Account	12,198	–	–	–	–	–	12,198
<b>TOTAL</b>	<b>0</b>	<b>2,805</b>	<b>4,453</b>	<b>6,896</b>	<b>(8,261)</b>	<b>(5,893)</b>	<b>0</b>

CUSTOMER EXPERIENCE	2013/14 £'000	Inflation £'000	Commitments £'000	Financing & Inv. Prog. £'000	Rents & Income Gen. £'000	Savings £'000	2014/15 £'000
<b>Expenditure:</b>							
Employees	1,305	13	–	–	–	–	1,318
Running Costs	601	–	–	–	–	(94)	507
Responsive Repairs/Heating Repairs	2	–	–	–	–	–	2
Corporate Support Costs/SLAs	40	–	–	–	–	–	40
<b>Sub-total</b>	<b>1,948</b>	<b>13</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(94)</b>	<b>1,867</b>
<b>Income:</b>							
Recharges	(75)	–	–	–	–	–	(75)
<b>Sub-total</b>	<b>(75)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(75)</b>
<b>TOTAL</b>	<b>1,873</b>	<b>13</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(94)</b>	<b>1,792</b>

<b>FINANCE AND CORPORATE SERVICES</b>	<b>2013/14</b>	<b>Inflation</b>	<b>Commitments</b>	<b>Financing &amp; Inv. Prog.</b>	<b>Rents &amp; Income Gen.</b>	<b>Savings</b>	<b>2014/15</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Expenditure:</b>							
Employees	1,646	26	–	–	–	–	1,672
Running Costs	3,836	749	722	–	–	(280)	5,027
Thames Water Charges	12,726	636	–	–	–	–	13,362
Contingency/Contribution to Reserves	3,475	–	–	–	–	(2,000)	1,475
Contribution to Investment Programme	5,332	–	–	4,500	–	–	9,832
Landlord Commitments	7,400	–	–	–	–	–	7,400
Planned Maintenance	7,394	111	–	–	–	–	7,505
Corporate Support Costs/SLAs	17,315	–	–	–	–	(818)	16,497
Depreciation	49,874	–	–	1,396	–	–	51,270
Financing Costs	30,856	–	–	1,000	–	–	31,856
Tenant Man. Organisation Allowances	300	4	–	–	–	–	304
<b>Sub-total</b>	<b>140,154</b>	<b>1,526</b>	<b>722</b>	<b>6,896</b>	<b>–</b>	<b>(3,098)</b>	<b>146,200</b>
<b>Income:</b>							
Rents – Dwellings	7,983	–	–	–	–	–	7,983
Commission Receivable	(2,241)	(112)	–	–	–	–	(2,353)
Interest on Balances	(136)	–	–	–	–	–	(136)
Recharges	(530)	–	–	–	–	–	(530)
<b>Sub-total</b>	<b>5,076</b>	<b>(112)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>4,964</b>
<b>TOTAL</b>	<b>145,230</b>	<b>1,414</b>	<b>722</b>	<b>6,896</b>	<b>–</b>	<b>(3,098)</b>	<b>151,164</b>



<b>SPECIALIST HOUSING SERVICES</b>	<b>2013/14</b>	<b>Inflation</b>	<b>Commitments</b>	<b>Financing &amp; Inv. Prog.</b>	<b>Rents &amp; Income Gen.</b>	<b>Savings</b>	<b>2014/15</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Expenditure:</b>							
Employees	5,833	233	348	–	–	–	6,414
Running Costs	2,315	–	158	–	–	–	2,473
Thames Water Charges	31	2	–	–	–	–	33
Grounds Maintenance/Estate Cleaning	121	1	–	–	–	–	122
Responsive Repairs/Heating Repairs	6,653	100	(52)	–	–	(220)	6,481
Planned Maintenance	394	6	(20)	–	–	–	380
Corporate Support Costs/SLAs	4,217	–	75	–	–	–	4,292
Financing Costs	43	–	–	–	–	–	43
Tenant Man. Organisation Allowances	2,517	38	(53)	–	–	–	2,502
<b>Sub-total</b>	<b>22,124</b>	<b>380</b>	<b>456</b>	<b>–</b>	<b>–</b>	<b>(220)</b>	<b>22,740</b>
<b>Income:</b>							
Rents – Dwellings	(20,317)	–	–	–	473	–	(19,844)
Rents – Non-Dwellings	(4,868)	–	–	–	(100)	–	(4,968)
Heating/Hot Water Charges	(1,025)	–	–	–	73	–	(952)
Tenant Service Charges	(2,054)	–	–	–	71	–	(1,983)
Thames Water Charges	(1,011)	–	–	–	2	–	(1,009)
Commission Receivable	(565)	–	145	–	–	–	(420)
Leaseholders – Major Works	(6,530)	–	–	–	(3,470)	–	(10,000)
Leaseholders – Service Charges	(15,850)	–	–	–	(1,500)	–	(17,350)
Interest on Balances	(175)	–	–	–	–	–	(175)
Commercial Property Rents	(6,664)	–	–	–	–	–	(6,664)
Fees and Charges	(78)	–	–	–	(50)	–	(128)
Capitalisation	(87)	–	–	–	(453)	–	(540)
Recharges	(186)	–	–	–	–	–	(186)
<b>Sub-total</b>	<b>(59,410)</b>	<b>–</b>	<b>145</b>	<b>–</b>	<b>(4,954)</b>	<b>–</b>	<b>(64,219)</b>
<b>TOTAL</b>	<b>(37,286)</b>	<b>380</b>	<b>601</b>	<b>–</b>	<b>(4,954)</b>	<b>(220)</b>	<b>(41,479)</b>

<b>CHIEF EXECUTIVE'S</b>	<b>2013/14</b>	<b>Inflation</b>	<b>Commitments</b>	<b>Financing &amp; Inv. Prog.</b>	<b>Rents &amp; Income Gen.</b>	<b>Savings</b>	<b>2014/15</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Expenditure:</b>							
Employees	1,014	10	19	–	–	–	<b>1,043</b>
Running Costs	343	–	(16)	–	–	(59)	<b>268</b>
Corporate Support Costs/SLAs	1	–	–	–	–	–	<b>1</b>
<b>Sub-total</b>	<b>1,358</b>	<b>10</b>	<b>3</b>	<b>–</b>	<b>–</b>	<b>(59)</b>	<b>1,312</b>
<b>Income:</b>							
Capitalisation	(186)	(3)	(3)	–	–	–	<b>(192)</b>
<b>Sub-total</b>	<b>(186)</b>	<b>(3)</b>	<b>(3)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(192)</b>
<b>TOTAL</b>	<b>1,172</b>	<b>7</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(59)</b>	<b>1,120</b>

<b>COMMUNITY ENGAGEMENT</b>	<b>2013/14</b>	<b>Inflation</b>	<b>Commitments</b>	<b>Financing &amp; Inv. Prog.</b>	<b>Rents &amp; Income Gen.</b>	<b>Savings</b>	<b>2014/15</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Expenditure:</b>							
Employees	962	10	(21)	–	–	(41)	<b>910</b>
Running Costs	836	–	21	–	–	–	<b>857</b>
Responsive Repairs/Heating Repairs	400	6	–	–	–	(39)	<b>367</b>
<b>Sub-total</b>	<b>2,198</b>	<b>16</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(80)</b>	<b>2,134</b>
<b>Income:</b>							
Fees and Charges	(10)	–	–	–	–	–	<b>(10)</b>
Capitalisation	(59)	–	–	–	–	–	<b>(59)</b>
<b>Sub-total</b>	<b>(69)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(69)</b>
<b>TOTAL</b>	<b>2,129</b>	<b>16</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(80)</b>	<b>2,065</b>

<b>MAINTENANCE AND COMPLIANCE</b>	<b>2013/14</b>	<b>Inflation</b>	<b>Commitments</b>	<b>Financing &amp; Inv. Prog.</b>	<b>Rents &amp; Income Gen.</b>	<b>Savings</b>	<b>2014/15</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Expenditure:</b>							
Employees	5,671	57	376	–	–	(120)	<b>5,984</b>
Running Costs	2,500	–	1	–	–	(200)	<b>2,301</b>
Responsive Repairs/Heating Repairs	41,871	649	2,405	–	–	(1,099)	<b>43,826</b>
Planned Maintenance	726	–	–	–	–	–	<b>726</b>
Corporate Support Costs/SLAs	691	–	–	–	–	–	<b>691</b>
<b>Sub-total</b>	<b>51,459</b>	<b>706</b>	<b>2,782</b>	<b>–</b>	<b>–</b>	<b>(1,419)</b>	<b>53,528</b>
<b>Income:</b>							
Fees and Charges	(35)	–	–	–	–	–	<b>(35)</b>
Capitalisation	(4,604)	(6)	(12)	–	–	–	<b>(4,622)</b>
<b>Sub-total</b>	<b>(4,639)</b>	<b>(6)</b>	<b>(12)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(4,657)</b>
<b>TOTAL</b>	<b>46,820</b>	<b>700</b>	<b>2,770</b>	<b>–</b>	<b>–</b>	<b>(1,419)</b>	<b>48,871</b>

<b>OPERATIONS</b>	<b>2013/14</b>	<b>Inflation</b>	<b>Commitments</b>	<b>Financing &amp; Inv. Prog.</b>	<b>Rents &amp; Income Gen.</b>	<b>Savings</b>	<b>2014/15</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Expenditure:</b>							
Employees	10,517	105	115	–	–	(10)	<b>10,727</b>
Running Costs	10,875	–	204	–	–	(692)	<b>10,387</b>
Thames Water Charges	65	3	–	–	–	–	<b>68</b>
Grounds Maintenance/Estate Cleaning	14,658	147	21	–	–	(190)	<b>14,636</b>
Responsive Repairs/Heating Repairs	696	–	–	–	–	–	<b>696</b>
Planned Maintenance	–	–	20	–	–	–	<b>20</b>
Corporate Support Costs/SLAs	10	–	–	–	–	–	<b>10</b>
<b>Sub-total</b>	<b>36,821</b>	<b>255</b>	<b>360</b>	<b>–</b>	<b>–</b>	<b>(892)</b>	<b>36,544</b>
<b>Income:</b>							
Rents – Dwellings	(177,561)	–	–	–	(3,383)	–	<b>(180,944)</b>
Heating/Hot Water Charges	(8,560)	–	–	–	125	–	<b>(8,435)</b>
Tenant Service Charges	(11,567)	–	–	–	385	–	<b>(11,182)</b>
Thames Water Charges	(11,755)	–	–	–	(384)	–	<b>(12,139)</b>
Fees and Charges	(1,120)	–	–	–	(50)	–	<b>(1,170)</b>
<b>Sub-total</b>	<b>(210,563)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(3,307)</b>	<b>–</b>	<b>(213,870)</b>
<b>TOTAL</b>	<b>(173,742)</b>	<b>255</b>	<b>360</b>	<b>–</b>	<b>(3,307)</b>	<b>(892)</b>	<b>(177,326)</b>

<b>MAJOR WORKS</b>	<b>2013/14</b>	<b>Inflation</b>	<b>Commitments</b>	<b>Financing &amp; Inv. Prog.</b>	<b>Rents &amp; Income Gen.</b>	<b>Savings</b>	<b>2014/15</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Expenditure:</b>							
Employees	2,524	25	26	–	–	(31)	<b>2,544</b>
Running Costs	128	–	15	–	–	–	<b>143</b>
Planned Maintenance	1,000	15	–	–	–	–	<b>1,015</b>
Corporate Support Costs/SLAs	5	–	–	–	–	–	<b>5</b>
<b>Sub-total</b>	<b>3,657</b>	<b>40</b>	<b>41</b>	<b>–</b>	<b>–</b>	<b>(31)</b>	<b>3,707</b>
<b>Income:</b>							
Fees and Charges	(9)	–	–	–	–	–	<b>(9)</b>
Capitalisation	(2,042)	(20)	(41)	–	–	–	<b>(2,103)</b>
<b>Sub-total</b>	<b>(2,051)</b>	<b>(20)</b>	<b>(41)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(2,112)</b>
<b>TOTAL</b>	<b>1,606</b>	<b>20</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(31)</b>	<b>1,595</b>

<b>HEATING ACCOUNT</b>	<b>2013/14</b>	<b>Inflation</b>	<b>Commitments</b>	<b>Financing &amp; Inv. Prog.</b>	<b>Rents &amp; Income Gen.</b>	<b>Savings</b>	<b>2014/15</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Expenditure:</b>							
Heating Account	12,198	–	–	–	–	–	<b>12,198</b>
<b>Sub-total</b>	<b>12,198</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>12,198</b>
<b>TOTAL</b>	<b>12,198</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>12,198</b>

<b>Item No.</b> 12.	<b>Classification:</b> Open	<b>Date:</b> 10 December 2013	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Response to the Housing, Environment, Transport and Community Safety Scrutiny Sub-Committee on the Review of Major Works at Draper House	
<b>Ward(s) or groups affected:</b>		All	
<b>From:</b>		Councillor Ian Wingfield, Deputy Leader and Cabinet Member for Housing Management	

### **FOREWORD – COUNCILLOR IAN WINGFIELD, DEPUTY LEADER AND CABINET MEMBER FOR HOUSING MANAGEMENT**

The Housing, Environment, Transport & Community Safety Scrutiny Sub-Committee undertook to carry out this review after the issue in relation to the extremely poor quality of the work carried out by the contractor (Breyer) and poor contract management by the council came before the Overview & Scrutiny Committee on 4 February 2013.

I am very pleased that the Overview & Scrutiny Committee considered this matter with due diligence, determination and in great detail. It took evidence from a wide range of relevant parties and gave due consideration to the experiences and difficult times that residents felt and underwent during the mutual conclusion of this contract. Like the Sub-Committee I am really disappointed that the contractors Breyer PLC were not prepared to stand in front of the sub-committee and provide an account of themselves in relation to this incident.

However I am delighted to present the recommendations of the Housing, Environment, and Transport & Community Safety Scrutiny Sub-Committee together with the responses from the Housing & Community Services department. I fully support and endorse all the recommendations and actions contained in the responses. They will be a real aid for establishing the criteria for contract procurement in the future and will build on the work over the last two years to give greater transparency and access for residents for the whole process of managing, monitoring and delivering major works.

I am also pleased to report that we have now set up a Major Works Core Group which I chair and which meets bi-monthly. It is attended by nominated tenants and leaseholders, the three partnering contractors and officers from the Major Works team. The group looks at Key Performance Targets set for the partnering contractors and will in the future invite representatives from estates where major works have been carried out to feedback on their experiences.

As part of this group's remit we will be reviewing the letting of contracts for housing works under the partnering arrangements and generally reviewing the effectiveness of those arrangements as recommended in the Overview & Scrutiny Committee's report.

## RECOMMENDATION

1. Cabinet to note and agree the responses to the recommendations of the Housing, Environment, Transport and Community Safety Scrutiny sub-committee's investigation into the Major Works at Draper House.

## BACKGROUND INFORMATION

2. Following the mutual conclusion of the contract with Breyer Group PLC and concerns raised by residents and leaseholders which were brought to the attention of the Chair of the Housing, Environment, Transport and Community Safety Scrutiny Sub-Committee, it was agreed that the committee would carry out a review into the Project Management of Draper House prior to the mutual conclusion and the letting of contracts for housing works under the partnering arrangements.
3. In May 2013, the Housing, Environment, Transport and Community Safety sub-committee completed its investigation. Overview and Scrutiny Committee considered and agreed the final scrutiny report at its meeting on 10 June 2013. The report was presented to Cabinet on the 16 July 2013 where it was resolved that the Deputy Leader and Cabinet Member for Housing Management would report back in more detail to a future meeting.

## RECOMMENDATIONS FROM SUB-COMMITTEE/RESPONSE

4. The sub-committee made 9 recommendations, the responses to which are set out below.

- a. **Termination at will clauses:**

All major works contracts issued by Southwark council should contain termination at will clauses.

**Response:**

Major Works will include a termination at will clause in the new Contractors' framework which is currently being procured. With regard to other contracts, there is provision in the council's standard template documents to include such a termination provision, but it is advised that this should be considered on a case by case basis, as the effect of including this clause (particularly for contracts which require investment by the contractor) is that contract costs can increase.

- b. **Default notices:** Default notices should be considered a primary tool for escalating poor performance at the earliest opportunity. Project managers should be encouraged to use them as a matter of course as soon as sub-standard performance becomes apparent.

**Response:**

Over the last 9 months there has been an increased use of default notices across the partnering contracts. These are issued immediately if it is identified that performance does not meet expectations and are supplemented with partner contractor meetings with the Head of Major Works and Investment Manager.



With the reduction of the partnering contractors from 5 to 3 the partnership has grown in strength. The current partners work well together and there is a willingness and desire to work with the council to delivery the programme in true partnership.

Issues of performance have arisen but now there is an improving culture to resolve issues in a non-confrontational way to the benefit of the programme and the partnership as a whole.

- c. **Payment of sub-contractors:** In all future contracts the council should stipulate an acceptable period within which the primary contractor must pay sub-contractors for completed work.

**Response:**

Legal have been advised and will investigate how the provision can be added as a standard clause to all future contracts.

In the future, we will include a standard agenda item on monthly Contract meetings listing sub-contracting companies being used on the contract and confirmation that payments are being made. The council's Quantity Surveyor on each specific project will ask for proof of sub-contractors' payment included in any monthly valuation before issuing payment.

Under the Partnering Contracts the monthly meetings with the individual partners and the Investment Manager and Head of Major Works will include a standard agenda item reviewing their current sub-contracting arrangements.

- d. **Breyer:**  
The sub-committee is aware that, due to EU Procurement law, the council must consider all future bids from Breyer Group Plc for work in Southwark. However, the sub-committee recommends that the conclusions of this scrutiny report be kept at the forefront of officers' minds in considering these future bids. We hope that the implications of this recommendation are clear.

**Response:**

The council is subject to the EU Procurement Regulations, and therefore is required to consider bids from any provider who satisfies the council's selection requirements, unless there are specific grounds to exclude under Regulation 23 (for example insolvency/criminal convictions). The officers and panel members who have been appointed to oversee the new Contractors' framework currently in procurement will ensure that the selection and award criteria are appropriate to the contract in question so that only suppliers who have the economic/financial standing and the technical/professional ability are invited to tender, and the evaluation methodology is set so that only providers who can satisfy the council's requirements for the contract are selected.

- e. **Complaints logs:**  
During all major works projects, detailed complaints logs should be kept and reviewed on a regular basis to prioritise issues which need to be resolved for the benefit of residents.

**Response:**

All projects now have in place a complaints log which is kept on site and is reviewed at every monthly site meeting. The complaints log is also updated to include issues raised relating to the scheme through emails and other forms of communication, not just those recorded on site.

- f. **Leaseholder charges:** No leaseholder in Draper House should be forced to pay for more than the value of the original notices on which they were consulted. It is understood that this is already the intention of council officers, but the sub-committee felt it was important to underline this approach in our recommendations.

**Response:**

No Leaseholders in Draper House will be charged more than the value of the original notices on which they were consulted unless new works are added to the contract.

- g. **Sharing Information:** Southwark procurement team should investigate setting up a formal network with other London Councils to share information regarding the performance of construction contractors.

**Response:**

The Southwark procurement team are already members of a number of existing procurement networks, including South East London Procurement Group and London Heads of Procurement function, where matters like this can be raised.

The council's approved list function has a facility for users to record information regarding the performance of construction contractors. Monitoring the performance of contractors on the approved list should be conducted in accordance with approved list procedures, including the completion of quarterly control forms for all approved list contracts. Performance information can then be supplied to other officers who intend to use the Approved List of Works Contractors and Consultants.

However, in larger projects (over EU threshold of £ 4.3m) a quality evaluation must be undertaken, which requires each applicant (potential contractor) to be treated equally, and scored in a consistent, non discriminatory and fair manner. At Pre-Qualification Questionnaire (PQQ) stage this must be done only on the information contained in the PQQ returns (with the exception of objective information which has been obtained, e.g. an external credit report). References can be requested at this stage however any other information received by any means including personal knowledge or experience of the applicant cannot be taken into account.

The best way to secure good performance from a contractor is to have effective contract management and monitoring arrangements in place. Closer management of supplier performance against contract specifications enable comparison across contracts and business units. This helps identify efficient and inefficient contracts and suppliers, and helps achieve best value by ensuring best quality services are delivered while maintaining or reducing costs. Project managers can then deal with poorly performing contractors using the tools within the contract, which will target interventions to those contracts and or suppliers where improvement is necessary. Documentary

evidence of performance can be used to resolve any disputes and agree actions, and ensure that any performance bond and/or parent company guarantees are executed to protect the council from risk.

Guidance to officers also includes information about liquidated damages which can be used in contracts to establish in advance a set amount of loss per week which can be claimed by the council for delay in completing a project.

**h. Appointing project management teams:**

Officers should review how the original project management team for Draper House was appointed. Project management teams should not be appointed to complex projects unless senior managers are absolutely certain that the individuals have the training, qualifications and skills required to deal with the project. Measures should be put in place by senior officers to ensure this is the case in future.

**Response:**

For all schemes which prove very complicated then additional project management resources will be put in to the scheme. In Major Works there is a training schedule for the whole project management team as well as individual assessments done on an ongoing basis. This allocation of staff and review of training requirements is overseen by the Head of Major Works.

With the re-commencement of the major works at Draper House with the new contractor AE Elkins, we appointed an experienced project team to work on site. This includes additional resources of an on-site project manager and clerk of works. We have replicated this approach at other specific projects where the size and nature of the work needed a greater presence than the normal project management team arrangements.

**i. Communications with residents:**

The scrutiny sub-committee did hear evidence from officers that new procedures for ensuring residents are communicated with during major works have been put in place. These procedures should be strictly followed and failure to do so should be treated as a serious matter by senior managers.

**Response:**

For all new schemes within the Warm Dry Safe programme we have put in place a process that will ensure residents are kept up to date during the project. This started at the beginning of the financial year when all residents in the forthcoming year's programme received letters explaining that they were in the programme and should expect a call from our surveyors and contractors to arrange a survey of their homes. At the same time they received the names and contact details of the Project Team who will be delivering the works to their homes. This process has also been extended to those homes being brought forward from future years. Communications will continue throughout the project and include:

- Public meeting and drop in sessions at stages during the project.
- Established Residents Project Teams (RPT).
- Monthly meetings with RPTs which will review progress on site, expenditure and quality issues.

- Monthly newsletters and Coffee sessions.
  - Pre handover walk around with the RPT and local councilors.
  - Resident's satisfaction surveys including specific feedback on .any areas of dissatisfaction.
5. Managers monitor these arrangements with the project team on an ongoing basis and adherence to the process is reviewed as part of individuals 1:1's and at the monthly project review meeting that are held with the Investment Manager and Head of Major Works

## SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

### Director of Legal Services

6. There are no additional legal implications arising from this report. If cabinet are in agreement with the responses to the recommendations , officers from the contracts team in legal services will work with the relevant project teams to implement those recommendations, and particularly with regard to 4(a) and (c).

## BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Report into Major Works at Draper House (Housing, Environment, Transport and Community Safety Scrutiny Sub-Committee)	160 Tooley St SE1 2QH	Paula Thornton 0207 525 4395
<b>Link</b> <a href="http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=4549&amp;Ver=4">http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=4549&amp;Ver=4</a>		

## APPENDICES

No.	Title
None	

**AUDIT TRAIL**

<b>Cabinet Member</b>	Councillor Ian Wingfield, Deputy Leader and Cabinet Member for Housing Management	
<b>Lead Officer</b>	Gerri Scott, Strategic Director of Housing and Community Services	
<b>Report Author</b>	Dave Markham, Head of Major Works	
<b>Version</b>	Final	
<b>Dated</b>	28 November 2013	
<b>Key Decision?</b>	No	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments Included</b>
Director of Legal Services	Yes	Yes
Strategic Director of Finance and Corporate Services	No	No
<b>Cabinet Member</b>	Yes	Yes
<b>Date final report sent to Constitutional Team</b>	28 November 2013	

<b>Item No.</b> 13.	<b>Classification:</b> Open	<b>Date:</b> 10 December 2013	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Southwark Private Rental Standard and Accreditation of Temporary Accommodation	
<b>Ward(s) or groups affected:</b>		All Wards	
<b>Cabinet Member:</b>		Councillor Ian Wingfield, Deputy Leader and Cabinet Member for Housing Management Councillor Fiona Colley, Regeneration and Corporate strategy	

## **FOREWORD - COUNCILLOR IAN WINGFIELD, DEPUTY LEADER AND CABINET MEMBER FOR HOUSING MANAGEMENT**

The private rented sector provides a home for a quarter of Southwark’s residents. For most of them it is a good choice and they are satisfied with the services that their landlord provides.

There are some problems however, mainly at the lower end of the rental market where evidence suggests that there are some landlords who provide poor services.

This is for a variety of reasons but foremost among these is the fact that a lot of landlords own very few properties and are not professionals in the business of letting property.

Southwark is looking to develop the private rented sector, begin a partnership with landlords and improve standards of management and maintenance. This will have clear benefits to our community and the residents of Southwark as a whole.

The drafting and consultation of a new standard for property management in the private sector is the first step in this process. This is to be seen as a foundation for further work in improving the quality of property management in the Private Rented Sector.

The Standard will initially be applied to the property the council sources for temporary accommodation.

I am asking that cabinet, after consideration, approve and adopt the Southwark Rental Standard and its application in accreditation of private housing sourced by the council. I would like to take this opportunity to thank Cllr Mark Williams, who as deputy cabinet member for the private rented sector has led on the development of this important piece of work.

## **RECOMMENDATIONS**

That the cabinet agrees that:

1. The proposed Southwark Private Rental Standard is approved and adopted as the council’s minimum expectation of property management and maintenance in the letting and management of private rented property.

2. The Standard becomes a baseline for the procurement and sourcing of all domestic property the council acquires for the discharge of its duties, statutory or otherwise.
3. The Standard is adopted for further work developing, regulating and managing the private rental sector.

### **BACKGROUND INFORMATION**

4. That the Cabinet supports action to drive up standards in the PRS and to that end the additional commitment to research, develop and introduce licensing for the PRS.
5. To date most schemes for Private Rental Sector (PRS) accreditation and regulation have concentrated either on the landlord or the property. The services offered by the landlord and the condition of the property are part of a package that needs to be taken together to deliver an effective accommodation solution to the resident and protects the interests of the landlord.
6. PRS provides accommodation to a wide range of residents, although there is clear evidence that there are some problems with standards of management and repair. Council staff in the Environment and Leisure department's enforcement teams have a substantial and increasing caseload of regulatory action.
7. It is recognised as a good and accessible solution to many families and individuals' accommodation needs. The growth of the sector in recent years has increasingly led to changes in occupancy patterns, with residents occupying PRS properties for extended periods which tended to be less common in the past.
8. In response to this and the commitment of the GLA to a London Rental Standard, Southwark has developed a management and maintenance standard that will be introduced by the council with opportunities for stakeholders to consult and comment as the process of approval goes forward.
9. This Standard complies with the GLA's new London Rental Standard, although as this will be applied to the property and not the landlord the terms are couched differently. The Southwark Standard focuses upon the letting as a whole.
10. The objective in this standard is to clarify the minimum that should be delivered in terms of the condition of the property and provide guidance as to how the property management services should work throughout the period of occupation.

### **Structure of the Standard**

11. The Standard is separated into two parts, firstly a section which describes how the property will be managed, before, during and after the occupation. It also covers services the landlord will provide to the resident, together with our expectations in terms of response to requests for repairs or other management action.
12. It takes some of its themes from the GLA's London Rental Standard but is couched differently as the Southwark Standard seeks to cover the letting and the property together.

13. The second section describes a standard for the condition, maintenance and repair of the property during the letting. It covers statutory duties, safety assessment and management, standards for condition, maintenance and repair of the fabric and internal systems and terms to ensure the landlord is clear on their responsibilities.
14. The second sections' terms are grouped themes which relate to the Council's own commitments to standards in Social Housing. These are:-
  - Safe
  - Secure
  - Warm
  - Working
15. There are also annexes with the current standards for houses in multiple occupation and overnight accommodation which are applied in addition for these specific dwellings.
16. This section is loosely related to the terms of the Government's Decent Homes Standard which is the benchmark for social housing in UK. Whilst this is not unduly onerous it has sponsored and driven standards in social housing to such an extent that the homes in this sector are now substantially more modern, warm and well maintained than the PRS or owner occupied sectors.
17. It is therefore considered as a good reference point to start a process of development and this will also offer a level of consistency regarding the housing offer in the borough.
18. The terms of the Standard were drafted with the intention of bringing together a wide range of sources, a significant number of which are statutory requirements intended to make private rented homes healthier safer environments.
19. The Standard sets clear requirements for compliance with these duties and is explicit with landlords to ensure that they are aware of what is needed to let safe homes that are healthy environments for residents.
20. Specifically we have addressed :-
  - Housing Health & Safety Rating System (HHSRS)
  - Gas, fire and electrical safety
  - Damp and mould
  - Heating and energy efficiency
  - The clarification of expectation with regards to the behaviour and conduct of property managers should also reduce the stress and emotional trauma suffered by residents of poor landlords.
21. The adoption of the Standard will be an incremental part in a programme of actions that address and improve some of the negative health implications of poor quality accommodation.



22. Our communications campaign which will include the Standard will also help residents understand what a reasonable level of condition and property management service entails and begin to allow tenants to set clear expectations from their landlords.

### **KEY ISSUES FOR CONSIDERATION**

23. There are a number of external initiatives to improve standards. The Greater London Authority (GLA) has recently published the London Rental Standard and put their support behind voluntary accreditation. The Department of Communities and Local Government (DCLG) has been working on this as well and have recently put forward a draft private sector tenant's charter. It is likely that further plans will be announced by DCLG in the near future.
24. The PRS in Southwark is very diverse from the very highest standards of rentals for corporate lets down to property that is clearly overcrowded, poorly configured and markedly unsafe.
25. It is a feature of the PRS that many properties are owned by landlords who have one or two properties and who are not professional property managers
26. Landlords as a very disparate group manage their properties to a wide range of standards. Most landlords are entirely competent and statistics support the view that at least 75% of PRS tenants are happy with the services they receive.
27. There is however, a very small but determined group, properly termed rogue landlords who consciously let property that is overcrowded and dangerous to the most vulnerable residents in the sole expectation of collecting the largest rental payment. The market is not regulating these individuals and Southwark will have to take an active role in curtailing their activities.
28. The Standard will initially be applied to all the domestic property sourced by the council in the discharge of its many duties. This will be achieved by accrediting every property with a physical inspection to ensure it meets the Standard.

### **Policy implications**

29. The intention of the Standard is entirely in accordance with the Council's housing strategy and supports the Fairer Future promises.
30. Whilst the impact will be incremental, it is a key block upon which the development of the council's partnership with the PRS will be built. The adoption of a clear standard is a key preparation of further work to develop accreditation and licensing proposals.
31. The council currently licenses the larger Houses in Multiple Occupation (HMOs) that it has a statutory duty to do so. However, conditions in smaller HMOs and in single family dwellings can place occupier's health, safety and welfare at risk.
32. Officers are currently working on evidence gathering to support the council's intention to introduce licensing which will help address the issues described above the problems more generally in the sector.
33. Access to safe, secure, warm and well maintained homes are an indisputable

foundation to any community and therefore this work is obviously contributing across a wide range of council activities

### **Community impact statement**

34. The council works in accordance with the single public sector equality duty contained within section 149 of the Equality Act 2010. This means the council must have due regard to the need to eliminate unlawful discrimination, harassment and victimisation, and advance equality of opportunity and foster good relations between different groups.
35. Consideration has been given to the proposed Standard's relevance to equality issues in accordance with the public sector equality duty. The intention of the Standard is to improve the quality of management and maintenance in the PRS. This will have a positive effect on a number of groups who occupy PRS property and experience disadvantage at present.
36. An assessment to ascertain their potential impact has been undertaken and concluded there is no differential effect for any community or protected group.
37. The impact of the standard will be incremental. Its application to the sourcing of domestic property by the council will unify and clarify existing standards and ensure the property we procure will be safe and suitable.
38. However the Standard's adoption will allow us to publicise and communicate our intention to improve the delivery of housing services at the bottom end of the PRS market.
39. It will act as a benchmark and tool for both landlords and tenants to negotiate and express our expectations for the business of residential lettings.
40. The majority of problems in the PRS market are manifested in the lowest rental bands. Clearly these problems will affect the most disadvantaged in our community and action to level the relationship between landlord and tenant will have a positive effect.
41. Our communication campaign to promote the Standard and increase awareness of the issues for private renters will have a positive effect in the sector as both landlords and tenants are able to be better prepared for the contractual relationship they are entering into and more knowledgeable about the requirements of the letting business.

### **Resource implications**

42. The resource implications are limited to the staffing costs of :-
  - A programme of accreditation inspection for existing temporary accommodation
  - Staff to undertake accreditation of new domestic properties sourced for the Council.

43. The terms of the accreditation scheme are not yet finalised, however it is the intention to set a small or nominal fee to cover administration costs without generating additional income.

### **Consultation**

44. The proposal went out to consultation between the 15 October and the 22 November 2013.

45. There were approximately 450 direct consultation letters sent to wide range of landlords, tenant groups and other stakeholders. These included:-

- Approximately 250 landlords of varying sizes of portfolio who we have contact detail for as a result on internal sourcing of accommodation
- All the managing Agents on South Bank Universities housing list, approximately 50 agents
- Local MP and Councillors
- Local Stakeholders (c100), including Tenant groups, NHS, Education, Representative and advocacy organisations.
- National organisations (c40), including housing charities, Landlord Associations and National Groups linked to housing.

46. In addition the consultation was put on the council website and promoted there.

47. The proposal was discussed at a meeting of the Private Landlords Forum also attended by Councillor Williams. The landlords present clearly endorsed the idea and the content of the Standard and raised no objection to its application to the property sourced by council officers

48. In summary the consultation results are as follows :-

- We received a limited number of responses, 8 web forms, 6 written or email responses and one phone feedback call.
- In response to the question 'Do you like the draft standard?' all responses but one were positive.
- In response to the question 'Do you agree that the Standard and it's annexes are suitable for us to use for the property we procure for our Housing duties' all respondents agreed that it was.
- The proposed Standard clarifies and condenses a range of sources but creates no new duties or obligations so it would be difficult to construct a reasoned objection.
- Likewise our procurement of domestic property is largely conducted to the terms of the proposed standard so our existing procurement chain are familiar with the quality of property that we seek to obtain
- The consultation asked some supplementary questions which relate to tenants and further work developing services for the PRS. Responses to these questions were more mixed, broadly landlords and their advocates supported tenant standards and accreditation and the tenant groups opposed this.
- A clear majority supported the use of the Standard as a basis for voluntary accreditation.
- A smaller majority supported training and coaching for landlords and tenants

49. The Consultation report is attached at Appendix 1.

50. This stage of the project has been sponsored and managed by senior staff in the Housing and Community Services department although there has been close co-operation and consultation with staff who work in the following departments.
- Environment and Leisure – the development of the standard and its appendices has been with close co-operation with staff who manage regulation of private sector housing and they are strongly supportive of the work to date.
  - Communications – This work is raising the profile of the PRS in the borough and Communications staff have developed and assisted with public consultation facilities. There will also be an external campaign to bring the issues in the PRS to the public's attention. The Standard will be used as a key source of guidance and advice for private renters and landlords.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Director of Legal Services**

51. In relation to the condition of private sector housing the council has a variety of powers and duties including those arising from the Housing Act 2004 (HA 2004) and the Regulatory Reform (Housing Assistance) Order 2002 (RRO).
52. In summary; the HA 2004 enables the council to assess the condition of homes under the Housing Health and Safety Rating System (HHSRS). The assessment incorporates classes of hazard under two categories. Category one hazards oblige local authorities to take action or insist the landlord takes action to rectify the problem. As to category two hazards, local authorities have a discretionary power to act. Enforcement measures at the council's disposal include the service of improvement notices on a landlord, prohibition order to enforce the closure of all or part of a building and in extreme cases the demolition of unfit buildings.
53. Improvement notices on a landlord, prohibition order to enforce the closure of all or part of a building and in extreme cases the demolition of unfit buildings.
54. The 2004 Act further provides for a mandatory licensing scheme by local authorities of homes of multiple occupation (HMO) of three or more stories that are occupied by five or more people, who make up two or more households. As to other types of HMO's and private rented accommodation. subject to meeting certain statutory criteria, local authorities may introduce a selective licensing scheme; the Act makes detailed provision for the circumstances in which a selective scheme may be introduced and the procedure that must be followed.
55. Under the RRO local authorities may provide assistance to any person for the purpose of improving living conditions in the authority's area. The council has a private housing renewal policy under which it offers a range of loans and grants to private persons including landlords in the exercise of this power. The policy makes provision for the circumstances and conditions under which such assistance may be available.
56. The proposed Southwark Private Rental Standard is not of itself enforceable under the current statutory enforcement framework although failure to comply with some elements of the draft standard may engage the council's enforcement powers if brought to the attention of the council.

### Strategic Director of Finance and Corporate Services (FC13/087)

57. This report seeks to introduce a private rental standard and accreditation scheme to raise housing standards across the private rented sector in Southwark. This will initially apply to property procured by the council for temporary accommodation purposes and be developed across the wider sector over time. Work in developing the proposals and to administer the regime post introduction for temporary accommodation, has and will continue to be contained within existing budget provision. However, as the scheme develops, it may require additional resources and these will be assessed at that point.

### BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Proposed Southwark Private Rental Standard	Operations, Housing & Community Services	John Daley 0207 5251594
<b>Link</b> <a href="http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;Mid=4553&amp;Ver=4">http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;Mid=4553&amp;Ver=4</a>		

### APPENDICES

No.	Title
Appendix 1	Consultation Report
Appendix 2	Consultation Questionnaire

### AUDIT TRAIL

<b>Cabinet Member</b>	Cllr Ian Wingfield, Deputy Leader and Cabinet Member for Housing Management	
<b>Lead Officer</b>	Paul Langford, Head of Operations, Housing and Community Services	
<b>Report Author</b>	John Daley, Private Sector Housing Accreditation Manager	
<b>Version</b>	Final	
<b>Dated</b>	29 November 2013	
<b>Key Decision?</b>	No	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments Included</b>
Director of Legal Services	Yes	Yes
Strategic Director of Finance and Corporate Services	Yes	Yes
<b>Cabinet Member</b>	Yes	Yes
<b>Date final report sent to Constitutional Team</b>	29 November 2013	

# Private Sector Housing Accreditation Project

Southwark Rental Property Standard Consultation

[www.southwark.gov.uk](http://www.southwark.gov.uk)

This paper reports the results of the public consultation into the adoption of the Southwark Private Rental Standard and its application to accredit Temporary Accommodation.

## Summary

1. The proposal went out to consultation between the 15<sup>th</sup> October and the 22<sup>nd</sup> November 2013.
2. There were approximately 450 direct consultation letters sent to a wide range of landlords, tenant groups and other stakeholders. These included:-
  - Approximately 250 landlords of varying sizes of portfolio who we have contact details for as a result of internal sourcing of accommodation
  - All the managing Agents on South Bank Universities housing list, approximately 50 agents
  - Local MP and Councillors
  - Local Stakeholders (c100), including Tenant groups, NHS, Education, Representative and advocacy organisations.
  - National organisations (c40), including housing charities, Landlord Associations and National Groups linked to housing.
3. A reminder was sent to all the direct consultees about 10 days before the closure of the Consultation
4. In addition the consultation was put on the Council website and promoted there.
5. The proposal was discussed at a meeting of the Private Landlords Forum also attended by Councillor Williams. The landlords present clearly endorsed the idea and the content of the Standard and raised no objection to its application to the property sourced by Council Officers.
6. We also attended the Tenant Council meeting and presented the Standard to the representatives of the local Tenant and Resident Associations.
7. In summary the consultation results are as follows :-
  - We received a limited number of responses, 8 web forms, 6 written or email responses and one phone feedback call.
  - In response to the question 'Do you like the draft standard?' all responses but one were positive.
  - In response to the question 'Do you agree that the Standard and its annexes are suitable for us to

use for the property we procure for our Housing duties' all respondents agreed that it was.

- The proposed standard clarifies and condenses a range of sources but creates no new duties or obligations so it would be difficult to construct a reasoned objection.
  - Likewise our procurement of domestic property is largely conducted to the terms of the proposed standard so our existing procurement chain are familiar with the quality of property that we seek to obtain.
  - The consultation asked some supplementary questions which relate to tenants and further work developing services for the PRS. Responses to these questions were more mixed, broadly landlords and their advocates supported tenant standards and accreditation and the tenant groups opposed this.
8. We received six responses that included a varying degree of narrative. In terms of length and depth the 11 page response from Shelter stood out as a paper in its own right.

### **Conclusions**

9. We asked some questions to identify if the respondent was linked to suppliers or consumers of rented property
10. There were also two core questions and several supplementary questions. Respondents were asked to give us an anonymised yes/no or agree disagree for most questions with opportunities to comment at the end of each section.
11. For the question – “Do you like the Standard as drafted “, all but one of the responses was positive, the only dissenting voice described the Standard as too prescriptive.
12. It is encouraging that most of the landlords in the responses and at the forum were very positive about the Standard including Eleanor Clark who is the London representative of the National Landlords Association.
13. No respondent sought to isolate or criticise any part of the Standard in particular. We therefore do not feel the need to rewrite or amend the draft and this can go forward in its current form.
14. For the question – “Do you agree that the Standard and its annexes are suitable for us to use for the property we procure for our housing duties”, all respondents expressed agreement to this.
15. It is fair to say that the Standard is broadly similar to the current requirements expressed by Southwark’s officers when procuring property so Landlords are used to having to meet a quality line in order to be taken forward with prospective tenants.

### **Supplementary Questions**

16. We asked a range of supplementary questions, partly to test respondent’s appetites for including other items in the standard and partly to give some feedback on the next stages of this project.
17. The first group were based around testing if we should add any further items to the Standard. Do you think we should include:-
18. “A Standard for tenants, describing their rights and responsibilities”. A more or less mixed response, landlords tended to be yes, tenant groups no. We have drafted this as a guidance leaflet and it is being included in the materials being produced for the information campaign currently being developed by Southwark’s Comms team. On balance we thought that this had value in itself but not as a part of the PRS Standard.

19. "Space standards for private lettings". Again a mixed response and as the Standard is not intended to restrict or regulate choice in the market place we don't think there is a place for this in the main Standard though it is mentioned clearly in the HMO Standards Appendix.
20. "A dispute resolution procedure managed by the Council". A positive response for this proposal. We believe there is a place for this as a service supplied by the Council but that it is not suitable for inclusion in the Standard. We will be incorporating this in our proposals for voluntary accreditation of the PRS.
21. We also asked if the Standard could be used as the basis for extension work with the PRS:-
22. "Using the Standard as a basis for a voluntary landlord or property accreditation scheme in Southwark." A majority favoured this and we will take this forward as a basis for our voluntary accreditation proposal
23. "Using the Standard as a basis to provide training and coaching for Landlords and Tenants". This received universal support and is a clear requirement for a successful accreditation scheme. It is also required for any scheme to be compliant with the GLA's London Rental Standard.
24. "Using the Standard to help Council Officers decide if we need to take action when we get complaints". A majority agreed with this and as the compliance with the Standard indicates adherence to the statutory duties and good practice, failure to comply does indicate a likely regulatory issue.
25. "Accrediting Tenants and maintaining an approved tenant list". There was no real support and several respondents indicated that we should not follow any course that might sponsor discrimination against prospective tenants who for any reason cannot obtain or lose their accreditation. We will consider this further as there are a group of prospective tenants who would be aided in their search for rental property by our endorsement. A solution might be an extension of the training and coaching proposal above where applicants who successfully complete training are certificated as 'trained tenants'.

John Daley FRICS ACIH MCMI

Private Sector Housing Accreditation Manager

27 November 2013



**APPENDIX 2****Southwark Private Rental Standard****Consultation Questionnaire (Written / Email Version)**

Please mark the questions below with your choice, cross out or delete the answer that is wrong. Write in your comments in the open spaces below each question. You can also comment on the Council's website at [www.southwark.gov.uk/privaterentedconsultation](http://www.southwark.gov.uk/privaterentedconsultation) or send this to [privaterentedconsultation@southwark.gov.uk](mailto:privaterentedconsultation@southwark.gov.uk) or by letter to :- John Daley Private Rented Sector Consultation, Operations, Housing and Community Services, PO Box 64529, London SE1P 5LX

**About you ?****Do you ?**

- Live in Southwark ? Yes / No
- Work in Southwark ? Yes / No
- Study in Southwark ? Yes / No
- Do you run a business in Southwark ? Yes / No

Please describe your business here.

- Other ? Yes / No

Please describe

**Are you ?**

- A Landlord Yes / No
- A Tenant
  - Private Landlord Yes / No
  - Council or Housing Association Yes / No
  - Other Yes / No

Please describe

- An owner occupier Yes / No
- Representing yourself personally or  
responding for an organisation or group Yes / No

Please describe

**The Southwark Private Rental Standard**

- Do you like the Standard as drafted ? Yes / No

Do you have any comments on the draft ?

Is there anything you would add or take out ?

**We have considered other items to add to the Standard but left them out to keep the Standard balanced, simple and straightforward. Do you think we should include these things ?**

- A Standard for tenants, describing their rights and responsibilities Yes / No
- Space standards for private lettings Yes / No
- A dispute resolution procedure managed by the Council Yes / No

Do you have any comments ?

**We are also considering what else we can use the Standard for. So we would like to know what you think about these ideas ?**

- Using the Standard as a basis for a voluntary landlord or property accreditation scheme in Southwark. Agree / Disagree
- Using the Standard as a basis to provide training and coaching for Landlords and Tenants

Agree / Disagree

- Using the Standard to help Council Officers decide if we need to take action when we get complaints.

Agree / Disagree

- Accrediting Tenants and maintaining an approved tenant list

Agree / Disagree

- Do you agree that the Standard and its Annexes are suitable for us to use for the property we procure for our Housing duties

Agree / Disagree

Do you have any comments ?

**And finally !**

Are there any other comments or proposals you would like to make to help us improve the way the Private Rented Sector works in Southwark. We are keen to look at any ideas you might have.

Please comment here !

<b>Item No.</b> 14.	<b>Classification:</b> Open	<b>Date:</b> 10 December 2013	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		London Council's Grants Scheme 2014/15	
<b>Ward(s) or groups affected:</b>		All	
<b>Cabinet Member:</b>		Councillor Victoria Mills, Communities and Economic Wellbeing	

### **FOREWORD - COUNCILLOR VICTORIA MILLS, CABINET MEMBER FOR COMMUNITIES AND ECONOMIC WELLBEING**

The London Councils' Grants Scheme plays a valuable role in enabling voluntary organisations to provide services to people in need across London as a whole. This pan-London approach to grant making adds value to the outcomes that each borough's commissioning programme achieves. In addition, it improves access to services and the personal safety of clients e.g. for victims of sexual and domestic violence where mobility is critically important.

The four defined priority areas for 2013/15 of Homelessness, Sexual and Domestic Violence, Poverty and Capacity Building match the needs of some of the most vulnerable in this borough. These needs are consistent with our own fairer future vision and strategic priorities for residents. A number of Southwark based organisations are funded to deliver services to meet these needs e.g. Thames Reach and St Mungo's are funded to provide early intervention and prevention services. This supplements the funding invested by the council. Funding for second tier organisations such as the Refugee Council, Age Concern or London Voluntary Service Council also helps support the work of voluntary organisations in Southwark.

The individual borough contributions are based on population estimates and grants are awarded to tackle deprivation and meet needs. Southwark residents are net beneficiaries of this programme due to the relative poverty and deprivation in the borough. In response to both the austerity and Localism agendas the Borough levy that makes up the majority of the Scheme has been radically reduced in recent years following a major review of commissioning. For 2011/12 the total Scheme budget was almost £21 million whereas for 2013/14 it reduced to £10 million. This is the same level as it was for 2012/13. In the coming year London Councils have drawn on reserves resulting in a one off rebate. For Southwark this will be £27,000.

In the current 2 year round of commissioning the Grants Committee has strengthened the monitoring of the grants to make sure that organisations are clear about their roles and responsibilities and what is expected of them and the partnerships that deliver commissioned services. The main focus of monitoring is the delivery of outcomes rather than activity. Annual and quarterly reports are required to be submitted that include how partners, including boroughs are kept informed.

I would recommend that Cabinet approve Southwark's contribution for 2014/15.

## **RECOMMENDATION**

1. That the Cabinet approve Southwark Council's contribution to the London Councils Grants Scheme of £289,701 for 2014/15 subject to approval of the Council budget by the Council Assembly in February 2014.

## **BACKGROUND INFORMATION**

2. The London Councils Grants Scheme was established following the abolition of the Greater London Council, as a means of maintaining support to voluntary organisations providing London-wide services. Organisations supported by the scheme are required to provide services across at least two London boroughs in order to qualify for support.
3. Constituent Councils are required to contribute to the London Councils Grants Scheme under Regulations 6(8) of the Levying Bodies (General) Regulations 1992. Individual council's contributions should be proportionate to their populations. For 2014/15 the apportionment is based on the Office for National Statistics (ONS) June 2012 estimate of population.
4. In accordance with the Grants to Voluntary Organisations Order 1992 which came into effect on 02 November 1992 and remains in force, two-thirds of constituent Councils must agree the budget before 1 February 2014. If not the overall level of expenditure will be deemed to be the same as that approved for 2012/13 which totalled £12,500,000.

## **KEY ISSUES FOR CONSIDERATION**

### **London Council's 2013 - 15 funding round**

5. In September 2012 London Councils launched the 2013/15 commissioning round based on revised principles and priorities for the scheme. This offered a two year funding stream, subject to continued availability of funds. 2014/15 will be the second year of this two year commissioning round.

The revised principles agreed by London Councils are commissioning services:

- That deliver effectively and can meet the outcomes specified by London Councils, rather than funding organisations
- Where there is clear evidence of need for services that complement borough services
- Where it is economical and efficient to deliver services on a London wide basis or where mobility is key to delivery of a service to secure personal safety
- That can not reasonably be delivered locally, at a borough or sub-regional level
- That work with statutory and non-statutory partners and contribute to meeting the objectives of the Equality Act 2010.

- Services which satisfy the principles outlined above were required to meet at least one of the following priority areas in order to be eligible for receipt of funding from the scheme.

Four priority areas were determined for the 2013/15 revised scheme which are:

- Tackling homelessness amongst individuals and households through direct services and/or developing new ways of working with partners to generate housing and accommodation and access services
  - Sexual and domestic violence support services
  - Tackling poverty by promoting access to employment and training drawing on opportunities for match funding provided by boroughs working with London Councils and European Social Fund
  - Providing support to London's voluntary and community organisations enabling those organisations gain access to funds, skills and resources to provide effective services to communities.
6. A new monitoring policy framework was also put in place for the 2013/15 grants scheme which evaluates performance against the service delivery profile and targets and is more pro-active in managing risk than the previous system by making use of a RAG rating system. The most recent update on delivery in quarters 1 and 2 of the current year indicates that providers are working well across the 4 priorities with 28 rated green, 7 amber and 0 red.
7. Monitoring visits are carried out to check on delivery of activities and the monitoring evidence provided. The framework sets out that each provider will be visited 2 times each year. London Councils reports regularly on performance to the borough grants officers meeting.

#### **London Councils Grants Scheme 2014/15 budget**

8. The London Councils Grants Committee considered proposals for expenditure at its meeting on 6 November 2013 with these ratified by London Councils Leaders' Committee on 12 November 2013.

The budget being recommended to constituent councils is set out below.

**Overall Level of Expenditure** **£10,000,000**

**Made up of:**

- |                                      |           |
|--------------------------------------|-----------|
| • London Councils Grants Programme   | 7,540,000 |
| • Membership Fees to London Funders  | 60,000    |
| • ESF Co-Financing                   | 1,880,000 |
| • Operating (Non-Grants) Expenditure | 434,000   |
| • Central Recharges                  | 86,000    |

**Income will comprise of:**

- Borough contributions 8,200,000
  - European Social Fund grant 1,000,000
9. For 2014/15 London Councils are recommending a one-off transfer of £800,000 from Grants Committee reserves to the revenue account. This will enable London Councils to follow best financial management practice by retaining reserves of at least £300,000 to support the grant programme of about £8 million whilst also reducing borough contributions in a period of limited resources and budgetary constraints. This one-off reduction in reserves results in a payment for the council of £289,701 for 2014/15. This is a £27,006 reduction on the on 2013/14 contribution.

**Community impact statement**

10. The London Councils Grants Scheme enables voluntary organisations based throughout London to deliver services and activities within the four defined priority areas:
- Homelessness
  - Sexual and domestic violence
  - Poverty
  - Capacity building
11. Southwark contributes to the provision of London wide services meeting the needs of some of the most vulnerable communities within Southwark and across London experiencing barriers to economic and social wellbeing. Southwark Council influences the pattern of the London Councils support through its representation on both Grants and Leaders Committees as a constituent council.
12. This funding is based on levels of deprivation and need. Residents in Southwark benefit from a wider range of services from organisations other than those simply based within the borough. Organisations based in Southwark also serve the populations of other London boroughs.

**Resource implications**

13. Southwark Council's contribution to the 2013/14 budget was £316,707. The net payment will be £289,701 after the proposed return of £28,264 from reserves. This represents an increase of £1,258 over the 2013/14 base levy and an actual reduction of £27,006 after the rebate from reserves. These sums are based on a Southwark population estimate of 293,530.
14. There are sufficient resources within the Community Capacity budget to meet the Council's required levy of £289,701 for 2014/15. However, this will need to be considered within the context of the overall council budget-setting process.

**Consultation**

15. Southwark Council is represented on the London Councils Grants and Leaders Committee. In addition officers attend the London Councils Grants officers meetings. The Scheme requires two third of constituent Councils to support the



recommended budget. If this is not achieved then the budget will remain at the 2013/14 level.

## SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

### Director of Legal Services

16. The Director of Legal Services notes the content of this report.
17. There are no specific legal implications relating to the recommendations made in this report, other than the requirement that the council shall in considering any actions it is to take have regard to the duties of Best Value introduced by the Local Government Act 1999.

### Strategic Director of Finance and Corporate Services (FC13/084)

18. This report seeks Cabinet approval for Southwark council's contribution to the London Councils Grants Scheme of £289,701 for 2014/15 which is a reduction of £27,006 on the 2013/14 commitment of £316,707. The financial implications are detailed in paragraphs 12 and 13.
19. The strategic director of finance and corporate services notes the reduction in commitment, due to the one-off use of reserves by the Grants Committee. This results in a one-off £27k saving 2014/15 only. The commitment for 2014/15 can be contained within existing budgets and will be identified in the council's budget setting process.

## BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Correspondence from London Councils London Councils Grants Scheme Budget Proposals 2014/15 – Committee Report.	Community Engagement, 160 Tooley Street London SE1 2QH	Angus Lyon 020 7525 4069
<b>Link</b> <a href="http://moderngov.southwark.gov.uk/ie/ListDocuments.aspx?CId=302&amp;MId=4553&amp;Ver=4">http://moderngov.southwark.gov.uk/ie/ListDocuments.aspx?CId=302&amp;MId=4553&amp;Ver=4</a>		

## APPENDICES

No.	Title
None	

**AUDIT TRAIL**

<b>Cabinet Member</b>	Councillor Victoria Mills, Communities and Economic Wellbeing	
<b>Lead Officer</b>	Stephen Douglass, Head of Community Engagement	
<b>Report Author</b>	Angus Lyon, Commissioning Officer	
<b>Version</b>	Final	
<b>Dated</b>	28 November 2013	
<b>Key Decision</b>	Yes	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments Included</b>
Director of Legal Services	Yes	Yes
Strategic Director of Finance and Corporate Services	Yes	Yes
Strategic Director of Housing and Community Services	Yes	Yes
<b>Cabinet Member</b>	Yes	Yes
<b>Date final report sent to Constitutional Support Services</b>	28 November 2013	

<b>Item No.</b> 15.	<b>Classification:</b> Open	<b>Date:</b> 10 December 2013	<b>Meeting Name:</b> Cabinet
<b>Report Title:</b>		Violent Crime Strategy Progress Report	
<b>Ward(s) or groups affected:</b>		All	
<b>Cabinet Member:</b>		Councillor Richard Livingstone, Finance, Resources and Community Safety	

### **FOREWORD - COUNCILLOR RICHARD LIVINGSTONE, CABINET MEMBER FOR FINANCE, RESOURCES AND COMMUNITY SAFETY**

The Council adopted the Southwark Violent Crime Strategy 2010-15 and this report forms the annual update on the progress since adoption 3 years ago.

We have made the development of a violent crime strategy a key priority for our council, not just because of our on going commitment to tackle the violence that so affects our communities, but because we need to make a shared commitment with our partners to ensure a long term commitment to deliver change in the areas and with the communities that are most impacted by violent behaviour.

That strategy has helped deliver a 25% reduction in violent crime since 2010 and a 40% reduction in most serious violence over the same period.

Violent crime in Southwark is estimated to cost public sector services over £70m. The impact on individuals, families and communities is immeasurable and as this strategy highlights, can have an impact across generations. Timely, partnership interventions are at the core of the recommendations of our strategy but we also recognise that enforcement and our criminal justice processes play a significant role in our community attitudes to how we address violent behaviour.

The budget pressures that face services over the next few years will have an impact on how we deliver interventions. Our strategy has taken this into careful consideration, looking at how we use our limited key services wisely, efficiently and with the maximum impact. We recognise that tackling domestic violence in particular is a long term challenge and our services are responsive to the changing social environment that can impact on domestic abuse.

The strategy we agreed in December 2010 paints a very real picture of the challenges we face, across all of our public, voluntary services and as a society as gives us a framework for making a real difference for everyone who lives works and travels through out the borough.

This is the third annual report on our violent crime strategy and it sets out our progress so far.

## RECOMMENDATIONS

1. That the cabinet notes the progress made in delivering the recommendations set out in the violent crime strategy 2010-15.
2. That the cabinet notes that violent crime has fallen by 25% (from 8007 to 5968 recorded offences) during the first three years of the Violent Crime Strategy.
3. That the cabinet notes the 40% reduction in most serious violence offences during the first three years of the Violent Crime Strategy, which equated to 292 fewer recorded crimes.
4. The cabinet notes that whilst the long term trends for reported incidents of domestic abuse are down by 22% between 2009/10 and 2012/13, there has been a rise in reported incidents between April and September 2013/14. The Cabinet requests that a review of this is carried out to ascertain if there are any specific underlying trends.
5. That the cabinet notes that the cost of violence in Southwark has reduced by £12m in 2012/13 compared to 2009/10 and a further £1.8m in the first six months of 2013/14 according to the Home Office economic cost of crime figures calculator.
6. That the cabinet requests that the cabinet member for finance, resources and community safety, continues to make the case with senior officials in the Mayor's Office for Policing and Crime, that Southwark receives the policing numbers and level of resources required to continue its progress in addressing violent crime in the borough.

## BACKGROUND INFORMATION

7. Tackling violent crime has been a priority of the Safer Southwark Partnership (SSP) for the past decade.
8. The cabinet adopted a five year Southwark Violent Crime Strategy in December 2010. It was agreed that an annual report on the progress of the strategy would be presented to the cabinet.
9. The strategy sets out five priorities and key recommendations which are as follows:

### **Low level violence: key recommendation**

- Establish a multi agency programme, to increase the visible uniformed presence, focused over the summer period, in the north of the borough on Fridays and Saturdays and involving communities and businesses.

### **Robbery: key recommendation**

- Create "safe routes" for pupils between schools, the Elephant & Castle and neighbouring estates, involving local services and residents.

**Serious violence - including group and weapon violence: key recommendations**

- Develop a multi agency approach in a clearly defined area, focusing on the estates and the connected illegal economy.
- Ensure early intervention is targeted at those most at risk of committing serious violent crime. Ensure exit programmes enable people to make decisions to move away from violent lifestyles.
- Develop a single multi agency scaled approach to enforcement and support that utilises the range of resources within the borough.
- Base the scaled approach on a shared agreement around risk, intervention and intelligence sharing, to be targeted at those individuals who are posing a significant risk.

**Violence against women and girls - including relationship violence: key recommendation**

- Provision for domestic violence and sexual offences is reconfigured in line with recommendations of the SSP and Children's and Families Trust review.

**Addressing violent offenders: key recommendations**

- To review and improve current arrangements for identifying and supporting young people and adults (risk management panel, multi agency public protection arrangements and priority and prolific offenders) to ensure offenders are managed by the most appropriate scheme locally.
- To agree a shared risk assessment framework to ensure we target our partnership resources at key individuals effectively and to maximise the resources at our disposal.

9. This report sets out the progress against these priorities and key recommendations.

**KEY ISSUES FOR CONSIDERATION**

10. Violence covers a wide range of offences from verbal harassment to assault with injury to murder. As such the strategy reflects the categories of violence that most impact on the community within Southwark.
11. Violent crime currently makes up 16% of all recorded crime within the borough. This has reduced from 2009/10 when violence made up 22% of all crime recorded in the borough.
12. Southwark has seen a 25% reduction in violent crime over the last three years. This equates to 2,039 fewer crimes.
13. Violence with injury has reduced by 27% over the last three years, which equates to 968 fewer offences.
14. Most serious violence (MSV) reduced by 40% in 2012/13 compared to 2009/10, which equated to 292 fewer offences.

15. When compared to our most similar group (MSG)<sup>1</sup> of community safety partnerships (CSPs), Southwark has improved our ranking for most serious violence to 6th as at 30 September 2013. This is an improvement of two places compared to 2012/13 and an improvement of six places compared to 2009/10, when we had the highest rate per thousand for most serious violent offences in our MSG.
16. Gun crime has reduced by 28% (from 227 to 164 recorded crimes) between 2009/10 and 2012/13.
17. Domestic abuse has reduced by 22% (from 2568 to 2000 recorded crimes) between 2009/10 and 2012/13.
18. Violence without injury (harassment and common assault) has reduced by 25% (from 4485 to 3365 recorded crimes) between 2009/10 and 2012/13.
19. The proportion of community members who feel that gangs are a problem in their area has reduced by over a quarter, from 48% in 2008/09 to 26% in 2012/13.
20. Performance in the first six months of the financial 2013/14, compared to the same period in 2012/13 has remained positive. Highlights include:
  - 6% reduction in violence
  - 8% reduction in violence with injury
  - 18% reduction in knife crime with injury
  - 31% reduction in serious youth violence
  - 27% reduction in youth violence
  - 20% reduction in gun crime
21. The following table highlights the progress in 2013/14 compared to boroughs in our MSG.

<b>Most Similar Group (MSG) comparison</b>				
<b>Ranking from 1st to 15th (1st is worst in group)</b>				
Based on rates per 1000 resident population				
	<b>01/04/10 to 31/03/11</b>	<b>01/04/11 to 31/03/12</b>	<b>01/09/12 to 30/09/13</b>	<b>Pro- gress</b>
<b>Most serious violence</b>	4th	4th	6th	↑
<b>Violence with injury</b>	3rd	5th	5th	↑
<b>Violence without injury</b>	4th	6th	7th	↑
<b>Personal robbery</b>	2nd	3rd	2nd	→

<sup>1</sup> Southwark's MSG comprises: Brent, Camden, Greenwich, Hackney, Hammersmith & Fulham, Haringey, Islington, Kensington & Chelsea, Lambeth, Southwark, Tower Hamlets, Birmingham, Brighton & Hove, Liverpool and Wolverhampton. Sourced from iQuanta (Home Office website)

22. Despite these achievements Southwark still records high levels of violent crime with particular challenges in domestic violence, robbery, serious youth violence and knife crime.
23. Although knife injuries are reducing the underlying concern is that there remains as concern amongst agencies and youth organisations that some young people continue to carry a knife, despite the increase in risk that this poses. The youth offending service and User Voice are working together to identify the best approach to address this.
24. Personal robbery is still significantly high in Southwark, particularly of mobile phones and high value electrical items. There is still a considerable amount of work that needs to be undertaken to reduce the opportunities for robbery as well as targeting where and how electrical goods are disposed.
25. The recorded levels of domestic violence with injury in Southwark are still one of the highest in London. Further work is still required to reduce to volume of domestic calls whilst at the same time ensuring that any reduction does not relate to a loss of confidence in service.
26. Using the Home Office economic cost of crime calculator the cost of violent crime across the health, criminal justice system and associated services, has reduced by £12m for Southwark . Despite these savings the diversion of investment in cost effective early intervention programmes by central government has reduced and as such places a significant pressure on local services in maintaining effective provision.

### **Progress in 2012 – 2013**

27. A number of key policy changes within central government have impacted on our partnership approach to address violence.
28. In November 2011, the Home Office published The Ending Gang and Youth Violence (EGYV) Report. The report sets out an intervention based approach to addressing the harm caused by gang and youth violence. This marked a significant change in direction from the previous enforcement led approach.
29. In addition, the Home Office national EGYV team carried out a programme of peer reviews of the 29 areas across the country; 18 of the areas are in London. The peer reviews aim to provide expertise and advice on how local partnerships can improve and sustain their approach in addressing gang and youth violence. The reviews focus on seven principles as set out in the 2011 Home Office publication and provide a written report on the partnerships strengths and areas of improvement. The EGYV peer review for Southwark was carried out in June 2012. The report highlighted a wide range of strengths and included recommendations that the SSP are taking forward through the Reducing Harm Board. The full report is published on the council website. This can be viewed by visiting the following web address: [www.southwark.gov.uk/info/200030/community\\_safety\\_and\\_enforcement/2400/serious\\_violence](http://www.southwark.gov.uk/info/200030/community_safety_and_enforcement/2400/serious_violence).
30. In May 2012 the SSP established the Southwark Anti Violence Unit (SAVU) which is a multi agency team working together to support individuals and families affected by gang and serious youth violence.

31. SAVU works on a case by case basis, receiving referrals from a range of agencies and community based organisations. A fortnightly case management meeting uses current data and intelligence on gang activity, as well as assessing the progress on each client. A quality assurance framework has been established by checking the case progress and direct contact with the clients in terms of the level of support and welfare needs and quarterly service review meetings.
32. All of the SAVU clients have previously been arrested or convicted for offences in the 12 months prior to referral to the service. Since the commencement of SAVU, 66% (53 clients) have not been convicted for any offences.
33. Of the 112 clients, who have been taken on to the SAVU programme:  
69 clients have positively engaged with SAVU, of which
  - 36 (52%) are currently in some form of employment, training or education
  - 45% have not been convicted, arrested or have cases pending (for offences committed since being on SAVU) since being on SAVU.
  - 75% have not been convicted of any offences since they have been on SAVU.
  - 52% have not been arrested for any offences since they have been on SAVU.
34. There has been a 25% reduction in knife related injuries (from 227 to 170) for 16-24 year old males presenting to Kings College and Guys and St. Thomas' A&E in 2012/13 compared to 2011/12. In the first six months of 2013/14, there has been a further 6% reduction.
35. The Government announced the Troubled Families programme in late 2011. As a result, the Council has been working with key partners to define and shape the approach to this agenda. SAVU is working closely with other council services to ensure that the work being undertaken is both consistent and integrated into the overall Troubled Families approach. This will include the establishment of a quality assurance framework which will be applied to clients being supported through the Troubled Families programme.
36. In February 2013, The Mayor's Office for Policing and Crime (MOPAC) launched the London Crime Prevention Fund, which amalgamated the various funding streams previously allocated through the Home Office. The SSP was successful in its bid for two specific programmes related to the violent crime agenda:
  - £116,000 for specific projects related to Violence against Women and Girls including delivering relationship violence programmes in schools.
  - £290,000 to retain the positive work of the multi agency SAVU team and incorporate specific provision including health practitioner support and a women's support programme for young women affected by gang association.
37. The SSP was also successful in securing £250,00 from MOPAC to retain the positive work of the Integrated Offender Management team RADAR (Reducing and Deterring Adult Reoffending) working with short sentenced high volume crime offenders and Prolific and Priority offenders, which supports the violent crime agenda.
38. MOPAC published the draft London Anti Gangs Strategy in 2013. The Council will continue to work with the Home Office and MOPAC to ensure that a focus on



meaningful and sustainable interventions is delivered in a consistent way across London.

39. The SSP uses a combination of data analysis, intelligence and case studies to identify who, when and where it targets its resources. This intelligence led approach is reviewed operationally on a fortnightly basis through a series of multi agency meetings and half yearly through the SSP Strategic Assessment and Rolling Plan.
40. The following table sets out the achievements against the key recommendations set out in the Southwark Violent Crime Strategy 2010-15:

RECOMMENDATION	TARGET	PERFORMANCE
<b>Low level violence</b>		
Establish a multi agency programme, including increasing the visible uniformed presence, focused over the summer period, in the north of the borough on Fridays and Saturdays and involving communities and businesses.	Reduction in alcohol related violence by 2% in 2013/14 compared to 2012/13	Night time economy team established and operating Friday and Saturday nights 20:00-06:00  19% reduction in alcohol related violence and 1% increase in theft other in Cathedrals wards for April- September 2013, compared with same period in 2012
<b>Robbery</b>		
Realign partnership resources to concentrate on after school hours and late evenings, the two peak periods for personal robbery.	MPS Southwark safer neighbourhood teams, British Transport Police and wardens resources realigned to after school and evenings	26% decrease in robbery in Southwark in the time period 14.00 to 19:00, April-September 2013 compared with the same period in 2012
Create "safe routes" for pupils between schools and the Elephant and Castle/ neighbouring estates, involving local services and residents.	Wardens and police patrols providing safe routes from Walworth Academy, Aylesbury and Globe Academy in place.	26% decrease in robbery in Southwark in the time period 14.00 to 19:00, April-September 2013 compared with the same period in 2012  Decrease in personal robbery in East Walworth by 27% and 16% in Faraday ward in April-September 2013 compared with the same period in 2012.
<b>Serious violence- including group and weapon violence</b>		

RECOMMENDATION	TARGET	PERFORMANCE
<p>Develop multi agency approach on a clearly defined area focusing on the estates and connected illegal economy.</p>	<p>2% reduction in violence, particularly most serious violence, in 2013/14 compared to 2012/13</p>	<p>40% reduction in MSV in 2012/13 compared to 2009/10 against a target reduction of 8%.</p> <p>6% reduction in violence in first six months of 2013/14 compared to same period 2012/13</p> <p>8% reduction in violence with injury in the first six months of 2013/14 compared to same period 2012/13</p> <p>In the first six months of 2013/14, maintained our improvement to 5th place in our MSG for violence with injury, compared to 2nd (worst) in 2009/10</p> <p>48% reduction in violence with injury amongst 16-24 year olds in 2012/13 compared to 2009/10</p>
<p>Ensure early intervention is targeted at those most at risk of committing serious violent crime and that exit programmes enable people to make decisions to move away from serious violence lifestyles.</p>	<p>2% reduction in violence, particularly most serious violence, in 2013/14 compared to 2012/13</p>	<p>Approximately 40 multi agency home visits carried out between 2010 and 2013.</p> <p>SAVU has worked with 112 young people since its inception in May 2012 (see figures above).</p> <p>The YOS ensured that 156 young people were provided with a triage service at police stations in 2012/13. Data analysis indicates that 84% of those receiving early interventions continued to be diverted from offending after a year.</p>
<p>A single multi agency scaled approach to enforcement and support that utilises the range of resources within the borough.</p>	<p>2% reduction in violence, particularly most serious violence, in 2013/14 compared to 2012/13</p>	<p>As above</p> <p>Establishment of SAV-U case management panel which plans and co-ordinates interventions with gangs associates and their families</p> <p>Identify families who meet the Southwark's Troubled Families criteria in order to provide key multi agency interventions to support positive change and to help reduce the risk of involvement in violent crime.</p>

RECOMMENDATION	TARGET	PERFORMANCE
		<p>Established a multi-agency safeguarding hub to enable effective and timely information sharing between agencies to identify those most at risk of committing violent crime and providing early help.</p> <p>The Specialist Family Focus Team (SFFT) is a specialist and targeted Parenting and Family Intervention and Outreach Support Service which provides specific evidenced based models of intervention in the community from a developing multi-disciplinary site. The practitioners work in a holistic way with the whole family and working closely with a range of other agencies through a Team around the Family approach. The SFFT is also the operational hub for the Southwark Troubled Families programme,. The Outreach, Challenge and Support and Parenting Teams that make up the service, have worked with approximately 200 children, young people and/their families from April, 2012 to March, 2013.</p>
<p>Base the scaled approach model on a shared agreement around risk, intervention and intelligence. Resources to be shared and targeted at those individuals who are agreed as posing a significant risk.</p>	<p>2% reduction in violence, particularly most serious violence, in 2013/14 compared to 2012/13</p>	<p>As above</p>
<p><b>Violence against women and girls, including relationship violence</b></p>		

RECOMMENDATION	TARGET	PERFORMANCE
<p>Provision for domestic violence and sexual offences is reconfigured in line with recommendations of the SSP and Children's and Families Trust review</p>	<p>Year on year reduction in recorded domestic violence offences</p>	<p>22% reduction in recorded domestic violence offences in 2012/13 compared with 2009/10</p> <p>16% increase in domestic violence offences in April - September 2013 compared with same period 2012. Initial indications are that this relates to an increased awareness of the new domestic violence services in Southwark which have been publicised in this financial year.</p> <p>Recommissioned domestic violence services to deliver a new improved system response for victims of domestic abuse</p> <p>The multi agency risk assessment conference (MARAC) – the service response for high risk domestic abuse victims. 161 cases were referred to MARAC in 2012/13; 153 victims have been referred in the first six months of 2013/14.</p> <p>Southwark Advocacy and Support Service (SASS) includes support for females over 16 who have suffered or are at risk of female genital mutilation (FGM). In 2013-14 there have been four disclosed FGM related issues. In three of those cases FGM was a secondary issue disclosed by clients who had been referred to the service because they were also victims of domestic abuse. In these three cases the clients disclosed that it was their children who were at risk and a referral was made by Solace to children services. In one case the client did go to SASS because she feared that her family would take her abroad by force and perform the procedure and she was supported around this.</p>
<p><b>Addressing violent offenders</b></p>		

RECOMMENDATION	TARGET	PERFORMANCE
<p>To review and improve current arrangements for identifying and supporting young people and adults (Risk Management Panel, multi agency public protection arrangements and priority and prolific offenders) to ensure offenders are managed by the most appropriate scheme locally. To include transitional arrangements for those moving from young person to adult services.</p>	<p>2% reduction in violence, particularly most serious violence, in 2013/14 compared to 2012/13</p>	<p>3% reduction in violence in 2012/13 compared to 2011/12 against a 2% reduction target</p> <p>Violence has reduced by 6% in the first six months of 2013/14 compared with the same period 2012</p> <p>Southwark has commissioned a specific domestic violence perpetrators programme which includes self referral as well as through statutory provision.</p> <p>Joint work with specific prisons to identify and work with violent offenders prior and post release. Support programmes provided through statutory and voluntary agency providers</p> <p>Arrangements are in place and are regularly reviewed to ensure that offenders are managed by the most appropriate scheme and that there is no duplication of effort. The transitional arrangements are in place for those moving from Risk Management Panel (YPPO) and adult PPO (RADAR).</p>
<p>To agree a shared risk assessment framework to ensure we target our partnership resources at key individuals effectively and to maximise the resources at our disposal</p>	<p>2% reduction in violence particularly most serious violence in 2013/14 compared to 2012/13.</p>	<p>3% reduction in violence in 2012/13 compared to 2011/12 against a 2% reduction target. Violence has reduced by 6% in the first six months of 2013/14 compared with the same period 2012/13.</p> <p>Common matrix form (which includes risk assessment) in place for RADAR/ PPO / YPPO offenders.</p> <p>Establishment of the Southwark Multi agency safeguarding Hub which enables a range of agencies to assess and prioritise risk more swiftly.</p>

41. The SSP carried out extensive consultation to help define the priorities for the Violent Crime Strategy. This included:

- Web based survey - an online survey where residents can indicate how violent crime is affecting them and the priorities to address violent crime.
- Questionnaires - made available through the eight community councils for local people to express their views.
- Focus groups - we have run a wide range of focus groups on specific priority themes and specifically with those who have been affected by violence, including young people.
- Meetings with key services, voluntary and community representatives who have been actively involved in delivering programmes to address violent behaviour.

42. The feedback from the consultation was incorporated into the strategy and helped shape the intervention programmes.

### **Governance**

43. The overall governance arrangements for the SSP are currently under review. We are working towards a more streamlined governance arrangement with a reduction of boards and subgroups to reduce duplication and make better use of our partnership commissioning arrangements.

### **Performance framework**

44. The Southwark Council Plan 2011-12 was adopted in July 2011. The plan sets out 10 promises for the borough including:

*“Work with residents and the police to make the borough safer for all by cracking down on antisocial behaviour and implementing our new violent crime strategy.”*

45. The Council Plan sets out a number of targets related to violent crime. These include:

- Reduce violent crime particularly serious violence by 2% in 2013/14 compared to 2012/13. Violence has reduced by 6% in the first six months of 2012/13 compared to the same period in 2011/12.
- Value for money through effective partnership working in reducing violence, to achieve a 2% reduction in the cost of violent crime in 2013/14 compared with 2012/13 using the financial information provided by the Home Office economic cost of crime survey. Using these Home Office figures, the cost of violent offences (violence with injury and common assault) has reduced from £25.6m to £23.8 from April - September 2013 compared to the same period in 2012; a reduction of £1.8m (-7%).
- Maintain the percentage of people who feel safe walking alone after dark in 2013/14 at 72%, using the Police Public Attitude Survey. In the first quarter of 2013/14, perception has remained at 72%

46. It is our intention to use the MPS Public Attitude Survey (PPAS) to measure the perception of violent crime across our communities as well as local surveys where we are undertaking specific partnership interventions. The PPAS meas-

ures a number of satisfaction indicators that are relevant to the violent crime strategy. Examples include:

- Tackling gun crime and levels of concern about carrying guns and knives (concern about gun crime down to 15% in the first quarter of 2013/14 compared to 17% in 2012/13)
- To what extent are gangs a problem in local areas (down 1% in the first quarter of 2013/14 from 24% in 2012/13)

47. By using the PPAS we will also be in a position to benchmark ourselves against our neighbouring boroughs and also the rest of London.

### Risks to delivery

48. The following table sets out the key risks to delivering the Southwark Violent Crime Strategy.

Risk	Issue	Action
Financial and physical resources	A number of the existing violent crime programmes are grant funded and are due to end in March 2014. This includes MOPAC grant funding which has only been allocated on a one year basis. This includes funding for domestic violence services and SAVU. In addition key partnership agencies both in the public and voluntary sector are subject to financial reductions which will result in loss of staffing.	The recommendations of the strategy are made with a view to reductions in resourcing. The recommendations highlight actions which will focus reduced resources on interventions, in locations and with the cohort of individuals or families which will have maximum impact. The recommendations also aim to be preventative, which will result in savings. However significant reductions in grant funding from MOPAC may result in services being stopped.
Changing crime patterns	Violent crime patterns could change over the period of the strategy and place increased demands on resources for a wider range of people or locations.	The SSP will continue to monitor crime patterns, locally and regionally through the tactical tasking and coordination group and the Reducing Harm sub group. Keeping pace with emerging issues is a focus of the Reducing Harm sub group.
Economic and welfare reform impacts	The financial pressure due to the current economic environment and the impact of welfare reform which impacts on our most deprived neighbourhoods may result in a rise in violent crime in the home and on the streets, as well as an increase in the illegal economy.	The regular operational meetings and review of trends through the Reducing Harm sub group will enable us to assess these changing patterns should they emerge.
Significant changes for	Each of the four key partner agencies that have a direct role in addressing	To continue to work with our key partners at a local level

Risk	Issue	Action
key community safety partner.	<p>violent crime are undergoing significant changes to their organisations.</p> <p>The MPS are looking to find savings of £500m which will see a loss of police stations, the move to the local policing model and transfer of local analytical capacity to sub regional centres.</p> <p>The Fire Service will see the loss of two tenders and 50 fire fighters in Southwark.</p> <p>The Probation Service will undergo substantial change under the Transforming Rehabilitation programme and the health service is undergoing change through public health.</p>	to identify ways of realigning services to provide innovative multi agency responses to prevent violent crime.

### Conclusion

49. There has been good progress across all of the 5 priorities and key recommendations set out in the Southwark Violent Crime Strategy.
50. There has been excellent progress in tackling serious violence and Southwark has significantly improved against other London boroughs. Southwark is recognised as national best practice in its approach to addressing gang violence. However, the council recognises that there is still a lot to do and there remains a number of opportunities to make further strides to reduce violence in the borough.
51. The SSP will be focusing on serious youth violence and knife enabled robbery which has increased. The Youth Offending Service are piloting the use of multi-agency review case meetings to ensure that effective plans are in place to monitor young people and address the factors which lead to offending behaviour.
52. The council will continue to assess the overall impact of the multi agency Southwark Anti Violence Unit with a view to continuing those elements which are having the greatest impact in 2013-4.

### Policy implications

53. Although violent crime has reduced between 2005/6- 2012/13, Southwark still records high levels of violence compared to other boroughs in the capital. Tackling violent crime therefore remains a priority for the council and its partners.
54. There is no statutory requirement to provide a specific violent crime strategy. However there is legislation which imposes a duty on named partner agencies to work together to review crime and anti social behaviour in their area and to work together to address Community Safety priorities, such as violent crime. This is set out in Section 6 of the Crime and Disorder Act 1988, as amended by the Police and Justice Act 2006.

### Community impact statement



55. All areas of the borough are affected by crime and fear of crime. However analysis of crime types indicates that violent crime is not spread evenly across the borough; the town centres and neighbouring estates are the main hotspots areas. This indicates that a targeted approach is required.
56. Our crime analysis indicates that some types of violent crime disproportionately impacts on young people, both as victims and perpetrators. The focus on young people as one of the key priorities, supported by the youth justice plan, is aimed at addressing this.
57. Analysis of violent crime victims and offenders has been undertaken by the partnership analytical team. This information has been used to identify a number of the interventions and preventative measures set out in the strategy.
58. The approach adopted to tackle and reduce violent crime has been through a combination of enforcement, prevention, and wider community action to engage communities in crime prevention and community safety.
59. An equalities impact assessment has been carried out on the Violent Crime Strategy, with an action plan which has been integrated into the rolling plan. The findings of the equalities impact assessment will be published alongside the strategy.

### Resource implications

60. The Southwark Violent Crime Strategy 2010/15 is resourced fully for 2013/14. Therefore, there are no financial implications as a result of accepting the recommendations set out in this report.
61. The total funding for the tackling violent crime programme for Southwark for 2013/14 is approximately £1.4m.
62. The current funding streams enabling the SSP to deliver services are as follows:

Income	Funding stream	Amount	Comments
General Fund	Base Budget	£453,449	SAVU and domestic abuse services
General Fund	Health Safety Licensing & Environmental Protection Unit	£117,000	Night time economy team
MOPAC - Gang and Serious Youth Violence Work	London Crime Prevention Fund	£290,000	4 year funding agreement with MOPAC. Figures given are for 2013/14. Provisional figures for future years subject to achieving outcomes.
MOPAC - Expanding Violence against Women and Girls Service Provision	London Crime Prevention Fund	£116,000	

Income	Funding stream	Amount	Comments
MARAC coordination	Home Office	£15,000	Ring fenced to domestic abuse services.
IDVA services	Children's services	£88,000	Ring fenced to domestic abuse services
Prevention Inclusion Supported Housing (PISH)	Supported Housing Services	£75,000	Ring fenced to domestic abuse services
Housing Strategy	Housing Strategy and Partnerships	£80,000	Ring fenced to domestic abuse services
<b>TOTAL</b>		<b>£1,351,449</b>	

63. The council is part of the Ministry of Justice's, Justice Reinvestment pilot which was established in 2012. The pilot awards participating boroughs for its reductions in offending. In 2012 Southwark Council were awarded approximately £500,000. This money is a one off payment, it is not guaranteed and the monies must be used to fund specific activity related to offender management, such as the costs associated with Southwark's RADAR service, which includes a police analyst.
64. Much of our partnership activity in relation to violence has been mainstreamed. The Violent Crime Strategy recommendations and actions have directed the decisions of the commissioning process and commissioning plan which has been adopted by the SSP board. We are working with service providers to explore options moving forward, including:
- Ensuring that the services we deliver provide value for money, value for council tax payers and contribute towards delivering the vision of creating a fairer future for all in Southwark.
  - The SSP will explore alternative ways of providing a service prior to proposing any cut or reduction. This will include talking to partner organisations, the voluntary sector, the business community and other local authorities.
  - The SSP will conduct an equalities impact assessment as part of the commissioning plan.

### Consultation

65. As part of our approach in setting our priorities for the Southwark Violent Crime Strategy, the SSP carried out extensive consultation with our communities, those directly affected by violent crime and key voluntary and service agencies who are involved in delivering intervention to address violent behaviour.

66. The consultation included:
- Questionnaire available on the Southwark Council website
  - Questionnaires made available at all 8 community council meetings in the autumn
  - Focus groups with young people, victims, offenders and other interested parties
  - Specific workshops with services and service providers
67. The key issues were incorporated into the recommendations under each priority.

### **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

#### **Director of Legal Services (DA/11/13)**

68. The Crime and Disorder Act 1998, as amended, established Crime and Disorder Reduction Partnerships, now known as Community Safety Partnerships (“CSPs”), in order to facilitate a multi-agency approach to the reduction of crime, substance abuse, anti-social behaviour and re-offending.
69. The 1998 Act imposes statutory duties on local authorities, police authorities, fire and rescue authorities, Primary Care Trusts, and the Probation Service, known as “responsible authorities”, to form CSPs and work together to review crime and disorder in their area and implement a strategy to tackle priority problems. In Southwark the CSP is called the Safer Southwark Partnership (“SSP”).
70. The Police and Justice Act 2006 amended the partnership provisions of the 1998 Act to make CSPs a more effective resource, and imposed obligations on CSPs to implement strategies to tackle, amongst other things, anti-social behaviour. The Crime and Disorder (Formulation and Implementation of Strategy) Regulations 2007 make provision as to the formulation and implementation of such strategies.
71. Under the requirements of the 1998 and the 2007 Regulations the SSP has prepared a strategy to address violent crime in Southwark, which the Council has adopted. In accordance with the co-operative duties of the 1998 Act the Council must therefore approve and implement strategies prepared by the SSP.
72. As a member of the SSP the Council has a duty to work with other responsible authorities to implement the violent crime strategy.
73. Under Part 3 of the Council’s Constitution, the violent crime strategy is the responsibility of the Cabinet, as the strategy may impact on a number of portfolios.
74. Positive equalities obligations are placed on local authorities, sometimes described as equalities duties, with regard to race, disability and gender. Race equality duties were introduced by the Race Relations Amendment Act 2000 which amended the Race Relations Act 1976. Gender equalities duties were introduced by the Equality Act 2006, which amended the Sex Discrimination Act 1975. Disability equality duties were introduced by the Disability Discrimination Act 2005 which amended the Disability Act 1995.

75. Equality impact assessments are an essential tool to assist councils to comply with our equalities duties and to make decisions fairly and equalities and human rights impact assessments that are carried out should be mindful of the protected characteristics under the Equality Act 2010.

### **Strategic Director of Finance and Corporate Services (FC13/078)**

76. This report asks Cabinet to note the progress made in delivering the recommendations set out in the violent crime strategy 2010-15. In particular it notes a reduction in violent offences and the cost of tackling violence.
77. The strategic director of finance and corporate services notes there are no new financial implications arising from this report. The current funding streams that support the strategy are set out within the resource implications section (paragraphs 60 to 64). This shows that a significant proportion of this funding comes from the Council's own budget which has been subject to considerable pressure over recent years, a trend which is expected to continue for the foreseeable future.
78. The report also notes that as the strategy is taken forward, should the funding environment change, the SSP would explore the possibility of securing alternative sources of funding prior to putting forward any proposals to cut or reduce activities undertaken to tackle the problems identified.

### **BACKGROUND DOCUMENTS**

<b>Background papers</b>	<b>Held At</b>	<b>Contact</b>
SSP Violent Crime Strategy 2010-15. This document is available to view online – link below:	Community Safety Environment and Leisure Dept. 160 Tooley St, London SE1 2QH	Jonathon Toy, Head of Community Safety & Enforcement 020 7525 1479
<b>Link</b> <a href="http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=4553&amp;Ver=4">http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=4553&amp;Ver=4</a>		
Violent Crime Strategy EqIA report. This document is available to view online – link below:	As above	As above
<b>Link</b> <a href="http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=4553&amp;Ver=4">http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=4553&amp;Ver=4</a>		

**APPENDICES**

None	

**AUDIT TRAIL**

<b>Cabinet Member</b>	Councillor Richard Livingstone, Finance, Resources and Community Safety	
<b>Lead Officer</b>	Deborah Collins, Strategic Director of Environment and Leisure	
<b>Report Author</b>	Jonathon Toy, Head of Community Safety and Enforcement, Environment and Leisure	
<b>Version</b>	Final	
<b>Dated</b>	28 November 2013	
<b>Key decision ?</b>	No	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer title</b>	<b>Comments Sought</b>	<b>Comments Included</b>
Director of Legal Services	Yes	Yes
Strategic Director of Finance and Corporate Services	Yes	Yes
YOS Service Manager	Yes	Yes
Assistant Director Strategy and Support Children'	Yes	Yes
Supt Partnerships – MPS Southwark	Yes	Yes
<b>Cabinet Member</b>	Yes	Yes
<b>Date final report sent to Constitutional Team</b>		28 November 2013

<b>Item No.</b> 16.	<b>Classification:</b> Open	<b>Date:</b> 10 December 2013	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Community Infrastructure Levy (CIL) Revised Draft Charging Schedule	
<b>Ward(s) or groups affected:</b>		All	
<b>Cabinet Member:</b>		Councillor Fiona Colley, Regeneration and Corporate Strategy	

## **FOREWORD - COUNCILLOR FIONA COLLEY, CABINET MEMBER FOR REGENERATION AND CORPORATE STRATEGY**

We consulted on our draft community infrastructure levy earlier this year and received a wide range of responses. Many of these raised concerns that our proposed CIL rates would have an impact on the amount of affordable housing provided in developments. We have listened to these concerns and propose to reduce our rates for residential homes in Zone 2 which incorporates several of our key regeneration areas including Elephant and Castle, Canada Water and Bermondsey. While we anticipate that this will reduce CIL funding generated in these areas, this needs to be balanced against our priority of securing 35% affordable housing with new development and supporting the ongoing regeneration of the borough. We have also listened to concerns around student housing and propose to allow a nil charge where student homes are provided by universities at low rents. In areas such as Camberwell, Elephant and Castle and Canada Water universities are playing an important part in regeneration and the CIL charges support this.

It is important that we adopt a CIL before April 2015, when the use of section 106 planning obligations will become more restricted. We will consult on our revised draft CIL over the next 3 months, review all the responses we receive and submit it to the Planning Inspectorate for an examination-in-public. We aim to adopt the CIL by autumn 2014.

## **RECOMMENDATIONS**

That cabinet

1. Agrees to publish and invite representations on the community infrastructure levy (CIL) revised draft charging schedule (Appendix A) and the draft "Regulation 123 List" (the list of infrastructure items which will not be funded by section 106 planning obligations, once CIL has been adopted) (Appendix B).
2. Notes the draft infrastructure delivery plan (Appendix C), the equalities analysis (Appendix D), the consultation plan (Appendix E), the consultation report (Appendix F) and house price heat map (Appendix G).
3. Approves the submission of the community infrastructure levy (CIL) revised draft charging schedule to the Planning Inspectorate for an examination-in-public, provided no substantive changes are necessary following consultation.
4. Delegates the approval of any minor amendments resulting from consultation on the community infrastructure levy (CIL) revised draft charging schedule and the

draft "Regulation 123 List" to the director of planning in consultation with the cabinet member for regeneration and corporate strategy.

## **BACKGROUND INFORMATION**

### **CIL**

5. The Community Infrastructure Levy (CIL) is a levy that local authorities can choose to charge on new developments in their area. The money can be used to support development by funding infrastructure that the council, local community and neighbourhoods want. Infrastructure is defined in the CIL Regulations to include: roads and other transport facilities, flood defences, schools and other educational facilities, medical facilities, sporting and recreational facilities and open spaces. The benefits are increased certainty for the funding and delivery of infrastructure, increased certainty for developers and increased transparency for local people.
6. If intending to apply the levy, councils (which are designated as "charging authorities") must produce a document called a charging schedule (Appendix A) which sets out the rate for their levy. These rates must be supported by an evidence base including:
  - An up-to-date development plan
  - The area's infrastructure needs
  - An overall assessment of the economic viability of new development
7. Once adopted, the levy is a compulsory charge levied on most new developments that involve an increase of 100sqm or more of additional floorspace or that involve the creation of a new residential unit. The charging authority can set one standard rate or it can set specific rates for different areas and types of development..
8. Some developments are exempt from paying the levy. These are developments of affordable housing and developments by charities of buildings used for charitable purposes.
9. It should be noted that in London's case, the Mayor is also a charging authority. The Mayor has introduced a CIL to fund Crossrail. The Mayor's levy is £35 per square metre, with a limited number of exceptions. Southwark collects this levy on behalf of the Mayor.

### **Section 106 Planning Obligations**

10. In the future, Section 106 planning obligations will continue to be used, but will have a much more restricted role. Once a CIL has been adopted or by April 2015 (whichever is the sooner) local authorities will not be able to pool more than 5 separate planning obligations to pay for one item of infrastructure. The intention of the CIL Regulations is that section 106 planning obligations should mainly be used to secure site specific infrastructure which is needed to directly mitigate the impact of development. Examples might include an access road needed to make the development acceptable or public realm improvements around the site. This restriction will make it very difficult for the council to apply the standard charges in the existing s106 Planning Obligations SPD which are based on the principle of pooling funding. If the council does not introduce a CIL by April 2015 it will potentially lose a significant amount of funding that is needed to contribute to

strategic infrastructure which is required to promote growth and development in its area.

11. Affordable housing will continue to be secured through s106 planning obligations.
12. The council is revising its Section 106 Planning Obligations SPD in 2013 and plans to consult on the SPD concurrently with the revised draft CIL charging schedule (see separate agenda item on the draft Section 106 Planning Obligations/Community Infrastructure Levy SPD). The revised SPD will supersede the existing Section 106 Planning Obligations SPD and provides detailed guidance on the use of planning obligations alongside CIL.

#### Process for preparing a CIL

13. The process for preparing a CIL involves a number of stages which are identified below:
  - i. Consultation on a preliminary draft charging schedule (this is the first CIL document the council consulted on. Southwark consulted on the preliminary draft CIL between July and October 2012).
  - ii. Consultation on a draft charging schedule (the council consulted on Southwark's draft CIL between February and April 2013).
  - iii. Submission of the draft charging schedule to the planning inspectorate, consultation on any post-submission modifications and examination-in-public.
  - iv. Receipt of the inspector's report and adoption of CIL.
14. As is noted above, the council consulted on a draft CIL (stage ii) between February and April 2013. The methodology and practice of preparing a CIL are still evolving and there have been some changes in requirements since the council consulted on the draft. In December 2012 the government published new statutory guidance and this was updated again in April 2013.
15. Representations, including from the GLA, raised concerns that Southwark's evidence did not meet revised tests needed to justify CIL charges. The council therefore decided to undertake further viability work to test the impact of CIL charges. In the light of this further work, officers are recommending some changes to the draft CIL which require a re-consultation on the CIL charging schedule (i.e. re-consultation at stage ii above on a revised draft charging schedule).

#### Infrastructure planning

16. In conjunction with preparing a CIL charging schedule, authorities should also prepare an infrastructure plan setting out strategic infrastructure required to support growth over the period of the council's local plan (in Southwark's case the core strategy period of 2011-2026). Southwark's draft infrastructure plan is set out in Appendix C. The infrastructure plan is part of the evidence base needed to help justify levying a CIL. The infrastructure set out in the infrastructure plan is not an exhaustive list. It is intended to be a living document which can be updated regularly. Omission of infrastructure items from the list would not preclude such items being funded in the future through CIL. Nor does the infrastructure plan commit the council to spending the amounts set out in the plan.



17. A key principle of CIL is that after CIL is adopted authorities should not be spending both CIL and s106 planning obligations on the same item of infrastructure. The new government guidance requires authorities to be clearer about those items which will not be funded by section 106 planning obligations and set these out in a list (Appendix B). This is called a Regulation 123 list (which refers to Regulation 123 of the CIL Regulations 2010). After CIL has been adopted, the Regulation 123 List can be amended, subject to appropriate local consultation.
18. Because the purpose of CIL is to support growth rather than mitigate impacts of specific developments, it can be used more strategically than section 106 contributions. A protocol for governing expenditure will be prepared in due course.
19. Under the Localism Act, the council must identify a 'meaningful proportion' of Southwark CIL that will be spent in the local area to ensure that those people affected by development see some of the benefit. The government has confirmed that the "meaningful proportion" will comprise 25% of CIL funding in areas where there is an adopted neighbourhood plan in place and 15% elsewhere. The draft section 106 Planning Obligations/CIL SPD explains how this would be implemented in Southwark. Southwark will aim to spend at least 25% in all areas of the borough. Funding would be allocated to projects on the community infrastructure project list (CIPL) which is based on a recently revised project bank list. This would be updated every year with consultation with the community councils and planning committee to ensure it reflects local needs.
20. Following this round of consultation on the revised draft charging schedule, it is anticipated that the document will be submitted to the Planning Inspectorate for an examination in public in early summer 2014. Subject to receiving a favorable report from the planning inspector, the council expects to adopt the CIL charging schedule in autumn 2014.

### **Consultation**

21. The Community Infrastructure Levy Regulations 2010 (as amended) and our Statement of Community Involvement (SCI) 2007 set out consultation requirements for planning documents.
22. In compliance with the SCI, the council consulted on the preliminary draft charging schedule for a period of 14 weeks, which included 6 weeks of formal consultation between 5 September and 17 October 2012. A second round of consultation was then held on the draft CIL schedule for a period of 8 weeks including a formal period of consultation of 6 weeks between 20 February and 3 April 2013. At both stages of consultation, as well as making the document available on the web and in local libraries, the council notified around 3,000 consultees in the Planning Policy database. Both the preliminary draft and draft CIL were publicised at the community councils and an event was held on 19 September 2012 with developers to raise awareness about CIL.
23. In response to consultation on the draft CIL 162 representations were made. The main areas of concern are summarised below:

**GLA**

- Concerns are raised about the viability of the council's proposed rates and the evidence which justified them. Also queried how the CIL government guidance has been taken into account.

**Developers/landowners/members of the public**

- The evidence needs to set out how the council has had regard to the various requirements and provisions contained in the government's statutory guidance document i.e. 'Community Infrastructure Levy: Guidance' (December 2012 and April 2013).
- The council has not provided evidence that considers proposed CIL rates against amounts of section 106 contributions raised in recent years through Section 106 Agreements and the extent to which affordable housing and other policy targets (e.g. housing supply) have been met, in line with the governments statutory guidance.
- Need to explain further how the draft CIL Charging Schedule accords with the National Planning Policy Framework (NPPF). In particular paragraphs 173 and 175 of the NPPF which explain that obligations and policy burdens on development should not threaten viability/deliverability and that CIL should be tested alongside the Local Plan. The evidence needs to be able to conclude that the proposed rates will be viable for the sufficient number and type of developments upon which the Local Plan relies i.e. strategic sites, over the course of the plan period.
- Concerns expressed over the overall viability of development, given the imposition of CIL alongside mayoral CIL, residual S106 requirements and affordable housing obligations
- The assumptions used in the site viability appraisals, such as the figures used for the benchmark land values, build costs, the premiums, profit margins, professional fees, sales values and the level of the section 106 costs were questioned. There appears to be no analysis or consideration of current market conditions and market values across different property uses and across the borough. Further explanation on the rationale for the inputs into the appraisals should be included in the study to allow further scrutiny.
- There is a blanket approach to risk. The site viability appraisals do not factor in the commercial and financial barriers in bringing forward larger strategic sites.
- The proposed residential CIL rates are considered disproportionately high relative to average residential sales values when compared with similar central London boroughs. This will impact upon development delivery. More comparison is needed on sales values achieved.
- The viability evidence to support the distinction between the retail differential CIL rates is insufficient. The retail site appraisals do not factor in high land assembly costs and the proposed rates should be zoned based on viability throughout the borough.
- The proposed student accommodation CIL rate is set too high and should not be comparable to private sector housing. The analysis of student accommodation is inadequate. The viability evidence assumes all schemes with subsidised rent will be developed where university is majority landowner and therefore are CIL exempt. Student accommodation provided by universities should qualify for relief from CIL, even if they are not the majority landowner.

- The proposed rate for offices and for “other uses” is not justified by evidence. Facilities provided by the police and fire brigade should be nil rated.
- Further justification is needed to show there is a sufficient buffer between the maximum CIL rate and the proposed CIL rate to ensure the rates are not set at the margins of viability.
- Further explanation is required on the proposed charging zones and the evidence which supports this.
- The council should consider introducing an exceptional circumstances relief policy to avoid threatening the delivery of the Core Strategy.
- There should be clear guidance set out as to what will still be charged through Section 106 agreements for clarity and to ensure that there is no double or triple dipping.

24. A table of all comments received and the council's responses is provided in the consultation report in Appendix F. The council is now proposing to re-consult on the revised draft charging schedule over a period of 12 weeks, including a 6 week period of formal consultation between 14 January 2014 and 25 February 2014. This complies with the statutory timeframe set out in the CIL Regulations, as well as the SCI. The council will make the document available on the web and in local libraries, place an advertisement in the press and notify consultees in the Planning Policy mailing list. A detailed consultation plan is provided in Appendix E.

#### **KEY ISSUES FOR CONSIDERATION**

25. The CIL regulations specify that in setting their levies charging authorities must strike a balance between the desirability of securing funding for infrastructure and the potential impacts of charging a CIL on the economic viability of development across their areas. Levies must also take into account the requirement to pay the Mayoral CIL and should also consider impacts on planning policies, including the requirement to provide affordable housing.
26. As is noted above, in December 2012 the government published new statutory guidance and this was updated again in April 2013. The new guidance places more emphasis on the need to demonstrate that residual section 106 requirements have been rigorously justified and taken into account and the need to ensure that proposed CIL levies are generally below that maximum CIL levies that could be charged. While there is no guidance on what this buffer should be, inspectors have suggested that CIL charges which are 20% or 30% less than the maximum that could be charged are acceptable and allow for sufficient flexibility and variation in circumstances.
27. A summary of the proposed changes included in the revised draft charging schedule are below.
- Residential zone 1: maintain the £400 per square metre charge but move the eastern boundary to include Shad Thames.
  - Residential zone 2: delete this zone by splitting it between zone 1 and the zone which includes Canada Water, Bermondsey and Elephant and Castle.
  - Residential zone 3: change to 'zone 2' and reduce the charge from £250 per square metre to £200 per square metre.
  - Residential zone 4: change to 'zone 3' and maintain the charge at £50 per square metre.

- Student housing: Reduce the charge from £250 per square metre to £100 per square metre in the case of direct-let rent schemes and £0 for nomination rent schemes (see paragraph 34 below for an explanation of these terms).
- Office: maintain at £70 per sqm.
- Retail: maintain the differential rates of £250 per square metre and £125 per square metre but exclude town centre car parks.
- Health and education: maintain at £0 per square metre.
- All other uses: maintain at £30 per square metre.

#### Further details

28. In the light of the further viability testing officers are recommending that the number of residential CIL zones be reduced from four to three. Zone 2 (Tower Bridge Road to Rotherhithe village) is deleted and split between zone 1 (Bankside, Borough and London Bridge north of Union Street and Snowfields) and the zone which includes Canada Water, Bermondsey and Elephant and Castle). The change reflects the fact that there is a significant drop in residential land values east of Shad Thames. The zone 1 CIL residential rate of £400 per square metre could compromise the amount of affordable housing which can be provided in areas to the east of Shad Thames.
29. Officers are recommending maintaining the charge of £400 per square metre in the revised zone 1. There are generally few residential developments in this zone and those which have been built recently or are under construction are generating residential values which are significantly higher than elsewhere in the borough. These differences in land values are starkly represented on a “heat map” of house prices across the borough (see appendix G).
30. It is recommended that the charge for the revised zone 2 (which includes Elephant and Castle, Bermondsey Spa, Canada Water, Camberwell, Nunhead, East Dulwich and Dulwich) is reduced from £250 per square metre to £200 per square metre. Most homes in the borough which are expected to be built over the next 20 years are in this zone and therefore a reduction in CIL in this zone will reduce funding available for infrastructure. Officers have estimated that this reduction would be in the region of £1.5m per year across the borough. The charge is lower than the tariff agreed in the Elephant and Castle SPD and will reduce the amount of CIL generated in the Elephant and Castle opportunity area by around £5m over the period leading up to 2031.
31. However, the benefit of generating funding for infrastructure needs to be balanced against the imperative of continuing the supply of new homes and creating affordable housing, which are key objectives of the Core Strategy. The reduction is recommended as a result of the fact that the expectation about the amount of section 106 planning obligations which will be negotiated has been increased (we previously estimated £1000 per home and have raised that to £1,500 per home) and the need to comply with new government guidance which stresses that CIL should not stretch economic viability to the limit.
32. No changes are proposed to the £50 per square metre CIL charge in new zone 3 (Aylesbury estate, Burgess Park, Peckham and Old Kent Road).
33. These revised CIL rates for residential development are comparable with neighboring boroughs which have published rates. Lambeth is proposing

charges of £265/£150/£50; the City is proposing £150/£95; Tower Hamlets is proposing £200/£65/£35. Wandsworth has adopted a CIL of £250 p/sqm across the borough, with a £575 p/sqm charge in Vauxhall and Nine Elms (which has a much lower affordable housing requirement than Southwark).

34. With regard to student housing, the council previously proposed a charge of £250 per sqm. However, officers are proposing to amend this. The council has carried out a number of further appraisals of student housing schemes. These show that there are generally two types of student housing schemes: those run by universities or run by the private sector tied to a university and offering lower rents (these are called “nomination” schemes) and those run by the private sector charging higher rents (“direct let” schemes). In the developments appraised, the nomination schemes generally charge rents of between £85-£168 per week and direct let schemes charge around £229-£449 per week. The appraisals show that the nomination schemes are likely to require cross-subsidy from universities to make them viable. None could provide 35% affordable housing, which is a requirement of the Core Strategy, and CIL. On the other hand, the direct let schemes appraised are generally viable and can afford to provide affordable housing and CIL.
35. Where universities own land on which development is located they can use their charitable status to gain exemption from paying CIL. However, concern has been raised that universities do not always own land on which their developments are located and in those circumstances will be liable to pay CIL. The council is therefore proposing to amend the CIL charging schedule by defining the two types of student accommodation. A nil charge is proposed for nomination schemes and a CIL of £100 per square metre for direct let schemes. All of the direct let schemes appraised could afford that charge. To benefit from the nil charge, universities would need to enter into a section 106 agreement with the council to tie rents to a maximum of £168 per week, over a period of at least 7 years (7 years is the relevant period for securing charitable relief from CIL). CIL rates of £0/£100 per square metre are lower than rates proposed by other boroughs. However, this is compensated for by the fact that Southwark is the only borough which requires student developments to provide affordable housing. Securing affordable housing is a key objective in the Core Strategy and for that reason needs to be prioritised above CIL.
36. The council is not proposing to change the charges for hotels. The charge for hotels is varied between the north of the borough (north of Union Street) and the remainder of the borough. This reflects differences in viability which in turn is borne out by the geographic concentration of hotel development in recent years.
37. The council is proposing to maintain the charge for office space in CIL zone 1 at £70 p/sqm. Office rents in the borough’s prime office locations have been rising over the last 12 months and office schemes in zone 1 should be able to absorb Southwark’s CIL, as well as the Mayor’s Crossrail s106 which is also payable. Outside CIL zone 1, the appraisals suggested that office developments outside the CIL zone 1 are largely unviable at current values. Similarly, the appraisals suggested that industrial and warehousing developments are largely unviable and therefore a CIL levy of £0 p/sqm for these uses is maintained.
38. Most boroughs have differentiated rates for office space. The charge proposed in zone 1 in Southwark is similar to the rates proposed by other boroughs in their main office areas. These include: Lambeth (£125); the City (£75); Tower Hamlets (£120/£60); Wandsworth (£100) and Croydon (£120).

39. No changes are proposed to the retail charges of £250 p/sqm for supermarkets and shopping centres which have on-site parking facilities and £125 for all other retail space. The higher charge for supermarkets and shopping centre is justified on the basis of increased viability of these types of development. Concerns were expressed that the council had not sufficiently tested the viability of building covered car parks which, where they are part of a retail development, would attract a retail charge. Officers recommend setting a nil charge for parking where it is made available to all users of a town centre.
40. No changes are proposed to the nil charge proposed for public libraries, health or education uses and the charge for all other uses is maintained at £30 per square metre. Most development in the “other uses” category, such as cinemas, bingo halls, sports facilities etc, replace existing space and provided the existing space had been in use, would not be CIL liable. Where some additional floorspace is provided, the appraisals suggest that a modest levy would not impact significantly on viability.
41. The proposed reduction in the CIL rate in new zone 2, from £250 per square metre to £200 per square metre will reduce CIL revenues by about £1.5m per annum. Nevertheless, using the council’s development capacity assessment, it is estimated that CIL could generate around £7m-£8m per year (at today’s prices). The council has made an assessment of infrastructure required to support growth over this period. Sources of committed funding to support infrastructure have also been identified. Inevitably, there is more certainty over funding sources for projects to be delivered in the short term and much less certainty over mid and longer term projects. The infrastructure plan is a living document and can be updated regularly. CIL would play an important role in contributing to the infrastructure requirement, although would not be sufficient to cover the cost entirely and the council will continue to need to explore other sources of funding to deliver all the infrastructure set out in the infrastructure plan. The CIL regulations allow up to 5% of CIL generated to be used to monitor and administer the charge. As with s106 planning obligations, once the CIL is brought into effect the council will monitor funding generated and publish regular monitoring reports on the website.
42. Statutory guidance issued by the government in December 2012 indicates that authorities should also make available a draft list of infrastructure items that in the future will not be funded by section 106 planning obligations (the Regulation 123 list). These are items which could be funded or part funded by CIL. Projects not referred to on list could be funded by either CIL or planning obligations. However, it is anticipated that s106 planning obligations would only be used to pay for site specific infrastructure, such as an access road, improvements to the public realm around the site or instances where a developer were not able to meet planning policy requirements for on-site infrastructure, such as children’s play space or amenity space. The government’s December 2012 CIL guidance advises that authorities should be as clear as possible about what will be funded by CIL to avoid a scenario where a developer is charged twice for the same piece of infrastructure, once through CIL and again through s106 obligations.
43. Overall it is considered that the levies set out in the revised charging schedule represent an appropriate balance between generating funding to secure provision of infrastructure and ensuring that CIL does not put development and regeneration in the borough at risk.

### **Community impact statement**

44. An equalities analysis was undertaken as part of the preparation of the CIL preliminary draft charging schedule. This has been updated to reflect the changes proposed in the draft schedule. The equalities analysis considered the potential impacts arising as a result of the boundaries of the charging zones and the different levels of charge that would be applicable to different types of development within these zones. In accordance with the Equality Act 2010, the analysis considers the potential impacts of the charging schedule on those groups identified within the Act as having protected characteristics. The main issues are summarised below.
45. The range of CIL charges proposed and the boundaries of the charging zones are considered to give rise to limited impacts on the individual groups that are identified in the Equality Act. The imposition of a CIL charge could have potential impacts on small businesses in some parts of the borough, which could impact on a range of groups including BME communities. We propose to adopt a nil charge for office floorspace in all areas except for the commercial areas adjoining the river. As well as benefitting new businesses directly, this approach will ensure that CIL does not act as a barrier to job creation or as a disincentive to provide local services, which are important to those with reduced mobility, such as older people, disabled people and those who are pregnant or have young children.
46. While the nil charge for small shops was deleted, the testing of sites showed that a modest charge, which is comparable to charges in the section 106 Planning Obligations SPD, would not impede such development.
47. There is a small risk that CIL will drive up values which will make it harder to access housing which is affordable. However, the proposed charging schedule has been informed by viability appraisals and the level of CIL reflects existing values and is not reliant on any increase in values. The reduction in CIL residential rates from £250 to £200 and the fact that we have also set the level of CIL significantly below the maximum level which could be charged will help mitigate impacts on land values.
48. The proposed lower tariff in the centre of the borough acknowledges the need for new and improved infrastructure, but also aims to ensure that CIL does not hinder regeneration attempts, for instance in Peckham and at the Aylesbury Estate. Ultimately, CIL is a mechanism intended to raise money to fund infrastructure that will contribute to sustainable development in the borough. In this sense, the adoption of CIL should have an overall positive impact on the various equalities groups. More specific impacts may arise depending on the types of infrastructure that are ultimately funded through CIL, but such issues are not broached as part of the charging schedule and will be considered in due course in the context of decisions concerning expenditure.

### **Sustainability appraisal**

49. The Core Strategy 2011 was subject to a sustainability appraisal incorporating a strategic environmental assessment to ensure that principles of sustainable development were thoroughly considered. The Southwark CIL is an extension of the spatial vision and policies set out in the Core Strategy and should not raise additional implications for sustainable development objectives which have not been previously considered. CLG guidance on Charge setting and charging

schedule procedures, April 2013, states that because CILs are short financial documents, separate sustainability appraisal for CILs is not required.

### **Financial implications**

50. In the first year of operation a Southwark CIL it is estimated to secure £7-8m, which is broadly comparable to the non-affordable housing S106 income for 2011. There is a time delay in securing either S106 or CIL actual income, but CIL will replace the majority of S106 income over time. CIL income is expected to increase overtime as house prices and viability improves.
51. The expenditure of CIL income is far less restrictive than S106 funding and allows the council to apply it for infrastructure that supports growth in the borough. The proposed Southwark CIL is a direct response to previous changes in legalisation prevent using S106 tariffs (such as the current S106 toolkit and E&C tariff) from April 2014.
52. This report proposes a reduction in the CIL charge for the zone which includes Elephant and Castle, Canada Water and Bermondsey. As is noted in paragraphs 30 and 41 above, it is estimated that this would result in a reduction in CIL funds of approximately £1.5m per year across the borough. The revised charge is lower than the tariff agreed in the Elephant and Castle SPD and will reduce the amount of CIL generated in the Elephant and Castle opportunity area by around £5m over the period leading up to 2031. However, the reduction in CIL funds need to be balanced against the overall benefits of continuing to secure the supply of new housing, including affordable housing.
53. Costs associated with both managing, monitoring and establishing Southwark CIL can be recouped from up to 5% of any CIL income.

### **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

#### **Director of Legal Services**

##### Background to CIL

54. The Planning Act 2008 ('PA 2008') introduced a discretionary planning charge known as the Community Infrastructure Levy ('CIL'). The statutory framework for CIL is set out in sections 205-225 and further detail is provided under a number of regulations, most notably, the Community Infrastructure Regulations 2010 ('CIL Regulations'). In December 2012, the Secretary of State also issued statutory guidance under section 221 of the PA 2008 entitled "Community Infrastructure Levy: Guidance". The Guidance is relevant to draft charging schedules which at the date of publication had not been submitted for examination.
55. CIL is a charge paid by owners and developers on new buildings over a certain size. The charge is designed to help fund local infrastructure as identified in a local planning authority's development plan and can only be spent on 'infrastructure'. Infrastructure is defined in section 216 of the PA 2008 as including a wide range of facilities such as roads/transport facilities, open space and schools. It does not currently include affordable housing.
56. CIL is payable to a 'charging authority' which in London includes London Boroughs. If the council intends to apply the levy, it must prepare a charging



schedule that sets out the CIL rates in their area (*section 211(1) of the PA 2008*). The charging schedule becomes part of the Local Development Framework (i.e. the planning documents taken into account in making planning decisions). The charging schedule sets out the rates for CIL in the council's area and the rate must be expressed as pounds per square metre of development (*regulation 12(2)(b) of the CIL Regulations*). The charge is levied on the net internal area of development (*regulation 40(5) of the CIL Regulations*). By virtue of *regulation 13 of the CIL Regulations*, charging authorities are able to charge different rates either on a geographical basis or by reference to the intended use of the development but subject to justification with reference to the overall viability of development within their areas. The Guidance clarifies that charging authorities do not have to base rates' on different use classes (albeit that may be a useful reference). There is currently no power to charge rates based on the uplift in land values caused by the grant of planning permission.

57. Section 211 of the PA 2008 deals with the crucial matter of what should inform preparation of charging schedules. The charging schedule must take into account all of the following considerations:-
- a. The total cost of infrastructure requiring funding from CIL;
  - b. other sources of funding available; and
  - c. the potential effect of CIL on the viability of development of the area.

To that end, the schedule must be informed by 'appropriate available evidence' regarding viability (*section 211(7A) of the PA 2008*). The legislation thus seeks to ensure that charging schedules are not merely a list of infrastructure items needed to support development, but are the result of balancing the desirability of funding infrastructure from CIL against the potential effects of the charge on the economic viability of development (regulation 14 of CIL 2010). The regulations set out other costs to be factored in, such as administrative expenses and Mayoral CIL. Indeed, the council's viability study methodology factors in Mayoral CIL, the provision of affordable housing and other relevant financial requirements.

58. Government guidance stresses the desirability of evidence on infrastructure needs being drawn directly from the infrastructure planning that underpins their development plans. If the development plan infrastructure planning is weak or needs updating, the guidance suggests that the charging authority 'undertake some additional bespoke infrastructure planning to identify its infrastructure funding gap. This work may be limited to those projects requiring funding from CIL, rather than covering all the potential infrastructure projects for the area'. In order to demonstrate the soundness of the infrastructure planning that underpins their charging schedules, several charging authorities have published 'infrastructure plans' or similar documents. Although not specified in the legislation, such evidence is necessary to discharge the statutory requirement of weighing viability with infrastructure need and to be accepted by the independent examiner who eventually approves the charging schedule for adoption.
59. The Infrastructure Plan is based on the infrastructure needs identified by the council with reference to a professional viability appraisal as to the impact of CIL on development in the council's area. The viability study supports the terms and rates on which the levy has been prepared. Moreover, the council has up to date local development plan documents that underpins and informs the Infrastructure Plan.

60. There is no legislation on how long a charging schedule should apply once adopted. Nor is there any duty in the PA 2008 or the CIL Regulations for the schedule to be reviewed. However, guidance strongly encourages charging authorities to keep their charging schedule and Regulation 123 lists under review. Should the charging schedule be reviewed, the charging authority must follow the same process of consultation, examination and approval as for the initial schedule.
61. In view of the need to keep development viability and indeed infrastructure provision up to date over the charging schedule's lifetime until 2023, it is advisable for the council to monitor and review the charging schedule at appropriate intervals, probably as part of the Authority's Monitoring Report.

#### Relationship with section 106 Agreements

62. Regulation 122 and 123 impose limitations on the use of planning obligations, such that "a planning obligation may not constitute a reason for granting planning permission for the development to the extent that the obligation provides for the funding or provision of relevant infrastructure". Effectively, where a charging authority has published a list of infrastructure projects that it intends to fund through CIL, such projects cannot be funded by way of planning obligations. The language of the regulation implies the production of a Regulation 123 List is a matter for the charging authority's discretion. However, the guidance (paragraphs 86-91) strongly suggests that a charging authority should submit a Regulation 123 List along with its draft charging schedule. Accordingly, it is noted that as well as preparing an up to date Infrastructure Plan that identifies a non-exhaustive list of infrastructure intended to be funded by CIL, the council has also prepared a Regulation 123 List for submission with its draft charging schedule. Notwithstanding this list, it is noted that where site specific considerations or particular policy planning requires additional mitigation, such items will not constitute strategic infrastructure.
63. CIL does not completely replace section 106 agreements. Where an authority introduces CIL they cannot use section 106 agreements to deal with the same infrastructure requirements set out in the levy; they would however be able to use section 106 agreements in relation to site specific matters directly related to the development. CIL does not cover affordable housing and therefore this will also continue to be secured through section 106 agreements. Authorities that do not introduce CIL can still use section 106 agreements to fund site-specific infrastructure - but after a specified date they will not be able to combine more than five separate contributions towards a common piece of infrastructure (regulation 123 of the CIL Regulations).

#### Consultation on Preliminary Charging Schedule

64. The council has consulted on its proposed CIL rates and its draft charging schedule (pursuant to section 211(7) of the PA 2008 and regulation 15 of the CIL Regulations). The council now intends to re-consult on its draft charging schedule as a result of changes that have been made.
65. In addition, the council continues to have regard to the general duty - introduced by section 110 of the Localism Act 2011 (by way of amendment to Planning and Compulsory Purchase Act 2004) - to cooperate with other prescribed bodies in respect of strategic planning matters which may impact sustainable development.

66. After the consultation procedure has been completed, the council intends to submit its draft charging schedule for examination. The independent examiner will hear representations and pursuant to section 212A(2) of the PA 2008 will either approve the charging schedule, approve it with modifications or reject it.
67. The CIL Regulations require a period of 4 weeks for representations, however, the guidance emphasises that 6 weeks is good practice. The council ordinarily allows for 6 weeks of formal consultation on planning related documents under its Statement of Community Involvement. Whilst the SCI does not deal specifically with CIL, given that the charging schedule will form part of the Local Development Framework, similar standards are advisable. Accordingly, the draft charging schedule will be published for 6 weeks during which representations can be made.

#### Equality impact assessment

68. The Equality Act 2010 introduced a single public sector equality duty (PSED). This duty requires the council to have due regard in our decision making processes to the need to:
- (a) Eliminate discrimination, harassment, victimisation or other prohibited conduct;
  - (b) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not;
  - (c) Foster good relations between those who share a relevant characteristic and those that do not share it.

The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. The PSED also applies to marriage and civil partnership, but only in relation to (a) above.

69. The council has discretion as to whom it wishes to consult regarding the preliminary draft charging schedule. The council proposes consulting a broad range of groups and has made every effort to be inclusive. Therefore, the statutory equalities duties are satisfied.
70. CIL has the potential to impact unequally on persons having one or more protected characteristic. The council will need to monitor the impact of CIL. Although there will not be any effective method of analysing the characteristics of persons paying CIL, the overall effect will be evident.
71. There has been compliance with the council's Approach to Equalities as well as the public sector equality duty as contained within section 149 of the Equality Act 2010. All six equality strands have been duly considered and assessed, this is evidenced in the Equalities Assessment (EA).

## Human Rights Considerations

72. CIL potentially engages certain human rights under the Human Rights Act 1998 ('the HRA'). The HRA prohibits unlawful interference by public bodies with conventions rights. The term 'engage' simply means that human rights may be affected or relevant. In the case of CIL, a number of rights are potentially engaged: -
- **The right to a fair trial (Article 6)** – giving rise to the need to ensure proper consultation and effective engagement of the public in the process;
  - **The right to respect for private and family life (Article 8)** – for instance the setting of CIL tariffs could impact on viability of housing provision or re-provision. Other considerations may include impacts on amenities or the quality of life of individuals based on CIL being too prohibitive;
  - **Article 1, Protocol 1 (Protection of Property)** – this right prohibits interference with individuals' right to peaceful enjoyment of existing and future property / homes. It could be engaged, for instance, if CIL makes future development unviable;
  - **Part II Protocol 1 Article 2 Right to Education** – this is an absolute right enshrining the rights of parents' to ensure that their children are not denied suitable education. This will be a relevant consideration in terms of ensuring sufficient educational infrastructure is funded by CIL.
73. It is important to note that few rights are absolute in the sense that they cannot be interfered with under any circumstances. 'Qualified' rights (including Article 6, Article 8 and Protocol 1) can be interfered with or limited in certain circumstances. The extent of legitimate interference is subject to the principle of proportionality whereby a balance must be struck between the legitimate aims to be achieved by a local planning authority in the policy making process against potential interference with individual human rights.
74. Before making their decision members are advised to have regard to human rights considerations and strive to strike a fair balance between the legitimate aims of setting CIL for the benefit of the community against potential interference with individual rights.
75. At this stage it is not considered that the proposal to consult on or implement CIL would constitute unlawful interference with human rights. Indeed, CIL has the legitimate aim of securing the infrastructure necessary for development growth provided for in the development plan and mitigation of its impacts.

## Decision-making

76. The legislation on CIL does not prescribe decision making in respect of a charging schedule. The only relevant requirement within the PA 2008 is that the charging schedule, once approved by the Examiner, should be approved by a resolution of the full council of the charging authority (*section 213(2) of the PA 2008*).
77. As noted earlier, CIL is to be a part of the Local Development Framework and can be considered analogous to other LDF documents such as Development Plan Documents (DPDs). Under Part 3(C) of the Constitution, the Cabinet collectively has responsibility for the council's policy framework (function 3), its finances (function 7) and approval of preferred options (effectively advanced

drafts of) development plan documents (function 20). In any event, Cabinet has power to carry out all of the local authority's functions which are not the responsibility of any other part of the council.

78. Therefore, it is considered appropriate to follow the decision making pattern used for DPDs and similar documents. It is recommended that members of Cabinet may collectively approve the draft charging schedule for publication and submission to an examiner having regard to the contents of this report and the accompanying documents.

#### **Strategic Director of Finance and Corporate Services (FC13/081)**

79. The strategic director of finance and corporate services notes the recommendations in this report and the financial implications in paragraphs 50 to 53.
80. Currently, the council uses standard charges set out in its s106 Planning Obligations SPD to pool contributions for infrastructure such as new schools places, strategic transport infrastructure, open space, leisure facilities and health facilities. However, from the introduction of a CIL Charging Schedule the council will not be able to pool obligations to fund a single item of infrastructure.
81. The use of s106 funding has been forecast in the council's 10 year capital programme, using existing balances and new funds anticipated from future agreements. Use of CIL as a potential funding source for capital schemes was outlined in a report considered by cabinet on 17 July 2012. The capital programme will be subject to future refresh and depending on the final charging schedule for CIL this may be used to support appropriate capital programme schemes.
82. The income projections outlined in this report are indicative only and a full financial analysis of projected costs and income streams attributable to the operation of the levy should be undertaken prior to its formal introduction, and kept under review as part of normal budget and resource monitoring.
83. Officer time to effect the recommendations will be contained within existing budgeted revenue resources and any significant additional costs from any specific proposals arising from the consultation or any queries will be subject to the council's usual approval arrangements.

**BACKGROUND DOCUMENTS**

<b>Background paper</b>	<b>Held at</b>	<b>Contact</b>
Southwark Statement of Community Involvement 2008	160 Tooley Street London SE1 2QH	Sandra Warren 020 7525 5471
<b>Link</b> <a href="http://www.southwark.gov.uk/info/856/planning_policy/1238/statement_of_community_involvement_sci">http://www.southwark.gov.uk/info/856/planning_policy/1238/statement_of_community_involvement_sci</a>		
Saved Southwark Plan 2007	160 Tooley Street London SE1 2QH	Sandra Warren 020 7525 5471
<b>Link</b> <a href="http://www.southwark.gov.uk/info/856/planning_policy/1241/the_southwark_plan">http://www.southwark.gov.uk/info/856/planning_policy/1241/the_southwark_plan</a>		
The Core Strategy 2011	160 Tooley Street London SE1 2QH	Sandra Warren 020 7525 5471
<b>Link</b> <a href="http://www.southwark.gov.uk/info/200210/core_strategy">http://www.southwark.gov.uk/info/200210/core_strategy</a>		

**APPENDICES**

<b>No.</b>	<b>Title</b>
Appendix A	Community infrastructure levy (CIL) revised draft charging schedule (available with the report)
Appendix B	Draft Regulation 123 list (available with the report )
Appendix C	Infrastructure Plan (available on the website)
<b>Link</b> <a href="http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=4553&amp;Ver=4">http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=4553&amp;Ver=4</a>	
Appendix D	Equalities Analysis (available on the website)
<b>Link</b> <a href="http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=4553&amp;Ver=4">http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=4553&amp;Ver=4</a>	
Appendix E	Consultation Plan (available on the website)
<b>Link</b> <a href="http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=4553&amp;Ver=4">http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=4553&amp;Ver=4</a>	
Appendix F	Consultation Report (available on the website)
<b>Link</b> <a href="http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=4553&amp;Ver=4">http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=4553&amp;Ver=4</a>	
Appendix G	House price heat map (available on the website)
<b>Link</b> <a href="http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=4553&amp;Ver=4">http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=4553&amp;Ver=4</a>	

**AUDIT TRAIL**

<b>Cabinet Member</b>	Councillor Fiona Colley, Regeneration and Corporate Strategy	
<b>Lead Officer</b>	Eleanor Kelly, Chief Executive	
<b>Report Author</b>	Tim Cutts, Team Leader, Planning Policy	
<b>Version</b>	Final	
<b>Dated</b>	28 November 2013	
<b>Key Decision?</b>	No	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments Included</b>
Director of Legal Services	Yes	Yes
Director of Legal Services	Yes	Yes
Strategic Director of Finance and Corporate Services	Yes	Yes
<b>Cabinet Member</b>	Yes	Yes
<b>Date final report sent to Constitutional Team</b>		28 November 2013

**Planning Act 2008  
Community Infrastructure Levy Regulations 2010**

London Borough of Southwark  
Community Infrastructure Levy  
Revised Draft Charging Schedule (December 2013)

No.	Title
Appendix A	Community infrastructure levy (CIL) revised draft charging schedule (available with the report)
Appendix B	Draft Regulation 123 list (available with the report)
Appendix C	Infrastructure Plan (available on the website)
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Appendix G	house price heat map (available on the website)



**Planning Act 2008  
Community Infrastructure Levy Regulations 2010 (as  
amended)**

**London Borough of Southwark  
Community Infrastructure Levy  
Revised Draft Charging Schedule (December 2013)**

The London Borough of Southwark is a charging authority for the purposes of Part 11 of the Planning Act 2008 and may therefore charge the Community Infrastructure Levy in respect of development in the London Borough of Southwark.

The rate at which CIL will be charged shall be:

<b>Development type</b>	<b>Zone *</b>	<b>CIL Rate £ per sq.m.</b>
<b>Office</b>	Zone 1	£70
	Zones 2-3	£0
<b>Hotel</b>	Zone 1	£250
	Zones 2-3	£125
<b>Residential</b>	Zones 1	£400
	Zone 2	£200
	Zone 3	£50
<b>Student housing – Direct let **</b>	Zones 1-3	£100
<b>Student housing – Nomination ***</b>	Zones 1-3	£0
<b>Destination superstores / supermarkets / shopping centres / malls ****</b>	Zones 1-3	£250
<b>All other retail (A1 – A5 &amp; Sui Generis uses akin to retail) *****</b>	Zones 1-3	£125
<b>Town centre car parking *****</b>	Zones 1-3	£0
<b>Industrial and warehousing</b>	Zones 1-3	£0
<b>Public libraries</b>	Zones 1-3	£0
<b>Health</b>	Zones 1-3	£0
<b>Education</b>	Zones 1-3	£0
<b>All other uses</b>	Zones 1-3	£30

\*These zones are shown in the CIL Zones Map 2013 below.

\*\* Direct let student housing schemes – market rent levels

\*\*\* Nomination student housing schemes – rental levels set below £168 per week and secured through a section 106 planning obligation

\*\*\*\* Destination superstores/supermarkets for weekly food shopping needs, which can include non-food floor space as part of the overall mix of the unit.

Shopping centres/shopping malls are shopping destinations which comprise one or more buildings providing a range of services including shops, cafes and restaurants, connected by pedestrian walkways, excluding town centre car parking provision.

\*\*\*\*\* Sui generis akin to retail includes petrol filling stations; shops selling and/or displaying motor vehicles; retail warehouse clubs, excluding town centre car parking provision.

\*\*\*\*\* Town centre car parking which is made available to all visitors to the town centre

As per Regulation 14 of the Community Infrastructure Levy Regulations 2010 (as amended 2011, 2012 and 2013), the Council is designated the collecting authority for the Mayor of London in Southwark. This requires a current charge of £35 per square metre to be levied in addition to the amounts specified above.

The amount to be charged for each development will be calculated in accordance with Regulation 40 of the Community Infrastructure Levy Regulations 2010 (as amended 2011, 2012 and 2013). For the purposes of the formulae in paragraph 5 of Regulation 40 the relevant rate (R) is the rate for each charging zone shown in the charging schedule above.

CIL will be applied on the chargeable floor space of all new development apart from that exempt under Part 2 and Part 6 of the Community Infrastructure Levy Regulations 2010 (as amended 2011, 2012 and 2013). The exemptions from the CIL rates are:

- The gross internal area of a new buildings or extensions to buildings will be less than 100 square metres (other than where the development will comprise one or more dwelling);
- A building into which people do not normally go;
- A building into which people go only intermittently for the purpose of maintaining or inspecting machinery; or
- A building for which planning permission was granted for a limited period;
- Development by charities of their own land to be used wholly or mainly for their charitable purposes;
- Social Housing.

#### Statement of Statutory Compliance

The Charging Schedule has been approved and published in accordance with the Community Infrastructure Levy Regulations 2010 (as amended 2011, 2012 and 2013) and Part 11 of the Planning Act 2008 as amended.

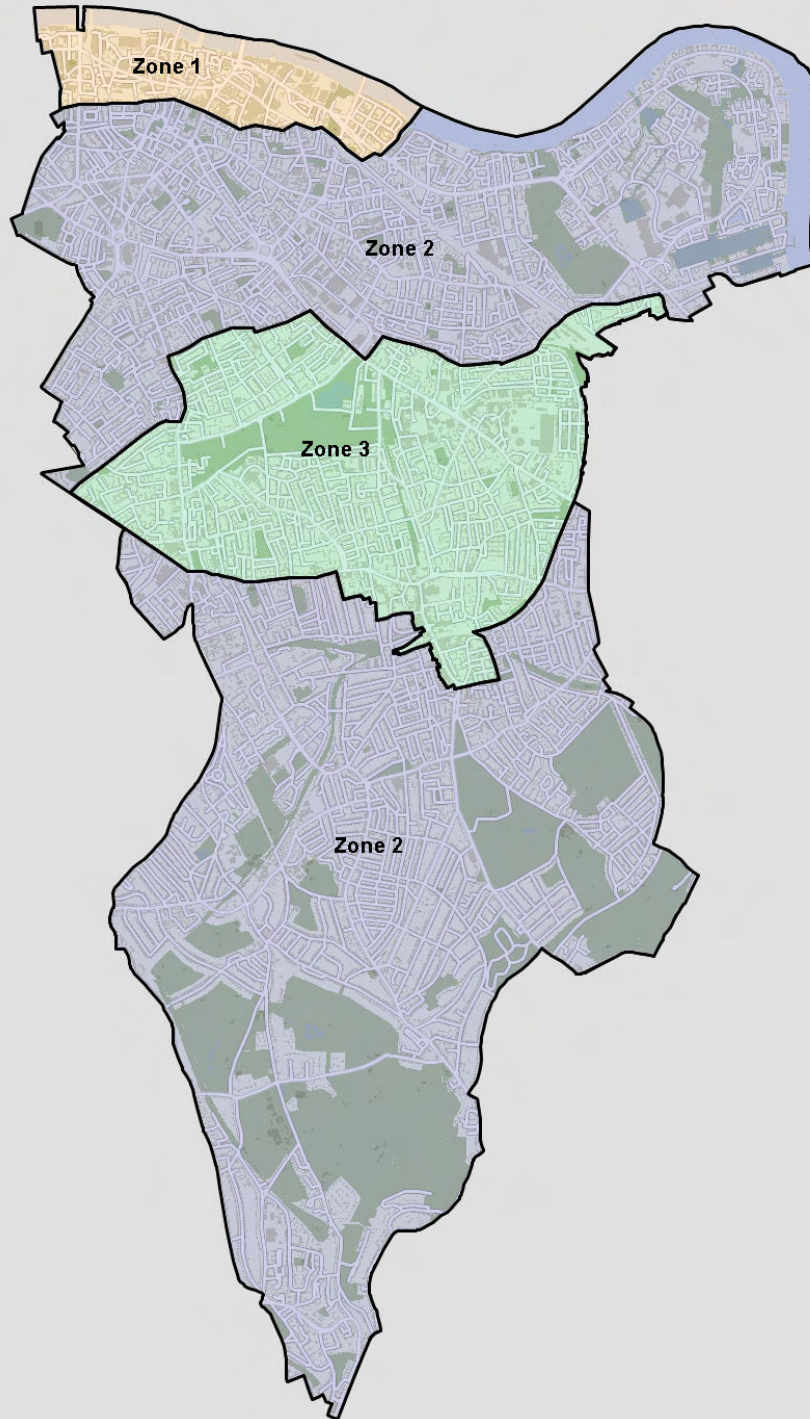
In setting the levy rates, the Council has struck an appropriate balance between;

- a) the desirability of funding from CIL in whole or in part the estimated cost of infrastructure required to support the development of its area, taking into account other actual and expected sources of funding, and
- b) the potential effects, taken as a whole, of the imposition of CIL on the economic viability of development across its area.

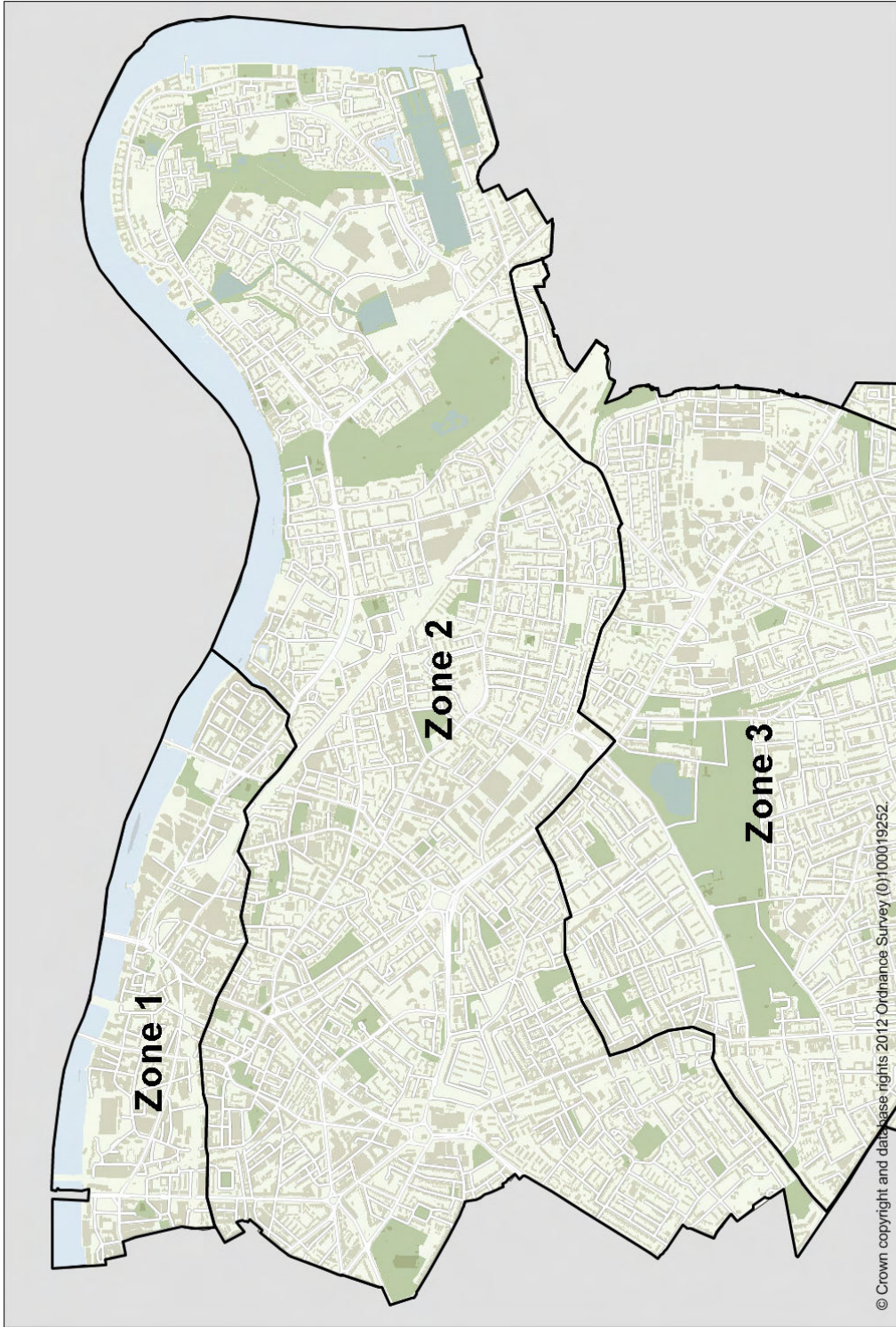
This Charging Schedule was approved by the Council on (date to be inserted following examination)

This Charging Schedule will come into effect on (date to be inserted following the examination and approval)

### Proposed CIL Charging Zones

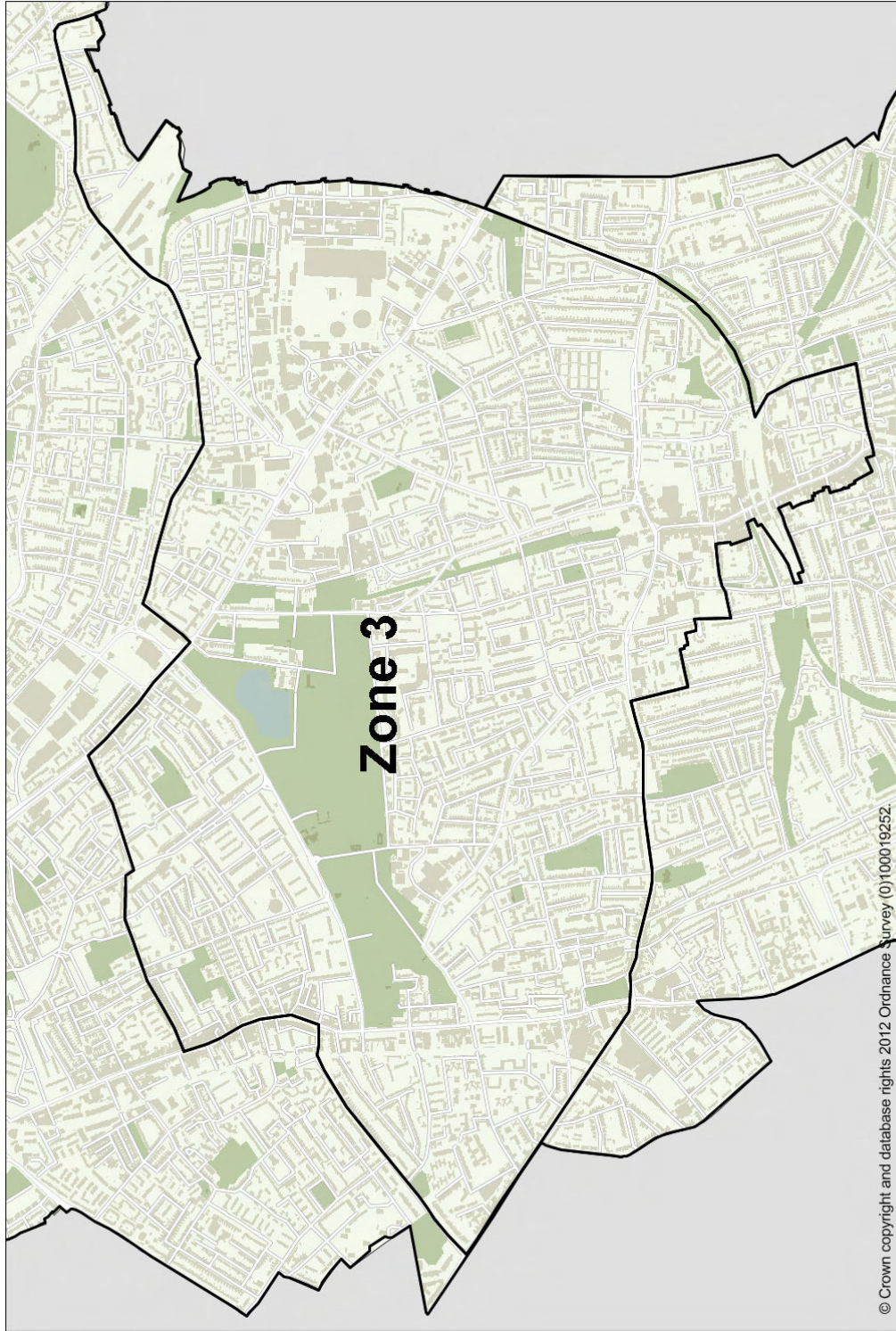


CIL Zones Map 2013 (inset showing zones 1 and 2)





CIL Zones Map 2013 (inset showing zone 3)



**CIL Draft Regulation 123 list**

No.	Title
Appendix A	Community infrastructure levy (CIL) revised draft charging schedule (available with the report)
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Appendix G	House price heat map (available on the website)

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## CIL Draft Regulation 123<sup>1</sup> list

### Transport:

Bakerloo line southern extension (not including land)  
 Elephant & Castle underground stations (not including land)  
 Peckham Rye station and forecourt  
 Queens Road Peckham station and forecourt (not including land)  
 Cycle routes (not including land and development specific signage)  
 Elephant and Castle northern roundabout pedestrian and cycle improvements.  
 Camberwell Green town centre improvements to pedestrian crossings, signals and pavements  
 Lower Road (Canada Water AAP) removal of the gyratory (not including land)  
 Rotherhithe pedestrian and cycling improvements

### Open Space:

Improvements to District Parks (Burgess Park, Peckham Rye, Dulwich Park and Southwark Park).

### Education:

Existing primary school expansion (not land)  
 Secondary school provision /expansion (not land),

### Health:

All with the exception of sites where there is a planning requirement to re-provide a health use.

**Libraries:** All with the exception of sites where there is a planning requirement to re-provide a library.

### Sports:

Elephant and Castle new leisure centre  
 Refurbishment of Seven Islands leisure centre  
 Refurbish tracks at Southwark Park  
 Improvements to St Paul's sports ground  
 Improvements to Homestall Road playing field  
 Greendale playing field improvements

### Other:

Canada Water district heating/CHP (not including land or connection costs)

Cemeteries (not including land)

**Storm water storage areas:** Dulwich, Peckham Rye, Camberwell and North Peckham

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<sup>1</sup> Refers to Regulation 123 of the Community Infrastructure Regulations 2010 (as amended 2011, 2012 and 2013)

<b>Item No.</b> 17.	<b>Classification:</b> Open	<b>Date:</b> 10 December 2013	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Draft Section 106 Planning Obligations and Community Infrastructure Levy Supplementary Planning Document	
<b>Ward(s) or groups affected:</b>		All	
<b>Cabinet Member:</b>		Councillor Fiona Colley, Regeneration and Corporate Strategy	

**FOREWORD - COUNCILLOR FIONA COLLEY, CABINET MEMBER FOR REGENERATION AND CORPORATE STRATEGY**

I'm delighted to be bringing forward the draft revised Section 106 planning obligations and community infrastructure levy SPD. When it is adopted, the draft SPD will replace our existing s106 planning obligations SPD which was adopted in 2007. One of the main reasons for revising the SPD is that the introduction of the community infrastructure levy is changing the way that s106 obligations are negotiated and in the future they will have a much reduced role.

However, while the role of s106 obligations will be more restricted, they will continue to play an important part in ensuring that development supports local infrastructure and benefits existing residents and businesses in the borough. In particular, the revised SPD reiterates our commitment to securing jobs and training opportunities in construction and new development. It also introduces a "Green fund" that will enable the council to generate funding for local projects which reduce carbon emissions and sets out a new charge that will help fund much needed housing adaptations in existing homes for people with disabilities, in instances where it is not possible to provide wheelchair housing on-site.

S106 obligations will also continue to be the means of securing affordable housing, as well as ensuring that development provides high quality public realm and site-specific transport improvements that are an essential component of regeneration.

The Localism Act introduces a requirement that councils spend at least 15% of their CIL funding on local projects and at least 25% where there is an adopted neighbourhood plan in place. Given the need to ensure that local communities benefit from CIL I'm pleased that the revised SPD commits Southwark to spending at least 25% locally, irrespective of whether there is a neighbourhood plan. Funding would be spent on projects on a Community Infrastructure Project List which are consulted on and agreed through the community councils.

We will consult on the SPD over the next 3 months and listen carefully to the responses we receive. We aim to adopt the SPD at the same time as adopting the CIL, which we anticipate will be in autumn 2014.



## RECOMMENDATIONS

That cabinet:

1. Approves the draft Section 106 Planning Obligations and Community Infrastructure Levy (CIL) Supplementary Planning Document (SPD) (Appendix A) for public consultation.
2. Notes the consultation plan (Appendix B) and the draft equalities analysis (Appendix C).
3. Agrees that a sustainability appraisal and environmental assessment are not required and to the publication of the related Screening Assessment (Appendix D).
4. Notes that following consultation, the final version of the SPD will be reported back to the cabinet for formal adoption, prior to the Southwark Community Infrastructure Levy Charging Schedule coming into force.

## BACKGROUND INFORMATION

Section 106 planning obligations

5. Planning obligations are used to address negative impacts of a development. They are legally binding and comprise either an agreement between a council and a developer or a unilateral undertaking made by a developer. They can be used to specify the nature of developments (for example, requiring a given portion of housing to be affordable), compensate for loss or damage created by a development (for example, loss of open space), or address a development's impact (for example, through a contribution towards public realm improvements in the local area). They can involve a financial or non-financial obligation. Southwark's current guidance on section 106 planning obligations is set out in the 2007 Section 106 planning obligations supplementary planning document (SPD).
6. The adopted SPD sets out a number of standard charges which the council uses to calculate section 106 planning obligations. These charges cover a range of types of infrastructure, including school places, open space, strategic transport improvements, sports development and play facilities. Funding which is generated is often pooled as individual obligations are often not sufficient to pay for large infrastructure items. However, the introduction of the Planning Act 2008 and the Community Infrastructure Levy Regulations 2010 (the CIL Regulations) has changed the way that developments contribute towards the funding strategic infrastructure. They introduce an alternative mechanism for funding strategic infrastructure, which is the community infrastructure levy (CIL).
7. Once a CIL has been adopted or by April 2015 (whichever is the sooner) local authorities will not be able to pool more than five separate planning obligations to pay for one item of infrastructure. The intention of the CIL Regulations is that section 106 planning obligations should mainly be used to secure site specific infrastructure which is needed to directly mitigate the impact of development. Examples might include an access road or public realm improvements around the site. This restriction will make it very difficult for the council to apply the standard charges in the existing s106 Planning Obligations SPD which are based on the principle of pooling funding. If the council does not introduce a CIL by April

2015 it will potentially lose a significant amount of funding that is needed to contribute to strategic infrastructure which is required to promote growth and development.

8. Affordable housing is an exception and will continue to be secured through s106 planning obligations.

#### Community infrastructure levy

9. After April 2015, the council will only be able to fund new strategic infrastructure through the adoption of a borough-wide community infrastructure levy (CIL). CIL will be charged when planning permissions are implemented and will be based on a rate per square metre that can be varied by the type, size and location of development.
10. In order to implement CIL, the council must first adopt a charging schedule which sets out the method of calculating the amount of each contribution. The process for preparing a CIL involves a number of stages. The council consulted on a draft CIL between February and April 2013. The methodology and practice of preparing a CIL are still evolving and there have been some changes in requirements since the council consulted on the draft. The council has undertaken further viability work to test the impact of CIL charges and in the light of this further work, officers are recommending some changes to the draft CIL which require a re-consultation on the draft CIL (see separate agenda item on CIL). It is anticipated that the CIL will be submitted to the Planning Inspectorate in early 2014 and an examination-in-public will follow in summer 2014. The council expects to adopt the CIL charging schedule in autumn 2014.
11. The current Section 106 Planning Obligations SPD (2007) will be out of date when the council adopts its community infrastructure levy in 2014. The new draft SPD will supersede the adopted SPD and provide detailed guidance on the use of planning obligations alongside Southwark's CIL. The draft SPD explains the circumstances in which the council will seek to negotiate section 106 obligations. This includes circumstances where public realm or site specific transport improvements are required and where developments do not meet on-site policy requirements for amenity space provision, play facilities and carbon dioxide reductions.
12. This is the first full stage of consultation on the draft SPD. Following 6 weeks informal and 6 weeks statutory public consultation on the draft SPD, officers will review the responses received, and a report will be brought back to Cabinet in summer 2014 to formally adopt the draft SPD. Once adopted, the draft SPD will be used to help determine planning applications and will replace the existing adopted 2007 SPD. The new SPD must be consistent with Southwark's Core Strategy and in general conformity with the London Plan.

#### Sustainability appraisal

13. Under the Town and Country Planning (Local Development) (England) Regulations 2009 (as amended), sustainability appraisals which examine the social, economic and environment impacts of policies are no longer required for SPDs. This is because SPDs do not normally introduce new policies which have not already been appraised by development plans, such as the Core Strategy or relevant area action plans. However, government guidance advises that local planning authorities will still need to screen their SPDs to ensure that legal

requirements for sustainability appraisal have been met and to ensure that an assessment is not required by the EU Directive on Strategic Environmental Assessment Directive (EU Directive 2001/42/EC).

14. A screening assessment (see appendix D) was prepared to determine whether or not the draft SPD is likely to have a significant effect on the environment. The assessment also considers whether there are likely to be any significant economic or social effects. The screening assessment concluded that it is not necessary to carry out a Sustainability Appraisal of the SPD because it does not introduce new policies. The council is required to make a determination on whether a sustainability appraisal is required and publish its reasons. This determination will be made at the point when the SPD is adopted.

### **Consultation**

15. The Town and Country Planning (Local Planning) (England) Regulations 2012 and the council's Statement of Community Involvement (SCI) (2008) set out the consultation requirements for planning documents. The SCI encourages consultation to be informal and ongoing as well as the formal consultation required by the regulations.
16. This is the first formal stage of consultation on a SPD. The consultation plan (Appendix B) sets out the consultation we propose to carry out. This will include publishing the draft SPD on our website, publishing a statutory press notice, writing to everyone on the Planning Policy mailing list and making the document available in local libraries. Officers will offer to attend community council meetings to discuss the SPD, as well as other meetings held by local groups. As is noted in paragraph 12, consultation will take place over a period of 12 weeks between December 2013 and February 2014 and including a formal period between 14 January 2014 and 25 February 2014.

### **KEY ISSUES FOR CONSIDERATION**

#### **Scope of the SPD**

17. As CIL will be used to help fund the strategic infrastructure which is needed across the borough, its introduction places restrictions on the future use of section 106 planning obligations. As of the time when Southwark's CIL is adopted or April 2015 (whichever is the sooner) the use of section 106 planning obligations will be restricted. The standard charges which are set out in the council's adopted Section 106 planning obligations SPD will become very difficult to apply.
18. The draft Section 106 planning obligations and CIL SPD explains how section 106 will operate alongside CIL. It provides planning applicants with guidance on the most commonly negotiated site specific section 106 planning obligations and also provides a clear process for calculating these obligations. It sets out the threshold at which obligations will be sought and the mechanism for calculating charges. It also recognises that there will be occasions when a development proposal below the threshold size, or a very large scheme, create impacts which justify an exception to this process.
19. The draft SPD also explains the Mayoral Crossrail planning obligation and the Mayoral CIL (the Mayor is a CIL charging authority as well as Southwark) to make sure that applicants include these additional payments.

20. Finally the draft SPD explains how funding, including the funding of local projects, will be spent by the council.

#### **Differences between the adopted SPD and the draft SPD**

21. A number of parts of the adopted 2007 SPD have been retained, expanded or enhanced and new sections have been added so as to explain site-specific development requirements and to secure on-site or local improvements arising from development. The draft SPD provides specific guidance on how the council will deal with the most commonly negotiated site specific section 106 planning obligations, which include standard charges and detailed guidance addressing the following areas:

- Affordable housing
- Archaeology
- Carbon dioxide offset - green fund
- Children's play space
- Employment and enterprise – jobs during construction and final development
- Outdoor amenity space
- Public realm
- Student Housing – university schemes
- Transport: Site specific measures
- Wheelchair accessible housing

#### Affordable housing

22. There is a need for more affordable housing in the borough, especially for families. Affordable housing lies outside of CIL and will continue to be secured through a section 106 planning obligation in line with Policy 5 of the Core Strategy (2011) and the adopted and draft Affordable Housing SPDs (2008 and 2011 respectively).

#### Archaeology

23. Given its historical setting, Southwark has very important archaeology. Planning obligations will continue to be asked for to support the council's monitoring and supervisory role in archaeological matters to ensure that archaeology is properly managed and preserved. A contribution will continue to be secured from developments within the archaeological priority zones in the borough, on the basis of the likely officer time required to carry out a desk-based assessment, archaeological evaluation, and archaeological excavation.

#### Carbon dioxide offset – Green Fund

24. Southwark's Sustainable Design and Construction SPD (2009) states that where planning policy energy targets cannot be met, any short-fall should be provided off-site or through a cash in lieu contribution to the borough. This is consistent with the Mayor's draft Sustainable Design and Construction SPG (2013) which states that boroughs should establish a carbon dioxide reduction fund and set a price at which the carbon dioxide short-fall will be calculated.

25. Section 106 planning obligations would be asked for where developments do not meet the on-site carbon dioxide reduction targets set out in the development plan (a 40% improvement over the Building Regulations). Any shortfall against the target would be charged at £46 per tonne, which is in line with the national charge identified by the Zero Carbon Hub. Any payments collected would then contribute to a green fund containing a list of projects for energy improvement schemes in council owned buildings, such as schools, libraries, housing etc. and which would not otherwise be funded.

#### Children's play space

26. New developments are expected to provide play space for children in line with the Core Strategy Policy 7 and the London Plan, with further detail set out in Southwark's Residential Design Standards SPD (2011) and the Mayor's Supplementary Planning Guidance on Shaping Neighbourhoods Play and Informal Recreation (2012). In exceptional circumstances where this cannot be secured on site, the council will seek a section 106 planning contribution to improve play space elsewhere in the vicinity of the development.

#### Employment – jobs during construction and final development

27. Maximising employment and employability amongst Southwark's population is another key priority for planning obligations and also the council's Economic Well-being Strategy (2010-2020). The council will continue to seek to secure a planning obligation for the placement of unemployed jobseekers from the local area into jobs within the construction phase of a development and the final development, either through an existing on-site work programme, or through setting up a new programme to target the employment sector of the final development.
28. The current SPD standard charges for employment during construction and general end phase employment have been reviewed and updated as appropriate.
29. It will also be important to secure planning obligations where appropriate to maintain and enhance the supply of appropriate employment space, and also support new inward investment opportunities and growth in the existing business base. To that end, the council will require a planning obligation from developers to contribute towards skills and employment programmes where employment floorspace in protected employment locations set out in the Core Strategy is lost. A local supply side procurement obligation in addition to the intention to secure the provision of affordable business space where appropriate have also been included in the draft SPD.

#### Outdoor amenity space

30. All new residential development must provide an adequate amount of useable outdoor amenity space. Southwark's Residential Design Standards SPD (2011) sets out the minimum standards which must be met in new developments.
31. In exceptional circumstances where the required provision of amenity space for a development cannot be provided on site, the council will seek a section 106 planning contribution to improve open space elsewhere in the vicinity of the development site. Any shortfall in the required provision of amenity space will be subject to a charge per square metre.

32. In general, funding for the provision, enhancement and maintenance of open spaces required as a result of incremental population growth, will be provided as part of CIL contributions and other capital funding.

#### Public realm

33. High quality public realm is an important aspect of any development and ensures that a building or site is integrated into the existing built fabric and street scene. The council will continue to expect developments to mitigate the impact on the public realm in the vicinity of the development. Contributions will either be secured through a commitment by the applicant to carry out a schedule of works under a section 278 agreement, or a contribution to works to be carried out by contractors employed by the council.
34. The draft SPD also recognises that the council may use CIL to fund or part fund strategic projects to improve the streetscene and built environment, such as the improvements to the public realm at the Elephant and Castle northern roundabout or the Camberwell Green town centre improvements.

#### Student Housing – university schemes

35. There are two distinct types of student accommodation available in Southwark. This has been identified in the BNP Paribas Real Estate's Student Housing Study: Implementation (March 2011) and has also been confirmed in the representations to the consultation on Southwark CIL by the major student accommodation providers in the borough. One type of accommodation is direct let student housing which charges unrestricted rents. The other, usually tied to a university, is nomination schemes which charge restricted rents at lower than market levels.
36. Given there is a viability consequence of offering restricted rents, it is proposed that Southwark's CIL is not applied to restricted rents university student accommodation. A corresponding planning obligation will be sought to ensure that the reduced rental level is provided. This obligation will be optional for a university. In the event that the option is not taken, the development would become liable to pay CIL.

#### Transport measures – site specific

37. The current standard charge for strategic transport infrastructure has been removed from the draft SPD as CIL funds and other mainstream funding programmes will be used to address the cumulative impacts of development on the transport network. However, individual developments may cause a site-specific impact which should be directly addressed through measures provided in the development itself, or where that cannot be achieved the council will use section 278 agreements under the Highway Act 1980 or section 106 planning obligations. Such measures can include new pedestrian crossings, cycleways, and car club parking spaces. The draft SPD also recognises that larger developments may need to directly contribute to wider transport improvements where required to enable the delivery of the site.

### Wheelchair accessible housing

38. Planning policy requires all new major residential developments to provide at least 10% of the number of habitable rooms to be wheelchair accessible. However, there are some locations where site constraints make it difficult or impossible to provide disabled car parking spaces. In exceptional circumstances where development proposals demonstrate that it is not viable or feasible to meet the wheelchair accessible unit policy requirement and requisite on-site disabled car parking spaces, a commuted sum can be secured through a section 106 planning obligation to mitigate the impact of the development.
39. In these circumstances the council would seek £30,000 per wheelchair accessible unit not being provided. This level of contribution is based on the expected cost for Southwark to make adaptations to existing properties to meet the needs of disabled occupiers.

### Implementation of CIL

40. The final section of the draft SPD explains what CIL funds can be spent on which is much wider than the current section 106 standard charging approach. This includes the provision, improvement, replacement, operation or maintenance of infrastructure to support the growth identified throughout the borough, which will be set out in a CIL spending protocol.
41. The Localism Act requires local authorities to spend a meaningful proportion of CIL locally. The government recently confirmed that this proportion should be either 25% of CIL funds where a neighbourhood plan is in place and 15% elsewhere. Where there is no parish council in place, such funds should be spent in consultation with the local community. Southwark anticipates that local CIL funds will be spent on projects identified in the Community Infrastructure Project List (CIPL). The CIPL will take over from the section 106 project banks and will contain projects agreed by community councils or through a neighbourhood plan. The CIPLs will be updated at regular intervals.
42. The draft SPD signals that Southwark will spend at least 25% of CIL funds locally, irrespective of whether a neighbourhood plan is in place. The council will use the following sequence of areas to identify relevant projects, depending on the location of the development site:
- Areas with an adopted neighbourhood plan
  - Opportunity areas
  - Action areas
  - SPD areas (other than individual sites/buildings)
  - Community council areas (for those areas which are not covered by any of the above).

### Community impact statement

43. Before adopting the SPD, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who do not. A draft equalities analysis (Appendix C) has been carried out to assess the impact of the draft SPD on the nine protected characteristics set out in the Equality Act 2010. It is

recognised that the SPD guidance may have many similar impacts on these different groups of people who have protected characteristics, and that the overall impact of the SPD will be positive on all residents and people who work in and visit the borough. For example, a key aspect of the guidance is the creation of an enhanced public realm that is safe, well-lit and inclusive, in accordance with the parent local plan policies. This would improve accessibility for those with a physical disability and also promote wider community inclusion. We also carried out equalities analysis for all of the current adopted and draft documents in the planning policy framework. The findings of these analyses have helped to inform the guidance that we have prepared in the draft SPD.

44. Section 19 of the Planning and Compulsory Purchase Act 2004 originally required a local planning authority to carry out a sustainability appraisal of new development documents covering social, economic and environmental issues. This appraisal would also extend to meet the requirements of EU Directive 2001/42/EC in relation to the environmental assessment of the effect of certain plans and programmes.
45. The Planning Act 2008 removed the automatic requirement for an SPD to have a sustainability assessment. This is because such documents do not normally introduce new policies or proposals or modify a planning document which has already been subjected to a sustainability assessment at a higher level.
46. The Government does however advise local planning authorities to screen documents to ensure the requirements of an SA have been considered in a higher level policy document. The requirements of the Environmental and Assessment of Plans and Programmes, which incorporates the requirements of the Directive, still need to be considered.
47. The screening assessment (see appendix D) has been prepared to determine whether or not the draft SPD is likely to have an impact on sustainability or a significant effect on the environment. The assessment concluded that it is not necessary to carry out a sustainability appraisal or an environment assessment in this case because the SPD does not introduce new policies, determine the use of land or constitute a minor modification to a plan. It simply provides guidance on policies contained in the London Plan, Core Strategy, Canada Water AAP, Aylesbury AAP and draft Peckham and Nunhead AAP and supplements the guidance contained in supplementary planning documents that relate to sustainable development, infrastructure and affordable housing.
48. The policies referred to in the draft SPD have been sufficiently appraised in parent documents. The council considers that the draft SPD will not result in any additional significant effects to those already identified at a higher level. It will provide more detailed guidance to developers to ensure that the potential positive effects identified in the sustainability appraisals of the parent plans are realised.
49. In accordance with Regulation 9 (2) (b) the council consulted on the screening assessment with the "consultation bodies" (English Heritage, Natural England and the Environment Agency). A copy was also made available on the council's website. The consultation bodies agreed that a sustainability assessment and environmental assessment were not required.
50. Recommendation 3 of this report asks cabinet to agree that a sustainability assessment and environmental assessment are not required. This will be



confirmed and a Statement of Reasons published at the point when the council adopts the SPD. This Screening Report will be made available alongside the draft SPD.

### **Financial implications**

51. There are no immediate resource implications arising from this report. The costs of the statutory consultation process will be met from within existing budgets.

### **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

#### **Director of Legal Services**

52. An SPD is a local development document established under the Planning and Compulsory Purchase Act 2004 ('the 2004 Act'), which forms part of the planning framework for the borough. An SPD may cover a range of issues, both thematic and site specific, which expand upon or set out a particular policy in more detail.
53. The 2004 Act and the Town and Country Planning (Local Planning) (England) Regulations 2012 set out the consultation requirements for planning documents. The council's Statement of Community Involvement (2008) also sets out additional consultation requirements. Although an SPD is not subject to independent examination, the procedure required to implement an SPD involves significant community participation.
54. The primary legislation which introduced the Community infrastructure Levy is located in Part 11 of the Planning Act 2008. In particular Section 205 empowered the Secretary of State for Communities and Local Government to make regulations providing for the imposition of CIL. The relevant Regulations were approved on 23 March 2010 and came into force on 6 April 2010 in the form of the Community Infrastructure Levy Regulations 2010.
55. CIL is a fixed, non-negotiable development charge payable by reference to the net increase in floor space; the amount payable will be set out in the charging schedule currently being drawn up by the council; the amount payable in any given case is set by reference to the date on which planning permission is granted and CIL becomes payable when development commences. In setting charges authorities can differentiate between different types of development and different geographical areas but any such variations must be justified with reference to viability.
56. Local authorities are not obliged to adopt CIL but there are consequences if they do not. In particular Regulation 123 (3) of the CIL Regulations provides that from 6 April 2014 or from when an authority adopts its charging schedule (whichever is the sooner), the local planning authority will no longer be able to seek more than 5 individual section 106 planning obligation contributions towards infrastructure that could otherwise be funded by CIL.
57. Regulation 122 of the CIL Regulations 2010 also provides that section 106 planning obligations may only be a reason for granting permission where they are: (i) necessary to make the development acceptable; (ii) directly related to the development and (iii) fairly and reasonably related in scale and kind.

58. This report seeks approval to consult on a SPD that sets out in detail the relationship between CIL and section 106 planning obligations and the circumstances in which such obligations will be required.
59. The Equality Act 2010 introduced the public sector equality duty which merged existing race, sex and disability equality duties and extended them to include other protected characteristics; namely age, gender reassignment, pregnancy and maternity, religion and belief and sex and sexual orientation (including marriage and civil partnership). In summary those subject to the equality duty, which includes the council, must in the exercise of their functions: (i) have due regard to the need to eliminate unlawful discrimination, harassment and victimisation; (ii) advance equality of opportunity between people who share a protected characteristic and those who do not; and (iii) foster good relations between people who share a protected characteristic and those who do not.
60. The equalities analysis at Appendix C considers the impact of this SPD on those who may be at risk of discriminatory treatment and has regard to the need to the promotion of equality among different communities within the borough.
61. The Human Rights Act 1998 imposed a duty on the council as a public authority to apply the European Convention on Human Rights – as a result the council must not act in a way which is incompatible with these rights. The most important rights for planning purposes are Article 8 (respect for home); Article 6 (natural justice) and Article 1 of the First Protocol (peaceful enjoyment of property). As this SPD has been prepared in accordance with statutory procedure it is deemed unlikely to conflict with the Human Rights Act 1998. Any human rights implications will also be considered throughout the application of the policies set out within the SPD as part of the development control process.
62. A sustainability appraisal (SA) is a tool that is used to improve the sustainability of planning policy documents. It uses a range of sustainability objectives and indicators to test whether the plans, policies and proposals can deliver sustainable development. An SA can be viewed as a yardstick against which the social, economic and environmental effects of the plan can be tested. Integrated into an SA are the requirements of the Directive 2001/42/EC in relation to the environmental assessment of the effect of certain plans and programmes. However, the sustainability appraisal covers wider social and economic effects of plans, as well as the more environmentally-focused considerations in the Directive.
63. Sustainability appraisals are mandatory under the 2004 Act for all development plan documents. An SPD is not a development plan document and therefore the council is not automatically required to prepare a sustainability appraisal. The council should however screen documents to ensure the requirements of an SA have been considered in a higher level policy document.
64. The council must also consider the Environmental and Assessment of Plans and Programmes Regulations 2004, which incorporate the requirements of the Directive. Regulation 5 sets out the types of plans that require an environmental assessment, which includes those that set the framework for future development consent. Regulation 5 (6) provides an exemption and states that an environmental assessment need not be carried out: (a) for a plan or programme which determines the use of a small area at local level; or (b) for minor modification to a plan or programme unless it has been determined that the plan,

programme or modification, as the case may be, is likely to have significant environmental effects.

65. The draft SPD is by its nature constrained by the scope of the higher level plans and cannot set policy. In this regard, the document is not deemed likely to cause significant environmental effects. The detailed screening assessment is contained at Appendix D.
66. The decision to form and consult on policy is reserved to the cabinet in accordance with Part 3B of the Constitution; as such it is appropriate for cabinet to make the decision to progress the SPD.

### **Strategic Director of Finance and Corporate Services**

67. This report is recommending that the cabinet approves the draft Section 106 Planning Obligations and Community Infrastructure Levy (CIL) Supplementary Planning Document (SPD) (Appendix A) for public consultation.
68. The final version of the SPD will be reported back to the Cabinet for formal adoption, prior to the Southwark CIL Charging Schedule coming into force. Therefore, there are no immediate financial implications from approving the recommendations of this report.
69. Further financial modeling will need to be done to identify the impact of these proposals on the council's budget. This should be included in the final report recommending adoption of the charging scheme.
70. Officer time to implement this decision can be contained within existing revenue resources.

### **BACKGROUND DOCUMENTS**

<b>Background Papers</b>	<b>Held At</b>	<b>Contact</b>
Southwark Statement of Community Involvement 2008	160 Tooley Street, London SE1 2QH	Sandra Warren 0207 525 5471
<b>Link</b> <a href="http://www.southwark.gov.uk/info/856/planning_policy/1238/statement_of_community_involvement_sci">http://www.southwark.gov.uk/info/856/planning_policy/1238/statement_of_community_involvement_sci</a>		
Saved Southwark Plan 2007	160 Tooley Street, London SE1 2QH	Sandra Warren 0207 525 5471
<b>Link</b> <a href="http://www.southwark.gov.uk/info/856/planning_policy/1241/the_southwark_plan">http://www.southwark.gov.uk/info/856/planning_policy/1241/the_southwark_plan</a>		
The Core Strategy 2011	160 Tooley Street, London SE1 2QH	Sandra Warren 0207 525 5471
<b>Link</b> <a href="http://www.southwark.gov.uk/info/200210/core_strategy">http://www.southwark.gov.uk/info/200210/core_strategy</a>		

## APPENDICES

No.	Title
Appendix A	Draft Section 106 Planning Obligations and Community Infrastructure Levy SPD (available with the report)
Appendix B	The consultation plan (available on the website – link below:)
<b>Link</b> <a href="http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=4553&amp;Ver=4">http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=4553&amp;Ver=4</a>	
Appendix C	Draft equalities analysis (available on the website – link below:)
<b>Link</b> <a href="http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=4553&amp;Ver=4">http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=4553&amp;Ver=4</a>	
Appendix D	Strategic Environmental Assessment Screening Report (available on the website – link below:)
<b>Link</b> <a href="http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=4553&amp;Ver=4">http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=4553&amp;Ver=4</a>	

## AUDIT TRAIL

<b>Cabinet Member</b>	Councillor Fiona Colley, Regeneration and Corporate Strategy	
<b>Lead Officer</b>	Eleanor Kelly, Chief Executive	
<b>Report Author</b>	Tim Cutts, Planning Policy Team Leader	
<b>Version</b>	Final	
<b>Dated</b>	28 November 2013	
<b>Key Decision?</b>	No	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments Included</b>
Director of Legal Services	Yes	Yes
Strategic Director of Finance and Corporate Services	Yes	Yes
Cabinet Member	Yes	Yes
<b>Date final report sent to Constitutional Team</b>		28 November 2013



**Section 106 Planning Obligations and  
Community Infrastructure Levy**

**Supplementary Planning Document**

**December 2013**

## How to get involved

### Consultation on the Section 106 Planning Obligations and Community Infrastructure Levy Allocations Supplementary Planning Document (SPD)

We welcome your comments on the SPD. Please send us your response by **25 February 2014**. Any responses received after this date will not be considered.

<b>TIMETABLE FOR CONSULTATION</b>	
<b>CONSULTATION</b>	<b>TIMETABLE</b>
The SPD will be available to the public from	3 December 2013
The SPD will be considered by Cabinet for approval to begin the consultation process	10 December 2013
The formal consultation in relation to the SPD and Equalities Analysis will be carried out between:	14 January 2014 – 25 February 2014
The Council will consider responses received as part of the consultation process between:	February – May 2014
The SPD will be submitted to Cabinet for final approval and adoption	Summer 2014

Contact Tim Cutts or Barbara-Ann Overwater with any questions and for copies of this document at [planningpolicy@southwark.gov.uk](mailto:planningpolicy@southwark.gov.uk) or 020 7525 5471.

#### How to make a comment

Comments should be emailed to [planningpolicy@southwark.gov.uk](mailto:planningpolicy@southwark.gov.uk). Alternatively you can send your response to: Planning Policy, Chief Executive's Department, Southwark Council FREEPOST SE1919/14 London SE1P 5LX.

#### Our response to your comment

When we receive your comment we will:

- Acknowledge your response by email (or letter if an email address is not provided) within 10 days.
- Publish your comments and our officer responses when we publish the final SPD on the website.

We envisage that the SPD will be adopted at the same time as Southwark's CIL Charging schedule. The provisions of the Section 106 Planning Obligations SPD (2007) will be in force until that time.

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**DRAFT**

## **1. What is the Section 106 Planning Obligations and Community Infrastructure Levy SPD?**

- 1.1 This supplementary planning document (SPD) provides detailed guidance on the use of section 106 planning obligations alongside the community infrastructure levy. When adopted, it will replace Southwark's adopted Section 106 Planning Obligations SPD (2007).
- 1.2 Section 106 planning obligations are used to address negative impacts of a development. They are legally binding and comprise either an agreement between a council and a developer or a unilateral undertaking made by a developer. They can be used to specify the nature of developments (for example, requiring a portion of housing to be affordable), compensate for loss or damage created by a development (for example, loss of open space), or address a development's impact (for example, through a contribution towards public realm improvements in the local area). They can involve a financial or non-financial obligation. Almost all development has some impact on the need for infrastructure, services and amenities - or benefits from it - so it is only fair that such development pays a share of the cost. Southwark's current guidance on section 106 planning obligations is set out in the 2007 Section 106 planning obligations SPD.
- 1.3 The adopted SPD sets out a number of standard charges which we use to calculate section 106 planning obligations. These charges cover a range of types of infrastructure, including school places, open space, strategic transport improvements, sports development and play facilities. Funding which is generated is often pooled as individual obligations are often not sufficient to pay for large infrastructure items. However, the introduction of the Planning Act 2008 and the Community Infrastructure Levy Regulations 2010 has changed the way that developments contribute towards the funding strategic infrastructure. They introduce an alternative mechanism for funding strategic infrastructure, which is the community infrastructure levy (CIL).
- 1.4 The Community Infrastructure Levy will largely replace section 106 planning obligations as the way in which developments contribute towards providing the new infrastructure to support new development. Once a CIL has been adopted or by April 2015 (whichever is the sooner) local authorities will not be able to pool more than five separate planning obligations to pay for one item of infrastructure. The intention of the CIL Regulations is that section 106 planning obligations should mainly be used to secure site specific infrastructure which is needed to directly address the impact of development.
- 1.5 The draft Section 106 Planning Obligations and Community Infrastructure Levy SPD provides detailed guidance on how section 106 planning obligations are negotiated and how section 106 planning obligations and CIL work together. This SPD contains the following information:
  - Section 2 explains what the community infrastructure levy and describes both Southwark's CIL and the Mayor of London's CIL.
  - Section 3 explains section 106 planning obligations in more detail. It describes the different types of obligations, including the Mayor of London's Crossrail Section 106 planning obligations.



- Section 4 sets out how CIL and section 106 planning obligations work alongside one another.
- Section 5 provides guidance on the process for securing CIL and section 106 planning obligations.
- Section 6 describes how CIL and section 106 planning obligations are implemented and how funds are spent. A proportion of CIL funding must be spent in local areas and this section describes how that will work in Southwark.
- Finally Appendix 1 provides guidance on how section 106 planning obligations are calculated.

## 2. What is the community infrastructure levy?

- 2.1 The Community Infrastructure Levy (CIL) came into force in April 2010. It allows local authorities in England and Wales to raise funds from developers undertaking new building projects in their area. The money can be used to fund a wide range of local and strategic infrastructure that is needed to support growth and development in the borough. This includes transport facilities, flood defences, schools and other educational facilities, medical facilities, sporting and recreational facilities and open spaces.
- 2.2 CIL is intended to provide developers more certainty 'up front' about how much money they will be expected to contribute towards local infrastructure needs.
- 2.3 CIL takes the form of a charge per square metre of floorspace applied to most new developments that involve an increase of 100 square metres or more of gross internal floor space or that involves creating a dwelling even where this is below 100 square metres. The CIL charges are based on the size and type of the new development. Some developments are exempt from paying the levy. These are developments of affordable housing and developments by charities of buildings used for charitable purposes.
- 2.4 The CIL charges need to be set out in a formal document called a Charging Schedule. Charges are index linked and inflate over time.

### Southwark CIL

- 2.5 Southwark is a CIL "charging authority" and Southwark's CIL will be set out in a CIL charging schedule. The CIL charges will be applied to new development in the borough. In line with the CIL Regulations, these charges need to be supported by:
- An up-to-date development plan ;
  - The area's infrastructure needs; and
  - An overall assessment of the economic viability of new development.
- 2.6 To adopt the CIL charging schedule, Southwark needs to show that CIL is necessary to help bridge any infrastructure funding gap to support growth across the borough over the development plan period (i.e. Core Strategy 2011-2026). Southwark has prepared an infrastructure plan which is part of the evidence base needed to help justify levying a CIL. The infrastructure set out in the infrastructure plan is not an exhaustive list. It is intended to be a living document which can be updated regularly.

- 2.7 The Southwark CIL will provide funding to help deliver a range of borough-wide and local infrastructure projects that support residential and economic growth and benefit local communities. It allows Southwark to work with infrastructure providers and communities to set priorities for what the funds collected under the levy should be spent on, and provides a funding stream so that the delivery of infrastructure projects can be planned more effectively.
- 2.8 The charging schedule must also be supported with evidence about the effect of the CIL on the economic viability in the area. This means that a viability study needs to be prepared to show that the level of CIL does not generally prevent development from coming forward in the borough.

The link below provides more information on Southwark's CIL:

[http://www.southwark.gov.uk/info/856/planning\\_policy/2696/community\\_infrastructure\\_levy/3](http://www.southwark.gov.uk/info/856/planning_policy/2696/community_infrastructure_levy/3)

#### Mayoral CIL

- 2.9 In addition to Southwark, the Greater London Authority is also a charging authority and the Mayor can charge a CIL to help ensure the delivery of local and sub-regional large-scale infrastructure. As of 1 April 2012, the Mayor charges CIL to fund strategic transport, which is currently the Crossrail project.
- 2.10 The Mayor's levy is £35 per square metre of new development in Southwark. There is a nil charge for education and health uses.
- 2.11 Southwark is required to collect CIL on behalf of the Mayor, and give it priority in calculating the viability of its own CIL and other planning obligations. The Mayor will be responsible for spending the Mayoral CIL.
- 2.12 Further information on the Mayoral CIL is set out within the Supplementary Planning Guidance 'Use of Planning Obligations in the funding of Crossrail, and the Mayoral Community Infrastructure Levy' (April 2013) available at: <http://www.london.gov.uk/sites/default/files/Crossrail%20SPG%20April%202013.pdf>
- 2.13 There is also more information about the Mayoral CIL on our website at: <http://www.london.gov.uk/priorities/planning/mayoral-community-infrastructure-levy>

### **3. What are section 106 planning obligations?**

- 3.1 Section 106 planning obligations (made under Section 106 of the Town and Country Planning Act 1990) are usually secured by a legal agreement made between a local planning authority, a landowner, a developer and potentially other affected people or a unilateral undertaking made by a developer. They can be both financial and non-financial obligations. They are used when there is a requirement to address the impact of a development and the impact itself cannot be dealt with through a planning condition on the permission.
- 3.2 Section 106 planning obligations must meet the tests set out in the Community Infrastructure Levy Regulations 2010 (Regulation 122) which

state that a planning obligation may only be a reason for granting planning permission for the development if the obligation is:

- (a) necessary to make the development acceptable in planning terms;
- (b) directly related to the development; and
- (c) fairly and reasonably related in scale and kind to the development.

#### Types of section 106 planning obligations

3.3 Guidance on how Southwark will negotiate the most common section 106 planning obligations is set out in Appendix 1. This includes the following areas:

- Affordable housing provision
- Archaeology: Works and payments towards the Southwark's archaeology service
- Carbon offset: Green fund
- Children's play space
- Employment and Enterprise: Jobs during construction and final development
- Employment and enterprise: General and end-user phase: skills, training and employment
- Employment and enterprise: Loss of employment floorspace
- Employment and enterprise: Other obligations
- Outdoor amenity space
- Public Realm measures
- Student Housing: University nomination schemes
- Transport measures: Site specific
- Wheelchair accessible housing: Offset fund

3.4 This list of obligations in Appendix 1 includes a set of sizes for development, above which we will seek the obligation. We may also seek to secure contributions where a development proposal below the minimum size creates an exceptionally large impact. Appendix 1 also does not cover all of the planning obligations that may be sought. Very large development schemes may have wide ranging impacts, which will require more significant measures to be put in place to address them in addition to the standard charges. In addition to the above list of standard charges, planning obligations may also be sought, on a case by case basis where there are identified direct impacts from development to address the following areas:

- CCTV
- Community safety initiatives
- Conservation of buildings or places of historic or architectural interest
- Conservation, creation and enhancement of areas of plant and wildlife habitat
- Contributions for loss of community use (D1) floorspace
- Flood risk management and infrastructure (utilities) provision
- Land for health provision
- Management and maintenance payments
- Measures to improve and address negative impacts on air quality and noise
- Phasing of development

- Police and fire service
  - Project management costs
  - Provision of small business space
  - Restrictions on the use of the land, public access and public rights of way
  - Servicing, construction management and management agreements
  - Sustainable building practices and fit out, such as Code for Sustainable Homes, BREAAAM, Sustainable Urban Drainage Systems (SUDS), connection to District heating systems, non potable water networks, and private wire networks providing power generated by low and no carbon generation
  - Tourism and visitor facilities including public conveniences
  - Visitor management plan
  - Waste Management.
- 3.5 Where section 106 planning obligations are considered necessary these may include some or all of the above or others as required. This list is provided to set out the most commonly sought contributions but should not be considered exhaustive. The planning obligation for affordable housing is explained in the Affordable Housing (SPG) (2008) and also the draft Affordable Housing SPD (2011) available at:  
[http://www.southwark.gov.uk/downloads/download/2245/affordable\\_housing\\_spd](http://www.southwark.gov.uk/downloads/download/2245/affordable_housing_spd)
- Mayoral section 106 planning obligation for Crossrail
- 3.6 The Mayor requires a planning obligation from new office developments in the Central Activities Zone (CAZ) and northern Isle of Dogs area which are above a 500 square metre (GIA) threshold. The Crossrail project is excluded from the restrictions set out in the Community Infrastructure Levy Regulations 2010.
- 3.7 CIL payments will be treated as a credit towards any payment sought for Crossrail should the former be less than the latter. If the CIL contribution exceeds the Crossrail obligation, the Crossrail planning obligation will not be sought.
- 3.8 In Southwark, a Crossrail planning obligation charge is calculated per square metre of new office (£140), retail (£90) and hotel (£61) development in the Bankside, Borough and London Bridge Opportunity Area which is shown both in the Core Strategy and London Plan.
- 3.9 Further information is set out within the Mayor's Supplementary Planning Guidance 'Use of Planning Obligations in the funding of Crossrail, and the Mayoral Community Infrastructure Levy (April 2013).  
<http://www.london.gov.uk/sites/default/files/Crossrail%20SPG%20April%202013.pdf>

#### 4. How will CIL and section 106 planning obligations work together?

- 4.1 When Southwark adopts a CIL or by April 2015 (whichever is the sooner) section 106 planning obligations will have a much more restricted role than they currently do. We will not be able to pool the funding generated by more than five section 106 planning obligations to pay for one infrastructure project.
- 4.2 When Southwark's CIL has been adopted, the key principle of our approach will be that section 106 planning obligations will be used to address site specific impacts of developments, such as a local access road or public realm improvements near the site. They may also be used in situations where a developer does not meet planning policy requirements to provide infrastructure on the development site. Section 106 planning obligations will be negotiated where items sought are clearly linked to the development site and are needed to make that particular development acceptable. CIL on the other hand will be used to fund local and strategic infrastructure required to support growth across the borough.
- 4.3 CIL payments and section 106 planning obligations will be used to fund different infrastructure items and developments will not be charged for the same items of infrastructure through both section 106 planning obligations and the CIL. To help clarify this, we have published a list of those infrastructure projects for which we will not seek to negotiate section 106 planning obligations, after Southwark's CIL has been adopted. This is called a Regulation 123 list (from CIL Regulation 123). The Regulation 123 list contains projects which may be funded partly or wholly by CIL. The list is based upon the infrastructure projects set out in the borough's Infrastructure Plan which are required to support growth over the Core Strategy period (2011-2026). It will be kept up to date to take into account any changes in circumstances and / or infrastructure needs identified in the future.  
[https://www.southwark.gov.uk/downloads/download/3323/draft\\_cil\\_charging\\_schedule](https://www.southwark.gov.uk/downloads/download/3323/draft_cil_charging_schedule)
- 4.4 Affordable housing falls outside of CIL and will continue to be required through a section 106 planning obligation.

#### 5. What is the process for securing CIL and section 106 planning obligations?

##### CIL

- 5.1 The amount of CIL to be paid depends on the size and type of the development.
- 5.2 Developments that do not require planning permission but meet the CIL threshold i.e. some "permitted" development, may need to pay CIL if the development started by the 6 April 2012. For these developments developers must submit a 'Notice of chargeable development' to the council before commencing development.
- 5.3 Applicants will know how much CIL to pay for a development from a 'CIL Liability Notice' which we will issue once planning permission has been granted, or once the developer has submitted the 'Notice of chargeable development' where planning permission is not required. Applicants should

then confirm the payment of CIL before the start of development by sending a completed 'assumption of liability' form to the council.

- 5.4 CIL needs to be paid when development starts. The Community Infrastructure Levy Regulations require payment within 60 days, unless we have adopted an payment installment policy.
- 5.5 The CIL collection arrangements are covered in Part 8 of the Community Infrastructure Levy Regulations and the government has issued an information document on CIL collection and enforcement:  
<http://www.communities.gov.uk/publications/planningandbuilding/cilcollectionand enforcement>
- 5.6 Further information is also available on the Planning Portal website:  
<http://www.planningportal.gov.uk/planning/applications/howtoapply/whattosubmit/cil#Downloadtheforms>

#### Section 106 planning obligations

- 5.7 The draft SPD is used on a borough-wide scale. It provides guidance that expands on the policies and guidance for seeking planning obligations as set out in a number of planning documents, including the following:
- London Plan (2011) policy 8.2
  - Core Strategy (2011) policy 14
  - Canada Water Area Action Plan (2012) policy 33
  - Draft Peckham and Nunhead Area Action Plan (2012) policy 48
  - Aylesbury Area Action Plan (2009) policy D2
  - Affordable Housing SPD (2008) and draft Affordable Housing SPD (2011)
- 5.8 When carrying out negotiations for section 106 planning obligations, we must meet the tests set out in the Community Infrastructure Levy Regulations (122).
- 5.9 Applicants should use this SPD to consider the impacts of the proposed scheme and any planning obligations likely to be required to address the impacts of development. Applicants should get in contact with Southwark early, to identify any issues and their possible solution before a planning application is made.
- 5.10 We will require applicants to prepare a planning obligations statement that addresses the issues outlined in this SPD where they are relevant to the particular proposal. The planning obligations statement should be submitted as part of the planning application.
- 5.11 Should the applicant consider that a planning obligation cannot be supported by the proposed development due to financial reasons, the applicant should submit a full 'open book' financial viability assessment to Southwark. All information provided to Southwark will be on a confidential basis. The applicant will be required to meet the our cost of reviewing the assessment which will include the appointment of qualified independent assessors. Claw-back legal clauses may be used to secure the full contribution should land values increase.

- 5.12 Following the decision to grant planning permission, the planning obligation(s) will be set out in the form of a binding legal agreement. The agreement will set out the detail of the planning obligations, including whether there are specific points in the development phasing for payment of commitments to be made by the developer, as well as obligations upon the council. On the completion and signing of a Section 106 legal agreement, planning permission is formally issued. Generally, we will always seek to receive payment of contributions upon the carrying out of the development in order to ensure that projects which address the impact of a development can be delivered by the time the development is occupied. If funds are payable on specified triggers, these funds will only be received if the planning permission is implemented. When a point has been reached, such as the start of the development construction, the developer must contact us to state that this event has occurred.
- 5.13 The cost of any section 106 charges will be reviewed annually using the Building Cost Information Service of The Royal Institution of Chartered Surveyors to adjust for inflation. The monitoring and administration of section 106 agreements is an impact of a development, and therefore we have developed a consistent and efficient approach to the monitoring and delivery of planning obligations. An administration charge of 2% will be applied, which excludes all legal costs associated with the preparation of an actual Section 106 Agreement. Legal clauses to secure indexation on the amounts agreed will also be included into each agreement to ensure the value of the obligation does not decrease over time.

## **6. Implementation**

### How will CIL money be spent?

- 6.1 Under the Community Infrastructure Levy Regulations there is a wider range of what funds can be spent on. Where possible we will seek to better align income collected from CIL for infrastructure with the preparation of the our capital programme in order to increase the overall improvements that can be delivered.
- 6.2 Information on how we spend CIL will be prepared and published on the our website. We will also report every year on what CIL money has been secured where and on what it has been spent, in line with the requirements of the regulations. The CIL revenue received will be able to fund the provision, improvement, replacement, operation or maintenance of infrastructure to support the growth identified in the borough.
- 6.3 The Community Infrastructure Levy Regulations also allow up to 5% of CIL money collected to be used to monitor and administer the charge. We will monitor funding collected and publish regular monitoring reports on the website.
- 6.4 In calculating individual CIL charges, we will be required to apply an index of inflation to keep the levy in line with market conditions. The base date for the charges set out in the CIL Charging Schedule will be the date of adoption of the schedule. A review will be carried out every year on the date the charging schedule was adopted to make a financial adjustment for capital construction

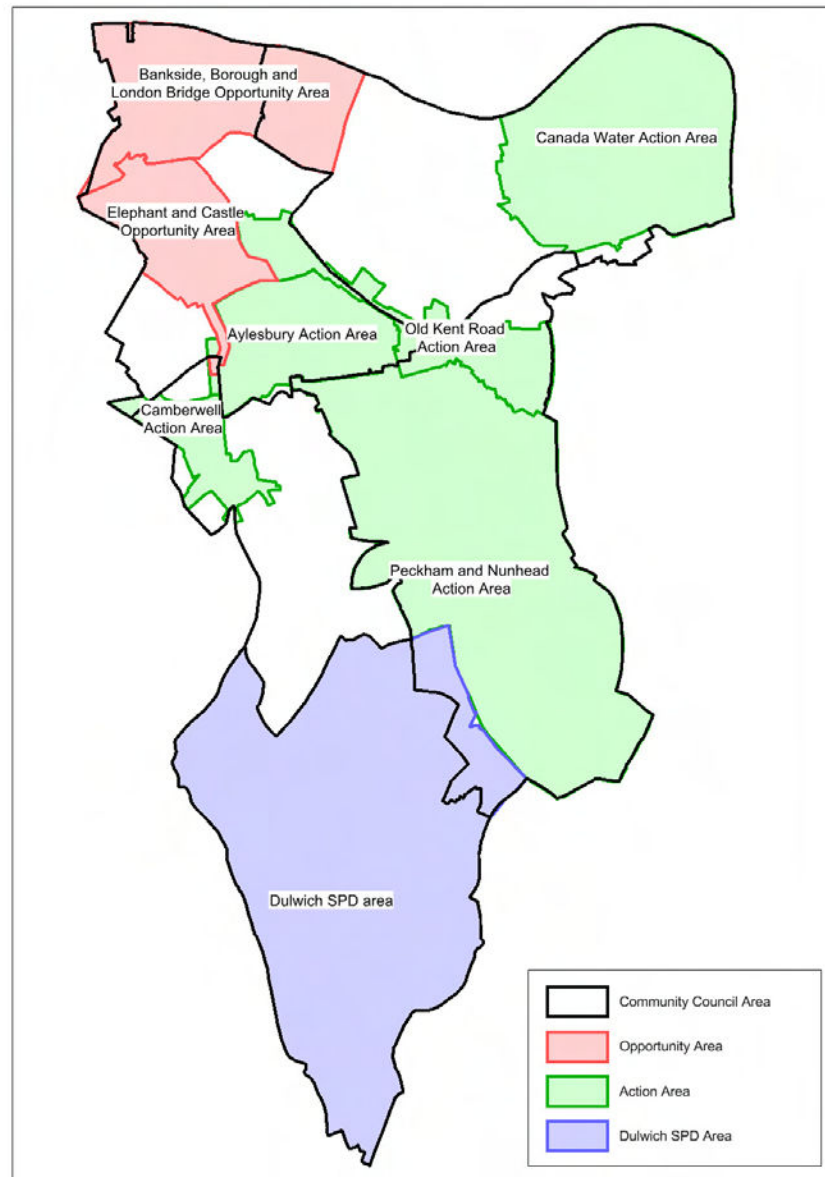
costs, particularly for the cost of building schools, health and community facilities. The index will be the national All-In Tender Price Index of construction costs published by the Building Cost Information Service.

#### Community Infrastructure project list

- 6.5 In early 2013 the government announced the amount of CIL to be spent locally (a 'meaningful amount') would be 15% with a cap at £100 per council tax dwelling. For areas with an adopted neighborhood plan this would be 25% with no cap.
- 6.6 We will spend local CIL funds on projects listed in its Community Infrastructure Project Lists (CIPL) or where relevant on projects listed in an adopted neighbourhood plan. The CIPLs are project ideas created by the local community and approved by the relevant community council. We will consult on the CIPLs regularly to make sure they are up-to-date.
- 6.7 The CIPLs will replace the existing project banks which include projects to improve the local environment that could be implemented through Section 106 planning obligations or other funding sources. However, once the Southwark's CIL charging schedule is adopted, new Section 106 planning obligations will only focus on addressing the impacts of a single development and remove this as a source of project bank funding.
- 6.8 Southwark will spend at least 25% of CIL on projects in the local area, whether there is an adopted neighborhood plan or not, using the following sequence of areas to identify relevant projects:
- Areas with an adopted neighbourhood plan
  - Opportunity areas
  - Action areas
  - SPD areas (other than individual sites/buildings)
  - Community council areas (for those areas which are not covered by any of the above).
- 6.9 We will use the areas in the order they are listed to select projects. For example, if a development site is located in an opportunity area and an area which has an adopted neighbourhood plan, the local CIL funds from a development will be spent on projects in the neighbourhood plan area and formally approved by the local community council. The areas are shown on figure 1 below. This will be updated on our website as planning policy documents and neighbourhood plans are adopted.



Figure 1: Local CIL funding areas



- 6.2 Southwark will consult local communities on priorities for these areas and will create the CIPL for each of the areas listed above. These lists will be revised regularly as projects are delivered, and priorities change. CIPL will help direct funding to infrastructure local people believe is required in their local areas in order to support the amount of new development planned. The current CIPLs are available on our website:

[http://www.southwark.gov.uk/info/200152/section\\_106/796/current\\_project\\_ban\\_k\\_ideas](http://www.southwark.gov.uk/info/200152/section_106/796/current_project_ban_k_ideas)

## APPENDIX 1

<b>Affordable Housing</b> We will require provision of affordable housing in new developments to help address the current shortage of affordable homes in the borough. This SPD should be read in tandem along with the Affordable Housing SPD (2008) and the draft Affordable Housing SPD (2011) which provide detailed guidance on affordable housing in major residential developments.			
Threshold	Policy	Justification	Calculation
<p>The site is 0.5 hectares or more in size</p> <ul style="list-style-type: none"> <li>The site is appropriate in size and location to provide 10 or more housing units</li> <li>The development is a student housing scheme of 30 or more bedspaces and living spaces, or the development is over 0.5 hectares (whichever is smaller)</li> <li>The development includes live-work units and the number of live-work units is 10 or more.</li> <li>Also if the number of residential units and live-work units combined is 10 or more</li> </ul>	<p><b>Core Strategy</b> Strategic Targets Policy 2 - Improving Places Policy 6 – Homes for people on different incomes Policy 8 – Student homes Policy 14 - Implementation and delivery</p> <p><b>Saved Southwark Plan</b> Policy 4.2 - Quality of residential accommodation Policy 4.3 – Mix of dwellings Policy 4.4 - Affordable housing Policy 4.5 - Wheelchair affordable housing</p> <p>Affordable housing SPD (2008) and draft Affordable Housing SPD (2011)</p> <p><b>London Plan (2011)</b> Policy 3.12 – Negotiating affordable housing on individual private residential and mixed use schemes</p>	<p>There is a shortage of affordable homes, in Southwark, across London and the whole of the UK. A key objective of Southwark, the Greater London Authority and national government is to provide more affordable housing.</p> <p>Our housing studies and statistical evidence both set out that there is a great need for more affordable housing and support our priority of providing more affordable housing to meet local need. This will be achieved through securing the highest amount of affordable housing from the maximum number of developments whilst ensuring the continued viability of housing development across Southwark.</p> <p>We require affordable housing on all student housing sites above the threshold to make sure that we work towards meeting the considerable housing need in Southwark.</p>	<p>Development schemes of 10 or more units or 30 or more student bedspaces, the developer should provide a minimum of 35% of all habitable rooms as affordable housing on site.</p> <p>In circumstances where the calculation of affordable housing results in a fraction of a habitable room (e.g. 0.7) we will round the number up or down to the nearest whole habitable room (with 0.5 being rounded up). Any room that is over 27.5 sqm will be considered as two habitable rooms.</p> <p>One less affordable habitable room will be required for every affordable housing unit which complies with the wheelchair design standards (as set out in the Residential Design Standards SPD (2011))</p> <p>Where these targets cannot be met on site, we will require a financial viability appraisal of the development scheme. In exceptional circumstances, offsite provision, or an “in lieu” payment may be made to provide affordable housing off-site.</p>

	<p>Policy 3.8 – Housing Choice          Policy 3.9 – Mixed and balanced communities          Policy 8.2: Planning Obligations</p>		
<p><b>Archaeology</b></p>			
<p>We will seek section 106 planning obligations to support Southwark's effective monitoring of archaeological matters. This will make sure that this archaeology is properly managed and preserved. A contribution will be calculated for developments on the basis of the officer time which is needed to carry out the following tasks:</p> <p>a) Desk-based assessment (DBA)          b) Archaeological evaluation          c) Archaeological excavation</p>			
<p><b>Threshold</b></p>	<p><b>Policy and guidance</b></p>	<p><b>Justification</b></p>	<p><b>Calculation</b></p>
<p>All developments within the archaeological priority zones (shown on the adopted policies map) requiring archaeological assessment and evaluation and/or excavations will be required to make a financial contribution towards our monitoring and supervisory role.</p>	<p><b>Core Strategy (2011)</b>          Policy 12 – Design and Conservation          Policy 14: Implementation and delivery          Adopted Policies Map (2012)</p> <p><b>Saved Southwark Plan (2012)</b>          Policy 3.15 Conservation of the historic environment          Policy 3.19 - Archaeology</p> <p><b>London Plan (2011)</b>          Policy 7.8 – Heritage Assets and Archaeology          Policy 7.9 – Heritage-led regeneration          Policy 8.2: Planning Obligations</p>	<p>Given its historical setting, Southwark has a very important archaeological resource. Developments in the archaeology priority zones require specialist officer advice to evaluate and assess the likelihood of archaeology on the site and advise developers on their investigation for the protection of on-site archaeology.</p> <p>Within the Borough, Bermondsey and Rivers Archaeological Priority Zone the nature of the archaeology reflects the long-standing urban landscape dating from the Roman, early medieval, medieval and post-medieval periods that provides deep, complex, stratified archaeology. In other archaeological priority zones</p>	<p>For planning applications that are within Archaeological Priority Zones, we will seek a contribution towards its cost in providing technical archaeological support. The support will include: examining the desk-based assessment, agreeing written schemes of investigation for differing types of fieldwork, monitoring different fieldwork types. The different fieldwork types could include archaeological evaluations, excavations, watching brief and building recording.</p> <p>The contributions sought will be relative to the scale of the development and based on the current cost of this service.          £1,695 for under 100sqm of development          £3,389 for 101 - 4999 sqm of development          £6,778 for 5000 - 9999sqm of development          £11,171 for 10,000 and more sqm of development</p> <p>Consultation with Southwark's archaeology officer may result in a change to these costs in certain circumstances.</p>

		the depth and nature of the archaeological deposits relate to the different character and development of the zones and the likely archaeology to be found in them.	
<b>Carbon Offset- Green fund</b>			
We will seek to secure mitigation where schemes do not meet the development plan target for reducing carbon dioxide emissions. Contributions will be placed in a green fund and will be used to reduce carbon dioxide emissions in projects elsewhere in the borough. Details of the green fund will be set out on the our website. Contributions may be reduced where a developer can directly off-set any shortfall in carbon dioxide reductions from a scheme by implementing a carbon dioxide saving project off-site, where the saving exceeds what might otherwise be provided and where (in Southwark's opinion) this can be achieved within a reasonable timeframe. Measures could include directly funding or installing community energy and retrofitting projects.			
Carbon dioxide emissions which are secured either through an off-site project proposed by a developer or through a project funded through the green fund will be expected to provide either the carbon dioxide saving or the financial equivalence to the carbon dioxide saving that would otherwise be required on the development site.			
Section 106 planning obligations will not be secured to provide funding towards the strategic projects specified on our Regulation 123 list, which currently includes Canada Water district heating/Combined Heat and Power.			
<b>Threshold</b>	<b>Policy</b>	<b>Justification</b>	<b>Calculation</b>
10 or more residential units or residential schemes providing 1000sqm or more of floorspace (GIA) (whichever is the smaller) and including live work units.	<b>Core Strategy (2011)</b> Policy 13 – High Environmental Standards Policy 14: Implementation and delivery  Sustainable Design and Construction SPD (2008) Section 11.2  <b>London Plan (2011)</b> Policy 5.2 – Minimising Carbon Dioxide Emissions Policy 8.2: Planning Obligations	Southwark's Energy and carbon Reduction Strategy emphasises the borough's commitment to reducing borough-wide carbon dioxide emissions by 80% by 2050 (on 2003 levels). It identifies a short term target of a 22.4% reduction by 2020.  In Southwark, by far the largest share of carbon dioxide emissions (84%) is generated by workplaces and homes.  London Plan policy 5.2 identifies targets for carbon dioxide reduction	The carbon reduction targets are set out as minimum improvements over the Target Emission Rates (TER) in the Building Regulations (Part L).  The shortfall in CO2 reduction will be charged at £1,380 per tonne of carbon dioxide.  £1,380 represents £46 per tonne calculated over 30 years. £46 per tonne of carbon dioxide calculated over 30 years is the price identified by the Zero Carbon Hub in their publication <i>Allowable Solutions for Tomorrow's New Homes 2011</i> and is one of the nationally recognised prices suggested in the Mayor's draft Sustainable Design and Construction SPG (2013).
Development providing a net increase of 1,000sqm or more of non-residential floorspace (GIA). Where development schemes propose mixed use floorspace the combined			

<p>total of this floorspace will be counted.</p> <p>Mitigation will be sought where schemes do not meet the overall carbon dioxide reduction requirements identified in Southwark's development plan. The current target is a 40% improvement on the 2010 Building Regulations for both domestic and non domestic buildings, as set out in London Plan (2011) policy 5.2.</p>	<p>Draft Sustainable Design and Construction SPG (2013) Carbon dioxide off-setting</p>	<p>and states that any shortfall may be provided off site or through a financial contribution which will be used to fund the delivery of carbon dioxide savings elsewhere.</p>																				
<p><b>Children's Play Space</b></p>																						
<p>The development provides 10 or more child bed spaces.</p> <p>Mitigation will be sought where schemes do not meet the on-site children's play space provision standards which are included in the Mayor's Supplementary Planning Guidance on Shaping</p>	<p><b>Policy</b> <b>Core Strategy (2011)</b> Policy 11 – Open spaces and wildlife Policy 14: Implementation and delivery <b>Saved Southwark Plan (2012)</b> Policy 4.2 – Quality of residential accommodation Residential Design Standards</p>	<p><b>Justification</b> The Core Strategy and London Plan require new development to meet the needs of a growing population by providing space for children's play on site. Play space will be required in accordance with Southwark's Residential Design Standards SPD and the Mayor's Supplementary Planning Guidance on Shaping neighbourhoods Play and Informal</p>	<p><b>Calculation</b> A minimum of 10 sqm of play space per child bedspace is required. Child yield is calculated as follows: <b>For private and intermediate housing</b></p>																			
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<p>Neighbourhoods Play and Informal Recreation (2012).</p>	<p>SPD (2011)  <b>London Plan (2011)</b>                  Policy 3.5 – Quality and design of housing developments                  Policy 8.2: Planning Obligations                   ‘Shaping Neighbourhoods Play and Informal Recreation Mayor of London Supplementary Planning Guidance (September 2012)</p>	<p>Recreation.</p>	<table border="1"> <tr> <td><b>0-4</b></td> <td>0.00</td> <td>0.00</td> <td>0.07</td> <td>0.17</td> <td>0.00</td> <td>0.00</td> </tr> <tr> <td><b>5-10</b></td> <td>0.00</td> <td>0.00</td> <td>0.02</td> <td>0.11</td> <td>0.00</td> <td>0.00</td> </tr> <tr> <td><b>11-15</b></td> <td>0.00</td> <td>0.00</td> <td>0.01</td> <td>0.03</td> <td>0.00</td> <td>0.00</td> </tr> <tr> <td><b>16-18</b></td> <td>0.01</td> <td>0.01</td> <td>0.01</td> <td>0.02</td> <td>0.00</td> <td>0.00</td> </tr> <tr> <td><b>Total</b></td> <td><b>0.01</b></td> <td><b>0.01</b></td> <td><b>0.10</b></td> <td><b>0.33</b></td> <td><b>0.00</b></td> <td><b>0.00</b></td> </tr> </table>	<b>0-4</b>	0.00	0.00	0.07	0.17	0.00	0.00	<b>5-10</b>	0.00	0.00	0.02	0.11	0.00	0.00	<b>11-15</b>	0.00	0.00	0.01	0.03	0.00	0.00	<b>16-18</b>	0.01	0.01	0.01	0.02	0.00	0.00	<b>Total</b>	<b>0.01</b>	<b>0.01</b>	<b>0.10</b>	<b>0.33</b>	<b>0.00</b>	<b>0.00</b>												
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<b>Total</b>	<b>0.00</b>	<b>0.20</b>	<b>1.00</b>	<b>2.00</b>	<b>3.29</b>	<b>4.50</b>																																												
<p><b>SOCIAL RENTED/AFFORDABLE RENTED HOUSES</b></p>			<table border="1"> <thead> <tr> <th rowspan="2">Age</th> <th colspan="5">Number of Bedrooms</th> </tr> <tr> <th>0</th> <th>1</th> <th>2</th> <th>3</th> <th>4</th> <th>5+</th> </tr> </thead> <tbody> <tr> <td><b>0-4</b></td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> </tr> <tr> <td><b>5-10</b></td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> </tr> <tr> <td><b>11-15</b></td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> </tr> <tr> <td><b>16-18</b></td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> </tr> <tr> <td><b>Total</b></td> <td><b>0.00</b></td> <td><b>0.00</b></td> <td><b>0.00</b></td> <td><b>0.00</b></td> <td><b>0.00</b></td> <td><b>0.00</b></td> </tr> </tbody> </table>	Age	Number of Bedrooms					0	1	2	3	4	5+	<b>0-4</b>	0.00	0.00	0.00	0.00	0.00	0.00	<b>5-10</b>	0.00	0.00	0.00	0.00	0.00	0.00	<b>11-15</b>	0.00	0.00	0.00	0.00	0.00	0.00	<b>16-18</b>	0.00	0.00	0.00	0.00	0.00	0.00	<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
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	<p>local preferred industrial locations                  Policy 1.4 – Employment sites outside the POL and PILS                  Policy 1.5 – Small business units                  Policy 1.7 – Development in town centres                  Southwark Economic Well-being Strategy (2010-2020)  <b>London Plan (2011)</b>                  Policy 4.1 – Developing London’s economy                  Policy 4.12 – Improving Opportunities for all                  Policy 8.2: Planning Obligations</p>	<p>be supported through the funding of skills and training programmes for unemployed residents.                  Reducing the level of deprivation is an essential part of developing socially sustainable communities, especially in growing communities. Finding local labour, and reducing the need to travel is a key part of creating of sustainable communities.</p>	<p><b>Management and coordination fee</b>                  To support the costs of managing, monitoring and coordinating developments to deliver these outcomes, a management and coordination fee will be charged, set at £0.6 per sqm GEA.</p>
<p><b>Employment and Enterprise: General and end-user phase: skills, training and employment</b>                  We will seek to secure a section 106 planning obligation from developers to provide a skills and employment plan for the end-user employment opportunities in the final development, including targets for employment of unemployed people who live in Southwark.</p>			
<p><b>Threshold</b>                  Development schemes providing 2,500sqm new or improved non-residential space (GEA).</p>	<p><b>Policy and Guidance</b>  <b>Core Strategy (2011)</b>                  Policy 10 – Jobs and Business                  Policy 14: Implementation and delivery  <b>Saved Southwark Plan</b></p>	<p><b>Justification</b>                  One of Southwark’s Economic Well-being Strategy objectives is for regeneration and development to provide lasting jobs for residents in both construction and related industries and jobs in completed developments. This can be</p>	<p><b>Calculation</b>  <b>Targets</b>                  For business use (B class) floorspace a target for the number of jobs lasting a minimum of 26 weeks for unemployed Southwark residents will be calculated at 10% of the estimated Full Time Employee (FTE) employment on site according to Homes and Community Agency (HCA) employment densities (see page 21) or an alternative</p>



	<p><b>(2012)</b>          Policy 1.1 – Access to employment opportunities          Policy 1.2 – Strategic and local preferred industrial locations          Policy 1.4 – Employment sites outside the POL and PILS          Policy 1.5 – Small business units          Policy 1.7 – Development in town centres          Southwark Economic Well-being Strategy (2010-2020)  <b>London Plan (2011)</b>          Policy 4.1 – Developing London's economy          Policy 4.12 – Improving Opportunities for all          Policy 8.2: Planning Obligations</p>	<p>supported through the funding of skills and training programmes for unemployed residents.</p> <p>Reducing the level of deprivation is an important part of developing socially sustainable communities, especially in growing communities. Providing for training facilities in new developments which create high levels of jobs will help the skills of local people match the needs of London's growing economy</p>	<p>measure agreed by the council.</p> <p>For retail use (A class) floorspace and hotels a target for the number of jobs lasting a minimum of 26 weeks for unemployed Southwark residents will be calculated at 20% of the estimated FTE employment on site according to HCA employment densities or another measure agreed by the council.</p> <p><b>Management and coordination fee</b></p> <p>To support our costs of managing, monitoring and coordinating developments to deliver these results, a management and coordination fee will be charged, set at £1.8 per sqm GEA for B class floorspace and £1.2 per sqm GEA for A class floorspace and hotels.</p>
<p><b>Employment and Enterprise: loss of employment floorspace</b></p>			
<p>We will seek to secure a section 106 planning obligation from developers who cannot meet the criteria set out in the saved Southwark Plan Policy 1.4 which are used to assess development schemes which include a net loss of floorspace in business use. The planning obligation will contribute towards skills and employment programmes where employment floorspace in protected employment locations is lost.</p>			
<p><b>Threshold</b>          Development schemes which reduce the existing employment floorspace on</p>	<p><b>Policy and guidance</b>  <b>Core Strategy (2011)</b>          Policy 10 – Jobs and Business</p>	<p><b>Justification</b>          Land for employment is in short supply in Southwark, and often under pressure for proposals for different or</p>	<p><b>Calculation</b>          £4000 (average cost for a Southwark unemployed resident to gain support and training to get access to a skilled job)</p>

<p>sites located in the protected employment locations (Core Strategy Policy 10).</p>	<p>Policy 14: Implementation and delivery</p> <p><b>Saved Southwark Plan (2012)</b></p> <p>Policy 1.1 – Access to employment opportunities</p> <p>Policy 1.2 – Strategic and local preferred industrial locations</p> <p>Policy 1.4 – Employment sites outside the POL and PILS</p> <p>Policy 1.5 – Small business units</p> <p>Policy 1.7 – Development in town centres</p> <p>Southwark Economic Well-being Strategy (2010-2020)</p> <p><b>London Plan (2011)</b></p> <p>Policy 4.1 – Developing London's economy</p> <p>Policy 4.12 – Improving Opportunities for all</p> <p>Policy 8.2: Planning Obligations</p>	<p>additional types of land uses. Southwark's Core Strategy and Economic Well-being Strategy set out the need to protect land for business and keep a balance of business uses within our town centres. The Economic Well-being Strategy also aims for regeneration and development to provide lasting jobs for residents in both construction and related industries and jobs in completed developments. This can be supported through the funding of skills and training programmes for unemployed residents.</p> <p>Reducing the level of deprivation is a key part of developing socially sustainable communities, especially in growing communities. Providing for training facilities in new developments which create high levels of jobs, will help the skills of local people match the needs of London's growing economy</p>	<p>multiplied by the following:</p> <p>10% number of FTE jobs that may have been provided in equivalent amount of (net) lost floorspace in the existing employment use class, according to HCA employment densities or agreed alternative measure.</p> <p>HCA employment densities</p> <table border="1" data-bbox="518 152 1061 840"> <thead> <tr> <th>Use Class</th> <th>Use Type</th> <th>Area per FTE (m2)</th> </tr> </thead> <tbody> <tr> <td><b>Industrial</b></td> <td></td> <td></td> </tr> <tr> <td>B2</td> <td>General</td> <td>36</td> </tr> <tr> <td>B1 (c)</td> <td>Light Industry</td> <td>47</td> </tr> <tr> <td><b>Warehouse &amp; Distribution</b></td> <td></td> <td></td> </tr> <tr> <td>B8</td> <td>General</td> <td>70</td> </tr> <tr> <td>B8</td> <td>Large scale and high bay warehousing</td> <td>80</td> </tr> <tr> <td><b>Office</b></td> <td></td> <td></td> </tr> <tr> <td>B1 (a)</td> <td>General office</td> <td>12</td> </tr> <tr> <td>B1 (a)</td> <td>Call centres</td> <td>8</td> </tr> <tr> <td>B1 (a)</td> <td>IT/Data centres</td> <td>47</td> </tr> <tr> <td>B1 (a)</td> <td>Business park</td> <td>10</td> </tr> <tr> <td>B1 (a)</td> <td>Service office</td> <td>10</td> </tr> </tbody> </table> <p>See the employment densities guide for further clarification</p> <p><a href="http://www.homesandcommunities.co.uk/employment-densities-guide-2nd-ed">http://www.homesandcommunities.co.uk/employment-densities-guide-2nd-ed</a></p>	Use Class	Use Type	Area per FTE (m2)	<b>Industrial</b>			B2	General	36	B1 (c)	Light Industry	47	<b>Warehouse &amp; Distribution</b>			B8	General	70	B8	Large scale and high bay warehousing	80	<b>Office</b>			B1 (a)	General office	12	B1 (a)	Call centres	8	B1 (a)	IT/Data centres	47	B1 (a)	Business park	10	B1 (a)	Service office	10
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<b>Employment and Enterprise: Other Obligations</b>			
We may also seek to secure additional planning obligations, depending on the nature of the site and development scheme, which include:			
<ul style="list-style-type: none"> <li>• provision of affordable business or retail units when required within area based planning policy documents.</li> <li>• local procurement and supply chain measures</li> <li>• relocation assistance for existing businesses</li> </ul>			
<b>Threshold</b>	<b>Policy and guidance</b>	<b>Justification</b>	<b>Calculation</b>
Development schemes providing a net increase of 1,000sqm or more of non-residential floorspace (GIA).	<b>Core Strategy (2011)</b> Policy 10 – Jobs and Business Policy 14: Implementation and delivery	Southwark is a highly visible and desirable location for business. The borough has a high number of large office developments in the north and also a large number of small and medium enterprises (SME). Our Employment Land Review (2010) confirms there is continuing demand for high quality small floorplate business space.	The provision of affordable small business or retail units may be secured through a planning obligation only where it is specifically required in a development plan or relevant area based supplementary planning document.
Where schemes propose a mix of uses the combined total of this floorspace will be counted.	<b>Saved Southwark Plan (2012)</b> Policy 1.1 – Access to employment opportunities Policy 1.2 – Strategic and local preferred industrial locations	Southwark's Economic Well-being Strategy aims that better quality, more flexible, better managed and affordable business space is available in Southwark, for start-ups and businesses that are ready to grow. The provision of affordable business space and retail units will help create a more varied business environment and will support local small businesses to remain and grow in the borough during a process of regeneration.	Interventions to ensure small and medium sized local enterprises have access to tender opportunities for the procurement of goods and services, created by the development, both during and after construction will be secured through a planning obligation, in line with Southwark's Economic Well-being Strategy.
10 or more residential units or residential schemes providing 1000sqm or more of floorspace (GIA) (whichever is the smaller) and including live work units.	Policy 1.4 – Employment sites outside the POL and PILS Policy 1.5 – Small business units Policy 1.7 – Development in town centres Southwark Economic Well-being Strategy (2012-2020) <b>London Plan (2011)</b> Policy 4.1 – Developing London's economy Policy 4.9 – small shops Policy 4.12 – Improving	Where small businesses are displaced by development they should be assisted to relocate within the borough if possible, to retain a	Schemes to support displaced small businesses to relocate may be secured through a planning obligation.

	Opportunities for all Policy 8.2: Planning Obligations	strong local economy, to strengthen town centres and to maintain the supply of local jobs.	
<b>Outdoor amenity space</b>			
All new housing and flat developments must provide some form of outdoor amenity space, as set out in our Residential Design Standards SPD (2011). In exceptional circumstances where adequate amenity space cannot be provided on site and where this is demonstrated through a Design and Access Statement which has considered reasonable options for the provision of on-site amenity space, we will seek a section 106 planning obligation to help improve open space elsewhere near to the development site.			
<b>Threshold</b>	<b>Policy and guidance</b>	<b>Justification</b>	<b>Calculation</b>
All new residential development.  Mitigation will be sought where schemes do not meet the on-site amenity space standards identified in Southwark's Residential Design Standards SPD.	<b>Core Strategy (2011)</b> Policy 13 – Open Spaces and Wildlife Policy 14: Implementation and delivery  <b>Saved Southwark Plan (2012)</b> Policy 4.2 – quality of residential accommodation  Southwark's Open Spaces Strategy (2013) and evidence base report  Residential Design Standards SPD (2011)  <b>London Plan (2011)</b> Policy 3.5 – Quality and design of housing developments Policy 8.2: Planning	All new residential development must provide an adequate amount of useable outdoor amenity space. The Residential Design Standards SPD sets out the minimum standards which must be met in new developments.  The provision of good quality outdoor amenity space within development sites is important in achieving the Core Strategy objective of promoting a healthy and active population in Southwark.  In exceptional circumstances where it is not possible to provide an adequate amount of outdoor amenity space the applicant must justify why this cannot be achieved through the Design and Access Statement and in accordance with our Residential Design Standards SPD. The Design	Houses: A minimum of 50 sqm of outdoor private amenity space is required. The garden should be at least 10m in length and should extend across the entire width of the dwelling.  Flats: A minimum of 50 sqm of communal amenity space per development. For units containing three or more bedrooms 10 sqm of private amenity space must be provided. For units containing two or less bedrooms, 10 sqm of private amenity space should be provided. Balconies, terraces and roof gardens must be a minimum of 3 sqm to count towards private amenity space.  Any shortfall in the required provision of amenity space will be charged at £205 per square metre. £205 per square metre represents an average cost in Southwark for improving open space, taking into account all costs including fees and construction costs.

	Obligations	and Access Statement must show that the developer has assessed reasonable options for providing amenity space on site.  In general, funding for the provision, enhancement and maintenance of open spaces required as a result of population growth will be provided as part of CIL contributions and other funding sources	
<b>Public realm measures</b>			
<p>We will expect developments to address site specific development impacts on the public realm. Where necessary, we may use CIL to fund or part fund strategic projects to improve the streetscene and built environment, such as the improvements to the public realm around the northern roundabout at Elephant and Castle or the Camberwell Green town centre improvements, as set out in our Regulation 123 list.</p> <p>Section 106 planning obligations will be sought to address the impact on the public realm in the local area surrounding the development, through either:</p> <p>1) Commitment by the applicant to carry out a schedule of works under a Section 278 agreement of the Highway Act 1980. An agreed list of works should be detailed in the Section 106 agreement, with an outline of the range of works attached.</p> <p>2) A contribution towards works to be carried out by contractors employed by Southwark. Where appropriate, works to a development's surrounding area include: footpaths and carriageways, street lighting, tree planting, green chains, urban parks, surrounding footways and streetscape, maintenance payments, community safety initiatives, public art, landscaping, wildlife habitats and others as required.</p>			
<b>Threshold</b> 10 or more residential units or residential schemes providing 1000sqm or more of floorspace (GIA) (whichever is the smaller)	<b>Policy and guidance</b> <b>Core Strategy (2011)</b> Policy 12 – Design and Conservation Policy 14: Implementation and delivery	<b>Justification</b> The public realm is an important part of any development, and helps the building or set of buildings to fit into the existing built environment and street scene. The use of high quality	<b>Calculation</b> We will calculate the planning obligations based on a list of items, for which the costs are regularly updated to reflect changes in build costs.  Public realm improvements that may be necessary to make

<sup>1</sup> Mayor of London, *Better Streets*, Transport for London, November 2009

<sup>2</sup> Department for Transport (DfT), *Manual for Streets*, Thomas Telford Publishing, March 2007

<sup>3</sup> Department for Transport (DfT), *Manual for Streets 2*, Chartered Institution of Highways and Transportation (CIHT), September 2010

<sup>4</sup> Commission for Architecture and the Built Environment (CABE), *The principles of inclusive design (They include you)*, 2006 op cit

<p>and including live work units.</p> <p>Development schemes providing a net increase of 1000sqm or more of non-residential floorspace (GIA)</p> <p>Where schemes propose a mix of uses the combined total of this floorspace will be counted.</p> <p>Where floorspace is to be re-provided (partially demolished and rebuilt), additional sums will be sought to address the impact of damage to the public realm from major construction works.</p>	<p><b>Saved Southwark Plan (2012)</b></p> <p>Policy 3.11 Efficient use of land</p> <p>Policy 3.12 Quality in design</p> <p>Policy 3.13- Urban Design</p> <p>Policy 3.14 – Designing out crime</p> <p><b>London Plan (2011)</b></p> <p>Policy 6.10 – Walking</p> <p>Policy 7.3 – Designing out Crime</p> <p>Policy 7.4 – Local character</p> <p>Policy 7.5 – Public Realm</p> <p>Policy 7.6 – Architecture</p> <p>Policy 7.19 – Biodiversity and access to nature</p> <p>Policy 7.21 – Trees and Woodland</p> <p>Policy 8.2: Planning Obligations</p> <p>There is a range of guidance such as Better Streets<sup>1</sup>, Manual for Streets<sup>2</sup>, Manual for Streets 2<sup>3</sup>, Principles of Inclusive Design<sup>4</sup>, and Streets for All<sup>5</sup> which can help guide the design of the public realm.</p>	<p>and tough materials has an important role in creating an identity and sense of place for an area.</p> <p>We are concerned that the impact of re-providing floorspace (partial demolition and rebuild) may result in extensive damage to public realm in the development's environs. It is reasonable that Section 106 planning obligations may be sought to address this site-specific impact on a case-by-case basis.</p>	<p>development acceptable include, but are not limited to, the provision of:</p> <ul style="list-style-type: none"> <li>-Site specific contributions for carriageway surfacing</li> <li>-New or improved footways and/or hard or soft landscaping improvements</li> <li>-Replacing paving or landscape material on existing public realm including carriageway and footways</li> <li>-Street furniture, bins, bollards</li> <li>-Street lighting</li> <li>-Cycle stands</li> <li>-Tree and landscape planting and biodiversity mitigation and improvement measures</li> <li>-Signage</li> <li>-Public art</li> <li>-CCTV or other community safety measures</li> </ul>
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<sup>5</sup> English Heritage, *Streets for All: A Guide to the Management of London's Street*, English Heritage, March 2000

Threshold	Policy and guidance	Justification	Calculation
<p>All new university student housing development</p>	<p><b>Core Strategy</b>            Policy 8 – Student homes            Policy 14 – Implementation and delivery</p> <p><b>London Plan (2011)</b>            Policy 3.8 – Housing Choice            Policy 3.9 – Mixed and balanced communities            Policy 8.1: Implementation            Policy 8.2: Planning Obligations</p> <p>Draft CIL Charging Schedule (December 2013)</p>	<p>BNP Paribas Real Estate's study 'Student Housing Implementation' (March 2011) identifies two separate types of student accommodation. This has been confirmed in the representations to the consultation on the Southwark CIL by the major student accommodation providers in the borough. One type of accommodation is market student housing which charges unrestricted rents. The other, usually tied to a university, is restricted rents at lower than market levels.</p> <p>Given there is a viability consequence of offering restricted</p>	<p>A planning obligation will be secured on schemes that propose student accommodation let at restricted rent levels below £168 per week (CPI indexed yearly from October 2013) to be set for a period of at least 7 years (7 years being equivalent to the relevant period for securing CIL charitable relief as set out in the CIL Regulations 2010).</p>

### Student Housing: University schemes

We will seek a section 106 planning obligation to secure controlled rent levels for university nomination student housing developments.

Universities providing student accommodation will have three options when considering their CIL payment:

1. Provide student accommodation as the majority land owner. This will allow them to apply for Charitable Relief and not be liable to pay CIL. (see DCLG Community Infrastructure Levy Relief Information document [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/6314/19021101.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6314/19021101.pdf))
2. Provide student accommodation with another party but restrict the rents. This will not be subject to CIL but will need a section 106 Planning Obligation to make sure the low rent is maintained.
3. Provide direct-let student accommodation with another party. This would be CIL liable for £100 per sqm (as set out in the draft CIL Charging Schedule December 2013).

		<p>rents, Southwark's CIL is not applied to student accommodation with restricted rents. A planning obligation will be sought where proposals include restricted rent student accommodation, to make sure that the low rent is provided.</p>	
<p><b>Transport measures: site specific</b></p>			
<p>We will seek to secure contributions for transport measures through site specific measures to help improve the access to a new development, by delivering, for example new pedestrian crossings, cycleways, and car clubs. Travel plans will be required for all applications to demonstrate how impacts will be overcome.</p> <p>For large major developments, additional contributions to major infrastructure improvements not identified below may be sought to support the public transport network, such as a bus station or taxi rank.</p> <p>We will not use Section 106 planning obligations to help fund the strategic transport projects set out in the Regulation 123 list.</p>			
<p><b>Threshold</b></p>	<p><b>Policy and guidance</b></p>	<p><b>Justification</b></p>	<p><b>Calculation</b></p>
<p>10 or more residential units or residential schemes providing 1000sqm or more of floorspace (GIA) (whichever is the smaller) and including live work units.</p> <p>Development schemes providing a net increase of 1,000sqm of non-residential floorspace (GIA)</p>	<p><b>Core Strategy (2011)</b> Policy 2 – Sustainable Transport</p> <p><b>Saved Southwark Plan (2012)</b> Policy 3.11 - Efficient use of Land Policy 5.2 – Transport Impacts Policy 5.3 - Walking and Cycling</p> <p>Sustainable Transport SPD</p>	<p>Allowing new development that would place pressure on either the public transport network and/or the road network would not help promote sustainable development.</p> <p>CIL funds and other mainstream funding programmes will be used to address the increasing impacts of development on the transport network. However, individual developments may cause a site-specific impact which should be directly addressed through the</p>	<p>A number of highway improvements may be necessary to make a development acceptable. We will calculate the Section 106 planning obligation based on a list of site specific items for which the costs are regularly updated to reflect changes in build costs.</p> <p>We will also seek to secure non-financial planning obligations to address the impact of a development proposal. Non-financial planning obligations may include:</p> <ul style="list-style-type: none"> <li>- Car club initiatives and local travel plan groups - provide on-site parking for car club use, providing marketing about the availability of the car club and free membership for a period of years for residents of the development.</li> </ul>



<p>Where schemes propose a mix of uses the combined total of this floorspace will be counted</p> <p>Where floorspace is to be re-provided (partially demolished and rebuilt), additional sums will be sought to address impact of damage to site-specific transport infrastructure as a result of major works</p>	<p>(2010)</p> <p><b>London Plan (2011)</b></p> <p>Policy 6.3 - Assessing effects of development on transport capacity</p> <p>Policy 6.5 – Funding Crossrail and other strategically important transport infrastructure</p> <p>Policy 6.7 – Better streets and surface transport</p> <p>Policy 6.9 – Cycling</p> <p>Policy 6.10 - Walking</p> <p>Policy 6.11</p> <p>Smoothing Traffic flow and Tackling Congestion</p> <p>Policy 6.12 – Road Network Capacity</p> <p>Policy 6.13 – Parking</p> <p>Policy 8.2: Planning Obligations</p>	<p>development itself, or where that cannot be achieved we will use Section 278 agreements or Section 106 Planning Obligations.</p> <p>The impact of re-providing floorspace (partial demolition and rebuild) may result in extensive damage to site-specific transport infrastructure (such as crossings, cycleways, and bollards). It is reasonable that contributions may be asked for to address this site-specific impact on a case-by-case basis.</p>	<p>- Public Electric Vehicle Charging – provision of electric charging points.</p> <p>- Travel Plan - preparation, submission and subsequent monitoring to ensure compliance</p> <p>- Construction logistics plans and delivery and servicing Plans and should be co-ordinated with travel plans.</p> <p>For most development, on-site works, improvements to the surrounding road(s), travel plans and CIL funding will be enough to address any harmful transport impacts. However larger developments may need to directly contribute to wider transport improvements where required to make the delivery of the site possible.</p> <p>In addition planning contributions to fund Crossrail will be calculated in line with the Mayor's requirements as set out in the 'Use of Planning Obligations in the funding of Crossrail, and the Mayoral Community Infrastructure Levy' Supplementary Planning Guidance (April 2013).</p>
<p><b>Wheelchair Accessible Housing: Offset Fund</b></p>			
<p>In line with the London Plan (2011) and saved Southwark Plan policy, a minimum of 10% of all new housing must be wheelchair accessible. In exceptional circumstances, and where it can be shown that this is not achievable, we will seek a section 106 planning obligation from the developer to contribute towards the adaptation of other homes in the borough to meet the needs of people with a range of disabilities.</p>			
<p><b>Threshold</b></p> <p>10 or more residential units or an area of 0.5 hectare or more.</p>	<p><b>Policy and guidance</b></p> <p><b>Saved Southwark Plan (2012)</b></p> <p>Policy 4.3 – Mix of dwellings</p> <p>Policy 5.7 – Parking</p>	<p><b>Justification</b></p> <p>The saved Southwark Plan Policy 4.3 requires all new major residential developments to provide at least 10% of the number of habitable</p>	<p><b>Calculation</b></p> <p>Any shortfall in the required provision of on-site wheelchair housing will be charged at £10,000 per habitable room unit (based on £30,000 for a 2 bed 3 habitable room unit).</p>

<p>Mitigation will be sought where schemes can not meet the minimum 10% wheelchair accessible housing requirement identified in the Residential Design Standards SPD (2011)</p>	<p>standards for disabled people and the mobility impaired</p> <p><b>London Plan (2011)</b> Policy 3.8 – Housing Choice Policy 8.2: Planning Obligations</p> <p>Residential Design Standards SPD (2008)</p>	<p>rooms to be wheelchair accessible. Saved policy 5.7 also requires at least one disabled car parking space per development and also one space for each wheelchair accessible flat or house.</p> <p>In exceptional circumstances where development schemes can show that it is not viable or feasible to meet the wheelchair housing policy requirement and necessary on-site disabled car parking spaces, a Section 106 planning obligation can be secured to address the impact of the development.</p> <p>We will work with Southwark residents who have a disability and their current home is in need of adaption, to provide the off- site provision. This will help more disabled people to stay in their homes and provide accessible units to those who can not move to brand new units.</p>	<p>The level of payment is based on the average cost of adapting properties in Southwark over the last four years to make wheelchair equivalent alterations. These changes include installing accessible kitchens, bathrooms, doors, levelled access and ramps. If the on-site units are not fully accessible, we need to be able to provide for this off site.</p> <p>The payments would be spent in partnership with Southwark's Adult Social Care team to fund projects for existing housing adaptations for people being housed in the community.</p>
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<b>Item No.</b> 18.	<b>Classification:</b> Open	<b>Date:</b> 10 December 2013	<b>Meeting name:</b> Cabinet
<b>Report title:</b>		Walworth Road Business Mix - Response to Overview and Scrutiny Committee	
<b>Ward(s) or groups affected:</b>		East Walworth, Faraday, Newington	
<b>Cabinet Members</b>		Councillor Fiona Colley, Regeneration and Corporate Strategy; Councillor Richard Livingstone, Finance, Resources and Community Safety; and Communities and Economic Wellbeing	

### **FOREWORD – COUNCILLOR VICTORIA MILLS, CABINET MEMBER FOR COMMUNITIES AND ECONOMIC WELLBEING**

Supporting our high streets and town centres through tough economic times is a top priority for the council. With reductions in funding we need a clear focus to our efforts in supporting local economic growth.

The council is committed to bringing investment into all our high streets so that they are thriving places to visit and offer a good mix of shopping to local residents. Much is already underway.

The Community Restoration Fund saw the council invest a total of £440,340 in support of businesses and business networks, including £184,000 in Walworth. This helped to support a range of activities including direct support for the East Street market traders and local events to increase the number of people coming to the area, as well as allowing local young people to get valuable business experience through running a pop up shop.

Early in 2014 the council will launch a Town Centre Growth Fund of £600,000 which will again put direct investment into business-led groups who want to reinvigorate their local high streets. I hope that Walworth businesses bring forward a bid. I know that their knowledge of and commitment to the area are the key to seeing Walworth succeed.

The council has made clear its opposition to payday lenders, pawn brokers and betting shops on our high streets. Too many of Southwark's high streets are seeing an increase in these businesses which prey on people on low incomes and prevent other local businesses from flourishing. We are pursuing a range of initiatives to encourage responsible lending. This includes:

- Not letting council-owned buildings to payday lenders, betting shops or pawn brokers and looking at what powers the council can use to not renew the leases of those businesses already operating.
- Asking the government for the power to place a levy on these shops in Southwark.
- Being the first council nationally to make it more difficult for these kinds of businesses to open by bringing into force two Article 4 planning directions on change of use of retail and business premises.

- Securing agreement from two of the council's billboard advertising contractors not to display payday loan adverts in Southwark.

The council has also committed to look at business rate exemptions and discounts to encourage mixed high streets. In the current financial climate, as the report makes clear, it is unlikely that the council will be able to offer large scale discounts or to offer discounts to a large range of businesses. However, I recognise that it is a good time to investigate whether the council can help some businesses. It is possible that this work may find that a more effective way to offer help is instead a programme of grants or other initiatives.

I know that the regeneration of the Elephant and Castle will bring unprecedented opportunities to the communities and businesses in that area. However, I also accept that such a change in the retail offer available to local residents could bring challenges to the businesses on and around the Walworth Road. That means that rather than adopting a 'wait and see' approach the council is in the process of developing a 'vitality, viability and vulnerability' study for the area. This will measure its capacity to attract ongoing investment, its ability to adapt to changing needs and assess the underlying challenges and barriers to growth. This will help us better understand the health of the Walworth Road and offer recommendations for future action.

I am pleased that this report sets out the good work the council is already doing and how this corresponds to the recommendations put forward by the Overview and Scrutiny Committee.

## **RECOMMENDATION**

That Cabinet

1. Note the responses from the Cabinet members for regeneration and corporate strategy; finance, resources and community safety; and communities and economic wellbeing on the set of recommendations in the report '*Walworth Road Business Mix: report of the Overview and Scrutiny Committee*' (July 2013).

## **BACKGROUND INFORMATION**

2. Earlier this year, the Walworth Society asked the Overview & Scrutiny Committee to carry out a scrutiny review of the trading environment on the Walworth Road. Following a review of the Walworth Road business mix, the Overview and Scrutiny Committee submitted a report to Cabinet in September which set out nine recommendations for Cabinet to consider.
3. It was resolved at the September cabinet meeting that the relevant cabinet members would bring back a report to cabinet in order to respond to the overview and scrutiny committee recommendations.

## **KEY ISSUES FOR CONSIDERATION**

4. Officers have reviewed the recommendations put forward by Overview and Scrutiny Committee and have provided the following responses on behalf of the cabinet members for regeneration and corporate strategy; finance, resources and community safety; and communities and economic wellbeing.

## Recommendation 1

***Although recognising that the council's powers are limited, the committee recommends that the Cabinet's general approach to preventing saturation by payday loan, pawn shops and betting shops on our high streets should be assertive and robust and as pro-active as the law allows. Specifically, the committee recommends that:***

***(i) Cabinet and Planning Committee to explore the possibility of using Article 4 Direction powers for Walworth Road.***

5. Overall, the clustering of betting shops and other types of A2 uses such as pay day loan shops and pawnbrokers in the borough's shopping frontages is considered to have a detrimental effect on the diversity and therefore the health of the high street. The council's ability to manage the balance of high street uses and the clustering of A2 uses through planning policies is constrained by legislation on permitted development rights. The council considers that use of Article 4 Directions will be an essential part of helping to protect local amenity and to help ensure proper planning of protected shopping frontages.
6. Recently, the Department of Communities and Local Government (DCLG) issued a statement to the media in response to correspondence uncovered between Ladbrokes and Nick Boles (Planning Minister), obtained through the Freedom of Information Act by shadow communities secretary Rt Hon Hilary Benn MP. The letter from Ladbrokes complained of the "unfortunate attitude" of some councils which regarded bookmakers as "unacceptable and inappropriate additions" to the high street. Ladbrokes said that "some councils are now placing whatever obstacles they can in the way of our ability to obtain planning permission". The shadow minister suggested that the betting industry had influenced the provisions in the Growth and Infrastructure Act with regard to allowing buildings to convert temporarily to a set of alternative uses including shops (A1), financial and professional services (A2), restaurants and cafes (A3) and offices (B1) for up to two years.
7. In response, DCLG denied the betting industry had influenced its reforms. A spokesman for the DCLG said the bill had been prepared three months before Ladbrokes contacted ministers. They also added that local planning authorities were able to issue Article 4 directions removing permitted development rights in consultation with the local community, and cited work in the London Borough of Barking and Dagenham that specifically targeted betting shops (i.e. Article 4 Direction and also Supplementary Planning Guidance).
8. On 8 October 2013 a report was taken to Planning Committee to request approval for the immediate implementation of two Article 4 Directions to withdraw the permitted development rights granted by Schedule 2, Part 3, Class C and Schedule 2, Part 4, Class D of the Town and Country Planning (General Permitted Development) Order 1995 (as amended) for changes of use in Southwark's Protected Shopping Frontages. This includes change of use from:
  1. A3 (restaurants and cafes), A4 (drinking establishments) and A5 (hot food takeaways) to A2 (financial and professional services).
  2. A1 (shops), A2 (financial and professional services), A3 (restaurants and cafes), A4 (drinking establishments), A5 (hot food takeaways), B1 (business), D1 (non-residential institutions) and D2 (assembly and leisure)

to a flexible use falling within either class A1 (shops), class A2 (financial and professional services), class A3 (restaurants and cafes) or class B1 (business).

9. Issues associated with the clustering of A2 uses and ability of the council to manage the balance of high street uses mainly affect the borough's protected shopping frontages. In line with the definition of primary and secondary frontages in the NPPF, the protected shopping frontages contain a high proportion of retail uses, including food, drinks, clothing and household goods, as well as other uses appropriate in shopping frontages. Core Strategy policy 3 and saved Southwark Plan policy 1.9 recognise the importance of the continued viability of these locations and the importance of the services they provide. In the light of the importance given to protected shopping frontages by planning policy and the fact that it is these areas which are most affected, it was considered that protected shopping frontages should be the relevant area for a withdrawal of permitted development rights.
10. Planning Committee approved the two Article 4 Directions, which have now come into force immediately on 17 October 2013, and occupiers of units located within the protected shopping frontages have been notified. Planning permission will now be required from this date forward for change of use. A planning application will be determined against relevant policies contained in the council's development plans, the London Plan and the National Planning Policy Framework and other material considerations.
  - (ii) ***Cabinet asks officers to look at whether recent changes to National Non Domestic Rates (NDR) allow the council more powers which could be of use in influencing the balance of retail use along a high street.***
11. Under the arrangements for the localisation of business rates, the council is able to retain a proportion of any local growth in income from business rates in the borough. Under the new scheme 50% of the business rates the council collects must be paid to the government, and 40% of the remainder must be paid to the GLA. There is, however, still some uncertainty over the operation of the business rate retention scheme making it difficult to comment at this time as the extent to which the powers can be used to specifically influence the balance of retail use along the high street.
12. The London Assembly Economy Committee reported in the publication 'Open for Business: Empty shops on London's high streets' (March 2013) that it is unlikely that the new business rate retention scheme will have a direct or positive impact on existing high street shops. As councils can only retain the proceeds of growth, their main incentive is to encourage new business premises to be built rather than focus on existing businesses.
13. Cabinet should also note some caution in that the changes introduce some risk for the council particularly for general fund budget setting. As it currently stands, the share of the amount of business rates that the council collects has to be supplemented by a business rates top up and the revenue support grant to get to the council's full funding level. As the council's business rates grows, the top up will reduce, and taken with forecast cuts in overall funding, reduces any chance of business rates growth generating equivalent additional resource to that lost through government funding reductions.

14. It is therefore appropriate that officers look further into the changes set out through the new business rate retention scheme to test the extent to which they could deliver social and economic value to support the council's wider strategic objectives. Beyond any changes to the NNDR, there is already a commitment to achieving thriving town centres and high streets in the borough within the Economic Well-being Strategy (2012-2020). Further details are set out in paragraphs 23-26.
15. Furthermore, the council acknowledges that the Localism Act 2011 introduced new provisions which gives councils more freedom to offer business rate discounts – which can help attract new businesses, investment and jobs. The council is currently considering this option. Whilst the council would need to meet the cost of any discount from local resources, it may be that the immediate cost of the discount is outweighed by the long-term benefit of attracting growth and jobs to the borough. However, it would be unlikely that wide scale discounts could be offered at this time and further consideration is needed on the most appropriate course of action.

**(iii) Council uses the powers it has under Article 4 directions to ensure that properties in Class 2 business use have to go through the planning process in order to convert to payday loan, pawn and betting outlets.**

16. As set out above in paragraphs 8-10, two Article 4 Directions were implemented on 17 October 2013 to withdraw the permitted development rights for change of use within the borough's protected shopping frontages. Planning permission will now be required for change of use to A2 use class. The council will determine change of use proposals in accordance with the development plan which includes the London Plan, the Core Strategy, saved policies in the Southwark Plan and adopted area action plans. The relevant saved policy in the Southwark Plan is policy 1.9 'Change of use within protected shopping frontages'. This states that change of use from an A1 (shops) use to another A class use will be granted provided that the proportion of A1 shops in the frontage does not fall below 50% and the premises have been vacant or not made a profit over 12 months and that the proposal does not harm the vitality of the frontage. Where frontages are within town centres, saved policy 1.7 would also apply which requires that proposals do not harm the vitality and viability of the centre.

**(iv) Cabinet engage with Central London Forward and Westminster City Council in order to explore cross-London solutions to economic and planning problems affecting the high street, for example the use of London-only statutory powers.**

17. The Leader represents Southwark on Central London Forward (CLF), who identify strategic priorities in collaboration with the seven member boroughs to work to improve the vitality of central London as a place to work, visit and do business. Working with other CLF boroughs, the development of a "City Deal for London" is being explored which will focus on key policy areas where a pan-London approach is more likely to deliver a better deal for central London boroughs and residents. Key themes being explored include tourism, housing, skills and wider employment support. A working party involving senior officers, and London Council's representatives, has been established to consider project feasibility and delivery.

18. The council also actively works with London Councils, which is a cross-party organisation who act as a focal point for representing the 32 London boroughs' interests. London Councils makes the case to government on current issues, and they represent boroughs' views through responding to government consultations, organising events for borough officers to share good practice and to consider the implications of new policy developments. London Councils' aim to ensure that the government acknowledges that borough action is essential to the success of London's high streets and town centres. Their work includes:
- Lobbying government to position boroughs as leaders in shaping high streets and town centres
  - Ensuring government policy supports local government leadership role around planning
  - Ensuring any funding streams support boroughs to deliver their vision for local high streets and town centres
  - Responding to the GLA's and government policy proposals and evidence gathering
  - Working with boroughs to establish and promote new models and ideas to improve high streets and town centres to government and other stakeholders
19. The council continues to proactively engage with London Councils and provides input to the work it carries out. London Councils recently published a report '*Streets Ahead? Putting high streets at the heart of local economic growth*' (August 2013) which provides 13 recommendations to place boroughs at the centre of local economic development in their high streets and town centres. The report recommends that London's local government must be given more powers and the corresponding resources to plan for long-term growth in their local high streets and respond to the changing desires of local consumers. Amongst the recommendations are that the government should make changes to the Use Class Order (UCO) system that will encourage more balanced economies; and the government should simplify and bolster existing local planning tools for high streets to allow local discretion in the planning system and create places local people want to visit.

## Recommendation 2

***That Cabinet seeks to actively encourage the creation of a credit union on the Walworth Road.***

20. The London Mutual Credit Union is a financial co-operative that exist for the benefits of our members who live and/or work in the London boroughs of Southwark, Lambeth Westminster or Camden. The credit union, like banks and building societies, is regulated by the Financial Conduct Authority (FCA) and authorised by the Prudential Regulation Authority (PRA). Savers' deposits are protected by the same Financial Services Compensation Scheme that covers banks and building societies. Their mission is to provide our members with access to reasonably priced financial services and encourage the development of good financial practice.
21. Within Southwark, the Credit Union currently has branches in Peckham, Denmark Hill and Bermondsey. However, they have no plans to open a branch on the Walworth Road. The council has explored, and will continue to explore, opportunities with the London Mutual Credit Union to raise their profile. This has



included the issuing of press releases and other marketing and public relations opportunities, including a feature to be published in Southwark Life.

### **Recommendation 3**

***That Cabinet consider introducing a greater level of detail into the assessment of the existing retail mix as part of sustainability appraisals for new planning policy documents.***

22. The sustainability appraisal process helps to identify the environmental, social and economic issues that particular planning policies need to address and any links between the issues which are identified through an initial scoping exercise. The sustainability appraisal process involves the evaluation of a range of options for their overall sustainability, and helps to demonstrate what type of planning guidance or policy is the most appropriate given the reasonable alternatives.
23. Emerging planning policies to address the development of new retail and other town centre uses are currently considered against a range of sustainability objectives to assess the overall social, environment and economic performance of the policies. As part of the preparation of the New Southwark Plan, there will be an opportunity to review the sustainability appraisal objectives and indicators which are currently used to appraise draft planning policies. There will also be the opportunity to review current and future baseline information for the Elephant and Castle/Walworth Road town centre and identify the social, economic and environmental issues affecting the area, including retail composition and mix of uses.

### **Recommendation 4**

***That Cabinet instructs officers to review the capacity of Walworth trade, cultural and business associations in order to ensure the maximisation of the local offer.***

24. The council is committed to bringing investment into our town centres and high streets across the borough so that they are thriving places to visit. This is a key priority set out in the Economic Well-being Strategy which supports the Council Plan and overall vision to achieve a fairer future for all. Much is already underway including the Community Restoration Fund (CRF), which saw investment of £440,340 in support of businesses and business support networks in town centres. The Walworth Road Town team received £100,000 of CRF funding to support local businesses to work with the community. This included activities to promote the work of the business network, direct support for the East Street market traders and the running of local events to increase the number of people coming to the area.
25. The council's budget for 2013/14 included earmarked reserves of up to £1m for a business support fund to be allocated over a period of up to three years which will be used to assist local business (both existing and new) and business networks to develop activities that help sustain and to stimulate local economic growth. The intended outcomes of the business support fund are:
  - more innovative business growth opportunities across the borough;
  - a clear, well defined and common understanding of local business needs, including the barriers to business development and opportunities that exist or may be created;

- business to business support to encourage a stronger business voice and role within the community; and
  - successful town centres and high streets, supported through better engagement between the council and local business networks.
26. A next step is the development of a town centre growth fund of £600,000 (which includes the £100,000 high street innovation fund awarded from government). The initiative will bring additional investment in business-led groups who want to reinvigorate their local high streets. Plans for delivery are currently being developed.
27. Looking also to the future, the council is exploring ways in which it will continue to support the work of business networks like the Walworth Town Team, further investing in business networks to tackle issues associated with economic vitality and build on the sustainability of the town teams. We will work closely with the businesses in Walworth Road to identify how this support can be used to tackle issues specific to the area.

### **Recommendation 5**

***That Cabinet ensures that the council, in its capacity as landlord of a number of retail premises in the Walworth Road area, recognises the long term commercial advantages of a healthy retail environment and develops a lettings policy that positively promotes cultural, social and economic regeneration.***

28. Although the Council has relatively few retail premises on the Walworth Road itself, a portfolio-wide policy is being brought forward for approval under Independent Decision Making arrangements, which will exclude new uses that are inconsistent with the goals of achieving vibrancy and sustainability in the retail estate. Primarily it recommends prohibiting against new betting shops and payday loan shops. Other uses will be controlled on a more flexible basis, depending on the established tenant mix in a given parade or locality. Once approved a policy statement will be published on this element of the Council's lettings policy. The Corporate Asset Management Plan approved previously by Cabinet sets out the wider letting policy for the commercial portfolio, with which the initiatives now proposed are fully consistent.
29. There are limitations on what may be achieved or enforced under Landlord & Tenant regulations, particularly with regard to existing tenants occupying premises under Business tenancies. Therefore the main areas of intervention proposed are:
- a) determining the uses to which a particular retail unit may be put when it is re-let; and
  - b) ensuring through a regime of periodic estate management inspections that user and other lease clauses, including those to observe statutory requirements, are being satisfactorily complied with.

### **Recommendation 6**

***That Cabinet takes steps to identify opportunities for introducing new community facilities into the Walworth Road area, for example a health centre and facilities for youth provision.***

30. The adopted planning policy framework for the area encourages the development of new community facilities, with a strategy to locate local facilities together so that the services required by the community including, housing services, services for young people, health centres, police facilities and community space are provided in accessible locations in a way in which different facilities can complement and support each other.
31. A programme of consultation on the cabinet's vision for the Walworth Town Hall, which was seriously damaged by fire in March, has recently commenced. In line with the cabinet's revised approach to community engagement, it is imperative that future plans are supported and informed by what local people want from the new facility. The vision approved by cabinet in July is for a new facility that would include a range of community facilities which would bring life and activity to Walworth Road. These include:
- An enhanced Newington Library space;
  - A space for the display of the Cuming collection and potentially a Southwark museum;
  - A flexible space that could be used for a variety of purposes including community and civic events, exhibitions and performances;
  - Facilities for marriage, civil partnership and citizenship ceremonies undertaken by the Southwark registrar's service.
32. The project is in its early phase and there will be opportunity to consider how the building can provide facilities for youth provision as the design evolves.
33. Subsequent detailed phases of the Heygate masterplan also provide an opportunity to consider how community facilities can be further provided in the area. The second phase of the scheme which is centred on the site immediately to the north of the Walworth town hall has the potential to incorporate a new health facility. Council officers are working with the Lend Lease development team to explore this option together with the NHS commissioning team. The detailed application for this site is programmed for submission next summer and there will be public consultation on the proposals in advance of this.

## **Recommendation 7**

***That Cabinet considers commissioning external research into:***

- (i) The impact of payday loan, pawn and betting shops on the wellbeing of the locale.***
- (ii) The medium and longer term business development in the Walworth Road.***

***The results to be available to the Walworth Town Team and the Economic Development Team in order to develop a more comprehensive "view of the whole".***

34. The council is currently developing a specification for a vitality, viability and vulnerability study for the Walworth Road. Vitality is a measure of how busy a centre is and viability is a measure of its capacity to attract ongoing investment for maintenance, importance and adaptation to changing needs. An assessment of vulnerability assesses underlying challenges and barriers to growth. The study

will measure a series of indicators to enable the council to better understand the health of the Walworth Road, and offer recommendations for future action.

35. Issues to be considered as part of the study include:

- accessibility: the ease and convenience of means of travel, including the frequency, penetration and quality of public transport services, the quality, quantity, location and type of car parking, and the quality of provision for people with a mobility handicap, pedestrians and cyclists;
- customer views: surveys of customers' views;
- diversity of uses: amount and location of floor space for different uses and how this is changing;
- environment quality of the centre;
- pedestrian flow: the number and movement of people on the streets, in different locations, at different times of the day or evening and over a period of time;
- retailer profile: the existing composition, retailer demand and other potential changes;
- retailers' views: surveys of the views of existing town centre retailers;
- shop rents: pattern of movement in that part of the town centre with the highest rents; and
- vacancy rates: particularly the proportion of vacant street level floor space in primary shopping areas;

#### **Recommendation 8**

***That the Cabinet Member for Finance, Resources and Community Safety monitors reports from local police and Southwark Anti-Social Behaviour Unit (SASBU) to see whether evidence of anti-social behaviour emerges in relation to betting shops, gambling arcades and fast food outlets on the Walworth Road.***

36. The council considers that an integrated local approach to address concerns relating to the operation of particular uses on the high street is vitally important. Therefore the council's existing partnership working relationship with the Metropolitan Police Safer Neighbourhood Teams operating in the area will help to facilitate a wider understanding of the kinds of policing issues associated with a variety of licensed premises, and the nature of complaints relating to anti-social behaviour which may be associated with the operation of these types of uses.

37. Through feedback provided by the police and also the Southwark Anti-Social Behaviour Unit, the council can use this information to consider how to best encourage safe and socially responsible practice by betting shops. Broad healthier high street measures such as planning controls, and the facilitation of safe and clean town centres can also enact positive change over time.

#### **Recommendation 9**

***That a meeting be arranged between the Chair and Vice-Chair of the Overview & Scrutiny Committee, the Chair of the Walworth Society, the Chair of Planning Committee and the Cabinet Member for Regeneration and Corporate Strategy in order to discuss ways in which the development of the Elephant & Castle can best enhance the retail offer on the Walworth***

***Road and improve what needs improving without damaging what is currently good about the area.***

38. The council's Regeneration North team will be able to arrange and facilitate a round table meeting. It is suggested that the Cabinet Member for communities and economic wellbeing and the Strategy and Partnerships manager, along with the owners of the Elephant and Castle shopping centre, the owners of 50 New Kent Road and Lend lease are invited to attend the meeting. All three developers are currently in the process of bringing forward schemes incorporating a new retail offer for the area. The council has also started considering whether there is scope for an 'anchor' retail store presence at the southern end of Walworth Road, and what this might look like. It is envisaged that the vitality, viability and vulnerability study for the Walworth Road (see paragraph 33) will help to identify potential opportunities for further exploration.

**FINANCIAL IMPLICATIONS**

39. There are no immediate resource implications arising from this report.

**SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

**Director of Legal Services**

40. The report sets out the responses from the Cabinet members for regeneration and corporate strategy, finance, resources and community safety and communities and economic wellbeing to the nine recommendations contained in the report *'Walworth Road Business Mix: Report of the Overview and Scrutiny Committee (July 2013)* and recommends that the Cabinet and Overview and Scrutiny Committee note the responses from the Cabinet members.
41. Recommendations 1, 7 and 8 relate, inter alia, to payday loan, pawn and betting shops and measures which the council can implement to prevent the proliferation of these uses including the use of Article 4 Directions pursuant to the Town and County Planning (General Permitted Development) Order 1995. There are stringent guidelines on the application of an Article 4 Direction. Circular 9/95 "General Development Order Consolidation 1995" contains Government Guidance which states:
- "Permitted development rights have been endorsed by Parliament and consequently should not be withdrawn locally without compelling reasons. Generally.... permitted development rights should be withdrawn only in exceptional circumstances".*
42. An Article 4 Direction to remove permitted development rights to reduce the clustering of betting shops and payday loan shops must be supported by a substantive body of local evidence which demonstrates local need and the harmful effects of clustering and informs the development of specific policies to address this issue. There would be a need to carry out extensive public and business consultation in the areas proposed for an Article 4 Direction to limit permitted development rights. Any body of evidence compiled to support an Article 4 Direction which sought to control the proliferation of betting shops would have to be robust and conclusive in terms of any harm resulting as a result of this proliferation or potential challenge from interested parties.

### **Recommendation 1**

43. Recommendation 1 requires Cabinet and Planning Committee to explore the use of Article 4 Directions in Walworth Road. Article 4 Directions restrict permitted development rights and could be used to prevent the change of use to A2 Use (Financial and Professional Services including betting shops) from other use classes without planning permission.
44. The report confirms that two Article 4 Directions were implemented on 17 October 2013 to withdraw the permitted development rights for change of use within the Borough's protected shopping frontages and planning permission will now be required for a change of use to A2 use class. The Council will determine change of use applications in accordance with the Development Plan.
45. It is also recommended that officers consider whether changes to the National Non Domestic Rates will provide the council with more powers to influence the balance of retail use in the high street. It is noted that it is unlikely that the new provisions will have a direct or positive impact on existing high street shops but it is acknowledged that the new business rates scheme may support the Council's wider strategic objectives. It is noted that funds have been allocated to the Walworth Road Town team. Further the Council's budget for 2013/14 earmarks reserves of up to £1m for a business support fund to assist local businesses.
46. Cabinet is recommended to engage with Central London Forward ("CLF") and Westminster City Council to explore cross-London solutions to economic and planning problems affecting the high street. It is noted that the Council is part of Central London Forward and actively works with London Councils to this end.

### **Recommendation 2**

47. Recommendation 2 provides that cabinet seeks to actively encourage the creation of a credit union on Walworth Road which provides an alternative to payday lending through regulated financial services with fixed interest rates on loans. It is noted that the London Mutual Credit Union has no plans to open a branch on the Walworth Road but the council is working with the London Mutual Credit Union to raise its profile in the Borough.

### **Recommendation 3**

48. Recommendation 3 requires cabinet to consider introducing a greater level of detail into the assessment of the existing retail mix as part of sustainability appraisals for new planning policy documents.
49. It is noted that part of the preparation of the New Southwark Plan, there will be opportunity to review the sustainability appraisal objectives and indicators which are currently used to appraise draft planning policies. There will also be the opportunity to review current and future baseline information for the Elephant and Castle/Walworth Road town centre and identify the social, economic and environmental issues affecting the area including retail composition and mix of uses.

**Recommendation 4**

50. Recommendation 4 requires cabinet to instruct officers to review the capacity of Walworth trade, cultural and business associations in order to ensure the maximisation of the local offer.
51. It is noted that the council is exploring ways to continue to support the work of local business networks and will work closely with businesses in Walworth Road to identify how this support can be used to tackle issues specific to the area.

**Recommendation 5**

52. It is recommended that cabinet ensures that the council, as landlord of retail premises in the Walworth Road area, recognises the long term commercial advantages of a healthy retail environment and develops a letting policy to positively promote cultural, social and economic regeneration.
53. It is noted that a portfolio-wide policy is being brought forward for approval under Independent Decision Making arrangements which will exclude new uses that are inconsistent with the goals of achieving vibrancy and sustainability in the retail estate.

**Recommendation 6**

54. Recommendation 6 requires cabinet to identify opportunities for introducing new community facilities into the Walworth Road area.
55. It is noted that the adopted planning policy framework for the area encourages the development of new community facilities. A consultation programme on the cabinet's vision for the Walworth Town Hall has recently commenced which includes a range of community facilities. Further, subsequent detailed phases of the Heygate Masterplan also provide an opportunity to consider how community facilities can be further provided in the area.

**Recommendation 7**

56. Recommendation 7 requires cabinet to consider commissioning external research into the impact of payday loan, pawn and betting shops on the wellbeing of the locality and the medium and longer term business development in the Walworth Road. It is noted that the council is currently developing a specification for vitality, viability and vulnerability study for the Walworth Road and in addition to the issues to be considered as part of the study which are listed in the report, the impact of payday loan, pawn and betting shops should also be examined.

**Recommendation 8**

57. It is noted that the council considers that an integrated local approach to address concerns relating to the operation of particular uses on the high street is vitally important. The council is committed to working with the Police and Southwark Anti-Social Behaviour Unit and use the information received to consider how to encourage safe and socially responsible practices by betting shops.

## Recommendation 9

58. It is recommended that a meeting is arranged between the Chair and Vice-Chair of the Overview and Scrutiny Committee, the Chair of the Walworth Society, the Chair of Planning Committee and the Cabinet Member for Regeneration and Corporate Strategy in order to discuss ways in which the development of the Elephant & Castle can best enhance the retail offer on the Walworth Road.
59. It is noted that the council's Regeneration North team will arrange a round table meeting and that the owners of the Elephant and Castle Shopping Centre, 50 New Kent Road and Lend Lease are invited to attend the meeting.

## Strategic Director of Finance and Corporate Services

60. The strategic director of finance and corporate services notes that there are no immediate resource implications arising from this report. Any additional resources required in the future will need to be financially appraised and their approval will be subject to the council's policies and procedures.

## BACKGROUND DOCUMENTS

Background Papers	Held At
Walworth Road Business Mix: report of the Overview and Scrutiny Committee (July 2013)	
<b>Link</b> <a href="http://moderngov.southwark.gov.uk/documents/s40355/Appendix%20A%20Overview%20and%20Scrutiny%20Report.pdf">http://moderngov.southwark.gov.uk/documents/s40355/Appendix%20A%20Overview%20and%20Scrutiny%20Report.pdf</a>	
London Assembly Economy Committee 'Open for Business: Empty shops on London's high streets' (March 2013)	
<b>Link</b> <a href="http://www.london.gov.uk/mayor-assembly/london-assembly/publications/open-business-empty-shops-londons-high-streets">http://www.london.gov.uk/mayor-assembly/london-assembly/publications/open-business-empty-shops-londons-high-streets</a>	
Southwark's Economic Well-Being Strategy (2012-2020)	
<b>Link</b> <a href="http://www.southwark.gov.uk/downloads/download/3275/economic_wellbeing_strategy">http://www.southwark.gov.uk/downloads/download/3275/economic_wellbeing_strategy</a>	
Streets Ahead: Putting high streets at the heart of local economic growth: London Councils (August 2013)	
<b>Link</b> <a href="http://www.londoncouncils.gov.uk/policylobbying/economicdevelopment/boroughecdev/streetsahead.htm">http://www.londoncouncils.gov.uk/policylobbying/economicdevelopment/boroughecdev/streetsahead.htm</a>	



## APPENDICES

No.	Title
None	

## AUDIT TRAIL

<b>Cabinet Members</b>	Councillor Fiona Colley, Regeneration and Corporate Strategy Councillor Richard Livingstone, Finance, Resources and Community Safety Councillor Victoria Mills, Communities and Economic Wellbeing	
<b>Lead Officer</b>	Eleanor Kelly, Chief Executive	
<b>Report Authors</b>	Danny Edwards, Strategy and Partnerships Manager Juliet Seymour, Planning Policy Manager Matthew Jackson, Corporate Assets manager Jon Abbott, Project Director, Regeneration Stephen Gaskell, Head of Strategy and Partnerships Jonathon Toy, Head of Community Safety and Enforcement	
<b>Version</b>	Final	
<b>Dated</b>	29 November 2013	
<b>Key Decision?</b>	No	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments Included</b>
Director of Legal Services	Yes	Yes
Strategic Director of Finance and Corporate Services	Yes	Yes
<b>Cabinet Members</b>	Yes	Yes
<b>Date final report sent to Constitutional Team</b>		29 November 2013

<b>Item No.</b> 19.	<b>Classification:</b> Open	<b>Date:</b> 10 December 2013	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Surrey Docks Stadium SE16 - Acquisition of Former Stadium, Sale of Northern and Eastern Car Parks and Return of Fisher FC to St. Pauls Ground	
<b>Ward(s) or groups affected:</b>		Rotherhithe and Surrey Docks	
<b>Cabinet Member:</b>		Councillor Fiona Colley, Regeneration and Corporate Strategy	

**FOREWORD - COUNCILLOR FIONA COLLEY, CABINET MEMBER FOR REGENERATION AND CORPORATE STRATEGY**

I'm delighted to recommend to cabinet this exceptional opportunity to create a brand new public park from the derelict former Surrey Docks stadium, a new astroturf football facility and improvements at the St Pauls ground Salter Road, and allow the return of Fisher FC to its home base in Rotherhithe.

The development of the adjoining depot site will provide one hundred new homes and a capital receipt to the council for its northern car park site which we will be able to invest into other improvement projects.

It is rare that a central London local authority is able to provide its community with such a new large park together with removing a serious blight on the area that the stadium had become. I'm sure that this will be warmly welcomed by all.

**RECOMMENDATIONS**

That the cabinet agrees to (all in accordance with the terms set out in the closed cabinet report and subject to Fairview Homes obtaining planning consent):

1. The acquisition of the former Surrey Docks Stadium land (as shown in Appendix A) for use as a public park;
2. The disposal of the adjoining former Northern and Eastern car park sites to Fairview Homes;
3. The re-instatement of the St Pauls ground as a community football ground allowing the return of Fisher FC to Rotherhithe;
4. That the cabinet authorise the head of property to negotiate the sale, acquisition and development agreements with Fairview Homes and to agree lease terms for the St Pauls facility.

## **BACKGROUND INFORMATION**

5. The council formerly owned the Surrey Docks Stadium on Salter Road SE16 which was let to Fisher Athletic Football Club. As the stadium required considerable monies to be spent to improve it, a residential development was proposed for the non-Metropolitan Open Land (MOL) part of the site which would fund the works to the stadium.
6. Planning permission was obtained in 2005 for a residential scheme of 90 units and the council agreed to sell the site to a company set up by the football club directors. A reduced capital sum was agreed with a requirement that a further one million pounds was spent on the stadium. A charge was placed upon the title to this effect.
7. The development did not take place and in 2006 the football club moved to play at Dulwich Hamlet Football Stadium which had also been acquired by some of the Fisher Athletic directors. The Surrey Docks stadium was abandoned, the pitch used as a scrap yard and some of the buildings burnt down.
8. There were subsequent proposals from the club to build a stadium in Southwark Park but these were rejected. The residential planning permission for Surrey Docks expired after five years and the application for renewal was rejected as it was no longer policy compliant, and at the appeal the owners did not appear.
9. Stadplex, the company that owned the site, was subsequently put into administration by its main creditor, the Royal Bank of Scotland, and its subsidiary, Ulster Bank, who had lent a large sum of money secured on the land value, despite no redevelopment taking place.
10. The appointed administrators have now sold the site to Fairview Homes and the effect of the insolvency process was to overreach the council's charge on the land and sell the land to Fairview free from the council's interest.

## **KEY ISSUES FOR CONSIDERATION**

11. Negotiations have taken place between Fairview Homes and the council's property officers regarding the old stadium land and the adjoining former car parks to the north and east of the site. It is proposed that Fairview Homes transfers the freehold of the stadium to the council for nil consideration, after having set it out as a public park, together with a cash endowment to fund its future maintenance.
12. The council will sell the northern car park site to Fairview at market value for residential development and transfer the eastern car park land for use as public space and to become Metropolitan Open Land as a link between the new park and Russia Dock Woodlands.
13. Fisher Athletic Football Club are no longer in existence having been replaced by Fisher FC who are a totally new supporter-owned club that continue to play in East Dulwich. To facilitate their return to Rotherhithe it is proposed that the St Pauls ground on Salter Road which requires considerable investment will be fully renovated by Fairview Homes with a new 3g astro-turf pitch.
14. Discussions with Sport England and the Football Association (FA) suggest that further funding may become available to provide changing facilities.

15. It is proposed that St Pauls remains a community facility with Fisher FC having priority use at certain times each week and it becoming their home ground.
16. The council is in discussion with a substantial organisation with a growing presence in the Canada Water area who have expressed interest in running the facility to ensure that any receipts are ring-fenced to replace the playing surface when required.
17. Substantial public access is a pre-requisite for this new facility both through the management organisation and the Fisher FC use.

### **Policy implications**

18. The disposal of the Northern Car Park site will generate a capital receipt that can be used by the council to further its key strategic objectives.
19. The acquisition at nil cost to the council of a new three and a half acre park and transformation of the presently unusable St Pauls pitch will meet the Council's policies regarding sports and leisure provision.

### **Community impact statement**

20. The impact of the proposed development on the local community will be considerable and positive. The derelict abandoned former stadium will be transformed into a public park accessible by all whereas previously, when it was in use as a private football stadium, public access was minimal.
21. A housing development providing 100 homes will finally take place on the adjoining depot land and the eastern car park will be preserved as open space as a link between the new park and Russia Dock Woodlands.
22. The St Pauls facility will be completely renovated with a new 3g astro-turf pitch and, subject to further funding from the FA, new changing facilities provided. Fisher FC will return to its home on the peninsular and a publically accessible new sports provision will be run and maintained by a third party within Rotherhithe.
23. There are no direct negative implications of the report's recommendations on the council's Managing Diversity and Equal Opportunities Policy.

### **Consultation**

24. Consultation upon the proposals has already begun with local residents and stakeholders. There will be extensive consultation through the planning process with public exhibitions of the proposals.
25. The proposal was presented at the Fisher FC AGM and received full support from its members.

## SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

### Director of Legal Services

26. A number of proposed property transactions are considered in this report. The first is in relation to the sale by the appointed administrators of the site without redeeming the council's charge. This charge was taken to secure monies to be spent on improvement works to the stadium which have never been carried out. The level of loans to the borrower appear to significantly exceed the assets of the company with the result that the council's charge is overreached by the indebtedness in relation to the prior charge. As a result, the protection enjoyed by the council's charge will be lost without any compensation.
27. The report also anticipates the transfer of the stadium from Fairview for no consideration. The council has the power to do this under section 120 Local Government Act which provides that a council may acquire land for the purpose of any of its functions and in this instance the function is for the provision of open space. In addition, Fairview is providing monies to assist in the maintenance of the open space.
28. Thirdly, the report refers to the sale of the Northern car park and the advertising hoarding to Fairview Homes subject to planning permission being obtained. The council has obtained independent advice to the effect that this is the best consideration which may be achieved for the land and accordingly the pre commencement restriction set out in s. 123, Local Government Act 1972 is satisfied meaning the council can proceed with the sale of the land in accordance with s.1 Localism Act 2011. The cabinet is required to approve the disposal in accordance with paragraph 13, of Part 3C of the Constitution.
29. Next the report refers to the transfer of the eastern car park. This land will be retained as open space and the council will be relieved on the future maintenance obligations. It is understood that the land has no value as it could not be developed.
30. There is a further responsibility on Fairview to contribute to the improvement of the facilities at the St Pauls facility but there are no legal implications arising from this.

### Strategic Director of Finance and Corporate Services

31. The financial implications are detailed in the closed version of this report.

## BACKGROUND DOCUMENTS

Background paper	Held at	Contact
None		

**APPENDICES**

No	Title
Appendix A	Site Plan

**AUDIT TRAIL**

<b>Cabinet Member</b>	Councillor Fiona Colley, Regeneration and Corporate Strategy	
<b>Lead Officer</b>	Eleanor Kelly, Chief Executive	
<b>Report Author</b>	Marcus Mayne, Principal Surveyor	
<b>Version</b>	Final	
<b>Dated</b>	29 November 2013	
<b>Key Decision?</b>	Yes	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments Included</b>
Director of Legal Services	Yes	Yes
Strategic Director of Finance and Corporate Services	Yes	Yes
<b>Cabinet Member</b>	Yes	Yes
<b>Date final report sent to Constitutional Team</b>	29 November 2013	



**KEY**

- Land held by LBS to be sold to Fairview Homes.
- Land owned by Fairview Homes to be developed for housing (subject to planning).
- St. Pauls ground to be retained by LBS and improved with new pitch and facilities.
- Former Stadium to be transferred to LBS as a park.

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**TITLE.**

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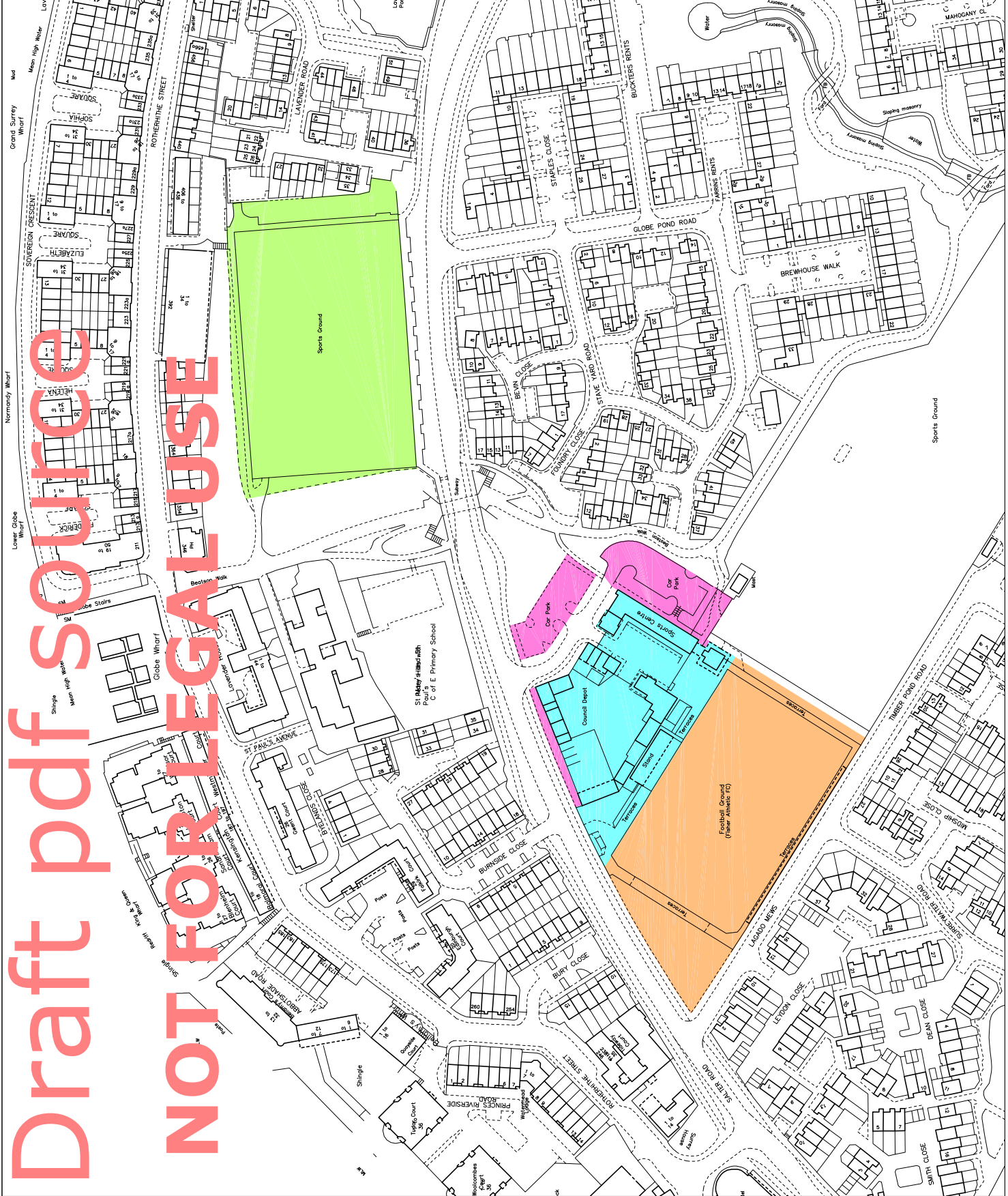
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