

Cabinet

Tuesday 18 November 2014

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 MBE
Councillor Barrie Hargrove
Councillor Richard Livingstone
Councillor Darren Merrill

Councillor Victoria Mills
Councillor Michael Situ

Councillor Mark Williams

Portfolio

Leader of the Council
Deputy Leader and Cabinet Member for
Communities, Employment and Business
Finance, Strategy and Performance
Adult Care, Arts and Culture
Public Health, Parks and Leisure
Housing
Environment, Recycling, Community Safety and
Volunteering
Children and Schools
Environment, Recycling, Community Safety and
Volunteering
Regeneration, Planning and Transport

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Contact

Virginia Wynn-Jones 020 7525 7055 or Paula Thornton 020 7525 4395
Or email: virginia.wynn-jones@southwark.gov.uk; paula.thornton@southwark.gov.uk

Members of the committee are summoned to attend this meeting

Councillor Peter John

Leader of the Council

Date: 10 November 2014



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Cabinet

Tuesday 18 November 2014

4.00 pm

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

Order of Business

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PART A - OPEN BUSINESS

MOBILE PHONES

Mobile phones should be turned off or put on silent during the course of the meeting.

1. APOLOGIES

To receive any apologies for absence.

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

In special circumstances, an item of business may be added to an agenda within five clear working days of the meeting.

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

1

To note the items specified which will be considered in the closed part of the meeting.

4. DISCLOSURE OF INTERESTS AND DISPENSATIONS

Members to declare any interests and dispensations in respect of any item of business to be considered at this meeting.

5. PUBLIC QUESTION TIME (15 MINUTES)

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.	MINUTES	2 - 7
	To approve as a correct record the minutes of the open section of the meeting held on 21 October 2014.	
7.	DEPUTATION REQUESTS	
	To consider any deputation requests.	
8.	UPDATE ON CONSULTATION AND PLANS FOR THE DELIVERY OF 11,000 NEW HOMES	8 - 53
	To agree to the adoption of the Charter of Principles following detailed feedback on resident consultation.	
9.	REPORT ON CHILD SEXUAL EXPLOITATION AND SAFEGUARDING BOARD'S STRATEGY	54 - 81
	To receive the report, and note the recommendations from the education and children's services scrutiny sub-committee.	
10.	CHILD SEXUAL EXPLOITATION - SCRUTINY RECOMMENDATIONS	82 - 85
	To endorse the recommendations by the education and children's services scrutiny sub-committee on the Southwark Safeguarding Children Board's (SSCB) Draft Child Sexual Exploitation (CSE) strategy.	
11.	DEMENTIA FRIENDLY SOUTHWARK	86 - 97
	To agree that Southwark becomes a dementia friendly borough as part of the council's wider commitment to become an age friendly borough.	
12.	HOME CARE ANNUAL CONTRACT PERFORMANCE REPORT	98 - 109
	To note that the delivery of the home care contracts over the third year has met the council's requirements.	
13.	ADOPTION OF THE WOMEN'S SAFETY CHARTER	110 - 120
	To agree the Women's Safety Charter.	
14.	SOUTHWARK EMERGENCY SUPPORT SCHEME 2015 - 2018	121 - 127

Item No.	Title	Page No.
	To note the decision to continue to provide for the Southwark Emergency Support Scheme for the three year period 2017/18 and agree to include provision for the cost of the scheme within the budget options to be considered by council assembly in 2015.	
15.	REVENUE MONITORING REPORT FOR QUARTER 2, 2014/15, INCLUDING TREASURY MANAGEMENT	128 - 143
	To note the general fund outturn forecast for 2014/15 and forecast net movement in reserves by department, the housing revenue account's (HRA) forecast outturn for 2014/15 and resulting forecast movement in reserves and the treasury management activity for the first three months of 2014/15.	
	To also note the forecast performance for the collection of council tax and business rates.	
	To approve general fund budget movements that exceed £250,000.	
16.	QUARTER 2 CAPITAL MONITORING FOR 2014/15 AND CAPITAL PROGRAMME REFRESH FOR 2014/15-2023/24	144 - 176
	To note the general fund capital programme for the period 2014/15 to 2023/24 as at quarter 2 2014/15 and the housing investment programme for the period 2014/15 to 2021/22 as at quarter 2 2014/15.	
	To approve variations to the general fund capital programme and housing investment programme.	
17.	CANADA WATER REGENERATION	177 - 192
	To endorse the core priorities which are intended to set the parameters for the negotiations with British Land concerning a legal agreement for the redevelopment of Harmsworth Quay and the shopping centre sites.	
	To authorise officers to proceed with negotiations to agree detailed terms with British Land and to investigate the acquisition of property interests in the Canada Water Area Action Plan core area.	
18.	DISPOSAL OF SITE LAND AT 1 POTTERS FIELDS	193 - 198
	To authorise the disposal of part of the freehold land known at the land registry as St. Johns Girls School House, Tooley Street and 1 Potters Fields.	
19.	SALE OF 29 BATH TERRACE, LONDON SE1 6PS	199 - 204
	To agree the sale of the freehold interest in 29 Bath Terrace, London SE1.	

OTHER REPORTS

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

20. APPROVAL OF THE COUNCIL'S RESPONSE TO THE TRANSPORT FOR LONDON (TFL) BAKERLOO LINE EXTENSION CONSULTATION**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. MINUTES**

To approve as a correct record the closed minutes of the meeting held on 21 October 2014.

22. DISPOSAL OF SITE LAND AT 1 POTTERS FIELDS**23. SALE OF 29 BATH TERRACE, LONDON SE1 6PS****DISCUSSION OF ANY OTHER CLOSED ITEMS AS NOTIFIED AT THE START OF THE MEETING AND ACCEPTED BY THE CHAIR AS URGENT**

Date: 10 November 2014

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

Cabinet 18 November 2014

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 18 November 2014 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: 22 Disposal of Site Land at 1 Potters Fields

Item: 23 Sale of 29 Bath Terrace, London SE1 6PS

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: 10 November 2014



Cabinet

MINUTES of the OPEN section of the Cabinet held on Tuesday 21 October 2014 at 4.00 pm at the Council Offices, 160 Tooley Street, London SE1 2QH

PRESENT: Councillor Peter John (Chair)
Councillor Ian Wingfield
Councillor Dora Dixon-Fyle MBE
Councillor Barrie Hargrove
Councillor Richard Livingstone
Councillor Darren Merrill
Councillor Victoria Mills
Councillor Michael Situ
Councillor Mark Williams

1. APOLOGIES

Apologies for absence were received from Councillor Fiona Colley.

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

No late items were identified.

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

No representations were received in respect of the items listed as closed business for the meeting.

4. DISCLOSURE OF INTERESTS AND DISPENSATIONS

Councillors Mark Williams, Darren Merrill, Michael Situ and Ian Wingfield declared an interest in respect of item 12, Peckham and Nunhead Area Action Plan as they owned properties within the area. These were not disclosable pecuniary interests.

5. PUBLIC QUESTION TIME (15 MINUTES)

There were no public questions.

6. MINUTES**RESOLVED:**

That the minutes of the meeting held on 16 September 2014 be approved as a correct record and signed by the chair.

7. DEPUTATION REQUESTS

There were no deputation requests.

8. SOUTHWARK SAFEGUARDING CHILDREN BOARD ANNUAL REPORT

Michael O'Connor, Independent Chair presented his report to cabinet.

RESOLVED:

1. That the report from the Independent Chair of Southwark Safeguarding Children Board be received, noting its scope.
2. That the latest draft of the Southwark Safeguarding Children Board multi-agency child sexual exploitation strategy be reviewed by cabinet at the forthcoming November cabinet meeting, alongside a full cabinet report on child sexual exploitation.

9. WORKFORCE STRATEGY AND WORKFORCE REPORT**RESOLVED:**

1. That the progress made against the council's workforce strategy and the actions that are planned for the year ahead, Appendix 1 of the report be noted.
2. That the additional area "building a workforce to deliver next generation public services" Appendix 1 of the report be agreed and that the council's human resources director report back to cabinet December 2014 on the programme.
3. That the information contained in the workforce report, Appendix 2, be noted.

10. POLICY AND RESOURCES STRATEGY 2015/16 TO 2017/18: SCENE SETTING REPORT

RESOLVED:

1. That the reduction in the government's estimate of spending power for the council in 2015/16 of £18.8m as shown in paragraph 20 of the report and the reduction in the government's estimate of start up funding for the council in 2015/16 of £33.5m be noted.
2. That the changes in the council's estimates of grants due to the council in 2015/16 as shown in paragraphs 23 to 43 of the report be noted.
3. That the actions and estimates provided by the council to address the gap between funding available and general fund spending, and the current predicted gap between resources available and general fund spending of £31.4m be noted.
4. That officers submit a further report to cabinet in December to include any further settlement information that becomes available, initial feedback from consultation and the revised budget gap, and to continue to work on budget options for a balanced budget in 2015/16 for presentation to the cabinet in January 2015.
5. That it be agreed the council's Southwark Emergency Support Scheme (SESS) should continue to be supported at current levels for the duration of this policy and resources strategy despite the removal of Social Fund grant.

11. NEW SOUTHWARK PLAN - ISSUES AND OPTIONS

Councillor Mark Williams, cabinet member for regeneration, planning and transport announced the following amendments to the plan:

- Page 105, end of the first table, the footnote:

73P East Dulwich Hospital site: instead of reading "This site is allocated for use as a health facility with ancillary community use", should read "This site is allocated for use as a health facility, once this is provided the remainder of the site should be a secondary school."

- Page 111, other potential development sites:

NSP107: instead of Cross Bones Graveyard should be called 15-33 Southwark Street.

RESOLVED:

1. That the New Southwark Plan Issues and Options (Appendix A of the report) for consultation be agreed.
2. That the consultation plan (Appendix B of the report) be noted.

12. PECKHAM AND NUNHEAD AREA ACTION PLAN**RESOLVED:**

That council assembly:

1. Consider the report of the Planning Inspector on the Peckham and Nunhead Area Action Plan (Appendices B and C of the report).
2. Adopt the Peckham and Nunhead Area Action Plan (appendix A of the report) as amended by the Inspector's main modifications and the council's minor modifications.
3. Note the sustainability appraisal (Appendix E of the report), equalities analysis (Appendix G), consultation report (Appendix G), sustainability appraisal statement (Appendix H), appropriate assessment (Appendix I), adopted policies map (Appendix J) and main modifications consultation report (Appendix K).

NOTE: In accordance with overview and scrutiny procedure rule 23.1(a) (budget and policy framework) these decisions are not subject to call-in.

13. APPROVAL OF THE COUNCIL'S CYCLING STRATEGY 2014 - CONSULTATION DRAFT**RESOLVED:**

That public consultation of the council's draft cycling strategy 2014 ('the Strategy') be agreed.

14. CABINET RESPONSE TO THE HOUSING, ENVIRONMENT AND COMMUNITY SAFETY SCRUTINY SUB-COMMITTEE REPORT ON THE SOUTHWARK COMMUNITY WARDEN SERVICE**RESOLVED:****Decision of the Cabinet**

1. That the response to the housing, environment, transport and community safety sub committee report on the Southwark wardens service set out in paragraphs 8-25 of the report be approved.

Decision of the Leader

2. That the cabinet member for environment, recycling, community safety and volunteering report back to the housing and community safety scrutiny sub-committee in one year on progress.

15. GATEWAY 2 - CONTRACT AWARD APPROVAL: REFURBISHMENT OF THE ATHLETIC FACILITIES AT SOUTHWARK ATHLETICS CENTRE

RESOLVED:

That the award of the contract for the refurbishment of the athletics facilities at Southwark Athletics Centre to Blakedown Sport & Play Ltd be approved.

16. ACQUISITION OF FREEHOLD INTEREST IN 71, 73 AND 75 ALBION STREET, SE16 AND 18 BRUNEL ROAD SE16

RESOLVED:

1. That the terms outlined in the report for the acquisition of the freehold interests in 71, 73 and 75 Albion Street, SE16 and 18 Brunel Road, SE16 ("the Properties") inclusive of statutory costs be approved.
2. That the head of property be authorised, once acquired, to allocate 71-75 (odd) Albion Street to the Albion Street Project Mandate, for the provision of new council housing.

17. APPOINTMENTS TO OUTSIDE BODIES 2014-15 - NHS TRUST BODIES / MILLWALL FOR ALL

RESOLVED:

That the following appointments for the remainder of the 2014/15 municipal year be agreed:

Guy's and St. Thomas' NHS Foundation Trust (Council of Governors)

Councillor Jasmine Ali

King's College Hospital NHS Foundation Trust (Council of Governors)

Councillor Kieron Williams

South London and Maudsley (SLaM) NHS Foundation Trust (Members' Council)

Councillor Tom Flynn

Millwall for All

Councillor Leo Pollak

EXCLUSION OF PRESS AND PUBLIC

That the press and 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 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.

18. MINUTES

That the closed minutes of the meeting held on 16 September 2014 were approved as a correct record and signed by the chair.

19. GATEWAY 2 - CONTRACT AWARD APPROVAL: REFURBISHMENT OF THE ATHLETIC FACILITIES AT SOUTHWARK ATHLETICS CENTRE

The cabinet considered the closed information relating to this item. See item 15 for decision.

20. ACQUISITION OF FREEHOLD INTEREST IN 71, 73 AND 75 ALBION STREET SE16 AND 18 BRUNEL ROAD SE16

The cabinet considered the closed information relating to this item. See item 16 for decision.

Meeting ended at 5.35pm.

CHAIR:

DATED:

DEADLINE FOR NOTIFICATION OF CALL-IN UNDER SECTION 21 OF THE OVERVIEW AND SCRUTINY PROCEDURE RULES IS MIDNIGHT, WEDNESDAY 29 OCTOBER 2014.

WITH THE EXCEPTION OF ITEM 12, 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.

Item No. 8.	Classification: Open	Date: 18 November 2014	Meeting Name: Cabinet
Report title:		Update on Consultation and Plans for the Delivery of 11,000 New Homes	
Ward(s) or groups affected:		All Wards	
Cabinet Member:		Councillor Richard Livingstone, Housing	

FOREWORD – COUNCILLOR RICHARD LIVINGSTONE, CABINET MEMBER FOR HOUSING

In July 2013 this council made an historic commitment to build 11,000 new council homes by 2043. This followed an extensive programme of consultation with Southwark residents where the overwhelming view was that we needed to build more council homes.

On 22 July 2014 the cabinet received an update on how we will deliver on this commitment and ramp up our programme of council house building from a small number of early starts to 1,500 finished homes by 2018 and 11,000 new homes over the thirty year programme.

This report triggered what we aim to be a broad ongoing programme of engagement with residents that began with this consultation on the Charter of Principles. This will be followed by further phases of consultation as the programme proceeds to ensure that everyone who wants to can have their voice heard. We are absolutely committed to genuinely involving our residents in how and where we deliver these 11,000 homes throughout the lifetime of this building programme.

To be clear the 11,000 new homes that we promise to deliver will be new council homes at council rent levels that are additional to our existing stock of council homes.

Our overarching commitment is to keep residents involved right across the borough and working with all of you to make sure we design the best possible solutions to delivering good quality homes for those that need them.

I am delighted that so many of our residents have responded to this consultation right across the borough. This reinforces our commitment to ensure that we continue to listen to what all of our residents say.

RECOMMENDATIONS

That the cabinet:

1. Notes the overwhelming support (around 90%) for the 6 pledges and therefore agrees to the adoption of the Charter of Principles as set out in Appendix 1.
2. Notes that over 2000 residents responded to this consultation and that the vast majority of these were council tenants and leaseholders/homeowners. The size and representativeness of the sample gives a high level of confidence that the findings of the engagement exercise reflect the views held by the majority of our residents.
3. Notes that consultation took place with both the formal consultation structures of Tenant and Homeowners Council, Area Housing Forums and more broadly with those not engaged in these formal structures. Cabinet therefore agrees to reaffirm its commitment to engaging as widely as possible with residents as the 11,000 new homes programme progresses. Officers are to continue to consult through the formal tenant and homeowner structures and in other ways to ensure that those who are not engaged in the formal structures are able and encouraged to get involved.
4. Notes that about 20% also left more detailed feedback as summarised in paragraphs 32 to 40 below. In response to that feedback cabinet therefore tasks officers to put in place the following:
 - A system of review of the operation of the charter of principles annually, through existing representative groups and other residents who have been involved.
 - Ongoing involvement of the Futures Steering Board made up of representatives of Tenant Council and Homeowners Council in the development of the engagement activity as it progresses.
 - A proactive communication strategy that seeks to address some of the frequently asked questions that have arisen through the consultation, clarifies what we mean when we use terms such as “affordability” and “regeneration”, and tackles some of the misinformation and misapprehension.
5. Notes that 36% of respondents (almost 700 people) expressed an interest in continuing to be involved. Cabinet therefore tasks officers to develop a plan to ensure that those who have expressed a wish to be involved are integrated into the next phases of the consultation programme.
6. Notes that this is only the first stage of consultation, and only concerns the principles upon which a broader consultation programme will be based. The next stage of the consultation, on the borough-wide principles for the 11,000 homes programme, will start in January 2015.
7. Reaffirms its commitment to building 11,000 new council homes, alongside improving the quality of all of its existing housing stock.

8. Confirms that these 11,000 council homes will be new and additional to our existing stock of council housing.

BACKGROUND INFORMATION

9. On 22 July 2014 the cabinet agreed a report on progress in developing the long term plans for the delivery of new council homes. This report provided an update on the delivery of 11,000 new homes and the early sites that are already in progress. A further report on the commitment to building 1,500 of the new council homes by 2018 will go to cabinet in December 2014.
10. The July 2014 cabinet report also outlined the long term vision for housing in the borough as part of the development of a new borough-wide long term housing strategy to 2043 that is due for agreement by cabinet in January 2014.
11. The 22 July 2014 cabinet report went on to explain how the Council is balancing investment in the existing stock with the plan to build 11,000 new homes consistent with the aim that the quality of not just the 11,000 new homes but all of the existing housing stock is of the highest standard.

New Southwark Plan and New Council Homes

12. On 21 October 2014 the cabinet agreed a consultation draft of the issues and options for a New Southwark Plan (2018-2033). This will provide 11,000 new council homes as part of 30,000 new homes. The challenge is to deliver the services, infrastructure and places to ensure that these improve Southwark as a desirable place to live. There is a focus on quantity, quality, provision for all and improvements to public health.
13. The New Southwark Plan will set out how we will deliver our Housing Strategy. The NSP will support the delivery of some of our key housing strategic ambitions, including the building of 11,000 new council homes for rent. This stage of consultation on the Southwark Plan will run until the beginning of March 2015.
14. Most of the consultation on the housing matters in the New Southwark Plan will start from January 2015 to ensure that the work on establishing the principles for future development of housing in the borough is co-coordinated with our discussions on establishing the principles for development of the 11,000 new council homes.
15. A fundamental principle for working with residents on the delivery of 11,000 new council homes was that it should be based on sound engagement with the community as its starting point and the bedrock on which both existing and future housing investment will be progressed.
16. Aligning the consultations on the principles for development of the new council homes and the elements of the New Southwark Plan about housing together will ensure there is consistency in our approach to residents, we minimize opportunities for misunderstanding and maximise the engagement on this issue.

17. The Council is developing a phased approach to explore the following issues with residents, starting in January/February 2015:

Borough-wide principles consultation – Draft timeframe		
Timeframe	Theme	Questions for residents
Jan/Feb 2015	Land-use designations	How can we create more opportunities to build new homes?
February –June 2015	Sites for development	Where could we build new homes?
April/May/June 2015	Tenure Mix Design Standards Health and wellbeing	What kind of estates/communities to do we want in Southwark? How do we create these estates/communities? How should we ensure the highest standards of design and delivery?
May/June 2015	Principles for decisions about investment in existing stock	How do we decide to invest or rebuild?

The above is an initial proposal for establishing a phased approach to tackling some fairly complex issues with residents. This will be consulted on with officers across the project team and worked into a more detailed plan for December 2014 cabinet.

Consultation on Charter of Principles

18. In July 2014 cabinet agreed a consultation draft of a Charter of Principles intended to form the framework for consulting with residents of Southwark on the ongoing delivery of 11,000 new Council homes, and asked officers to consult with residents on these principles.
19. The principles build on the outcomes of the Housing Commission, the approach to community engagement and the way we have been working with residents in the ongoing major works programme ‘putting residents first’ and on projects such as the refurbishment of Lakanal.
20. This consultation was only the first stage in a series of conversations the Council will have with people in Southwark about how it will deliver the 11,000 homes by 2043. The second stage will be outlined in the December 2014 cabinet report, with consultation beginning early in 2015.

KEY ISSUES FOR CONSIDERATION

Consultation approach

21. This initial stage of consultation began on 15 August and ended on 13 October 2014. The timeframe of the consultation was extended from 22 September 2014 after consultation with the Future Steering Board.
22. All residents living in the borough had an opportunity to contribute to the conversation about the Charter of Principles through our website. However, the focus of this consultation was those residents who live in homes that are owned or leased by the council.
23. The main tool for communicating with residents was through a mail shot in September 2014 rent statements and with our leaseholders through a separate mailing.
24. Staff presented the Charter of Principles to residents at Area Housing Forums, SGTO, Tenant and Homeowners Council and sent a news update to all Tenant and Resident Association chairs and secretaries.
25. Staff also attended all Community Council meetings, and nine community events/festivals, and promoted the consultation through its community e-newsletter.

The consultation response

26. The response to the consultation was considerable: 1,913 responses were received by the deadline and a further 103 in the following weeks, making a total of 2,016¹ responses. The volume of responses has been much greater than originally anticipated and a number of teams have come together to help process the data.
27. With over 2,000 responses in total we can have a high level of confidence that the results reflect those views of the wider population of residents in council homes.
28. We know the vast majority of the responses have come from those living in Council homes, because the form used for the mail out was laid out differently to the one used in our outreach sessions. 24 of the responses were received through the web and 19 people completed our postcards.
29. Only one Area Housing Forum, Borough and Bankside, did not have an opportunity to discuss the issue during the consultation as it had not met since 6 August and its next meeting was not due until 29 October 2014. Full feed back from the forums and other tenant organisations can be found in Appendix 4.
30. It is exciting that so many of the people who replied expressed a wish to remain involved in this discussion, and a demonstration of resident interest in the 11,000 homes programme.

¹ The comments from the additional responses received beyond the deadline will be analysed and used to inform future engagement and other relevant teams.

Summary of consultation findings

31. The pledges are detailed in Appendix 1. However they are summarised as follows:

- How we will work with you on developing the principles for housing investment and renewal of our estates
- How we will work with you on the development of the new homes on your estate
- How we will involve you in ensuring that the new homes are delivered to a high standard
- Giving you a real say in how the new homes are managed
- We will demand high standards for the quality and affordability of new homes
- Your housing options if you are affected by redevelopment of your estate

32. There was overwhelming support for all the pledges.

Table: Overall support for the Charter of Principles pledges^{2 3}

Pledge	Yes	No	No response
1	91%	6%	3%
2	92%	6%	2%
3	89%	5%	5%
4	90%	5%	5%
5	90%	5%	5%
6	87%	8%	5%

33. Almost 700 individuals expressed an interest in staying involved representing 36% of those that replied.

34. The consultation generated almost 1900 separate comments. 1260 of these were linked directly to the individual pledges with Pledge one and Pledge six providing the most feedback (256 and 267 respectively).

35. 62% of the comments made about the pledges were given by those who were supportive of them.

36. On average 8% of those who said yes and 56% of those who said no provided comments. Appendix 5 includes examples of feedback received from residents. The complete feedback has not been included due to the sheer volume but is available on request.

37. Some of the frequently occurring comments included the following:

Some people commented on their concern that we may not follow through on our promises:

² Percentages have been rounded up or down to make whole numbers, so some total 99% rather than 100%

³ The analysis is based on 1913 responses.

'Sounds very good, but will you hear what is being said'

While others simply commented on how positive the charter and the 11,000 new homes was:

'I don't know the details but sounds like positive ideas', 'It will be nice to build more Council housing to help this our community'.

Some people commented on the need to continue to work with the existing formal consultation structures:

'There should also be a commitment to working with any existing forums ...and willingness to work through their platforms?'

Others added that it was important that we continue to be as inclusive as possible and reach out widely to our residents:

'Forum for EHRS keen to work with Council to ensure everyone has their say', 'More involvement of local Councillors as they listen', 'Engagement should be balanced and not just focused on those with the most time/loudest' voice', 'good to engage young people and children and between residents and those on waiting list',

Many comments related to issues the Council will be looking at more closely in the next stage of consultation:

'Mixed communities are a sound way to integrate all aspects of difference', 'The community should be involved in some of the harder decisions, such as how this will be made financially viable' 'I agree in principle for new homes on derelict or unused land'.

38. The comments have shown that there are a number of emerging themes among the respondents that offered further comment. These are as follows:

- 18% of those that commented indicated a **lack of confidence** that we would keep our promises around these pledges or our ability to deliver as we have indicated.
- Some people used this as an opportunity to talk about where they thought new development should happen, design of new homes, concerns about use of open spaces on estates, density, and mixed communities. (15%)
- 9% of the comments related to **costs** of the programme in particular to leaseholders and compensation to leaseholders in any potential, future demolition schemes.
- 8% of those that commented provided thoughts about **how we might include** people in the next phases of consultation and views about **who** we should be including. The views have ranged from involving the Voluntary and Community Sector, talking to TRAs and making sure that we don't just talk to the "usual suspects" but include everyone.
- Finally there were a number of views expressed about **who the homes will be for**, with comments about the needs of local people, using the new build

to address the length of the waiting list and meeting the needs of disabled and older residents, (7%).

- Some people commented on their concerns about the language used within the pledges and their fears about **future demolition** programmes. Some had read the pledges looking through the prism of the redevelopments at the Aylesbury and Heygate (3%).
39. The comments made at Area Housing Forums, Homeowner and Tenant Councils, Southwark Group of Tenant's Organisations (SGTO) are attached as Appendix 4 to the report. The formal consultation structures generated a wide range of comments that both addressed the pledges directly and issues that will be further explored in stage 2 of the consultation on delivery of 11,000 new council homes. In general the comments were similar to those made in the wider survey but in addition they:
- Asked how the pledges will be monitored
 - Raised concern about the precise meaning of some of the language used e.g. *regeneration, renewal and affordable*
 - Considered that this consultation undermined the role of the representative structures and later stages may do the same
 - Expressed concern about the length of the consultation.
40. An additional response to the consultation was received from SGTO after the consultation period had closed. This is included at Appendix 6.

Addressing the qualitative feedback from residents

41. Below is a table that demonstrates how officers propose to address the key issues that have arisen during the consultation:

Theme	Action
Lack of confidence	<ul style="list-style-type: none"> • Develop a system of annual review of the implementation of the Charter of Principles. • Work with the FSB to develop the engagement plan for future stages of consultation. • Develop a communication strategy that seeks to address frequently asked questions, clarifies what we mean when using words such as <i>affordability</i> and <i>regeneration</i>, and promotes the homes as we complete. • Provide training for residents so they are able to fully engage in future discussions. • Reaffirm the council's commitment to consultation and engagement with residents throughout all the stages of the design and delivery programme. • Promote that the council wants to work with residents on a co-productive basis on individual schemes. • Be transparent and open about the factors the council is considering at the earliest opportunity to promote

Theme	Action
	trust and share the complexity of the decision making ahead.
Involving everybody	<ul style="list-style-type: none"> • Ensure that we work closely with our existing formal tenant structures along with the wider community. • Work in ways that encourages those who are not involved to participate. • Build on the work of the Community Engagement team to develop relationships with groups who do not normally participate such as young people and residents in sheltered housing. • Use a range of engagement tools that encourages a diversity of people to respond, such as hard to reach communities, young people and disabled people. • Build on the enthusiasm demonstrated in the volume of responses and eagerness to be involved, to ensure that these residents are integrated into future discussions. • Develop a phased communication plan to provide residents with interesting issues to engage in over the next consultation period.
Look and feel of places	<p>Stage 2 of the consultation which will begin in January 2015 and take place over the following six months and as outlined above will address the following points:</p> <ul style="list-style-type: none"> • Land-use designations • Sites for development • Tenure Mix • Design Standards • Health and wellbeing • Principles for decisions about investment in existing stock.
Fear of “Demolition”	<ul style="list-style-type: none"> • The 11,000 new homes that the council has promised to build will be new homes additional to our existing stock on council rents for those that need them. • Confirming the commitment that we are not intending to demolish 11,000 existing council homes and replace them to reach our target of 11,000 new homes. • There will continue to be some loss of stock due to the right to buy however, there will be a net increase in the number of council homes. • Delivery of a comprehensive communications plan and FAQ document that covers the entire 11,000 homes, asset management and housing strategy process. • This should address some of the misunderstandings that have arisen and ensure that the consultation on the New Southwark Plan and stage 2 of delivery of new homes does not

Theme	Action
	add to residents concerns
Costs to leaseholders	<ul style="list-style-type: none"> • A significant proportion of these concerns should be addressed through greater clarity in terms of the points above. • New build homes will not be charged to Leaseholders. • The council reimburses leaseholders the market value of their home plus any statutory requirements. • The council wishes to support leaseholders to remain in their communities and will be developing of a range of purchase options to enable this. • Discussions about the funding of schemes and choices will take place as schemes are being developed on an area by area basis. • Be transparent and open about the factors the Council is considering at the earliest opportunity to promote trust and share the complexity of the decision making ahead.

Policy considerations

42. In 2014 the council made ten new fairer future promises aimed at making Southwark a fairer place to live, where all residents have the opportunity to fulfil their potential. Promise 3 was that we will improve housing standards and build more homes of every kind including 11,000 new council homes with 1,500 by 2018. We will make all council homes warm, dry and safe and start the roll out of our quality kitchen and bathroom guarantee.
43. A new council plan was agreed by cabinet in July 2014. The plan commits the Council to improving housing standards and building more homes of every kind including 11,000 new council homes by 2043, with 1,500 by 2018.
44. The vision for a new long term Housing Strategy for the borough was agreed by cabinet on 28 January 2014. The borough-wide housing strategy to 2043 is due for agreement by cabinet in January 2015. The housing strategy vision sets a clear ambition to increase the supply of homes in the borough including council homes, ensuring a supply of housing that is affordable to people on a range of incomes, and a demand that all homes are to be of the highest possible quality.
45. As noted above the development plan for the borough consists of the Mayor's London Plan, the Core Strategy 2011, the Saved Southwark Plan policies, the Aylesbury Area Action Plan and the Canada Water Area Action Plan. These will soon be joined by the Peckham and Nunhead Area Action Plan and a revised Canada Water Area Action Plan. The Core Strategy and the Saved Southwark Plan policies are to be replaced by a local plan to be known as the New Southwark Plan. This is currently being prepared in consultation with residents, land owners, developers, employers, local organisations and other groups over the next two to three years, starting with the publication of issues and options in October 2014. As noted above, the New Southwark Plan will set

out the strategy to bring the full benefits and opportunities of regeneration to all of Southwark's residents including the delivery of the long term Housing Strategy.

Community impact statement

46. The Public Sector Equality Duty requires public bodies to consider all individuals when carrying out their day to day work, in shaping policy, in delivering services and in relation to their own employees. It requires public bodies to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between different people when carrying out their activities.
47. The engagement plan was designed to be inclusive of all the borough's communities and provide a range of mechanisms to provide all residents with the opportunity to engage. The plan is attached as Appendix 2.
48. To ensure that the Community Conversation was accessible to all residents, survey respondents were asked to provide information on their age, gender ethnicity and sexuality. A high proportion of the respondents did so; 85% answered the question on age, 75% gender, 65% sexuality, 77% disability and 85% ethnicity. This sample was compared to the results of the 2011 census. The data demonstrates that the sample was representative of the Southwark community.
49. Council tenants and homeowners constituted a majority of survey respondents, and comprise about 45% of households in the borough. Given the subject of the consultation it is neither surprising, nor of concern that this group is over represented in our responses. For The next stage of our consultation, which will have greater impact on private residents we will deliver a broader reach.
50. The gender of those who answered this question was 49% male 51% female. This reflects the gender distribution in the Borough.
51. The people who responded were spread across the age range as follows:

Age group	No. of responses	% of total responses	% of those who provided an answer	Southwark 2011 – Census age data
Under 16	2	0%	0%	17.5%
16-17	0	0%	0%	2%
18-24	10	1%	1%	10%
25-34	74	5%	6%	23%
35-44	181	13%	15%	17%
45-54	299	21%	25%	13%
55-64	266	19%	22%	7%
65-84	336	23%	28%	7%
85+	38	3%	3%	1%
blank	217	15%		

As the forms were addressed to the tenant/owner of the property it is likely that many younger people were not able to participate in this consultation. We will be addressing this issue in subsequent phases of the consultation.

Many young people do not participate in housing consultations or other opportunities to participate in democratic processes. We are currently working with young people to understand the barriers to their participation, and what platforms we can put in place to increase their engagement with us on issues such as this. Our research is ongoing and we are planning an event in February 2015 to bring young people together to establish a plan for getting more young people involved, including in the 11,000 council homes programme, and provide an opportunity for them to learn about and comment on the next stage of this consultation.

52. People were less likely to indicate their sexual orientation however 49% described themselves as heterosexual and 2% as gay.
53. 25% of those who returned their forms (a third of those who completed this section) described themselves as someone with a disability.
54. This is higher than previous consultations. It is probable that a direct appeal to residents in their home facilitated a greater number of responses from disabled residents than street or meeting based outreach and consultation. In addition a higher number of residents in our homes will be disabled than in the general population as a consequence of the way this resource is allocated to meet need.
55. The ethnic diversity of the people who responded can be broken down as follows:

Group	Respondents	Southwark 2011 census
White British and European	51%	54%
Black	39%	27%
Asian	6%	9%
Mixed	3%	6%
Other including Latin American	1%	3%

The above demonstrates that the people who responded reflected diversity of the wider borough population. Each group are represented and differences are likely to be based on the historic differences in who lives in council homes.

Consultation

56. This report feeds back on the initial phase of what is one of the most complex and comprehensive engagement and consultation activities with residents in recent times. The fundamental principles underlying this have been to engage with as broad and representative a range of residents as possible, whilst the focus has been those who live in council homes.

Resource implications

57. All costs associated with the development of this plan to date have been contained within the Housing Revenue Account. The resident engagement proposals will also require adequate resourcing in order to be conducted effectively, particularly at the next stage of the engagement process. More details will be provided in future reports.

Next steps and timescale

58. A more detailed plan for the next phase of the 11,000 council homes consultation, along with a resource proposal, will be presented to December 2014 cabinet.
59. At present, the following draft timetable is being developed with key teams in Housing, Planning Policy and Corporate Strategy:

Borough-wide principles consultation – Draft timeframe		
Timeframe	Theme	Questions for residents
Jan/Feb 2015	Land-use designations	How can we create more opportunities to build new homes?
February –June 2015	Sites for development	Where could we build new homes?
April/May/June 2015	Tenure Mix Design Standards Health and wellbeing	What kind of estates/communities to do we want in Southwark? How do we create these estates/communities? How should we ensure the highest standards of design and delivery?
May/June 2015	Principles for decisions about investment in existing stock	How do we decide to invest or rebuild?

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Legal Services

60. The report asks cabinet to note the outcome of what is indicated to be the first stage of a consultation process on the council's commitment to build new council homes. Where consultation is conducted, the law requires that it must be undertaken when proposals are still at a formative stage, must include sufficient reasons for the proposals to allow interested parties the opportunity to consider the proposal and formulate a response, must allow adequate time for interested parties to consider proposals and formulate their response and the outcome of it must be conscientiously taken into account when the ultimate decision is taken. These are the central requirements for fair and proper consultation and should be applied at all stages of the consultation process.
61. The Supreme Court has recently, for the first time, considered the law relating to consultation (*Moseley v LB Haringey* 2014). The aforementioned central requirements of consultation were endorsed and the constituents of fair consultation considered further.
62. Following the principles analysed in the judgements in this case, it is

recommended the consultation plan be kept under regular review to ensure that all interested parties are included, that they are provided with clear and accurate information that contains sufficient detail of the proposals, the reasons for them and, where appropriate, refer to alternatives, including those disregarded and the reasons for disregarding them. Also that consultee's be given sufficient time to consider the proposals, to respond to them, including the opportunity to put forward alternatives and the reasons for them.

63. Given the stated complex and comprehensive nature of the consultation, it is recommended that a robust audit trail of consultation be maintained and the responses and reasons for them fully logged so that they can be fully considered when decisions are taken.
64. Due regard must also be had to the impact a proposal may have on persons with protected characteristics under the Equality Act 2010; the equality assessment should therefore be reviewed, updated and considered regularly throughout as plans develop..

Strategic Director of Finance and Corporate Services

65. There are no specific financial implications arising from this report at this time as costs have been contained within the existing budget provision within the HRA. Moving forward, any further resources necessary to support the Direct Delivery consultation process will be identified and incorporated as part of HRA budget planning for 2015/16.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Independent Housing Commission – Conclusions and Next Steps Following Community and Stakeholder Engagement	Housing & Community Services, Community Engagement, 160 Tooley Street	Jessica Leech 020 7525 5853
Link: http://moderngov.southwark.gov.uk/ieDecisionDetails.aspx?ID=3882		
Vision for a New Housing Strategy for Southwark	Housing & Community Services, Community Engagement, 160 Tooley Street	Jessica Leech 020 7525 5853
Link: http://moderngov.southwark.gov.uk/ieDecisionDetails.aspx?ID=4328		
Developing Long Term Plans for the delivery of New Council Homes	Housing & Community Services, Community Engagement, 160 Tooley Street	Jessica Leech 020 7525 5853
Link: http://moderngov.southwark.gov.uk/ieDecisionDetails.aspx?ID=4329		
Next Steps on Developing Long term Plans for the Delivery of New Council Homes	Housing & Community Services, Community Engagement, 160 Tooley Street	Jessica Leech 020 7525 5853
Link: http://moderngov.southwark.gov.uk/ieDecisionDetails.aspx?ID=4746		
New Southwark Plan	Housing & Community Services, Community Engagement, 160 Tooley Street	Jessica Leech 020 7525 5853
Link: http://moderngov.southwark.gov.uk/mgChooseDocPack.aspx?ID=4863		

APPENDICES

No.	Title
Appendix 1	Charter of Principles
Appendix 2	Engagement Plan
Appendix 3	Consultation Questionnaire
Appendix 4	Summary of responses of formal consultation bodies
Appendix 5	Examples of feedback received from residents
Appendix 6	Additional response from Southwark Group of Tenants Organisations

AUDIT TRAIL

Cabinet Member	Councillor Richard Livingstone, Housing	
Lead Officer	Gerri Scott, Director of Housing and Community Services Stephen Douglass, Head of Community Engagement	
Report Author	Jessica Leech, Resident Participation Co-ordinator Stephen Douglass, Head of Community Engagement	
Version	Final	
Dated	6 November 2014	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Director of Legal Services	Yes	Yes
Head of Housing Operations	Yes	Yes
Head of Home Ownership	Yes	Yes
Director of Planning	Yes	Yes
Director of Corporate Strategy	Yes	Yes
Strategic Director of Finance and Corporate Services	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team		6 November 2014

11,000 New Council Homes: Our Commitment to Involving You

This charter is our commitment on how the council and our partners will work together with residents on our programme of investment and renewal. It sets out our promise to give people who live and work in Southwark a real say in our ambitious programme to build 11,000 new council homes. We will ensure that the council and any partner working with us on the new homes programme adopts and implements the commitments it makes.

The charter is underpinned by our values and fairer future principles which are:

- Treating residents as if they were a valued member of our own family.
- Being open, honest and accountable.
- Spending money as if it were from our own pocket.
- Working for everyone to realise their own potential.
- Making Southwark a place to be proud of.

Our commitments to you on involving residents are:

How we will work with you on developing the principles for housing investment and renewal of our estates

- We will work with you to identify what are the factors which make an estate a success and worth investing in for the future.
- We will involve the community area by area as we work with you to consider the options and opportunities for development in each part of the borough.

How we will work with you on the development of the new homes on your estate

- We will work with you on the design of each scheme and keep you informed every step of the way as the programme progresses.
- Consultation and engagement will continue throughout the design and delivery of the programme rather than be a one-off exercise at the beginning without further opportunities to give us feedback. We will keep you informed as to how your views have been taken into account.
- Each scheme will have a named lead officer so that residents know who to contact.
- Consultation will be led by local project groups of residents and local councillors in each area.
- We will hold one to one meetings for any resident that wants one.
- We will only proceed with submitting a planning application for proposals for this programme where there has been thorough dialogue and consultation with residents.

How we will involve you in ensuring that the new homes are delivered to a high standard

- For each scheme we will set up a residents' project team of interested

residents to regularly meet with us on the delivery of the new homes

- We will involve representatives from the wider community affected by the development of new homes.
- We will hold monthly site meetings with resident representatives from the residents' project team
- We will walk around the site with resident representatives and ward councillors a week before the handover
- We will carry out a satisfaction survey to find out how satisfied you are with how the projects are delivered, and what we can learn for the future
- We will work with you to ensure we get value for money for every pound spent on the programme.

Giving you a real say in how the new homes are managed

- We will work with you on an area basis on options for involving you in the longer term management and upkeep of your home.

Our other commitments to you

We will demand high standards for the quality and affordability of new homes

- The 11,000 homes that we develop for rent will be let at formula or target rent i.e. true council rent levels.
- We aim to develop new homes that meet high standards of construction, design and environmental sustainability.
- The programme will include homes that fully meet the needs of vulnerable people and people with disabilities. We will make sure that our new homes help people to live independent lives.
- We will work with you not just to build new homes but to create great neighbourhoods with a strong sense of community. We will work with you to plan how our investment can create opportunities for improvements to the whole neighbourhood, building communities of which we can all be proud.
- We will ensure that the programme supports local employment and skills sourcing local labour and involving local businesses.

Your housing options if you are affected by redevelopment of your estate

- We will ensure that leaseholders and homeowners affected by redevelopment get access to dedicated advice, support and information on their options for the future. This will include, where it is necessary, offering a full range of options for re-housing including shared ownership and shared equity, and any loss, compensation or disturbance payments residents may be entitled to.
- The programme aims to benefit local people and any tenant or leaseholder wanting to stay in an area where development takes place will be offered options to do so.
- We want to make most effective use of the new stock to make sure it is let fairly and in a way that deals with any specific local issues and concerns, and contributes to sustainable and mixed communities. We will work with residents to give them a say on lettings so that, for

example, we make provision for those freeing up under-occupied properties, and to ensure that lettings take account of local circumstances.

- Where tenants of the new homes want to move they will have the same rights to transfer and exchange their homes as any other Southwark tenant.
- At least half of the homes we develop will be available to tenants in housing need on the estate at the first letting to make sure that local residents affected by redevelopment get a fair deal.

The Charter of Principles - resident consultation and engagement programme

August 2014

www.southwark.gov.uk

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1.0 Introduction

- 1.1 Cabinet on 22 July considered an update on the delivery of the commitment to deliver 11,000 new homes for social rent. The cabinet instructed the director of Housing to do the following:
- Put in place the necessary capacity to oversee further programme delivery;
 - Undertake a comprehensive appraisal of the overall performance of current Housing Revenue Account (HRA) assets and report back the outcome of this analysis to cabinet in December 2014;
 - Bring a further report to cabinet in December 2014, setting out the proposed pipeline for the delivery of 1500 new council homes by 2018;
 - Establish a wholly owned and controlled council 'vehicle' to secure future funding capacity for the programme.
 - Initiate a consultation with residents on the draft "charter of principles" through the summer, reporting back to cabinet in October 2014. (Now amended to November cabinet meeting to extend the consultation period)
- 1.2 The charter of principles will establish a framework for the way in which the council and its partners will work with residents to bring about the delivery 11,000 new Council homes for social rent and the investment in and renewal of our existing homes. The principles are underpinned by Council values and fairer future principles.
- 1.3 The charter outlines the Council's commitments to residents across a number of key areas. These are:
- How the Council will work with residents on developing the principles for housing investment and renewal on estates.
 - How the Council will work with residents on development of new homes on their estate.
 - How the Council will involve residents in ensuring that the new homes are of high quality.
 - How the Council will give residents a say on how the new homes are managed
 - What we will do if residents are affected by redevelopment.
- 1.4 Consultation on the charter of principles will be the first stage in a programme of involvement and consultation about how the council will deliver its new homes and investment strategy for the next 30 years.
- 1.5 The second stage will take place in spring 2015 and will seek resident views about the principles of regeneration for the borough and will be coordinated with consultation on the Housing Strategy, Local Plan and Old Kent Road Area Action Plan.

- 1.6 The third and fourth stages will take place on area and estate basis and will look at the detail of investment in particular places and the appetite locally for greater resident involvement in the management of new homes. This will be ongoing and dependent on plans for development.
- 1.7 In addition residents will be asked to identify sites for new homes.
- 1.8 Work on the Housing Commission and the next steps identified above mark a new way of working with Southwark residents to shape the future of housing borough wide.

2.0 The Aims and Objectives of Community Engagement

- 2.1 Local people have told us what they want to see in how we engage with them in the future. We have listened to what they have to say and have tried to capture this in our vision 'a new relationship with the community'.
- 2.2 Underpinning our proposed community consultation programme are five key consultation promises:
- Universal
 - Impartial
 - Comprehensive
 - Timely
 - Cost effective
- 2.3 How we will meet these commitments in our consultation on the Charter of principles is set out below.

Table 1 Consultation about charter of principles	
1. Universal	<p>All stakeholders should have the opportunity to participate in the consultation process and to have their views taken into account.</p> <p>The stakeholders are:</p> <ul style="list-style-type: none"> • All residents in Southwark • In particular those residents who are living in homes owned by the council where most of the investment programme will take place. <p>The consultation will provide all residents the platform to express their views about how the Council will consult on the development of new homes, renewal of estates and investment in homes.</p>
2. Impartial	<p>The charter of principles has already been drafted and considered by cabinet. The proposed consultation seeks residents' views across each of the areas the council is making a commitment as well as asking an open question to ensure that the final charter reflects residents concerns. The consultation will seek to receive feed back on the proposed charter, including agreement/disagreement with the principles and or suggestions for change to these.</p> <p>Broadly the questions we will ask are as follows:</p>

	<p>1. Have we missed out any areas that the Charter of principles should cover?</p> <p>2. The first set of commitments are to involve you in developing the overarching principles for housing investment working on an area by area basis, do you agree with these?</p> <p>3. The second set of commitments describes how we will work with you on the development of new homes on your estate. Do you agree with these?</p> <p>4. The third set of commitments describes how we will work with you in making sure new homes are delivered to a high standard. Do you agree with these?</p> <p>5. The fourth set of commitments the charter makes is to give you a say in how the new homes are managed. Do you agree with these?</p> <p>6. The fifth set of commitments are to involve you in ensuring the affordability of new homes, good design, the homes meet the needs of all, and bring improvements to your neighbourhood . Do you agree with these?</p> <p>8. The final set of commitments is to involve you in your housing options if you are affected by the redevelopment. Do you agree with these?</p> <p>9 Are there any other comments you would like to make?</p>
3. Comprehensive	<p>The proposed charter draws on commitments the council has already made and the experience the council has learnt through a range of activity in departments such as major works, community engagement, regeneration and planning. A summary of the proposed consultation programme is presented in section 4 of this report.</p>
4. Timely	<p>Following the Housing Commission consultation in 2013 the Council has been putting in place the mechanisms and developing the strategy to deliver the commitment made to deliver 11,000 homes.</p> <p>The council anticipates identifying potential sites by January 2014. There is need to be prepared to work with residents on the specifics in areas identified very shortly so the council is able to deliver its commitment to deliver 1,500 homes by 2018.</p> <p>The council is developing its Housing Strategy, Southwark Plan and Asset Management Strategy. It needs to be in a position to talk to residents about these issues together.</p> <p>The charter of principles will provide the framework for these conversations and needs to be agreed by cabinet by November 2014 so we are able to launch a borough wide conversation about principles of regeneration and delivery of new homes.</p> <p>The consultation will need to close by 13 October to report to Cabinet by the dates agreed.</p>
5. Cost	<p>The consultation will use web based tools to deliver universal</p>

effective	<p>consultation in the most cost effective way. Information will be sent to homeowners and tenants directly to ensure that it is comprehensive.</p> <p>Discussions will be held with tenant bodies, community councils and at other events during the time frame of the consultation.</p>
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3.0 Engagement Principles

3.1 The consultation process will follow the Code of Practice on Consultation issued by the Department for Business Innovation and Skills. The BIS guidance outlines its consultation principles:

3.2 **Criterion 1: When to consult**
Formal consultation should take place at a stage when there is scope to influence the policy outcome.

The decision on the charter of principles will be taken at the November Cabinet. There will be opportunity for the opinions expressed by residents to have an impact on the final draft of the charter.

3.3 **Criterion 2: Duration of consultation exercises (BIS recommends 12 weeks)**

This consultation will last 8 weeks. The charter builds on the work that has been done over the last two years agreeing the principles for consultation, the Housing commission and experience gained in our work across the borough.

3.4 **Criterion 3: Clarity of scope and impact**
Consultation documents should be clear about the consultation process, what is being proposed, the scope to influence and the expected benefit and costs of the proposals.

The draft charter will be circulated with the questionnaire so those who respond are clear about the proposal. The closing date and cabinet decision will also be clear on the documentation.

3.5 **Criterion 4: Accessibility of consultation exercises**
Consultation exercises should be designed to be accessible to, and clearly targeted at those people the exercise is intended to reach.

This consultation will be both web and paper based ensuring that there is maximum opportunity for people to respond.

3.6 **Criterion 5: The burden of consultation**
Keeping the burden of consultation to a minimum is essential if consultations are to be effective and if consultees' buy-in to the process is to be obtained.

The web based form for consultation should ensure that participants are not over burdened.

3.7 **Criterion 6: Responsiveness of consultation exercises**

Consultation responses should be analysed carefully and clear feedback should be provided to participants following the consultation.

The findings from the engagement programme will be reported to Cabinet in November 2014. A report will be published.

4.0 Consultation Methodology

Who will we consult

- 4.1 All residents living in the borough will have an opportunity to contribute to the conversation about the charter of principles. However the focus of this consultation will be those residents who live in homes that are owned or leased by the council.
- 4.2 **Housing based formal meetings:** There will be consultations with people who attend TRA meetings and other representative housing based meetings, such as Area Housing Forums, the Tenants Council, the Homeowners Council, and Futures Steering Board.
- 4.3 **Community Councils:** During September consultation will take place at each of the five Community Councils.
- 4.4 **Community Forums:** We will highlight the consultation and how to participate in the consultation in the e - news letter that is sent to all our networks.

How we plan to engage with residents

- 4.5 The main tool for communicating with residents will be through a mail shot in September rent statements and with our leaseholders either with a statement or through a separate mailing.
- 4.6 We will use posters and leaflets in libraries and our resource centres to advertise online consultation.
- 4.7 We will contact TRAs through the chairs and secretaries.
- 4.8 We will consult with FSB, Tenant Council, Homeowners Council and Area Housing Forums in September.
- 4.9 SGTO will support the consultation by inviting members to participate and we will approach LAS2000 to offer the same support.
- 4.10 The council has a twitter account and a facebook page these will be used to raise awareness of the consultation, create interest and have conversations. The council will use discussion groups and on-line forums, such as the SE1 Forum and the SE5 Forum to gather community views. This has proved to be an effective way of gathering views.

- 4.11 The consultation will be largely web based with an article on the Cabinet update and the charter of principles web pages with the relevant documents and questionnaire posted.
- 4.12 In addition to feed back from the key forums the target is 150 responses to the charter consultation. This is a consultation about how we will consult and it is probable that unlike the original Housing Commission and the conversations in the next stage, we will be unlikely to generate a large volume of participants.

Key messages

Throughout the campaign and in our printed and social media pieces the following messages should be promoted and used to explain the consultation

4.13 Engagement

- We have learnt the lessons from past engagement and consultation and following the success of the housing commission we want to continue to work closely with our communities.
- We will deliver sound engagement with the community and involvement by residents is the bedrock upon which the investment programme will be progressed.
- Our engagement will be universal, impartial, comprehensive, timely and cost-effective.
- As well as working closely with our TRAs we will use a range of tools to encourage those who do not normally give us their views to have their say.
- This consultation on the charter of principles is the beginning of our conversation with residents about the future of housing in Southwark.

4.14 New Homes

- The council has reaffirmed its commitment to deliver 11,000 council homes for social rent over the next 30 years.
- Residents want to see results now and we have already planned the delivery of an additional 212 homes for social rent (are these all council?).
- By 2018 we will have started to build 1,500 council homes.
- Building of new homes will be self financing this will mean that we will build additional homes for private sale to cross subsidise the council and affordable homes.
- We will need to develop a vehicle that will allow us to borrow additional funds

4.15 Asset Management

- Our investment in existing homes, renewal of our estates and delivery of additional homes will be managed and developed together to ensure value for money.
- Our decisions on investment in existing homes will be based on the benefit the investment brings to the lifespan of our homes and need for future investment, alongside issues such as well being, local community and local services.
- We will adopt different approaches area by area so our solutions meet the needs on each of our estates.
- Our investment programme will do more than meet the demand for more and better homes but will also look at how, through our investment choices, we can bring additional benefit to our communities.

5.0 Resources structure

Table 2.

Role	Function
Futures Steering Board	A board of residents (tenants and homeowners in council property) appointed to take a quality assurance role in the consultation process ensuring that it reaches the stakeholders.
Resident Friend	An independent organisation appointed to provide impartial guidance to the Futures Steering Board and quality assurance of the consultation process documents and outputs.
Community Engagement team	Responsible for implementing all community engagement (including attending Housing forums, and community councils)
Communications	Creating consultation webpage and responsible for managing all social media (including Twitter and Facebook accounts). Responsible for maximising participation through a proactive communications campaign and facilitating the mail outs.
Programme manager	Responsible for the development and management of following aspects of the engagement programme: <ul style="list-style-type: none"> • Project plan and co-ordination of engagement activity • Drafting report to Cabinet and other stakeholders
Project Costs	
Mail out to Homeowners	TBC
Printed materials	TBC

6.0 Consultation Timetable

	Task	Deadline	1 Aug	8 Aug	15 Aug	22 Aug	29 Aug	5 Sept	Sept	Oct	Nov
	1. Governance										
1.1	Cabinet agreed consultation on charter	22 July									
1.2	FSB meets	30 July									
1.3	Agree consultation Plan/ materials	8 August									
1.4	Launch Consultation	15 August									
1.5	Project Board	27 August									
1.6	Consultation Ends	13 Oct									
1.7	Cabinet draft report on outcomes of consultation	27 Oct									
	2. Communication & Raising Awareness										
2.1	Website	15 August									
2.2	Email to TRAS	15 August									
2.3	Article for SGTO and LAS2000 bulletins	22 August									
2.4	Report to Tenants Council and Home Owners Council	22 August									
2.5	Community e news	End Aug									
2.6	Distribution info to libraries and resource centres	End Aug									
2.7	Mail out to Tenants	1 Sept									
2.8	Mail to Homeowners	TBC									
	3. Wider Engagement Programme										
3.1	Community councils	Sept									
3.2	AHF and Councils	Sept									

Let's talk about ...

new council homes for Southwark

We have committed to the most ambitious council house building programme anywhere in the country for a generation - to build 11,000 new council homes by 2043, with 1,500 of these by 2018. To make this a success and to deliver this pledge we need to know what residents think and make sure that you help to shape this.

We believe that every tenant should live in a high quality home and we are talking to our residents about both the investment in our existing homes and the building of new homes at the same time. In addition investment on this scale offers a great opportunity to improve your estates and neighbourhoods and bring real benefit to our residents.

Our conversations with you on future homes will have four stages. The first step is to agree the way we will work with you on the development of our plans. Next, we will talk with you about the borough wide principles for the programme, followed by estate by estate engagement on details of delivery. Finally we will talk to you about your involvement in the management of new homes.

We want to continue to work closely with our communities as we did for the Housing Commission. Over the pages you will see our proposals for a Charter of Principles which will set out the framework for how we will work with you.

Please read the charter, let us know what you think and return the form to us by **13 October 2014**.

A Charter of Principles about how we engage residents in the investment process will be adopted at cabinet in November, taking into account the responses we receive to this proposal.

If you would like more information or to complete the questionnaire online please look on our website www.southwark.gov.uk/communityconversation or contact the Community Engagement team at communityengagement@southwark.gov.uk or on **020 7525 5554**.



Peter John
 Leader, Southwark Council



Residents survey

The draft Charter of Principles is laid out on the following pages. It sets out our commitment to how the council and our partners will work with residents on our programme of investment and renewal. It contains six key pledges to give people who live and work in Southwark a real say in the programme to build 11,000 new council homes.

Pledge 1

How we will work with you on developing the principles for housing investment and renewal of our estates

- We will work with you to identify what factors make an estate a success and worth investing in for the future
- We will involve the community area by area as we work with you to consider the options and opportunities for development in each part of the borough.

Do you agree with this commitment? Yes No

Do you have any comments? (If you answered no please tell us why):

Pledge 2

How we will work with you on the development of the new homes on your estate

- We will work with you on the design of each scheme and keep you informed every step of the way as the programme progresses
- Consultation and engagement will continue throughout the design and delivery of the programme rather than being a one off exercise at the beginning without further opportunities to give us feedback. We will keep you informed as to how your views have been taken into account
- Each scheme will have a named lead officer so that residents know who to contact
- Consultation will be led by local project groups of residents and local councillors in each area
- We will hold one to one meetings for any resident that wants one
- We will only proceed with submitting a planning application for proposals for this programme where there has been thorough dialogue and consultation with residents.

Do you agree with this commitment? Yes No

Do you have any comments? (If you answered no please tell us why):

Pledge 3

How we will involve you in ensuring that the new homes are delivered to a high standard

- For each scheme we will set up a residents' project team of interested residents to regularly meet with us on the delivery of the new homes
- We will involve representatives from the wider community affected by the development of new homes
- We will hold monthly site meetings with resident representatives from the residents' project team
- We will walk around the site with resident representatives and ward councillors a week before the handover
- We will carry out a satisfaction survey to find out how satisfied you are with how the projects are delivered, and what we can learn for the future
- We will work with you to ensure we get value for money for every pound spent on the programme.

Do you agree with this commitment? Yes No

Do you have any comments? (If you answered no please tell us why)

Pledge 4

Giving you a real say in how the new homes are managed

- We will work with you on an area basis on options for involving you in the longer term management and upkeep of your home.

Do you agree with this commitment? Yes No

Do you have any comments? (If you answered no please tell us why):

Pledge 5

We will demand high standards for the quality and affordability of new homes

- The 11,000 homes that we develop for rent will be let at formula or target rent i.e. true council rent levels
- We aim to develop new homes that meet high standards of construction, design and environmental sustainability
- The programme will include homes that fully meet the needs of vulnerable people and people with disabilities. We will make sure that our new homes help people to live independent lives
- We will work with you not just to build new homes but to create great neighbourhoods with a strong sense of community. We will work with you to plan how our investment can create opportunities for improvements to the whole neighbourhood, building communities of which we can all be proud
- We will ensure that the programme supports local employment and skills, sourcing local labour and involving local businesses.

Do you agree with this commitment? Yes No

Do you have any comments? (If you answered no please tell us why):

Pledge 6

Your housing options if you are affected by redevelopment of your estate

- We will ensure that leaseholders and homeowners affected by redevelopment get access to dedicated advice, support and information on their options for the future. This will include, where it is necessary, offering a full range of options for rehousing including shared ownership and shared equity, and any loss, compensation or disturbance payments residents may be entitled to
- The programme aims to benefit local people and any tenant or leaseholder wanting to stay in an area where development takes place will be offered options to do so
- We want to make most effective use of the new stock to make sure it is let fairly and in a way that deals with any specific local issues and concerns, and contributes to sustainable and mixed communities. We will work with residents to give them a say on lettings so that, for example, we make provision for those freeing up underoccupied properties, and to ensure that lettings take account of local circumstances
- Where tenants of the new homes want to move they will have the same rights to transfer and exchange their homes as any other Southwark tenant

- At least half of the homes we develop will be available to tenants in housing need on the estate at the first letting to make sure that local residents affected by redevelopment get a fair deal.

Do you agree with this commitment? Yes No

Do you have any comments? (If you answered no please tell us why):

Have we missed out any areas that the Charter of Principles should cover?

If so please let us know your ideas?

Are there any other comments you would like to make?

Would you like to be involved? Yes No

If you have said yes please provide your:

Name:

Post code:

Email address:

Mobile number:

Age

- Under 16 16 to 17 18 to 24 25 to 34 35 to 44
 45 to 54 55 to 64 65 to 84 85+ Prefer not to say

Gender

- Male Female Prefer not to say

If you prefer to use your own term please do so here: _____

Ethnicity**A) White or white British**

- British
 English
 Scottish
 Welsh
 Northern Irish
 Irish
 Gypsy, Roma, Romany or Irish Traveller
 Turkish
 Kurdish
 Eastern European
 Spanish
 Any other white
 Please specify if you wish:

B) Mixed background

- White and black Caribbean
 White and black African
 White and Asian
 Any other mixed background
 Please specify if you wish:

- Prefer not to say

C) Asian or Asian British

- Indian
 Pakistani
 Bengali
 Chinese
 Vietnamese
 Any other Asian background
 Please specify if you wish:

D) Black or black British

- Caribbean
 Ghanaian
 Somali
 Sierra Leonean
 Nigerian
 Other African
 Any other black or black British background
 Please specify if you wish:

E) Latin American

- Caribbean
 Bolivian
 Brazilian
 Colombian
 Ecuador
 Any other Latin American background
 Please specify if you wish:

Sexual orientation

- Bisexual Gay man Gay woman/lesbian
 Heterosexual Prefer not to say Other, please state _____

Disability

Are your day to day activities limited because of a health problem or disability which has lasted, or is expected to last, at least 12 months?

- Yes No Prefer not to say

Thank you for completing this form. The information provided will help us to improve our services to you and others in Southwark.

Data Protection All information is confidential and will only be used under the strict controls of the Data Protection Act 1998.

Feed back from Homeowner and Tenant Council and Area Housing Forums

APPENDIX 4

Forum	Comment
HOC	<ul style="list-style-type: none"> • RAHF was annoyed that as activists that the AHF was the first time that they had seen the documentation. • Would like clear definitions of language we use e.g. renewal and affordability • Use of Green spaces for is a concern • Impact of right to buy a concern
TC	<ul style="list-style-type: none"> • FSB is working the on the ratio of flats that should be built for council and for sale with the council. • We need to look into the costing with local people. • Good communication is the key Lend lease at the Elephant is a good example. • We should educate ourselves as part of the process. • Tenants should be consulted through the consultation structure
FSB	<ul style="list-style-type: none"> • Concern about the length of the consultation (28 July) – period of consultation extended from 22 September to 13 October in response • Will pledges be kept • Approach should not be one size fits all • Confidence in the council is still low • Need to be imaginative in how deliver start with hidden homes which is less threatening • Need to make sure that people are kept informed all through the process • Concern about approach using Community conversations rather than through the TRAs and AHF • Council needs to be more open about its information and in particular the financial information should be independently verified so that people can trust what they are being told
Peckham Area Forum	<ul style="list-style-type: none"> • Pledges good on paper – are they deliverable? – need to put something in place about monitoring them • So many consultations taking place how do we manage the whole process • Need to clearly define roles and responsibilities so people know what they can influence and have the right expectations • Involve everyone not pick and choose • Bring in people with fresh perspectives and identify new groups
Peckham and	<ul style="list-style-type: none"> • Consultation time scale is very tight

Nunhead Area Forum	<ul style="list-style-type: none"> • 30 year pledge is not relevant • Concerns about the words e.g. regeneration that implies that something bigger being proposed • What about buy to let? And the impact this has on our estates can we prevent the new homes being used in this way. • There are already derelict and empty spaces these should be looked at first e.g. on Cossall Estate.
Dulwich Area Forum	<ul style="list-style-type: none"> • The time frame for this consultation is tight • Rents on new homes need to be affordable for Council tenants • Document uses technical terms without explanation and is too detailed • Principles are good, but we will see if the detail delivers • Concern about the use of open spaces to build new homes and the loss of amenity
Bermondsey West Area Forum	<p>The forum agreed and embraced all pledges. Observations:</p> <ul style="list-style-type: none"> • Pledge 1 - We will promote sharing knowledge sideways across local schemes as a way strengthening cohesion and experience (a lessons learned thing) • Pledge 2 - we will ensure that a proper scheme of training is evolved to empower residents to fully participate in these processes • Pledge 5 - We will work to ensure that room sizes are sufficient to meet peoples' needs and expectations given the background of room size of Southwark's existing housing stock.
Bermondsey East Area Forum	<ul style="list-style-type: none"> • Raised a concern that leaseholders especially elderly would not be able to afford to buy even with pledge 6. • Asked about provision of schools and doctors surgeries etc to deal with the 11k new homes.
Camberwell East Area Forum	Not quorate
Camberwell West Area Forum	<ul style="list-style-type: none"> • Any new buildings should have the proper standards and regulations. • A discussion about why people don't participate. • With the new build planned 11,000 new homes. There will be some displacement. • Concern about density and design standards meaning that buildings are too close together • There needs to be a strategy for consulting with the young people. They are the future.

Walworth West Area Forum	<p>Pledge 1</p> <ul style="list-style-type: none"> • Will this happen on an estate by estate basis? How do you define an area? • What are the options and opportunities? <p>Pledge 2</p> <ul style="list-style-type: none"> • How do you identify sites? How do you get people to agree on these sites? • Will these be new or just refurbished homes? • Will Southwark be able to buy-back sites they have sold off but aren't being developed? • Can we identify sites? <p>Pledge 3</p> <ul style="list-style-type: none"> • Will Southwark open up the procurement process to new contractors? The existing ones keep on being re-contracted and we are not satisfied with the standards. • There is a problem with the contractors in my own flat –lack of quality control. The council needs to ensure this is taken care of in connection with the investment programme • Need to build up trust by combating shoddy workmanship <p>Pledge 4</p> <ul style="list-style-type: none"> • But I already have a home? What does this mean for me? <p>Pledge 5</p> <ul style="list-style-type: none"> • How will you ensure local employment and skills? <p>Pledge 6</p> <ul style="list-style-type: none"> • Look at what happened with the Aylesbury. • Do we know some of these sites already? • Who is responsible for selling off the Aylesbury? <p>Any other comments:</p> <ul style="list-style-type: none"> • The consultation could have been more open (i.e. pledges not already drafted) • The consultation may be difficult for people to understand
Walworth East Area Forum	<p>Passed the following motion: “We deplore how the so called consultation has been carried out, a short time scale with a lack of tenant involvement.</p>

	<p>We strongly object to the building of new council homes being dependent on redevelopment of estates and demolition. We will support any T&RA'S that oppose demolition plans. “</p> <p>concern was expressed that</p> <ul style="list-style-type: none"> • few people were aware of the council’s ‘community conversation’ seeking views on the build of 11,000 new homes. • the proposed £50/sq metre Community Infrastructure Levy within zone 2, comprising the highest density of council estates, and was concerned that the consultation period of one month was too short. • 11,000 homes would not be new, but would be rebuilt on existing estates. • Lack of tenant involvement and said that the demolition plans must be opposed by T&RAs.
Borough and Bankside Area Forum	Not met in the time frame.
Rotherhithe Area Forum	<ul style="list-style-type: none"> • Longer consultation period required for phase one • Support for the building of new homes. • Agreed with emphasis on local consultation and input • The right to return to homes and estates was a priority • Rent levels were raised <p>In addition the forum raised concerns about</p> <ul style="list-style-type: none"> • FSB felt it was not representative there is a general notion that their area is underrepresented • Who will be building the homes a lot of references to existing RSL arrangements and secured and assured tenancies for new build • The group felt Estate renewal = estate demolition •
Aylesbury Area Forum	Nothing to report back

Wider Tenant Organisations	Comments
SGTO Comments	<p>Pledge 1</p> <ul style="list-style-type: none"> •Wording of the questionnaire is ambiguous, and can be misinterpreted •What are the factors that the council will use to determine if an estate is a success •Concern about consultation scope and that it should go through democratic organisations •Southwark has legal obligation to consult this should not replace that •Concern about lack of clarity on who is being consulted <p>Pledge 2</p> <ul style="list-style-type: none"> •Concern about one size fits all approach •Southwark has legal obligation to consult this should not replace that •Setting up of project boards may undermine TRAs consultation appears undemocratic <p>Pledge 3</p> <ul style="list-style-type: none"> •How will commercial sensitivity affect the council’s commitment that it will work with residents on every part of the programme <p>Pledge 4</p> <ul style="list-style-type: none"> •Concern that setting up TMOs used as a means of outsourcing difficult management decisions to residents •Stepping stone to privatisation <p>Pledge 5</p> <ul style="list-style-type: none"> •Query about what is meant by affordable, target and formula •Some language disparaging to existing communities •Concern that consultation is a means to deliver stock transfer •Council homes in all areas of the borough •All council homes should have secure tenancies <p>Pledge 6</p> <ul style="list-style-type: none"> •Stronger commitment and compensation towards those rehoused including homeowners who should be able to buy back their new property •Concern that demolition is main aim •No commitment to be rehoused on same estate •No reduction in Council Housing – older and vulnerable tenants should be allowed to stay •Is 11,000 net gain concerned about RTB <p>In addition the group will be commenting as indicated:</p> <ul style="list-style-type: none"> •Yes to more homes at genuinely affordable rents

	<ul style="list-style-type: none"> •No to estate redevelopment without consultation with estate reps and a ballot of all residents affected •Council homes demolished replaced on a like for like basis •All existing tenants to be rehoused on same estate with council rents and Secure tenancies •All leaseholders to be offered compensation at market value based on the area value
Defend Council Homes	<p>Has produced a document in response to the consultation. This has not been sent in to the team as part of the consultation however a copy was obtained from Bell's Gardens Community Centre.</p> <p>Their overall concern is that our pledges imply</p> <ul style="list-style-type: none"> •The council intends to demolish homes on a large number of estates •There will be no additional homes for ordinary residents •Estates will be rebuilt at much higher density •Looks to experience at Heygate and Aylesbury to frame their response <p>In addition they comment</p> <ul style="list-style-type: none"> •The need for investment in estates should not be at the expense of demolition and gentrification •New homes should be built on Brownfield sites not estate open spaces on existing estates with estate residents the right to determine what is appropriate •This consultation is not proper length •The consultation does not reflect the outcomes of the Housing Commission •Their concern about development partners and the level of future rent •Project teams may not be democratic, risk that power is concentrated in the hands of a few unrepresentative minority •Resident management needs considerable support and oversight •To ensure high standards there is a need for independent sign off of homes and public realm •Better explanation of terms such as affordable target and formula •Rents of new homes need to take into account the low level of wages in the borough •New Council Housing must be let on secure tenancies

Selection of comments from the feed back received:

APPENDIX 5

Theme area:	Comment
Pledge 1	<p>To make sure the council involve the community on everything not just what they want us to know or what they think we should know. This commitment is valid if seriously opinion of tenants are considered How much in put will residents have in any final decision? Maintenance/service charge too expensive. Some repair /investment is unnecessary. Soundproofing of flats wall ceilings between and within in flats to reduce noise The site of the estate is very important small is beautiful Forum for EHRS keen to work with Council to ensure everyone has their say Hopefully this will also include consultation with local businesses as this is likely to affect their trading How will you meet with the old and disabled who can't get out of their home. You should build some retirement flat for the over 60 or some small house</p>
Pledge 2	<p>Engage with our Tenant & Resident Association (TRA) reps closely to enable relevant information cascade to us, too. Excellent. Project groups not always the best way to capture everyone's thoughts so one to one is good Consultations should be open for minimum of 3 months to allow everyone to have a proper chance to engage. I suggest that the consultations should be climaxed with a borough wide housing investment and renewals conference with breakout parallel sessions, participated by representatives of all housing stakeholders to adopt principles, this would enhance ownership I would also like to involve non residents Only 10% go to T&RA meetings The co-design process in Peckham is useful, a novel way of engaging with local communities-could it be utilised more widely? It has almost always fallen apart because both sides let each other down Good principles but they need to be followed through. It is vital that you listen to residents especially if they have concerns / are unhappy. Please do not delay for years. Sometimes getting the work done quicker benefits more</p>
Pledge 3	<p>How will you deliver value for money and what happens if you are not or if residents are unhappy. If the satisfaction survey indicates a very high level of dissatisfaction, how will you deal with this? I agree residents ideas should be considered seriously because in the end they are the ones who buy or live in these houses. Day time meetings problem. Consultation needs time as representative structure. Satisfaction surveys biased to positive. Not all resident representatives that are elected feed information back to residents - responsibility of information lies with council. Tenants with relevant experience e.g. plumber, electricians, designers, decorators, gardeners, e.tc. Should be recruited to participate in this process. New homes are not a problem until you start building them. The old homes are the problem, they need redecorating and jobs done properly.</p>

Pledge 4	<p>Caretakers, cleaners, porters are just as important as housing officers - people feel better if their estate is well kept and respected. Older residents feel safer and anti-social behaviour decreases. So spend the money on employing the above instead.</p> <p>Council management only</p> <p>Devil in the detail</p> <p>Would like to see commitment with sheltered housing too</p> <p>Finance and bureaucracy will be a problem usually predetermined</p> <p>I don't want private or not for profit Landlord</p> <p>I say yes to a degree as this looks like the management being handed over to try to pass work and responsibility to tenant. Much like the TRAs and they can be a blessing and a curse</p> <p>Important to have continuity of engagement</p> <p>Very important - incentives for people to get together to look after their homes and their common areas and gardens could be offered to encourage this and more community involvement.</p> <p>I prefer the council as property manager.</p> <p>How we will be supported to do this</p> <p>Tenant management organisations are prone to abuse and sometimes lead to privatisation. Best to stick with simple model of council as landlord</p> <p>This is in the right direction, but does not go far enough. The pledge should be more ambitious about getting communities to manage their estates. There should be targets for this goal.</p> <p>The real say you pledge should be a legally entrusted agreement, not just a voluntary non-binding charter</p>
Pledge 5	<p>29 years is a very long time to build 11000 homes surely you can do better</p> <p>All of the houses should be available in accordance with the council housing list.</p> <p>Building homes for the vulnerable is good but how will they be supported once they are living there. Creating successful communities takes a long time it will long term support are you in this for the long haul</p> <p>All residents that are being made to leave their home for redevelopment should be able to have a new property if that is what they want.</p> <p>Don't know - community is something that cannot be built. It is generated by people who have common interests and desires.</p> <p>Good neighbourhoods are vital not ghettos or social experiments</p> <p>Look at using under used spaces such as garages and car parks</p> <p>How does this benefit existing tenants</p> <p>Local houses for local people, keep families of residents close by in affordable properties, so that we have a stronger community and a happy one.</p> <p>Must also be paid the London living wage ensure no company uses blacklists.</p> <p>Rent and formula should be clarified early</p>
Pledge 6	<p>Anyone made homeless in new scheme should be re-housed in the new homes, including leaseholders</p> <p>Everyone should not have the right to stay in same neighbourhood. Perverse to allow poorest to live where the median cannot afford to</p>

	<p>A specific pledge would be welcome if compulsory purchase orders are necessary to ensure that homeowners are awarded the market value of their property as defined by an independent surveyor</p> <p>Details of the estimated cost of these pledges.</p> <p>Form has caused unnecessary worry as only some residents will be affected but the form suggests everyone may need to be re-housed</p> <p>I think more than half of the homes you develop should be available to tenants in housing need</p> <p>It will also be useful to consider people who need their housing conditions changed alongside residents who are in need of housing</p> <p>Make it easier for tenants to swap to larger or smaller properties, and quicker.</p> <p>People on waiting lists should be priority</p> <p>Priority should be given to existing residents in the allocation of newly built homes.</p> <p>Provision for freeing up under occupied properties is vital part of improving Southwark's housing record</p> <p>Stronger commitment to enabling leaseholders to stay in area</p> <p>This is probably the most difficult and possibly controversial part of the exercise</p>
<p>Other Comments</p>	<p>You do not mention how you will measure success and how residents will be involved in decision making</p> <p>All areas are well covered, I am really satisfied.</p> <p>A budget for antisocial & criminal behaviour reduction e.g. CCTV</p> <p>The provision of new homes should not be at the cost of blighting estates through the long term decanting programmes social cleansing gentrification and community dislocation</p> <p>Sometimes level of disturbance can be extreme. Can you provide alternative spaces during build periods, like using TA Halls</p> <p>Communication within Southwark council staff in areas of repairs and maintenance issues.</p> <p>If you consider redevelop the area, you need to avoid leaving the leaseholder in limbo</p> <p>Pavements need to be adjusted for mobility scooters</p> <p>Developing effective TRAs and encouraging TMOs</p> <p>How do you reach those who are not yet tenants?</p> <p>The council's commitment to creating 'continuity' and stability in these relationships.</p> <p>This survey makes no mention of the overall consultation and tenants and residents organisation such as the tenants council, area forums and the SGTO.</p> <p>It is a good charter if it can be executed as planned without any omission</p> <p>It should cross reference the councils equality approach</p> <p>Pledge 7: We will make sure that each estate has a community hall and a proper meeting place for the tenants association nursery.</p> <p>Position of non council tenants on estates</p> <p>Any housing development can only be good for Southwark</p> <p>Convert shops disused into homes for diasabled</p> <p>Communication is key</p> <p>Get on with it</p> <p>Good effort, a council that thinks about its people.</p>

I am cheered to see support for the idea of community housing.
I look forward to getting involved in this and making the estates community minded. Please do not pass the costs of new housing onto residents already living here.
I agree with all your pledges, however, I don't believe you always fully engage us in decision making
Is there anyone on the council who has considered extending existing properties to add bedrooms for bigger families?
Should be a structured engagement plan community conversations are fairly random. Council should ensure that background information provided is clear and appropriate to help people meaningfully respond.
Too much money wasted on consultations
Be open and truthful and if any of the plans change for the redevelopment/new homes let the consultation group know
There is lots of underdeveloped land in Southwark. This should be given over to self build projects.
Please cover right to remain

APPENDIX 6

Additional response form SGTO

Six alternative pledges for delivering new council homes in Southwark

1. At the end of 30 years there will be 11,000 additional council homes in Southwark. There are currently 44,000 homes (including leaseholders) so in 30 years' time there will be 55,000 council homes in Southwark. New locations for council homes will be selected following full and open discussion with tenants and their elected representatives. No location will be selected without a majority of tenants on the estate agreeing to it in a ballot.
2. All the new council homes will be let on Secure Tenancies at genuinely affordable formula rents.
3. Any proposed estate redevelopment will be subject to consultation through estate representatives on the Tenants and Residents Association (TRA). No estate will be deliberately run down or deprived of repairs in order for the council to win support for demolition. No demolition will take place without a serious investigation of the case for refurbishment in consultation with the TRA and the wider tenants movement. A ballot of all residents affected by any proposed demolition will be organised and there will need to be a majority vote in favour before any demolition takes place.
4. All existing tenants affected by demolition will be rehoused on the same estate if they wish in a council home on a Secure Tenancy and genuinely affordable formula rent. All leaseholders affected by demolition will be offered compensation at market value based on the area value as is their legal right.
5. Any council homes demolished will be replaced by council homes on a like for like basis.
6. Any change of housing management will only be made following full and transparent information given by the council and proper consultation with the TRA. The Council will ensure that project teams are populated by elected tenant and leaseholders who are provided with fair and impartial advice.

Item No. 9.	Classification: Open	Date: 18 November 2014	Meeting Name: Cabinet
Report title:		Report on Child Sexual Exploitation and Safeguarding Board's Strategy	
Ward(s) or groups affected:		All	
Cabinet Member:		Councillor Victoria Mills, Children and Schools	

FOREWORD – COUNCILLOR VICTORIA MILLS, CABINET MEMBER FOR CHILDREN AND SCHOOLS

Safeguarding remains a top priority for the council and its partners represented on the Southwark Safeguarding Children Board (SSCB).

This is a joint report from Social Care and the SSCB. I welcome the SSCB's decision to maintain its focus on tackling Child Sexual Exploitation (CSE) throughout this year. I look forward to the multi-agency strategy on CSE being finalised but am pleased that much has been put in place regarding CSE in the meantime.

The strategy seeks to prevent CSE; build intelligence about CSE in Southwark; support and protect victims; disrupt and prosecute offenders. Key to the success of the strategy will be a robust approach to training, awareness-raising in the community and strong casework by the Police, council and partners.

A multi-agency approach to tackling CSE is required. The council has a key role in leading the development of that strategy and in the safeguarding of vulnerable children and young people.

RECOMMENDATIONS

Recommendation for the Cabinet

1. That the cabinet receives this report, noting the recommendations from the education and children's services scrutiny sub-committee and provides its comment regarding the development of the Southwark Safeguarding Board's multi-agency CSE Strategy (attached in Appendix 1).

Recommendation for the Leader of the Council

2. That the cabinet member for children and schools reports back to the Southwark Safeguarding Children Board in December 2014 regarding cabinet's discussion of the draft CSE Strategy.

BACKGROUND INFORMATION

3. Cabinet requested a full report on child sexual exploitation (CSE) in order to review progress on the establishment of a local strategy to tackle the issue, and in order to discuss the multi-agency action plan. This report is co-authored by the director of children's social care and the Independent Chair of the Southwark

Safeguarding Children Board.

4. The education and children's services scrutiny sub-committee scrutinised Southwark Safeguarding Children's Board's draft CSE Strategy in October 2014. The committee has developed twelve specific recommendations which are being brought to the attention of the cabinet.

KEY ISSUES FOR CONSIDERATION

Policy Context

5. Child sexual exploitation (CSE) has rightly become a major focus of media and policy attention. Widely publicised, systemic failures to protect children, prosecute perpetrators and support victims – such as in Oxford, Rochdale, Doncaster, Derby and most recently in Rotherham – have exposed the potential scale of CSE in our communities and the difficulty experienced by public agencies in addressing it. High profile reports from influential organisations including the NSPCC, Barnardo's and the Office of the Children's Commissioner for England have called upon local authorities to take concrete steps to improve their practice in protecting children from sexual exploitation
6. Though the recent Inquiry into Child Sexual Exploitation has brought the issue into focus once again at a national level, this is not a new area of work for the council and its partners. Tackling CSE was identified as a priority for the Southwark Safeguarding Children Board in 2013/14 and again for this current financial year. It remains high on our agenda across the partnership.

Definition

7. The Department for Education (DfE) defines CSE as involving "exploitative contexts and relationships where young people under 18 receive 'something' (e.g. food, accommodation, drugs, alcohol, cigarettes, affection, gifts, money) as a result of performing, and/or others performing on them, sexual activities".
 - CSE can occur without the child's recognition or example the persuasion to post sexual images on the internet/mobile phones without immediate payment or gain
 - In all cases, those exploiting the child/young person have power over them by virtue of their age, gender, intellect, physical strength or economic or other resources. Perpetrators use this power they have over the victim to sexually abuse them
 - Note that victims of CSE can be over the age of consent (16)
 - CSE is a form of child abuse. It is a specific manifestation of sexual abuse, which involves "persuading or forcing a child to take part in sexual activities or encouraging a child to behave in sexually inappropriate ways".

The occurrence of CSE

8. Sexual exploitation of children occurs in a variety of manifestations. The victim may or may not know the perpetrator well, and there may be one or several perpetrators abusing the child or young person. It is important to note that CSE does not only affect girls, nor is it confined to specific ethnic or religious communities, nor indeed does it occur exclusively in deprived areas. CSE is widely agreed to be more common than is represented in official datasets.

9. Research carried out by Barnardo's in 2011 identified three broad categories of CSE. These were:

1	Inappropriate relationships	Usually involves one perpetrator who has inappropriate power or control (physical, emotional, financial, etc) over a young person – perhaps indicated by a significant age gap. The young person may believe they are in a loving relationship.
2	'Boyfriend' model and peer exploitation	Perpetrator befriends and grooms a young person into a 'relationship' and coerces them to have sex with friends or associates This can be associated with gang activity.
3	Organised / networked CSE and trafficking	Young people are passed through networks, possibly over geographical distances between places where they will be coerced into sexual activity with multiple perpetrators. Young people may be used as agents to recruit others into the network. Some of this type of CSE can be serious organised crime and involve the buying and selling of young people.

10. Common conceptions that child sexual exploitation is always part of serious organised crime are, therefore inaccurate. CSE can also take within or in connection with a relationship.
11. There is, however, a link between CSE and the trafficking of children. In some cases, children will be trafficked into the UK and/or around the UK for the purposes of sexual exploitation or prostitution – as well as cheap labour, servitude and criminal activity. Professionals must be aware that children may be forcefully removed from one borough to be sexually exploited elsewhere. Trafficked children often go missing - even after they have come into care, with national data showing that most go missing within one week of becoming looked after. In cases involving trafficked children, social workers are required to work with the UK Human Trafficking Centre and specialist immigration staff.
12. CSE is a challenging area of work for practitioners and frontline professionals, for a number of reasons. Many young people do not want to disclose that they have been a victim, owing to shame or embarrassment. Others will not recognise themselves as victims, and believe that there is nothing 'wrong', particularly where CSE occurs within relationships that young people understand to be loving, genuine or harmless.
13. The grooming of the victim is typically a precursor to child sexual exploitation taking place. Grooming is the building of an emotional connection with a child to gain their trust for the purposes of sexual abuse or exploitation. Often (though not always), grooming occurs online. It may involve somebody the victim knows, or somebody the victim has never met. It can therefore also involve a perpetrator in the victim's peer group.

14. The Metropolitan Police use a range of legislation to prosecute individual perpetrators of Child Sexual Exploitation.

Groups of children and young people vulnerable to CSE:

15. Child Sexual Exploitation is itself a form of child abuse. However, it is linked to other forms of abuse, and young people who fall victim to CSE are often vulnerable in other ways and frequently have other needs and problems in their lives. Problems and needs often associated with CSE include:
- Problems with substance misuse or alcohol misuse
 - Physical or learning difficulties or special educational needs
 - Sexual health concerns
 - Mental ill health
 - A record of youth offending
 - Not attending mainstream education, being on role at a Pupil Referral Unit or being not in education, employment or training (NEET)
 - Being victim of or witness to domestic violence
 - Being a looked after child (LAC) in the care of the local authority.
16. Research has shown that a disproportionate number of looked after children are more vulnerable to sexual exploitation. This was also a significant issue in the recent Inquiry into Sexual Exploitation in Rotherham, which found that some children become exposed to exploitation when they first became looked after, while for others who were already at risk, the risk was increased.
- In some instances, this is associated with the targeting of residential children's homes by perpetrators, and by the peer influencing that can take place within residential care homes for looked after children. Research has suggested that children placed in residential care are 4.5 times more likely to be sexually exploited
 - In other instances, the risk of sexual exploitation is associated with being away from home and the other vulnerabilities associated with being in care, such as a chaotic family background, low self-confidence and friendships with other vulnerable young people
 - Of particular concern is young people who go missing from care. Evidence from serious case reviews, inquiries, prosecutions and research illustrates an increased vulnerability to sexual exploitation among children who go missing from care. Episodes of going missing may be the occasions where victims meet or become close to perpetrators. Engaging with young people after they have gone missing to find out why they went missing is therefore an essential component of assessing and managing risk. A service to conduct 'return interviews' has been commissioned specifically for this purpose.

Southwark's action on CSE

17. In anticipation of the adoption of the multi-agency strategy, much is already being done across the Council and partner organisations to tackle CSE locally. This has included:
- Southwark Council has operated Multi Agency Sexual Exploitation (MASE) Panel since 2007. This panel meets on a monthly basis, and enables

- professionals from a variety of agencies to share information on individual cases and make recommendations for action.
- Building on the successful local model of working to tackle gang culture, a regular Tasking and Intelligence meeting takes place, attended by key representatives from the MASE, the Metropolitan Police's Child Abuse Investigation Team, Health and Community Safety, in order to share intelligence and undertake strategic analysis of the profile and characteristics of CSE in the borough
 - The Multi Agency Safeguarding Hub, in operation since 2013, maintains a single record of all cases *suspected* CSE. All referrals into Social Care are routed via the MASH so that local agencies can share information they hold and enable social workers to make more informed decisions about risk. A detective constable has joined the Southwark MASH from the Metropolitan Police with specific responsibility for CSE and recording of cases, as is consistent with the Metropolitan Police's Pan London Protocol for CSE
 - Two specialist CSE caseworkers have been commissioned in order to provide 1:1 support to victims of CSE. These caseworkers receive referrals from the MASE panel
 - A specialist children's charity has been commissioned to conduct return-to-home interviews with children who go missing. This is a cohort widely accepted to be at higher risk of CSE and understanding the causes and nature of missing episodes will be key to identifying victims of and those at risk of CSE. This is consistent with the revised multi-agency Protocol for children who go missing from home, school or care, which aims to ensure a robust response to missing episodes.
 - Southwark Safeguarding Children Board's training programme includes specific training on CSE, with three further courses scheduled during this financial year. Other training provided by the Board also covers CSE. All training is subject to the Board's quality assurance process.

Strategy development

18. Southwark's Safeguarding Children Board established a Task-and-Finish group in January 2013 to look at the issue of CSE in the borough. This group was formally incorporated as a subgroup to the Board in 2014.
19. The subgroup is currently writing a multi-agency strategy to tackle CSE, which is appended in draft form to this report. Its core intentions are to:
 1. Prevent CSE
 2. Build intelligence of CSE and understand how it manifests itself locally
 3. Provide timely support to victims
 4. Disrupt perpetrators
 5. Prosecute perpetrators
20. The CSE subgroup has also studied in detail the lessons of the Rotherham Inquiry to ensure its strategy benefits from this opportunity to learn from mistakes elsewhere. Key elements of this learning include:
 1. The importance of good fundamentals in social work practice: low vacancy rates and timely, robust assessments of risk and impactful supervision.
 2. The need for a clear, focussed strategy – and the importance of checking that the strategy is proving to be effective

3. Child-centred practice which understands the child as the victim of CSE, not as responsible for it, and which provides a clear route to help for all children and young people regardless of gender or ethnicity
 4. The importance of an open organisational culture which hears the voices of children and young people and which values the contributions of different types of services
 5. The need for bold engagement and communication with communities which does not evade sensitive issues of faith and ethnicity, where relevant
21. The partnership is involved in a peer review exercise along with other London Boroughs in November/December 2014 to identify good relevant practice and priorities for further development regarding CSE.
 22. The Board intends to initiate specific work with faith communities on the issue, and this will form part of the forthcoming strategy, particularly following feedback from children and young people. The Teenage Pregnancy commission was particularly successful in engaging mosques and churches its prevention agenda, and future work on CSE will aim to build on this success. The CSE subgroup is aware of innovative practice elsewhere in England involving the development of CSE protocols in places of worship. There is voluntary sector representation on the CSE subgroup.

Consultation

23. The Safeguarding Board has sought feedback from young people on the draft strategy, who emphasised the need to focus on raising awareness in communities. It was clear from the feedback obtained from young people that victims often do not recognise themselves as victims of CSE, nor the risks to which they might be exposing themselves. They emphasised that raising awareness among young people about what CSE is will be very important, and called for greater emphasis of the issue within school PHSE curricula.
24. Partner agencies have provided further feedback through discussion of the draft Strategy in the September meeting of the Southwark Safeguarding Children Board. The Board noted the need for robust measures to raise awareness and the importance of incorporating lessons from the Rotherham Inquiry into CSE.

Community impact statement

25. The relationship between vulnerability and the risk of sexual exploitation has been widely evidenced. The approach taken by the council and its partners to tackle child sexual exploitation will therefore affect some of the borough's most vulnerable residents, including those who are children looked after. The council has a duty to protect and promote the welfare of all children and young people, and this SSBC draft strategy sets out how the council will work with partner agencies to prevent CSE and protect those who are victims of it. Any child under 18, regardless of gender, ethnicity, sexuality or disability, can be a victim of CSE and the draft strategy's principles apply across all communities. Ensuring that the strategy is effective for all groups will form an important element of its ongoing evaluation.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Metropolitan Police Pan London Protocol for CSE	MPS website	
Education and Children's Scrutiny Sub-Committee agenda papers and minutes of the meeting held 15 October 2014		Julie Timbrell, Scrutiny Team
Link: http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=380&MId=4952&Ver=4		
If Only Someone Had Listened: Children's Commissioner's Report into CSE in Gangs and Groups (Office of the Children's Commissioner)		
Link: http://www.childrenscommissioner.gov.uk/content/publications/content_743		
Independent Inquiry into Child Sexual Exploitation in Rotherham 1997-2013 (Jay, A.)		
Link: http://www.rotherham.gov.uk/download/downloads/id/1407/independent_inquiry_cse_in_rotherham		
Working with children and young people who experience running away and child sexual exploitation: An evidence-based guide for practitioners (Barnardo's)		
Link: http://www.barnardos.org.uk/CSE_practitioners_guide_v2_hr.pdf		
Statutory guidance on children who run away or go missing from home or care		
Link: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/307867/Statutory_Guidance_-_Missing_from_care_3_.pdf		
Southwark Safeguarding Children Board: Annual Report 2013-14		
Link: http://moderngov.southwark.gov.uk/documents/s49348/Appendix%201%20Annual%20report.pdf		

APPENDICES

No.	Title
Appendix 1	Draft CSE Strategy

AUDIT TRAIL

Cabinet Member	Councillor Victoria Mills, Children and Schools	
Lead Officer	Rory Patterson, Director of Children's Social Care Michael O'Connor, Independent Chair, Southwark Safeguarding Children Board	
Report Authors	Oliver Hopwood, Principal Strategy Officer	
Version	Final	
Dated	6 November 2014	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Director of Legal Services	No	No
Strategic Director of Finance and Corporate Services	No	No
Cabinet Member	No	No
Date final report sent to Constitutional Team	6 November 2014	

APPENDIX 1



**SOUTHWARK
SAFEGUARDING CHILDREN BOARD**

**CHILD SEXUAL EXPLOITATION STRATEGY
(DRAFT)**

September 2014

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1.0 Introduction and Context

- 1.1 Southwark's Safeguarding Children Board is the statutory body with lead strategic responsibility for coordinating the activities of local agencies in terms of safeguarding children and children's welfare, and for ensuring the effectiveness of those activities.
- 1.2 Southwark Safeguarding Children Board (SSCB) is committed to tackle the sexual exploitation of children and young people living in the borough and those in care placed out of the borough.. The Board recognises that only a proactive, co-ordinated, multi-agency approach will be effective in achieving this.
- 1.3 Recent publications, including the [Independent Inquiry into Child Sexual Exploitation in Rotherham 1997-2013](#) emphasise the need to strengthen local arrangements to protect children and young people who are either victims or at risk of CSE. This strategy will need to be evaluated and refreshed in light of the learning from this and any other inquiries.
- 1.4 There is already significant multi-agency working and information sharing taking place within Southwark with the aim at protecting children from CSE. In particular, the Multi Agency Sexual Exploitation Panel (MASE) and the Multi Agency Safeguarding Hub (MASH) are examples of strong practice upon which partners can build in this strategy.
- 1.5 The Department for Education's 2011 Action Plan for Tackling Child Sexual Exploitation states that "LSCBs will want to assure themselves that local services are based on a robust assessment of need in the locality, taking account of the statement in the statutory guidance that every LSCB 'should assume that sexual exploitation occurs within its area unless there is clear evidence to the contrary'. They will also want to assure themselves that local services are designed and delivered effectively to tackle the issue where it arises"
- 1.6 [Supplementary Guidance from 2009](#), referred to in *Working Together 2013*, specifies that LSCBs should ensure that:
 - the needs of children and young people who have been or may be sexually exploited and their families have been considered when planning and commissioning local services;
 - specific local procedures are in place covering the sexual exploitation of children and young people;
 - local safeguarding training includes information about how to identify the signs of sexual exploitation and an understanding of

how to gather evidence which can be used to bring prosecutions against abusers;

- where sexual exploitation is known to be prevalent locally, specialist training is available for key professionals;
- systems are in place to track and monitor cases of sexual exploitation that come to the attention of local agencies; 7 Safeguarding Children and Young People from Sexual Exploitation
- a LSCB sub-group is put in place to lead on the issue of sexual exploitation, driving work forward and ensuring effective cooperation between agencies and professionals;
- There is a dedicated lead person in each partner organisation with responsibility for implementing this guidance;
- arrangements are in place to cooperate with neighbouring areas and those areas where children who have been sexually exploited are believed to have lived or been present

1.7 The SSCB's strategic intent is to:

- **Prevent** the occurrence of CSE.
- **Build intelligence** and develop a problem profile of CSE locally
- **Provide support** which is timely and effective for victims of CSE
- **Disrupt** the activities of perpetrators
- **Prosecute** perpetrators

1.8 Southwark Safeguarding Children Board's commitment to tackle CSE is articulated in its pledge on CSE, agreed by all member agencies on Board. This pledge is enclosed as Appendix A.

1.9 The Rotherham Inquiry into CSE found that "as early as 1998, [...] procedures identified the victims as children and the prosecution of perpetrators as a priority. Under the auspices of the SCB and its predecessor, the Area Child Protection Committee, there was a good range of strategies, policies and procedures applicable to child protection and specifically to CSE. These were of generally good quality and had been developed on an inter-agency basis. **The weakness was that the Safeguarding Board rarely seemed to check whether they were being implemented and whether they were working. The challenge function of the Safeguarding Board did not appear to have been fully exercised**". SSCB is aware of the need to fully implement, evaluate and review this strategy.

2.0 Definition

2.1 Child sexual exploitation is a form of child abuse. Southwark's Safeguarding Children Board is using the definition of CSE set out by the

Department for Education in 2012:

Sexual exploitation of children and young people under 18 involves exploitative situations, contexts and relationships where young people (or a third person or persons) receive 'something' (e.g. food, accommodation, drugs, alcohol, cigarettes, affection, gifts, money) as a result of them performing, and/or another or others performing on them, sexual activities. Child sexual exploitation can occur through the use of technology without the child's immediate recognition; for example being persuaded to post sexual images on the internet/mobile phones without immediate payment or gain.

In all cases, those exploiting the child/young person have power over them by virtue of their age, gender, intellect, physical strength and/or economic or other resources. Violence, coercion and intimidation are common, involvement in exploitative relationships being characterised in the main by the child or young person's limited availability of choice resulting from their social/economic and/or emotional vulnerability.

Source: [Tackling Child Sexual Exploitation Action Plan, DfE 2011](#)

2.2 There are 5 key points to emphasise in this definition which will affect the understanding of CSE:

- CSE as a form of abuse can apply to all children and young people, not just those under the age of consent – children aged 16 or 17 can still be sexually exploited;
- CSE can occur in a wide range of relationships, contexts and exploitative situations, including bullying;
- There is typically a power imbalance between perpetrator and victim;
- The victim commonly has *limited* choice – resulting from their various vulnerabilities – though may not recognise the limitations of their ability to choose;
- Increasingly, the use of technology (particularly mobile phones and social networking) is involved in incidences of CSE.

3.0 Current intelligence and problem profile

3.1 It is generally acknowledged there are low levels of reporting of CSE nationally and so it remains largely invisible. No datasets available locally illustrate the likely true extent of CSE in the borough.

- 3.2 Our starting point must be, therefore, to assume that CSE is happening in Southwark in different ways, at different locations and across communities. One outcome of this strategy is to improve the collection, analysis and application of data pertaining to CSE.
- 3.3 In Southwark, there are already ways in which agencies work to support victims or potential victims of CSE. Staff regularly convene in the local Multi Agency Sexual Exploitation (MASE) panel to share and review information on victims and perpetrators and make recommendations for action. Each year approximately 20 young people are considered by the MASE panel.
- 3.4 Southwark has built on the work of MASE and begun to develop its 'problem profile' of CSE in the borough. This strategy is shaped by the findings so far from this profiling and also identifies what steps need to be taken to build and maintain a more comprehensive problem profile.
- 3.5 A review of open cases took place in April 2014 to identify the characteristics of young people who may be at risk of CSE. This found that:
- A large proportion of those at risk were children in care, spread evenly between placements in borough, within London and out of London
 - Many were children frequently going missing from care
 - Around half of the children at risk were still living at home
 - The vast majority were in education, though some had poor or persistent absence
 - A high proportion of those at risk had a Special Educational Need
- 3.6 In order to build a more comprehensive problem profile we will develop our capacity to capture and analyse intelligence on CSE – victims, perpetrators, models and locations – through a dedicated intelligence and analytical function. We will also assess new referrals into the MASH specifically for risk of CSE. Actions are detailed in the accompanying action plan (Appendix B)]
- 3.7 It is known that trafficked children can be at particularly acute risk of CSE, as traffickers forcefully move children into or around the UK specifically for the purposes of prostitution and sexual exploitation by gangs, groups or individuals. Cases involving trafficking require close co-operation with the UK Human Trafficking Centre and specialist immigration officials where relevant.

4.0 Principles

4.1 The following principles will inform everything we do to tackle CSE in Southwark. These have been agreed across the multi-agency partnership.

- **Partnership-driven** - we will implement a single, coordinated approach across the multi-agency partnership, delivered across all agencies and at all levels of intervention.
- **Evidence-based** – we will build a comprehensive profile of the local problem to inform action plans, commissioning and training. Interventions will be evaluated against desired outcomes.
- **Inclusive** – we will involve children, young people and families in service design
- **Child-centred** – we will regard children and young people as victims and acknowledge that they can be both a perpetrator and a victim, and can move between the two roles (especially in a gang situation).
- **Flexible** - we will recognise different manifestations of CSE and respond appropriately to each (including peer on peer, gangs, and online).
- **Holistic** – we will take a wide view of the problem and address culture change. We will avoid silos by embedding CSE in other policies and strategies across the partnership (including Violence against women and girls (VAWG) and missing children).

5.0 Strategic Intent & Priorities

5.1 Our strategic priorities derive from our principles and our problem-profile to date and are informed by our learning from national publications and reviews. These have included the Office of the Children's Commissioner's Inquiry into CSE in Gangs and Groups Gangs ([If only Someone had listened](#)), the London Councils / London Safeguarding Children Board report *Tackling CSE: A study of Current Practice in London*, and the Met Police Pan-London Operating Protocol for CSE.

Our safeguarding board has also consulted with boroughs such as Rochdale and Bradford, who have well developed approaches to tackling CSE.

- 5.2 In the light of recently published materials, specifically the Inquiry into CSE in Rotherham, this strategy will be renewed in Spring 2015. We will undertake a review of this strategy with due consideration to the lessons emerging from this Inquiry.
- 5.3 Our 5 strategic priorities are to:
- a. **Prevent** CSE from occurring in Southwark and to children from Southwark.
 - b. **Build intelligence** and quickly identify the victims, perpetrators, models and locations involved, where CSE does occur. Including a focus on children going missing and children with SEN.
 - c. **Provide timely, effective support** to all victims of CSE, enabling them to escape the abuse, recover from its effects and remain free from abuse throughout the rest of their childhood and beyond.
 - d. **Disrupt** the activities of those that are sexually exploiting children, using the full range of powers available across the multi-agency partnership for example including the police, licensing and housing.
 - e. **Prosecute** perpetrators to the full extent of the law.
- 5.4 As the local problem profile is developed and so agencies' understanding of CSE in Southwark is improved, SSCB will revisit these priorities and ensure they reflect the nature and level needs in the borough.
- 5.5 These priorities provide the framework for our action plan, which sets out how we will go about delivering against these priorities. Our action plan is included as Appendix B.

6.0 Operating model

- 6.1 Southwark's Safeguarding Children Board is committed to implementing a coherent operating model for tackling CSE. This will be developed and refined as the problem profile and other immediate work in the action plan is undertaken. However, the Board has agreed in principle to implement the 'See me, Hear me' model as set out by the Office of the

Children's Commissioner. This is included at Appendix C. The key features to which we are committed are:

- Strategic lead from Safeguarding Children Board and CSE subgroup
- A 'problem profile', pulling together evidence from all agencies
- A CSE coordinator
- A CSE specialism within MASH
- Co-ordination across other sub groups/networks ensuring that professionals and other adults in contact with children and young people are alert to risk factors and indicators of CSE
- End to end services, from prevention to rehabilitation and including a range of specialist support to target support effectively
- A strong contribution from the Voluntary and Community Sector

Appendix A: Southwark Safeguarding Children Board Pledge on CSE

Southwark Safeguarding Children Board will:

- Take a proactive, co-ordinated multi-agency approach.
- Prioritise intelligence and analysis, and use it to develop our understanding of the prevalence and nature of CSE in Southwark.
- Do everything in our power to prevent CSE from happening in Southwark and to Southwark children.
- Focus on early identification and providing early help.
- Support parents, communities and professionals to identify signs of vulnerability and signs of abuse and know what they should do and where to get help.
- Establish the MASH as a single point of referral
- Develop a shared risk assessment model used by all agencies across a continuum of need (up to 25 years of age)
- Ensure professionals working at all levels of need understand CSE, have confidence in how to respond, and have access to expert support and advice.
- Develop a range of interventions across a continuum of need, taking a child- or family-centred approach to supporting victims and survivors.
- Devise a strategic approach to disrupting and prosecuting perpetrators.
- Monitor outcomes and learn from successes and failures.

Appendix B: Action Plan

Note: This is a draft to be finalised by in November/December 2014 by SSCB and CSE subgroup

STRATEGIC PRIORITY 1: PREVENT CSE FROM OCURRING IN SOUTHWARK AND TO CHILDREN FROM SOUTHWARK

WHAT WE WILL DO	HOW WE WILL DO IT	LEAD	MEASURE OF SUCCESS	TIME	RAG
1. Raise the profile of CSE by agreeing and promoting a multi-agency pledge on tackling CSE	All agencies on SSCB to sign the pledge.	Chair, SSCB	Pledge signed and on SSCB website. Promoted via a SSCB press release	Nov 14	
2. Engage <u>all</u> staff through a multi-agency training strategy	Provide e-learning package of awareness training on CSE across agencies	SSCB Practice Development and Training Sub-group	% take up of e-learning	Nov 14	
	Develop local package of multi-agency training on CSE, based on a training needs analysis		CSE specific training available to key staff across multi-agency	Oct 14	
	Ensure CSE embedded in basic SSCB training		Feedback on training	Oct 14	
3. Engage children and young people to improve their understanding of CSE and dissuade them from being involved	Ensure CSE is in PSHE curriculum	Schools	CSE in all secondary schools	Dec 2014	
	Target CSE-specific work at schools with highest number of reported 'at-risk' children (from problem profile)	Head of Early Help	CSE prevention programme devised and delivered in targeted schools	Jan 15	
4. Raise awareness of CSE across the community	Specific messages about identifying CSE and how to raise concerns to be communicated through existing networks, e.g. youth services and VCS groups.	Head of youth service, CEO CAS	<i>NB Measure to be identified</i>	Nov 2014	

STRATEGIC PRIORITY 1: PREVENT CSE FROM OCURRING IN SOUTHWARK AND TO CHILDREN FROM SOUTHWARK (CONTINUED)

	Develop and execute plan for engagement with faith and community groups. Messages to target both victim and perpetrator cohorts.	TBC CAS/Community Engagement	No. of residents directly involved in awareness raising activities	Feb 2014	
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STRATEGIC PRIORITY 2: BUILD INTELLIGENCE AND QUICKLY IDENTIFY VICTIMS, PERPEPTRATORS, MODELS AND LOCATIONS INVOLVED, WHERE CSE DOES OCCUR

WHAT WE WILL DO	HOW WE WILL DO IT	LEAD	MEASURE OF SUCCESS	TIME	RAG
5. Appoint a CSE co-ordinator to form and maintain multi-agency links, lead the creation of an intelligence hub, manage the CSE action plan and support the CSE sub group.	Agree a CSE co-ordinator under the SSCB / LA.	Director of Children's Social Care	<i>NB Measure to be identified</i>	Nov 2014	
6. Adopt the provisions of the Met Police pan-London operating protocol on CSE	Redesign the MASE to be police-led	Police	<i>NB Measure to be identified</i>	Sept 2014	
	Design local process and protocols to fit with pan-London protocol	Police/CSC	<i>NB Measure to be identified</i>	Sept 2014	
7. Develop an intelligence hub in the MASH to provide an analytical function and develop Southwark's problem profile	Map need in the borough	Police with SSCB partners	<i>NB Measure to be identified</i>	Nov 2014	
	Collect and analyse data from across agencies on victims, perpetrators, locations, service gaps, resources.	Police /SSP /LA	<i>NB Measure to be identified</i>	In place	
8. Identify children at risk at an early stage across all agencies and ensure those children have a full assessment of their needs and referral to relevant services for intervention and support	Develop our protocol/threshold document for referral and early risk assessment.	Head of QA	<i>NB Measure to be identified</i>	Nov 2014 for refresh	
	Design referral pathways for evidence based interventions at all tiers of need, making connection to other concerns including e-safety, missing children, trafficking and gangs	Head of QA & Head of safeguarding	<i>NB Measure to be identified</i>	Jan 2014	
	Ensure referral pathway to LADO is clear where the alleged perpetrator is professional	LADO	<i>NB Measure to be identified</i>	September 2014	

STRATEGIC PRIORITY 2: BUILD INTELLIGENCE (CONTINUED)

WHAT WE WILL DO	HOW WE WILL DO IT	LEAD	MEASURE OF SUCCESS	TIME	RAG
9. All agencies to ensure staff working with children understand the signs of vulnerability and of abuse. Then develop intervention strategies to prevent escalation. This will include identifying actual or potential perpetrators	Develop communication for all practitioners	SSCB Development manager & Comms team	<i>NB Measure to be identified</i>	Nov 2014	
	Disseminate to and train in the use of CSE risk assessment tool: social workers; police; PCSOs; designated personnel in schools; relevant VCS organisations	Org. development team	<i>NB Measure to be identified</i>	Dec 2014	
	Ensure all internal procedures in all agencies reflect CSE signs and symptoms and the procedure for reporting and assessing	Head of QA & audit and learning sub group	<i>NB Measure to be identified</i>	Nov 2014	
	Review all basic safeguarding training to contain signs of CSE, including single agency training programmes.	Organisational development team and all agencies	General review currently in process of SSCB training	Nov 2014	
	Ensure links with E-safety; Missing children; trafficking and gangs are made in training and awareness raising	Organisational development team & Practice development sub group	<i>NB Measure to be identified</i>	Nov 2014	
	Gather insight around CSE from service users and from assessment about the young person's experience and use to shape work with vulnerable children and young people	All partners	<i>NB Measure to be identified</i>	Jan 2014	

STRATEGIC PRIORITY 2: BUILD INTELLIGENCE (CONTINUED)

WHAT WE WILL DO	HOW WE WILL DO IT	LEAD	MEASURE OF SUCCESS	TIME	RAG
	Analyse report of children's rights officer into experience of children missing from care to shape future work with this cohort	Head of Quality Assurance & Missing from care steering group	<i>NB Measure to be identified</i>	Nov 2014	

NB Ofsted has highlighted as good practice large training events such as dedicated CSE conferences as well as dedicated services for CSE

STRATEGIC PRIORITY 3: PROVIDE TIMELY, EFFECTIVE SUPPORT TO ALL VICTIMS OF CSE, ENABLING THEM TO ESCAPE THE ABUSE, RECOVER FROM ITS EFFECTS AND REMAIN FREE FROM ABUSE

WHAT WE WILL DO	HOW WE WILL DO IT	LEAD	MEASURE OF SUCCESS	TIME	RAG
10. Establish the MASH as the single point of referral for all CSE	Develop MASH to undertake screening for vulnerability and risk, facilitate information sharing across agencies, develop victim and perpetrator data set, and produce other intelligence.	Head of Service: Referral and Assessment	<i>NB Measure to be identified</i>	Nov 2014	
11. Develop and implement an evidence based model for interventions for victims	Problem profile to identify and monitor gaps in provision	Police/SSP/ CSC	<i>NB Measure to be identified</i>	Nov 2014	
	Working with relevant CVS partners, commission services sufficient to meet the particular need in Southwark	Head of Community Safety & CAS	<i>NB Measure to be identified</i>	Jan 2015	
12. Strengthen approach to managing cases involving trafficked children who may be at ongoing risk of CSE	Embed the London Safeguarding Children Board's Trafficked Children Toolkit in cases involving trafficked children	Head of Service: Care	<i>NB Measure to be identified</i>	Jan 2015	

STRATEGIC PRIORITY 4: DISRUPT THE ACTIVITIES OF THOSE THAT ARE SEXUALLY EXPLOITING CHILDREN USING THE FULL RANGE OF POWERS AVAILABLE ACROSS THE MULTI-AGENCY PARTNERSHIP

WHAT WE WILL DO	HOW WE WILL DO IT	LEAD	MEASURE OF SUCCESS	TIME	RAG
13. Use intelligence to identify local hotspots, offenders and victims – through our problem profiling	All agencies to contribute intelligence – soft and hard – to problem profiling. Agencies to include: anti social behaviour unit ,housing, licensing department, community wardens	Met Police with all agencies including those identified for particular relevance	<i>NB Measure to be identified</i>	Nov 2014	
14. Develop local disruption plans and part of prevention strategy	Agree a local multi-agency protocol for disrupting CSE activity	Met Police	<i>NB Measure to be identified</i>	Nov 2014	
	Train local staff in spotting the signs of CSE and in the local protocol for disruption	Organisational development Joint police and social care	<i>NB Measure to be identified</i>	Nov 2014	

STRATEGIC PRIORITY 5: PROSECUTE PERPETRATORS TO THE FULL EXTENT OF THE LAW

WHAT WE WILL DO	HOW WE WILL DO IT	LEAD	MEASURE OF SUCCESS	TIME	RAG
15. Develop and implement a process for the identification and management of offenders and potential perpetrators	<p>Pan London Protocol.</p> <p>Reporting of CSE suspicions via referral pathways to Police and completion of CRIS (Crime reporting information system) with CSE flags and outcome codes for positive intervention with victim, orders on suspects and positive disruption.</p> <p>Use of locate trace markers on PNC (Police National Computer) for victims and suspects identifying CSE concerns.</p> <p>Bail Management. Conditions etc.</p>	Met Police	Sexual Exploitation Team (SET) data provides numbers of CRIS reports, Flags, outcome codes, PNC data.	Feb 14	
16. Utilise Ancillary Orders to maximize effect. The effective use of these orders will assist investigation, restrict and manage offenders and support victims	<p>Child Abduction Warning Notice under Section 2 of Child Abduction Act 1984 (under 16) and Section 49 of the Children's Act 1989 (LAC under 18)</p> <p>ROSHO (Risk of Sexual Harm Order), SOPO (Sexual Offence Protection Order), VOO (Violent Offender Order) all monitored and managed by Jigsaw.</p>	Met Police	Data can be obtained from Police indices.	Current	
17. Ensure victims are supported throughout the criminal justice process from report to court	<p>Provision of specific services for victims and witnesses.</p> <p>Special Measures and use of intermediaries.</p>	Met Police	<i>NB Measure to be identified</i>	Nov 2014	

	Pre court familiarisation visits Transport to and from court Pre view ABE (Achieving Best Evidence) 1-2-1 with Barrister CICA (Criminal Injuries) assistance				
18. Ensure all investigators have suitable accreditation.	Sexual Exploitation Team staff will have Child Abuse Investigation Induction Course	Met Police	Mandatory	Current	
19. Ensure investigative strategies are shared and embedded in practice	Toolkit of Investigative Strategies Proactive methodologies protected. Sharing current defence tactics Sharing of best practice from successful prosecution data	Met Police	<i>NB Measure to be identified</i>	Nov 2014	

Appendix C: Operating Model

(From *If only someone had listened*: Office of the Children’s Commissioner’s Inquiry into Child Sexual Exploitation in Gangs and Groups Final Report November 2013)

See Me, Hear Me

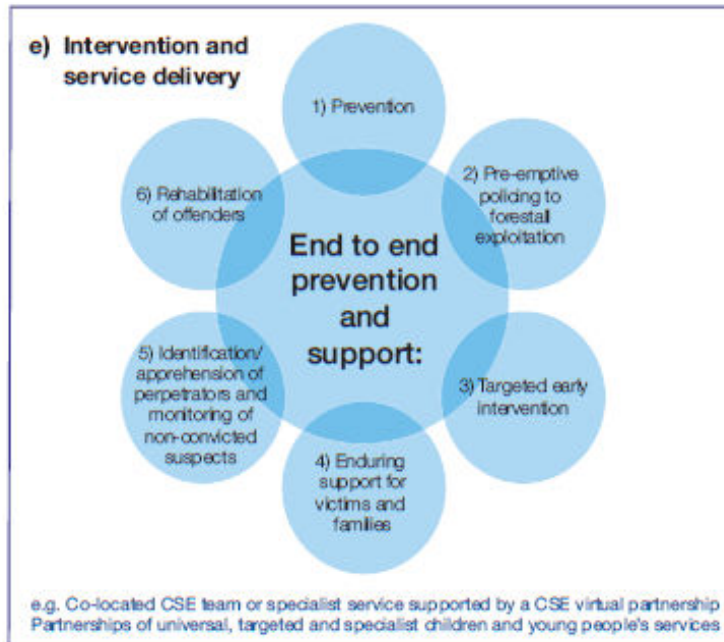
A Framework for protecting children

Figure 11: Functions, processes and structures

See me, Hear Me – A Framework

a) Accountability for all safeguarding and strategic coordination

e.g. Local Safeguarding Children’s Board (LSCB)
Health and Well Being Board



b) Multi-Agency strategic planning on CSE

e.g. LSCB Child Sexual Exploitation (CSE) Sub Group

CSE Coordinator

c) Partnership and information-sharing for identification and assessment

e.g. Multi-Agency Safeguarding Hub (MASH)

Vulnerable Adolescents Panel

d) Coordination of multi-agency strategic groups

e.g. LSCB Sub Groups on: Missing/Gangs/VAWG
Coordinators for: Missing/Gangs/Serious Youth violence

Item No. 10.	Classification: Open	Date: 18 November 2014	Meeting Name: Cabinet
Report title:		Child Sexual Exploitation – Scrutiny Recommendations	
Ward(s) or groups affected:		All	
From:		Education and Children's Services Scrutiny Sub-Committee	

RECOMMENDATIONS

1. That the cabinet endorses the recommendations by the education and children's services scrutiny sub-committee on the Southwark Safeguarding Children Board's (SSCB) Draft Child Sexual Exploitation (CSE) Strategy.

BACKGROUND INFORMATION

2. The education and children's services scrutiny sub-committee received the draft CSE strategy at the 15 October 2014 meeting in order to scrutinise it prior to the report going to cabinet.

EDUCATION AND CHILDREN'S SERVICES SCRUTINY SUB-COMMITTEE RECOMMENDATIONS

3. The committee's recommendations for the CSE are listed below:

See Me Hear Me

- 3.1 The committee notes the recent report from the Children's Commissioner on CSE and its new framework, See Me, Hear Me, specifically designed for those who commission, plan or provide protective services. Developed with CSE victims, the model forces professionals to 'focus relentlessly on the child'. It is accompanied by two other reports from the inquiry, which highlights the risk to young people and the complexities around their understanding of sexual consent.

The committee recommends that the SSCB apply the principles of the 'See Me, Hear Me framework' to the strategy. These are:

- The child's best interests must be the top priority
- Participation of children and young people
- Enduring relationships and support
- Comprehensive problem-profiling
- Effective information-sharing within and between agencies
- Supervision, support and training for staff
- Evaluation and review.

- 3.2 The SSCB should consider how it will obtain the views of the 98 children potentially at risk of CSE (of which only a few were actual targets) identified by the Multi Agency Safeguarding Hub (MASH) and/or the shadow board

and/or any other young people who are actual or potential targets of CSE, and provide a paper setting out their views on CSE and how best to tackle it.

- 3.3 The SSCB should emphasise engagement with families in the strategy, particularly given the evidence that it is often family members who young people confide in or who realise a child is at risk.
- 3.4 The SSCB should adopt a clear evaluation plan so that the strategy's effectiveness can be properly monitored. An evaluation should be reviewed by the Cabinet a year after the strategy's adoption. The SSCB should consider the opportunity to work directly with the office of the Children's Commissioner on CSE as part of the monitoring process.

Schools

- 3.5 Scrutiny welcome the commitment in the strategy to ensure CSE is in Personal, social, health and economic (PSHE) education curriculum at all schools and that targeted work is done at schools with the highest number of 'at risk' children. However, scrutiny thinks that closer involvement is needed with schools to develop and implement this plan; in particular the committee recommend more links are made between the SSCB and the Head Teacher Executive to investigate:

- Best practice for delivering CSE in PSHE
- Making sure the new social work clusters are communicating with all schools in order to identify any children at risk of neglect or abuse, including CSE
- Whether there are any other ways that schools could contribute to tackling CSE.

Social Care

- 3.6 Southwark Council should continue to sustain and prioritise the recruitment and retention of social workers. This is in recognition of the importance of long-term quality relationships in protecting children & young people at risk or harmed by CSE.

Communication

- 3.7 Scrutiny welcome the emphasis in the draft strategy of raising awareness of CSE across the community and the additional training of staff working with children across all agencies to recognise signs of vulnerability and of abuse. However, the SSCB should consider adding a clear strategic priority to the strategy. This could set out a comprehensive plan for a multi-channel communications campaign on CSE to raise awareness a) within all the partner organisations and b) in the local community, including local children and adults. Scrutiny thinks there should be particular emphasis on digital and social channels so that we can measure internal and community engagement. The desired outcome is that CSE becomes increasingly socially unacceptable, that young people are protected from abuse and believed, and that tell-tale signs are spotted and reported..

Champion

- 3.8 Scrutiny welcomes the new CSE co-ordinator post that is set out in the strategy and suggests that they not only maintain links between agencies and manage the CSE action plan but that they are a champion across all agencies. In addition scrutiny think that each partner of the strategy should have a named person who has direct accountability for their service area and the implementation of the CSE strategy.

Faith communities

- 3.9 Include work with Faith groups in the strategy. Councillor Jamille Mohammed, Deputy Cabinet Member for Inter-Faith Community Relations, has offered to raise the profile of the work on CSE within the faith communities and advise the safeguarding board.

Children in Care

- 3.10 Given the increased risk of CSE that Looked After Children face, protection of these children need to be given additional focus in the strategy, perhaps through mention in the pledge or further inclusion in the strategic priorities.

Internet

- 3.11 The internet is all too often used to groom children for sexual exploitation. It is important that Southwark use the internet and social media to help safeguard children. The committee suggest that all agencies look into new ways of working through the use of online platforms and social media to help frontline workers share important information in the protection of children from the threat of sexual exploitation. There are a number of organisations that could help with this including Futuregov who are currently working with a selection of local authorities on a system known as "Patchwork" which provides frontline professionals with technological solutions for 'working together to safeguard children and young people.
- 3.12 The committee also recognise the important work done by Child Exploitation Online Protection Centre and suggest that the SSCB ask a representative to help inform any communication plan.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Education & Children's Services & Scrutiny Sub-Committee Agenda 15 October 2014	Scrutiny Team 160 Tooley Street London SE1 2QH	Julie Timbrell 020 7525 0514
Link: http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=380&MId=4952&Ver=4		

AUDIT TRAIL

Report Author	Councillor Jasmine Ali, Chair of Education and Children's Services Scrutiny Sub-Committee	
Version	Final	
Dated	6 November 2014	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments sought	Comments included
Director of Legal Services	N/a	N/a
Strategic Director of Finance and Corporate Services	N/a	N/a
Chief Officers	N/a	N/a
Cabinet Member	N/a	N/a
Date final report sent to Constitutional Team		6 November 2014

Item No. 11.	Classification: Open	Date: 18 November 2014	Meeting Name: Cabinet
Report title:		Dementia Friendly Southwark	
Ward(s) or groups affected:		All Wards – People living with dementia, their families and communities	
Cabinet Member:		Councillor Dora Dixon-Fyle, Adult Care, Arts and Culture	

FOREWORD – COUNCILLOR DORA DIXON-FYLE, CABINET MEMBER FOR ADULT CARE, ARTS AND CULTURE

Due to the impact of an aging population, dementia remains one of the most significant public health challenges we face. The Department of Health already estimates that there are over 1,800 people in Southwark living with dementia. Nearly all of these people are older, although the condition can affect younger people too. Only about a half of all these people will have actually received a formal diagnosis through either their GP or the Memory Service (based at South London and Maudsley NHS Trust) There continues to be high levels of fear and ignorance amongst the wider population about dementia, at a time when the numbers of people living in Southwark with the condition is set to increase significantly.

This report is a significant step in the council's ambition to make our community dementia friendly, which in itself is part of a wider programme to deliver the Fairer Future Promise 10: the creation of an Age Friendly Borough and the establishment of a Centre of Excellence. The report authorises the council to join the newly created Dementia Action Alliance, which is an exciting partnership with the local NHS agencies, voluntary sector, commercial, sports and arts organisations, who all share a common commitment to make what they do more dementia friendly. It has the potential to improve the quality of life for many people in Southwark, either living with, or caring for, someone with dementia. The DAA could also play a wider role in supporting initiatives to ensure that there is a greater awareness of the condition within the wider community, and the steps that individuals can take in earlier life to mitigate against any future impact of dementia.

The report also commits the council to formally sign the National Dementia Declaration, which has been drafted by people living with dementia and their supporters, which itself recognises the need for the whole country to become dementia friendly. It also stresses for the need to take steps to improve the care and support for those living with dementia and recognising the need for research in the treatment and possible prevention of dementia.

I therefore ask the cabinet to approve the recommendations below.

RECOMMENDATIONS

1. Agrees that Southwark becomes a Dementia Friendly borough as part of the council's wider commitment to become an Age Friendly borough.

2. Endorses the council joining the newly established Southwark Dementia Action Alliance, as set out in paragraphs 19-27.
3. Endorses the council's Dementia Action Alliance priorities for action as set out in paragraph 23.
4. Endorses the council signing the National Dementia Declaration as set out in Appendix 1.

BACKGROUND INFORMATION

5. In March 2012, the Prime Minister's Challenge on Dementia was launched¹. This is a programme to deliver major improvements in dementia and research by 2015 and builds on the work of the National Dementia Strategy². Three champion groups were set up to focus on the main areas for action:
 - driving improvements in health and care
 - creating dementia friendly communities
 - improving dementia research.
6. A key national initiative that has been highlighted as a way of enabling dementia friendly communities is the drive to establish local Dementia Action Alliances (DAAs)³.
7. Local DAAs bring together regional and local organisations and bodies to improve the lives of people with dementia in their area, alongside those of their carers. DAAs are an alliance between local authorities, the NHS, community sector, public service organisations, private sector businesses, faith based organisations and arts and leisure institutions. Their collective aim being to ensure that the services that they provide and the workforce that deliver them are responsive to the needs of people living with dementia and their carers.
8. The type of organisation that can join the DAA is entirely flexible to what the local DAA decides. A number of DAAs outside London have for example, sought individual membership from their general population as part of their approach.
9. By joining the DAA, each organisation makes a commitment and signs the National Dementia Declaration. The declaration identifies seven key messages, that are phrased in the voice of a person living with dementia (as set out in Appendix 1) These are summarised below:
 - I have personal choice and control or influence over decisions about me
 - I know that services are designed around me and my needs
 - I have support that helps me live my life
 - I have the knowledge and know-how to get what I need
 - I live in an enabling and supportive environment where I feel valued and understood
 - I have a sense of belonging and of being a valued part of family, community and civic life

¹ <https://www.gov.uk/government/publications/prime-ministers-challenge-on-dementia>

² Living well with dementia: a national dementia strategy (Department of Health, 2009)

³ www.dementiaaction.org.uk. In addition, the Alzheimer's Society is funded nationally by the Department of Health to promote and develop DAAs throughout the country.

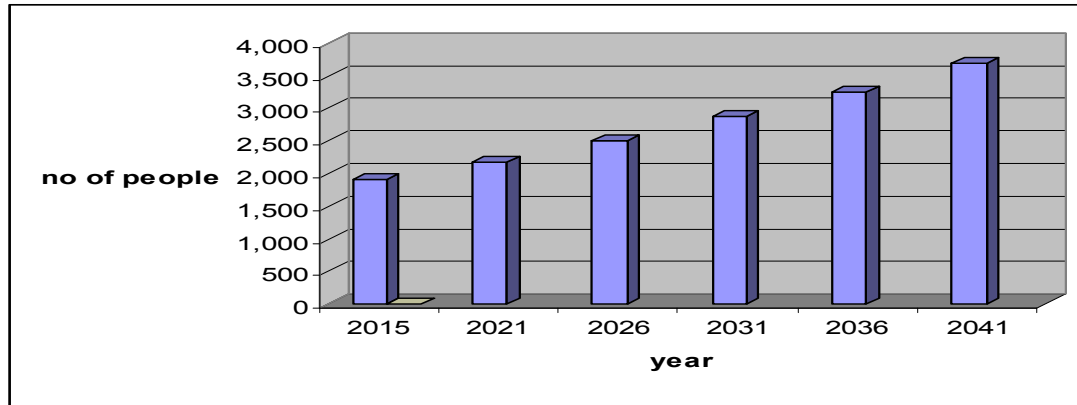
- I know there is research going on which delivers a better life for me now and hope for the future.
10. These messages have been drawn up nationally by people with dementia and their supporters, and express their collective views of what should be heard in relation to the condition by decision makers and the wider community as a whole.
 11. In addition each DAA member commits to carry out at least three things that their organisation or they personally will do to improve the lives of people with dementia through their work or behaviours.

KEY ISSUES FOR CONSIDERATION

12. It is estimated that by 2015 there will be 850,000 people living with dementia in the UK, of which 40,000⁴ are below pensionable age. The financial cost of dementia to the UK is estimated to be £23 billion per annum.
13. People living with dementia are similarly requiring increasing levels of care and support across the wider health and social care economy. It is also estimated there are 670,000 carers of people with dementia in the UK.
14. The Department of Health (DoH) have produced a dementia diagnostic calculating tool, which is used for planning for dementia care by Clinical Commissioning Groups (CCGs). This tool takes into account demographic and health factors to estimate the proportion of the local population that would be expected to be living with the dementia. As of March 2014 934 patients of local GPs had a formal dementia diagnosis, which according to the dementia calculator is thought to be only 50% of the total number of people who are currently living with the condition in the borough.
15. In 2013-14 Southwark none the less had the second highest rate of dementia diagnosis in London. The CCG aims to reach a local rate of diagnosis of 70% by the end of 2015-6. This ambition is being supported by continual improvements in dementia care and diagnosis within primary care and the memory service located at South London and the Maudsley NHS Foundation Trust.
16. There is a national drive to increase early diagnosis across the health and social care system. Early diagnosis can allow people with dementia the ability to make decisions whilst they still retain a degree of mental capacity, so they have a stronger prospect of retaining choice and control over their lives. It means that treatment and support can also be provided in a timely manner, which if effective can delay the onset of the most debilitating aspects of the condition and keep people independent for longer. It also allows more time for their family and carers to develop strategies and obtain any information and support that they may need.
17. The DoH project even further growth in the numbers of people living with dementia in Southwark in the years to come as the population ages.

⁴ http://www.alzheimers.org.uk/site/scripts/documents_info.php?documentID=341

Projected growth in the numbers living with dementia in Southwark⁵



18. Given the strong correlation between age and dementia, and the high number of older people living alone in Southwark (43%, which is higher than London and national averages) dementia is likely to continue to be a growing issue for the council, health partners and our local population in the years ahead.

Southwark Dementia Action Alliance

Progress to date

19. In March 2014 the council identified the benefits that establishing a DAA could bring in enabling Southwark to become a dementia-friendly community. It approached a number of local organisations who shared a similar commitment. There was a determination from the start that the DAA should seek membership beyond the traditional health and social care sector.
20. Since then, an increasing number of local organisations and groups have expressed interest and commitment to joining a DAA and taking action to ensure Southwark became dementia friendly. A list of agencies who have expressed a commitment to become part of the Southwark DAA is set out in Appendix 2. This list is growing and once fully launched, Southwark's DAA is set to instantly become the largest DAA in London.
21. As part of the desire to embed the DAA as a truly community-centered initiative a local voluntary organisation has been elected to chair the DAA – Dulwich Helpline & Southwark Churches Care
22. Representatives from the partnership have also selected a Southwark DAA steering group, which includes representatives from the council, to ensure that the drive and momentum around local work is maintained. The steering group will meet more frequently to co-ordinate work, increase membership, promote collaboration between members and extend the scope of the DAA to further its ambition in establishing Southwark as a Dementia Friendly borough. The wider membership of the DAA will be kept up to date via a web site, as well as periodic wider membership meetings as required.

Priorities for action

23. On joining the local DAA, the council will post a number of priorities for action it

⁵ Southwark Older People Joint Strategic Needs Analysis 2012

will be addressing to improve the life of people living with dementia and their carers as a step towards its Fairer Future Promise 10, to become a Age Friendly Borough. These commitments being:

- the creation of the Centre of Excellence for people living with dementia.
- the roll out of the new free assistive technology offer for anyone with a dementia diagnosis living in Southwark
- work with NHS partners, community groups and people living with dementia and their carers, to develop a clear “dementia pathway” so the people can receive the appropriate level of treatment and support throughout their journey living with the condition.
- the public library universal dementia offer, through which the library service will be more responsive to the needs of people living with dementia
- the delivery of its dementia training programme to social care staff
- work with the Dementia Friends⁶ programme, to promote dementia friends sessions in council workplaces.
- ensure that the new housing strategy to be considered by cabinet in the current financial year addresses the needs of vulnerable people within the context of a rapidly aging population, including those who are living with complex long term conditions such as dementia.

Next steps

24. In order to be part of the wider DAA movement, key next steps involve signing up to the National Dementia Declaration and publishing the action plan on the Southwark DAA web site, that sets out how the local alliance is delivering outcomes outlined in the declaration.
25. The aim is for the local DAA to build upon the positive momentum created thus far, to be a community based initiative that will develop organically in response to the needs of the population living with dementia and their carers and supporters.
26. A Southwark DDA web page was set up by the Alzheimer’s Society⁷, to enable members to post their action plans and as a means of communication on progress of the DAA or other related news
27. The DAA will also work in close partnership with the national Dementia Friends programme. This community based initiative has a target to identify 1,000,000 “Dementia Friends” in the UK. Under this initiative, trained volunteers provide one hour fun filled information sessions for people in their work place, faith based venue or any other community setting, that aim to provide basic information on dementia and ask for individuals to commit to three basic things that they will personally do to improve the lives of people living with dementia. This programme is a powerful tool in order to achieve a wider community ownership of the shared challenge posed by dementia as a result of a rapidly aging population.

Policy implications

28. This work forms part of a wider programme to implement the Fairer Future Promise 10, to make Southwark an Age Friendly Borough and the creation of a Centre of Excellence for People Living with Dementia. This will be further

⁶ <https://www.dementiafriends.org.uk/>

⁷ http://www.dementiaaction.org.uk/local_alliances/8628_southwark_dementia_action_alliance

considered by the cabinet in the new year.

29. Involvement in the DAA is a further way of cementing the council's commitment to effectively support people with dementia and their carers in a number of other local initiatives and policy initiatives, such as:
- extension of the council's free telecare offer to individuals with a diagnosis of dementia
 - implementation of our wider carers' strategy to improve outcomes for all carers
 - leading work on integrated working with the Clinical Commissioning Group (CCG) and through the Southwark Lambeth Integrated Care (SLIC) programme, which includes a work stream focusing on dementia and the development of an improved "Dementia Pathway" in Southwark.

Community impact statement

30. Dementia is associated primarily with aging, and it is calculated that one in three people nationally⁸ over the age of 65 will develop dementia at some stage, with rates increasing the older people become. For example, the proportion of people with dementia doubles for every five-year age group over 65. The local situation would appear to mirror these national trends. The memory service hosted by SLAM⁹ reported last year, 75% of all diagnosis was amongst people aged over 80.
31. Nationally 4.7% of people living with dementia are estimated to be below 65. People living with a learning disability are more likely to develop dementia earlier than the general population, but diagnosis often goes unrecorded as they do not attend mainstream NHS dementia services. The memory service in Southwark only diagnosed one person in the last 12 months who was under 65. The council will consider what are the drivers for this, and what this means in relation to a dementia friendly borough as part of its ongoing work with its NHS and community partners.
32. It is further estimated that nationally two thirds of all people living with dementia are women, which is consistent with a general longer life expectancy amongst women compared to men. Women are also often more likely to be the carers of people living with dementia. However in Southwark recent rates of diagnosis at the memory service amongst men (41%) appear higher than national averages. The council will consider what are the drivers for this, and what this means in relation to a dementia friendly borough as part of its ongoing work with its NHS and community partners.
33. An Equality Impact Assessment (EIA) carried out in 2012 of users of the council's in house day services as part of the consultation process on the Centre of Excellence, also found a higher rate of men living with diagnosis accessing these services than might be expected, considering national averages.
34. The All Parliamentary Group on Dementia enquiry 2013¹⁰ concluded that evidence in relation to ethnicity and dementia was limited. It did however indicate there might be lower awareness, higher levels of stigma, and different cultural

⁸ http://www.alzheimers.org.uk/site/scripts/documents_info.php?documentID=341

⁹ Southwark Clinical Commissioning Group Data

¹⁰ http://www.alzheimers.org.uk/site/scripts/documents_info.php?documentID=1583&pageNumber=2

understanding of dementia among people from some Black, Asian and Minority Ethnic (BAME) communities. Language and cultural differences may result in people presenting later to general dementia services than their white British counterparts.

35. Locally the evidence in relation to ethnicity and dementia is also limited. The memory service report that rates of recent diagnosis amongst BAME communities is around 27% of all people diagnosed. This being higher than the 19% of the total older population who are from BAME communities recorded in the 2011 census. The largest groups being from the Afro Caribbean and African communities, corresponding with the wider demographic make up of the borough.
36. The council EIA referred to above also concluded that almost 33% of users of in house dementia day services were from BAME communities. Again the council will work with NHS partners in the future to ensure that dementia services are responsive to the needs of an ethnically diverse service user population.
37. By the nature of their condition, people living with dementia would also be considered under the equality duty as being disabled. However as the condition disproportionately affects the very old, or people living with a learning disability, people with dementia are also likely have one or multiple other long term conditions or disabilities as well as dementia.
38. The data available in relation to correlation of the prevalence of dementia and marriage/civil partnership, sexuality, gender reassignment and faith is very limited. However given the inclusive nature and objectives of the DAA it is believed that its establishment in Southwark will improve the quality of life of these groups, in situations where they are impacted by dementia.
39. Therefore with regard to the council's duties under section 149 of the Equality Act, it is of the opinion that the creation of a DAA as a step towards the creation of a Dementia and Age Friendly borough will have a positive impact upon the groups listed under the council's equality scheme.

Resource implications

40. The council's staffing resources deployed to develop the local DAA have been contained within existing Children and Adults Commissioning Department structure. Similarly ongoing participation in the steering group will also be met from existing staffing resources.
41. Any staff training will developed through the general staff training and development programme.

Legal implications

42. Please see the legal concurrent below.

Financial implications

43. There are no particular finance implications to consider as a result of this report.
44. Through the initial preparatory work of the partners involved in the creation of the Southwark DAA, an opportunity has been identified for funding for infrastructure

costs from a local health related grant giving body. This is now being actively pursued by the DAA steering group. If secured, this funding will be used to employ a worker to be located with one of the DAAs voluntary sector partners, to provide a resource on the ground to expand the scope and scale of the DAA within the community.

Consultation

45. The council has sought the views of partners on its intention to develop a DAA in Southwark. This has included consultation through the Older People Partnership Board and the SLIC Dementia work stream. This consultation has included discussions with older people representatives as well as statutory and community sector partners in this field.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Legal Services

46. The report sets out what is involved in becoming a member of the Southwark Dementia Action Alliance and explains how those commitments are already aligned to much of the work the council has or is planning to undertake. It is noted that the Centre of Excellence for People Living with Dementia will be considered in a further report to Cabinet in the New Year. There are no other legal implications arising from the recommendations being made in this report

Strategic Director of Finance and Corporate Services (FC14/026)

47. The strategic director of finance and corporate services notes the recommendations in this report relating to Southwark becoming a Dementia Friendly borough as part of the council's wider commitment to become an Age Friendly borough.
48. Staffing resources to develop the DAA will be contained within existing budgets.
49. The report identifies that officers are pursuing funding for infrastructure costs from a local health related grant giving body.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Equality Impact Assessment for the Centre of Excellence	Southwark Council, 160 Tooley Street, London SE1 2QH	Andy Loxton ext 53130
Link: http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&MId=4864&Ver=4		
Draft Terms of Reference for the Southwark Dementia Action Alliance	Southwark Council, 160 Tooley Street, London SE1 2QH	Andy Loxton ext 53130
Link: http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&MId=4864&Ver=4		

APPENDICES

No.	Title
Appendix 1	National Dementia Declaration
Appendix 2	List of organisations who have committed to join the Southwark Dementia Action Alliance in December 2014

AUDIT TRAIL

Cabinet Member	Councillor Dora Dixon-Fyle Adult Care, Arts and Culture	
Lead Officer	Jay Stickland, Director of Adult Social Care	
Report Author	Andy Loxton, Commissioning Manager	
Version	Final	
Dated	6 November 2014	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
	Officer Title	Comments Sought
		Comments Included
	Director of Legal Services	Yes
	Strategic Director of Finance and Corporate Services	Yes
	Chief Executive's Department	Yes
	Environment and Leisure	Yes
	Cabinet Member	Yes
	Date final report sent to Constitutional Team	6 November 2014

APPENDIX 1

National Dementia Declaration

As part of the Prime Minister's Challenge in relation to dementia working in partnership with organisations supporting people living with the condition, people with dementia and their family carers described seven outcomes they would like to see in their lives. They provide an ambitious and achievable vision of how people with dementia and their families are supported by society. All individuals and organisations, large and small, can play a role in making it a reality.

1. I have personal choice and control or influence over decisions about me

- I have control over my life and support to do the things that matter to me.
- I have received an early diagnosis which was sensitively communicated.
- I have access to adequate resources (private and public) that enable me to choose where and how I live.
- I can make decisions now about the care I want in my later life.
- I will die free from pain, fear and with dignity, cared for by people who are trained and supported in high quality palliative care.

2. I know that services are designed around me and my needs

- I feel supported and understood by my GP and get a physical checkup regularly without asking for it.
- There are a range of services that support me with any aspect of daily living and enable me to stay at home and in my community, enjoying the best quality of life for as long as possible.
- I am treated with dignity and respect whenever I need support from services.
- I only go into hospital when I need to and when I get there staff understand how I can receive the best treatment so that I can leave as soon as possible.
- Care home staff understands a lot about me and my disability and know what helps me cope and enjoy the best quality of life every day.
- My carer can access respite care if and when they want it, along with other services that can help support them in their role.

3. I have support that helps me live my life

- I can choose what support suits me best, so that I don't feel a burden.
- I can access a wide range of options and opportunities for support that suits me and my needs.
- I know how to get this support and I am confident it will help me.
- I have information and support and I can have fun with a network of others, including people in a similar position to me.
- My carer also has their own support network that suits their needs.

4. I have the knowledge and know-how to get what I need

- It's not a problem getting information and advice, including information about the range of benefits I can access to help me afford and cope with living at home.

- I know where I can get the information I need when I need it, and I can digest and re-digest it in a way that suits me.
- I have enough information and advice to make decisions about managing, now and in the future, as my dementia progresses.
- My carer has access to further information relevant to them, and understands which benefits they are also entitled to.

5. I live in an enabling and supportive environment where I feel valued and Understood

- I had a diagnosis very early on and, if I work, an understanding employer which means I can still work and stay connected to people in my life.
- I am making a contribution which makes me feel valued and valuable.
- My neighbours, friends, family and GP keep in touch and are pleased to see me.
- I am listened to and have my views considered, from the point I was first worried about my memory.
- The importance of helping me to sustain relationships with others is well recognised.
- If I develop behaviour that challenges others, people will take time to understand why I am acting in this way and help me to try to avoid it.
- My carer's role is respected and supported. They also feel valued and valuable, and neither of us feels alone.

6. I have a sense of belonging and of being a valued part of family, community and civic life

- I feel safe and supported in my home and in my community, which includes shops and pubs, sporting and cultural opportunities.
- Neither I nor my family feel ashamed or discriminated against because I have dementia. People with whom we come into contact are helpful and supportive.
- My carer and I continue to have the opportunity to develop new interests and new social networks.
- It is easy for me to continue to live in my own home and I and my carer will both have the support needed for me to do this.

7. I know there is research going on which delivers a better life for me now and hope for the future

- I regularly read and hear about new developments in research.
- I am confident that there is an increasing investment in dementia research in the UK.
- I understand the growing evidence about prevention and risk reduction of dementia.
- As a person living with dementia, I am asked if I want to take part in suitable clinical trials or participate in research in other ways.
- I believe that research is key to improving the care I'm receiving now.
- I believe that more research will mean that my children and I can look forward to a range of treatments when I need it and there will be more treatments available for their generation.
- I know that with a diagnosis of dementia comes support to live well through assistive technologies as well as more traditional treatment types.

APPENDIX 2

The agencies who have indicated an intention to join the Southwark DAA:

1. Age UK Southwark and Lewisham
2. Albins Funeral Services
3. Allied health care
4. Alzheimer's Society
5. Anchor
6. Arts Academy
7. Asda Old kent Road
8. Blackfriars Settlement
9. Choice Support
10. Community Catalyst
11. Dulwich Picture Gallery
12. Dulwich Helpline
13. Guys and St Thomas' NHS Trust
14. Home Instead home care
15. King College NHS Trust
16. Leonard Cheshire
17. Marriot Hotel
18. Milwall Charitable Trust
19. Morrison's Walworth Road
20. Peabody Trust
21. Southwark Council
22. Shakespeare's Globe
23. Solace Women's Aid
24. Southwark Clinical Commissioning Group
25. Southwark Cares Charity
26. Southwark Carers
27. Southwark And Lambeth Integrated Care (SLIC)
28. Southwark Pensioner's Centre
29. South London and Maudsley NHS Trust (SLAM)
30. St Saviors' Trust
31. Time and Talents
32. Wheels for Well Being

Item No. 12.	Classification: Open	Date: 18 November 2014	Meeting Name: Cabinet
Report title:		Home Care Annual Contract Performance Report	
Ward(s) or groups affected:		All	
Cabinet Member:		Councillor Dora Dixon-Fyle, Adult Care, Arts and Culture	

FOREWORD – COUNCILLOR DORA DIXON-FYLE, CABINET MEMBER FOR ADULT CARE, ARTS AND CULTURE

Our home care services provide an essential support to vulnerable people with social care needs in order to help them live independently and safely in their own homes. The quality of these essential services is vital and our fairer future promises underline our strong commitment to high quality personalised services.

In looking at the quality of services, it is critical to recognise the essential role of the many hundreds of local people who make up the home care workforce and who are on the frontline of delivering this service. Service users and their families rely heavily on home care workers to help them in a compassionate and caring way and the workforce carry out this demanding role to all corners of the borough, every day of the year, in good weather or bad.

As part of the overall agenda to improve the quality of services to our residents, the council is committed to delivering the areas identified in the Ethical Care Charter which recognises and appreciates the workforce and the subsequent huge impact their work has on people’s lives.

The two contracts (with MiHomecare and London Care) have been varied to include the requirements to pay London Living Wage, and will shortly also include travel time, and the requirement to offer a guaranteed hour contract to care workers. These are key areas that have been highlighted both nationally and locally as underpinning improved quality through showing we value the staff that deliver these critical services.

This report details the delivery, quality and performance of home care services provided by MiHomecare and London Care and I am pleased to confirm that both contracts have met the quality and performance requirements of the council.

RECOMMENDATION

1. That cabinet note the delivery of the contracts over the third year has met the council’s requirements and that the council and providers remain committed to working together to continually improve the quality and consistency of home care delivery.

BACKGROUND INFORMATION

2. In January 2011 cabinet approved the award of contracts for two universal contracts to deliver home care services to people in the borough.

KEY ISSUES FOR CONSIDERATION

3. Over 1,000 adults receive some form of home care service in Southwark so ensuring the delivery of good quality and cost effective home care services is an important part of adult social care provision in Southwark.
4. Since June 2011 the new contracting arrangements for Home Care services in Southwark is two borough-wide cost and volume contracts (demand-led) for universal home care.
5. The contracts have agreed minimum volumes of 200,000 hours in year 1, 150,000 hours in year 2 and 100,000 hours in year 3. The amount purchased off the contracts has been in excess of the minimums in years 2 and 3.
6. This report summarises the monitoring of the contracts for the third year of full operation. Appendix 1 details the background data in relation to delivery, performance and quality.
7. The delivery of home care services under the two home care contracts has met the quality and performance standards under the contract over the third year of operation.
8. The council and providers remain committed to working together to continually improve the quality and consistency of home care delivery. The mechanisms used to manage and monitor the contracts include regular contact between quality and performance staff and the branches (including site visits), interviews with a random selection of service users, and senior oversight through monthly safeguarding and quality management meetings.

Contract activity summary

Contract usage

9. Below is a summary of the usage of the contracts based on commissioned care packages from July 2013 to June 2014.

Provider	Number of hours commissioned	Number of service users
London Care	153,600	403
MiHomecare	299,291	801
Total	452,891	1,204

10. There are a number of key measures the council considers when assessing the performance and quality of home care services. The key measures include:
 - Service quality alerts – this is where someone is concerned about the way the service is delivered, for example care worker’s punctuality or poor communication
 - Safeguarding – this is where an allegation is received that someone is subject to abuse. This can be financial abuse, physical abuse, neglect etc. It may be an allegation related to a care worker or an allegation related to a third party
 - Complaints and compliments

- Regulatory compliance – all care providers are regulated by the Care Quality Commission who inspects them and publishes their findings on their website.

In order to provide a rounded view of quality, in addition to the metrics above, the council seeks to understand the views of people who use the services and this is detailed in the next two sections.

11. A summary of performance against each measure is noted below:

Service quality alerts

12. The council routinely collects day-to-day service delivery concerns, referred to as 'service quality alerts', which are a good way to identify issues at an early stage way that can inform service improvement and ensure that the delivery of care is personalised to individual needs and wishes.
13. These are distinguished from formal Safeguarding alerts and investigations, and can range from minor concerns to more substantial concerns. Minor concerns would include issues such as poor communication. More substantial concerns would include issues such as timeliness of care worker attendance, missed visits, or ensuring dignity and respect at all times.
14. In some instances more substantial concerns raised through the service quality alerts are also recorded and reported as formal Safeguarding investigations so may be counted in both.
15. Raising service quality alerts is encouraged by both the council and providers as a mechanism to inform and support continuous improvement. All alerts are logged and followed up by contract monitoring officers in conjunction with social workers and other relevant stakeholders.
16. For the period July 2013 to June 2014 there have been a total of 74 upheld alerts received with 39 relating to London Care and 35 relating to MiHomecare. This equates to 16.2 service alerts per 100,000 care hours. The overall average of 16.2 alerts per 100,000 care hours when set against a total of 1204 service users gives a figure of 0.01 alerts per user, which is less than last contract year.

Safeguarding

17. Summary data in relation to safeguarding alerts for the main home care contracts is detailed below. This is where an allegation is received that someone is subject to abuse, which can be financial abuse, physical abuse, neglect etc. It may be an allegation related to a care worker or an allegation related to a third party or a family member.
18. From July 2013 to June 2014 there have been a total of 25 safeguarding alerts with 12 relating to London Care and 13 relating to MiHomecare. This equates to 4.3 safeguarding alerts per 100,000 care hours for MiHomecare and 7.8 for London Care, which as a percentage of service users equates to less than 0.53% per hour for both providers when calculated as a percentage of hours delivered. The performance indicator for this is less than 1% so both providers continue to meet this standard.

19. Of the 25 safeguarding allegations received, 2 have been found to be unsubstantiated, 6 were not determined/inconclusive, 9 have been substantiated, 5 partly substantiated, and the remaining 2 have not yet had an outcome recorded.
20. All safeguarding and quality alerts are fully investigated and the quality and performance team monitor any action points arising from these. The level of safeguarding allegations and upheld is reviewed monthly by the senior managers safeguarding and quality meeting.

Complaints and compliments

21. Formal complaints regarding home care services can be received directly by the council but are also received by the home care providers themselves. Generally but not exclusively in the first instance complaints would be raised with the provider for them to resolve and respond to and this is reflected in the complaints data reported under the contract.
22. During the period covered by this report there was one representation raised with the council's complaints team for MiHomecare. This was not actually a complaint although handled by the complaints team as the query sought to understand the process for quality alerts and the quality assurance/contract management processes. This was clarified and nothing further was received.
23. In addition to complaints received by the council both providers actively encourage service users to use their complaints and compliments process so they can identify areas for improvement and understand what is working well for people.
24. From July 2013 to June 2014 there has been a total of 18 complaints received directly by providers with 10 received by London Care and 8 received by MiHomecare (of these 16 have been upheld, 2 not upheld). From July 2013 to June 2014 there have been a total of 57 compliments received directly by providers with 8 received by London Care and 49 received by MiHomecare.
25. Examples of some of the compliments received by both agencies are as follows:

MiHomecare:

"Just a line to say PM has been outstanding in taking care of me above the call of her duties"

"Dear L - what would we do without you - your help and care knows no bounds. Thank you for all you do for me - you are a truly wonderful carer and I am blessed to have you in my life. Thank you from the bottom of my heart - N&D"

"In the presence of her grandson L I would like to provide you with some positive feedback regarding care worker H. Both Mrs T and L are very happy with the service that H provides and feel that she has a great relationship with Mrs T. Since the package of care has started L feels less stressed and things are going well just as they are" - (from Social Worker SL to agency)

"Dear F - confirming our telephone conversation earlier today regarding my mother EH I will be away for 10 days. I would also like to confirm that so far Mum is pleased with her carers and finds them very friendly and helpful" - JH

"I would like to thank you for your carer who cares for Mrs CO. The lady is fantastic for the help and understanding she is giving to Mrs O. Without her help things could be very difficult. I do not think it's possible to better her. Thank you"

London Care compliments

"My family and I offer our sincere thanks to one of your staff MK. M was kindness herself to me when I was at my most vulnerable. Her unstinting cheerfulness, especially when I was down, was a gift. We would like to show our appreciation to her. I would unhesitatingly ask for her again if I ever happen to need a carer and also recommend her to anybody who needs care". Service User AH and family

"Your carers have done an outstanding job with Mrs S. Please can you pass on my appreciation for all of their hard work and support for the past year" - Social Worker KB

"Just relaying FO's brother's comments from this morning. He said he would like to thank the whole team for looking after his brother and is very impressed by the whole service" - Social Worker SM

"AT (partner of service user GH) has praised care worker P-GM for being an excellent carer and is very impressed with her skills" - London Care Coordinator KM reporting to Branch Manager

"Service user Mr JK's NOK praised our carer CO for doing a thorough job" - London Care Coordinator BR reporting to Branch Manager

"Service user YE has praised carer FO and says she is lovely and would like to have her every week" - London Care Coordinator KM to Branch Manager

Regulatory compliance

26. The Care Quality Commission (CQC) undertakes regulatory inspections of registered services and inspect service delivery against a number of broad headings within which there are 28 outcome measures. Full details of the CQC Essential standards of quality and safety are available as a background document or at http://www.cqc.org.uk/sites/default/files/media/documents/gac_dec_2011_update.pdf
27. The following is a summary of the main headings under which the outcomes are grouped
 - Personalised care, treatment and support
 - Safeguarding and safety
 - Suitability of staffing
 - Quality and management
 - Suitability of management.
28. The CQC makes an assessment against a selection of the outcome domains and report these as compliant, or having minor, moderate, or major concerns.
29. London Care has opened a new branch that is managing the services delivered to Southwark residents. A new branch does need to meet CQC regulatory

conditions to commence operations but as this is an administrative check we are awaiting the first CQC inspection report for this office.

30. In April 2014 (report published June 2014) MiHomecare Brockley were inspected and found to be compliant in all domains. This is the branch that provides care to Southwark clients.

London Living Wage Implementation

31. Following negotiations by the council with MiHomecare and London Care, the London Living Wage (LLW) was implemented in August 2013 for care staff employed by both agencies, as part of the Council's decision to adopt the Ethical Home Care Charter
32. The council is working with both agencies to measure improvements in quality related to the introduction of LLW and the following parameters are currently being assessed:
 - Turnover of care staff
 - Percentage of staff with NVQ qualifications
 - User-reported experience (collected as part of the dataset that both agencies are contractually obliged to provide the council on a monthly basis), both agencies' annual customer feedback surveys, and the annual statutory Adult Social Care user survey carried out by the council with service users.
33. Emerging intelligence on user-reported quality will be incorporated in assessing the impact of LLW on quality of service provision and this year's information will form the benchmark for future measurements.

Staff turnover since introduction of LLW

34. MiHomecare reports enhanced retention for Aug 2013-July 2014 with 123 new care workers recruited and 56 care workers leaving employment, representing a net increase in care workers of 67.
35. London Care reports an overall decrease in Southwark Care Workers for the same period: down from a total of 164 in August 2013 to 140 and the end of July 2014, however part of this decrease is the result of London Care dismissing 29 care workers whose performance was not up to standard.
36. Since July 2014 London Care has implemented enhanced screening procedures for applicants in a bid to recruit better quality staff, as well as widened recruitment channels. This has resulted in improved recruitment, with 17 new care workers of suitable standard being recruited July to September 2014, of which 10 were recruited in September 2014.
37. Both agencies have reported enhanced recruitment of staff, attracting people with the right values resulting in motivated, caring staff with a commitment to work in the care sector. Staff are increasingly putting themselves forward for nomination for NVQ qualifications.

Care workers commencing NVQ qualifications

38. For the period August 2013-July 2014 MiHomecare report 12 care staff commenced working towards NVQ qualifications following the successful completion of their 6-month probationary period
39. London Care information is available for the period July to September 2014. During this time period 11 candidates have been nominated by the agency for NVQs. In addition, to support driving up quality standards, London Care have recently gone into partnership with Lifetime Training to provide all care workers with the opportunity to study for NVQ qualifications after completing 12 weeks probation.
40. This information will form the benchmark against future performance to ensure a full and comprehensive understanding of the impact of introducing LLW and the Ethical Care Charter.

Service user views

41. As home care is delivered to individuals in their own home, the council is continuously reviewing monitoring processes to see how we can better capture good information on the impact the service has on their lives and their experience of the service. There are two main ways we do this:
 - Carewatch – a lay inspection scheme run by Age UK and funded by Esmee Fairbairn Foundation
 - Interviews with service users conducted by the council
42. Carewatch is an innovative approach from Age UK whereby people approach the lay inspectors if they want to discuss their care and related issues and the lay inspector then visits to talk to them. The inspectors feed back on any themes to the council who shares these with providers.
43. Early themes brought to the council's attention related to people needing a review of their support plans and insufficient parking permits available to enable care workers who needed to drive between visits to park close enough. Both issues have been followed up.
44. Analysis from these early visits suggests that those who have met with the lay inspectors were satisfied with the quality of their care. Building from the learnings from the initial phase, the next phase of the project will provide an excellent opportunity to get views from care workers and service users and track the impact of delivery the Ethical Care Charter. The council is working closely with Age UK to promote and assist with this.
45. The council's quality and performance team have also conducted a series of interviews with people who receive home care services. Themes from these meetings were generally positive and included:
 - Service users reported they felt the care workers attending them treated them with respect, sought their consent when providing care, and took account of their preferences
 - They felt safe whilst being provided care, and where other services were involved (e.g. district nurses) felt that their care workers worked with the other professionals harmoniously.

- Similarly, where the use of hoists or other equipment was concerned, service users felt safe and confident in their care workers' knowledge and experience in using such equipment
 - Service users felt confident about making their views known and about complaining about aspects of the service they were not satisfied with.
46. However there was an area identified by a small group through the interviews that they felt less satisfied with, and this was in the consistency of care when their usual care worker is away or sick or over the weekends. This has been raised with both providers.

Provider quality assurance

47. The council requires providers to have extensive quality assurance systems which capture information in a variety of ways. Their systems need to enable them to continuously improve the quality and safety of their services and ensure that they maintain high standards. One of the most important of these mechanisms is the collection of information from service users on what they think of the quality of their service through an annual survey.
48. MiHomecare's annual survey of Southwark customers had a response rate of 14% representing 112 Southwark service users and the survey solicited service users' opinions across 4 domains as set out below.
1. Service users' opinions on individual care workers assigned to provide services to them in their home (About your support workers")
 2. Service users' experience of dealing with branch-based staff ("Our office")
 3. Service users' opinion of MiHomecare as an organisation ("About MiHomecare as an organisation"); and
 4. Service users' opinion on the impact of MiHomecare's services on them ("Your care – how do you feel since receiving care services from MiHomecare")
49. A summary of the findings for domain 1, 2 and 4 are set out below. In relation to domain 3, which focused on MiHomecare as an organisation following recent changes that saw Enara become MiHomecare when the MITIE group acquired Enara, 60% of users felt their care had improved since the change.

Key outcomes from each domain are highlighted below:

Domain 1 – About your Support Workers

- 92% of respondents felt that their allocated workers showed them respect, had a positive attitude and were willing and helpful (Strongly agree/Agree)
- 94% of respondents reported that workers allocated to them were punctual and reliable, satisfactorily completed their duties, and stayed for the full duration of time allocated for visits (Strongly agree/Agree)
- 77% reported that their care workers showed ID badges on arrival (which is standard good practice in home care)
- Overall users reported high levels of satisfaction levels, which is consistent with the councils work to gather feedback through interviews with users.

Domain 2 – Our Office

With respect to their dealings with the branch:

- 91% of respondents felt that office staff are polite and listen to them when they contact branch staff, and when needing to contact the office they felt staff response had been helpful (Strongly Agree/Agree)
- 92% of respondents reported being aware of how to make a complaint; and of those who had made a complaint 83% reported their complaint being dealt with in timely fashion (Strongly Agree/Agree)
- 73% of respondents reported being informed of changes to care provision in timely fashion (Strongly Agree/Agree);
- Satisfaction levels with office staff and users experience of dealing with the local branch were similarly positive to users' views of their care workers. One area for improvement is the communication with users in relation to changes to the arrangements for providing their care, in particular changes of care worker.

Domain 4 – Your care – How do you feel since receiving care services from MiHomecare

- 83% of respondents reported being involved in planning their care and feeling they had choice and control over the care delivered by MiHomecare (Strongly Agree/Agree)
- 95% of respondents felt service provision respected them, their home and their belongings (Strongly Agree/Agree)
- 93% of respondents felt they could speak freely with their care workers and that their care workers made them feel safe in their homes (Strongly Agree/Agree)
- Again these high levels of customer support mirror the views of service users interviewed by contract monitoring staff in the course of inspections of MiHomecare

Whilst recognising the survey had a relatively a low response rate the views expressed are consistent with feedback directly obtained by the council and provide assurances around user experience and satisfaction with MiHomecare's provision to Southwark residents.

50. London Care's annual survey had a response rate of 29.3%, representing the views of 116 Southwark service users. Their survey had a number of options for people to respond to specific issues around service provision by London Care.

A summary of key results were:

- 90% of respondents felt that due regard was paid to confidentiality and privacy; that they were treated with dignity; and shown courtesy and respect (Always/Usually)
- 82% of respondents felt care workers were competent to provide service and worked at a comfortable pace without making them feel rushed.
- 80% of respondents felt involved in care planning
- A high proportion (84%) felt they trusted care workers and that the workers treated their possessions with care.
- Satisfaction with office staff was lower than for care workers, with 54% of respondents saying they were "Very happy" or "Quite happy"
- 73% of respondents acknowledged knowing how to complain, with slightly less of a proportion (67%) saying they felt comfortable making a complaint
- Overall, 83% reported being either "Very Satisfied" or "Satisfied" with the service.

Again, the above broadly mirrors opinions solicited by contract monitoring staff through service user interviews conducted during monitoring visits of London Care.

51. Overall, levels of satisfaction for both agencies are acceptable, with MiHomecare scoring higher than London Care. The scope of both surveys and their approach were different which makes direct comparisons between the two less straightforward. However, both survey results indicate where there is scope for improvement and the council is actively working with the providers and monitoring changes being made. Key areas identified for improvement where we are working collaboratively are in personalising the approach to care and support so that service users feel empowered to participate in the planning, choice and control over their care and support.
52. While providers use the results of their survey to improve practice within their organisation, the surveys show that the majority of people are satisfied with the quality of their care and in important areas like respect, dignity and satisfaction with the service both providers have achieved good results.
53. Overall the assessment of contract delivery, performance and quality taking account of the key measures summarised in this report is that quality and performance indicators have been met over the period covered.

Community impact statement

54. These services are provided to people affected by all six strands of the Council's equality agenda as the diverse nature of Southwark's population is reflected in those people needing care and receiving home care services.
55. Under CQC registration all Home Care providers are required to proactively demonstrate their commitment to equal opportunities and have been assessed to ensure that they have a satisfactory record in relation to diversity.
56. The universal services and the specialist service are able to meet a wide range of needs sensitivity.

Financial Implications

57. The original contract was awarded in June 2011. Since then there has been two variations to the contract terms, the first to implement LLW, and the second will introduce travel time for care workers and ensure they are offered guaranteed hour contracts.
58. Outside the above there are no new financial implications arising from this report.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Strategic Director of Finance and Corporate Services (FCS/14/30)

59. This report notes the delivery of the contracts over the third year has met the council's requirements. The financial implications are detailed in paragraphs 57 to 58 and it confirms there are no new financial implications arising from this decision.

60. The strategic director of finance and corporate services notes the performance and quality assurance indicators. Continued monitoring of this service, including reports to the cabinet member for health, adult social care and equalities will help prevent additional costs associated with poor quality.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Care Quality Commission – Compliance standards		Rochelle Jamieson 020 7525 4270
Link: http://www.cqc.org.uk/		
Home Care Contract Monitoring Report		Rochelle Jamieson 020 7525 4270
Link: http://moderngov.southwark.gov.uk/ieDecisionDetails.aspx?ID=3062		
Home Care Annual Performance Report		Rochelle Jamieson 020 7525 4270
Link: http://moderngov.southwark.gov.uk/ieDecisionDetails.aspx?ID=3404		
Home Care Annual Contract Performance Report		Rochelle Jamieson 020 7525 4270
Link: http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&MId=4550&Ver=4		

APPENDICES

No.	Title
None	

AUDIT TRAIL

Cabinet Member:	Councillor Dora Dixon-Fyle, Cabinet Member for Adult Care, Arts and Culture	
Lead Officers	David Quirke-Thornton, Strategic Director of Children's and Adults' Services	
Report Author	Rochelle Jamieson, Quality and Performance Manager	
Version	Final	
Dated	6 November 2014	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Director of Legal Services	No	No
Strategic Director of Finance and Corporate Services	Yes	Yes
Director of Adult Social Care	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team		6 November 2014

Item No. 13.	Classification: Open	Date: 18 November 2014	Meeting Name: Cabinet
Report title:		Adoption of the Women’s Safety Charter	
Ward(s) or groups affected:		All	
Cabinet Member:		Councillor Michael Situ, Environment, Recycling, Community Safety and Volunteering	

FOREWORD – COUNCILLOR MICHAEL SITU, CABINET MEMBER FOR ENVIRONMENT, RECYCLING, COMMUNITY SAFETY AND VOLUNTEERING

I am delighted to be presenting this report for cabinet approval. Southwark Council is one of the first local authorities in the country to commit to the adoption of a Women’s Safety Charter as one of its fairer future promises. The introduction of the Charter has been led by Councillor Radha Burgess, the council's deputy cabinet member for women’s safety. Her unique role demonstrates how seriously we take the issue of harassment and how it affects women’s quality of life. The Charter will build on the good work we are already doing with our partners and the community to challenge the acceptance of these attitudes and behaviours.

The feedback received following our consultation on the subject has shown that the harassment of women in the night time economy is largely unreported because women feel they will not be taken seriously. The Charter will help to radically change this perception and ensure that women feel confident and comfortable to seek help if they feel they are being harassed.

I welcome the significant number of licensees across the borough who have committed to adopt the Charter, with many more showing interests. Working with licensees across the borough, we will make Southwark a safer environment for women.

RECOMMENDATIONS

1. That the cabinet agree the Women’s Safety Charter (WSC) as set out in Appendix 1.

BACKGROUND INFORMATION

2. The council recognises the importance of improving women’s safety in the borough through its commitment in establishing a Women's Safety Charter (WSC) as part of the fairer future promises (promise number 7).
3. There is anecdotal evidence that suggests that female sexual harassment in bars and night clubs is seen as normalised behaviour and goes unchallenged and unreported. Harassment can frequently be trivialised and women and men can feel that it is not worth confronting.
4. The council takes this type of harassment seriously and believes it to be an issue that reduces women’s quality of life.
5. The WSC is recognised as an important step forward in challenging these perceptions and behaviour. It builds on the learning from a pilot programme previously

implemented in Lambeth.

6. The proposed WSC for Southwark is a voluntary code of conduct which licensed premises can sign up to. It is based on a number of key principles which ensure that all staff working at licensed premises act in a responsible and supportive manner, taking all reports seriously. The intention is that the WSC will send out a clear message that female harassment in these premises will not be tolerated.

KEY ISSUES FOR CONSIDERATION

7. As part of the development of the WSC, officers have carried out extensive consultation with members of the public, council and partner officers, elected members and licensees.
8. The consultation was multifaceted consisting of a questionnaire available both online and in hard copy, accompanied by leaflets that outlined the purpose and aim of the consultation. The consultation was promoted through a press release, article in Southwark Life, social media, e-mails to key forums and partner organisations (both statutory and non statutory), presentations at community councils, outreach stalls at street markets and Tooley Street lobby. The consultation also included outreach activity and focus groups that involved the Southwark Youth Council. The Southwark Young Advisors also carried out outreach activity in the night time economy and some of the borough's educational institutions.
9. Specific consultation took place with licensed premises in the three alcohol saturation zones, Borough & Bankside, Camberwell and Peckham due to the concentration of premises in these areas.
10. As part of the consultation, members of the public were encouraged to fill in questionnaires. 132 questionnaires by members of the public were submitted. 51 licensed premises were also consulted, as well as 20 young advisors and 12 youth council members, giving a total figure of 215 people. A summary of views expressed included:
 - A majority of respondents felt that training for venue staff was a key tool in delivering change in this area
 - Displaying signage and posters on acceptable behaviour and/or unacceptable behaviour and what to do if someone harasses you
 - Information about support services that can be contacted to support victims
 - Perpetrators of these types of acts to be removed from licensed premises and in some cases banned.
 - Licence premises to work with the police to make sure evidence was available including higher quality CCTV footage.
11. The overwhelming majority of respondents were in support of the adoption of the WSC and feedback provided evidence that the issue of harassment in the night time economy is prominent and also goes largely unreported. A more detailed summary of the feedback received can be found in Appendix 2.
12. Those licensees who were consulted all welcomed the WSC initiative. When asked how they currently deal with the reports of harassment in their premises, they outlined procedures currently in place which were both positive and an acknowledgement that they recognised women's safety and the harassment of women as an issue.

13. Licensees also highlighted the importance of recording incidents and the importance of training of staff. Both of these issues have been addressed through:
 - The creation of a simple reporting form developed in conjunction with the local police for premises to use.
 - A training package for staff use, developed with input from an independent charity which leads in the field of women safety.
14. In light of the feedback during the consultation, it is proposed that the following principles feature in the charter:
 - Prominently display high visibility posters in the venue which discourage harassment and encourage reporting
 - To take every report of harassment and sexual intimidation seriously and take appropriate action
 - To take active steps to support persons who report harassment or sexual intimidation that might take place in their premises.
 -
 - To train all front of house staff to address women's safety and harassment.
 - To take active steps to ensure women leave the venue safely.
15. Appendix 3 sets out the 29 premises which have currently committed to adopting the WSC (these have been mapped at appendix 4). These premises are currently undertaking a briefing and training package in readiness for the launch of the charter. This will continue as additional premises sign up and adopt the WSC.
16. Officers are also exploring the connections between the WSC and the City Safe Havens scheme. This scheme involved a network of sites and premises across the borough that are recognised accredited venues that anybody can take refuge at if they feel that their safety has been compromised. It is anticipated that a number of premises signing up to the WSC might also be willing to become part of the City Safe Haven network therefore providing further benefit.

Implementation of the Women's Safety Charter

17. Following the adoption of the WSC the premises who have agreed to participate will display the WSC and accompanying visuals in prominent spaces in their premises. They will receive training and record any incidents reported and dealt with back to the council for monitoring purposes. Training is free to all participating premises.
18. Police and council licensing officers will monitor the response and the number of calls from each premise in relation to the harassment of women and will undertake regular six monthly reviews of the impact, for both the premises and perception of safety. This will be reported to the cabinet member for community safety and volunteering and the deputy cabinet member for women's safety.
19. Officers will continue to work with licensees to encourage more premises to adopt the WSC and the monitoring of this will form part of the six monthly review.
20. The WSC will form part of the consultation that the council will be undertaking as part of the renewal of the licensing policy which will commence in early 2015.

Policy implications

21. The WSC will contribute to delivering the council's Fairer Future promises, as set out in the Cabinet report dated 2 July 2014 - Delivering a Fairer Future for all in Southwark. More specifically it will deliver the Fairer Future promise 7 - Safer Communities delivery of a WSC. It will also contribute to the Fairer Future promise of making the borough a place to be proud of.

Community impact statement

22. An equalities analysis has been carried out on the proposed WSC and no negative potential impacts have been identified.
23. Due to the nature of the WSC initiative, the extensive consultation and the involvement of partners in this process, the proposals set out in this report are likely to create only positive impacts in relation to protected characteristics.
24. The equality analysis demonstrated that the policy shows no potential for discrimination.

Resource implications

25. The cost of implementing the proposed WSC is estimated to be approximately £10,000, mainly to cover communication and training. This cost can be covered within existing community safety & enforcement budgets.

Consultation

26. Consultation has been a key part of the development and planned implementation of the WSC. Appendix 2 contains a summary of the feedback received.
27. The WSC was presented to the housing and community safety scrutiny sub-committee in September and October 2014. It was received very positively and sub-committee members' comments have been taken into account when setting out proposals in this report.
28. The WSC has also been presented to all three party groups (Labour Group, Liberal Democrat Group and Conservative Group).

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Legal Services

29. This report seeking the approval of the Cabinet to approve the Women's Safety Charter.
30. Pursuant to Part 3B of the Constitution, the Cabinet has responsibility to formulate the council's overall policy objectives and priorities.

Strategic Director of Finance and Corporate Services (FC14/027)

31. The report seeks cabinet approval to the Women's Safety Charter as set out in Appendix 1.
32. It is noted that the estimated cost of £10,000 for implementing the proposal will be contained within existing budgets. Staff and any other costs connected with this proposal are also to be contained within existing departmental budgets.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
WSC equalities impact assessment	Community Safety Partnership Service, 160 Tooley Street, SE1 2QH	Eva Gomez 020 7525 7246
Link: http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&MId=4863&Ver=4		

APPENDICES

No.	Title
Appendix 1	Women's Safety Charter
Appendix 2	Consultation feedback summary
Appendix 3	Premises committed to adopting the Women's Safety Charter
Appendix 4	Map

AUDIT TRAIL

Cabinet Member	Councillor Michael Situ, Environment, Recycling, Community Safety and Volunteering (Community Safety and Volunteering)	
Lead Officer	Deborah Collins, Strategic Director Environment and Leisure	
Report Author	Eva Gomez, Safer Communities Team Manager	
Version	Final	
Dated	5 November 2014	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Director of Legal Services	Yes	Yes
Strategic Director of Finance and Corporate Services	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team	6 November 2014	

APPENDIX 1**Women's Safety Charter**

A charter for Southwark's licensed premises to commit themselves to make Southwark the safest place for women in London.

The signatory undertakes to:

1. Prominently display high visibility posters in the venue which discourage harassment and encourage reporting.
2. To take every report of harassment and sexual intimidation seriously and take appropriate action.
3. To take active steps to support persons who report harassment or sexual intimidation which might take place in their premises.
4. To train all front of house staff to address women's safety and harassment.
5. To take active steps to ensure women leave the venue safely.

By this my signature I confirm I agree to adhere to the above principles and ensure their implementation and that I am duly authorised to act on this matter:

Signed (the Licensee): _____

Print: _____

Dated: _____

APPENDIX 2

Women's safety charter (WSC) consultation feedback summary

The WSC consultation was multifaceted, consisting of an online questionnaire which was promoted through a press release, article in Southwark Life, social media, e-mails to key forums and partner organisations (both statutory and non statutory) and presentations at community councils.

The consultation also included outreach activity in public places such as street markets, parks and focus groups; for example, the Youth Council and young advisors. The young advisors carried out outreach activity in the night time economy and some of the borough's educational institutions.

132 questionnaires were submitted. 51 licensed premises were also consulted, as well as 20 young advisors and 12 youth council members, giving a total figure of 215 people. The overwhelming majority of respondents are in support of the WSC and feedback provides evidence that the issue of harassment in the night time economy is prominent, but also largely unreported.

The questionnaire used open questions in order to meaningfully consult participants on what actions they would like to address on the issue of normalised sexual harassment in bars, clubs and pubs. It also asked questions around participants' experience in wider settings such as parks, public transport and the street.

The first question asked was 'What do you think venues licensed to sell alcohol could do to address harassment?'

- The majority of respondents felt that training for venue staff was a key tool to deliver change in this area. This included training to identify harassment, training to support survivors and to deal with perpetrators.
- Signage and posters on acceptable behaviour and unacceptable behaviour as well as what to do if someone harasses you. Including support services that you can contact was also suggested as a good measure.
- The final emerging theme was around effective enforcement. Respondents wanted those perpetrating these types of act to be ejected from the licensed premises and in some cases banned. They also wanted them to work with the police to make sure evidence was available including CCTV footage that was considered to be often substandard.

The second question was 'Please tell us what you think that the council, the police and their partners can do to address harassment in licensed venues?'

- Work with venues by supporting them to tackle any issues that they have, if these do not improve then take actions against their licenses.
- More visible and approachable police.
- Engage with young people to address these behaviours before they become normalised to them. This could be in the setting of schools, bars or even football clubs.
- Third party reporting options for those affected by harassment.

Officers were also keen to understand why respondents felt it was important to address harassment. The general consensus was that the perpetrators cannot understand the level of distress and harm it causes the victims. Some respondents felt that it was their

responsibility to ignore it or just put up with it. Below are some of the views that we received.

“Because people deserve to be treated with respect - male or female. Harassment is intimidating and unpleasant at best and terrifying and dangerous at worst.”

“Part of life, my personal responsibility to ignore/deal with it.”

“Women have the right to socialise without being pawed by sexual predators chancing their arm.”

“Women shouldn’t have to have their lives limited because of harassment. We’ll also have a more vibrant night economy if women feel safe to go out and about.”

“Casual harassment is only a short step from sexual violence in or outside the bedroom. We want all our citizens to feel safe and equal, and where alcohol is present we have a greater responsibility to put suitable measures in place.”

“Women I have known have said that they have been a victim of harassment. They have just put this down to lads behaviour however I think there is a very thin line between lads behaviour and harassment.”

The consultation also sought to identify respondents’ wider experience of harassment in Southwark; this has provided valuable information for wider work in the future around harassment.

Streets, parks and public transport were identified as the three locations where respondents were most likely to experience harassment in Southwark, with just under 50% of respondents identifying each of these categories as areas of concern. Bars/pubs/clubs were identified by almost 40% of those responding.

Inappropriate comments, leering and whistling were the most likely types of abuse experienced. Other forms of harassment and abuse were also reported including flashing and inappropriate touching.

The comments received illustrate that the incidents vary widely and the locations can be almost anywhere.

“There was another incident with some workmen in a van. I was walking down the road and they shouted, “eat some food you skinny bitch.” When I looked at them as if to say why you are saying this to me, they shouted ‘lesbian’.”

“The stalking is worrying as the person has made up his mind that we are in a relationship. I have been trolled on social media (which is not mentioned here) and had him waiting outside my house and the railway station.”

“It actually happened in the library. A man sat next to me and began to touch my leg.”

46% of those who had experienced abuse told someone about it, with a high number of respondents reporting that they did not feel that it was important enough to report as it happened too frequently and some saying that they did not want to waste police time or that they did not think it would be taken seriously. 47% of those who did report stated that were happy with the response that they had, 35% were unhappy whilst the remaining did not answer this question. Some offered examples of good practice; others were less positive about the response they received:

“Told work colleagues, friends, family and the police. The police took the public masturbation incident seriously. The hate crimes unit were really good.”

“Reported the flasher to London underground staff they did nothing, they did not even ask for my name. In the pub, although I did not know who groped me, I went and told a door supervisor who approached the crowd of men and warned them all in general.”

“It just happens all the time - there's no-one to tell, and I'm not sure anyone would do anything about it anyway.”

Equalities and diversity profile

The 32 respondents that took part in the consultation were self selection and broadly representative of the respective of the population of Southwark. This has to be viewed within the context that 66% of respondents lived in the borough, 23% worked in the borough, 5% were visiting the borough and 6% offered no response to the question.

Ethnicity

The ethnicity of those taking part was also representative of those living, working or visiting Southwark (see Chart 1 opposite).

Gender

75% of those responding to the survey were female and 20% were male. This was expected as the survey focused on women’s safety.

Sexual orientation

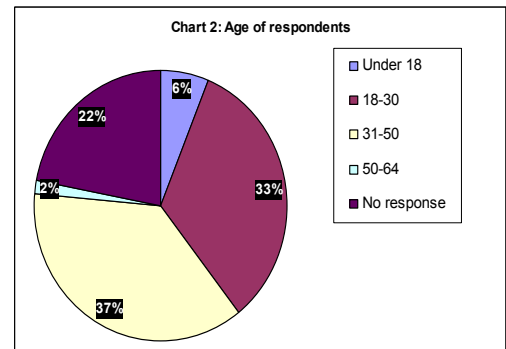
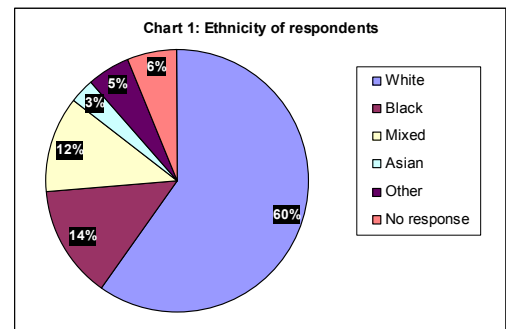
83% of those responding to the survey identified as heterosexual, 5% bisexual, 3% lesbian and 2%. The remaining responds declined to answer.

Disability

6% of those responding identified with having a disability. 86% of those responding did not identify with having any type of disability.

Age

The age of those taking part reflected the core demographic that the council aims to engage with in that more than 70% of respondents were 18-50 years old (see Chart 2 opposite).



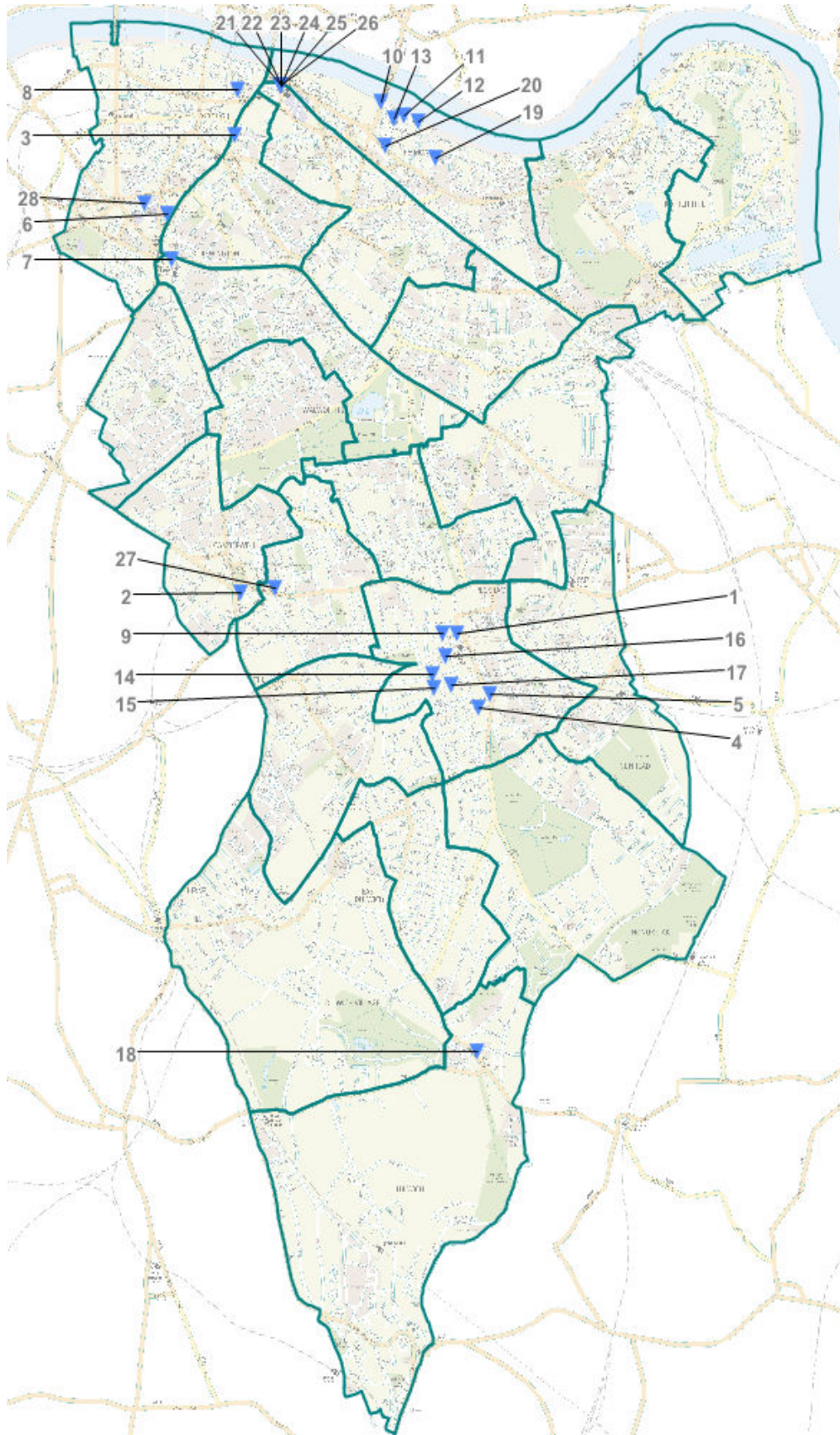
APPENDIX 3

Premises committed to adopting the Women's Safety Charter

Number	Venue	Address	Postcode
1	The Hope	66 Rye Lane	SE15 5BY
2	The Tiger	18 Camberwell Green	SE5 7AA
3	Blue Eyed Maid	173 Borough High Street	SE1 4NG
4	The White Horse	20 Peckham Rye	SE15 4JR
5	Lerryn's	200 Rye Lane	SE15 4NF
6	Ministry of Sound	103 Gaunt Street	SE1 6DP
7	The Coronet	28 New Kent Road	SE1 6TJ
8	The Market Porter	9 Stoney Street	SE1 9AA
9	Peckham Liberal Club	24 Elm Grove	SE15 5DE
10	The Vault (Shad Thames)	Tower Bridge, The Horace Jones Vault, Shad Thames	SE1 2UP
11	Pizza Express	Cardamom Building, 31 Shad Thames	SE1 2YR
12	All Bar One	34 Shad Thames, Butler's Wharf, Spice Quays	SE1 2YG
13	Dean Swift	32 Lafone Street	SE1 2LX
14	The Prince Albert	111 Bellenden Road	SE15 4QY
15	Victoria Inn Public House	77-79 Choumert Road	SE15 4AR
16	Bar Story	Railway Arch 213	SE15 4QL
17	The Montpelier	43 Choumert Road	SE15 4AR
18	Barcelona	481 Lordship Lane	SE22 8JY
19	The Ship A'Ground	33 Wolseley Street, London	SE1 2BN
20	The Kings Arms	251 Tooley Street	SE1 2JX
21	The View	The Shard, 32 London Bridge Street	SE1 9SP
22	Shangri-La hotel	The Shard, 31 St Thomas Street	SE1 9SP
23	London Bridge Quarter	The Shard, 32 London Bridge Street	SE1 9SP
24	Oblix Restaurant	Level 31, The Shard, 31 St Thomas Street	SE1 9SP
25	Hutong	Level 33, The Shard, 31 St Thomas Street	SE1 9SP
26	Aqua Shard	Level 31, The Shard, 31 St Thomas Street	SE1 9SP
27	The Pigeon Hole Cafe	2 Datchelor Place	SE5 7AP
28	South Bank University	103 Borough Road	SE1 0AA
29	Corsica Studios	4/5 Elephant Road	SE17 1LB

APPENDIX 4

Location of premises currently signed up



Item No. 14.	Classification: Open	Date: 18 November 2014	Meeting Name: Cabinet
Report title:		Southwark Emergency Support Scheme 2015 - 2018	
Ward(s) or groups affected:		All	
Cabinet Member:		Councillor Fiona Colley, Finance, Strategy and Performance	

FOREWORD – COUNCILLOR FIONA COLLEY, CABINET MEMBER FOR FINANCE, STRATEGY AND PERFORMANCE

The Southwark Emergency Support Scheme provides assistance to residents in crisis - providing emergency cash, food and goods to people in desperate need.

Since we took over providing crisis support in April 2013 we have received over 4,000 applications for help and spent almost £1m to provide this safety net.

The scheme is delivered in partnership with key voluntary sector organisations such as PECAN, St Giles and CAS. We believe this has resulted in a scheme that is both efficient and effective – with low administrative costs and reaching those in greatest need.

Last month we agreed that we would extend the scheme until at least 2018 and this report recommends allocating £2.7m funding for this.

The government's welfare reforms are continuing to bite and we are seeing increasing numbers of applications to the scheme. Half of the referrals are made by the Job Centre Plus and it is worrying to hear that JCP benefit sanctions may be one of the key drivers of demand!

We are also finding that needs are evolving as the impacts of welfare reforms develop. For instance the average age of applicants to SESS has increased since April 2013, indicating that older people are increasingly in need of support. With this in mind we are also proposed to continue to review the scheme and eligibility criteria alongside our voluntary sector partners to ensure the scheme continues to provide the right support to our residents who are in the greatest need of help.

RECOMMENDATIONS

1. Cabinet notes the decision approved within the policy and resources strategy report to cabinet in October 2014 to continue to provide for the Southwark Emergency Support Scheme for the three year period to 2017/18 in line with criteria contained within this report.
2. Cabinet agrees to include provision for the costs of the scheme of approximately £2.7m over the three year period within the budget options for the Policy and Resources Strategy to be agreed by council assembly in 2015, including the use of unspent balances from the local welfare provision grant up to March 2015 and the earmarked revenue reserve for the Welfare Hardship fund

3. Cabinet notes the costs of the scheme will be contained within existing budgets and will subject to ongoing efficiency reviews.
4. Cabinet notes that officers will undertake a series of reviews and explore options to ensure that the Emergency Support Scheme and other services supporting vulnerable people in Southwark are aligned and integrated where appropriate.

BACKGROUND INFORMATION

5. The Welfare Reform Act 2012 initiated the localisation of the Department for Work and Pensions Social Fund (Crisis elements) to local authorities with effect from 1 April 2013.
6. On 19 March 2013 cabinet approved the establishment of Southwark Emergency Support Scheme to support Southwark residents in crisis and made provision for additional support through a welfare hardship fund.
7. The scheme was reviewed in October 2013 and cabinet agreed to continue the provision to March 2014 and keep the scheme under review.
8. A subsequent review was undertaken in June 2014 resulting in this report.
9. Government is presently consulting on future, central funding arrangements for local welfare schemes from 2015. The Council's response to that consultation is attached as an appendix to this report. The Government consultation document set out a number of options including continued provision for separate visibility of local welfare provision funding.
10. The Council's response expresses a strong preference for continued, separate visibility of local welfare provision funding. The Council further argues that Government should continue to work with the Council and with the local government sector as a whole, so that a sustainable welfare emergency intervention fund may continue to be operated at local level. The Council also argues that, as part of that engagement, proper consideration should be given to the local challenges expected to arise from the implementation of Universal Credit.
11. This report seeks to retain the existing level of service supporting those most vulnerable in the community for the duration of the administration.

KEY ISSUES FOR CONSIDERATION

Southwark Emergency Support Scheme

12. Southwark's scheme was implemented in partnership with Community Action Southwark (CAS) who procure and manage suppliers delivering services to those suffering hardship.
13. The scheme offers assistance to customers in crisis by providing support in kind including the provision of white goods, furniture, foodbank parcels, rent advances for those leaving care or prison and in exceptional circumstances cash payments through the London Mutual Credit Union.

14. The scheme has received 4,291 applications to September 2014 and made 2,219 awards, a 52% approval rate.
15. To October 2014 the scheme has utilised £978,000 of the existing funding and the spend to date is broken down as follows:

Cash	£	37,000	4%
Food	£	24,000	2%
Furniture/White Goods/Other Housing	£	856,000	88%
Rent Advance/Deposit	£	59,000	6%
Total	£	978,000	100%

16. The review of the service in October 2013 confirmed that the majority of referrals came from Job Centre Plus, followed by other council services. The position is largely unchanged:

Referrals to Date:

Referral Organisation	October 2013		October 2014	
	Number of Referrals	% of Referrals	Number of Referrals	% of Referrals
Citizens Advice Bureau	37	3	116	3
Council Services	209	15	755	18
Job Centre Plus	874	65	2083	50
Other	175	13	913	22
VCS	53	4	263	6
Total	1348	100	4130	100

17. Between April 2013 and October 2014 87% of all applicants were either single or lone parents. 54% of applicants were women, and the average age of applicants to the scheme has increased since April 2013, indicating that older people are increasingly in need of support. 59% of applications were made by people in receipt of ESA or Income Support, followed by 19% in receipt of Job seekers allowance.
18. Although evidence is limited anecdotal reports from officers suggest that Job Centre Plus sanctions are a key driver of demand for emergency support.

Hardship Fund

19. On 19 March 2013 cabinet also recommended that the Strategic Director of Finance & Corporate Services set aside £400,000 from the Welfare Hardship Fund to supplement SESS and 'provide support for households where the levels of disability prevents temporary or full time employment'.
20. The fund particularly sought to assist customers affected by one or more of the welfare reform changes including the introduction of the council tax reduction scheme.
21. Since April 2013 the welfare hardship fund received 1131 applications and made 835 awards with an approval rate of 74%.

22. Of those applying 80% of the awards were made to vulnerable households in line with the policy. 59% of awards were made to women and 69% to single and lone parents.
23. The welfare hardship scheme has assisted those determined to be most in need and less likely to access support including the 50-65 age group.
24. A high proportion of awards (83%) were made to people in receipt of Employment Support Allowance or Job Seekers Allowance/Income Support.

Other considerations

25. Reviews of SESS and the Hardship Fund undertaken since April 2013 indicate that the services have performed consistently well, and, although there is limited evidence regarding the long term outcomes of support provided.
26. It does however appear that many emergency support recipients have not sought further assistance following the initial support and guidance received.
27. Over 90% of Hardship Fund recipients have seen a sustained improvement in their financial position in terms of council priority debts during 2013/14.
28. The cumulative effects of the welfare reforms implemented during 2013 combined with expected further reforms have created significant financial pressures for many of the most vulnerable residents in Southwark including groups who have never before required assistance.
29. Evidence from both schemes indicates that customer needs are evolving as the impacts of the reforms have developed over the last 18 months.
30. There is therefore a need for an ongoing and responsive development of eligibility criteria to ensure support continues to be targeted effectively to those who need it most.
31. The council will work in partnership with CAS to ensure the ongoing supply of goods and services remain best value for money.

Policy implications

32. Southwark council is committed to achieving a fairer future for all as set out in the Council Plan. The council recognises that in times of reduced funding from central government there is a need to focus our resources on areas where the greatest impact can be made.
33. The continued provision of the Southwark Emergency Support scheme is in line with the councils principles and recognises the importance of ensuring that support is provided to those most in need.

Consultation

34. There is no legal requirement for public consultation on changes to the emergency support or welfare hardship scheme.
35. However, the council continues to work closely with representatives from

Community Action Southwark (CAS), Southwark financial Inclusion and legal advice networks, the CAB, St Giles Trust and Pecan (foodbank) to help determine future requirements.

Community impact statement

36. The council must have due regard to the public sector equality duty under the Equality Act 2010 and is committed to ensuring the scheme is both fair and equitable.

Resource implications

Financial issues

37. As at October 2014 the grants issued in relation to SESS equated to £978,000 and the welfare hardship fund £195,000.
38. At current levels with the residual funding and cabinets £800,000 commitment to the welfare hardship scheme, based on existing levels of expenditure the schemes are sustainable to 2017/18.
39. The £225,000 grant in 2014/15 for the administration of the scheme will cease in April 2015.
40. The service area is currently under review and it is anticipated that the application process will be absorbed within the existing revenues & benefits customer service provision following implementation of a process efficiency exercise.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Legal Services

41. Cabinet is asked to note the continuation of the Southwark Emergency Support Scheme until 2017/18 in line with the criteria outlined in the report.
42. Cabinet is reminded that the council's duties under the Equality Act 2010 are ongoing for the purposes of this scheme and the review. The council is required to ensure that the delivery of the fund complies with the duties outlined under s.149 of the Equality Act 2010.

Strategic Director of Finance and Corporate Services

43. The strategic director of finance and corporate services notes the recommendations in this report concerning the Southwark Emergency Support Scheme.
44. If agreed, the budget proposals for the three year period to 2017/18 will include a total amount of approximately £2.7m, to be funded in part by the use of unspent balances from the local welfare provision grant up to March 2015 and the earmarked revenue reserve for the Welfare Hardship fund
45. The ongoing administrative costs of the scheme will be contained within existing budgets and will subject to ongoing efficiency reviews.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Policy and resources strategy 2015/16 to 2017/18: scene setting report	Finance & Corporate services, 160 Tooley St, London SE1 2QH	Jennifer Seeley 0207 525 0695
Link: http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&MId=4554&Ver=4		

APPENDICES

No.	Title
Appendix 1	Local Welfare Provision, response to consultation 7/11/14

AUDIT TRAIL

Cabinet Member	Councillor Fiona Colley, Finance, Strategy and Performance	
Lead Officer	Duncan Whitfield, Strategic Director of Finance and Corporate Services	
Report Author	Dominic Cain, Assistant Director, Revenues, Benefits & FTSS	
Version	Final	
Dated	7 November 2014	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Director of Legal Services	Yes	Yes
Strategic Director of Finance and Corporate Services	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team		7 November 2014

APPENDIX 1

Response By Southwark Council (London Borough)

To follow.

Item No. 15.	Classification: Open	Date: 18 November 2014	Meeting Name: Cabinet
Report title:		Revenue Monitoring Report for Quarter 2, 2014/15, including Treasury Management	
Ward(s) or groups affected:		All	
Cabinet Member:		Councillor Fiona Colley, Finance, Strategy and Performance	

FOREWORD – COUNCILLOR FIONA COLLEY, CABINET MEMBER FOR FINANCE, STRATEGY AND PERFORMANCE

In February council assembly agreed a balanced budget for this financial year which required the council to deliver almost £30m of savings in our annual revenue spending. As a cabinet it is our role to monitor the implementation of this agreed budget - this report covers the first half of the financial year and provides forecasts of the expected spend for the year.

I'm pleased to report that as at the end of September we are broadly on track overall to deliver those savings and stay within our budget across both the General Fund and the Housing Revenue Account. However, we are still early in the year and within that overall picture there are sizeable variations and risks which we must continue to monitor and manage. One of the most significant budget pressures is due to growing levels of homelessness and subsequent cost of providing temporary accommodation. Officers are exploring options to reduce demand for and increase supply of temporary accommodation as part of the council's budget planning for 2015/16 and beyond

There is good news on the income side of our finances where we currently estimate that we will benefit from £2.3m of additional council tax, although this is somewhat offset by an estimated deficit of £1.3m in income from business rates.

RECOMMENDATIONS

1. That the cabinet notes:
 - the general fund outturn forecast for 2014/15 and forecast net movement in reserves by department
 - the housing revenue account's (HRA) forecast outturn for 2014/15 and resulting forecast movement in reserves
 - the treasury management activity for the first three months of 2014/15.
2. That the cabinet notes the forecast performance for the collection of council tax.
3. That the cabinet notes the forecast performance for the collection of business rates and the risks associated with the Business Rate Retention Scheme.
4. That the cabinet approves the general fund budget movements that exceed £250k, as shown in Appendix A.

BACKGROUND INFORMATION

5. The purpose of this report is to provide a forecast for the end of the financial year 2014/15, using predictions based on the experience to date and knowledge as at the end of quarter two (September 2014). Work continues throughout the council to ensure that a balanced position is achieved by the end of the year.
6. The council agreed a balanced general fund budget of £308.2m on 26 February 2014 based on a nil council tax increase, and £6.2m use of reserves, giving a budget of £314.4m. This budget was set in the context of further significant overall cuts in government funding.
7. The council also approved budget decisions including reductions of some £25.9m within the general fund for 2014/15. Performance on achieving these savings is closely monitored and significant variances will be included in departmental narratives.

Housing revenue account

8. Cabinet set tenants' rents and service charges on 28 January 2014, an increase of 2.7%. The budget included a £3.9m savings target for 2014/15. The starting point of this process was to listen to residents' concerns about the services they wish to protect, and identify the potential for better value for money and more efficient ways of working.

KEY ISSUES FOR CONSIDERATION

Current forecast position: General fund

9. Table 1 below shows the current forecast outturn position for quarter two (as at 30 September 2014) by department. These estimates are based on six months' experience and action by all strategic directors will continue to ensure that they deliver their services within budget. Progress for each department is shown in paragraphs 14 to 38 below.

Table 1: General fund forecast outturn position for 2014/15 as at Q2

General fund	Original budget	Budget movements	Revised budget	Forecast Spend in year	Reserve movements	Total use of resources	Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Children's and adults services	203,079	(2,540)	200,539	202,379	(1,840)	200,539	0
Environment and leisure	72,063	101	72,164	73,367	(1,753)	71,614	(550)
Housing and community services	36,519	690	37,209	39,016	0	39,016	1,807
Chief executive's department	18,396	(541)	17,855	18,014	(462)	17,552	(303)
Finance and corporate services	38,342	3,021	41,363	40,996	0	40,996	(367)
Support cost recharges	(57,956)	(731)	(58,687)	(58,687)	0	(58,607)	0
Contingency	4,000	0	4,000	4,000	0	4,000	0
Total general fund services	314,443	0	314,443	319,085	(4,055)	315,030	587

Note: Explanations of this quarter's budget movements are provided in Appendix A.

10. The forecast includes estimates of one off re-organisation and redundancy costs that the council expects to incur as it continues to put into action plans necessary to deliver the ongoing savings identified within the budget.
11. As shown in Table 1, within services there is a forecast adverse variance of £587k based on the information available at the end of September. This takes account of expected net movements from reserves of £4.055m in relation to services.
12. Table 1 reflects budget movements to the end of quarter two. Appendix A details the quarter two movements for cabinet to approve or note as is appropriate. Earlier budget movements were included in the quarter one report.

Table 2: General fund Q2 forecast outturn position for 2014/15 compared to Q1

General fund	Quarter 1 Variance	Quarter 2 Variance	Movement	Explanation in paragraph
	£'000	£'000	£'000	
Children's and adults services	0	0	0	-
Environment and leisure	0	(550)	(550)	22
Housing and community services	848	1,807	959	26 & 28
Chief executive's department	0	(551)	(551)	30
Finance and corporate services	(976)	(367)	609	35
Support cost recharges	0	0	0	-
Contingency	0	0	0	-
Total general fund services	(128)	339	467	

13. Table 2 shows an increase / decrease in the forecast outturn variance of £467k. Explanations of changes in variance are contained within paragraphs 14 to 38 below.

Children's and adults services

14. The total budget for Children's and Adults Services is £200.5m. The forecast is a balanced budget overall with Children's Services adverse variance of £1.1m being offset by a compensating matching favourable variance in Adults' Services.

Children's Services

15. Children's Social Care budget for 2014/15 was increased through growth bids and use of a one-off reserve which has improved the financial position of the service in comparison to the previous year. The current adverse variance is forecast at £1.1m. For 2014/15, Looked after Children placements for Residential and Agency fostering, while running at above historical levels, no longer appear to be rising. Further, although there remains an overspend for the No Recourse to Public Funds budget, the rate of new cases so far this year has slowed as a result of the management action being undertaken such as

more rigorous checks undertaken of new cases.

16. An adverse variance is arising due to staffing overspends whilst staff move into the new social work matters team structures; offset in part by the favourable budget variance for the Youth Offending Service due to the lower number of remands. The Children's Social Care budget is funded from a planned use of £1.84m of reserves and therefore this presents a potential 2015/16 budget pressure. It is anticipated that the transformation of children social care and continued management action will reduce the overall costs and therefore reduce future budget pressures
17. Education Services cost pressures arising in Special Educational Needs arising from the implementation of the Children's and Families Act are being offset by a significant one-off Dedicated School Grant contribution towards these costs and some DfE grant.
18. Strategy, Commissioning and Business Improvement are currently predicting an overspend of £655k arising from the commitment to free fruit for all primary aged children from September 2014, and ICES (Integrated Community Equipment Service) pooled budget expenditure which is now being reported in this business area.

Adults Services

19. Adults Services forecast a favourable budget variance of £1.1m. This is due to contingencies arising from NHS transfers which are currently uncommitted as pressures are being managed through a series of modernisation initiatives. However, there are budget pressures in Learning Disability placements, No Recourse to Public Funds (mental health clients) accommodation costs and Older People homecare costs. These are mitigated by underspends in Physical Disabilities Nursing. Further, Adult's Services budgets are meeting the part year impact of the implementation of the Ethical Care Charter associated with the re tendering of the two main Home Care contracts.

Dedicated Schools Grant

20. The ring-fenced DSG budget is £193m, the majority of which is delegated to schools. The centrally held DSG continues to be predicted as a favourable variance, and over the next quarter a review based on the latest data is being undertaken which will better inform the quarter three report. The main favourable variance is attributable to one-off two year old place and trajectory funding as the eligibility for free 15 hours education for two years olds is extended from September 2014.

Savings

21. The Children's and Adults' savings targets are £4.4m and £6.9m for 2014/15. Children savings are currently forecast to be on track for delivery. Adult savings are being forecast to slip by £2.1m due mainly to delays in starting Learning Disability and Older people redesign work. Work is continuing to obtain data from service teams to review and verify relevant activity.

Environment and leisure

22. The department is currently forecasting an overall favourable variance of £550k

for 2014/15, as a result of surplus identified in the ring fenced parking account. Although there are a number of pressures in the department, these are being closely monitored and management actions will be taken to contain them within the existing budgets.

23. The department has already implemented most of the savings proposed for this financial year. Divisions will continue to seek improvements in business/operational processes in order to achieve cost reductions. These changes will be monitored to ensure service delivery meets expectations.

Housing and community services (H&CS)

24. The quarter 2 forecast shows an adverse variance of £1.8m, before the planned drawdown of earmarked reserves to cover exceptional items, which will produce a broadly neutral position overall. This is largely driven by the increasing homeless demand and should be viewed with caution at this point.
25. The provision of temporary accommodation continues to present a significant budget pressure for the council. Whilst Southwark is recognised as a leader in homeless prevention, it is simultaneously facing the challenge of increasing demand and restrictions on the supply-side, necessitating the use of more expensive bed and breakfast accommodation. Private sector leased (PSL) accommodation is no longer financially viable for providers and the availability of estate voids, which has historically helped to mitigate the impact, is reduced.
26. It has been necessary to revise the outturn forecast to reflect increasing volumes and unit costs as actual client numbers exceed previous projections, the higher ratio of families to single homeless, which are more expensive, and revision to the earlier income forecast. Bed & breakfast accounts for £1.342m of the £1.592m adverse variance in this area, the remainder comprises PSL and other temporary accommodation provision.
27. However, officers are exploring new options to manage demand and up-scale supply as part of the council's budget planning for 2015/16 and beyond. In the meantime, the budget risk was anticipated during the budget planning process with reserves being earmarked as contingency to meet costs that cannot be contained within the base budget, estimated at £1.544m).
28. Bringing the customer service centre (CSC) back in-house has delivered budget reductions of £3.3m over the period 2013/14 – 2014/15. It has also provided the opportunity to transform customer access and service delivery across the council but requires investment to modernise legacy systems and processes in order to reap the full financial benefit over the longer-term. The forecast currently shows an adverse variance, but the underlying position is positive, as higher operating costs are off-set by underspends across the division (Registrars, Coroners, Customer Resolution and My Southwark Service Points). In addition, infrastructure upgrades and transition costs are not deemed to be a 'business as usual' cost and will be met from earmarked reserves (estimated at £455k). Moving beyond the current year, further cost savings will be deliverable as council services are re-configured/rationalised and the drive towards more cost effective transaction routes and customer access channels continues.

Chief executive's department

29. The chief executive's department is reporting a forecast outturn of £17.552m against an overall budget of £17.855m at month 6. A full year favourable variance of £303k is forecast as at the end of month 6.
30. The major reason for the reported favourable variance is due to higher than anticipated income from planning applications and unfilled vacancies.
31. This departmental budget takes into account the 2014/15 base budget savings of £1.421m for the department which have been incorporated into the budgets and are projected as fully achievable.
32. The department has earmarked reserves to fund some of the on-going schemes or programmes especially within the modernisation agenda in the department. As at the end of month 6, the Children's Services training units within Organisational Development is expecting to draw £412k from earmarked reserves to fund ongoing schemes. There may be other drawdown from earmarked reserves as the forecasts are refined over the coming months.
33. As reported in the quarter one monitor, there are some ongoing staffing restructures at various stages of consultation, the impact of which is currently not fully quantifiable but will be reported in subsequent monitors once the consultations are completed.
34. The revenue budgets continue to be closely monitored during the year to identify areas of potential savings and also address any emerging additional budget pressures.

Finance and corporate services

35. The finance and corporate services net revenue budget is £41.4m delivering corporate IT services, facilities management, revenues and benefits in addition to finance and legal services. The current expectation is that the department will succeed in meeting this target as a favourable variance of £367k is forecast at quarter two. This is predominately due to the reduced cost of external audit fees as a result of these services being re-procured by the audit commission prior to its abolition.
36. As reported at quarter one, the budget is dependant on each of the above divisions contributing to the delivery of £2m efficiency savings which are to be achieved through transformational reviews of each service area concentrating particularly on contract efficiencies, realignment of services, employee self serve and use of technology. At quarter two the expectation is that these savings will be delivered.
37. The council approved contingency budget is held within this department and as in previous years, if it is not required to meet unplanned expenditure or loss of income, will be set aside in reserves to meet the future costs associated with the continued modernisation of council services. Any additional government funding that it was not possible to identify during the budget setting process which will also be set aside in earmarked reserves.

Public health

38. The public health grant for 2014/15 is £22.945m; in addition, income from the

CCG for public health responsibilities that have transferred to the Council, increases the Public Health budget to £24.352m.

39. Public health activities are delivered through children's and adults' services and environment and leisure. The vast majority of this expenditure is on third party service providers and there is a continuing budget pressure resulting from increased demand in sexual health services. First call for funding any pressures would be the budget held to mitigate financial risk.
40. At this stage, the contingency budget for financial risk remains uncommitted and therefore, any unspent budget at year end will be carried forward in to the next financial year for use on public health activities.

Contingency

41. The 2014/15 budget includes £4m for contingency, held to meet unforeseen costs that may arise during the year within departments that strategic directors are unable to contain. At quarter two no significant pressures have been identified that will require a call against this contingency, however if it remains unused, it will be transferred to reserves and used to support the 2015/16 budget.

Capital

42. For accounting and control purposes, where it is proposed that reserves are released to meet capital expenditure, they are at first released into revenue and a direct contribution from revenue is then made to capital. When this occurs cabinet will be asked to approve or note these contributions in Appendix A. At quarter two no proposals have been made.

Housing revenue account (HRA)

Table 2: HRA forecast outturn position for 2014/15 as at quarter two

Services	Net Expenditure		
	Full Year Budget	Forecast Outturn	Forecast Variance
	£'000	£'000	£'000
Operations	-173,883	-174,450	-567
Maintenance and Compliance	48,536	50,029	1,493
Major Works	1,629	1,771	142
Specialist Housing Services	-23,917	-24,930	-1,013
Strategic and Corporate Services	126,073	126,052	-21
Customer Experience	1,866	1,865	-1
Community Engagement	2,097	2,000	-97
Regeneration Initiatives	1,122	855	-267
Direct Revenue Funding of Capital	15,002	15,002	0
Appropriations to/ (from) Reserves	1,475	1,806	331
Total HRA	0	0	0

43. The quarter 2 forecast contains a number of budget movements giving rise to a net increase in the expected reserve contribution. However, given the size, complexity and demand-led nature of services, particularly repairs and

maintenance, early outturn forecasts should be viewed with a degree of caution. In summary, the key budget headlines are:

44. Robust contract management continues to deliver greater value for money to mitigate landlord cost pressures and £27.6m of efficiency savings have been delivered over the medium-term to meet these pressures and augment investment in the stock. The adoption of a higher voids specification and a limited programme of kitchens and bathrooms, together with some operational and volume driven pressures emerging in Southwark Building Services have contributed to a forecast budget variation of £1.5m in the Maintenance and Compliance division. This is currently being addressed, but can be contained within the HRA overall.
45. The Operations division is reporting a headline positive variance of £600k comprising additional rent debit (£300k referred to below) and movements in operational running cost budgets across the estate (£300k). This excludes additional costs (£600k) arising in the estate cleaning and grounds maintenance contracts (managed by Environment and Leisure department), resulting from changes in employee terms and conditions, e.g. incremental drift, London Living Wage and pensions auto-enrolment. This is unavoidable and will be covered from HRA contingency in the current year, but budgets will be uplifted to absorb the impact of these changes going forward.
46. Under self-financing, income has assumed paramount importance for the sustainability of the HRA and delivery of landlord services to residents, particularly tenant rents and service charges. Mainstream residential rent debit over the first half-year is tracking fractionally higher than budget (£300k) which is reflected in the Operations division outturn. In terms of rent collection, performance is 98.96% at week 26, which is below the budget target (100%), but shows some resilience despite the generally weak economic conditions and impact of the social sector size criteria changes, and represents improvement at the same point over the last two years. However, risks remain given the impending impact of the wider welfare reforms and uncertainty over government funding for discretionary housing payments beyond the current year, which could be detrimental to collection and arrears. Notwithstanding this, the HRA maintains adequate provisions to meet potential shortfalls of this nature in the event.
47. Homeowner service charges represent the second largest income stream to the HRA and are fully recoverable under the terms of their lease in order to prevent cross-subsidy from tenants. The value of rechargeable capital works is intrinsically linked to the housing investment programme, but is not linear. The scale of investment and delivery of the WDS, FRA and other programmes has accelerated rapidly in recent years, which was reflected in higher billing in 2013/14, and will be repeated in the current year. £8.8m has been billed to date, albeit the forecast is currently shown as neutral, but will be revised once the second billing run has been finalised. Collection currently stands at £16.3m (including service charge loans), which would suggest a full-year figure of over £32m against a target of £24m.
48. Besides home ownership, the Specialist Housing Services division comprises a diverse range of functions including, tenant management, the commercial and garage portfolios and sheltered housing and temporary accommodation. The latter is particularly problematic for the council, creating a significant budget pressure in the general fund. Notwithstanding efforts to manage homeless

demand down, the use of hostels and estate voids are maximised wherever possible, as a cost neutral means (within the HRA) of mitigating that pressure.

49. The Strategic and Corporate Services activity accounts for over half of the gross HRA and comprises key budgets pertaining to departmental/corporate overheads, financing, RCCO, depreciation, arrears write-offs/provisions and major regeneration projects, the revenue impact of which falls outside the mainstream operational budgets due to their exceptional nature. It also contains the district heating account which is ring-fenced within the HRA and any surpluses/deficits are applied to the heating reserve. There are a number of known pressures and commitments in the pipeline, the extent of which are not all yet fully quantified, but are expected to be contained without recourse to the use of reserves.
50. The ring-fenced nature of the HRA requires that deficits/surpluses are carried forward between years. Earmarked reserves of £23.5m were brought forward, following the application of funds during 2013/14 to meet exceptional expenditure items (primarily the repayment of housing debt). In line with the medium-term resource strategy (MTRS), the level of reserves will be kept under review and maintained at an appropriate level to mitigate future risks, fulfil future commitments already made and enable the transformation and modernisation of services going forward. An estimated £1.8m will be contributed in the current year, based on the current outturn forecast.

Reserves

51. The council retains a level of earmarked reserves and these are reported each year within the annual statement of accounts. These reserves are maintained to fund.
- 'invest to save' opportunities, which form part of the modernisation agenda and are expected to deliver future ongoing revenue savings
 - investment in regeneration and development where spend may be subject to unpredictable market and other factors
 - exceptional items/pressures which are difficult to predict and which are not included in revenue budgets or within the capital programme.
52. As the year progresses, departments will naturally be better placed to more accurately forecast their outturn position. Any unfavourable variances will be offset by favourable ones at departmental level before the need to call on reserves.
53. Where a department identifies a need for additional funding there is a robust process for seeking support from reserves. The department must demonstrate that they are unable to contain the identified additional pressure within their existing budget, or provide evidence of prior agreement that the expenditure will be met from reserves.
54. A total of £3.643m has been drawn down from reserves to date during 2014/15, as follows

Department	Reason for movement	£'000
Children's and Adults	Transfer from social care demand pressures reserve to support 2014/15 budgets	1,840

Environment and Leisure	Technical release of reserve related to the smoothing of costs over the life cycle of the waste PFI project	1,608
Environment and Leisure	Funding of additional night time cleaning and bulky waste pilot from regeneration and development reserve.	145
Chief Executives	Funding of colleague engagement strategy campaign from HR transformation reserve.	50
Total		3,643

55. Additional planned contributions to and from reserves, as reported in this monitor are as follows

Department	Reason for movement	£'000
Chief Executives	To fund ongoing schemes in children's services training	412
Total use of reserves		4,055

56. This gives a total net movement from reserves in 2014/15 of £4.055m.
57. Cabinet will be asked to approve this funding support where the amount is £250k or above, all of the above are included within Appendix A.
58. The budget approved by council for 2014/15 included a planned release of reserve of £6.2m. This call on reserves provided some flexibility in terms of budget setting and the savings that the council identified in the Policy and Resources Strategy 2014-17. It is currently assumed that this call on reserves will have to be made in full.

Business rates retention scheme

59. As reported previously the localisation of business rates represented a change to the funding regime for local authorities for 2013/14 and beyond. Under this new funding regime actual retained business rates income will be dependent on the assessed rateable values, effect of appeals and collection rates within the borough.
60. As with any change of this significance there has been uncertainty over the operation of the scheme. This presents significant risk to the council but also some opportunity in the event of an increase in business rate yield that surpasses government targets. Any uncollected business rates, or unfavourable variation from government estimates of rateable values, will impact directly on council resource available and therefore on resources available to fund and to provide services.
61. The business rates retention scheme includes a safety net at 7.5% to protect local authorities from significant reductions in collectable rates. This means that shortfalls from 0.1% to 7.5% will not be protected and will have to be borne by the council.

Collection fund

62. The collection fund covers both council tax and business rate collection.

Council Tax

63. Council tax cash collection continues to perform well when compared to the same period last year. Although, the council's policy on discounts and exemptions has increased the amount of council tax to be collected, the council still expects to meet its collection target for the year. The service is actively pursuing non payers of council tax and is working proactively to assist customers in genuine need of support.
64. The council tax account is estimated to make a surplus of £3.841m, and the council's share is £2.892m. This is mainly because the council tax collectable has increased compared to the estimate when the council tax was set in January, and at the same time the collection performance has been maintained at a level above the previous year. Therefore, income due has increased whilst reducing the cost for bad debt provision.

Business rates

65. The collection rate for business rates is being tracked closely. Previous years' collection and trends are modelled together with intelligence on changes to the net collectable amount through new builds and deletions. Socio economic factors are considered taking into account national issues such as businesses hit by the recession.
66. The council continues to meet with the valuation office agency on a regular basis to understand their approach to managing appeals, although limited information is forthcoming and delays are commonplace.
67. There are many factors that can affect the levels of collection and the council has sought specialist advice to help determine likely volumes of income from retained business rates. The complexities of projecting the year end position and future years budgetary income have been highlighted by the advisors who continue to work with us to determine reasonable estimates.
68. Part of the Financial Risk Reserve has been set aside to help protect the council from the risks inherent in the new funding system and especially risks underlying business rate retention.
69. It is not uncommon, that when a new property is valued by the valuation office, the owners appeal against the valuation. This is then referred back to the valuation office for review. While the review is being undertaken, the owner pays business rates based on the original valuation. If the appeal is upheld, the valuation will be reduced, and bills / business rates income will be adjusted accordingly, back to the date of appeal.
70. Before 2013/14 the government held the responsibility for business rate appeals. The government managed the impact of these appeals by limiting the amount of NNDR redistributed to local authorities.
71. At the time of local authorities taking responsibility for business rates, they also inherited pre 2013/14 appeals, for Southwark this amounts to some £31.4m (Southwark's 30% share being £9.4m), some of which dates back as far as

2005. No resources were given by the government to meet the reduced income if these appeals are upheld by the valuation office. The only concession given by the government was that local authorities would be able to spread the cost of these appeals over five years.

72. The affect of the appeals has an effect on the collection fund, At quarter two, the NNDR account is estimated to make an "in year" surplus of £7.880m (Southwark's share £2.364m), this becomes a deficit of £3.281 Southwark's share £984k) after accounting for the impact of NNDR appeals and its backlog.
73. The increase in the in year surplus and reduction in the overall deficit position is because the value of the outstanding appeals has reduced, and as result less provision is required

Business Rate Supplement

74. Along with other London boroughs, the council collects a business rate supplement (BRS) of 2p on non domestic properties with a rateable value over £55,000, which is to help pay for the Crossrail project. The BRS is collected on behalf of the GLA, for whom the council acts as a collecting agent. Because of this, the income collected and the associated costs of collection have no impact on the council's finances.

Treasury management

75. The council holds its cash in money market instruments diversified across major banks and building societies and in bonds and bills issued by the UK government or supranational entities (such as the European Investment Bank and the International Bank for Reconstruction and Development (the "World Bank"). The investment priorities are capital preservation and liquidity and the investments themselves are managed by an in-house operation and two investment firms: Aberdeen Asset Managers and AllianceBernstein. Over the half year to September 2014 the sum invested averaged £223m and as at 30 September 2014 stood at £213m. The balance with each counterparty and the maturity profile are set out in the tables below. Investments are liquidated as needed to meet spending.

INVESTMENT COUNTERPARTY AND RATINGS - 30 SEP 2014									
EXPOSURE £m	FUND				Ratings				
	Aberdeen	Alliance Bernstein	In-House	£m	Long	Short	Sup- port	Sovereign	Sovereign Rating
NORDEA BANK FINLAND	6.50	-	-	6.50	AA-	F1+	1	FINLAND	AAA
CREDIT INDUST ET COMRCL	3.50	-	-	3.50	A+	F1	1	FRANCE	AA+
SOCGEN	-	1.20	6.30	7.50	A	F1	1	FRANCE	AA+
BANQUE NATIONAL DE PARIS	3.50	2.00	15.00	20.50	A+	F1	1	FRANCE	AA+
DEUTSCHE BANK	-	2.00	-	2.00	A+	F1+	1	GERMANY	AAA
RABOBANK	1.10	2.00	-	3.10	AA-	F1+	1	NETHERLANDS	AAA
ING BANK	3.40	2.00	15.00	20.40	A+	F1+	1	NETHERLANDS	AAA
ABN AMRO BANK	3.50	2.00	-	5.50	A+	F1+	1	NETHERLANDS	AAA
EUROPEAN INV BANK	7.00	6.50	-	13.50	AAA	F1+	0	SUPRANATIONAL	AAA
INT BANK RECONST DEVT	3.50	6.80	-	10.30	AAA	F1+	0	SUPRANATIONAL	AAA
SVENSKA	-	-	15.00	15.00	AA-	F1+	1	SWEDEN	AAA
SKANDINAVISKA	3.30	2.00	-	5.30	A+	F1	1	SWEDEN	AAA
CREDIT SUISSE	3.50	2.00	-	5.50	A	F1	1	SWITZERLAND	AAA
UBS	3.50	2.00	15.00	20.50	A	F1	1	SWITZERLAND	AAA
NATIONWIDE BSOC	3.30	2.00	5.00	10.30	A	F1	1	UK	AA+
RBS/NATWEST	-	-	10.00	10.00	A	F1	1	UK	AA+
SANTANDER UK	1.50	-	-	1.50	A	F1	1	UK	AA+
UK TREASURY	-	18.10	-	18.10	AA+	F1+	0	UK	AA+
BARCLAYS BANK	-	-	15.00	15.00	A	F1	1	UK	AA+
LLOYDS BANK	-	-	15.10	15.10	A	F1	1	UK	AA+
BNY MELLON	0.10	-	-	0.10	AA-	F1+	1	US	AAA
BANK OF AMERICA	3.50	-	-	3.50	A	F1	1	US	AAA
TOTAL	50.7	50.6	111.4	212.7	A	F1			

* Refers to Fitch Ratings or equivalent

INVESTMENT MATURITY PROFILE AND LONG TERM RATING - 30 SEP 2014				
Yr Band	A	AA	AAA	Grand Total
Up to 1 Yr	70%	13%	4%	87%
1-2 Yrs		1%	4%	5%
2-5 Yrs		5%	3%	8%
Grand Total £m	70%	19%	11%	100%

Rating	Definition
AAA	Highest credit quality
AA+/AA/AA-	Very high credit quality
A+/A/A-	High credit quality
F1+/F1	Highest short term credit quality; strongest capacity for timely payment (+donates exceptionally strong credit feature)
1	Extremely high probability of support, if it were needed
Ratings issued by Fitch or equivalent (The UK government and its treasury bonds are rated AA+ by Fitch, Aa1 by Moody's and AAA by Standard & Poor's)	

76. The part year return on investments in the six months to September 2014 was 0.32%, reflecting the prudent strategy and the central bank liquidity still in place to support financial markets and growth following the 2007 financial crisis. Base rates have remained unchanged at 0.50% since 2009 and no rise is expected until mid-2015.

77. The balance outstanding on loans taken from the Public Works Loans Board (PWLb, the local authority lending arm of the government) to fund past capital spend at the end of September 2014 stands at £472m (£101m General Fund and £371m HRA). £5.7m General Fund loans fall for repayment in 2014/15, of which £2.5m fell due in April 2014. The repayment will be met out of the annual provision for debt repayment (the minimum revenue provision). No HRA loans fall due until 2018.

78. The Local Government Association (LGA) has begun raising funds to develop a municipal bond agency. Some 37 local authorities expressed an interest in providing some £4m capital to help launch the agency's first bond issue in March or April 2015. The LGA itself is contributing £500,000. The council's own contribution is £200,000 and of this £60,000 has so far been drawn by the agency. The agency is going to carry out further fund raising ahead of its bond issues, but the council's contribution will remain capped at £200,000. The agency offers the prospect of less expensive borrowing and an alternative to the PWLB which currently dominates local authority lending. However any borrowing Southwark itself needed in the future would be from whichever source was the best value.

Community impact statement

79. This report monitors expenditure on council services, compared to the planned budget agreed in February 2014. Although this report has been judged to have nil or a very small impact on local people and communities, the projected expenditure it is reporting reflects plans designed to have an impact on local people and communities. Community impact was considered at the time the services and programmes were agreed. It is important that resources are efficiently and effectively utilised to support the council's policies and objectives.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Policy and Resources 2014/15 to 2016/17: cabinet 28/01/14	160 Tooley Street PO Box 64529 London SE1P 5LX	John Braggins 020 7525 7489
Link: http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&MId=4554&Ver=4		
Revenue monitoring report for Quarter 1, 2014/15, including Treasury Management	160 Tooley Street PO Box 64529 London SE1P 5LX	John Braggins 020 7525 7489
Link: http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&MId=4862&Ver=4		

APPENDICES

No.	Title
Appendix A	Budget movements to be approved, £250,000 and above and movements to be noted.

AUDIT TRAIL

Cabinet Member	Councillor Fiona Colley ,Finance, Strategy and Performance	
Lead officer	Duncan Whitfield, Strategic Director of Finance and Corporate Services	
Report author	Jennifer Seeley, Deputy Finance Director	
Version	Final	
Dated	6 November 2014	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Director of Legal Services	No	No
Strategic Director of Finance and Corporate Services	N/a	N/a
Cabinet Member	Yes	Yes
Date final report sent to constitutional team		6 November 2014

Budget movements

APPENDIX A

Interdepartmental movements to be approved for Quarter 2-

Department from	Amount £'000	Department to	Amount £'000	Reason
N/a	N/a	N/a	N/a	N/a

Movements in reserves to be approved for Quarter 2-

Department from	Amount £'000	Department to	Amount £'000	Reason
Appropriations	(1,840,000)	Children's and Adults services	1,840,000	Transfer from social care demand pressures reserve to support 2014/15 budgets
Appropriations	(1,608,000)	Environment and Leisure	1,608,000	Technical release of reserve related to the smoothing of costs over the life cycle of the waste PFI project

Interdepartmental movements to be noted for Quarter 2-

Department from	Amount £'000	Department to	Amount £'000	Reason
F&CS	(172,000)	Environment and Leisure	172,000	Transfer of London Living Wage (LLW) budgets for cleaning contract from central budget
F&CS	(46,000)	Environment and Leisure	46,000	Transfer of LLW budget for grounds maintenance contract from central budget
Chief Executive's	(82,258)	HCS	82,258	Transfer of Housing initiatives to H&CS

Movements in reserves to be noted for Quarter 2-

Department from	Amount £'000	Department to	Amount £'000	Reason
Appropriations	(145,000)	Environment and Leisure	145,000	Funding of additional night time cleaning and bulky waste pilot from regeneration and development reserve.
Appropriations	(50,000)	Chief Executive	50,000	Funding of colleague engagement strategy campaign from HR transformation reserve.

Item No. 16.	Classification: Open	Date: 18 November 2014	Meeting Name: Cabinet
Report title:		Quarter 2 Capital Monitoring for 2014/15 and Capital Programme Refresh for 2014/15-2023/24	
Ward(s) or groups affected:		All	
Cabinet Member:		Councillor Fiona Colley, Finance, Strategy and Performance	

FOREWORD – COUNCILLOR FIONA COLLEY, CABINET MEMBER FOR FINANCE, STRATEGY AND PERFORMANCE

This quarter’s capital monitor provides, as usual, an update and progress report on the delivery of our £2 billion 10 year capital programme. Within the report you will find an update from each department covering their projects.

This quarter we are also making some significant variations to the programme and I’d like to highlight some of these.

The first, and largest value variation, is to approve £63m over the next 16 years as Southwark Council’s contribution to the transport improvements at Elephant & Castle. This £63m is anticipated to be covered by s106 and Community Infrastructure Levy contributions from developments. It sits alongside a contribution of £8.5m from the GLA and £82m from TfL. Considering that in 2010 we were repeatedly told that TfL would be unable to contribute a single penny towards these transport improvements I am delighted to recommend that the council enters into this funding agreement and that we will be moving forward with the transport improvements needed to support the regeneration of the neighbourhood.

I am also recommending an increase in the housing investment programme of £41.4m. This includes the finances required to refurbish and relet Lakanal House. This follows extensive consultation with local residents on the Sceaux Gardens Estate about the future of the building.

Revitalise Peckham Rye is a project which will significantly upgrade the play and sports facilities in Peckham Rye Park and Common. Over the last few months of consultation and in depth consideration of the proposals by officers and members it has become clear that it would make sense to increase the scope and scale of the project and as such I am proposing that Cabinet increases the budget for the project from £1.92m to £4.02m. Our vision is to provide:

- a modern, fit for purpose playroom to replace the 1940s prisoner of war hut currently used
- football changing rooms which meet Football Foundation standards and are located closer to the football pitches
- a large, high quality playground appropriate for one of our largest parks which serves neighbourhoods where there have been substantial increases in the number of children

- a more appropriately located car park and the removal of contaminated ground from the park.

These recommendations also give the go ahead to invest £2m in Seven Islands leisure centre for the refurbishment works needed to keep the centre operational until a new Canada Water leisure centre is built as highlighted in the Regeneration in Canada Water report elsewhere on the agenda.

The final significant variation is the creation of a £1m programme for acquisition of properties in order to progress regeneration projects and enable the council to take advantage of the opportunities that arise from time to time to acquire properties to enhance our existing property portfolio. Any purchases made will be reported back to Cabinet via these quarterly capital monitoring reports.

RECOMMENDATIONS

That cabinet:

1. Notes the general fund capital programme for the period 2014/15 to 2023/24 as at quarter 2 2014/15, as detailed in appendix A and D.
2. Notes the housing investment programme for the period 2014/15 to 2021/22 as at quarter 2 2014/15, as detailed in Appendix B
3. Approve the variation to the general fund capital programme of £63m towards the £154.1m strategic transport improvements projects to be carried out by TfL at Elephant and Castle by securing funding from new developments in the area, as detailed in paragraphs 81-89 and
 - agree to make a commitment to provide fixed yearly payments to TfL totalling £63m from 2015 to 2030 as detailed in paragraph 88 and
 - agree to enter into a formal deed with TfL/GLA to give affect to this and also to agree the principle of entering into a deed with the GLA and TfL for these purposes and to delegate the completion of the legal agreement to the strategic director of finance and corporate services.
4. Approve the variation to the housing investment programme of £41.4m as reflected in paragraphs 109-116 including the redevelopment costs of Lakanal House agreed by the Housing Investment Board and described in paragraphs 111-114.
5. Approve the revised budget of £4.02m for the enhanced Revitalise Peckham Rye capital project and vary the general fund capital programme once the internal and external funding sources are confirmed, as explained in paragraphs 101-104.
6. Approve the variation to the general fund capital programme to give a capital budget allocation for Seven Islands leisure centre of £2m for on-going refurbishment works and note the recent announcement by the council on the proposals to build a new leisure centre at Canada Water, as reflected in paragraph 70.

7. Approve the variation to the general fund capital programme of £1m for acquisition of properties in order to progress regeneration projects and enhance the property portfolio, as described in paragraphs 90-91.
8. Approve the virements and funded variations (including those in recommendations 3, 4, 6 and 7 above) to the general fund and housing investment capital programme as detailed in Appendix C.
9. Approve the re-profiling of the projected expenditure for 2014/15 and future years for both the general fund and housing investment programmes as detailed in Appendix A, B and D, note the resources available for the capital programme based on latest information available at quarter 2 2014/15, and also note that a further detailed profiling of expected expenditure will be undertaken at quarter 3.
10. Note the recent internal audit report and the enhanced monitoring required as described in paragraphs 140-143.

BACKGROUND INFORMATION

11. The scale of the capital programme being managed within the council is immense and with a total forecast spend of nearly £2 billion the capital programme represents a major element of the council's financial activities. It has a significant and very visible impact on the borough and hence on the lives of those who live, learn, visit and or do business in the borough.
12. The quarter 1 2014/15 capital monitor report indicated that expenditure of £5.8m had been incurred on the general fund capital programme against a budget of £90.2m. This represented a spend of 6.4% to budget as at quarter 1 and a favourable variance of £15.6m was projected against the budget for the year at that point.
13. The quarter 1 2014/15 capital monitor report also reflected a spend of £27.4m on the Housing Investment Capital programme against a budget of £187.8m which represented a spend 14.6% against the budget for the year.
14. Due to the size and scale of the capital programme and the number of projects involved, it is inevitable that unforeseeable delays can occur which lead to some variations against planned spend. Historically the capital programme has been over programmed in year to compensate for these variations, whilst retaining a balanced programme overall.
15. The capital programme is subject to on-going review by service managers and the quarter 1 2014/15 capital monitor report approved budgets to be re-profiled in line with the projections for 2014/15 and future years. Some of the expenditure forecast will need to be updated as the capital schemes progress through the year and it is expected that further re-profiling of budgets will occur at quarter 3 of 2014/15.
16. This report sets out the current profiled budget and forecast outturn position for 2014/15 for the General Fund and the Housing Investment Programme (HIP).

KEY ISSUES FOR CONSIDERATION

General Fund Capital Spend

17. The quarter 2 capital monitor report indicates that expenditure of £22.5m incurred at quarter 2 against a budget of £96m for 2014/15 showing a spend of 23% to budget on the general fund capital programme. The total projected spend for 2014/15 is £83.1m. The summary position and the programme details by departments are reflected in Appendices A and D respectively.

Housing Investment Programme Spend

18. The total budgets on the Housing Investment Programme for 2014/15 is £213.2m and the expenditure incurred at quarter 2 is £50.9m, indicating a spend of 24% to budget. The total projected expenditure for 2014/15 is £188.6m. The majority of the expenditure on the Housing Investment Programme relates to the numerous works on the Warm, Dry and Safe programmes which is forecast to spend £90m in 2014/15. Details of the schemes and budgets within the Housing Investment Programme are reflected in Appendix B.

Resource implications

19. The council's capital resources are comprised of the following:
- capital receipts from disposal of property
 - grants
 - external contributions
 - section 106 contributions
 - housing major repair reserve
 - contributions from revenue
 - contribution from reserves
 - internal borrowing
 - external borrowing.
20. The capital programme is influenced by resource timing and availability. Over the life of the programme, all commitments must be met from anticipated resources. The final funding requirement will be based on the final actual expenditure, and will seek to maximise the use of grants and other funding sources, prior to the use of capital receipts. Regular monitoring and formal reporting regulates the programme and mitigates cash flow and funding risks and officers undertake regular reviews as part of the process for preparing quarterly monitors to assess income to date, forecasts and changes.
21. Each department forecasts its programme as accurately as possible to minimise the need for re-profiling. Where this does occur, the requirement is flagged as early as possible and budgets re-profiled in line with anticipated spend. Given the general complexity of capital projects, it is common to see some variation in the profile of the actual programme against the forecast. The impact of this is mitigated through regular formal monitoring, departmental reviews and access to a resource base wide enough to cope with change.
22. In developing and managing its capital programme the council has to maintain clear control on the selection and use of resources to finance capital expenditure. Strategies for investments, borrowing and treasury management facilitate this control and assist the council to have clear strategic direction on its use of resources, to identify new resources or to make changes to the use of resources at an organisational level as projects complete or new projects appear.

Section 106 and Community Infrastructure Levy (CIL)

23. The 2014/15 quarter 1 report to cabinet explained Section 106 (S106) agreements, otherwise known as planning obligations, and the Community Infrastructure Levy (CIL) as two of the sources for funding the capital programme.
24. A draft charging schedule was published in April 2013 for the CIL, followed by consultation. The council is working towards an end of 2014 adoption date for its own CIL. The capital programme will be subject to future refresh and pending finalisation of the charging schedule for CIL this may be used to support appropriate schemes.

New Homes Bonus

25. The 2014/15 quarter 1 report explained the use of New Home Bonus (NHB) in funding the council's capital programme. The cabinet decision of 21 June 2011 agreed that all NHB not committed to the revenue budget should be allocated to corporate resources to fund future capital expenditure.
26. However, the council's budget setting process for 2014/15 committed the full 2014/15 NHB amounts to revenue and there are also some changes expected in the amount the council receives from the New Home Bonus Scheme. These changes will be identified as part of the future revenue budget setting process and any resulting impact on the capital programme will be reflected in the capital monitoring reports.

Contributions from Earmarked Reserves

27. The quarter 1 report explained the use of the three reserves which have relevance for funding the capital programme and these are outlined below:
 - modernisation reserve supports one-off expenditure or multi-year projects designed to modernise and further improve the operational efficiency of Southwark's service provision.
 - the regeneration and development reserve funds one-off expenditure and multi-year projects delivering regeneration and development across the borough. Relevant projects include the Aylesbury Estate Regeneration, Canada Water, and Elephant & Castle Regeneration.
 - compliance and planned preventative maintenance reserve which may be used to support activities upgrading the wider council estate in line with legislative and/or preventative maintenance requirements.

Capital Receipts

28. The council operates a ten-year disposals programme and the planned disposals generate capital receipts which the council can use as a funding source to finance capital expenditure.
29. The disposals programme is subject to ongoing review by officers to mitigate the risk of funding unavailability due to timings or amounts received in year. The capital receipts forecasts together with other sources of funding will be monitored

on a regular basis to ensure adequate funding for the capital programme. In the event that in-year funding generated by disposals is insufficient to meet the level of expenditure, alternative short term sources of funding may need to be accessed or projects deferred or re-profiled. Short term sources of funding include use of earmarked reserves and/or accelerating the disposals programme.

Capital Grants

30. The council uses of a range of grants to fund capital expenditure and the grants tend to be programme or project specific with each grant having some form of conditions.
31. Grants may be provided as a sole funding source, or as one of several funding sources depending on project requirements. In each case, funding conditions are met to demonstrate that grants have been applied for the purposes given and audit trails are maintained.

Resourcing to Quarter 2 2014/15

32. As at quarter 2 2014/15, capital receipts of £17.1m and £17.4m had been received from the general fund and housing receipts respectively for the financial year 2014/15.
33. At the end of quarter 2 2014/15, £22.8m other income had been received including £5.6m of education related grants and £12.9m secured through S106 agreements.
34. The above resources will be monitored and applied as appropriate to schemes in 2014/15.

Programme position at Quarter 2 2014/15

35. Attached at Appendix A is a summary of the general fund programme position as at quarter 2 of 2014/15. This shows a total expenditure budget of £508.6m budgeted over the programme from 2014/15 to 2023/24.
36. Attached at Appendix B is a summary of the housing investment programme position as at quarter 2 of 2014/15. This shows a total expenditure budget of £1,475.3m over the programme from 2014/15 to 2021/22.
37. Appendix C shows the budget virements and variations arising in quarter 2 of 2014/15 for approval by cabinet.
38. Appendix D shows a more detailed view of the general fund programme on individual projects or groups of projects over the period 2014/15 to 2023/24.
39. This programme position will continue to be monitored and reviewed over the remainder of the financial year and the final outturn position will be reported to cabinet.

Departmental Updates

40. The sections below provide commentary on the budget position by departments for 2014/15.

GENERAL FUND (APPENDIX A)

Children's and Adults' Services

41. In summary, the capital programme across Children's and Adults' Services in quarter 1 was £115.7m, with an annual 2014/15 revised budget of £17.3m. A budget variation of £154k is requested at quarter 2 for schools' contribution towards the works programme. Following a thorough review of the primary programme at Rotherhithe, the £6m contingency budget is returned to the SSF capital programme as part of budget realignment across the services. The revised budgets for the Children's and Adults' services total capital programme is now £109.9m and the expenditure incurred this year to date is £5.0m against an in-year forecast of £17.2m.
42. Additional school places and increased scope for works as agreed by cabinet in July 2014 along with detailed site plans and construction inflation has highlighted a potential programme shortfall. The council is negotiating a contribution from the Education Funding Agency (EFA) and academies for expansion at non-maintained schools. Further CIL is likely to be received from now until the potential funding gap occurs in 2016/17 to 2017/18. However, there is a risk that there will be a residual funding gap in each of the years 2016/17 and 2017/18.
43. Officers are currently reviewing all options in an effort to reduce this shortfall including exploring alternative funding sources from the EFA, s106/CIL and academies. The expenditure profile for the period 2014-18 is being reviewed to reflect the refreshed primary expansion and condition programme and potential funding shortfall, and this will be updated at quarter 3 of 2014/15.

Children's Services

44. The revised capital programme budget for the period 2014/15 to 2023/24 is now £90.9m with a budget of £13.9m for 2014/15.
45. The expenditure at quarter 2 is £5.0m. The main areas of expenditure are for the September 2014 temporary expansions, rebuild of Southwark Park Primary and permanent expansion at Bessemer Grange and Dulwich Wood, various maintenance projects and refurbishment of youth centres at Damilola Taylor Centre, Brandon and the Blue.

Adults' Services

46. The revised capital programme for 2014/15 to 2023/24 is £19.0m with a budget of £3.6m for 2014/15.
47. To date no expenditure has been incurred and the forecast for the year is £1.5m. The main areas of capital investment during this financial year include major refurbishment of properties and investment in the Centre of Excellence.

Southwark Schools for the Future

48. The revised programme is £43.3m, following the budget realignment process across the services. The annual budget for 2014/15 is £8.2m and the revised forecast expenditure of the programme delivery for 2014/15 is £5.5m.

49. Expenditure of £2.2m has been incurred at quarter 2 and these include expenditure on the Highshore new school and the University Academy of Engineering South Bank (UAESB). In 2014/15, the main areas of change are on the ARK All Saints and Highshore School co-located scheme with the lease payment for Highshore School expected in 2015/16. The Southwark Inclusive Learning Service (SILS) KS3/4 contract is now under review for a mutually agreed termination and an update will be provided in the next quarter report. The refurbishment of the new UAESB opened in September 2014.

Finance and Corporate Services

50. The capital programme of this department focuses on two key areas: information technology infrastructure projects and premises improvements to council buildings.
51. The departmental capital programme stands at £57.6m. The budget for 2014/15 stands at £11.3m with spend and commitments to date of £2.7m recorded at the end of quarter 2.
52. The council's information technology managed service supplier is delivering a series of core enabling projects to modernise provision of IT services. Within the agreed budget of £5m for the upgrade of the infrastructure and enabling core works, £3.4m was spent in 2013/14 with the remaining £1.6m on target to be delivered in 2014/15. In addition to this project work, the capital programme now includes a £1m per annum information technology planned maintenance service scheduled to commence during 2014/15 financial year.
53. The project to implement Corelogic which is an electronic social care system replacing CareFirst commenced in 2014/15 and spend is expected to be just under £1m at £977k.
54. The capital programme for Corporate Facilities Management (CFM) includes an annual £2.75m budget for planned preventative maintenance together with a £10.25m budget to address future FM capital requirements. These budgets reflect the anticipated cost of completing a comprehensive planned preventative maintenance and compliance programme for the assets and fabric of the operational estate. The forecast spend on planned preventative maintenance for 2014/15 is £700k. While this is significantly less than the current profiled budget, this reflects the fact that expenditure will develop as a result of decisions to target this capital investment in the operational estate to preserve both its utility and asset value over a period of at least ten years. To support this a programme of new asset and condition data for the operational estate is near completion which will inform a fully developed 1 to 3 year programme starting in 2015/16 and provide an indicative programme for the remaining years. Therefore it is expected that the current budget profile will be updated as this more detailed programme is developed.
55. The council also continues with its programme of work to its front line council buildings to ensure that they meet the requirements of the Disability Discrimination Act. It is anticipated that this work will be funded through a combination of corporate resources and reserves.
56. Following the major fire in March 2013 at the Walworth Road Town Hall work has been undertaken to secure, protect and prepare this historic listed building for the longer term aim of reinstatement and delivery of a new facility. Initially,

costs for this stage were estimated at £2.7m and reported in the 2013/14 capital outturn report of which £1.7m was incurred in 2013/14. The current forecast to complete this work is now estimated at £4.1m, an increase of £1.4m. This increase can largely be accounted for by the fact that the council is able to complete more works during this phase that will contribute to the reinstatement which is not expected to formally start until January 2016. Spend for 2014/15 is forecast at £1.8m, leaving a further £0.6m in 2015/16 to complete the pre-statement phase.

Environment & Leisure

Summary

57. The total value of the departmental capital programme for the period 2014/15 to 2023/24 at quarter 1 was £151m. It is recommended that the programme be reduced by £6m to reflect the change of proposals for works at Seven Islands leisure centre (as explained below at paragraph 70) The Departmental Capital Review Board continues to scrutinise the forecasts of all projects and their profiling at end of each quarter to check their robustness and arrive at a more realistic estimate of expenditure for the year. As a result, the projected spend for the year is estimated to be £26m against the latest capital budget for 2014/15 of around £28.4m. The overall net variance which arises from re-profiling of the expenditure is proposed to be carried forward into 2015/16 and budgets will be re-profiled at quarter 3.
58. The progress of major schemes is outlined below.

Public Realm

59. The non-principal road programme is anticipated to spend its full allocation for the year of £5.4m. The aim for this year is to build capacity within both the client and contractor teams and to develop a three year programme for agreement with the portfolio holder before March 2015.
60. It should also be noted that a three year programme of investment in borough roads and footpaths valued at £21m has recently been agreed by the Cabinet Member for Regeneration, Planning and Transport. The Asset Management approach set out in the report ensures the use of a range of targeted permanent repair mechanisms which will elongate the life of the asset at reduced cost compared to a 'worst first' maintenance approach."
61. The expenditure in 2014/15 for cycling infrastructure will be limited due to the development of the new borough cycling strategy, agreed for consultation at October 2014 cabinet and expected to be adopted in spring 2015.
62. The implementation of the cemetery strategy continues to create further burial spaces and make associated infrastructure improvements. The cemetery burial strategy spend forecast has been reduced from £1.1m to £957k as a result of the delays in commencing the detailed consultations on new burial areas. The consultations will now be completed by March 2015 and works will start in 2015/16. The expenditure for 2014/15 will also include refurbishment of the cemetery lodges and replacement of cremators.
63. The expenditure in 2014/15 for the Parks Infrastructure & Investment Programme and the Burgess Park Revitalisation Project is on track. There are

some emerging budget pressures and officers are currently reviewing future years plans with a view to bring forward some urgent Health and Safety works. Similarly for the Burgess Park, proposals are being considered to fund preparatory works for the southern entrance project. A request to re-profile the budgets will be considered at the next quarter when more accurate information will be available on costs.

Culture, Libraries, Learning & Leisure

64. The £500k refurbishment of Peckham Library will commence with works to the roof and other vital major works this year. The lifts will be replaced in 2015/16.
65. Works to bring Southwark Athletics Centre back into use will commence by December 2014. Planning permission has been granted and a contract awarded for refurbishment of the athletics facilities. The planning and consultation has started for the pavilion work to commence in 2015/16 and the budgets have been re-profiled to reflect the phased implementation of the project.
66. A phased approach is being taken to the investment of £2.3m in Peckham Pulse of which £300k was incurred in 2013/14. Phase one works have been completed in June 2014, including a new boiler and new air conditioning systems for the gym. Project management has been secured and work has started. Phase two will include works on the spa suite, café and reception areas, all of which need upgrading or replacing, and these will be delivered in 2015/16.
67. Investment in self service technology is a key component of the libraries modernisation programme and installation of such equipment is essential in supporting the savings agreed in the libraries review. RFID (Radio Frequency Identification) has been implemented at Blue Anchor Library. Equipment for RFID for Camberwell will be purchased later this year. The Newington temporary library at Elephant and Castle was opened on 30 September 2014 and more than 50% of the forecast spend of £1.2m has been invoiced.
68. The Thomas Calton Centre refurbishment of £551k was delayed due to planning application issues. The project team has now been assembled and works will commence during autumn 2014. The works are to address longstanding maintenance issues to the roof and fabric of the building.
69. The allocation of £1.5m for legacy funding phase 2 in the capital programme will enable further improvements to the sport and physical activity infrastructure in Southwark. Officers are preparing an IDM report which will make recommendations on allocating funds to individual projects and it is anticipated that most of the spend will occur in 2015/16.
70. The recent announcement of the plans to provide a new, state of the art leisure centre at Canada Water has led to a review of proposals for works at Seven Islands leisure centre. In view of this, a sum of £2 million will be invested in Seven Islands over the next two years to ensure its continued use pending the opening of a new facility at Canada Water. These works will be in place of a full refurbishment of the centre which no longer represents good value for money now that a new centre is planned. Elsewhere on the cabinet agenda, there is another report on the Regeneration of Canada Water which amongst the overall plans, include the proposals for building a new leisure centre at Canada Water that will need to be considered within the council's capital programme once the plans are progressed.

71. Appendix C of this report requests approval to vire £68k budget from Leisure Centre Lifecycle Maintenance budget to fund minor variances in various projects of the division during the year 2014/15.

Community Safety & Enforcement

72. The Housing CCTV refresh programme covered CCTV systems on 19 housing estates that fell within the priority crime areas identified by crime analysis data prepared in August 2012. The installations have been completed and the unit has undertaken a formal programme of testing and certification effectively bringing, in the main, this phase to a close.

Housing Renewal

73. The majority of the renewal area projects from the original project plan have been completed, with the exception of the home security initiative which is currently going through the procurement strategy (gateway one) process. Brayards Road Improvement Zone group repair will be the final housing group repair project undertaken and residual renewal area budgets are currently being amalgamated to fund this project. Consultants have been selected following the tender process and the gateway two to confirm their appointment should be approved by the end of quarter 3. The procurement process will take place next for contractors to undertake the building works at Brayards Road with an anticipated start on site in December 2014.
74. The statutory Disabled Facilities Grant (DFGs) annual budget of £1.5m includes an annual subsidy of approximately £460k. This subsidy has been transferred from central government to the better care fund managed by Adult Social Care services who will transfer the funding to the team. DFG's are used to fund a variety of adaptations such as wet-room installations, through floor lifts, hoists and stair-lifts.
75. The new housing renewal policy has marked a shift in housing renewal assistance from grants to loans, which although have a longer lead in and processing time, means assistance will ultimately be returned to the capital budget which can then be recycled. It is expected the majority of spend on repair grants and loans will take place between October 2014 and March 2015.

Environmental Services

76. The £1.5m budget for planning related costs which may be payable to TfL (subject to results of road traffic surveys) has been re-profiled into 2015/16 to improve the forecasting validity of the monitor. The business unit has not had a request from TfL for any mitigation works and should it receive such a request in the near future, the lead times in drawing any rectification programmes and actually implementing them are unlikely to fall in this financial year.
77. The second survey was submitted in October 2012 and if the GLA request a third survey, the potential liability will remain for a further five years after the date of the survey.
78. The installation of a photovoltaic array on the roof of the Old Kent Road integrated waste facility is at an advanced stage with the panels currently in transit and expected to be completed by November/December 2014. The array

is expected to produce a projected 485,000 kWh per year, which will generate an initial £31k a year for the council through government subsidies, rising to £41k later in the lifetime of the array. It will also contribute projected carbon savings of 258 tCO₂ per annum.

79. The decision was taken last year to end the council's participation in the SALIX loan fund scheme. With internal capital funding of £250k a year available, the council is free instead to invest in energy saving projects that have significant financial and carbon benefits but previously may have been outside SALIX project compliance. Proposals are currently being drawn up by the energy team and CFM to deliver a pipework insulation programme across various buildings within the operational estate. In addition, feasibility studies are being undertaken at Kingswood House and Wilson Road with a view to investing in required modernisation of heating systems.

Chief Executive's Department

80. The capital budget for the department over the 2014/15-2023/24 period has increased from £85m to £149m since the quarter one monitor was presented to cabinet. This budget increase of £64m is a combination of £63m S106 and Community Infrastructure levy (CIL) to deliver strategic transport improvements projects in Elephant and Castle as part of the wider regeneration of the area, and £1m for the acquisition of properties in supporting the regeneration projects and both of these are explained below.

Strategic Transport Improvements at Elephant and Castle

81. The council is committed to securing funding from new developments to fund strategic transport improvements projects in the Elephant and Castle to unlock and support the regeneration of the area including the provision of over 4,000 new homes and new fit for purpose underground station. The provision of improved public transport and public realm is an integral part of the regeneration of the area and is an objective that the council has supported for many years.
82. The package of investment which has been agreed with TfL and GLA includes the provision of a new Northern Line station with escalators and the "peninsularisation" of the northern roundabout including removal of subways and provision of new public space. These improvements are in line with the council's vision for the areas and will transform the centre of the Elephant and Castle. The total baseline project costs for these works is now estimated to be £154.1m by TfL. The council's contribution towards the overall cost is capped at £63m to be funded from S106 of £48m and borough wide Community Infrastructure Levy of £15m. The GLA have agreed to underwrite financing costs and make a total contribution of £8.5m. The remaining funds of £82m are to be met by TfL. The risk of potential overspend on the overall project will be covered by TfL.
83. The Northern Line station improvements will need to be coordinated closely with the redevelopment of the Elephant and Castle shopping centre and this could create opportunities for economies of scale and reduction in project costs. In circumstances where this occurs it has been agreed that the GLA would be reimbursed for project finance costs and thereafter any savings would be apportioned between the three parties based on their percentage share of the baseline budget.
84. Planning committee has already released over £1m of S106 funds towards this

project and further funding from other S106 and Lend Lease S106 agreements are expected in the coming years towards the funding once approved by planning committee. Additional funding from future Southwark CIL will also be available, subject to cabinet approval to release the funds each year.

85. As TfL is responsible for the overall financial management of the project, the council will make defined annual payments to TfL at year end, from the capital programme, which is expected to be funded from existing and future S106 and southwark CIL funds.
86. Whilst the overall cost of the council contribution is expected to be funded from S106 and CIL funds, cash flow implications with regards to the expected income to the council and the payment schedule to TfL(as reflected below) needs to be closely monitored and managed on an annual basis.
87. TfL have undertaken a successful consultation on the highway proposals and further public engagement around public realm issues is scheduled for the end of November 2014. TfL are programming detailed design work to take place over the next few months with a view to commencing works from April 2015.
88. There is therefore now a pressing need to ensure there is funding certainty from all parties to ensure the project moves forward in accordance with the programme and enable TfL to secure internal approvals for the work. The council is therefore being asked to make a commitment to provide fixed yearly payments totalling £63m up to 2030 and to enter into a formal deed with TfL/GLA to give affect to this. Approval is therefore requested from cabinet to agree the principle of entering into a deed with the GLA and TfL for these purposes and to delegate the completion of the legal agreement to the Strategic Director of Finance and Corporate Services.

Proposed Payment Schedule to TfL from council

2015 £m	2016 £m	2017 £m	2018 £m	2019 £m	2020 £m	2021 £m	2022 £m	2023 £m
4.441	4.676	5.465	7.202	2.199	2.213	16.748	6.459	2.830
2024 £m	2025 £m	2026 £m	2027 £m	2028 £m	2029 £m	2030 £m	Total £m	
2.866	2.901	1.000	1.000	1.000	1.000	1.000	63.00	

89. As these payments do not represent an asset within the council's balance sheet, these payments will be treated as REFCUS (Revenue Expenditure Funded from Capital under Statute) for accounting purposes.


Regeneration projects

90. The council maintains an extensive property portfolio for service delivery and investment purposes, and as priorities change then the portfolio needs to respond accordingly. Direct delivery of new housing is a good example of a changing approach to service delivery. Opportunities arise from time to time to acquire properties to enhance the existing portfolio. An example of such a situation is when an adjoining property in the council's ownership comes to the market and merging the two properties creates a more valuable asset than the separate ownerships. Therefore, in order to respond dynamically to such

opportunities, a budget provision of £1m is requested to be added to the capital programme.

91. The environmental improvements arising from acquiring properties which are in poor condition or have significant maintenance or structural issues can assist the council in meeting its cleaner, greener and safer agenda, and can have a positive impact on the locality.

Departmental Summary

92. In 2014/15, the department is currently forecasting expenditure of £26.8m, an upward revision of £3.7m from the quarter 1 report. The increase in the forecast reflects the profiling of additional S106 allocations and follows a review of existing programmes. This is an interim forecast and will be subject to ongoing review throughout the year.
93. The Planning Projects team continues to progress a range of projects across the borough and is making arrangements for project delivery of the newly allocated S106 funds totalling £2.8m for Bermondsey and Peckham and Nunhead. A further report of £1.6m for Rotherhithe was agreed at Planning Committee in October 2014.
94. The Nunhead Green OLF programme is drawing to a close, with the Green improvements officially launched in September. Whilst the programme of OLF funding has come to an end, there will be continued investment through external funding and S106 which the programme has secured.
95. Following the huge success of the Improving Local Retail Environments (ILRE) programme the cabinet approved in March 2014 a budget of £2m to deliver the second phase of the programme. This has been rebranded as  Southwark Shopping! The team is developing criteria and undertaking site evaluations prior to seeking member approval on the site options for investment. This preparatory work is the precursor to the programme actively commencing in 2015/16.
96. Area renewal programmes for Queens Road, Brayards Road and Meeting House Lane are progressing well. Designs for Brayards Road and the surrounding area have been completed in partnership with the Public Realm division and will go out to consultation in the coming months with a view to commencing on site in early 2015. A profile of projects has been drafted for Meeting House Lane and is currently undergoing feasibility checks and initial costings.
97. The delivery of the transport improvements programme reported to Cabinet in quarter 1 2014/15 is progressing with some projects scheduled for completion this financial year. Other projects include the Camberwell town centre scheme and the Lower Road gyratory scheme. Both these schemes are in development with funding from TfL and S106 receipts. Camberwell forms part of TfL's Major Schemes programme with delivery expected in 2015/16. Lower Road is expected to move to public consultation in spring 2015 with delivery in 2016/17 subject to full funding being secured.
98. The council's LIP funding bid for 2015/16 has been submitted to TfL for approval. A number of scheme proposals are for multi year schemes, building on development work in 2014/15. The focus on broad neighbourhood and corridor

schemes that link to parallel work streams continues.

99. The contract for the construction of the new library and plaza in Camberwell was awarded to the LEP (Local Education Partnership) in March 2014. Building work is progressing and the structure is up. The building was 'topped out' in October, a significant construction milestone. The brickwork is due for completion in early October and first floor windows are due to be installed thereafter. Work on the Plaza is due to start from February 2015 with the new library expected to open to public in late spring 2015
100. The department continues to deliver various projects aimed at improving road safety, encouraging greener and sustainable modes of transport in the borough as well as supporting commercial viability of local shopping areas. This is additional to major regeneration projects at Aylesbury, Elephant & Castle and Canada Water.

Revitalise Peckham Rye Project

101. The Revitalise Peckham Rye project was approved by cabinet as part of the quarter 3 2013/14 capital monitoring and capital programme refresh report on 18 March 2014. The programme of works addresses the manifesto pledges of 2010 and 2014 to deliver new changing rooms, a new play area and a new playroom on Peckham Rye and the total budget allocated to the project at that stage was £1.92m
102. The consultation that has taken place between January and May 2014 has identified the following changes:
 - increase in size of the changing rooms to meet Football Foundation standards
 - re-location of carpark from the common to the park, including removal of contaminated ground
 - increased play area footprint.
103. The revised total cost of the project is now estimated at £4.02m and Officers are currently exploring options on funding the additional cost of £2.1m which is expected to be funded from the following sources:
 - unallocated capital resources within the current general fund capital programme.
 - external grants, subject to successful bids
 - capital contingency/reserves.
104. Cabinet is therefore being requested to approve the revised total budget of £4.02m for the Revitalise Peckham Rye project and the general fund capital programme will be adjusted once the above internal and external funding sources are confirmed.

Housing General Fund

105. Then total budget for Housing General Fund for the period 2014/15 to 2015/16 is £3.4m and the forecast spend for 2014/15 is £2.2m and the remaining spend of £1.2m is expected in 2015/16.
106. Springtide Close traveller site is the last of Southwark's four managed traveller sites to be refurbished with support from CLG's 2004 Gypsy and Traveller site grant funding. The final phase of the scheme is on site and due to complete by

the end of 2014/15. This scheme has been delayed slightly by issues on the site, which are now resolved.

107. The current status on Ilderton travellers site is that we are awaiting the outcome of lengthy negotiations between Southwark Legal Services and Network Rail over responsibility for the repairs required to make the embankment wall safe. It is likely that responsibility will be shared, certainly in terms of costs. Although it is difficult to predict the final costs, the spend forecast is expected to be within the current budget at this stage.
108. The Affordable Housing Fund agreement with Guinness Partnership for the development at the Elephant is known as Stead St. The funding of this particular scheme is part of a long-term commitment in the Elephant & Castle area and 84 units on the scheme will be affordable housing units of which 18 will be directly financed by Southwark's AHF and will be available at social rent, with Southwark having 100% nomination rights to the initial lets. The £2.6m from the Affordable Housing Fund is financed from developers' contributions from other developments and the donor schemes are located in the Borough, Bankside and Walworth Community Council area. The scheme has been delayed but has now started on site, with practical completion now expected (in terms of the affordable housing units and release of the second tranche of S.106 funding) in May 2016. This is later than initially anticipated in the AFH funding agreement Guinness Partnership signed with Southwark.

Housing Investment Programme (APPENDIX B)

109. As at quarter 2 2014/15, the total budget of the Housing Investment Programme for the period 2014/15 to 2023/24 has increased by £41.4m to a revised total budget of £1,475.3m.
110. The increase in budgets is mainly due to the following capital bids agreed by the Housing Investment Board:
- LD2 type alarms in leasehold dwellings = £9.6m
 - Four Square (HINE) additional resources = £14.6m
 - Lakanal House Redevelopment – Sceaux Gardens Estate = £16.9m (explained further below).

Lakanal House Redevelopment

111. Lakanal House has been empty since the tragic fire in July 2009. Now that the inquest is over and the Coroner has reported her recommendations, the council is able to consider the future of the block. Extensive consultation has been carried out with the residents on the Sceaux Gardens Estate and there is agreement that the block should be refurbished and the 98 flats let.
112. An innovative scheme has been agreed in principle which will include the refurbishment of the block, new build properties in the vicinity of the block for sale and council rent. It is proposed to sell seven flats on the top floor of Lakanal to help fund the refurbishment.
113. At the same time, two community organisations will be moved from the underutilized shops next to the block, and relocated in the undercroft area of Lakanal House. The vacated shops site will be used for a new build scheme, consisting of seven flats for council rent (including three wheelchair accessible

units), three for shared ownership and 18 for sale.

114. As part of the proposal, the existing boilers in Lakanal House for the estate communal heating scheme will be decommissioned and the estate linked to the North Peckham communal scheme, so reducing ongoing maintenance costs for residents on both estates. There will also be a small programme of works across Sceaux Gardens Estate to improve lighting, refuse collection, parking and a new lift to the TRA hall.

Budget Summary and 2014/15 Forecast

115. All budget variations (including the above) and budget virements are reflected in Appendix C for formal approval by cabinet.
116. The total budget for 2014/15 as at quarter 2 is £213.3m and spend of £188.6m is projected for the year. The section below provides a detailed commentary on the major areas of activity across the various capital projects within the Housing Investment Programme

Warm Dry and Safe

117. An increased spend target of £90m has been set for 2014/15. As with previous years, spend in quarter 2 is steady and is expected to continue to accelerate through year and the spend target forecast to be met. Total expenditure incurred up to quarter 2 2014/15 is £30m against the spend target of £90m for the year. Accurate long term forecasting has proved challenging as the extent of works required to meet the WDS standard is generally higher than the provision made in the programme.
118. The two year programme is now complete. A budget of £76m was available for the two year programme, carry over schemes and the original FRA works within the original WDS budget. The final outturn is expected to be around £79m for delivering these schemes.
119. All the WDS 2012 major works schemes are completed or on site. The agreed costs for the schemes are higher than estimated in the stock condition survey and the WDS contingency fund has been used to meet the budget shortfall of which £38.3m has so far been committed against an original WDS allocation of £14.6m for these schemes.
120. Five of the WDS 2013 major works schemes are committed and a further two schemes expected to be committed in quarter 3 of 2014/15 including Phase 1 of the Aylesbury estate. Acorn works are also now being progressed. £18.9m has so far been committed against an original WDS allocation of £7.4m for these committed schemes (the overall original WDS 2013 major schemes allocation was £30.8m including some brought forward blocks being delivered with these schemes but excluding contingency).
121. Some WDS 2014 major works schemes works were brought forward using the Decent Homes Backlog funding. Currently £45m is committed against an original WDS allocation of £16m for these schemes.
122. The remaining WDS 2014 major works schemes are expected to be committed in 2014/15 along with WDS 2015 major works schemes in half the borough.

123. The trend of schemes requiring more resources than the stock condition survey estimate has continued, meaning that there is no unallocated contingency within the WDS budget to commit the remaining programme and the WDS 2015 budget is now being used to commit projects where they are above the estimated original budget.
124. Following the fairer future promise to deliver a kitchens and bathroom programme, resources will need to be assessed following the Savills report later in the year.
125. There are a number of potential funding streams that can contribute to or reduce the commitment for extra resources for this programme including a bid submitted for Decent Homes Backlog funding in 2015/16 from the GLA (decision expected later in 2014), 'risk pots' in committed projects not being utilised, under spends on projects and programmed works being assessed as not requiring works following detailed surveys.
126. A capital bid to complete the remaining WDS programme is to be submitted to the Housing Investment Board in quarter 3 of 2014, following a review of projected costs against the total funding currently available.
127. Both the Four Squares and Hawkstone WDS/HINE (High Investment Needs Estates) schemes have started on site, with the internals completing at Four Squares. The external packages for Four Squares and Hawkstone have now also started. The main Abbeyfield scheme (Maydew) is now due to start on site in 2015/16. The HINE allocation for Four Squares was increased to £28.7m following structural issues and the scope of works required to complete the scheme.
128. All the remaining WDS district heating schemes programmed up to 2013/14 are now on site. The remaining programmed 2015/16 WDS district heating schemes are being brought forward to start in 2014/15. The ongoing individual and plant boiler programmes require an estimated £5.2m of additional resources to the end of 2015/16 due to the investment required due to the age of the boiler systems. This will form part of the capital bid to be submitted to the Housing Investment Board.
129. All high rise blocks with a substantial risk from the fire risk assessments have been completed as part of the FRA Programme. All the higher moderate risk high rise blocks are also complete except for works being completed to coincide the WDS programme. £2.3m has been allocated to complete substantial medium rise FRA works and these are also being completed in 2014/15 alongside planned WDS works. Sidmouth has also been added to the programme.
130. 2,173 homes fell into non-decency at the start of 2013/14 meaning the Decency level fell from 62.66 % at 2012/13 year end to 56.88%. The decency level at the end of quarter 2 was 59.12%.

Aylesbury PPM

131. Expenditure as at quarter 2 is £2.1m and the total projected spend on the whole range of maintenance works at Aylesbury is £3.7m for 2014/15.

Regeneration Schemes 2014/15

132. The Abbeyfield Estate/Maydew House regeneration programme comprises of three elements:

- Decant of Maydew House – The last leaseholder was bought out in April 2014 and there are 6 remaining tenants. Vacant possession is anticipated by December 2014 but is likely to be achieved by March 2015
- Refurbishment of Maydew House with 5 additional floors added – The additional floors will be units for sale, 49% of refurbished units will also be sold and 17% of the remaining units will be reserved for relet to decants who have opted to return. Planning consent is anticipated by April 2015
- Refurbishment of Thaxted and Damory Houses to decent homes standard
- New build on the Bede Centre site – The centre is to be relocated to the ground floor of Maydew House to enable the redevelopment of its current location. The project will also involve the dismantling of the podium that connects the 3 blocks. Planning consent is anticipated in April 2015 (single application with Maydew).

133. The East Dulwich Estate regeneration programme comprises of four elements:

- Drying Room Conversions - This consists of the conversion of 18 drying rooms in two phases for private sale. Phase 1 was completed in January with 8 of the 9 units created now sold. Phase 2 commenced in February 2014 and completed in August 2014. Four of the units are soon to be marketed
- Badminton House - Refurbishment of an 11 unit block with a drying room conversion making a total of 12 units of which three will be for private sale and the remaining nine for social rent. Works started in July 2014 and are due to complete in June 2015
- New Build - A development of two blocks Gatebeck (9 units) and Southdown (18 units) being delivered as part of the council's Direct Delivery programme. Construction works are due to start on site in January 2015
- Environmental Works – An environmental works programme including health and safety works which are currently underway.

134. The Elmington Estate Regeneration comprises of the following elements:

- The refurbishment works to existing blocks have been completed
- The rehousing of tenants to achieve vacant possession for new build is still on track for Phase 3 with three tenants and 19 leaseholders remaining. It is anticipated that some of the residents will move to the Edmund Street development (Phase 2) which is due to complete in October 2014.
- Landscaping works are currently underway on the Benhill Road Nature Garden and is due to complete in October 2014.

135. The Wooddene Regeneration project comprises of the following elements:

- Disposal of the Wooddene site for redevelopment by Notting Housing Group.
- Diversion of pipe work running across the Wooddene site
- Re-provision of a heat and hot water plant within the Wooddene energy centre to serve the Acorn Estate. Consultants have been appointed and contractor procurement is underway. Start on site is expected in July 2015 and works should complete by June 2016.

- Renewal of the heat and hot water pipe works on the Acorn Estate. Design development will start in 2014/15 with start on site anticipated in 2015/16 and completion in 2016/17.

Direct Delivery Programme

136. The next wave of eleven Hidden Homes is on site with three units due to be completed and handed over by the end of October 2014. The remaining eight are scheduled to complete in early 2015. Phase 2 and beyond is currently being progressed. The programme is being funded through a mixture of S106 funding of approx £700k and GLA Building the Pipeline grant of approx £228k.
137. Phase 1 of the Direct Delivery programme comprising of 9 sites is currently in various stages of development. Construction works at Willow Walk which will deliver 21 general needs housing and a 54 short stay accommodation unit started on site in February 2014 with a scheduled completion date in early 2015. Planning consent has been obtained for all of the remaining sites. Main construction works are scheduled to start on seven sites in early 2015, subject to contract award. The Direct Delivery programme will be funded from various sources including Right to Buy (RTB) retained receipts, S106 affordable housing funding and GLA Building the Pipeline grant of £6m.

Risks on Council's Development and Refurbishment Projects

138. The current capital programmes across all departments relating to development and refurbishment projects are subject to an emerging risk. This relates to the significant overheating of the construction market, particularly in London, in terms of main contractor services, subcontractor capacity and supply of materials. This is impacting directly on both time and cost for projects currently underway. While this is largely out of the councils control the impact on cost and time of current market conditions needs to be given full consideration in both the feasibility and development stages of emerging projects.

Resource Re-profiling

139. The budgets across the capital programme were re-profiled at quarter 1 2014/15 based on the information available at that time. However, due to the size of the capital programme and the number of projects involved, it is inevitable that unforeseen delays can occur leading to some variation against planned expenditure. Some of the forecasts will require further re-profiling as the programme will be subject to on-going review by service managers during 2014/15 and a further re-profile of budgets is expected at quarter 3 in terms of expected spend for the year based on the latest information available on procurement and contract management issues. The re-profiled budgets at quarter 3 will be used to identify the variances on programmes budgets against the 2014/15 outturn position.

Internal Audit report

140. An internal audit has recently been completed of capital funding: planning and budgetary control. The auditors concluded that there were strengths in the quarterly reporting, capital bid process, guidance available to staff and the 10 year capital programme.
141. The auditors highlighted the inconsistent approaches taken by senior

management when reviewing the capital position each quarter before it is reported to the corporate finance team. No formal, consistent processes are in place across departments to monitor the capital position quarterly and meetings between finance officers with capital responsibilities and the various Heads of Services or project officers are not being formally recorded. The ability of the central finance team to perform effective review is impacted due to departments not submitting returns on time.

142. The auditors made the following recommendations which have all been accepted by the council
- A standard approach should be set with clear guidelines as to each party's responsibilities in the process of completing forecasting for capital projects. This should include the detail of information required to be held for each project and the level of management required to sign off each quarter's return
 - The council should undertake a review of the skills of the finance officers involved in the capital projects process, consider providing training for all officers involved and ensure finance areas are covered to assist in attempting to improve the current information being provided
 - Finance officers with capital responsibilities should attend the appropriate departmental meeting where capital projects are reported or receive the monthly update reports compiled for the departmental capital boards meetings as part of the forecasting process
 - All meetings with project managers should be minuted to cover the issues for each capital project and decisions on actions to be taken.
 - The central capital team should monitor the receipt of the departmental capital quarterly returns and report to the appropriate departmental finance manager any failures to meet deadlines.
143. The work to implement the recommendations will be lead by officers from finance and corporate services but will require significant input from project officers across the council. Implementing the recommendations will assist in providing an accurate projected outturn position for the council.

Community impact statement

144. This report describes the current capital position on the council's capital programme. The projected expenditure reflects plans designed to have a beneficial impact on local people and communities, which will be considered at the time the services and programmes are agreed. It is important that resources are used efficiently and effectively to support the council's policies and objectives.
145. Each project within the capital programme will be considered with regard to its impact on age, disability, faith/religion, gender, race and ethnicity and sexual orientation.
146. The council's capital programme is designed to deliver projects of value to local people.

Resource implications

147. This report forms part of the council's budget framework and outlines the current position on the capital programme.

148. Staffing resources are generally contained within the council's current establishments and where additional or specialist resources are needed these will be subject to separate reports.

Legal implications

149. The legal implications of this report are identified in the concurrent report of the director of legal services.

Financial implications

150. This report fully explores the financial implications of the capital programme for the general fund and the housing investment programme at quarter 2 of 2014/15. The report also presents an updated position on the refreshed capital programme over the period 2014/15 to 2023/24 on the predicted resources and expenditure across this period.

Consultation

151. Consultation on the overall programme has not taken place. However, each of the individual projects is subject to such consultation as may be required or desirable when developed. Some projects may require more extensive consultation than others, for example projects with an impact on the public realm. Projects funded by grant or s106 may require consultation as a condition of funding.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Legal Services

152. The council has a duty to maintain a balanced budget throughout the year and, accordingly, members are required to regularly monitor the council's financial position. Section 28 of the Local Government Act 2003 imposes a duty on the council to monitor its budgets throughout the financial year, using the same figures for reserves as were used in the original budget calculations. The council must take necessary appropriate action to deal with any deterioration in the financial position revealed by the review.
153. The Capital Programme satisfies the council's duty under the Local Government Act 1999 which requires it to make arrangement to secure the continuous improvement in the way its functions are exercised, by having regards to the combination of economy, efficiency and effectiveness.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Quarter 1 Capital Monitoring for 2014/15 and Capital Programme Refresh for 2014/15-2023/24	160 Tooley Street, London SE1 2QH	Jay Nair, Senior Finance Manager, Finance and Corporate Services
Link: http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&MId=4862&Ver=4		

APPENDICES

No.	Title
Appendix A	General fund summary monitoring position
Appendix B	Housing investment programme summary monitoring position
Appendix C	Budget virements and variations at quarter 2 2014/15
Appendix D	General fund programme detail

AUDIT TRAIL

Cabinet Member	Councillor Fiona Colley, Finance, Strategy and Performance	
Lead Officer	Duncan Whitfield, Strategic Director of Finance and Corporate Services	
Report Author	Jay Nair, Senior Finance Manager, Finance and Corporate Services	
Version	Final	
Dated	6 November 2014	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Director of Legal Services	Yes	Yes
Strategic Director for Finance and Corporate Services.	N/a	N/a
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team	6 November 2014	

General Fund Capital Monitoring Summary Monitoring Position Qtr 2 2014/15

Department	2014/15				2015/16			2016/17+			Total Programme 2014/15-23/24		
	Budget	Spend to date	Forecast	Variance	Budget	Forecast	Variance	Budget	Forecast	Variance	Total Budget @ 01/04/2014	Total Forecast	Total Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Children's and Adult Services	17,421	5,018	17,267	(154)	52,475	44,603	(7,872)	40,000	48,025	8,025	109,896	109,895	(1)
Southwark Schools for the Future	8,173	2,230	5,523	(2,650)	3,065	4,165	1,100	32,107	33,657	1,550	43,345	43,345	0
Finance and Corporate Services	11,328	2,682	5,676	(5,652)	6,705	6,705	0	39,544	39,544	0	57,577	51,925	(5,652)
Environment	28,415	5,855	25,572	(2,843)	29,322	32,166	2,844	87,723	87,724	1	145,460	145,462	2
Housing General Fund	3,300	1,789	2,260	(1,040)	127	1,167	1,040	0	0	0	3,427	3,427	0
Chief Executive	27,442	4,967	26,808	(634)	33,235	33,869	634	88,297	88,297	0	148,974	148,974	0
TOTAL	96,079	22,541	83,106	(12,973)	124,929	122,675	(2,254)	287,671	297,247	9,576	508,679	503,028	(5,651)
FINANCED BY:													
Corporate Resource Pool	53,924	17,133	47,611	(6,313)	82,083	64,640	(17,443)	199,107	165,403	(33,704)	335,114	277,654	(57,460)
Reserves	4,754	649	1,981	(2,773)	4,019	4,019	0	1,532	2,482	950	10,305	8,482	(1,823)
Revenue	1,850	0	1,850	0	0	0	0	0	0	0	1,850	1,850	0
Capital Grants	22,074	7,808	23,260	1,186	27,635	26,299	(1,336)	32,867	33,017	150	82,576	82,576	0
Section 106 Funds	12,238	2,056	9,989	(2,249)	11,138	13,385	2,247	54,166	54,166	0	77,542	77,540	(2)
External Contributions	1,239	39	1,189	(50)	54	54	0	0	50	50	1,293	1,293	0
TOTAL RESOURCES	96,079	27,685	85,880	(10,199)	124,929	108,397	(16,532)	287,672	255,118	(32,554)	508,680	449,395	(59,285)
Forecast variation (under)/over	0	(5,144)	(2,774)	(2,774)	0	14,278	14,278	(1)	42,129	42,130	(1)	53,633	53,634

Project description	2014/15				2015/16		
	Revised Budget	Spend to date	Forecast	Variance	Revised Budget	Forecast	Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
WDS carry-over schemes	7	0	2	(5)	0	5	5
WDS 2-year programme	2,130	1,128	1,499	(631)	3,470	4,101	631
WDS 2012 major works	17,847	5,072	16,788	(1,059)	3,856	4,916	1,060
WDS 2013 major works	11,254	2,046	11,067	(187)	23,733	23,920	187
WDS 2014 major works	31,242	11,407	37,291	6,049	25,962	19,913	(6,049)
WDS 2015 major works	2,600	76	2,564	(36)	25,400	25,435	35
FRA works	2,192	478	225	(1,967)	1,193	3,160	1,967
Additional FRA Works	2,087	0	2,087	0	2,300	2,300	0
M&E electrical	790	100	120	(670)	967	1,637	670
M&E heating	9,886	3,427	10,060	174	4,767	4,593	(174)
M&E lifts	2,339	1,272	2,066	(273)	773	1,045	272
WDS voids works	4,147	1,720	4,000	(147)	4,000	4,147	147
WDS Leathermarket JMB	746	176	746	0	1,100	1,100	0
WDS Unallocated Budget	1,409	145	2,796	1,387	2,108	721	(1,387)
Housing Stock - New Programme	0	0	0	0	0	0	0
HINE WDS works	4,456	3,714	5,322	866	10,413	9,547	(866)
HINE additional works	29,696	3,288	15,421	(14,275)	14,707	28,982	14,275
Aylesbury Estate PPM works	3,730	2,091	3,730	0	1,149	1,149	0
Aylesbury Estate regeneration	7,547	1,736	7,547	0	8,301	8,301	0
Bermondsey Spa refurbishment	673	73	673	0	75	75	0
East Dulwich Estate	6,094	787	6,094	0	225	225	0
Elmington Estate	3,428	461	3,428	0	446	446	0
Heygate Estate	8,077	3,931	8,077	0	1,017	1,017	0
Hidden Homes	555	0	555	0	0	0	0
Hostels new build	1,465	2,594	1,465	0	1,328	1,328	0
Local authority new build	2,750	41	2,750	0	1,100	1,100	0
Misc regen, acquisitions and home loss	642	198	325	(317)	150	467	317
Direct Delivery - New Council Homes	18,658	1,782	18,658	0	7,980	7,980	0
Adaptations	2,250	858	2,171	(79)	2,000	2,079	79
Affordable housing through commuted sums	704	215	270	(434)	0	433	433
Cash incentive & Home owner buy back	830	69	830	0	232	232	0
Digital switchover	242	29	242	0	0	0	0
Disposals costs	864	65	450	(414)	500	914	414
Energy	200	0	0	(200)	200	400	200
Installation of Sprinkler & Smoke detectors	13,258	8	4,915	(8,343)	7,691	16,034	8,343
Fire damage reinstatement	1,056	475	1,056	0	200	200	0
Group repairs	272	0	100	(172)	0	172	172
Hostels accommodation	384	270	384	0	0	0	0
Leasehold / freehold acquisitions	1,205	0	700	(505)	300	805	505
Major voids	1,663	124	1,251	(412)	1,000	1,413	413
Office accommodation	0	0	0	0	250	250	0
Scheme management costs	1,751	0	0	(1,751)	1,000	2,751	1,751
Security	0	0	0	0	300	300	0
Sheltered accommodation	398	0	398	0	302	302	0
T&RA halls	3,081	1,062	2,671	(410)	2,490	2,899	409
Lakanal House	1,026	0	0	(1,026)	10,467	11,493	1,026
Heating Energy Efficiency Measures	7,651	0	7,834	183	2,100	1,917	(183)
	213,282	50,918	188,628	(24,654)	175,552	200,204	24,652

FINANCED BY:							
Receipts b/fwd	70,186	70,186	70,186	0			
Housing Receipts for year	30,564	18,320	30,564	0	33,000	33,000	0
Depreciation charge (MRA)	46,800	0	46,800	0	46,400	46,400	0
Major Repars Reserve (MRR)	2,800	2,800	2,800	0	2,800	2,800	0
Revenue Contribution	21,600	0	21,600	0	18,600	18,600	0
New Homes Bonus	1,500	1,500	1,500	0	938	938	0
Grants (DH backlog funding)	37,741	0	37,741	0	1,203	1,203	0
Section 106 Funds & Grants	5,847	554	5,847	0	0	0	0
External Contributions	14,500	0	14,500	0	0	0	0
TOTAL RESOURCES	231,538	93,360	231,538	0	102,941	102,941	0
Forecast variation (under)/over	(18,256)		(42,910)	(24,654)	72,611	97,263	24,652

Project description	2016/17 - Future Years			Total Programme 2013/14 - Future Years		
	Revised Budget	Forecast	Variance	Revised Budget	Total Forecast	Total Variance
	£'000	£'000	£'000	£'000	£'000	£'000
WDS carry-over schemes	0	0	0	7	7	0
WDS 2-year programme	0	0	0	5,600	5,600	0
WDS 2012 major works	0	0	0	21,703	21,704	1
WDS 2013 major works	84	84	0	35,071	35,071	0
WDS 2014 major works	403	403	0	57,607	57,607	0
WDS 2015 major works	0	0	0	28,000	27,999	(1)
FRA works	0	0	0	3,385	3,385	0
Additional FRA Works	0	0	0	4,387	4,387	0
M&E electrical	0	0	0	1,757	1,757	0
M&E heating	0	0	0	14,653	14,653	0
M&E lifts	0	0	0	3,112	3,111	(1)
WDS voids works	0	0	0	8,147	8,147	0
WDS Leathermarket JMB	0	0	0	1,846	1,846	0
WDS Unallocated Budget	0	0	0	3,517	3,517	0
Housing Stock - New Programme	985,089	985,089	0	985,089	985,089	0
HINE WDS works	0	0	0	14,869	14,869	0
HINE additional works	2,976	2,976	0	47,379	47,379	0
Aylesbury Estate PPM works	0	0	0	4,879	4,879	0
Aylesbury Estate regeneration	53,749	53,749	0	69,597	69,597	0
Bermondsey Spa refurbishment	122	122	0	870	870	0
East Dulwich Estate	0	0	0	6,319	6,319	0
Elmington Estate	0	0	0	3,874	3,874	0
Heygate Estate	0	0	0	9,094	9,094	0
Hidden Homes	0	0	0	555	555	0
Hostels new build	0	0	0	2,793	2,793	0
Local authority new build	1,000	1,000	0	4,850	4,850	0
Misc regen, acquisitions and home loss	0	0	0	792	792	0
Direct Delivery - New Council Homes	2,800	2,800	0	29,438	29,438	0
Adaptations	12,000	12,000	0	16,250	16,250	0
Affordable housing through commuted sums	0	0	0	704	703	(1)
Cash incentive & Home owner buy back	0	0	0	1,062	1,062	0
Digital switchover	0	0	0	242	242	0
Disposals costs	0	0	0	1,364	1,364	0
Energy	0	0	0	400	400	0
Installation of Sprinkler & Smoke detectors	21,203	21,203	0	42,152	42,152	0
Fire damage reinstatement	0	0	0	1,256	1,256	0
Group repairs	0	0	0	272	272	0
Hostels accommodation	0	0	0	384	384	0
Leasehold / freehold acquisitions	0	0	0	1,505	1,505	0
Major voids	0	0	0	2,663	2,664	1
Office accommodation	0	0	0	250	250	0
Scheme management costs	0	0	0	2,751	2,751	0
Security	0	0	0	300	300	0
Sheltered accommodation	0	0	0	700	700	0
T&RA halls	1,600	1,600	0	7,171	7,170	(1)
Lakanal House	5,450	5,450	0	16,943	16,943	0
Heating Energy Efficiency Measures	0	0	0	9,751	9,751	0
	1,086,476	1,086,476	0	1,475,310	1,475,308	(2)

FINANCED BY:						
Receipts b/fwd				70,186	70,186	0
Housing Receipts for year	160,500	160,500	0	224,064	224,064	0
Depreciation charge (MRA)	278,400	278,400	0	371,600	371,600	0
Major Repairs Reserve (MRR)	5,600	5,600	0	11,200	11,200	0
Revenue Contribution	103,200	103,200	0	143,400	143,400	0
New Homes Bonus	1,100	1,100	0	3,538	3,538	0
Grants (DH backlog funding)			0	38,944	38,944	0
Section 106 Funds & Grants			0	5,847	5,847	0
External Contributions			0	14,500	14,500	0
TOTAL RESOURCES	548,800	548,800	0	883,279	883,279	0
Forecast variation (under)/over	537,676	537,676	0	592,031	592,029	(2)

FUNDED VARIATIONS AND VIREMENTS FOR APPROVAL

	Children's and Adult Services	Southwark Schools for the Future	Finance and Corporate Services	Environment	Housing General Fund	Chief Executive	General Fund Programme Total	Housing Investment Programme	Total Programmed Expenditure
	£	£	£	£	£	£	£	£	£
CURRENT PROGRAMME AS AT QTR 1 2014/15	115,741,914	37,344,874	56,683,603	150,837,788	3,426,508	85,158,131	449,192,818	1,433,923,947	1,883,116,765
Quarter 2 - Virements to be approved									
Bermondsey Spa Gdns from CE code R-1230-0160.04.2				15,235			15,235		15,235
Burgess Park Revitalisation Project from CE code R-1230-0160.08				12,788			12,788		12,788
Lifecycle maintenance Virement from L-1340-0009 to L-2200-0084 Homestall Road				4,843			4,843		4,843
Lifecycle maintenance Virement from L-1340-0009 to L-2200-0085 SSG disability				980			980		980
Lifecycle maintenance Virement from L-1340-0009 to L-1340-0007				30,000			30,000		30,000
Lifecycle maintenance Virement from L-1340-0009 to L-1340-0088 Southwark Athletics Centre				6,250			6,250		6,250
Lifecycle maintenance Virement from L-1340-0009 to L-2200-0046 Pynners Sports Ground				26,381			26,381		26,381
Leisure centres Lifecycle maintenance				(68,454)			(68,454)		(68,454)
Bermondsey Spa and Grange Road Environs						(15,235)	(15,235)		(15,235)
Old Kent Road Fringes						(12,788)	(12,788)		(12,788)
Bellenden Road						75,000	75,000		75,000
Coleman Road						(150,000)	(150,000)		(150,000)
Filtered Permeability						20,000	20,000		20,000
Local Environment Improvements						165,000	165,000		165,000
North Peckham Neighbourhood						(275,000)	(275,000)		(275,000)
Pocket Places Peckham						(180,000)	(180,000)		(180,000)
Walworth Road South						50,000	50,000		50,000
West Camberwell Neighbourhood						(267,000)	(267,000)		(267,000)
Station Accesibility						50,000	50,000		50,000
Lower Road						75,000	75,000		75,000
Datchelor place						312,000	312,000		312,000
Scheme Review						125,000	125,000		125,000
Camberwell Green						209,000	209,000		209,000
Project Execution						(209,000)	(209,000)		(209,000)
Revitalise Camberwell(holding Code)						(500,000)	(500,000)		(500,000)
Camberwell Library Plaza						500,000	500,000		500,000
SSF contingency returned to SSF		6,000,000					6,000,000		6,000,000
SSF contingency returned to SSF	(6,000,000)						(6,000,000)		(6,000,000)
Hostels Upgrades Phase 1								(1,454,618)	(1,454,618)
Hostels Refurbishmen								1,197,487	1,197,487
Hostels Phase 4								257,131	257,131
Total virements to be approved at Qtr 2	(6,000,000)	6,000,000	0	28,023	0	(28,023)	0	0	0
Quarter 2 - Variations to be approved									
Green Dale Fields Project				42,688			42,688		42,688
Pothole Repair Fund				260,011			260,011		260,011
Surrey Square Regeneration				3,500			3,500		3,500

FUNDED VARIATIONS AND VIREMENTS FOR APPROVAL

	Children's and Adult Services	Southwark Schools for the Future	Finance and Corporate Services	Environment	Housing General Fund	Chief Executive	General Fund Programme Total	Housing Investment Programme	Total Programmed Expenditure
	£	£	£	£	£	£	£	£	£
CGS Nunhead & Peckham Rye:106355 Lancefield / Glover Hse playground				12,676			12,676		12,676
CGS Nunhead & Peckham Rye:106346 Falcon House fencing				3,949			3,949		3,949
CGS Nunhead & Peckham Rye:Peckham Rye unallocated				2,000			2,000		2,000
106368 Transition Town green corridors				2,951			2,951		2,951
OLF Homestall Road Sports Ground				150,000			150,000		150,000
OLF SSG disability multi-sports court				42,130			42,130		42,130
OLF SSG disability multi-sports court				75,000			75,000		75,000
OLF Southwark Athletics Centre				20,000			20,000		20,000
OLF Southwark Athletics Centre				(20,000)			(20,000)		(20,000)
Seven Islands Leisure Centre Refurbishment				(6,000,000)			(6,000,000)		(6,000,000)
Upgrade of IT infrastructure and Core enabling projects			97,680				97,680		97,680
Walworth Road Fire			796,218				796,218		796,218
Four Squares Estate (HINE) - Additional Resources- Agreed by Housing Investment Board							0	14,642,001	14,642,001
LD2 type alarms in leasehold dwellings- Agreed by Housing Investment Board							0	9,670,000	9,670,000
Lakanal House Redevelopmen Costs- Agreed by Housing Investment Board							0	16,942,862	16,942,862
Re-purchases of RTB property							0	131,551	131,551
Bermondsey Street Environs						(27,818)	(27,818)		(27,818)
Bermondsey Spa and Grange Road Environs(2014/15 Variation)						(4,972)	(4,972)		(4,972)
Bermondsey Spa and Grange Road Environs (2015/16 Variation)						194,485	194,485		194,485
Butlers Wharf and Surrounds Improvements(2014/15 Variation)						34,710	34,710		34,710
Butlers Wharf and Surrounds Improvements(2015/16 Variation)						44,748	44,748		44,748
Lynton Road Environs Improvement Projects(2014/15 Variation)						42,537	42,537		42,537
Lynton Road Environs Improvement Projects(2015/16 Variation)						67,584	67,584		67,584
Old Kent Road Fringes						5,941	5,941		5,941
Enid Street Play Area						49,744	49,744		49,744
Abbey Street Centre						31,269	31,269		31,269
Dockley Street Bridges						147,854	147,854		147,854
Greenwood Bridges						49,808	49,808		49,808
Bevington Street						55,755	55,755		55,755
Swk Park Improvements(Tennis Court & Changing Rooms)						21,392	21,392		21,392
Roth & Surrey Quays Improvs(Street Lighting & Tree Planting)						24,064	24,064		24,064
Leyton Square Park						22,999	22,999		22,999
Consort Park						94,631	94,631		94,631
Cossall Park						14,445	14,445		14,445
Burgess Park, Old Kent Road Entrance						77,717	77,717		77,717
Wells Way Triangle LIP and Flood Alleviation Scheme						182,000	182,000		182,000
TMOs & Traffic Projects(Rotherhithe & Surrey Quays)						7,750	7,750		7,750
TMOs & Traffic Projects(Peckham & Nunhead)						65,568	65,568		65,568
TMOs & Traffic Projects(Bermondsey)						182,300	182,300		182,300
Rye Lane Environmental Improvements						26,197	26,197		26,197
Nelson Square Playground						(2,716)	(2,716)		(2,716)

FUNDED VARIATIONS AND VIREMENTS FOR APPROVAL

	Children's and Adult Services	Southwark Schools for the Future	Finance and Corporate Services	Environment	Housing General Fund	Chief Executive	General Fund Programme Total	Housing Investment Programme	Total Programmed Expenditure
	£	£	£	£	£	£	£	£	£
Nelson Square Play Area						36,219	36,219		36,219
Bridge Assessment & Strengthening						22,000	22,000		22,000
Better Pavements						7,022	7,022		7,022
Community Streets						(14,821)	(14,821)		(14,821)
East Dulwich Grove						12,937	12,937		12,937
Estate Cycle Parking						(100,000)	(100,000)		(100,000)
EVCB						1,951	1,951		1,951
Forest Hill Road						(12,452)	(12,452)		(12,452)
Paxton Green						84,821	84,821		84,821
Rotherhithe New Road						89,336	89,336		89,336
Trixi Mirror						(9,870)	(9,870)		(9,870)
SE1 Area 20 MPH						(4,734)	(4,734)		(4,734)
East Dulwich 20 MPH						(40,463)	(40,463)		(40,463)
Walworth Road South						8,000	8,000		8,000
Cycle to School Partnerships						(197,000)	(197,000)		(197,000)
Camberwell Town Centre						(1,900,000)	(1,900,000)		(1,900,000)
Enabling Works						500,000	500,000		500,000
Mayor's Air Quality Fund						(47,000)	(47,000)		(47,000)
Elephant & Castle Regeneration(REFCUS)						63,000,000	63,000,000		63,000,000
Property Acquisition						1,000,000	1,000,000		1,000,000
Schools contributions to Carbon Reduction Commitment	103,679						103,679		103,679
School contribution to maintenance works (John Ruskin)	50,000						50,000		50,000
Total variations to be approved at Qtr 2	153,679	0	893,898	(5,405,095)	0	63,843,938	59,486,420	41,386,414	100,872,834
TOTAL PROGRAMME BUDGET VIREMENTS & VARIATIONS AT QUARTER 2 2014/15	(5,846,321)	6,000,000	893,898	(5,377,072)	0	63,815,915	59,486,420	41,386,414	100,872,834
REVISED BUDGETS	109,895,593	43,344,874	57,577,501	145,460,716	3,426,508	148,974,046	508,679,238	1,475,310,361	1,983,989,599
VIREMENTS & VARIATIONS REQUESTED TO BE APPROVED FINANCED BY:									
Capital Receipt				(6,020,000)		1,000,000	(5,020,000)	41,386,414	36,366,414
Major Repairs Allowance							0		0
Reserves			893,898				893,898		893,898
Revenue							0		0
Capital Grant				530,641		(1,600,273)	(1,069,632)		(1,069,632)
Section 106 Funds				62,688		64,444,211	64,506,899		64,506,899
External Contribution	153,679			21,576			175,255		175,255
TOTAL RESOURCES	153,679	0	893,898	(5,405,095)	0	63,843,938	59,486,420	41,386,414	100,872,834

Capital Programme 2014/15 - 2023/24									
Description of Programme / Project	2014/15	2014/15	2014/15	2015/16+	2015/16+	2015/16+	Total Programme 2014/15 - 2023/24	Total Programme 2014/15 - 2023/24	Total Programme 2014/15 - 2023/24
	Budget	Forecast	Variance	Budget	Forecast	Variance	Budget	Forecast	Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Environment									
Kingswood House Refurbishment	0	0	0	250,000	250,000	0	250,000	250,000	0
Pynners Sports Ground reinstatement works	36,381	36,381	0	0	0	0	36,381	36,381	0
Seven Islands Leisure Centre Refurbishment	320,000	320,000	0	1,669,800	1,669,800	0	1,989,800	1,989,800	0
Other OLF Projects	1,238,161	959,615	(278,546)	2,204,880	2,483,426	278,546	3,443,041	3,443,041	0
RFID	299,000	299,000	0	124,000	124,000	0	423,000	423,000	0
Grove Vale Library	0	0	0	160,000	160,000	0	160,000	160,000	0
Canada Water Public Art	0	0	0	72,000	72,000	0	72,000	72,000	0
Thomas Calton Centre refurbishment	455,000	550,794	95,794	95,794	0	(95,794)	550,794	550,794	0
Peckham Pulse Option 1 & 2	1,006,250	1,006,250	0	949,840	949,840	0	1,956,090	1,956,090	0
Leisure centres Lifecycle maintenance	179,176	150,210	(28,966)	1,350,000	1,378,966	28,966	1,529,176	1,529,176	0
Livesey Museum	74,496	74,496	0	0	0	0	74,496	74,496	0
Further implementation of RFID in libraries	100,000	100,000	0	0	0	0	100,000	100,000	0
Refurbishment at Peckham Library	200,000	200,000	0	350,000	350,000	0	550,000	550,000	0
Temporary library at Elephant & Castle	1,200,000	1,200,000	0	0	0	0	1,200,000	1,200,000	0
Cuming Museum fit out of temporary premises	0	0	0	75,000	75,000	0	75,000	75,000	0
Olympic Legacy Phase 2	500,000	500,000	0	1,000,000	1,000,000	0	1,500,000	1,500,000	0
Modernisation of Adult Learning Services at Thomas Calton Centre - ICT works	150,000	150,000	0	0	0	0	150,000	150,000	0
Community Safety	61,105	61,105	0	0	0	0	61,105	61,105	0
SDM Essential H & S Requirements	341,080	341,080	0	1,000,000	1,000,000	0	1,341,080	1,341,080	0
Parking contract upfront capital costs	20,991	20,991	0	0	0	0	20,991	20,991	0
Walworth Road	38,442	0	(38,442)	0	38,442	38,442	38,442	38,442	0
Street care - Non Principal Roads Programme	5,472,529	5,472,529	0	38,953,218	38,953,218	0	44,425,747	44,425,747	0
Principal Road Programme	0	0	0	3,000,000	3,000,000	0	3,000,000	3,000,000	0
Flood Prevention (Highways drainage gully replacement) Programme	245,000	245,000	0	2,205,000	2,205,000	0	2,450,000	2,450,000	0
Pothole Repair Fund	260,011	260,011	0	0	0	0	260,011	260,011	0
Monuments & memorials in the Public Realm	25,000	25,000	0	875,000	875,000	0	900,000	900,000	0
Street metal works - Lamp Column Replacement	549,337	549,337	0	4,500,000	4,500,000	0	5,049,337	5,049,337	0
Other parks projects	629,060	607,175	(21,885)	0	21,885	21,885	629,060	629,060	0
GMH Park accommodation refurbishment	113,110	30,000	(83,110)	0	83,110	83,110	113,110	113,110	0
Newington Ward Park Improvements	436,329	100,000	(336,329)	10,000	346,329	336,329	446,329	446,329	0
Cemetery Burial Strategy	1,120,000	957,000	(163,000)	4,098,380	4,261,380	163,000	5,218,380	5,218,380	0
Burgess Park Revitalisation Project	453,679	453,679	0	6,000,000	6,000,000	0	6,453,679	6,453,679	0
Additional Replacement Tree Planting	60,000	100,000	40,000	540,000	500,000	(40,000)	600,000	600,000	0
Park Infrastructure & Investment Programme	600,000	600,000	0	9,400,000	9,400,000	0	10,000,000	10,000,000	0
Green Dale Fields Project	42,688	42,688	0	0	0	0	42,688	42,688	0
Parking Design Projects	88,565	45,000	(43,565)	0	43,565	43,565	88,565	88,565	0
Other public realm projects funded by S106	305,500	269,998	(35,502)	209,708	245,210	35,502	515,208	515,208	0
Southbank Accessibility Improvements	50,000	50,000	0	155,118	155,118	0	205,118	205,118	0
Connect 2	712	712	0	0	0	0	712	712	0
20mph Zone	138,000	138,000	0	1,062,000	1,062,000	0	1,200,000	1,200,000	0
Cycling Infrastructure Fund	500,000	50,000	(450,000)	1,500,000	1,950,000	450,000	2,000,000	2,000,000	0

Capital Programme 2014/15 - 2023/24									
Description of Programme / Project	2014/15	2014/15	2014/15	2015/16+	2015/16+	2015/16+	Total Programme 2014/15 - 2023/24	Total Programme 2014/15 - 2023/24	Total Programme 2014/15 - 2023/24
	Budget	Forecast	Variance	Budget	Forecast	Variance	Budget	Forecast	Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cleaner Greener Safer Programme	2,138,550	2,138,550	0	18,639,576	18,639,576	0	20,778,126	20,778,126	0
Integrated Waste Solutions Programme	1,958,919	458,919	(1,500,000)	0	1,500,000	1,500,000	1,958,919	1,958,919	0
Southwark Heat Network	6,742	6,742	0	0	0	0	6,742	6,742	0
Energy efficiency - operational estate	250,000	250,000	0	2,250,000	2,250,000	0	2,500,000	2,500,000	0
Solar Photovoltaic arrays	612,000	612,000	0	0	0	0	612,000	612,000	0
Housing Renewal	6,139,306	6,139,306	0	14,346,283	14,346,283	0	20,485,589	20,485,589	0
Environment Total	28,415,119	25,571,568	(2,843,551)	117,045,597	119,889,148	2,843,551	145,460,716	145,460,716	0

Finance and Corporate Services									
Information Services	285,092	502,417	217,325	919,354	919,354	0	1,204,446	1,421,771	217,325
Essential upgrade of Carefirst system	2,800,000	976,605	(1,823,395)	0	0	0	2,800,000	976,605	(1,823,395)
Upgrade of IT infrastructure	1,680,592	1,637,115	(43,477)	0	0	0	1,680,592	1,637,115	(43,477)
IT Planned Maintenance Programme	1,000,000	0	(1,000,000)	9,000,000	9,000,000	0	10,000,000	9,000,000	(1,000,000)
Property Works Programme	168,421	0	(168,421)	450,000	450,000	0	618,421	450,000	(168,421)
Works to Council Buildings - DDA	644,217	0	(644,217)	879,825	879,825	0	1,524,042	879,825	(644,217)
PPM & Compliance Programme	0	0	0	10,250,000	10,250,000	0	10,250,000	10,250,000	0
Planned Preventative Maintenance	2,750,000	700,000	(2,050,000)	24,750,000	24,750,000	0	27,500,000	25,450,000	(2,050,000)
Walworth Road Fire	1,800,000	1,800,000	0	0	0	0	1,800,000	1,800,000	0
Municipal Agency Bond	200,000	60,000	(140,000)	0	0	0	200,000	60,000	(140,000)
Finance and Corporate Services Total	11,328,322	5,676,137	(5,652,185)	46,249,179	46,249,179	0	57,577,501	51,925,316	(5,652,185)

Chief Executive									
Public Realm & Open Space Improvements	1,226,068	1,226,068	0	2,624,107	2,624,107	0	3,850,175	3,850,175	0
Borough & Bankside Streetscape Improvement	95,013	95,013	0	61,916	61,916	0	156,929	156,929	0
Bermondsey Streetscape Improvement	744,067	110,384	(633,683)	551,439	1,185,122	633,683	1,295,506	1,295,506	0
Improving Local Retail Environments	119,103	119,103	0	174,295	174,295	-	293,398	293,398	0
Tourism Infrastructure	12,546	12,546	0	282,855	282,855	-	295,401	295,401	0
Housing/Area Renewal	460,478	460,478	0	928,212	928,212	-	1,388,690	1,388,690	0
Hatfields Streetscape Improvements	127,018	127,018	0	88,508	88,508	-	215,526	215,526	0
ILRE Phase 2	0	0	0	2,000,000	2,000,000	-	2,000,000	2,000,000	0
Walworth Road South(Missing bit of the Jigsaw)	0	0	0	2,850,000	2,850,000	-	2,850,000	2,850,000	0
improvements	5,580,402	5,580,402	0	2,020,599	2,020,599	-	7,601,001	7,601,001	0
Major Schemes	558,867	558,867	0	100,000	100,000	-	658,867	658,867	0
Surrounds	44,553	44,553	0	12,778,806	12,778,806	-	12,823,359	12,823,359	0
Space	1,292,425	1,292,425	0	1,300,000	1,300,000	-	2,592,425	2,592,425	0
Canada Water Library	7,735	7,735	0	336,700	336,700	-	344,435	344,435	0
Bermondsey Spa Public Realm Improvements	596,487	596,487	0	0	0	-	596,487	596,487	0
Voluntary Sector Strategy	0	0	0	1,031,472	1,031,472	-	1,031,472	1,031,472	0
Construction of Community Centre	517,989	517,989	0	0	0	-	517,989	517,989	0
Refurbishment of Office Accomodation	5,478	5,478	0	0	0	-	5,478	5,478	0
Lease of New Office Accomodation	200,000	200,000	0	0	0	-	200,000	200,000	0

Capital Programme 2014/15 - 2023/24									
Description of Programme / Project	2014/15	2014/15	2014/15	2015/16+	2015/16+	2015/16+	Total Programme 2014/15 - 2023/24	Total Programme 2014/15 - 2023/24	Total Programme 2014/15 - 2023/24
	Budget	Forecast	Variance	Budget	Forecast	Variance	Budget	Forecast	Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Assets	0	0	0	1,623,909	1,623,909	-	1,623,909	1,623,909	0
Acquisition of New Office Accomodation	282,254	282,254	0	0	0	-	282,254	282,254	0
Construction of Elephant & Castle Leisure Centre	8,906,968	8,906,968	0	10,000	10,000	-	8,916,968	8,916,968	0
Revitalise Peckham Rye	0	0	0	1,895,777	1,895,777	-	1,895,777	1,895,777	0
Revitalise Camberwell (Southern Ent, Burgess PK, Artichoke)	554,000	554,000	0	2,572,000	2,572,000	-	3,126,000	3,126,000	0
Elephant & Castle Open Spaces	1,160,000	1,160,000	0	4,800,000	4,800,000	-	5,960,000	5,960,000	0
Walworth Town Hall	0	0	0	20,000,000	20,000,000	-	20,000,000	20,000,000	0
Mint Street Adventure	0	0	0	2,000,000	2,000,000	-	2,000,000	2,000,000	0
Pullens Yard Improvements	210,000	210,000	0	242,000	242,000	-	452,000	452,000	0
Void Shops & Council Owned Parade	300,000	300,000	0	1,700,000	1,700,000	-	2,000,000	2,000,000	0
Elephant & Castle Regeneration	4,440,000	4,440,000	0	58,560,000	58,560,000	-	63,000,000	63,000,000	0
Property Acquisitions	0	0	0	1,000,000	1,000,000	-	1,000,000	1,000,000	0
Chief Executive Total	27,441,451	26,807,768	(633,683)	121,532,595	122,166,278	633,683	148,974,046	148,974,046	0

Childrens and Adults Services									
Children's Centres	243,013	153,000	(90,013)	100,000	190,013	90,013	343,013	343,013	0
Other grants allocation	47,000	0	(47,000)	974,566	1,021,566	47,000	1,021,566	1,021,566	0
3 Primaries	4,291,990	3,756,473	(535,517)	679,455	1,214,972	535,517	4,971,445	4,971,445	0
Primary Temporary Expansion	1,152,311	1,152,311	0	0	0	0	1,152,311	1,152,311	0
Carbon Reduction in Schools	375,556	385,269	9,713	500,000	490,287	(9,713)	875,556	875,556	0
Other Primary Projects	91,642	92,162	520	0	0	0	91,642	92,162	520
Meals	102,108	67,000	(35,108)	50,000	84,588	34,588	152,108	151,588	(520)
Maintenance Grants	0	414,688	414,688	7,903,478	7,488,790	(414,688)	7,903,478	7,903,478	0
Bessemer	2,000,000	1,500,000	(500,000)	758,482	1,258,482	500,000	2,758,482	2,758,482	0
Dulwich Wood (Langbourne)	1,500,000	500,000	(1,000,000)	1,358,300	2,358,300	1,000,000	2,858,300	2,858,300	0
Lyndhurst major expansion & refurbishment	2,652,317	1,652,317	(1,000,000)	500,000	1,500,000	1,000,000	3,152,317	3,152,317	0
Youth Service projects	141,712	300,000	158,288	200,000	41,712	(158,288)	341,712	341,712	0
Misc Projects & Primary Strategy Programme	628,972	8,101	(620,871)	40,255,111	40,875,982	620,871	40,884,083	40,884,083	0
Troubled Families	50,000	5,000	(45,000)	187,520	232,520	45,000	237,520	237,520	0
DFE Basic Needs Grant	40,788	0	(40,788)	0	40,788	40,788	40,788	40,788	0
Maintenance programmes for Schools	50,000	2,500,000	2,450,000	2,522,961	1,050,000	(1,472,961)	2,572,961	3,550,000	977,039
Permanent Expansion	500,000	3,316,325	2,816,325	17,039,556	13,246,192	(3,793,364)	17,539,556	16,562,517	(977,039)
Rotherhithe (BSF)	0	0	0	4,000,000	4,000,000	0	4,000,000	4,000,000	0
Southwark Resource Centre	258,916	0	(258,916)	0	258,916	258,916	258,916	258,916	0
Adult PSS Capital Allocations	350,000	50,000	(300,000)	1,745,113	1,499,039	(246,074)	2,095,113	1,549,039	(546,074)
Adult PSS Orient Street	829,700	129,700	(700,000)	200,000	1,220,300	1,020,300	1,029,700	1,350,000	320,300
Adult PSS Fred Francis	0	60,000	60,000	0	0	0	0	60,000	60,000
Adult PSS Southwark Park Road	0	60,000	60,000	0	0	0	0	60,000	60,000
Transformation of Learning Disability Care	500,000	500,000	0	0	0	0	500,000	500,000	0
Transformation of LD care - Brandon Trust	615,026	615,026	0	0	105,774	105,774	615,026	720,800	105,774
Centre of Excellence	1,000,000	50,000	(950,000)	1,500,000	2,450,000	950,000	2,500,000	2,500,000	0
Tower Bridge Nursing Home - Dementia Grant	0	0	0	0	0	0	0	0	0
Autism learning provision	0	0	0	12,000,000	12,000,000	0	12,000,000	12,000,000	0

Capital Programme 2014/15 - 2023/24									
Description of Programme / Project	2014/15	2014/15	2014/15	2015/16+	2015/16+	2015/16+	Total Programme 2014/15 - 2023/24	Total Programme 2014/15 - 2023/24	Total Programme 2014/15 - 2023/24
	Budget	Forecast	Variance	Budget	Forecast	Variance	Budget	Forecast	Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Childrens and Adults Services Total	17,421,051	17,267,372	(153,679)	92,474,542	92,628,221	153,679	109,895,593	109,895,593	0

Southwark Schools for the Future									
Walworth Academy	100,000	100,000	-	0	0	0	100,000	100,000	-
St Michael's PFI	35,944	35,944	-	0	0	-	35,944	35,944	-
St Michaels and All Angels(SMAA)	1,786,321	1,786,321	-	0	0	-	1,786,321	1,786,321	-
Contingency & Retension payments	46,288	46,288	-	0	0	-	46,288	46,288	-
New School Aylesbury	878,581	878,581	-	0	0	-	878,581	878,581	-
Notre Dame (VA)	429,642	429,642	-	0	0	-	429,642	429,642	-
Contingency & Retension payments	73,220	73,220	-	0	0	-	73,220	73,220	-
Contingency & Retension payments	10,771	10,771	-	0	0	-	10,771	10,771	-
Contingency & Retension payments	1,000	1,000	-	0	0	-	1,000	1,000	-
Bredinghurst/KS3 SILS	1,751,000	201,000	(1,550,000)	2,684,678	4,234,678	1,550,000	4,435,678	4,435,678	-
ICT	1,960,118	1,960,118	-	380,608	380,608	-	2,340,726	2,340,726	-
Rotherhithe deferred (no grant rec'd)	0	0	-	19,621,799	19,621,799	-	19,621,799	19,621,799	-
Phase 3 rescope (no grant rec'd)	0	0	-	6,484,904	6,484,904	-	6,484,904	6,484,904	-
Contingency & Retension payments	1,100,000	0	(1,100,000)	6,000,000	7,100,000	1,100,000	7,100,000	7,100,000	-
Southwark Schools for the Future Total	8,172,885	5,522,885	(2,650,000)	35,171,989	37,821,989	2,650,000	43,344,874	43,344,874	0

Housing General Fund									
Springtide Close travellers si	400,000	400,000	0	126,508	126,508	0	526,508	526,508	0
Ilderton travellers site wall	300,000	300,000	0	0	0	0	300,000	300,000	0
Wadding Street and Stead Street	2,600,000	1,560,000	(1,040,000)	0	1,040,000	1,040,000	2,600,000	2,600,000	0
Housing General Fund Total	3,300,000	2,260,000	(1,040,000)	126,508	1,166,508	1,040,000	3,426,508	3,426,508	0

Capital Programme 2014/15 - 2023/24									
	2014/15	2014/15	2014/15	2015/16+	2015/16+	2015/16+	Total Programme	Total Programme	Total Programme
	Budget	Forecast	Variance	Budget	Forecast	Variance	Budget	Forecast	Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Total Expenditure	96,078,828	83,105,730	(12,973,098)	412,600,409	419,921,323	7,320,913	508,679,237	503,027,053	(5,652,185)
Total Resources	96,078,828	85,880,817	(10,198,011)	412,600,409	363,514,318	(49,086,091)	508,679,237	449,395,135	(59,284,102)
Forecast variation (under)/over	0	(2,775,087)	(2,775,087)	0	56,407,005	56,407,004	0	53,631,918	53,631,917

Item No. 17.	Classification: Open	Date: 18 November 2014	Meeting Name: Cabinet
Report title:		Canada Water Regeneration	
Ward(s) or groups affected:		Rotherhithe, Surrey Quays	
Cabinet Member:		Councillor Mark Williams, Regeneration, Planning and Transport	

FOREWORD – COUNCILLOR MARK WILLIAMS, CABINET MEMBER FOR REGENERATION, PLANNING AND TRANSPORT

I am delighted to bring this report forward for consideration. Canada Water represents an enormous opportunity for the local community and Southwark as a whole. This report clearly sets out the minimum requirements the council expects from our negotiations with British Land. This will include policy compliant affordable housing at 35% with the rented element retained by the council, and allocated in accordance with our local lettings policy adopted for our direct delivery programme. The project will therefore make a significant contribution to our target of building 11,000 new council homes. We will also secure a new leisure centre to replace the sub standard facility at Seven Islands.

The council is also committed to retaining a long term interest in the town centre and the key to this will be retaining the freehold interest and maximising returns from the development for the benefit of Southwark's residents. It is important to recognise that this will be a truly mixed use scheme with significant jobs generated for local people not only during the construction phase but also in the long term. As part of the mix of uses I welcome the opportunity to introduce a world class higher education institution and the opportunities this will bring in relation to business development, training and economic activity.

The scheme provides an opportunity to be at the vanguard of our plans for sustainable transport including cycling and pedestrian links to the rest of Southwark and beyond and a reduction in a reliance on cars.

The highest quality architecture, urban realm and energy efficiency will be at the heart of the scheme creating a world class town centre to meet the needs of our residents.

RECOMMENDATIONS

1. That cabinet endorses the core priorities in paragraph 17 which are intended to set the parameters for the negotiations with British Land concerning a legal agreement for the redevelopment of Harmsworth Quay and Shopping Centre sites.
2. That cabinet authorise officers to proceed with negotiations to agree detailed terms with British Land and to report back progress regarding the agreement in Spring 2015.
3. That cabinet authorise officers to investigate the acquisition of property interests in the Canada Water Area Action Plan core area, including the use of statutory powers, which may be necessary for the delivery of a coordinated and

comprehensive redevelopment of the town centre.

BACKGROUND INFORMATION

4. The council's vision in the revised Canada Water Area Action Plan [CWAAP] published in April 2014 is "to make best use of the opportunity to create a new destination around the Canada Water [CW] basin which combines shopping, civic, education, and leisure, business and residential uses to create a new heart for Rotherhithe".
5. Within the context of the emerging revised CWAAP the cabinet in November 2013 considered a report concerning a co-operation agreement with British Land [BL] and King's College London [KCL] in respect of the future development of the Harmsworth Quay's site [marked site I on the plan in Appendix 1] . As noted in that report the council owns the freehold of approximately 85% of the site which was occupied under various leases by Associated Newspapers Ltd [ANL]. The freeholds of remaining plots were owned by ANL. The context for the report was twofold:
 - a. The decision by ANL to relocate their print operation to a site in Essex which led to the company's subsequent decision in late spring 2013 to put their land interests in HQ on the market. This process resulted in ANL applying during 2012 to the council to assign it's leases to BL and in March 2013 the council agreed this request; and secondly
 - b. That KCL had emerged as a potential occupier and investor in CW. It was noted that initially KCL was looking to build student accommodation on the former Mulberry Business park site but that this had the potential to be the first phase of a larger scheme to create a major campus comprising teaching, research and administrative facilities for the University which could be a catalyst for changing perceptions of the area and attracting further investment.
6. Having considered the report cabinet agreed the following:
 - a. Instructed officers to complete the Harmsworth Quay's co-operation agreement with BL and KCL.
 - b. Confirmed its support to the objective of KCL establishing new major campus at Harmsworth Quay's to include significant elements of teaching, research and administrative facilities.
 - c. Notes the findings of the emerging CWAAP and instructs officers to ensure any redevelopment of HQ includes a mix of uses and maximises the amount of employment generating uses.

Progress

7. In the period since the November 2013 cabinet report there have been a number of significant planning decisions which have brought further investment to CW and contributed towards the development of the council's vision for the area. These are summarised below;
 - a. Site H [a.k.a Mulberry Business Park – see Plan Appendix 1] Kings College secured planning consent for buildings of between 4 and 9 storeys comprising 770 student bedrooms ,33 affordable residential units,

Classes A1, A2,A3 retail floorspace; health centre (Class D1); associated car parking, cycle parking and landscaped public realm. This project is now on site.

- b. Sites C&E [a.k.a. Decathlon – see Plan Appendix 1] Planning consent granted in 2013 for the erection of 5 buildings ranging from 5 to 40 storey's for up to a maximum of 1,030 residential units, Classes A1/A2/A3/A4 retail floorspace; office floorspace (Class B1), health centre floorspace (Class D1), cinema floorspace (Class D2); and ancillary parking spaces.
 - c. Site M Quebec Way [see Plan Appendix 1]. This scheme which has planning consent for 366 residential units is now being implemented by L&Q.
8. In January 2014 the GLA published its further alterations to the London Plan which identified Canada Water as one of three new opportunity areas with the capacity for up to 3,500 new homes and 2,000 jobs. This is a significant development in itself which demonstrates CW importance as a location for new homes and jobs and enhanced position in the Mayor's planning and investment priorities for the capital.
 9. There has also been progress towards meeting demand for new school places in the peninsular. Redriff Primary School is to expand from 2 to 4 forms of entry, and Albion Primary School from 1 to 2 forms of entry. In addition Galleywell School is coming on stream in conjunction with the City of London. This increase in capacity is capable of meeting immediate demand for primary pupil places although the position will continue to be monitored. In terms of secondary provision a new Compass free school is proposed for Bermondsey and the council is in discussion with other secondary providers regarding options for expansion.
 10. In order to help facilitate the development of a University campus the council has provided support to KCL in making a finding bid to bring other facilities to CW. KCL has bid to the Treasury for up to £10m to support the development of the Centre for Urban Science and Progress [CUSP]. CUSP London would be a research establishment for the creation, development and testing of new sustainable systems for urban areas. If the bid is successful KCL would be seeking to commence development of the 4,000 sq.m building during 2016.
 11. In October the hearing to consider the revised CWAAP took place and the Inspector's preliminary report was sent to the council on 24 October. The Inspector has requested additional information and has signaled he is likely to ask for some small modifications to the Plan. We remain on course for adoption of the revised AAP in spring 2015.
 12. The most significant development however has been BL's recent announcement of their intention to bring forward plans for the redevelopment of the shopping centre site [sites G and F on plan Appendix 1] as well as HQ. The council owns the freehold of this entire site, which is the subject of a Head Lease to BL.
 13. BL has subsequently carried out public consultation on their strategy for the CW sites and their Interim Consultation Report with a summary of the findings is attached as Appendix B.

14. It is clear the regeneration of CW is at an exciting stage with the potential to create a fully integrated mix of uses that is unique in scale and vision. The council's ambition is to see the delivery of a new shopping destination, leisure facilities, a major campus for KCL, significant numbers of jobs and a full range of new homes, including council housing. We will also investigate how the redevelopment can address identified gaps in community infrastructure such as public schools and health facilities.
15. Our ambition for CW will only succeed if the regeneration benefits all sections of the existing population as well as newcomers. We will work with local stakeholders on ways to spread the benefits of investment around the whole area, in particular looking at the relationship with traders on Lower Road. Essential feasibility work will include further detailed examination of transport issues; we will look at improvements to the Lower Road gyratory system and at creating a new entrance to Surrey Quays station from the northeast side of Lower Road. For new council homes we will look to duplicate the direct delivery programme in terms of lettings policy.

KEY ISSUES FOR CONSIDERATION

16. The recent announcement by the BL board is to be welcomed as it provides an opportunity to coordinate the comprehensive redevelopment of CW and deliver the council's vision for a mixed use destination. As a consequence of this announcement, work looking at the contractual arrangements for the HQ site in isolation has been ended. There is now a need to consider how existing leases at both HQ and the shopping centre site should be restructured to ensure the council's objectives for the regeneration of CW are delivered.
17. There are a number of legal and contractual options available to the council ranging from corporate Joint Ventures through to more traditional landlord and tenant arrangements. The choice of approach will be informed by the council's objectives. The core priorities are set out below:
 - i. Maintain freehold ownership of both HQ [marked site I on plan Appendix 2] and shopping centre sites [marked G & F on plan Appendix 2].
 - ii. Put in place a commercial structure which will ensure that the council receives a long term income stream and enables it to benefit from increased land and property prices in the area and profit generated through development.
 - iii. A scheme which will deliver 35% affordable housing [as a percentage of general needs housing] split 70/30 rent/shared ownership. The council will retain the rented element as council housing.
 - iv. The council will require a site in its ownership for a new public leisure centre. The specification for the facility is to include a swimming pool, 4 court sports hall, crèche, gym and cycle spinning room.
 - v. The mix of uses developed across the combined holdings should include an education hub providing significant new space for teaching, academic and research facilities. In this respect the council reconfirms its decision of November 2013 to the objective of KCL establishing a new major campus at

Harmsworth Quay's to include significant elements of teaching, research and administrative facilities.

- vi. Subject to school pupil projections space may also be required for new schools.
 - vii. The mix of uses should be capable of supporting significant new jobs, training and business start up opportunities.
 - viii. Reconsider the impact of the proposed development on Lower Road by updating the multi modal transport model.
 - ix. Support the potential for a pedestrian/cycling link to Canary Wharf and a link west to integrate with Southwark's wider cycling network.
 - x. The development must maximise training and employment opportunities for local people.
- 18. Cabinet are asked to endorse these fundamental priorities which will set the parameters for the forthcoming negotiations with BL.
 - 19. Cabinet are further asked to authorise officers to proceed with negotiations to agree detailed terms with BL and to report back on Heads of Terms for the structure of the agreement in the New Year.
 - 20. The regeneration of CW is a unique opportunity to masterplan and deliver the complete remodeling of a large urban town centre. This is a once in a generation event and if the council's ambition vision is to be fully realised, it may be necessary to include additional land not currently in council ownership. In this context, there are considered to be real benefits of including the Mast Leisure Site in a comprehensive treatment of the town centre, but there may be other sites as well.
 - 21. The delivery of the council's vision for CW may require the acquisition of other land within the AAP core area. Cabinet are therefore asked to note that officers will investigate the benefit of acquiring additional land, including the use of statutory powers, and will report back with specific proposals.

Development Programme

- 22. BL are in the process of agreeing a planning performance agreement which will establish a programme and resources for the submission of a planning application. The application is likely to be in the form of an outline application across the two sites with a detailed phase 1 application on plots around the Canada Water basin itself. The scale of the application will require a full EIA.
- 23. While there will be extensive public engagement on the application in the forthcoming months the actual formal applications will not be submitted until July 2015 at the earliest.

Community impact statement

- 24. BL are in the process of agreeing a planning performance agreement which will establish a programme and resources for the submission of a planning

application. The application is likely to be in the form of an outline application across the two sites with a detailed phase 1 application on plots around the Canada Water basin itself. The scale of the application will require a full EIA.

25. While there will be extensive public engagement on the application in the forthcoming months the actual formal applications will not be submitted until July 2015 at the earliest.

Resource implications

26. This report is concerned with the principles for the negotiations with BL and therefore there are no direct resource implications at this time. A more detailed assessment of the resource implications arising from the emerging commercial structure for the CW regeneration will form part of report to cabinet in Spring 2015 following negotiations with BL .

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Legal Services

27. There are no legal issues arising at the present time from the matters raised in the report.

Strategic Director of Finance and Corporate Services

28. The strategic director of finance and corporate services notes the recommendations in this report in regards to negotiations with British Land concerning a legal agreement for the redevelopment of Harmsworth Quay and Shopping Centre sites.
29. The report identifies that at present there are no direct resource implications arising from these decisions, and that a more detailed assessment of the resource implications will form part of a report to cabinet in Spring 2015.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Revised Canada Water Area Action Plan [CWAAP] published in April 2014	160 Tooley Street, London SE1 2QH	Jon Abbot 020 7525 4902
Link: http://www.southwark.gov.uk/downloads/download/3015/canada_water_aap_adoption		

APPENDICES

No.	Title
Appendix 1	Plan of sites
Appendix 2	Interim Consultation Report

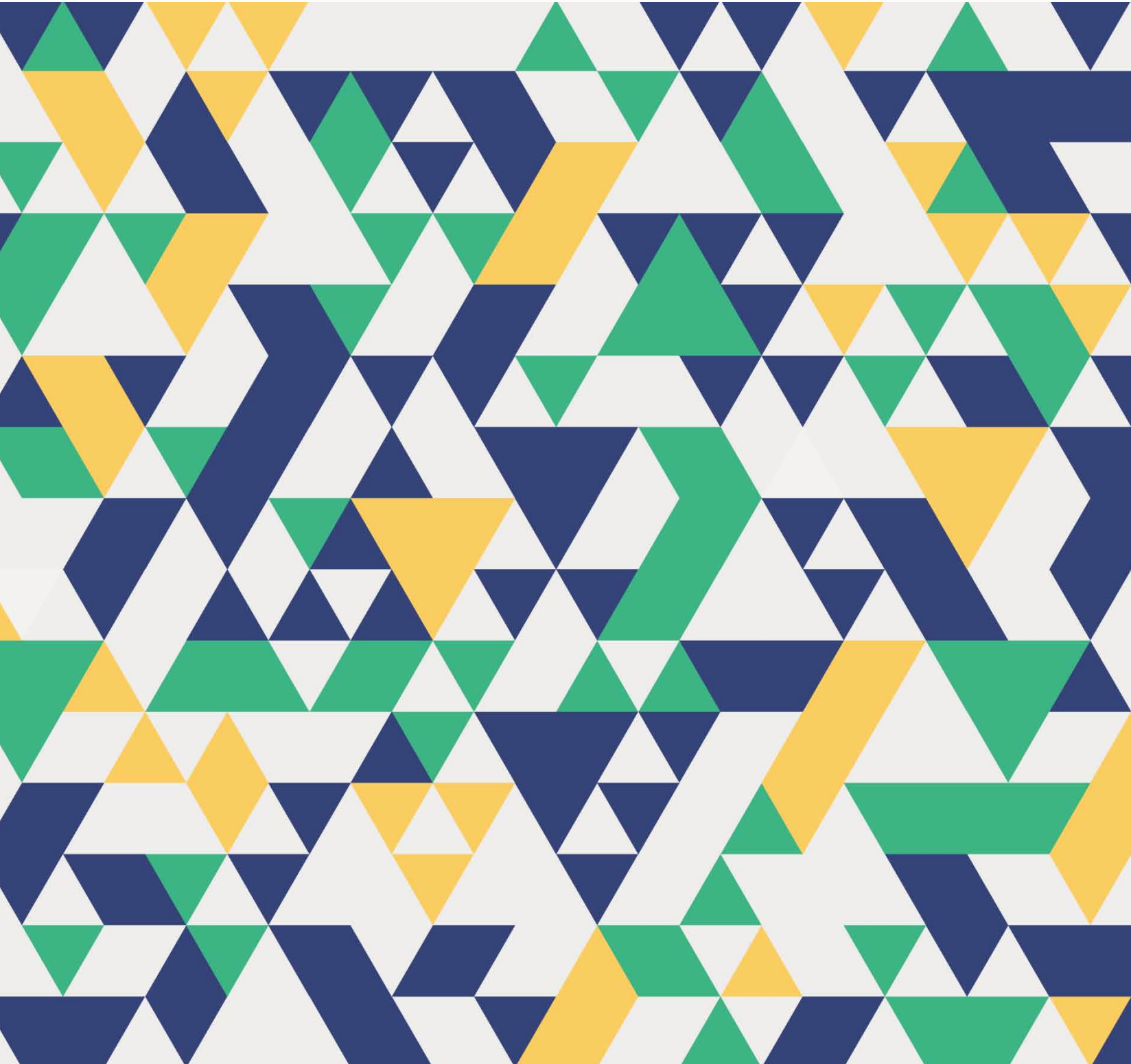
AUDIT TRAIL

Cabinet Member	Councillor Mark Williams Regeneration, Planning and Transport	
Lead Officer	Eleanor Kelly, Chief Executive	
Report Author	Jon Abbott Head of Regeneration North	
Version	Final	
Dated	6 November 2014	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Director of Legal Services	Yes	Yes
Strategic Director of Finance and Corporate Services	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team	6 November 2014	

SE16
PRINTWORKS
+ SURREY QUAYS
SHOPPING CENTRE

Stage 1A Interim Consultation Report
Executive Summary only

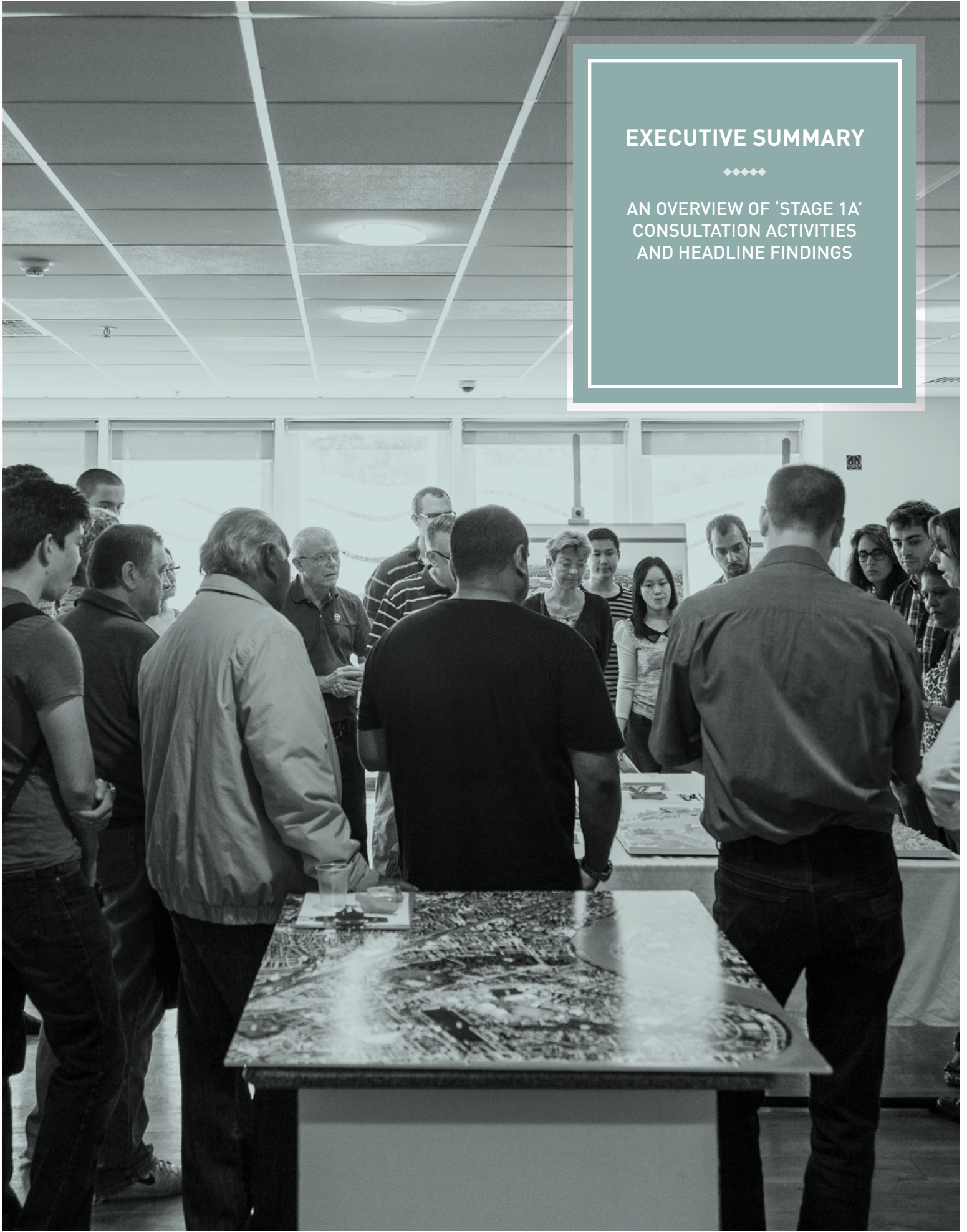
June | August 2014



EXECUTIVE SUMMARY



AN OVERVIEW OF 'STAGE 1A'
CONSULTATION ACTIVITIES
AND HEADLINE FINDINGS



About this report

This document is an extract from the full Stage 1A Consultation Report. To view the full report please visit:

www.SE16printworks.com/info-documents

Alternatively, you can contact Soundings using the details on the back page.

'Stage 1A' consultation: inclusion of the Surrey Quays Shopping Centre site

As a result of the first stage of consultation, the Surrey Quays Shopping Centre site is now being included together with the Printworks site as part of a combined masterplan.

An interim-stage of consultation took place in July 2014 to discuss the inclusion of the shopping centre site and understand local views. The

understanding gained will feed into development of the Draft Masterplan proposals over the coming months.

The table below is a summary of the community engagement and consultation activities that have taken place since the publication of the Stage 1 Consultation Report in May 2014.

CONSULTATION DIARY: JUNE - AUGUST 2014

ACTIVITY	DATE	DETAIL	OUTCOME
Community Review of Stage 1	11th June 2014	Mini-exhibition Presentation and discussions	<ul style="list-style-type: none"> • 30+ attended the exhibition and presentation
SE16 Summer events	21st June 2014 28th June 2014 5th July 2014 18th August 2014	Albion Street Mid-Summer Market Bermondsey Carnival, Southwark Park Rotherhithe Festival Redriff Community Day	<ul style="list-style-type: none"> • Estimated 200+ people informed
SE16 Printworks + Surrey Quays Shopping Centre exhibition & workshops	12th July 2014 15th July 2014 17th July 2014 23rd July - 31st July 2014	Printworks tours & exhibition 1 Exhibition 2 & presentation & feedback session Exhibition 3 & 'street & spaces' focus session Online feedback	<ul style="list-style-type: none"> • 250+ (approx) exhibition attendees • 30+ feedback session attendees • 13 walkabout mappings • 76 individual feedback forms
One-to-one meetings & group sessions	Ongoing	One-to-one meetings Youth engagement Outreach Local meeting attendance	<ul style="list-style-type: none"> • To date, 10 one-to-one / group meetings, plus wider outreach
Facebook / Twitter	Ongoing	Regular updates	<ul style="list-style-type: none"> • Over 170 Twitter 'followers' • 15 Facebook page 'likes'
Newsletter	June 2014	Newsletter 02	<ul style="list-style-type: none"> • 23,000 copies of Newsletter 02 distributed locally
Posters & flyers	Event posters & flyers distributed locally		



Interim consultation events, 12th July - 17th July 2014

Building on Stage 1 outcomes

Following British Land's decision to include the shopping centre site alongside the Printworks, this interim stage of consultation has looked at the opportunities and key issues to consider, associated with the inclusion of the Surrey Quays Shopping Centre site.

It is important to recognise that the Stage 1A findings supplement the community aspirations and key issues identified in

the first stage of consultation. In the vast majority of cases the Stage 1 findings still stand. However in some instances there are shifts in focus or changed nuances to reflect inclusion of the shopping centre site.

Below we have provided a high-level summary of the key themes that were raised most strongly throughout the first stage of consultation. This has been further annotated to reflect the broad implications of the Stage 1A findings.

Headline findings from Stage 1 consultation

To have a good, active and varied ground floor offer is key

Improved food, drink, retail and community/leisure uses are needed, incorporating a mix of both high street and independents. People are feeling saturated with residential – there's an opportunity to bring more life and activity to the area and make this a 'real' place. Activity both in the daytime and evening was considered important. *Inclusion of the shopping centre site increases opportunity for an active ground floor offer and to address existing issues. However, active uses need to be focused and the two sites may benefit from different characteristics, with the main 'centre' of activity on the shopping centre site.*

The public transport system, roads and schools are felt to be at capacity

...and would need improvements to withstand the cumulative impact of local developments and increased number of residents. Lower Road, Jamaica Road and Canada Water Station were key concerns, alongside congestion of buses and location of bus stops. Improving cycle and pedestrian routes could help ease road / tube congestion. *The increased size of the project and associated development has further highlighted importance and perceived need to address these issues.*

Considering the scheme in the context of the changing wider area is vital

Have a joined-up approach and consider the surrounding area together, including movement routes, uses and the public realm. Establish more intuitive routes to connect to the stations and Surrey Quays Shopping Centre. Within the Printworks site, a mix of direct and meandering routes should be considered alongside uses. East-west routes should be enhanced and there is opportunity for a 'green boulevard.' *Inclusion of the shopping centre site begins to address this and provides opportunity for a good link between the two stations and further enhances the east-west connection. Coordinating with the Surrey Quays Leisure Park site will be important to have a fully joined-up approach.*

There are mixed views on tall buildings

There are clear concerns relating to the increased density and potential impacts on the character of the area. However, there is acceptance of some tall buildings when they are of a high quality and iconic architectural design. Tall buildings should be located to the west of the Printworks site and step down to meet surrounding context. *With the shopping centre site included, areas at the northern and southern 'Gateways' were also identified as potential locations for taller buildings.*

A strong 'green' identity and vision for the Printworks will be a valuable asset

Balance the town centre identity with the character of the wider area to create a unique contrast between natural landscaping and vibrant town centre uses. Ecology is important. Consider the use of water and subtle means to reflect the area's heritage. *This is a vision for the whole area and also applies to the shopping centre site. Frontages onto Canada Water's edge provide further opportunities and challenges.*

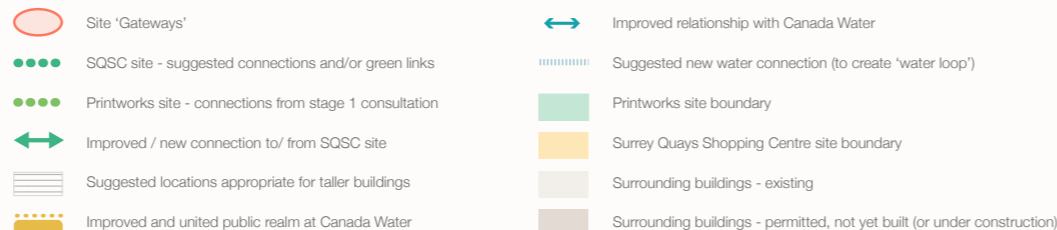
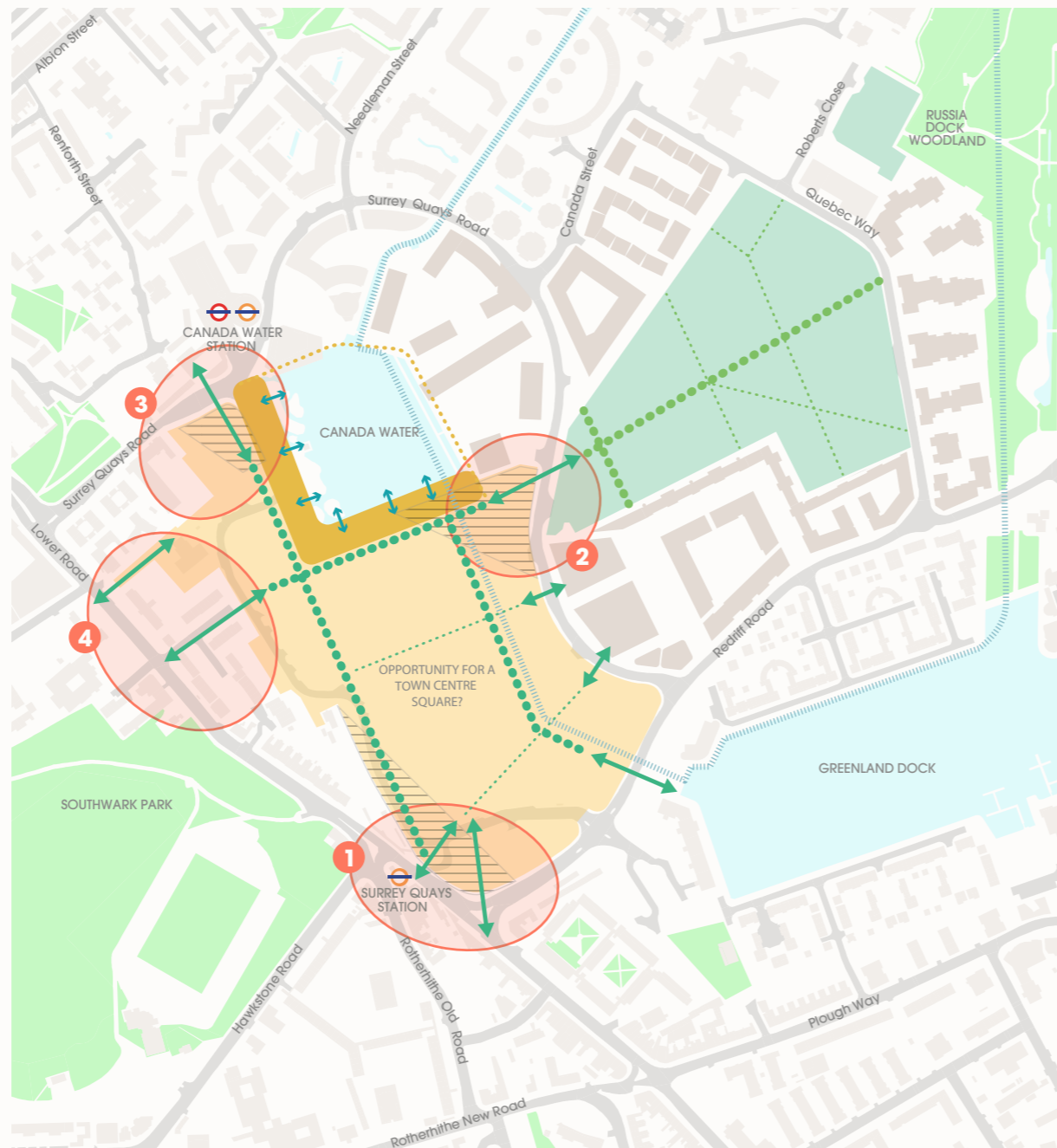
Higher education in the area was received positively

Following separate consultations held by Kings College London, local enthusiasm was generated for the idea of a university teaching campus in the area. This was seen as an opportunity to bring variety, activity, employment and an 'attractor' to the area, as well as working alongside small scale creative industry and a tech business-hub. *It was felt that the Printworks side of the combined site remained the most appropriate location for this element if it is possible.*

Inclusion of the Surrey Quays Shopping Centre site: overview of findings

Inclusion of the Surrey Quays Shopping Centre (SQSC) site was generally received very well with many seeing opportunity to improve the public realm, connections and the retail/leisure offer. It's also worth noting that the concept of potential removal of the existing shopping centre building and redevelopment of the whole site, including the car park, was sometimes a difficult concept to fully grasp. It has been assumed that Tesco will remain in its current location.

To the right is a mapping and high-level summary of the main opportunities, considerations and issues that have arisen through this interim stage of consultation.



Gateways

- 1 Southern gateway (Surrey Quays Station)**
 - This is high footfall route and should be an inviting and accessible 'Gateway'. Improve maintenance, address the level changes and poor pedestrian crossings to Surrey Quays Station
- 2 Between both sites**
 - The connection between both sites is limited. There is the opportunity to activate this area and take a combined approach to public realm, working with the Decathlon site and Surrey Quays Leisure Park site
- 3 Northern gateway**
 - Opportunity for an iconic gateway cluster in an area that currently isn't well used. Improve links and have ground floor activities linked with the library, creating an enterprise 'hub' near to Canada Water Station
- 4 Improve access to the west**
 - Improve the currently very limited access towards Southwark Park. Address the level change and use the land by the petrol station to create an additional route. Requests to retain the petrol station.

Treatment at Canada Water

- Have an active frontage to Canada Water with cafes, outdoor seating and evening activity
- The nature and wildlife of Canada Water is integral to its character and should be protected and enhanced
- There is opportunity for an innovative and sensitive solution to meet both ecological and 'human' needs. Coordinate with development on all edges of Canada Water

Streets, spaces & movement

- Have clear, navigable, attractive and 'green' public streets and spaces. Key routes include north-south link between the stations and east-west link between the parks
- Consider covered / semi-covered routes. Ensure routes are pedestrian and cycle friendly. Include cycle hire if possible
- Public realm should offer some continuity between the different developments

Where's the 'focus'?

- Should the focus of a town centre be water (Canada Water), or a more traditional square where events can take place? There could be opportunity for different focal areas with different identities
- Demands for better access and shopping / leisure facilities at both the northern and southern ends of the site

Clustering tall buildings

- Clustering around Canada Water was favoured overall (taking viewing corridors and preferred location for tall buildings on the Printworks site into account). There were also some suggestions for taller buildings to mark the southern 'Gateway'
- Concerns were raised about the impact of shading on Canada Water in terms of wildlife and creating successful places to enjoy / sit

Use & identity

- Overall**
- There should be a strong focus on green spaces and enhancing local wildlife. Use and connection to the water is important
 - The two sites should have distinctive character, the Surrey Quays Shopping Centre working as an active mixed-use town centre / high street and the Printworks site linking to the potential Kings College London site and the more residential areas

Surrey Quays Shopping Centre

- Create an attractive and 'up to date' destination in London - but ensure it's characterful and unique, not corporate
- A mixed-use town centre that is better connected to outdoor streets and spaces (part-covered, part-open)
- Improve the existing range of shops and food/drink. Include independents and higher quality shops, whilst retaining the mix of shops to accommodate all budgets. Need alternatives to Tesco

Parking & transport

- Ensure car parking does not dominate - enabling pedestrian and cycle focused routes. Underground parking is preferred
- Keep sufficient parking. Fear of overflow if there is not enough and there may be the need to consider controlled parking zones
- The increased site will need to ensure the traffic / transport issues are addressed appropriately. Bus routes and stops should be better co-ordinated

This summary is an extract from the main
Stage 1A Consultation Report produced by:

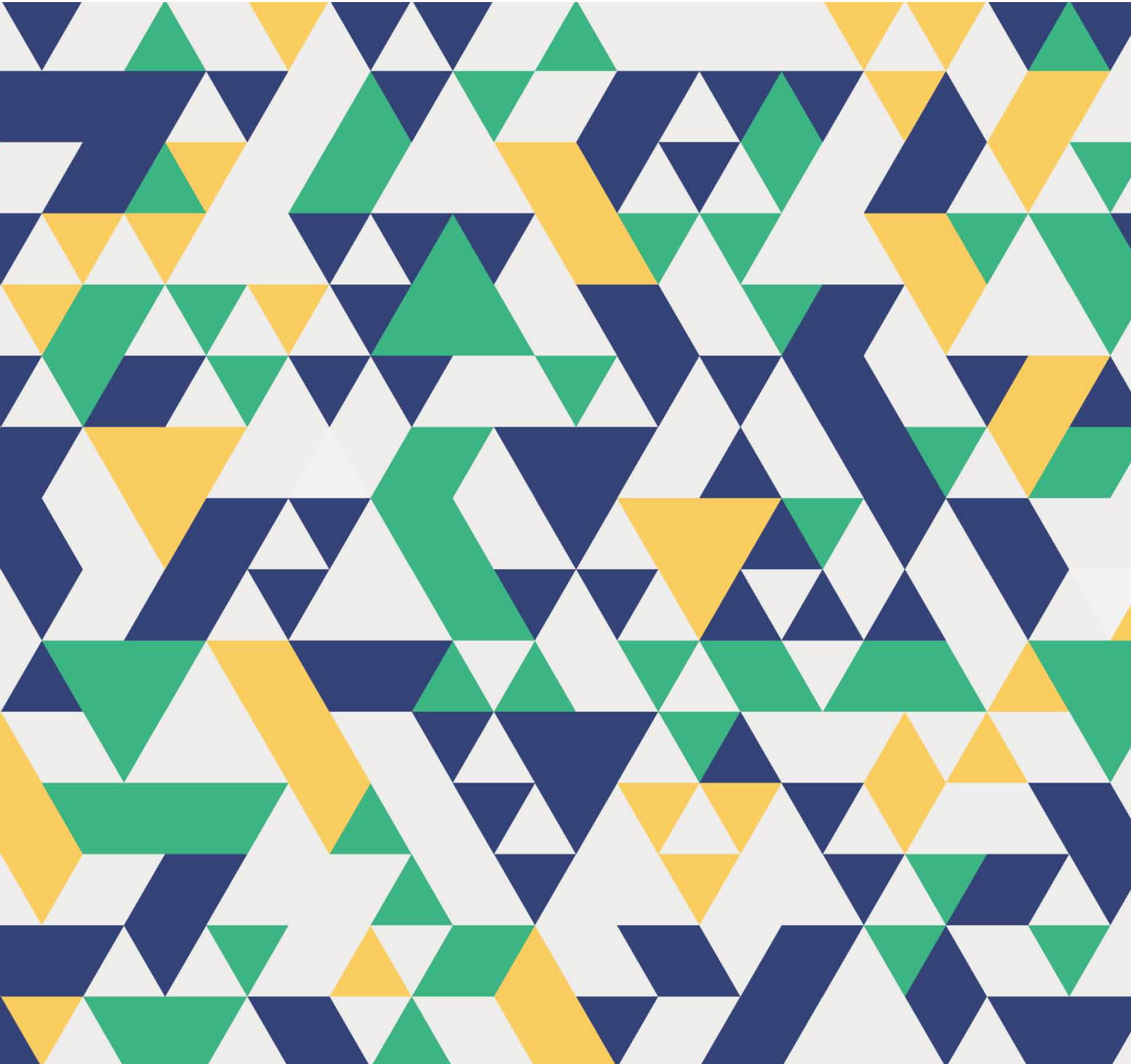
Soundings

148 Curtain Road
London EC2A 3AT

Any queries should be referred to
the **SE16 Printworks** consultation
team as follows:

✉ team@SE16printworks.com

☎ 020 7729 1705



Item No. 18.	Classification: Open	Date: 18 November 2014	Meeting Name: Cabinet
Report title:		Disposal of Site Land at 1 Potters Fields	
Wards affected:		Riverside	
From:		Councillor Fiona Colley, Finance, Strategy and Performance	

FOREWORD – COUNCILLOR FIONA COLLEY, CABINET MEMBER FOR FINANCE, STRATEGY AND PERFORMANCE

I'm pleased to recommend to cabinet the disposal of this small site at 1 Potters Fields. Not only will the sale of this small piece of land generate a substantial receipt to help finance our capital investment programme, the proposed development of the site and the neighbouring plot of land has the potential to substantially improve what is currently quite an eye-sore next to Potters Field Park and provide new office and compound space which could be used by the Potters Fields Management Trust to replace the poor quality accommodation they currently operate from.

RECOMMENDATIONS

That the cabinet authorises:

1. The disposal of part of the freehold land shown edged black on the plan at Appendix 1 known at the Land Registry as St Johns Girls School House, Tooley Street and 1 Potters Fields ("the Site") to Mr John Curran & Ms Kristen Frederickson (or to an entity controlled by one or both of them) on the terms set out in the closed report.
2. The granting of a 999 year lease at a peppercorn ground rent of any permitted oversail of the LBS freehold in the area hatched on the plan at appendix 1. The oversail will be at or above a minimum height of 5.1m from the ground level and extend no farther than 1m from the boundary. The consideration for the grant of a lease is set out in the closed report.
3. The acquisition by the council of a lease of the commercial space created by the development for the consideration set out in the closed version of this report.
4. The delegation of authority to the Head of Property to agree the detailed terms of the transaction and negotiate any other items considered necessary.

BACKGROUND INFORMATION

5. The council is the freeholder of the Site. The Site extends to approximately 220 m² and has boundaries with Potters Fields (both the street and the park) and Tooley Street.
6. The Site is held in the council's general fund.

7. The Site comprises open storage land currently let to the Potters Fields Park Management Trust (PFPMT) and has been hoarded for a number of years. Previously the site was occupied by a three storey building used as a library which is believed to have closed and been demolished in the 1980's.
8. The council was approached in January 2013 by the adjoining owner Mr John Curran to explore the possibility of purchasing the Site to enable a comprehensive development scheme across both sites.
9. Mr Curran's intention is to develop both sites to provide a residential led scheme, together with an office unit / compound which can be used (but is not restricted to use by) by the Potters Fields Park Management Trust (PFPMT) in connection with their management of the adjoining park. This will allow the removal of the compound currently used by PFPMT to the North of the Site with the potential to add this area to the park.
10. A long lease of the office / compound unit has been offered to the council in lieu of a portion of the site cost. It is intended that this will then be let to the PFPMT. This will be an income producing unit and therefore an asset to the council. If the PFPMT do not use the unit it is envisaged that it will be designed to convert to another use to create income for the council such as an office.
11. Mr Curran's design intent includes a permanent oversail of a maximum 1m except at the point marked X on the plan where the oversail may extend to a maximum of 2m at a minimum height of 5.1m above ground over the park and Potters Fields (the street) areas of which are freehold owned by the council. The area is hatched black on the plan at appendix 1. There has been little detailed design work undertaken at the present time and any formal proposals will be subject to consultation with the public, with the PFPMT (leaseholder of Potters Fields Park) and other stakeholders as part of the design and planning process.
12. Due to the nature of the transaction and as both sites are adjacent no marketing was undertaken. The council commissioned BNP Paribas Real Estate (BNPPRE) to undertake a formal valuation of the land to confirm that the council is receiving the best consideration that could reasonably be achieved from the sale and therefore satisfying s.123 of the Local Government Act 1972. The BNPPRE report gives this confirmation.
13. The BNPPRE report also confirms that the consideration for the office space being leased back is equal to its market value.
14. The closed agenda report carries details of the offer received and for reasons of commercial confidentiality it is not possible to report this on the open agenda.
15. The transaction being recommended is subject to planning for a minimum scheme. Mr Curran has indicated his intention to submit a planning application of the highest architectural standards. The resultant development would allow a previously dormant site to be brought into use benefitting the adjacent park and generating a significant capital receipt, together with future business rates and council tax income.

KEY ISSUES FOR CONSIDERATION

16. Councils are required to dispose of surplus property assets subject to best consideration requirements. Specifically, the council has a duty under Section

123 of the Local Government Act 1972 to dispose of land for the best consideration that could be reasonably obtained. The head of property confirms that the sale of the Site as recommended will comply with these requirements and the price achieved is the best that could be reasonably obtained at this time.

17. The BNPPRE report also confirms that the consideration offer for the office space being leased back is equal to the market value.
18. The contract will contain overage clauses triggering further payments to the council should either the minimum scheme be exceeded at planning or certain sales thresholds be exceeded.
19. When it is completed, the redevelopment of the Site should have benefits for the local community including tidying up the current PFPMT compound and a small area of new parkland. The sale of the Site will also ensure that it is brought back into beneficial use.
20. The Site will be offered with full vacant possession prior to completion of the sale.
21. The council does not have any connection with or interest in Mr. Curran or Ms Frederickson.
22. The substantial capital receipt that will be generated as a result of the sale of the Site will make a significant contribution to the council's Capital Programme.
23. The Site is too small to be considered for the council's direct delivery program and is also held in the General Fund.
24. When complete the development will generate business rates and council tax receipts for the council.
25. The area occupied by the Gas Infrastructure cross hatched on the plan at Appendix 1 is to be transferred to Mr Curran in order for him to control the unauthorised parking of motorcycles which currently occurs. By controlling the parking it will benefit the development, local area, and access to the infrastructure which is currently blocked by the parked motorcycles. This land is considered largely undevelopable. A restrictive covenant preventing the development on this part of the land will be placed on the title in favour of the council should re-development be possible in the future.

Policy implications

26. The disposal of the Site will generate a substantial capital receipt which will be used to provide capital funding in support of the council's key priorities.
27. The environmental improvements arising from the redevelopment of the Site will assist the council in meeting its cleaner, greener and safer agenda. Any new dwellings arising from the redevelopment will be designed to meet latest energy efficiency building regulations.

Community impact statement

28. The capital receipt to be realised as a result of the transaction will assist with delivery of the council's corporate objectives, achieving its stated budget principles and working together with communities towards a 'fairer future for all'.
29. It is not considered that the sale will have any adverse effect on any of the protected characteristics of age, disability, gender reassignment, pregnancy & maternity, race, religion or beliefs, sex or sexual orientation. The Site is let temporarily to PFPMT but has been vacant for many years with the services previously supplied at the Site demolished many years ago.
30. The buyer will be required to consult local residents, businesses and further talks with the PFPMT as part of the planning application process.
31. Redevelopment of this Site is likely to have a positive effect on the local environment and streetscape.

Resource implications

32. This proposal will generate a capital receipt, expected in the financial year 2015/16.
33. There will be no loss of income from the Site arising from the disposal. Disposal will remove the need for expenditure on void management and running costs.
34. The costs of obtaining the planning consent and any s.106 / Southwark Community Infrastructure Levy or Mayoral Community Infrastructure Levy will be paid by the buyer.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Legal Services

35. Section 1 of the Localism Act 2011 grants councils a general power of competence whereby a local authority has power to do anything that individuals generally may do. However, that power does not enable a local authority to do anything which it is unable to do by virtue of a pre-commencement limitation. Section 123 of the Local Government Act 1972 is a pre-commencement statute which imposes limitations on the council's power of disposal.
36. Section 123 of the Local Government Act 1972 states that except with the consent of the Secretary of State, a council shall not dispose of land under that section, otherwise than by way of a short tenancy, for a consideration less than the best that can reasonably be obtained.
37. The report indicates in paragraph 12 that the consideration is the best that can reasonably be obtained.
38. Cabinet may proceed with the approval of the recommendation.

Strategic Director of Finance and Corporate Services (FC14/024)

39. The strategic director of finance and corporate services notes the recommendations in this report regarding land matters at 1 Potters Field park, including the sale of the freehold land by the council without public advertising,

the council granting a long lease of the oversail rights, and construction by the purchaser of the commercial / office space for use by the council. After construction, the council will lease out the commercial space to a third party for a rental stream, and will use its best endeavours to restore the space to park standard.

40. The overall deal is subject to planning and if the minimum space is not granted planning permission the deal will not complete. The deal is subject to overage and so if planning permission is granted for a larger area the council will be paid additional funds. If the commercial space is not constructed within 5 years then the purchaser will pay an amount equivalent to the original value plus inflation to the council. The restoration of the land will have a cost but this is not known, although it is not considered to be significant.
41. It is anticipated that the capital receipt (purchase price less the value of the commercial space) will be available to the council in the year 2015/16.

BACKGROUND DOCUMENTS

No.	Title
None	

APPENDICES

No.	Title
Appendix 1	OS plans, indicating the Property – edged black

AUDIT TRAIL

Cabinet Member	Councillor Fiona Colley, Finance, Strategy and Performance	
Lead Officer	Eleanor Kelly, Chief Executive	
Report Author	Tim Surry, Surveyor	
Version	Final	
Dated	5 November 2014	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments sought	Comments included
Director of Legal Services	Yes	Yes
Strategic Director of Finance and Corporate Services	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team	6 November 2014	

TITLE. Land adjoining Potters Fields, SE1.



DRAWING No. LBS_3153(Layout2)

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DRAWN BY. MMANKTELOW
Property Division

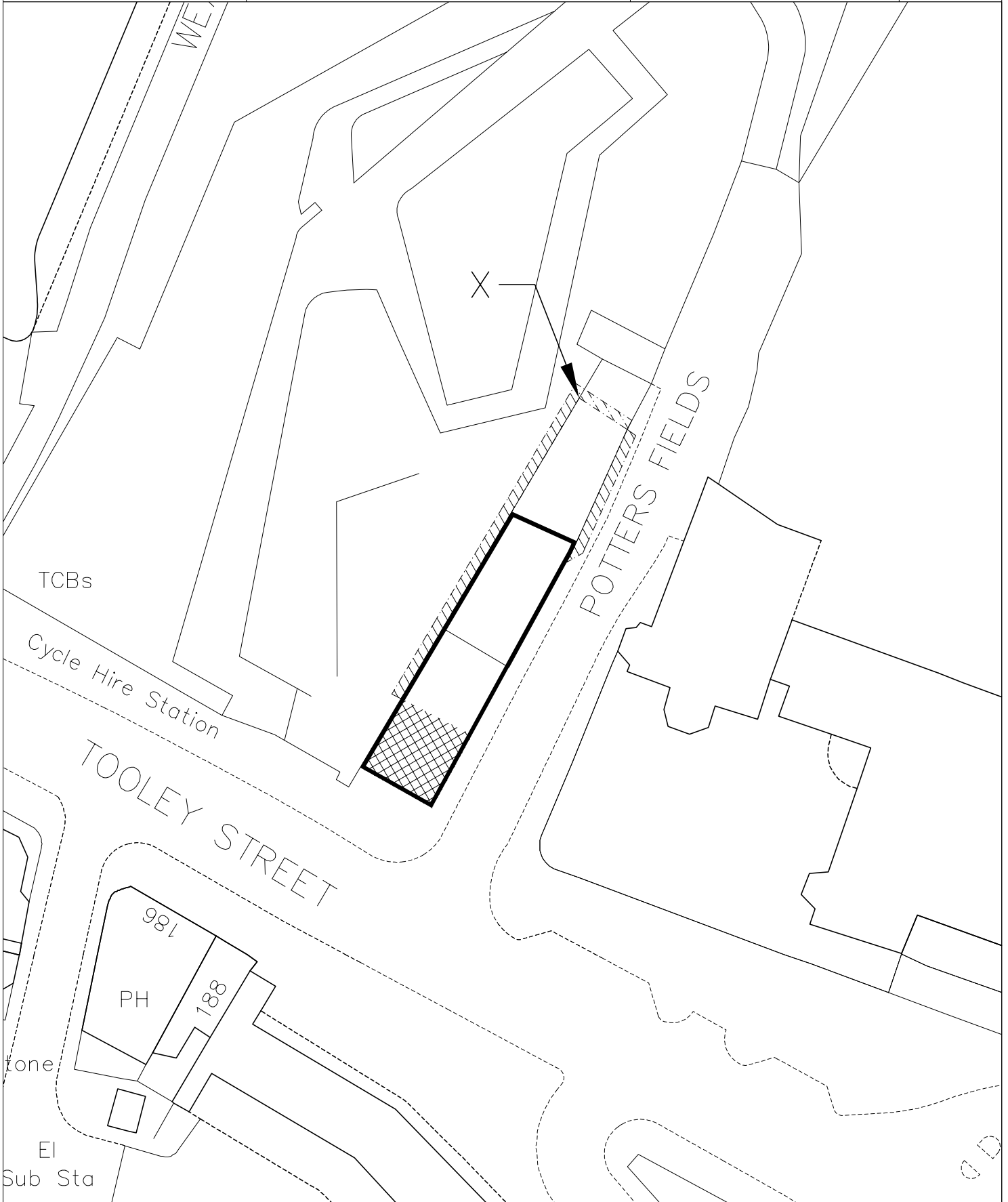
Original Scale - 1:500

DATE. 20/10/2014

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Item No. 19.	Classification: Open	Date: 18 November 2014	Meeting Name: Cabinet
Report title:		Sale of 29 Bath Terrace, London SE1 6PS	
Ward or groups affected:		Chaucer	
Cabinet Member:		Councillor Fiona Colley, Finance, Strategy and Performance	

FOREWORD – COUNCILLOR FIONA COLLEY, CABINET MEMBER FOR FINANCE, STRATEGY AND PERFORMANCE

This report recommends the sale of the freehold of 29 Bath Terrace to the holder of the long lease on the building. As the property is held within the HRA, the sale will generate a sizeable receipt to help fund the council's housing investment programme.

The building currently houses the Uxbridge Arms Pub on the basement and ground floor and HMO type privately rented rooms on the first and second floors. The purchaser intends to redevelop the building with a new pub/bar and flats above.

Given our policy objective to protect pubs and bars I am recommending that we make the re-provision of the pub a contractual requirement rather than relying solely on the planning process and the goodwill of the purchaser.

RECOMMENDATIONS

That cabinet agrees:

1. The sale of the freehold interest in 29 Bath Terrace, London, SE1 6PS, (the Property) on the principal terms set out in the closed report. Subject to a contractual agreement to re-provide a commercial unit falling within use class A4 (Drinking establishments - Public houses, wine bars or other drinking establishments (but not night clubs)) at this location.
2. The head of property be delegated to agree the detailed terms of the transfer.

BACKGROUND INFORMATION

3. The property is located in the Elephant and Castle area, bounded by the Rockingham Estate. A location plan is attached in Appendix 1, which highlights the property.
4. The council holds the freehold interest in the property and this interest is held within the council's housing revenue account. It is subject to a long lease with approximately 20 years to expiry, held by the proposed purchaser. The property itself is a purpose built public house and associated residential space. It consists of a basement, ground floor and two upper floors.
5. The ground and basement floors are used as a public house, associated storage and offices while the first and second floors are in residential use. The rooms on the upper floor are rented out individually with shared kitchenettes and bathroom

facilities. The public house currently trades as the Uxbridge Arms.

6. The agreed terms of purchase are set out in the closed report. The purchaser intends to redevelop the Property in accordance with the Council's planning policies, with the public house use re-provided in the new development.

KEY ISSUES FOR CONSIDERATION

7. The Elephant and Castle area has been undergoing a great deal of regeneration and the redevelopment of this property will contribute to the regeneration programme and provide good quality residential accommodation.
8. The redevelopment of the property will be in line with the Council's existing planning policies.
9. A new commercial unit falling within use class A4 (Drinking establishments - Public houses, wine bars or other drinking establishments (but not night clubs)) will be provided in the new development to replace the current A4 ground floor use in addition to the creation of new high quality residential units.
10. The council will receive a capital sum as consideration for the sale of the freehold interest in the property and the capital receipt can be used to deliver other council objectives. It is confirmed that the offer being recommended represents market value.
11. The disposal of properties held for housing purposes is permitted by virtue of Section 32 of the Housing Act 1985, subject to the consent of the Secretary of State for the Department for Communities and Local Government. It is confirmed that disposal is not to a body in which the local authority owns an interest.
12. The property was declared surplus to operational requirements on 24 October 2014.

Policy implications

13. The property is within the core strategy central activity zone and the designated major town centre of Elephant and Castle. It is also within the Elephant and Castle Opportunity Area boundary.
14. Elephant and Castle Opportunity Area Supplementary Planning Document and Opportunity Area Planning Framework (SPD /OAPF) set out of vision of creating around 4,000 homes. The creation of good quality homes on this site will contribute towards realising that vision. The SPD / OAPF, will support additional residential use within the Rockingham Estate area.
15. The substantial capital receipt generated from the sale will help fund the councils housing investment program and help further the councils fairer future policies particularly promise 3 - Quality Affordable Homes.
16. The environmental improvements arising from the redevelopment of the site will assist the council in meeting its cleaner, greener and safer agenda. Any new dwellings arising from the redevelopment will be designed to meet latest energy efficiency building regulations.

Community impact statement

17. The capital receipt to be realised as a result of the transaction will assist with delivery of the council's corporate objectives, achieving its stated budget principles and working together with communities towards a 'fairer future for all'.
18. It is not considered that the sale will have any adverse effect on any of the protected characteristics of age, disability, gender reassignment, pregnancy & maternity, race, religion or beliefs, sex or sexual orientation. The proposed redevelopment will make provision for similar bar or restaurant use for the benefit of the community.
19. The buyer will be required to consult local residents, businesses & stakeholders as part of the planning application process.
20. Redevelopment of this site is likely to have a positive effect on the local environment and streetscape.

Resource implications

21. The negotiations have been carried out by officers within property services and the proposed purchaser will pay a reasonable sum for the time expended in dealing with the matter.
22. Officers from legal services will be involved in drafting and agreeing the final contract. Their time working on the case will also be reimbursed by the prospective purchaser.

Financial implications

23. Details of the capital receipt payable to the council on completion of the sale are set out in the closed report.
24. The capital receipt is expected in the financial year 2014/15.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Legal Services

25. Section 1 of the Localism Act 2011 grants councils a general power of competence whereby a local authority has power to do anything that individuals generally may do. However, that power does not enable a local authority to do anything which it is unable to do by virtue of a pre-commencement limitation. Section 32 of the Housing Act 1985 is a pre-commencement statute which imposes limitations on the council's powers of disposal.
26. As the property falls within the council's housing portfolio, the disposal can only proceed in accordance with Section 32 of the Housing Act 1985, for which purposes the consent of the Secretary of State for Communities and Local Government is required.
27. A number of general consents have been issued in the General Housing Consents 2013. Consent A3.1.2 of the General Consent of the Disposal of Land

held for the purposes of Part II of the Housing Act 1985-2013 states that a local authority may dispose of land for a consideration equal to its market value, subject to exceptions contained in paragraph A3.1.2. The exceptions in paragraph A3.1.2 are disposals to a body owned or partly owned by the local authority, disposals that fall into a separate consent for reversionary interest in houses and flats and disposals that would result in a local authority tenant becoming the tenant of a private landlord; none of these exceptions apply here.

28. The report confirms in paragraph 10 that the price agreed with the prospective purchaser represents market value.
29. The report also confirms at paragraph 12 that the Property was declared surplus to operational requirement.
30. Cabinet may proceed with the approval of the recommendation.

Strategic Director of Finance and Corporate Services (FC14/025)

31. The strategic director of finance and corporate services notes the recommendations in this report for the sale of the freehold interest in 29 Bath Terrace, London, SE1.
32. The receipt is an unconditional offer with an overage clause depending on planning permission and sales values. The capital receipt will be used to fund other projects within the council's capital programme. The purchaser will pay towards the council's costs in dealing with the matter.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
None		

APPENDIX

No.	Title
Appendix 1	Location Plan

AUDIT TRAIL

Cabinet Member	Councillor Fiona Colley, Finance, Strategy and Performance	
Lead Officer	Eleanor Kelly, Chief Executive	
Report Author	Bunmi Olafare, Senior Surveyor	
Version	Final	
Dated	7 November 2014	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Director of Legal Services	Yes	Yes
Strategic Director of Finance and Corporate Services	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team		7 November 2014

Draft pdf source

TITLE. 29 Bath Terrace, SE1 6PS.
AREA : 293.24 sq mts.



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Property Division
DATE. 29/9/2014

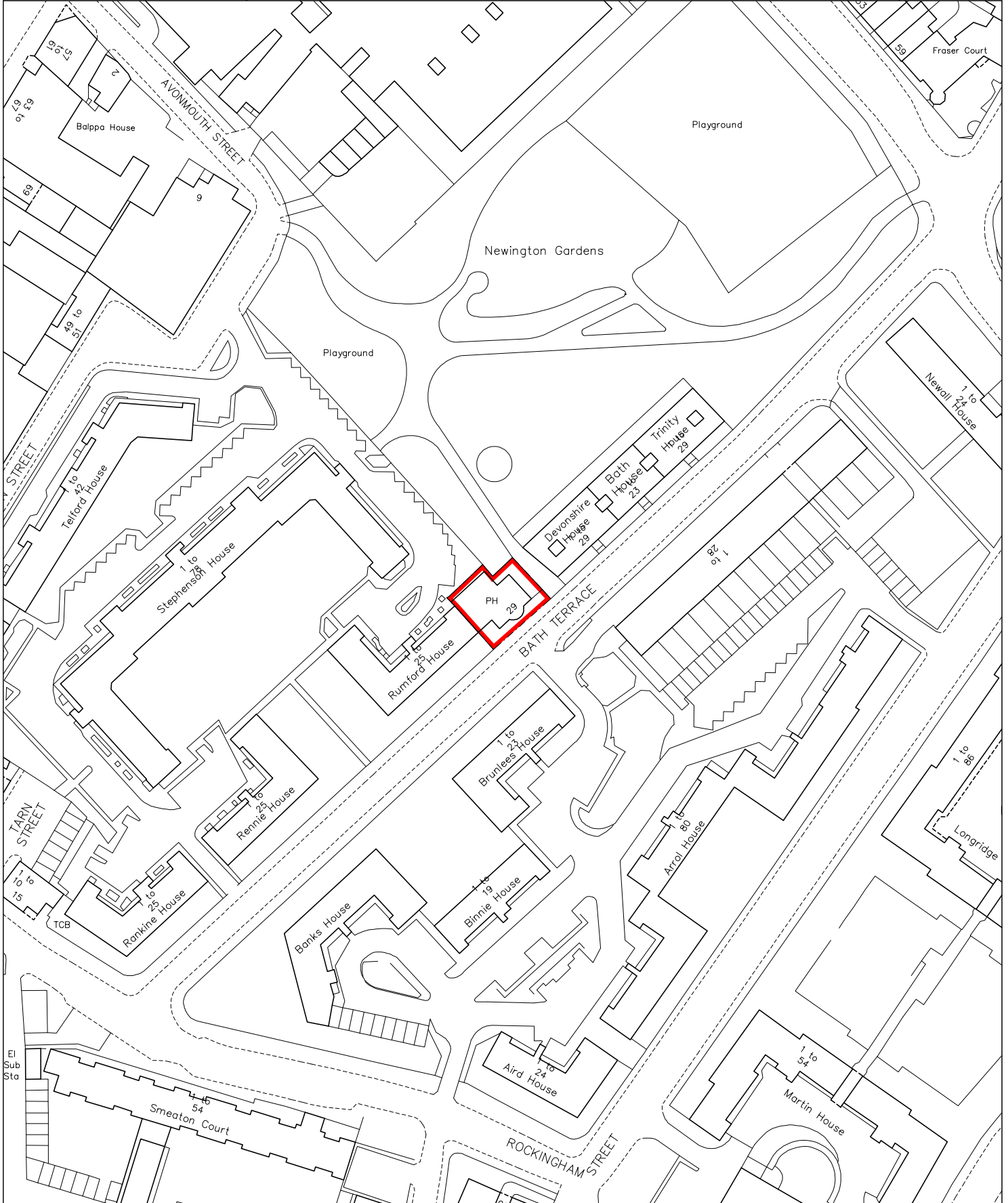
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South London Press	1		
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Simon Hughes, MP	1		