

Cabinet

Tuesday 15 September 2015

4.00 pm

Ground Floor Meeting Room GO2A, 160 Tooley Street, London SE1
2QH

Membership

Councillor Peter John
Councillor Ian Wingfield

Councillor Fiona Colley
Councillor Stephanie Cryan
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
Business, Employment and Culture
Finance, Modernisation and Performance
Adult Care and Financial Inclusion
Public Health, Parks and Leisure
Housing
Environment and the Public Realm
Children and Schools
Communities and Safety
Regeneration and New Homes

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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: 7 September 2015



Cabinet

Tuesday 15 September 2015

4.00 pm

Ground Floor Meeting Room GO2A, 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

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To note the items specified which will be considered in a closed 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 - 16
	To approve as a correct record the minutes of the open section of the meetings held on 21 and 28 July 2015.	
7.	DEPUTATION REQUESTS	
	To consider any deputation requests.	
8.	REVISED CANADA WATER AREA ACTION PLAN	17 - 80
	To recommend to council assembly to consider and adopt the revised Canada Water Area Action Plan.	
9.	TATE MODERN PROJECT - LAST £1M CONTRIBUTION	81 - 88
	To agree to commit £1m of capital funding towards the practical completion of the Tate Modern extension project.	
10.	APPROVAL OF THE COUNCIL'S LOCAL IMPLEMENTATION PLAN DELIVERY PLAN, ANNUAL SPENDING SUBMISSION FOR 2016/17	89 - 97
	To agree the content of the council's proposed submission to Transport for London (TfL) identifying transport projects to be delivered with TfL LIP funding in 2016/17 and that the identified programme be submitted to TfL by 9 October 2015.	
11.	NEW HOMES DELIVERY PROGRAMME	98 - 113
	To agree in principle to the schemes listed in the report and to note the consultation and rehousing options.	
	To agree to the delegated process for the approval of future schemes.	
12.	MAJOR WORKS STATUS REPORT INCORPORATING WARM, DRY AND SAFE	114 - 163
	To receive an update on issues relating to the major works programme for council housing in the borough.	
13.	FAMILIES MATTER	164 - 184
	To agree the Families Matter strategy and implementation plan.	

Item No.	Title	Page No.
14.	POLICY AND RESOURCES STRATEGY 2016/17 TO 2018/19 - SCENE SETTING REPORT	185 - 203
	To note the key issues contained within the chancellor's budget statement and how they impact on the council.	
	To receive a further report back to cabinet in November 2015 to include any further settlement information, savings identified during the second round of budget challenge meetings and further budget options necessary to achieve balanced budgets over the next three years.	
15.	REVENUE MONITORING REPORT FOR QUARTER 1, 2015/16, INCLUDING TREASURY MANAGEMENT	204 - 216
	To note the general fund outturn forecast for 2015/16 and forecast net movement in reserves by department, the housing revenue account's (HRA) forecast outturn for 2015/16 and resulting forecast movement in reserves and the treasury management activity for the first three months of 2015/16.	
	To also note the continuing pressure on homelessness budgets, and the forecast requirement to draw down reserves of £2.3m, representing a 192% overspend on the current net expenditure base budget and the potential in year reduction of public health grant of £1.6m.	
	To approve the general fund budget movements that exceed £250,000.	
16.	QUARTER 1 CAPITAL MONITORING FOR 2015/16 AND CAPITAL PROGRAMME REFRESH FOR 2015/16 - 2024/25	217 - 239
	To note the general fund capital programme and the housing investment programme for the period 2015/16 to 2024/25 as at quarter 1.	
	To approve the virements and variations to the general fund and housing investment capital programme.	
	To note the projected expenditure and resources for 2015/16 and future years for the general fund and the housing investment programme.	
17.	GATEWAY 2: CONTRACT AWARD APPROVAL: INTEGRATED DRUG AND ALCOHOL TREATMENT SYSTEM	240 - 262
	To approve the award of the adult integrated drug and alcohol treatment system contract.	

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| 18. | GATEWAY 2: CONTRACT AWARD APPROVAL HEATING AND WATER CONTRACTS | 263 - 276 |
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To approve the award of contacts A (north of the borough) and B (south) for heating and hot water.

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| 19. | MOTIONS REFERRED FROM COUNCIL ASSEMBLY | 277 - 286 |
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To consider motions on the following:

- Schools, standards and places
- Save Southwark woods
- Right to buy
- Children missing from care
- Revitalising the Blue
- Albion Primary School.

OTHER ITEMS

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

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| 20. | ADULT SOCIAL CARE, FAIRER CONTRIBUTIONS POLICY - OUTCOMES OF CONSULTATION EXERCISE AND IMPLEMENTATION |
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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.”

Item No.

Title

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PART B - CLOSED BUSINESS

21. MINUTES

22. GATEWAY 2: CONTRACT AWARD APPROVAL: INTEGRATED DRUG AND ALCOHOL TREATMENT SYSTEM

23. GATEWAY 2: CONTRACT AWARD APPROVAL HEATING AND WATER CONTRACTS

DISCUSSION OF ANY OTHER CLOSED ITEMS AS NOTIFIED AT THE START OF THE MEETING AND ACCEPTED BY THE CHAIR AS URGENT

Date: 7 September 2015

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

Cabinet 15 September 2015

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 15 September 2015 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: Gateway 2 – Contract Award Approval Adult Integrated Drug & Alcohol Treatment System

Item 23: Gateway 2 – Contract Award Approval, Heating and Water Contracts

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: 7 September 2015



Cabinet

MINUTES of the OPEN section of the Cabinet held on Tuesday 21 July 2015 at 4.30 pm at the Council Offices, 160 Tooley Street, London SE1 2QH

PRESENT: Councillor Peter John (Chair)
Councillor Ian Wingfield
Councillor Fiona Colley
Councillor Stephanie Cryan
Councillor Barrie Hargrove
Councillor Richard Livingstone
Councillor Darren Merrill
Councillor Victoria Mills
Councillor Michael Situ
Councillor Mark Williams

1. APOLOGIES

There were none.

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

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

Item 7: Deputation requests

Additionally, it was confirmed that cabinet would adjourn their consideration of Item 23: Senior Management Restructure to a cabinet meeting to be held on Tuesday 28 July 2015 at 4.00pm.

It was also noted that Item 22: Policy and Resources Strategy 2016/17 to 2018/19 – scene setting report was now scheduled to be considered at the 15 September 2015 meeting of cabinet.

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

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

4. DISCLOSURE OF INTERESTS AND DISPENSATIONS

Councillors Victoria Mills and Fiona Colley as parents of school aged children in September 2016 requested that their interest be noted in respect of item 11, Primary and Secondary School Place Planning Strategy Update. This was not a disclosable pecuniary interest but to avoid the appearance of any bias this interest was declared. Additionally they confirmed that they would withdraw from the meeting while this item was being discussed.

5. PUBLIC QUESTION TIME (15 MINUTES)

The following public questions were submitted as follows:

Question from Toby Eckersley to Councillor Mark Williams

The council's "advance payment" duties under S.52 Land Compensation Act 1973 being designed to provide rehousing resources to those facing compulsory purchase, at what stage does the council consider itself bound to accept an advance payment request, and would it ever delay an advance payment until after taking possession?

Response

Section 52 of the Land Compensation Act 1973 sets out arrangements for the advance payment of compensation to a homeowner where the council has taken possession of a property following a compulsory purchase order (CPO). The purpose of this is to ensure that dispossessed homeowners are able to receive the majority of the compensation to which they are entitled on or soon after the Council taking possession of their property, even though the final amount of compensation payable remains unresolved. This is required because it can take some time after possession of the property has been taken for the final level of compensation to be resolved, in some cases requiring determination by the courts.

Upon receiving a valid request for advance payment, the council is required to make a payment of 90% of its assessed value of the property on the later of the date it takes possession of the property or 3 months from the request. This is termed an "advance payment" as it is made in advance of resolving the final amount of compensation to which the homeowner is entitled; it is not a payment made in advance of the council taking possession of the property, and the council is not required to release any payment in until it has taken legal possession of the property.

The council works very hard to negotiate with homeowners to purchase their properties by agreement and to avoid having to exercise its compulsory purchase powers, and with success: Taking possession without the owner's agreement affects only a very small

minority of owners, less than 2% of properties on the Heygate Estate and less than 7% on the Aylesbury Estate, for example. When this is unavoidable and to mitigate the financial impact on those affected, advance payments are typically made within days of valid claims being received and well before the three month statutory limit.

Supplemental question

Mr Eckersley asked a supplemental question relating to advance payments. It was agreed that Councillor Mark Williams and council officers would meet with Mr Eckersley to discuss the matter.

Question from Beverley Robinson to Councillor Mark Williams

Noting that "rehousing assistance" for leaseholders facing compulsory loss of home often requires compulsory re-direction of pre-existing savings, what steps are being taken to improve policies and procedures to mitigate the stress and unfairness perceived by leaseholders in regeneration areas, with particular regard to the financial assessment procedures?

Response

Through its rehousing assistance scheme, the council offers a range of rehousing options for leaseholders affected by estate regeneration programmes who are unable to purchase a new property locally on the open market. This process can result in the offer of a new tenancy with the council or with a housing association, or in the option to purchase a new leasehold property through shared ownership or shared equity schemes with the council or with a housing association, depending on the individual leaseholder's personal and financial circumstances. For the regeneration of the Aylesbury Estate, to assist leaseholders, this process is set out within a re-housing guide which is available on the Council's website:

(See: http://www.southwark.gov.uk/downloads/download/1079/aylesbury_homeowners_rehousing_toolkit)

The council's current policy for council shared equity purchases, in which leaseholders do not pay any rent on the proportion of the property that they do not own, is that the purchaser is required to purchase the maximum amount of equity in the new property that they can afford. This currently means that the purchaser will be required to invest any additional savings above £16,000 into purchasing equity within the property. The reason for this is to ensure that the council shared equity scheme remains prioritised towards those who do not have sufficient capital to be able to afford to buy a property in the local area on the open market. The level of retained savings within the council's rehousing assistance programme was set when the policy was approved in 2010 but, in order to ensure that the council's rehousing assistance effectively assists existing leaseholders to move without adverse impact on individuals' personal and financial circumstances, this policy will now be reviewed with a view to a final decision to be made this autumn.

The council also seeks to put in place additional arrangements with each of its development partners on major regeneration schemes to provide further rehousing options for leaseholders. For example, in the case of the regeneration of the Aylesbury Estate, under its development partnership with the council, Notting Hill is offering a number of new-build shared equity properties to existing resident Aylesbury homeowners on terms

tailored to meet the needs and the financial circumstances of individual leaseholders.

Supplemental question

Ms. Robinson asked a supplemental question relating to the review and evidence from leaseholders. Again it was agreed that Councillor Mark Williams would meet with Ms. Robinson and council officers to discuss the matter.

Question from Martin Koder to Councillor Victoria Mills

Please explain in detail why the March decision to expand Ivydale (4FE from 2016) was partially reversed within 2 months, assuming due diligence on construction schedules supported the original decision? No criticism, however transparency needed - a) what's changed March-May b) have all options been explored e.g. January 2017 FE?

Response

The decision has not been reversed – partially or otherwise. The school will be expanding in two phases - from 2FE to 3FE in September 2016, and from 3FE to 4FE in September 2017. The expansion to 4FE is contingent on a second site for the school to expand onto, and a number of factors beyond the school's and council's control have meant that this particular site will now not be ready until February 2017.

Officers and councillors have met with the school leadership team, school governors and staff to consider all the options for adding capacity to the school. As there are already two 'bulge' classes working their way through the school at the moment, there is insufficient space, in the school's opinion, to accommodate an additional 2FE on the existing site from 2016. However, with some reconfiguration, the school have now agreed to take an additional form of entry in September 2016 bringing the publish admission number (PAN) for this year to 90.

Due diligence was followed on construction schedules, following the appointment of a contractor and detailed consideration of the programme.

Supplemental question

Mr. Koder asked a supplemental question relating to evidence, transparency and declaration of members interests. Councillor Victoria Mills and the council's deputy monitoring officer responded to this question.

6. MINUTES

RESOLVED:

That the minutes of the meeting held on 23 June 2015 be approved as a correct record and signed by the chair.

7. DEPUTATION REQUESTS

This item had not been circulated five clear days in advance of the meeting. The chair agreed to accept the item as urgent because the requests were received in line with the constitutional deadline for the receipt of deputation requests.

RESOLVED:

1. That the following deputation requests be heard.
2. That in consideration of the representations from residents of Highshore Road and the surrounding area the next meeting of the planning committee be requested to consider a report recommending the invocation of an Article 4 Direction for immediate implementation (protected shopping frontages).

Local residents – Car Wash in Parkhouse Street, Camberwell

The deputation spokesperson was unable to attend the meeting. It was noted that a written representation was circulated from the deputation to all cabinet members and relevant officers.

Residents of Highshore Road and the surrounding area

The deputation spokesperson addressed the meeting on behalf of residents of Highshore, Peckham and Nunhead Rye Lane conservation area, neighbouring conservation areas and the protected shopping frontages of the borough. The deputation were concerned that recently relaxed planning laws would threaten local businesses and the well being of the community, restricting the council's powers to manage change of use from shops and other use classes, to financial and professional services such as estate agents.

The deputation strongly urged that cabinet members support the invocation of an Article 4 Direction, that would withdraw permitted development rights from estate agents and brand name chains with immediate effect, so that they must submit planning applications for change of use, to help ensure the long term protection of the local economy.

Homeowners Council

The deputation addressed cabinet on behalf of Homeowners Council, in respect of item 15, proposal to implement the extension of licensing powers under the Housing Act 2004.

The spokesperson requested that the council continue working with the Homeowners Council to review the proposal. Concerns relating to consultation were raised by the deputation. Additionally, it was felt that the extension of licensing powers under the Housing Act 2004 would not add anything further to deal with anti-social behaviour, and the deputation asked that the decision be deferred for a 12 month period.

Councillor Richard Livingstone in his response to the deputation documented the extensive consultation that had taken place in respect of these proposals.

8. SOUTHWARK'S ADOPTION SERVICES

Councillor Jasmine Ali, chair of the education and children's services scrutiny sub-committee presented the report to cabinet.

RESOLVED:

That the recommendations of the report be noted and that the cabinet member for children and schools brings back a report to cabinet in September 2015, in order to respond to the overview and scrutiny committee.

9. NARROWING THE ACHIEVEMENT GAP

Councillor Jasmine Ali, chair of the education and children's services scrutiny sub-committee presented the report to cabinet.

RESOLVED:

That the recommendations of the report be noted and that the cabinet member for children and schools brings back a report to cabinet in October 2015 (when a schools standards report is also due for consideration), in order to respond to the overview and scrutiny committee.

10. RESPONSE TO SOUTHWARK AND LAMBETH CHILDCARE COMMISSION

RESOLVED:

1. That in response to the recommendations of the Southwark and Lambeth Childcare Commission (set out in Appendix A), the proposed actions set out at paragraph 18, Table One of the report be agreed.
2. That a further report be brought back to cabinet in Autumn 2015 outlining a clear strategy and detailed programme of activities for implementing this response, and for securing a sufficient supply of good quality early education and childcare places across Southwark (as set out at paragraph 27 of the report).
3. That an award of a one-off grant of £110,000 to 1st Place Children and Parents Centre be agreed, to support the start up of a new nursery in line with the council's commitment to open new community nursery provision.
4. That further proposals for new community nursery provision be invited from potential providers, with a budget of £200,000 established for this purpose.

11. PRIMARY AND SECONDARY SCHOOL PLACE PLANNING STRATEGY UPDATE

Councillors Victoria Mills and Fiona Colley withdrew from the meeting while this item was being discussed.

RESOLVED:

1. That the updated forecasts of primary school reception places be noted.
2. That formal consultation on the expansion of Rotherhithe Primary School from 2 forms of entry to 3 forms of entry be commenced.
3. That the expansion of Ivydale Primary School be phased to occur in two stages – for 90 to be admitted to reception in September 2016, and 120 in September 2017.
4. That the updated forecast of demand for year 7 secondary school places in the borough and the steps being taken by officers to assist and facilitate appropriate expansions of existing secondary schools in Southwark be noted.
5. That the engagement with the Education Funding Agency on site(s) for a north of the borough secondary school be noted.
6. That discussions taking place with both Southwark's Diocesan Boards on potential for expansion of diocesan schools in the north of the borough be noted.
7. That the potential shortfall of places in planning area 1 (Borough, Bankside and Walworth) from 2018/19 onwards be noted, and that plans will be brought forward to address this within the year.

12. PROGRESS UPDATE ON THE COUNCIL'S HOUSING INVESTMENT PLANS**RESOLVED:**

That the following be noted:

1. The housing investment plan progress update.
2. That progress has been made to increase borrowing headroom within the Housing Revenue Account (HRA) to £176.2m.
3. The response from the Futures Steering Board on the council's housing investment plans at Appendix 3. Cabinet thanked them for their detailed and thoughtful contribution.

That the following be agreed:

4. That the council determine a detailed affordable funding plan to support housing investment in new council homes and the existing stock to include the utilisation of all relevant council receipts, commuted sums and revenue contributions, as well as additional borrowing within the available headroom within the Housing Revenue Account (HRA).
5. For the production of a HRA asset management strategy for consultation with residents.

6. To explore the potential for development of intermediate housing products through the Southwark Housing Company to meet strategic needs and to make a financial contribution to the housing investment programme.
7. A further progress update on the ongoing consultation is brought back to November cabinet on the outcome of that exercise.

13. KEY PRINCIPLES AND PROTOCOL FOR DEVELOPING NEW COUNCIL HOMES IN PARTNERSHIP WITH RESIDENTS

RESOLVED:

1. That the minimum guarantee to affected residents as set out in paragraphs 15 to 34 of the report be applied to redevelopment proposals brought forward to support the council's commitment to build 11,000 new council homes and create communities that residents would be proud to live, work and play in be agreed.
2. That the updated package of housing options for affected residents, as outlined in paragraphs 35 to 38 of the report be agreed.

14. CASH INCENTIVE SCHEME 2015-16

RESOLVED:

Decisions of the Cabinet

1. That the following in relation to the council's cash incentive scheme in 2015/16 be approved:
 - The use of up to £2.25 million of central government funding awarded under the right to buy social mobility fund for the release of up to 75 tenanted units
 - The funding allocation of up to £1.65 million agreed by the Housing Investment Board (HIB) on 14 May 2015 set out in the report in paragraphs 17 and 33 of the report
 - The changes to the terms and operation of the scheme necessitated by right to buy social mobility funding detailed in paragraph 25 and table 4 of the report
 - The revenue resource implications outlined in paragraphs 35 to 37 of the report be noted.

Decision of the Leader of the Council

2. That the future decision making on the continuation of the scheme with right to buy social mobility funding be delegated to the cabinet member for housing in accordance with paragraph 26 of the report.

15. PROPOSAL TO IMPLEMENT THE EXTENSION OF LICENSING POWERS UNDER THE HOUSING ACT 2004

RESOLVED:

1. That the implementation of the additional licensing scheme from 1 November 2015 for houses in multiple occupation (HMOs) in Southwark under the Housing Act 2004 be authorised. This will cover all HMOs in the borough that are not covered by mandatory HMO licensing be authorised.
2. That the initial fee levels for additional licensing as set out in the report be approved.
3. That the implementation of the selective licensing scheme from 1 November 2015 in Southwark under the Housing Act 2004 be authorised. (Appendix 1 provides maps of the areas affected by the scheme and Appendix 2, addresses of those dwellings within the selective licensing area).
4. That the initial fee levels for selective licensing as set out in the report be approved.
5. That authority be delegated to the strategic director of environment and leisure to amend the licensing fee and make such other changes to the schemes as necessary for the effective administration of the schemes.

16. STANDARDS FOR HOUSES IN MULTIPLE OCCUPATION

RESOLVED:

1. That the revised standards for houses in multiple occupation (HMO's) as set out in Appendix 1 of the report be adopted.
2. That the strategic director of environment and leisure be given delegated authority to make further amendments to the standards as may be found necessary without reducing the standard in any way.

17. QUARTERLY CAPITAL MONITORING OUTTURN REPORT FOR 2014/15 AND CAPITAL PROGRAMME REFRESH FOR 2014/15-2023/24

RESOLVED:

1. That the outturn position for 2014/15 for the general fund capital programme including the overall position of the programme for the period 2014/15 to 2023/24 as detailed in appendices A and D of the report be noted.
2. That the outturn position for 2014/15 for the housing investment programme, including the overall position of the programme for the period 2014/15 to 2023/24, as detailed in Appendix B of the report be noted.
3. That the virements and funded variations to the general fund and housing investment capital programme as detailed in Appendix C of the report be approved.

4. That the re-profiling of budgets in line with the forecast expenditure and resources in the new financial year 2015/16 and future years in light of the 2014/15 outturn position for both the general fund and housing investment programmes as reflected in Appendices A, B and D be approved and it be noted that further re-profiling will be required during 2015/16 based on more up to date information available at that time.
5. That the process for identifying projects for which community infrastructure levy (CIL) may be used as all or partial funding as detailed in paragraphs 106-118 of the report be agreed.

18. REVENUE OUTTURN REPORT 2014/15, INCLUDING TREASURY MANAGEMENT

RESOLVED:

1. That the following be noted:
 - the general fund final outturn for 2014/15 and net movement in reserves by department
 - the housing revenue account (HRA) final outturn for 2014/15 and resulting movements in reserves
 - the treasury management activity for 2014/15.
2. That it be noted that £1.77m was taken from contingency to address temporary accommodation pressures.
3. That it be noted that £5.940m was taken from reserves during 2014/15.
4. That the performance in the collection of council tax be noted.
5. That the performance in collection of business rates and the risks associated with the business rate retention scheme be noted.
6. That the general fund budget movements that exceed £250,000, as shown in Appendix A of the report be approved.

19. RESPONSE TO RECOMMENDATIONS ON COMMISSIONING AND PROCUREMENT AT SOUTHWARK COUNCIL (OVERVIEW AND SCRUTINY COMMITTEE)

Councillor Gavin Edwards, chair of the overview and scrutiny committee was in attendance for this item in order to give his response to the report.

RESOLVED:

1. That the proposed response to the overview and scrutiny committee's review of commissioning and procurement at Southwark Council be agreed.
2. That the development of a new fairer future procurement strategy be agreed.

20. APPOINTMENTS TO OUTSIDE BODIES - BETTER BANKSIDE BOARD

RESOLVED:

That Councillor Mark Williams be agreed as the nomination to serve on the Better Bankside Board for the 2015/16 municipal year.

21. DEVELOPMENT PROPOSALS FOR EAGLE WHARF SITE, LONDON SE15

RESOLVED:

Decisions of the Cabinet

1. That the proposals to grant a long leasehold interest in the Eagle Wharf site, Peckham, SE15 to Mountview Academy of Theatre Arts, together with associated development funding arrangements as set out in the closed report be approved.
2. That the draft head of terms and finance arrangements set out in the closed report be approved
3. That the powers to negotiate terms relating to the lease and financial arrangements be delegated to the director of regeneration.

Decision of the Leader of the Council

4. That the final agreement of the lease and financial arrangements be delegated to the cabinet member for finance, performance and modernisation.

22. POLICY AND RESOURCES STRATEGY 2016/17 TO 2018/19 - SCENE SETTING REPORT

This item is now due for consideration at the cabinet meeting of 15 September 2015.

23. SENIOR MANAGEMENT RESTRUCTURE

Cabinet adjourned their consideration of this item to a cabinet meeting to be held on Tuesday 28 July 2015 at 4.00pm.

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.

24. MINUTES

The closed minutes of the meeting held on 23 June 2015 were approved as a correct record and signed by the chair.

25. DEVELOPMENT PROPOSALS FOR EAGLE WHARF SITE, LONDON SE15

The cabinet considered the closed information relating to this item. Please see item 21 for decision.

MOTION OF ADJOURNMENT**RESOLVED:**

That the meeting stand adjourned until Tuesday 28 July 2015 at 4.00pm in order to consider Item 23: Senior Management Restructure.

The meeting ended at 6.40pm.

CHAIR:

DATED:

DEADLINE FOR NOTIFICATION OF CALL-IN UNDER SECTION 21 OF THE OVERVIEW AND SCRUTINY PROCEDURE RULES IS MIDNIGHT, WEDNESDAY 29 JULY 2015.

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.



Cabinet

MINUTES of the OPEN section of the reconvened Cabinet held on Tuesday 28 July 2015 at 4.00 pm at 160 Tooley Street, London SE1 2QH

PRESENT: Councillor Peter John (Chair)
 Councillor Ian Wingfield
 Councillor Fiona Colley
 Councillor Stephanie Cryan
 Councillor Barrie Hargrove
 Councillor Richard Livingstone
 Councillor Darren Merrill
 Councillor Victoria Mills
 Councillor Michael Situ
 Councillor Mark Williams

1. APOLOGIES

There were no apologies.

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

There were none.

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

There were none.

4. DISCLOSURE OF INTERESTS AND DISPENSATIONS

There were none.

5. SENIOR MANAGEMENT RESTRUCTURE

RESOLVED:

1. That the transfer of the following services and associated budgets within the existing departmental structures of the council be agreed:

- Rent collection, service charge collection, former tenant arrears and all other income functions to strategic director of finance and governance
 - electoral services and land charges to strategic director of finance and governance
 - modernise (encompassing IT, human resources (HR), corporate facilities management and modernise) to strategic director of housing and modernisation
 - safeguarding partnerships to strategic director of children's and adults' services
 - public health to strategic director of children's and adults' services
 - adult learning to strategic director of children's and adults' services
 - Southwark building services to strategic director of environment and leisure
 - play service to strategic director of environment and leisure.
2. That the following chief officer roles be renamed as follows:
- strategic director of housing and community services to strategic director of housing and modernisation
 - strategic director of finance and corporate services to strategic director of finance and governance.
3. That the following senior officer roles be created:
- director of environment
 - director of leisure
 - director of resident services
 - director of asset management
 - director of modernisation
 - director of exchequer
- And that the following officer roles be renamed:
- deputy finance director to director of finance
 - head of community engagement to director of communities
 - director of legal services to director of law and democracy.
4. That the statutory function of the electoral registration officer be transferred to the strategic director of finance and governance.
5. That the deletion of the following JNC officer roles as a result of the enhanced voluntary redundancy scheme be noted:
- head of public realm
 - HR director
 - director of corporate strategy
 - director of strategy and commissioning.
6. That it be noted that any further deletion of senior JNC officer roles will be undertaken in accordance with the appropriate council HR procedures.

7. That it be noted that all chief officer posts are contractually interchangeable, therefore placement of function and post holders otherwise is delegated to the head of paid service in accordance with the council's policies and procedures.
8. That it be noted that the reorganisation and associated consultation process will be undertaken in accordance with the council's HR procedure for reorganisation, redeployment and redundancy.
9. That the implementation of the transfer of services and associated senior management structure changes be delegated to the chief executive.

The meeting ended at 5.15 pm.

CHAIR:

DATED:

DEADLINE FOR NOTIFICATION OF CALL-IN UNDER SECTION 21 OF THE OVERVIEW AND SCRUTINY PROCEDURE RULES IS MIDNIGHT, WEDNESDAY 5 AUGUST 2015.

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: 15 September 2015	Meeting Name: Cabinet
Report title:		Revised Canada Water Area Action Plan	
Ward(s) or groups affected:		Rotherhithe, Surrey Docks and Livesey	
Cabinet Member		Councillor Mark Williams, Regeneration and New Homes	

FOREWORD – COUNCILLOR MARK WILLIAMS, CABINET MEMBER FOR REGENERATION AND NEW HOMES

We have a clear vision for Rotherhithe and this Revised Canada Water Area Action Plan (RCWAAP) updates our ambitious plans for the area. The original area action plan was adopted in early 2012 on the basis of the Daily Mail printworks remaining, they have now moved out and we can include this key site in the new RCWAAP. We want to create a new properly mixed town centre at Canada Water, rather than the out of town shopping centre which is currently there. We have the opportunity to build many more new homes, including affordable homes, but also increase employment and bring in new facilities for local residents.

The area between Blick House and St Olav’s Court on Lower Road will be protected as ‘Other Open Space’, and this was recently named as Christopher Jones’ Square after the captain of the Mayflower, who is buried at the nearby St Mary’s Churchyard.

This report includes the binding recommendations of the government’s planning inspector, we do have concerns about the change to policy 29 on student housing as we want any new student housing to be part of a proper campus and wider academic offer. However, we will use our other interests in the area, most notably our landholdings, to make sure that this happens.

In addition to the planning framework set out in the report, we are also working closely with Transport for London and the Greater London Authority to make sure that the area has the transport connections that it needs to meet current and future demand.

RECOMMENDATIONS

1. That cabinet recommends that council assembly:
 - considers the Planning Inspector’s report on the Revised Canada Water Area Action Plan (Appendix A).
 - adopts the revised Canada Water area action plan (Appendix B) and the revisions to the adopted policies map (Appendix C), as amended by the Inspector’s main modifications (Appendix D) and the council’s minor modifications (Appendix E).
 - notes the sustainability appraisal (Appendix F), sustainability appraisal statement (Appendix G), equalities analysis (Appendix H), consultation report (Appendix I) and appropriate assessment (Appendix J).

BACKGROUND INFORMATION

2. In March 2012, the council adopted the Canada Water Area Action Plan (“AAP”). The purpose of the AAP is to help shape the regeneration of Canada Water. Like the Core Strategy (2011) it is a spatial plan which provides a vision, objectives and

policies designed to help manage development and growth at Canada Water. It is a development plan and alongside the Core Strategy and saved Southwark Plan policies, it is used as the basis for determining planning applications in the area. As part of the development plan, the AAP must be consistent with the Core Strategy and in general conformity with the London Plan (2015).

3. Work on the AAP commenced in 2007 and its adoption followed four rounds of public consultation, as well as an examination-in-public (EIP) in which members of the public, developers and other stakeholders were able to set out their views to an independent planning inspector. The inspector found the AAP to be “sound”, subject to a number of amendments.
4. In August 2011, the Daily Mail which occupied the Harmsworth Quays printworks confirmed that it would be relocating its printing operations to a site in Essex. Because the Daily Mail had previously indicated that it would be staying at Harmsworth Quays, the adopted AAP is predicated on the printworks remaining in situ. However, the availability of Harmsworth Quays generates a number of opportunities. It is a strategic site in the core of the action area and its availability opens a significant opportunity for redevelopment. It also helps unlock development opportunities on adjacent sites, particularly the Surrey Quays Leisure Park, Site E on Surrey Quays Road and the Mulberry Business Park. At the EIP the council committed to undertaking a review of the AAP to put in place policy to guide a redevelopment of Harmsworth Quays and the adjacent sites. The inspector agreed with the council, that any review of the AAP could take place within the scope of the vision and objectives set out in the adopted AAP. However, amendments to the plan would need to address the land uses and quantum of development, the infrastructure required to support additional development, pedestrian and cycle connectivity and urban design, including the building heights strategy.
5. The preparation of the Revised Canada Water Area Action Plan (RCWAAP) has been carried out in several stages, comprising of the following:
 - i. Stage 1 – Consultation on a sustainability appraisal scoping report carried out over five weeks from 31 October 2012;
 - ii. Stage 2 – Informal consultation on the revisions to the AAP which took place over quarter three and quarter four 2012/13;
 - iii. Stage 3 – Consultation on a draft RCWAAP
 - iv. Stage 4 – Consideration of comments on the draft RCWAAP and preparation of the final revised plan for publication
 - v. Stage 5 – Invitation of representations on the final plan and subsequent submission to the Secretary of State for an examination-in-public (EIP).
 - vi. Stage 6 – Adoption of the final RCWAAP as part of Southwark’s local plan in autumn 2015 (the current stage).
6. The council is currently at stage vi in this process. On 27 November 2013 council assembly agreed to publish the final version of the RCWAAP (the publication/submission version), invite representations and subsequently submit the document to the Secretary of State for an EIP. The RCWAAP was submitted for examination on 6 May 2014 and the public hearings took place on 30 September 2014, 1 October 2014 and 7 October 2014.
7. On 17 October 2014 the inspector issued a post hearing letter in which he identified modifications which he considered that the council should propose in order to ensure that the RCWAAP would be “sound”. Public consultation on the modifications took place between 16 March 2015 and 14 May 2015. Representations which were received were forwarded to the inspector.

8. On 19 June 2015 the inspector issued his final report (Appendix A) in which he concluded that the council has met all the necessary legal and procedural requirements for preparing an area action plan, and that subject to making the modifications (Appendix D) previously identified and consulted on, the RCWAAP (Appendices B and C) can be adopted by the council.

CONSULTATION

9. Consultation on the RCWAAP has been carried out in accordance with the requirements of the Planning and Compulsory Purchase Act 2004 (as amended), the Town and Country Planning (Local Planning) (England) Regulations 2012 (“the 2012 Regulations”), and the council’s Statement of Community Involvement (SCI). The council consulted extensively in preparing the adopted Canada Water AAP. Formal consultation was undertaken on an issues and options report, a preferred options report, the publication AAP and further alterations to the publication AAP.
10. As a significant amount of consultation had already taken place and because the vision and objectives of the AAP are already established, the council did not consider it necessary to reconsult on an issues and options report in revising the AAP. Instead, the council carried out informal consultation which informed the draft RCWAAP. A public consultation event was held in November 2012, in Alfred Salter primary school, which aimed to provide a forum in which the public and other stakeholders could have their say on the future of Harmsworth Quays and the adjacent sites. In addition to this event, letters were sent to all the tenants and residents associations (TRAs) in the area, inviting people to submit their views on the future of Harmsworth Quays and indicating that officers would be happy to attend meetings to discuss, if requested.
11. The council consulted on the draft RCWAAP over a period of 12 weeks from 7 May until 30 July 2013, including a formal period of consultation of 6 weeks ending on 30 July. The plan was published on the council’s website and hard copies were made available locally. An advert publicising the AAP was put in the press, the council sent written notification to around 1,000 contactees on the Planning Policy mailing list and a flyer advertising the RCWAAP was sent to every address in the AAP area. Officers gave presentations on the RCWAAP at Bermondsey and Rotherhithe Community council, the area housing forum and at the Canada Water consultative forum. Exhibitions were held at Canada Water library and Surrey Quays shopping centre and 6 drop-in sessions were arranged on different days and times at these venues. In addition, officers had a stall with the exhibition and activities at Bermondsey Carnival and Rotherhithe Festival.
12. At publication/submission stage, the RCWAAP was available for public inspection from 15 October 2013. It was formally published on 14 January 2014 with representations invited over a six week period ending on 25 February 2014. The RCWAAP was published on the council’s website and made available at libraries, one stop shops and the council’s Tooley Street offices. An advert publicising the RCWAAP was put in the press and the council sent written notification to around 1000 contactees on the Planning Policy mailing list. Officers gave presentations on the RCWAAP at Bermondsey and Rotherhithe community council and the Canada Water consultative forum.
13. The council consulted on the Proposed Modifications to the RCWAAP over a period of 8.5 weeks (which exceeds the minimum of 6 weeks cited in the 2012 Regulations) from 16 March 2015 to 14 May 2015. This, period, together with the consultation period of 12 weeks between May and June 2013 and 20 weeks in 2014/15 would satisfy the council’s statement of community involvement (SCI)

which advises a period of 12 weeks. The council published the Proposed Modifications on the website and placed hard copies at Canada Water library, Rotherhithe area housing office and at 160 Tooley Street SE1. An advertisement was placed in the press and written notification was sent to contactees on the Planning Policy mailing list.

14. The council received 11 representations on the proposed modifications, as follows:

Residents

- Open space between St Olav's Court and Blick House on Lower Road: The site should not be designated as an open space and is needed to provide housing (1 representation).
- Schools: The increase in the school population needs urgent consideration (1 representation).
- Tall buildings: Buildings at Canada Water should be no higher than 4-6 storeys (1 representation).
- The inspector should be aware that the Surrey Quays Leisure park has been purchased for development by BL. Residents consider this to be a significant and substantial matter that was not adequately considered at CWAAP hearings because we had no update from Aviva during the EIP. It is unclear how this change will affect the current proposals and the Town Centre boundary etc.

Developers and partners

- British Land support the majority of modifications. The change to policy 29a on student housing is not supported. The changes to the housing targets are supported. The supporting text should state that the number of affordable homes to be delivered will be dependant on viability.
- Kings College, London, supports the proposed modifications.
- Guy's and St Thomas' NHS Foundation Trust supports the modification to policy 29a on student housing and the increase in the target for affordable housing.

Statutory organisations

- GLA state that the RCWAPP is in general conformity with the London Plan 2015. The increase the housing target from 2,500 homes to 4,500 homes is welcome. The proposed modifications requiring retail development to provide adequate mitigation of transport impacts are supported by TfL.
- Historic England note that throughout the document and particularly within 7.2 Appendix 2: SWOT analysis of the AAP area, a number of the dates or events mentioned are now out of date. The inclusion of policy 13: Arts, culture and tourism is welcomed. It would be helpful to provide a map identifying heritage assets. The clarity of policy 17 is improved, although it still lacks a robust evidence base.
- Natural England support the designation of the open space between Blick House and St Olav's Court. NE would encourage the incorporation of green infrastructure into the plan. The importance of access to natural greenspace is emphasised.
- Environment Agency have no further comments.
- Thames Water recommended that developers contact Thames Water as early as possible to discuss water and wastewater requirements and agree any required drainage strategy. The use of SUDs and the text in sections 6.4.12 and 6.4.13 of the AAP are supported.

15. A full consultation report is available in Appendix I.

KEY ISSUES FOR CONSIDERATION

16. The Canada Water AAP was originally adopted in March 2012. Towards the end of the plan preparation process, the landowner of one of the largest sites in the area, Harmsworth Quays, announced they would be leaving the site and consequently it would become available for development. A redevelopment of Harmsworth Quays provides a significant opportunity to provide more homes and other uses and creates scope to review the layout and function of the town centre, building heights and urban design and pedestrian and cycle connectivity. The RCWAAP builds on the adopted AAP and provides a planning policy framework to guide a redevelopment of Harmsworth Quays.
17. The vision in the RCWAAP seeks to consolidate the current out of centre style development into a mixed use town centre, which includes new homes, an increase in shopping space, new business space and potentially higher education facilities. Pedestrian and cycle connectivity are particularly important for ensuring sustainable growth in the area. The plan also envisages significant improvements to the Lower Road gyratory to help manage the impacts of growth and also improve pedestrian and cycle access.
18. The look and feel of development should be appropriate for an urban and town centre location. This would be reflected in the scale of new buildings, as well as in the aspiration to make better use of surface car parks and move away from the covered shopping mall format to an open street environment. The RCWAAP identifies the potential to provide tall buildings in the town centre, with the tallest being located around the public realm that connects to the Canada Water basin.
19. On Harmsworth Quays and the adjacent sites (the former Mulberry Business Park, the Surrey Quays Leisure park and Site E/What! Retail store) the RCWAAP seeks to maximise the potential to provide employment generating uses and also identifies capacity for new homes. The form and layout of development would reflect the objective of increasing cycle and pedestrian permeability with a scale of development appropriate for an urban setting.
20. The examination-in-public into the RCWAAP took place in September and October 2014 and the inspector subsequently wrote to the council outlining a number of main modifications which he considered would be necessary to make the plan "sound" (Appendix D).

Modifications suggested by the inspector

Boundary of the town centre

21. The inspector considered that the boundary of the town centre should be clearer and should incorporate the entirety of site CWAAP24 (Harmsworth Quays, Site E, Mulberry Business park and Surrey Quays Leisure Park).

Number of homes

22. The inspector suggested that the target number of homes be increased from the 2011 London Plan/Core Strategy figure of 2,500 to a figure that reflects recent planning permissions and an updated capacity analysis. The modified figure is a minimum of 4,500 new homes and including a minimum of 1,000 affordable homes. The minimum target for affordable housing assumes that all schemes with

planning consent (including student housing schemes) are delivered as proposed and that future schemes provide 35% affordable housing.

Transport infrastructure requirements

23. The inspector considered that the link between expansion of retail space and the need to improve road infrastructure should be made clearer.

Tall buildings policy criteria

24. The inspector considered that the requirements for tall buildings to be “recessive” “elegant” and “slender” were too prescriptive and unnecessary as the policy requires exemplary design in any event. He suggested using the words “strong vertical emphasis” instead.

Open space designation

25. The inspector considered that the space between Blick House and the City Business Centre on Lower Road met criteria for the designation of “other open space” and should be designated as such.

Student housing

26. In the inspector’s view, the requirement for large student housing developments to be part of a wider campus development, as set out in policy 29a, was overly onerous and unnecessary as CWAAP24 requires a mix of uses in any event. It is proposed to change the policy by stating that large student housing developments should have good links to university campuses.

Proposals sites policy

27. A clarification is proposed to policy 32 to state that the council will take viability concerns into account in assessing provision of the “required uses” which are identified in proposals sites policies.

Site CWAAP7 (Decathlon site, Surrey Quays Shopping Centre and overflow car park)

28. A minor change is proposed to the site capacities to state that the quantum of retail space should be “around” rather than “up to” 34,000sqm to make the policy consistent with AAP policy 1.

Site CWAAP24 (Site E, Mulberry Business Park, Harmsworth Quays and Surrey Quays Leisure Park)

29. The inspector suggested that CWAAP 24 be amended to state that it is anticipated that residential use and student housing will form part of the mix of uses. However, these should not prevent either the minimum amount of employment floorspace identified in policy 25 from being delivered (12,000sqm) or the aspiration in the London Plan to establish a science cluster.

Sustainability policy

30. In the inspector’s view, policy 32a in the AAP relating to sustainability repeated national policies in the NPPF and was therefore unnecessary and could be deleted.

Health and education uses

31. Minor amendments are proposed to reflect the fact that the new health centre on the Downtown site has opened and that new pre-school facilities could be provided in the core area, including the town centre (as drafted the AAP only referred to the parts of the core area which are outside the town centre).

Masterplanning

32. The inspector also considered that it would be beneficial to state explicitly that a masterplan would be expected to accompany the first phase of development on Harmsworth Quays and this is proposed in the modifications.

Minor amendments

33. Through the course of the examination-in-public the council also proposed a number of minor modifications to the Revised AAP (Appendix E). The minor modifications do not alter the substance of the RCWAAP. Their purpose is broadly as follows:
- Updates to reflect the fact that the Mayor of London published an updated London Plan in March 2015 which identified Canada Water as an opportunity area with potential for growth in homes and jobs.
 - Factual updates regarding developments taking place, to the housing trajectory and to the risk section of the AAP.
 - Editorial amendments to correct typographical errors.
 - Minor updates to infrastructure provision, including TfL projects and recognition of the need to upgrade superfast broadband.

Community Impact Statement and Sustainability Appraisal

34. In preparing the adopted AAP (2012), the council completed an equalities impact assessment (EqIA) report and a sustainability appraisal (Appendices F and H). These have been updated to take account of the inspector's main modifications. The modifications have some beneficial impacts including:
- Establishing a higher housing target and a higher number of affordable homes will be of particular benefit to those in need of housing, including low incomes groups and people with disabilities.
 - Providing greater clarity on the need to deliver transport improvements in line with expanding retail developments gives greater certainty that these improvements will be delivered and can help reduce the need to travel by car.
 - Designating an additional open space on land adjacent to Blick House will have beneficial impacts on all groups.
35. No negative impacts are identified. However, the increasing number of homes reinforces the need for mitigation to reduce energy and water consumption and reduce waste.
36. The council also screened the RCWAAP for impacts on protected habitats (Appendix J) and no negative impacts were identified.

Financial implications

37. There are no immediate financial implications arising from the Modifications to the publication/submission draft RCWAAP and the request to the inspector to recommend them.

38. Any potential additional costs from any specific proposals emerging from the preparation and adoption of the plan or any queries thereof will be submitted as separate reports for consideration in line with the appropriate protocols.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Legal Services

39. Under Part 3B of the Constitution under the heading Policy at paragraph 3, Cabinet has responsibility for formulating the Council's overall policy objectives and making recommendations to Council Assembly for approval. Under Part 3C paragraph 20 Cabinet has responsibility for adopting the preferred options of development plan documents, of which the RCWAAP is one. This power isn't Cabinet's alone as Regulation 4(1), paragraph 3(d) of the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 (as amended) ("the 2000 Regulations") states that the approval of a development plan document is a shared responsibility with Council Assembly and cannot be the sole responsibility of Cabinet. The next stage of the process is therefore adoption of the RCWAAP by Council Assembly by virtue of Part 3A paragraph 10 of the Constitution.
40. Accordingly members of Cabinet are requested to consider the content and recommendations of the binding Inspector's Report in respect of the adoption of the RCWAAP and accompanying documents and recommend to Council Assembly that the RCWAAP be adopted together with the accompanying documents which can be found in the appendices to this report.
41. The RCWAAP has been subject to an independent examination in accordance with Section 20 of the Planning and Compulsory Purchase Act 2004 ("the 2004 Act") and the Inspector has endorsed the RCWAAP subject to some main modifications which have been made in accordance with section 20(7C) of the 2004 Act, (as amended by the Localism Act 2011). The Inspector's main modifications can be found in the Appendix to the Inspector's Report (Appendix D). Under section 20(7C) of the 2004 Act the Council can ask the Inspector to recommend modifications to the development plan document in order to ensure that the RCWAAP satisfies the requirements of the 2004 Act and is "sound". The Council consulted upon these main modifications from 16 March 2015 to 14 May 2015 in order to comply with its obligations under the 2012 Regulations. The Council has also publicised the minor modifications which it is not under a legal duty to consult upon as they do not materially affect the policies set out in the RCWAAP.

General conformity

42. Section 24(1)(b) of the 2004 Act requires that local development documents, such as the RCWAAP must be in general conformity with the spatial development strategy, namely the London Plan 2015. The Council sought the Mayor's opinion as to whether the RCWAAP was in general conformity. The GLA has confirmed that the RCWAPP, as proposed to be modified, is in general conformity with the London Plan 2015.

Soundness of the RCWAAP

43. Under section 20(5) of the 2004 Act the Inspector has examined the RCWAAP on behalf of the Secretary of State and has found that the plan complies with the legislative framework and is sound.

Sustainability appraisal

44. Section 19(5) of the 2004 Act requires a sustainability appraisal of the economic, social and environmental sustainability of plans in development plan documents. Accordingly, a sustainability appraisal was prepared to ensure the wider impacts of the RCWAAP policies are addressed. The Sustainability Appraisal provides a sound evidence base for the plan and forms an integrated part of the plan preparation process.
45. The Sustainability Appraisal has fully informed the preparation of the RCWAAP and is recommended for adoption by Members. The Sustainability Appraisal should be expressly adopted along with the RCWAAP and must have a separate adoption statement pursuant to the Environmental Assessment of Plans and Programmes Regulations 2004, regulation 16 (3) and (4) which summarises "...how environmental considerations have been integrated into the plan or programme... the reasons for choosing the plan or programme as adopted, in light of other reasonable alternatives dealt with, and the measures decided that are taken to monitor the significant environmental effects..." .

Equalities

46. The Equality Act 2010 ("2010 Act") brought together, into a single act, the numerous acts and regulations that previously formed the basis of anti-discrimination law in the UK. . Most of the provisions of the new Equality Act 2010 came into force in October 2010 ("the 2010 Act").
47. In April 2011, a single "general duty" was introduced, being the Public Sector Equality Duty (PSED), , merging the existing race, sex and disability public sector equality duties and extending the duty to cover other protected characteristics namely age, gender reassignment, pregnancy and maternity, religion or belief and sexual orientation, (including marriage and civil partnership).
48. The PSED in Section 149(1) of the 2010 Act requires that a public authority must, in the exercise of its functions, have due regard to the need to (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act; (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it. Relevant protected characteristics are defined as: age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex; sexual orientation (Section 149(7) 2010 Act). Having due regard for advancing equality of opportunity involves: removing or minimising disadvantages suffered by people due to their protected characteristics; taking steps to meet the needs of people from protected groups where these are different from the needs of other people; and encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low (Section 149(3) 2010 Act). The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities (Section 149(4) 2010 Act). Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to (a) tackle prejudice, and (b) promote understanding (Section 149(5) 2010 Act).

49. Disability equality duties were introduced by the Disability Discrimination Act 2005 which amended the Disability Act 1995. The general duties in summary require local authorities to carry out their functions with due regard to the need to:
- (a) “promote equal opportunities between disabled persons and other persons;
 - (b) eliminate discrimination that is unlawful under the Act;
 - (c) eliminate harassment of disabled persons that is related to their disabilities;
 - (d) promote a positive attitude towards disabled persons;
 - (e) encourage participation by disabled persons in public life; and
 - (f) take steps to take account of disabled person’s disabilities even where that involves treating disabled persons more favourably than other persons.”
50. The council’s approach to equalities has always been broader than that required under previous legislation by protecting the now extended ‘protected characteristics’.
51. Throughout the production process of the RCWAAP from Issues and Options, Preferred Options to a publication / submission, the Council has undertaken thorough iterative Equalities Impact Assessment (EqIA) including assessment of borough’s demographics and the potential impacts of the plan on its diverse communities with particular regard to its equalities duties. The Council’s EqIA processes extend beyond its current statutory equalities duties to incorporate religion/belief, sexual orientation and age.

Human Rights Considerations

52. The decision to adopt the RCWAAP potentially engages certain human rights under the Human Rights Act 2008 (“the HRA”) which incorporated into domestic legislation the European Convention on Human Rights. The HRA prohibits, unlawful interference by public bodies with Convention rights. The term ‘engage’ simply means that human rights may be affected or relevant. In the case of the RCWAAP, it is considered that a number of Convention rights may be engaged: -
- **The right to a fair trial (Article 6)** – giving rise to the need to ensure proper consultation and effective engagement of the public in the process;
 - **The right to respect for private and family life (Article 8)** – for instance the impacts on amenities or the quality of life of individuals;
 - **Article 1, Protocol 1 (Protection of Property)** – this right prohibits interference with individuals’ right to peaceful enjoyment of existing and future property / homes. It could be engaged, for instance, if the delivery of any plan necessitates CPOs or results in blight or loss of businesses/homes;
 - **Part II Protocol 1 Article 2 Right to Education** – this is an absolute right enshrining the rights of parents’ to ensure that their children are not denied suitable education. This is a relevant consideration in terms of strategies in the plan which impact on education provision.
53. It is important to note that few Convention rights are absolute in the sense that they cannot be interfered with under any circumstances. ‘Qualified’ Convention rights, including Article 6, Article 8 and Article 1 Protocol 1, can be interfered with or

limited in certain circumstances. The extent of legitimate interference is subject to the principle of proportionality whereby a balance must be struck between the legitimate aims to be achieved by a local planning authority in the policy making process against potential interference with individual human rights. Public bodies have a wide margin of appreciation in striking a fair balance between competing rights in making these decisions.

54. This approach has been endorsed by the Courts in the case of *Lough v First Secretary of State* [2004] 1 WLR 2557. This case emphasised that human rights considerations are material considerations in the planning arena which must be given proper consideration and weight. However, it is acceptable to strike a balance between the legitimate aims of making development plans for the benefit of the community as a whole against potential interference with some individual rights.
55. Public bodies have a wide margin of appreciation in striking a fair balance between competing rights in making these decisions. It is considered that the approach and balance between individual and community rights set out in the RCWAAP is within justifiable margins of appreciation.
56. The Council has undertaken robust public participation, iterative sustainability and equalities assessments throughout the production of the RCWAAP as well as carefully considering human rights issues at each stage of the decision making process. Therefore, it is considered that adopting the RCWAAP would not interfere with any human rights which may potentially be engaged and strikes the appropriate balance between making strategic policies for its communities against any potential interference with individual rights affected. In deciding upon the adoption of the RCWAAP, members are reminded to have regard to human rights considerations and the need to strike a fair balance between the legitimate aims of making development plans for the benefit of the community against potential interference with individual rights.

Adoption Process – Procedural Requirements

57. Members' are advised that should the RCWAAP be adopted by Council Assembly, following the recommendation of Cabinet, a number of statutory requirements will need to be complied with by the Council. These requirements are set out in Regulation 26 of the 2012 Regulations and must be complied with as soon as reasonably practicable after the date of adoption.
58. In summary, Regulation 26 requires that the council must make available in accordance with Regulation 35:
 - i. The local plan;
 - ii. An adoption statement;
 - iii. The sustainability appraisal report; and
 - iv. Details of where the local plan is available for inspection and the places and times at which the document can be inspected.
59. The Council must then send a copy of the adoption statement to any person who has asked to be notified of the adoption of the local plan and must also send a copy of the adoption statement to the Secretary of State.

Application to the High Court

60. The RCWAAP has been prepared in accordance with the relevant legislation and regulations. If adopted this final version will form part of the development plan

documents for Southwark. Under Section 113 of the 2004 Act, any party aggrieved by the adoption of the AAP may make an application to the High Court within 6 weeks of the publication of the adoption statement. Such applications may only be made on limited grounds namely that: -

- a) The document is not within the appropriate power; and / or
- b) That a procedural requirement has not been complied with.

61. Officers believe that the risks of a legal challenge being brought are low and the likelihood of any challenge being successful are low. The Inspector has concluded that the RCWAAP has been prepared in accordance with the relevant regulations and guidance and due process has been followed.

Strategic Director of Finance and Corporate Services (FC15/020)

62. The strategic director of finance and corporate services notes that this report contains no new financial implications and that any additional costs arising from specific schemes will be submitted in separate reports.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Adopted Canada Water Area Action Plan (AAP) (2012)	160 Tooley Street, London SE1 2QH	Tim Cutts 020 7525 5380
Link: http://www.southwark.gov.uk/info/200314/canada_water/2610/adopted_aap_2012		
Core Strategy, 2011	160 Tooley Street, London, SE1 2QH	Tim Cutts 020 7525 5380
Link: http://moderngov.southwark.gov.uk/ielIssueDetails.aspx?IId=13179&PlanId=0&Opt=3		

APPENDICES

No.	Title
Appendix A	Inspector's report on the Revised Canada Water AAP
Appendix B	Revised Canada Water Area Action Plan (circulated separately and available on the council's website on the link below)
Appendix C	Revisions to the Adopted Policies Map
Appendix D	Inspector's main modifications
Appendix E	Council's minor modifications
Appendices F – J available on the council's website on the following link: Link: http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&MId=5139&Ver=4	
Appendix F	Sustainability Appraisal (available on the council's website on the above link)
Appendix G	Sustainability Appraisal Statement (available on the council's website on the above link)
Appendix H	Equalities Analysis (available on the council's website on the above link)
Appendix I	Consultation Report (available on the council's website on the above link)
Appendix J	Appropriate Assessment (available on the council's website on the above link)

AUDIT TRAIL

Cabinet Member	Councillor Mark Williams, Regeneration and New Homes	
Lead Officer	Simon Bevan, Director of Planning	
Report Author	Tim Cutts, Team Leader, Planning Policy	
Version	Final	
Dated	3 September 2015	
Key Decision?	No	
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		3 September 2015

Report to the Council of the London Borough of Southwark

by David Smith BA(Hons) DMS MRTPI

an Inspector appointed by the Secretary of State for Communities and Local Government

Date 19 June 2015

PLANNING AND COMPULSORY PURCHASE ACT 2004 (AS AMENDED)

SECTION 20

REPORT ON THE EXAMINATION OF THE REVISED CANADA WATER AREA ACTION PLAN

Document submitted for examination on 6 May 2014

Examination hearings held between 30 September and 7 October 2014

File Ref: PINS/A5840/429/8

Abbreviations Used in this Report

AAP	Area Action Plan
CIL	Community Infrastructure Levy
CWAAP	Canada Water Area Action Plan
FALP	Further Alterations to the London Plan
LDS	Local Development Scheme
LP	Local Plan
MMOD	Main Modification
MOL	Metropolitan Open Land
NPPF	National Planning Policy Framework
PPG	Planning Practice Guidance
PSED	Public Sector Equality Duty
SA	Sustainability Appraisal
SCI	Statement of Community Involvement
SCS	Sustainable Community Strategy

Non-Technical Summary

This report concludes that the Revised Canada Water Area Action Plan provides an appropriate basis for the planning of this part of the Borough over the period leading up to 2026 providing a number of main modifications are made to the Plan. Southwark Council has specifically requested me to recommend any main modifications necessary to enable the Plan to be adopted. All of these were proposed by the Council. I have nevertheless amended detailed wording where necessary. In making recommendations to include the main modifications I have considered the representations from other parties.

The Main Modifications can be summarised as follows:

- Extending the boundary of the town centre to include the entirety of Harmsworth Quays, the Surrey Quays Leisure Centre, the Mulberry site and Site E within it;
- Raising the target number of homes from 2,500 to 4,500 in the Core Area;
- Making the link between expanding retail space and improvements to Lower Road and the gyratory more explicit;
- Designating land between Blick House and St Olav's Court, Lower Road as open space;
- Providing that large student developments should have good links to university campuses; and
- Confirming that residential homes and student housing will form part of the mix of uses on site allocation CWAAP24 (Site E, Mulberry Business Park, Harmsworth Quays and Surrey Quays Leisure Park) provided that they do not prevent business uses coming forward or the establishment of a science cluster.

Introduction

1. This report contains my assessment of the Revised Canada Water Area Action Plan (CWAAP) in terms of Section 20(5) of the Planning & Compulsory Purchase Act 2004 (as amended). It considers first whether the Plan's preparation has complied with the duty to co-operate, in recognition that there is no scope to remedy any failure in this regard. It then considers whether the Plan is sound and whether it is compliant with the legal requirements. The National Planning Policy Framework (NPPF) (paragraph 182) makes clear that to be sound, a Local Plan should be positively prepared; justified; effective and consistent with national policy.
2. The starting point for the examination is the assumption that the local authority has submitted what it considers to be a sound plan. The basis for my examination is the publication/submission draft of November 2013 which is the same as the document published for consultation in January 2014.
3. In accordance with section 20(7C) of the 2004 Act the Council has requested that I should recommend any modifications needed to ensure that the CWAAP satisfies the requirements of the Act and is sound. The report explains why Main Modifications are necessary and they are identified in bold (**MMOD**). The Appendix contains the Main Modifications in full and all relate to matters that were discussed at the examination hearings.
4. Following this, the Council prepared a schedule of proposed main modifications and updated its sustainability appraisal, equality analysis and Habitats Regulations Assessment. This schedule was subject to public consultation between 16 March and 14 May 2015. I have taken account of the responses made in coming to my conclusions. In the light of these I have made some minor amendments to the detailed wording of the Main Modifications for the sake of clarity. None of these changes significantly alters the content of the Main Modifications published for consultation or undermines the participatory processes and sustainability appraisal undertaken.

Duty to Co-operate

5. Section 20(5)(c) of the 2004 Act requires that I determine whether the Council complied with any duty imposed on it by section 33A in relation to the Plan's preparation. Given the scale of development envisaged and the proximity to the Borough of Lewisham the CWAAP includes strategic development that would have a significant impact on at least two planning areas.
6. The Council has provided considerable detail about the ways in which it has engaged with the prescribed bodies including the Mayor of London, Transport for London and neighbouring Boroughs¹. Furthermore, no strategic issues in relation to the CWAAP have been raised by these organisations and no objections have been made on the basis of a failure to co-operate. Overall I am satisfied that the Council has engaged constructively, actively and on an on-going basis and that this duty has therefore been met.

¹ Document CDLR10

Assessment of Soundness

Background

7. The Canada Water Area Action Plan (AAP) was adopted in March 2012. During the course of the examination in 2011 the Harmsworth Quays print works site, operated by the Daily Mail group, unexpectedly became available due to re-location out of the area. The site is within the central Core Area and comparatively large. In his report² the Inspector accepted that the Council's intention of an early review of the adopted Plan was necessary and unavoidable to ensure a reasoned and deliverable set of outcomes for the site. The CWAAP now under examination has been produced in this light.
8. Whilst focussing on the site allocation for Harmsworth Quays other material changes in circumstance have been taken into account in preparing the CWAAP. These include the publication of the NPPF and, more recently, the Planning Practice Guidance (PPG); progress on the Council's Community Infrastructure Levy (CIL) Charging Schedule; publication of the Further Alterations to the London Plan (FALP) in January 2014; provision of a new free secondary school in Bermondsey; adoption of an Open Space Strategy in 2013 and other changes 'on the ground'.
9. Following receipt of the examiner's report on the Revised Draft Charging Schedule the Council brought the Southwark CIL into effect on 1 April 2015. The FALP were published and incorporated into the London Plan in March 2015. This consolidated spatial development strategy is known as The London Plan 2015. The Greater London Authority has confirmed that the CWAAP, as proposed to be modified, is in general conformity with it. The Council consulted on an options version of the New Southwark Plan in October 2014.
10. The PPG indicates that reviews should be proportionate to the issues in hand³. The Council's approach is consistent with that guidance. Furthermore, the main focus on testing for soundness relates to the changes made compared with the adopted AAP. Nevertheless, this does not preclude modifications being recommended to other parts of the CWAAP that are unaltered if necessary to ensure that the Plan as a whole is sound. As far as this report is concerned I shall not comment on matters or policies where, in the light of the evidence presented, there has been no significant material change since the last examination. Furthermore, it will deal with the main matters relating to soundness and legal compliance and not every point raised by representors.

Main Issues

11. Taking account of all the representations, written evidence and the discussions that took place at the examination hearings I have identified six main issues upon which the soundness of the Plan depends.

² Document CDLA2

³ ID 12-008-20140306

Issue 1 – Is the overall strategy for development within the CWAAP area sound having regard to its needs and demands; the relationship with other plans, national policy and Government objectives and the evidence base and preparatory processes?

12. The vision within the CWAAP is to transform Canada Water into a town centre to create a new heart for Rotherhithe based on its excellent public transport links. It is envisaged that this will involve doubling the size of the existing retail floorspace, the provision of other employment generating and education uses and a large number of new homes whilst ensuring that new development is 'knitted in' to the surrounding area. Tall buildings are allowed for in the Core Area in order to stimulate re-generation and to create a distinctive sense of place. This strategy has largely been carried forward from the AAP. However, it has been adjusted to make reference to higher education, cafes, restaurants and leisure facilities as suitable uses to broaden the appeal of the town centre rather than rely on retail and office development for job creation.
13. The London Plan of 2011 designated Canada Water as an area for intensification with a minimum homes target of 2,500 and a jobs estimate of 2,000 and noted that it is a district centre with high potential for growth. The London Plan 2015 identifies Canada Water as an Opportunity Area in Policy 2.13. Annex 1 indicates that it may evolve to become a major town centre and the scope for a substantial increase in the minimum new homes target and employment capacity should be explored. The minimum target for new homes is raised to 3,300.
14. Given this background; the 4,000 units already with planning permission in the CWAAP area; the estimated capacity from other sites and the potential for housing on Harmsworth Quays, the figure of 3,300 net new homes in Policy 21 both within and outside the Core Area is not ambitious enough. Even though this is a minimum figure it does not fully reflect the Government's aim of boosting significantly the supply of housing as expressed in the NPPF.
15. The Council's proposed modification to increase the minimum total within the Core Area to 4,500 homes would properly and fairly reflect the above factors, the aspirations for growth in the CWAAP area and be consistent with national policy. It would also accord with the specific provisions of The London Plan 2015 and also with Policy 3.3 which seeks to increase housing supply generally. For these reasons main modifications are necessary to make the CWAAP sound (**MMOD1, 20 & 21**).
16. Policy 21 is also proposed to be modified to specify capacity for 600 additional homes outside the Core Area and the minimum number of affordable homes is to be increased from 875 to 1,000 in Policy 22. These changes are necessary to reflect the up-to-date position and for the delivery of affordable homes to be linked to the increase in overall numbers. Without them the policies would not be justified or effective and accordingly I recommend main modifications to this effect (**MMOD1, 20, 21, 22 & 23**).
17. However, there is no evidence to indicate that the proposed expansion of retail floorspace by around 35,000 sq m (net) should be further increased. This quantum of additional shopping floorspace is also referred to in Strategic Policy 3 of the Core Strategy. Nevertheless Policy 1 confirms that Canada

Water will move up the hierarchy of centres to become a major town centre and does not preclude additional development. **MMOD5** updates the CWAAP by acknowledging developments that have been completed at Maple Quays and Toronto and Montreal Houses.

18. The overall vision for Canada Water is consistent with The London Plan 2015 and the Core Strategy of 2011. Having set this course it is understandable if the Council has pursued the implementation of the chosen approach rather than becoming 'side-tracked'. The NPPF indicates that regard should be had to the cumulative impact of development. This is the basis of sound plan-making and the CWAAP has had regard to the likelihood of different types of development coming forward and the need for infrastructure and social and community provision including open space to accompany that development.
19. There is criticism that the evidence base for the CWAAP is not up-to-date. However, the Council has not simply relied on documentation prepared for the adopted AAP but has produced papers covering such matters as business and retail; an urban design study; housing; infrastructure and viability⁴. A further Sustainability Appraisal has been undertaken and an Open Space Strategy adopted⁵. Of course, the nature of the process means that evidence produced will have aged slightly by the time that the examination and hearings take place. However, where necessary, detailed matters have been updated and the documents relied upon are not so ancient as to be unreliable. The expectations for a proportionate evidence base set out in paragraph 158 of the NPPF and elaborated upon in the PPG have been met.
20. The Core Area incorporates areas to the west of the London Overground line and Lower Road including the Hawkstone Estate. Policy 22 indicates that the preferred approach is now to refurbish homes on the Estate. There is nothing in the CWAAP to imply that it is proposed to demolish it and replace it with a business cluster after 2025 which is, in any event, outside the Plan period. The last Inspector found that, whilst less clear cut, the rationale for the inclusion of this predominantly urban residential area was warranted⁶. There is no evidence of a change of circumstances to justify a different finding.
21. Policy 32a on Sustainable Development reiterates the NPPF. The PPG⁷ indicates that there is no need to do this and consequently this policy should be removed as unjustified (**MMOD32**).
22. Subject to the main modifications outlined above the CWAAP is positively prepared to meet development and infrastructure requirements. The vision is clearly articulated and the overall strategy is sound.

Issue 2 – Are the policies for shopping and transport justified, likely to be effective and consistent with national policy?

23. Figure 5 of the CWAAP shows an indicative revision to the town centre boundary. The intention is to settle the boundary via the New Southwark Plan once the actual physical extent of the town centre has taken shape. However,

⁴ Documents CDLR13, CDLR14, CDLR15, CDLR16, CDEV2 & CDEB1

⁵ Documents CDLR6 & CDEE1

⁶ Document CDLA2 – paragraph 20

⁷ ID 12-010-20140306

other policies in the CWAAP rely on a defined town centre for their proper interpretation. The most obvious example of this is Policy 16 which is specifically concerned with town centre development. Furthermore, paragraph 23 of the NPPF indicates that local planning authorities should define the extent of town centres. Therefore the CWAAP is neither clear nor effective in this regard.

24. The Council's proposed modification expands the existing boundary to include all of Site CWAAP24 (encompassing Harmsworth Quays) within the town centre. Widening the area should ensure that the needs for retail, leisure, office and other main town centre uses are met in full. At the same time, explanatory text confirms the Council's aspiration of placing non-residential uses in locations which maximise the potential for linked trips and which contribute towards establishing a town centre with character and identity. This is in line with Policy 2.15 of The London Plan 2015. It is also emphasised that residential and student housing uses are appropriate in the town centre as referred to in paragraph 23 of the NPPF. These main modifications are necessary for soundness (**MMOD2, 4, 6, 15, 40 & 45**).
25. There is no firm commitment to closing the southern end of Surrey Quays Road as set out in Policy 16. Therefore referring to its realignment in the long term would achieve effectiveness (**MMOD14**). For the same reason it should also be confirmed that Masterplans will be prepared for the main proposals sites (**MMOD16**).
26. It is accepted that traffic queues and delays around the gyratory and on Lower Road would worsen if no improvements were undertaken. It is expected that the scheme to introduce two-way movements and to allow for right turns into Surrey Quays Road will begin in 2016. There is some dispute as to whether traffic locally has reduced. But there is no firm evidence that the Council's survey was skewed by roadworks or that waste and delivery lorries have significantly added to vehicle flows. Moreover, the CWAAP is unchanged in this respect compared with the adopted AAP and there is no clear indication that the development of Harmsworth Quays would lead to an increase in traffic compared with the previous newspaper delivery lorries. In any event, future proposals would be the subject of full Transport Assessments which should take into account the latest position including any future growth. The text should be expanded to confirm this in the interests of effectiveness (**MMOD7**).
27. There is nothing to contradict the Council's view that the proposed increase in shopping floorspace would be the most likely cause of additional vehicular movements. Equally there is nothing to suggest that a particular level of floorspace should 'trigger' any of the improvements to Lower Road. However, there is uncertainty about how and when the existing funding 'gap' for the scheme will be filled and whether section 106 contributions and CIL would raise sufficient monies to cover it. Although referred to in a general way by Policy 1 there is insufficient detail to ensure that road improvements will keep pace with retail development. The Council's proposed modification would address this (**MMOD3**). I recommend it to ensure that infrastructure will be delivered in a timely manner and that the CWAAP is effective in this regard.
28. The aspiration to extend the London cycle hire scheme to Canada Water in Policy 6 does not provide a clear indication of how a decision maker should

react to a development proposal and should be deleted as inconsistent with the NPPF (**MMOD8 & 9**). For accuracy and clarity Policy 8 should refer to improvements to the roundabout at the entrance to the Rotherhithe Tunnel rather than signalisation (**MMOD10, 11 & 12**).

29. There is concern that the focus on development around Canada Water basin would be at the expense of older and more traditional shops and other services along Lower Road and Albion Street. However, Policies 30 and 31 include measures to regenerate and improve these areas. Furthermore, Policy 16 refers to the creation of strong physical and visual links to Lower Road.
30. Overall, with the recommended main modifications, the policies for shopping and transport are justified, effective and consistent with national policy.

Issue 3 – Are the policies for places and homes justified, likely to be effective and consistent with national policy?

31. Detailed criteria for all tall buildings over 30m in height are set out in Policy 17 and expect an exemplary standard of design in line with Strategic Policy 12 of the Core Strategy. The third bullet point does not clarify that the expectation is for town centre uses to be located on the ground or lower floors. The words "elegant" and "slender" do not properly reflect the intention to achieve a strong vertical emphasis. Expecting buildings to be "recessive" implies that they should be set back in some way rather than ensuring that the tops of buildings add interest to the skyline. In these respects the policy is not effective but the revised wording would remedy this deficiency (**MMOD17**).
32. Policy 17 also provides that minimum space standards should be significantly exceeded and this is part of the expectation for exemplary design set out in the *Residential Design Standards* Supplementary Planning Document⁸. Given that accommodation within buildings of this height is unlikely to have ready access to outdoor space this criterion is justified and is not inconsistent with the Written Ministerial Statement of March 2015. Furthermore, there is no reason to suppose that this would alter the requirements for affordable housing set out in Policy 22. Tall buildings are also expected to provide a mix of unit types in order to promote housing choice. The policy also affords sufficient protection to heritage assets and protected views.
33. There is reference to special buildings but the proposed locations would not strictly mark the gateways to the town centre. Nevertheless there is scope for them to be attractive features in their own right and to add to the sense of place. The modification proposed is therefore required for clarity (**MMOD17**).
34. The criteria in Policy 15 that heritage assets and their settings should simply be preserved or enhanced does not take into account the possible need to balance any harm against public benefits in line with the NPPF. **MMOD13** is therefore necessary to ensure consistency with national policy.
35. How any schemes are judged against the criteria within the CWAAP is, ultimately, a matter for the Council and the soundness of the Plan is not affected by whatever role a Design Review Panel might or might not have.

⁸ Document CDS8

36. As agreed by the Council at the hearing the space between Blick House and St Olav's Court on Lower Road meets the descriptors for Other Open Space set out in the Glossary of terms⁹. Strategic Policy 11 of the Core Strategy refers to the protection of small spaces of local importance. Omitting this land from Policy 18 which protects 3 other similarly designated areas is not justified but this is rectified by **MMOD18, 19 & 44**.
37. Policy 18 also seeks to protect the former nursery adjoining Southwark Park as Metropolitan Open Land (MOL). The evidence confirms the longstanding historical links of this narrow strip of land with the Park and it appears to have been in use as a nursery by 1872. Having regard to the definitions in Policy 7.17 of The London Plan 2015 and the Glossary I am satisfied that this designation is justified as it contributes to the physical structure of London by being clearly distinguishable from the built up area. This is because of its currently undeveloped nature, the 'break' it provides between the housing that backs onto it and the past associations with the Park which is also MOL.
38. The Inspector's Report on the examination of the AAP commented that some open space provision, including amenity green space, will require further consideration and analysis as to how standards will be set and provision made¹⁰. In the light of this the text was supplemented and paragraph 4.5.26 of the AAP refers to the importance attached to amenity green space. The Open Space Strategy of January 2013 has now been produced¹¹. This gave consideration to amenity spaces which provide opportunities for informal recreation close to residential areas and have potential to be improved as a biodiversity and community gardening resource. The Council's approach is to improve existing areas and to ensure that adequate provision is made for new development in accord with its Supplementary Planning Document standards.
39. Whilst the NPPF highlights the importance of open space because of the contribution it can make to the health and well-being of communities it does not require that all pieces of undeveloped land be protected. It also comments that the Local Green Space designation will not be appropriate for most green areas or open spaces. Furthermore, the context is that the Canada Water and Rotherhithe sub-area is well provided for in terms of open space with the quantity standard for both parks and natural greenspaces exceeded by more than 100%. There is therefore, in my view, no imperative to designate additional areas of land as open space. The definition of Other Open Space also excludes areas that are ancillary to, and/or within the curtilage, of a building.
40. More to the point, whilst acknowledging the importance attached to existing housing amenity areas by the community, the absence of further open space designations does not render the CWAAP unsound when judged against the relevant criteria in the NPPF. In addition, despite claims to the contrary, the definition of Green Infrastructure in the Glossary is consistent with the NPPF.
41. The purpose of Policy 29a is to prevent student housing from overwhelming the Core Area in the interests of providing for a mixed and balanced community and to facilitate a wide range of uses within the town centre.

⁹ Document CD55

¹⁰ Document CDLA 2 – paragraph 82

¹¹ Document CDEE1

Strategic Policy 8 of the Core Strategy also establishes that student homes should not harm local character.

42. The Council's threshold of 300 bedspaces for large student housing is likely to 'catch' most future developments given that 500 is regarded as the optimum. Any such developments would be judged against a more restrictive set of criteria than elsewhere in the Borough. However, this accommodation would be part of the new sense of place at Canada Water rather than 'grafted' onto an existing environment. Nevertheless to require that all large student developments should be part of a campus would be unduly restrictive and potentially hinder the pace of development on Site CWAAP24. With Strategic Policy 8, with the overriding provision that developments should be part of mixed use schemes and with master planning, sufficient safeguards would exist to prevent the creation of a 'student only' zone. Adding a clause to the first bullet point that sites should be linked to a campus by good public transport links would nevertheless allow for greater flexibility in the interests of soundness (**MMOD28 & 29**).
43. Recently permitted developments have achieved higher densities than those referred to in Policy 24. However, including the Core Area within the urban density range of 200-700 habitable rooms per hectare is consistent with Strategic Policy 5 of the Core Strategy. Whilst elevating the status of Canada Water to a Central Activities Zone might be considered in future the policy is sound as it stands especially as higher densities are allowed for as an exception when development has an exemplary design standard.
44. Paragraph 193 of the NPPF indicates that information requirements for applications should be proportionate and local planning authorities are encouraged to publish a list. There is nothing to indicate that the parameters for outline applications should be included within Local Plans.
45. As long as the main modifications are undertaken the policies for homes and places are sound having regard to the criteria set out in Issue 3.

Issue 4 – Are the policies for leisure and enhanced social and economic opportunities justified, likely to be effective and consistent with national policy?

46. Policy 25 promotes a business cluster of around 12,000 sq m and identifies Sites CWAAP7 and CWAAP24 as key for this purpose. The evidence is that there is demand for up to 9,500 sq m of Class B1 floorspace¹². However, whilst short term demand may be limited it is reasonable to expect that over the Plan period other developments will act as a catalyst so that the attractiveness and perception of this part of Rotherhithe as a place to do business will change. In any event, planning permission has already been granted for 2,800 sq m of B1 floorspace at Site E and for 4,490 sq m at the Mulberry Business Park. Canada Water is also mooted as a possible location for the Centre for Science and Urban Progress¹³ and Annex 1 of The London Plan 2015 refers to a new science cluster linked to an academic institution. The anticipated quantum of development is unchanged from the AAP and I find

¹² Document CDEB1

¹³ Hearing statement CDEX15 – Appendix 1

that it is sound. However, the provisions about the phasing of development are not clear and **MMOD24** is necessary as a safeguard to ensure the delivery of business floorspace.

47. Many parts of Rotherhithe do not have access to superfast broadband. The situation is acknowledged in the CWAAP but a more forceful policy response is not warranted.
48. The Council's school places strategy of July 2014¹⁴ does not indicate that there is any immediate need to allocate sites within the CWAAP area. No need for additional health care provision has been identified by NHS Southwark and preferred locations are identified for early years provision. Hence Policies 26, 28 and 29 are broadly sound subject to changes to widen the preferred locations for pre-school and health facilities and to update the position in relation to the Downtown site. I therefore recommend **MMOD25, 26** and **27** in the interests of effectiveness.
49. The policies covered by this issue are therefore sound provided that the main modifications are included.

Issue 5 – Are the policies for specific places and sites justified, likely to be effective and consistent with national policy?

50. All of the schedules for the Proposals Sites under Policy 32 refer to "required" and "other acceptable" land uses. This distinction derives from saved Policy SP20 of the Southwark Plan which stipulates that permission may be granted for the latter provided that development for the uses required is, or has been, secured. Given the mixture of uses proposed for the various sites, especially the larger ones, this strict definition runs the risk of stymying new development. The policy is therefore not effective as it stands.
51. The main modifications make the relationship between the 2 types of uses clearer. They also allow for greater flexibility whilst ensuring that the delivery of required land uses is not compromised and/or can be supported by other acceptable uses to make them viable and deliverable (**MMOD30 & 31**).

CWAAP7 (Decathlon site, Surrey Quays Shopping Centre and overflow car park)

52. Both the Vision and Policy 1 refer to the provision of around 35,000 sq m (net) of additional retail floorspace. The total for this site should be adjusted to 34,000 sq m to reflect a previous commitment at Surrey Quays Leisure Park. However, limiting retail development to "up to" that figure is inconsistent with other parts of the CWAAP as well as the Core Strategy. It would also place an artificial 'cap' on development. The proposed modification refers to "around" 34,000 sq m of shopping floor area and would overcome this soundness issue (MMOD33). Furthermore, the estimated site capacity is too prescriptive in the light of recent permissions and the need for flexibility and should be assessed through the planning application process. Without MMOD34 the CWAAP would not be justified in this respect.

¹⁴ Hearing statement CDEX14 – Appendix 1

CWAAP10 (24-28 Quebec Way)

53. The required land uses for this site comprise residential, business and community use. Subject to clarification that this can include education and health uses (**MMOD35 & 36**) this allocation is sound.

CWAAP24 (Site E, Mulberry Business Park, Harmsworth Quays and Surrey Quays Leisure Park)

54. This is a sizeable and significant site within the CWAAP area. A key aspiration of the Council is that proposals should maximise the amount of employment generated which could include uses within Classes A, B1, C1 or D of the Use Classes Order. In general terms this approach, which treats residential and student housing as other acceptable uses, is sound particularly in the light of the main modifications recommended for Policy 32.
55. However, to ensure effectiveness it should be clarified that residential homes will form part of all 4 of the separate sites within CWAAP24, that it is not the intention to prevent them coming forward in advance of employment generating uses but that the delivery of business floorspace should not be compromised. The provisions regarding phasing are also unclear. In line with Policy 16 it should be confirmed that a Masterplan is required to ensure that development proceeds coherently and comprehensively. These matters are all covered in the Council's proposed modifications which are necessary to achieve soundness (**MMOD37, 38, 39, 41, 42 & 43**).
56. The 2014 Viability Study Update¹⁵ was produced to address issues raised by the CIL Examiner in his initial findings. Whilst for different purposes it nonetheless contains up-to-date appraisals of sites within the CWAAP area including Harmsworth Quays and the other component parts of CWAAP24. It shows that all of them, apart from Site E, are unviable either with or without CIL. Paragraph 173 of the NPPF refers to the need to ensure viability and delivery. The PPG indicates, amongst other things, that assessments should ensure that policies are realistic and provide high level assurance that plan policies are viable¹⁶. Moreover, assessing the viability of plans does not require individual testing of every site or assurance that they are viable¹⁷.
57. Since the close of the hearings the Surrey Quays Leisure Park has been acquired by British Land. This company also has interests in Harmsworth Quays which is part owned by the Council. From the evidence provided it is apparent that the Council is committed to bringing this site forward for development as a major regeneration project and is working co-operatively with British Land to this end. That company also refers to its partnership with the Council. The purchase of the Leisure Park has completed the land assembly process and makes re-development more rather than less likely. Similar considerations apply to the Surrey Quays Shopping Centre (CWAAP7) where the Council and British Land also have joint interests.
58. The PPG says that policies should not be based on the expectation of future rises in value at least for the first 5 years of the plan period. However, the re-

¹⁵ Document CDEIP22

¹⁶ ID 10-005-20140306

¹⁷ ID 10-006-20140306

development of this site is a long-term project and it is expected that market conditions will improve over the medium term. Given the site's size it is inevitable that development will take place on a phased basis. Overall the Council has a direct interest in making re-development 'happen' and there is also a developer 'on-side'. It is these factors that provide sufficient confidence that the plans for Site CWAAP24 are deliverable during the plan period.

CWAAP25 (Land at Roberts Close)

59. The allocation of this undeveloped site within the Core Area for residential uses is sound in principle. The qualities of the adjacent Russia Dock Woodland could be protected by sensitive siting and design as indicated in the supporting text. This part of the Borough has no allotments. The Open Space Strategy indicates that deficiencies will be tackled by creating community gardens at existing open spaces and by requiring new housing development to provide food growing opportunities. This provision is included in Policy 18 and would apply to the site. Indeed, having regard to the Council's approach there is no justification for reserving the land solely for allotments or other open space.

Conclusion on Issue 5

60. The policies for places and sites are justified, likely to be effective and consistent with national policy subject to the main modifications.

Issue 6 – Does the CWAAP have clear and effective mechanisms for implementation, delivery and monitoring?

61. Section 6 of the CWAAP is concerned with delivery and Policy 33 deals with planning obligations and CIL. Appendices 2 and 3 also contain a monitoring framework and details of infrastructure projects including timescales. These provisions give an indication about how the Plan will be implemented and contain a method for review. Whilst some representors cast doubt on the likely outcomes given the Council's 'track record' these are matters of local decision making and accountability. The CWAAP provides adequate assurance that policy delivery can be assessed and that this is likely to be effective.

Assessment of Legal Compliance

62. My examination of the compliance of the Plan with the legal requirements is summarised in the table below. I conclude that the Plan meets them all.

LEGAL REQUIREMENTS	
Local Development Scheme (LDS)	The CWAAP is identified within the LDS of October 2014 and its timing is compliant with it.
Statement of Community Involvement (SCI) and relevant regulations	The SCI was adopted in January 2008 and consultation has been compliant with its requirements, including that on the proposed main modifications.
Sustainability Appraisal (SA)	SA has been carried out, including an Update to assess the proposed main modifications in March 2015, and is adequate.

Habitats Regulations Assessment	The Habitats Regulations Assessment: Screening Appropriate Assessment of April 2013 (updated March 2015) concludes that none of the policies or guidance including the proposed main modifications are likely to have any significant discernible adverse impact on European sites.
National Policy	The CWAAP complies with national policy except where indicated and where main modifications are recommended.
Sustainable Community Strategy (SCS)	Satisfactory regard has been paid to the SCS.
Public Sector Equality Duty (PSED)	The Equality Analysis of October 2013 (updated in March 2015) provides evidence of compliance with the PSED.
2004 Act (as amended) and 2012 Regulations.	The CWAAP complies with the Act and the Regulations.

Overall Conclusion and Recommendation

63. The Plan has a number of deficiencies in relation to soundness for the reasons set out above which mean that I recommend non-adoption of it as submitted, in accordance with Section 20(7A) of the 2004 Act. These deficiencies have been explored in the main issues set out above.
64. The Council has requested that I recommend main modifications to make the Plan sound and capable of adoption. I conclude that with the recommended Main Modifications set out in the Appendix the Revised Canada Water Area Action Plan satisfies the requirements of Section 20(5) of the 2004 Act and meets the criteria for soundness in the National Planning Policy Framework.

David Smith

INSPECTOR

This report is accompanied by an Appendix containing the Main Modifications.



Revised Canada Water Area Action Plan

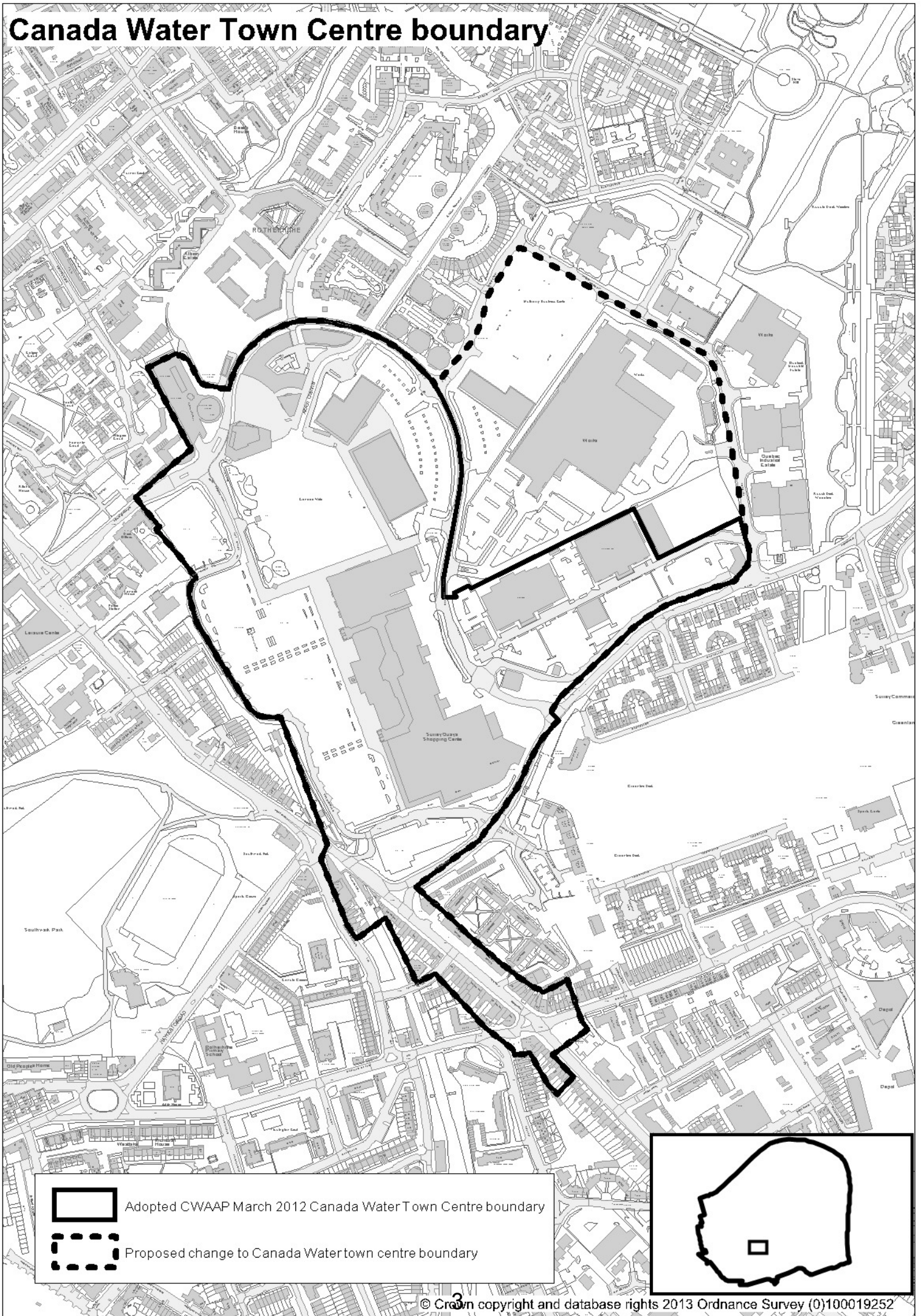
Changes to the adopted policies map

September 2015



Changes to the adopted policies map proposed at post hearing stage

Canada Water Town Centre boundary

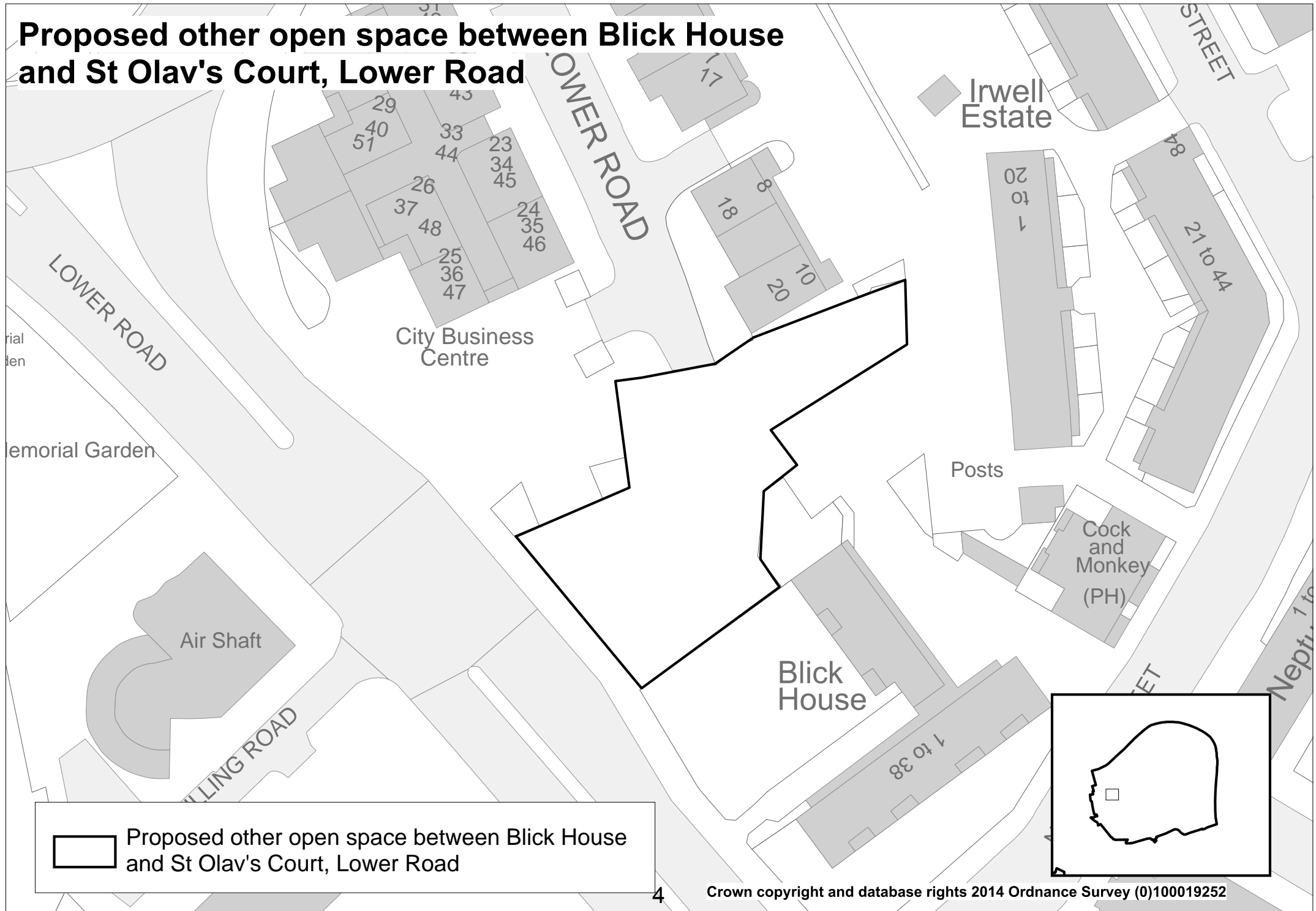


 Adopted CWAAP March 2012 Canada Water Town Centre boundary

 Proposed change to Canada Water town centre boundary

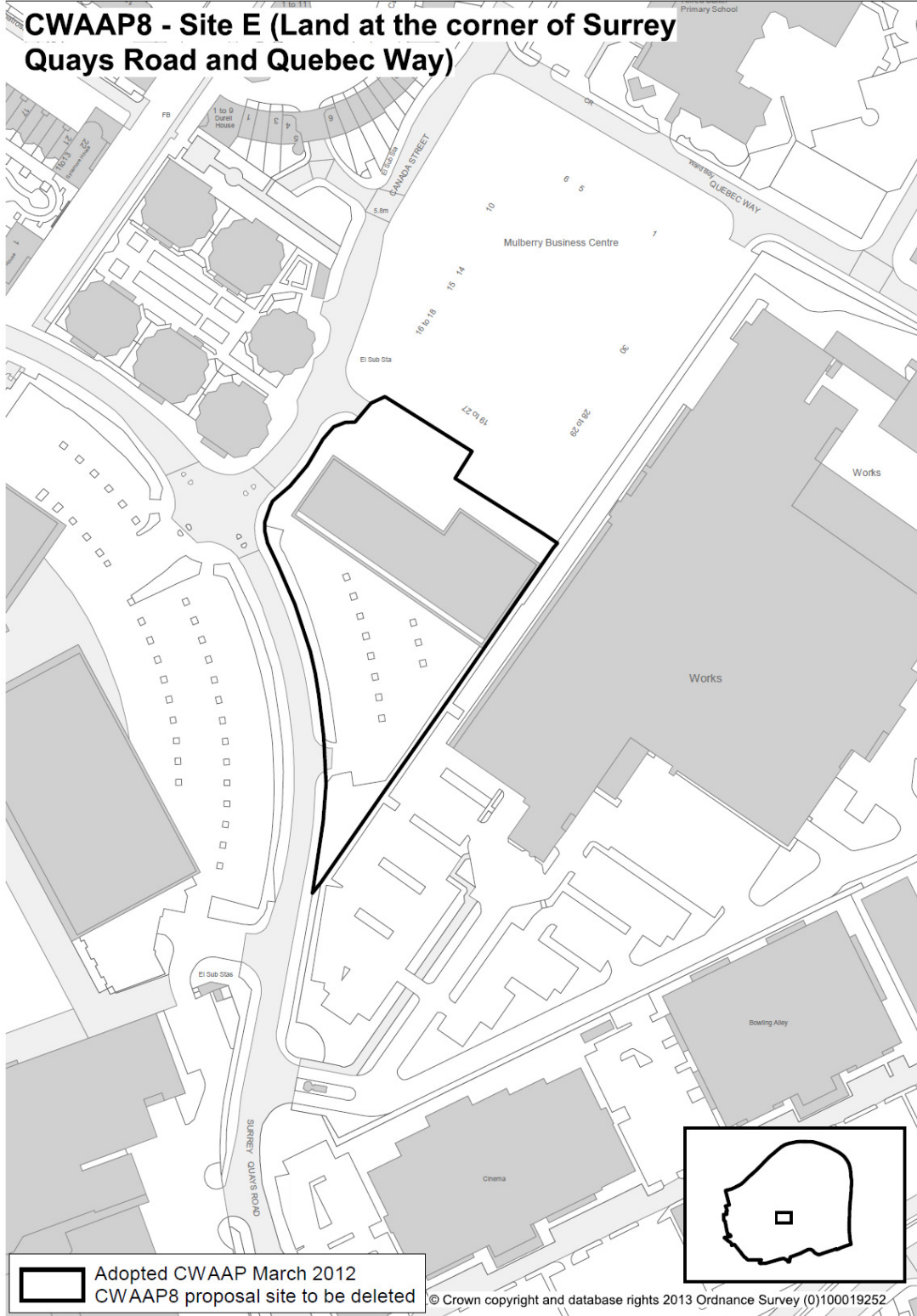


Proposed other open space between Blick House and St Olav's Court, Lower Road

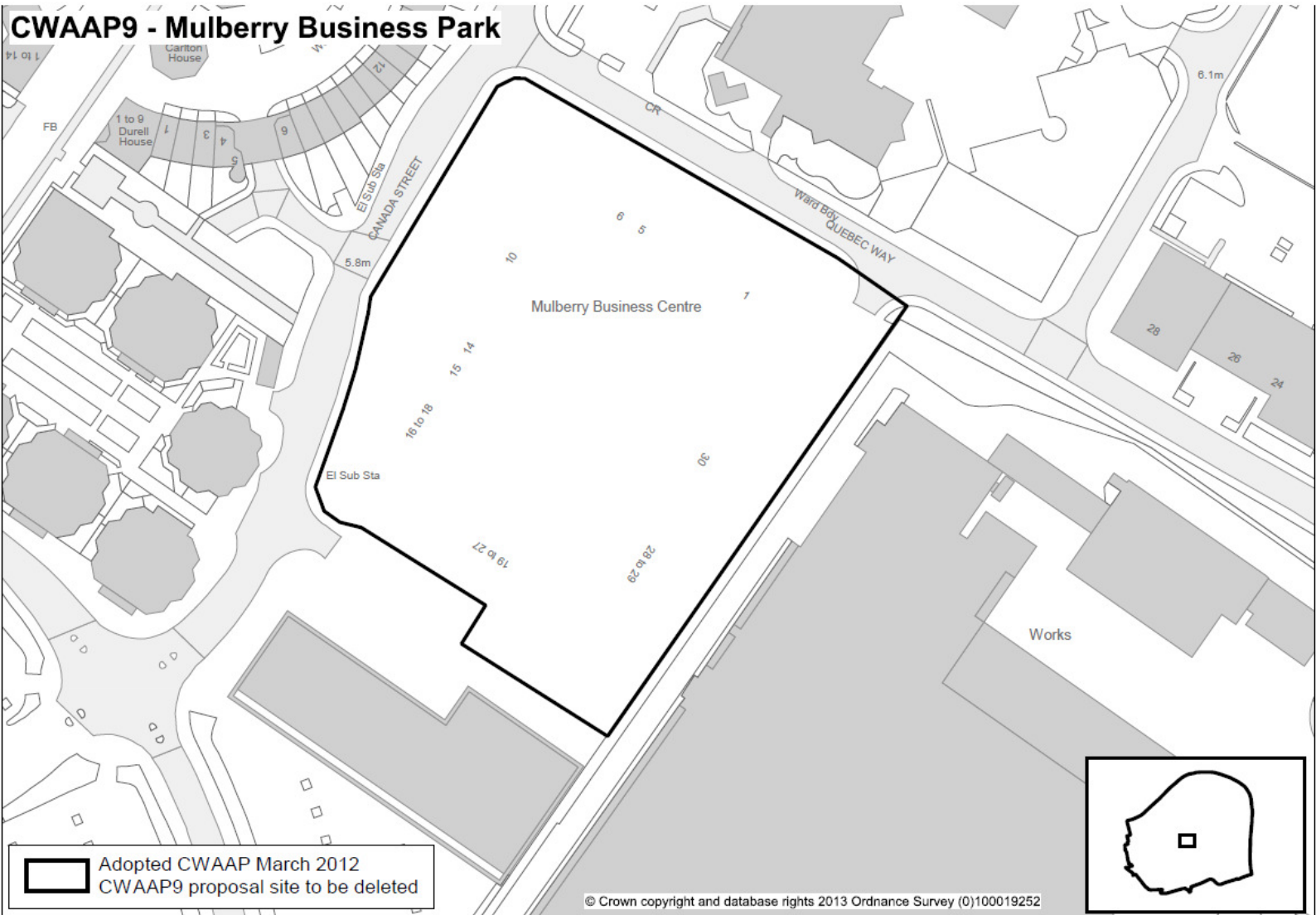


Proposals sites to be deleted from the Adopted Policies Maps

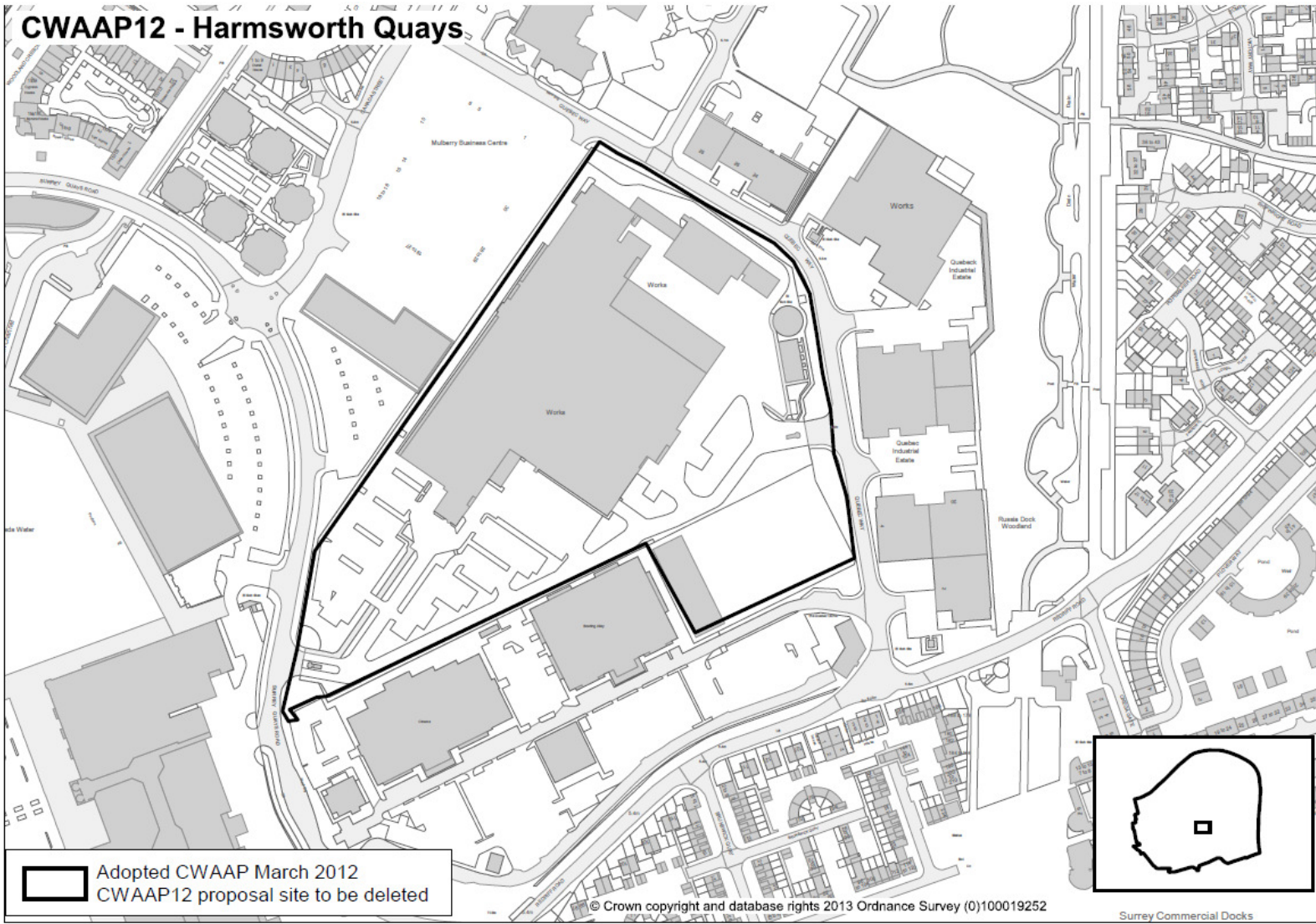
CWAAP8 - Site E (Land at the corner of Surrey Quays Road and Quebec Way)



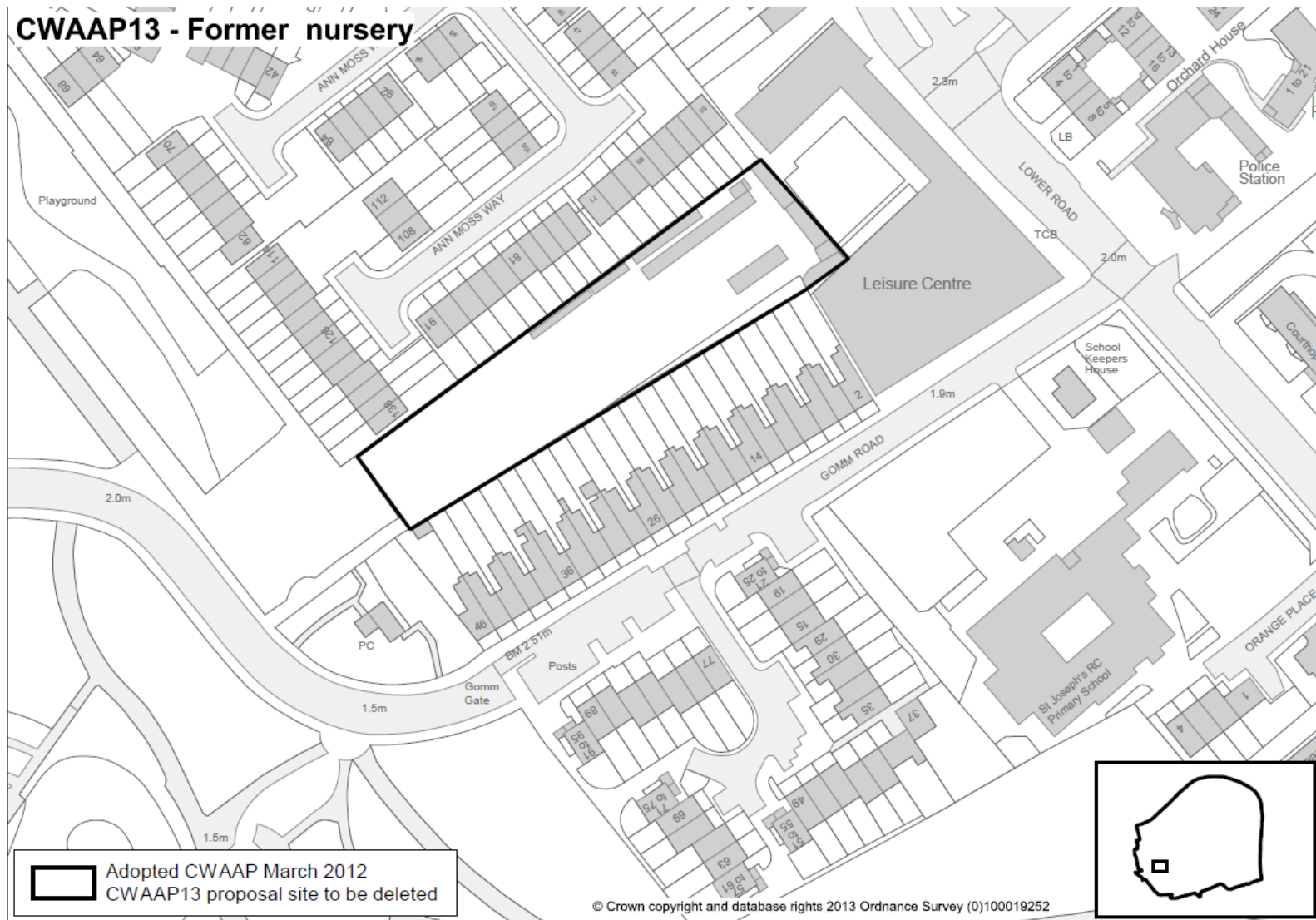
CWAAP9 - Mulberry Business Park



CWAAP12 - Harmsworth Quays

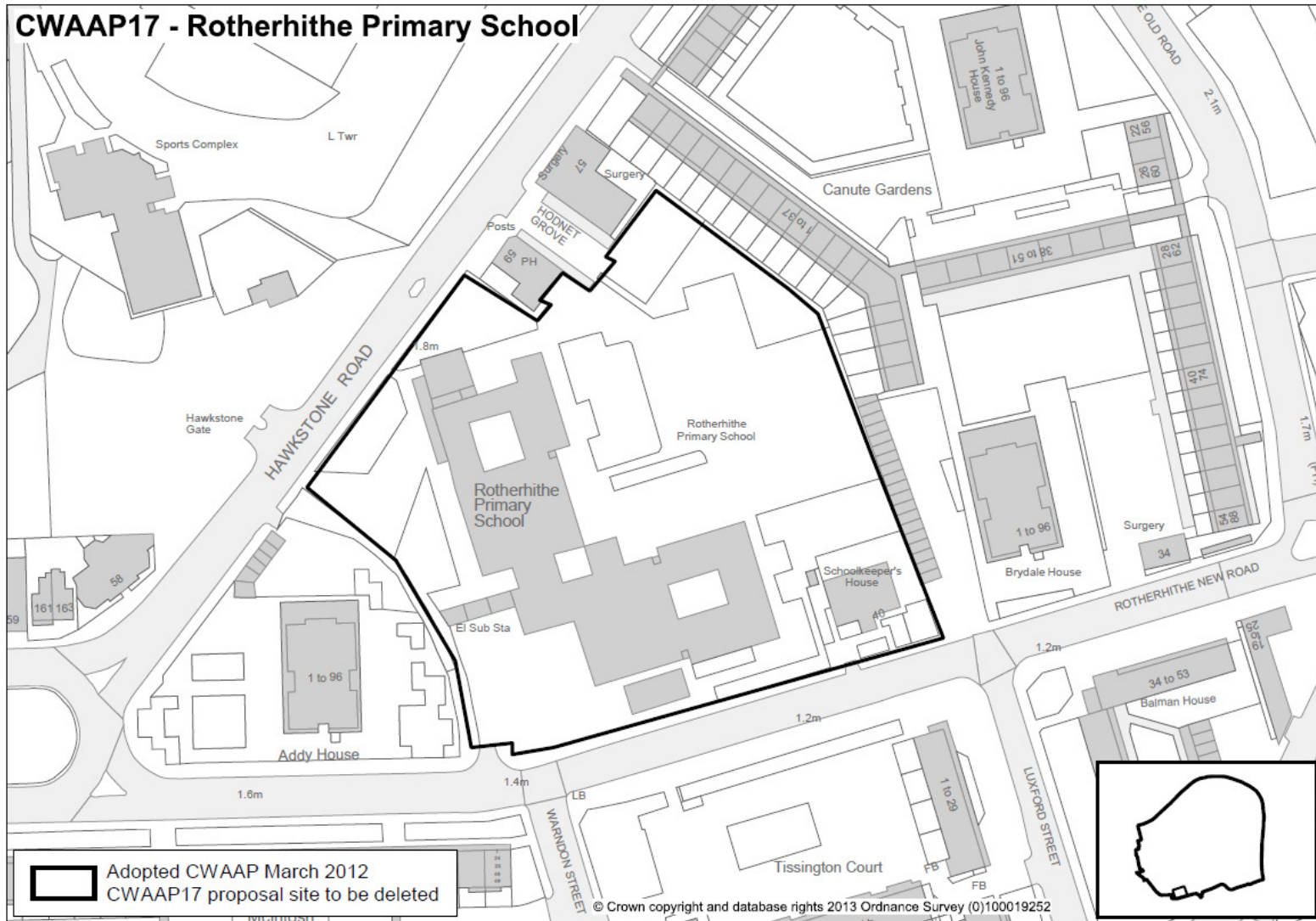


CWAAP13 - Former nursery



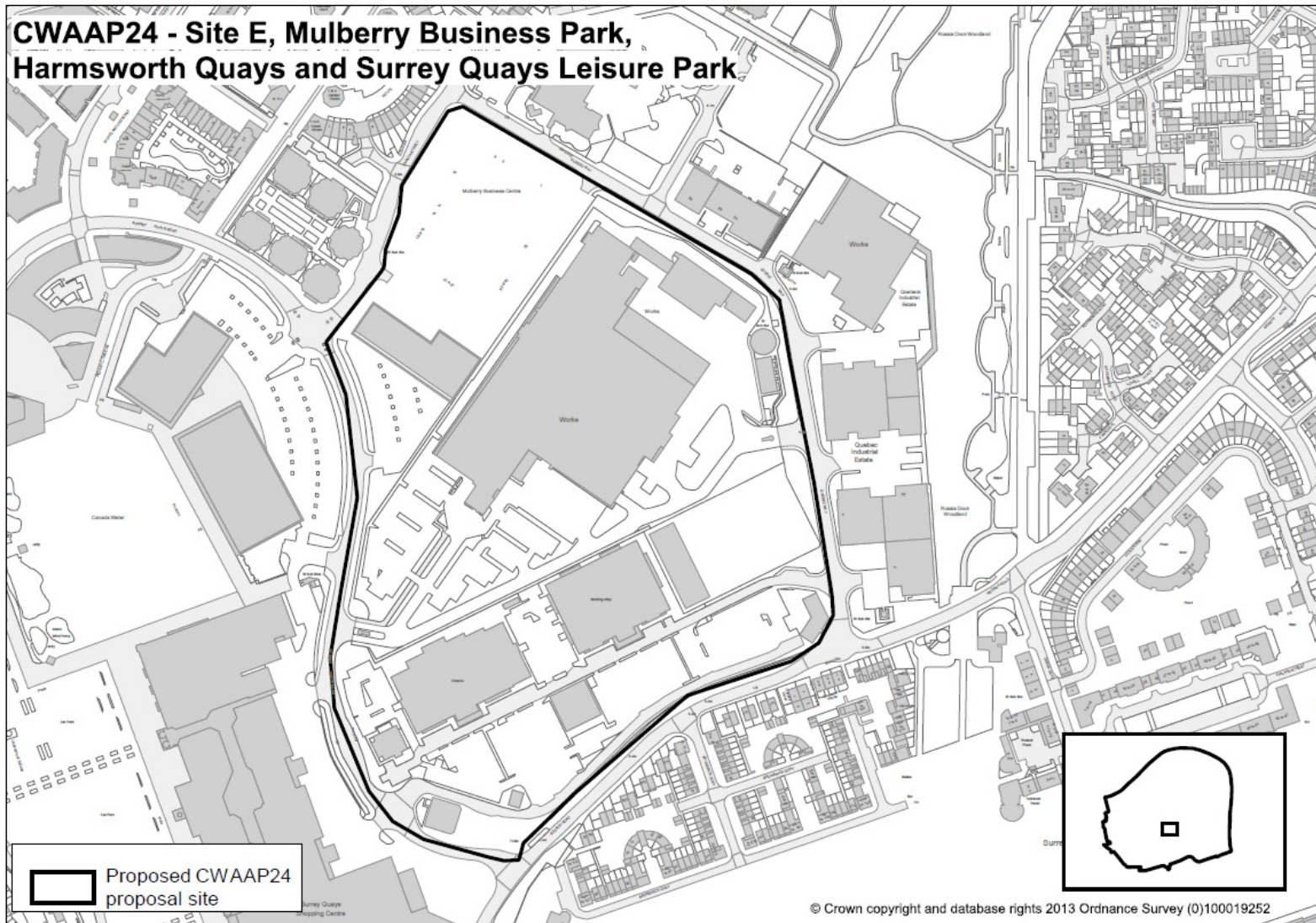
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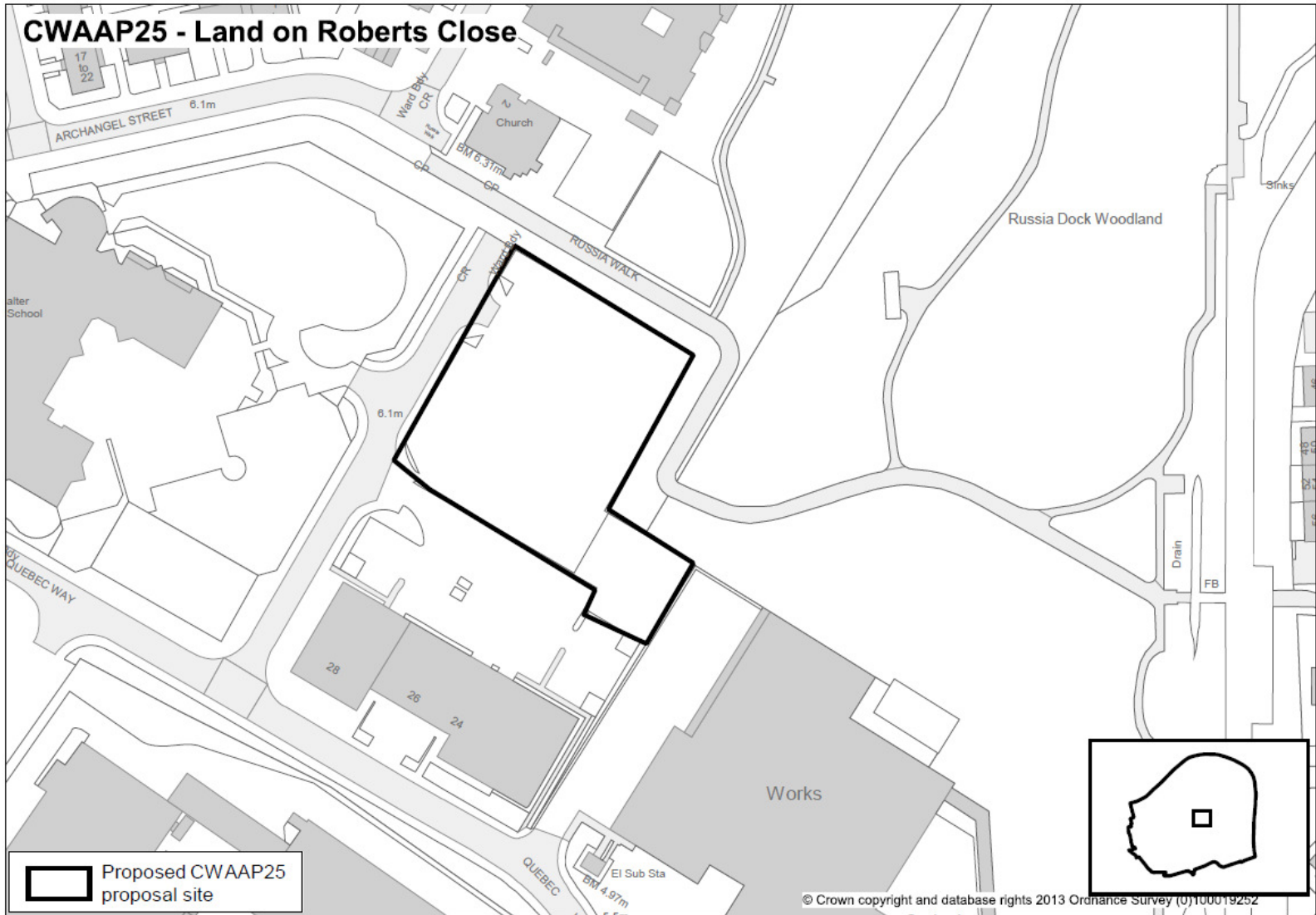
CWAAP17 - Rotherhithe Primary School



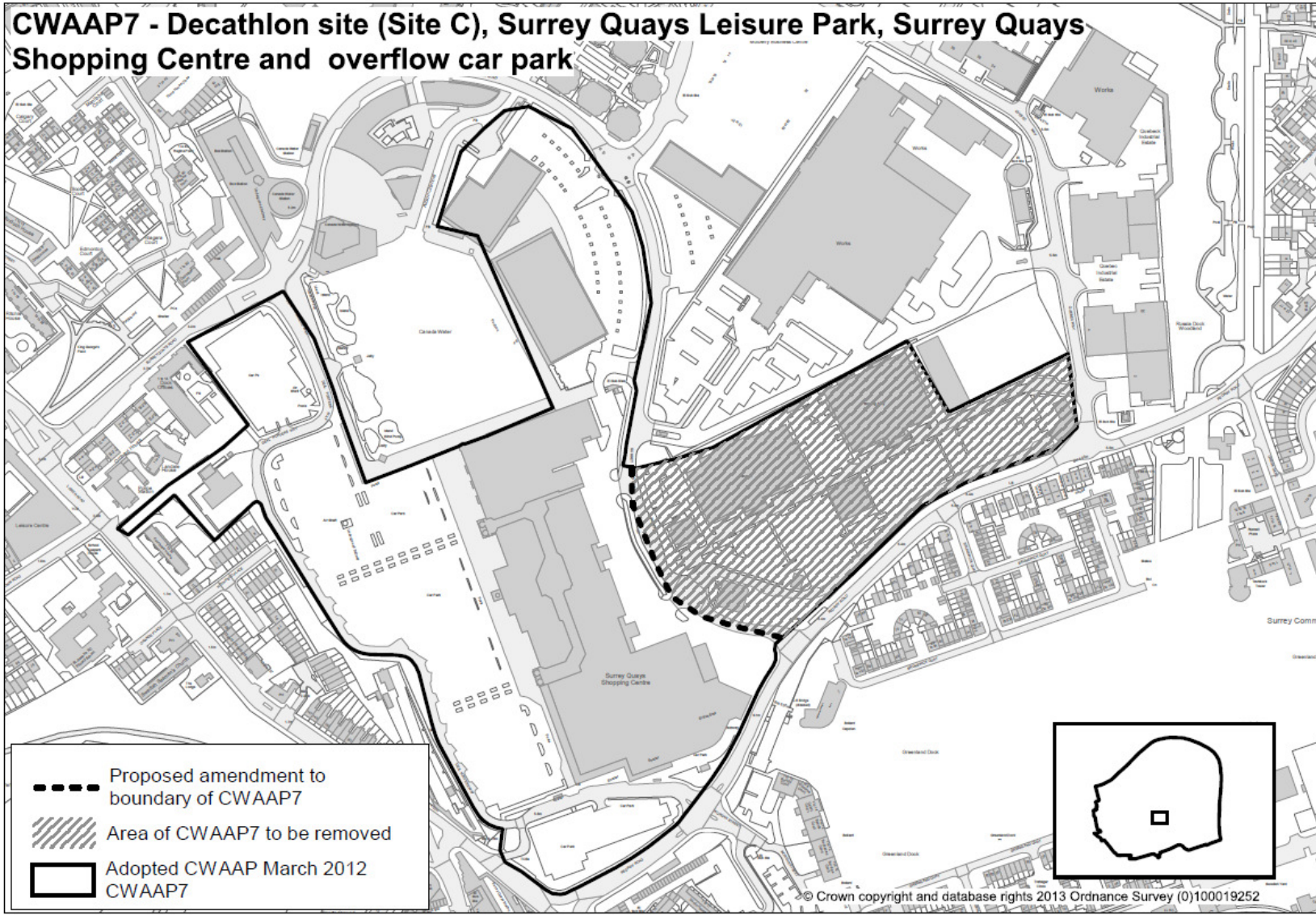
Proposals sites to be added to the Adopted Policies Map

**CWAAP24 - Site E, Mulberry Business Park,
Harmsworth Quays and Surrey Quays Leisure Park.**

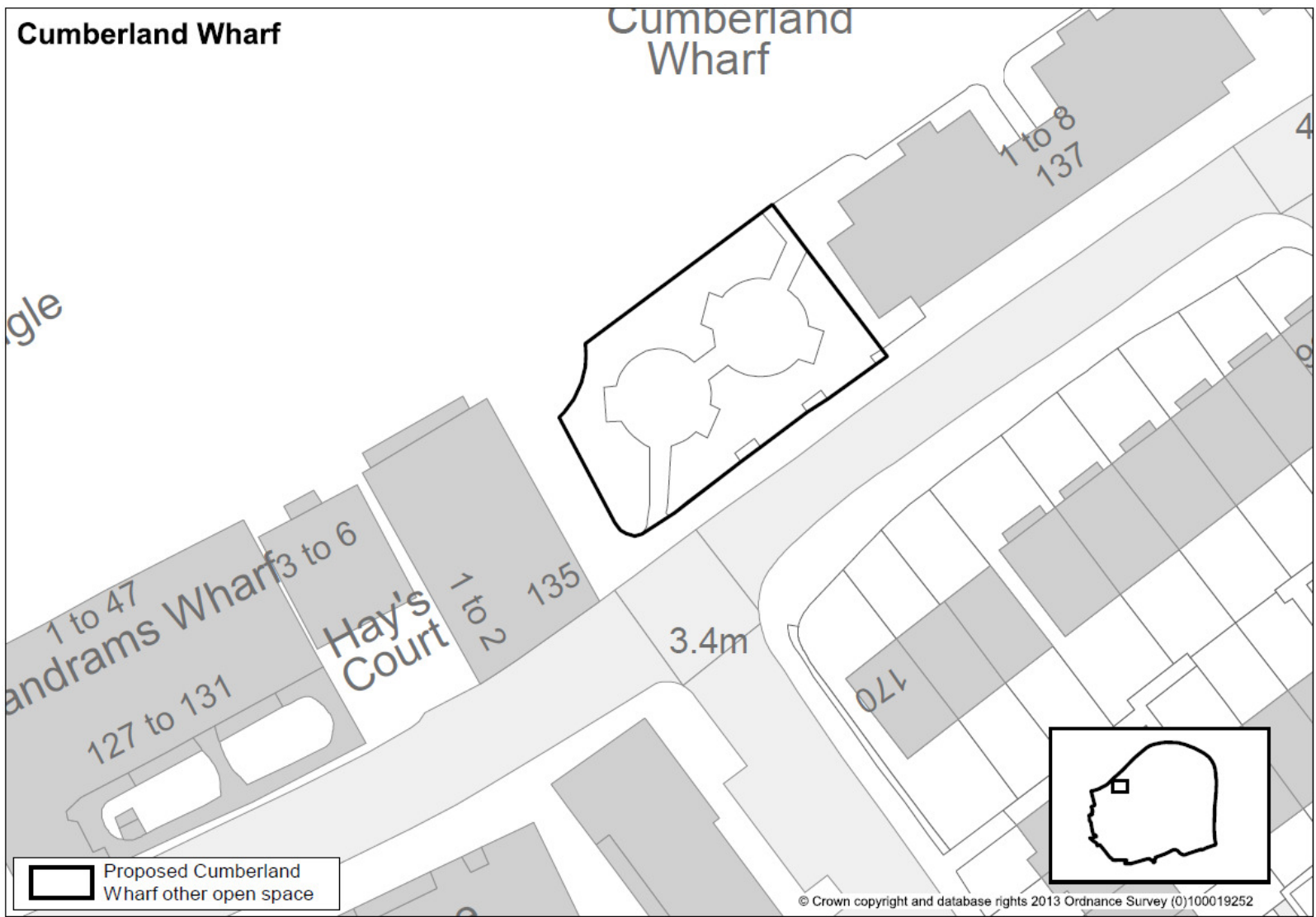


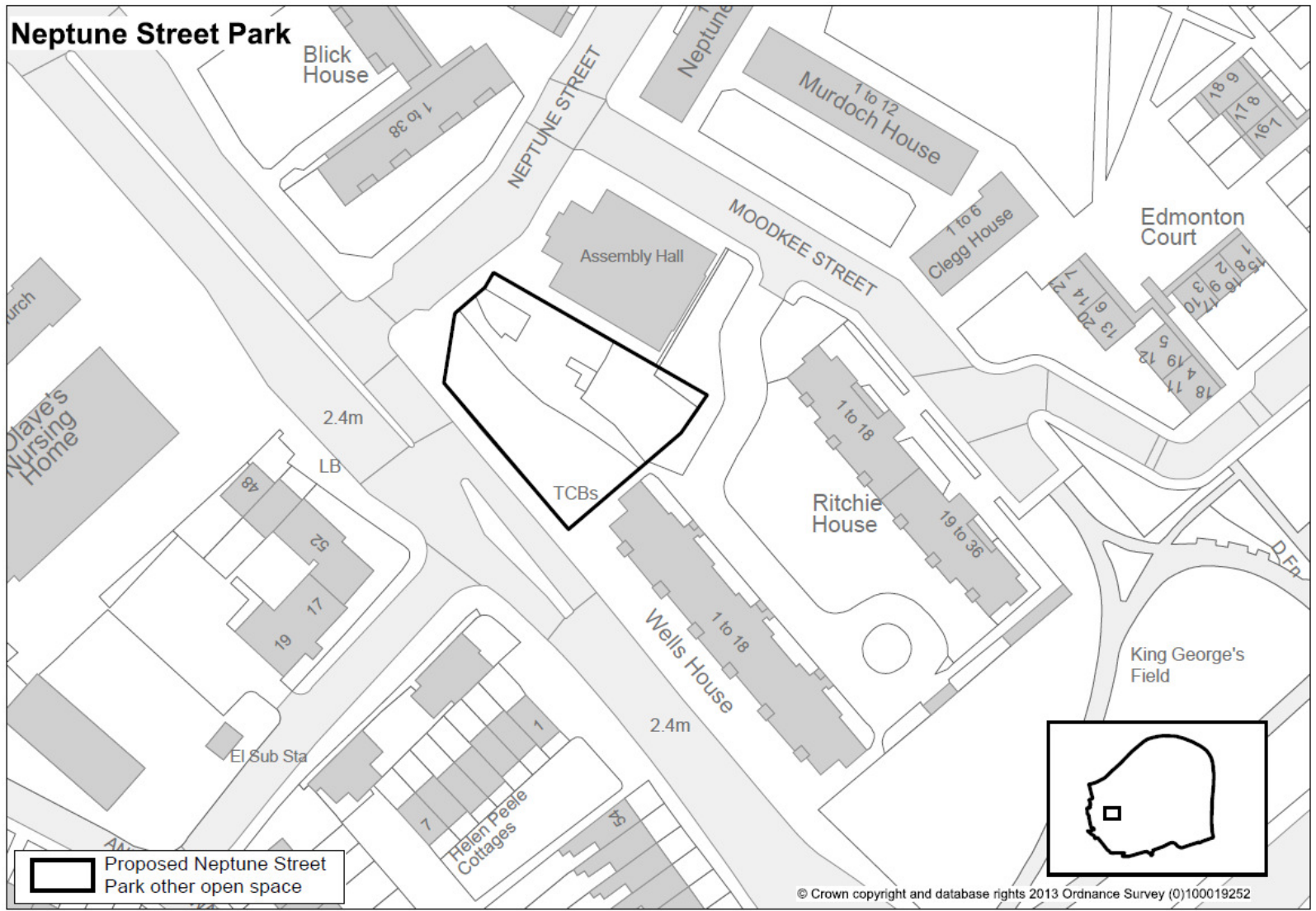


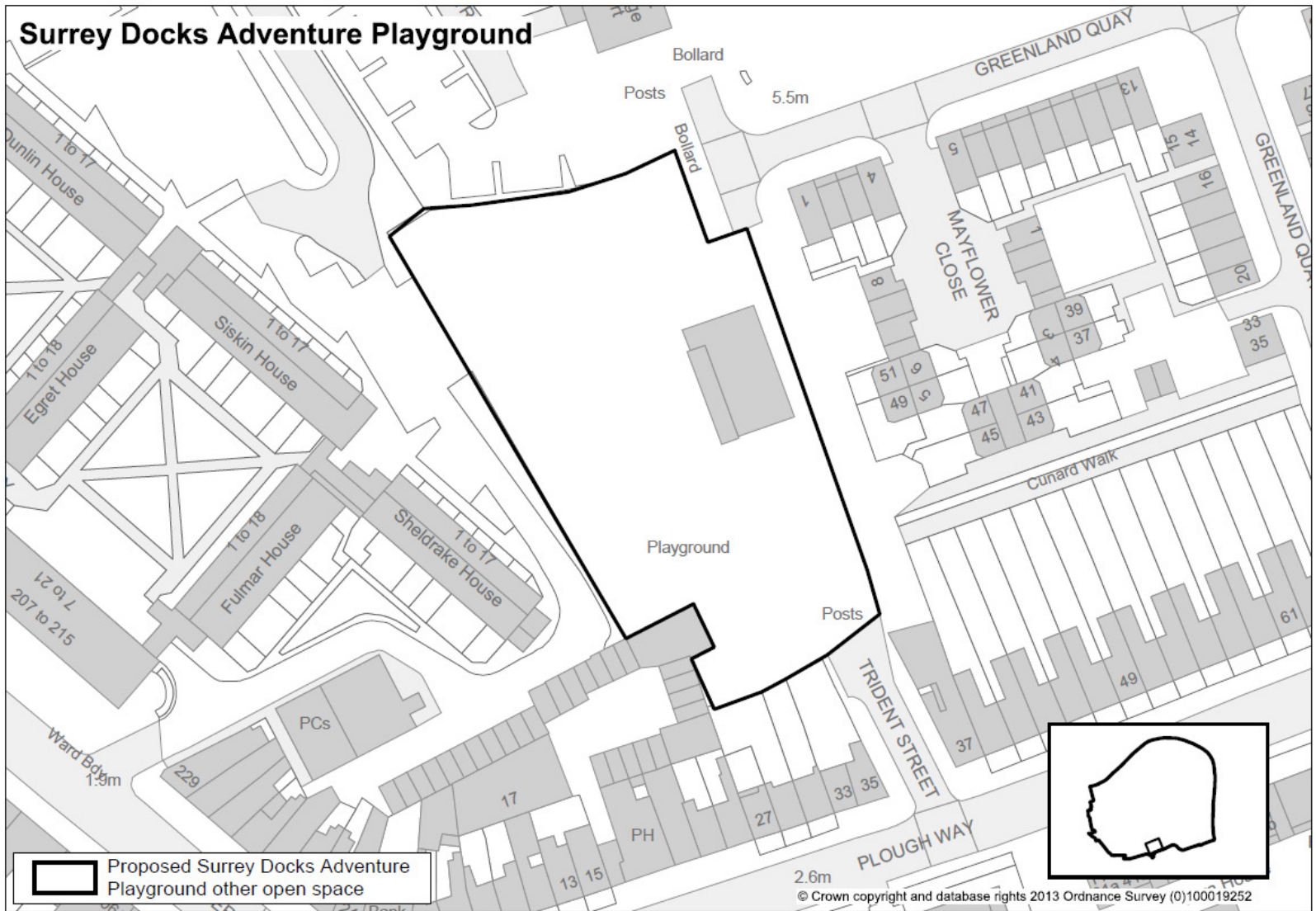
Proposals sites to be amended



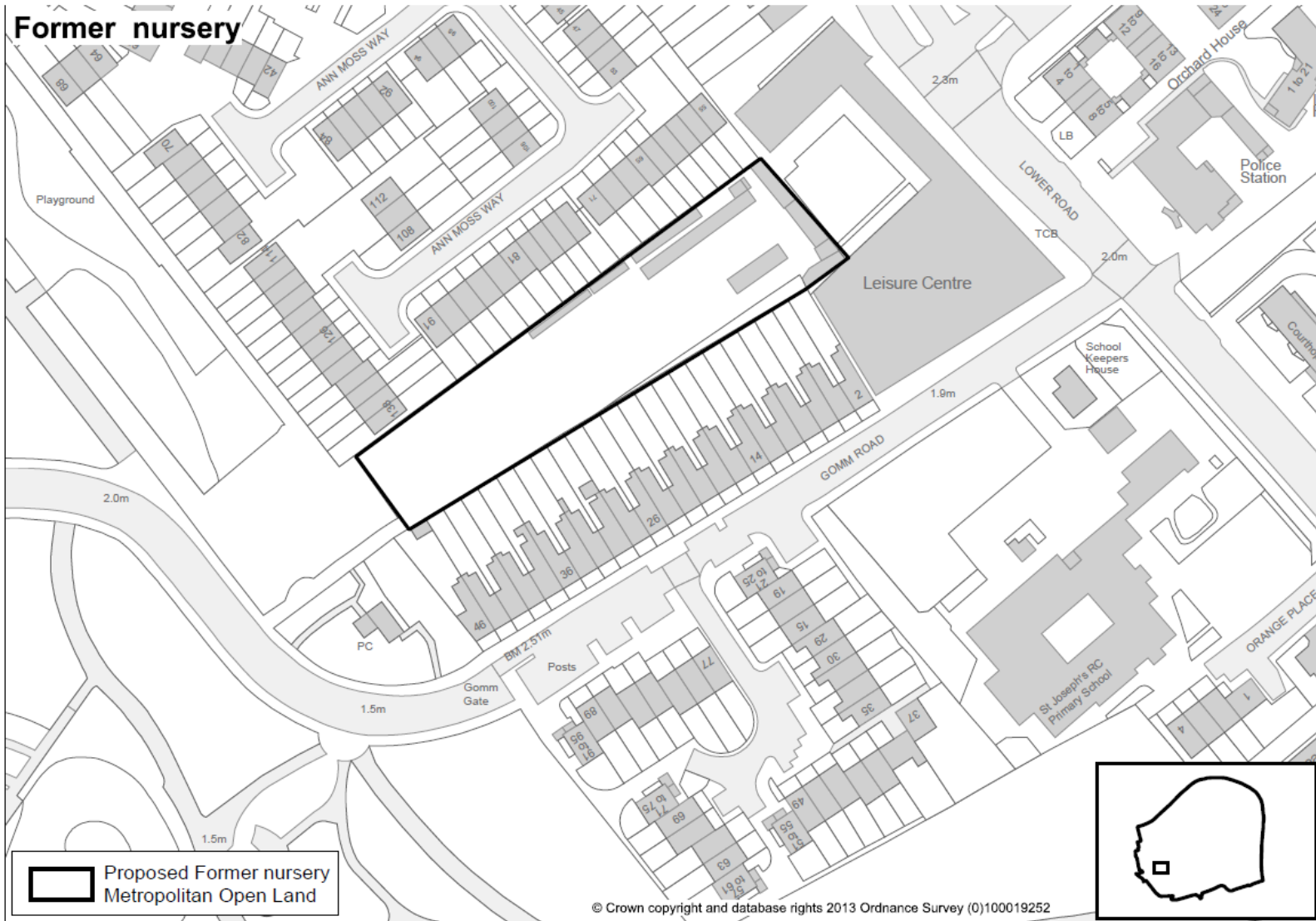
Proposed open space designations



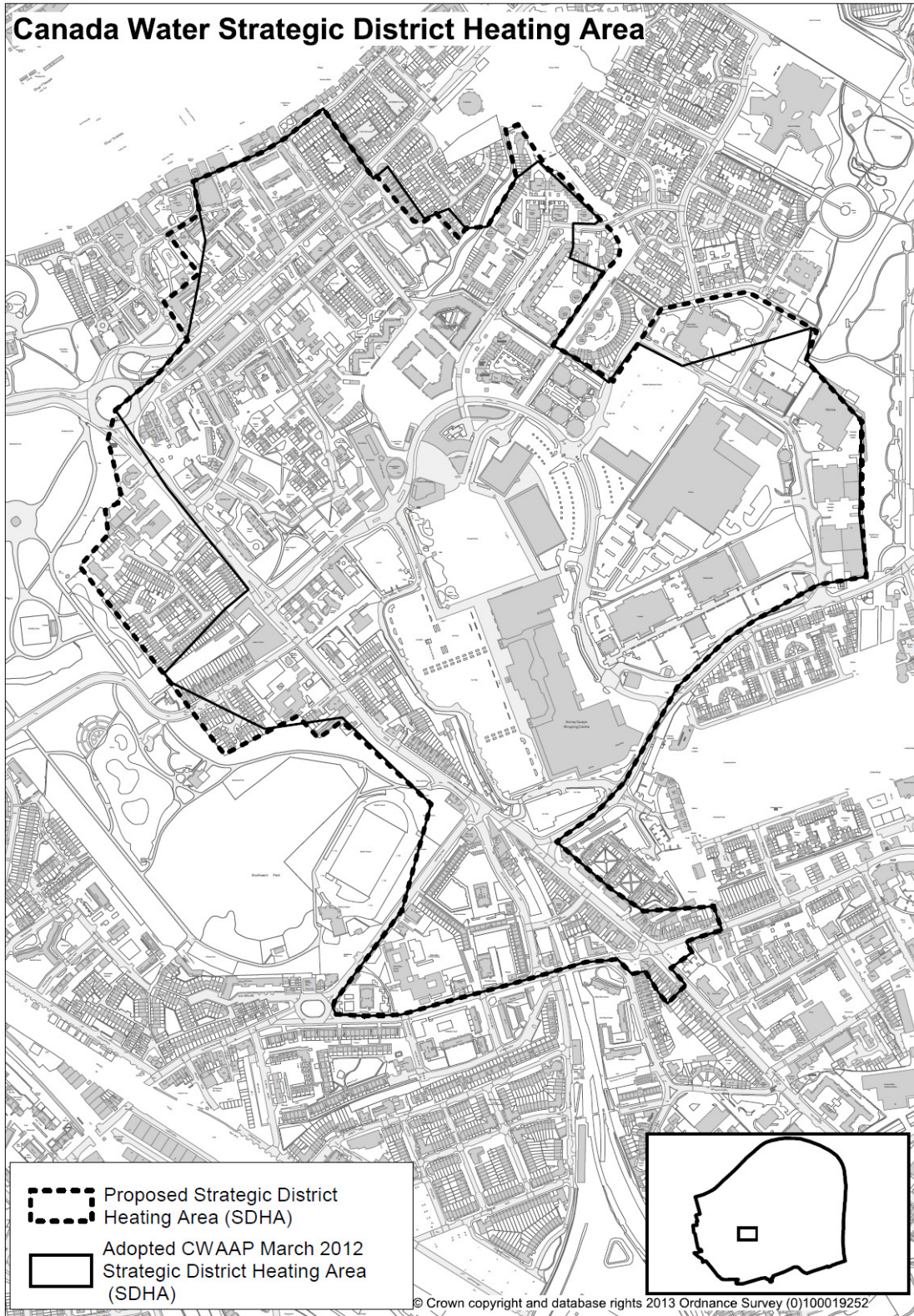




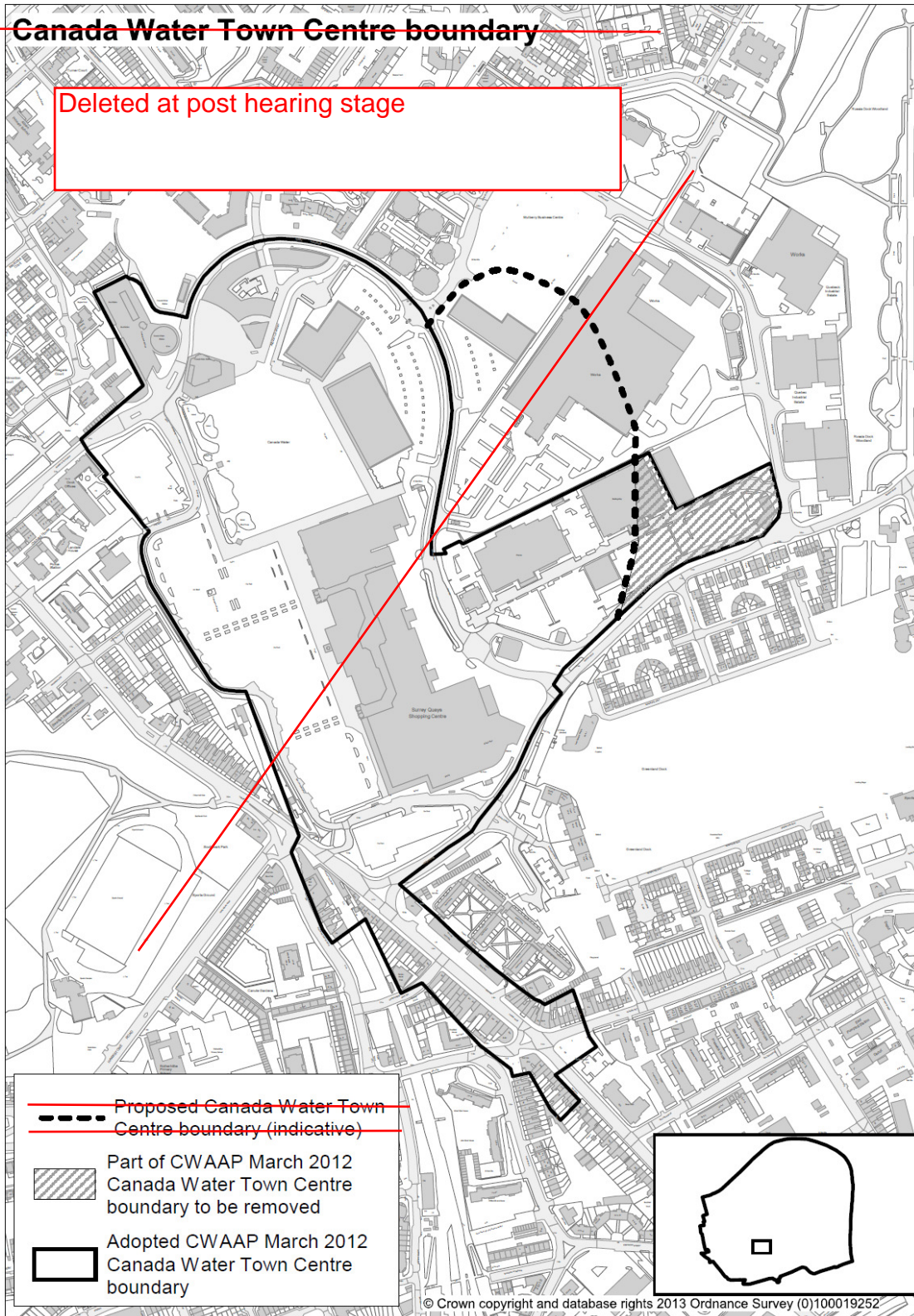
Former nursery



Proposed amendments to the boundary of the strategic district heating area



Proposed amendments to the boundary of the town centre



Revised Canada Water Area Action Plan: Table of **Main Modifications**

Reference	Page	Paragraph / policy/ figure	Proposed change (deleted text is struck-through and new text is underlined)
MMOD1.	17	Vision	The action area's core will provide at least 2,500 4,200 <u>4,500</u> high quality new homes, which will be accommodated in generally mixed use development. The action area will provide at least <u>1,000</u> 900 875xxx affordable housing units.
MMOD2.	18	Figure 4	Expand the ellipse that is entitled "Create new town centre" in the key, to cover CWAAP 24.
MMOD3.	21	Policy 1	<p>Canada Water will move up our hierarchy of centres to become a major town centre.</p> <p>We will <u>are working</u> with landowners to improve and expand shopping floorspace by around 35,000sqm (net) <u>between 2011 and 2026</u> through the promotion of new retail space on the following sites</p> <ul style="list-style-type: none"> • Surrey Quays shopping centre and overflow car park • Site A (<u>Maple Quays</u>) • Site B (<u>Montreal House and Toronto House</u>) • The Decathlon site • CW AAP24 (Harmsworth Quays, Surrey Quays Leisure Park, Site E and Mulberry Business Park) <p>Large retail developments should provide a range of shop unit sizes including small shops suitable for independent operators. We will use planning conditions or planning obligations to ensure that a proportion of new shop units are made available as independent units.</p> <p>To accommodate retail growth, improvements must be made to transport infrastructure, including the road network, pedestrian and cycling facilities and public transport. <u>Proposals involving provision of retail floorspace must ensure that appropriate mitigation of transport impacts is in place prior to the commencement of retail operations for the development or phase of a development.</u></p>

Revised Canada Water Area Action Plan: Table of Main Modifications

MMOD4.	22	Figure 5	Amend the town centre boundary shown in Figure 5 to be consistent with the revised boundary shown on page 15.
MMOD5.	23	Para 4.2.7	We have also undertaken a feasibility study which indicates that there is physical capacity for around 35,000sqm (net) of new shopping space in the town centre. Although the majority of this would be comparison goods space, new units would also be provided for convenience goods (food and day-to-day things such as newsagents), services (banks etc) and cafes and restaurants. <u>Of the 35,000sqm, approximately 2,000sqm have been provided on the developments at Maple Quays and Toronto and Montreal Houses which are completed.</u>
MMOD6.	23	Paragraph 4.2.7a	The availability of Harmsworth Quays for development will enable the town centre to expand to the east <u>and this is reflected in the fact that the town centre boundary has been adjusted to incorporate site allocation CWAAP 24 into the town centre (see Figure 5).</u> In this way we will ensure that sufficient land is available to meet needs for town centre uses, which is consistent with guidance in the National Planning Policy Framework. <u>The new town centre boundary covers a large area and in the light of this, the distribution of uses across the site requires careful consideration. Non-residential uses should be concentrated in locations in which they will complement one another, maximise the potential for linked trips, contribute towards establishing a town centre with character and identity which help consolidate the town centre and which benefit most from good accessibility to existing shopping, leisure and transport facilities. Figure 5 shows an indicative town centre boundary. The exact location of the town centre boundary will depend on the amount and distribution of town centre uses brought forward by the development proposals for site allocation CW AAP 24 and will be negotiated through the planning application process.</u>
MMOD7.	24	Paragraph 4.2.10	Retail growth will require improvements to transport infrastructure. <u>In accordance with Core Strategy Policy 2 proposals will be expected to submit a transport assessment (TA) which considers impacts on all modes of transport. It is important that adequate mitigation for development, or phase within a development, is in place prior to the commencement of retail operations in the development or phase. Appropriate mitigation may include improvements to the highway network, public transport, cycling and pedestrian infrastructure, depending on the nature of the impacts.</u> We will expect retail developments to mitigate their impact. We will play a lead role in coordinating the implementation of improvements, working closely with TfL and Lewisham (see policies 6-8).
MMOD8.	26	Policy 6	Improvements will be made to the network of pedestrian and cycle routes shown in Figure 7. Development proposals should provide routes that are safe, direct and convenient for pedestrians and cyclists. They should incorporate the links shown in Figure 7, enhance access to the docks and the river and provide or reinstate the Thames Path. We will work with the Mayor to extend the Barclay's Cycle Hire scheme to Canada Water.
MMOD9.	29	Para 4.3.5	TfL has proposed that Cycle Superhighway number 4 (Woolwich to London Bridge) is created along Evelyn Street, Lower Road and Jamaica Road. It is expected that this will be introduced by April 2015. CSH4 will follow the Lower

Revised Canada Water Area Action Plan: Table of Main Modifications

			Road Gyratory until the scheme to remove the gyratory is delivered. The Lower Road scheme will be designed to incorporate the CSH principles. <u>We are also working with the Mayor to extend the Cycle Hire scheme to Canada Water.</u>
MMOD10	31	Policy 8	As a part of the TfL plan to signalise <u>improve</u> the roundabout at the entrance to the Rotherhithe Tunnel, we will seek to ensure that an improved pedestrian crossing is provided between Southwark Park and King Stairs Gardens.
MMOD11	31	Figure 8	Substitute traffic light icon for alternative icon on Jamaica Road/Lower Road roundabout on Figure 8.
MMOD12	32	Para 4.3.19	As well as proposals around the gyratory, TfL are planning to signalise <u>improve</u> the roundabout at the entrance to the Rotherhithe Tunnel in order to improve access to the tunnel for emergency vehicles.
MMOD13	41	Policy 15	<u>Take into account the desirability of sustaining and enhancing the significance of heritage assets and their settings, in accordance with the NPPF. Conserve or enhance heritage assets and their settings.</u>
MMOD14	41	Policy 16	Enable the integration of sites to the east of Surrey Quays Road (CW AAP24 - Harmsworth Quays, Surrey Quays Leisure Park, Site E and Mulberry Business Park) into the town centre by providing strong visual and physical connections which link them to the basin, shopping centre and tube station, introducing a new public space on Surrey Quays Road and in the longer term <u>realigning the southern part of Surrey Quays Road to the east of the existing alignment. closing the southern end of Surrey Quays Road to through traffic.</u> <u>A m Masterplans for the shopping centre/ and overflow car park and for the Harmsworth Quays printworks site will be required as part of a planning application for the first phases of development for these sites.</u>
MMOD15	43	Paragraph 4.5.9	Blocks within the town centre should have a mix of uses to help give more life to the area and ensure that there are more people on the street during the day and in the evening. The land uses which are proposed on blocks in the town centre will help establish its character. Non-residential uses should be concentrated in locations in which they will complement one another and create an environment which is lively and vibrant at different times of day. Consistent with the NPPF, residential uses and student housing are also appropriate uses in the town centre which can help support town centre activities and establish an urban character. Development should aim to make the area around the shopping centre feel like a town centre which has an open, rather than a covered or mall style environment. In addition to making the area feel more distinctive, this will also help integrate key sites into the surrounding area.
MMOD16	43	Paragraph 4.5.10	A m Masterplans should be prepared to accompany the first phases of development on the shopping centre/ and overflow car park <u>and the Harmsworth Quays printworks site</u> to avoid piecemeal development and ensure that future phases can be delivered according to the principles which are set out here and in proposals sites <u>CW AAP7 and CWAAP24.</u>
MMOD17	44	Policy 17	Tall buildings will be appropriate in important locations in the town centre, where they reinforce the character and function of the centre <u>and help make the centre easy to understand and move around.</u> In particular, they will help to define the importance of the Canada Water basin and surrounding public spaces as the focal point within the town

			<p>centre.</p> <p>All tall buildings over 30m must:</p> <ul style="list-style-type: none"> • Provide public space at ground level. Public space should be proportionate to the height of the building and the importance of the location in the town centre. • Contribute to an environment which is easy to move around for pedestrians and cyclists. • Provide town centre uses <u>at ground or lower floors</u> that reinforce the function of the town centre and help animate the space around the building. • Address the <u>Contribute towards creating or reinforcing a coherent</u> hierarchy of spaces and streets in the area. . • Have due regard to the London View Management Framework (LVMF), including the strategic views of St Pauls Cathedral from Greenwich and Blackheath and river prospect views from London Bridge. • Conserve or enhance <u>In accordance with the NPPF, take into account the desirability of sustaining and enhancing</u> the significance of heritage assets and their settings, including Southwark Park which is a historic registered park, St Mary's conservation area and King Edward III's conservation area. • Demonstrate a considered relationship with other tall buildings and building heights in the immediate context in views, including views along the River Thames and in the background of views of Tower Bridge. The location, orientation and massing of tall buildings should be articulated to ensure that cumulatively, tall buildings remain distinguishable as individual elements on the skyline. • Be slender and elegant <u>Have a strong vertical emphasis;</u> the tops of buildings should be well articulated <u>and add interest to the skyline.</u> and recessive. • Allow adequate sunlight and daylight into streets, public spaces and courtyards. • Avoid harmful microclimate and shadowing effects or adverse effects on local amenity. • Demonstrate an exemplary standard of design, provide high quality accommodation which significantly
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			<p>exceeds minimum space standards and promote housing choice by providing a mix of unit types.</p> <ul style="list-style-type: none"> • Incorporate communal facilities for residents of the development. <p>In addition to the above criteria, buildings which are significantly higher than 25 storeys must:</p> <ul style="list-style-type: none"> • Demonstrate that they contribute positively to London’s skyline when viewed locally and in more distant views. • Include a publically accessible area on upper floors where feasible. <p>Other special buildings</p> <p>There are opportunities to provide special buildings on the south-west corner of the Surrey Quays Leisure Park and on the south-west corner of the shopping centre. These buildings (which need not be tall buildings over 30m) can mark <u>prominent corners key gateways in to the town centre through unique design which could add to the sense of place and be a source of delight in their own right.</u> provision of public space and town centre uses.</p>
MMOD18	50	Policy 18	<p>Our strategy is to protect and maintain and enhance a network of open spaces (shown indicatively on Figure 10), green corridors and habitat for wildlife. We will:</p> <ul style="list-style-type: none"> • Protect important open spaces as Metropolitan Open Land (MOL), Borough Open Land (BOL) and Other Open Space (OOS). • Protect the former nursery as Metropolitan Open Land. • Protect three <u>four</u> additional spaces as Other Open Space: Cumberland Wharf, Surrey Docks Adventure Playground, <u>the space between Blick House and St Olav’s Court on Lower Road</u> and Neptune Street Park.
MMOD19	52	Figure 10	<p>Add the space between Blick House and St Olav’s Court on Lower Road as “proposed other open space”, as shown on page 14.</p>
MMOD20	60	Policy 21	<p>Development in the core area will provide a minimum of 2,500 4,200 <u>4,500</u> net new homes between 2011-2026. Outside the Core area, there is capacity for around 800 <u>600</u> additional homes. Across the AAP area, most of these homes will be delivered on proposals sites.</p>
MMOD21	60	Para 4.6.4	<p>We have identified sites in the core area where we estimate that around <u>4,500</u> 4,200 4,241 <u>3432</u> new homes could be built in the period between 2011 and 2026. Of these <u>3,557</u> 3,548 2266 already have planning permission, have been completed or are under construction. In the wider AAP area, there is capacity for approximately 572 573 <u>600</u> homes</p>

Revised Canada Water Area Action Plan: Table of Main Modifications

			over the same period, of which 407 408 508 have permission, have been completed or are under construction. Providing new homes in Canada Water is very important as they are providing around 17% of the total housing target for Southwark in the core strategy.
MMOD22	61	Policy 22	Development in the AAP area will provide a minimum of 875 900 1,000 new affordable homes between 2011-2026. Most of these new homes will be on the proposal sites.
MMOD23	61	Para 4.6.8	Our core strategy The AAP vision states that at least 875 900 1,000 new affordable homes should be provided in the AAP area over the plan period. This is 35% of our target for Canada Water in the London Plan 2011 of 2,500 new homes. This assumes that developments with planning permission will be built in accordance with their planning consent and 35% of housing in schemes which do not yet have planning permission will be provided as affordable housing. Of the target, 574 773 672 affordable homes are on sites with planning permission, or which are have been completed or are under construction.
MMOD24	68	Policy 25	In large developments, consideration should be given to ensuring that proposals phasing the delivery of business space to allow for future growth in demand of business space and do not compromise the delivery of at least the 12,000sqm referred to in this policy .
MMOD25	72	Policy 28	Around 100 pre-school spaces will be provided to meet the demands of population growth in the core area. Our preferred sites for pre-school facilities are existing schools and sites in the core area. parts of the core area which are outside the town centre.
MMOD26	72	Policy 29	We will work with the primary care trust to meet the needs generated by the increased population by providing new health facilities in the core area. Any new facility will need to be highly accessible and close to public transport links. The preferred location for a new health facility is within the core area. A new health centre of approximately 1,500sqm will also be built on the Downtown site.
MMOD27	72	Paragraph 4.7.18	More new homes in the core area will create a need for around 100 additional spaces in pre-school facilities (approximately 1,000 sqm including outdoor space). Additional pre-school spaces could be provided in existing primary schools and on sites in the core area sites which are outside the town centre , which are allocated for a mixed of uses, which could include a community use.
MMOD28	74	Policy 29a	Proposals for provision of space used for higher education (D1 use class) will be supported. Proposals for new student housing developments will be supported where they form part of mixed use schemes. Large

			<p>student housing developments in the core area will be supported, provided that the development:</p> <ul style="list-style-type: none"> Is part of a campus development which also provides a significant amount of teaching and/or research facilities and supporting infrastructure <u>or is linked to a campus by good public transport services.</u>
MMOD29	74	Paragraph 4.7.24	<p>In order to maximise their regeneration potential and to avoid creating an area which is dominated by student housing, student housing developments which are larger than 300 bedrooms will be expected to be provided as part of a campus development which also provides a range of higher education facilities which contribute to the town centre and help deliver the AAP vision <u>or alternatively be linked to a campus by good public transport services.</u> This will ensure that any new student housing development will contribute to diversifying the town centre and help deliver the AAP vision.</p>
MMOD30	81	Policy 32	<p>Proposals sites have been designated on the <u>Adopted Policies Map</u> Proposals Map. Planning permission will be granted for proposals in accordance with the <u>Adopted Policies Map</u> Proposals Map and Schedule of Proposals Sites (appendix 4).</p> <p><u>The 'required land uses' within the Schedule of Proposals Sites must be included within any development on sites designated on the adopted policies map. Planning permission may be granted for 'other acceptable land uses' within this schedule provided that it is demonstrated that:</u></p> <ul style="list-style-type: none"> <u>Development of the 'required land uses' is not compromised; and/or</u> <u>The 'other acceptable land uses' are needed to make the "required land uses' viable and deliverable.</u> <p><u>A temporary planning permission may be granted to allow good use to be made of a vacant site prior to the commencement of a permanent scheme.</u></p>
MMOD31	81	Paragraph 5.3.1	<p>We have designated proposals sites to help deliver the strategic objectives of the AAP. The sites have been identified through a review of planning proposals and enquiries we have received as well as through consultation on the AAP. For each of the sites we have set out required land uses, as well as other uses which would be acceptable, provided the required use is can also be delivered. <u>Where 'other acceptable land uses' are provided in advance of 'required land uses', it must be demonstrated that this would not compromise future provision of 'required land uses'. Alternatively, a developer may provide evidence that 'other acceptable land uses' are needed to help make the 'required land uses' deliverable and viable.</u> In accordance with saved Southwark Plan policy SP20, the "uses required" must be included within any development. Planning permission may be granted for "other acceptable uses" provided that the development for the "uses required" is, has been, or is thereby secured.</p>
MMOD32	82	Policy 32a	6.1a — Sustainable development

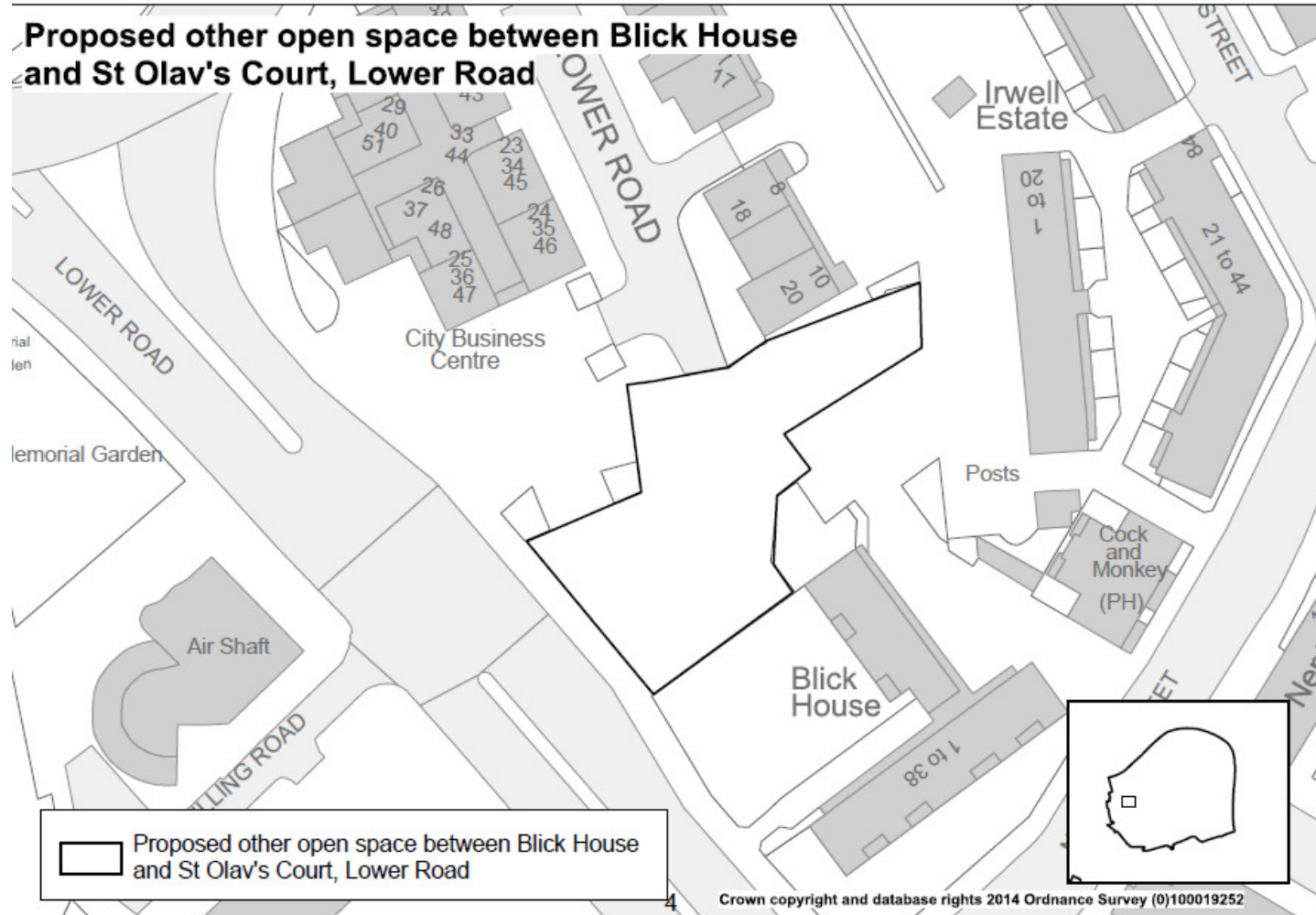
			<p>Policy 32a: Presumption in favour of sustainable development</p> <p>When considering development proposals we will take a positive approach that reflects the presumption in favour of sustainable development contained in the National Planning Policy Framework. We will always work proactively with applicants jointly to find solutions which mean that proposals can be approved wherever possible, and to secure development that improves the economic, social and environmental conditions in the area.</p> <p>Planning applications that accord with the policies in this AAP (and, where relevant, with policies in neighbourhood plans) will be approved without delay, unless material considerations indicate otherwise. Where there are no policies relevant to the application or relevant policies are out of date at the time of making the decision then we will grant permission unless material considerations indicate otherwise—taking into account whether:</p> <ul style="list-style-type: none"> • Any adverse impacts of granting planning permission would significantly and demonstrably outweigh the benefits, when assessed against the policies in the National Planning Policy Framework taken as a whole; • Specific policies in that Framework indicate that development should be restricted. <p>We are doing this because</p> <p>6.1.1a We always take a positive approach to development, encouraging new appropriate development to meet the aspirations of our vision. In accordance with the National Planning Policy Framework, our policies support and have a presumption for sustainable development. Our sustainability appraisal also ensures that the AAP has a positive impact on social, environmental and economic sustainability. Policy 32a sets out a clear policy to bring together the specific policies in the AAP, and make it clear that there is a presumption in favour of sustainable development.</p>
<p>MMOD33</p>	<p>138</p>	<p>CWAAP 7</p>	<p>Required uses: Up to Around 33,000sqm <u>34,000sqm</u> of retail uses (Classes A1, A2, A3, A4); leisure uses (Class D2); residential use (Class C3); community use (Class D); public open space; town centre car parking.</p>
<p>MMOD34</p>	<p>138</p>	<p>CWAAP 7</p>	<p>Estimated capacity: 1,530 <u>1,400</u> residential homes (600 units on the shopping centre and overflow car park, 500 units</p>

			on the Leisure Park and 430-800 units on the Decathlon site); 35,000sqm-33,000sqm of retail uses; 5,000sqm of business use; health facilities (which complement <u>The capacity of the site will be assessed through the planning application process. The number of new homes would be dependant on the amount of non-residential floorspace which is provided.</u>
MMOD35	145	CWAAP10	Residential use (Class C3); a minimum of 500sqm of business use (Class B1) and/or community use (Class D), <u>such as a health or education use.</u>
MMOD36	146	Paragraph 7.8.29	This site is suitable for a residential led-mixed use development. Some business or community use, <u>such as a health or education use,</u> should be retained on this site as part of a business cluster and to help create some vitality in this part of Quebec Way.
MMOD37	156	CWAAP24	A mix of employment generating uses such as <u>which could include</u> business use (Class B1), retail use (Class A), <u>hotel use (Class C1), education, including high education (Class D1), leisure, health or other community uses (Class D),</u> community use and leisure (Class D), including education, higher education and health uses and hotel use (Class C1). Proposals should maximise the amount of employment which can be generated and the contribution to the regeneration of the town centre resulting from:
MMOD38	157	CWAAP 24	Required land uses: In assessing the maximum amount of employment which can be generated and contribution to regeneration, we will take into account: <ul style="list-style-type: none"> • <u>Changing market D demand for floorspace and expected future growth.</u> • Phasing: the ability of the market to absorb new floorspace and also the potential for demand to change over time. • Financial viability.
MMOD39	157	CWAAP 24	Phasing and implementation: Development will be phased with the timing for implementation of individual phases likely to be driven by a number of factors including the need to secure vacant possession, the ability to relocate of existing occupiers, the potential to tie into development on adjacent sites, delivery of infrastructure and the ability of the market to absorb new space. <u>The principles set out in the AAP should be applied to any development schemes prepared for the sites within CWAAP 24. In accordance with Policy 16, a masterplan will be required to accompany a planning application for the first phase of development on the Harmsworth Quays printworks site to ensure that the site is developed comprehensively and in a manner which is consistent with AAP policy.</u>
MMOD40	158	Figure 29	Amend the town centre boundary shown in Figure 29 to be consistent with the revised boundary shown on page 15.
MMOD41	160	Paragraph 7.8.57	New residential homes will also be an acceptable use. <u>It is anticipated that residential homes will form part of mixed use developments on all four sites within CWAAP 24 (Mulberry Business park, Site E, Surrey Quays Leisure Park and Harmsworth Quays).</u> It is not the intention of CWAAP 24 to prevent residential homes or student housing coming forward in advance of employment generating uses. However, residential development should not compromise the

Revised Canada Water Area Action Plan: Table of Main Modifications

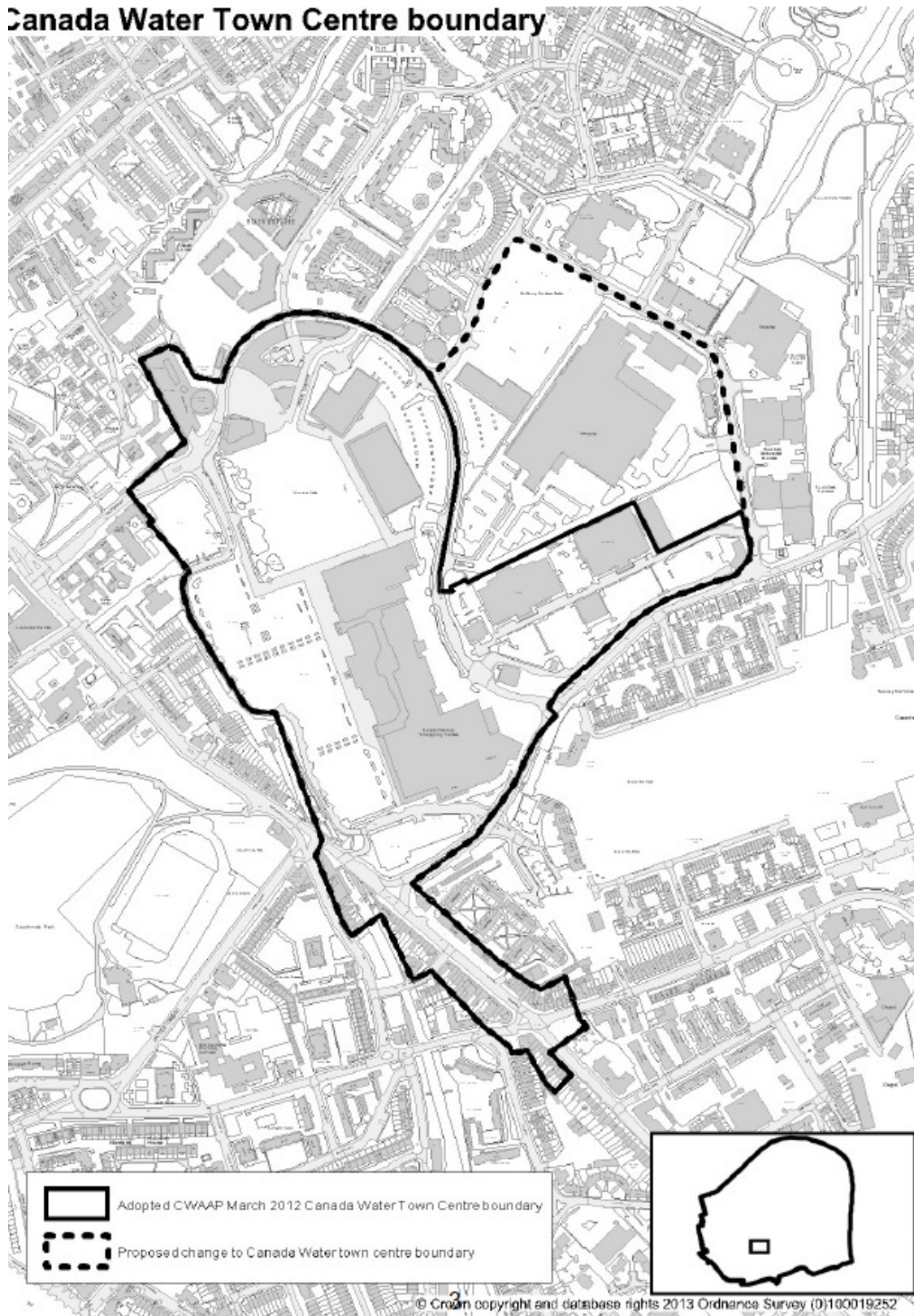
			<u>delivery of at least the minimum amount of business floorspace referred to in Policy 25 or the opportunity identified in the London Plan (2015) to establish a science cluster. Proposals for new homes and student housing will need to demonstrate that the maximum potential for employment generating uses and contribution to the regeneration of Canada Water has been or will be secured.</u> In assessing proposals this, we will take into account factors which include demand for space and financial viability.
MMOD42	160	Paragraph 7.8.58	The distribution of uses across the site requires careful consideration. Non-residential uses should be concentrated in locations which help consolidate the town centre and which benefit most from good accessibility to existing shopping, leisure and transport facilities, in which they will complement one another, maximise the potential for linked trips, <u>contribute towards establishing a town centre with character and identity and benefit most from good accessibility to existing transport facilities. Consistent with the NPPF, residential uses, including student homes, are also appropriate in the town centre and will help reinforce the vitality of the centre.</u>
MMOD43	161	Paragraph 7.8.61	Street widths, their functions and activities, building heights and landscaping should contribute to an environment which is easy to understand and navigate and which is overlooked and feels safe to move around. There should be a range of building heights to provide interest and help create a characterful neighbourhood. The building heights strategy should relate to the hierarchy of streets and spaces. <u>Consistent with AAP policy 17, tall buildings will be appropriate in important locations where they provide town centre uses which reinforce the character and function of the town centre.</u>

MMOD44: Proposed open space designation



MMOD45: Proposed town centre boundary

Canada Water Town Centre boundary



Item No. 9.	Classification: Open	Date: 15 September 2015	Meeting Name: Cabinet
Report title:		Tate Modern Project – Last £1m Contribution	
Ward(s) or groups affected:		Cathedrals	
Cabinet Member:		Councillor Mark Williams, Regeneration and New Homes	

FOREWORD – COUNCILLOR MARK WILLIAMS, CABINET MEMBER FOR REGENERATION AND NEW HOMES

In the 1990s the council contributed the first £1 million of investment into the Tate Modern project to convert the former derelict power station into a major attraction. The Tate Modern opened in 2000 and has become a huge success story, helping to transform Southwark and attracting an average 5 million visitors every year.

In order to promote further economic development and regeneration, the Tate Modern is being extended to the south, with the derelict oil tanks of the former power station becoming the foundation of a large extension project. Designed by internationally renowned architects Herzog & de Meuron, who converted the original power station, this dramatic new building will rise 65 metres on 11 levels, complementing Giles Gilbert Scott's original building. This project will increase Tate Modern's capacity by 60% and add over 20,000m² of new space to the existing 35,000m².

Tate Modern has played a vital role in the regeneration of Southwark, generating 1,500 new jobs and £100m for the local economy in its first year. Today, the area is a hive of cultural and commercial activity: there are around 70,000 people working in the Bankside area, which represents an increase of 64,000 since Tate Modern was built. As a direct result of the extension, the new Tate Modern will be a major driver of inward investment and tourism; it will become a focal point for a secondary wave of regeneration and economic growth in and around Southwark and South London, with £5bn worth of development already underway. Over five million people have taken part in Tate Modern's learning programmes since 2000, many engaging with a museum for the first time. The new Tate Modern will enable deeper and extended learning experiences for over 750,000 people every year through the provision of new spaces and educational activities.

In order to ensure that the Tate Modern extension project can be completed in 2016, and to realise the substantial economic, educational, and physical benefits arising from the project, the council has pledged to fund the last £1m of capital works. I am excited to announce that the final £1m of funding will directly deliver one of the most innovative and ambitious features of the new Tate Modern, the Tate learning suites. Occupying magnificent spaces at the heart of the new building, the Tate learning programme will inspire the public through engagement with art, to discuss, participate in and contribute to the broader social issues and debates of our time.

I now ask cabinet to agree the recommendation laid out in this report and approve the commitment of £1m towards the final completion of the Tate Modern project. This commitment represents our contribution of the first and last million pounds of investment to enable a project which has transformed the position of Southwark on the

world stage, and will continue to transform the lives of our residents through direct economic and educational opportunities and the wider physical regeneration of our borough.

RECOMMENDATION

1. That the cabinet agree to commit £1m of capital funding towards the practical completion of the Tate Modern extension project.

BACKGROUND INFORMATION

2. Bankside Power Station was built in two phases in 1947 and 1963 by Sir Giles Gilbert Scott as an iconic landmark on the bank of the Thames. Following closure in 1982, the council worked pro-actively with partners to find a new use for the site and began discussions with Tate who were looking for a new home for their international collection. A planning brief was developed which facilitated the conversion of the dis-used power station into an art gallery between 1996 and 2000. The council provided the pump priming investment of £1 million into the project to facilitate the appointment of a project team, and complete the technical and enabling works in order to get the project off the ground.
3. The Tate Modern opened on 12 May 2000 and instantly became one of the most successful urban regeneration projects in the world. The building was originally designed for a projected 2 million visitors a year, and this was quickly exceeded with an average of 4 million visitors in the first 6 years, rising to 5 million between 2006 and 2008. The numbers of visitors resulted in over-crowded galleries and catering and visitor services being over-subscribed. In order to build capacity and promote further economic success, the council has worked closely with Tate to develop an extension project which would expand re-orientate the Tate Modern to the south, with a new main entrance on the south side of the building driving footfall and investment deeper into the heart of Southwark.
4. Planning permission was granted for the Tate Modern extension project on 14 May 2009 (reference 09/AP/0039), and construction works began in January 2010, with the first phase of the project – the re-conditioned oil tanks beneath the extension – being refurbished and opened in time for the Olympic Games event in 2012. The construction of the building extension above the tanks topped out on 12 September 2014, and the final phases of construction are now underway to complete the external cladding, glazing and fit-out the exhibition and performance spaces.
5. The total project cost for the extension is £215 million (2012 prices), with funding from central government providing £50 million, the Greater London Authority £7 million via the London Development Agency, and substantial donations from the private sector and individual donors. The council has made no financial contribution to the Tate project since the initial £1 million investment in the late 1990's.
6. The council has worked closely with the Tate Modern project team throughout the project, liaising closely on the original design and planning permission, construction management and logistics, and employment liaison to maximize opportunities for local residents during the construction process. The potential for the council to invest in the last million pounds of the project has been discussed for some time and this report seeks to secure the commitment of funding with the practical completion of the project in March 2016 now fast approaching.

7. As a major inward investment project in Southwark, the council is working with development team at Tate to secure the final capital funding for the project. The fundraising team is currently working with a wide range of donors to secure the final funding for the project and proposed £1m commitment is made on the basis of forming the final £1m capital payment to building. The final payment by the council will be made once the full funding has been secured.

KEY ISSUES FOR CONSIDERATION

Tate Learning Programme

8. Council officers met with the Tate project team in June 2015 to discuss how a potential final investment of £1 million would be spent and accounted for. Several options for the expenditure were discussed based on the final elements of the construction programme. The completion of a new public programme space within the education and learning area of the extension was identified as a final element of the works which would directly benefit the residents of Southwark.
9. The public programme space is located on Level 5 of the new Tate Modern, measuring approximately 111m². It will be programmed by the Tate Learning team in collaboration with associate partner organisations, and activities will include film screenings, presentations, debates, symposia, conferences, courses and performances for a broad and diverse range of audiences from art specialists to local community groups and residents.
10. In terms of naming rights, the Tate project team will work to ensure that the council's £1m investment is realised in some form of naming within the Tate learning floorspace, with an explicit reference to Southwark.
11. The council will continue to work closely with the staff at Tate Modern to maximise involvement and opportunities for Southwark residents and businesses. Key council teams which will promote access and involvement will include officers from regeneration, events, culture, local economy, education, youth, play services, and community involvement.
12. The provision of the Tate learning space will be a valuable new education facility for the Borough which will provide a high quality learning space with a range of diverse and interesting programmes. Additional learning opportunities will enhance skills, life chances and employability of Southwark residents and further tackle the causes of deprivation which exist across the Borough.
13. In addition to the investment in the Tate Learning space, the completion of the overall extension project will provide a range of direct benefits for Southwark residents and businesses.

Viewing gallery

14. The new building will provide a number of large open spaces for use by the public, including an 11th floor viewing gallery with spectacular views of central London which will provide a superb attraction for residents and businesses.

Public realm

15. A new piazza style square and a new park are being constructed to the south of

the building, integrating the museum within the wider public realm for the enjoyment of visitors, local workers and residents alike. These spaces form a valuable new amenity space for residents in an area of intensification. As well as increasing public space around the gallery, the new Tate Modern will provide significant additions to neighbourhood circulation routes. A north to south route is being created through the new entrance on the south side of the building which helps links the City of London to the heart of Southwark, driving footfall and investment further south.

Community and access programme

16. The Tate “Community & Access Programme” provides a range of initiatives for vulnerable local people. Work with local health services such as South London and Maudsley NHS Foundation Trust, care service providers, Age Concern and wider community groups, means that 3,500 London residents experiencing social and/or economic disadvantage participate in activities at Tate Modern each year, including over 1,000 local visitors with disabilities. The new Tate Modern will provide enhanced facilities for these visitors, while the underpinning ethos of open public access, particularly for local people, will be expanded.

A world-class tourist attraction

17. Since 2000, Tate Modern has transformed attitudes to the visual arts in the UK and set new standards for museums around the world. Audiences now see museums as social spaces, as well as spaces in which to enjoy, experience and learn about art. Southwark residents will be able to enjoy free access to a wide range of art gallery and performance space, and high quality social spaces, such as cafes, terraces and public concourses within and around the museum. The project will provide a major new resource for the Borough’s diverse communities.

A catalyst for further economic growth, regeneration and employment

18. Tate Modern is one of the most frequently cited examples internationally of urban regeneration following an arts development. Just as Tate Modern was the catalyst for the regeneration of north Southwark and the riverside in 2000, this next phase will contribute to the continued regeneration further south into Southwark, the 41st most deprived Borough in the UK. Independent analysis commissioned by Tate concluded that London will enjoy an annual economic contribution upwards of £125m and the net benefit to UK citizens of the new Tate Modern will range between £133.9m and £176.4m (in present value terms). These estimates are based on a set of conservative assumptions including a low valuation of the benefit of each individual visit to the free gallery space of £2.20 and the assessment only includes benefits to 2031/32. Calculations do not include the additional benefits of incremental tourism spend.
19. Tate Modern is currently estimated to attract *incremental* visitor spend of £170m to £205m every year. In an increasingly competitive global market, the new Tate Modern will enable the UK to maintain and increase this level of inward spend. The new Tate Modern will provide a new reason for visitors to come to Southwark which will increase footfall into and around the Tate and create new business and enterprise opportunities for our residents and businesses and the associated increases in employment.
20. The council’s regeneration and local economy teams will work closely with Tate Modern and our training and employment partners to maximise the opportunity

for new jobs, apprenticeships, work placement and volunteering at the museum to get as many local residents into jobs as possible.

New spaces for a growing and more diverse international collection

21. More than 80% of visitors to Tate Modern come to see the national collection. As contemporary art is changing, so too must the spaces in which it is experienced. When Tate Modern opened, there were 86 large-scale installations in the collection. Today there are more than 250. Unlike its peers in Europe and America, Tate is collecting work that reflects the breadth and diversity of contemporary art practice across media (painting, sculpture, installation, photography, film, video, digital, performance) and the world (Asia, the Middle East, Africa and South America as well as the traditional focus on Europe and North America).
22. The new Tate Modern will reinforce the UK and Southwark's position as a leader in innovative and new art forms. It will enable visitors to experience the full scope of contemporary artistic practice. The project will not only increase gallery space by 70% but offer a wider variety of spaces, from large, industrial and raw to small and intimate, in which to display the collection.

A new model of environmental sustainability

23. The new Tate Modern is designed to be a model of environmental sustainability, integrating passive measures to minimise energy use, efficient mechanical and electrical systems and an innovative renewable energy source. It will take a leading role in sustainability by establishing a new standard for museums across the world, using 54% less energy and generating 44% less carbon than building regulations require.

Policy implications

24. The project directly delivers a number of themes and objectives set out in the councils' fairer future plan. The Tate extension will continue to revitalize the neighbourhoods of North Southwark, will strengthen the economy of the whole of Southwark, and improve the cleaner greener and safer appearance of the Borough with high quality new public realm and open spaces. The project will also help give residents the best start in life through direct access to a world class cultural attraction with a dedicated learning programme in the Tate learning programme space. Investment in the project will also promote new opportunities for education, employment and training both during the construction of the building and in the operation of the new building.
25. The project will directly deliver objectives and policies set out in national planning guidance, the London Plan and the Southwark Plan, including the development and promotion of arts and culture, promoting world class architecture and design, enhancing the quality of public realm, and regeneration and creating opportunity.

Community impact statement

26. The extension of the Tate Modern project will create a valuable new community and education facility for Southwark, with a range of publicly accessible spaces, a diverse education programme, free access to arts and cultural exhibitions and events, and local employment opportunities in the construction of the project and the operation of the building.

27. The new community facilities will further assist the council perform its public sector equality duty by providing new cultural and community meeting space which can advance the equality of opportunity and foster good relations between those with protected characteristics (e.g. gender, disability) and those without. Events, meetings and programmes in the extension will cater for all groups across Southwark and the Tate learning suites will provide a cutting edge new platform for enhancing the equalities agenda through cultural events in a high quality public space.

Resource implications

28. The project will be delivered by the Tate Modern project team with support from the council's regeneration team and there are no additional resource implications. Council officers will continue to work in their existing roles alongside the project team to coordinate construction management and logistics, the completion of the public realm projects, to maximize employment and training opportunities and to plan for the opening events for the building.

Financial implications

29. This report seeks approval to contribute £1m of council resources towards the completion of Tate Modern extension project. The total cost of this project is £215m with funding provided by central government, Greater London Authority (GLA) and donations from the private sector and individual donors.
30. The contribution of £1m by the council will be funded from regeneration and development reserve. There is uncommitted balance of £1.3m in regeneration reserve code ZR003, and costs associated with this recommendation can be contained within this balance.
31. Officer time to effect this recommendation will be contained within existing budgeted resources.

Consultation

32. No specific consultation has been carried out with the local community regarding the decision to invest the last £1 million. Statutory consultation has been carried out on various stages of the project, notably the planning permission and all associated technical issues. Regular liaison is undertaken between the project team and local residents to discuss construction management issues. Regular engagement is carried out in the local community by the council's employment agencies including Southwark Works to place locally unemployed residents into training and employment within the project.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Legal Services

33. Cabinet is advised that this is a decision it is empowered by the council's Constitution to make.
34. Section 14 Museums and Libraries Act 1964 enables a local authority, including a London borough council, to make contributions towards expense incurred by any person (a) in providing or maintaining a museum or art gallery in any place

within England or Wales, or (b) in providing advisory or other services or financial assistance for the benefit of a museum or art gallery in any such place.

35. When making its decision, section 149 Equality Act 2010 requires that Cabinet must have due regard to the need to eliminate discrimination other prohibited conduct and advance equality of opportunity and foster good relations between people who share a relevant protected characteristic and those who do not. Information about the council's assessment of the performance of this duty is set out in the body of the report.

Strategic Director of Finance and Corporate Services (FC15/016)

36. The report is requesting cabinet approval for £1m capital funding towards the practical completion of the Tate Modern extension project which is expected to cost £215m in total.
37. It is noted that this contribution of £1m will be funded from the regeneration and development reserve.
38. Staffing and any other costs connected with this recommendation to be contained within existing departmental revenue budgets.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Planning reports and plans	Southwark Council 160 Tooley Street London SE1 2QH	Dan Taylor, Programme Manager 020 7525 5450
Link: http://planbuild.southwark.gov.uk:8190/online-applications/applicationDetails.do?activeTab=summary&keyVal= STHWR_DCAPR_9530974		

APPENDICES

No.	Title
None	

AUDIT TRAIL

Cabinet Member	Councillor Mark Williams, Regeneration and New Homes	
Lead Officer	Eleanor Kelly, Chief Executive	
Report Author	Dan Taylor, Programme manager	
Version	Final	
Dated	7 September 2015	
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	2 September 2015	

Item No. 10.	Classification: Open	Date: 15 September 2015	Meeting Name: Cabinet
Report title:		Approval of the Council's Local Implementation Plan Delivery Plan, Annual Spending Submission for 2016/17	
Ward(s) or groups affected:		All	
Cabinet Member:		Councillor Darren Merrill, Environment and the Public Realm	

FOREWORD – COUNCILLOR DARREN MERRILL, CABINET MEMBER FOR ENVIRONMENT AND THE PUBLIC REALM

Local Implementation Plan (LIP) funding is made available to boroughs in order to support the delivery of schemes aligned with the Mayor's Transport Strategy. The LIP is based on an annual cycle with boroughs submitting their scheme proposals for the next financial year to TfL in October each year.

The project proposals contained within this report represent a prioritised programme of transport investment to be delivered with TfL Lip funding during 2016/17. This is the final year of the 3 year LIP programme agreed by Cabinet in 2013. The proposals are designed to help deliver the objectives and targets specified in the council's Transport Plan as well as underpinning wider council strategic objectives and supporting the council's recently adopted Cycling Strategy. We are expecting with the change of Mayor following the mayoral election in May 2016 that the Mayors Transport Strategy will be updated/revised and in turn the borough will be asked to update our Transport Plan and associated Lip delivery programme, at this point we will be going out to residents to ask their option on the revised programme. It should be noted that Lip funding is allocated on an annual basis as part of the council's yearly LIP funding submission.

The projects identified, have a particular emphasis on improving road safety and encouraging local walking and cycling trips in and around our town centres.

I commend the proposals outlined within this report. They will provide a sustained contribution towards delivering the Transport Plan by meeting the need for enhanced infrastructure and the active promotion of active and sustainable transport within Southwark.

RECOMMENDATIONS

Recommendations for the Cabinet

1. Agrees the content of the council's proposed submission to Transport for London (TfL) identifying transport projects to be delivered with TfL Lip funding in 2016/17 Appendix A.
2. Agrees that the identified programme be submitted to TfL by 9th October 2015.
3. Agrees to the implementation of the programmes as set out in Appendix A

Recommendations for the Leader of the Council

4. Delegates authority to the cabinet member for environment and the public realm to amend the programme for 2016/17 should any variations to the proposed programme be required. The cabinet member shall consult community council chairs regarding scheme changes in their area.
5. Delegates authority to the cabinet member for environment and the public realm to determine the most appropriate use of the £100k discretionary funding allocated by TfL for 2016/17.

BACKGROUND INFORMATION

6. Section 145 of the Greater London Authority Act 1999 (GLAA 1999) requires each council in London to prepare a Local implementation plan (LIP) to detail how the authority will assist in delivering the Mayor's Transport Strategy.
7. In May 2010, the Mayor of London published his revised transport strategy and all boroughs were required to prepare a local implementation plan in response to the new strategy. The council's Transport plan (incorporating the requirements of the LIP) was adopted by the council in July 2011 and sets out how the council works with partners to coordinate and improve its transport infrastructure and services in the borough.
8. In 2013 boroughs were required to produce a new 3 year delivery plan taking into account new initiatives such as the Mayor's Roads Task Force and Vision for Cycling strategies. Council Cabinet approved this delivery plan in September 2013 and funding was confirmed by Transport for London (TfL) in December 2013. 2016/17 is the final year of this agreed programme.
9. Following the mayoral election in May 2016, it is anticipated that the Mayors Transport Strategy will be updated/revised and in turn the borough will be asked to update our Transport Plan and associated Lip delivery programme. It should be noted that Lip funding is allocated on an annual basis as part of the council's yearly LIP funding submission.
10. TfL provides financial assistance to boroughs, sub-regional partnerships and cross-borough initiatives under section 159 of the GLA Act 1999. All councils within London are able to obtain funding to deliver schemes identified in the LIP.
11. The borough is responsible for identifying a programme of transport improvements to reflect the core funding allocation for each year of the plan which is based on a formula. This programme is then submitted to TfL for confirmation based on compatibility with the Mayor's policy framework.
12. The formula funding is allocated as one programme - corridors, neighbourhoods and supporting measures. The overall TfL Lip budget is £98.5m for London authorities in 2016/17, £1m lower than 2015/16.
13. Southwark's allocation for 2016/17 is £3.147m, comprising £2.588m for corridors, neighbourhoods and supporting measures, £639k for principal road renewal funding and £100k of discretionary funding to be spent on a transport scheme as the council sees fit. The principal road renewal programme allows over-bids of +25% to cover the possibility of additional funding being made

available in year. These allocations are the total funding that the borough should expect to receive for corridors, neighbourhoods and supporting measures.

14. The above allocation does not include TfL funded major schemes (large urban realm and accessibility projects). The council can still bid for major schemes separately. It is through this funding that the Camberwell Town Centre scheme is being progressed.
15. TfL also fund Quietways cycle programme which is scheduled to complete 31st December 2016 and a Borough Cycle Programme which currently provides funding to top up cycle parking, training and cycle related promotion and marketing programmes. These along with the Bridges and structures strengthening programme are subject to separate submission processes.
16. The GLA through TfL fund the Mayors Air Quality Fund which is subject to a separate submission process.

KEY ISSUES FOR CONSIDERATION

17. The council's funding allocation for 2016/17 of £3.327 million represents a slight increase in funding compared with last year. In 2015/16 the council received equivalent funding totalling £3.166m.
18. A three year programme was developed in 2013 for implementation between 2014/15 to 2016/17; this is the final year of that programme. In developing this programme, officers undertook an assessment of transport issues across the borough based on available data and known issues reported by the community. Workshops were also held with internal stakeholders from across the council in order to identify inter-linked themes and optimise resources.
19. Given the limited amount of funding available and the number of possible projects, it has been necessary to prioritise projects to progress. Officers have reviewed the programme and identified the proposed schemes using available data and with reference to strategic priorities reflecting the Southwark Transport plan and broader council regeneration objectives to determine a final scheme list.
20. TfL no longer fund vertical deflection measures for speed reduction and therefore local requests for speed humps and cushions cannot be considered for LIP funding.
21. There is a natural link between schemes identified as part of the LIP process, the s106/CIL project list and other projects identified by the community such as cleaner, greener, safer (CGS). The schemes identified in this submission complement existing proposals, priorities and funding streams.
22. Following consideration of strategic priorities, the Cabinet Member for Regeneration, Planning and Transport has agreed the overall scheme list presented in this report.

Policy implications

23. The proposed programme of works is consistent with the council's Transport plan 2011 as well as the council's broader policy framework including Southwark 2016: Sustainable Community Strategy and various national and regional

policies including the Mayor's Transport Strategy, as required by TfL.

24. The revised three year delivery plan was developed in line with the aims and policies contained within the Core Strategy linking policy to delivery.

Community impact statement

25. It is expected that the proposed schemes that receive funding will provide a positive benefit for those living and working in Southwark and local consultation will be undertaken as part of their implementation.
26. An equality analysis and a strategic environmental assessment were undertaken as part of the development of the Transport plan and the impact on the community was considered as part of this.
27. The Transport plan seeks to actively address the council's responsibilities to eliminate discrimination, promote equality of opportunity and promote good relations between the different groups. The equality analysis found that the Transport plan objectives were consistent with these objectives.
28. These proposals are in accordance with council policy and should have a positive impact on all Southwark residents. However the council will undertake ongoing monitoring to ensure there are no adverse implications for the community, or that any identified are proportionate to the overall objective of the programme and are minimised where possible. This currently takes place through an annual monitoring report collating all available data on the impacts of the plan. It identifies general travel trends within Southwark and includes an assessment of any variation of impacts across different groups.

Resource implications

29. Details of the proposed LIP schemes together with indicative costs are presented in Appendix A.
30. Indicative management and implementation costs for each scheme have been taken into account in the submission.

Consultation

31. The submission builds on the consultation carried out during the compilation of the Transport plan, which underwent twelve weeks of community consultation in late 2010 and early 2011. As part of the Transport plan consultation, the community were invited to comment via community groups, community councils, the council's website, electronic newsletters and social media networks and via an online survey. In addition, the community had the opportunity to speak to officers directly through various community and stakeholder groups, local community councils and via two 'drop in' sessions.
32. Given the extensive consultation noted above and the short timescales involved for this submission, it has not been possible to consult with the public again on the current proposals. However, a key element of the evidence base, used to identify possible schemes, is the correspondence and feedback received from the public over previous years. Furthermore Community Council chairs have been consulted and any feedback considered in refining these proposals.

33. Once the projects proposed have been confirmed by TfL, separate formal consultation with stakeholders, residents and other interested parties, in accordance with the council's policies and commitments, will be undertaken prior to their detailed design or implementation.
34. Furthermore, all infrastructure schemes will now go before community council as part of that process where local people will be given the opportunity to influence the delivery of proposals affecting their area.
35. Where schemes are altered, dropped, or where new schemes are proposed, relevant ward councillors will be consulted.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Legal Services

36. As stated in the main body of the report, section 145 of the Greater London Authority Act 1999 (GLAA 1999) requires London borough councils to prepare local implementation plans ("Lips") outlining their own proposals on how they intend to implement the Mayor's Transport strategy in their respective areas. The councils are required to consult various bodies and must include a timetable for when they intend to implement the proposals in their plan.
37. Section 146 of the GLAA 1999 provides for the Mayor to approve each local plan, ensuring that they adequately implement the transport strategy. He must not approve a plan unless he is satisfied that it is consistent with the strategy, and that the proposals in it are adequate to implement the strategy and that the timetable for implementation is appropriate.
38. Under section 151 of the GLAA 1999, once a plan has been approved by the Mayor the council must implement it according to the timetable in the plan.
39. Section 152 of the GLAA 1999 provides that if the Mayor considers that a council has not carried out any proposal in its LIP satisfactorily and according to the timetable in the plan, he will be able to exercise the appropriate powers of the council, at their expense, in order to fulfil the strategy. Furthermore, section 153 of the GLAA 1999 provides that the Mayor may give legally binding directions to councils on the manner in which they perform any of their duties outlined in sections 145 to 151, i.e. provisions on the preparation, submission, re-submission, revision and implementation of Local Implementation Plans.
40. Section 159 allows TfL to give financial assistance (by grant, loan or other means) to any person or body for expenditure conducive to the provision of safe, integrated, efficient and economic transport facilities. This section permits TfL to impose conditions on financial assistance it provides.
41. There has been compliance with the public sector equality duty in accordance with the provisions of the Equality Act 2010. All the requirements contained within section 149, Equality Act have been duly considered and assessed, and this is evidenced in the Equalities Impact Assessment carried out for the Transport Plan. During the delivery of the identified transport projects, equalities will need to continue to be monitored.
42. The Human Rights Act 1998 has imposed a duty on the council, as a public authority, to apply the European Convention on Human Rights and not to act

contrary to these rights. The rights most frequently referred to include article 8 (respect for home) and article 1 of the First Protocol (peaceful enjoyment of property). Article 6 is also frequently engaged in relation to the principle of natural justice. The application of funding is considered unlikely to contravene any of the contravention rights but will also continue to be monitored.

43. Equalities Impact Assessment carried out for the Transport Plan. During the delivery of the identified transport projects, equalities will need to continue to be monitored.
44. Under paragraph 6, Part 3D of the constitution the Individual Member has authority to agree statutory or other strategies in relation to their area of responsibility. In addition under paragraph 4, the Individual Member has authority to approve the submission of bids for additional resources from government and other agencies in relation to their area of responsibility, where member level agreement is required by the external agency. However, due to the cross-cutting nature of transport projects, the Individual Member has requested that this matter be considered by full cabinet.

Strategic Director of Finance and Corporate Services (FC14/018)

45. This report seeks cabinet approval to the submission of the council's proposed Local Implementation Plan (LIP) annual spending submission to TfL for the 2016/17 allocation of £3.621m.
46. Once the LIP is approved by TfL, a programme budget will be set that will be regularly monitored and reported on within the council's capital and revenue monitoring arrangements.
47. Staffing and any other costs connected with the recommendation are to be contained within existing departmental budgets.

Strategic Director of Environment and Leisure

48. The targets and actions contained in the Transport plan have been developed in consultation with officers of the public realm and community safety divisions and are consistent with our operational policies and plans in relation to highway asset management and design, parking, road network management and air quality.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Transport plan 2011	Planning and Transport, 5 th Floor, Tooley Street	Pip Howson on 020 7525 5295
Link: http://www.southwark.gov.uk/info/200107/transport_policy/1947/transport_plan		

APPENDICES

No.	Title
Appendix A	LIP Delivery Plan

AUDIT TRAIL

Cabinet Member	Councillor Darren Merrill, Environment and the Public Realm	
Lead Officer	Eleanor Kelly, Chief Executive	
Report Author	Pip Howson, Team Leader Transport Policy	
Version	Final	
Dated	3 September 2015	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Director of Legal Services	Yes	Yes
Director of Planning	Yes	Yes
Strategic Director of Finance and Corporate Services	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team	3 September 2015	

LIP Delivery Plan

APPENDIX A

Draft LIP submission 16/17 revised			
Project	Location	Description	Cost £'000
			2016/17
Smarter travel and Road safety Education	Boroughwide	Smarter travel programme including Road Safety, Travel Awareness and School Travel Plans. Cycle strategy smarter measures programme	372
Cycle Training and parking programme	Boroughwide	Secure cycle parking on council estates.	230
Southwark Cycle Spine	Boroughwide	Design, development and delivery of Southwark cycle strategy cycle spine	500
Surveys	Boroughwide	Cross borough programme of surveys and monitoring at a strategic level, including walking, cycling and traffic counts.	30
Local environmental improvements	Boroughwide	Small scale interventions to address specific issues identified in year e.g. dropped kerbs, station access, as well as match funding to support air quality bids.	100
Walworth Road South	Walworth	Corridor scheme between John Ruskin and Merrow Street. Measures to include improvement to footways, crossing points and review of carriageway space allocation. To complement the mixed priority scheme to the north.	500
Coleman Road area	Camberwell	Phase 2 of programme developed 14/15	150
Lower Road	Rotherhithe	Match funding towards planned changes to the road layout in the Surrey Quays area to support the CWAAP.	350
Scheme review	Borough wide	Safety audits and minor scheme amendments resulting	100
Abbey St to Southwark park - Road Safety review and measures at junctions	Bermondsey / Rotherhithe	Area bounded by Southwark Park Road, Jamaica Road, St James Road and the railway. Based on road safety cycle and pedestrian route developed as alternative to route 88	400
Ilderton Road	Bermondsey	Corridor scheme to improve safety and accessibility including review of road space allocation and treatment of key junctions.	50

Draft LIP submission 16/17 revised			
Project	Location	Description	Cost £'000
			2016/17
Elmington area	Camberwell	Improving walking and cycling links through the area bounded by Bowyer Place, Southampton Way, Camberwell Church Street and Camberwell Road including Edmond Street. Complements planned Quietway and green link designs.	100

	2016/17
Totals	3,621
Corridors and neighbourhoods	2,510
Supporting measures	372
Discretionary funding	100
Principal Road Renewal	639

Item No. 11.	Classification: Open	Date: 15 September 2015	Meeting Name: Cabinet
Report title:		New Homes Delivery Programme	
Ward(s) or groups affected:		All	
Cabinet Member:		Councillor Mark Williams, Regeneration and New Homes	

FOREWORD – COUNCILLOR MARK WILLIAMS, CABINET MEMBER FOR REGENERATION AND NEW HOMES

As the housing crisis in London continues, in Southwark we are doing all we can to meet this challenge head on and deliver the homes that our residents need. We have a strong track record of delivering new affordable homes with developers and housing associations. In the past five years we have delivered 3,754 new affordable homes, the second highest for any borough in the country, including 1,856 at social rent.

A key part of our plan to tackle the housing crisis is our commitment to build 11,000 new council homes by 2043, with the first 1,500 by 2018. No other borough in the country has as an ambitious a programme to build new council homes, and we are leading the way in delivering genuinely affordable housing for our residents.

This report updates on progress on these plans, and sets out further sites that will be considered as part of our direct delivery programme, which is building new homes on our existing housing land and estates.

Following this report there will be further consultation with local residents, tenants and residents associations, and local ward members. We will work closely with them to develop detailed plans for each of these sites and work with officers and architects as they are appointed. This report also sets out a new process for considering potential sites and how ward members and local residents will be involved.

RECOMMENDATIONS

Recommendations for the Cabinet

That the cabinet

1. Agrees in principle that the schemes listed in paragraph 9 are worked up in accordance with the individually identified recommendations and in line with the Charter of Principles for inclusion in the New Homes Delivery Programme.
2. Notes the consultation undertaken on schemes in paragraph 9 to date.
3. Notes the rehousing options in paragraphs 14-16 available to residents impacted by any potential development, as outlined in the Charter of Principles.

Recommendations for the Leader of the Council

That the Leader

4. Agrees to delegate the approval of future schemes for inclusion in the New Homes Programme to the cabinet member for regeneration and new homes, as outlined in paragraph 22.

BACKGROUND INFORMATION

5. Improving housing in Southwark is at the centre of the council's plans to create a Fairer Future for all, regardless of whether residents are social housing tenants, council leaseholders, private renters or homeowners. Access to appropriate, good quality, affordable homes is important not just for residents but also to the wider economy and essential to shaping a borough that all residents are proud to call home and which is truly sustainable into the future.
6. In order to deliver the council's historic commitment to build 11,000 additional council homes by 2043, cabinet has set an interim target of the delivery of 1,500 new council homes by 2018.
7. In July 2015, cabinet received an update on progress towards achieving the 1,500 target and noted that a report would go to cabinet in September for approval of new sites. In addition, that consultation in partnership with the community engagement team had begun on those sites in line with the Charter of Principles agreed by Cabinet.

KEY ISSUES FOR CONSIDERATION

Proposed Sites

8. A number of sites have been identified as potential schemes for inclusion in the programme. At this stage only site visits and initial desktop assessments of their suitability have been made. The proposed new sites are outlined in the table in appendix 1.
9. Outlined below is a summary of the sites and the initial consultation undertaken:
 - a) 39-44 Rutley Close, Brandon Estate, SE17
Currently there are six one bed flats situated on a podium above disused underground car parking on the Rutley Estate. Initial visits have been made to the residents to advise them of the potential development, and that the scheme, if progressed, would necessitate the decanting of their homes. Issues raised by residents included the option to be rehoused in the local area and whether there would be an option to return to the completed development. In addition, a presentation was given to the T&RA meeting on the 1st July. Initial views expressed at the meeting covered the impact on the neighbouring blocks, potential overlooking, the non-reinstatement of the parking and whether the estate would benefit from public realm improvements if the development proceeded.
 - b) Salisbury Estate car park, SE17
The car park is situated on the edge of the estate on the Balfour Street / Chatham Street corner, with a small road in between and offers an excellent development opportunity. The site was considered for inclusion within Phase

2 of the programme, but initial view from the T&RA at that stage was that they would not support a development. Officers attended the T&RA meeting on the 4 August to give an updated presentation on the New Homes Delivery Programme and raised the possibility of investigating whether a suitable development could be worked up for the car park site, working in partnership with residents. The general feedback from the T&RA remained that they could prefer to retain the car park, particularly taking into account the additional parking stress created in the area by recent neighbouring developments. As part of the feasibility process, a car parking survey will be carried out to assess the usage of car park and other parking bays within the estate so to model the impact of reduction in parking options.

c) Edmonton Court, Canada Water Estate, SE16

This is on the edge of Canada Estate, near taller blocks on the Howlands Estate, and adjacent to the private Neptune Estate, and King George's Field park. It comprises 21 units, including one leaseholder. At three storeys it is lower rise than other blocks on Canada Estate which are all a minimum of four storeys high, including two blocks, Columbia and Regina Points which are considerably taller. Following on from previous consultation including two drop in sessions with residents about possible new homes development on Canada Estate, officers met with T&RA representatives in July 2015 to provide an update and discuss new homes development on the estate including Edmonton Court. The T&RA has been supportive of the proposal to develop Renforth Street car park on the estate which has been included in Phase 2 New Homes Delivery Programme. The T&RA were also supportive of a proposal to decant Edmonton Court with possible rehousing for residents to the new homes in the Phase 2 development. Previously the T&RA expressed a preference for a multi-level block to be built on the footprint of the Edmonton Court site. Officers have visited Edmonton Court residents to discuss options with them, prior to consulting more widely on the estate

d) Mayflower T&RA Hall, SE16

The site is well-located on Howlands Estate SE16 in Canada Water Action Area adjacent to Lower Road. Adjacent blocks are 3 to 7 storeys in height. The hall is currently managed and used by Mayflower T&RA. Following previous briefings which recommended the closure of the hall due to its poor condition, in July 2015, officers met with the member for Housing and ward councillors to discuss the inclusion of the hall as a potential new homes site. In the short term, a temporary meeting space will be provided and the preferred longer-term option is for a community centre to be included in plans for any new homes development. The T&RA have advised that due to pending elections, the first opportunity to meet with them will be following their AGM on 28 September. They feel as they have a number of questions and concerns about the plans for the hall, it would be most appropriate for the initial consultation to be with the newly elected committee. Wider consultation with residents would follow.

e) Underground Garages, Silverlock Estate SE16

The potential site is a podium with underground garages and a ball court on top, in front of Tissington Court, running along Rotherhithe New Road, on the edge of the Silverlock Estate. A presentation on the New Homes Delivery Programme was given to the Tissiba and Haddonfield T&RA on the 1st July and it was noted that the site was proposed for inclusion in Phase 3. Initial concern was raised about the loss of the ball court, the impact on surrounding

blocks and the need to retain some garages which have recently been refurbished. The T&RA also covers Haddonfield Estate, which has a potential site in Phase 2.

f) Sceaux Gardens Estate SE5

A walkabout was held with members and T&RA representatives in April to consider potential sites for new homes on the estate. A garage site on the edge of the estate was highlighted as well as the potential for redevelopment of Florian and Racine, two single storey row of 33 homes, which sit between Marie Curie House and Lakenal House. One of the homes is leasehold. New build homes are already planned on the estate, and the refurbishment of Lakanal House is currently ongoing. Therefore any potential scheme(s), especially if including a decant element, is likely to have a longer time frame in order to minimise disruption to residents and allow for a co-ordinated approach to redevelopment and new build homes. Officers attended the T&RA meeting on the 15th July. Initial comments from residents covered the height of any potential new build homes, implications for tenants / leaseholders and how many units could be developed in replacing existing units. It was agreed to meet again with the T&RA, following this report being received by Cabinet and architects being appointed to work up a capacity study. In addition officers met with a representative from the Camberwell School of Arts to ensure that any development on Sceaux Gardens takes into account proposed linkages to the college site development.

g) Rye Hill Park Garages, Rye Hill Estate SE15

Garages adjacent to 2-32 Peckham Rye. The site consists of a bank of approximately 15 garages situated off Rye Hill Park. Officers attended the T&RA meeting on the 11th August. Initial comments from residents included concern over loss of garages due to previous experience of damage to vehicles in the area; height of potential new build homes and views from existing buildings. The committee expressed support for the scheme subject to it being all council rented. It was noted that residents whose housing circumstances have changed and wish to remain in the area would benefit from the 50% local lettings policy. Officers agreed to meet again with the T&RA following the appointment of architects.

h) Seavington House & Garages, Champion Hill Estate, SE5

This site, at the junction of Dog Kennell Hill and Champion Hill currently accommodates Seavington House, a ten unit bedsit block, all rented and a row of garages. Consideration has been given previously to developing the site in conjunction with a proposed development of the adjoining site fronting Dog Kennell Hill, currently occupied by 6 private houses. However, this process has been ongoing for a number of years. Initial visits have been made to the residents of Seavington House, to advise them of the potential of redevelopment, and the impact on them in terms of the need to be rehoused. The initial feedback was generally positive, with residents keen to remain in the local area. The Champion Hill T&RA is not currently functioning. It is proposed to proceed with developing a stand alone development for the site, albeit not closing the option of a wider redevelopment of the area in partnership with the developer, should this be achievable within a reasonable timescale.

10. As outlined in Appendix 1, it is estimated that 218 homes could be built on the sites identified, with 184 being council rent. The estimated numbers for each development are only indicative, based on a desktop evaluation, taking into account the relevant planning policies.
11. It is projected that the sequence of the construction stages across the sites will range from 2016/17-2017/18.
12. As highlighted in paragraph 9, Members need to be aware that during the initial consultation there was significant local opposition on a number of the potential schemes. Concerns raised included the loss of existing facilities, including garages and car parking, increased density and impact on existing homes. In all cases, officers emphasized the benefits of the new build proposals, including the local letting policy, addressing areas of underuse and the potential for investment opportunities for the existing estate. In addition, that any proposals would be worked up in line with the Charter of Principles, with the commitment to work with residents at every stage. However, local concerns about the proposed new build homes will remain a risk to achieving the programme noted in paragraph 10 and 11.
13. Appendix 2 maps all the schemes in the wider new homes programme that been approved, including those for which approval is sought in this report. The schemes include those being led by the New Homes Delivery Team in Major Works, Southwark Regeneration in Partnership (SRIP) and S106 purchases. For schemes identified within the Leather Market JMB area discussions are underway with the JMB concerning delivery of those schemes. Appendix 3 lists these schemes in terms of their current status, delivery route and estimated number of new homes to be provided. It should be noted that most of the schemes are at the pre-planning stage and therefore not certain of delivery and subject to change. Appendix 3 also includes the overall numbers of Hidden Homes schemes which have either been completed, are on site or at feasibility stage. The Hidden Homes programme involves the conversion of redundant spaces, such as laundry and meeting rooms, into new homes. As such, developments tend to be limited to one or two new homes on an estate and therefore have not been included on the Appendix 2 map. The total estimated rented homes in the programme shown in Appendix 3 are 1375. There are already further sites which are being appraised for suitability for inclusion within the programme and as noted in paragraph 21, 86 suggestions have so far been received from residents via the interactive map. In addition, going forward, windfall sites will boost delivery opportunities and the range of delivery options within the overall programme, including S106 purchases will enhance new build opportunities.

Housing Options for Local People

14. As noted in paragraph 9, four of the potential schemes in the proposed programme could necessitate the decanting of residents to enable the development of new homes. Residents potentially impacted at Rutley Close, Seavington House and Edmonton Court have been visited and reassured of the processes that would be put in place in the event of any decanting. These include homeloss and disturbance payments, rehousing options and support to help them through the process. In the case of Florian and Racine on Sceaux Gardens Estate, as any redevelopment would be on a longer time frame due to the redevelopment already planned on the

estate, initial discussions have been held with the T&RA. It is proposed that one – to one consultation is held once any redevelopment plans and timescale are clearer.

15. An initial assessment of tenants currently registered for rehousing on the neighbouring estate indicates there would be demand for the 50% of the units to be made available for local lettings. Noting the delivery programme in paragraph 11, demand will change during this period and the opportunity for Local Lettings will be actively promoted.
16. Pledge 6 of the Charter of Principles for the new homes programme established the following rehousing options for residents affected by redevelopment of their estate.
 - a) 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.
 - b) 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.
 - c) 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.
 - d) 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.
 - e) In addition to those that need to be rehoused in the new council homes for the development to take place, at least half of the remaining new council homes we develop will be available to other tenants in housing need on the estate at the first letting to make sure that local residents affected by redevelopment get a fair deal.

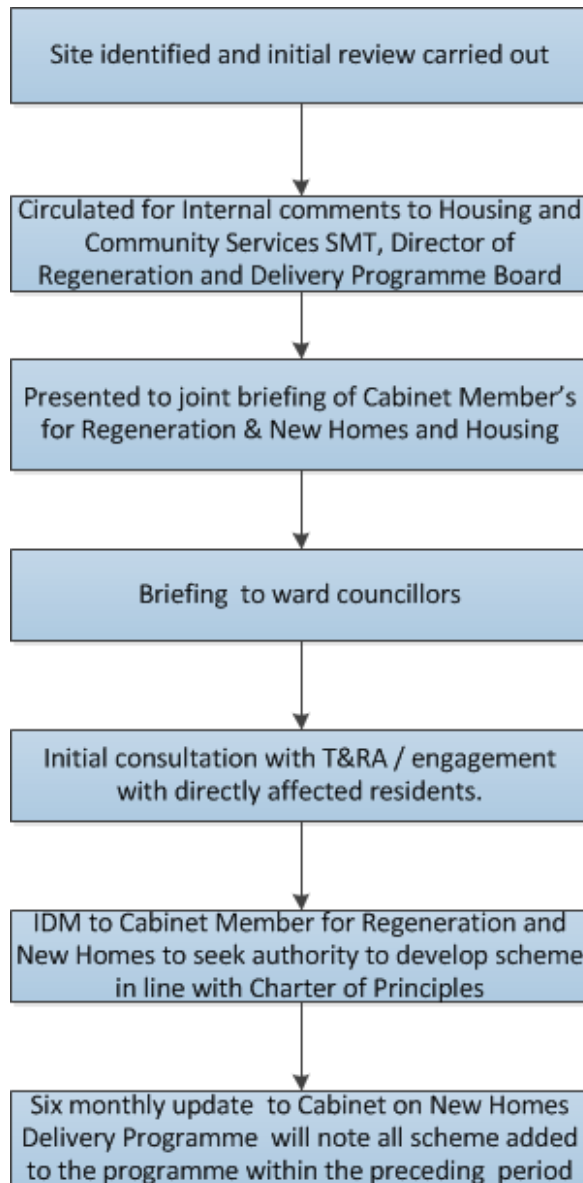
Consultation and Next Steps

17. As noted in paragraph 9 initial consultation has been (currently in progress) undertaken on the proposed sites.
18. It is proposed that a consultation strategy is developed for each project, in line with the Charter of Principles. The initial stage will be working with the T&RA and the wider community and ward councillors to create project teams for the project. Working with the T&RA to hold drop-in sessions will be a key method in increasing community participation in the consultation process.
19. The council is in the process of procuring a number of architects and employers agents to develop phase 2 schemes and, subject to performance review, it is likely their appointments will be extended to include future schemes. The first

step will be to develop capacity studies for the sites, working closely with the in-house planning consultant and the project group. In addition, schemes will be run through the council's appraisal at feasibility stage to ensure they are viable.

Revised Process for including schemes in the New Homes Programme

20. To date, the schemes within the programme have been allocated to specific phases and the individual phases have been approved by Cabinet.
21. **Current Process:** Sites are currently being brought to the attention of the New Homes Delivery Team for investigation from a variety sources, including ward members, T&RA's, internal colleagues and via the inter-active sites map. An initial site investigation is carried out on all sites put forward and initial checks carried out including searches to identify any potential site constraints. Currently, sites with real potential for new homes are then added to the programme. A list of new sites is circulated internally for comment and then presented to the Delivery Programme Board and Cabinet Member for Regeneration and New Homes, seeking approval to commence initial consultation with the community in line with the Charter of Principles. Thereafter, Cabinet approval is sought for potential sites to be added to the programme. The interactive map has received a significant number of suggestions from local residents in terms of potential sites for new council homes. To date we have received 86 suggestions of sites where residents consider the council could build new homes. These are yet to be assessed by the New Homes Delivery team but will be over the next few months. In total, we have received 159 comments on the interactive map – including comments on sites suggested by other users
22. **Revised Process:** Taking into account the volume of potential sites which are being brought to the attention of the New Homes Delivery Team, and acknowledging the need to accelerate the development programme in order to meet the target of 1,500 new homes by 2018, it is proposed that the process map shown below for including new sites within the programme be adopted, moving to a programme approach. A key element of the process will remain the initial consultation. Following a joint briefing of Cabinet Members for Regeneration and New Homes and Cabinet Member for Housing, local ward members will be formally briefed on proposed schemes within their ward. Following on there will be initial consultation with T&RA's and engagement with directly affected residents. Consideration will be given on a scheme by scheme basis to the most appropriate form of consultation, which could include meetings or drop-in sessions. Existing phases 1 and 2 and future sites will be merged into an overall development programme, with a six-monthly update to cabinet. This will streamline the process, whilst ensuring that the necessary approvals and consultation remain in place. If at any stage of the process a decision is taken not to progress with a site, the originator of the suggestion will be advised accordingly. The key approval point for inclusion of a site in the programme will be an IDM to the Cabinet Member for Regeneration and New Homes, in consultation with the Cabinet Member for Housing. .



Policy implications

Council plan 2014/15 to 17/18

23. A new council plan was endorsed by Council Assembly on 25 February 2015. This contains the Fairer Future Promise: **Quality affordable homes**, which states 'We will improve housing standards and build more homes of every kind, including 11,000 new council homes with 1,500 built by 2018'.
24. The approval of the new sites within the New Homes Delivery Programme and a revised process for including new sites within the programme provide further evidence of the ability to meet this Fairer Future promise.

Housing Strategy to 2043

25. The new long-term housing strategy for the borough was agreed by Cabinet on 27 January 2014. It contains a vision for the future of housing in the borough,

which consists of four principles.

- Principle 1: We will use every tool at our disposal to increase the supply of all kinds of homes across Southwark.
- Principle 2: We will demand the highest standards of quality, making Southwark a place where you will not know whether you are visiting homes in private, housing association or council ownership.
- Principle 3: We will support and encourage all residents to take pride and responsibility in their homes and local area
- Principle 4: We will help vulnerable individuals and families to meet their housing needs and live as independently as possible.

26. The approval of the new sites within the New Homes Delivery Programme will allow the development of new homes of all tenures, particularly council homes, resident engagement over the new homes and provision of new housing to meet a range of housing needs addressing these strategic objectives. In addition, streamlining the approval process will assist in addressing the objectives.

Community impact statement

27. Southwark is a borough which has high levels of housing need. The 2014 Strategic Housing Market Assessment demonstrated a continuing need for affordable housing, with the borough experiencing very high house prices that are outside the reach of many of its residents. It has the highest house prices in the housing sub-region (the average 2 bedroom flat being sold for £360k in 2013). At the time of the 2011 census there were 18,547 overcrowded households in Southwark, a higher number, and a higher percentage (15.3%), than any of the other four boroughs in the sub-region. Over the period 1981-2012 the population of Southwark increased by 34%, the fastest growth in the sub-region by some margin. This helps to demonstrate a continuing need for more homes, and particularly for affordable homes in the borough.
28. 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. The council's consultation with residents on the 11,000 council homes programme has been specifically designed to be inclusive of all the borough's communities and provide a range of mechanisms to provide residents with the opportunity to engage. Consultation strategies will be developed for all future schemes in line with Charter of Principles.

Resource implications

29. The new sites are estimated to deliver 218 new homes in the borough, of which 184 will be let as social rent. The rental income will make a positive contribution to the HRA business plan.
30. Funding streams for the New Homes Delivery Programme currently comprise: external grants, Section 106 contributions, RTB and other housing receipts, depreciation and other HRA revenue contributions and prudential borrowing (which is limited to the debt cap). Funding is determined on a scheme by scheme basis to ensure the optimal financial position for the council in relation to new build, as they

are subject to specific financial and regulatory restrictions.

31. All schemes within the New Homes Delivery programme will be subject to a viability assessment and will need to address the implications of the recent Budget announcement of the 1% yearly reduction in rents, as well as the impact of any right to buy on completed homes. Any negative impact may need to be mitigated by reviewing the tenure mix on schemes, potentially increasing the number of homes for outright sales.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Legal Services

32. The report refers to the council's central commitment to the delivery of additional council homes within set time scales. The intention is to try to make the process of meeting the challenging targets somewhat more efficient.
33. There continues to be a requirement that consultations are carried in such a manner that the relevant section of the public has sufficient information to allow them to consider the proposal, that there is adequate time for the proposals to be considered and responses formulated, and that the outcome of the consultation is taken into account before any decision is taken.
34. Furthermore, the Council must continue to take into account the public sector equality duty. Paragraph 28 of the report refers to the importance of this duty and has emphasised that the consultation has been specifically designed to be inclusive of all the Borough's communities.
35. This report asks the Cabinet to note the consultation which has been undertaken and the rehousing options available to residents. Further the Cabinet is asked to agree that the specific schemes identified at paragraph 9 should receive further attention as a result of the significant local opposition to the proposals. Finally, the Cabinet is asked to agree a more streamlined process for approving schemes as outlined in paragraph 22 of this report. This will involve the delegation of the ultimate decision as to whether future schemes are to be included in the New Homes Programme to the Cabinet Member for Regeneration and New Homes in consultation with the Cabinet Member for Housing.
36. Further legal advice will be provided as the project progresses further and a decision on the final proposals will be taken in accordance with the Council's constitutional decision making process

Strategic Director of Finance and Corporate Services (FC15/015)

37. This report is requesting cabinet to agree in principle the schemes listed in paragraph 9 are worked up in accordance with the individually identified recommendations for inclusion in the New Homes Delivery Programme as detailed in the report
38. The report is also requesting cabinet to note the consultation undertaken and the rehousing options for the sites identified in this report and also agree the delegation process of future schemes for inclusion in the New Homes Delivery Programme by the Cabinet Members for Regeneration and New Homes and

Housing. Full details are provided within the main body of the report.

39. The strategic director of finance and corporate services notes that the New Homes Delivery Programme is expected to be financed from a combination of funding sources as reflected in the financial implications and these will need to be confirmed before the schemes are progressed.
40. Staffing and any other cost connected with this report to be contained within existing departmental revenue budgets

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Cabinet paper : progress update on the council's housing investment plans (Item 12)	Housing and Community Services, Southwark Council, 160 Tooley Street, London SE1 2QH	Claire Linnane, Housing Strategy and Partnerships Manager. 0207 525 0732
Link: http://modern.gov.southwark.gov.uk/ieListDocuments.aspx?CId=302&MId=5138&Ver=4		

APPENDICES

No.	Title
Appendix 1	Proposed new sites for New Homes Programme
Appendix 2	Map showing approved & proposed New Homes schemes
Appendix 3	New Homes programme

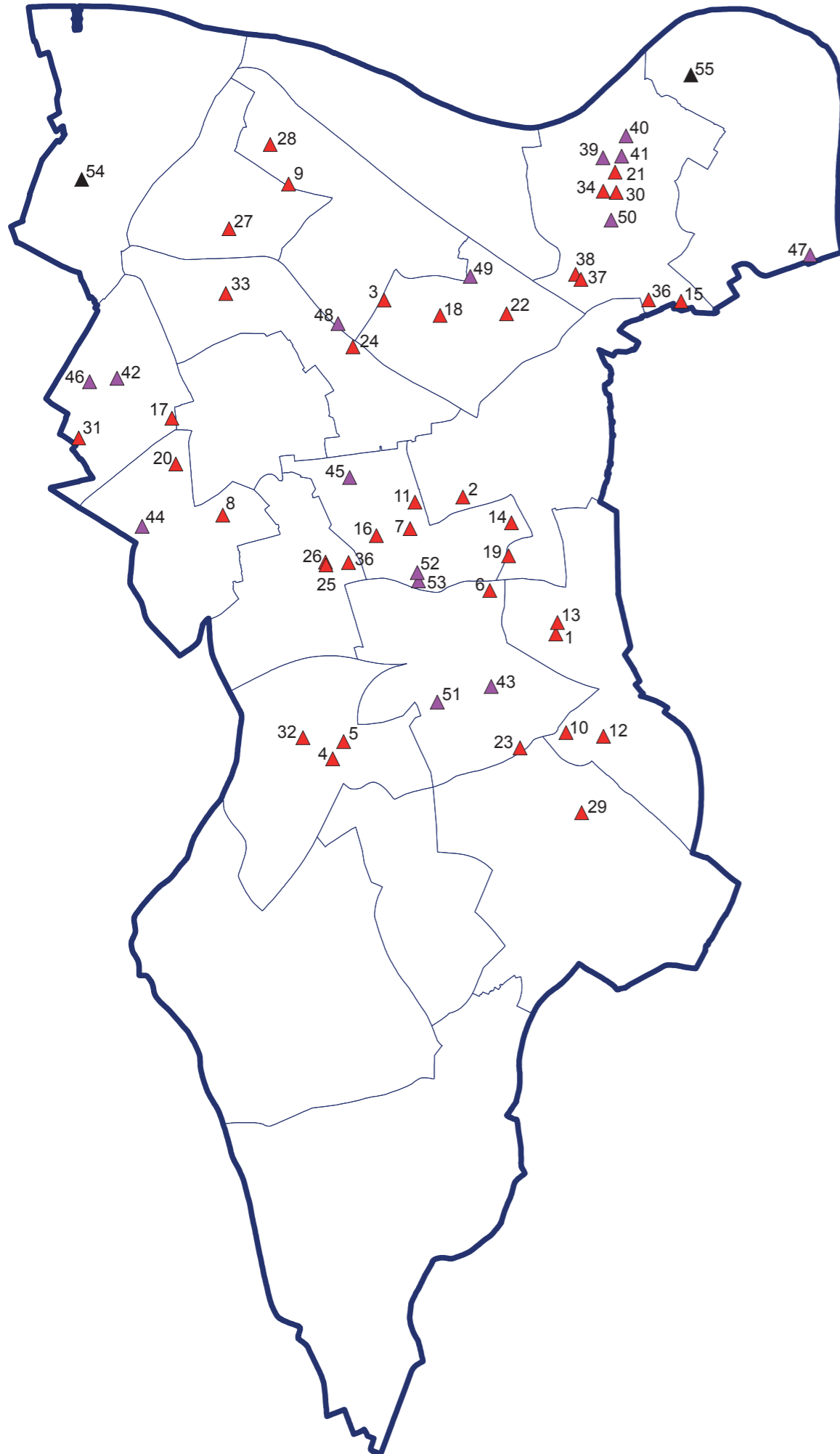
AUDIT TRAIL

Cabinet Member	Councillor Mark Williams, Regeneration and New Homes	
Lead Officer	Gerri Scott, Strategic Director of Housing and Community Services	
Report Author	Tim Bostridge, Development Delivery Manager	
Version	Final	
Dated	3 September 2015	
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	3 September 2015	

Appendix 1

Proposed Phase 3 sites							
Site	Ward	Description		Number of Homes			
				Social rent	Intermediate	Market	Total
Rutley Close, 39-44, Brandon Estate SE17	Newington	6 one bed flats situated above podium of disused underground garages.	1436 sqm	26	0	0	26
Salisbury Est.Car park Balfour St SE17	East Walworth	Car park situated on Balfour Street/Chatham Street corner.	1047 sqm	33	0	0	33
Edmonton Court, Canada Estate, SE16	Rotherhithe	Block of 21 units, Follow on from Phase 2 development at Canada Estate as a result of resident consultation.	1045 sqm	19	0	0	19
Mayflower T&RA Hall SE16	Rotherhithe	One storey building on corner of Neptune Street	574 sqm	11	0	0	11
Silverlock Estate, underground garages SE16	Rotherhithe	Podium with ball court above and underground garages below in front of Tissington Court. Situated on Rotherhithe New Road.	1772 sqm	21	0	11	32
Sceaux Gardens	Brunswick Park	Void area side of Colbert House and Florian and Racine blocks consisting of single storey units.	3539 sqm	42		23	65
Rye Hill Park garages, Rye Hill Estate, SE15	Peckham Rye	Garages adjacent to block 2-32 Rye Hill Park.	935 sqm	17	0	0	17
Seavington House & garages SE5	South Cambenwell	Block of 10 bedsit units and 16 garages	838 sqm	15	0	0	15
Total				184	0	34	218

Appendix 2 New Homes Delivery Programme



New Homes Programme

1. 14A-18 Firbank Road (Completed)
2. 125 Peckham Park Road (Completed)
3. Willow Walk (1, 1-21 O'Reilly Road & Ros Stark House)
4. 1-9 Gatebeck House
5. 1-18 Southdown House
6. Clifton Estate Garages (1-8 Parish Apartments)
7. Cator Street Extra Care (1-42 Tayo Situ House)
8. Masterman House Garages (1-25 Piper Court)
9. 169 Long Lane (1-19 Villiers Court, 165 Long Lane and 115 Weston Street)
10. Nunhead Site B (8-13 Candle Grove, 56 & 58 Nunhead Lane)
11. Sumner Road Workshop
12. Daniels Road car park
13. Lugard Road garages
14. Fenham Road garages
15. Haddonfield Estate garages
16. Commerical Way
17. Pelier Street
18. Welsford Street garages
19. 95a Meeting House Lane
20. Goschen Estate various
21. Renforth Street car park, Canada Estate
22. Tenda Road car park
23. 35-41 Nunhead Lane
24. Kinglake garages
25. Sceaux Gardes (Florian House shops)
26. Lakanal shops new build
27. Joseph Lancaster Nursery, Deverell Street
28. Weston Street garages (Kipling garage)
29. Rye Hill Park garages
30. Edmonton Court, Canada Water Estate
31. 39-44 Rutley Close
32. Seavington House and garages
33. Salisbury Estate car park
34. Mayflower T&RA Hall
35. Silverlock Estate underground garages
36. Sceaux Gardens (Florian and Racine and garages)
37. Abbeyfield Estate - Bede Centre site
38. Maydew House (Additional build on top)

SRIP sites

39. Civic Centre, Albion Street
40. Surgery and houses, Albion Street
41. Albion Primary School land
42. Shops & council offices, Manor Place
43. Copeland Road car park
44. Brandon Baptist Church and land, Redcar Street
45. Gloucester Primary School
46. Workshops, Braganza Street
47. St George's Wharf, Plough Way
48. Petrol Station, 233-247 Old Kent Road
49. Cherry Gardens School
50. Seven Island Leisure Centre
51. Bellenden Primary School & 25-37 Reedham Street
52. Council offices, Sumner House
53. Flaxyards, Sumner Road

S106 Purchases

54. 128-150 Blackfriars Road
55. Anchor Point, adjacent to former Surrey Docks Stadium

Appendix 3

LONDON BOROUGH OF SOUTHWARK

DEVELOPMENT STAGE	SCHEME NAME	WARD	RESIDENTIAL UNIT NUMBERS						Other units / description	
			Soc rent	Temp Acc	Mkt rent	Intermediate	Private	TOTAL		
NEW HOMES PROGRAMME										
Delivered	14a-18 Firbank Rd		3						3	
	b. 125 Peckham Park Road		16						16	
	Hidden Homes Delivered	Various	28						28	
On site	Willow Walk (GN) (No 1- 1-21 O'Reily Road, SE1)	Grange	21						21	
	Willow Walk (SSA) (Ross Stark house)	Grange		54					54	
	Gatebeck House (1-9 Gatebeck House, Pytchley Road, SE22)	South Camberwell	9						9	
	Southdown House (SO) (1-18 Southdown House, Pytchley Road, SE22)	South Camberwell				8			8	
	Southdown House (GN) (1-18 Southdown House, Pytchley Road, SE22)	South Camberwell	10						10	
	Clifton Estate Garages (1-8 Parish Apartments, 7 Clayton Road, London SE15)	Peckham	8						8	
	Cator Street Extra Care (Prop - 1-42 Tayo Situ Hse, 73 Commercial Way, SE15)	Peckham	42						42	
	Masterman House Garages (Rent) (Flats 1-25 Piper Court, 8 Lomond Grove, London SE5)	Camberwell Green	15						15	
	Masterman House Garages (Private) (Flats 1-25 Piper Court, 8 Lomond Grove, London SE5)	Camberwell Green	0				10		10	
	169 Long Lane (Flats 1-19 Villiers Court, 167 Long Lane, SE1. 165 Long Lane, SE1 (wc unit long lane), 115 Weston St, SE1 (wc unit Weston St block) 169 Long Lane, SE1 (Commercial Unit))	Grange	21						21	Commercial unit
	Hidden Homes on site	Various	0						0	
Nunhead Site B (Prop - 8-13 Candle Grove & 56 & 58 Nunhead Lane, SE15)	Nunhead	8						8		
Planning Approved	Sumner Road (Rent)	Peckham	50			20	42	112		
	Sumner Road (Community)	Peckham						0	Community Centre	
	Hidden Homes Planning approved	Various	10					10		

Appendix 3

DEVELOPMENT STAGE	SCHEME NAME	WARD	RESIDENTIAL UNIT NUMBERS					Other units / description	
			Soc rent	Temp Acc	Mkt rent	Intermediate	Private		TOTAL
Pre Planning	Hidden Homes Planning Pre Planning	Various	2					2	
	Daniels Road Car Park	Nunhead	14			0	0	14	
	Lugard Road Garages	Nunhead	2			0	0	2	
	Fenham Road Garages	Peckham	5			0	0	5	
	Haddonfield garages	Rotherhithe	24					24	
	Commercial Way	Peckham	56			20	40	116	
	Pelier Street	Newington	17			0	0	17	
	Welsford Street Garages	South Bermondsey	12			0	0	12	
	Meeting House Lane	Livesey	19			0	13	32	
	Goschen Estate	Camberwell Green	16			14	14	44	
	Canada Estate	Rotherhithe	35			0	21	56	
	Tenda Road Car park	South Bermondsey	11			0	0	11	
	35-41 Nunhead Lane	The Lane	10			0	0	10	
	Kinglake Street Garages	East Walworth	16			0	0	16	
	Sceaux Gardens (Florian House shops)	Brunswick Park	13				7	20	
Lakanal Shops New Build	Brunswick Park	7			3	18	28		
Feasibility	Joseph Lancaster Nursery (Deverell Street)	Chaucer	37			0	0	37	
	Weston Street Garages (Kipling Garages)	Grange	27			0	0	27	
	Hidden Homes Feasibility	Various	21			0	0	21	
Investigation	Rye Hill Park Garages	Peckham Rye	17					17	
	Edmonton Court (Decant)	Rotherhithe	19					19	
	39-44 Rutley Close (Decant)	Newington	26					26	
	Seavington House and Garages (Decant)	Camberwell Green	15					15	
	Salisbury Est Car Park (Balfour Street)	Rotherhithe	33					33	
	Mayflower T&RA Hall	Rotherhithe	11					11	
	Silverlock Estate underground garages	Rotherhithe	21				11	32	
	Sceaux Gardens (Florian and Racine inc some garages) (Decant)	Brunswick Park	42				23	65	
	Abbeyfield Estate - Bede Centre site	Rotherhithe	60				0	60	
Maydew House (additional build on top)	Rotherhithe	0				16	16		

Appendix 3

DEVELOPMENT STAGE	SCHEME NAME	WARD	RESIDENTIAL UNIT NUMBERS					TOTAL	Other units / description
			Soc rent	Temp Acc	Mkt rent	Intermediate	Private		

SOUTHWARK REGENERATION IN PARTNERSHIP

Feasibility	Albion St (Civic Centre site) SE 16	Rotherhithe	25			0	0	25	
	Albion St (Health Centre site , Surgery & Row of houses) SE16	Rotherhithe	12			16	16	44	
	Albion Primary School Land, Albion Street SE16	Rotherhithe	40			0	0	40	
	Shops & Council Offices, Manor Place /Stopford Road SE17	Newington	22			21	22	65	
	Copeland Road car park, SE 15	The Lane	19			20	33	72	
	Brandon Baptist Centre & Land Redcar Street SE5	Camberwell Green	22	35		22	22	101	35 are supported housing
	Gloucester Primary School, Longhope Close SE15	Peckham	34			20	24	78	
	Workshops, 42 Braganza Street SE17	Newington	12			12	11	35	
	St George's Wharf, Plough Way SE16	Surrey Docks	59			82	72	213	
	Petrol Station, 233-247 Old Kent Road SE1	Grange	30			0	0	30	
	Cherry Gardens School, Macks Road SE16	South Bermondsey	19			20	9	48	
	Seven Islands Leisure Centre, 70-86 Lower Road SE16	Rotherhithe	22			22	28	72	
	Bellenden Primary School and 25-37 Reedham Street SE16	The Lane	12			15	15	42	
	Council Offices - Sumner House, Sumner Road SE15	Peckham	0			0	48	48	
Flexyard site, Sumner Road SE16	Peckham	49			49	0	98		

SECTION 106 PURCHASES

In negotiation	128 – 150 Blackfriars Road		56					56	
	Surrey Docks, Salter Road		24		10			34	

	RESIDENTIAL UNIT NUMBERS					TOTAL	Other units / description
	Soc rent	Temp Acc	Mkt rent	Intermediate	Private		
TOTALS	1286	89	10	364	515	2264	As above

Item No. 12.	Classification: Open	Date: 15 September 2015	Meeting Name: Cabinet
Report title:		Major Works Status Report incorporating Warm, Dry and Safe	
Ward(s) or groups affected:		All wards	
Cabinet Member:		Councillor Richard Livingstone, Housing	

FOREWORD – COUNCILLOR RICHARD LIVINGSTONE, CABINET MEMBER FOR HOUSING

This report is to update cabinet on the major works programme for council housing in the borough, in particular progress being made in making every council home Warm, Dry and Safe and achieving the decent homes standard. The report also updates Cabinet on work being undertaken in the first year of works to provide every council tenant with a quality kitchen and bathroom, and on the work being carried out in partnership with British Gas to provide better heat insulation for nearly 7,000 homes across the borough.

In December 2009, the Audit Commission damned Southwark Council’s management of its housing stock when it identified that 45% of council homes failed to meet the decent homes standard and that matters would not improve from that level for the following two years. The fact that by March 2016 90% of our homes will now meet this standard therefore demonstrates substantial progress over the last four years. Over £280m has been invested in that period to make sure our homes are Warm, Dry and Safe.

RECOMMENDATIONS

That cabinet:

1. Notes the status of the housing investment programmes at March 2015 with particular reference to achieving the Warm, Dry and Safe (WDS) standard.
2. Notes that the current WDS investment is on course to be fully committed by the end of 2015/16 and that first year of delivering the kitchen and bathroom guarantee will be delivered alongside the final year of the WDS investment.
3. Notes the target at the end of 2015/16 is achieving 90% decency which will be the highest decency figure Southwark has achieved. The pre-WDS figure was 56% in April 2010.
4. Notes the work that has been delivered to nearly 7,000 homes in partnership with British Gas to deliver environmental improvements including roofs, windows and insulation work at a notional cost to Southwark.
5. Notes that over 15,000 properties had received works or were in the process of receiving works to their homes or blocks at March 2015.

6. Notes the current programmes resources and that revised resources will be presented to cabinet as part of a detailed affordable funding plan to support housing investment in new council homes and the existing stock. This will also encapsulate the quality kitchens and bathroom guarantee.
7. Notes that this report will be sent to Home Owners Council and Tenant Council following cabinet approval.

Summary

8. It is a key priority of the council to make every home in Southwark warm, dry and safe. This paper is to give an interim update on the WDS investment as at the end of March 2015.
9. Over £280m has been spent on delivering WDS to March 2015 and is on course to be fully committed by the end of March 2015/16. This included £100m that has been spent in 2014/15 in delivering WDS homes.
10. Alongside the final year of WDS the council will be delivering the first year of a kitchen and bathroom programme to roll out the kitchens and bathroom guarantee by 2021.
11. Over £77m GLA backlog funding has been drawn down to March 2015 and a potential £53m is available in 2015/16.

BACKGROUND INFORMATION

12. On 18 October 2011 cabinet agreed a detailed five year housing investment programme.
13. The key components of the programme were:
 - a. The main WDS estates and street properties programme (electrics, windows, roofs, bathrooms, doors, boilers as well as other external repairs)
 - b. Lift, individual boiler, district heating and electrical works programmes
 - c. The then existing investment two-year programme and the high priority Fire Risk Assessment (FRA) schemes
 - d. Expenditure on major voids and voids capitalisation.
14. The programme is based on WDS principles and this equates to the Government's Decent Homes Standard. These principles are:
 - a. **Warm** – modern functioning heating, well insulated roofs, windows in good condition or double glazed with secure locks, sliding window vents and restrictor hinges where needed, draught excluders on front doors, cavity wall insulation
 - b. **Dry** – roofs, windows and building fabric in good condition, free from water penetration and damp
 - c. **Safe** – modern electrics including rewiring where necessary, secure front doors (fire rated where necessary).
15. On 25 February 2015 Council Assembly affirmed its commitment through the Council Plan to 2017/18 which included the Fairer Future Promise – **Quality affordable homes**, which states 'We will improve housing standards and build

more homes of every kind, including 11,000 new council homes with 1,500 built by 2018. We will make all council homes warm, dry and safe and start the roll out of our quality kitchen and bathroom guarantee.'

16. On 25 February 2015 cabinet established a six year kitchen and bathroom investment to "deliver a quality kitchen and bathroom for every council tenant" by March 2021, with an initial year alongside the current WDS investment in 2015/16.

KEY ISSUES FOR CONSIDERATION

What has been achieved – overall position

17. At the end of March 2015, over £280m had been spent for the first four years of the WDS programmes.
18. Summary of actual spend in the first four years of the programmes:

WDS Spend for 2011/12-2012/13	2011/12 Spend	2012/13 Spend	2013/14 Spend	2014/15 Spend	TOTAL
Four Squares WDS and Security (New Place Estate)	£0.0m	£2.5m	£10.4m	£0.0m	£12.9m
Elmington (Drayton / Langland)	£0.0m	£1.6m	£0.2m	£0.0m	£1.8m
WDS – Landlord Obligations (Individual Heating)	£3.5m	£8.2m	£3.5m	£3.5m	£18.9m
WDS - Landlord Obligations (District Heating)	£2.8m	£2.3m	£3.2m	£5.0m	£13.2m
WDS – Landlord Obligations (Electrical Works)	£2.8m	£0.2m	£0.4m	£0.0m	£3.4m
WDS – Landlord Obligations (Lifts)	£3.1m	£2.7m	£2.2m	£2.3m	£10.2m
Contingency	£0.0m	£0.1m	£3.0m	£0.4m	£3.5m
WDS Estates	£0.0m	£5.8m	£23.7m	£68.7m	£96.8m
WDS Street Properties	£0.0m	£0.9m	£3.7m	£7.8m	£12.4m
Minor Voids Capitalisation	£3.0m	£3.0m	£3.0m	£3.0m	£12.1m
Minor Voids WDS Works	£0.8m	£1.0m	£1.0m	£1.0m	£3.8m
Current Schemes	£19.7m	£34.6m	£23.7m	£3.4m	£81.6m
Hawkstone	£0.1m	£0.2m	£3.0m	£3.2m	£6.5m
Maydew Refurbishment	£0.0m	£0.0m	£0.0m	£0.2m	£0.2m
Leathermarket JMB WDS spend	£0.8m	£1.4m	£1.4m	£1.5m	£5.1m
Grand TOTAL	£36.6m	£64.5m	£82.5m	£100.1m	£282.5m

For information, £16.7m of High Investment Needs Estate (HINE) funding has also been spent on:

Damory / Thaxted	£0.4m
Hawkstone	£3.2m
Four Squares	£13.1m

19. A summary of progress from 2011/12-2014/15 is given below with a more detailed breakdown given in **Appendix 2**.

Budget heading	Progress Status	Description of progress
Four Squares (security and WDS)	On site	Four Squares was started in 2012/13 as scheduled. Additional HINE funding has been agreed for this scheme that will complete in 2016.

Budget heading	Progress Status	Description of progress
Elmington (Drayton / Langland)	Completed	Elmington was started in 2012/13 and completed in 2013/14.
WDS – Landlord Obligations (Individual Heating)	Ongoing	This programme is running ahead of planned spend.
WDS – Landlord Obligations (District Heating)	Ongoing	All the planned schemes up to the end of 2014/15 are completed. The remaining 2015/16 schemes will be on site during 2015/16 with the exception of Acorn.
WDS – Landlord Obligations (Electrical Works)	Ongoing	Works were completed to Guthrie/Jurston laterals and work is on site for Whitworth/Ellington (Rockingham) incoming mains, completing in 2015/16.
WDS – Landlord Obligations (Lifts)	Ongoing	This programme is running well and is on schedule.
WDS Estates 2012/13 and WDS Street Properties 2012/13	On site or completed	All schemes are now on site or completed, with the remaining 3 schemes completing in 2015/16 due to variations in the original scope.
WDS Estates 2013/14 and WDS Street Properties 2013/14	Some delays	All schemes are completed or on site and due to complete in 2015/16 with the exception of: <ul style="list-style-type: none"> • Tustin has been delayed due to the scope of works required. Refurbishment works due on site 2015/16 • Acorn was delayed pending heating works. Refurbishment works due on site 2015/16
WDS Estates 2014/15 and WDS Street Properties 2014/15	Largely on site or completed	With some schemes completed, the remaining schemes are on site and due to complete in 2015/16 with the exception of: <ul style="list-style-type: none"> • Portland Estate due to the scope of the works required • D'Eynesford Estate (Externals) pending heating works • A small number of the street properties will complete early in 2016/17 and Rockingham West will start and complete in 2015/16.
Minor Voids Capitalisation	On going	Voids capitalisation, allocation utilised.
Minor Voids WDS Works	On going	Minor voids works on target, allocation utilised.
Current Schemes		
Fire Risk Assessment (FRA) works - current	Substantial risk blocks Completed	All substantial risk high rise blocks complete.
	Higher Moderate risk blocks complete / on site	All the originally planned higher risk high rise moderate risk blocks are complete.
2 year programme	Complete	The original 2 year programme has been completed.
Hawkstone	On site	On site and due to complete in 2015/16.

20. From 2011/12-2014/15:
- a. Over 15,000 properties have benefited or are benefiting from work on their property or block started as part of our WDS major works investment on estates and street properties
 - b. In addition, fire safety works have been completed to all the substantial and all the originally identified higher moderate high rise blocks through the FRA programme
 - c. Over 150 lifts have been refurbished as part of the lifts programme
 - d. Over 8,000 individual boilers have been replaced and many more residents have benefited from district heating works.

What has been achieved – Fire Risk Assessment (FRA) Programme

21. The FRA Programme has progressed well with specific details available in Appendix 2. All 27 substantial risk high rise blocks and 176 (not including Four Squares where works are being completed alongside the main scheme) of the high moderate blocks identified have now been completed. Over £36m has already been invested in delivering these FRA works.
22. In addition to reducing risk in high rise properties, £2.3m has been agreed for work to 48 substantial risk medium rise blocks which is being coordinated alongside the 2015/16 works.
23. Cabinet has also agreed funding to install sprinkler systems into sheltered and hostel accommodation by September 2016 and of LD2 type automatic battery powered smoke/heat detection to council homes across the borough starting with the highest priority blocks by March 2015. LD2 alarm installations are also being installed to converted street properties and emergency lighting identified through inspections is also being installed. Programmes are in place to carry out FRA works to sheltered accommodation, Temporary Accommodation hostels and Tenant and Resident Association (TRA) halls as well as a five year programme of electrical testing blocks.
24. Work is being undertaken to prioritise future work and reducing fire risk in discussion with the London Fire Brigade. Other work being carried out includes improving signage, providing block plans to the London Fire Brigade and providing residents with information on the fire safety features of their dwelling.

What has been achieved – Decent Homes

25. 65.3% of the council's rented accommodation was Decent at March 2015. Each April the homes falling into non Decency that year are added meaning that the overall Decency rate drops initially at the start of each year.
26. With the majority of schemes completing in 2015/16 the council is aiming to achieve 90% decency across the stock.
27. There are a number of projects where the council will still be working to achieve decency at March 2016, so our work will continue on estates such as Portland, D'Eynesford, the second phase of works on the Aylesbury Estate and some of the 2015/16 schemes. Beyond WDS, decency will be maintained through the on going major works programme.

Targets for the Future Years

Programme

28. The following gives an overview summary of the planned programme. This represents the continued acceleration of the programme, with some works brought forward from later years in the programme. For a more detailed breakdown see **Appendix 3**.

Programme Breakdown	Planned Start on site Date	Original planned start on site date	Comment
WDS – Landlord Obligations (Individual Heating)	Ongoing Programme	Ongoing Programme	Yearly programme is ahead of what was originally planned.
WDS – Landlord Obligations (District Heating)			
District Heating 2015/16	2015/16	2015/16	The 2015/16 schemes will now be on site in 2015/16 with the exception of Acorn underground mains was delayed due to the heating redesign as part of a regeneration scheme and works will now commence in 2016/17.
WDS - Landlord Obligations (Electrical Works)	Ongoing	Ongoing	Electrical works are being completed alongside the main WDS works.
WDS - Landlord Obligations (Lifts)	Ongoing	Ongoing	The programme is expected to continue to run to schedule.
Warm, Dry, Safe Investment in Estate Properties 2015/16	2015/16	2015/16	Some schemes started in 2014/15 but the majority of schemes will be on site in 2015/16.
WDS Street Properties 2015/16	2015/16	2015/16	The 2015/16 street properties programme is expected to start in 2015/16.
Maydew Refurbishment	2015/16	2015/16	Maydew is expected to start on site late in 2015/16.
Minor Voids Capitalisation	Ongoing	Ongoing	Capitalisation only.
Minor Voids WDS Works	Ongoing	Ongoing	Minor voids works.

29. The main points of note from the programmes are:

- a. The WDS investment is expected to be fully committed by 2015/16.
- b. The original 2 year programme is complete.
- c. All the 2012/13 schemes are complete with the exception of Sunray (due to a change in specification), Brandon 3 (due to added works) and the second phase of Dickens Estate, all completing in 2015/16.
- d. With the exception of Portland and D'Eynesford Estate (Externals) all the 2014/15 schemes have either completed or are on site and due to

- complete in 2015/16. Rockingham West is starting and completing in 2015/16 and a small number of street properties will complete in 2016/17.
- e. The remaining 2015/16 programme that has not started will start in 2015/16 with approximately 2/3 of the schemes expecting to complete in 2015/16. Many of the blocks and properties will be complete in 2015/16 where schemes that are finishing beyond that timescale.
 - f. The remaining district heating works will start on site in 2015/16 with the exception of Acorn underground heating mains which was delayed due to the heating redesign as part of a regeneration scheme and will commence in 2016/17.

Resources

Additional resources secured

30. After a successful bid for backlog funding the council has received grants for £12.1m in 2012/13, £32.4m in 2013/14 and £32.3m in 2014/15. The backlog funding has allowed a programme to be delivered to help deliver the WDS standard across Southwark's homes.
31. A further successful bid for backlog funding for 2015/16 means that Southwark could potentially secure a further £53m in backlog funding.
32. British Gas has been undertaking works to reduce Carbon Emissions through an ECO Agreement. The council has been working with British Gas to deliver environmental improvements including roofs, windows and cavity work. The actual work is at a notional cost to Southwark. 6970 properties have benefitted from the work.
 - a. 5,036 properties have received cavity wall insulations (CWI) filled
 - b. 1,173 properties have received external wall Insulation (EWI)
 - c. 956 properties have received double glazed windows at Bardell House, Burton House, Dombey House, Forbes Court, Gould Court, Hendre House, Jamaica Road, Layard Square, Lockwood Square, Lugard Road, Marden Square, New Place Square, Wade House and Wrayburn House
 - d. 290 properties have received insulated flat roofs at Bardell House, Barlow House, Barry House, Beamish House, Donkin House, Forbes Court, Gould Court, Heaton House, Helen Taylor House, Jamaica Road, Layard Square, Lockwood Square, Marden Square, Mortain House, New Place Square, Radcliffe House, Spenlow House, Tupman House and Wade House.

Planned Resources

33. This WDS schemes continue to come back over the originally estimated budgets as previously reported to cabinet. The main reasons for the difference in costs from the original plan are:
 - a. the fact that there was only 11% real stock data when the original budget was put together
 - b. insufficient allowance for scaffolding costs and asbestos costs
 - c. other non-WDS related work costs that did not form the estimate but should be done at the same time as WDS works for efficiency reasons
 - d. the scope of works not reducing as much as indicated from the surveys in the final years of delivering the WDS investment

- e. a risk pot of 5% is added to schemes that may not be spent
- f. the programme has incurred some unexpected costs, such as the mutual conclusion of two of the partnering contracts, which have had an impact on both costs and delivery of schemes
- g. the scope of works required on some schemes was considerably more than originally anticipated, such as with Four Squares.

Estimated spend profile

34. Revised resources will be presented to cabinet as part of a detailed affordable funding plan to support housing investment in new council homes and the existing stock. This will also encapsulate the quality kitchens and bathroom guarantee.

35. The estimated spend profile is:

2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
£36.6m	£64.5m	£82.5m	£100.1m	£200m	£76m

36. There are a few schemes where funding will be sought outside of WDS as the scope includes extensive works that were not part of the WDS budget. This will include works to:

- a. Portland where serious structural work needs to be addressed
- b. Maydew which will be funded through increased sales receipts rather than from the current capital funding arrangements.

Resident Perception

37. The consolidated survey results for the main WDS refurbishment works are:

Area	Satisfaction on main WDS refurbishment works		Overall satisfaction for all major works	
	2013/14	2014/15	2013/14	2014/15
Year				
Satisfied with quality of works	86%	92%	80%	91%
Satisfied with service provided by contractors	85%	92%	79%	90%
Satisfaction with service provided by Southwark	77%	87%	74%	85%

38. The satisfaction on WDS refurbishment works continues to improve.

Current Work Streams

39. The Southwark Housing Commission places the *development of a long-term (30-year) strategy for council housing under the HRA* at the heart of the Commission's report. To support *more cost-effective approaches to decision making so that the value of the assets can be maximised* a 30-year asset management strategy will be developed following the consideration of the investment strategy and presented to cabinet in late Autumn along with a draft planned programme for consultation.

40. An 18 month development project of the asset management information and system that will support the development of the on going asset strategy is underway. This will allow for a more informed consideration of the long-term risk on assets and liabilities as well as improvements to our compliance systems.
41. A new contractor framework is being developed whereby two lists of contractors would be chosen to tender for individual building works projects through mini-competition (one for smaller contractors to offer opportunities to medium sized firms). The current Major Works partnering contracts are still in place until 13 June 2018 subject to contract extension and have non exclusive extensions with termination at will clauses. However mini-competition will be used in the areas where there are no Major Works partnering contracts. A Gateway 2 report is estimated to go to cabinet in October 2015.

Other Major Works Projects

42. Work is continuing to the Tenant and Resident Association (T&RA) Halls programmes with Phase 2 currently on site. Work on Temporary accommodation Phase 3 has completed and Phase 4 is beginning in early 2015/16. The door entry installations at Tabard and Nelson estate were completed and work on going at Astley, Amigo, Brodie and Burton Houses.

Programme Investment Delivery

43. To ensure the successful delivery of the programme the project teams within the major works division are given clear milestones and targets to work to along with clear levels of delegated authority.
44. The head of major works is responsible for the delivery of the programme. Progress against targets and strategic issues are addressed by the strategic director of housing and community services when required and in chairing a monthly major works monitoring group.
45. There are clear approval/gateway processes to make sure that prior to committing works the right level of quality in performance, health and safety and wider council requirements such as equalities, sustainability and local economic benefits will be achieved.
46. As well as project and programme budget monitoring within the major works teams, spend and forecasts are monitored through the housing investment board backed by the capital finance team to ensure that financial management procedures are in place.
47. A further annual progress report will be sent to cabinet following the end of the current financial year.

Conclusion

48. The WDS programmes are on course to be fully committed by the end of 2015/16. However, costs are higher than originally anticipated and additional resources are required to complete the programme.

Policy implications

49. This paper provides an update to the key fairer futures promise of delivering Warm, Dry and Safe homes.
50. This paper provides an update to the delivery of the Government's Decent Homes Standard.

Community impact statement

51. The community impact of the proposed programme was assessed as part of the 31 May 2011 report titled Housing Investment Programme and Revised Strategy.
52. Southwark's Housing Requirements Study 2008 found that certain types of households are over-represented in the borough's social housing, e.g. lone parents and pensioner households. Of pensioner household, for example, 69.1% live in social rented housing. The study also found that 40% of council renters contain at least one person with a health problem and that disadvantaged groups overall are more likely to be living in social housing, for example, certain BME groups.
53. There is increasing evidence of a link between poor housing conditions and ill health. The proposals in this report to make homes warm, dry and safe are likely to have health benefits for tenants and residents.
54. Replacing single glazed windows with double-glazing and replacing older, less efficient heating systems, increasing the thermal efficiency of council homes will have benefits for all residents benefiting from the investment strategy, through reducing carbon emissions.
55. Providing better thermal insulation, improving communal heating systems etc. This priority should benefit all communities. The Housing Needs survey 2003 found that certain ethnic groups were overrepresented in homes with poorer thermal comfort ratings. Furthermore, people on fixed incomes, e.g. pensioners, people on benefits and other groups suffering from fuel poverty will also benefit from more energy efficient homes.

Financial implications

56. This report is providing a status report on the Warm Dry and Safe programme and also the Kitchens and Bathrooms programme within the overall Housing Investment Programmes (HIP) as at March 2015.
57. On 18 March 2014, as part of the 2013/14 quarter 3 capital monitor and capital refresh process, cabinet approved additional capital funding of £985m on the housing stock programme for future years which included amongst others, the kitchens and bathrooms programme and also works to maintain the Warm Dry and Safe (WDS) standard across the housing stock. Additional resources required to complete the WDS programme is being allocated from this budget.
58. On 10 February 2015, cabinet agreed a six year kitchen and bathroom programme and a budget of £186.3m was also allocated from the above total of £985m.

59. There are no additional financial implications arising from this report as the works are currently expected to be contained within approved budgets. Cash flow implications will need to be monitored closely to ensure that there are sufficient resources to fund the overall Housing Investment Programme on a yearly basis.

Consultation

60. This update report will be sent to Home Owners Council and Tenant Council following cabinet approval.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Legal Services

61. This report requires cabinet to note a number of actions relating to the WDS investment. There are no specific legal implications regarding the recommendations noted in this report. Officers from legal services will continue to provide legal advice (when required) to the WDS initiative.

Strategic Director of Finance and Corporate Services (FC15/014)

62. This report is requesting cabinet to note the status of the Warm Dry and Safe programme and also the Kitchens and Bathrooms programme within the overall Housing Investment Programmes (HIP) as at March 2015.
63. It is noted that there are no additional financial implications arising from this report as the works are currently expected to be contained within approved budgets.
64. It is also noted that the Housing Investment Programme cash flow implications will need to be monitored closely to ensure that there are sufficient resources to fund the overall Programme on a yearly basis.
65. Staffing and any other costs connected with this report to be contained within existing departmental revenue budgets.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Asset Management Strategy – Kitchens and Bathrooms Programme 2015/16	Southwark Council Major Works Housing and Community Services Department Hub 3, 3rd Floor PO Box 64529 London SE1P 5LX	Richard George 020 7525 3293
Link: http://moderngov.southwark.gov.uk/documents/s51902/Report%20Asset%20management%20strategy%20-%20Kitchen%20and%20Bathrooms.pdf		
Housing Investment Programme – Confirmation of Five Year Programme and Update on the High Investment Need Estates Options Appraisal Project 18 October 2013	Southwark Council Major Works Housing and Community Services Department Hub 3, 3rd Floor PO Box 64529 London SE1P 5LX	Richard George 020 7525 3293
Link: http://moderngov.southwark.gov.uk/ielistDocuments.aspx?CId=302&MId=3816&Ver=4		
Housing Investment Programme and Revised Strategy 31 May 2011	Southwark Council Major Works Housing and Community Services Department Hub 3, 3rd Floor PO Box 64529 London SE1P 5LX	Richard George 020 7525 3293
Link: http://moderngov.southwark.gov.uk/ielistDocuments.aspx?CId=302&MId=3866&Ver=4		

APPENDICES

No.	Title
Appendix 1	The programmes in pictures
Appendix 2	Programmes Achievements
Appendix 3	2015/16 programmes
Appendix 4	Works to Sheltered Accommodation

AUDIT TRAIL

Cabinet Member	Councillor Richard Livingstone, Housing	
Lead Officer	Gerri Scott, Strategic Director Housing & Community Services	
Report Author	David Markham, Head of Major Works	
Version	Final	
Dated	3 September 2015	
Key Decision?	No	
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		3 September 2015

Pictures of the programmes

Hawkstone Estate before and after—and sheet piling on the East Dulwich Estate (In Partnership with Keepmoat)

APPENDIX 1



Various Street Properties—before and after (In Partnership with Saltash)



Forbes, Gould and Heaton House—before and after (In Partnership with A&E Elkins)



APPENDIX 2

A review of the WDS programme up to March 2015.

Four Squares (New Place Estate)

Status: **On site**

Type of works: **WDS plus additional funding as a High Investment Needs Estate (HINE)**

Comment: Four Squares is a High Investment Needs Estate. A total of £26.6m was originally set aside to be invested including HINE funding. An options appraisal exercise to determine the scale of works required to the estate and the different approaches that could be taken was carried out. It was decided that an enhanced refurbishment scheme would be undertaken and that void properties on the estate would be disposed of to contribute to the value of £9m. Following the decision, a condition survey was undertaken, and a number of structural problems came to light, including brick slips falling from the towers and the instability of several gable ends. As a result, the Council commissioned a comprehensive structural survey of the Estate which recommended a number of structural works particularly to the south west stair towers of Layard and Marden. The funding estimate for this estate did not include these additional structural works. Additional High Investment Needs (HINE) money has been agreed to carry out the additional work identified from the structural surveys including structural work to the stair towers and brickwork at roof level, additional concrete repairs, asphalt on balconies and extensive works to waterproof garages (major removal and reinstatement of soft landscaping and boundary walls not originally specified).

Area	Actual spend to March 2015	Progress	Status / Comments
Four Squares Security and WDS (New Place Estate)	£12.9m (£13.1m HINE)	On site (completion delayed due to increased scope of works)	Four squares started in 2012/13 as scheduled. The externals started in early 2014/15 following agreement of additional funding to complete the work identified through structural surveys and will be substantially completed in 2015/16.

Elmington Estate (Drayton / Langland only)

Status: **On site**
Type of works: **WDS and additional works to Drayton / Langland only**

Comment: This scheme has completed as outlined in the original agreed programme. The schemes budget had been revised and agreed through delegated approval to £2.1m with the additional funding coming from the contingency allowed in the programme but costs are under that budget.

Area	Actual spend to March 2015	Progress	Status / Comments
Elmington	£1.8m	Completed	Elmington completed as scheduled starting in 2012/13 and completing in 13/14.

Landlord Obligations (Individual Heating)

Status: **Ongoing programme of boiler replacements**
Type of works: To support the capitalisation of heating works undertaken via the term contractors as part of the ECON contract.

Comment: Additional money was brought forward from our 2015/16 individual heating programme into 2012/13 meaning inefficient boilers were replaced with more efficient models helping to deliver earlier savings for residents and tackle fuel poverty. Over 8,000 boilers have been replaced from WDS funding. Tadworth House heating has also been completed.

Area	Actual spend to March 2015	Progress	Status / Comments
Landlord Obligations (Individual Heating)	£18.9m	On going	This programme is ahead of the original schedule.

Landlord Obligations (District Heating)

Status: **Ongoing programme of district heating works**
 Type of works: **District Heating Works**

Comment: Overall the district Heating Programme is running well with the remaining schemes due to start in 2015/16..

Area	Actual spend to March 2015	Progress	Status / Comments
Landlord Obligations (District Heating)	£13.2m	On going	All schemes except one planned to start by 2013/14 are on site or completed. The remaining schemes are due to start in 2015/16 with the exception of Acorn underground heating mains which was delayed due to the heating redesign as part of a regeneration scheme.

Individual Scheme progress (district heating 2011/12-2014/15)

Scheme	Progress	Status / Comments
New Place flow header	Works not required	Works not required, money moved to BEMS ¹ upgrade.
Gilesmead heating	Completed	Completed
District heating works Capitalisation of plant works	On going	Spend on this programme is ahead of schedule with more capital works being carried out on district heating than originally planned.

¹ Building Management Systems (BEMS) monitor and control services such as heating, ensuring they operate at maximum levels of efficiency and economy. This is achieved by maintaining the optimum balance between environmental conditions, energy usage and operating requirements.

Scheme	Progress	Status / Comments
undertaken via the term contractors		
Kinglake Heating/Boiler	Completed	Completed
Salisbury Heating	Completed	Completed
Portland St ctls	Completed	Completed under budget with the remainder transferred to BEMS
Newington Heating	Completed	Completed
Newington Mains	Completed	Completed
New Place Boiler Replacement	Completed	Completed
BEMS upgrade	Completed	Completed. A second BEMS phase is underway.
Kinglake Heating/Boiler	Completed	Completed under original budget costs. Surplus budget transferred to BEMS.
Neville Boiler House boiler and flue	Completed	Completed
Rouel road Mains	Completed	Completed
New Place Boiler Replacement	Completed	Completed
Hastings Boiler House boiler and burner	Completed	Completed
Leontine Boiler House boiler and flue	Completed	Completed
Neville Boiler House boiler and flue	Completed	Completed
North Peck Boilers	Completed	Completed

WDS Estates and WDS Street Properties

Status: **See individual schemes below**

Type of works: **WDS**

Comments: Most of the planned schemes to 2014/15 are completed or on site, however, the original programme was delayed due to the LVT decision and some have been further delayed due to the ending of partnering contracts. Where the partnering contracts have ended alternative arrangements have been put in place using back up contractors or tendering the works.

Area	Actual spend to March 2015	Progress	Status / Comments
WDS Estates and WDS Street Properties	£109.2m	Completed or on site (with exceptions)	Many of these schemes are now complete and the majority of the rest of the schemes are on site.

Original WDS programmed works 2012/13 (schemes)	Estate	Progress	Area	Ward	Status / Comments
Brandon Estate (Camberwell)	Brandon	Completed	Camberwell	Camberwell Green	Completed.
Croxted Road	Croxted	Completed	Dulwich	College	Completed.
Brandon (Walworth) contract 1,2 & 3	Brandon	On site	Walworth	Newington	Start delayed due to the mutual conclusion of the Breyer contract. Contracts 1 & 2 have completed, additional works were added to phase 3 meaning it will complete in 2015/16.
Dickens Estate	Dickens	Completed	Bermondsey	Riverside	Completed. A second phase of works in on site and due to complete in 2015/16.
Comber 2012 Phase 1 & 2	Comber	Completed	Camberwell	Camberwell Green	Completed.
Elmington 2012	Elmington	Completed	Camberwell	Camberwell	Completed.

Original WDS programmed works 2012/13 (schemes)	Estate	Progress	Area	Ward	Status / Comments
				Green / Vrs	
WDS Street Properties 12/13 (excluding Sunray Estate)	Various street properties	Completed	Various	Various	Completed. However, due to a change in the scope of the works at the Sunray Estate this is being completed separately and is due to complete in 2015/16.

Original WDS programmed works 2013/14 (schemes)	Estate	Progress	Area	Ward	Status / Comments
Clifton Estate	Clifton	Complete	Nunhead & Peckham Rye	The Lane	Complete.
Crawford Estate	Crawford	Complete	Camberwell	Camberwell Green	Complete.
Congreve / Salisbury (also includes Comus House brought forward from 2015/16)	Congreve	On site	Walworth	Faraday	Tendered following the conclusion of the partnering contract, on site and due to complete in 2015/16.
	Salisbury				
Denmark Hill Estate	Crawford	Complete	Camberwell	Camberwell Green	Complete.
Scovell Estate (also includes four blocks from Tabard Gardens brought forward)	Scovell	On site	Borough & Bankside	Cathedrals	Tendered following the conclusion of the partnering contract, on site and due to complete in 2015/16.
Tustin Estate	Tustin	Delayed	Rotherhithe	Livesey	Work on the Tustin Estate has been delayed due to the level of work required to meet the WDS standard. Work is expected to commence in 2015/16.
Wyndham Estate	Wyndham	Complete	Camberwell	Camberwell Green	On site and completing in 2014/15.
Aylesbury Estate	Aylesbury	On site	Walworth	Faraday	Works were delayed into 2014/15, as they needed to be scheduled around the phasing of the regeneration. Phase 1 is on site and

Original WDS programmed works 2013/14 (schemes)	Estate	Progress	Area	Ward	Status / Comments
					due to complete in 2015/16 and Phase 2 will be on site in 2015/16.
Acorn Estate	Acorn	Delayed	Peckham	Livesey	The works to the Acorn Estate are pending regeneration works and are now expected to start on site in 2015/16.
WDS Street Properties 13/14	Various street properties	On site	Various	Various	On site, completing in early 2015/16. A further batch of properties will start in 2015/16.

Original WDS programmed works 2014/15 (schemes)	Estate	Progress	Area	Ward	Status / Comments
Pomeroy Estate	Pomeroy	Complete	Nunhead & Peckham Rye	The Lane	Complete
Priory Court	Priority Court	Complete	Nunhead & Peckham Rye	Peckham Rye	Complete
Pelican Estate	Pelican	Complete	Nunhead & Peckham Rye	The Lane	Complete
Lugard Road	Lugard Road	Complete	Nunhead & Peckham Rye	Nunhead	Complete
Magdalene Close	Magdalene Close	Complete	Nunhead & Peckham Rye	The Lane	Complete
Atwell Estate	Atwell Estate	Complete	Nunhead & Peckham Rye	The Lane	Complete
Gaywood Estate / Nelson Square Gardens	Gaywood Estate	On site	Borough & Bankside	Cathedrals	On site due to complete in 2015/16
	Nelson Square Gardens	On site	Borough & Bankside	Cathedrals	On site due to complete in 2015/16

Original WDS programmed works 2014/15 (schemes)	Estate	Progress	Area	Ward	Status / Comments
Lancaster Estate / Rushworth-Boyfield	Lancaster	On site	Borough & Bankside	Cathedrals	On site due to complete in 2015/16
	Rushworth-Boyfield	On site	Borough & Bankside	Cathedrals	On site due to complete in 2015/16
Newington Estate	Newington	On site	Walworth	Newington	On site due to complete in 2015/16
Kinglake Estate	Kinglake	On site	Walworth	East Walworth Faraday	On site due to complete in 2015/16
Lettsom Estate	Lettsom	On site	Camberwell	Brunswick Park	On site due to complete in 2015/16
Southampton Way Estate	Southampton Way	Complete	Camberwell	Brunswick Park	Complete
Havil Street Estate	Beacon House	Complete	Camberwell	Brunswick Park	Complete
	Havil Street	Complete	Camberwell	Brunswick Park	Complete
Tabard Gardens Estate (North inc Kellow House, Central, South)	Tabard Gardens	On site	Borough & Bankside	Chaucer	The central and South packages are on site and due to complete in 2015/16. The North package is starting in early 2015/16, includes Kellow House that was in the 2015/16 programme.
Rockingham Estate (East including Quentin House, West)	Quentin House	On site	Borough and Bankside	Cathedrals	Quentin House is on site due to complete in 2015/16
	Rockingham	On site / Delayed	Borough and Bankside	Chaucer East Walworth	The East Package is on site, the west package is due on site early in 2015/16 and both are due to complete in 2015/16
Nelson Estate / Penrose House	Nelson	On site	Walworth	Faraday	On site due to complete in 2015/16
	Penrose House	On site	Walworth	Newington	On site due to complete in 2015/16
Doddington Grove Estate	Doddington Grove	On site	Walworth	Newington	On site due to complete in 2015/16
Portland Estate	Portland	Delayed	Walworth	Faraday	Portland Estate requires structural works which has delayed the start to 2015/16

Original WDS programmed works 2014/15 (schemes)	Estate	Progress	Area	Ward	Status / Comments
Alvey / Mardyke / Naylor	Alvey	On site	Walworth	East Walworth	On site due to complete in 2015/16
	Mardyke	On site	Walworth	East Walworth	On site due to complete in 2015/16
	Naylor	On site	Walworth	East Walworth	On site due to complete in 2015/16
Burton / Morriss	Morriss House	Complete	Bermondsey	Riverside	Complete, including Burton House from the 2015/16 programme.
Rennie Estate	Rennie	On site	Bermondsey	South Bermondsey	On site due to complete in 2015/16
Silverlock/ Pedworth/ Bonamy/ Harboard/ Haddonfield	Silverlock	On site	Rotherhithe	Livesey	On site due to complete in 2015/16
	Pedworth	On site	Rotherhithe	Rotherhithe	On site due to complete in 2015/16
	Bonamy	On site	Rotherhithe	Livesey	On site due to complete in 2015/16
	Harboard House	On site	Rotherhithe	Rotherhithe	On site due to complete in 2015/16
	Haddonfield	On site	Rotherhithe	Rotherhithe	On site due to complete in 2015/16
Osprey Estate	Osprey	On site	Rotherhithe	Surrey Docks	On site due to complete in 2015/16
D'Eynsford Estate	D'Eynsford	On site / Delayed	Camberwell	Brunswick Park Camberwell Green	Main works are delayed pending heating works, the internals are on site and due to complete in 2015/16.
Cleve Hall Estate (as part of Champion Hill package)	Cleve Hall	On site	Camberwell	South Camberwell	Internal package is on site with the externals following on in 2015/16.
Glebe Estate	Glebe	On site	Camberwell	Brunswick Park	Internal package is on site with the externals following on in early 2015/16.
Bells Garden Estate (as part of Bells Gardens / Oliver Goldsmith Estate Package)	Bells Garden	Delayed	Peckham	Peckham	Packaged with the 2015/16 programme to start on site early in 2015/16.
Barset Estate (as part of Electrical Internal Package B)	Barset	On site	Nunhead & Peckham Rye	Nunhead	On site due to complete in 2015/16
Honiton Gardens	Honiton Gardens	Surveyed no works	Nunhead & Peckham Rye	Nunhead	Surveyed no works required in meeting WDS standard.
Delawyck Crescent Estate (as part of External Electrical	Delawyck Crescent	Delayed	Dulwich	Village	Packaged with 2015/16 programme to start on site in 2015/16.

Original WDS programmed works 2014/15 (schemes)	Estate	Progress	Area	Ward	Status / Comments
Package 3)					
Kingswood Estate	Kingswood	Surveyed no works	Dulwich	College	Surveyed no works required in meeting WDS standard. 1-15 Lyall Avenue staying in programme and packaged with the 2015/16 programme to start in 2015/16.
Sydenham Hill Estate	Sydenham	Surveyed no works	Dulwich	College	Surveyed no works required in meeting WDS standard.
Street Properties 2014/15	Streets	On site	Various	Various	There are 6 packages of street properties that are on site and due to complete in 2015/16

WDS - Landlord Obligations (Electrical Works)

Status: **A programme of works**
Type of works: **Essential electrical works which have arisen as a result of FRA electrical tests and essential replacement of communal, lateral electrical wiring and associated equipment**

Comment: FRA electrical works have been undertaken. An additional £5m revenue funding has been spent on electrical works, the remaining £5.5m in the budget for FRA electrical works will be used in the FRA budget.

Area	Actual spend to March 2015	Progress	Status / Comments
WDS - Landlord Obligations (Electrical Works)	£3.4m	On going	£5.5m used for FRA works.

WDS - Landlord Obligations (Lifts)

Status: **Ongoing programme**

Type of works:

To replace lift parts which have become obsolete, resulting in ever increasing service failures. These works will result in improved lift performance and reliability.

Comment: The lift programme continues to run to schedule with over 150 lifts having been refurbished by March 2015.

Area	Actual spend to March 2015	Overall Progress	Comments
WDS - Landlord Obligations (Lifts)	£10.2m	On going	This programme is running well and is ahead of schedule.

Minor Voids Capitalisation

Status:

Ongoing programme

Type of works:

Capitalisation of voids works

Area	Actual spend to March 2015	Progress	Status / Comments
Minor Voids Capitalisation	£12.1m	On going	Capitalisation of voids works

Minor Voids WDS Works

Status: **Ongoing programme**
 Type of works: **Minor voids works**

Area	Actual spend to March 2015	Progress	Status / Comments
Minor Voids WDS Works	£3.8m	On going	Minor Voids Works

Current Schemes incorporating FRA Moderate and Substantial Contingency

Status: **See breakdown below**
 Type of works: **Incorporated all current schemes at the time of the Warm, Dry and Safe, mainly the FRA programme and the two year programme.**

Area	Actual spend to March 2014	Progress	Status / Comments
Current Schemes	£78m	Complete	All the substantial and nearly all of the original planned higher moderate high rise FRAs works are now complete. There are some delays in 2 year programme due to the ending of the partnering contracts.

FRA works

Comment: The programme to address issues arising from the Fire Risk Assessments for historic blocks is split into two sections: Only spend from 2011/12 onwards would be from the WDS budget.

- a. Substantial blocks; those identified as in need of urgent action

b. Moderate blocks – requiring significant actions to bring to tolerable level

All the substantial risk blocks are now complete and the higher risk medium blocks complete.

Original WDS programmed works	Progress	Risk	No of blocks	Status / Comments
Columbia / Regina	Complete	Substantial	2	
Maydew House	Complete	Substantial	1	
Witcombe Point	Complete	Substantial	1	
Perronet House	Complete	Substantial	1	
Castlemead	Complete	Substantial	1	
Marie Curie	Complete	Substantial	1	
Wickway Court	Complete	Substantial	1	
Aylesbury Smoke Alarms	Complete	Substantial	0	
Crane House	Complete	Substantial	1	
Bradenham & Chiltern	Complete	Substantial	2	
Wendover	Complete	Substantial	2	
Brydale	Complete	Substantial	1	
Hanworth & Trevelyan	Complete	Substantial	2	
Taplow & Missenden	Complete	Substantial	3	
Dodson / Guthrie / Jurston	Complete	Substantial	3	
Aberfeldy / Glenfinlas / Kirwyn	Complete	Substantial	3	
Coniston & Kevan	Complete	Substantial	2	
Rye Hill (30-120) (122-208) (210-296)	Complete	Moderate	3	
Rowland Hill House	Complete	Moderate	1	
Styles House	Complete	Moderate	1	
Casby / Lupin	Complete	Moderate	2	
Prospect House	Complete	Moderate	1	
Crystal Court	Complete	Moderate	1	
Tissington Court FRA Works	Complete	Moderate	1	
Bermondsey & Rotherhithe Package 1	Complete	Moderate	11	
Borough&Bankside & Walworth Package 1	Complete	Moderate	17	

Original WDS programmed works	Progress	Risk	No of blocks	Status / Comments
Borough&Bankside & Walworth Package 2	Complete	Moderate	33	
Netley House	Complete	Moderate	1	
Camberwell & Peckham Package 2	Complete	Moderate	19	
Nunhead & Dulwich Package 1	Complete	Moderate	11	
Fontenelle	Complete	Moderate	1	
Bermondsey & Rotherhithe Package 2	Complete	Moderate	44	
Draper House	Complete	Moderate	1	
Camberwell & Peckham Package 1	Complete	Moderate	20	
Gloucester Grove	Complete	Moderate	7	Funded out of the contingency budget

Sidmouth House has also been added to the programme, now due to start in 2015/16.

2 year programme

Original WDS programmed works	Progress	Status / Comments
Proctor / Flatman/Brisbane Refurbishment	Complete	
63-78 Marchwood Close	Complete	
Crystal Court Refurb	Complete	
Cossall Estate Phase 2	Complete	
Street Properties 11/12	Complete	
Rockingham Estate	Complete	
Sceaux Gardens	Complete	
Draper House refurbishment	Complete	
St Saviours Estate 1b	Complete	
St Saviours Estate 2	Complete	
MW Consort Estate	Complete	
Manor Estate 4	Complete	
John Kennedy House Refurbishment	Complete	

Other Current Schemes

There are a number of other existing schemes that incurred WDS spend largely at the end of the defect period. The council has also completed a borough wide insulation programme.

WDS Contingency

Area	Actual spend to March 2015	Progress	Status / Comments
WDS Contingency	£3.5m	N/A	The majority of the spend is for previously unidentified FRA works at Gloucester Grove (£2.2m) which have been completed and scaffold costs pending works at Portland and Four Squares.

APPENDIX 3

Landlord Obligations (Individual Heating)

Status: **On going programme of boiler replacements**

Type of works: To support the capitalisation of heating works undertaken via the term contractors as part of the ECON contract.

Works area	Planned Start on site Date	Original planned start on site date	Comment
WDS - Landlord Obligations (Individual Heating)	On going Programme	On going Programme	The on going replacement of inefficient boilers is continuing, with a particular focus on the replacement of back boilers.

Landlord Obligations (District Heating)

Status: **On going programme of district heating works**

Type of works: **District Heating Works**

Works area	Planned Start on site Date	Original planned start on site date	Comment
District Heating 15/16	2015/16	2015/16	The 2015/16 schemes are planned to start in 2015/16 with the exception of Acorn.

Scheme	Planned Start on site Date	Original planned start on site date	Comment
District heating works Capitalisation of plant works undertaken via the term contractors	On going programme	On going programme	Spending and works are ahead of schedule.
Helen Gladstone Boiler House boiler and burner	2015/16	2015/16	Due on site in 2015/16

Scheme	Planned Start on site Date	Original planned start on site date	Comment
Stanswood Boiler House boiler and flue	Repaired	2015/16	Repair completed as part of the on going boiler programme
Underhill Road Plant Room boiler	2015/16	2015/16	Due on site in 2015/16
Heron House Boiler House pump and boiler	2015/16	2015/16	Due on site in 2015/16
Barlow Boiler House boiler and burner	2015/16	2015/16	Due on site in 2015/16
Leysdown Boiler House boiler, burner and flue	2015/16	2015/16	Due on site in 2015/16
Minnow Walk Boiler House boiler and flue	2015/16	2015/16	Due on site in 2015/16
Plaxdale Boiler House boiler and flue	Repaired	2015/16	Repair completed as part of the on going boiler programme
Portland Boiler House boiler and flue	2015/16	2015/16	Due on site in 2015/16
Soane House Boiler House boiler, burnera dn flue	2015/16	2015/16	Due on site in 2015/16
Albert Wescott Boiler House boiler and burner	2015/16	2015/16	Due on site in 2015/16
Conant Boiler House boiler and burner	2015/16	2015/16	Due on site in 2015/16
King Charles Court Boiler House boiler and flue	2015/16	2015/16	Due on site in 2015/16
Acorn Mains	2016/17	2015/16	Acorn underground mains was delayed due to the heating redesign as part of a regeneration scheme and works will now commence in 2016/17.

WDS - Landlord Obligations (Electrical Works)

Status: **See individual schemes**

Type of works: **Essential electrical works which have arisen as a result of FRA electrical tests and essential replacement of communal, lateral electrical wiring and associated equipment**

Work area	Planned Start on site Date	Original planned start on site date	Comment
WDS - Landlord Obligations (Electrical Works)	Ongoing Programme	Ongoing Programme	Remaining £5.5m in the budget for FRA electrical works was transferred to the FRA budget. Any remaining electrical works are being carried out alongside the main works.

WDS - Landlord Obligations (Lifts)

Status: **Ongoing programme**

Type of works: **To replace lift parts which have become obsolete, resulting in ever increasing service failures. These works will result in improved lift performance and reliability.**

Work area	Planned Start on site Date	Original planned start on site date	Comment
WDS - Landlord Obligations (Lifts)	Ongoing Programme	Ongoing Programme	A further 10 lifts are planned to be refurbished.

Warm, Dry, Safe Programmes 2015/16

Status: See individual schemes below

Type of works: WDS

Work area	Planned Start on site Date	Original planned start on site date	Comment
Warm, Dry, Safe Estate Properties 15/16	2014/15 - 2015/16	2015/16	Some schemes have started earlier, however the majority of schemes are due to commence in 2015/16.

Estate	Planned Start on site Date	Original planned start on site date	Area	Ward	Comment
ARNOLD ESTATE	2015/16	2015/16	Bermondsey	Riverside	As scheduled.
ASTLEY ESTATE	2015/16	2015/16	Bermondsey	South Bermondsey	As scheduled.
AYLWIN ESTATE	2015/16	2015/16	Bermondsey	Grange	As scheduled.
BURTON HOUSE	2013/14	2015/16	Bermondsey	Riverside	Completed.
CHARLES MACKENZIE	2015/16	2015/16	Bermondsey	Grange	As scheduled.
CHERRY GARDEN ESTATE	2015/16	2015/16	Bermondsey	Riverside	As scheduled.
CHERRY GARDEN HOUSE	2015/16	2015/16	Bermondsey	Riverside	As scheduled.
CHERRY GARDEN STREET	2015/16	2015/16	Bermondsey	Riverside	As scheduled.
COXSON WAY	2015/16	2015/16	Bermondsey	Riverside	As scheduled.
CRANBOURNE HOUSE	2015/16	2015/16	Bermondsey	Riverside	As scheduled.
CREASY ESTATE	2015/16	2015/16	Bermondsey	Grange	As scheduled.
DEVON MANSIONS	2015/16	2015/16	Bermondsey	Riverside	As scheduled.
ELDRIDGE COURT	2015/16	2015/16	Bermondsey	Grange	As scheduled.
FAIR STREET ESTATE	2015/16	2015/16	Bermondsey	Riverside	As scheduled.
FOUNTAIN HOUSE	2015/16	2015/16	Bermondsey	Riverside	As scheduled.
HAROLD ESTATE	2015/16	2015/16	Bermondsey	Grange	As scheduled.

Estate	Planned Start on site Date	Original planned start on site date	Area	Ward	Comment
KEETONS ESTATE	2014/15	2015/16	Bermondsey	Riverside	Internals worked commenced in 2014/15, externals are due in 2015/16.
LEWES HOUSE	Meeting WDS standard	2015/16	Bermondsey	Riverside	Not requiring works to meet the WDS standard.
LONGFIELD ESTATE	2015/16	2015/16	Bermondsey	South Bermondsey	As scheduled.
LYNTON ESTATE	2015/16	2015/16	Bermondsey	South Bermondsey	As scheduled.
MAWBAY ESTATE	2015/16	2015/16	Bermondsey	South Bermondsey	As scheduled.
PETER BUTLER HOUSE	2014/15	2015/16	Bermondsey	Riverside	Completed.
PURBROOK ESTATE	2015/16	2015/16	Bermondsey	Grange	Planned to be brought forward.
ROUEL ROAD ESTATE	2013/14	2015/16	Bermondsey	Grange South Bermondsey	On site completing 2015/16.
SETCHELL ESTATE	2015/16	2015/16	Bermondsey	Grange	Any work to be confirmed.
SOUTHWARK PARK ESTATE	2015/16	2015/16	Bermondsey	Riverside	As scheduled.
SOUTHWARK PARK ROAD	2015/16	2015/16	Bermondsey	Riverside South Bermondsey	As scheduled.
ST CRISPINS ESTATE	2014/15	2015/16	Bermondsey	Riverside	Internals worked commenced in 2015/16.
ST JOHNS ESTATE	2015/16	2015/16	Bermondsey	Riverside	As scheduled.
ST OLAVES ESTATE	2015/16	2015/16	Bermondsey	Riverside	As scheduled.
TANNER HOUSE	2015/16	2015/16	Bermondsey	Grange	As scheduled.
THORBURN SQUARE	2014/15	2015/16	Bermondsey	South Bermondsey	Brought forward due to roof works required
TOWER BRIDGE BUILDINGS	2014/15	2015/16	Bermondsey	Riverside	Started in 2014/15.
WESSEX HOUSE	2015/16	2015/16	Bermondsey	South Bermondsey	As scheduled.
WEST LANE	2015/16	2015/16	Bermondsey	Riverside	As scheduled.
ABBAYFIELD ESTATE	2014/15	2015/16	Rotherhithe	Rotherhithe	Damory / Thaxted only Maydew in 2015/16.

Estate	Planned Start on site Date	Original planned start on site date	Area	Ward	Comment
AINSTY ESTATE	2015/16	2015/16	Rotherhithe	Rotherhithe	As scheduled.
ALBION ESTATE	2015/16	2015/16	Rotherhithe	Rotherhithe	As scheduled.
AYLTON ESTATE	2015/16	2015/16	Rotherhithe	Rotherhithe	As scheduled.
BRADLEY HOUSE	2015/16	2015/16	Rotherhithe	Rotherhithe	As scheduled.
BRAMCOTE GROVE	2015/16	2015/16	Rotherhithe	Livesey	As scheduled.
BRUNEL ESTATE	2015/16	2015/16	Rotherhithe	Rotherhithe	As scheduled.
CANADA ESTATE	2015/16	2015/16	Rotherhithe	Rotherhithe	As scheduled.
CATHAY HOUSE	2015/16	2015/16	Rotherhithe	Rotherhithe	As scheduled.
COURTHOPE HOUSE	2015/16	2015/16	Rotherhithe	Rotherhithe	As scheduled.
DOWNTOWN ESTATE	2015/16	2015/16	Rotherhithe	Surrey Docks	As scheduled.
FRANKLAND CLOSE ESTATE	2015/16	2015/16	Rotherhithe	Rotherhithe	As scheduled.
GOMM ROAD	2015/16	2015/16	Rotherhithe	Rotherhithe	As scheduled.
HENLEY CLOSE	Meeting WDS standard	2015/16	Rotherhithe	Rotherhithe	Found to be meeting WDS standard.
HOWLANDS ESTATE	2015/16	2015/16	Rotherhithe	Rotherhithe	As scheduled.
IRWELL ESTATE	2015/16	2015/16	Rotherhithe	Rotherhithe	As scheduled.
KIRBY ESTATE	2015/16	2015/16	Rotherhithe	Rotherhithe	As scheduled.
MILLPOND ESTATE	2015/16	2015/16	Rotherhithe	Rotherhithe	As scheduled.
PLOUGH ESTATE	2015/16	2015/16	Rotherhithe	Surrey Docks	As scheduled.
PYNFOLDS ESTATE	2015/16	2015/16	Rotherhithe	Rotherhithe	As scheduled.
RISDON HOUSE	2015/16	2015/16	Rotherhithe	Rotherhithe	As scheduled.
SLIPPERS PLACE ESTATE,(FORMERLY ARICA HOUSE)	2015/16	2015/16	Rotherhithe	Rotherhithe	As scheduled.
ST MARYS ESTATE	2015/16	2015/16	Rotherhithe	Rotherhithe	As scheduled.
SWAN ROAD ESTATE	2015/16	2015/16	Rotherhithe	Rotherhithe	As scheduled.

Estate	Planned Start on site Date	Original planned start on site date	Area	Ward	Comment
TISSINGTON COURT	2014/15	2015/16	Rotherhithe	Rotherhithe	Started in 2014/15.
WESTFIELD HOUSE	2015/16	2015/16	Rotherhithe	Rotherhithe	As scheduled.
ALBERT BARNES HOUSE	2015/16	2015/16	Borough & Bankside	Chaucer	As scheduled.
AMIGO HOUSE	2015/16	2015/16	Borough & Bankside	Cathedrals	As scheduled.
AYRES STREET	2015/16	2015/16	Borough & Bankside	Cathedrals	As scheduled.
BANKSIDE EDGAR DEVELOPMENT	2015/16	2015/16	Borough & Bankside	Cathedrals	As scheduled.
BOROUGH ROAD ESTATE	2015/16	2015/16	Borough & Bankside	Cathedrals	As scheduled.
BROOK DRIVE	Meeting WDS standard	2015/16	Borough & Bankside	Cathedrals	Found to be meeting WDS standard.
COOPER CLOSE	2015/16	2015/16	Borough & Bankside	Cathedrals	As scheduled.
DODSON ESTATE	2015/16	2015/16	Borough & Bankside	Cathedrals	As scheduled.
HADDONHALL ESTATE	2015/16	2015/16	Borough & Bankside	Chaucer	As scheduled.
HAYLES BUILDINGS	2015/16	2015/16	Borough & Bankside	Cathedrals	As scheduled.
KELLOW HOUSE	2015/16	2015/16	Borough & Bankside	Chaucer	As scheduled.
LANT ESTATE	2015/16	2015/16	Borough & Bankside	Cathedrals	As scheduled.
MARSHALSEA ESTATE	2015/16	2015/16	Borough & Bankside	Cathedrals	As scheduled.

Estate	Planned Start on site Date	Original planned start on site date	Area	Ward	Comment
PARK STREET ESTATE	2015/16	2015/16	Borough & Bankside	Cathedrals	As scheduled.
ROCHESTER ESTATE	2015/16	2015/16	Borough & Bankside	Cathedrals	As scheduled.
SMEATON COURT	Meeting WDS standard	2015/16	Borough & Bankside	Chaucer	
WEBBER ROW ESTATE	Meeting WDS standard	2015/16	Borough & Bankside	Cathedrals	
ALBANY ROAD	2015/16	2015/16	Walworth	Faraday	As scheduled.
BROCKLEY HOUSE	2015/16	2015/16	Walworth	Faraday	As scheduled.
BROWNING ESTATE	2015/16	2015/16	Walworth	East Walworth	As scheduled.
COMUS HOUSE	2014/15	2015/16	Walworth	East Walworth	Brought forward (packaged with Congreve)
COOKS ROAD	2015/16	2015/16	Walworth	Newington	As scheduled.
DARWIN STREET	2015/16	2015/16	Walworth	East Walworth	As scheduled.
DRAPER ESTATE	2015/16	2015/16	Walworth	Newington	As scheduled.
GAITSKELL HOUSE	2015/16	2015/16	Walworth	Faraday	As scheduled.
GATEWAY ESTATE	2015/16	2015/16	Walworth	Faraday	As scheduled.
HAMPTON HOUSE	2015/16	2015/16	Walworth	Newington	As scheduled.
INVILLE ESTATE	2015/16	2015/16	Walworth	Faraday	As scheduled.
KENNEDY WALK	2015/16	2015/16	Walworth	East Walworth	As scheduled.
KENNINGTON PARK HOUSE	2015/16	2015/16	Walworth	Newington	As scheduled.
KENNINGTON PARK ROAD	2015/16	2015/16	Walworth	Newington	As scheduled.
KINGSTON ESTATE	2015/16	2015/16	Walworth	Faraday	As scheduled.
MANCHESTER HOUSE	2015/16	2015/16	Walworth	East Walworth	As scheduled.
MANOR PLACE	2015/16	2015/16	Walworth	Newington	As scheduled.
MICHAEL FARADAY HOUSE	2015/16	2015/16	Walworth	Faraday	As scheduled.

Estate	Planned Start on site Date	Original planned start on site date	Area	Ward	Comment
MINNOW STREET ESTATE	2015/16	2015/16	Walworth	East Walworth	As scheduled.
NURSERY ROW	2015/16	2015/16	Walworth	East Walworth	As scheduled.
ORB STREET	2015/16	2015/16	Walworth	East Walworth	As scheduled.
PASLEY ESTATE	2015/16	2015/16	Walworth	Newington	As scheduled.
PELIER ESTATE	2015/16	2015/16	Walworth	Newington	As scheduled.
PULLENS ESTATE	2015/16	2015/16	Walworth	Newington	As scheduled.
STOPFORD ROAD	2015/16	2015/16	Walworth	Newington	As scheduled.
BONSOR STREET	2014/15	2015/16	Camberwell	Brunswick Park	Started in 2014/15
BROMAR ROAD	2015/16	2015/16	Camberwell	South Camberwell	As scheduled.
CAMBERWELL GROVE ESTATE	2015/16	2015/16	Camberwell	Brunswick Park South Camberwell	As scheduled.
CASTLEMEAD	2015/16	2015/16	Camberwell	Camberwell Green	As scheduled.
CHAMPION HILL ESTATE	2014/15	2015/16	Camberwell	South Camberwell	Internals started in 2014/15.
CHAMPION PARK ESTATE	2014/15	2015/16	Camberwell	South Camberwell	Internals started in 2014/15.
CRAWFORD ROAD	2014/15	2015/16	Camberwell	Camberwell Green	Internals started in 2014/15.
DOWLAS ESTATE	2014/15	2015/16	Camberwell	Brunswick Park Camberwell Green	Started in 2014/15.
ELMINGTON ROAD	2015/16	2015/16	Camberwell	Brunswick Park	As scheduled.
GILESMEAD	2015/16	2015/16	Camberwell	Brunswick Park	Scheme to follow district heating works.
GOSCHEN ESTATE	2014/15	2015/16	Camberwell	Camberwell Green	Internals started in 2014/15.
GROSVENOR PARK	2015/16	2015/16	Camberwell	Camberwell Green	As scheduled.
GROVE LANE	2015/16	2015/16	Camberwell	Brunswick Park	As scheduled.
HARFIELD GARDENS	2014/15	2015/16	Camberwell	South Camberwell	Internals started in 2014/15.
HILLCREST	2014/15	2015/16	Camberwell	South Camberwell	Internals started in 2014/15.
ONDINE ROAD	2015/16	2015/16	Camberwell	South Camberwell	As scheduled.

Estate	Planned Start on site Date	Original planned start on site date	Area	Ward	Comment
THE BIRCHES	2015/16	2015/16	Camberwell	South Camberwell	As scheduled.
THE LIMES	2015/16	2015/16	Camberwell	South Camberwell	As scheduled.
CASSINGHURST	2015/16	2015/16	Dulwich	Village	As scheduled.
COLLEGE ROAD ESTATE	2015/16	2015/16	Dulwich	College	As scheduled.
COUNTISBURY HOUSE	2015/16	2015/16	Dulwich	College	As scheduled.
CRAWTHEW GROVE	2015/16	2015/16	Dulwich	East Dulwich	As scheduled.
CRYSTAL PALACE ROAD	2014/15	2015/16	Dulwich	East Dulwich	Brought forward.
EAST DULWICH GROVE	2015/16	2015/16	Dulwich	Village	As scheduled.
ELMWOOD ROAD	2015/16	2015/16	Dulwich	Village	As scheduled.
FRIERN ESTATE	2014/15	2015/16	Dulwich	East Dulwich	Brought forward.
GILLIES COURT	2015/16	2015/16	Dulwich	Gillies Court - Sidcup	As scheduled.
HALLIWELL COURT	2015/16	2015/16	Dulwich	East Dulwich	As scheduled.
HERNE HILL ESTATE	2015/16	2015/16	Dulwich	Village	As scheduled.
LORDSHIP LANE	2014/15	2015/16	Dulwich	College	Electricals where required.
LORDSHIP LANE ESTA	Meeting WDS standard	2015/16	Dulwich	College	
LYTCOTT GROVE ESTA	2015/16	2015/16	Dulwich	Village	As scheduled.
MELFORD COURT	2014/15	2015/16	Dulwich	College	Brought forward.
ST DAVIDS MANSIONS	2014/15	2015/16	Dulwich	Peckham Rye	Brought forward.
WOODLAND ROAD ESTATE	2014/15	2015/16	Dulwich	College	Brought forward.
YORK HOUSE	2015/16	2015/16	Dulwich	College	As scheduled.
ARNOLD DOBSON HOUSE	2015/16	2015/16	Nunhead & Peckham Rye	Nunhead	As scheduled.
BARTON CLOSE	Meeting WDS standard	2015/16	Nunhead & Peckham Rye	The Lane	
BRAYARDS ROAD	2015/16	2015/16	Nunhead &	Nunhead	As scheduled.

Estate	Planned Start on site Date	Original planned start on site date	Area	Ward	Comment
			Peckham Rye		
BRIMMINGTON ESTATE	2015/16	2015/16	Nunhead & Peckham Rye	Livesey Nunhead	As scheduled.
CLIFTON CRESCENT	2015/16	2015/16	Nunhead & Peckham Rye	Livesey	As scheduled.
CONSORT ROAD	Meeting WDS standard	2015/16	Nunhead & Peckham Rye	The Lane	
COPLESTON ROAD	2015/16	2015/16	Nunhead & Peckham Rye	The Lane	As scheduled.
DANIELS ROAD	2015/16	2015/16	Nunhead & Peckham Rye	Nunhead	As scheduled.
EAST DULWICH ROAD	2015/16	2015/16	Nunhead & Peckham Rye	Peckham Rye The Lane	As scheduled.
EVELINA ROAD	2015/16	2015/16	Nunhead & Peckham Rye	Nunhead	As scheduled.
FENWICK ROAD	2015/16	2015/16	Nunhead & Peckham Rye	The Lane	As scheduled.
GAUTREY ROAD	2015/16	2015/16	Nunhead & Peckham Rye	Nunhead	As scheduled.
GOWLETT ROAD	2015/16	2015/16	Nunhead & Peckham Rye	The Lane	As scheduled.
HANOVER PARK	2015/16	2015/16	Nunhead & Peckham Rye	The Lane	As scheduled.
HEATON HOUSE	2014/15	2015/16	Nunhead & Peckham Rye	The Lane	Brought forward.
HOLLYDALE ROAD	2015/16	2015/16	Nunhead & Peckham Rye	Nunhead	As scheduled.
HONOR OAK RISE	2015/16	2015/16	Nunhead & Peckham Rye	Peckham Rye	As scheduled.
KIRKWOOD ROAD	2015/16	2015/16	Nunhead &	Nunhead	As scheduled.

Estate	Planned Start on site Date	Original planned start on site date	Area	Ward	Comment
			Peckham Rye		
LIMES WALK	2015/16	2015/16	Nunhead & Peckham Rye	Peckham Rye	As scheduled.
LINDEN GROVE	2014/15	2015/16	Nunhead & Peckham Rye	Peckham Rye	Brought forward.
LINDEN GROVE ESTAT	2014/15	2015/16	Nunhead & Peckham Rye	Nunhead	Brought forward.
MAXDEN COURT	2015/16	2015/16	Nunhead & Peckham Rye	The Lane	As scheduled.
MONCRIEFF ESTATE	2015/16	2015/16	Nunhead & Peckham Rye	The Lane	As scheduled.
MUNDANIA ROAD	2015/16	2015/16	Nunhead & Peckham Rye	Peckham Rye	As scheduled.
NEW JAMES STREET ESTATE	2015/16	2015/16	Nunhead & Peckham Rye	The Lane	As scheduled.
NUNHEAD ESTATE	2015/16	2015/16	Nunhead & Peckham Rye	Peckham Rye The Lane	As scheduled.
OAK HILL COURT	2015/16	2015/16	Nunhead & Peckham Rye	Peckham Rye	As scheduled.
OLIVER GOLDSMITH ESTATE	2015/16	2015/16	Nunhead & Peckham Rye	The Lane	As scheduled.
PHILIP WALK	2015/16	2015/16	Nunhead & Peckham Rye	The Lane	As scheduled.
POMEROY STREET	2015/16	2015/16	Nunhead & Peckham Rye	Nunhead	As scheduled.
QUEENS ROAD ESTATE	2015/16	2015/16	Nunhead & Peckham Rye	Nunhead	As scheduled.
RAUL ROAD	2015/16	2015/16	Nunhead & Peckham Rye	The Lane	As scheduled.
REEDHAM STREET	2015/16	2015/16	Nunhead &	The Lane	As scheduled.

Estate	Planned Start on site Date	Original planned start on site date	Area	Ward	Comment
			Peckham Rye		
RUSSELL COURT	2015/16	2015/16	Nunhead & Peckham Rye	The Lane	As scheduled.
RYE HILL ESTATE	2014/15	2015/16	Nunhead & Peckham Rye	Peckham Rye	Brought forward.
SASSOON HOUSE	2015/16	2015/16	Nunhead & Peckham Rye	Nunhead	As scheduled.
SOLOMONS PASSAGE	2015/16	2015/16	Nunhead & Peckham Rye	Peckham Rye	As scheduled.
ST MARYS ROAD	2015/16	2015/16	Nunhead & Peckham Rye	Nunhead	As scheduled.
STANBURY ROAD	2015/16	2015/16	Nunhead & Peckham Rye	Nunhead	As scheduled.
TAPPEFIELD ESTATE	2015/16	2015/16	Nunhead & Peckham Rye	Nunhead	As scheduled.
THERAPIA ROAD	2015/16	2015/16	Nunhead & Peckham Rye	Peckham Rye	As scheduled.
UNDERHILL ROAD	Fire safety works	2015/16	Nunhead & Peckham Rye	Peckham Rye	Works through sheltered programme.
WHORLTON ROAD	2015/16	2015/16	Nunhead & Peckham Rye	The Lane	As scheduled.
CARLTON GROVE	2014/15	2015/16	Peckham	Livesey	Brought forward.
CAROLINE GARDENS	2015/16	2015/16	Peckham	Livesey	As scheduled.
CATOR STREET	2014/15	2015/16	Peckham	Peckham	Brought forward.
DAVEY STREET	2014/15	2015/16	Peckham	Peckham	Brought forward.
FRIARY ESTATE	2014/15	2015/16	Peckham	Livesey	Brought forward.
FRIARY ROAD	2015/16	2015/16	Peckham	Livesey	As scheduled.
GERVASE STREET	2015/16	2015/16	Peckham	Livesey	As scheduled.

Estate	Planned Start on site Date	Original planned start on site date	Area	Ward	Comment
GLOUCESTER GROVE ESTATE	2014/15	2015/16	Peckham	Peckham	Brought forward.
KINGS GROVE	2014/15	2015/16	Peckham	Livesey	Brought forward.
LEDBURY ESTATE	2015/16	2015/16	Peckham	Livesey Peckham	As scheduled.
MONTPELIER ROAD	2014/15	2015/16	Peckham	Livesey	Brought forward.
NAYLOR ROAD	2014/15	2015/16	Peckham	Livesey Peckham	Brought forward.
NORTH PECKHAM ESTATE	2014/15	2015/16	Peckham	Peckham	Brought forward.
OLIVER GOLDSMITH ESTATE	2015/16	2015/16	Peckham	Peckham	As scheduled.
SUMNER ROAD	2014/15	2015/16	Peckham	Peckham	Brought forward.
UNWIN ESTATE	2015/16	2015/16	Peckham	Livesey	As scheduled.
WILLOWBROOK ESTATE	2014/15	2015/16	Peckham	Peckham	Brought forward.

Warm, Dry, Safe Street Properties

Status: See individual schemes below
Type of works: WDS

Area	Planned Start on site Date	Original planned start on site date	Area	Ward	Comment
WDS Street Properties 15/16	2015/16	2015/16	Various	Various	15/16 street properties programmes are in 5 batches, one of which started on site with the other 4 batches starting in 2015/16.

Hawkstone Refurbishment

Status: Hawkstone low rise expected on site in 2013/14
Type of works: WDS

Area	Planned Start on site Date	Original planned start on site date	Comment
Hawkstone Refurb	2013/14	2015/16	Hawkstone Low Rise internal started in 2013/14 with the externals starting in 2014/15.

Maydew Refurbishment

Status: **Not started**
Type of works: **WDS**

Area	Planned Start on site Date	Original planned start on site date	Comment
Maydew Refurb	2015/16	2015/16	Maydew expected to start late in 2015/16.

Minor Voids Capitalisation

Status: **Ongoing programme**
Type of works: **Capitalisation of voids works**

Area	Planned Start on site Date	Original planned start on site date	Comment
Minor Voids Capitalisation	Ongoing Programme	Ongoing Programme	Capitalisation only.

Minor Voids WDS Works

Status: **Ongoing programme**
Type of works: **Minor voids works**

Area	Planned Start on site Date	Original planned start on site date	Comment
Minor Voids WDS Works	Ongoing Programme	Ongoing Programme	Minor voids works.

Works to Sheltered Accommodation

APPENDIX 4

Status: **Ongoing programme**
 Type of works: **Warm, dry and Safe, Fire Safety works, decorations, boilers**

The works programmes for the borough's twenty Sheltered Housing Units includes fire safety upgrades (front and communal doors; ceiling renewal; fire stopping and escape routes), installation of sprinkler systems, and communal internal and external decorations, along with remedial work as necessary. Work is also being carried out to renew boilers and pipework. Where these works have been identified as overlapping with the scope of the Warm, Dry and Safe programmes, the packages are being coordinated to minimise resident disruption.

Sheltered Scheme	Area	Ward	Works being undertaken	Start on site / note
Jack Jones House	Nunhead & Peckham Rye	The Lane	Fire doors and upgrades Interior decorations Minor external decorations WDS works (electrics) / some kitchens / bathrooms Sprinkler system	Complete Complete Complete 2015/16 2015/16
George Walter Court	Rotherhithe	Livesey	Fire doors and upgrades; Interior decorations; WDS works (kitchens/bathrooms; electrics); Sprinkler system Boilers (part of SELCHP)	Complete Complete Complete In progress
Russell Court	Nunhead & Peckham Rye	The Lane	Fire doors and upgrades; Interior decorations; Minor external decorations WDS works (electrics) Sprinkler system	Complete Complete Complete 2015/16 Complete
Barset	Nunhead & Peckham Rye	Nunhead	Fire doors and upgrades; Interior decorations; Minor external decorations WDS works (electrics) Sprinkler system	Complete Complete Complete 2015/16 In progress
King Charles Court	Walworth	Newington	Fire doors and upgrades; interior decorations;	Complete Complete

Sheltered Scheme	Area	Ward	Works being undertaken	Start on site / note
			WDS works (kitchens/bathrooms; envelope; electrics) sprinkler system; damp remedial work Boilers	Complete Complete Complete 2015/16
Ray Gunter	Walworth	Newington	Fire doors and upgrades; Minor external decorations; WDS works; sprinkler system	Complete Complete Complete In progress
Brook Drive	Borough & Bankside	Cathedrals	Fire doors and upgrades; Minor external decorations; WDS works; sprinkler system	In progress In progress In progress In progress
Keetons	Bermondsey	Riverside	Fire doors; WDS works (kitchens/bathrooms; envelope; electrics) sprinkler system	2015/16 K / B complete 2015/16
Lew Evans	Nunhead & Peckham Rye	Peckham Rye	Fire doors and upgrades; Sprinkler system; Minor external decorations; Boilers	Complete 2015/16 2015/16 2015/16
Lucy Brown	Borough & Bankside	Cathedrals	Fire doors and upgrades; WDS works (kitchens/bathrooms; envelope; electrics) sprinkler system; Minor external decorations;	Complete By 2015/16 By 2015/16 By 2015/16
Consort	Nunhead & Peckham Rye	The Lane	WDS works (kitchens/bathrooms; envelope; electrics) Sprinkler system	Complete 2016
Cossall	Nunhead & Peckham Rye	Nunhead	WDS works (kitchens/bathrooms; envelope; electrics) Sprinkler system	Complete 2015/16
Hughes House	Walworth	Newington	WDS works (kitchens/bathrooms; envelope; electrics) Fire doors and upgrades; sprinkler system Boiler	Complete Complete Complete
Locksfield	Walworth	East Walworth	Fire doors and upgrades; WDS works (kitchens/bathrooms; envelope; electrics);	2015/16 In progress

Sheltered Scheme	Area	Ward	Works being undertaken	Start on site / note
			sprinkler system Boiler	2015/16 Complete
D'Eynesford	Camberwell	Camberwell Green	Fire doors and upgrades; WDS works (kitchens/bathrooms; envelope; electrics); Sprinkler system	Complete 2015/16 2015/16
Rock Grove	Bermondsey	South Bermondsey	Fire doors and upgrades; WDS works (kitchens/bathrooms; envelope; electrics); sprinkler system Boilers (part of SELCHP)	2015/16 2015/16 2015/16
Marden	Bermondsey	Riverside	Fire doors and upgrades; WDS works (kitchens/bathrooms; envelope; electrics); Sprinkler system Boilers (part of SELCHP)	Complete Complete 2015/16
Grosvenor Park	Camberwell	Camberwell Green	Fire doors and upgrades; WDS works; sprinkler system	2015/16 2015/16 2015/16
Harry Lambourn	Peckham	Livesey	Fire doors and upgrades; WDS works; sprinkler system	In progress In progress In progress
Pedworth	Rotherhithe	Rotherhithe	Fire doors and upgrades; WDS works; sprinkler system Boilers (part of SELCHP)	In progress In progress In progress

Item No. 13.	Classification: Open	Date: 15 September 2015	Meeting Name: Cabinet
Report title:		Families Matter	
Ward(s) or groups affected:		All	
Cabinet Member:		Councillor Victoria Mills, Children and Schools	

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

We believe in giving all our young people the best start in life. We want them to be in a safe, stable and healthy environment where they have the opportunity to develop, make choices and feel in control of their lives and future.

We want to offer our young people and families the right support at the right time, from their early years through to adolescence and into adult life. By giving families help earlier, when problems first start to emerge, we can not only prevent the need for the most costly and intensive interventions, we can ensure that our children get the best start in life, so that they are able to go on to be happy and successful young adults. Families Matter sets out our approach to achieving this.

RECOMMENDATION

1. That cabinet agree the Families Matter strategy and implementation plan.

BACKGROUND INFORMATION

2. As part of the Council Plan’s “Best Start in Life” theme, the council made a commitment to invest more in ‘early support’ for families.
3. ‘Early support’ means giving families the right support at the right time, whether help is needed in a child’s early weeks, months and years of life, or whether a problem emerges in a child’s teenage years.
4. The development of Families Matter builds on the Children and Young People’s Plan published in 2013, which as one of its three transformation priorities, made a commitment to ensuring children, young people and families access the right support at the right time.

KEY ISSUES FOR CONSIDERATION

5. The aim of the Families Matter is to resolve problems at the point of need, before problems escalate, reducing the need for intervention by acute Children’s Social Care services and achieving better outcomes for children and families.
6. Families Matter sets out the continuum of care that families can access, from universal services, such as children’s centres and schools, to targeted services for families with more complex needs and specialist children’s social care for the most serious cases.

7. Through Families Matter, we will ensure that pathways and thresholds for different levels of support are clear and understood by all partners.
8. Families Matter provides Southwark's response to the national early help agenda and encompasses our local delivery of the national Troubled Families programme.
9. It is based on the principle that the most effective approach is to take a holistic view of the family and offer coordinated support to help them tackle their interconnected problems.
10. It is important that we are able to show how the services we offer to families are making a difference and so Families Matter has a clear set of outcomes that reflect our ambition for all Southwark families.
11. These outcomes are across five key themes:
 - healthy living;
 - keeping safe;
 - achieving and attaining;
 - contributing to the community; and
 - preparing for work and financial stability.
12. As well as demonstrating better outcomes for the individual families we support, we will evidence the effectiveness of Families Matter against a number of key measures, including the number of children needing the support of statutory safeguarding services, the number first time entrants into the criminal justice system and the number of young people in education, training and employment.
13. Progress with Families Matter will be monitored by the Council and its partners in a multi-agency approach, with the Southwark Safeguarding Children Board providing challenge in ensuring that the early support provided to children and families is effective in improving safeguarding of children and young people.

Policy implications

14. Policy reports over recent years, including the Graham Allen review of Early Intervention, the Munro Review of Child Protection and statutory guidance on Working Together to Safeguard Children all confirm the same message that holistic, integrated support for families is key to transforming lives.
15. The Health and Social Care Act 2012 requires every local authority to establish a Health and Wellbeing Board to bring together local leaders in health and social care and join up the commissioning and delivery of local services.
16. Southwark's Health and Wellbeing Strategy, overseen by the Health and Wellbeing Board has as one of its few key priorities, 'Giving every child and young person the best start in life'. This reflects and is informed by the Children and Young People's Plan published in 2013, which set out the commitment to helping every local child, young person and family to thrive.
17. The Southwark Safeguarding Children Board has supported the development of the Families Matter approach as a major avenue for preventing and tackling child neglect, one of the Board's key priorities.

Community impact statement

18. Families Matter has been developed through extensive engagement with practitioners, partners, the voluntary sector, parents, carers and young people.
19. The delivery of Families Matter as the basis of our approach to supporting children, young people and families will ensure that vulnerable families get the right help at the right time.
20. A key underpinning principle of Families Matter will be to ensure that policy and practice embeds consideration of equalities and human rights throughout our services.
21. We continue to mainstream equalities in all aspects of the work such as needs assessment, stakeholder engagement and performance monitoring.

Resource implications

22. The delivery of Families Matter will be supported by existing resources available within both the local authority and partners.
23. As the approach proposes joint working within existing resources, there are no immediate financial implications over and above existing allocated funds.
24. In delivering early support to families in the current financial context, we will ensure that services and interventions are evidence based, cost effective and efficient.
25. Families Matter aims to ensure that services are co-ordinated around the family, so that services work together in a seamless way and do not duplicate or cut across each other.
26. We expect to avoid costs for the local authority and other public services over time through intervening earlier to help families and preventing the need for more costly interventions in future.

Legal implications

27. Local authorities have overarching responsibility for safeguarding and promoting the welfare of all children and young people in their area.
28. Government guidance states that in addition to high quality support in universal services, specific local early help services will typically include family and parenting programmes, assistance with health issues and help for problems relating to drugs, alcohol and domestic violence. Services may also focus on improving family functioning and building the family's own capability to solve problems; this should be done within a structured, evidence-based framework involving regular review to ensure that real progress is being made (*Working together to safeguard children: A guide to inter-agency working to safeguard and promote the welfare of children*, March 2015).
29. In order to fulfill its statutory functions under Regulation 5 of the Local Safeguarding Children Boards Regulations 2006, the Southwark Safeguarding Children Board should assess the effectiveness of the early help being provided to children and families.

Consultation

30. In 2013, the Children and Young People's Plan was published, following consultation with more than 1,000 children, young people, their families and carers, who in the report, *1,000 Journeys* talked about what they thought was important and what they wanted from services to help them thrive. Families Matter builds on the 'Best start' priority' within the plan, focusing on ensuring the right intervention at the right time when children and families need support.
31. A further consultation asking Southwark residents to tell their stories about health and wellbeing took place in 2014, resulting in the *1,000 Lives* report. These stories from children, young people, parents and carers have informed Families Matter.
32. Throughout the development of Families Matter, extensive engagement has taken place with practitioners and with partners, including a well attended multi-agency event for stakeholders in April, events in each of the early help localities in June and engagement events for key stakeholders, including head teachers and the voluntary sector. Parents who have used Southwark's early support services were interviewed in April and May.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
1,000 Journeys	Children's and Adults' Services Southwark Council 160 Tooley Street London SE1 2QH	Rachel Flagg: Rachel.flagg@southwark.gov.uk
Link: http://www.southwark.gov.uk/info/200165/southwarks_children_and_families_trust/1484/children_and_young_peoples_plan		
1,000 Lives	Children's and Adults' Services Southwark Council 160 Tooley Street London SE1 2QH	Rachel Flagg: Rachel.flagg@southwark.gov.uk
Link: http://www.southwark.gov.uk/downloads/download/3570/joint_health_and_wellbeing_strategy_2013-14		
Children and Young People's Plan	Children's and Adults' Services Southwark Council 160 Tooley Street London SE1 2QH	Rachel Flagg: Rachel.flagg@southwark.gov.uk
Link: http://www.southwark.gov.uk/info/200165/southwarks_children_and_families_trust/1484/children_and_young_peoples_plan		

APPENDICES

No.	Title
Appendix 1	Families Matter Strategy
Appendix 2	Families Matter Implementation Plan

AUDIT TRAIL

Cabinet Member	Councillor Victoria Mills, Cabinet Member for Education and Schools	
Lead Officer	David Quirke-Thornton, Strategic Director for Children's and Adults' Services	
Report Author	Merril Haeusler, Director of Education	
Version	Final	
Dated	4 September 2015	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
	Officer Title	Comments sought
	Director of Legal Services	Yes
	Strategic Director of Finance and Corporate Services	Yes
	Head of Safeguarding & Community Services Legal Team	Yes
	Interim Departmental Finance Manager (Children's and Adults' Services)	Yes
	Cabinet Member	Yes
	Date final report sent to Constitutional Team	4 September 2015
		Comments included
		No
		No
		Yes
		Yes
		Yes

APPENDIX 1

**Southwark's Families Matter**

The Early Help Strategy, empowering every child, young person and family to live happy, fulfilling lives in their local community

2015-2020

**Southwark Children, Young People and Families**



We have high ambitions for children, young people and families in Southwark. We believe that everyone should have the opportunity to achieve their full potential and local services should empower and support our residents to thrive. We have called our approach *Families Matter* because a safe, nurturing and stable family environment is the most important factor in a child's life. By taking a whole-family approach and supporting parents, as well as children as early as possible, we believe we can improve outcomes for all Southwark families. Although there are different services for different levels of need, we want all children, young people and families within Southwark to feel they are receiving support from a single service that seamlessly provides the help they need as quickly as possible. We will work closely together across the Council and with local partners in health, other services, the voluntary sector and the community to achieve this vision. This work compliments Southwark Council's Fairer Future ambition which has its core principles.

- 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 vision for families in Southwark is that:

All Southwark families lead safe, healthy lives, fulfilling their ambitions and achieving their potential. Every child, young person and family that needs help gets the right support at the earliest possible time, whether in the early years, at school or in adolescence.

Councillor Victoria Mills
Cabinet Member for Children and Schools

Introduction

This paper outlines the *Families Matter* strategy, developed for Southwark as a means to meet our ambitions for all Southwark Children and Families. The paper:

- defines what we mean by our Families Matter approach and the values and principles that underpin the planning, commissioning and delivery of services.
- outlines the national and local policy context for our work with children, young people and families.
- describes our *Families Matter* offer for delivering high quality, effective services to local children, young people and families and how they can be accessed
- sets out how we will measure the impact of our strategy on outcomes for children, young people and families and how we will identify future areas for improvement.

To develop this strategy we have gathered evidence from a number of sources to tell us what we are doing well and what we need to change. We have:

- analysed the evidence that we have on the needs of our population and service users alongside current performance
- used feedback from engagement with over 1000 children, young people and families which is available separately in *1,000 Journeys* and *1,000 Lives*.
- consulted with staff, partners and parents on existing services.
- gathered best practice examples from regular horizon scanning, other local authorities and the Early Intervention Foundation to inform our approach.

National and local policy context

We know that it is far more effective to provide early help to promote and safeguard the welfare of children, young people and families than it is to react later when problems have already reached crisis level. It is now commonly accepted that in order to achieve this, organisations need to work in partnership both with each other and with their local communities to provide consistent and integrated support.

Helping families at an early point of need has been at the heart of national policy for children over the last decade. Key policy reports such as the Graham Allen review of Early Intervention, the Munro Review of Child Protection and statutory guidance on Working Together to Safeguard Children all confirm the same message that holistic, integrated support for children, young people and families is key to transforming lives.

Recent policy changes have further embedded the importance of integrating services to support children, young people and families.

- The Health and Social Care Act 2012 requires every local authority to establish a Health and Wellbeing Board to bring together local leaders in health and social care and join up the commissioning and delivery of local services. The Special Educational Needs and Disability reforms through the Children and Families Act 2014 have introduced new statutory responsibilities for joint health and local authority commissioning arrangements for these services. Through use of various funding initiatives the government has also promoted local projects which harness the involvement of the community and voluntary sector and strengthen partnership working between agencies.
- Responsibility for health commissioning for 0-5 year-olds is now the responsibility of the local authority. Alongside existing local authority responsibilities for children's centres and school nursing, this provides a further opportunity to establish a more holistic approach for services for children and families.

Southwark's **Health and Wellbeing Strategy**, overseen by the Health and Wellbeing Board has as one of its few key priorities, 'Giving every child and young person the best start in life'. This reflects and is informed by the **Children and Young People's Plan** published in 2013, which set out the commitment to helping every local child, young person and family to thrive, in particular through providing them with the right support at the right time, from early years to adolescence, and ensuring that our most vulnerable children and families receive timely, purposeful support that brings safe, lasting and positive change. The **Southwark Safeguarding Children Board** (SSCB) has a statutory responsibility to assess the effectiveness of the help being provided to children and families including help provided at the earliest possible time. The Southwark Safeguarding Children Board has supported the development of the Families Matter approach as a major avenue for preventing and tackling child neglect, one of the Board's key priorities.

Southwark **Clinical Commissioning Group** is working in partnership with the Local Authority to develop a **Southwark Children and Young People's Strategy** which will provide the strategic direction and intentions for children and young people in the commissioning and delivery of health and social care needs. This will be closely aligned with *Families Matter* to ensure that health services directly contribute to the achievement of the shared outcomes set out in this strategy.

What is Families Matter?

Families Matter is Southwark's approach to delivering services for children, young people and families to ensure that they are provided with the right support at the right time to prevent problems from escalating to higher levels of intervention at greater detriment to their wellbeing. We want to ensure that children, young people and

families receive the best possible support at times of need in order to address and resolve issues rapidly and effectively.

Families Matter aims to improve outcomes across a range of domains including emotional, educational, physical and mental health and to reduce the need for statutory intervention through child protection and care proceedings.

Families Matter builds upon and develops the strengths of our existing, successful provision and clarifies pathways and thresholds to remove any barriers to providing effective and timely support to children, young people and families ensuring it is clearly targeted towards specific levels of need.

Families Matter incorporates Southwark's response to the national Troubled Families programme which was introduced by the Government in April 2012 and expanded in 2015 to incentivise local authorities to turn around the lives of families with complex problems. It will incorporate the payment-by-results element of the Troubled Families programme while continuing to ensure that all services are underpinned by the principles of good family intervention, which are:

- a dedicated key worker or lead professional
- practical, 'hands-on support' for families
- a persistent, assertive and challenging approach
- considering the family as a whole; and
- common purpose and agreed action across agencies.

This approach is based on the following principles:

- The role of all services working with children, their parents/carers and families is to ensure that their life chances are maximised, especially those who are potentially disadvantaged.
- Parents have primary responsibility for and are the main influence on their children. Our role is therefore to strengthen parenting ability whilst steadfastly remaining vigilant with regards to our duty of safeguarding vulnerable children and young people.
- The best way of helping people is to help them help themselves. Our role is to support families to be self-reliant, to become less dependent on public services, and to take control of their own outcomes.
- Intervening early prevents longer term, more costly and more damaging problems later. We will therefore invest in early help and targeted services so that we see fewer children requiring specialist services.

- There should be a clear expectation about referral to statutory services where the needs of the child or family indicate that this is appropriate.
- Our strategy for early help will be based on clear and obvious routes to support services according to need.
- Children's needs are best met when addressed in the context of the whole family. Services should therefore work with families in an integrated and holistic way.
- Decisions about what is commissioned and delivered will be evidence based. We will also look to use both quantitative and qualitative measures of the impact of services (this will include user satisfaction) to inform the resources we provide.
- Agencies will work within the legal framework of the Equality Act 2010 and will ensure that all services are delivered in a way which represents, serves and employs people as equals. They will work with children and families to promote a positive sense of identify and recognise and value difference, ensuring that children and family's needs are recognised, responded to and reflected in our workforce.

The approach features:

- recognition that universal settings within the local community are usually the best place for children, young people and families to receive early support;
- preventative services that will reduce the risk of abuse and neglect and eliminate frustration in families that need to access help;
- a joined up approach to working with families, where they tell their story once, and there are clear internal processes for movement between different services;
- rapid response to an arising need and a commitment to resolving issues at point of need to avoid escalation;
- clear pathways and thresholds of support;
- a commitment to working with families to identify problems and agree on actions that will enable them to raise their children safely and successfully;
- locality-based support and delivery of high quality integrated and co-located services and support
- commitment to a lead professional approach where the most suitable professional coordinates a Team Around the Family where this is required
- openness in requesting and receiving professional advice and support coordination and integration of all providers to maximise efficiencies and effectiveness

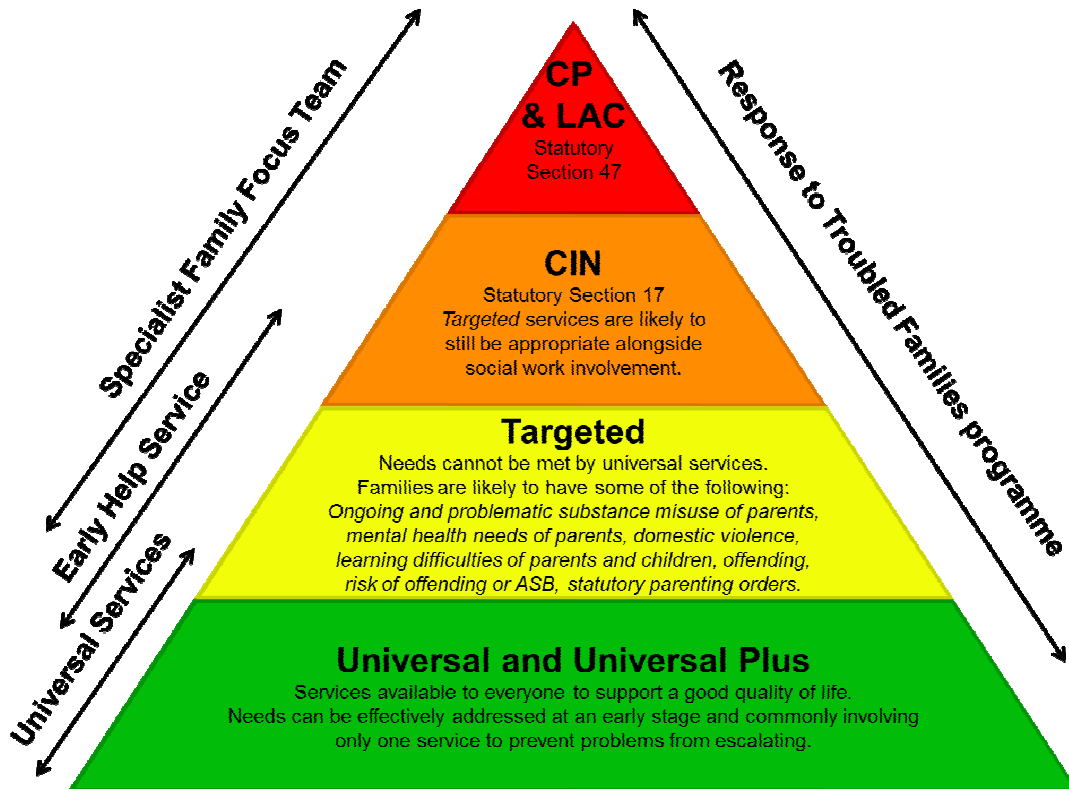
Delivery of the Service

Families Matter is delivered through a tiered approach ranging from children, and families with little or no additional needs to those requiring intensive support from Children's Social Care. To achieve this, there is a continuum of care that ensures that those who require support at varying levels of intensity receive a seamless service and that support continues to be provided for those who no longer need a statutory intervention (eg. children leaving care or no longer subject to a Child Protection Plan). We call this the 'tiered approach'.

Families Matter ensures that there is a range of service availability at every tier of support.

- **Effective and accessible universal services from 0-19 years**, including support from children's centres, providers of early years' learning, primary and secondary education, health services, youth services. GP's, Health Visitors and a range of services designated to enhance resilience and contribute to the overall wellbeing of all Southwark families in children, young people and families. If delivery and support is right at this stage, the need for more targeted support should reduce.
- **Services which provide prompt support when problems first emerge** where early resolution decreases the risk of the problem escalating to a higher, more serious level of need, or becomes entrenched, and thus more difficult to resolve.
- **More intensive services** which reduce the number of children and young people who are risk of significant harm and enabling more children and young people to live at home with their families.
- **Statutory Children's Social Care services** for children and young people at risk of or experiencing serious harm, and for higher risk families, whose needs are more complex and require statutory or specialists services.

The visual representation below indicates the different levels of support that are available to respond to the needs of children, young people and families for a range of reasons. We appreciate that these levels are not finite as families may move between these levels of support at different times, all teams and field workers appreciate the importance of working in an integrated way with partners whose skills and expertise come from all levels of support



Tier One: Universal and Universal Plus

The Universal level reflects our commitment to deliver high quality services for all residents of Southwark regardless of their level of need. These are open access services and are the platform for all of Southwark's children, young people and families to enjoy their entitlement to a safe, happy and fulfilling life experience. The services provided at this level help children, young people and families to develop resilience which enables them to manage their own needs alongside the support of friends, extended family, community and faith groups.

Sometimes a child, young person or family may face a specific challenge and need a little more help. Often this can be provided by specific services offered in universal settings that already have a working relationship with the child, young person or family, for example a school, Children's Centre or GPs' surgery. This is what we call Universal Plus provision.

Tier Two: Targeted Support (Early Help Service and Specialist Family Focus Team)

Sometimes a child, young person or family faces a number of different problems at the same time and requires more support to resolve them. Where needs escalate beyond the level that universal services can address, a range of targeted services are provided in partnership with others to continue to address problems as soon as they emerge and prevent them from escalating. The Local Authority services that operate at this level are the Early Help Service and Specialist Family Focus Team, working collaboratively with a range of partners including schools, early years'

settings, children's centres, health professionals, criminal justice professionals and the voluntary sector.

The Early Help Service operates four locality-based teams comprising Educational Welfare Officers, CAMHS Specialists, Family Support Officers; Early Years Support Officers and a Social Worker. School nurses and Educational Psychologists are also aligned with the locality teams. The teams link directly into Children's Centres for early years' intervention and support, and to primary and secondary schools providing support to families on matters including attendance, exclusions, SEN advice and support, and behaviour support.

The Specialist Family Focus Team (SFFT) focuses on the more complex cases which require intensive specialist support. It works with families to resolve family crisis. The team comprises Outreach and Family Intervention Project keyworkers, Parenting Coordinators, Rapid Response keyworkers, an Adult Mental Health and Substance Misuse practitioner and a Specialist Community Nurse, all supervised by a social work management team. There are also three voluntary sector organisations located with the team who provide intensive parenting and family work in the home or within group settings.

Tier 3: Children in Need

Services at the Children in Need level of the model focus predominantly on the delivery of services to children, young people and their families where risks are greater and where longer term support may be necessary.

A child in need (CIN) is a child who is unlikely to achieve or maintain a satisfactory level of health or development, or their health and development will be significantly impaired without the provision of services; or a child who is disabled. Children who are privately fostered, who are seeking asylum or whose parents are in prison are also classed as children in need. The majority of cases allocated to Children's Social Care are at Child in Need level and social work intervention at this level is carried out in agreement with the child's parents/carers.

The service provided at CIN level includes an allocated social worker, a social work Single Assessment, a multi-agency Child in Need network and a Child in Need support plan with outcomes and goals. The support plan involves a number of agencies and specific interventions.

Tier 4: Child Protection and Looked After Children

The Child Protection and Looked After Children level of support encompasses statutory Child Protection, and services for children looked after by the local authority.

A child in need of protection is a child that is suffering, or is likely to suffer, significant harm. The local authority investigates under Section 47 of the Children Act 1989. If the significant harm or the risk of significant harm is evident, a child protection

conference takes place and a Core Group is established. Child Protection Conferences are chaired independently of the social work group holding the case. The conference agrees a multi-agency child protection strategy which is subject to regular and rigorous review.

A child will be taken into local authority care either following court order, or with parental consent (Section 20), in cases where the child's safety cannot be maintained in the family home, even with statutory child protection intervention. A multi agency care plan is agreed and closely monitored, with specific contributions from all partners.

Key Outcomes

We want to improve the lives of children, young people and families in Southwark across five key themes.

Healthy Living

Good health and wellbeing, including addressing mental and physical health, take up of immunisations, dental care and reduction in unhealthy weight.

Keeping safe

Parents are able to parent effectively; children are not at risk of neglect, abuse or sexual exploitation in the home, at school or within the community.

Achieving and Attaining

Children go to nursery or school, their attendance is good and they are able to behave and achieve well. Children leaving school are in further education, training or apprenticeships.

Contributing to the community

Families are taking part in positive activities, feel part of their local community and contributing where they can.

Preparing for work and financial stability

Parents and young people have access to training and qualifications and are supported to find and maintain stable jobs. Families are able to manage their money and reduce debt.

The key measures of success which will evidence the benefits to families include:

- A reduction in the number of children needing the support of statutory safeguarding services via referrals to children's social care.
- A reduction in the number of children needing to be taken into care.
- A reduction in first-time entrants into the criminal justice system.
- More children being supported to live safely at home with their families leading to fewer numbers in care.

- Cost reductions in the budgets of statutory and specialist services due to a reduction in demand measured over a longer term period (5 years).
- Maintaining our positive achievements in by having more young people in in education training or employment and fewer experiencing teenage pregnancy.
- Take-up of universal/ mainstream support for families with a child with special educational needs and disability. Meeting the needs of children with SEND through appropriate targeted services in the community wherever possible.
- Narrowing the gap between children achieving well on the early years foundation stage and those doing less well.
- Qualitative feedback from children and families gathered on a quarterly basis supported via our participation strategy.

We want to be sure our services are meeting need and making a difference.

Service Outcomes

- Percentage of service users who say that their situation has improved.
- Number of step downs from social care to a lower tier of support
- The number of cases managed by social care at Tier 4
- Percentage of troubled families “turned around”
- Percentage of audited cases that are judged to be good or outstanding
- Percentage of Children’s Centres rated good or outstanding
- The progress and attainment of Southwark’s children and young people in schools
- Percentage of cases where measurable progress has been observed at last review point
- Percentage of those receiving a service that are satisfied with the service they receive

The Importance of Partnership

The critical features of an effective early help offer include a multi-disciplinary approach that brings a range of professional skills and expertise to bear. Having a relationship with a trusted worker who can engage the child and their family, and coordinate the support needed from other agencies is also crucial. Professional practice must empower families and helps them to develop the capacity to resolve their own problems. This should be combined with a holistic approach that addresses children’s needs in the wider family context, and simple, streamlined

referral and assessment processes. Easy to access services are essential, with no wrong front door, but an ability to communicate and help families to identify what help they need and where this will come from, regardless of the immediate professional expertise available.

The delivery of the strategy will be overseen by a multi-agency Families Matter partnership made up of the Council, the Clinical Commissioning Group, health providers, schools and other key stakeholders.

Partners – high quality, flexible and innovative services

The success of *Families Matter* relies on a multi-agency service delivery; all partners contributing their skills, expertise, knowledge, information and resources to secure the best possible outcomes for families in need.

Partners in *Families Matter* include:

- Southwark Council
- Southwark Clinical Commissioning Group
- Early years' providers
- Primary schools
- Secondary schools
- Further education providers
- Children's Centres
- GPs
- Pharmacies
- Health Visitors
- Family Nurse Partnership
- Midwives
- Acute health providers e.g. hospitals and other specialist services
- CAMHS and adult mental health services
- Police
- Housing
- Probation and youth offending services
- Community safety
- Youth services
- Voluntary and community sector providers

The first point of contact if you are concerned that the needs of a child, young person or family cannot be met by universal services is through making a referral through the Multi-Agency Safeguarding Hub (MASH).

The Role of the Local Safeguarding Children Board

Southwark's Safeguarding Children Board will continue to scrutinise and challenge the local authority and its partners, in respect of the thresholds for the different types of assessment and services to be commissioned and delivered.

The Board has published a threshold guide that includes the process for the early help assessment and the type and level of early help services to be provided. This can be found here:

http://www.southwark.gov.uk/info/266/child_protection/2466/southwark_safeguarding_children_board

Southwark's Safeguarding Children Board will provide challenge on the impact of Families Matter, in accordance with its duties under *Working together to safeguard children* (March 2015), which states that the Board should 'assess the effectiveness of the help being provided to children and families, including early help.'

Priorities

We have identified the following priorities that will guide our Families Matter work over the lifetime of this strategy:

- Coordinating parenting programmes across Southwark to maximise opportunities for parents to access the most appropriate programme at the right time.
- Redeveloping services for Children in Need to strengthen the existing locality-based social work provision and further embed the systemic approach to working with families.
- Reshaping Children's Centres to achieve integration and consistency in delivering high quality early help services for children, young people and families that meet local needs.
- Ensuring a common understanding of multi-agency thresholds and access to services across all of our partner agencies.
- Developing a Families Matter commissioning strategy that provides a single, strategic overview of services that are commissioned and available to partners to achieve our shared outcomes for children and their families
- Promoting greater information sharing between all partners to develop a better understanding of how the work that everyone does contributes to shared outcomes.
- Ensuring that our services are targeted at the needs identified through our needs assessment and case audits including mental health, young people at

risk of offending, domestic violence, child sexual exploitation and female genital mutilation.

- Identifying and supporting young people at risk of radicalisation.
- Finding new ways to engage with families that are cautious about accessing our services and being supportive to ensure that they address their problems.
- Embedding clear processes for stepping up cases to more intensive services when their problems escalate, and for stepping down cases to lower tier services when they no longer require intensive intervention.
- Ensuring that all schools in Southwark, including academies and free schools, adhere to minimum standards for early help services and safeguarding.
- Developing our Local Offer for families so that information on services is clearly accessible at the point of need to maximise opportunities for accessing the right support at the right time.
- Embedding the expertise, knowledge and resources which our Health partners bring to the *Families Matter* agenda, ensuring that health relationships are seamless with local authority ambition for families, children and young people.

Conclusion

This strategy sets out our approach to early help and will underpin a Families Matter action plan, which will detail the actions to be taken against our priorities. This action plan will be monitored alongside information on outcomes, to enable us to assess the impact in terms of the services provided to families and the difference it has made to families' lives.

Our strategy for early help builds on our previous achievements and takes us on a journey with families to maximise their opportunities for the future. Our early help journey will continue in partnership with statutory and voluntary partners, partnership with communities and partnership with families and young people. We can and will continue to make a difference together.

Southwark Children's and Adults Services and Partners
July 2015

APPENDIX 2

Families Matter Implementation Plan

Families Matter is part of the Achieving Excellence approach to developing and delivering services for children and young people. This approach involves defining the key features of good services, undertaking a self-assessment against the good criteria and developing plans for improvement. The Families Matter improvement actions are noted below. These will be included in a delivery plan which will include specific actions, lead officers, timescales and success criteria. Actions will be RAG (red, amber, green) rated on meeting timescales and impact. Discussions are taking place on a multi-agency approach for the future development and delivery of the Families Matter strategy and implementation plan.

The 14 Families Matter actions are as follows:

1. Ensuring prompt and smooth access to Families Matter services

Processes for access to Families Matter services to be refined. This work will include checking to ensure all processes are timely, smooth with minimum handovers and pathways to services are clear.

2. Making sure families are getting the right service at the right time

Undertake another analysis of contacts and referrals to Families Matter services and use this to further inform understanding of thresholds and whether agencies know about the range of services available.

3. Analysis of “step down” cases

Undertake further analysis of cases which have been stepped down to lower tier services after they have been open to Social Care. Also to check whether there are any examples of cases being stepped down and then stepped up again to Social Care.

4. Early Help Assessments

An SSCB event in September to consider possible changes on what *Working Together 2015* refers to as “early help assessment”. This will include investigating use of Family Star as an assessment tool.

5. Independent audit of Early Help and SFFT cases

Independent audit of a random sample of cases from the Early Help Service and Specialist Family Focus Team (SFFT). Sample to comprise cases where domestic abuse, adult mental health and parental substance misuse is an issue. Audit to focus on quality of assessments, whether plans are SMART and outcome focused and whether services are making a difference.

6. Early Help Service and SFFT snap-shot survey

Undertake a snapshot survey asking all Early Help Services and SFFT case workers to provide information on number of cases where domestic abuse, parental mental health problems or substance misuse is an issue. Also to provide information on the number of 12 to 17 year olds being worked with.

7. Briefing other agencies on Families Matter

Review number of agencies involved in Families Matter events to date and number of agencies who need to be briefed/involved in Families Matter.

8. Troubled Families Outcomes plan

The Troubled Families Outcomes plan to be formally agreed by a multi-agency group of senior managers.

9. Troubled Families monitoring

Monitoring and reporting as required on Troubled Families phase 2

10 Analysis of all Families Matter services

To complete the work agreed by the Achieving Excellence Programme Group on analysing all Families Matter services according to the levels of need outlined in the multi-agency thresholds. Analysis to include budgets and performance information on activity, quality and outcomes.

11. Service Specifications

All services to have service specifications including Early Help, SFFT, Children's Centres and Family Support purchased from external agencies. This will assist with greater transparency and accountability and reduce any duplication. Specifications to include details of activity, quality and outcomes/impact which will be monitored.

12. Families Matter audits

Programme of "themed" multi-agency Families Matter audits to take place. System to be established for providing individual feedback, feedback to services and aggregating learning and impact.

13 Ensuring the positives noted in the Families Matter self assessment are evidenced.

The latest self assessment identified a number of positives. Work is taking place to ensure that detailed evidence is available to support these.

14 Report on impact and effectiveness of Families Matter to November 2015 SSCB

The Safeguarding Board has a statutory responsibility for ensuring the effectiveness of early help and social care services. (In Southwark early help is referred to as Families Matter)

Item No. 14.	Classification: Open	Date: 15 September 2015	Meeting Name: Cabinet
Report title:		Policy and Resources Strategy 2016/17 to 2018/19: Scene Setting Report	
Ward(s) or groups affected:		All	
Cabinet Member:		Councillor Fiona Colley, Finance, Modernisation and Performance	

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

It is a great testament to Southwark that over the last five years, despite the deep reductions in government funding, this local authority has succeeded. We have succeeded in protecting our most valued front-line services like our libraries and support services for vulnerable adults and children. We have succeeded in delivering our Fairer Future commitments like free healthy school meals for all primary children, doubling recycling and paying the London Living Wage. We have succeeded in helping residents on the lowest incomes and those affected by welfare reforms like the bedroom tax by introducing the hardship fund, providing discretionary housing payments and freezing council tax.

There are many factors that have contributed to our success such as the hard work and dedication of our staff, the willingness of our residents and partners to accept change, our clarity of purpose and priorities and our unwavering commitment to innovate and modernise the way the council operates. One of the greatest factors of our success has been our commitment to delivering economic growth in this borough. Our record on delivering new homes and business space has not only helped regenerate neighbourhoods and create jobs and opportunity for our residents, it has also played a tremendous role in mitigating the impact of austerity in Southwark through an increase in our council tax income, new homes bonus funding and our share of newly generated business rate income.

Following the Chancellor of the Exchequer's budget statement in July, we know that the coming years will be just as challenging for the council as the previous five years. London Councils estimates that our funding from government could reduce by £76m over the next three years. Once we factor in inflation and other budget pressures, even allowing for very significant levels of growth in council tax and business rate income we estimate that we face a budget gap of £96m over the next three years, around one third of the council's current net budget. We will face hard choices and it is important to be clear from the outset about our approach to this challenge and therefore I am recommending that we agree a refreshed set of budget principles to guide us as we seek to find ways to fill this gap.

As ever our Fairer Future values will be at the heart of our approach:

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

Our budget principles will be:

1. At a time of unprecedented cuts imposed by central government, the budget will continue to prioritise the promises we made in the Fairer Future council plan and will seek to protect services for the most vulnerable.
2. We will keep any council tax increase at or below inflation and take into consideration the wider impact of austerity measures on residents and public services in Southwark.
3. We will be responsible guardians of public finances and plan ahead by developing a three year balanced budget supported by prudent use of reserves.

To achieve this:

4. The council will spend money as if it were coming from our own pocket. We will put value for money at the heart of this budget, taking every opportunity to modernise and transform working practises and to make the council more efficient.
5. We will continue to find alternative ways of providing services more efficiently and effectively by working jointly with partner organisations such as the health sector, the voluntary sector, local businesses and other local authorities.
6. We will seek to generate additional income by reviewing fees, charges and contributions and seeking further opportunities to provide commercial services. This may include introducing charges for some discretionary services that are currently free.
7. Some services currently provided by the council may have to stop, and many will have to be delivered differently or reduced.
8. We will be open, honest and accountable.
 - a. We will build on the outcomes of budget consultations conducted over the last 5 years, reflecting the priorities of our residents and stakeholders as we develop proposals.
 - b. We will conduct ongoing consultation on the tough choices we must make and be transparent with any specific group or groups of users or staff who may be affected by any cut, reduction or significant change in service provision as soon as possible and explore with them other ways to provide the service.
 - c. We will conduct an equalities impact assessment for our budget proposals.
9. A reduced budget will inevitably mean that the size and composition of our workforce will change. We will treat our staff with respect. We will do everything we can to retain staff through redeployment and retraining, to minimise compulsory redundancies and to assisting staff who are leaving the council.

RECOMMENDATIONS

That cabinet:

1. Notes the key issues contained within the chancellor's budget statement insofar as they impact on the council especially with regard to council housing and welfare benefits.

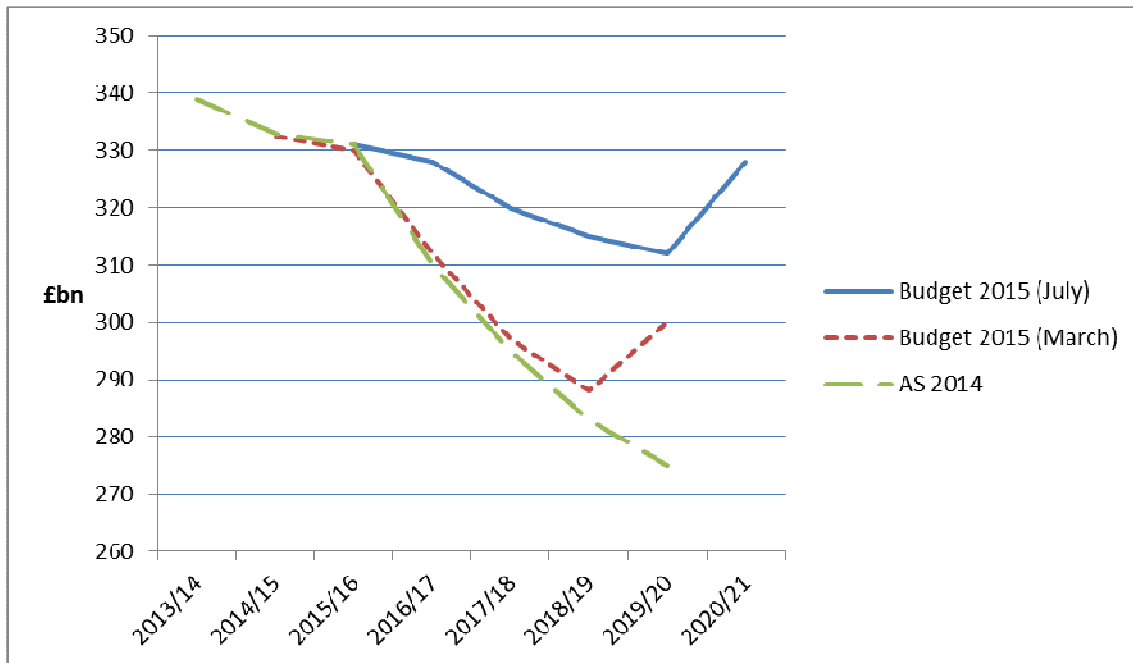
2. Notes the potential reduction in settlement funding for the council between 2016/17 and 2018/19 of £76.1m arising from London Councils most recent predictions, as shown in the table in paragraph 17.
3. Notes the real terms net budget shortfall for the period 2016/17 – 2018/19 of around £96m after taking account of inflation and known cost pressures.
4. Notes that funding for local authorities will not be finalised until publication of the Comprehensive Spending Review on 25 November 2015, and that Southwark's share will not be known until the provisional grant settlement, currently scheduled for November or December.
5. Notes the chancellor's announcement subsequent to the budget requiring departments with unprotected budgets (including local government) to model two scenarios of cost reductions of 25% and 40% by 2020.
6. Notes the government consultation seeking options for delivering in year reductions in public health funding, equivalent to 6.2% of the ringfenced grant.
7. Notes the actions to meet the challenge currently being included in the budget model as shown in paragraphs 62 to 78.
8. Agrees the updated Fairer Future Budget Principles as shown in Appendix A.
9. Agrees that consultation on the difficult choices to be made should be carried out over the coming months, and to take account of the equalities impact of any decisions.
10. Instructs officers to submit a further report to cabinet in November 2015 to include any further settlement information that becomes available, savings identified during the second round of budget challenge meetings, and on further budget options necessary to achieve balanced budgets over the next three years.

BACKGROUND INFORMATION

11. For the first time since 2010/11, there was no indicative budget for the following financial year (2016/17) published as part of the 2015/16 local government finance settlement which was finalised for the current financial year in January 2015. This settlement was for 2015/16 only, although the chancellor's spring budget outlined future public sector funding plans, including those for local authorities. These projections had been worse than had been projected previously as part of his previous autumn statement.
12. On 4 June and 8 July, the chancellor made a number of announcements as part of his pre budget statement and budget statements that impact directly and indirectly on local authority funding and costs. A summary of the relevant measures is set out in Appendix B to this report.
13. One significant proposal from the 4 June announcement was the £200m in year (2015/16) cut in the ringfenced Public Health Grant, representing a 6.2% reduction. For Southwark, this would represent a £1.6m reduction in grant funding; the implications of this will carry over into the 2016/17 budget setting process.

14. As part of these announcements, the chancellor indicated a change to the profile of cuts in public spending. The Government has delayed the expected return to a budget surplus by a year to 2019-20, this means that overall reductions to departmental spending are now less steep than forecast at the March budget
15. The following chart shows the movement in national RDEL between 2016/17 and 2020/21 from the 2014 Autumn Statement, March 2015, and July 2015 budgets.

Projected Government RDEL incl. depreciation (real terms) - 2013-14 to 2020-21



Sources: Autumn Statement 2014 (Table 2.3); Spring budget March 2015 (Table 2.3); Summer budget July 2015 (Table 2.2)

16. London Councils have subsequently projected the impact of these changes which, while reducing funding loss to the Council in 2016/17, has significantly increased the loss of funding over the following two years.
17. The effect on forecast funding arising from the budget are shown in the table below, the overall effect of the re-profiling of the funding reduction has only had a £0.3m effect on funding.

Table 1 – Changes to Southwark’s forecast funding following 8 July budget

Funding Forecast	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m	Total £m
2014 Autumn Statement based	195.2	161.4	137.8	125.5	
Change in grant funding		-33.8	-23.6	-12.3	-69.7
8th July budget based	195.2	187.6	149.9	119.1	
Change in grant funding		-7.6	-37.7	-30.8	-76.1
Movement from 2014 Autumn Statement	0	26.2	-14.1	-18.5	

18. Following on from these announcements, this is the first in a series of the policy and resources strategy reports that will inform cabinet through the 2016/17 budget setting process.
19. This report provides an initial estimate of savings that will need to be identified in the coming months in order to achieve a balanced budget in the context of funding reductions and other cost pressures. These savings will need to be agreed as part of the council tax setting report for 2016/17 to be agreed by council assembly in February 2016. Additionally, the intention is to provide indicative budgets for 2017/18 and 2018/19, subject to information available following the Comprehensive Spending Review and provisional grant settlement announcements.

KEY ISSUES FOR CONSIDERATION

20. Since 2010/11 Southwark have lost a total of £91.2m in spending power, (almost £700 per dwelling). In this period, London boroughs, Southwark in particular have borne a disproportional share of these funding cuts. Over the same period, in order to fund inflation and cost pressures, savings of £156.5m had to be made.
21. The 2015/16 local government finance settlement saw a national reduction in spending power of 1.7%, Southwark lost £20.4m, £155 per dwelling, a 5.7% cut.
22. Local government funding forecasts arising from the 2014 autumn statement and the spring 2015 budget have each shown a worsening position for local authorities, as the austerity measures cut deeper, funding estimates in this report are based on data contained in the 2015 summer budget.
23. On 21 July 2015 the Chancellor of the Exchequer announced that the 2015 spending review would be published on 25 November 2015. In the same announcement he added that that each unprotected department would be asked to draw up plans to cover two possible spending projections. One will demand reductions of 25% in resource spending by 2019/20 in real terms, while the other will demand they set out a 40% saving. These are the same reductions that were requested ahead of the 2010 review, under the last coalition government.
24. Protection will be given to the NHS, schools, defence and international development, consequently large savings will be required in other areas.
25. Further causes of concern and uncertainty stem from the announcement on 4 June 2015 that a total of £4.5bn of in year cuts would be made to government department budgets, with a consequent knock on effect on local government, primarily the £200m cut to public health budgets, equivalent to £1.6m for Southwark.
26. We still do not know at this time, the actual level of funding cuts to local government, the phasing of these cuts and in particular, the impact of these cuts on individual local authorities.
27. There is the risk that local government funding will take a disproportionate cut, and that, as with SR2010, these cuts could potentially be front loaded leaving government departments more time to make cuts to their departmental spending.

28. With these uncertainties, and the future challenges to be faced, the need to update the fairer future budget principles became apparent.

Fairer Future Budget Principles

29. In June 2010 the new administration made a number of commitments and agreed a vision to create a fairer future for all by promoting social and economic equality in an economically vibrant borough.
30. In September 2010 the cabinet agreed the budget principles. These have informed the budget process for all years from 2011/12 onwards, and helped the council address the financial challenges raised by reductions in government grant and changes to local authority financing.
31. The cabinet has now revisited these principles in light of the significant financial challenges which the council faces for 2016/17 and beyond, and are included as Appendix A to this report.

CURRENT POSITION

2014/15 Outturn

32. A report on 2014/15 outturn was presented to cabinet on 21 July 2015. The key points are were follows:
- The outturn showed a total favourable variance for the year of £1.8m
 - This position is after a net decrease in reserves of £7.7 m, after taking account of the 2015/15 favourable variance, the net reduction in reserves was £5.9m
 - During 2014/15 some £1.8m was drawn from the contingency budget to fund pressures on temporary accommodation budgets. The remaining £2.2m was transferred into reserves to provide the first call to support the 2015/16 contribution to the general fund budget.

2015/16 Budget

33. The council agreed a balanced general fund budget of £283.2m on 26 February 2015 based on a nil council tax increase, and £6.2m use of reserves, giving a budget of £289.4m. The council also approved budget decisions including reductions of some £30.0m within general fund for 2015/16.
34. The 2015/16 position as at quarter 1 is included elsewhere on this agenda and further report for quarter 2 will follow in November. This report highlights that the pressures on the temporary accommodation budget are ongoing, and has reported a forecast drawdown from reserves of some £2.3m to relieve these pressures.
35. The 2015/16 made provision for Southwark's priority areas, including London Living Wage, Free Swim and Gym and Southwark Savers.
36. The 2015/16 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. If it is unused, this will be used as the first call to pay the £6.0m

contribution from reserves which is already included in the draft budget for 2016/17.

FUTURE FINANCIAL POSITION

2016/17 to 2018/19 Policy and Resources Strategy

37. No indicative figures for 2016/17 were given as part of the 2015/16 settlement. Budget figures included in this report are based on estimates provided by London Councils using data from the 2015 autumn statement.
38. These figures show that Southwark could face a further £7.6m (3.9%) reduction in the settlement funding assessment (SFA) in 2016/17. Total resources from government fall from £195.2m to £187.6m.
39. The settlement funding assessment also includes the business rates of which the council can retain 30%. Retained business rates are predicted to rise from £60.2m to £61.5m (2.1%) in 2016/17. The actual increase will either be RPI as at September 2015, or a capped increase, as in 2014/15 and 2015/16, announced as part of the spending review.
40. In addition to the forecast business rates included in the SFA, growth of £5.1m is currently being forecast for 2016/17.
41. The funding position beyond 2015/16 is still subject to considerable uncertainty and conjecture, although advice received from London Councils suggests that local authorities should expect cuts of similar magnitude to those in 2016/17 in both 2017/18 and 2018/19.
42. For long term financial planning purposes and as responsible guardians of public finances the council seeks to plan ahead by developing a three year balanced budget supported by prudent use of reserves. This is a fairer future budget principle and a recommendation from the external auditors. At the time of writing the lack of information from government in terms of indicative funding for 2017/18 and 2018/19 make it difficult to construct a robust financial plan.
43. Some services have been brought in-house by the council, which has enhanced service delivery and increased efficiency of those services. It should be noted that as more services are delivered in house rather than by contract, this could lead to the need to make even greater savings from staffing, rather than from contracts.

Budget Pressures and Commitments

44. The council faces a number of budget commitments and growth or cost pressures as it prepares the 2016/17 budget, while continuing to invest in the council's commitments to priority areas including free swim and gym, the Ethical Care Charter and London Living Wage, and Southwark Savers.
45. Existing budget pressures around temporary accommodation, combined with current and planned changes to the welfare system can only increase the pressures on Southwark and similar boroughs.

Inflation

46. The council calculates “alternative inflation” for long term contracts tied to industry specific rates of inflation. This does not have a single rate, and the current budget is based on contractual inflation modelling at an increase of £1.5m. This figure is likely to vary over the course of the budget process as inflation indicators fluctuate. The current inflation indicators (July 2015 published 18 August 2015) are CPI at 0.1% and RPI at 1.0%.
47. From 2016/17 contractual inflation will include London Living wage increases where they apply to Southwark contracts.
48. Due to pressure on budgets, no allowance for general inflation effects has been provided for in the budget since 2010/11. Other costs and income have increased over this time, meaning that most budgets are effectively cash limited with zero increase, meaning the council continues to absorb non contractual inflationary pressures.

Pay Awards

49. On 3 June 2015 the national joint council for local government services submitted their 2016/17 pay claim on behalf of Unison, GMB and Unite. The claim calls for the deletion of NJC and all local pay points which fall below the level of the UK Living Wage (and deletion of GLPC pay points below London Living Wage) and a flat rate increase of £1 per hour on all other pay points. Current estimates show, that excluding on-costs, this could cost Southwark over £8m.
50. The council already ensures that all directly employed staff are on pay points above the London Living Wage. It is estimated that this pay claim would add £9m to the council’s payroll costs (around 5%).
51. At this stage in the budget process, employee costs have been modelled, in line with the 8 July 2015 budget, to show a 1% increase for 2016/17 costing an estimated £1.7m.

Other budget pressures

52. Concessionary fares is the name given to the scheme for the London Freedom Pass which is issued to all older and disabled Londoners to give free travel on almost all public transport in London. The Freedom Pass scheme is administered by the organisation London Councils and costs are recharged to individual London Boroughs on the basis of journeys travelled. Cost pressures include an additional £500k for concessionary fares based previous increases, the actual 2015/16 charge to Southwark will be determined by London Council’s Transport and Environment committee in December 2015, and will be reflected in the 26 January 2016 report to cabinet.
53. Costs pressures also include:
 - Ongoing temporary accommodation budget pressures (£2.5m)
 - Increased insurance premiums (£1m)
 - The reversal of the one off contribution from the insurance reserve (£300k)

- Making permanent the additional funding to the Neighbourhood Fund (£88k), met from reserves in 2015/16.

Specific Grants

54. The 2015/16 budget report explained how specific grants such as New Homes Bonus, the Autumn Statement Measures Grant and the Council Tax Freeze Grant were incorporated into the 2015/16 budget.
55. To date, no announcement has been made with regard to the continuation of the council tax freeze grant into 2016/17 or referendum limits for 2016/17.
56. Announcements regarding 2016/17 grants are unlikely to be known until the provisional finance settlement is announced in November or December 2015.
57. Changes to specific grants, and their impact on 2016/17 budget setting will be incorporated into future 2016/17 to 2019/16 policy and resources strategy reports as they are announced.
58. With the continuing movement towards universal credit, it is expected that there will be further reductions in housing Benefit Subsidy Admin grants.

Current predicted funding shortfall

59. Current projections now show a provisional funding shortfall of around £96m for the period 2016/17 to 2018/19.
60. This has been calculated using future funding estimates calculated by London Councils from the announcements on funding from the recent budget.
61. These estimates, along with assumptions on council tax base growth, business rates growth, inflation, changes to specific grants and known budget pressures have led to this funding shortfall being forecast.

Actions to meet the challenge

62. A number of measures to meet the challenge of delivering a balanced budget in 2016/17 have already been taken and are incorporated in budget projections.

Use of reserves

63. These include the prudent use of reserves. In years prior to 2012/13 reserves were used to balance the budget, but the first call on the proceeding years balance was the replenishment of the reserve.
64. Since 2012/13 Southwark a total of £23.0m has been taken from reserves to support the budget. The effect on reserves has been somewhat mitigated because there had not been any significant call on the contingency budget, allowing it to be put into reserves to support the budget process.
65. The Strategic Director of Finance and Corporate Services recognises and accepts that it is necessary to make some prudent use of balances through the period of introduction of new funding arrangements for local government and the general cutbacks in public expenditure. He recognises also that this expedient can only be short term and that year on year the council target must be to remove

any dependency on reserves and balances order to reconcile resources with spending needs. The 2016/17 budget proposals include a further £6.0m use of reserves.

Council Tax

66. The budget modelling includes a further growth in the council tax base, as new properties are brought into the council tax list.
67. Using data from the council tax system, it can be calculated that, after adjusting for discounts and CTRS, an increase of 1,600 chargeable dwellings would generate an additional £1.0m of council tax revenue.
68. The modelling shows a further 0.25% increase in council tax collection, bringing the budgeted collection target up to 97%.
69. A collection fund surplus of £1m is currently being forecast for 2016/17.
70. The modelling does not include any increase in the Band D council tax rate.

Business Rates

71. The budget is modelled on internal and London Council's projections on the retention of business rates, and reflects the expansion of premises subject to business rates in the council area.
72. Using data from the business rates system, it can be calculated that, after adjusting for appeals and reliefs, an increase in rateable value of £8.0m would generate £1.0m for Southwark.

Voluntary Severance Scheme and Senior Management Restructure

73. In order to mitigate the impact of cuts and budget reductions on staff, in April 2015 Southwark announced an enhanced voluntary severance scheme. Applications were considered between 20 April and 30 June 2015, and unless approved otherwise, the last day of service for staff whose application was accepted was 31 July 2015.
74. In addition, cabinet agreed on 28 July 2015 the senior management restructure.
75. Savings arising from these activities not assigned as 2015/16 savings will be available for 2016/17.

Budget Challenge Meetings

76. The first round of the 2016/17 budget challenge meetings were held between 18 and 25 June with Cabinet Members and Strategic Directors. Discussions at these challenge meetings included:
 - Moving to digital by default delivery models
 - Proposals for managing demand
 - Reducing and integrating services
 - Multi-agency working.

77. Further meetings have been organised and will be held between 9 and 24 September 2015 to continue to work towards a balanced budget for consideration in January 2016. Thoughts from the first round will be developed for this second round of challenge meetings. Being mindful of other budget pressures around pay awards, general and contractual inflation, the continuing impact of welfare reform and council plan priorities and commitments. These pressures clearly need to be minimised, but they remain as genuine pressures nonetheless.
78. It is proposed that options for efficiencies, income generation, and savings impacting on service delivery over the next three years (2016/17 – 2018/19) representing of 25% of 2015/16 net budgets should be prepared. These savings options, as far as possible, should be front loaded although, because of the complexity of implementation of some proposals, this may not always be possible.

Budget Consultation – Engaging with the community

79. Since 2010 Southwark have consulted on budget proposals over a wide stakeholder group.
80. Each year these stakeholders have given a consistent message regarding services they value and wish to protect, with a preference that budget savings should be made from back office services.
81. The consultations over the coming months will be held with a view to getting feedback on more difficult decisions, including the complete cessation of providing some services or doing them differently, this possibility is included in the refreshed budget principles (No 7) reported in Appendix A
82. Consultation for the 2015/16 budget took place in a context of a scenario whereby the council would need to make savings of around £90m over the period 2015/16 to 2017/18.
83. The results of the budget consultations were reported to cabinet on 27 January 2015 as part of the budget setting process, and were taken into account as the budget was prepared.
84. These consultation results remain valid and are continuing to inform budget discussions so that the council builds on the outcomes of budget consultations conducted over the last five years, reflecting the priorities of residents and stakeholders.
85. The council now faces some very difficult choices and will be consulting on these with the community, and committing to being transparent with any specific group or groups of users or staff who may be affected by any cut, reduction or significant change in service provision as soon as possible and explore with them other ways to provide the service.
86. Consultation options for 2016/17 are currently being prepared for consideration, a service specific consultation “How do we fund adult social care fairly?” asking for feedback on proposed changes to how Southwark charge for adult care, ran from 16 June to 4 September 2015.
87. Updates on the consultation process will be included in subsequent Policy and Resources Strategy reports.

NEXT STEPS

88. Work is continuing to develop the budget proposals and includes the work undertaken by the Leadership Network looking at reducing and integrating services, multi-agency working, managing down demand and digital by default. In addition the council will continue to look at the effectiveness and efficiency of back office services.
89. Further to this report, officers will consider further options and present a further report to cabinet on 17 November 2015. However it is unlikely that the provisional 2016/17 finance settlement will have been announced in time for this to be included in the report. If the provisional settlement is announced before cabinet a briefing will distributed either before or at the meeting as time allows.
90. A timetable of scheduled meetings leading up to council tax setting is shown below, as detailed on the forward plan.

Date	Meeting	Current forward plan description	Summary of decision to be made
17/11/15	Cabinet	Policy and Resources Strategy 2016/17 – 2018/19: revenue budget.	To note the council's deliberations for the 2016/17 general fund revenue budget and agree the next step in the budgeting process
26/01/16	Cabinet	Policy and Resources Strategy 2016/17 – 2018/19 - revenue budget	Cabinet to recommend a balanced budget for 2016/17 to council assembly in Feb 2016
09/02/16	Cabinet	Policy and Resources Strategy 2016/17 – 2018/19 – revenue budget	To recommend a balanced budget for 2016/17 to council assembly in February 2016
24/02/16	Council Assembly	Policy and Resources Strategy 2016/17 – 2018/19 revenue budget	To agree a balanced budget for 2016/17
24/02/16	Council Assembly	Setting the Council Tax 2016/17	To set the council tax levels for 2016/17

Community impact statement

91. Transparency and fairness form part of the seven budget principles and are an underlying principle in the Council Plan. As with the 2014/15 budget, each department will undertake equality analysis on its budget proposals.
92. Undertaking equality analysis will help the council to understand the potential effects that the budget proposals may have on different groups. The analysis will also consider if there may be any unintended consequences and about how these issues can be mitigated. Analysis will also be undertaken to consider any cross-cutting and organisation-wide impacts.

93. The equality analysis undertaken will build on previous analysis including the equality impact assessments carried out as part of 2013/14, 2014/15 and 2015/16 budgets. The council is committed to conducting an equalities impact assessment for budget proposals and the development of equality analysis will commence now to ensure that it informs decision making at each stage of the budget process.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Legal Services

94. The constitution determines that cabinet consider decisions regarding the strategic aspects of the regulation and control of the council's finances. The council has a legal obligation to set a balanced budget on an annual basis as prescribed in the Local Government and Finance Act 1992 and associated Regulations. The issues contained in this report will assist in the future discharge of that obligation.
95. The council is required under section 149 of the Equality Act 2010 to have due regard to the need to:
- Eliminate unlawful discrimination harassment and victimisation
 - Advance equality of opportunity between people who share protected characteristics and those who do not
 - Foster good relations between people who share protected characteristics and those who do not.
96. Decision makers must understand the effect of policies practices and decisions on people with protected characteristics.
97. Equality impact assessments are the mechanism by which the council considers these effects. The report sets out how it is proposed equality impact assessments will be undertaken in relation to the budget proposals.
98. It is essential that cabinet give due regard to the council's duty under the Equality Act 2010 and the implications for protected groups in the context of that duty in relation to this decision and future decisions on the budget proposals.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Policy and Resources 2015/16 to 2017/18: cabinet 10/02/15	160 Tooley Street PO Box 64529 London SE1P 5LX	Jennifer Seeley 020 7525 0695
Link: http://moderngov.southwark.gov.uk/documents/b50005448/Supplemental%20Agenda%20No.%202%20Tuesday%2010-Feb-2015%2016.00%20Cabinet.pdf?T=9		

APPENDICES

No:	Title
Appendix A	Fairer future budget principles
Appendix B	Government announcements since general election

AUDIT TRAIL

Cabinet member	Councillor Fiona Colley, Finance, Modernisation and Performance	
Lead officer	Duncan Whitfield, Strategic Director of Finance & Corporate Services	
Report author	Jennifer Seeley, Deputy Finance Director	
Version	Final	
Dated	4 September 2015	
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	No	No
Cabinet Member	Yes	Yes
Date final report sent to constitutional team	4 September 2015	

APPENDIX A

Fairer Future Budget Principles

As ever our Fairer Future values will be at the heart of our approach:

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

Our budget principles will be

- | | |
|---|---|
| 1 | At a time of unprecedented cuts imposed by central government, the budget will continue to prioritise the promises we made in the Fairer Future council plan and will seek to protect services for the most vulnerable. |
| 2 | We will keep any council tax increase at or below inflation and take into consideration the wider impact of austerity measures on residents and public services in Southwark. |
| 3 | We will be responsible guardians of public finances and plan ahead by developing a three year balanced budget supported by prudent use of reserves. |
| 4 | <p><i>To achieve this</i></p> <p>The council will spend money as if it were coming from our own pocket. We will put value for money at the heart of this budget, taking every opportunity to modernise and transform working practises and to make the council more efficient.</p> |
| 5 | We will continue to find alternative ways of providing services more efficiently and effectively by working jointly with partner organisations such as the health sector, the voluntary sector, local businesses and other local authorities. |
| 6 | We will seek to generate additional income by reviewing fees, charges and contributions and seeking further opportunities to provide commercial services. This may include introducing charges for some discretionary services that are currently free. |
| 7 | Some services currently provided by the council may have to stop, and many will have to be delivered differently or reduced. |
| 8 | <p>We will be open, honest and accountable.</p> <p>a. We will build on the outcomes of budget consultations conducted over the last 5 years, reflecting the priorities of our residents and stakeholders as we develop proposals.</p> <p>b. We will conduct ongoing consultation on the tough choices we must make and be transparent with any specific group or groups of users or staff who may be affected by any cut, reduction or significant change in service provision as soon as possible and explore with</p> |

them other ways to provide the service.

c. We will conduct an equalities impact assessment for our budget proposals.

9 A reduced budget will inevitably mean that the size and composition of our workforce will change. We will treat our staff with respect. We will do everything we can to retain staff through redeployment and retraining, to minimise compulsory redundancies and to assisting staff who are leaving the council.

APPENDIX B

Government Announcements Since General Election

4 June 2015 - Pre budget

1. On 4 June 2015, the Chancellor of the Exchequer announced £4.5bn of in year (2015/16) savings cuts to government departments' budgets.
2. The main departments that impact on non schools local government funding are Department of Health (Non NHS) and Communities and Local Government (DCLG).
 - The Department of Health (Public Health) budgets will be cut by £200m. These cuts will be passed onto local authorities through an in-year reduction in the Public Health grant. It is estimated that this will lose Southwark some £1.6m in funding.
 - The DCLG has been asked to cut an additional £230m (8.5%) from its budget this year. A spokesman said that no cuts would be made to local authority budgets, implying that the savings are expected to be contained within the department, some of which is expected to come from the sale of assets.
 - Additionally, cuts to Department for Education (DfE) and Department for Works and Pensions (DWP) budgets could lead to reductions in further education grants and discretionary housing payments.
3. While it is anticipated that the 2015/16 local government finance settlement will not be reopened, there remains a danger that the 2015/16 baseline used to calculate the 2016/17 settlement will be reduced before the application of planned 2016/17 reductions. It is estimated that a 5% cut to DCLG's local government budget will add a further £500m to the £3.7bn year on year reduction already made.
4. This is not the first time that in year cuts have followed a general election. In the emergency budget of 2010, a total of £1.16bn was cut from local government's 2010/11 funding through reductions in the specific grants. Southwark lost a total of £3.3m in grant funding, of which £2.2m was borne by Children's Services. This was followed in 2011/12 with further cuts of some £10m to specific grant funding.

July 8th Summer Budget

5. On 8 July 2015, the Chancellor of the Exchequer delivered his first budget of the new parliament. The Chancellor subsequently announced that the Comprehensive Spending Review would be announced on 25 November 2015, the period it will cover is still unclear.
6. The Government has delayed the expected return to a budget surplus by a year to 2019-20, meaning fiscal consolidation will be at the same pace as over the last Parliament
7. The chancellor indicated that overall reductions to departmental spending are less steep than forecast at the March Budget, although the total reduction over the planning period will not decrease..

8. Announcements that will affect local government financing are covered in the following paragraphs.

Employees

9. The government will limit public sector pay awards to 1% for 4 years until 2019/20.
10. The government will introduce a new pay premium for those aged 25 and over starting at 50 pence leading to a new National Living Wage (NLW) of £7.20 in April 2016. The government's ambition is for the NLW to increase to 60% of median earnings by 2020. The Office for Budgetary responsibility (OBR) forecasts that the NLW is expected to reach the government's target of over £9 by 2020. The council is already committed to paying its staff London Living Wage which exceeds the proposed NLW.
11. The government will work with Local Government Pension Scheme administering authorities to ensure that they pool investments to significantly reduce costs, while maintaining overall investment performance. The government will invite local authorities to come forward with their own proposals to meet common criteria for delivering savings.

Welfare

12. While the following items do not directly affect council budgets, there may be knock on implications for housing benefits, council tax and the Southwark Emergency Support Scheme (SESS).
- £12 billion of savings from the working-age welfare budget will be made by 2019/20
 - The household benefit cap will be lowered from £26k to £23k in London, and £20k elsewhere
 - Working age benefits will be frozen for four years
 - A new youth obligation for 18-21 year olds will prevent automatic eligibility to housing benefit

Housing

13. While these housing and welfare proposals do not affect the general fund directly, it is important that they are reported early to prepare cabinet for changes that will be necessary during 2016/17 HRA budget setting process and to assess any impacts on other Council services..
14. The government will reduce rents paid by tenants in social housing in England by 1% a year for 4 years from 2016.
15. The LGA have commented that "long term certainty on social rents is crucial to enable councils and Housing Associations to invest in housing over the long term. In 2013 the Government acknowledged this by setting out the rent strategy to 2025. These subsequent changes to social housing rents will mean councils and Housing Associations will need to review their investment plans

and will reduce their ability to invest in new homes and the improvement of existing ones over the longer term. We will be working with councils to understand the impact of this change”.

16. The government will require high income social tenants (over £40k in London and over £30k in the rest of the country) to be charged a market or near market rent (“Pay to Stay”).
17. The additional rental income raised by local authorities will to be returned to the Exchequer. This is in contrast to Housing Associations who will be able to use the additional rent charged to reinvest in new housing.
18. The LGA have commented that “Councils, like Housing Associations, should be able to retain the additional income generated from these rents to build new homes. This would have far greater benefits for local communities than the money going to the Treasury. This is important in light of the reductions in social rents that have also been announced in the Budget”.
19. The government will consult and set out the detail of this reform in due course, and consult on how this will be implemented.

Item No. 15.	Classification: Open	Date: 15 September 2015	Meeting Name: Cabinet
Report title:		Revenue Monitoring Report for Quarter 1, 2015/16, including Treasury Management	
Ward(s) or groups affected:		All	
Cabinet Member:		Councillor Fiona Colley, Finance, Modernisation and Performance	

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

The quarter 1 2015/16 revenue monitor report shows that three months into the year we are on track to deliver the balanced budget supported by the use of £6.2m of reserves and delivery of £30m of savings agreed by Council Assembly in February.

The most notable matter to draw to members’ attention is announcement by the Chancellor of the Exchequer of £200m of cuts to the national public health budget. At present the indications are that Southwark will face a cut of £1.6m to this year’s public health budget. Immediate management action is being taken to meet the expected reduction in grant as set out in paragraph 42 of the report.

RECOMMENDATIONS

1. That the cabinet notes:
 - the general fund outturn forecast for 2015/16 and forecast net movement in reserves by department;
 - the housing revenue account’s (HRA) forecast outturn for 2015/16 and resulting forecast movement in reserves;
 - the treasury management activity for the first three months of 2015/16.
2. That the cabinet notes the continuing pressure on homelessness budgets, and the forecast requirement to draw down reserves of £2.3m, representing a 192% overspend on the current net expenditure base budget.
3. That the cabinet notes the potential in year reduction of Public Health grant of £1.6m, if local cuts are made on a pro rata basis, from the current government consultation on the methodology to be used when cutting the grant.
4. 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 2015/16, using predictions based on the experience to date and knowledge as at the end of quarter 1 (June 2015). 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 £289.4m on 25 February 2015 based on a nil council tax increase, and £6.2m use of reserves, giving a budget of £283.2m. 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 £30.0m within general fund for 2015/16. Performance on achieving these savings is closely monitored and significant variances will be included in departmental narratives.

Housing revenue account

8. Cabinet on 27 January 2015 approved an increase in tenants' rents and service charges of 2.2% in line with government guidance at CPI +1%. In addition, £5.4m of efficiency savings and £5.5m of income measures were required in order to set a balanced budget for 2015/16, enabling the HRA to meet unavoidable budgetary commitments and increase revenue support for the housing investment programme (HIP,) to meet the investment needs of the existing stock and delivery of 11,000 new council homes.

KEY ISSUES FOR CONSIDERATION

General fund overall position

9. Table 1 below shows the current forecast outturn position for quarter 1 (as at 30 June 2014) by department. These estimates are based on three 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 12 to 42 below.

Table 1: General fund outturn position for 2015/16

General fund	Original budget	Budget movement	Revised budget	Forecast Spend in year	Variance before use of reserves	Forecast Net movement in reserves	Total use of resources	Variance after use of reserves
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Children's and Adults	183,602	555	184,157	184,157	0	0	184,157	0
Environment and Leisure	67,481	2,525	70,006	72,206	2,200	(2,200)	70,006	0
Housing and Community Services	36,604	(46)	36,558	39,469	2,911	(2,635)	36,834	276
Public Health	0	0	0	0	0	0	0	0
Chief Executive's Office	11,735	591	12,326	12,326	0	0	12,326	0
Finance and Corporate Services	32,474	(3,625)	28,849	28,849	0	0	28,849	0
Support cost recharges	(46,508)	0	(46,508)	(46,508)	0	0	(46,508)	0
Contingency	4,000	0	4,000	0	(4,000)	4,000	4,000	0
Total general fund services	289,388	0	289,388	290,499	1,111	(835)	289,664	276
Use of reserves to underwrite base budget	(6,163)	0	(6,163)	0	6,163	(6,163)	(6,163)	0

General fund	Original budget	Budget movement	Revised budget	Forecast Spend in year	Variance before use of reserves	Forecast Net movement in reserves	Total use of resources	Variance after use of reserves
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Net revenue budget	283,225	0	283,225	290,499	7,274	(6,998)	283,501	276

Note 1 – Public Health is shown separately. Children's and Adults, Environment and Leisure and Chief Executive's Departments exclude Public Health budgets and spend.

Note 2 - Explanations of the first quarter's budget movements are provided in Appendix A.

10. As shown in Table 1, within services there is a forecast adverse variance of £276k based on the information available at the end of September after forecast movements in reserves.
11. Included in the table above are planned reserve movements totalling £6.998m, details of these reserve movements are contained in paragraphs 59 and 60

Children's and adults services

12. The department budget for 2015/16 is £184.2m, including £17m savings. Currently, all services are implementing saving plans to ensure spend at year end matches financial resources available.

Children's Services

13. There is continuous pressure on placement budgets due to children staying put with foster carers beyond 18 and the high number of children in residential placements. Illegal immigration continues to be an issue creating additional pressure system at the rate of two children per month.
14. Assessment and Intervention and Safeguarding family support services continue in use of agency staff, due to unexpected level of demand and for vacancy cover.

Education Services

15. Education Services is projecting a balanced budget at month 3. The pressures from the home to school transport from 2014/15 remain. Savings are being made across education. Restructures are ongoing in Youth Services and SAFFE (Secondary and Further Education, Employment and Inclusion).
16. Education DSG is projecting a balanced position at month 3. There is some uncertainty over the 2 year old offer as the final allocation is yet to be confirmed.

Strategy and Commissioning

17. Strategy & Commissioning are currently forecasting a balanced budget.

Adults

18. Care funding calculator is being applied to calculate recommended prices for placements and used as a negotiation tool with providers with a view to reduce high placement costs.
19. Placement panels are in place providing necessary scrutiny in ensuring quality and cost of placements are delivered in line with service plans.

20. In addition, negotiations are continuing with health partners for continuing health care contributions as well as with external providers, in reviewing existing block contracts.

Environment and leisure

21. The department is currently forecasting an overall balanced budget of £70m for 2015/16.
22. In relation to department's routine business processes/operations, the department is not reporting nor drawing attention to any issues of concern at this early stage.
23. In relation to emerging issues, the department has to date paid out £918k in severance and redundancy payments. This figure is expected to increase in the coming months, the position will be monitored and a more definitive figure reported in quarter 2. It is highly unlikely that the department will be able to bear this cost and is expecting it to be funded from reserves earmarked for the purpose.
24. The department is anticipating a planned release of approximately £1.8m (current best estimates) from earmarked reserves in 2015/16. This includes a release of £140k for refund of land charges fees for Environmental Information Regulations 2004 (EIR) personal searches which has already been identified in quarter 1.
25. Other amounts to be drawn from reserves are £1.2m from Waste PFI equalisation reserve; £106k from the community safety schemes reserve; £100k from Insurance reserve for costs arising from the Walworth Town Hall fire and approximately £200k from various minor reserves for a number of small schemes. The estimate does not include any amounts for severance and redundancy payments.
26. The total amount will be drawn quarterly over the year in tandem with the incidence of spend.
27. The department is on course to achieve the proposed budgeted savings of £5.03m for 2015/16.

Housing and community services (H&CS)

28. Early forecasts show an adverse variance of £267k at quarter 1 after the £2.635m planned drawdown of earmarked reserves to cover unavoidable budget pressure arising primarily from the exceptional demand for temporary accommodation. The forecast is based on best estimates and includes a number of assumptions in terms of volumes/activity and costs. It remains subject to movement and should be viewed with caution at this point. The forecast currently excludes costs arising from the council's voluntary severance scheme, which are assumed will be met by corporate reserves.
29. Temporary accommodation continues to present the greatest budget risk for H&CS. The council simultaneously faces the challenge of increasing homeless demand and restrictions on the supply-side, necessitating the use of more expensive bed and breakfast accommodation, notwithstanding the increasing availability of estate voids which mitigates the position to some extent. The

outturn forecast is necessarily cautious at this stage and whilst action is being taken to manage demand, it remains a constant and enduring pressure over which the council has limited control within the constraints of current legislation and council policy. However, as part of the budget planning process, corporate reserves were earmarked (as in previous years), as a contingency against this pressure which is currently forecast at £2.337m. The total cost of £3.5m represents an overspend of 192% against the current net budget of £1.2m.

30. There are a number of uncertainties with the outturn forecast for customer experience at this stage. Planned restructuring and reduction in staffing in the contact centre is running behind schedule, which is impacting on the achievement of savings predicated as part of budget setting. This has been compounded by increased call volumes which have necessitated additional temporary resources to cope with the peak in demand. However, this should be seen in context, as £3.9m worth of savings have been made since the service was brought-back in-house in June 2013. Works of a development nature such as infrastructure upgrades and one-off modernisation projects designed to improve efficiency and reduce costs fall outside 'business as usual' and are funded on a one-off basis from the council's modernisation reserve in the amount of £298k.
31. Stricter Home Office verification criteria/controls to prevent fraud have adversely impacted on the number of citizenship and marriage ceremonies being conducted, resulting in a significant shortfall in income (£171k) against budget. Whilst some of this will be mitigated through staff vacancies, the net position remains negative (£66k). This continues the trend first experienced during the second half of last year and is something that is expected to continue, requiring adjustment to the base budget for 2016/17.
32. The mobile alarm service (SMART) continues to develop and expand its client base in conjunction with adult social care, enabling vulnerable residents to be supported in their own homes for longer and thereby avoiding the high cost of residential provision for the council. The cost of this initiative is currently being managed entirely within the housing general fund and the forecast is predicated on receipt of full funding (c. £300-400k) from the Better Care Fund.
33. No Recourse to Public Funds (NRPF), like temporary accommodation, is demand driven and has in recent years become a significant continuous pressure on council resources, which has required the drawdown of earmarked reserves. The new arrangements are designed to improve management and control demand/costs and will be reported at quarter 2.

Finance and Corporate Services

34. The Finance and Corporate Services Department is forecasting a balanced budget as at quarter 1; on a total budget of £28.849m.
35. A number of cost pressures are emerging across the department including Information and Data Services software licences and IT maintenance costs as well cost pressures arising following the transfer of building management from departments to Corporate Facilities Management.
36. Financial and Information Governance is forecasting a favourable variance of £353k, which is due to a number of factors, including: a favourable staffing

variance of £167k; a reduction in external audit fees of £133k; and a favourable variance of £40k on professional fees.

37. Budget savings are on track for delivery; the departmental financial position will be reassessed in the context of the impact of the voluntary severance scheme in quarter two.

Chief executive's department

38. The total budget for the department is £12.326m and a zero variance is being forecast at this stage. The restructure of the services within the department will be reflected in future reports as budgets are transferred.
39. Public Health is reported separately below.

Public health

40. The Government is consulting on how the £200m in year cut in Public Health grant should be spread across local authorities. It is anticipated that, if the cut is shared out on a pro rata basis, Southwark's Public Health budget funding will reduce in year by £1.6m, a 6.2% reduction in grant.
41. Further sexual health treatment services costs, activity and the contracting arrangements continue to present a challenge in managing the Public Health budgets. The adult integrated drug and alcohol treatment system recommissioning is nearing completion and expected to deliver improved outcomes for reduced costs.
42. Immediate management action is being taken to meet the reduction in grant funding including: freezing recruitment of staff, freezing recruitment of consultants, ensuring that no new contractual agreements are entered into, and ceasing of all non essential spend. The impact of these measures will be monitored closely.

Contingency

43. The 2015/16 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 1 no significant pressures have been identified that will require a call against this contingency.
44. If the contingency remains unspent, it will be transferred to reserves to support the 2016/17 budget.

Voluntary Severance

45. In order to mitigate the impact of cuts and budget reductions on staff, in April 2015 Southwark announced an enhanced voluntary severance scheme. Applications were considered between 20 April and 30 June 2015, and unless approved otherwise, the last day of service for staff whose application was accepted was 31 July 2015.
46. The financial position will be reported as part of the Q2 revenue monitoring report in November.

Capital

47. 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 1, one proposal has been made for a value of £131k.

Housing revenue account (HRA)

Table 2: HRA forecast outturn position for 2015/16 as at Q1

	Full Year Budget £'000	Forecast Outturn £'000	Forecast Variance £'000
Operations	(173,829)	(174,256)	(427)
Maintenance & Compliance	48,527	49,243	716
Major Works	2,430	2,430	0
Specialist Housing Services	(25,285)	(26,253)	(968)
Strategic & Corporate Services	121,880	121,881	2
Customer Experience	2,081	2,176	95
Community Engagement	2,092	1,999	(92)
Regeneration Initiatives	316	312	(-3)
Direct Revenue Funding of Capital	20,352	20,352	0
Appropriations to /(from) Reserves	1,437	2,114	677
Total HRA	0	0	0

48. The size and complexity of the HRA means that the forecast should be viewed with a degree of caution at this stage. However, notwithstanding some early forecast variations, all indications are that the outturn will be broadly neutral based on known budget pressures/commitments, with planned contributions to the housing investment programme (HIP) and reserve movements in line with expectations or higher. In summary, the key budget headlines are outlined below.
49. Efficiency savings of £33m have been delivered over the last five years to meet new and emerging budget pressures, to resource new council priorities and to augment investment in the stock. There remains a requirement to review service provision and continue to deliver efficiency savings regardless of the underlying budget position to optimise service delivery. Landlord services, particularly maintaining and repairing the housing stock consume the greatest proportion of operating resources, yet budgets remain under constant pressure. Robust contract management and control of high volume, high value contracts continue to deliver greater value for money. However, Southwark Building Services (SBS) are currently forecasting a deficit of £700k, which falls as a cost to the HRA as their primary client. Management are currently considering measures to improve productivity with a view to achieving a breakeven trading position going forward.
50. 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 quarter is tracking to plan and rent collection performance is

99.03% at week 13. Whilst this is below the budget target, it continues to show resilience and is higher than at this point last year. Collection of former tenant arrears, albeit small by comparison, is consistently above target. However, further welfare benefit changes announced in the summer budget (8 July 2015), and the commencement of the roll-out (albeit in a limited pilot area) of universal credit direct payment, is likely to impact on collection performance and it is therefore necessary for the HRA to maintain adequate provisions to meet potential losses of this nature at all times.

51. 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 HIP, but is not linear. The scale of investment and delivery of the WDS, FRA and other works programmes has accelerated rapidly in recent years, which was reflected in higher billing in 2014/15 and will be carried through to the current year. In collection terms, extrapolating the combined performance over the first quarter (£11.2m including service charge loans), would suggest a full-year figure of £44.7m against a target of £34.5m, which is quite exceptional performance.
52. In addition, specialist housing services division comprises the commercial and garage portfolios, sheltered housing and temporary accommodation. Given the considerable budget pressure that homelessness presents for the council, hostels and estate voids are used as a cost efficient means (within the HRA) of mitigating the general fund. The availability of estate voids is increasing as further phases of Aylesbury progress and this boost in numbers above budget expectations gives rise to increased rental income which more than off-sets the additional costs and other budget variations within the division.
53. The strategic and corporate services activity accounts for over half of the gross HRA and comprises key budgets pertaining to departmental / corporate overheads, financing, depreciation, arrears write-offs/ provisions and major projects, such as Heygate and Aylesbury, the revenue impact of which falls outside mainstream operational budgets due to their exceptional nature. There are a number of known pressures and commitments in the pipeline, the extent of which are not yet fully quantified, but are expected to be contained without recourse to the use of reserves.
54. The ring-fenced nature of the HRA requires that deficits/surpluses are carried forward between years. For 2014/15 a surplus of £2.5m was contributed to reserves, which boosted the total held at 31/3/15 to £25.9m. In line with the medium term resource strategy (MTRS), the level of reserves are 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 £2.1m (against a budget of £1.4m) will be contributed in the current year, based on the current outturn forecast.

Reserves

55. 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.
56. 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.
57. 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.
58. As at Quarter 1, there have been no drawdowns from reserves.
59. Future calls on reserves included in Table 1 are shown below

Department	Reason for transfer	£'000	Ref para
Environment and Leisure	Funding of refunds of personal search fees following legislation changes.	140	24
Environment and Leisure	Further forecast use of reserves	2,060	25 Error! Reference source not found.
Housing and Community Services	Funding of temporary accommodation budget pressures.	2,337	29
Housing and Community Services	One off funding of customer service centre development, infrastructure upgrades and one-off modernisation projects designed to improve efficiency and reduce costs.	298	30
Finance and Corporate Services	Transfer of contingency to reserves	(4,000)	44
Total		835	

60. The budget approved by council for 2015/16 included a planned release of reserve of £6.163m. 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 2015/16 - 2017/18. It is currently assumed that this call on reserves will have to be made in full.

Treasury management

61. The council holds its cash in money market instruments diversified across major banks, building societies, and bonds issued by the UK government and 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. The investments themselves are managed by an in-house operation and two investment firms: Aberdeen Asset Managers and AllianceBernstein. Over quarter 1 the sum invested averaged £245m and the balance at 30 June 2015 was £259m. The sum 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 RATING - 30 JUNE 2015								
EXPOSURE £m	FUND				Ratings			
COUNTERPARTY	Aberdeen	Alliance Bernstein	In-House	£m	Long	Short	Sovereign	Sovereign Rating
COMMONW BANK AUSTRALIA			10.0	10.0	AA-	F1+	AUSTRALIA	AAA
ANZ BANKING CORP			10.0	10.0	AA-	F1+	AUSTRALIA	AAA
BANK OF NOVA SCOTIA	2.2		10.0	12.2	AA-	F1+	CANADA	AAA
NORDEA BANK FINLAND	6.5			6.5	AA-	F1+	FINLAND	AAA
CREDIT INDUST ET COMRCL	3.5			3.5	A+	F1	FRANCE	AA
BANQUE NATIONAL DE PARIS	3.5	2.0	10.0	15.5	A+	F1	FRANCE	AA
DZ BANK	3.0			3.0	AA-	F1+	GERMANY	AAA
GOLDMAN SACHS MMF			27.9	27.9	Money	AAA	GLOBAL	Money Fund
BLACKROCK MMF			29.0	29.0	Money	AAA	GLOBAL	Money Fund
RABOBANK		2.0	10.0	12.0	AA-	F1+	NETHERLANDS	AAA
ING BANK	3.5	3.5	10.0	17.0	A	F1	NETHERLANDS	AAA
EUROPEAN INV BANK	7.0	7.1		14.1	AAA	F1+	SUPRANATIONAL	AAA
INT BANK RECONST DEVT		6.8		6.8	AAA	F1+	SUPRANATIONAL	AAA
SVENSKA			10.0	10.0	AA-	F1+	SWEDEN	AAA
SKANDINA VISKA		2.0		2.0	A+	F1	SWEDEN	AAA
CREDIT SUISSE	3.5	2.0		5.5	A	F1	SWITZERLAND	AAA
UBS		2.0	10.0	12.0	A	F1	SWITZERLAND	AAA
NATIONWIDE BSOC	3.3	2.0	10.0	15.3	A	F1	UK	AA+
UK TREASURY	3.2	15.0		18.2	AA+	F1+	UK	AA+
BARCLAYS BANK	3.5	2.0		5.5	A	F1	UK	AA+
LLOYDS BANK	3.5		10.0	13.5	A+	F1	UK	AA+
BNY MELLON	1.3	4.7		6.0	AA-	F1+	US	AAA
CITIBANK	3.5			3.5	A+	F1	US	AAA
Total £m	51.0	51.1	156.9	259.0				

INVESTMENT MATURITY PROFILE AND RATING - 30 JUNE 2015				
Yr Band	A	AA	AAA	TOTAL
Up to 1 Year	58%	31%	0.06	95%
1 - 2 Years			2%	2%
2 - 5 Years		3%		3%
Total £m	58%	34%	8%	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)
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)	

62. The average return over the quarter was 0.40% reflecting the highly accommodative central bank monetary stimulus still in place here and abroad to support financial markets and growth. Base rates here have been held at

0.50% since 2009 and monetary policy since then has intensified investors' search for yields, driving yields lower.

63. In July 2015 the sum managed by the two fund managers was raised by £50m. This will give the council access to further government, supranational, quasi-sovereign and covered bond issues and raise returns safely.
64. During the quarter £2.5m in PWLB loans matured and were paid off. No new loans were taken and the debt balance outstanding at 30 June 2015 was £467m.

Municipal Bond Agency

65. The Local Government Association's municipal bond agency is continuing preparations to launch its first bond issue this year and is expecting to lend on funds to borrowers at a slightly lower rate than the PWLB. The terms will be fixed when the first bond is issued and potential borrowers will assess the benefits from any savings in the rate against any joint and several guarantee or other conditions the agency places. Any borrowing the council itself needs will be from whichever source is the cheapest having regard to any conditions.

Community impact statement

66. This report monitors expenditure on council services, compared to the planned general fund budget agreed in February 2015, and HRA budget agreed in January 2015. Although as a monitoring report, this report has been judged to have nil or a very small impact on local people and communities, the 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 2015/16 to 2017/18: Cabinet 27/01/15	160 Tooley Street PO Box 64529 London SE1P 5LX	John Braggins 020 7525 7489
Link: http://modern.gov.southwark.gov.uk/documents/b50005416/Supplemental%20Agenda%20No.%201%20Tuesday%2027-Jan-2015%2016.00%20Cabinet.pdf?T=9		
Housing Revenue Account budget: Cabinet 27/01/15	160 Tooley Street PO Box 64529 London SE1P 5LX	Ian Young 020 7525 7849
Link: http://modern.gov.southwark.gov.uk/documents/s51225/Report%20HRA%20Budget%2015-16.pdf		

APPENDICES

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

AUDIT TRAIL

Cabinet member	Councillor Fiona Colley, Finance, Modernisation and Performance	
Lead officer	Duncan Whitfield, Strategic Director of Finance and Corporate Services	
Report author	Jennifer Seeley, Deputy Finance Director	
Version	Final	
Dated	3 September 2015	
Key Decision?	Yes	
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		3 September 2015

Interdepartmental movements to be approved for Quarter 1

Department from	Amount £'000	Department to	Amount £'000	Reason
Finance and Corporate Services	(3,325,308)	Children and Adults	555,202	Depreciation adjustment
		Housing and Community services	29,014	
		Environment & Leisure	2,224,613	
		Chief Executive	516,479	
Finance and Corporate Services	(300,000)	Environment & Leisure	300,000	Permanent funding for delivery of the Southwark Violent Crime Strategy

Interdepartmental movements to be noted for Quarter 1

Department from	Amount £'000	Department to	Amount £'000	Reason
Housing and Community Services	(75,000)	Chief Executive's	75,000	Expansion of rough sleepers outreach service

Direct revenue funding of capital to be noted for Quarter 1

Department from	Amount £'000	Department to	Amount £'000	Reason
Finance and Corporate Services	(131,273)	Direct revenue funding of capital	131,273	Further funding of costs associated with the re-instatement of Charlotte Shearman Lodge following fire damage in 2013

Item No. 16.	Classification: Open	Date: 15 September 2015	Meeting Name: Cabinet
Report title:		Quarter 1 Capital Monitoring for 2015/16 and Capital Programme Refresh for 2015/16-2024/25	
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 making a number of variations to the programme which include the addition of the £27.9m to help deliver the additional school places needed in our borough funded by the basic need grant we will receive from the Department for Education in 2017/18. We are also asked to approve the addition of an indicative sum of £18m for the proposed loan cabinet agreed in principle in July to help establish the Mountview Academy of Theatre in Peckham.

RECOMMENDATIONS

That cabinet:

1. Notes the general fund capital programme for the period 2015/16 to 2024/25 as at Quarter 1 2015/16, as detailed in Appendix A and D.
2. Notes the housing investment programme for the period 2015/16 to 2024/25 as at Quarter 1 2015/16, as detailed in Appendix B.
3. Approve the virements and variations to the general fund and housing investment capital programme as detailed in Appendix C.
4. Notes the projected expenditure and resources for 2015/16 and future years for both the general fund and housing investment programmes as detailed in Appendices A, B and D as at Quarter 1 2015/16 and this position will be updated during the year when more up to date information is available.

BACKGROUND INFORMATION

5. On 21 July 2015, the 2014/15 capital outturn report was presented to the cabinet. This reported the capital outturn position of £77.7m on the general fund programme and £168.6m on the housing investment programme for the financial year 2014/15
6. At that meeting, cabinet also approved the re-profiling of the expenditure and resources for the financial year 2015/16 and future years in light of the 2014/15

outturn position for both the general fund and housing investment programme and noted that further re-profiling will be required during 2015/16 based on more up to date information available.

7. The scale of the capital programme 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.
8. 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.
9. This report sets out the re-profiled budget and forecast outturn position for 2015/16 for the General Fund and the Housing Investment Programme (HIP).

KEY ISSUES FOR CONSIDERATION

General Fund Capital Spend

10. The quarter 1 capital monitor report indicates that expenditure of £14.1m incurred at quarter 1 against a re-profiled budget of £119.5m for 2015/16 showing a spend of 11.8% to budget on the general fund capital programme. The summary position and the programme details by departments are reflected in Appendices A and D respectively.

Housing Investment Programme Spend

11. The total re-profiled budgets on the Housing Investment Programme for 2015/16 is £356.8m and the expenditure incurred at quarter 1 is £24.7m, indicating a spend of 6.9% to budget. 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 £200m in 2015/16. Details of the schemes and budgets within the Housing Investment Programme are reflected in Appendix B.

Resource implications

12. The council's capital resources are comprised of the following:
 - capital receipts from disposal of property
 - grants
 - external contributions
 - section 106 and Community Infrastructure Levy (CIL) contributions
 - housing major repair reserve
 - contributions from revenue
 - contribution from reserves
 - internal borrowing
 - external borrowing.

13. 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.
14. 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.
15. 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

16. The council can enter into a Section 106 (S106) agreement, otherwise known as a planning obligation, with a developer where it is necessary to provide contributions to offset the deemed negative impacts caused by development. Contribution requirements can take several forms and range from provision of affordable homes and highways works to very specific mitigation projects. Depending on the agreement, developers may deliver works directly or choose to make payments to the council to undertake work.
17. Use of S106 funding has been forecast in the programme, which is provided through existing balances and new funds anticipated from future agreements.
18. On 25 March 2015, following two years of development and three rounds of consultation, council assembly approved a Community Infrastructure Levy (CIL) for Southwark. Southwark CIL is a floor space charge for infrastructure which applies to applicable planning permissions from 1 April 2015. On 17 March 2015, cabinet approved the S106 & CIL Supplementary Planning Documents (SPD) which refined what S106 can be secured on, and committed to spend 25% of Southwark CIL locally.
19. On 21 July 2015, cabinet agreed the creation of the Infrastructure Planning Board (IPB) and the process for identifying projects for which the 70% CIL strategic funding may be used as all or partial funding of projects within the council's capital programme.

Contributions from Earmarked Reserves

20. Reserves are funds set aside from favourable variances in the revenue and

capital budgets. They can also be planned contributions to meet contractual commitments or future expenditure plans which may include risks or liabilities that arise at a later date. The three reserves which have relevance for funding the capital programme 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

21. 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.
22. 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

23. 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.
24. 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 1 2015/16

25. As at quarter 1 2015/16, capital receipts of £7.9m and £8.9m had been received from the general fund and housing receipts respectively for the financial year 2015/16.
26. At the end of quarter 1 2015/16, £18.1m other income had been received including £997,000 of education related grants and £16.7m secured through S106 and CIL agreements.

27. The above resources will be monitored and applied as appropriate to schemes in 2015/16.

Programme position at Quarter 1 2015/16

28. Attached at Appendix A is a summary of the general fund programme position as at quarter 1 of 2015/16. This shows a total expenditure budget of £570.6m budgeted over the programme from 2015/16 to 2024/25.
29. Attached at Appendix B is a summary of the housing investment programme position as at quarter 1 of 2015/16. This shows a total expenditure budget of £1,391.1m over the programme from 2015/16 to 2024/25.
30. Appendix C shows the budget virements and variations arising in quarter 1 of 2015/16 for approval by cabinet.
31. Appendix D shows a more detailed view of the general fund programme on individual projects or groups of projects over the period 2015/16 to 2024/25.
32. 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

33. The sections below provide commentary on the budget position by departments for 2015/16.

GENERAL FUND (APPENDIX A)

Children's and Adult Services

34. In summary, the capital programme across Children's and Adults Services for the period 2015/16 to 2024/25 at the start of the year was £136.2m. The DfE have announced 2017/18 basic needs grant of £27.9m which is requested to be added to the programme to make a revised total programme of £164.1m as reflected in Appendix C. The annual budget for 2015/16 was £48.0m and the expenditure incurred at quarter 1 was £3.2m. There is no variance from the budget to expected outturn at this stage.

Children's Services

35. The revised capital programme for 2015/16 to 2024/25 is £116.8m. With the addition of the 2017/18 basic needs grant the total programme becomes £144.7m. The annual budget for 2015/16 is £43.2m. The expenditure incurred for quarter 1 was £3.0m
36. The main areas of expenditure for 2015/16 will be:
- £659,000 for 2 year old places
 - £4.5m schools maintenance programme
 - £660,000 temporary expansion, and
 - £37.0m on permanent expansion.

37. As the main expansion programme is progressing with enabling works, designs and main contract tenders, there are a number of cost pressures arising. The main reasons are construction industry inflation associated with a high volume of construction in London and the south east. Contractors are required to demonstrate that they are achieving competitive value for money prices and officers will also review the schemes with relevant members, schools and stakeholders with a view to containing expenditure within the total programme.

Adults' Services

38. The capital programme for the period 2015/16 to 2024/25 is £19.4m. The annual budget for 2015/16 is £4.8m. The expenditure incurred for quarter 1 was £156k. The main works in 2015/16 included major refurbishments at Orient Street and the Brandon Trust properties and the expansion of the Telecare service.

Southwark Schools for the Future

39. The capital programme for the period 2015/16 to 2024/25 is £38.4m and the revised annual budget for 2015/16 is £2.7m with the total forecast expenditure also £2.7m. The expenditure for quarter 1 was £417,000 for ICT equipment. The expenditure in 2015/16 will be on ICT equipment, lease payment for Highshore and retention on completed schools.

Finance and Corporate Services

40. The capital programme for this department continues to focus on two key areas: Information Technology infrastructure projects and premises-related improvements to the council's operational buildings. The total departmental capital programme stands at £55m. The budget for the department in 2015/16 is £10.1m and the forecast outturn is projected to be in line with the budget set.
41. Information technology is a key component to the council's ability to successfully deliver services efficiently and effectively going forward. Over the next ten years the council will continue to update and improve the IT infrastructure and networks. In 2015/16 the council expects to complete the implementation of a new social care system with a budget of £1.4m. Spend on infrastructure projects and maintenance/replacement of assets is expected to be in the region of £2.8m.
42. Facilities management will over the next ten years deliver a comprehensive planned preventative maintenance and compliance programme for the assets and fabric of the operational estate that fully supports the delivery of front line services. Programme spend in 2015/16 is expected to be £4.3m. In addition to this works continue on the re-instatement of Walworth Town Hall, which was significantly damaged by fire in March 2013.

Environment & Leisure

Summary

43. The total value of the departmental capital programme for the period 2015/16 to 2024/25 is £128m. The latest projected spends for the year is estimated to be £25.5m against the latest capital budget for 2015/16 of around £27m. The overall net variance which arises from re-profiling of the expenditure is proposed to be

carried forward into 2016/17.

44. The forecasts of projects in the departmental capital programme for 2015/16 and future years have been reviewed for their robustness since the 2014/15 outturn report and some budgets have been re-profiled, as appropriate.
45. The progress of major schemes is outlined below.

Public Realm

46. The Highway Asset investment programme (non-principal and principal roads) is programmed for full spend.
47. The Cleaner Greener Safer (CGS) programme is programmed to spend £2m and to deliver 200 projects.
48. The cycle infrastructure fund is forecast to spend £250,000 on scoping and design work for the Southwark Spine. The 20mph programme is on programme to spend £100,000 this financial year on preparation and design work for further physical interventions in 2016/17.
49. The implementation of the cemetery strategy continues to create further burial spaces and make associated infrastructure improvements. Major expenditure is expected this year with the completion of the lodge refurbishment works, replacement of cremators and the implementation of works at Area D1.
50. The Southern Entrance project at Burgess Park is the most significant project that will be progressed as part of Phase 3 of Burgess Park improvements this year.
51. The Parks Infrastructure and Investment improvements will continue to include urgent health and safety works such as lighting improvements, wall repairs and drainage work whilst work continues on the asset data capture project which will ultimately lead to Parks Infrastructure Asset Management Plan.

Culture, Libraries, Learning & Leisure

52. The £550,000 refurbishment of Peckham Library commenced with scaffolding in place and lift cars under construction. Works have also commenced on the library roof.
53. Works to phase one of the Southwark Athletics track recommenced at the end of June following sign off of planning conditions. Phase two (building refurbishment) is being developed with the main spend forecast for the end of the financial year.
54. The Peckham Pulse capital works, which included the redecoration of the pool halls, the replacement of the pool hall air handling unit and the re-grouting of the pool wet side floor tiles, have been completed. The pool halls re-opened in May 2015. Work on the Pulse building management system and metering and lighting works will be completed by end of October 2015.
55. The works at Seven Islands leisure centre continue to be delayed by the need for Fusion to carry out asbestos works. It has been agreed the most appropriate time to start pool pipe and valve replacement works will be in January 2016

when the pool hall closes for other refurbishment works.

56. The Thomas Calton Centre refurbishment project is now underway. The initial new window fits have commenced and everything has progressed well. The refurbishment contractor has estimated project completion to be August 2015.
57. Thomas Calton Centre ICT project has started. Capita are working on the building of the new network machines. The lift at Thomas Calton needs to be repaired so that the server can be removed.

Housing Renewal

58. The 2015/16 area renewal programme will focus on progressing the Brayards Road Improvement Zone group repair scheme. The project will provide health and safety repair works and environmental improvements to a maximum of 81 street properties of mixed tenures. Following the tender process, a contractor has been selected and has received its formal appointment. The contractor mobilised on site on 18 June 2015, with works expected to be completed by December 2015. To date 51 units of housing qualify to receive the packages of works available, giving a take up of 47% resident participation. It is anticipated that the final level of participation will be approximately 51%. The bulk of project expenditure is expected in quarters 2 and 3.
59. The Disabled Facilities Grant (DFG) programme has to date approved schemes costing £174,000. The unit is on track to meet the target of 95 completions this year and is projecting a nil variance on the budget. It is expected that majority of the DFG expenditure will occur in quarters 3 and 4, the period when most of the schemes are completed. The DFG subsidy allocation of £613,746 has been received and is being processed through the better care fund.

Environmental Services

60. The energy strategy team has identified 11 operational estate sites as potential projects for energy efficiency improvement projects as part of the £250,000 annual carbon reduction programme. Discussions are on going with the GLA's RE: FIT procurement framework regarding tendering for and procuring an Energy Services company (ESCO) to deliver these projects.
61. The unit is anticipating £87,000 revenue in 2015/16 from last year's installation of a photovoltaic array on the roof of the Old Kent Road integrated waste facility. This was identified as part of the budget planning process and will be monitored as part of the savings monitor. The project has had a number of positive press and publicity with British Gas highlighting it as a very interesting/challenging inner city case study. The project has also had a visit from the renewable energy team at the Department for Energy and Climate Change (DECC) who have shown a great deal of interest in the project.

Chief Executive's Department

62. The main focus of Chief Executive's department is to lead the corporate agenda of transforming the borough, making it a better place to live, work and visit. This is achieved through the implementation and delivery of various physical and social regeneration programmes.

63. The department is on course to deliver various projects aimed at improving road safety, encourage greener and sustainable modes of transportation as well as supporting the commercial viability of local shopping areas through environmental improvements, trader empowerment and continued business support. This is additional to the major regeneration projects at Aylesbury, Elephant & Castle, Camberwell and other parts of the borough.
64. The current value of capital programme for the department over the next 10 years is £184.1m. The latest capital monitor is projecting expenditure of £30.2m in 2015/16, £51.2m in 2016/17 and the balance of £102.7m over 2017/18-2024/25 financial years. This is a preliminary forecast and will be subject to on-going review throughout the year.
65. Performance thus far in 2015/16 has been steady with expenditure of £7m at the end of quarter 1 against 2015/16 full year forecast of £30.2m. Work is continuing on the delivery of key community projects with the completion of a new leisure centre in Elephant and Castle, new ultra modern library in Camberwell and new Nunhead Community Centre scheduled for completion this year.
66. The planning division (comprising of 2 project areas, namely transport planning and planning projects) has a combined budget of £22.4m with £10.1m profiled for 2015/16 and the balance of £12.3m profiled over future years.
67. The transport planning budget of £10.1m is largely funded by Transport for London (TfL) to deliver transport improvement programme as contained within the borough's transport plan. Planning Projects budget of £12.2m is funded mainly by s106 to deliver various projects to mitigate the impacts of new developments, improve public realm, parks and open spaces as well as supporting the commercial viability of local shopping areas.
68. The regeneration division (comprising of 4 project areas namely Regeneration North, Regeneration South, Regeneration Capital and Property Services) has a combined budget of £161.7m with projected expenditure of £20.1m in 2015/16 and the balance of £141.6m profiled over 2016/17 to 2024/25. Budget for regeneration is funded by capital receipts to deliver key community and regeneration projects across the borough, and s106/CIL contribution of £57m towards the strategic transport improvements project in Elephant & Castle.
69. The council is committed to the on going regeneration of Peckham, including bringing new jobs and investment to the area. On 21 July 2015 cabinet agreed the proposals for the Eagle Wharf development site, and the council is now working with Mountview Academy of Theatre Arts to help them establish their permanent home in Peckham. Mountview provides high quality drama, musical theatre and production training to the most talented students from across the UK. The proposal includes the development of community offer for the area. It is the one of three key development sites in Peckham that is now coming forward for completion in 2017/18, including the Library square and the Station square and it also compliments the established arts and culture scene in the area.
70. The capital programme has been increased for the proposed loan amount of £18m included in Appendix C for cabinet approval. The capital budget is indicative at this stage and the council will work with Mountview in seeking alternative funding sources to minimise the amount borrowed, aligning the interests of both parties. The aim is to approve the final agreement in the

autumn, with the Academy opening for the start of the 2018 academic year.

Housing General Fund

71. The total value of the housing general capital programme is £1.4m and details of the projects are provided below.
72. Waddling St – The Guinness housing scheme started on site in May 2014. This is the final Elephant & Castle replacement housing scheme.
73. Ilderton Rd – Gypsy & Travellers site – Negotiations are on going with Network rail concerning the stability works to the embankment.

Housing Investment Programme (APPENDIX B)

74. The total value of the Housing Investment Capital Programme for the period 2015/16 to 2024/25 is £1,391.2m. The forecast spend in 2015/16 is £350.6m against the agreed budget of £356.8m. The variance of £6.2m is re-profiled to spend in 2016/17. The section below provides commentary on the major areas of activity across the various capital projects within the Housing Investment Programme.

HIP – Warm Dry and Safe

75. £100m was spent in 2014/15 on warm dry and safe, ahead of the £90m original forecast, bringing total spend to £283m. The programme is forecasting to spend £200m in 2015/16 with projects now being committed against the £985m capital budget on the housing stock programme agreed by cabinet in quarter 3 of 2013/14. At the end of quarter 1, £15.4m has been spent against the forecast of £200m. The programme has consistently met or slightly exceeded the annual forecast. The WDS programme will be fully committed, with a few exceptions, by March 2016 and a 90% decency target has also been set for March 2016.
76. The 2 year programme is now complete. A total original provision of £76m was made for the two year programme, carry over schemes and the original FRA works within the original WDS budget. The final outturn expected to be around £82m for delivering these schemes.
77. 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. £41.4m has so far been committed against an original WDS allocation of £14.6m for these schemes. The remaining three schemes are expected to complete in 2015/16.
78. Eight of the WDS 2013 major works schemes are committed, with 4 achieving practical completion. The remaining schemes to be committed are Tustin refurbishment works, Aylesbury Phase 2 (following phase 1), a package of street properties and Acorn (following regeneration works). The overall original WDS 2013 major schemes allocation was £30.1m including some brought forward blocks being delivered with these schemes but excluding contingency.
79. Some WDS 2014 major works schemes works were brought forward using the Decent Homes Backlog funding. £97m has been committed against an original

overall WDS allocation of £37.6m for all the WDS 2014. One scheme has been committed in 2015/16 with another scheme expected to be committed in 2015/16. A further scheme is on hold pending heating works.

80. Over £60m of the WDS 2015 major works schemes were committed at the end of quarter 1 2015/16 with the majority of the remaining schemes expected to be committed by quarter 3 2015/16 which means nearly all of the programme will be committed by quarter 3 2015/16.
81. The trend of schemes requiring more resources than the original 2010 stock condition survey estimate has continued, meaning that the existing WDS budget is effectively committed with resources for now being allocated from the £985m capital budget on the housing stock programme to complete the works.
82. Following the manifesto commitment to deliver a kitchens and bathroom programme, a package of works is being put together to be delivered alongside the major works programme for 2015/16. Costs have been included in the capital programme for 2015/16 and are currently estimated to be £20m for the current year.
83. There are a number of potential funding streams that can contribute to or reduce the commitment for extra resources for this programme. A successful bid was submitted for Decent Homes Backlog funding in 2015/16 and £53m has been added to the funding assumptions. Further to this, 'risk pots' in committed projects not being utilised and under spends on projects will mean reduced costs on committed projects.
84. Both the Four Squares and Hawkstone WDS/HINE projects continue on site and will complete in 2015/16. The main Abbeyfield scheme (Maydew) is now due to start on site in late 2015/16. The HINE allocation for Four Squares was increased to £28m following structural issues and the scope of works required to complete the scheme.
85. All the remaining programmed 2015/16 WDS district heating schemes are now expected to be committed this financial year.
86. 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 that coincide with the WDS programme. £2.3m has been allocated to complete substantial medium rise FRA works are also being completed in 2015/16 alongside planned WDS works. Sidmouth has also been added to the programme.
87. The decency level of at the end of the quarter 1 was 60.94%. A 90% decency target has been set for March 2016.

Bermondsey Spa

88. Approximately £700,000 is expected to be spent on Vauban and Neckinger Estates environmental works in 2015/16 but has yet to be committed.

Regeneration Schemes 2015/16 – Hidden Homes – Refurbishment

89. Five Hidden Homes were completed at the start of this year, with no further

Hidden homes currently on site but 4 with planning approved and a number of other sites being progressed for inclusion in the programme.

New Build – Phase 1

90. Phase 1 of the Direct Delivery programme comprising of 9 sites is currently in various stages of development. It is split into 2 major areas of work “Phase 1A – Willow Walk” and “Phase 1B – Other Works”.

Phase 1A – Willow Walk

91. Willow Walk will be the first newly built homes delivered as a result of this programme. This scheme will deliver 21 general needs housing and a 54 short stay accommodation unit, both of which are scheduled to complete by summer 2015. These units are being funded through a mix of RTB Receipts, GLA grant funding, S106 Affordable housing fund and other capital receipts.

Phase 1B – Other Works

92. Main construction works on seven other sites at Long Lane, Masterman House, Clifton Estate, Gatebeck and Southdown on the East Dulwich Estate, Cator Street and Nunhead Green site B started in January 2015. These works are due to complete in between January and September 2016. Enabling works at Sumner Road has also commenced with the main works due to commence in 2016.

93. The estimated cost of the works to these 7 sites is approximately £43m excluding Sumner Road. This is expected to be funded from various funding streams; £27m from S106 Affordable Housing Fund, approved by the Planning Committee on 14 July 2015. The balance will be funded from a combination of other resources including GLA grant (Building the Pipeline), capital receipts generated by sales and the reserved part of the RTB receipts set aside for new build and from other capital receipts.

Phase 2

94. This consists of 13 schemes and the sites are being worked up for a planning application, but are not expected to start on site until 2016/17.

Summary Position

95. The provisional estimated cost of phase 1A and 1B is £54m (excluding Sumner Road, which is yet to be finalised). The programme is forecasting to spend of £33m for 2015/16 with 15% spent to the end of June which includes on site development costs and enabling costs for Phase 2.

Aylesbury Estate Regeneration

96. In the first development site, of the 563 properties, only 21 are still occupied. The council is continuing to seek to buyback the 19 leaseholders and rehouse the 2 tenants. It is anticipated that the demolition of this area will start in Summer 2015.
97. In the next phase of the development which comprises 403 properties, only 332

are still occupied. The Council is continuing to seek to buyback the 50 leaseholders and rehouse the 282 tenants.

Risks on council's development and refurbishment projects

98. 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

99. The budgets across the capital programme were re-profiled at 2014/15 outturn 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. The capital programme will be subject to on-going review by service managers and the budgets will need to be re-profiled further during 2015/16 based on the latest information available on procurement and contract management issues.

Community impact statement

100. 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.
101. Each project within the capital programme will be considered with regard to its impact on age; disability; faith/religion; gender; race; ethnicity; sexual orientation; gender reassignment; marriage and civil partnership; pregnancy and maternity.
102. The council's capital programme is designed to deliver projects of value to local people.

Resource implications

103. This report forms part of the council's budget framework and outlines the current position on the capital programme.
104. 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

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

Financial implications

106. This report fully explores the financial implications of the capital programme for the general fund and the housing investment programme at quarter 1 of 2015/16. The report also presents an updated position on the refreshed capital programme over the period 2015/16 to 2024/25 on the predicted resources and expenditure across this period.

Consultation

107. 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

108. 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.
109. 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
Quarterly Capital Monitoring Outturn Report for 2014/15 and Capital Programme Refresh 2014/15-2023/24	Southwark Council Finance and corporate services 160 Tooley Street London SE1 2QH	Jay Nair, Senior Finance Manager, Finance and Corporate Services
Link: http://modern.gov.southwark.gov.uk/documents/g5138/Public%20reports%20pack%20Tuesday%2021-Jul-2015%2016.30%20Cabinet.pdf?T=10		

APPENDICES

No.	Title
Appendix A	General fund summary monitoring position at quarter 1 2015/16
Appendix B	Housing investment programme summary monitoring position at quarter 1 2015/16
Appendix C	Budget virements and variations at quarter 1 2015/16
Appendix D	General fund programme detail at quarter 1 2015/16

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	3 September 2015	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
	Officer Title	Comments sought
		Comments included
	Director of Legal Services	Yes
	Strategic Director for Finance and Corporate Services	N/a
	Cabinet Member	Yes
	Date final report sent to Constitutional Team	3 September 2015

General Fund Summary Monitoring Position Quarter 1 2015/16

Appendix A

Department	2015/16				2016/17			2017/18+			Total Programme 2015/16-24/25		
	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	48,010	3,150	48,010	0	85,736	85,736	0	30,364	30,364	0	164,110	164,110	0
Southwark Schools for the Future	2,679	419	2,679	0	2,837	2,837	0	32,838	32,838	0	38,354	38,354	0
Finance and Corporate Services	10,129	1,461	10,129	0	5,869	5,869	0	38,975	38,975	0	54,973	54,973	0
Environment	27,037	2,052	25,493	(1,544)	29,517	30,961	1,444	71,056	71,156	100	127,610	127,610	0
Housing General Fund	1,452	0	1,452	0	0	0	0	0	0	0	1,452	1,452	0
Chief Executive	30,217	7,078	30,217	0	51,199	51,199	0	102,685	102,685	0	184,101	184,101	0
TOTAL EXPENDITURE	119,524	14,160	117,980	(1,544)	175,158	176,602	1,444	275,918	276,018	100	570,600	570,600	0
FINANCED BY:													
Capital Receipts	72,238	8,110	53,244	(18,994)	133,829	27,923	(105,906)	167,523	211,204	43,681	373,592	292,371	(81,221)
Reserves	3,765	555	3,765	0	386	386	0	2,316	2,316	0	6,467	6,467	0
Revenue	1,303	580	1,303	0	2,450	2,450	0	50	50	0	3,803	3,803	0
Capital Grants	29,648	4,509	29,648	0	22,426	22,426	0	57,325	57,325	0	109,398	109,398	0
Section 106 Funds	12,486	399	12,034	(452)	15,595	16,047	452	48,704	48,704	0	76,784	76,784	0
External Contributions	84	7	84	0	472	472	0	0	0	0	556	556	0
TOTAL RESOURCES	119,524	14,160	100,078	(19,446)	175,158	69,704	(105,454)	275,918	319,599	43,681	570,600	489,379	(81,221)
Forecast variation (under)/over	0	0	17,902	17,902	0	106,898	106,898	0	(43,581)	(43,581)	0	81,221	81,221

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Project description	2015/16				2016/17		
	Revised Budget	Spend to date	Forecast	Variance	Revised Budget	Forecast	Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
WDS carry-over schemes	14	14	14	0	0	0	0
WDS 2-year programme	418	400	418	0	2,462	2,462	0
WDS 2012 major works	5,543	785	5,543	0	50	50	0
WDS 2013 major works	6,409	1,108	6,409	0	418	418	0
WDS 2014 major works	40,223	5,137	40,223	0	12,082	12,082	0
WDS 2015 major works	132,689	6,123	132,689	0	40,598	40,598	0
FRA works	2,127	88	2,127	0	0	0	0
M&E electrical	1,177	0	1,177	0	541	541	0
M&E heating	5,594	675	5,594	0	527	527	0
M&E lifts	795	318	795	0	37	37	0
WDS voids works	4,088	332	4,088	0	0	0	0
WDS Unallocated Budget	463	26	463	0	0	0	0
HINE WDS works	1,040	405	1,040	0	4,891	4,891	0
WDS Leathermarket JMB	371	0	371	0	0	0	0
Housing Stock - New Programme	20,000	0	20,000	0	10,000	10,000	0
Additional FRA Works	3,065	0	3,050	(15)	0	15	15
HINE additional works	14,405	1,097	12,808	(1,597)	6,991	8,588	1,597
Aylesbury Estate PPM works	1,659	6	777	(882)	0	882	882
Aylesbury Estate regeneration	10,212	949	10,212	0	7,050	7,050	0
Bermondsey Spa refurbishment	395	0	300	(95)	393	488	95
East Dulwich Estate	4,228	265	3,833	(395)	0	395	395
Elmington Estate	2,656	248	2,656	0	323	323	0
Heygate Estate	6,895	250	6,895	0	1,000	1,000	0
Hidden Homes	449	0	449	0	0	0	0
Hostels new build	3,248	1,320	3,248	0	0	0	0
Local authority new build	243	2	243	0	0	0	0
Misc regen, acquisitions and home loss	230	9	230	0	0	0	0
Purchase of S106 Prop from Developers	16,825	0	13,729	(3,096)	0	3,096	3,096
Direct Delivery - New Council Homes	33,379	3,896	33,379	0	40,252	40,252	0
Adaptations	2,112	329	2,109	(3)	2,000	2,003	3
Affordable housing through commuted sums	0	0	0	0	0	0	0
Cash incentive & Home owner buy back sch	3,980	36	3,980	0	421	421	0
Digital switchover	148	0	0	(148)	0	148	148
Disposals costs	500	2	500	0	379	379	0
Energy	0	0	0	0	200	200	0
Installation of Sprinkler & Smoke detectors	10,762	8	10,762	0	11,665	11,665	0
Lakanal House	7,942	305	7,942	0	5,450	5,450	0
Fire damage reinstatement	778	0	778	0	0	0	0
Group repairs	272	0	272	0	0	0	0
Hostels accommodation	36	131	36	0	0	0	0
Leasehold / freehold acquisitions	897	5	897	0	300	300	0
Major voids	1,960	54	1,960	0	0	0	0
Office accommodation	0	0	0	0	0	0	0
Scheme management costs	0	0	0	0	0	0	0
Security	100	0	100	0	0	0	0
Sheltered accommodation	372	0	372	0	0	0	0
T&RA halls	3,561	378	3,561	0	1,500	1,500	0
Heating Energy Efficiency Measures	4,562	59	4,562	0	4,000	4,000	0
TOTAL	356,822	24,760	350,591	(6,231)	153,530	159,761	6,231
FINANCED BY:							
Capital Receipts b/fwd	6,578	0	6,578	0	0	0	0
Capital Receipts	21,083	0	21,083	0	25,000	25,000	0
RTB Receipts - Restricted to New Build	36,210	0	36,210	0	0	0	0
Depreciation charge (MRA)	46,400	0	46,400	0	46,400	46,400	0
Major Repairs Reserve (MRR)	39,540	0	39,540	0	0	0	0
Revenue Contribution	18,700	0	18,700	0	18,600	18,600	0
New Homes Bonus	0	0	0	0	0	0	0
Grants (DH backlog funding)	53,036	0	53,036	0	0	0	0
Section 106 Funds & Grants	29,999	0	29,999	0	0	0	0
External Contributions	0	0	0	0	0	0	0
TOTAL RESOURCES	251,546	0	251,546	0	90,000	90,000	0
Forecast variation (under)/over	105,276		99,045	(6,231)	63,530	69,761	6,231

Project description	2017/18 - Future Years			Total Programme 2015/16-24/25		
	Revised Budget	Forecast	Variance	Revised Budget	Total Forecast	Total Variance
	£'000	£'000	£'000	£'000	£'000	£'000
WDS carry-over schemes	0	0	0	14	14	0
WDS 2-year programme	635	635	0	3,515	3,515	0
WDS 2012 major works	4,592	4,592	0	10,185	10,185	0
WDS 2013 major works	7,184	7,184	0	14,011	14,011	0
WDS 2014 major works	9,055	9,055	0	61,360	61,360	0
WDS 2015 major works	2,043	2,043	0	175,330	175,330	0
FRA works	0	0	0	2,127	2,127	0
M&E electrical	0	0	0	1,718	1,718	0
M&E heating	0	0	0	6,121	6,121	0
M&E lifts	0	0	0	832	832	0
WDS voids works	0	0	0	4,088	4,088	0
WDS Unallocated Budget	331	331	0	794	794	0
HINE WDS works	2,137	2,137	0	8,068	8,068	0
WDS Leathermarket JMB	0	0	0	371	371	0
Housing Stock - New Programme	765,329	765,329	0	795,329	795,329	0
Additional FRA Works	0	0	0	3,065	3,065	0
HINE additional works	10,753	10,753	0	32,149	32,149	0
Aylesbury Estate PPM works	0	0	0	1,659	1,659	0
Aylesbury Estate regeneration	46,699	46,699	0	63,961	63,961	0
Bermondsey Spa refurbishment	0	0	0	788	788	0
East Dulwich Estate	0	0	0	4,228	4,228	0
Elmington Estate	0	0	0	2,979	2,979	0
Heygate Estate	0	0	0	7,895	7,895	0
Hidden Homes	0	0	0	449	449	0
Hostels new build	0	0	0	3,248	3,248	0
Local authority new build	0	0	0	243	243	0
Misc regen, acquisitions and home loss	359	359	0	589	589	0
Purchase of S106 Prop from Developers	0	0	0	16,825	16,825	0
Direct Delivery - New Council Homes	0	0	0	73,631	73,631	0
Adaptations	10,000	10,000	0	14,112	14,112	0
Affordable housing through commuted sums	0	0	0	0	0	0
Cash incentive & Home owner buy back sch	0	0	0	4,401	4,401	0
Digital switchover	0	0	0	148	148	0
Disposals costs	0	0	0	879	879	0
Energy	200	200	0	400	400	0
Installation of Sprinkler & Smoke detectors	15,203	15,203	0	37,630	37,630	0
Lakanal House	3,036	3,036	0	16,428	16,428	0
Fire damage reinstatement	0	0	0	778	778	0
Group repairs	0	0	0	272	272	0
Hostels accommodation	0	0	0	36	36	0
Leasehold / freehold acquisitions	0	0	0	1,197	1,197	0
Major voids	0	0	0	1,960	1,960	0
Office accommodation	250	250	0	250	250	0
Scheme management costs	2,736	2,736	0	2,736	2,736	0
Security	300	300	0	400	400	0
Sheltered accommodation	0	0	0	372	372	0
T&RA halls	0	0	0	5,061	5,061	0
Heating Energy Efficiency Measures	0	0	0	8,562	8,562	0
TOTAL	880,842	880,842	0	1,391,194	1,391,194	0
FINANCED BY:						
Capital Receipts b/fwd	0	0	0	6,578	6,578	0
Capital Receipts	117,800	117,800	0	163,883	163,883	0
RTB Receipts - Restricted to New Build	0	0	0	36,210	36,210	0
Depreciation charge (MRA)	232,000	232,000	0	324,800	324,800	0
Major Repairs Reserve (MRR)	0	0	0	39,540	39,540	0
Revenue Contribution	84,600	84,600	0	121,900	121,900	0
New Homes Bonus	1,100	1,100	0	1,100	1,100	0
Grants (DH backlog funding)	0	0	0	53,036	53,036	0
Section 106 Funds & Grants	0	0	0	29,999	29,999	0
External Contributions	0	0	0	0	0	0
TOTAL RESOURCES	435,500	435,500	0	777,046	777,046	0
Forecast variation (under)/over	445,342	445,342	0	614,148	614,148	0

2015/16 Quarter 1 Capital Monitor										APPENDIX C
FUNDED VARIATIONS AND VIREMENTS FOR APPROVAL										
	Children & 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 Programme Expenditure	
	£	£	£	£	£	£	£	£	£	£
CURRENT PROGRAMME AS AT 2014/15 OUTTURN (FOR PERIOD 2015/16 - 2024/25)	136,244,543	38,353,050	54,972,675	127,632,150	1,451,971	166,028,074	524,682,463	1,391,189,810	1,915,872,273	
Quarter 1 - Virements to be approved										
Empty Homes Funding				(113,566)			(113,566)		(113,566)	
Home Repair Loan				113,566			113,566		113,566	
Camelot PF&M	4,599						4,599		4,599	
DfE UIFSM 2014/15	(4,599)						(4,599)		(4,599)	
Capital Works for Free Healthy School Meals	3,016						3,016		3,016	
DfE UIFSM 2014/15	(3,016)						(3,016)		(3,016)	
John Ruskin	117,776						117,776		117,776	
Unallocated	(117,776)						(117,776)		(117,776)	
Cherry Garden Special School	1,314,113						1,314,113		1,314,113	
Cherry Garden Special School	(1,314,113)						(1,314,113)		(1,314,113)	
Total virements to be approved at Qtr 1	0	0	0	0	0	0	0	0	0	0
Quarter 1 - Variations to be approved										
Parks Fields in Trust				(2,224)			(2,224)		(2,224)	
Bells Gardens Ball C				(20,424)			(20,424)		(20,424)	
2017/18 Basic need grant DfE	27,865,689						27,865,689		27,865,689	
Draper House/ Sherston Court Improvements						29,334	29,334		29,334	
Camberwell Town Centre						21,438	21,438		21,438	
Eagle Wharf/Mountview						18,000,000	18,000,000		18,000,000	
Albert Mckenzie						22,269	22,269		22,269	
Total variations to be approved at Qtr 1	27,865,689	0	0	(22,648)	0	18,073,041	45,916,082	0	45,916,082	0
TOTAL PROGRAMME BUDGET VIREMENTS & VARIATIONS AT QUARTER 1 2015/16	27,865,689	0	0	(22,648)	0	18,073,041	45,916,082	0	45,916,082	0
REVISED BUDGETS	164,110,232	38,353,050	54,972,675	127,609,502	1,451,971	184,101,115	570,598,545	1,391,189,810	1,961,788,355	
VIREMENTS & VARIATIONS REQUESTED TO BE APPROVED FINANCED BY:										
Capital Receipts	0			0		18,000,000	18,000,000		18,000,000	
Major Repairs Allowance				0		0	0	0	0	
Reserves	0			0		0	0	0	0	
Revenue				0		0	0	0	0	
Capital Grant	27,865,689			(22,648)		21,438	27,864,479	0	27,864,479	
Section 106 Funds	0			0		51,603	51,603	0	51,603	
External Contribution	0	0		0		0	0	0	0	
TOTAL RESOURCES	27,865,689	0	0	(22,648)	0	18,073,041	45,916,082	0	45,916,082	0

Capital Programme 2015/16 - 2024/25	2015/16			2016/17			2017/18+			Total Programme '2015/16-24/25		
Description of Programme / Project	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Environment												
Kingswood House refurb	250	250	0	0	0	0	0	0	0	250	250	0
Seven Islands Leisure Centre Refurbishment	1,014	1,014	0	850	850	0	0	0	0	1,864	1,864	0
Other OLF Projects	3,148	3,215	67	927	927	0	0	0	0	4,075	4,142	67
RFID	146	124	(22)	0	0	0	0	0	0	146	124	(22)
Grove Vale Library	0	0	0	160	160	0	0	0	0	160	160	0
Canada Water Public Art	66	66	0	0	0	0	0	0	0	66	66	0
Thomas Calton Centre refurbishment	315	315	0	0	0	0	0	0	0	315	315	0
Peckham Pulse Option 1 & 2	719	719	0	626	626	0	0	0	0	1,345	1,345	0
Leisure centres Lifecycle maintenance	176	162	(14)	150	150	0	1,050	1,050	0	1,376	1,362	(14)
Further implementation of RFID in libraries	100	100	0	0	0	0	0	0	0	100	100	0
Refurbishment at Peckham Library	321	321	0	0	0	0	0	0	0	321	321	0
Temporary library at Elephant & Castle	201	170	(32)	0	0	0	0	0	0	201	170	(32)
Cuming Museum fit out of temporary premises	75	75	0	0	0	0	0	0	0	75	75	0
Olympic Legacy Phase 2	450	350	(100)	0	100	100	0	0	0	450	450	0
Modernisation of Adult Learning Services at Thomas Calton Centre - ICT works	71	71	0	0	0	0	0	0	0	71	71	0
Castle Leisure Centre	1,100	1,100	0	0		0	0	0	0	1,100	1,100	0
Other Park Projects	457	300	(157)	1,293	1,350	57	0	100	100	1,750	1,750	0
Community Safety	17	17	0			0	0	0	0	17	17	0
SDM Essential H & S Project	676	676	0	500	500	0	0	0	0	1,176	1,176	0
Parking contract upfront capital costs	21	21	0	0	0	0	0	0	0	21	21	0
Walworth Road	38	38	0	0	0	0	0	0	0	38	38	0
Street Care Non Principal Roads Programme	5,029	5,029	0	6,200	6,200	0	25,400	25,400	0	36,629	36,629	0
Principal Road Programme	1,000	1,000	0	1,000	1,000	0	1,000	1,000	0	3,000	3,000	0
Flood Prevention (Highways drainage gully	316	316	0	245	245	0	1,715	1,715	0	2,276	2,276	0
Monuments & memorials in the Public Realm	500	175	(325)	50	375	325	350	350	0	900	900	0
Herne Hill Flood Prevention	72	72	0	0	0	0	0	0	0	72	72	0
Street Metal Works - Lamp Column Replacement	496	496	0	500	500	0	3,500	3,500	0	4,496	4,496	0
GMH Park accommodation refurbishment	109	10	(99)	0	99	99	0	0	0	109	109	0
Newington Ward Park Improvements	441	111	(330)	0	330	330	0	0	0	441	441	0
Cemetery Burial Strategy	878	878	0	2,888	2,888	0	1,098	1,098	0	4,863	4,863	0
Major Parks	1,293	882	(412)	3,274	3,685	412	1,300	1,300	0	5,867	5,867	0
Additional Replacement Tree Planting	112	112	0	50	50	0	350	350	0	512	512	0
Park Infrastructure & Investment Programme	1,210	1,210	0	1,500	1,500	0	5,490	5,490	0	8,200	8,200	0
Other Public Realm Projects Funded by S106	336	215	(121)	120	241	121	20	20	0	477	477	0
Russia Dock Woodland	30	30	0	0	0	0	0	0	0	30	30	0
Parking Design Projects	45	45	0	0	0	0	0	0	0	45	45	0
Southbank Accessibility Improvements	0	0	0	205	205	0	0	0	0	205	205	0
20mph Zone	100	100	0	444	444	0	562	562	0	1,106	1,106	0
Cycling Infrastructure Fund	250	250	0	681	681	0	1,000	1,000	0	1,931	1,931	0
Dr Salter Statue	4	4	0	0	0	0	0	0	0	4	4	0
Cleaner, Greener and Safer Programme	2,002	2,002	0	4,119	4,119	0	13,160	13,160	0	19,280	19,280	0
Integrated Waste Solutions Programme	216	216	0	109	109	0	1,500	1,500	0	1,825	1,825	0
Energy Efficiency - Operational Estate	260	260	0	250	250	0	1,750	1,750	0	2,260	2,260	0
Solar Photovoltaic arrays	16	16	0	0	0	0	0	0	0	16	16	0
Housing Renewal	2,166	2,166	0	2,567	2,567	0	11,811	11,811	0	16,544	16,544	0

Capital Programme 2015/16 - 2024/25	2015/16			2016/17			2017/18+			Total Programme '2015/16-24/25		
Description of Programme / Project	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Brayards Improvement Zone	797	797	0	810	810	0	0	0	0	1,606	1,606	0
Environment Total	27,037	25,493	(1,544)	29,517	30,961	1,444	71,055	71,155	100	127,610	127,610	0
Finance and Corporate Services												
Information Service	409	409	0	0	0	0	795	795	0	1,204	1,204	0
Essential Upgrade of Carefirst System	1,466	1,466	0	0	0	0	0	0	0	1,466	1,466	0
IT Investment Schemes	2,816	2,816	0	1,600	1,600	0	7,167	7,167	0	11,583	11,583	0
Property Works Programme	462	462	0	300	300	0	1,200	1,200	0	1,962	1,962	0
Planned Preventative Maintenance (PPM) & Compliance	3,803	3,803	0	3,969	3,969	0	29,813	29,813	0	37,585	37,585	0
Walworth Road Fire	1,122	1,122	0	0	0	0	0	0	0	1,122	1,122	0
Municipal Agency Bond	50	50	0	0	0	0	0	0	0	50	50	0
Finance and Corporate Services Total	10,129	10,129	0	5,869	5,869	0	38,975	38,975	0	54,973	54,973	0
Chief Executive												
Public Realm & Open Space Improvements	2,144	2,144	0	1,645	1,645	0	0	0	0	3,789	3,789	0
Borough & Bankside St.scape Improvements	33	33	0			0	0	0	0	33	33	0
Bermondsey Streetscape Improvements	341	341	0	1,058	1,058	0	0	0	0	1,399	1,399	0
Improving Local Retail Enviroments	107	107	0			0	0	0	0	107	107	0
Borough & Bankside Tourism Infrastructure	75	75	0	159	159	0	0	0	0	234	234	0
Housing and Area Renewal	960	960	0	235	235	0	0	0	0	1,195	1,195	0
Hatfields Streetscape Improvements	99	99	0	100	100	0	0	0	0	199	199	0
ILRE Phase 2	552	552	0	700	700	0	800	800	0	2,052	2,052	0
Walworth Road South(Missing bit of the Jigsaw)	300	300	0	950	950	0	1,600	1,600	0	2,850	2,850	0
Roads & Traffic Mgt Improvements	3,833	3,833	0	1,438	1,438	0	0	0	0	5,272	5,272	0
Major Schemes(Lower Road)	268	268	0	0	0	0	0	0	0	268	268	0
Quietways (Cycle paths)	1,326	1,326	0	3,641	3,641	0	0	0	0	4,967	4,967	0
Mayor's Air Quality Fund	5	5	0	0	0	0	0	0	0	5	5	0
Bermondsey Spa Public Realm Improvements	498	498	0	0	0	0	0	0	0	498	498	0
Elephant & Castle Open Spaces	211	211	0	2,578	2,578	0	2,900	2,900	0	5,689	5,689	0
Walworth Town Hall	712	712	0	902	902	0	18,366	18,366	0	19,980	19,980	0
Rotherhithe Library(Albion Street) Demolition	334	334	0	0	0	0	0	0	0	334	334	0
Draper House/ Sherston Court Improvements	29	29	0	0	0	0	0	0	0	29	29	0
Camberwell Green and Gateway to Peckham	2,349	2,349	0	4,540	4,540	0	11,076	11,076	0	17,964	17,964	0
Revitalise Camberwell	0	0	0	1,690	1,690	0	1,436	1,436	0	3,126	3,126	0
Camberwell Library	746	746	0	0	0	0	0	0	0	746	746	0
Canada Water Library	18	18	0	161	161	0	0	0	0	179	179	0
Construction of Community Centre	647	647	0	93	93	0	0	0	0	741	741	0
Revitalise Peckham Rye	450	450	0	2,313	2,313	0	371	371	0	3,134	3,134	0
Mint Street Adventure	0	0	0	1,100	1,100	0	900	900	0	2,000	2,000	0
Construction of Elephant & Castle Leisure Centre	5,899	5,899	0	189	189	0	0	0	0	6,088	6,088	0
Voluntary Sector Strategy	0	0	0	1,031	1,031	0	0	0	0	1,031	1,031	0
Property Acquisition for Regeneration Projects	2,000	2,000	0	2,915	2,915	0	14,000	14,000	0	18,915	18,915	0
Pullens Yard Improvements	0	0	0	210	210	0	242	242	0	452	452	0

Capital Programme 2015/16 - 2024/25	2015/16			2016/17			2017/18+			Total Programme '2015/16-24/25		
Description of Programme / Project	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Void Shops & Council Owned Parade	0	0	0	725	725	0	1,275	1,275	0	2,000	2,000	0
Charlotte Sharman Lodge Reinstatement	131	131	0	0	0	0	0	0	0	131	131	0
Lease of New Office Accomodation	169	169	0	0	0	0	0	0	0	169	169	0
Assets	0	0	0	1,617	1,617	0	0	0	0	1,617	1,617	0
Acquisition of New Office Accomodation	79	79	0	144	144	0	0	0	0	223	223	0
Elephant & Castle Regeneration	4,676	4,676	0	5,465	5,465	0	48,419	48,419	0	58,560	58,560	0
Blackfriards Road Boulevard	0	0	0	100	100	0	0	0	0	100	100	0
Eagle Wharf/Mountview	1,200	1,200	0	15,500	15,500	0	1,300	1,300	0	18,000	18,000	0
Albert Mckenzie	22	22	0							22	22	0
Chief Executive Total	30,217	30,217	0	51,199	51,199	0	102,685	102,685	0	184,101	184,101	0
Children and Adult Services												
Other Grant Allocations	659	659	0	400	400	0	0	0	0	1,059	1,059	0
3 Primaries	248	248	0	476	476	0	0	0	0	724	724	0
Carbon Reduction in schools	245	245	0	0	0	0	0	0	0	245	245	0
Other Primary Projects	5	5	0	0	0	0	0	0	0	5	5	0
Free School Meals	368	368	0	0	0	0	0	0	0	368	368	0
Bessemer	677	677	0	0	0	0	0	0	0	677	677	0
Dulwich Wood (Langbourne)	1,748	1,748	0	0	0	0	0	0	0	1,748	1,748	0
Lyndhurst major expansion & refurb	1,098	1,098	0	0	0	0	0	0	0	1,098	1,098	0
Youth Services projects	7	7	0	0	0	0	0	0	0	7	7	0
Troubled Families	233	233	0	0	0	0	0	0	0	233	233	0
Southwark Inclusion	193	193	0	0	0	0	0	0	0	193	193	0
Maintenance programme for Schools	4,463	4,463	0	3,500	3,500	0	0	0	0	7,963	7,963	0
Permanent Expansion	33,261	33,261	0	66,736	66,736	0	30,364	30,364	0	130,361	130,361	0
Southwark Resource Centre	259	259	0	0	0	0	0	0	0	259	259	0
Adult PSS Capital Allocations	1,981	1,981	0	0	0	0	0	0	0	1,981	1,981	0
Adult PSS Orient Street	1,161	1,161	0	150	150	0	0	0	0	1,311	1,311	0
Adult PSS Fred Francis	60	60	0	0	0	0	0	0	0	60	60	0
Adult PSS Southwark Park Road	35	35	0	0	0	0	0	0	0	35	35	0
Transformation of LD care - Brandon Trust	1,059	1,059	0	0	0	0	0	0	0	1,059	1,059	0
the expansion of Telecare	150	150	0	75	75	0	0	0	0	225	225	0
Centre of Excellence	50	50	0	2,450	2,450	0	0	0	0	2,500	2,500	0
Autism learning provision	50	50	0	11,950	11,950	0	0	0	0	12,000	12,000	0
Children and Adult Services Total	48,010	48,010	0	85,736	85,736	0	30,364	30,364	0	164,110	164,110	0
Southwark Schools for the Future												
Walworth Academy	10	10	0	0	0	0	0	0	0	10	10	0
SMAA	1,557	1,557	0	0	0	0	0	0	0	1,557	1,557	0
New School Aylesbury	147	147	0	0	0	0	0	0	0	147	147	0
Notre Dame (VA)	6	6	0	0	0	0	0	0	0	6	6	0
Contingency & retension Payments	133	133	0	0	0	0	5,000	5,000	0	5,133	5,133	0

Capital Programme 2015/16 - 2024/25	2015/16			2016/17			2017/18+			Total Programme '2015/16-24/25		
Description of Programme / Project	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
KS3/KS4 SILS	50	50	0	2,526	2,526	0	1,731	1,731	0	4,307	4,307	0
ICT	776	776	0	311	311	0	0	0	0	1,086	1,086	0
Rotherhithe deferred	0	0	0	0	0	0	19,622	19,622	0	19,622	19,622	0
Phase 3 rescope	0	0	0	0	0	0	6,485	6,485	0	6,485	6,485	0
Southwark Schools for the Future Total	2,679	2,679	0	2,837	2,837	0	32,838	32,838	0	38,353	38,353	0
Housing General Fund												
Springtide Close Travellers Site	112	112	0	0	0	0	0	0	0	112	112	0
Ilderton Travellers Site Wall	300	300	0	0	0	0	0	0	0	300	300	0
Wadding Street and Stead Street	1,040	1,040	0	0	0	0	0	0	0	1,040	1,040	0
Housing General Fund Total	1,452	1,452	0	0	0	0	0	0	0	1,452	1,452	0
Capital Programme 2015/16 - 2024/25	Total General Fund Programme											
	2015/16			2016/17			2017/18+			Total Programme '2015/16-24/25		
	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance
	£'000			£'000		£'000		£'000				
Total Expenditure	119,524	117,980	(1,544)	175,158	176,602	1,444	275,918	276,017	100	570,600	570,599	0
Total Resources	119,524	100,078	(19,446)	175,158	69,704	(105,454)	275,918	319,597	43,679	570,600	489,379	(81,221)
Forecast variation (under)/over	0	17,902	17,902	(0)	106,898	106,898	(0)	(43,580)	(43,579)	(0)	81,220	81,221
Cumulative position				0	124,800	124,800	(1)	63,317	63,319	(1)	37,639	37,642

Item No. 17.	Classification: Open	Date: 15 September 2015	Meeting Name: Cabinet
Report title:		Gateway 2 – Contract Award Approval Adult Integrated Drug and Alcohol Treatment System	
Ward(s) or groups affected:		All	
Cabinet Member:		Councillor Barrie Hargrove, Public Health, Parks and Leisure	

FOREWORD – COUNCILLOR BARRIE HARGROVE, CABINET MEMBER FOR PUBLIC HEALTH, PARKS AND LEISURE

Since the responsibility for delivering public health transferred to the council under the Health and Social Care Act 2012, we have been committed to improve our substance misuse services and ensure that we provide cost effective interventions that help clients achieve recovery. This report recommends the approval of a contract for a maximum of 5 years that will offer better outcomes for service users including services for primary alcohol users on an equitable and equivalent basis to those available for primary drug users. It is recognised that there are always challenges in procuring a service of this nature, most importantly that current clients are successfully managed between the existing and new provider. Work has already commenced with our provider agencies and with the involvement of the Southwark Substance Misuse Service User Council, I am confident that this will be achieved as smoothly as possible. At a time when government cuts to the public health budget are challenging us to do more for less, this will also reduce the cost of the substance misuse budget by 33%, enabling us to meet that challenge whilst still providing the public health services that our residents need.

RECOMMENDATION

1. That the cabinet approves the award of the adult integrated drug and alcohol treatment system contract to Lifeline Project Ltd. up to a maximum annual value of £3,913,104 in year one, £3,513,667 in year two and £3,499,467 in year three for a period of three years commencing on 4 January 2016 with an option to extend for a further period or periods not exceeding two years in total, making a total maximum contract value of £18,656,306.

BACKGROUND INFORMATION

2. Contract prices for the first three years are not index linked and will not increase year on year. For the purpose potential extension negotiations, which may include increased activity, officers have made provisions for an uplift in years four and five.
3. The procurement strategy for this contract was approved by the cabinet on 10 February 2015.
4. The Health and Social Care Act 2012 placed responsibility for the public health functions to be transferred from the National Health Service (NHS) to local authorities.
5. A number of the PCT contracts that transferred to the council were due to expire on 30 September 2013. These included contracts for substance misuse (drug and alcohol)

treatment services provided by Blenheim Community Drug Programme (BCDP), Crime Reduction Initiatives (CRI) and Foundation 66 which transferred into the community safety and enforcement division of the council.

6. In September 2013 approval was granted by the then Cabinet Member for Finance, Resources and Community Safety to extend the service provision for the existing providers for a period of 12 months between 1 October 2013 and 30 September 2014 by transferring the contracts into grant awards.
7. In October 2014 approval was granted by the cabinet member for community safety and volunteering to extend the grant awards for a further period of six months between 1 October 2014 and 31 March 2015 to enable the Drug Action and Alcohol Team (DAAT) to plan and make decisions as to the future commissioning framework for the borough-wide substance misuse treatment system.
8. In January 2015 approval was granted to extend the grant awards for a further period of nine months and three days between the 1 April 2015 and 3 January 2016 to enable the DAAT to undertake the procurement process detailed within this report.
9. In addition to the services that transferred to the council detailed in paragraph 5, the South London and Maudsley NHS Foundation Trust (SLaM) are commissioned by the Clinical Commissioning Group (CCG) in partnership with the council to deliver substance misuse treatment services in the form of a community drug action team (CDAT). This is due to expire on 3 January 2016.
10. Throughout 2014, the DAAT undertook a full service review of the existing treatment system; utilising the substance misuse needs assessment and other measures to inform the commissioning arrangements and framework for substance misuse treatment provision across the borough.
11. As the review progressed, it became clear that there was a need and an opportunity to re-commission an adult integrated drug and alcohol treatment system inclusive of interventions tailored to all levels of complexity within the overall model and services for adults with involvement in the criminal justice system.
12. For the first time in the borough, this will offer better outcomes for service users including services for primary alcohol users on an equitable and equivalent basis to those available for primary drug users. This will demonstrate cost-effectiveness and good value for money by enabling existing provision to be transferred into one overall commissioned service. This will reduce the capital and organisational costs of multiple providers as well as reducing duplication of provision and focusing service provision on current need.
13. A joint decision was agreed between the CCG and Southwark DAAT in September 2014 to include the scope of the services delivered in the SLaM CDAT service within the wider procurement project.
14. The existing contracts and grant awards for substance misuse treatment services relate to the scope of services detailed within the table below:

Existing provision aligned with grants/contracts (2014/15)	New provision from 4 January 2016
SLaM – CDAT (Assessment and Triage / Complex Team)	Adult Integrated Drug and Alcohol Treatment System

Existing provision aligned with grants/contracts (2014/15)	New provision from 4 January 2016
BCDP Kappa Opiates Service BCDP Evolve Stimulant Service BCDP Rise Day Programme BCDP Access Service BCDP Party Drugs Service BCDP Restart Service BCDP Integrated DIP Service CRI Integrated DIP Service CRI Reach Day Programme CRI Criminal Justice SPOC Service CRI Criminal Justice Drug Testing Service Foundation 66 Alcohol Service	

15. The existing service providers currently deliver the following:

Service	Definition
SLaM CDAT Service	Community Drug and Alcohol Team
BCDP Kappa	Open access drop in service for opiates users and shared care provider with GPs
BCDP Evolve	Structured stimulant treatment service
BCDP Rise Day Programme	Structured group programme
BCDP Access Service	Cannabis and cocaine service
BCDP Party Drugs Service	Party drugs service
BCDP Restart Service	Assertive re-engagement service
BCDP Integrated DIP Service	Criminal Justice treatment service
CRI Integrated DIP Service	Criminal Justice treatment service (including support for RADAR clients)
CRI Reach Day Programme	Criminal Justice / DRR Day Programme
CRI Criminal Justice SPOC Service	Single Point of Contact Service
CRI Criminal Justice Drug Testing Service	Drug Testing linked to Criminal Justice service users
Foundation 66 Alcohol Service	Tier 2/3 Alcohol and Drugs service

16. A detailed business case outlining the need for this service was included as part of the Gateway 1 report approved in January 2015, please see background documents.
17. Through this procurement exercise Southwark DAAT intends to create and develop a recovery-orientated adult integrated drug and alcohol treatment system that focuses not only on engaging people in treatment, but enabling them into long term sustained recovery.

Procurement project plan (Key Decision)

18. The following procurement timetable was agreed and adhered to with only minor variations:

Activity	Completed by/ Complete by:
Forward Plan (If Strategic Procurement) Gateway 2	29/05/2015

Activity	Completed by/ Complete by:
Approval of Gateway 1: Procurement Strategy Report	10/02/2015
Invitation to tender	05/05/2015
Closing date for return of tenders	30/06/2015
Completion of evaluation of tenders	12/08/2015
DCRB Review Gateway 2:	20/08/2015
CCRB Review Gateway 2:	27/08/2015
Notification of forthcoming decision – despatch of Cabinet agenda papers	06/09/2015
Approval of Gateway 2: Contract Award Report	15/09/2015
End of Scrutiny Call-in period and notification of implementation of Gateway 2 decision	28/09/2015
Alcatel Standstill Period (if applicable)	28/09/2015
Contract award	28/09/2015
Add to Contract Register	28/09/2015
TUPE Consultation period (if applicable)	28/12/2015
Contract start	04/01/2016
Publication of award notice in Official Journal of European (OJEU)	30/09/2015
Publication of award notice on Contracts Finder	30/09/2015
Contract completion date	03/01/2019
Contract completion date – if extension(s) exercised	03/01/2021

KEY ISSUES FOR CONSIDERATION

Description of procurement outcomes

19. Based on the procurement process outcomes, the panel recommends the contract is awarded to Lifeline Project Ltd. who is not the current provider for the service.
20. The new contract will provide an integrated drug and alcohol treatment system delivered by a single third sector provider (Lifeline) with forty years experience of delivering drug and alcohol services.
21. The new service, operating six days per week, will deliver evidence based drug and alcohol treatment with an increased focus on recovery and building resilience among service users. This will mean that the new service, along with delivering drug and alcohol ‘treatment’, will be ensuring access to support to help with employment and training opportunities, ensuring support to rebuild social networks and interests and working alongside service users and stakeholders to build a visible recovery community in Southwark. This will result in improved outcomes for Southwark residents with drug and alcohol misuse issues.

22. The new treatment system will be delivered from two main hubs based in Camberwell and Walworth Road, as well as a number of community satellites located across the borough.
23. The service will consist of:
 - a. Recovery co-ordination with Recovery Co-ordinators delivering strength based assessments, recovery planning and evidence based psycho-social interventions (PSI). Recovery coordinators will be based within the main hubs as well as in community hubs.
 - b. Clinical Services will be delivered both as part of the core provision and within primary care. These services will be consultant led, and be delivered by qualified medical staff including nurses, doctors and psychologists. Clinical interventions will be delivered alongside PSIs.
 - c. Core clinical provision will include special prescribing and community detoxification for both drug and alcohol. Physical health needs will be addressed by a specialist Blood Borne Virus (BBV) and physical health services. The clinical service will liaise with mental health services and coordinate treatment for those with a dual diagnosis.
 - d. Primary care clinical provision will integrate with the wider primary care provision within practices, supporting GPs to deliver recovery focused Opiate Substitution Therapy (OST) prescribing and community detoxification. Those service users accessing clinical interventions via primary care will also access PSIs and other support offered within the core provision.
 - e. Early intervention and prevention will be delivered via the open access and low threshold service, which will increase numbers in effective treatment at earlier stages of dependence through tailored engagement programmes and targeted outreach. They will deliver identification and brief advice as well as harm reduction interventions such as Brief Interventions (BI) and Extended Brief Interventions (EBI) to service users with low threshold drug and/or alcohol issues.
 - f. Involvement and recovery support will be co-produced in partnership with service users, in particular the Southwark Service User Council and Peer Mentor service. As well as a Family and carers support service, there will be a number of activities to support recovery and build recovery capital including physical activities, volunteering opportunities, peer mentors as well as access to cultural/art based activities and other diversionary activities.
 - g. Aftercare and sustainable recovery will ensure that those who exit the service remain in recovery by offering continued relapse prevention interventions to those that wish to engage. The service will support the on-going development of mutual aid and peer support via the Southwark recovery community, as well as continuing to offer diversionary activities to those that choose to access them.
24. Current spend on existing services included in the scope of the re-commissioning project equates to £5,869,309 per annum.
25. Projected savings based on current spend are as follows:

	New service costs per annum	Current service cost per annum	Cost reduction
Year one	£3,913,104	£5,869,309	£1,956,205
Year two	£3,513,667	£5,869,309	£2,355,642
Year three	£3,499,467	£5,869,309	£2,369,842
Total over three years	£10,926,238	£17,607,927	£6,681,689

26. The potential savings have been realised by eliminating significant duplication within the currently system. We have also achieved economies of scale by reducing from four providers delivering thirteen services, to one provider delivering an integrated service.
27. The variance in price among the four bidders was approximately £1.25m over the length of the three year contract. The three lowest bidders showed a variance of approximately £565,000 over the length of the three year contract.
28. Efficiencies achieved will be utilised to support reinvestment into the wider substance misuse treatment system and other Public Health priorities.
29. Risks associated with the impact of financial disinvestment from the scope of services to be provided within this contract have been considered. This will be mitigated by a reconfiguration of the overall scope of services to reduce duplication and drive a more cost-effective model of delivery.

Policy implications

30. This procurement activity is in line with the key national policy drivers and legislation detailed in Appendix 1.
31. The procurement of this service contract directly aligns with the council's Fairer Future principles and Joint Health and Wellbeing Strategy.

Tender process

32. Throughout this process the Southwark Service User Council have been consulted regarding key documentation and service specification design. The Service User Council participated in Pre Qualifying Questionnaire (PQQ) evaluation and Invitation to Tender (ITT) evaluation.
33. The tender for the adult integrated drug and alcohol treatment system was advertised on 03 March 2015. In line with rules and regulations, officers advertised the tender opportunity on a number of sources, including the Official Journal of the European Union and specialist substance misuse press and on line publications.
34. In accordance with the agreed gateway 1 procurement strategy, the procurement route followed was a two stage restricted process. Bidders were given until the 7 April 2015 to submit expressions of interest in the form of a PQQ.
35. Southwark Drug and Alcohol Action Team (DAAT) received 13 expressions of interest and issued PQQ packs to all 13 providers. By the closing date, six PQQ submissions were received. The reasons given by other providers for not submitting a PQQ were: not the right time, other priorities, not enough specialism in required areas and concentrating on other contracts.

36. The six submissions comprised of six lead providers (one of them leading a consortium) who would utilise sub-contracting arrangements to deliver some aspects of the service. All six submissions were scored according to the following criteria: financial information, health and safety track record, equalities and diversity track record, quality assurance and technical ability.
37. The PQQ evaluation criteria ensured that only service providers with sufficient experience of delivering substance misuse services would be considered further. It was evaluated as follows:

Criteria	Score
Technical Information	1-5 (Minimum quality threshold to be reached)
Financial Information	Pass/Fail
Health and Safety	Pass/Fail
Equalities and Diversity	Pass/Fail
Quality Assurance	1-5

38. All six submissions met all the necessary thresholds and were invited to tender on the 05 May 2015 with an original deadline for submissions of 18 June 2015. Due to the complex nature of the tender and the need to ask bidders to respond in detail to a large number of method statement questions, the deadline was extended until the 30 June 2015.
39. These organisations were:
- Blenheim CDP
 - Cranstoun Drug Services Ltd.
 - Crime Reduction Initiatives (CRI)
 - Lifeline Project Ltd.
 - South London and Maudsley NHS Foundation Trust (SLaM)
 - Surrey and Borders Partnership NHS Foundation Trust.
40. Officers were subsequently contacted by representatives of two of the bidders informing them that due to competing priorities and limited resources they would not be submitting a tender.
41. Officers held a bidders' briefing event on 26 May 2015, which was attended by representatives from the four remaining providers.
42. The bidders' event was an opportunity for providers to learn more about the tender process, the tender evaluation methodology and to ask questions.
43. A public questions log was kept and circulated twice a week throughout the tendering period.
44. According with council processes, on 30 June 2015 officers in the legal team conducted a tender opening ceremony. Tenders were received from the following organisations:
- Blenheim CDP
 - Crime Reduction Initiatives (CRI)
 - Lifeline Project Ltd.
 - South London and Maudsley NHS Foundation Trust (SLaM)

Tender evaluation

45. In order to reflect the cross cutting nature of substance misuse, the tender evaluation panel was made up of:

Clinical Commissioning Group (CCG)

- Director of Integrated Commissioning
- General Practitioner

Southwark Council:

Children and Adults Services

- Substance Misuse Team Manager
- Safeguarding Adults Manager
- Senior Commissioning Officer
- Joint Commissioning Officer
- Practice Lead Pre-birth and Integrated Homelessness Team
- Head of Mental Health

Community Safety and Enforcement Division

- Head of Community Safety and Enforcement
- Unit Manager DAAT
- DAAT Community Safety Officers (x2)
- Community Safety Officer (Reducing reoffending lead)
- Clinical Advisors Substance Misuse (x2)
- Safer Communities Manager

Public health

- Health Improvement Partnership Manager
- Consultant in Public Health

Other council departments

- Environment and Leisure Head of Service Development
- Housing Re-enablement and Sustain Service Manager

Other organisations:

- Service User Council Representatives
- Chief Executive – London Friend
- Blood Borne Virus Nurse – Guys and St Thomas NHS Trust

46. Due to the nature of this service which will support very vulnerable people in very difficult circumstances, the council wanted to send a clear message to potential bidders that for this contract the quality aspect was important. Therefore a 60:40 price quality weighting was agreed at gateway 1 stage and applied throughout the evaluation.
47. The tenders technical quality assessment was based on the method statements received from the bidders in response to 120 evaluation questions. Each question was weighted according to its importance. Bidders were required to submit responses to all evaluation questions.
48. Each question was scored between 0 – 5 according to the guidelines below:

5	Excellent Response	The bidder's response indicates that the bidder has a comprehensive understanding of the contract requirements. The proposed solution is a model answer, which demonstrates an innovative approach and indicates that the bidder can deliver all stated requirements.
4	Good	The bidder's response is fully compliant, logical and robust. It indicates that most stated requirements are met but there are some minor omissions.
3	Satisfactory	The bidder's response is fully compliant, logical and of a good standard. All basic requirements are met; however there is a lack of clarity on some requirements.
2	Unsatisfactory	The bidder's response is only partially compliant, with shortfalls in the solution offered. This indicates that not all the basic requirements of the contract would be met and there would be difficulty in delivering the contract requirements.
1	Unacceptable	The bidder's response shows serious deficiencies in the solution offered. This indicates there would be serious difficulties or inability in delivering the contract requirements.
0	Non compliant	The bidder's response has not provided relevant information to answer or indicate a solution to any of the required contract requirements.

49. Four key method statement questions required a minimum score of three (satisfactory) to be achieved in order to be eligible for award of the contract:
- Question 4A/42: Please describe the Clinical Governance arrangements for the service.
 - Question 4A/45: Please demonstrate how the service will ensure that children are appropriately safeguarded in a way that meets statutory requirements and local policies and procedures.
 - Question 4A/46: Please demonstrate how the service will ensure that service users who may be adults at risk are appropriately safeguarded in a way that meets statutory requirements and local policies and procedures.
 - Question 4B/47: Please detail how the Needle Exchange Service will adhere to guidance regarding Under 18 year olds.
50. Across all other method statement questions, the council reserved the right to reject any tender which received more than three scores of two or less (unsatisfactory/unacceptable/non compliant) in the submission. This right was not applied.
51. The financial evaluation was based on the responses provided within the Tender Pricing Schedule and was assessed as follows:
- Part A: 50 per cent of the overall financial evaluation weighting available against lowest price stated for delivery of the contract (representing 30 per cent of the overall tender evaluation weighting).
 - Part B: 50 per cent of the overall financial evaluation weighting available against robust supporting commentary / narrative based on all costs stated to be

recovered from the overall contract value (representing 30 per cent of the overall tender evaluation weighting).

52. Applicant organisations were asked to provide comprehensive and robust supporting commentary / narrative detailing how the stated costs were identified from the overall price of the contract (Part B). There was a requirement to substantiate all stated costs and provide evidence of the calculation of the costs where appropriate.
53. All four bids achieved high scores within the technical quality assessment of the tender evaluation, with a final score variance of less than 3% between first and fourth place. Officers recommend that the contract is awarded to Lifeline Project Ltd who meets the criteria in terms of technical quality, value for money and price.
54. The panel consensus score for the quality and price evaluation and the final total scores can be found in the closed version of this document.

Plans for the transition from the old to the new contract

55. As part of the tender process, all providers were asked to submit detailed implementation and risk management plans. The DAAT will work with the successful provider to further develop and implement these plans.
56. The DAAT has met with the current providers to plan the decommissioning of the current system, and are working together to produce a decommissioning plan.
57. Throughout the tender process the DAAT has carried out a number communication events with service users. Following contract award, the DAAT will keep both service users and the workforce informed by regular news letter.

Plans for monitoring and management of the contract

58. The DAAT is responsible for the commissioning, contract management and monitoring of the existing substance misuse contracts and grant awards. This is achieved through formal quarterly monitoring meetings with all providers. It is proposed that this continues to be the case with the new service contract.
59. Following award of contract, weekly meetings with the new provider will be scheduled throughout the implementation phase to monitor progression in mobilising the contract. This will continue post-commencement on an agreed schedule until such a point as the DAAT is satisfied that quarterly contract review meetings will be sufficient to effectively monitor delivery and performance.
60. The DAAT reports to the Safer Southwark Partnership (SSP) Substance Misuse Performance Delivery Group on a quarterly basis. The group has representation at an appropriate level of seniority for a variety of partners to ensure that commissioned services are providing the highest quality and best value for the communities that they serve.
61. In addition, the Service User Council will be involved in the development and monitoring of the contract in conjunction with the DAAT.
62. As the successful delivery of adult substance misuse treatment provision is dependent upon effective integration and partnership working between the new service contract and the GP Shared Care contract commissioned by the CCG, the DAAT will work

closely with the CCG commissioners and providers to ensure that this is implemented and robustly managed in practice.

63. The existing contracts and grant awards have a performance management framework in place aligned with National Drug Treatment Monitoring System (NDTMS) outcomes. It is proposed that the new contract will have a revised performance management framework.
64. A Payment by Results (PbR) performance management framework will be adopted utilising an 80:20 weighting where 80 per cent of the overall quarterly contract value will be paid as standard and 20 per cent of the overall quarterly contract value will be paid based on satisfactory performance. This payment will be linked to the achievement of key outcomes as defined within the service specification. Decisions on the identification of key outcomes and weighting in accordance with the 20 per cent PbR element has been identified in consultation with stakeholders.
65. Adopting a PbR approach will enable the DAAT to focus providers on the most important areas of service provision in order to achieve the best possible outcomes for service users and ensure continued funding through the Public Health Grant.
66. It is proposed that a phased approach to the PbR element of the contract will apply with no funding withheld for the first six months of delivery to enable the provider to embed service delivery and fully implement the scope of the service specification with the full 20 per cent PbR element being enforced from the third quarter of service delivery.
67. The service contract will be underpinned by a clear focus on outcomes, with a requirement for the provider to demonstrate and evidence how service provision has a positive impact on individuals, families and communities. There is an explicit requirement for providers to utilise a recognised outcomes monitoring tool with all service users who are engaged in treatment. This will enable enhanced monitoring of outcomes at an individual, treatment modality, service and borough level. Officers will use this information alongside trend and other data, to evidence cost-effectiveness and support future decision-making on service development and treatment system configuration.
68. There will be an expectation for the provider to develop and implement systems and tools that facilitate the measurement of the key service outcomes. This will be a standing agenda item at all formal quarterly contract review meetings.
69. Formal quarterly contract review meetings will take the format of contract monitoring reports, meetings with provider management and staff, feedback from other agencies/professionals and input from the Service User Council. The new provider will submit comprehensive technical and financial information to the DAAT prior to the formal review meetings. The provider will be required to outline priorities for the subsequent quarter through horizon scanning at each review and progress will be monitored at the subsequent meeting.
70. There will be a mandatory requirement for the provider to include specialist organisational input to the clinical and medicines management elements of the contract. Where additional specialist clinical expertise is required to support the DAAT, this will be sought from the CCG.

71. The DAAT will develop a clinical governance and quality assurance framework that will underpin service delivery within the new contract. It is intended that these processes will complement existing organisational processes. Compliance will be monitored within the formal quarterly contract review meetings.
72. An annual review of the contract will take place at the Quarter 4 monitoring meeting where overall performance for the year will be evaluated.
73. Dates of contract monitoring meetings and payments (as well as amounts) will be stipulated from the outset in the contract.
74. Regular contract performance monitoring reports will be presented to the Cabinet Member for Public Health, Parks and Leisure.
75. Notice periods will be built into the contract that can be enforced on the basis of non compliance.

Identified risks for the new contract

76. Funding for the proposed services is provided from the Public Health grant inclusive of CCG contribution. As funding allocation is not confirmed for all future years of contracted provision, this will be made explicit within the terms and conditions of the contract with an annual break clause stated within the contractual terms and conditions.
77. The contract will contain caveats to allow for changes of volume and quantities of activity. Where funding allocation is reduced in subsequent years, the provider will be informed at the earliest opportunity and the DAAT will liaise closely with the provider in order to limit the impact on frontline service delivery.
78. The contract will allow a termination period of six months.
79. There are TUPE implications for the existing and the new provider. This will involve the transfer of staff from the existing providers to the new provider. There is the possibility of a selection process as the staff structure in the new service may be different from the existing staff structure. Consideration of timescales linked to the TUPE process has been accommodated within the project plan.
80. There is a risk that the council's decision to award this contract to the successful bidder might be challenged by unsuccessful bidders which could lead to a judicial review. The procurement process has been open and transparent throughout. A wide cross section of officers from different service areas has taken part in the evaluation of tenders. Officers have had regular meetings with colleagues in the legal and procurement teams to ensure that due processes and procedures were adhered to.
81. Robust implementation and transition plans into the new service will be put in place, however some clients have been using these services for many years and might not be receptive to change therefore there is a risk that a number of service users might drop out of treatment during the transition period from the existing providers to the new provider. This will be mitigated by ensuring that both the outgoing and incoming providers agree a detailed transition plan and client handover process. The incoming provider will use their outreach provision to prevent dropout and encourage engagement. The DAAT will ensure that both the incoming and outgoing providers have a coordinated communications strategy during the transition.

82. During the initial transition period there is a risk that overall service performance might worsen. Officers will ensure that regular and frequent performance monitoring meetings are held with the provider during this time.
83. The successful bidder is new to the borough and will have to secure a number of new premises from which to deliver the service. Officers have probed the provider's plans in relation to this and are satisfied that the proposed venues are suitable and have been budgeted for realistically in the proposed budget. However, the location of substance misuse related premises can be a sensitive issue for residents and communities located within close proximity. Lifeline has a wealth of experience in dealing with setting up new services in new locations. Officers will ensure that they work closely with residents, communities, partner agencies, relevant Elected Members and the provider to ensure that the location of these new premises is handled sensitively.
84. The detail within the specification for the new service called for a change in the way in which dual diagnosis is managed within the treatment system. In order to mitigate against any deterioration of service for this cohort, we met with the Chief Executive Officer of the Clinical Commissioning Group and agreed to fund two mental health specialist who will deliver a triage service for those who present to the drug and alcohol service with a potential mental health issue. This will ensure that those with a dual diagnosis will receive the service most appropriate to their needs.

Community impact statement

85. The Substance Misuse Needs Assessment 2013 identified the current and projected needs for adult substance misuse treatment in Southwark.
86. There is a significant need to raise awareness of substance misuse issues and provide services to address substance misuse in Southwark. The proposed services will ensure individuals; families and communities affected by substance misuse receive the appropriate level of support at the time that it is needed.
87. The involvement of communities is a key part of the work of all parts of the health system. The value of including the wider views of individuals, communities and partnership agencies is critical to facilitating understanding and tackling the health and wellbeing issues in the borough. Engagement with the community and with people accessing commissioned public health services is a core principle within commissioning strategies for public health within the council. The impact of the new services on the community, and the views of the local community about these services, continues to be a core element of the review work of the service described within this report and will continue to be an integral element of service development and monitoring arrangements following award of the new service contract.
88. A borough-wide consultation, co-facilitated by the DAAT and Service User Council, took place between 1 November 2014 and 31 January 2015 offering service users, stakeholders and partners the opportunity to engage and consult on the future model of adult drug and alcohol treatment system provision in Southwark through a variety of methodology. Information received has been collated into a formal report which was utilised to inform the service specification.
89. The successful provider will be required to develop and implement a robust equalities and diversity monitoring framework as part of the contract. This will allow the council to

effectively monitor the demographics of individuals accessing services and develop targeted activity in order to address any disproportional issues with engagement. This data will also be used to identify if there are any particular needs of any particular community group that needs to be addressed.

90. The services provided by the existing contracts and grant awards are available to all individuals identified with substance misuse needs regardless of their gender, sexual orientation or faith. Services are available to all adults over 18 years of age.
91. The positive duties under Articles 2 (right to life) and 3 (prevention of inhumane and degrading treatment) as well as the duty to have regard to the right to private family life and home, as set out in the Human Rights Act, are engaged by the responsibilities which this service meets to those directly in need of service provision and to the wider community. The design of the service model and contract management will ensure that these obligations are met.

Sustainability considerations

92. The Public Services (Social Value) Act 2012 requires the council to consider a number of issues including how what is proposed to be procured may improve the economic, social and environmental well-being of the local area. These issues are considered in the following paragraphs which set out economic, social and environmental considerations.

Economic considerations

93. Because of the nature of the required services they will be delivered within the local area and this will provide opportunities for local labour, bringing local economic benefits. The service will also provide numerous opportunities for volunteering.
94. The benefits of providing effective drug and alcohol treatment have been extensively researched through clinical trials; government and private funded research and demonstrated to have a positive impact on individuals, families, communities and society in general. Public Health England estimates that for every £1 invested in substance misuse treatment in Southwark, £2.77 is saved for the borough in costs as well as benefiting communities and individuals.
95. There is significant evidence that effective drug and alcohol treatment reduces the harm to communities from dependency and is effective in improving a range of outcomes for individuals. Positive outcomes do not arise from the successful completion of treatment alone, but are evidenced from the improved health, stability, social functioning and reduction in crime that is observed on treatment commencement.
96. The absence from treatment engagement of many adults and young people imposes significant economic and social costs on the borough. These costs are primarily reflected in costs to the NHS associated with the treatment of acute and chronic drug and alcohol related conditions. In the cost of crime committed by adults and young people using substances and individuals who are actively using substances. Those with substance misuse issues are less likely to be in education, employment or training and leave school without qualifications, which has a cost to the local authority in relation to welfare and to the individual in terms of lower wages and poorer employment prospects.

Social considerations

97. The service will improve the life chances outcomes of individuals with substance misuse issues, their families and children reducing the negative impact of drug and alcohol use. In addition it will support safer communities across the borough due to a reduction in offending to fund substance use and supporting people to recover and reintegrate into society through meaningful activity meaning that there will be less substance misusers congregating in public places across the borough.
98. Bidders were informed of the requirement to pay London Living Wage (LLW) to all its employees and subcontractors involved in delivering the service as part of the contract, in order to fulfil the council's aspirations in relation to LLW. The current LLW is £9.15 per hour (approximately £17,600 per annum). None of the posts identified within the winning bid are priced at less than the current LLW.
99. Pursuant to section 149 of the Equality Act 2010 the council has tendered this contract having due regard in its decision making processes to the need to:
- a) Eliminate discrimination, harassment, victimisation or other prohibited conduct
 - b) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not
 - c) Foster good relations between those who share a relevant characteristic and those that do not share it.
100. The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. The Public Sector Equality Duty also applies to marriage and civil partnership, but only in relation to (a) above.
101. Officers have taken steps to ensure compliance with the Public Sector Equality Duty imposed by the Equality Act 2010 as set out in the Community Impact Statement section above, in particular:
- The Needs Assessment mentioned in paragraph 10 and 92;
 - The consultation exercise reported at paragraph 95 which has influenced and informed the drafting of the service specification (so that it covers the range of issues and needs identified by the needs assessment and the consultation).

Environmental considerations

102. Not identified.

Market considerations

103. This contract is outsourced.
104. The successful supplier is a limited company (limited by guarantee).
105. The successful supplier is a registered charity (Registered Charity No: 515691)
106. The successful organisation has more than 50 employees.
107. Lifeline is a national based organisation delivering services in a number of London boroughs.

108. Officers confirm that the procurement process has been carried out on the basis of the known market for these services and that all reasonable efforts have been made to attract maximum interest and participation in the tendering opportunity (as demonstrated within paragraph 38).
109. Officers consider that the market has been properly tested and that the range of tenders received demonstrates adequate competition.

Staffing implications

110. There is no negative impact on internal staff and both the procurement and subsequent contract management will be undertaken using existing resources.

Financial implications

111. The total estimated commitment is £10,926,238 over 3 years (£18,656,306 if extended by a further 2 years). The annual contract sum reduces from £3,913,104 in year 1 to £3,499,467 in year 3 as part of the strategic plan to find efficiencies to support reinvestment into the wider substance misuse treatment system and other Public Health priorities.
112. The tender evaluation methodology was weighted 60/40 to price/quality, the outcome of the overall evaluation was that the lowest price was successful resulting in £6,681,689 potential saving on the value of the contract over three years. This contract is based on 1997 service users per annum (total service users in treatment 2014-2015) being supported through service; cost per service user of £1959 in year one, £1758 in year two and £1752 in year three. This is in comparison to the current costs of £2939 per service user per annum. The savings in comparison to previous contract arrangements are set out in paragraph 32 above.
113. The funding for these services is the Public Health grant (inclusive of CCG contribution). As funding allocation is not confirmed for all future years of contracted provision, this will be made explicit within the terms and conditions of the contract with an annual break clause stated within the contractual terms and conditions. The contract will contain caveats to allow for changes of volume and quantities of activity.
114. Risks associated with the impact of financial disinvestment from the scope of services to be provided within this contract have been considered. This will be mitigated by a reconfiguration of the overall scope of services to reduce duplication and drive a more cost-effective model of delivery.
115. The risk of a significant variance to this contract sum is unlikely. The contract will be monitored on a regular basis as part of the departmental revenue monitoring process.

Legal implications

116. Please see concurrent from the director of legal services.

Consultation

117. Consultation in relation to the commissioning principles, outcomes, service specifications and model with service users has been factored into the project plan

timescales and procurement process, a large part of which took place in November 2014 as detailed in paragraph 93.

118. The cabinet member for public health, parks and leisure has been fully briefed and consulted on the content of the Gateway 2 report.

Other implications or issues

119. None.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Head of Procurement

120. This gateway two report seeks the cabinet's approval of the award of the adult integrated drug and alcohol treatment system contract to Lifeline Project Ltd for a maximum period of five years. The total estimated contract value including possible extensions is £18.65M.
121. A procurement strategy report for the contract was approved by the cabinet in February 2015.
122. The open report details the services to be delivered within the proposed contract.
123. An OJEU restricted process was followed with the intention of inviting a minimum of five providers to tender.
124. Details of the contract were requested by 13 organisations and ultimately six PQQ submissions were received. Although all six met the required PQQ thresholds and were invited to tender two bidders subsequently withdrew from the process.
125. The report confirms the process and the criteria that were used at tender evaluation to select a provider to deliver this contract including the 60: 40 price: quality evaluation ratio. Significant resources from across the council and partner organisations were used to undertake the detailed quality evaluation and it is recognised that all bids received high marks for the technical submissions. The report identifies potential savings which will be delivered through the contract arising for example from economies of scale and the elimination of duplication in the current contracts.
126. The procurement process undertaken was in line with that described at gateway one stage and that the process undertaken has been compliant with both CSOs and relevant legislation.
127. Detailed plans are included for the monitoring and management of the contract including a payments by results performance management framework. The provider will be required to use a recognised outcomes monitoring tool with all service users who are engaged in treatment. The client section will be responsible for monitoring the contract through regular meetings and service reviews.
128. From review of the report timetable it is noted that whilst tight there is sufficient time between award and contract start for appropriate transition arrangements to take place.

Director of Legal Services

129. This report seeks approval of the award of a contract for the adult integrated drug and alcohol treatment system, as detailed within paragraph 1.
130. The director of legal services (acting through the corporate team) has advised officers throughout this matter and confirms that the procurement process which has been undertaken (described from paragraph 40) is compliant with the EU procurement regulations and with relevant domestic legislation and with the council's Contract Standing Orders ("CSOs"). Paragraphs 86 to 88 note the position in relation to the possible application of TUPE to the proposed contract award and explain the steps which have been taken to facilitate the transfer of the service to the new provider and to ensure continuity and consistency of service delivery. The proposed contract award is also consistent with national and corporate policy and guidance relating to the treatment of substance misuse, as described within Appendix 1.
131. This contract is classified as a strategic procurement under CSOs and therefore the decision to authorise its award is reserved to the cabinet or cabinet committee, after consideration of the report by the corporate contract review board (CCRB).
132. CSO 2.3 provides that a contract may only be awarded if the expenditure has been included in approved revenue or capital estimates or has been otherwise approved by, or on behalf of the council. Paragraph 120 of this report advises how the contract is proposed to be funded and also confirms how the contract terms are to be structured in order to provide flexibility and to protect the council's interests.

Strategic Director of Finance and Corporate Services (FC15/017)

133. The report seeks the approval of the cabinet for the award of the adult integrated drug and alcohol treatment system contract to Lifeline Project Ltd for up to a maximum commitment of £10,926,238 over 3 years (£18,656,306 if extended by a further 2 years).
134. The strategic director of finance and corporate services also notes the strategy to achieve efficiencies by enabling existing provision to be transferred into one overall commissioned service in order to support reinvestment into wider council Public Health priorities.
135. The strategic director of finance and corporate services notes the financial implications contained within the report including the significant reduction in costs compared to previous arrangements. Officer time to effect the recommendation will be contained within existing budgeted revenue resources.

BACKGROUND DOCUMENTS

Background documents	Held At	Contact
Gateway 1 – Procurement Strategy Adult Integrated Drug and Alcohol Treatment System	Southwark Council, 160 Tooley Street, London SE1 2QH	Paula Thornton 020 7525 4395
Link: http://moderngov.southwark.gov.uk/documents/s51893/ReportAdult%20Integrated%20Drug%20and%20Alcohol%20Treatment%20System.pdf		

APPENDICES

No	Title
Appendix 1	Legislation and other key drivers
Appendix 2	Total Scores and ranking

AUDIT TRAIL

Cabinet Member	Councillor Barrie Hargrove, Public Health, Parks and Leisure	
Lead Officer	Jonathon Toy, Head of Community Safety and Enforcement	
Report Author	Eva Gomez, Safer Communities Team Manager Keith Daley, Drugs and Alcohol Team Manager	
Version	Final	
Dated	3 September 2015	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments sought	Comments included
Head of Procurement	Yes	Yes
Director of Legal Services	Yes	Yes
Strategic Director of Finance and Corporate Services	Yes	Yes
Head of Specialist Housing Services	N/a	N/a
Contract Review Boards		
Departmental Contract Review Board	Yes	Yes
Corporate Contract Review Board	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team	3 September 2015	

APPENDIX 1

Legislation and other key drivers

1. The Government's agenda in relation to substance misuse since 2010 is clear with significant changes to the wider policy context in conjunction with the drive towards reductions in public expenditure. Several policy developments are drivers of change for this agenda.
2. There are many different definitions of what constitutes 'recovery' in the context of substance misuse. The definition outlined by the UK Drug Policy Commission (UKDPC) will be adopted in order to promote a shared understanding across all stakeholders of the ambition of the future borough-wide treatment system. This states 'the process of recovery from problematic substance use is characterised by voluntarily-sustained control over substance use which maximises health and wellbeing, and participation in the rights, roles and responsibilities of society.' Full details of the UKDPC's definition can be found in Appendix 1.
3. The National Drug Strategy 2010 sets out the Government's ambition to promote the recovery of drug users in their communities and how this commitment would be delivered. Within the key thematic area of 'Building recovery in communities', the strategy identifies two overarching aims:
 - Reduce illicit and other harmful drug use; and
 - Increase the numbers recovering from their dependence.
4. The Government's Alcohol Strategy (2012) focuses on irresponsible drinking, support for individuals to make informed choices about their alcohol use and reducing the numbers of individuals drinking to excessive levels.
5. The National Treatment Agency's (NTA - now Public Health England) 'Medications in Recovery: Re-orientating Drug Dependence Treatment' (2012) provided recommendations in relation to maximising individuals' recovery outcomes through the delivery of good practice in Opiate Substitution Therapy (OST).
6. The NTA's Joint Strategic Needs Assessment (JSNA) Pack for Commissioners (2011) provided guidance and recommendations to inform the commissioning of a recovery-orientated treatment system. This aligned with the National Drug Strategy 2010's ambition to replace the substance misuse national service framework (Models of Care 2002 and 2006) with a new model focusing on recovery and updated evidence base.
7. The NTA's 'Commissioning for Recovery' (2010) set out guidance for partnerships on a shift towards outcome-based commissioning for the drug treatment system inclusive of recovery and reintegration identifying key areas of good practice within a recovery-oriented treatment system.
8. The 'Building Recovery in the Community' consultation (NTA, 2011) identified the following key factors for consideration in an integrated recovery-orientated treatment system:
 - Collaborative working between all partners to commission services based on outcomes.
 - Prompt access to appropriate treatment interventions for drug-dependent individuals including those involved in the Criminal Justice system.
 - High-quality treatment that prepares service users for recovery while protecting the wider community.

- Encouraging service users to successfully complete treatment without putting them at risk.
 - Links to support networks to sustain long-term recovery and reintegrate individuals back into society.
9. A cross-governmental paper 'Putting Full Recovery First' (2012) set out the Government's ambition for a new recovery-based treatment system based on the three principles of wellbeing, citizenship and freedom from dependence.
 10. The Ministry of Justice (MOJ) Green Paper: Breaking the Cycle Effective Punishment, Rehabilitation and Sentencing of Offenders focused on the rehabilitation of offenders in order to reduce crime with a directive that offenders will be required to address the issues that contribute to their offending behaviour. This included supporting drug and alcohol dependent offenders to address their use through engagement with effective treatment programmes in prison and the community.
 11. The White Paper 'Healthy Lives, Healthy People – Update and Way Forward' (2011) proposed a new public health system for England (now implemented) with an enhanced focus on outcomes. These outcomes are measured within the Public Health Outcomes Framework and monitored by the DAAT. The paper outlined the shift of responsibility, as of 1 April 2013, from PCT's to local authorities for the commissioning of substance misuse services (including prevention), which provided an opportunity to integrate the commissioning of drug and alcohol intervention and recovery services at a local level.
 12. In addition to the above policy drivers, there are other wider policy developments impacting on the Drug and Alcohol Action Team's (DAAT) business area and approach to commissioning responsibilities including the Troubled Families agenda, the Localism Bill (2010), the Welfare Reform Act (2012) and the Care Act 2014.

APPENDIX 2

Total Scores and ranking

1 Technical Assessment - 40% of the Tender Evaluation

		A	B	Lifeline	C
	Section	Score	Score	Score	Score
1	Overarching Provision Weighted Score	831	871	821	764
2	Specific Provision Weighted Score	1265	1263	1192	1219
3.1	Total	2096	2134	2013	1983
3.2	Maximum weighted score	2760	2760	2760	2760
3.3	Percentage achieved	75.94%	77.32%	72.93%	71.85%
4	Weighted - 40%	30.38%	30.93%	29.17%	28.74%

2 Financial Assessment - 60% of the Tender Evaluation

	Total price for 3 year contract	£12,158,644.84	£11,491,409	£10,926,238.44	£11,191,002.22
	Part A - Lowest Price	20.00%	30.00%	50.00%	40.00%
	Part B - Supporting Commentary / Narrative	43.00%	43.00%	40.00%	40.00%
	Overall Percentage achieved	63.00%	73.00%	90.00%	80.00%
	Weighted - 60%	37.80%	43.80%	54.00%	48.00%

3 Final Scores and ranking

	Section	A	B	Lifeline	C
1	Technical Assessment	30.38%	30.93%	29.17%	28.74%
2	Financial Assessment	37.80%	43.80%	54.00%	48.00%
3	Total score	68.18%	74.73%	83.17%	76.74%
	OVERALL RANKING	4	3	1	2

Item No. 18.	Classification: Open	Date: 15 September 2015	Meeting Name: Cabinet
Report title:		Gateway 2 – Contract Award Approval: Heating and Water Contracts	
Ward(s) or groups affected:		All Wards	
Cabinet Member:		Councillor Richard Livingstone, Housing	

FOREWORD – COUNCILLOR RICHARD LIVINGSTONE, CABINET MEMBER FOR HOUSING

This report recommends the awarding of contracts for the maintenance of heating and water on our council estates for a five year period from 1 April 2016. There are two contracts to be awarded, one for the north of the borough and one for the south.

Given the price-competitiveness of the market for these contracts, the basis of determining who should be awarded the contracts has been based more heavily on the quality of the service that will be offered than is the standard for the council, and this emphasis on quality is also a shift from previous contracts for this work. Given the experiences of residents on some of our estates through poorly performing heating systems, this heightened focus on quality is vital in providing the responsive service that tenants and homeowners on our estates deserve. The two contractors selected had the highest scores on quality of all the tenders assessed.

Of the two contractors, OCO are currently providing the service across all our estate systems since the departure of T Brown. They are performing strongly, with a 91.8% satisfaction rate when last assessed. The second contractor, Smith and Byford, do not currently have a contract but have worked on our systems in the past and have a good reputation for the quality of their work.

RECOMMENDATIONS

That cabinet:

1. Approves the award of Contract A (north of the borough) Heating and Water Contract to OCO Ltd for the estimated sum of £7.2m per annum for a period of 5 years from 1 April 2016 with the option to extend up to 5 years (3+2 years) making a total estimated contract value of £72m.
2. Approves the award of Contract B (south of the borough) Heating and Water Contract to Smith and Byford Ltd for the estimated sum of £6.6m per annum for a period of 5 years from 1 April 2016 with the option to extend up to 5 years (3+2 years), making a total estimated contract value of £66m.
3. Approves OCO Ltd and Smith and Byford Ltd to act as back up contractor to each other on their own tendered rates when required.

BACKGROUND INFORMATION

4. The current ten contracts for the whole of the borough were due to expire on 30 September 2013. A Gateway 3 report was approved on 11 September 2013 utilising the extension facility of twenty four months to extend the contracts to 30 September 2015. A combined Gateway 1&2 report was approved in June 2014 to extend the existing ten contracts for six months to enable these two new heating and water contracts to be mobilised over the winter and commence on 1 April 2016 at the end of the heating season. The current ten contracts are due to expire on 31 March 2016.
5. The planned procurement strategy was the subject of a Gateway 1 report approved by cabinet on 22 July 2014. The approved EU restrictive procedure procurement strategy was followed.
6. The scope of these new contracts (Contracts A and B) will encompass the following work streams:
 - Gas landlord's safety inspections;
 - Responsive repairs, installations and maintenance for gas and heating installations to individual and district heated properties;
 - Potable water testing, treatment and installations;
 - Responsive repairs and maintenance for laundry and sewage plant;
 - Testing and maintenance of dry/ wet riser installations;
 - Maintenance of building energy management systems; and
 - Emergency response that covers a 24/7, 52 weeks a year period.
7. The separation of Contracts A and B across a geographical split of the borough (north and south) combining all the above services facilitates better logistical service coverage given the importance of these services to residents. The appointment of a single contractor for these services was not considered appropriate. As such, tenderers were made aware that no single contractor would be awarded both Contracts and that two separate contractors would be appointed who would also act as backup to each other.
8. Both contracts contain a General Maintenance Index (GMI) adjustment that is due each April after the first year.

Procurement project plan (Key Decision)

9. See table below

Activity	Completed by/ Complete by:
Forward Plan for Gateway 2 decision	April 2015
Approval of Gateway 1: Procurement Strategy Report	19 June 2014
Issue Notice of Intention	5 Aug 2014
Invitation to tender	26 Jan 2015
Closing date for return of tenders	14 April 2015

Activity	Completed by/ Complete by:
Completion of evaluation of tenders	11 June 2015
Issue Notice of Proposal	19 June 2015
DCRB Review Gateway 2:	10 Aug 2015
CCRB Review Gateway 2:	13 Aug 2015
CMT Review Gateway 2:	17 Aug 2015
Notification of forthcoming decision – despatch of cabinet agenda papers	3 Sept 2015
Approval of Gateway 2: Contract Award Report	15 Sept 2015
End of Scrutiny Call-in period and notification of implementation of Gateway 2 decision	22 Sept 2015
Debrief Notice and Standstill Period	5 Oct 2015
Contract award	7 Oct 2015
Add to Contract Register	9 Oct 2015
Publication of award notice in Official Journal of European (OJEU)	14 Oct 2015
Publication of award notice on Contracts Finder	14 Oct 2015
TUPE Consultation period (if applicable)	18 Mar 2016
Contract start	1 April 2016
Contract completion date	31 March 2021
Contract completion date – if extensions exercised	31 March 2026

KEY ISSUES FOR CONSIDERATION

Description of procurement outcomes

10. These services will maintain housing's existing assets and deliver repair and maintenance to heating and water installations. These two contracts will also provide a gas and water safety inspection regime in order that the council fulfils its duties and obligations as a landlord.
11. The services will also provide inspection and maintenance to housing's energy management systems and dry and wet risers.
12. In addition, these two contracts will provide CFM with backup arrangements for non-housing stock should the need arise and be part of their contract risk mitigation strategy.
13. Each contract will contain a break clause to terminate the contract with no consideration of any loss or expense at any time

Policy implications

14. The repair, maintenance and inspection of heating and water installations is required in order that the council fulfils its duties and obligations as a landlord and employer.
15. The services provided through these two contracts will enable the council to fulfil its promise to make every home warm, dry and safe.
16. The services provided by these two contracts underpin the objectives set out in the Southwark Housing Strategy 2009 to 2016 to improve energy efficiency in every home.

Tender process

17. Following the placement of the OJEU advertisement on 3 October 2014, 23 expressions of interest were received. Pre-Qualification Questionnaires (PQQ) were immediately dispatched to each of the applicants.
18. The PQQ contained the following sections to be completed:
 - a. Section A – General Information (Info Only)
 - b. Section B – Financial (Pass or Fail)
 - c. Section C – Equal Opportunities (Pass or Fail)
 - d. Section D – Health and Safety (Pass or Fail)
 - e. Section E – References (Info Only) – it was required that references should relate to the case studies provided in Section H
 - f. Section F – Environmental (Pass or Fail)
 - g. Section G – Quality (Pass or Fail)
 - h. Section H – Technical contained ten questions, one of which was Pass/Fail, seven were scored, and the other two being information only.
19. The PQQ submissions were evaluated by the following members of the project team:

Section Evaluated	By whom (post)
Company Information	Commercial Manager
Financial Information	Management Accountant
Equal Opportunities	Programme Manager
Health & Safety	Phoenix Compliancy Management Ltd
References	Programme Manager
Environmental Considerations	Phoenix Compliancy Management Ltd
Quality Assurance	Phoenix Compliancy Management Ltd
Technical Information	Compliance Gas and Water Manager, Programme Manager, Assistant Quantity Surveyor and Phoenix Compliancy Management Ltd

20. A total of 14 companies returned completed PQQ submissions by the required deadline of 10 November 2014.
21. The PQQ set out that the top 8 highest ranked applicants for the Contracts would be invited to tender but reserved the right to invite the ninth ranked applicant to

tender should it obtain a score within 2% (7.4 points) of the eighth ranked applicant's score.

22. The ninth ranked applicant did not achieve this score and therefore only the top 8 highest ranked applicants were invited to tender, namely:
1. Smith and Byford Ltd – 259
 2. OCO Ltd – 252
 3. Applicant 3 – 251
 4. Applicant 4 – 247
 5. Applicant 5 – 244
 6. Applicant 6 – 243
 7. Applicant 7 – 234
 8. Applicant 8 – 186.
23. The tender documents were dispatched on 11 February 2015 with a closing date for responses of 24 March 2015.
24. An information day was held on 26 February 2015 and a three week extension was granted to the initial tendering period to allow for more extensive site visits to district heating boiler and plant rooms, giving a revised closing date for responses of 14 April 2015.
25. Six tenders were returned to 160 Tooley Street on or by 1.00pm on 14 April 2015 and were opened on 15 April 2015 and were checked for compliance.

Tender evaluation

26. The Tender Evaluation Panel (TEP) consisted of the following individuals, with areas of evaluation being conducted separately from each other.

Area Evaluated	By Who (Post)
Price (40%)	Commercial Manager
Quality (60%)	Compliance Gas and Water Manager, Programme Manager, Assistant Quantity Surveyor

27. Tenders were evaluated on the basis of M.E.A.T. (most economically advantageous tender) using a weighted model of 40:60 price and quality.
28. All returned tenders were checked for arithmetic accuracy and consistency with the ITT submissions.
29. A Price Schedule Model was used that contained various annexes covering the different work streams and hourly rates. This tendering approach was intended to preclude tactical tendering of any work streams and reduce the risk of uncontrolled expenditure.
30. Each annexe contained a pre-priced schedule of rates and indicative quantities for each schedule based on historical data and the tenderers were required to put a +/-% against each annexe, including their hourly rate and the cost of a performance bond.

31. Price evaluation was marked out of 40 points. The lowest overall tender price would be awarded 40 points. The following formula was used to evaluate the scores: $(A/B) \times C$. Here:

A = Lowest Lump Sum Price
 B = Next Lowest Lump Sum Price
 C = Overall Weighting for Price.

32. The quality assessment was based on the information received from tenderers in response to method statements covering mobilisation, systems & processes, service delivery, strategic objectives, customer focus, and London living wage.
33. Each member of the TEP independently assessed each method statement response. The TEP then checked the scoring for consistency and agreed a consensus score. Final scores were calculated to ascertain the tenderer's overall score.
34. The table below sets out the combined price and quality scores:

Tender Evaluation Score					
Tenderer	Quality Score	Price Score	Total Score	Position	Contract Award
	60 Points	40 Points	100 Points		
OCO Ltd	*	*	*	1	Contract A (North)
Smith and Byford Ltd	*	*	*	2	Contract B (South)
Tenderer 3	*	*	*	3	None
Tenderer 4	*	*	*	4	None
Tenderer 5	*	*	*	5	None
Tenderer 6	*	*	*	6	None

* See closed report

35. The award of contracts is based on M.E.A.T. The evaluation methodology set out that the 2 top scoring tenders would be awarded a contract. The evaluation methodology set out how each contract would be awarded; it is therefore recommended that Contract A be awarded to OCO Ltd and Contract B be awarded to Smith and Byford Ltd.

Plans for the transition from the old to the new contracts

36. The council's gas contracts manager and commercial manager have developed an overall plan to manage and monitor this critical phase and ensure the transition from the current service delivery to the two new contracts is successful.
37. As soon as the two contracts are awarded:

- Weekly mobilisation meetings will be held with OCO Ltd and Smith and Byford Ltd at 160 Tooley Street and site visits will be organised with both contractors to familiarise them with site specific issues.
- The processes to manage TUPE will be commenced and monitored by the council's gas contract manager.
- Existing processes will be updated and communicated prior to the contracts' start date.
- The council's gas contracts manager and commercial manager will be responsible for arranging meetings with key departments (contact centre, the major works team, housing & sheltered housing teams and the council's IT) to ensure there is a seamless transition.

Plans for monitoring and management of the contracts

38. The service has a team of dedicated gas and water inspectors who will carry out daily joint inspection to ensure quality and compliance with the contracts and specifications. In addition, a new quality auditing of mechanical services contract will provide independent verification of OCO Ltd and Smith and Byford Ltd and council teams to ensure quality and compliance.

39. The table below shows the Key Performance Indicators (KPIs) for the contracts.

NO	KPIs	Minimum Target Percentage %	Council's Aspirational Target Objective %
1.	Resident satisfaction	90%	95%
2.	Right first time	90%	95%
3.	Follow on appointment booked with the Resident at the time of failing to complete first time.	98%	100%
4.	Percentage of Orders for which an appointment can be made and is kept by a contractor.	98%	100%
5.	Percentage of failed 'right first time' Orders for which a further appointment is made at the time of the initial visit.	98%	100%
	The above 5 KPIs will be measured using survey data gathered by the contact center. Satisfaction is defined as "Very satisfied" or "Satisfied".		
6.	Percentage of Emergency (Priority Code 0 and 1) Orders commenced and completed within the stipulated time periods.	98%	100%
7.	Percentage of Priority Code 2, 3, 4 and 5 Orders completed within the stipulated time periods.	95%	98%
8.	Percentage of properties, which hold a valid Landlords Gas Safety Record (LGSR) within date.	100%	100%
9.	Adherence to programme for cold water storage testing and sampling.	100%	100%
10.	Percentage of dry and wet risers systems which hold a valid compliance test certificate.	100%	100%

NO	KPIs	Minimum Target Percentage %	Council's Aspirational Target Objective %
11.	Adherence to programme for district heating planned preventative maintenance. To be measured by building energy management systems and contractor's information returns.	90%	100%
12.	Annual work experience for Residents Not in Education, Employment of Training (NEET's)	90%	100%
13.	Recruitment and continued appointment of the required number of apprentices.	100%	100%
14.	Annual school work experience placements completed.	95%	100%
15.	Providing asset registers within stipulated timescales as per the Contract Documents.	95%	100%

40. The council's commercial team will review all applications for payment, monitor and administer defaults, and carry out recovery of costs for poor performance.
41. Monthly progress meetings will be arranged between OCO Ltd and Smith and Byford Ltd and council officers and recorded to review performance and compliance. In addition, the core group, chaired by the cabinet member for housing and attended by residents and officers, will continue to meet bi-monthly to challenge and scrutinise performance.
42. Where CFM engage the services of these contracts as a back up then CFM will carry out inspections and attend the appropriate meetings.

Identified risks for the new contracts

43. The table below identifies the specific risks associated with these contracts, the likelihood of occurrence and the controls in place to mitigate the risks;

R/N	Risk	Likelihood	Risk Control
R1	Following contract award OCO Ltd and/or Smith and Byford Ltd go into liquidation, administration or cease trading.	Low	Further checks have been undertaken as provided in paragraph 68 below which shows that both contractors are of a 'Very low risk'. The two separate contracts provide for the contractors to act as back up for each other. A retention to be held on all payments due for a 12 month defects period. A performance bond will be obtained from the contractors. No parent company guarantees will be obtained as both contractors do not have a parent company.

R/N	Risk	Likelihood	Risk Control
R2	Ineffective mobilisation	Low	Mobilisation / demobilisation meetings and weekly site visits, in conjunction with the current service provider. A six month mobilisation period has been programmed for.
R3	Contract Termination	Low	Both contractors will act as backup to each other and subject to the back up contractors' resources, the council will use the Approved list of contractors whilst re-procuring the contract(s)

Other considerations

Design Specification Compliance

44. All repair and maintenance works orders will be carried out in accordance with the technical specifications contained in each of the contract documents.

Leasehold Implications

45. The work to be undertaken within these contracts is service chargeable within the terms of the lease and the elements appertaining to fault finding, district heating boiler and plant, excavation and plant hire, underground mains, pipework, communal water tanks, insulation, electrical works, responsive repairs, maintenance services, dry and wet risers, and planned preventative maintenance will result in charges over an annual period that are above the limit for statutory consultation which means these will be charged to leaseholders.
46. Costs will be service charged through the annual charge. Any changes, to the way in which work is ordered and paid for should be discussed with the service charge accountant to ensure that all costs can be attributed on a block by block basis.

Community impact statement

47. OCO Ltd and Smith and Byford Ltd provide employment and apprenticeship opportunities to the local community as detailed in paragraph 52.
48. Workplace experience will also be offered to residents that are not in education, employment or training to assist the council in meeting its Social Value objective. Local schools will also be allocated work experience places at each of the contractors' offices. This will be organised by the council's engineering and compliance team.

Sustainability considerations

49. The Public Services (Social Value) Act 2012 requires the council to consider a number of issues including how what is proposed to be procured may improve the economic, social and environmental well-being of the local area. These issues are considered in the following paragraphs which set out economic, social and environmental considerations.

Economic considerations

50. The full cost to the council and the life span of the contracts are set out in paragraphs 1 and 2 of this report.
51. Both OCO Ltd and Smith and Byford Ltd have agreed to recruit two apprentices for each year of the initial 5 year term of the contracts. This brings the total number of apprenticeships for the initial term to 20 (10 per contractor). The apprenticeships will be arranged jointly with the Southwark apprenticeship scheme and monitored by the gas contracts manager. These apprenticeships will lead to an NVQ 3 and Gas Safe qualifications.
52. The contracts contain a mechanism for the council to benefit from rebates provided by manufacturers that will be used throughout the life of this contract. Rebates will be calculated by the commercial team and deducted from the contractors valuations each month. The monies will form a corporate social responsibility pot which will be spent on other improvements to residents heating and water installations after consultation with resident and home owner groups.

Social considerations

53. The council is an officially accredited London Living Wage (LLW) Employer and is committed to ensuring that, where appropriate, our contractors and sub-contractors pay staff at a minimum rate equivalent to the LLW rate. The Gateway 1 report approved on 22 July 2014 confirms, for the reasons stated in that report, payment of LLW was an appropriate and best value requirement for these contracts offering enhanced quality of work from a motivated workforce and a lower staff turnover. OCO Ltd and Smith and Byford Ltd confirmed that they exceed the LLW requirements. Following award, quality improvements and costs implications linked to the payment of LLW will be monitored as part of each of the contract review processes.
54. OCO Ltd and Smith and Byford Ltd have demonstrated that they operate an equal opportunity policy and that they are fully aware of and compliant with the council's own equal opportunity policy in particular.

Environmental considerations

55. New boilers and plant will meet and exceed the minimum energy efficiency requirements to reduce the level of CO2 emissions.
56. Building energy management systems (BEMS) will be maintained to ensure that plant and equipment is working to its optimum performance reducing fuel usage.
57. All components and equipment, being replaced, will be disposed of in accordance with the latest Waste Electrical and Electronic Equipment Regulations (WEEE).
58. All recyclable packaging will be set aside and disposed of via a recycling centre.
59. No hazardous materials will be used.

60. OCO Ltd and Smith and Byford Ltd will be issued with the council's current asbestos register to avoid any risk of exposure to the contractor or the residents.

Staffing implications

61. There will be no impact on council staff caused as a consequence of implementing these contracts. Officers are already fulfilling the works ordering and monitoring roles of the current contracts and these functions will continue under the two new contracts.
62. These contracts will be managed by the council's gas contracts manager and commercial manager from the council's engineering and compliance team.

Financial implications (FIN0861 - JP)

63. The total estimated value of the Heating and Water contracts over five years starting 1 April 2016 is £69m based on an indicative basket of goods. This equates to an annual contract value of £13.8m covering both revenue repairs and maintenance and capital works. As the new contracts commence in April 2016, these will be subject to budget decisions to be agreed by cabinet as part of budget setting for 2016/17 and subsequent years. However, in anticipation efficiency savings have been assumed totalling £1m each for both revenue and capital budgets from April 2016, but the indicative budgets remain sufficient to meet the expected cost of the contracts going forward, including annual inflation indexing which will need to be contained within the base provision (table below refers).

BUDGET	2015/16 Budget	Anticipated 2016/17 budget (and future years)
HRA Repairs and Maintenance	£9.8m	£8.8m
Housing Investment Programme	£6.0m	£5.0m
TOTAL	£15.8m	£13.8m

Investment implications

64. None.

Second stage appraisal (for construction contracts over £250,000 only)

65. Second stage appraisals were obtained on 3 June 2015. The results were:

- OCO Ltd rated Very Low Risk
- Smith and Byford Ltd rated Very Low Risk

Legal implications

66. Please see the comments from the director of legal services.

Consultation

- 67. Representatives from tenants and homeowners will be invited to form part of Core Group.
- 68. Consultation with residents will be held at the monthly TRA meetings.
- 69. Tenant management organisations will also be consulted through out the mobilisation period.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Head of Procurement

- 70. This report is seeking approval for the award of two separate heating and water contracts. One contract shall cover north of the borough and the other, south of the borough. It is intended that if required, the contractors will act as back up to each other using their own tendered rates.
- 71. The report confirms that the procurement strategy set out in the previously approved Gateway 1 report has been followed with a full restricted EU competitive process being undertaken.
- 72. This is an important procurement as it has moved the arrangements from ten individual contracts to two streamlined contracts securing better value for money and providing a consistent approach to the management of the repair and maintenance of housing's heating and water installations.
- 73. The report describes the evaluation process that was carried out and confirms that tenders were evaluated using a weighted model to determine the most economically advantageous tender (MEAT). The report also confirms that the two top scoring tenders will each be awarded a contract and how the decision to allocate areas was undertaken.
- 74. The report sets out plans for the transition of the service and describes how the contract will be managed and monitored throughout the life of the contract.

Director of Legal Services

- 75. The director of legal services notes the contents of the report which seeks the approval of the cabinet to the award of two separate Heating and Water contracts – Contract A for the north of the borough to OCO Ltd and Contract B for the south of the borough to Smith and Byford Ltd. It is also noted that the approval of the cabinet is also sought for OCO Ltd & Smith and Byford Ltd to act as back up contractor to each other on their own tendered rates when required.
- 76. It is confirmed at paragraph 7 that the services for each contract must be provided by different contractors. It is also confirmed at paragraph 13 that should the need arise; there is provision in each contract to terminate the contracts.
- 77. The nature and value of these services are such that they are subject to the tendering requirements of the Public Contract Regulations 2015 (PCR15). This

report confirms that, as required by law, tenders were sought from contractors following an EU procurement exercise and that the most economically advantageous tender is recommended for acceptance. A contract award notice will need to be posted in the OJEU within 30 days of the award of these contracts.

78. As part of the contract award process, there will need to be a standstill period of a minimum of 10 calendar days between notification of the successful contractors that they have won the contracts and the award of the contracts to those contractors, so as to allow unsuccessful contractors the opportunity to challenge (if they decide to) the award of the contracts.
79. As these contract awards fall within the circumstances noted in contract standing order (CSO) 4.5.2 a) the decision to award is reserved to the cabinet or cabinet committee, after consideration of this report by the corporate contract review board.
80. CSO 2.3 requires that no steps should be taken to award a contract unless the expenditure has been approved. Paragraph 66 confirms the financial implications of these awards.

Strategic Director of Finance and Corporate Services (FC/15/013)

81. The strategic director of finance and corporate services notes the recommendations in this report for the award of heating and hot water contracts.
82. The financial implications identify the budgets for these contracts, and emphasise the need for costs to be contained within the budget.

Head of Specialist Housing Services (For Housing contracts only)

83. This contract is a qualifying long term agreement under the terms of the Commonhold and Leasehold Reform Act 2002. Section 20 consultation has been carried out under schedule 2 of the regulations, with all leaseholders across the borough. Notice of Intention was served on 28 July 2014 and Notice of Proposal was served on 19 June 2015. All observations have been responded to and there were no issues raised that would suggest that the contract should not go ahead. Costs incurred under this contract would be service charged to leaseholders as part of the annual service charges.

BACKGROUND DOCUMENTS

Background documents	Held At	Contact
Gateway 1 'open' report – Heating and Water Contracts	Engineering and Compliance Southwark Council 160 Tooley Street London SE1 2QH	Gavin Duncumb 020 7525 0685
Link: http://moderngov.southwark.gov.uk/documents/s47662/Report%20Gateway%201%20-%20Procurement%20Strategy%20Approval%20-%20Heating%20and%20Water%20Contracts.pdf		

APPENDICES

No.	Title
None	

AUDIT TRAIL

Cabinet Member	Councillor Richard Livingstone, Housing	
Lead Officer	David Lewis, Head of Maintenance and Compliance	
Report Author	Gavin Duncumb, Commercial Manager	
Version	Final	
Dated	3 September 2015	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments sought	Comments included
Head of Procurement	Yes	Yes
Director of Legal Services	Yes	Yes
Strategic Director of Finance and Corporate	Yes	Yes
Head of Specialist Housing Services	Yes	Yes
Contract Review Boards		
Departmental Contract Review Board	Yes	Yes
Corporate Contract Review Board	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team	3 September 2015	

Item No. 19.	Classification: Open	Date: 15 September 2015	Meeting Name: Cabinet
Report title:		Motions Referred from Council Assembly	
Ward(s) or groups affected:		All	
From:		Council Assembly	

RECOMMENDATION

1. That the cabinet considers the motions set out in the appendices attached to the report.

BACKGROUND INFORMATION

2. Council assembly at its meetings on Wednesday 8 July 2015 agreed several motions and these stand referred to the cabinet for consideration.
3. The cabinet is requested to consider the motions referred to it. Any proposals in a motion are treated as a recommendation only. The final decisions of the cabinet will be reported back to the next meeting of council assembly. When considering a motion, cabinet can decide to:
 - Note the motion; *or*
 - Agree the motion in its entirety, *or*
 - Amend the motion; *or*
 - Reject the motion.

KEY ISSUES FOR CONSIDERATION

4. In accordance with council assembly procedure rule 2.10(6), the attached motions were referred to the cabinet. The cabinet will report on the outcome of its deliberations upon the motions to a subsequent meeting of council assembly.
5. The constitution allocates responsibility for particular functions to council assembly, including approving the budget and policy framework, and to the cabinet for developing and implementing the budget and policy framework and overseeing the running of council services on a day-to-day basis.
6. Any key issues, such as policy, community impact or funding implications are included in the advice from the relevant chief officer.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Council agenda – 8 July 2015	Report on the council's website	Lesley John Constitutional Team 020 7525 7228
Link: http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=132&MId=5063&Ver=4		

LIST OF APPENDICES

Number	Title
Appendix 1	Schools, standards and places
Appendix 2	Save Southwark woods
Appendix 3	Right to buy
Appendix 4	Children missing from care
Appendix 5	Revitalising The Blue
Appendix 6	Albion Primary school

AUDIT TRAIL

Lead Officer	Ian Millichap, Constitutional Manager	
Report Author	Lesley John, Constitutional Officer	
Version	Final	
Dated	4 September 2015	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Chief Executive	Yes	No
Strategic Director of Environment and Leisure	Yes	No
Strategic Director of Housing and Community Services	Yes	No
Strategic Director of Finance and Corporate Services	Yes	No
Strategic Director of Children's and Adults Services	Yes	No
Director of Legal Services	Yes	No
Cabinet Member	No	No
Date final report sent to Constitutional Team	4 September 2015	

SCHOOLS, STANDARDS AND PLACES

At council assembly on Wednesday 8 July 2015, a motion entitled 'schools, standards and places' was moved by Councillor Victoria Mills and formally seconded by the Mayor. The motion was agreed and stands referred to the cabinet as a recommendation.

RECOMMENDATION

That council assembly:

1. Welcomes the good progress being made by the council in keeping pace with the increased demand for primary and secondary school places and in driving up standards for educational achievement.
2. Recognises the incredible work of Southwark schools, where results and performance are rising and scores continue to be above the national average.
3. Recognises the work that this administration has done to create new school places within the challenging context of the government's free schools programme, working with communities and providers to open new schools that parents want in areas of high demand.

Standards

4. Welcomes the increase in the number of schools in the borough that are rated either Good or Outstanding, which has risen to 91%, from 64% in 2010, with no schools in Southwark rated inadequate.
5. Notes that:
 - Southwark's performance is higher than the national and London averages at foundation stage is narrowing the gap with London average for Key Stage 1 performance
 - Southwark ranks in the top quartile nationally for Key Stage 2 results
 - Southwark is in the top quartile nationally for GCSE results and was ranked joint 20th in the country, an improvement of 43 places since 2013
 - Southwark is one of the most improved and high performing London boroughs at secondary level and continues to outperform other neighbouring boroughs in results at GCSE, English Baccalaureate and A Levels.
6. Applauds Southwark secondary schools for record levels of improvement achieved in GCSE results and calls on cabinet to continue supporting schools and protecting school improvement work in the face of vicious government cuts, to achieve even more and meet the council's ambitious target of 70% of our young people achieving five or more A* to C grades at GCSE or equivalent by 2016.

Places

7. Recognises that demand for school places in Southwark, particularly in the north of the borough, continues to rise. Following the Liberal Democrats' admission that there was a 'school places crisis' when they ran the council, Council assembly

welcomes the steps taken by this administration to ensure additional school places to meet this demand.

8. Calls on the cabinet to continue the practice of the last five years of expert and well researched places planning, and investment in high quality education facilities in popular, well performing schools.
9. Welcomes the work undertaken by the council to create 1,690 additional primary school places since 2010 and commends the current expansion programme, and the two new free school projects Belham and Galleywall, which will provide additional school places to meet forecast demand for September 2016.
10. Also welcomes the council's work to assist and facilitate expansion in oversubscribed secondary schools and to open a new Charter School in East Dulwich. Council assembly calls on cabinet to work with the community and providers to open an outstanding secondary school on the former Southwark Fire Station site, to meet demand for secondary school places in the north of the borough.
11. Believes that there should always be a requirement to consult with parents about the school their child is attending. Council assembly therefore condemns the proposals in the Education and Adoption Bill, which will scrap the requirement for academy sponsors to consult locally on whether they should take over schools. Council assembly calls on cabinet to challenge the government to explain what possible benefits there are in forcing a school to go through the academy process at the moment they are rated inadequate, when local experience in Southwark shows that intensive support from a local authority can help a struggling school get back on track.

SAVE SOUTHWARK WOODS

At council assembly on Wednesday 8 July 2015, a motion entitled 'Save Southwark Woods' was moved by Councillor Anood Al-Samerai and seconded by Councillor David Noakes. The motion was subsequently amended and the amended motion stands referred to the cabinet as a recommendation.

RECOMMENDATION

1. That council assembly is proud of Southwark being one of the greenest boroughs in London and believes that woods in Southwark are a vital part of our borough. The council invests approximately £130,000 every year in valuable woodlands such as Dulwich Upper Wood, Sydenham Hill Wood and Russia Dock Woodland - a combined 55 acres of woodland - and also maintains many dedicated wildlife sites, nature gardens and Sites of Importance for Nature Conservation around the borough, to provide a habitat for wildlife and open space for residents to enjoy.
2. That council assembly notes that at no stage prior to the submission of this motion have Liberal Democrat councillors sought to comment on or engage with the council on its cemeteries strategy and condemns any party seeking to "play politics" with this important issue.
3. That council assembly regrets that inaccurate claims have been made about the council's cemeteries strategy and notes its concern that these claims have led to residents being misinformed about the council's plans to bring two pieces of designated burial ground, one of which is currently inaccessible, into use in Camberwell Old and New Cemeteries. The areas proposed for development measure less than one acre in total.
4. That council assembly recognises the challenge the council faces in securing sustainable burial space in the borough and notes that if the council takes no action, burial space in Southwark will run out in early 2017.
5. That council assembly believes that it is important to recognise the wishes of those residents who want to have the option to bury their loved ones locally and who for financial reasons would struggle to travel to visit a cemetery outside the borough.
6. That council assembly notes that an extensive public consultation was undertaken in 2011 on the future of Southwark's cemeteries and that the local community has also been given the opportunity to review detailed plans for the next phase of the Cemetery Strategy and contribute feedback over the last seven months.
7. That council assembly calls on the cabinet to:
 - Maintain the status of Camberwell Old and New Cemeteries as Sites of Importance for Nature Conservation
 - Continue to work with the London Wildlife Trust, the Forestry Commission and the local community to ensure that the plans for managing the cemeteries enhance the existing biodiversity and ecology of the area
 - Continue to engage with the local community on the council's plans for cemeteries throughout the process of implementing the cemeteries strategy
 - Continue to protect green spaces throughout the borough, as well as providing burial space for the future, to create quality open space for local people alongside a respectful place for the deceased.

APPENDIX 3**RIGHT TO BUY**

At council assembly on Wednesday 8 July 2015, a motion entitled 'right to buy' was moved by Councillor Lucas Green and seconded by Councillor Tom Flynn. The motion was agreed and stands referred to the cabinet as a recommendation.

RECOMMENDATION

1. That council assembly welcomes this administration's commitment to building 11,000 new council homes to meet growing demand for affordable housing in the borough, with the first 75 of these new homes recently being built at Willow Walk.
2. That council assembly notes however that the council's ambitious house-building programme is at serious risk from the government's right to buy proposals, which could lead to up to 500 council homes a year in Southwark being sold, as well as forcing the sale of new council homes as soon as they are built.
3. That council assembly believes these proposals will have a devastating effect on council housing in Southwark and could effectively stop the local authority from building much-needed new council homes, particularly in the north of the borough.
4. That council assembly believes that at a time when London boroughs are facing a housing crisis, it is an utter disgrace for the 12,000 people on Southwark's housing waiting list for the government to force the sale of desperately needed council homes. Council assembly also believes that is wrong for council housing to be sold in London, where there is a massive housing shortage, to fund the sale of housing association properties outside the capital.
5. That council assembly calls on the cabinet to work with other London boroughs to lobby the government to reconsider these preposterous plans and to push for an exemption to new build homes, to ensure that the government's plans do not jeopardise the council's ambitious council house building programme.

CHILDREN MISSING FROM CARE

At council assembly on Wednesday 8 July 2015, a motion entitled 'children missing from care' was proposed by Councillor James Okosun and formally seconded by Councillor Maria Linforth-Hall. The motion was subsequently amended and the amended motion stands referred to the cabinet as a recommendation.

RECOMMENDATION

That council assembly:

1. Puts on record its concern about the issue of young people in Southwark and throughout London going missing from care, which can put already vulnerable people at further risk of exploitation, abuse or other serious harm.
2. Notes that in 2014/15 there were 249 recorded incidents of children going missing from care in Southwark.
3. Recognises that this is a complex issue and thanks council officers and care home staff who have been working to support young people in care and reduce the number going missing.
4. Welcomes the council's decision to commission the St Christopher's Charity to provide home visits for all young people reported missing, building trust and working with the young people to understand the reasons behind why they go missing, which is successfully reducing repeat missing episodes.
5. Welcomes the close analysis of the impact of this work by the corporate parenting committee over the last year, by meeting with St Christopher's and considering the early data produced and the feedback from young people.
6. Welcomes the work being done by the council to respond to the reasons why children are going missing from care, and to find innovative ways to improve outcomes for children and young people at risk of family breakdown, to strengthen parenting and rebuild relationships between young people and their parents and to help keep more families together.
7. Welcomes the council's recruitment drive to increase the number of local foster carers through exempting them from council tax so that when children do need to be taken into care they are able to stay close to family and friends.
8. Also welcomes the work of the Safer London Project working with young people who are at risk of sexual exploitation, to build relationships with some of our most vulnerable young people and ensure that safety plans are put in place to reduce the risk of exploitation.
9. Welcomes the work done on this issue by politicians on all sides, including the 'Looked-After Children: Missing In Care' report by Caroline Pidgeon AM published in June 2015, which looked at the problem across London.
10. Recognises that this is a problem that should be acknowledged and understood by all councillors in order to highlight the issue, work towards reducing the number of recorded incidents in future years and ensure there is no complacency whatsoever where the welfare of looked-after children is concerned.

11. Notes that the council has a weekly report on children missing from care and that all children are offered a missing from care interview undertaken by St Christopher's to find out if the young person is at risk, or if there are any problems with their placement.
12. Notes that corporate parenting has responsibility for monitoring data on children missing from care and has a membership of cabinet member, backbenchers and independent members, is cross-party and has regular attendance not only from officers but also other agencies such as health as well as contributions from Speakerbox, our award-winning Children in Care Council.
13. Notes that corporate parenting committee is not only well placed to scrutinise the issue of children missing from care and the council's response but is actively doing so.
14. Also notes the on-going scrutiny of this issue by the multi-agency Children's Safeguarding Board.
15. Welcomes any request for further scrutiny by education and children's services scrutiny sub-committee.
16. Calls on the cabinet to continue to tackle the problem of children missing from care by:
 - Monitoring each of the recommendations included in the corporate parenting committee's statutory guidance on children who run away or go missing from home or care
 - Receiving a report on the work commissioned from St. Christopher's and the council's response to the feedback captured from our young people
 - Working closely with the police and all other key partners from the Children's Safeguarding Board on missing children and those at risk of sexual exploitation.

REVITALISING THE BLUE

At council assembly on Wednesday 8 July 2015, a motion entitled 'revitalising The Blue' was proposed by Councillor Leo Pollak and formally seconded by Councillor Catherine Dale. The motion was agreed and stands referred to the cabinet as a recommendation.

RECOMMENDATION

That council assembly:

1. Believes that while high streets are at the heart of the economic and civic renewal of many of our neighbourhoods, the challenges of online competition, redeveloped shopping centres and prevalent retail uses that take money out of a neighbourhood mean that creative solutions are required for their future vitality.
2. Welcomes the investment Southwark Council has made through the Investing In Local Retail Environment (ILRE) and High Street Challenge programmes across the borough, including the improvements made to shop fronts and public realm at the Blue and Southwark Park Road and the support provided to help establish the Blue Bermondsey business improvement district.
3. Supports the Blue Bermondsey BID's efforts to drive new investment into the area in a way that directly benefits local people and welcomes the establishment of a "Commonplace" survey to identify what kinds of shops, stalls, attractions and general amenities local people want.
4. Notes that the balance of shops around the Blue and Southwark Park Road does not serve local residents well, with 4 betting shops, 8 fast food takeaways, and 12 general grocer/late night off licences in the immediate area.
5. Notes that the Southwark Park Road/Market Place town centre has a very high concentration of retail units under council ownership and management.
6. Calls on cabinet to develop a new lettings strategy or charter for the parade, in dialogue with the Blue Bermondsey BID, local residents and landlords, which takes a holistic view on the maximisation of revenue income from the parade by creating over time the full variety of retail uses serving all parts of the local community and establishing the Blue as a cultural and retail destination for people in Bermondsey and beyond.

ALBION PRIMARY SCHOOL

At council assembly on Wednesday 8 July 2015, a motion entitled 'Albion primary school' was proposed by Councillor Bill Williams and formally seconded by Councillor Renata Hamvas. The motion was agreed and stands referred to the cabinet as a recommendation.

RECOMMENDATION

1. That Southwark faces a significant challenge in meeting the growing demand for school places across the borough. Council assembly therefore welcomes the redevelopment of Albion Primary School, which will provide new school facilities and enable the school to expand to add an additional class, providing education to more Southwark children.
2. That council assembly welcomes the leadership being provided by Albion Primary School in meeting the challenge of growing places and building an innovatively designed new school, which makes the best possible use of outdoor space.
3. That council assembly further applauds Albion Primary School for taking the brave decision to release a portion of land on the site for housing, helping to meet the council's ambitious pledge to build 11,000 new council homes while also enabling the school to build a state of the art building with fantastic facilities.
4. That council assembly believes the redevelopment of Albion Primary will deliver a genuinely world class school for Southwark children, make a huge contribution to the regeneration of the area and provide high quality facilities for the local community.

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