

## Cabinet

Tuesday 30 October 2018

4.00 pm

Ground Floor Meeting Room G02C - 160 Tooley Street, London SE1 2QH

### Membership

Councillor Peter John OBE (Chair)  
Councillor Rebecca Lury

Councillor Evelyn Akoto  
Councillor Jasmine Ali  
Councillor Stephanie Cryan  
Councillor Richard Livingstone

Councillor Victoria Mills  
Councillor Leo Pollak

Councillor Johnson Situ  
Councillor Kieron Williams

### Portfolio

Leader of the Council  
Deputy Leader and Cabinet Member for  
Culture, Leisure, Equalities and Communities  
Community Safety and Public Health  
Children, Schools and Adult Care  
Housing Management and Modernisation  
Environment, Transport Management and Air  
Quality  
Finance, Performance and Brexit  
Social Regeneration, Great Estates and New  
Council Homes  
Growth, Development and Planning  
Jobs, Skills and Innovation

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Members of the committee are summoned to attend this meeting

**Councillor Peter John**

Leader of the Council

Date: 22 October 2018



# Cabinet

Tuesday 30 October 2018  
4.00 pm

Ground Floor Meeting Room G02C - 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**

There are no closed items scheduled for consideration at this 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.

<b>Item No.</b>	<b>Title</b>	<b>Page No.</b>
<b>5.</b>	<b>PUBLIC QUESTION TIME (15 MINUTES)</b>	
	To receive any questions from members of the public which have been submitted in advance of the meeting in accordance with the cabinet procedure rules. The deadline for the receipt of public questions is midnight Wednesday 24 October 2018.	
<b>6.</b>	<b>MINUTES</b>	1 - 17
	To approve as a correct record the minutes of the open section of the meeting held on 18 September 2018.	
<b>7.</b>	<b>DEPUTATION REQUESTS</b>	
	To consider any deputation requests. The deadline for the receipt of deputation requests is midnight Wednesday 24 October 2018.	
<b>8.</b>	<b>COUNCIL PLAN 2018-19 - 2021-22</b>	18 - 44
	To note the issues raised in the public consultation on the council plan and to agree the final format of the proposed council plan 2018-19 – 2021-22 for recommendation to council assembly for approval.	
<b>9.</b>	<b>PUPIL PLACE PLANNING</b>	45 - 80
	To note the updated forecasts of primary and secondary school places for 2019.	
<b>10.</b>	<b>GATEWAY 1 - PROCUREMENT STRATEGY APPROVAL SOUTHWARK WORKS EMPLOYMENT SUPPORT COMMISSIONING FRAMEWORK</b>	81 - 109
	To approve the procurement strategy for the Southwark Works Employment Commissioning Framework beginning on 1 July 2019.	
<b>11.</b>	<b>APPROVAL OF THE COUNCIL'S MOVEMENT PLAN (TRANSPORT PLAN), LOCAL IMPLEMENTATION PLAN (LIP) 3 AND INTEGRATED IMPACT ASSESSMENT (IIA), ANNUAL SPENDING SUBMISSION FOR 2019 / 20 AND LIVEABLE NEIGHBOURHOOD BID FOR BRAMCOTE PARK</b>	110 - 117
	To approve the movement plan (transport plan), the local implementation plan 3 and integrated impact assessment for public consultation and submission to Transport for London (TfL) and to agree the content of the council's proposed LIP submission to the TfL.	

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| <b>12.</b> | <b>LAND AND GARAGES AT RYE HILL PARK, NUNHEAD</b> | <b>118 - 129</b> |
|------------|---------------------------------------------------|------------------|

To confirm that the land currently held for housing purposes is no longer required for those purposes and to approve the appropriation of the land to planning purposes.

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| <b>13.</b> | <b>GARAGES AT WELSFORD STREET, BERMONDSEY</b> | <b>130 - 141</b> |
|------------|-----------------------------------------------|------------------|

To confirm that the land currently held for housing purposes is no longer required for those purposes and to approve the appropriation of the land to planning purposes.

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| <b>14.</b> | <b>THE WAY FORWARD: LEDBURY ESTATE HIGH RISE BLOCKS</b> | <b>142 - 155</b> |
|------------|---------------------------------------------------------|------------------|

To note the results of the options appraisal carried out for the Ledbury Estate high rise blocks and to agree that the four high rise blocks should be refurbished.

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| <b>15.</b> | <b>NEW HOMES PROGRAMME: DELIVERY MODEL REVIEW 2018</b> | <b>156 - 181</b> |
|------------|--------------------------------------------------------|------------------|

To approve exploratory work to provide an innovative solution to develop in house construction development capacity and to note progress to date on the new build programme and interim target to deliver 2500 council homes by 2022.

#### **DISCUSSION OF ANY OTHER OPEN ITEMS AS NOTIFIED AT THE START OF THE MEETING**

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

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

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

#### **PART B - CLOSED BUSINESS**

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| <b>16.</b> | <b>MINUTES</b> |
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To approve as a correct record the minutes of the closed section of the meeting held on 18 September 2018.

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

Date: 22 October 2018



### **Cabinet**

MINUTES of the OPEN section of the Cabinet held on Tuesday 18 September 2018 at 4.00 pm at Ground Floor Meeting Room G02C - 160 Tooley Street, London SE1 2QH

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**PRESENT:** Councillor Peter John OBE (Chair)  
 Councillor Rebecca Lury  
 Councillor Stephanie Cryan  
 Councillor Jasmine Ali  
 Councillor Evelyn Akoto  
 Councillor Richard Livingstone  
 Councillor Victoria Mills  
 Councillor Leo Pollak  
 Councillor Johnson Situ  
 Councillor Kieron Williams

#### **1. APOLOGIES**

Apologies for lateness were received from Councillor Kieron Williams.

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

The chair gave notice of the following late item:

Item 7: Deputation requests

Reasons for urgency and lateness will be specified in the relevant minute.

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

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

#### **4. DISCLOSURE OF INTERESTS AND DISPENSATIONS**

None were declared.

## 5. PUBLIC QUESTION TIME (15 MINUTES)

There were no public questions.

## 6. MINUTES

### RESOLVED:

That the minutes of the open section of the meeting held on 24 July 2018 be approved as a correct record and signed by the chair.

## 7. DEPUTATION REQUESTS

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

### RESOLVED:

That the deputation be received.

### Galleria Court residents

The deputation spokespersons addressed the meeting to outline the noise nuisance coming from dogs on the Brideale Close travellers site and the impact it had on the residents. The spokespersons explained that the site was overlooked by Galleria Court and that residents were being disturbed throughout the day and especially during the night by the barking, howling and yapping of multiple dogs on the site. Residents had frequently contacted council officers, but the problem remained, which is why they wished to bring the matter to the attention of the cabinet.

The deputation asked for cabinet to take measures regarding this issue.

Councillor Peter John thanked the deputation and said that this issue was one of anti-social behaviour, animal welfare, as well as noise nuisance and should be addressed as such. Councillor Stephanie Cryan, cabinet member for housing management and modernisation, asked the deputation to pass on details of which pitches on the site caused the problems in particular. Councillor Evelyn Akoto, cabinet member for community safety and public health, offered to meet with the residents and to visit their homes to experience the problems first hand.

### RESOLVED:

That a report back on this issue be prepared for the next cabinet meeting.

## **8. REVIEW OF THE COUNCIL'S APPROACH TO COMMUNITY ENGAGEMENT**

### **RESOLVED:**

1. That a review of the council's approach to community engagement be approved.
2. That the methodology for developing the approach outlined in the report be approved.
3. That it be noted that the council's approach is based on being open, honest and transparent and involves working closely with colleagues within the council, residents, locally based organisations and partners and the council's commitment to proactively disseminate and intermittently review, assess and evaluate the council's engagement efforts in the spirit of continuous improvement. Some of the goals of the new approach will be to look at how the council can:
  - Build its principles, approach and practices in community engagement upon the emerging evidence and best and promising practices.
  - Embed collaborative working with key engagement partners such as the Clinical Commissioning Group (CCG), Healthwatch and Community Southwark.
  - Ensure that a broad range of voices are heard; that these reflect the diversity, and inclusiveness of the borough; and we that reach all parts of our community not just those that speak the loudest.
  - Ensure that the council's engagement contributes to building strong and trusting relationships with our communities and develops continuing relationships with our communities building on the principles of asset based community development.
4. That it be noted that recommendations on the new approach to engagement will be presented to cabinet by April 2019.
5. That it be noted that this work will sit alongside and inform and be informed by the current review on resident involvement, and support the development of the consultation charter to ensure local residents can hold private sector developers to account.

## **9. SOUTHWARK HOMELESSNESS STRATEGY 2018-22**

### **RESOLVED:**

That the draft Homelessness Strategy 2018-22 be approved.

## **10. POLICY AND RESOURCES STRATEGY REVENUE MONITORING REPORT, INCLUDING TREASURY MANAGEMENT 2018-19**

### **RESOLVED:**

1. That the following be noted:
  - the general fund outturn forecast for 2018-19 of £0.042m (Table 1 in the report)

- the continuing pressures on the Dedicated Schools Grant (DSG), £6.0m in 2018-19 (paragraphs 16 to 17 of the report);
- cost pressures in Housing and Modernisation, largely relating to Temporary Accommodation (£3.3m) (paragraph 20 to 30 of the report);
- the £4m contingency is utilised in full to mitigate the total impact of cost pressures (paragraph 36 of the report);
- the general fund outturn forecast indicates a net reduction in reserves of £3.1m (Table 1 and Table 3 paragraphs 48 to 54 of the report);
- the update on the London Business Rate pool net financial benefits (paragraphs 52 to 54 of the report);
- the housing revenue account forecast set out in Table 2, paragraph 38 to 47 of the report ;
- the treasury management activity to date in 2018-19 (paragraph 55 to 57 of the report).

2. That the general fund budget movements that exceed £250k, as shown in Appendix A of the report be approved.
3. That the general fund budget movements that are less than £250k as shown in Appendix A of the report be noted.
4. That a report to the health and wellbeing board regarding possible punitive reductions in the council's Better Care Fund (BCF), as a result of the local NHS missing their targets be produced.

#### **11. POLICY AND RESOURCES STRATEGY: CAPITAL MONITORING REPORT, INCLUDING CAPITAL PROGRAMME UPDATE 2018-19**

##### **RESOLVED:**

1. That the general fund capital programme for the period 2018-19 to 2027-28 as at Month 4, as detailed in Appendices A and D of the report and the reduction in financing required (i.e. borrowing) from £187.9m to £158.6m be noted.
2. That the housing investment programme for the period 2018-19 to 2027-28 as at Month 4, as detailed in Appendix B of the report be noted; and that the financing of the anticipated spend of £145.1m for 2018-19 that has been identified also be noted.
3. That the virements and variations to the general fund and housing investment capital programme as detailed in Appendix C of the report be approved.
4. That the projected expenditure and resources for 2018-19 and future years for both the general fund and housing investment programmes as detailed in Appendices A, B and D of the report be noted; and that it further be noted that this position will be updated during the year when more up to date information is available.

## 12. POLICY AND RESOURCES STRATEGY: 2019-20 UPDATED FINANCIAL REMIT

### RESOLVED:

1. That it be noted that from financial year 2020-21, local government finance is set to be subject to fundamental reform with the government undertaking a Fair Funding Review alongside a redesign of the Business Rates Retention System.
2. That it be noted that a budget is initially prepared for 2019-20 on a one-year basis, recognising the funding uncertainties and limited information available beyond 2020-21.
3. That it be noted that the indicative resources available for 2019-20 budget (Annex A of the report) indicate a budget gap of £18.0m.
4. That it be noted that this budget gap would reduce by £3.2m should the council decide to increase council tax by 2.99%.
5. That it be noted that this indicative budget is prepared on the following national and local factors:

#### National factors

- Known reduction of £8.647m in government resources from the Settlement Funding Assessment (SFA) and increase in specific grant funding of £1.489m
- Net inflation and pay award pressures of £7.344m have been provisionally assumed, subject to further analysis

#### Local factors:

- Increase of £2.635m of resources generated through council tax and business rates
  - Decrease of £6.879m in collection fund surplus
  - Increased debt financing costs of £3.809m arising from capital investment programme, offset by the use of £4.6m of capital resources
  - Retaining a £4m contingency within the overall budget to support in year cost pressures
  - No utilisation of reserves have been included
  - That all approved savings are delivered.
6. That it be noted that the key areas of risk for Southwark arising from the 2019-20 provisional settlement are the lack of certainty for Business Rate Retention, budget pressures arising from children's and adults', Dedicated Schools Grant, welfare reform, housing inflation increases and new commitments.
  7. That it be noted that the revenue and capital outturn position and utilisation of reserves, reported at the cabinet meeting in July 2018, will need to be considered when finalising the 2019-20 budget.
  8. That the bids to the strategic investment pot, with the outcome expected in October be noted.
  9. That it be noted that a future report will consider the indicative savings and commitments for 2019-20 in order to balance the budget; and that it be noted that

this will include a review of the original indicative 2019-20 savings reported to cabinet in February 2018, 2018-19 outturn forecast and the impact of the budget recovery board.

10. That it be noted that a future report will also consider a refreshed medium term financial strategy for the period 2020-2023; and that it be noted that resetting the MTFs and managing risk will require careful attention over the transition to the new local government finance system based on business rates retention, and a new funding formula.

### **13. LAND AND GARAGES OPPOSITE 58 - 72 DANIEL'S ROAD AND 130 - 140 TAPPESFIELD ROAD NUNHEAD**

#### **RESOLVED:**

1. That it be confirmed that the land shown edged red on the plan at Appendix A of the report that is currently held for housing purposes is no longer required for those purposes; and the appropriation of the land to planning purposes to facilitate the carrying out of the development proposals for the area in accordance with section 226 of the Town and Country Planning Act 1990 and sections 122(1) and 122(2A) of the Local Government Act 1972 be approved.
2. That it be confirmed that following completion of the appropriation at paragraph 1 above the land shown edged on the plan at Appendix A in the report will no longer be required for planning purposes and the appropriation of the land to housing purposes in accordance with section 9 of the Housing Act 1985 and sections 122(1) and 122(2A) of the Local Government Act 1972 be approved.

### **14. SOUTHWARK SCHOOL DESIGN GUIDELINES**

#### **RESOLVED:**

That the final Southwark School Design Guidelines as set out in Appendix 1 to the report be approved for adoption as policy.

### **15. LOCAL GOVERNMENT DECLARATION ON THE REDUCTION OF SUGAR AND HEALTHIER FOOD**

#### **RESOLVED:**

1. That the Local Government Declaration on Sugar Reduction and Healthier Food be signed.
2. That the initial actions for the six key cross council areas be agreed.
3. That a progress report be brought back to cabinet and to the health and wellbeing board in six months with a more developed action plan for each of the 6 areas.

## 16. MOTIONS REFERRED FROM COUNCIL ASSEMBLY

### RESOLVED:

#### **Stronger, safer, more resilient communities**

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

1. Council assembly notes:
  - a. That Southwark's communities add great value to our borough, and make Southwark a place which we can all be proud of
  - b. That despite cuts from this Conservative government, Southwark Council continues to provide financial support to community groups, voluntary organisations and faith groups through the community capacity grants programme
  - c. The council's Voluntary and Community Sector Strategy which aims to deliver a thriving voluntary and community sector which meets the needs of our residents
  - d. The role played by faith groups in creating strong and resilient communities, and the development of a Faith Strategy which will be launched later this year
  - e. The zero-tolerance to hate crime approach taken by the council
  - f. That youth violence continues to be a problem in Southwark and across London
  - g. That the council is working with communities, the police, and other partners to tackle youth violence, violence against women and girls, and other issues which harm our communities
  - h. Southwark Labour's manifesto commitment to work with our communities to find local solutions that help young people stay away from knives and launch a Positive Futures Fund to support groups that provide inspiring opportunities for young people
2. Council assembly calls on cabinet to:
  - a. Build on the work done on the Women's Safety Charter and develop and deliver a Violence Against Women and Girls Strategy to tackle all forms of gender-based violence in our communities
  - b. Fulfil Labour's manifesto pledge and establish a Positive Futures Fund to empower communities to provide inspiring opportunities for young people which help them to stay away from knives and not become involved in youth violence
  - c. Continue to work with groups and partners in the community to tackle extremism and support those who may be at risk of radicalisation, recognising that the best solutions to these problems can often be found in the community

- d. Continue to work with and for Southwark's communities to ensure that they are strong, safe and resilient.

### **Corporate parenting in Southwark**

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

1. This motion seeks to build on the good work that Southwark is doing with children in our care and young people leaving care. Last year we received a good rating from Ofsted, secured innovation funding to enable young people in care to reconfigure our care leaving services, and waived council tax fees for all care leavers.
2. This year, in our forward plan, we have guaranteed an education placement or apprenticeship for all children and young people preparing to leave care.

### **Background**

3. At the same time we have witnessed a national scrutiny spotlight being put on children's social care. The Children and Social Work Act 2017 has released updated statutory guidance to improve corporate parenting. This was followed by the launch of the Education Committee's scrutiny of foster care which was in turn swiftly followed by the release of government commissioned Foster Care in England Inquiry authored by Martin Narey and Mark Owers.
4. The government's response to the scrutiny reports has yet to be released – but we can anticipate a shift to improve services along the lines of permanence as opposed to fragmented responses to families requiring care services into adoption, SGOs and foster care.
5. At the same time the Local Government Association (LGA) and the Association of Directors of Children's Services (ADCS) have launched its Brighter Future campaign which has exposed a £2 billion deficit in children's social care. In Southwark we hosted the launch of a suite of reports entitled Care Crisis.

### **Individual councillors as corporate parents**

6. The role that this council plays in looking after children is one of the most important things that we do. Just like all other local authorities, we have a unique responsibility to the children that we look after. It is in this context that local authorities are referred to as the 'corporate parent' of these children and young people, and the critical question that we should ask in adopting such an approach is 'would this be good enough for my child?'
  - a. Council assembly recognises that children in care are more likely to succeed in education or employment if someone is interested in their progress.
  - b. Council assembly will build on its strong ethos of corporate parenting by inviting all councillors to participate in this role, not only those on the Corporate Parenting Committee
  - c. Council assembly calls on cabinet to develop a scheme to engage councillors with looked after children, including monitoring their progress and encouraging

written contact in the form of cards to acknowledge birthdays, faith festival dates and dates of exams, results of exams and education or job interview results

- d. Council assembly encourages councillors to volunteer to be a part of this initiative, recognising that this is a serious commitment to a potentially vulnerable child.

### **Rising crime in surrey docks**

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

1. Council assembly recognises:
  - a. The dramatic rise in violent crime across London.
  - b. The spread of violent crime – especially knife crime – across most wards in Southwark Council.
  - c. That under a Labour administration, action has been taken by Southwark Council to tackle anti-social behaviour, and the number of arrests using CCTV footage has increased thanks to the work of the council's award-winning CCTV team.
  - d. That under the previous Liberal Democrat administration, CCTV coverage was cut and anti-social behaviour powers were not used most effectively.
2. Council assembly further recognises:
  - a. The reduction in police officers and community support officers across London thanks to the cuts imposed by this Conservative government and the previous Liberal Democrat/Conservative Coalition.
  - b. The reduction in police officers across Southwark from 957 to 706.5 officers, including 546 police constables since 2010.
  - c. The reduction in Safer Neighbourhood Teams for each ward from 6 members to 3.
3. Council assembly is aware that:
  - a. Tower Hamlets Council have hired additional police officers.
  - b. The Tower Hamlets scheme is still in at an early stage and the success of these arrangements is still to be determined.
  - c. Whilst the Mayor of London will provide a free officer for every officer that the council pays for, the cost to Tower Hamlets Council will be £3m per year once they have all the officers they have agreed to purchase in place.
  - d. That thanks to cuts from this Conservative government and the previous Liberal Democrat/Conservative coalition, the council's budget has been halved since 2010, and is continuing to reduce year on year.
4. Council assembly recommends that Southwark Council:
  - a. Investigate, alongside other options, hiring extra police officers to patrol Southwark's neighbourhoods.
  - b. Continue to work with the police and the Borough Commander to prevent, detect and respond to crime and anti-social behaviour in Southwark.

- c. Consider installing extra streetlights and CCTV cameras in hotspot areas for violent crime.

### **Modern slavery**

That the motion referred from council assembly as a recommendation to cabinet, set out below be noted and agreed, and that an annual monitoring report be brought back to cabinet:

1. Council assembly notes:

- a. Though slavery was abolished in the UK in 1833, there are more slaves today than ever before in human history. Figures from the International Labour Organisation (ILO) suggest that there are more than 40 million people in modern slavery across the world, with nearly 25 million held in forced labour.
- b. There were 3,805 victims of modern slavery identified in the UK in 2016. A rising number but still well below the 10,000 and 13,000 potential victims estimated by the Home Office.
- c. Modern slavery is happening nationwide. Traffickers and slave masters use whatever means they have at their disposal to coerce, deceive and force individuals into a life of abuse, servitude and inhumane treatment. This can include sexual and criminal exploitation.

2. Council assembly believes:

- a. That action needs to be taken to raise awareness of modern slavery and the fact that it is happening all over the UK.
- b. That the current support for victims is not sufficient and needs to go beyond the 45 days they are currently given by the government.
- c. That councils have an important role to play in ensuring their contracts and supplies don't contribute to modern day slavery and exploitation.

3. Council assembly calls on cabinet:

- a. To adopt the Co-operative Party's Charter against modern slavery to ensure our procurement practices do not support slavery.
- b. To consider the wider impact of modern slavery on the borough, and work to ensure that all forms of modern slavery are eliminated in Southwark.

### **Saving the RV1 bus**

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

1. Council assembly notes:

- a. The doubling of wait times for an RV1 bus.
- b. The fact that there are now just three RV1 buses every hour.
- c. The rushed decision to cut the service on 10 February 2018, publicised just 14 days before the changes went ahead.
- d. The complete lack of consultation prior to the cut.
- e. The complete reliance on data to make the decision.
- f. The use of data addled by a year-long diversion at London Bridge station.

- g. The cross party support for returning to the former timetable of the RV1 bus, including the commitment in the 2018 Southwark Labour manifesto to campaign to reinstate the frequency of the RV1 bus service.
2. Council assembly recognises that:
- a. The RV1 bus provides a vital service to elderly residents, who made almost 60,000 journeys with bus passes and 45,000 with Freedom Elderly passes last year – even with the route on diversion.
  - b. The bus is heavily used by students, disabled residents, and commuters from Covent Garden, Waterloo, Blackfriars, Borough, London Bridge, and North Bermondsey.
  - c. The suggestion from TfL that residents use the Jubilee Line instead of the RV1 completely ignores issues of accessibility, affordability and overcrowding.
  - d. The RV1 is one of the only zero-emission routes in London, operated by a fleet of hydrogen-powered buses.
  - e. 1,000 Southwark and London residents signed a petition condemning the RV1 cuts and the failure to consult.
  - f. To this date there has still been no consultation with residents – despite a significant public petition.
  - g. There is cross-party opposition to the cuts, including from the leader of the council.
3. Council assembly further notes:
- a. That the Deputy Mayor for Transport has agreed to review the service after six months (by 10 August 2018) following Mayoral Questions from London Assembly Members Caroline Pigeon and Florence Eshalomi.
  - b. That Labour London Assembly Member Florence Eshalomi has written to both the Mayor and TfL about the changes to the RV1 bus, and also discussed this with Heidi Alexander, the newly appointed Deputy Mayor for Transport.
4. Council assembly calls on cabinet to:
- a. Continue to campaign for the RV1 bus to return to six services an hour.
  - b. Write to TfL opposing the cuts, requesting a full consultation, and formally asking for the RV1 bus to be restored to full service.
  - c. Encourage the Mayor and TfL to explore the suggestion to market the RV1 bus as a route serving multiple tourist attractions since the route passes dozens of London Southwark landmarks along the river.
5. Council assembly calls on TfL and the Mayor of London to:
- a. Review the changes to the RV1 bus service after 6 months
  - b. Hold a consultation with residents on the full restoration of the RV1 bus service.
  - c. Introduce more zero-emission buses in Southwark to cut the high concentrations of air pollution in the borough.

### **Securing a bricklayers arms tube station**

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

1. Council assembly recognises that:

- a. The Bricklayers Arms site is ideal for a tube station.
- b. There is strong cross-party support for the station in Southwark.
- c. Close to 3,000 people have signed the petition for a Bricklayers Arms tube station.
- d. The station has the support of local businesses and community groups – including the Tower Bridge Alliance, Bermondsey Street Area Partnership and Bricklayers Arms Tenants and Residents Association.
- e. Before the last election, Southwark Labour's manifesto made a commitment to Campaign for three new tube stations on the Old Kent Road, including one at the Bricklayers Arms.
- f. The leader and the cabinet member for growth, development and planning have written to the new Deputy Mayor for Transport, Heidi Alexander, to press the case for a tube station at the Bricklayers Arms, and have invited her to visit the site to see for herself the potential of the location.
- g. That, following pressure from Southwark Council, TfL are undertaking a detailed cost-benefit analysis and design study that looks at the different options for the tube station at Bricklayers Arms.

2. Council assembly further recognises that:

- a. A station between Elephant & Castle and Old Kent Road would bring tube access to thousands of people in Chaucer, North Walworth and West Bermondsey.
- b. A station at Bricklayers Arms would also provide much-needed relief for the overcrowded Jubilee Line.
- c. A station would also be a vital future-proofing measure, given the rapid expansion in population due to take place in the area – especially under the Old Kent Road Area Action Plan.
- d. There is an historic divide between north and south London in tube access. Zone 1 in the north has 55 tube stops. In the south, we have 7.
- e. Transport for London (TfL) is planning wide gaps between stations on the Bakerloo Line Extension (1.2 miles, comparing poorly with the 0.59 mile average on the rest of the line).
- f. This would be an enormous missed opportunity to narrow the gap between north and south London.
- g. A sparsity of stations on the extension will actually reinforce this gap – and the social and economic inequality that comes with it.
- h. An additional station would be a landmark contribution to the reduction of inequality, bringing clear social, economic and environmental gains for the area.

3. Council assembly is clear that:

- a. To secure an additional tube station at Bricklayers Arms a strong case has to be made to TfL and the Mayor of London on costs.
- b. A station at Bricklayers Arms would increase passenger numbers and revenue for TfL, offsetting the immediate costs to TfL over the long-term.
- c. A station would also bring investment, business, and jobs to the area – that would in the long-term outweigh the upfront costs – but that little analysis has been conducted so far.
- d. A station would reduce demand for cars, taxis and buses, reducing air pollution

and cutting congestion. Nearby New Kent Road and Tower Bridge Road have some of the highest nitrogen dioxide levels in London. Last year, they averaged 71 and 91  $\mu\text{g.m}^{-3}$ . The limit is 40.

- e. Short-termist policy-making tends to lead to higher costs, lower quality, greater inconvenience and less coordination.
4. Council assembly calls on cabinet to:
- a. Maintain their commitment to make contributions through the Community Infrastructure Levy (CIL) toward the Bakerloo Line Extension.
  - b. Produce a detailed study working with the London Borough of Lewisham and TfL to look at funding options.
  - c. Investigate commissioning an independent analysis of TfL's findings and decision when announced in July.
  - d. Continue to lobby the Mayor of London, the Deputy Mayor for Transport, and TfL for a station at Bricklayers Arms, and launch a new 'Back the Bakerloo' campaign, working with the local community to demonstrate to TfL the widespread support for the Bricklayers Arms station.

### **Taking action on short term letting**

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

- 1. Council assembly recognises:
  - a. That national legislation has not caught up with the sharing economy.
  - b. That plenty of short-term let hosts are responsible and make a real effort to encourage their guests to be quiet, tidy and courteous.
  - c. That a sizeable minority of hosts do not make these efforts.
  - d. That some residents – both council and private tenants – are barred from hosting, yet do so anyway.
  - e. That Southwark Council has made it clear to council leaseholders that they are not allowed to host via home-sharing websites, but that some continue to do so.
  - f. that short term letting can lead to security risks, anti-social behaviour and noise nuisance, and other loss of amenity for our residents.
  - g. That some short-term lettings bear no relation to the idea of flat-sharing and are effectively hotels or hostels – sometimes run by owners who live away, sometimes overseas.
  - h. That the housing crisis in London is worsened by the proliferation of short term lets on council estates.
- 2. Council assembly finds it unacceptable that:
  - a. Some Airbnb-type hosts are sharing estate entry codes with guests.
  - b. Reports of anti-social behaviour related to short term lets have been made by residents across the borough.
  - c. That despite the hard work of Southwark Council, including writing to all leaseholders as outlined in (1), short-term lets have continued in Southwark council properties.

- 3. Council assembly agrees that:

- a. Short term letting of council properties constitutes a breach of the lease covenants “not to use or suffer the flat to be used for any purpose other than as a private dwelling house” and “not to do or permit or suffer to be done any act or thing which may be or become a nuisance or annoyance to the Council or to the Lessees owners or occupiers of adjoining or neighbouring property.”
  - b. We applaud the leader of the council when he said: “We will take legal action where such cases come to our attention.”(2) and applaud the cabinet member for housing management and modernisation for her work on this issue, and recognise that Southwark was among the first local authorities to take this stance on short-term lets.
  - c. We look forward to that action, for the protection of our residents and visitors.
4. Council assembly calls on cabinet to:
- a. Take action beyond merely writing standard form letters to every leaseholder and tenant.
  - b. Publicise the ban on Airbnb in council estates – on notice boards, at TRA meetings, with leaflet drops, and via digital channels (both council outlets and community forums), and help to enable residents to feel empowered to combat the use of their communities as profit centres for pernicious landlords.
  - c. Continue to notify leaseholders when short term lets have been identified in their properties and discourage them from letting on a short term basis.
  - d. Continue to record and investigate all resident reports of unlicensed hosting.
  - e. Publish quarterly reports on unlicensed hosting that state: how many reports the council has received, from where, what action has been taken, and what the next steps are.
  - f. Make clear to leaseholders that they are accountable for the behaviour of their tenants.
  - g. Take pro-active enforcement action against offenders and intervene early to prevent enforcement from being necessary where possible.
  - h. Alert short term letting platforms of users who breach local authority rules.
  - i. Continue to work with TMOs and TRAs across the borough to identify potential short term lets on estates.

(1) Southwark cracks down on short term holiday lets with warnings to local leaseholders: <http://www.southwark.gov.uk/news/2017/mar/southwark-cracks-down-on-short-term-holiday-lets-with-warnings-to-local-leaseholders>

(2) Homes not hotels: council to take action on Airbnb-style lets: <http://www.london-se1.co.uk/news/view/9324>

### **Jamaica Road gridlock**

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

- 1. Council assembly notes:
  - a. The continued failure of Transport for London (TfL) to make any serious attempt to reduce congestion on Jamaica Road.
  - b. The fact that congestion on Jamaica Road is actually getting worse – with traffic up 19% this year.
  - c. Tailbacks along Jamaica Road that now begin before 3pm.

- d. The likelihood that a tolled Silvertown Tunnel and Blackwall Tunnel will drive even more traffic to a toll-free Rotherhithe Tunnel – creating more backups along Jamaica Road.
  - e. That TfL has not introduced Variable Message Signs on Jamaica Road. There are roughly 3,000 of these across England – but not on one of its most congested roads.
  - f. That the cabinet member for environment, transport management and air quality has raised the issue of congestion on Jamaica Road with the new Deputy Mayor for Transport, Heidi Alexander.
2. Council assembly is aware that:
- a. Congestion on Jamaica Road has left the area with some of the worst air pollution in London.
  - b. Nitrogen dioxide (NO<sub>2</sub>) consistently sits above the legal limit (a maximum of 40µg/m<sup>3</sup>). Very often it reaches 60-70µg/m<sup>3</sup>. Around some stretches of the road it is 90-100µg/m<sup>3</sup>.
  - c. At the Abbey St junction NO<sub>2</sub> was 50% above the limit last year. At Rotherhithe Tunnel it was almost 150% over.
  - d. At St James' primary school near Jamaica Road last year, NO<sub>2</sub> was above the legal limit in every month but one.
3. Council assembly requests that cabinet call on TfL to:
- a. Make the decongestion of Jamaica Road an urgent priority.
  - b. Set a timetable and targets for traffic reduction on Jamaica Road.
  - c. Following the grant of a Development Consent Order in May 2018 to build Silvertown Tunnel, urgently consider a rush-hour toll on Rotherhithe Tunnel.
  - d. Invest the revenue from a Rotherhithe Tunnel toll in better infrastructure on Jamaica Road and Lower Road to reduce congestion and pollution.
  - e. Consider introducing Variable Message Signs on roads leading to Rotherhithe Tunnel, warning drivers about queue lengths – or indeed alerting them when the tunnel is closed.
  - f. Make key changes to its plans for Cycle Superhighway 4 (CS4), removing the cycle crossing at West Lane junction, adding plans for Lower Road, extending the proposed route into Greenwich, and consulting on an option for one-way segregated lanes on both sides of Jamaica Road – similar to CS2 on Whitechapel Road – rather than merely consult on a two-way superhighway on the north side. If CS4 is to cut congestion, TfL needs to be more ambitious.
  - g. Introduce zero emission buses on the 1, 47, 188, 199, 225, 381, C10, P12, N1, N199 and N381 routes along Jamaica Road to reduce air pollution.
4. Council assembly calls on the Mayor of London to:
- a. Reconsider the decision not to increase the number of carriages on the Jubilee Line.
5. Council assembly calls on cabinet to:
- a. Work with TfL to continue to explore proposals to fund the Bermondsey-Rotherhithe Santander bike hire expansion.
  - b. Consider installing a PM2.5/PM10 (Particulate Matter pollution) automatic monitoring station on Jamaica Road, as a part of Labour's manifesto

- commitment to tackling poor air quality and air pollution.
- c. Promote existing apps and website where residents can check air quality and pollution levels in real time.

**17. APPOINTMENT TO OUTSIDE BODIES: SOUTH BANK BUSINESS IMPROVEMENT DISTRICT LIMITED BOARD**

**RESOLVED:**

That Councillor Kieron Williams, cabinet member for job, skills and innovation and Councillor Victor Chamberlain (ward member) be nominated as the Southwark local authority observers on the South Bank Business Improvement District Limited Board for the 2018-19 municipal year.

**18. DISPOSAL OF COUNCIL'S FREEHOLD INTEREST AT DEVONSHIRE GROVE, TO REAR OF 745-775 OLD KENT ROAD SE15**

**RESOLVED:**

That in accordance with the terms set out in the closed cabinet report:

1. The council's freehold interest in land at Devonshire Grove to the rear of 747-775 Old Kent Road (as shown outlined in black in Appendix 1 of the report) be sold to the adjoining owner Barkwest Ltd for a mixed use scheme of commercial on the ground floor and residential development above subject to planning permission being obtained.
2. The director of regeneration be authorised to negotiate the sale and development agreement with Barkwest Ltd and place a covenant on the site which binds successors in title to an affordable housing requirement.

**19. PROPOSED ACQUISITION OF FREEHOLD INTEREST IN LAND IN THE OLD KENT ROAD OPPORTUNITY AREA**

**RESOLVED:**

- 1 That the acquisition of the freehold interests in three sites in the Old Kent Road opportunity area be approved, subject to completing due diligence and the agreement of Final Heads of Terms.
- 2 That authority be delegated to the strategic director of place and wellbeing, advised by and in consultation with the strategic director of finance and governance and head of property to:
  - a) Note the outcome of the due diligence process and proceed with the acquisition, provided that the findings do not undermine the purpose of the acquisition.
  - b) Negotiate terms and enter into binding contracts for the purchase of the freehold interests in the proposed acquisition land and thereafter to complete the purchase;
  - c) Agree the financing structure adopted to fund the acquisition of the assets.

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

### **RESOLVED:**

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 decisions taken in the closed part of the meeting.

### **20. MINUTES**

The minutes of the closed section of the meeting held on 24 July 2018 were approved as a correct record and signed by the chair.

### **21. DISPOSAL OF COUNCIL'S FREEHOLD INTEREST AT DEVONSHIRE GROVE, TO REAR OF 745-775 OLD KENT ROAD SE15**

The cabinet considered the closed information relating to this item. Please see item 18 for the decision.

### **22. PROPOSED ACQUISITION OF FREEHOLD INTEREST IN LAND IN THE OLD KENT ROAD OPPORTUNITY AREA**

The cabinet considered the closed information relating to this item. Please see item 19 for the decision.

The meeting ended at 5.35 pm.

**CHAIR:**

**DATED:**

**DEADLINE FOR NOTIFICATION OF CALL-IN UNDER SECTION 21 OF THE OVERVIEW AND SCRUTINY PROCEDURE RULES IS MIDNIGHT, WEDNESDAY 26 SEPTEMBER 2018.**

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

<b>Item No.</b> 8.	<b>Classification:</b> Open	<b>Date:</b> 30 October 2018	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Council Plan 2018-19 – 2021-22	
<b>Ward(s) or groups affected:</b>		All	
<b>Cabinet Member:</b>		Councillor Peter John, Leader of the Council	

## FOREWORD FROM COUNCILLOR PETER JOHN, LEADER OF THE COUNCIL

In June, following the local elections in May 2018, the cabinet agreed the proposed Council Plan for 2018-19 – 2021-22. The Council Plan sets out our ambitions for the borough for the next four years and the commitments we have made to residents to continue delivering a fairer future for all in Southwark.

Following a period of public consultation, cabinet are now asked to agree the final version of the Council Plan, with minor amendments to reflect the feedback received during the consultation.

The council plan forms part of the council's policy framework and as such will be subject to consultation and final agreement by council assembly.

## RECOMMENDATIONS

That cabinet:

1. Notes the issues raised in the public consultation on the Council Plan (paragraph 8).
2. Agrees the final format of the proposed Council Plan 2018-19 – 2021-22.
3. Recommends the proposed Council Plan 2018-19 – 2021-22 for agreement by council assembly on 28 November 2018.

## BACKGROUND INFORMATION

4. In June 2018 cabinet agreed the proposed Council Plan 2018-19 – 2021-22. As agreed by cabinet, a period of public consultation took place to allow residents the opportunity to comment on the proposed Council Plan and inviting feedback on how the commitments set out in the Plan should be implemented. The Equality and Human Rights panel were also consulted on how to further embed equality into the Council Plan.
5. A summary of the issues raised in feedback to the Council Plan consultation and response to each issue is at paragraph 8. Following this period of public consultation, the Council Plan has been amended to reflect feedback received during the consultation.
6. An amendment to the Council Plan was also made to include an additional commitment to 'Help parents spread the costs of childcare over a longer period

by setting up an affordable loan scheme'. This commitment was included in the Southwark Labour 2018 election manifesto, on which the Council Plan was based, but was not included in the draft Council Plan agreed by cabinet in June due to an editing error.

## KEY ISSUES FOR CONSIDERATION

### Consultation

7. The Council Plan 2018-19 – 2021-22 closely reflects the contents of the Southwark Labour manifesto which had wide public engagement during the local elections in May 2018. In accordance with the council's constitution and budget and policy framework, the Council Plan 2018-19 – 2021-22 and proposals within it have been subject to consultation.
8. The Council Plan was published on the council's online consultation hub on 28 June 2018 and the consultation ran for nine weeks, closing on 31 August 2018. A small number of responses were received from the public through the consultation hub. A summary of the issues raised in feedback to the Council Plan consultation and response to each issue is included below.

### Public response

Issue	Council response
Implementation/delivery	Following the agreement of the new Council Plan, cabinet have instructed officers to develop detailed performance schedules based on the priority themes set out in the Plan. These commitments are underpinned by a series of 'measures' and 'milestones' that show in a clear and transparent way how our performance will be judged. These measures and milestones will be developed in conjunction with the budget setting process and each commitment will have a named lead cabinet member and chief officer for transparency and accountability purposes. Progress against the delivery of the commitments set out in the Council Plan will be monitored and the council will regularly update on progress, through annual performance reports and other council communication, to ensure the process is transparent.
Improving the safety and accessibility of cycling	The council is committed to making cycling easier and safer for people in the borough, so that more people choose to travel by bike, including those who would not currently consider cycling. The Council Plan includes specific commitments to make cycling accessible for all, and to double the proportion of journeys in Southwark done by bike. This will be achieved through a range of actions, including cycling infrastructure, quietways, working with schools, cycle parking and bike hire schemes.
Road closures and car use	The council is committed to closing roads around schools to encourage more people to walk or cycle to school, and to tackle poor air quality. The Council Plan also includes commitments which aim to reduce reliance on polluting

Issue	Council response
	<p>vehicles, including varying parking charges in areas with poor air standards to encourage cleaner vehicles, and adapting lamp posts to charge electric cars so everyone is in walking distance of a charging point.</p> <p>We are committed to ensuring new developments prioritise walking, cycling and other sustainable transport over car use, for example by making new developments car free. We will continue to explore options for encouraging more sustainable forms of transport.</p>
Supporting working parents with children	<p>The cost of childcare can be a significant barrier for working parents and we are committed to supporting those people with young children who want to work. The expense of childcare can be particularly prohibitive in the early years of a child's life when parents return to work, which is why the proposed Council Plan includes a commitment to help parents spread the cost of childcare over a longer period by setting up an affordable childcare loan scheme.</p>
Mental health support	<p>We believe that good mental health is as important as good physical health and the council is committed to giving mental health the attention that it deserves. The Council Plan includes specific commitments to:</p> <ul style="list-style-type: none"> <li>• Protect adult mental health services;</li> <li>• Train mental health first aiders; and</li> <li>• Protect funding for mental health services for children and young people and find ways to change and improve services so that more children get the support they need when they need it.</li> </ul>

### Forum for Equalities and Human Rights response

9. The Forum for Equalities and Human Rights in Southwark (FEHRS) were also consulted on how to further embed equality into the Council Plan. In their feedback the FEHRS recommended a number of additions to the Council Plan, including highlighting the importance of the voluntary and community sector, the council's commitment to equalities including the Public Sector Equality Duty, and ongoing opportunities for feedback for local people. These changes are reflected in the final version of the Council Plan recommended for agreement by cabinet.
10. Following the adoption of the Council Plan 2018-19 – 2021-22 by council assembly, the council will continue to engage with local people to implement the commitments set out in the Plan. We will consult on all aspects of the plan over the next four years.
11. The Council Plan is therefore now being presented for agreement to council assembly in November 2018.

### **Monitoring, reporting and communicating on progress**

12. The Council Plan contains a range of promises and commitments which the council will work towards over the coming four years. Cabinet have tasked officers with developing more detailed performance schedules for each Council Plan theme, with responsibility for each commitment apportioned across the cabinet portfolios.
13. Starting with cabinet and working through to individual members of staff, we will ensure that the whole organisation is working towards delivering our Council Plan. A lead cabinet member and chief officer are identified for each commitment set out in the plan for transparency and accountability purposes.
14. To ensure that this plan has real impact, the measures and milestones that will underpin it will be monitored every three months to assess progress. The cabinet will receive quarterly reports on progress against the measures and milestones that will be set out in a performance schedule for each Council Plan theme. The leader will present an annual performance report on progress to council assembly in July each year. The council's website will be the primary channel of communication, with updates also provided through our Southwark Life magazine.

### **Community impact statement**

15. The council has a vision to create a fairer future for all by promoting social and economic equality in an economically vibrant borough. The Council Plan describes how we'll deliver our fairer future vision through the commitments made to the people of Southwark. The council's commitment to equality and fairness runs throughout this plan, in line with our equality and diversity policies.
16. The proposed commitments may have an impact on different sections of the community and particularly on residents who possess one or more of the protected characteristics. In line with the council's approach to equality, as the performance schedules are developed over 2018-19, more detailed equality analysis will be undertaken.
17. The Forum for Equalities and Human Rights in Southwark (FEHRS) has been consulted and the Council Plan has been updated to reflect their feedback. The FEHRS will continue to be consulted on the development of the equality analysis that will support the Council Plan 2018-19 – 2021-22.
18. We will give due consideration to the Public Sector Equality Duty (PSED) as a positive duty to consider the promotion of equality throughout the work of the Council Plan and implementation process. We will also publish information on our website to show how we implement the PSED in our work and performance.
19. As the Council Plan is implemented, equalities and health analyses will be carried out for each of the commitments set out in the Plan.

### **Policy implications**

20. The Council Plan is Southwark Council's (the council's) overarching business plan setting the overall policy direction for the period 2018-19 – 2021-22. The plan will guide the development and delivery of, and align with, other key council strategies and plans, over that period.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Director of Law and Democracy**

21. It was previously a requirement for local authorities to publish a best value performance plan. The Local Government and Public Involvement in Health Act 2007 removed the powers of the Secretary of State to specify performance indicators and standards for local authorities, the duty on authorities to meet such standards and to publish best value performance plans.
22. However, a local authority is still required by the Local Government Act 1999 to achieve “best value”, in other words, to “make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness”. The Council Plan is one of the ways the council can demonstrate that it is achieving this requirement.
23. In deciding how to fulfill the best value duty, the council representatives of a wide range of local people, including representatives of council tax payers, those who use or are likely to use services provided by the authority, and those appearing to the authority to have an interest in the local area. Consultation should also include local voluntary and community organisations and small businesses.
24. The report refers to consultation already undertaken by publishing on the council's online consultation hub for nine weeks. The report notes a small number of responses were received from the public through the consultation hub. A summary of the issues are included.
25. The report recognises the possibility that there will be an impact on residents who possess one or more of the protected characteristics as defined by the Equality Act 2010, and notes that further equalities analysis will be undertaken. Cabinet is reminded that the council, in the exercise of all its functions, must have due regard (section 149 Equality Act 2010) to the need to (a) eliminate discrimination, harassment, victimisation or other prohibited conduct, (b) to advance equality of opportunity and (c) foster good relations between persons who share a relevant protected characteristic and those who do not share it. Any future equalities analysis will need to be considered in consideration of this duty.
26. The report further notes that as the Council Plan is implemented, equalities and health analyses will be carried out for each of the commitments set out in the Plan.

### **Strategic Director of Finance and Governance**

27. This report requests cabinet to note the issues raised in the public consultation on the Council Plan and agrees the final recommended format of the proposed Council Plan 2018-19 - 2021-22 for agreement by council assembly on 28 November 2018.
28. The strategic director of finance and governance notes that there are no new immediate financial implications arising from this report.
29. Staffing and any other costs connected with this report are to be contained within

existing departmental revenue budgets

30. The strategic director of finance and governance expects that financial appraisals will be carried out as any new plans are developed and will be subject to future reports, including identifying the revenue or capital resources for any new commitments.

## BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Council Plan 2018-19 – 2021-22	160 Tooley Street PO Box 64529 London SE1P 5LX	<a href="mailto:Matthew.little@southwark.gov.uk">Matthew.little@southwark.gov.uk</a> <a href="mailto:Aine.gallagher@southwark.gov.uk">Aine.gallagher@southwark.gov.uk</a>
<b>Link (please copy and paste into your browser)</b> <a href="http://moderngov.southwark.gov.uk/documents/s75950/Report%20Council%20Plan%202018-19%20-%202021-22.pdf">http://moderngov.southwark.gov.uk/documents/s75950/Report%20Council%20Plan%202018-19%20-%202021-22.pdf</a>		
Council Plan Interim Performance Report 2014-15 – 2017-18	160 Tooley Street PO Box 64529 London SE1P 5LX	<a href="mailto:Matthew.little@southwark.gov.uk">Matthew.little@southwark.gov.uk</a>
<b>Link:</b> <a href="http://www.southwark.gov.uk/council-and-democracy/fairer-future/council-plan">http://www.southwark.gov.uk/council-and-democracy/fairer-future/council-plan</a>		
Council Plan 2014-15-2017-18 (Refreshed version)	160 Tooley Street PO Box 64529 London SE1P 5LX	<a href="mailto:Matthew.little@southwark.gov.uk">Matthew.little@southwark.gov.uk</a>
<b>Link:</b> <a href="http://www.southwark.gov.uk/council-and-democracy/fairer-future/council-plan">http://www.southwark.gov.uk/council-and-democracy/fairer-future/council-plan</a>		

## APPENDICES

No.	Title
Appendix 1	Council Plan 2018-19 – 2021-22

**AUDIT TRAIL**

<b>Cabinet Member</b>	Councillor Peter John, Leader of the Council		
<b>Lead Officer</b>	Eleanor Kelly, Chief Executive		
<b>Report Author</b>	Aine Gallagher, Principal Policy and Public Affairs Officer		
<b>Version</b>	Final		
<b>Dated</b>	18 October 2018		
<b>Key Decision?</b>	Yes		
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>			
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments Included</b>	
Director of Law and Democracy	Yes	Yes	
Strategic Director of Finance and Governance	Yes	Yes	
<b>Cabinet Member</b>	Yes	Yes	
<b>Date final report sent to Constitutional Team</b>		18 October 2018	

## APPENDIX 1

# Council Plan

2018/19 – 2021/22

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○ A place to belong	
○ A greener borough	
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○ A great start in life	
○ A safer community	
○ A vibrant Southwark	

## Leader's Foreword

Eight years ago we set out our vision to create a fairer future for all in Southwark.

Since 2010 we have delivered on our commitments to residents to make Southwark clean, green and safe, and given young people in the borough the best start in life. Now over 95% of our homes are decent, school standards are rising and we are building more quality affordable homes. Southwark has the largest council house building programme in the country and we are making it easier to lead healthy and active lives.

Southwark is leading the way not just in London, but across the country. Over the last four years the council has helped residents to be healthy by introducing free swim and gyms; with nearly half a million visits to our leisure centres since 2016. We have supported over 5,000 local people into jobs and created 2,000 apprenticeships, changing lives for the better. We are ensuring that more residents benefit from the opportunities that regeneration creates, building more homes of every kind and investing in libraries, leisure centres and parks. We have driven up the quality of homecare and supported carers through our Ethical Care Charter and we have encouraged more businesses in Southwark to pay the London Living Wage. Our schools are now amongst the best in the country, with over 90% rated 'good' or 'outstanding', and we've made Southwark an age friendly borough, so whatever your age you can get the best from life.

We are proud of our record and all that we have achieved, particularly as we have delivered these commitments at a time of huge financial pressure. We know that the challenges of 2010 and 2014 are not the same as the challenges of 2018 and so the solutions we offer now have to reflect these changing times. This Council Plan builds on our record of delivery over the last eight years, but offers a fresh approach, fit for the future, to move Southwark forward and make our borough fairer.

We will never stop being ambitious for the future. Southwark is an amazing place and this plan sets out how we will ensure everyone can benefit from all that the borough has to offer. I'm proud that I will be supported by an excellent new Cabinet who reflect the diversity and talent of the borough and a team of council officers who represent the best that local government has to offer. Together we will deliver on our commitments set out in this plan. The council can only deliver on our ambitions for Southwark with the work, help and support of the many people and organisations across the borough who contribute so much to making Southwark what it is. I would like to thank all of our partners, faith groups, volunteers, community leaders, sports clubs, businesses and all organisations who give time, energy and talents to making Southwark the great borough that it is. We look forward to working with you to achieve our ambitions as we continue to deliver a fairer future for all in Southwark.

Cllr Peter John OBE  
Leader of Southwark Council

## The Cabinet

The Leader of the Council is elected by councillors to lead the council for a four year term. Cllr Peter John OBE has been Leader since 2010. The Leader has appointed a cabinet to lead the council's work for the coming year.

- **Leader of the Council**  
Cllr Peter John OBE
- **Deputy Leader and Cabinet Member for Culture, Leisure, Equalities and Communities**  
Cllr Rebecca Lury
- **Cabinet Member for Community Safety and Public Health**  
Cllr Evelyn Akoto
- **Cabinet Member for Children, Schools and Adult Care**  
Cllr Jasmine Ali
- **Cabinet Member for Housing Management and Modernisation**  
Cllr Stephanie Cryan
- **Cabinet Member for Environment, Transport Management and Air Quality**  
Cllr Richard Livingstone
- **Cabinet Member for Finance, Performance and Brexit**  
Cllr Victoria Mills
- **Cabinet Member for Social Regeneration, Great Estates and New Council Homes**  
Cllr Leo Pollak
- **Cabinet Member for Growth, Development and Planning**  
Cllr Johnson Situ
- **Cabinet Member for Jobs, Skills and Innovation**  
Cllr Kieron Williams

Alongside cabinet, the Leader appoints up to four deputy cabinet members, focused on specific projects to help deliver the Council's priorities as set out in this plan.

For further information see <http://www.southwark.gov.uk/council-and-democracy/councillors-and-mps/leader-of-the-council-and-cabinet-members>

## About the Council Plan

Southwark's Council Plan describes our vision for the borough. It sets out our priorities for the next four years, and the commitments that we have made to the people of Southwark. This 2018-22 plan builds on our proud record to deliver a fairer future for all.

The Council Plan is more than just a set of promises, it explains the type of borough we want to be and the values that will guide us to get there. It is the action plan for the council and will shape what every team and member of staff does and how we can work together as one council to achieve our shared ambition of a fairer future for all.

We have been talking to you and listening to you, most recently through the Southwark Conversation – our largest ever public consultation. We have listened to local people and the feedback we had from residents in the Southwark Conversation influenced and helped shape this plan. Key issues raised throughout the Southwark Conversation, for example the importance of community, affordable housing and social regeneration, transport, green spaces and air quality, and the importance of mental health and emotional support for young people and carers, are reflected in the commitments set out in this plan.

Southwark is a diverse and dynamic borough in the heart of London and this offers incredible opportunities, but we also face particular challenges as an inner London borough. In everything we do as a council, we will seek to promote equality. Our commitment to equality and fairness runs throughout this plan, both in the commitments we make to the people of Southwark, and the way we deliver services every day. As a council we are committed to taking all necessary steps to meet our commitments to equalities under the Public Sector Equality Duty, including regularly reporting back to the public so they can hold us to account.

We have made this plan as clear and straightforward as we can, so that we are absolutely transparent and accountable for what we are doing. The cabinet and the council's senior management teams will be regularly monitoring our targets and reporting back on their progress. The cabinet will also receive an annual performance report each year covering the previous year's performance. All of this will be published so that you can see how we are doing and hold us to account.

Through the next four years we will engage with you – listening to your ideas and your concerns, working with you to find solutions to improve our borough. This plan tells you what we want to do, but we know we can only achieve it by working with you, together, to deliver a fairer future for all.

## Our vision

What does a fairer future for all mean? We have identified the five areas where we believe we can make a real difference to improve the lives of our residents, and transform our borough to be the very best it can be.

In Southwark a fairer future for all is:

- The best start in life: clean air, great schools and opportunities to thrive;
- The quality homes that you and your family need;
- A great place to live with clean, green and safe communities;
- A healthy borough where your background doesn't determine your life chances;
- Full employment, where everyone has the skills to play a full part in our economy.

We have moved a long way towards achieving this in the last eight years, and this Council Plan sets out the next steps and the direction we will take in the future. But we know that to achieve this we must be a council that works alongside you, listening to you and fighting for you. So, to do this our vision is also to be council that is:

- Fighting for you, on your side in tough and challenging times;
- A modern and efficient council: working with the community, listening to residents and open to you.

## Our values

Everything that we do as a council is to achieve our vision of a fairer future for all in Southwark. Our values inform how we will do this, the principles that will guide our decisions and determine how we deliver on the commitments that we have made.

In 2010 we embarked on our fairer future for all programme. Eight years on, some of the challenges have changed and some of the solutions have too, but our values remain the same. Our residents are still at the heart of everything we do and they have helped us form the values that underpin the work of the council. Our values will continue to inform all the work we do across the council and what you can expect from us.

We will:

- Treat residents as if they were a valued member of our own family;
- Be open, honest and accountable;
- Spend money as if it were from our own pocket;
- Work for everyone to realise their own potential;
- Make Southwark a place to be proud of.

## Southwark's Context

Southwark is an exciting and vibrant borough in the heart of London. We have a hugely diverse and talented population living, working and enjoying the borough from Rotherhithe and Bermondsey in the north, through Walworth, Camberwell and Peckham to Dulwich in the south. The council is proudly ambitious, wanting the borough to be the best it can be and for the opportunities we enjoy to be available for all. The world around us helps shape how we can deliver this ambition. The Government, the economy and policies like Brexit all impact on what we do and how we do it. We also recognise that we are in a world where people are increasingly distrustful of government and politics and we have to respond to that making sure we are open, honest and transparent with everyone we work with.

### Financial challenge

Southwark faces a huge financial challenge. The Government has been cutting spending and local government has been particularly hard hit, making it more and more difficult for councils to deliver services. There have been reductions in spending across the country, but Southwark has faced some of the severest cuts. Since 2010 we have been forced to find savings of £227million – meaning we have lost nearly half the budget we had only eight years ago.

That is why we have been careful with our budgets and have been treating every penny wisely, as if it is coming from our own pockets. We have listened to what our residents say is important to them and done all we can to protect frontline services, while keeping council tax low. Our priority has been to protect our most vulnerable residents, which is why we have maintained spending on frontline services like children's care while doing everything we can to make efficiency savings in other areas. Ongoing budget pressures mean we know we will have to make difficult decisions. We will continue to manage budgets carefully and keep council tax low, only raising it to protect the most vulnerable.

### National challenges

Southwark faces new challenges. National government decisions have a huge impact on our ability to deliver for residents locally. Legislation such as the Housing and Planning Act and the introduction of Universal Credit impact on residents and have put more pressure on the council. The council will stand up for residents and challenge issues that have a negative impact on our ability to deliver for local people.

We also face challenges from the uncertainty of Brexit. Residents in Southwark voted overwhelmingly in favour of remaining in the European Union, but across the country the referendum result means that the UK will be leaving the EU. We do not yet know what this will mean for EU residents in the borough, for businesses that trade with or rely on the EU or the impact that the Government's decisions will have on our economy or on London as a dynamic modern international city. Even with uncertainty from the Government, we will always stand up for EU residents in our borough, and will work hard to prepare for Brexit and the long term effects of this on our borough and our city.

The ongoing financial pressures, challenges from national government and the UK's imminent departure from the European Union mean there has never been a more uncertain or challenging time for local government. It is more important than ever that the council is standing up for residents and prepared to take the difficult decisions to deliver a fairer future.

### **Partnership working**

The changing face of the public sector means we will have to look at new ways of delivering services, including continuing to modernise the way we work and looking for opportunities to work in partnership with other organisations across the borough.

We know we can only achieve our ambitions by working closely with our residents and partners, including local businesses and employers, charities and community organisations, local NHS trusts and others. We will work with our partners to support the good work they are doing and to look for opportunities where partner organisations can help us to deliver services in new and different ways. Our communities will be instrumental in implementing the commitments set out in this plan and the Voluntary and Community sector will be a key partner in our work engaging with wider communities and equalities groups. Many of the issues we deal with as a council stretch beyond our borough boundaries, so we will continue to work with neighbouring boroughs, London Councils and the Mayor of London to achieve our aims and to deliver for residents.

This plan sets out the council's continued commitment to making Southwark a great place to live, work, learn and visit. We want Southwark to be a healthy, clean, green and safe borough, where everyone has a great place to live, with outstanding schools, parks and community facilities; where everyone has the opportunity to play a full part in the economy, to thrive and meet their potential; and where a person's background does not determine their life chances.

## A Modern Council

To deliver our plan, the council must be fit for the future; with a modern workforce, backed by good governance and sound resource planning.

Our residents are at the heart of everything we do, so we will ensure that everyone who lives in Southwark experiences a modern and efficient council where our residents and their needs drive our policies and our delivery. We want everyone who lives or works in Southwark, and those who visit or study, to experience the very best that Southwark has to offer. As a council we will be on the side of our residents, fighting for them in challenging times.

In order to deliver on our ambitions, we need to have responsive, digitally enabled services that adapt well to change. Digital improvements have the potential to transform individuals and communities. We want to ensure that everyone can access and make the most of these new opportunities, and that no one is left behind in a fast changing world.

We will continue to adapt our services to ensure they are cost-effective, reliable and responsive, and can be accessed at a time convenient to residents and businesses. We will also continue to develop new ways of working and to modernise our operations and staff accommodation.

We want all residents and businesses in the borough to have the digital tools and skills they need. We will continue to work with partners to improve Southwark's digital infrastructure, and we will support residents and community groups to improve their skills so they are able to access everything the digital world has to offer.

We cannot escape the impact on council services of significant budget cuts. This means we will have to continue to look at new ways of doing more with less, including charging for some services, working with new and different partners outside the council, and delivering value for money.

## Commitments

Guided by our values, and shaped by our context this Council Plan presents a set of commitments which will help us achieve our vision of a fairer future for all. The Council Plan sets out these commitments across eight themes:

- A place to call home
- A place to belong
- A greener borough
- A full employment borough
- A healthier life
- A great start in life
- A safer community
- A vibrant Southwark

Alongside this ambition, we will make sure that we get the basics right, so that you can be confident that the day to day services that the council provides are excellent and deliver what you and your family need. A number of fundamental strategies and policies underlie the work of the council, such as the Voluntary and Community Sector Strategy and Homelessness Strategy, which we will continue to deliver and to regularly review. We will continue to build on our progress by delivering on the long-term strategies that we have set out over the last eight years,

In housing, we will make sure repairs are done well and on time. We will maintain your estates, keep investing in improvements and treat you and your family fairly and with respect. We will make sure that our full range of services from housing allocation to rent management is efficient, transparent and delivering for our tenants.

We are investing in regeneration to make Southwark an even better place for you to live. We will make sure that we are actively listening to and engaging with those affected by changes in the borough, that there is good, clear information and that we are reaching all parts of our community – not just those that speak the loudest. We have started this with the Southwark Conversation, and we want to hear and talk more in the years ahead.

Our businesses drive our local economy, and so we need to make sure the services we offer are fit for purpose. From clean streets and commercial waste management, to effective collection of business rates and licensing we want the services that support businesses to be the best they can be.

Across education, we will make sure schools allocation is fair and efficient and will work in partnership with education providers to make sure all our children are getting the best start with the skills they need to get on in life. We will continue to prioritise vulnerable children and those in the care system making sure that referrals are dealt with quickly and efficiently and that they are treated as individuals throughout the system.

Protecting our local environment is essential. We will keep the streets clean and tidy, manage waste effectively, and crack down on things that blight our neighbourhoods like fly-tipping and dog fouling. We will carry on maintaining our public spaces, roads and pavements so we can enjoy them, feel safe and get the most out of our borough.

In the community too, we should all feel safe. We will tackle noise and anti social behaviour, and carry out repairs like street lighting to help keep our streets safe. We will work with the police to tackle crime and keep our borough safe.

We will only achieve a fairer future for all with better health and wellbeing – tackling the health inequalities which too often exist in our borough. We will work with health partners across a range of preventative services and improve education and advice on how to live well and improve wellbeing.

Southwark is a vibrant borough. We will keep investing in our parks, our leisure centres and libraries. We will work to make sure that they are clean and accessible and that the whole community can use and enjoy them.

Across all of this work, we will focus on improving satisfaction from residents and raising standards.

## A fairer future – A place to call home

Everyone should have a place that they are proud to call home. Southwark Council is the biggest social landlord in London and we are committed to delivering good quality affordable homes for all our residents, which is why we are improving council homes, building new ones and building more affordable homes across the borough. We have invested over £300m of improvements in council homes and we'll continue making sure all our housing estates are clean, safe and cared for. We know that improvements on estates like security doors can be blocked by absent landlords, so we will make changes to ensure that people who actually live on estates get the biggest say in improvements to their homes.

More people in Southwark than ever before are living in private rented homes, so we will also drive up standards in the private rented sector and crack down on rogue private landlords. We believe everyone should have a good quality home no matter who their landlord is, so we will give private renters more powers to hold landlords to account and introduce a Gold Standard for rented homes. The housing crisis is made worse when Right to Buy properties end up with private companies charging high rents, so we will explore options for ensuring that homes bought through Right to Buy are let at affordable rents.

We want people in the borough to take pride in their homes and their local area, so we will empower residents to make improvements on their own estates. We will continue to improve our own housing service, making it easier to access services online and bringing empty homes back into use more quickly to allow new families to move in. Our award winning homelessness work is helping more people to get the secure home they need and we will continue to support vulnerable residents, including domestic abuse survivors, to meet their housing needs.

### **We will...**

- Introduce a Southwark Renters Union;
- Secure the future of the Ledbury Estate with no reduction in the number of council homes;
- Launch a Great Estates Guarantee so that every estate is clean, safe and cared for;
- Give residents the tools to garden and improve their estate;
- Make it easier to request repairs online and see maintenance schedules;
- Seek to introduce provisions so that absent leaseholders must let at affordable rents;
- Turn around council voids within 28 days;
- Prioritise domestic abuse survivors over their abuser so they can stay in their own home;
- Change the rules on estate improvements like security doors so that those who live on estates get the biggest say;
- Work with tenants, residents and homeowner groups to find new ways to engage so that more people can have their say;
- Deliver a Southwark Gold Standard for private rental properties;
- Bring repairs service in-house so more jobs are done right first time;
- Only increase council tax to protect services for the most vulnerable.

## A fairer future – A place to belong

Southwark is a vibrant and exciting place to live, with some of the most ambitious regeneration programmes in the country being delivered across the borough. We want Southwark residents to be able to make the most of the opportunities being created right on their doorstep, so we will ensure that regeneration continues to deliver employment and better health opportunities as well as schools, parks, libraries, leisure centres to serve local communities.

We want regeneration to work for everyone, to reduce health inequality, create jobs and opportunities and build council homes that are as good as, or better than, private homes. The housing crisis means that Southwark needs more homes that local people can afford, so we will continue to build more homes of every kind including new council homes and secure homes at London Living Rent. We will continue our long-term homebuilding programme, delivering on our commitment to build 11,000 new council homes by 2043. We will keep fighting to get the best deal from developers, but we will also press for changes in the system, so councils can be less reliant on private developers. We will establish a Construction Company and continue making the case nationally for the powers and resources to allow us to build the homes our residents need.

Southwark is a borough that is continuing to grow and change for the future and we will continue to work with our local communities to make sure that no one is left behind and that all those who live, work and visit our borough benefit from change.

### We will...

- Establish a Southwark Construction Company to build the homes and develop the skills our borough needs;
- Continue to ensure that every new development has enough GPs, school places and parks to support residents;
- Guarantee developments on council housing land have at least 50% council rented homes and ensure a right to return for council tenants and resident leaseholders so local people can stay in the borough they call home;
- If estates need to be redeveloped, increase the number of council homes and build to the highest standards;
- Introduce ballots on any new estate regeneration and a Consultation Charter to ensure local residents can hold private sector developers to account;
- Guarantee that all building contractors advertise jobs to local people first;
- Build at least 1,000 more council homes and secure 1,000 new homes at London Living Rent by 2022;
- Build a new library and GP Health Centre on the Aylesbury Estate and secure funding to support residents through the regeneration;
- Campaign for three new tube stations on the Old Kent Road including one at Bricklayers Arms.

## A fairer future – A greener borough

Southwark is greener than ever – spending over £26million on parks and green spaces since 2010, we now have more green flag parks than ever before and the highest in central London. We have invested in play areas so children can enjoy being active and outside and we are helping people to cycle more, cutting air pollution and improving health.

But in everything we do we must make sure we are being greener and tackling problems like air quality and climate change. We have already cut council carbon emissions by 25% and we will halve them in the next four years. Dangerous nitrous oxide and particulate matter levels have been coming down but we will do more, like supporting electric vehicles, campaigning to save much used local bus services and supporting new infrastructure like the walking and cycling bridge.

We already have the best recycling rate in inner London with less than 1% of waste ending up in landfill, but we will do more to tackle fly-tipping and we will clean up our highstreets by banning commercial waste bins and introducing timed collections.

Our commitment to a greener Southwark starts on our doorstep, but it is about improving our communities, our city and our planet. In everything we do, we will make sure we limit the environmental impact so that future generations can live in a cleaner, greener Southwark.

### We will...

- Make Southwark carbon neutral by 2050;
- Continue the work we began in 2010 to halve council emissions by 2022;
- Divest council investments away from fossil fuels and into sustainable alternatives;
- Vary parking charges in areas with poor air standards to encourage cleaner vehicles;
- Adapt lamp posts to charge electric cars so everyone is in walking distance of a charging point;
- Have zero tolerance on fly tipping and double the number of people we catch and enforce against who illegally dump in the borough;
- Support the creation of community led sustainable energy projects on estates to help residents reduce their energy bills;
- Improve our high streets with timed waste collection;
- Reduce the use of commercial bins and stop rubbish sitting out for longer than it needs to be;
- Protect Southwark's biodiversity and make nature accessible for all;
- End single use plastic in the council and halve single use plastic in the borough;
- Introduce water fountains throughout Southwark to reduce plastic bottles;
- Campaign to reinstate the frequency of the RV1 bus service;
- Work with the Mayor of London to build a new pedestrian and cycling bridge from Canada Water to Canary Wharf;
- Restore the historic Nunhead Cemetery East Lodge and boundary wall.

## A fairer future – A full employment borough

Southwark thrives when people have quality well paid jobs and can play their part in our economy. Having a strong local economy benefits everyone who lives, works and visits the borough. We will continue to grow the economy by supporting local businesses, investing in those setting up new businesses and tackling low pay and inequalities. We want to make sure that all Southwark residents have the opportunity to achieve their potential and that low income or lack of qualifications does not hold people back from securing good work. We will continue to invest in skills and employability, to ensure residents are equipped with the tools they need to find employment and to progress to better paid work.

Southwark Council has achieved remarkable success in growing the local economy, with more people now in work in the borough than ever before. Over the last four years the council has changed 5,000 local people's lives by supporting them into jobs, created 2,000 new apprenticeships and halved the number of young people not in education, employment or training. We are making sure that regeneration taking place across the borough benefits local people, such as the 2,600 residents who have benefitted from skills training through the Construction Skills Centre.

Now the council is committed to going even further with a full employment borough, where we tackle the barriers that hold people back from work or volunteering, so that everyone has the opportunity to play a full part in our economy.

### We will...

- Make Southwark a full employment borough;
- Help 5,000 more people into work and create 2,500 new apprenticeships;
- Double the number of employers who pay the London Living Wage and make Old Kent Road and Canada Water London Living Wage Zones;
- Make Southwark the first Equal Pay Borough so all our contractors must publish their gender pay gap and plans to reduce it;
- Introduce a Southwark Good Work Standard and only work with companies that will recognise trade unions, pay the London Living Wage and do not use harmful zero hours contracts;
- Establish an Innovation Fund to invest in the Southwark's entrepreneurs of the future;
- Make sure everyone has a basic qualification in English and maths and that residents have the digital skills to get the jobs of the future;
- Provide one to one support for low paid workers to help them get better paid jobs and improve access to financial support to those who need additional funding for courses;
- Deliver at least 500 new affordable business spaces;
- Make sure that 500 young people from low income backgrounds get paid internships with London's best employers;
- Establish a Creative Enterprise Zone in Camberwell and Peckham to support artists, producers and other creative small businesses.

## A fairer future – A healthier life

The council wants to reduce health inequality so that whatever your background you can live a healthy life. That's why we have already introduced free healthy school meals and fruit for all our primary school children, and made swimming and gyms free for all our residents. With new leisure facilities we are making it easier than ever to keep fit, but the gap between the least healthy and the healthiest is still too big. We want to make cycling and walking easier, so more people choose these ways to get around and people who would never currently think about getting on a bike, feel that they too can enjoy cycling in and around our borough.

We are London's first age friendly borough so people can get the most from Southwark whatever their age. We have improved home care and will now do the same for residential care so that older people have the dignity and care they need and deserve. Good mental health is as important as good physical health and in Southwark we will give it the attention that it deserves.

We want to break down barriers that prevent people from thriving in Southwark. That's why we will keep investing in mental health services and look for a new approach to tackle loneliness for people of all ages. Similarly barriers of stigma and fear can prevent people getting tested for HIV or seeking other health treatments. The council wants to make these things easier so that people of all ages and of all backgrounds can get the most out of their life.

### We will...

- Make walking fun, safe and accessible by developing a green walking network;
- Protect adult mental health services;
- Deliver a loneliness strategy;
- Train mental health first aiders;
- Create a network of accessible toilets and baby changing facilities;
- Open two nursing homes;
- Build extra care housing;
- Raise standards with a Residential Care Charter;
- Tackle HIV stigma and increase testing;
- Set up an innovation fund for projects that tackle sexually transmitted infections
- Stop new gambling, loan shops and fast food premises opening in council owned buildings;
- Boost access to cycle hire;
- Increase cycle hangers where people want them;
- Make cycling accessible for all;
- Double the proportion of journeys in Southwark done by bike;
- Make free swim and gym more flexible with more choice about when you go;
- Make swimming lessons free for all residents;
- Open a new, modern leisure centre at Canada Water.

## A fairer future – A great start in life

Every child deserves the best start in life. We want all children and young people in the borough to grow up in a safe, healthy and happy environment where they have the opportunity to reach their potential.

Southwark schools have improved significantly in recently years and we have been meeting high demand for school places by refurbishing and expanding popular schools and working with local parents to support new schools. We believe every child has the right to a good education, which is why we have campaigned alongside local parents for fair funding and worked with schools to drive up standards. 9 out of 10 schools in Southwark are rated by Ofsted as “Good” or “Outstanding”; we will make sure all schools reach this level and drive up standards so every school in the borough is exceeding London averages.

We want all children in the borough to lead healthy and active lives, so we will extend Free Healthy School Meals to nurseries and make it easier for more children to walk and cycle to school to improve health and tackle poor air quality. We will continue to support vulnerable and looked-after children, improving mental health services and investing in early intervention.

We will deliver for young people and do this with young people. We will put young people’s voices at the heart of our policies, shaping what we do and how we do it.

### **We will:**

- Close roads around schools at drop off and collection time and get more children walking and cycling to school;
- Extend Free Healthy School Meals to school nurseries;
- Make sure all schools in Southwark are Good or Outstanding;
- Drive up standards so that every school exceeds London averages at every stage;
- Protect funding for mental health services for children and young people and find ways to change and improve services so that more children get the support they need when they need it;
- Continue to invest in early intervention and keep children and families' centres open;
- Guarantee education, employment or training for every care leaver;
- Open a new secondary school at Borough by 2019;
- Increase activity by introducing a 'daily mile' in all primary schools;
- Help parents spread the costs of childcare over a longer period by setting up an affordable loan scheme.

## **A fairer future – A safer community**

Everyone has the right to feel safe and be safe. Southwark is a welcoming and inclusive borough and we are proud that so many people want to make it their home. That is why we have zero tolerance of hate crime, so that whoever you are, of any race, religion, gender, sex, sexuality, age or ability – you can feel safe. We will join up the work we are doing to tackle gender based violence and will also tackle extremism wherever it exists, working alongside our communities to help them counter extremism and radicalisation.

We want to empower people, particularly young people, with the opportunities that they need to make positive choices and to stay away from crime and violence. We will invest in our young people and want to find new and innovative ways to support their futures, providing opportunities and investing in the groups that give young people inspiration and a better future.

In Southwark, you should be safe in your home as well as out in the community. We have already made huge progress in improving fire safety in council owned homes, but will go further to make sure that housing associations and private landlords are publishing their fire risk assessments.

### **We will...**

- Campaign for TfL to make all roads in the borough 20mph and support Vision Zero to end road deaths in Southwark;
- Work with communities to find local solutions that help young people stay away from knives;
- Have zero-tolerance of hate crime;
- Work with housing associations and private landlords to get them to publish fire risk assessments online;
- Tackle extremism, support people at risk and work with our communities to prevent radicalisation;
- Develop a Violence Against Women and Girls strategy to tackle all forms of gender based violence;
- Tackle problems like moped crime by working with the police and increasing moped anchors to secure bike safety;
- Re-open the Blue Youth Club and Community Centre in Bermondsey;
- Deliver new safe pedestrian crossings including at the junction of Lordship Lane and Dulwich Common;
- Launch a positive Futures Fund to support groups which provide inspiring opportunities for young people.

## A fairer future – A vibrant Southwark

Southwark is an exciting and diverse borough. It is London's most historic borough, rich in history and heritage, proud of its past but looking to the future. It is a borough where families who have lived here for generations are neighbours with people from every corner of the world all choosing to make this their home. It is a borough which is vibrant and full of energy, rich in culture and showing off its artistic talents to the millions who visit every year.

But just like our visitors, we want to make sure that our residents experience all that Southwark has to offer. We want to make sure that it is accessible for all and open to all.

As the borough grows and changes we want to make sure that we enhance what makes Southwark special. That's why we want to celebrate the different communities in the borough, their cultures, their foods and so much more too. We want Southwark to be a home in the heart of London looking out to the world. A borough where the talents, creativity and ambition of all our residents is celebrated and helps make Southwark our home of which we can all be proud.

### We will...

- Campaign to re-open Camberwell train station;
- Support plans to create the Coal Line Greenlink in Peckham;
- Do all we can to secure the future of Dulwich Hamlet FC on its current Champion Hill site;
- Build a new library on the Walworth Road;
- Support independent food businesses which reflect the diversity of our community;
- Protect all local residents from the effects of Brexit;
- Promote Southwark's diversity and cultural richness;
- Ensure all residents benefit from opportunities to take advantage of the digital revolution;
- Improve high speed internet access across the borough;
- Put free, ultra fast broadband in every community hall;
- Support a range of cultural celebrations across the borough;
- Continue to make culture in Southwark accessible and work with cultural organisations in the borough to offer opportunities to Southwark residents;
- Open a new library at Grove Vale in East Dulwich;
- Ensure Kingswood House remains an asset for the local community and improve facilities on the Kingswood Estate;
- Keep libraries open, keep investing and ensure they are open when people need them;
- Ensure that every primary child gets a free visit to the theatre every year;
- Secure the future of Walworth Town Hall and make it a publicly accessible cultural hub.

## Let's talk

This is our plan for Southwark.

Over the next four years, we will keep listening to and talking with you because we know that we can only achieve this ambition with the energy and talents of everyone who lives, works and has fun in our borough. Engaging with local communities is inherent in everything we do and we will be regularly seeking feedback from you and engaging with you on all aspects of this plan over the next four years.

So please keep in touch as we get to work on delivering our ambition of a fairer future for all in Southwark.



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<b>Item No.</b> 9.	<b>Classification:</b> Open	<b>Date:</b> 30 October 2018	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Pupil Place Planning	
<b>Ward(s) or groups affected:</b>		All	
<b>Cabinet Member:</b>		Councillor Jasmine Ali, Children, Schools and Adult Care	

## **FOREWORD - COUNCILLOR JASMINE ALI, CABINET MEMBER FOR CHILDREN, SCHOOLS AND ADULT CARE**

In recent years Southwark Council has successfully met increased demand for primary school places and is making good progress meeting demand for secondary places. We have been building, refurbishing and redeveloping great schools right across the borough, with award winning designs that meet the needs of our pupils, teachers, staff, parents and wider community. All of this, combined with improvements in results, means Southwark is seen as a great place for families and young people.

At the time of writing London is experiencing a very new phenomenon: the supply of primary school places exceeds demand.

This demographic shift has multiple causes: a decline in the birth rate, the impact of welfare reform on young families, changes in the housing market and uncertainties surrounding Brexit.

This report sets out our policy response to this change. We stand by the fundamental success of our school expansion programme, and elaborate a set of temporary measures to manage current pupil reductions across the capital.

Until recently, Southwark was experiencing a long-run, gradual increase in demand for primary places. Other London boroughs were too. Then, in 2016, there was a drop in primary applications in Southwark followed by further drops in 2017 and this year. Again, this was in line with the experience of other London boroughs.

This report considers updated forecasts of primary and secondary school places and observes that we now have an oversupply of primary school places in a number of localities and a potential undersupply of secondary places.

We must now enter into effective and meaningful consultation with schools about their respective pupil admission numbers (PANs). With this in mind the report outlines GLA projections on relevant trends on school place applications and demographic projections for birth rates.

## **Background**

A report on our school places strategy was last delivered to cabinet in October 2017. This report updates cabinet on the new data, discussions taking place with stakeholders, and steps being taken to work with a reduction of primary school PANs and an increase in secondary school places.

The council has a statutory duty under the Education Act 1996 (Amended by the Education Act 1996 (amended by the Education and Inspections Act 2006)) to

- Secure that sufficient schools for providing a) primary and b) secondary education are available for their area
- Secure diversity and increase opportunities for parental choice when planning the provision of school places

This duty includes matching supply with demand, and determining whether this demand is permanent or temporary.

Based on the evidence, we can request that schools that have the potential to expand should do so, to meet rising demand. We can also suggest that schools with a decline in demand reduce their PAN downwards.

2010 saw the start of a golden age of school expansion in Southwark at existing good or outstanding schools. The council also worked with local providers to support free schools where expansions were not possible. As a result there was a programme of investment of £200 million in Southwark primary, secondary and special schools to increase numbers and address capacity issues. This was funded mainly by council capital with some funding from section 106 contributions, the Education and Skills Funding Agency capital grant and school contributions.

### **Primary place planning**

Primary schools across London and in Southwark are responding to a fall in demand for primary places. Primary place planning in Southwark is split into five areas that mirror community council areas. Southwark council has now been approached by several primary schools from across the borough requesting adjustment to their PANs.

Following the request from schools the council will now enter a formal consultation with local primary schools on their PANs.

### **Secondary Schools**

Secondary planning is carried out on a borough-wide basis. Because catchment areas extend beyond borough boundaries, pupils are able to travel in and out of the borough.

From September 2017, as a result of almost 200 late applications a year, we would have had a shortage of school places in secondary schools had the council not taken action. By approaching schools in the borough to extend their PANs we had a breathing space before Haberdashers Borough and the Charter School East Dulwich had come online.

The forecasts are presented with the proviso that demand for secondary school places is less predictable than for primary places from factors such as the pattern of house moves among families, the housing market and fluctuations in the popularity and provision of schools both within outside and the borough.

There is capacity for a new education facility in the Old Kent Road 25-year plan. This is potentially exciting, as it will allow us to be creative with the space. The proposed education facility for this space could take an entirely different shape. It could be a combination that includes secondary school provision as well as new further education provision.

## RECOMMENDATIONS

1. That cabinet notes the updated forecasts of primary and secondary school places for 2019 as set out in tables 9 and 15 of this report.
2. That cabinet notes the potential oversupply of primary places in a number of localities and intention of Children's and Adults' Services to begin consultation on revisions to published admissions numbers (PANs) that will ensure supply broadly matches demand locally and across the authority area.
3. That cabinet notes that any proposed alterations to PANs will be brought to cabinet for formal decision in January 2019, for proposed implementation in September 2019 (subject to OSA approval).
4. That cabinet notes the projected future shortfall of secondary places from September 2019 onwards and the need for a new educational provision on the Old Kent Road area to meet need in the medium to long term.

## BACKGROUND INFORMATION

5. The School Places Strategy Update was last reported to cabinet in October 2017. This described the demand for primary and secondary school places in the borough and steps being taken to meet that demand. This report updates the background data, discussions taking place with stakeholders, and the steps the council is taking to meet anticipated secondary demand. It also notes the steps being taken to manage the drop in primary pupil numbers.
6. The council has a statutory duty under the Education Act 1996 (amended by the Education and Inspections Act 2006) to:
  - “secure that sufficient schools for providing— (a) primary education, and (b) [secondary] education are available for their area”.
  - “secure diversity and increase opportunities for parental choice when planning the provision of school places”.

This duty includes matching projected demand with supply and determining whether this demand is temporary or permanent. Based on this evidence, the authority will request schools that have the potential to expand to admit additional pupils or an additional form of entry for fixed period of time, or to expand permanently. It may also suggest that the school adjust their PAN downwards if the demand does not exist at this moment in time.

7. Since 2010, the council supported permanent expansions at existing Ofsted rated “Good” or “Outstanding” schools. There is a legal requirement that new schools will be free schools/academies. Therefore the council also worked with local providers to support free schools where expansions were not possible but there was a need for places. As a result, there was a programme of investment of approximately £200million in Southwark primary, secondary and special schools to increase numbers and address capacity issues. This was funded mainly by council capital with some funding from Section 106 contributions, funding from the Education and Skills Funding Agency (ESFA) capital grant and school contributions. The Primary Investment Strategy, which formed the largest

part of this programme, added 515 permanent reception places between September 2011 and September 2018, which is a 15% increase. Overall, Southwark added 3,090 primary places (+13%) in the same time period this is equivalent of 8 new 2FE primary schools and will continue to add places as these numbers proceed up the year groups.

8. Projections are an estimate of demand and it is sometimes unclear whether proposed developments will deliver within the indicated timescale. The primary expansion programme was developed to cater for the demand identified at that time. However, the situation in Southwark and across the capital has changed due to external factors explored elsewhere in the report. To date much of the anticipated demand has not materialised. Unused spare capacity in schools causes financial pressure, and the “rightsizing” of provision going forward ensures that resources are used in the most appropriate areas.

### School place applications (primary and secondary)

9. In common with most London boroughs, Southwark until recently saw a gradual increase in demand for primary places. In 2016 there was a drop in primary school applications from Southwark residents (see below, Table 1) followed by further drops in 2017 and 2018, also in common with many London boroughs and London wide (a drop of 7% in both cases). Conversely, secondary applications from Southwark residents have *increased* over 4 years by 13% - the same London wide.

*Table 1 – Applications from Southwark/London residents for a primary place*

Year	Southwark	Change (+/-)	London	Change (+/-)
2014	3,343		102,463	
2015	3,509	+166 (+5%)	103,251	+788 (+1%)
2016	3,332	-177 (-5%)	103,090	-161 (-0.2%)
2017	3,166	-166 (-5%)	98,972	-4,118 (-4%)
2018	3,110	-56 (-2%)	96,406	-2,566 (-3%)

*Table 2 – Applications from all applicants for a primary place*

Year	Southwark	Change (+/-)	London	Change (+/-)
2014	3,680		108,731	
2015	3,793	+113 (+3%)	110,697	+1,966 (+2%)
2016	3,991	+198 (+5%)	112,602	+1,905 (+2%)
2017	3,995	+4 (+0.1%)	112,174	-428 (-0.4%)
2018	3,964	-31 (-1%)	110,897	-1,277 (-1%)

*Table 3 – Applications from Southwark/London residents for a secondary place*

Year	Southwark	Change (+/-)	London	Change (+/-)
2014	2,595		80,746	
2015	2,598	+3 (+0.1%)	83,380	+2,634 (+3%)
2016	2,823	+225 (+9%)	86,676	+3,296 (+4%)
2017	2,789	-34 (-1%)	88,410	+1,734 (+2%)
2018	2,930	+141 (+5%)	92,071	+3,661 (+4%)

*Table 4 – Applications from all applicants for a secondary place*

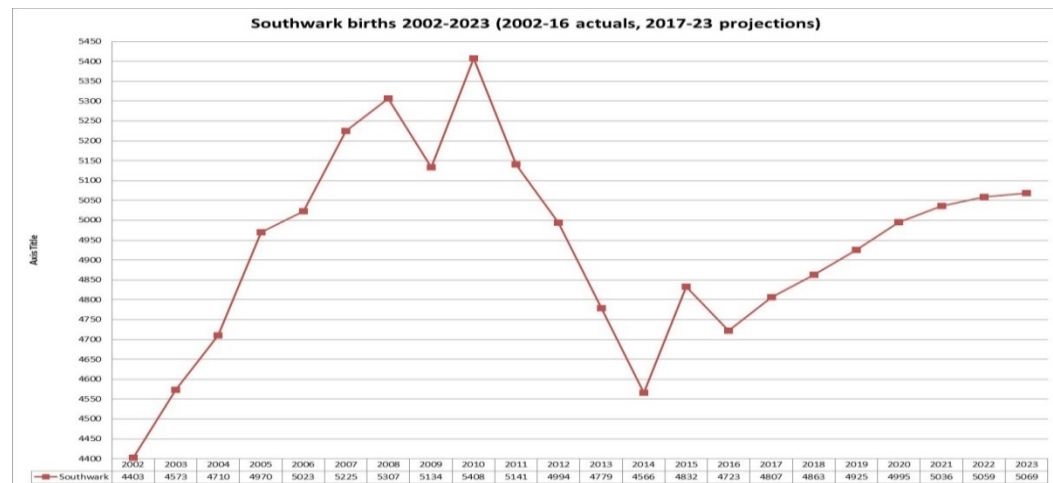
Year	Southwark	Change (+/-)	London	Change (+/-)
2014	2,728		86,777	
2015	2,876	+148 (+5%)	87,844	+1,067 (+1%)
2016	3,016	+140 (+5%)	90,697	+2,853 (+3%)
2017	3,181	+165 (+6%)	92,435	+1,738 (+2%)
2018	3,215	+34 (+1%)	93,916	+1,481 (+2%)

### Births

10. Whilst birth rates have increased 7% in the borough from 2002 to 2016, there was a gradual decline since 2009 in the actual number of births, many of which ultimately feed into reception places four years later. A small rise is projected from 2017-2023 onwards is around 0.9% per annum or 5% over 6 years.

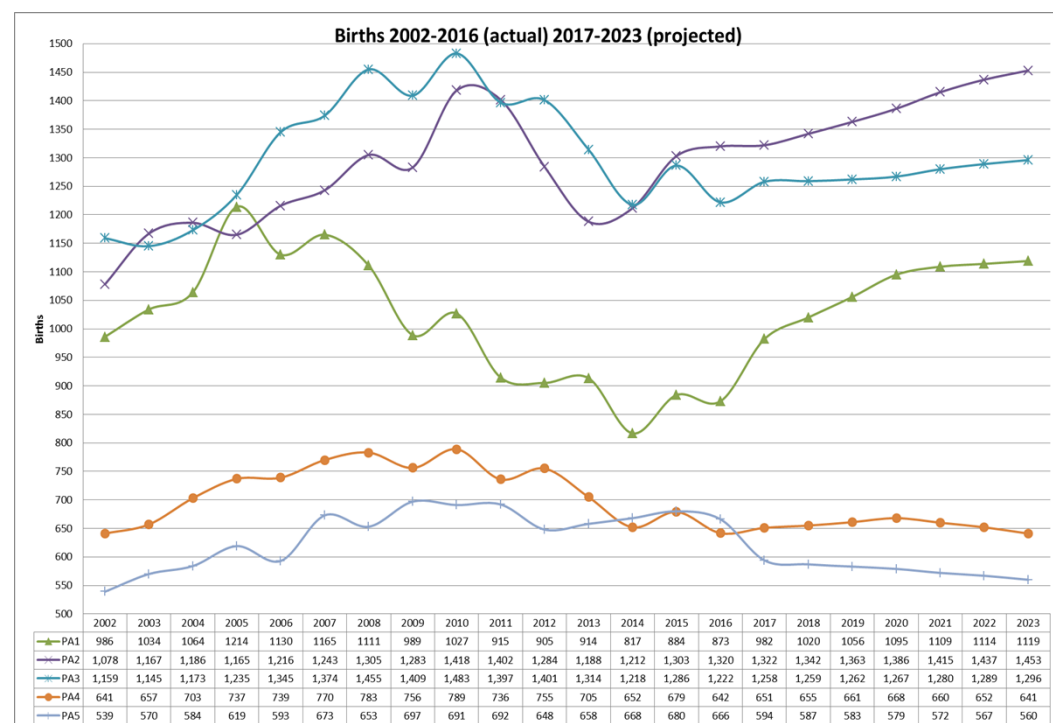
However, births will not return to the levels reached in 2009 for the foreseeable future.

**Table 5 Births in Southwark (actual and projected) 2002-2023**



11. Births *have* increased in specific parts of the borough, notably in the north of the borough. This will ultimately lead to local areas of demand that existing school capacity may in the medium to long term struggle to meet.

**Table 6 Births by planning area (actual and projected) 2002-2023**



12. This uneven distribution of demand means that there is as highlighted in previous place planning reports a predicted under provision of places in the north of the borough and an excess of places in the south. In 2016 and again in September 2017, enrolment and projections have showed that whilst previously projected demand in the north has been (slightly) overestimated, there still remains in the long term an anticipated shortfall in primary places in the north of the borough, albeit with a longer lead-in period than previously anticipated. Presently, the council have only have access to birth data and population data referring to the old (pre 2018) wards this will, in time, be adjusted to take account of the new political divisions. References in the planning area analyses will therefore refer to wards no longer in existence or with revised borders.

13. At secondary, despite the opening of the Charter School East Dulwich (TCSED) in September 2016, its expansion in September 2018 and the plans for the Haberdashers' Aske's Borough Academy to open in September 2019, current projected demand showed a small shortfall of places starting in September 2018 and a more acute shortfall of places by September 2022. For September 2018 therefore, the council requested schools to take above PAN at Year 7, details of which are given in table 10, after paragraph 67.
14. The annual School Capacity (SCAP) survey for 2018 was submitted on the 28 July 2018. This survey informs the Department for Education (DfE) and ESFA of areas where there are pressures on school places and where significant shortfalls of places are anticipated by local authorities. The projections of pupil numbers are also used to calculate the basic needs funding local authorities receive to secure sufficient school places to meet future demand. As a result of the 2015 submission, the council received £28 million to meet primary need in the borough in February 2015, but has not received anything in 2016, 2017 or 2018.

## **KEY ISSUES FOR CONSIDERATION**

### **Approach to primary and secondary pupil place planning**

15. Southwark's pupil place planning is based on Greater London Authority (GLA) projections, which are commissioned by Southwark Council. These are informed mainly by current school rolls, birth rates, underlying population projections, migration, and new housing developments. A detailed methodology is in Appendix D.
16. In primary place planning, the borough is split into five smaller planning areas ("PAs") outlined in Appendix A, in order to be able to respond to the local pressure for places. These are aligned with the council's existing "Community Council" areas. A list of primary schools by planning area is included at Appendix A, and a map of primary school locations is attached at Appendix B.
17. Secondary planning is carried out on a borough-wide basis because the catchment areas for secondary schools extends as far as and beyond the borough's boundaries, and secondary age pupils are able to travel to schools, inside and outside the borough. A map of secondary school locations is attached at Appendix C.

### **Academy freedoms**

18. Place planning recently has been complicated by the academy presumption outlined in the Academies Act 2010, which requires local authorities to facilitate academies or free schools rather than directly provide new schools themselves. An academy sponsor/free school group can apply to the ESFA with a proposal for a school for their approval. The ESFA only consults with (but does not seek the approval of) the local authority when new academies or free schools are proposed. The final decision to open new schools therefore lies with the ESFA and not the council. In addition to the requirement that new schools be academies or free schools, the 32 schools in Southwark that are free schools or academies (16 primary and 16 secondary schools) are also able to increase their admissions number simply by notifying the local authority concerned. These schools are not required to undergo statutory processes and to seek the local authority's approval, as with community and voluntary-aided schools.

### **Primary schools update**

19. A graph of projections is given at table 9. In September 2018, there were 3,995 available primary reception places (the equivalent of 133FE) available in Southwark, and a total of 26,760 primary places overall – the equivalent of 892 primary classes. By September 2027, there will be 28,175 primary places (939 classes) in Southwark, an increase of 1,415 places (5%) on the 2018 figures (+51 classes), and 5,395 places (+23%) on figures from September 2008. The take up of places across the borough presently showed a vacancy rate in September 2018 of around 24FE (708 reception places – 17.5% overall) in our primary schools. The level of vacancy varies from planning area to planning area (between 7% and 29%). Vacancies overall will remain at a similar level until September 2021, and then decrease slowly thereafter, with an excess of reception places still being apparent in 2031. To address this, a programme of PAN reductions is outlined is proposed – see paragraphs 32-36 for further details. This outlines a reduction in primary reception numbers by up to 330 places this is up to 11FE.
20. A “planning area by planning area” summary for Southwark primary schools is given from paragraphs 37 to 61. The council anticipates the greatest need for additional school places in the short to medium term to fall into two discreet areas These are predominately located in Planning Area 2 (Bermondsey and Rotherhithe):
  - *Around the Rotherhithe peninsula (as part of the Canada Water development) and*
  - *along the Old Kent Road as part of the Bakerloo Line extension (BLE) development)*
21. In respect of expanded or additional provision on the Old Kent Road, this is likely to be required in the medium to long term. This timeframe means that work is currently been undertaken to assess the current primary school estate and work with existing schools to assess the potential for expansion.
22. Despite adding 4.5FE to Planning Area 2 (Bermondsey and Rotherhithe) in September 2016, paragraphs 41-46 show there will still be unmet need beginning September 2024. In planning areas 3 (Peckham & Nunhead), 4 (Camberwell) and 5 (Dulwich), the picture remains broadly similar to previous years, where supply exceeds demand and no action for new provision is required.
23. Pupil projections presume a similar level of “cross border flows” from and to Southwark from neighbouring boroughs. Southwark swaps pupils with up to 30 authorities inside and outside London at primary level, but the broad effect is marginally positive for Southwark. Around 7% of Southwark primary aged pupils attend another authority’s state funded mainstream primary schools this is around 11% of Southwark’s state funded mainstream primary pupils that come from other local authorities (i.e. there is a net gain of around 868 pupils (4%) into Southwark)
24. Pupil projections also assume that historically similar proportions of children are home educated or attend private schools inside and outside the borough. Whilst the number of home-educated children has increased, this amounts to less than 0.4% of all pupils in Southwark and so is unlikely to materially effect projections. The number of private primary places in the authority area at the eight registered private primary schools (or all through schools with primary provision) has not altered significantly in recent years and amounts to around 2,254 FTE pupils (8%) of all primary age pupils attending independent schools in Southwark as a borough which is equivalent to 75 classes or around 6 x 2FE primary schools’

worth of children. The council are unable to ascertain how many of these pupils are actually Southwark residents

### Primary falling rolls

25. Table 7 below shows that the authority has seen a reduction since September 2016 in reception rolls

*Table 7: Primary reception rolls September 2015-18*

Year	Reception Roll	Reduction	Percentage
September 2015	3,559		
September 2016	3,487	-72	-2%
September 2017	3,274	-213	-6%
September 2018	3,199	-75	-2%

26. An analysis of the roll reduction has shown that there are particular concentrations of roll reductions in certain parts of the borough. Planning Area 1's reception roll has decreased in the last five years by 166 pupils (5FE) since September 2013 – 19%. A substantial amount of development has occurred at "Elephant Park" (the development replacing the Heygate Estate immediately adjacent to the Elephant & Castle Shopping Centre). The purchasers and leases of the new properties have not tended to be residents with children and the council have therefore seen a substantial drop in enrolment at three schools in the immediate locality – St Jude's C of E Primary, Charlotte Sharman Primary, and St George's RC Primary. Enrolment at these schools has fallen from 89 pupils (3FE) in reception across these three schools in January 2016 to 39 (just over 1FE) this year. This is clearly unsustainable in the long term.
27. Growth borough-wide has also been based on continuing levels of in-migration to the borough, similar levels of economic growth and rent levels remaining affordable. These factors are subject to fluctuation going forward and beyond local control. There is some evidence, much of it anecdotal and difficult to quantify that some government policies have had an effect on pupil numbers and have had the effect of encouraging residents either to not move to Southwark (or the UK) in the first place, or if already a resident to move to more affordable areas in and beyond the capital.
28. There has also been a significant drop in demand for denominational education, with both sectors showing a 16% drop in reception numbers since September 2014, against a borough (10%) and community school drop of 3%. The council are presently engaging with the Southwark Diocesan Board of Education and the Catholic Education Commission, which could potentially result in the reduction of PANs, and the federation/merger of some schools in the borough.
29. The council have informally approached and been approached by a number of community school leaders with suggestions that their PANs be temporarily or permanently reduced. The local authority can work with and amend the PAN of a schools it directly administers (i.e. community schools), providing it follows statutory procedures based on consultation. The decision makers in this case are the council's cabinet.
30. Similarly, the local authority can also work with schools to propose to amend PANs of Foundation or Voluntary Aided (VA) schools, as can the Diocesan authorities and/or the school governing body. The decision makers in such a case are the local authority. The local authority can suggest but cannot propose PAN amendments to academies. In such cases, an amendment would need to

be approved by the MAT/school governing body and approved by the appropriate Regional Schools Commissioner (RSC).

31. A number of undersubscribed schools, like Community, VA and Academy schools are operating in financial difficulties due to low numbers. Reducing PANs and encouraging schools to work together could contribute to savings in school budgets and/or help schools recover a deficit position. Schools with low recruitment to reception are already operating under some form of financial pressure. Schools that merge and or federate could generate saving by pooling resources such as administration, and inclusion officers, which could lead to financial stability. Space liberated by a reduction in PANs could be used for income generation or areas of need; such as for nurseries, playgroups, alternative provision or appropriate community use. A further report will be presented to cabinet with specific proposals in January 2019 that have been subject to formal and informal consultation.

### **Consultation on reduction of Primary published admissions numbers (PANs)**

32. In order to adjust published admissions numbers that broadly match demand locally and across the authority area, a process outlined broadly in paragraphs 29 and 30 need to be followed. The process is broadly similar in scope and operation to School Organisation guidance for the expansion of schools, however PAN reductions are covered by the Schools Admissions Code 2014. This sets out a requirement for all admission authorities to undertake statutory consultation where they propose a variation to the PAN of a school. This will be considered, as part of the approval of the overall coordinated admission schemes for primary, junior and secondary admissions that occurs annually. The purpose of consultation is to ensure transparency and openness on the contents of proposal(s) and to allow parents, carers and other interested stakeholders to make a representation that will be considered as part of the determination of the proposal. During this statutory consultation period the council want to seek representations from a wide variety of stakeholders, including and not limited to Parents and carers of children attending or potentially attending the school; Trade Unions, school Governors and school staff; Local Primary within 2 miles of any affected school; Appropriate Diocesan authorities; adjacent local authorities; and Councillors and MP's.
33. Lead Member authorisation via an individual decision process for informal consultation of schools to reduce PANs was sought and agreed and the council are presently informally consulting with schools on adjusting PANs across the borough. The schools being consulted (and suggested amendments to PANs) are shown below in table 8, sorted by planning area. All the schools below have been invited to informal meetings to obtain views in October 2018 and after taking comments on board, a final list will be put forward for formal consultation in November 2018. Schools on the list that had previously been expanded, for the reasons outlined in paragraph 27, have requested an amendment to their PANs to match actual rather than anticipated demand.

*Table 8. Proposed amendments to PANs*

PA	School	Present PAN	Proposed PAN	Reduction
1	St George's Cathedral RC	60	30	-30
	Charlotte Sharman	60	30	-30
	Keyworth	90	60	-30
	St Pauls CE	45	30	-15
	Robert Browning	60	30	-30
2	Phoenix	120	90	-30
3	Hollydale	45	30	-15
	Bellenden	60	30	-30
	Rye Oak	60	30	-30

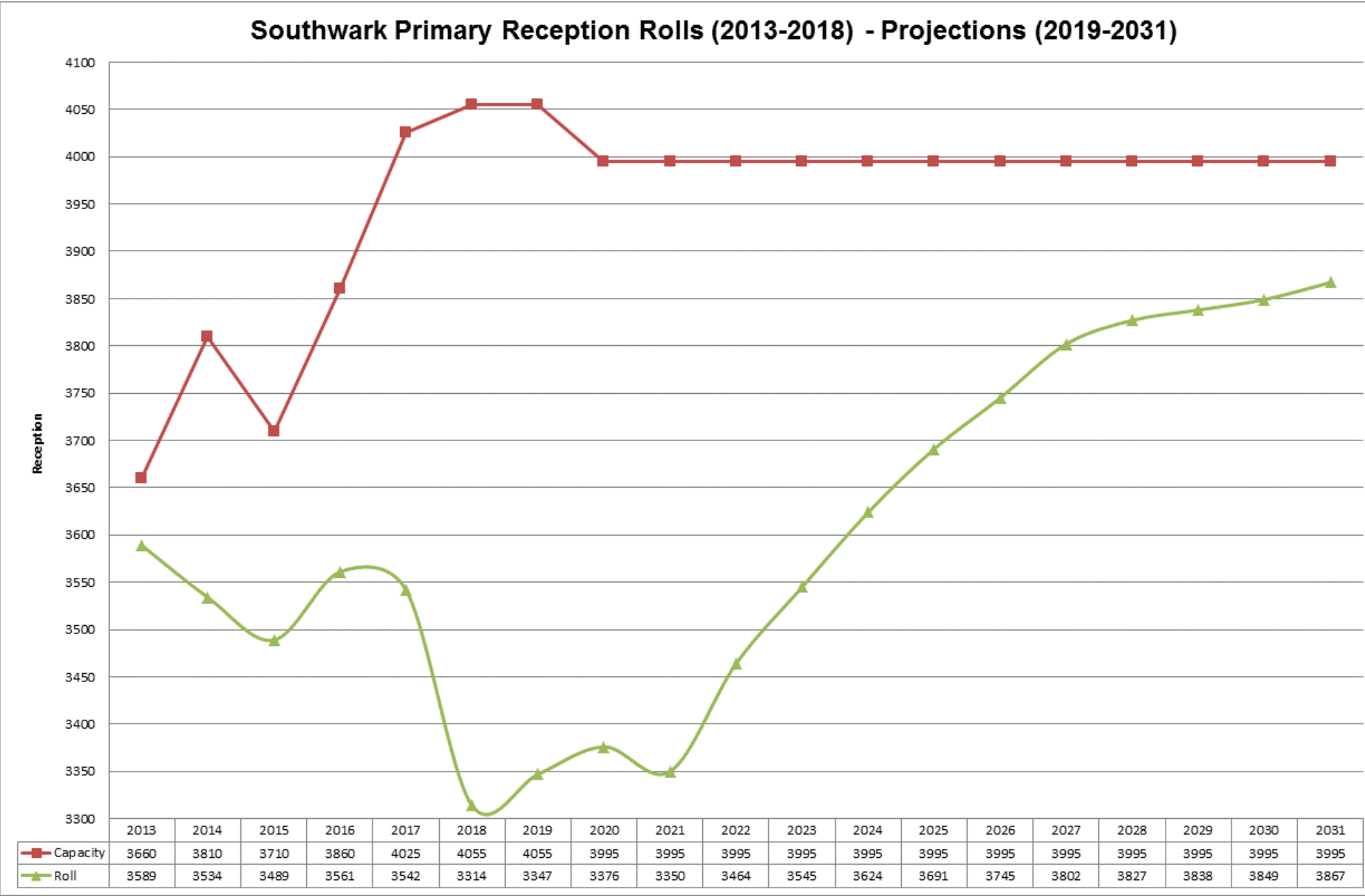
	Ivydale	120	90	-30
4	Brunswick	75	60	-15
	Comber Grove	45	30	-15
	Crawford	90	60	-30
<b>Total</b>		<b>930 (31FE)</b>	<b>600 (20FE)</b>	<b>330 (11FE)</b>

34. The results of any statutory consultation that results from these will be brought to cabinet members in January 2019 for decision. It should be noted that these PAN adjustments relate to September 2019 onwards, and so will affect admissions numbers for the coming admissions round. Officers will continue to monitor applications for places and will liaise with schools if application numbers show an increase, and take appropriate action. The process to temporarily add reception provision back into these schools is straightforward and can be implemented quickly should the need arise. Consideration will be given to use any spare physical space freed up by a PAN reduction in a schools for other community services where appropriate e.g. SEND base/ nursery provision, which could also conceivably generate a revenue stream for the school concerned.
35. The outlined PAN reductions could therefore potentially result in a total net reduction of up to 330 reception places - up to 11FE. It is possible that not all schools will agree to a PAN reduction and that the council may not need to delete all 330 places. The consultations with stakeholders will inform us of what are appropriate and proportionate amendments to Southwark's primary capacity.
36. Any amendment to PANs and local/planning area capacity will be considered in the context of the effects on local provision, looking at recruitment patterns to local schools and ensuring that the knock-on effects in the adjustment of PANs is considered. The Planning Area by Planning Area summaries from paragraph 37 onwards have not yet incorporated these changes in capacity, as to do so would presuppose the potential decision(s) to be made by cabinet.

#### **Proposed Timetable for the consultation period**

September 2018	<b>Start of informal consultation with schools, parents and governors</b>
October 2018	<b>Publication of notices and start of formal consultation</b>
November 2018	<b>End of consultation period/Deadline for submitting representations to the Local Authority</b>
November to December 2018	<b>Analysis of consultation representations and preparation of information to be considered by the LA</b>
Before February 2019	<b>Meeting of the cabinet to consider representations and agree future arrangements.</b>
February 2019	<b>Variation report and recommendations arising from the consultation forwarded to the Schools Adjudicator for their consideration and approval.</b>

Table 9– Primary Reception GLA Projections Boroughwide 2005-2024 (actuals 2005-18, projections 2019-2024)



## Planning Area 1 (Borough, Bankside & Walworth) – PA1

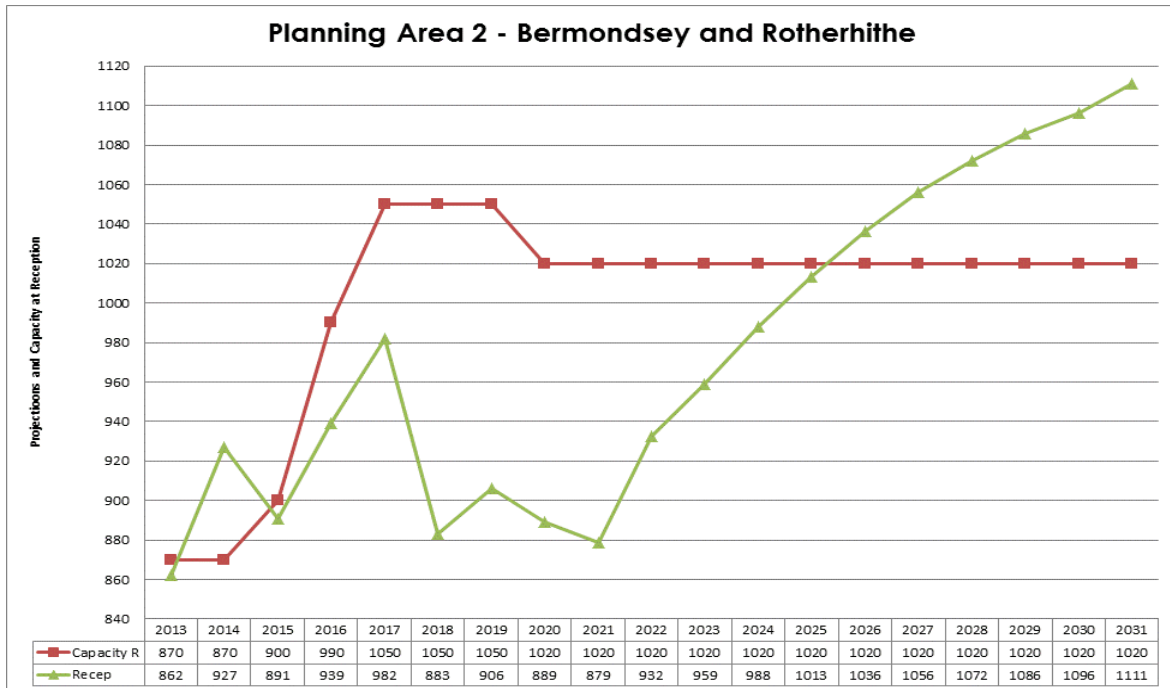
37. Births in the planning area reduced by 12% from 2009-16, but are projected to increase by 28% by 2023, which could potentially feed through to increased reception from 2027 onwards. An increase in births has been projected, specifically for the former Faraday (+21%) East Walworth (+28%) and Cathedrals wards (+58%) from 2016-2023.
38. There are presently around 271 spare reception places (9FE) across PA1 – 29% of all reception places. The GLA project 165 vacancies in January 2019 (17%). This is projected to reduce to less than 1FE by September 2024 and to go into deficit in September 2025, reaching a 3FE deficit in 2031. The Local authority added 90 reception places (2.5FE) from September 2016 onwards at Robert Browning Primary (0.5FE), Charles Dickens Primary (0.5FE), and Keyworth Primary (1.5FE).
39. Around 30% of pupils attending schools in this planning area come from outside the planning area, from other planning areas within Southwark is 27% or outside Southwark is 3%. Conversely, 17% of PA1 resident children attending state schools attend a school in another planning area (14%) or a school outside Southwark (3%). This means PA1 is a net importer of pupils, gaining just under 800 pupils across all age groups, the equivalent of around two form entry (2FE) primaries. St Joseph's RC Primary (95%) Boutcher (92%) and Cobourg (78%) all schools in PA1, all take a significant proportion of their pupils from outside the area they are situated in. Conversely, John Ruskin Primary School, situated in PA4, takes 65% of its pupils from PA1.
40. Projections show that there is sufficient capacity within the near future. The graph below shows reception capacity against projected demand up to 2031.



## Planning Area 2 (Bermondsey & Rotherhithe) – PA2

41. Having fallen by from 2009-2013, births in the planning area have been slowly increasing since 2013, and will have increased by 3% from 2009-2016. By 2023, births have increased by 10% from 2016 onwards. Birth increases are projected to occur in all parts of the planning area from 2018-2023 (except for the former South Bermondsey ward), particularly the former Livesey (51%) and Riverside (11%) wards from 2016-23. A total of 4.5FE of additional provision opened from September 2016 onwards. This includes expansions at Albion (+1FE), Phoenix (+1FE), and Grange (+0.5FE) primaries, and opening of the Galleywall City of London Primary Academy in September 2016 with a PAN of 60 (+2FE). Projections also include 1FE from a new free school (see paragraph 45).
42. There are presently around 70 spare reception places (2FE) across PA2 – 7% of all reception places - The GLA project 144 vacancies in January 2019 (14%). Projections show that capacity will exceed in September 2025, in the planning area with a growth to a deficit of 91 places, which is 3FE by September 2031.
43. Around 19% of pupils attending schools in this planning area come from outside the planning area, within Southwark is 14% or outside Southwark is 5%. Conversely, 22% of PA2 resident children attending state schools attend a school in another Southwark planning area (20%) or a school outside Southwark (2%). This means PA2 is a net exporter of pupils, losing around 180 pupils across all age groups the equivalent of just less than a one-form entry primary. Pilgrim's Way Primary, situated in PA2, takes 88% of its pupils from PA3 Snowsfield Primary, despite being situated in PA2, takes 65% of its pupils from PA1.
44. Following an analysis of application and enrolment trends, and projected future need, the council ascertained that Rotherhithe Primary School would be suitable for expansion. Presently the school is a 2FE school housed in a variety of (mostly) temporary buildings in a poor state of repair. The expansion would take the school to 3FE. Cabinet approval was sought and given in July 2015 to proceed to formal consultation for the expansion of the school. Council officers have engaged with the school on potential designs for expansion and a final proposal, together with funding options, will be brought to cabinet for decision. This increase has been factored into the projections already. If additional provision is required, particularly in the Canada Water and Rotherhithe peninsula area, there are a number of schools that would be suitable for and could be expanded. These include Peter Hills C of E Primary, Alfred Salter Primary, and Redriff Primary Academy.
45. John Donne Primary Academy (an existing Southwark-based academy school in Planning Area 3) made a successful application for a free School - the "*John Keats Primary Free School*". A location on Rotherhithe New Road that has been leased to the school by the ESFA. The school opened its doors in September 2018, and this additional capacity has now been incorporated into the latest projections. In the first instance, the school will open as a 1FE school, with an aspiration to increase to 2FE in the longer term.
46. Consideration will also be given as part of the Old Kent Road Area Action Plan (OKRAAP), to identify suitable sites to provide new schools, when they are required. The

council would support schemes for schools that are located close to the area of need and offer good quality internal and external teaching areas, in accordance with DfE and council design guidance. For the primary phase in particular, design guidance will recommend that these should be stand-alone sites and should not be set under residential provision to ensure good quality internal and external areas can be achieved without compromise. The objective is to ensure that pupils attending schools in all parts of the borough have access to environments for teaching and learning of comparable standard.

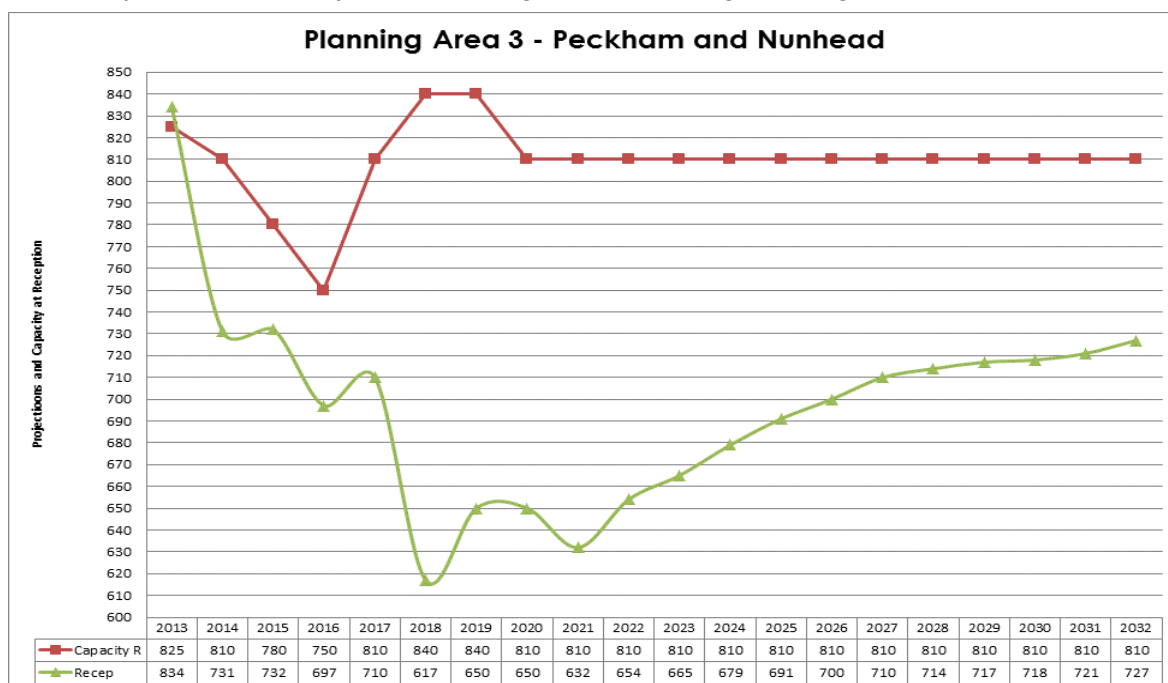


### Planning Area 3 (Peckham & Nunhead) – PA3

47. Births in the area have decreased by 13% from 2009-2016 and are projected to remain steady and increase slightly from 2016-23 (by 6%). The former Livesey ward (shared with PA2) will see a substantial increase in births (+51%), as well as the former Peckham

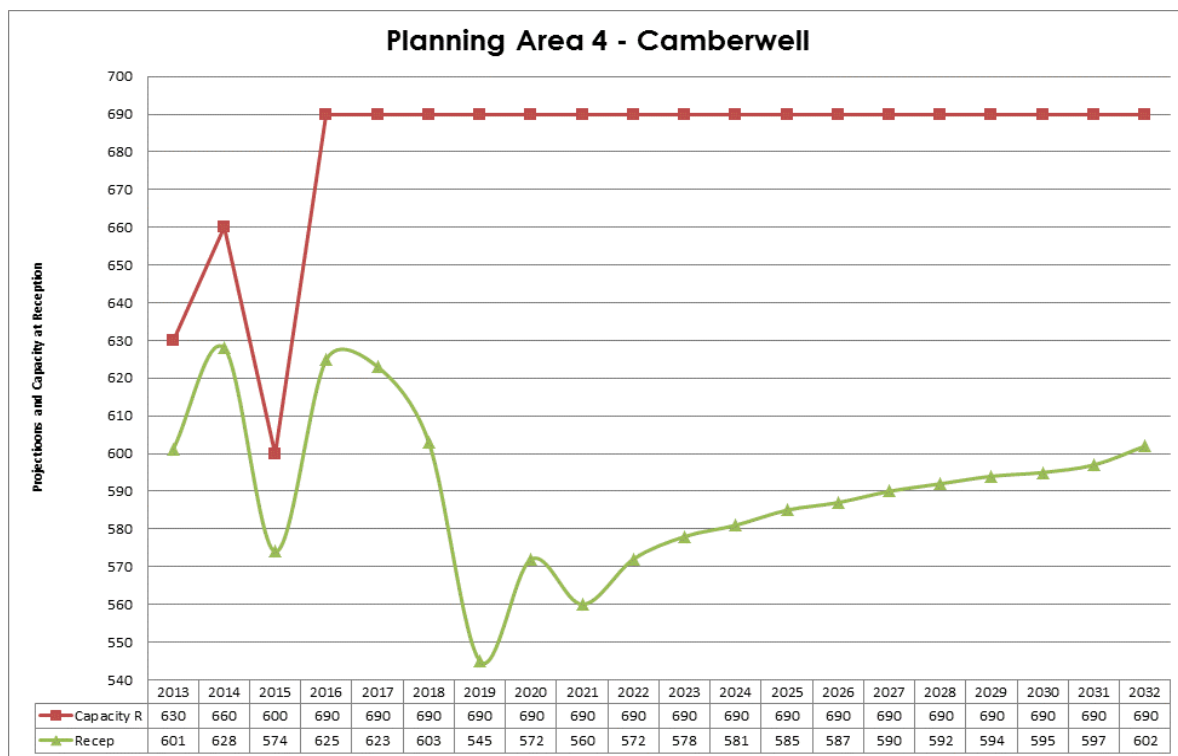
(18%) and Peckham Rye (26%) wards, however birth rates will fall in the former Nunhead ward (-3%) and increase slightly in the former The Lane (+3%) ward, over the same time frame.

48. An anticipated shortage in 2015-16 was partly addressed by the opening of the 2FE Belham Primary Free School in adjacent PA4. There are presently around 150 spare reception places (5FE) across PA3 this is 19% of all reception places. The GLA project 190 vacancies in January 2019 (23%).
49. Around 19% of pupils in this planning area come from outside the planning area, within Southwark is 16% or outside Southwark is 3%. Conversely, 33% of PA3 resident children attending state schools attend a school in another Southwark planning area (18%) or a school outside Southwark (15%). This means PA3 is a net exporter of pupils, losing around 943 pupils across all age groups, the equivalent of around 2 and a half two form entry primaries. St Francesca Cabrini Primary in PA3 has 47% of pupils from outside the planning area, the majority of which come from Lewisham (30%). Conversely, Pilgrims Way in PA2 (88%), the Belham Primary Free School (PA4) (85%), Harris East Dulwich (PA5) (71%), St George's CE Primary (PA4) (61%), and Oliver Goldsmith (PA4) (58%), all take a majority of pupils from PA3.
50. Projections received from the GLA in May 2018, showed that a previously anticipated (small) shortfall for this planning area is now not scheduled to occur until 2040 at the earliest. That said, any existing spare capacity in this planning area has the potential to be utilised by residents of adjacent planning areas and neighbouring authorities.



#### **Planning Area 4 (Camberwell) – PA4**

51. Births in the area have decreased 15% from 2009 to 2016 and are projected to reduce very slightly (0.1%) from 2016 to 2023.
52. In September 2015, 60 reception places were added to the area total (+2FE) with the opening of the Belham Primary School (though this school also serves PA3 residents – see paragraph 48). The authority also added 2FE from September 2016 onwards, with a 1FE increase at Bessemer Grange and Crawford Primary schools. Around 6% of pupils in this planning area come from outside Southwark.
53. There is presently around 4FE excess of places (118 – 13% of the reception total) this year, with a slow increase of demand thereafter. The GLA project 145 vacancies in January 2019 (21%)
54. Around 36% of pupils in this planning area come from outside the planning area, within Southwark (32%) or outside Southwark (4%). Conversely, 33% of PA4 resident children attending state schools attend a school in another Southwark planning area (27%) or a school outside Southwark (6%). This means PA4 is a net importer of pupils, gaining around 195 pupils across all age groups, the equivalent of just under a one-form entry primary. Goose Green Primary in PA5 takes 28% of its pupils from PA4. Conversely, of schools in PA4 taking pupils from other planning areas, the Belham Primary Free School accommodates 82% of its pupils from outside PA4, as do John Ruskin Primary (71%), St George's CE (66%), and Oliver Goldsmith (64%) primaries.
55. No permanent expansion of places in Planning Area 4 is therefore envisaged to be required until at least 2040.



### Planning Area 5 (Dulwich) – PA5

56. Births in the area have decreased 8% from 2009-16, and are projected to reduce further by 15% from 2016-23. Reception pupil numbers increased by 32% from 2009-16 and have increased a further 5% up to 2018.
57. In September 2014, 3.8FE reception places were added to the area total with the opening of the 2FE Harris Primary Free School East Dulwich and the 1.8FE Judith Kerr Primary Free School.

58. There are presently around 53 spare reception places (2FE) across PA5, 10% of all reception places. The GLA project 64 vacancies in January 2019 (12%)
59. Schools in the Dulwich planning area remain popular with applicants from adjoining planning areas. There is a risk that providing additional capacity in this area could be primarily abstractive of other planning areas and schools from neighbouring boroughs and may not be meeting demand from local residents.
60. Around 29% of pupils in this planning area come from outside the planning area, within Southwark is 27% or outside Southwark is 2%. Conversely, 27% of PA5 resident children attending state schools attend a school in another Southwark planning area (14%) or a school outside Southwark (12%). This means PA5 is a net importer of pupils, gaining around 80 pupils across all age groups. Harris East Dulwich (71%) and Judith Kerr Primary Free School (54%) take a majority of its pupils from outside PA5. Conversely, Bessemer Grange Primary in PA4 takes around 30% of its pupils from PA5 residents.
61. Consequently, there is no permanent expansion of places in Planning Area 5 likely to be required for the near future.



### Primary expansions in adjacent boroughs

62. The analysis of primary provision by planning area drew attention to the fact that a variable percentage of Southwark children of primary school age attend schools out-borough and out-borough children attend our schools. Therefore where expansions have occurred in schools in neighbouring boroughs, this may have a material effect on recruitment to Southwark primary schools. The appropriate expansions are detailed by borough in Appendix E.

### Secondary school update

63. In September 2017, 3,175 Year 7 places (the equivalent of 106FE) were available for secondary pupils in Southwark. There was an uptake of around 3,053 of these, leaving around 122 places (4FE) spare, (4% of Y7 places). For September 2018, the council has 3,404 available places and have allocated 3,323 places, leaving 81 places free (3FE – 2%). However, the council receive around 150-200 late applications each year, which would, had the council taken no action, led to a shortfall of places. The council approached all schools in the borough to ascertain their willingness and capacity to take

Y7 pupils over their PAN - two schools were already doing this (Compass and Kingsdale) - and 6 more schools agreed to take above their normal admissions limit for 2018-19 - details are given overleaf in table 10. This potentially added 380 Y7 (13FE) places (included in the above total), but it is anticipated that not all of these will be required, however it *will* allow the authority some breathing space before the additional provision (6FE) at Haberdashers Borough (in September 2019) and the Charter School East Dulwich (a 2FE increase on the existing 6FE in September 2022) outlined in paragraph 65 comes online. Discussions to increase capacity at existing schools will commence during this academic year to cover the five year “spike” on the chart outlined in table 15 where capacity is projected to be exceeded by demand – it is probable that the excess demand can be dealt with by temporary expansions of existing schools until September 2023, when demand will once again ease to meet supply.

64. Overall, there are 15,520 11-16 secondary places (the equivalent of 518 classes), with a take up of around 14,470 (482 classes) leaving 1,050 vacancies (35 classes) across secondary schools years 7-11, a 7% vacancy rate overall and equivalent to just over a 6FE secondary school's worth of vacancies.
65. The council has worked with the ESFA and Free School sponsors to add a total of 14FE to the provision already in place. A secondary free school, the Charter School East Dulwich received DfE approval to open in 2015, and opened in September 2016 on a temporary site in Camberwell. The temporary school site at LeSoCo's former Camberwell campus did not have sufficient capacity to allow the school to open at its planned 8FE. Therefore, it operated with a smaller intake of 4FE in 2016-17 and 2017-18, and had an intake of 6FE for 2018-19 before moving onto its permanent Dulwich Hospital site in 2019. There is a current proposal for the school to operate at 8FE from September 2022, when the works at the permanent site are scheduled to complete. Another free secondary school, the (6FE) Haberdashers' Borough School on the old Fire Station site on Southwark Bridge Road, has received DfE and planning approval to open from September 2019 onwards.
66. In the 2017 report, cabinet were advised that overall there was sufficient capacity within Southwark schools to meet the demand for year 7 places until 2018, however a shortage of places was forecast from September 2019 onwards. This year's projections (see table 15) show that there is now a projected small shortfall a year later than projected in September 2020 rising to around a 3FE shortfall in September 2022 but that demand will fall back in September 2023 and reduce and stabilise thereafter.
67. Bacon's College previously indicated a wish to expand by 2FE, subject to a successful bid to the ESFA. Kingsdale School has taken a number of bulge classes in year 7 in previous years and has also previously expressed a wish to expand permanently. However, the low percentage of pupils attending the latter school from Southwark (41%) potentially means that any permanent expansion at this site may not substantively benefit Southwark pupils; a 2FE expansion would only add around 24 places for Southwark pupils (0.8FE). Kingsdale are understood to be expanding of their own accord, without Council resources, and building work to accommodate additional places is understood to be underway at this present moment in time.

*Table 10 PAN Adjustments for Secondary Schools 2018-19*

SECONDARY SCHOOL	PAN 2018	ADDITIONAL PLACES	COMMENTS	STATUS
Charter East Dulwich	180	+60 (+2FE)	+2FE Permanent	Permanent
Kingsdale	450	+210 (+7FE)	+7FE bulge	Temporary
Compass	120	+20 (+0.7FE)	+0.7FE bulge	Temporary
Harris Boys ED	169	+19 (0.7FE)	+0.7FE bulge	Temporary
Harris Girls ED	170	+20 (0.7FE)	+0.7FE bulge	Temporary
Walworth	210	+30 (+1FE)	+1FE bulge	Temporary
Ark All Saints	130	+10 (0.3FE)	+0.3FE bulge	Temporary
Charter	190	+10 (0.3FE)	+0.3FE bulge	Temporary
<b>Secondary total</b>			<b>+379 (+13FE)</b>	

68. The council will continue to engage with local schools, as there remains a probable long-term need for an additional secondary school (or equivalent expansions of existing secondary schools) over and above Haberdashers and Charter East Dulwich towards the middle of the next decade. Consideration is being given to identifying a site (or sites) for a new or expanding existing provision that will provide good quality internal and external teaching areas in accordance with DfE and council design guidance. An ideal site would be within the Old Kent Road (OKR) Opportunity Area and a provisional location has already been identified on the Sandgate Road Depot site. The council would look to collaborate with a locally based high quality free school sponsor(s) for educational provision that would meet the need for places.
69. These forecasts are presented with the proviso that demand for secondary places is much less predictable than for primary places from factors, such as, the pattern of house moves among families, the housing market and fluctuations in the popularity and provision of schools both within and outside the borough. Secondary school roll projections are based in part on numbers already admitted to Southwark primary schools. There is a high overall "retention" of primary aged pupils through to Southwark secondary schools (an average 99.3% ratio between Y6 pupils in one year to Y7 pupils in the following academic year) and therefore existing primary rolls are likely to be a reasonable prediction of the medium to longer-term demand in secondary schools, if transfer rates remain similar.
70. Around 2,860 Southwark resident state educated pupils attend state funded secondary mainstream schools outside Southwark, equating to 22% of the pupil total. Imports from neighbouring boroughs, (mainly Lewisham and Lambeth) total 3,155 pupils which is around 31%, so there is now a net gain of around 295 (9%) of pupils. This has grown in the last couple of years, from a previous position of a neutral flow. This may explain why the council have slightly underestimated demand, as it is hard for us to account for the increasing popularity of our mostly "good" or "outstanding" secondary schools. A table of the percentage of non-Southwark pupils by school is presented below. A high percentage may mean that the school's population is more likely to be affected by population changes in neighbouring boroughs, such as Lewisham or Lambeth, from where they draw their pupils. Distance travelled is also given in the table below, pupils travel an average of 2.3km to secondary school. The council presently have no statistics for Charter East Dulwich.

*Table 11 Percentage of non-Southwark pupils by school*

School	%	School	%	School	%
ARK All Saints	1%	Harris Boys' ED	15%	STAC	5%
ARK Globe	1%	Harris Girls' ED	6%	ARK Walworth	1%
Bacon's College	12%	Kingsdale	59%	UAESB	2%
The Charter School	21%	Notre Dame RC	19%	Harris Peckham	3%
COLA	4%	Sacred Heart RC	21%	Harris Bermondsey	9%
Compass School	4%	St Michael's College	12%	St Saviour's/Olave's	6%

*Table 12 Mean Distance of pupils admitted by school (in km)*

School	%	School	%	School	%
ARK All Saints	1.9	Harris Boys' ED	2.3	STAC	2.5
ARK Globe	2.3	Harris Girls' ED	3.0	ARK Walworth	1.5
Bacon's College	2.2	Kingsdale	3.5	UAESB	1.8
The Charter School	1.3	Notre Dame RC	3.2	Harris Peckham	2.2
COLA	1.4	Sacred Heart RC	2.1	Harris Bermondsey	1.9
Compass School	2.8	St Michael's College	2.6	St Saviour's/Olave's	2.5

71. Pupil projections also assume that a similar proportion of children attend private schools inside and outside the borough, and or are home educated. The number of private secondary pupils in the authority area at the ten registered private secondaries has not altered significantly (3,414 secondary age pupils, or around 105 classes), nor those receiving education at home. Private secondary school places account for around 16% of secondary school places in the authority area, a 1% reduction on the figures from 2016-17. The council are unable to ascertain, however, how many of these pupils are Southwark residents.

72. Despite an overall improvement in educational performance and an increasing proportion of families gaining one of their preferences, a significant variation in the popularity of secondary schools within Southwark exists among parents, which indicates that the balance between demand and the availability of places is not evenly distributed across the borough. For these reasons, the projections are refreshed on an annual basis to maximise accuracy and actual demand year on year. These projections are closely monitored by officers to inform the scale and timing of temporary or permanent expansions.
73. A map of existing secondary schools is included as Appendix B.

### Secondary expansions in adjacent boroughs

74. Paragraph 70 drew attention to the fact that around a fifth of Southwark-resident children of secondary school age attend schools out-borough and conversely out-borough children attend our secondary schools. Where secondary expansions have occurred in schools in neighbouring boroughs, this could potentially have a material effect on recruitment to Southwark secondary schools. The appropriate expansions are detailed, borough by borough, in Appendix E.

### Accuracy of projections

75. Secondary projections show that overall, the council have (slightly) underestimated secondary demand by around 2%. The figure for Year 7 projections is slightly higher at 3%, however the council (slightly) overestimated demand for this September by 37 pupils (1FE) – or 1%.

*Table 13 Accuracy of GLA Secondary projections*

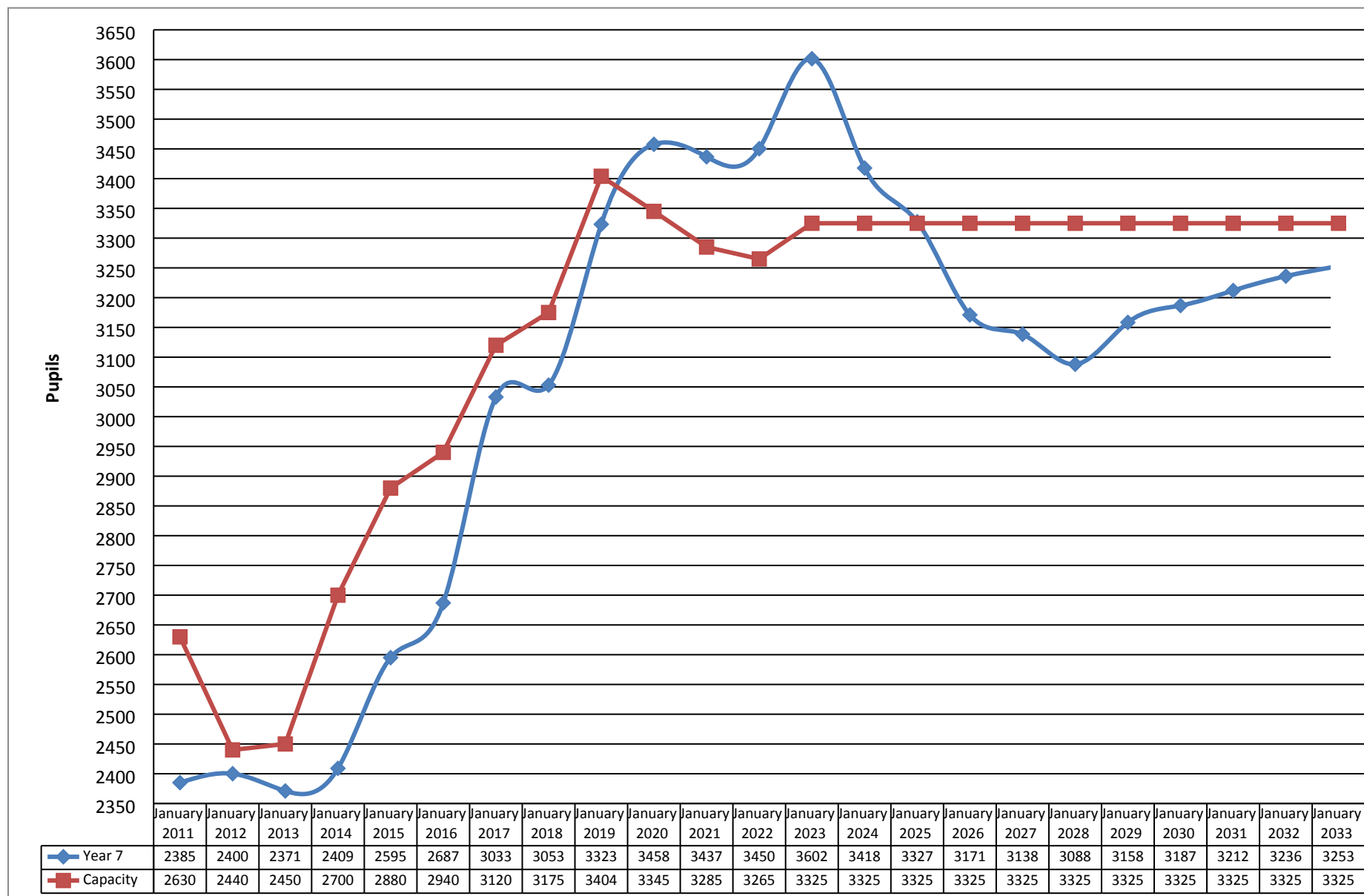
<b>Jan 2018 Projections</b>	<b>Y7</b>	<b>Y7 Actuals</b>	<b>Difference</b>	<b>%</b>	<b>7 to 11</b>	<b>7 to 11 Actuals</b>	<b>Difference</b>	<b>%</b>
Sep-18	3,202	3,165	-37	-1.2%	14,223	14,349	126	0.9%
<b>Jan 2017 Projections</b>	<b>Y7</b>	<b>Y7 Actuals</b>	<b>Difference</b>	<b>%</b>	<b>7 to 11</b>	<b>7 to 11 Actuals</b>	<b>Difference</b>	<b>%</b>
Sep-17	2,874	3,053	179	6.2%	13,160	13,731	571	4.3%
Sep-18	3,048	3,165	117	3.8%	13,626	14,349	723	5.3%
<b>Jan 2016 Projections</b>	<b>Y7</b>	<b>Y7 Actuals</b>	<b>Difference</b>	<b>%</b>	<b>7 to 11</b>	<b>7 to 11 Actuals</b>	<b>Difference</b>	<b>%</b>
Sep-16	2,889	3,033	144	5.0%	13,001	13,077	76	0.6%
Sep-17	2,907	3,053	146	5.0%	13,498	13,731	233	1.7%
Sep-18	3,097	3,165	68	2.2%	14,175	14,349	174	1.2%
<b>Average</b>				<b>3.0%</b>				<b>2.0%</b>

76. Primary projections show the council have consistently overestimated since January 2016, albeit by low numbers (less than 1%). Overall, the council has underestimated by 0.2%. For reception rolls, the overestimation has been more systematic. The council have overestimated by 4.7% on average, or around 150 pupils (5FE)

*Table 14 Accuracy of GLA primary projections*

Jan 2018 Projections	YR	Y7 Actuals	Difference	%	R to 6	7 to 11 Actuals	Difference	%
Sep-18	3,351	3,200	-151	-4.5%	22,585	23,514	929	4.1%
Jan 2017 Projections	YR	Y7 Actuals	Difference	%	R to 6	7 to 11 Actuals	Difference	%
Sep-17	3,582	3,274	-308	-8.6%	23,663	23,537	-126	-0.5%
Sep-18	3,429	3,200	-229	-6.7%	23,584	23,514	-70	-0.3%
Jan 2016 Projections	YR	Y7 Actuals	Difference	%	R to 6	7 to 11 Actuals	Difference	%
Sep-16	3,586	3,559	-27	-0.8%	23,560	23,374	-186	-0.8%
Sep-17	3,502	3,274	-228	-6.5%	23,574	23,537	-37	-0.2%
Sep-18	3,408	3,200	-208	-6.1%	23,690	23,514	-176	-0.7%
<b>Average</b>				<b>-4.7%</b>				<b>0.2%</b>

Table 15 – Secondary GLA Y7 projections 2011-32



## SEND Schools Update

77. The latest figures from the draft Southwark Joint Strategic Needs Assessment (JSNA) show that the number of children with the most complex needs (those with EHCPs), has been increasing. This is particularly true at primary age and the need for specialist provision is therefore greater. Whilst the percentage of children with EHCPs has been stable in recent years, the number of these complex children has increased due to a rising population. Furthermore, the increase in the age range of pupils with statutory plans from 5 – 19 to 0 -25 will also continue to drive up the numbers of young people with EHCPs for the next two years.
78. The number of children attending school in Southwark with SEND is significantly higher in mainstream primary schools compared to secondary schools. There are over 4,100 children in primary school with SEND compared to almost 2,800 children in both secondary school and post-16 combined. The majority of these children have high incidence SEN - schools identify them at SEN Support, and do not have EHCPs. The lower number of these pupils in secondary schools is principally because of successful interventions in primary, meaning that between 40% and 60% of SEN support pupils achieve the expected standard by age 11. Consequently, they are no longer identified as SEN when they move to their secondary schools. Also some pupils with EHCPs who attend mainstream primary schools move on to secondary special schools or move out of borough.
79. The financial implications of sending children out-borough for SEND education between the ages of 5 to 25, as well as the increase in the demand for local SEND places in response to the rise in numbers of children with complex needs, means that the council is embarking on a programme to increase the scope (to meet varying needs) and capacity of SEND places in Southwark.
80. Cabinet previously approved plans to increase the standard number at, and the relocation of Cherry Garden School as part of the Primary Investment Strategy. These plans are presently being actioned, with an expected completion date of October 2018. These plans and proposals for the expansion of other SEND provision are given in table 16 below. The proposals would result in an additional 156 SEN places in the borough, an increase of 22% overall. Plans to develop local provision for 19 to 25 complex SEND students are also under active consideration, with a proposed location at a former LA Nursery in Kennington.

*Table 16 SEND proposals*

School	Proposal	Capacity	New Capacity	Status
City of London Academy Southwark(COLA)	Expansion of ASD provision	0	20	Work underway
Cherry Garden School	Increase standard number and relocation from Bermondsey to Peckham	46	72	Expected completion date of October 2018
Spa Camberwell	ASD 4-16 free school on the former site of LeSoCo, with Spa Bermondsey as the sponsor	0	120	Site is being used as a temporary location for the Charter East Dulwich – opening Sep 2019
Beormund Primary	Redevelopment of Beormund site for SILS4 and relocation to former site of Bellenden Primary School	40	50	Gateway 1 approved
Southwark SEND College	Use of part of former Bishop's House site for 19-25 SEND provision	0	12	Consulting with stakeholders

## Consultation

81. If statutory proceedings to expand non-academy schools are undertaken, informal consultation will be carried out by education and planning teams with individual schools, involving meetings with parents and or carers, staff and governors, including a drop-in parents' meeting at all of the schools. At the formal stage, notices will be issued to the schools concerned and Southwark councillors and Southwark, Lambeth and Lewisham MPs, the Southwark Diocesan Board and Commission and neighbouring authorities will all be written to elicit their views on the proposed expansions.

## Policy implications

82. The primary planning and investment strategies are aligned to local planning and policy frameworks, including the Council Plan. These outline the council's commitment to supporting schools to be outstanding, with children and young people able to achieve their full potential, and parents able to exercise real choice in a high-performing schools system. When formulating the Primary and Secondary expansion programmes, the council considers the suitability of all schools in Southwark and the risks and advantages of expanding each. The risks of not expanding schools are considerable. The council has a limited scope to expand existing provision, and not expanding the schools could potentially leave the council vulnerable to legal action for not meeting its target duty to provide sufficient primary school places. Section 14 of the Education Act 1996, places a duty on local authorities to secure that there are sufficient primary and secondary school places in their area. Local authorities must ensure there are enough school places to meet needs as well as working to secure diversity of provision and increasing opportunities for parental choice. Local authorities are also bound by the duty to take into account parental preference in so far as to do so avoid unreasonable public expenditure.
83. The draft Council Plan for 2018-22 was passed by cabinet in June 2018 and presents a set of commitments, which will help the council deliver the Majority Party's manifesto vision of "*a fairer future for all*". It is a requirement that reports to cabinet now explicitly refer to the Council Plan and how the report and or the actions outlined will help deliver key aspects of the plan. The Council Plan states: "*Southwark schools have improved significantly in recently years and we have been meeting high demand for school places by refurbishing and expanding popular schools and working with local parents to support new schools. We believe every child has the right to a good education, which is why we have campaigned alongside local parents for fair funding and worked with schools to drive up standards*". This report outlines how the council met demand in particular areas, either by supporting new schools, or by refurbishing and expanding popular schools, and is a commitment that has effectively been delivered. One of the key commitments for the future is "Open a new secondary school at Borough by 2019" – paragraph 65 states "*...the Haberdashers' Borough School on the old Fire Station site on Southwark Bridge Road has received DfE and planning approval to open from September 2019 onwards*". Once the school is opened in September 2019, the council will have met this commitment.

## Community impact statement

84. The Public Sector Equality Duty, at section 149 of the Equality Act, requires public bodies to consider all individuals when carrying out their day-to-day work, in shaping policy, delivering services and in relation to their own employees. Public bodies need to have due regard when carrying out their activities to the need to eliminate discrimination, advance equality of opportunity, and foster good relations between people with protected characteristics and those with none. The council's "Approach to Equality" commits the council to ensuring equality is an integral part of our day-to-day business. "Protected characteristics" are the grounds upon which discrimination is unlawful. The characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and

maternity, race, religion or belief, gender and sexual orientation. In this case, the characteristics covering gender reassignment, marriage and civil partnership, pregnancy and maternity, and sexual orientation are unlikely to be issues to consider in reductions in PANs. In terms of age, disability, race, religion or belief, any specific proposals that emanate from the consultations with schools and the respective diocesan boards will be equality impact assessed.

### **Resource and risk implications**

85. The finance and resource implications of amending published admissions numbers (PANs) can be split into what it would cost to actually amend published admissions numbers. A fairly minimal cost measured by officer time and what would be the consequences of amending the PANs themselves. Reducing PANs to match the demand would reduce school expenditure on staff not required to teach classes that are no longer required. This is particularly an issue where school accommodates a reception intake (or other year group) that is just over the PAN, say 35 pupils where a school has a PAN of 60. Due to infant class size regulations, the school would then need to employ 2 teachers for 2 classes of 17-18 pupils, the outlay on staff will remain the same as if the school had 30 in each class, however the school would only receive 58% of the headcount funding. It is clearly in the interest of the authority to ensure that demand is as closely matched to supply as possible. Reducing the PANs of the schools concerned could therefore potentially contribute to savings in the department's budget. Although, the reduction of primary rolls would impact on the Dedicated Schools' Grant (DSG) that authorities receive from central government and would therefore indirectly reduce the amount available for the authority to spend on supporting schools, as the "top slice" the authority retains would proportionately reduce.
86. There is a small risk that amending the school's capacities could potentially leave the council vulnerable to legal action for not meeting its target duty to provide sufficient primary school places. Section 14 of the Education Act 1996 places a duty on local authorities to secure that there are sufficient primary and secondary school places in their area. As outlined in paragraph 6, local authorities must ensure there are enough school places to meet needs as well as working to secure diversity of provision and increasing opportunities for parental choice. Local authorities are also bound by the duty to take into account parental preference in so far as to do so avoid unreasonable public expenditure. Section 13 Education Act 1996 places a duty on local authorities to use what powers they have to "[secure] that efficient primary education [...] is available to meet the needs of the population of their area". However, the level of vacancies presently observed would mitigate against that risk

### **Legal implications**

87. The report clearly states the council's duty to provide sufficiency of school places and the Education and Inspections Act 2006 and School Admissions Code 2014 in undertaking any changes to pupil admission numbers.

### **Finance implications**

88. The responsibilities for funding and the sources for that funding pertinent to this report are clearly set out in the relevant funding and grant regulations. A reduction in cost of out of borough placements for children and young people with Special Educational Needs and Disabilities is to be achieved through growth in provision in borough.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Director of Law and Democracy**

89. The council's general duty in relation to securing sufficient school places in its area, the legal issues that inhibit the establishment by a local authority of new maintained schools, and its functions in relation to making alterations to its existing maintained schools, is described in the body of the report.
90. Where the council is considering a proposal to alter a maintained school, cabinet is reminded that certain proposals will be subject to statutory notification and consultation procedures under Education and Inspections Act 2006 and regulations and guidance issued under that act.
91. Cabinet is reminded that the public sector equality duty under section 149 Equality Act 2010, as set out in the Community Impact section of the report, applies to the exercise any of its functions.

### **Strategic Director of Finance and Governance (CAS18/004)**

92. This report seeks to inform cabinet of the updated forecasts of primary and secondary school places; the potential future shortfall of primary reception from September 2023 onwards; the projected future shortfall of secondary Y7 places from September 2019 onwards; and the intention to work closely with schools and academy trusts to determine a solution in the medium to long term.
93. Paragraph 7 details the budget contained within the council's approved capital programme for school expansion, and explains that the revenue implications surrounding any expansion of schools will be met from the Dedicated Schools' Grant via "growth the fund".
94. The responsibilities for funding and the sources for that funding pertinent to this report are clearly set out in the relevant funding and grant regulations. The responsibility for the sufficiency of places is a statutory duty of the Local Authority and the funding source is a combination of general fund and funding sources that replaced the former Education Services Grant. The admissions function of the Local Authority is funded from the Central Block of the Dedicated Schools Grant.
95. The potential revenue consequences to schools flowing from changes in pupil admissions numbers contained within this report flow to and from the Dedicated Schools Grant and the Schools Block, which is ring fenced for funding mainstream schools. These arrangements are supplemented further within the Dedicated Schools Grant by a growth and falling rolls fund (as noted above) which is set aside by Schools Forum to assist in managing flexibility to variation in pupil numbers and also a Schools in Financial Difficulty Fund (de-delegated from maintained schools and accessible only to maintained schools) which has set criteria for use.
96. Schools governing bodies have a responsibility to manage their delegated budgets in accordance with the Southwark Scheme for Financing Schools, the latest version of which applies from April 2018. Therefore any revenue consequences flowing from the changes contained within the report to individual schools delegated budgets will need to be managed closely and carefully by schools having due regard to the provisions set out in that document and any existing financial arrangements agreed with the Local Authority set out under those provisions.

## BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Making 'prescribed alterations' to maintained schools Statutory guidance for proposers and decision-makers – DfE April 2016	Council Offices, 160 Tooley Street, London, SE1 2QH	Ric Euteneuer 020 7525 5018
<b>Link (please copy and paste into your browser)</b> <a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/514548/16-04-06_FINAL_SO_Guidance_PA_Regs.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/514548/16-04-06_FINAL_SO_Guidance_PA_Regs.pdf</a>		
School Admissions Code - Statutory guidance for admission authorities, governing bodies, local authorities, schools adjudicators and admission appeals panels. December 2014 - DfE	Council Offices, 160 Tooley Street, London, SE1 2QH	Ric Euteneuer 020 7525 5018
<b>Link (please copy and paste into your browser)</b> <a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/389388/School_Admissions_Code_2014_-_19_Dec.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/389388/School_Admissions_Code_2014_-_19_Dec.pdf</a>		
The Essential Guide to the Public Sector Equality Duty – EHRC July 2014	Council Offices, 160 Tooley Street, London, SE1 2QH	Ric Euteneuer 020 7525 5018
<b>Link (please copy and paste into your browser)</b> <a href="https://www.equalityhumanrights.com/sites/default/files/psed_essential_guide_-_guidance_for_english_public_bodies.pdf">https://www.equalityhumanrights.com/sites/default/files/psed_essential_guide_-_guidance_for_english_public_bodies.pdf</a>		

## APPENDICES

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Appendix A	List of primary schools by planning area
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Appendix E	Expansions in neighbouring boroughs

## AUDIT TRAIL

Cabinet Member	Councillor Jasmine Ali, Children, Schools and Adult Care		
Lead Officer	David Quirke-Thornton, Strategic Director of Children’s & Adults’ Services		
Report Author	Ric Euteneuer, Principal Strategy Officer (School Place Planning)		
Version	Final		
Dated	19 October 2018		
Key Decision?	Yes		
CONSULTATION WITH OFFICERS/DIRECTORATES /CABINET MEMBER			
Officer Title		Comments Sought	Comments Included
Director of Law and Democracy		Yes	Yes
Strategic Director of Finance & Governance		Yes	Yes
Cabinet Member		Yes	Yes
Date final report sent to Constitutional Team			19 October 2018

## APPENDIX A

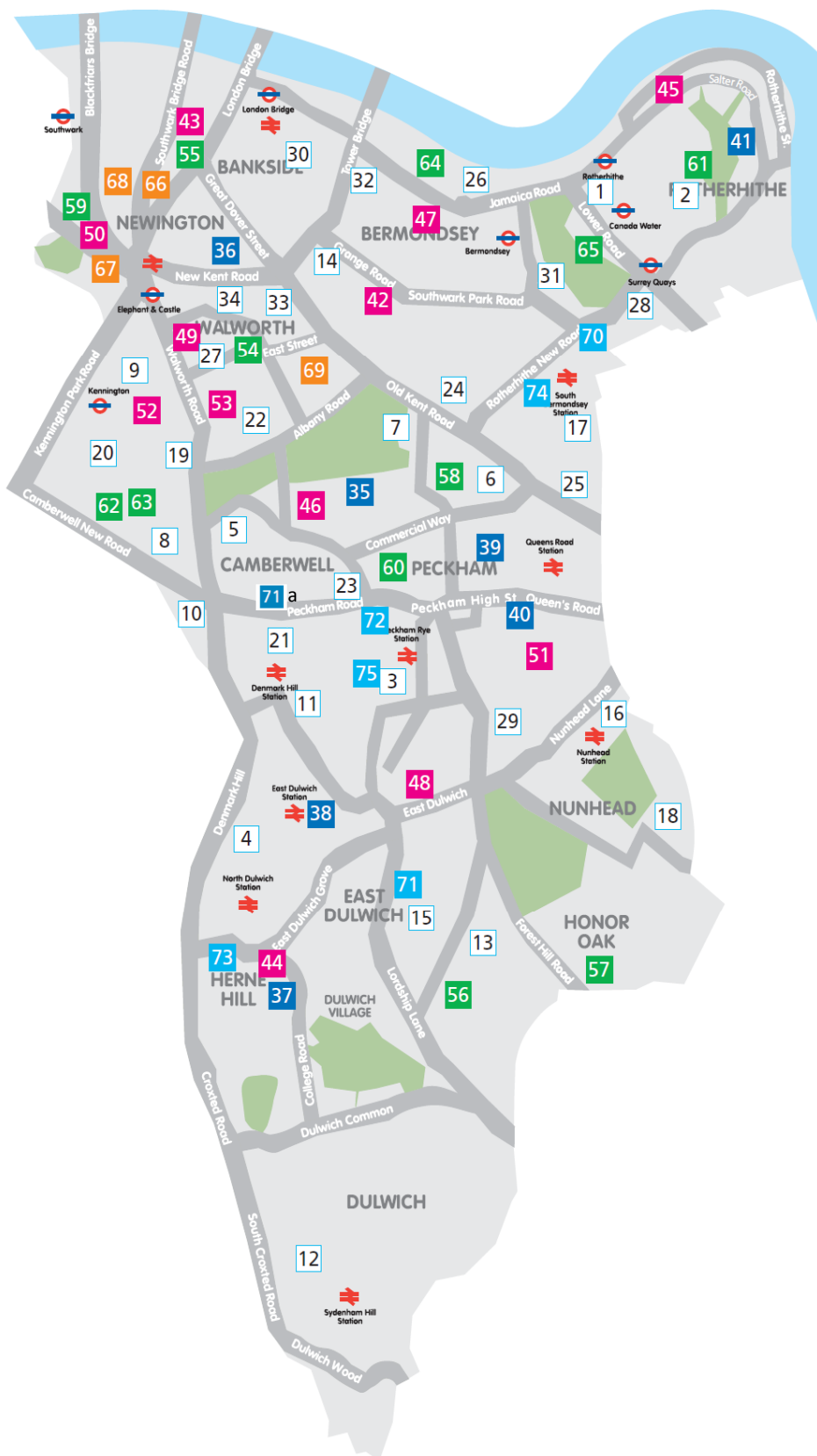
## List of schools by Planning Area

Community Schools *in italics*Free Schools **in bold black**Foundation Schools **in red**Academies **in bold green**VA Schools **in bold turquoise**

Name of Planning area (PA)	(Old) Council Wards	Primary Schools in PA	
1. Borough, Bankside & Walworth	Cathedrals Chaucer East Walworth Faraday Newington	<b>Cathedral School CE</b> <b>Charles Dickens</b> <b>Charlotte Sharman</b> <i>Cobourg</i> <i>Crampton</i> <b>English Martyrs RC</b> <b>Friars</b> <i>Keyworth</i> <i>Michael Faraday</i> <i>Robert Browning</i>	<b>St Georges Cathedral RC</b> <b>St Johns Walworth C of E</b> <b>St Joseph's (Borough)</b> <b>St Jude's C of E</b> <b>St Paul's C of E</b> <b>St Peters C of E</b> <b>Surrey Square</b> <b>The Globe Academy</b> <i>Townsend</i> <i>Victory</i>
2. Bermondsey & Rotherhithe	Grange Livesey (part) Riverside Rotherhithe South Bermondsey Surrey Docks	<i>Albion</i> <i>Alfred Salter</i> <b>Boutcher C of E</b> <b>Galleywall City of London</b> <i>Grange</i> <i>Ilderton</i> <b>John Keats</b> <b>Peter Hills with St Mary's &amp; St. Paul's C of E</b> <i>Phoenix</i> <i>Pilgrims Way</i>	<b>Redriff</b> <i>Riverside</i> <i>Rotherhithe</i> <i>Snowsfields</i> <i>Southwark Park</i> <b>St James C of E</b> <b>St Johns R.C. Primary</b> <b>St Joseph's RC 014B</b> <b>St Joseph's RC 026</b> <i>Tower Bridge</i>
3. Peckham & Nunhead	Livesey (part) Nunhead Peckham Peckham Rye The Lane	<b>Angel Oak</b> <i>Bellenden</i> <i>Camelot</i> <b>Harris Peckham Park</b> <b>Harris Free School - (Peckham)</b> <i>Hollydale</i>	<i>Ivydale</i> <b>John Donne</b> <i>Rye Oak</i> <b>St Francesca Cabrini RC</b> <b>St Francis RC Primary</b> <b>St James the Great RC</b> <b>St John's &amp; St Clements CE</b> <b>St Mary Magdalene</b>
4. Camberwell	Brunswick Park Camberwell Green South Camberwell	<b>Belham</b> <i>Bessemer Grange</i> <i>Brunswick Park</i> <i>Comber Grove</i> <i>Crawford</i> <i>Dog Kennel Hill</i>	<i>John Ruskin</i> <i>Lyndhurst</i> <i>Oliver Goldsmith</i> <b>St George's C of E</b> <b>St Joseph's Infants RC</b> <b>St Joseph's Junior RC</b>
5. Dulwich	College East Dulwich Village	<i>Dulwich Wood Primary</i> <b>Dulwich Hamlet Junior</b> <b>Dulwich Village Infants (C of E)</b> <i>Goodrich</i>	<b>Goose Green</b> <i>Heber</i> <b>Harris Primary Free - East Dulwich</b> <b>Judith Kerr Free School</b> <b>St Anthony's RC</b>

## Map of primary schools in Southwark

## Map of primary schools in Southwark



## Community primary schools

- 1 Albion Primary School
- 2 Alfred Salter Primary School
- 3 Bellenden Primary School
- 4 Bessemer Grange Primary School
- 5 Brunswick Park Primary School
- 6 Camelot Primary School
- 7 Cobourg Primary School
- 8 Comber Grove Primary School
- 9 Crampton Primary School
- 10 Crawford Primary School
- 11 Dog Kennel Hill Primary School
- 12 Dulwich Wood Primary School
- 13 Goodrich Primary School
- 14 Grange Primary School
- 15 Heber Primary School
- 16 Hollydale Primary School
- 17 Ilderton Primary School
- 18 Ivydale Primary School
- 19 John Ruskin Primary School
- 20 Keyworth Primary School
- 21 Lyndhurst Primary School
- 22 Michael Faraday Primary School
- 23 Oliver Goldsmith Primary School
- 24 Phoenix Primary School
- 25 Pilgrim's Way Primary School
- 26 Riverside Primary School
- 27 Robert Browning Primary School
- 28 Rotherhithe Primary school
- 29 Rye Oak Primary School
- 30 Snowsfields Primary School
- 31 Southwark Park School
- 32 Tower Bridge Primary School
- 33 Townsend Primary School
- 34 Victory Primary School

## Academies

- 35 Angel Oak Academy
- 36 ARK Globe Academy
- 37 Dulwich Hamlet Junior School
- 38 Goose Green Primary School
- 39 Harris Primary Academy, Peckham Park
- 40 John Donne Primary School
- 41 Redriff Primary

## Voluntary aided schools

- 42 Boucher Church of England Primary School
- 43 The Cathedral School of St Saviour and St Mary Overie
- 44 Dulwich Village C of E Infants' School
- 45 Peter Hills with St Mary's and St Paul's C of E Primary School
- 46 St George's C of E Primary School
- 47 St James' C of E Primary School
- 48 St John's and St Clement's C of E Primary School
- 49 St John's Walworth C of E Primary School
- 50 St Jude's C of E Primary School
- 51 St Mary Magdalene C of E Primary School
- 52 St Paul's C of E Primary School
- 53 St Peter's Walworth C of E Primary School
- 54 English Martyrs' Catholic Primary School
- 55 Saint Joseph's Catholic Primary School, The Borough
- 56 St Anthony's Catholic Primary School
- 57 St Francesca Cabrini Primary School
- 58 St Francis Catholic Primary School
- 59 St George's Cathedral Catholic Primary School
- 60 St James the Great Catholic Primary School
- 61 St John's Catholic Primary School
- 62 St Joseph's Camberwell Catholic Schools' Federation (Infants)
- 63 St Joseph's Camberwell Catholic Schools' Federation (Juniors)
- 64 St Joseph's Catholic Primary School, George Row
- 65 St Joseph's Catholic Primary School, Gomm Road

## Foundation schools

- 66 Charles Dickens Primary School
- 67 Charlotte Sharman Primary School
- 68 Friars Primary Foundation School
- 69 Surrey Square Primary School

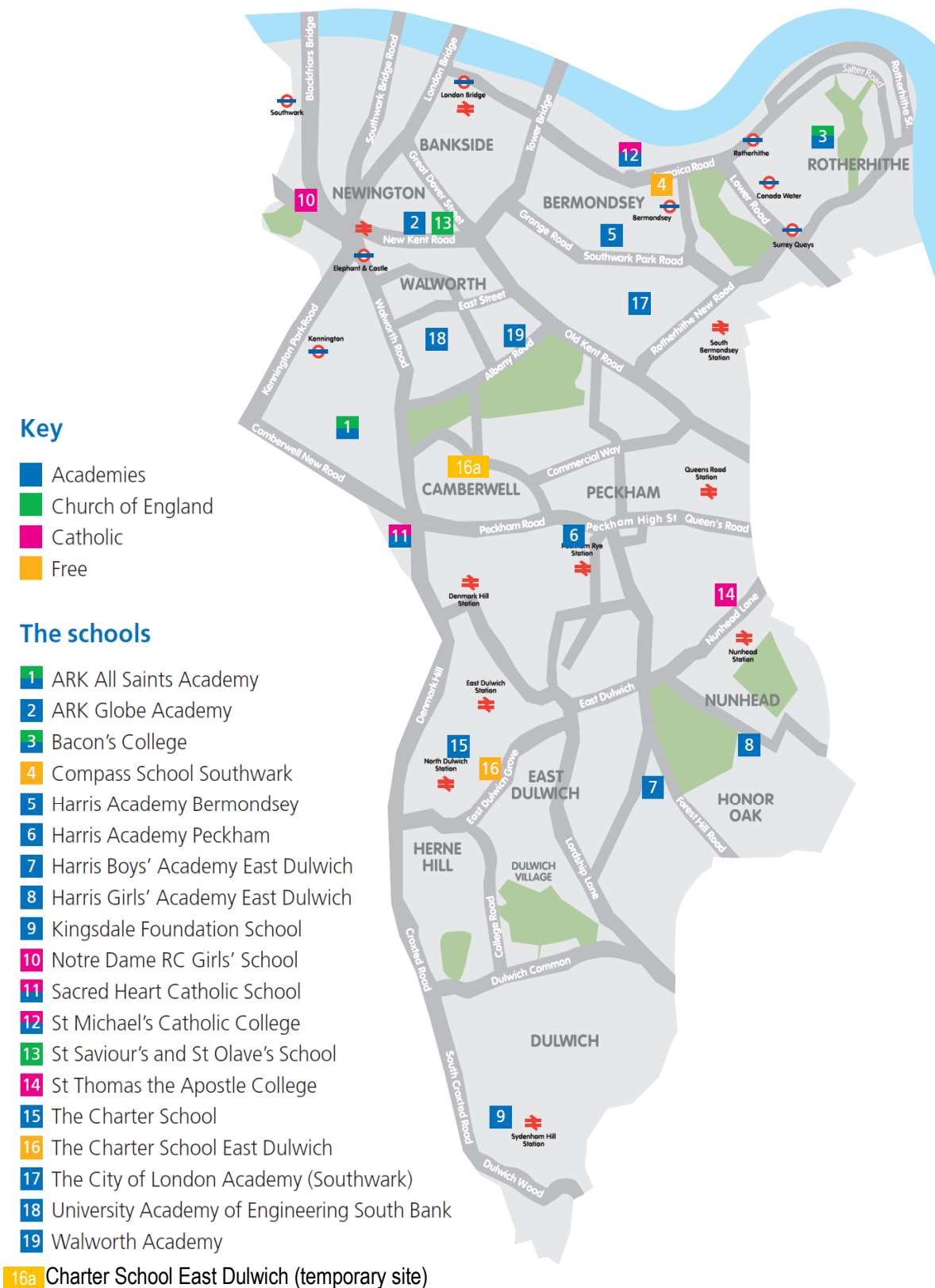
## Free schools

- 70 Galleywall Primary City of London Academy
- 71 Harris Primary Academy East Dulwich
- 72 Harris Primary Free School Peckham
- 73 Judith Kerr Free School
- 74 Southwark Primary Free School
- 75 The Belham Primary School

MAP OF SECONDARY SCHOOLS IN THE BOROUGH

## Map of secondary schools in Southwark

Map of secondary schools in Southwark



## APPENDIX D

### GLA SCHOOL ROLL PROJECTIONS (SRP) FORECAST METHODOLOGY

#### What is the SRP process in 2018?

The SRP process in 2017 is summarised below.

- 1) LAs provide GLA with development data as an input to population projections
- 2) GLA provides LAs with csv templates for submitting school level roll data (early March)
- 3) LAs complete and return the data as csv files (starting mid-March)
- 4) LAs complete an optional template containing context information (starting mid-March)
- 5) GLA runs SRP model and returns school roll projections (starting mid-March)

The GLA envisages that, as before, roll projections are typically returned to LAs within two working days of receipt of roll data in the correct format.

#### What data do the projections use?

The three key data inputs for the model are:

- Ward-level population projections
- Pupils on roll data for each school
- National Pupil Database records with pupils' home wards

#### Population projections

The model uses GLA generated population projections. Local Authorities can have school roll projections run based on the following three population projection variants for their borough:

- Borough Preferred Option (BPO) incorporating development data provided by the borough  
**(This is what Southwark uses)**
- The latest GLA ward level SHLAA-capped AHS (average household size) population projections for all wards in your LA.
- Zero Development variant

The default population projection used is the BPO; however this is dependent on the Local Authority having provided development data. If no development data has been provided then the GLA will give the option to wait until development data is received, or run the school roll projections with the SHLAA based population projection. The zero development based school roll projections can be used as a comparator to school roll projections based on the other two population projections to give an idea of the effect of developments.

Areas other than the wards in your LA take their population projection from the latest GLA ward level SHLAA-capped AHS (average household size) population projections

The population projections incorporate annual birth, death and migration data to mid-2015. Future birth trends in fertility and mortality are based on the principal assumptions from ONS's 2012-based National Population Projections (NPP) for England. Household formation rates are taken from the 2012-based DCLG (Department for Communities and Local Government) subnational household projections. Past dwelling completions are taken from the London Development Database. Assumed future housing trajectories are derived from the 2013 Strategic Housing Land Availability Assessment..

#### School roll data

For 2017, subscribing LAs should provide roll data for individual schools split by age of child (at 31st August) and gender for both primary and secondary schools separately. LAs also provide the school DfE number, any previous DfE number that the school has had in the relevant time period, and indicate which planning area each school sits within. LAs can also split their secondary schools into planning areas if they wish.

### **School/pupil related data**

The model also uses additional school related data.

- 1) School maximum pupil age – this is taken from Edubase
- 2) School minimum pupil age – this is taken from the school roll data provided by LAs because of inconsistencies in Edubase
- 3) National Pupil Database (NPD) years 2012 to 2016 – a cut from the January school census at pupil level including pupil residence (mapped to LSOA), school attended, age and gender

### **How are school roll projections produced?**

The methodology for producing school roll projections has been slightly changed in 2017 following the major update in 2016. The main change this year has been extending the number of years of pupil level data available from the NPD to model mobility patterns and new intake numbers.

#### **Overview**

For each ward of residence in London and year of age (ages 4 to 18) and sex, the proportion of children attending each state school is calculated. This proportion is carried forward as the children age so that the proportion for a 6-year old living in ward x and attending school y in 2017 is the same as the proportion for a 7-year old living in ward x and attending school y in 2018. Attrition rates are not explicitly calculated except for projections of 6th form – it is assumed that any net loss or gain of pupils as they age through a school is purely due to temporal variations in the population projection of that cohort.

For new children entering a school, for example at age 4, there is currently no information on where members of this cohort are resident. In this case the proportions are calculated as averages over past years, with 4 being the default number of years used, but there is the option to use a different number. The same approach is used at ages 11 and 16, even if the school is a through-school as it is assumed that there will be significant changes in the cohort at this point.

These proportions are then applied to the population projections to give projections of the number of children on roll by school by age and sex. These are then aggregated to planning areas and borough totals.

Projections of pupils aging through 6th form are produced using attrition rates calculated from previous years' data.

### **Why have the projected rolls changed since last year?**

There are many reasons why a LA's projected rolls may have changed when compared to a previous year. LAs should consider the following:

- **Development**

The amount of development projected in a LA will affect that authority's population projections and in turn its school roll projections. More development generally means that the LA will attract more people and its population will therefore rise. If population increases, there will consequently be more children and so school roll projections will also rise.

LAs should assume that significant changes in assumed development will be accompanied with corresponding changes in projected rolls. If LAs are unsure what development assumptions have been used in the past, the GLA is able to provide this information.

LAs should liaise with their demography and planning contacts within their LA to ensure that the most up to date development data is used.

- **Births**

The number of births in an area will have a direct effect on the number of children on roll four years later. 2012 saw the highest number of births in London with these children starting school in either academic year 2016-17 or 2017-18 depending on when in the year they were born.

Many areas have seen a fall in birth numbers since and this has led to subsequent projections of future births and therefore rolls, being correspondingly lower.

ONS releases LA level mid-year birth data as part of the mid-year estimates at the end of June each year. Calendar year birth data at local authority level follows in August. The GLA commissions ward-level mid-year birth data from ONS each year which is usually available in November/December.

- **Migration**

In recent years a number of LAs have reported an increase in in-year applications as a result of children moving to the area from both overseas and elsewhere in the UK. Migration therefore could explain why projected rolls have changed.

The GLA has created an Excel based dashboard that allows boroughs to see in-, out- and net flow of children to/from their LA from elsewhere in London. It is available to download from the London Datastore and will be updated annually: <http://data.london.gov.uk/dataset/internal-migration-flows-school-age-children-visualisation>

ONS releases both mid-year international and internal migration data by single year of age and sex at the end of June each year. The former is released as part of the mid-year components of change and the latter as part of the internal migration estimates series.

- **Cross border mobility**

Not all children will go to school in their LA of residence. This is particularly the case in London where the geographic size of local authorities is relatively small and where excellent transport networks mean that children can travel further afield easier than in other parts of the UK. Additionally for children who live close to a borough boundary, their closest school may in fact be in a neighbouring authority.

A school's reputation may affect parental preference when applying for schools. This may mean that some schools will see changes in applications and attendance from children outside of the authority resulting in increasing cross border mobility.

The SRP model explicitly takes into account cross border mobility as pupil level data is used that gives both home and school locations.

A neighbouring borough opening a school could draw pupils from your LA.

**APPENDIX E****EXPANSION OF SCHOOLS IN NEIGHBOURING BOROUGHS***Table 17– Out-borough primary school expansions by borough*

<b>Borough</b>	<b>Schools Expanded</b>	<b>Remarks</b>
Lambeth	Sudbourne Primary School permanent expansion – +1.5FE (1.5FE to 3FE)	For 2020-21
	Rosendale Primary School (bulge) - +1FE (3FE to 4FE)	For 2018/9
	Telferscot Primary School (new) - +2FE	For 2020-21
	Wyvil Primary permanent expansion – +2FE (2FE to 4FE)	For 2020-21
Lewisham	Sir Francis Drake Primary School - permanent +1FE (1FE to 2FE)	For 2018/9
	Ashmead Primary School - +1FE (1FE to 2FE) bulge this year, permanent thereafter	For 2018/9
	Baring Primary School - bulge +1FE (1FE to 2FE)	For 2018/9
	Brindishe Lee Primary School - bulge +1FE (1FE to 2FE)	For 2018/9
	Brindishe Manor Primary School - bulge +1FE (2FE to 3FE)	For 2018/9
	Fairlawn Primary School - bulge +1FE (2FE to 3FE)	For 2018/9
	Harris Lewisham Free School – new school (+3FE)	For 2019-20 (earliest)
Croydon	ARK Bayes (new school) +3FE	For 2019-20

*Table 18 – Out-borough Secondary school expansions/closures by borough*

<b>Borough</b>	<b>Schools Expanded</b>	<b>Remarks</b>
Lambeth	New Secondary School – +6FE on Glendale Primary site	Provisionally scheduled to open 2019-20
	Norwood School – bulge +1FE (5FE to 6FE)	2018-19
	Woodmansterne School - +2FE (3FE to 5FE)	2019-20
Lewisham	Bonus Pastor Expansion (1FE)	2018-19
	Harris Academy Sydenham – up to 10FE	Early 2020s
	Addey and Stanhope Secondary expansion – 2FE	2018-19
Bromley	Buller's Wood Secondary – NEW – 6FE	2018-19
	Bromley College Technical Academy (14-16)	CLOSED

<b>Item No.</b> 10.	<b>Classification:</b> Open	<b>Date:</b> 30 October 2018	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Gateway 1 - Procurement Strategy Approval Southwark Works Employment Support Commissioning Framework	
<b>Ward(s) or groups affected:</b>		All	
<b>Cabinet Member:</b>		Councillor Kieron Williams, Jobs, Skills and Innovation	

### **FOREWORD – COUNCILLOR KIERON WILLIAMS, CABINET MEMBER FOR JOBS, SKILLS AND INNOVATION**

We have set an ambition to make Southwark a full employment borough, where everyone who wants one is able to find a decent job. We have made this a priority because for most people, a good job – and the income, purpose, agency and wellbeing that come with it – is one of the most important things in life.

We have made remarkable progress. Over the last four years the council has helped over 6,000 people into work and our employment rate is now at a record high with 79% of working age adults in work. However there is still more to do. 22,000 Southwark residents – nearly 1 in 10 working-age adults – are still either unemployed or economically inactive but wanting a job. There are also many more people working fewer hours than they need, earning poverty pay or on precarious contracts that all too often leave them in the red at the end of the month. That burden falls on the most disadvantaged in our community with women, disabled people, young people who have been in care and some black and minority ethnic groups all much more likely to be out of work.

That is why we have committed to help another 5,000 people into work over the next four years and to provide support to help people progress into good jobs. We believe that this is achievable if we make the best use of the range of opportunities in Southwark and in London, and invest in the skills and employability of Southwark residents, particularly those who face additional challenges in an ever changing labour market.

Southwark Works is central to delivering that commitment. It has been successfully providing support to Southwark residents and employers for the last 14 years as the council's flagship employment service, supporting over 2,300 people into work over the past four years. It is a service that changes people's lives for the better, providing specialist advice for those further from the labour market.

This proposal sets out how we will commission Southwark Works for the next four years. The proposed framework commissioning approach has a proven track record of delivering flexible, individualised support that both residents and employers value. The provision will deliver a significant proportion of the council's commitment to support 5,000 people into work over the next four years. It will also help people to progress to better pay and conditions and support employers to meet their skills and recruitment needs.

## RECOMMENDATIONS

That cabinet:

1. Approve the procurement strategy outlined in this report for the Southwark Works Employment Support Commissioning Framework for four years commencing on 1 July 2019, for a total value of £15,800,000, which will be split between:
  - An estimated maximum annual spend of £1,950,000 by Southwark Council
  - An estimated annual spend of £2,000,000 from other boroughs.
2. Note that tenders for the initial call-off contracts will be invited from suppliers at the same time as inviting applications to the framework.
3. Approve the delegation for approval of the Gateway 2 report for the establishment of the framework to the chief executive for the reasons set out in paragraph 28.
4. Note that the approval of individual call-off contracts from the framework will be approved by the Chief Executive in accordance with contract standing orders, for the reasons set out in paragraph 29.

## BACKGROUND INFORMATION

5. This report includes the following information:
  - a. Background information (paras. 6 – 33) includes the existing Southwark Works model, incorporating apprenticeship support and in-work progression support into the new framework, summary of the business case justification and market considerations.
  - b. Key issues for considerations including
    - Outline of proposed procurement route (paras. 34 – 39)
    - Detail on how framework will operate (paras. 40 – 45)
    - Risks associated with procurement (para. 46)
    - Policy implications (paras. 47 – 54)
    - Procurement process (paras. 54 - 65)
    - Implications of the procurement including community, social, economic, environmental, financial and legal considerations, as well as consultation (paras 66 – 89).
  - c. Supplementary advice from other officers (paras. 91 - 101)
6. Supporting people into jobs is a key priority for the council. In June 2018, cabinet adopted a new council plan, which includes the commitment to make Southwark a *full employment borough*. The plan also sets out a number of commitments, relating to employment and skills, that the council will deliver over the next four years to 2022:
  - Help 5,000 more people into work and create 2,500 new apprenticeships
  - Introduce a Southwark Good Work Standard
  - Make sure everyone has a basic qualification in English and maths and that residents have the digital skills to get the jobs of the future

- Provide one to one support for low paid workers to help them get better paid jobs and improve access to financial support to those who need additional funding for courses
- Make Southwark the first Equal Pay Borough so all our contractors must publish their gender pay gap and plans to reduce it
- Guarantee education, employment or training for every care leaver.

### **Southwark Works model**

7. Southwark Works is the council's longstanding employment support programme and is formed of a network of providers who offer a range of tailored employment support based on underlying needs, such as mental health, homelessness or disability. This model aims to ensure there is expertise available locally to deal with the range of issues that affect residents' ability to gain and sustain employment whilst also providing a recruitment service for local employers. Many of the employment support providers previously contracted through Southwark Works have been voluntary and community sector organisations local to Southwark.
8. Southwark Works has operated since 2004 and has supported thousands of residents to find work and change their lives; it made a considerable contribution to the 2014-2018 council plan target to support 5,000 people into work. The programme operates through 2 main elements:
  - directly contracted employment support for a variety of target groups and within key growth sectors in the borough (i.e. construction) from a variety of specialist providers (who make up the 'network') – the subject of this report; and
  - network co-ordination – including network management, assessment of customers and referral to Southwark Works providers and/or external support; operation of a hub office for customers; customer record management to track progress and outcomes, sourcing of vacancies through employer engagement activity; providing recruitment services to local employers, organising job fairs for the network, supporting the council in communicating the successes of the 5,000 lives campaign.
9. In 2014 the council developed an employment commissioning framework to procure the Southwark Works contracts; the Gateway 2 report for this procurement was signed off in June 2015. The initial contracts let from the framework started delivery in July 2015. The Southwark Works Framework ran for a 4 year period, with call-off contracts awarded every 2 years, the current contracts end 30 June 2019, with the exception of the contracts let via lot 1 which include two contracts which will expire 31 March 2019 and another which ends 30 September 2019. It is proposed to seek, via a separate Gateway 3 report, an extension to those contracts ending 31 March 2019 for a three month period to 30 June 2019 to align with the commencement of the framework.

## Existing framework

10. The table below provides a summary of providers and contracts called off from the framework in 2015-2019.

**Table 1: Existing framework overview**

<b>Framework Lot</b>	<b>2015-2017 provider</b>	<b>Current (2017-2019) provider</b>
<b>Lot 1 (Young People)</b>	Inspire	St Giles Trust (to September 2019)
<b>Lot 2 (Long Term Unemployed)</b>	Renaissi	Renaissi
<b>Lot 3 (Mental Health)</b>	SLaM	SLaM
<b>Lot 4 (Health including Autism, Physical &amp; Learning Disabilities)</b>	Mencap	Mencap
<b>Lot 5 (Lone Parents and disadvantaged families)</b>	JCCS Ltd	JCCS Ltd
<b>Lot 6 (ESOL)</b>	No providers appointed to this lot	
<b>Lot 7 (Offenders)</b>	Pecan	Pecan
<b>Lot 8 (Substance Abuse)</b>	SLaM	No contract award after 2017
<b>Lot 9 (Homelessness)</b>	St Mungos	St Mungos
<b>Lot 10 (Gangs)</b>	The Salmon Youth Centre	No contract award after 2017. Cohort supported via lot 1 contract for 'vulnerable young people'.
<b>Lot 11 Sectors (Retail and hospitality)</b>	Step Ahead	Good People
<b>Lot 11 Sectors (Construction)</b>	JCCS Ltd	JCCS Ltd
<b>Lot 11 Sectors (Retail and hospitality)</b>	CITE (included health and social care)	Get Set
<b>Total number of contracts</b>	<b>12</b>	<b>10</b>

11. The current Southwark Works Network Coordination contract was procured for a 4 year period in 2015 (2 years + 2 years) and will also end on 30 June 2019, following an extension for a 3 month period from April-July 2019, approval of which has been obtained through a separate Gateway 3 report.
12. An evaluation of the 2015-2018 Southwark Works service is included at Appendix 1 which provides a summary of findings which inform this commissioning; including the following:

- 2015-2018 performance
  - Service user, caseworker and employer feedback
  - Labour market analysis
  - Council colleague (departmental) feedback
  - Current provider feedback.
13. The new council plan target to support 5,000 more residents into employment comes at a time when the employment rate is at an unprecedented high; meaning the majority of residents using the council's employment support service are likely to be further from, or disadvantaged in, the labour market. The world of work is changing and adapting to modern technologies and ways of working, meaning that residents need a new type of support to help them into 'better' jobs. This presents new challenges for the council to meet this target:
- Engaging and supporting residents with a variety of needs in terms of training and pre-employment support
  - Ensuring residents who want a better job are supported
  - Working with residents to address multiple barriers to work such as housing and skills
  - Working with employers to ensure that all Southwark residents can access opportunities in the borough

#### **Integration with other council services**

14. As part of the re-commissioning, a greater emphasis will be placed on integrating the Southwark Works service with other council services including libraries, children's centres, adult education services, housing, social care and mental health services in order to increase access to employment support for residents already in contact with other council services.

#### **Incorporating an apprenticeship offer into Southwark Works**

15. The current model for Southwark Works does not have any particular focus on apprenticeships as a pathway for residents to get into work. To stimulate a greater apprenticeship focus, a more integrated approach will be taken for the new framework.
16. First, pre-apprenticeship support for providers will be built into the network co-ordination function. This will help promote apprenticeships within the network and deliver support and guidance to providers to help them to better support their clients into apprenticeships.
17. Second, apprenticeship targets will be introduced within all framework lot contracts. Agreed targets will be dependent on a number of factors such as cohort etc. but this will require potential providers to consider their capabilities and how they may wish to develop these in order to best deliver apprenticeship outputs moving forward.
18. Third, a specialist pre-apprenticeship provider will be introduced within the network of delivery organisations, via a specific lot on the framework, to increase access to apprenticeship opportunities for Southwark Works clients, including those furthest away from the labour market. A specialist pre-apprenticeship support provider would have the expertise and dedicated resources to engage employers and deliver the full range of support services to clients wishing to access an apprenticeship and help to

ensure that Southwark Works is a one-stop shop for a wider range of career opportunities.

### **Incorporating an in-work progression support offer into Southwark Works**

19. The current Southwark Works model focuses on job sustainment, rather than progression. Providers are currently able to claim any progression as a sustainment (i.e. if a client gets a better job in the 26 week job sustainment period). Providers have reported that many clients are ready to move on to their next step sooner than the 26 week sustainment window. In order to account for this, the council recently amended monitoring requirements to accept progressions to count as a sustainment. If a client is in work for 26 out of 34 weeks this will be counted as a sustainment.
20. In addition, providers are currently able to support repeat clients if they have not received support in the last year. Providers also report that many clients come back to them before this one year period is up, and although they do not turn the client away they are unable to count any work towards contractual KPIs. Providers report that the clients are often still in work but are struggling to progress and need more training and support to find a better job. The council recently amended monitoring requirements so that clients can return to Southwark Works at any point and providers are able to record these outcomes towards contractual KPIs.
21. In response to both of these issues, we propose that the new framework will measure both sustainments and in work progression outcomes to encourage providers to continue to provide support and training to clients who have found work. This will enable caseworkers to have conversations with clients who have been successful in securing a job about their ongoing aspirations and provide support accordingly.
22. The new Network Coordination service, which will include more client engagement and outreach work, will also engage with residents who are already in work. In-work support services will be promoted via Southwark Works so that clients who are not currently registered with/receiving support from a Southwark Works provider and who are interested in improving their employment circumstances will be able to access support via the Network Coordination team. Job starts and in work progression will be monitored under two separate KPIs through quarterly monitoring.

### **Cross-borough framework participation**

23. The council has had exploratory discussions with other boroughs about joint use of the framework. These discussions are ongoing and no agreement has been reached with other boroughs at this stage. Given the framework has a 4 year lifespan; the council may wish to keep the option for further collaboration open with other boroughs. If utilising the framework is a workable option for another borough, they will take on Southwark's terms and conditions and will be charged a reasonable access and management fee for this service.

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

24. When the council enters into any procurement process there needs to be a clear business case and justification set out. This section of the report sets out this case. In 2017 the council facilitated sessions with providers to develop a mission statement for Southwark Works as follows:

*Southwark Works provides high quality employment support to Southwark residents to help them get the job that's right for them and achieve their aspirations.*

*Everyone has unique experiences, circumstances and aspirations. We work with residents to understand what they want to achieve and what barriers are in the way, including training and skills needs. We use this to develop compassionate and individualised support that gives residents the confidence to move towards their goal. Every client gets a quality, reliable service that has their best outcome as the top priority.*

*Local employers are key to our success. We work with businesses, exploring how improved employment conditions can help them and their employees. We also work closely with other partners including training providers, charities and public sector groups to make sure our residents are at the front of the queue for the outstanding job opportunities available in Southwark.*

25. The new framework will focus on reinforcing the mission statement and core values of Southwark Works, continually supporting the network to capacity build providers and the offer of employment support for residents and employers. Alignment of this proposal with the procurement of Southwark Works network coordination contract creates a model for efficient referral of clients across types of commissioned support to meet complex and multiple needs, as well as a means to improve referral to other statutory or voluntary and community sector services and training provision.
26. Southwark Works will deliver a significant proportion of the council's commitment to support 5,000 people into work over the next four years.
27. Paragraphs 15-22 explain why the new framework will include a focus on apprenticeships and in-work progression, responding to the changing needs of the labour market and the council plan commitments.
28. Approval for the award of the framework is sought via Chief Executive delegated authority to ensure that the framework agreement is in place to allow call-off contracts to be in place by 1 July 2019. The procurement has 10 lots and therefore will require extensive evaluation meaning that timescales for cabinet approval are unlikely to be met.
29. The framework has a 4 year timeframe and initial contracts will be let for a 2 year period, with the option to extend for a further period of up to 2 years following review. At this point we may seek new providers via mini competitions or via direct call-off from the framework. Approval for these call-off contracts will be via Chief Executive delegated authority as the maximum annual value of the individual call off contracts in the first two years of delivery will be £150,000.

### **Market considerations**

30. Since procuring the original Southwark Works Framework in 2014, there have been several changes to the labour market and the employment support provision which operates within it, not least the move of many benefit claimants to Universal Credit.
31. As noted above the employment rate is high, there are fewer visible job seekers and, those that are seeking employment support present more multifaceted and complex needs. The employment support provider market in Southwark has been maintained though it can be said there are fewer smaller providers than there were 4 years ago. Larger welfare to work contracts continue to be awarded by the government and via

the European Social Fund and there has been a marked increased in the number of contracts which are payment by results.

32. The specifications for the framework lot contracts require a combination of effective support for unemployed and underemployed residents with specific needs (health, housing, etc.), strong employer engagement and in-work support. This capacity is to be found across a wide range of potential providers in the national, regional and local employment support market, including Department for Work and Pensions (DWP) providers, mainstream skills providers, charities and larger national/regional voluntary and community sector employment and training providers.
33. When this opportunity was last tendered in 2015, 48 responses were received at the Stage 1 (pre-qualification), of which 42 met the criteria and were invited to bid at stage 2 (Invitation to Tender). 47 tenders were received from 28 providers (VCS, SMEs, private sector and social enterprises), because they were able to bid for multiple lots. It is anticipated that a similar level of interest will be garnered for this opportunity. A market engagement event is planned for November, during the pre-qualification stage, to support providers interested in bidding to be appointed to the framework.

## KEY ISSUES FOR CONSIDERATION

### Options for procurement route including procurement approach

34. This procurement is driven by the need to deliver a fairer future for all, to achieve value for money, and provide employment services that achieve positive outcomes for residents and employers. This procurement falls under the light touch regime (LTR) as defined in the (EU) Public Contracts Regulations 2015.
35. The following options have been considered for procurement:
  - a) Commission services through individual contracts as and when required:  
The framework agreement has allowed providers to work together around the needs of their clients. If commissioned individually the contracts will have an annual cost of between £70,000 and £150,000, producing a total value of between £140,000 and £300,000 per contract over the 2 year initial contract period. As the individual contract values are below the LTR threshold the council could seek competitive tenders from a minimum of 5 providers on a more add hoc basis, however this is arguably not an effective means of maximising leverage and fostering a more collegiate approach to delivery within a network of providers.
  - b) Commission via a Dynamic Purchasing System (DPS): Whilst a DPS offers more flexibility than a framework in terms of being able to add new providers to the pool of approved suppliers at any time it is not considered the most effective means of procuring employment support contracts in a relatively stable market. A DPS is resource intensive and requires a large amount of management in terms of ongoing tender evaluation and contract award.
  - c) Tendering via a competitive EU compliant procurement process in order to establish a framework of providers: **This option is recommended.** As the value of this framework is above the LTR threshold the council needs to competitively tender its requirements in line with the Public Contract Regulations 2015. There are a number of different procurement routes the council could use such as open procedure, restricted procedure and competitive procedure with negotiation.

- d) Provide services in house: The council does not currently employ sufficient staff with the required range of skills and recruiting these staff would be a financial risk to the council. Locally branded provision that sits outside of direct delivery creates a degree of independence whilst ensuring that the council can continue to hold the provider to account.

### **Proposed procurement route**

36. **Option C – EU Restricted Procedure:** It is recommended that the framework contracts will be advertised through the OJEU as a restricted tendering procedure, comprising of two stages:
- Stage 1: Interested providers express an interest by requesting and completing a SQ (selection questionnaire). The SQ stage will create a short list of suppliers based on the organisation's capacity to deliver; their economic and financial standing, previous technical or professional ability.
  - Stage 2: Providers shortlisted at Stage 1 will be invited to submit a tender.
37. An open procedure in a one stage process means there is no opportunity to remove bidders from the process who have failed to meet standards in terms of quality, equalities, finance, safeguarding etc. A two stage process allows unsuitable providers to be rejected at an earlier stage therefore ensuring that only those who meet the required standards are invited to bid for the framework lot contracts. A restricted procedure is considered the best route as a two-stage process allows the council to draw up a shortlist of interested parties by undertaking a pre-qualification stage, prior to the issue of invitation to tender documents. The SQ has been developed to assess capability and experience to deliver locally and as such will enable a shortlist of providers to be invited to tender to secure a place on the framework.
38. A commissioning framework offers contracts of an appropriate length (2+2 years) to enable better planning in service delivery and innovation and greater flexibility to respond to changing labour market needs by purchasing services quickly and efficiently through call-off contracts. This means that if the economy changes over the 4 year lifespan of the framework we are able to adapt to changes accordingly. It also allows a level of collegiate working that means providers can work together, and with the council, to achieve the best outcomes for residents. We will establish a framework partnership agreement which all providers will sign up to deliver as part of the framework, further encouraging good partnership working. In addition this option allows the council to test the market and ensure that value for money is improved in commissioning of employment support services.
39. The new framework will not differ greatly from the current framework; the changes that have been implemented are reflective of the varying needs of those seeking employment support, as follows:
- A pre-apprenticeship support lot is included to reflect the need for specialist provision in this area and to better align apprenticeship provision with employment support.
  - The English for Speakers of Other Languages (ESOL) lot has been removed as no providers were appointed to this lot in the original framework. Providers on the framework will be required to ensure that ESOL, English, Maths and digital basic skills provision will be accessible through Southwark Works and work will

continue though the delivery of the Southwark Skills Strategy to ensure that sufficient provision is available for those with language needs.

- Lot 1 (vulnerable young people) will be a larger value lot as a result of Youth Fund funding provision being procured as part of the framework.

### **How the new framework will operate**

40. The framework includes 10 lots; details of these are included in Table 2. Tenderers may bid for any number of lots but a single supplier can only be appointed to a maximum of 3 lots across the framework.
41. A maximum annual contract price will be set for each lot. These will vary in annual contract value from between £70,000 to £150,000 for the first 2 years of delivery. A minimum output requirement will be set for each lot. This is based on the anticipated unit costs to deliver job outputs for specific cohorts, determined by current contract delivery costs and assumptions about the labour market and levels of need over the next four years.

### **Framework appointment and initial award of contracts**

42. This procurement exercise will establish the framework of providers and will appoint initial 2 year call-off contracts for each lot. Initial call-off contracts will be awarded as set out in Table 2.

### **Contract review**

43. The council will closely monitor and evaluate the delivery of the contracts over the first 2 year period to inform delivery from 2021. In the event that the council is satisfied that the initial contract provider is performing well, they will be considered for a contract extension for a further 2 years, via a Gateway 3 report. Where performance has not met expected levels the council may seek to offer to offer a new contract to a different framework provider. This will either be through direct award of a contract or through a mini-competition.

**Table 2: 2019-2023 Framework Lots**

<b>Lot</b>	<b>Title</b>	<b>Max. number of providers appointed to the framework</b>	<b>Number of initial call-off contracts offered per lot</b>	<b>Proposed outline</b>
<b>Lot 1</b>	Vulnerable young people, including Care Leavers	6	2 or 3	<ul style="list-style-type: none"> <li>• Provide support to support to vulnerable young people who have complex needs and may: <ul style="list-style-type: none"> <li>○ be care leavers</li> <li>○ be aged 16-19 and Not in Education Employment or Training (NEET)</li> <li>○ be lone parents</li> <li>○ be carers,</li> <li>○ have had contact or are currently in contact with the criminal justice system, are considered at risk of offending</li> <li>○ have special educational needs or disabilities,</li> <li>○ mental health needs</li> <li>○ housing needs</li> </ul> </li> <li>• The provider(s) will engage with clients through Children's Services (Southwark Choices, Looked After Children, Youth Offending Services, Preparing for Adulthood teams) and HYP (Health and Young People – substance use and sexual health service)</li> </ul>
<b>Lot 2</b>	Long term unemployed / older people/health conditions/carers	4	1	<ul style="list-style-type: none"> <li>• Provide employment support to people who have been unemployed for over 12 months, including older people aged 50+ and those with physical and long term health conditions such as musculoskeletal (MSK) disorders</li> <li>• Includes a focus on building IT and digital skills</li> <li>• Link to Adult Social Care hubs</li> </ul>
<b>Lot 3</b>	Mental health	4	1	<ul style="list-style-type: none"> <li>• Support for those with a range of mental health conditions, including mild mental health conditions, anxiety/depression, and long-term or complex mental health needs</li> </ul>

Lot	Title	Max. number of providers appointed to the framework	Number of initial call-off contracts offered per lot	Proposed outline
				<ul style="list-style-type: none"> <li>• Aim to integrate with core mental health services to secure referrals</li> <li>• Focus on in-work support to help residents maintain employment</li> <li>• Link to Wellbeing Hub</li> </ul>
<b>Lot 4</b>	Learning difficulties and disabilities including autism	6	2	<ul style="list-style-type: none"> <li>• Support for young people with SEND and adults with physical health needs, learning difficulties and disabilities</li> <li>• Focus on those engagement with All Age Disability services</li> <li>• Provider will need to support clients with a range of disabilities, for this reason we expect to appoint 2 contracts as providers will have specialisms in different disabilities</li> <li>• Link to Adult Social Care hubs</li> </ul>
<b>Lot 5</b> Expecting to appoint 1 contract	Families / lone parents	4	1	<ul style="list-style-type: none"> <li>• The provider will work with the council's Family Early Help team and children's centres to engage with clients</li> <li>• Focus will be on supporting lone parents (or parents who are eligible for Troubled Families support) into employment</li> <li>• Employment is likely to start with part time and progressing to more hours</li> </ul>
<b>Lot 6</b>	Offenders	4	1	<ul style="list-style-type: none"> <li>• Support for residents who have had contact or are currently in contact with the criminal justice system to support the transition back into work and maintain employment</li> <li>• The provider will engage with clients through probation services</li> <li>• Specific support needed to build client confidence in disclosing convictions</li> </ul>
<b>Lot 7</b>	Substance use	4	1	<ul style="list-style-type: none"> <li>• Outreach and engagement through the council's substance use service (delivered by Change, Grow, Live)</li> <li>• Provision will support those with a dual diagnosis (of mental health)</li> </ul>

Lot	Title	Max. number of providers appointed to the framework	Number of initial call-off contracts offered per lot	Proposed outline
				<ul style="list-style-type: none"> <li>• Pre employment support will be integrated into treatment, helping clients to consider longer term career aspirations and next steps beyond treatment</li> <li>• Specialist support for young people (to include those affected by cannabis use)</li> </ul>
<b>Lot 8</b>	Homelessness	4	1	<ul style="list-style-type: none"> <li>• Support will be targeted to those who are homeless and at risk of homelessness</li> <li>• The provider will engage with clients through the council's Housing Solutions and Sustain Services, housing associations as well as local and regional VCS provision</li> <li>• Support clients with range of issues such as mental health or substance use issues, as well as requiring proof of the right to work</li> </ul>
<b>Lot 9</b>	Pre apprenticeship support	4	1	<ul style="list-style-type: none"> <li>• This lot will provide support for the whole network to help clients engaged with Southwark Works into apprenticeships</li> <li>• Engagement with local employers to create apprenticeships</li> <li>• The provider will work particularly closely with Vulnerable Young People lot providers to support care leavers into apprenticeships</li> <li>• The provider will link with council work on engaging employers to create apprenticeships, Passmore Centre, Southwark Construction Skills Centre</li> </ul>
<b>Lot 10</b>	Sectors	6	2 or 3	<ul style="list-style-type: none"> <li>• The lot will provide sector-specific support which is likely to focus on construction, health and social care, retail, tourism and hospitality, creative and digital,</li> <li>• Expecting to appoint 2 or 3 contracts ensuring that providers will have specialist knowledge of working with employers in the different sectors</li> <li>• Expected to link with the council's Adult Learning Team, Construction</li> </ul>

Lot	Title	Max. number of providers appointed to the framework	Number of initial call-off contracts offered per lot	Proposed outline
				<p>Skills Centre, the council's construction careers company, local developers, local businesses (including local Business Improvement Districts), British Libraries project and the council's Innovation Fund</p> <ul style="list-style-type: none"> <li>• Front door for employers to Southwark Works, providers will have a role in contributing vacancies for the Framework and to provide or access role or sector specific training</li> </ul>

44. Other councils have expressed an interest in procuring employment support provision via the framework but there has not yet been any confirmation in relation to the value that could be contributed. As a result, Southwark have decided to increase the total framework value from £7,800,000 to £15,800,000 in order to allow other boroughs to access the framework. It will be made clear to bidders that £8,000,000 is set aside for external boroughs to use the framework. Any interested boroughs will need to access services as set out in the framework specification. Appropriate access and contract management fees will be determined in consultation with colleagues in Legal and Procurement. Further details of this will be included in the Gateway 2 report.
45. It should be noted that alongside this framework the council is also commissioning a separate 'network coordination contract' through a separate gateway process and is expected to be appointed in March/April 2019.

### Identified risks for the procurement

46. The following risks have been identified for this procurement:

No.	Risk	Risk Level	Mitigating Action
<b>Procurement process</b>			
1.	Delays in contracting timetable	Medium	<ul style="list-style-type: none"> <li>• Robust project management in place.</li> <li>• Temporary redeployment of Local Economy Team resources to keep the process on track; reducing other areas of the timetable that can be shortened.</li> </ul>
2.	Not enough tenders received	Low	<ul style="list-style-type: none"> <li>• Knowledge of the existing market will be applied to ensure that, in addition to advertising the opportunity in OJEU and Pro Contract, it will be targeted at known providers across the region.</li> <li>• Contracting timetable allows for sufficient time to submit high quality bids.</li> </ul>
3.	Limited lead in time for new providers	Medium	<ul style="list-style-type: none"> <li>• The procurement timetable is designed to allow sufficient lead-in time to establish the new network provision and manage any outstanding TUPE issues ahead of implementation of the framework</li> </ul>
<b>Service delivery</b>			
4.	Service does not meet the needs of target groups	Low	<ul style="list-style-type: none"> <li>• The breadth of the offer available via the lots and the knowledge and experience within the network of providers means this is unlikely</li> </ul>
5.	Lack of market interest – not enough bids of sufficient quality to form the framework	Low	<ul style="list-style-type: none"> <li>• It is likely that at least all existing appointed framework providers will consider bidding for this opportunity</li> <li>• Market engagement event will be held to promote opportunity and support providers</li> </ul>

### Key/non-key decisions

47. This is a key decision.

### Policy implications

48. Improving employment and skills outcomes for residents are at the heart of the Council Plan 2018-22, Economic Wellbeing Strategy and the Southwark Skills Strategy. The aims and ambitions of the strategies are aligned to council plan ambitions and Fairer Future Promises.
49. Employment is a key strategic priority for the council and frontline programmes help sustain the high employment rate in the borough and promote a strong local economy. The council aspires for all Southwark residents to have work that is fairly paid, underpinned by the council's lead on promoting the London Living Wage. We also want Southwark residents to have secure employment and the skills to progress beyond entry-level, insecure or low-paid work.
50. The council remains committed to making support into employment inclusive, recognising the gender wage gap, childcare and housing costs, and other invisible barriers to work and progression that affect our residents.
51. Recognising the significance of ensuring residents are equipped with the skills they need to achieve good employment outcomes the Skills Strategy vision is to secure a high quality, local skills offer that is accessible and responsive to learner and employer needs. This offer will support all learners to build resilience and develop valuable workplace skills for a strong local economy now and in the future. Key ambitions of the strategy are to *ensure that all young people leave education equipped with the skills and knowledge they need to enter the world of work* and that *learners of all ages, including those in work, are able to develop their skills to progress into better jobs and increase their earnings*.
52. By providing a unified framework for council-led employment activity the Southwark Works employment support commissioning framework supports the achievement of objectives across a suite of council plans including the Children and Young People's Plan, the Joint Health and Wellbeing Strategy, the Housing Strategy and the Safer Southwark Partnership Action Plan.
53. The council continues to work on a cross-borough basis to deliver employment programmes such as Working Capital and the Work and Health Programme. The Local Economy Team work closely with DWP locally and will explore opportunities to utilise DWP Community Budget funding to support the delivery of the Southwark Works framework. Efforts are continually made to ensure that all national and regional provision is aligned to the local employment support delivered by Southwark Works and valued by local residents and employers.
54. The anticipated project plan for this procurement is set out below:

Activity	Complete by:
Enter Gateway 1 decision on the Forward Plan	03/08/2018
DCRB Review Gateway 1	21/09/2018

Activity	Complete by:
CCRB Review Gateway 1	04/10/2018
Brief relevant cabinet member (over £100k)	28/08/2018
Prior Information Notice (PIN) published	15/10/2018
Notification of forthcoming decision - cabinet	22/10/2018
Approval of Gateway 1: Procurement strategy report (cabinet)	30/10/2018
Scrutiny Call-in period and notification of implementation of Gateway 1 decision	07/11/2018
Completion of tender documentation	02/11/2018
Publication of OJEU Notice	09/11/2018
Publication of Opportunity/SQ on Contracts Finder	09/11/2018
Market engagement events	19/11/2018 and 22/11/2018
Closing date for receipt of SQ	07/12/2018
Completion of short-listing of applicants	11/01/2019
Invitation to tender	14/01/2019
Closing date for return of tenders	25/02/2019
Completion of any clarification meetings/presentations/evaluation interviews	08/03/2019
Completion of evaluation of tenders	18/03/2019
DCRB Review Gateway 2	26/03/2019
CCRB Review Gateway 2	04/04/2019
Notification of forthcoming decision	08/04/2019
Approval of Gateway 2: Contract Award Report	15/04/2019
Scrutiny Call-in period and notification of implementation of Gateway 2 decision	22/04/2019
Debrief Notice and Standstill Period (if applicable)	26/04/2019
Framework appointment and call off contract award	01/05/2019
Add to Contract Register	08/04/2019
TUPE Consultation period (if applicable)	01/05/2019
Place award notice in Official Journal of European (OJEU)	10/05/2019
Place award notice on Contracts Finder	10/05/2019
Framework contract start and first initial call-off contract start	01/07/2019
Lot 1 initial call-off contract 3 start	01/10/2019
Initial contract completion date	30/06/2021
Contract completion date – (if extension(s) exercised)	30/06/2023

### **TUPE/pensions implications**

55. Whilst TUPE should not apply on the appointment of a new provider to the proposed framework it is likely to apply on the call-off of a contract from the framework where an incumbent provider has in place an organised grouping of employees whose principal purpose is the carrying out of the activities which are the subject of that call-off contract. This is on the basis that the contracts for the services being retendered expire immediately before the service commencement date of their corresponding call-off contracts under the new framework. Due diligence of the current suppliers' workforce will be carried out to assist in informing the tender process but it is how their workforce is organised at the point of a call off from the framework which will be determinative. This due diligence work needs to be carried out before the tender process commences as its results need to be included in the tender pack.
56. There are no TUPE implications for the council as an employer because the council's contract management and administrative function will remain with the council and these activities will not form part of the contract specification. The council's role will involve acting as a conduit through which information on provider staff can be collated and communicated to bidders. Consideration of timescales linked to the TUPE process has been accommodated within the project plan and appropriate provision for TUPE will be made within relevant conditions of contract. The bidders will need to take their own independent legal advice on the application of TUPE and whilst the council can form a view it should not give any assurances or warranties or make any representations in the tender process.

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

57. The tender documentation will be developed in line with the council's procurement and legal guidelines and with advice from relevant council officers. The specification, evaluation criteria, pricing documents and the conditions of the framework agreement will be developed by officers with specialist knowledge of employment support services in the council's Local Economy Team.

### **Advertising the contract**

58. The Framework will be advertised through OJEU, as well as being directly notified to local government networks and partnerships such as London Councils and Central London Forward, Community Southwark and the existing provider network, thus ensuring a particular focus on those operating in Southwark, but also using knowledge of providers from other commissioning bodies and local authorities.
59. The opportunity will be advertised via Pro Contract and specifically communicated to local, successful providers.

### **Evaluation – 2 stage process**

60. Evaluation panels will be made up of representatives from the Local Economy Team and other council departments with relevant knowledge of client groups.
61. The framework will be awarded using a restricted tender process consisting of 2 stages, Selection Questionnaire (SQ) and Invitation to Tender (ITT) as set out below.

62. **Stage 1 - Selection Questionnaire (SQ):** Providers will be asked to demonstrate their capacity to deliver a framework contract. The standard version of the SQ will be utilised for this with additional questions asked regarding Quality Assurance, Equalities, Safeguarding and Health and Safety. General compliance will be assessed on a pass/fail basis. Technical and professional ability questions will be evaluated using the council's standard scoring system and key criteria will include service delivery, local knowledge and outreach and engagement. Bidders are likely to be required to achieve a minimum score of two on each question in order to progress to ITT.
63. **Stage 2 - Invitation to Tender (ITT):** At this stage, quality and price will be tested. Providers will be asked to complete a set of questions which will assess quality and price, using a weighted model of 80% quality, 20% price/output. The council's usual quality price ratio is 30% quality and 70% price, however a high quality weighting of 80% is required due to the need to ensure a high standard of service for a range of vulnerable groups, whose likelihood of securing employment could be actively harmed by an inappropriate intervention.
64. Method statements will be used to evaluate tenders against key quality criteria such as outreach, customer journey, service delivery and partnership working. The specification will seek tenders from providers that can offer innovative approaches in delivering employment support which best meets the needs of the client groups or sectors identified in the framework lots.
65. The price/output evaluation will assess the number of job starts and people progressing within work that can be delivered for the tendered proposition. Each lot will have a maximum contract value set out in the specification dependent on local need but with suppliers giving their estimates of the outputs that they can provide for the contract cost. The council will also assess the sustainability of price to ensure abnormally low/unsustainable tenders are rejected.

### **Community impact statement**

66. Southwark Works supports a combination of groups that are overrepresented in unemployment measures, including some of the most marginalised groups in the labour market. It seeks to bridge gaps in mainstream service provision provided largely by Jobcentre Plus and DWP programme providers. The Southwark Works service focuses on building self efficacy and self esteem for all service users at all times.
67. By focusing attention on these groups this service specifically aims to meet the needs of protected characteristics groups, in line with the council's published Equalities Approach. Due regard has been paid to the Public Sector Equality Duty (PSED) in section 149 of the Equality Act 2010 specifically; to have due regard to the need to eliminate discrimination, harassment, victimisation or other prohibited conduct; advance equality of opportunity; though providing the means to engage in the labour market and improve socio-economic outcomes and wellbeing, and foster good relations between people with protected characteristics and those who do not. The relevant protected characteristics specifically supported through this provision are age, disability, race and gender.
68. The service contract will specify that employment support and local employment opportunities are made available solely to Southwark residents. An Equalities Impact Assessment (EIA) has been completed for this procurement. Identified mitigating actions include:

- a) Outreach and engagement will target demographic groups more likely to require employment support
- b) Tender documents will reflect EIA analysis and ask potential suppliers to describe the demographic breakdown of the clients they will support
- c) Customer Relationship Management (CRM) system – the CRM system is currently used by the majority of Southwark Works providers. Going forward it will be a requirement, allowing officers to access more robust information on the demographic breakdown of Southwark Works clients
- d) The council will ask successful suppliers to complete satisfaction surveys with their clients and a wider evaluation of outcomes every two years. This service user survey will ask questions on demographics of clients; officers will be able to use this to determine if there is disparity of wider outcomes achieved through the service.

- 69. Community benefits will accrue through the direct outputs of this project, principally through measurement of numbers in defined groups entering employment, but also indirectly through effective operation of the Southwark Works framework and through meeting employer demand for a local workforce.
- 70. The drop-in service to be provided at the Southwark Works hub office is an open access service to users and is compliant with the Equality Act 2010.
- 71. All of the services in the new contract will be monitored through the Local Economy Team to ensure that employment support and referral of candidates is effectively aligned with job opportunities, employment support, and training programmes arising from regeneration and development in Southwark.

### **Social value considerations**

- 72. The Public Services (Social Value) Act 2012 requires that the council considers, before commencing a procurement process, how wider social, economic and environmental benefits that may improve the well being of the local area can be secured. The details of how social value will be incorporated within the tender are set out in the following paragraphs.

### **Economic considerations**

- 73. This contract explicitly seeks to promote employment opportunities for Southwark residents of working age, and is supported by a requirement to increase employment and therefore voluntarily adheres to local guidance on Social Value legislation.
- 74. An increasing number of residents accessing employment reduces demand for wider public services such as out of work support, social care and health services and other services which support unemployed residents.
- 75. An increasing number of residents moving off benefits and into employment will reduce the risks attached to low financial resilience and ultimately support improvements in quality of life and future life-chances through entry into sustainable employment.

### **Social considerations**

76. The aim of this service is to increase the employability and sustained employment of Southwark residents who are out of work, face multiple barriers to employment, and/or are seeking to improve their employment circumstances. Getting into, progressing in and staying in work will strengthen the financial independence and resilience of residents and is likely to positively impact health and wellbeing. Employers who recruit through Southwark Works will benefit from having an increasingly local work force, and may potentially improve the diversity of their workforce as a result.
77. The council is an officially accredited London Living Wage (LLW) Employer and is committed to ensuring that, where appropriate, contractors and subcontractors engaged by the council to provide works or services within Southwark pay their staff at a minimum rate equivalent to the LLW rate. It is expected that payment of the LLW by the successful contractors for this contract will result in quality improvements for the council. These should include continuity of service provision resulting from reduced turnover of staff and will provide best value for the council. It is therefore considered appropriate for the payment of LLW to be required.
78. The successful contractor will be expected to meet LLW requirements and contract conditions requiring the payment of LLW will be included in the tender documents.

### **Environmental/sustainability considerations**

79. In accordance with the Council Plan objectives, in relation to the Fairer Future Vision and the Economic Wellbeing Strategy, the service provider will be required to supply details of all environmental sustainability initiatives employed during the delivery of the service.
80. This project is based on one-to-one and some one-to-many contacts between employment advisors and members of the public, and as such will have few direct environmental impacts and minimal scope for carbon reduction. One-to-many events are likely to be held in venues nearest to transport hubs to permit easy access by public transport.

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

81. The contracts will be managed and monitored within existing staff resources in the Local Economy Team. Contract monitoring arrangements in line with council procedures and established processes will include:
  - Payment related to achievement of KPIs
  - Quarterly monitoring of outputs and outcomes
  - Regular meetings with contractor's project manager to review and manage performance
  - Regular review of costs
  - Consultations with internal customers of this project to monitor its contribution to council-wide policies and priorities
  - Management and oversight of ongoing risks and staging of payments following the completion of project phases
  - Improvement planning where two consecutive quarters of underperformance occurs
  - Six monthly performance reports to Departmental Contracts Review Board (DCRB)

- Annual performance reports to Corporate Contracts Review Board (CCRB)
- Evaluation of service delivery – every 2 years.

82. Payments will be made on a quarterly basis in arrears subject to achievement of defined performance output measures by the contractor.
83. In addition to the contract management arrangements, arrangements for the framework will include monitoring of all contractors admitted to the framework to ensure that SQ criteria continue to be met throughout the life of the framework regardless of when or whether a contract is awarded, and to future contract decisions throughout the life of the framework are based on accurate and current information.

### **Staffing/procurement implications**

84. There are no direct staffing implications.

### **Financial implications**

85. The estimated cost of the proposed framework for the council is £7,800,000 and the table below details on how the costs are expected to be funded.

<b>Sources of Funding</b>	<b>Amount £</b>
LET Core Commissioning Budget	1,400,000
S106 Funds	4,500,000
Annual Youth Fund Grant £475k x 4 Years*	1,900,000
<b>Total</b>	<b>7,800,000</b>

#### **Note:**

*\*The above assumes annual Youth Fund Grant is secured on an annual basis beyond 2019/2020*

86. The above funding plans confirms that there are sufficient budgets to contain the estimated cost of the contracts, however, this will be monitored on a regular basis and contracts should only be let against confirmed funding.
87. Initial call-off contracts will be for 2 years with an option to extend for a further 2 years. Given the continued uncertainty in the local government finance landscape, this allows the council to act flexibly in the event of any change of circumstances.

### **Legal implications**

88. Please see concurrent from the director of law and democracy.

### **Consultation**

89. Extensive consultation with service users was carried out as part of the 2017 Southwark Works evaluation (Appendix 1), which also included feedback from current providers, employers and partners such as Jobcentre Plus. Results for this and more recent consultation with colleagues in council departments including Social Care, Public Health, Education, Culture, Housing and Modernise, as well as the Clinical Commissioning Group, and existing Southwark Works providers have helped shape the specification for this tender and determine the target lots within the wider Southwark Works Framework.

90. As part of the development of the Southwark Skills Strategy a range of external partners were consulted including: Department of Work and Pensions, Southwark Business Forum, Better Bankside Business Improvement District (BID), Blue Bermondsey BID, Southbank BID, Team London Bridge BID, We Are Waterloo BID, Southwark Chamber of Commerce & Industry, Federation of Small Businesses, Guys and St Thomas' Hospital, London South Bank University, schools, Southwark Youth Forum, adult education providers and further education Colleges, Southwark Association of the School Governors, Central London Forward and other delivery partners. This consultation has fed into the development of the Southwark Works framework. Partnership and key stakeholder engagement will continue as the framework is implemented and reviewed.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Strategic Director of Finance and Governance (FC18/017)**

91. This report is requesting cabinet to approve the procurement strategy outlined in this report for the Southwark Works Employment Commissioning Framework for four years at an estimated maximum value of £15.8m.
92. The strategic director of finance and governance notes that the estimated cost of the framework arrangement for Southwark can be contained with the funding detailed in the financial implications section.
93. Staffing and any other costs connected with this report to be contained within existing departmental revenue budgets.

### **Head of Procurement**

94. This report seeks the approval of cabinet for the procurement strategy for the Southwark Works Employment Commissioning Framework. This strategy covers four years commencing on 1 July 2019. The total estimated value of the framework is £15,800,000 which covers an estimated maximum annual spend by Southwark council of £1,950,000 and includes up to £2m p.a. by other boroughs who may wish to utilise the framework once this is in place.
95. Cabinet are also asked to approve the delegation of the award decision for the Framework Agreement and the invitation for the initial 2 year call-off contracts in the Gateway 2 to Chief Executive for the reasons noted in paragraph 28.
96. The Framework Agreement is to operate for four years, across 10 different lots, each with specific focus on requirements, as set out in the table on pages 11, 12 and 13. Contracts from the framework will be let up to a maximum annual value of £150,000 for a two year period as set out in paragraphs 40-41, with future requirements to be let either as a mini-competition or via a direct award (subject to separate gateway reports).
97. These contracts will be managed by a separate Southwark Works Network Co-ordination contract that will provide the office but will have joint management as set out in paragraphs 81-83. Any use of the framework agreement by other boroughs will be subject to a management fee as set out in paragraph 23. The contracts will all require that London Living Wage is paid as set out in paragraph 78.

## Director of Law and Democracy

98. This report seeks the cabinet's approval to the procurement strategy for the Southwark Works Employment commissioning framework as detailed in paragraphs 1-4 of this report. As the value of these services exceed £4m then the decision to approve this procurement strategy is reserved to the cabinet. Approval is also sought to delegate the approval of the decision to appoint onto the framework as detailed in paragraph 28.
99. The services to be provided under this procurement are classed as light touch services in accordance with the Public Contract Regulations 2015 (PCR15). As they exceed the threshold of £615,278 they should therefore be tendered in accordance with the light touch regime. This requires that a contract notice is published in OJEU, but thereafter the council has flexibility to design its procurement process, provided that certain mandatory requirements are met, such as the requirements of transparency and non-discrimination. The noted process for this procurement set out in paragraph 36 will meet the EU tendering requirements.
100. The cabinet's attention is drawn to the Public Sector Equality duty (PSED General Duty) under the Equality Act 2010, and when making decisions to have regard to the need to (a) eliminate discrimination, harassment, victimisation or other prohibited conduct, (b) to advance equality of opportunity and (c) foster good relations between persons who share a relevant protected characteristic and those who do not share it. The relevant characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion, religion or belief, sex and sexual orientation. The duty also applies to marriage and civil partnership but only in relation to (a). The cabinet is specifically referred to the community impact statement at paragraphs 66-71, setting out the consideration that has been given to equalities issues and specifically the EIA which is attached as a background document, which should be considered when approving the recommendations in this report.
101. Approval is sought to allow the framework to be open to other boroughs. Officers from Law and Democracy will assist the project officers in drafting tender documents which will allow those boroughs to access the framework.

## APPENDICES

No	Title
Appendix 1	Evaluation of Southwark Works Service, 2015 - 2018

**BACKGROUND DOCUMENTS**

<b>Background Documents</b>	<b>Held At</b>	<b>Contact</b>
Southwark Works Equalities Impact Assessment	Local Economy Team	Elaine Gunn 020 7525 5479
<b>Link:</b> <a href="http://moderngov.southwark.gov.uk/ielistDocuments.aspx?CId=302&amp;MId=6085&amp;Ver=4">http://moderngov.southwark.gov.uk/ielistDocuments.aspx?CId=302&amp;MId=6085&amp;Ver=4</a>		
Gateway 2 - Southwark Works Employment Commissioning Framework (June 2015)	Local Economy Team	Elaine Gunn 020 7525 5479
<b>Link:</b> <a href="http://moderngov.southwark.gov.uk/documents/s54624/Report.pdf">http://moderngov.southwark.gov.uk/documents/s54624/Report.pdf</a>		

**AUDIT TRAIL**

<b>Cabinet Member</b>	Councillor Kieron Williams, Jobs, Skills and Innovation		
<b>Lead Officer</b>	Stephen Gaskell, Head of Chief Executive’s Office		
<b>Report Author</b>	Elaine Gunn, Principal Strategy Officer		
<b>Version</b>	Final		
<b>Dated</b>	18 October 2018		
<b>Key Decision?</b>	Yes		
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>			
<b>Officer Title</b>		<b>Comments Sought</b>	<b>Comments included</b>
Strategic Director of Finance and Governance		Yes	Yes
Head of Procurement		Yes	Yes
Director of Law and Democracy		Yes	Yes
<b>Contract Review Boards</b>			
Departmental Contract Review Board		Yes	Yes
Corporate Contract Review Board		Yes	Yes
<b>Cabinet Member</b>		Yes	Yes
<b>Date final report sent to Constitutional Team</b>			18 October 2019

## APPENDIX 1

### EVALUATION OF SOUTHWARK WORKS SERVICE, 2015-18

#### Summary

1. This appendix provides a summary of findings which inform the commissioning of the new Southwark Works employment support framework, including the following:
  - 2015-2018 performance
  - Service user, caseworker and employer feedback
  - Labour market analysis
  - Council colleague (departmental) feedback
  - Current provider feedback
  - Incorporating the apprenticeship offer in Southwark Works
  - Incorporating an in work progression support offer into Southwark Works
2. Performance monitoring of the existing Southwark Works contracts demonstrates that this was successful at delivering (between July 2015 and March 2018):
  - 2,363 job outcomes
  - 956 sustained job outcomes
3. In 2017 an evaluation of the first two years of delivery took place. A service user survey demonstrated that:
  - Hours/types of job: The most prevalent number of hours survey participants who had secured employment worked per week was more than 35 hours (34%), followed by 16-35 hours a week (31%), less than 16 hours a week (13%), 35 hours a week (11%) and finally flexible / guaranteed hours (10%). Most Southwark Works participants had secured a permanent contract (52%), just under half (48%) were working under a flexible arrangement (including temporary, fixed term or zero hours).
  - Service user feedback: 86.2% of survey participants who had gained employment agree or strongly agree that the Southwark Works service helped them find work. Non-employment measures such as confidence, being able to deal with setbacks and knowing where to find other help and support were measures that participants were more likely to agree with.

#### Southwark Works caseworker insights

4. Caseworkers, who provide direct employment support to residents and employers, have given the following insights into things which reduce barriers to entry to employment:
  - Improved ICT training, recognising that a lack of basic digital skills were a barrier to finding work for many of their clients.
  - Improved affordable childcare would eliminate a barrier to employment for many of their clients and allow the caseworkers to achieve better outcomes.
  - Improved finance support for interview clothing and to make transitional payments until the first salary payment.
  - More workshops / training on budgeting and money management.

- Case workers are able to meet employer needs whilst helping raise awareness of the barriers specific cohorts face and challenge recruitment practices they believed disadvantaged their clients.
- Some face multiple barriers to employment and a reduction in available support services, particularly English for Speakers of Other Languages (ESOL) provision within the borough, has made providing sufficient support very challenging.

### **Employer feedback**

#### **5. Employers have given the following feedback:**

- The majority of employers used the service to employ staff and connect with the local work force. Employers also utilise workshops and training for employers, employees, and candidates.
  - The majority of employers had enjoyed a highly positive experience of working with the Southwark Works team and appreciated their expertise and flexibility, but some had received interview candidates who were not suitable for the job and a small number of employers mentioned that responsiveness could be improved.
  - 94% of employers said they are likely to work with Southwark Works again in the future.
  - Employers reported the following benefits of using the service: financial savings through saved time, an increased likelihood of achieving a highly skilled workforce, experiencing a sense of social value, and an increased likelihood of meeting Section 106 employment targets.
6. It is evident that a large part of the success of the framework lies in having an effective network coordination function which supports both clients and providers. There is therefore considerable value in continuing the Southwark Works Network Coordination contract providing operations management and support to the network which goes above and beyond what the council can provide via contract monitoring.
7. The 'hub' office is an important customer facing service which allows residents to easily access the service and move towards employment, or a better job, in a friendly environment. The hub office and management service is also a key recruitment tool for local employers. The years of expertise that have been developed via this provision mean that even if the support an individual requires cannot be accommodated via Southwark Works contracts, effective referral into local provision offered via VCS, public or private sector organisations can be made.
8. On the basis of previous performance and service evaluations and reviews, a dual approach is proposed for the continued investment in employment services delivered under the Southwark Works brand from July 2019, combining a framework for specialist services targeted at priority groups/employment growth sectors with a management and co-ordination service to ensure the most efficient collaboration between providers, ease of access for service users (and a single point of contact for employers).

### **Labour market analysis**

9. The latest data shows that Southwark's employment rate is at a historic high at 79.4%, higher than both the regional (74.2%) and national rates (75%). This suggests economic stability yet Southwark has a higher unemployment rate (5.8%) than London (5%) and we know there are still groups who are disproportionately affected by unemployment, under-employment and the rise in insecure work and poor pay

progression; those with lower level skills, caring responsibilities, health conditions and young people in particular.

10. Southwark was one of the first boroughs to move to Universal Credit (UC), starting with London Bridge Jobcentre in November 2015 and rolled out to full service in the whole borough from October 2016. Prior to this borough level DWP data, which gave a breakdown of the core out of work benefits (Jobseekers Allowance (JSA) and Employment Support Allowance (ESA)) and reasons for claim (health, lone parent etc.) was available and used to gain a better understanding of the needs of residents who benefit from employment support services. Now that these 'legacy' benefits are in the process of being phased out, as more people move to UC, this data is no longer available. Instead we have access to UC data which shows the number of claimants by 'conditionality regime'.
11. This data shows that a total of 15,845 Southwark residents claimed UC in May 2018. 64.0% of these are not in employment, 36.0% are in employment. Current advice from the Department for Work and Pensions (DWP) is that the 'managed migration' of those who remain on legacy benefits will take place from 2019. Those on these benefits will be informed by the DWP that their benefits will be stopped and invited to claim UC. It is considered that there is a significant risk of those receiving these messages failing to act upon them, which could have a negative impact on their income and ability to pay their rent and subsequently retain their homes. The council will continue to work closely with the DWP to limit the impact of this change on residents.
12. The number of lone parents claiming out of work benefits fell from 4,750 in 2011 to 2,710 in 2016. The claim rate for Southwark for the most recent data available was 1.2% of the working age population, compared to 1% of the London population. The drop off in 2016 is likely to be as a result of people moving onto Universal Credit.
13. Current council commissioned support targets those out of work and on unemployment benefits. Evidence from the above analysis and feedback from current Southwark Works providers and the tri-borough partnership Routeways programme suggests that there is an increased demand for employment support from people in work and on low incomes and those who do not wish to claim benefits.

### **Council colleague feedback**

14. Officers in teams across the council have been consulted on the development of the service specifications within the framework including officers in the following teams: Public Health, Adult Social Care, Children's Social Care, Education, Youth Offending Services, Culture, Housing and Modernise and Adult Learning. The Clinical Commissioning Group has also been consulted. Overall there has been a positive response to the Framework and buy-in from across the council and other partners to be involved in the procurement of the future Framework and support the delivery of the contracts by integrating support offers with core services.
15. Key points from these discussions are:

#### **Support offer**

- Southwark Works should offer 'one front door' access with specific referral points for specialist services
- Expanding the employers Southwark Works engages with to ensure the quality and breadth of work experiences and work opportunities
- Supporting clients through knockbacks and managing client expectations of a job application process

- Addressing wider barriers to employment through 1-2-1 support; tailoring the support for the individuals and ensuring that they are matched with the service that can best support and provide for their needs, not just the one that is likely to provide a job output / apprenticeship

### **Skills**

- Focus on lower level vocational and functional skills including CV building, interview preparation (including timekeeping and expected behaviours), filling in application forms and presentation skills
- Looking at ways to overcome the barriers created as a result of no Maths and English basic skills qualification (particularly for younger clients and those who are seeking an apprenticeship)

### **Contract structure**

- Consider ways to include flexibility with defining progress towards a job outcome – volunteering, work experience etc. These are all beneficial to the individual and part of the process of eventually finding long-term / full time employment
- Making best use of contacts and ideas within the network and through council services, ultimately ensuring that opportunities are shared and better linked up and that referral pathways are clear and work for the individual

### **Current provider feedback**

16. An online survey was sent to current contract managers. Feedback was sought from both managers and caseworkers who support clients. Key points from the provider survey are:
17. **Changes in employment support demands:** Providers report that more clients have complex/multiple needs and they see more clients with undiagnosed mental health issues. Clients also need help with claiming and maintaining benefits and wider financial issues such as debt. There has been a rise in the number of clients who need help with biometric cards to prove their right to work.
18. **Changes in skills demands:** Often Southwark Works clients have basic to intermediate skills requirements. More recently, clients have needed self employment support, support to get into creative industries as well as support with ESOL. Positively, providers report less unmet demand in construction skills – as a consequence of the Southwark Construction Skills Centre.
19. **Quality work:** Current providers seek to help their clients into quality roles that meet their aspirations; however this is not always possible. Providers would appreciate resource to help them engage with employers on their client needs to work with employers on adapting recruitment and HR policies to allow for more vulnerable residents to secure quality jobs.
20. **Measuring impact:** Current providers agree with the council that there is a need to capture the wider outcomes of Southwark Works support.

<b>Item No.</b> 11.	<b>Classification:</b> Open	<b>Date:</b> 30 October 2018	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Approval of the Council's Movement Plan (transport plan), Local Implementation Plan (LIP) 3 and Integrated Impact Assessment (IIA), annual spending submission for 2019 / 20 and Liveable Neighbourhood bid for Bramcote Park	
<b>Ward(s) or groups affected:</b>		All	
<b>Cabinet Member:</b>		Councillor Richard Livingstone, Environment, Transport Management and Air Quality	

## **FOREWORD – COUNCILLOR RICHARD LIVINGSTONE, CABINET MEMBER FOR ENVIRONMENT, TRANSPORT MANAGEMENT AND AIR QUALITY**

As an Inner London borough, Southwark faces more than its fair share of transport-related problems: too much congestion, poor air quality, poor health outcomes. All too often, our transport networks seem to work against the identities of the communities that they are meant to serve. All too often, they create an environment that people want to get away from rather than enjoy.

Earlier this month, Southwark was recognised as the National Transport Authority of the Year. Rather than rest on these laurels, we are setting out a bold vision in this Movement Plan for how people get about Southwark that seeks to transform how our residents and visitors think about transportation in and through our borough. In doing so, we are taking a radical approach that we anticipate will set an example for other authorities to follow. Compared to previous transport plans, the Movement Plan puts a greater emphasis on active travel and less emphasis on the combustion engine.

The Movement Plan replaces the Transport Plan that Southwark agreed seven years ago and sets out a holistic approach to transport that puts the wellbeing of people at its heart. Set out around three over-arching themes – People, Place and Experience – it outlines nine key missions (three per theme) and 23 actions to deliver transformation. The Movement Plan responds to the objectives set out in the 2018-2022 Council Plan, the council's Air Quality Action Plan and the Mayor of London's Transport Strategy 2018.

As part of this report, the council is also setting out its proposals for its Local Implementation Plan submission to Transport for London (TfL). Once agreed, this will trigger funding from TfL to help us in the task of delivering many aspects of the Movement Plan. The report also sets out our proposal to bid to TfL to establish a Liveable Neighbourhood around the Bonamy and Bramcote estates to tackle the transport challenges there and at the north end of Ilderton Road.

If cabinet agree the Movement Plan, the next stage will be to consult widely with our communities and stakeholders to further shape its ambitions. This consultation will take twelve weeks and conclude in January.

I hope that cabinet will agree this bold vision to transform travel in our borough.

## **RECOMMENDATIONS**

### **Recommendations for the Cabinet**

That the cabinet:

1. Approves the Movement Plan (transport plan), Local Implementation Plan (LIP) 3 and Integrated Impact Assessment (IIA) for public consultation and submission to Transport for London (TfL) in Appendix A and associated supporting documents contained in Appendix B.
2. Agrees the content of the council's proposed LIP submission to TfL that identifies transport projects to be delivered using this funding in 2019 / 20 by 2 November 2018 in Appendix C.

### **Recommendations for the Leader of the Council**

That the leader:

3. Delegates authority to the cabinet member for environment, transport management and air quality to amend the programme for 2019 / 20 should any variations to the proposed programme be required. The cabinet member shall consult community council chairs regarding any scheme changes in their area.
4. Delegates authority to the cabinet member for environment, transport management and air quality to determine the most appropriate use of the £100k discretionary funding allocated by TfL for 2019 / 20.

## **BACKGROUND INFORMATION**

5. 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.
6. In March 2018, the Mayor of London published his Transport Strategy (MTS) and all boroughs were required to respond by producing a LIP. Transport for London subsequently produced guidance for boroughs in preparing their third LIP (LIP3).
7. Attached to the LIP3 boroughs are required to produce an indicative 3 year and detailed 1 year delivery plan taking into account Mayoral and TfL programmes such as Vision Zero programme.
8. 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 bid for funding to deliver schemes identified in the LIP.
9. Southwark produces its LIP submissions to identify and fund an annual programme of transport improvements to address the 13 outcome indicators in the MTS. Southwark's LIP submission is submitted annually to TfL to assess its compatibility with the MTS outcome indicators for discretionary funding, as well as statutory funding which is based on a formula.
10. Southwark's allocation for 2019/20 is £2.140m, comprising:
  - £2,040k for corridors, neighbourhoods and supporting measures, and

- £100k of discretionary funding to be spent on the transport schemes that the council sees fit.

These allocations are the total LIP funding that the borough should expect to receive.

11. The above allocation does not, however, include TfL funded schemes, like Walk Peckham, Cycle Quietways, Cycle Superhighway 4 or the bus priority programmes.
12. In addition to the LIP formula funding allocation above, boroughs are able to competitively bid for a Liveable Neighbourhood scheme. The Liveable Neighbourhood programme replaced the Major Scheme programme and aims to improve areas that contain a number of transport and public realm problems, it is in the second year of funding,. Southwark's Liveable Neighbourhood bid is set out in Appendix B.

### **KEY ISSUES FOR CONSIDERATION**

13. The Mayor of London revised and published his transport strategy in March 2018 and published guidance for boroughs on preparing their Local implementation 3.
14. In response officers have prepared a new transport plan (title the Movement Plan) which is supported by a more technical document title Southwark's transport implementation plan which bridges the Movement Plan and the requirements of the boroughs LIP3.
15. The plan is a statutory requirement and will be looking ahead to 2041. It must be submitted to TfL by 2 November 2018.
16. The Movement Plan has been developed through a human centred approach and places the people that live, work and visit the borough at the starting point of our journey. The plan builds on the "Southwark Conversation", where transport was identified as the top theme (27%) when asking what would help you and your family to lead a healthier life in Southwark. Transport was further highlighted as important in improving people's experience of living in Southwark (18%).
17. The plan reflects on evidence and research and looks across a number of fields; health, behavioural science, urban planning, design, technology as well as the transport-planning to come up with a set of actions, ideas, responses. The Movement Plan is based around three focus areas; people, place and experience and within these sets a number of missions which we are seeking to achieve.
18. Key actions coming from the Movement plan include;
  - Creating a demonstrator school programme, to take a neighbourhood and holistic approach to improving the environment around schools
  - Developing a flexible approach to managing our streets building on the play and school streets programme bringing these benefits to town centres, stations and commuter areas.
  - Reducing traffic on our streets, through network changes and a demand responsive approach to parking charges.

19. The Integrated Impact Assessment has actively influenced the drafting of the consultation draft of the Movement Plan, with the objective being to enhance the sustainability outcomes. The Scoping Report of the IIA was disseminated to the three SEA statutory consultees Historic England, the Environment Agency and Natural England as well as other stakeholders for consultation. This has informed the IIA presented alongside the Movement Plan. The IIA process has not identified any significant adverse effects against sustainability objectives from implementation of the Consultation draft of Movement Plan.
20. The Movement Plan and associated LIP3 have been the basis of Southwark's next three year LIP delivery plan and bid (2019/20 to 2021/22). The delivery plan also continues to deliver on the previous programme, continuing in particular our strong delivery of cycling and safety improvements.
21. Given the limited amount of funding available and the total number of possible projects, they require prioritisation, final scheme list in Appendix C.

### **Policy implications**

22. The Movement Plan (and associated LIP3) sets a new policy direction for the borough. The Movement Plan will help to deliver the council plan, placing people and their wellbeing at the heart of our policy.
23. The plan has been developed with officers from across the council and as such embeds the broader policy work. Clear linkages within the policy and subsequent delivery plan between work areas, will extend into the delivery of this plan across the council. The plan is consistent with the New Southwark Plan, Cycling strategy and incorporates the consultation draft of the Kerbside strategy.
24. The plan responds to the requirements set by the Mayor of London and TfL and will help to deliver the Mayors Transport Strategy.

### **Community impact statement**

25. As part of the IIA the Movement Plan (Transport Plan) has been assessed against its Equality Duty. The Equality Duty applies to public bodies and others carrying out public functions. It supports good decision-making by ensuring public bodies consider how different people will be affected by their activities, helping them to deliver policies and services which are efficient and effective; accessible to all; and which meet different people's needs.
26. The Movement Plan has due regard to the three aims of the Equality Duty.
  - I. eliminate unlawful discrimination, harassment and victimisation and any other conduct prohibited by the Act;
  - II. advance equality of opportunity between people who share a protected characteristic and people who do not share it; and
  - III. foster good relations between people who share a protected characteristic and people who do not share it.
27. The IIA process demonstrates that the Movement Plan has considered the diverse needs of equality groups in relation to the three parts of the duty and that the aims and objectives of the Movement Plan promote equality and good community relations.

28. Ongoing monitoring will identify any unforeseen consequences, positive impacts or any identified impacts and any adverse impacts minimised where possible. This currently takes place through an annual monitoring report collating all available data on the impacts of the plan.

### **Resource implications**

29. As a funding bid to TfL the proposed LIP schemes and the Liveable Neighbourhood have no capital or revenue implications for Southwark, except for officer's time to prepare these bids.
30. Details of the proposed LIP schemes together with the indicative costs of these bids are presented in Appendix A. Indicative management and implementation costs for each scheme have been taken into account in the submission.
31. Details of the proposed Liveable Neighbourhood scheme together with the indicative costs of this bid are presented in Appendix C.

### **Consultation**

32. The Movement Plan, LIP3 and IIA will be subject to twelve weeks consultation ending on 25 January 2019. Upon completion of this period, the consultation responses will be considered.
33. The public consultation plan has been developed to build on the "Southwark Conversation" and speak to people about their key concerns and expectations of the proposed policy. We will utilise relationships built through various engagement exercises (such as Ageing Well) to ensure that everyone has an opportunity to engage with us throughout the consultation.
34. We will focus consultation through three broad foci. Group 1: everyone living, working and studying in Southwark. Group 2: stakeholders and organisations with interest and influence in Southwark. Group 3: experts and academics. Residents will primarily be consulted with via an online survey at the Consultation Hub. In addition, we will run focus groups with over 65s.
35. We will invite views via community groups, community councils, the council's website, electronic newsletters and social media networks, and via an online survey. With the aim of reaching people in context they already are at time that suits them.
36. The consultation will run for 12 weeks, completing on 25 January 2019. We will produce a consultation report having analysed the consultation responses
37. Once TfL have confirmed funding for the proposed LIP bid projects and the Liveable Neighbourhood bid then the council shall conduct separate formal engagement with stakeholders, residents and other interested parties on those schemes prior to their detailed design or implementation.
38. Furthermore, all infrastructure schemes will now go before the community council to allow local people an opportunity to influence the proposals affecting their area.
39. Where schemes are altered, dropped, or where new schemes are proposed, then relevant ward councillors will be consulted.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Director of Law and Democracy**

40. As stated in the background information at the beginning of this report, section 145 of the Greater London Authority Act 1999 (GLAA 1999) requires London borough councils to prepare a LIP outlining their proposals and how they intend to implement the Mayor's Transport Strategy in their respective areas. Councils are required to consult various bodies and must include an implementation timetable for the proposals in their plan.
41. Under section 151 of the GLAA 1999, once a LIP plan has been approved by the Mayor the council must implement it according to the timetable in the plan.
42. 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 permits TfL to impose conditions on financial assistance it provides.
43. The LIP bid has to comply with the public sector equality duty in accordance with the provisions of the Equality Act 2010. All the requirements contained within section 149 of the Equality Act have been duly considered and assessed, and this is evidenced in the Equalities Impact Assessment (EIA) referred to in paragraph 26. 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

### **Strategic Director of Finance and Governance (FC18/019)**

45. This report is requesting cabinet to approve the movement plan, Local Implementation Plan (LIP) and Integrated Impact Assessment for public consultation and also agree the contents of the council's proposed LIP submission to TfL to the value of £2.140m.
46. Once the LIP is approved by TfL, programme budgets will be set up for the various schemes which will be regularly monitored and reported as part of the council's capital and revenue monitoring arrangements.
47. Staffing and any other costs connected with this recommendation to be contained within existing departmental revenue budgets.

### **Strategic Director of Environment and Leisure**

48. The strategic director of environment and leisure fully supports this report. Staff from the department have been closely involved in the Movement Plan's development and will continue to work closely with the Transport Policy team to develop the associated action and delivery plans to ensure the delivery of the Movement Plan.

## BACKGROUND DOCUMENTS

Background Papers	Held at	Contact
Transport Plan 2011	Planning and Transport, 5 <sup>th</sup> Floor, Tooley Street London SE1 2QH	Sally Crew 020 7525 7564
<b>Link: (copy and paste link into browser)</b> <a href="https://www.southwark.gov.uk/transport-and-roads/transport-planning?chapter=2">https://www.southwark.gov.uk/transport-and-roads/transport-planning?chapter=2</a>		
Integrated Impact assessment	Planning and Transport, 5 <sup>th</sup> Floor, Tooley Street London SE1 2QH	Sally Crew 020 7525 7564
<b>Link:</b> <a href="http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=6085&amp;Ver=4">http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=6085&amp;Ver=4</a>		
Joint Equality and Health Analysis	Planning and Transport, 5 <sup>th</sup> Floor, Tooley Street London SE1 2QH	Sally Crew 020 7525 7564
<b>Link:</b> <a href="http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=6085&amp;Ver=4">http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=6085&amp;Ver=4</a>		

## APPENDICES

No.	Title
Appendix A	Movement Plan, Setting a direction for transport (circulated separately)
Appendix B	Local Implementation Plan 3 (circulated separately)
Appendix C	LIP Delivery Plan and Liveable Neighbourhood – Bramcote Park (draft) (circulated separately)

**AUDIT TRAIL**

Cabinet Member	Councillor Richard Livingstone, Environment, Transport Management and Air Quality	
Lead Officer	Simon Bevan, Director of Planning	
Report Author	Sally Crew, Transport Policy Manager	
Version	Final	
Dated	18 October 2018	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Director of Law and Democracy	Yes	Yes
Director of Planning	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team		18 October 2018

<b>Item No.</b> 12.	<b>Classification:</b> Open	<b>Date:</b> 30 October 2018	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Land and Garages at Rye Hill Park, Nunhead	
<b>Ward:</b>		Peckham Rye	
<b>Cabinet Member:</b>		Councillor Leo Pollak, Social Regeneration, Great Estates and New Council Homes	

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

At the end of May this year, more than 11,800 families (comprising over 25,000 people) were recorded on Southwark's housing register in need of rehousing – behind these figures are stories of families living in overcrowded homes, delaying key life decisions due to extortionate housing costs, health problems linked to housing, children's educational attainment and younger people's ability to invest in themselves and their futures thwarted. In this context Southwark is resolved to maximise the overall social rented stock in our borough, including through pursuing an ambitious programme for building new council homes.

We will soon begin construction on twenty-three new council homes on this Rye Hill Park scheme, as part of our long-term commitment to build 11,000 new council homes by 2043. Unlike in previous periods of council house building where large sites lent themselves to comprehensive estate development and (relatively) simpler approaches to land assembly, today most of our development sites involve the repurposing of existing housing land with a greater risk of historic property rights emerging that may frustrate the process. We owe it to residents on our waiting list and to neighbouring residents who have contributed positively to the design and associated landscaping of these new homes to mitigate any risk to the development, even where the risk is remote. Cabinet is therefore recommended to approve the appropriation of the highlighted land from housing to planning and back to housing, an administrative process that will enable construction of the approved scheme to proceed with confidence.

## **RECOMMENDATIONS**

That cabinet:

1. Confirms that the land shown edged red on the plan at Appendix A that is currently held for housing purposes is no longer required for those purposes and approves the appropriation of the land to planning purposes to facilitate the carrying out of the development proposals for the area in accordance with section 226 of the Town and Country Planning Act 1990 and sections 122(1) and 122(2A) of the Local Government Act 1972.
2. Confirms that following completion of the appropriation at paragraph 1 the land shown edged on the plan at Appendix A will no longer be required for planning purposes and approves the appropriation of the land to housing purposes in accordance with section 9 of the Housing Act 1985 and sections 122(1) and 122(2A) of the Local Government Act 1972.

## BACKGROUND INFORMATION

3. The land in question is shown edged red on the plan at Appendix A. It is owned freehold by the council. It comprises lock up garages, an estate footpath and estate amenity land. This is a residential area with a predominance of council constructed housing. The locality is rated 2 by Public Transport Access Level ratings (0 is the worst and 6 is the best). Although the site has a modest rating Nunhead mainline station is within 900 metres and Peckham Rye Overground station is 1,500 metres away. The 343 and 484 buses all serve the locality.
4. On 25 February 2015 council assembly approved the current Council Plan. This sets out Fairer Future promises one of which is: *quality affordable homes*. Within this commitment is the policy to improve housing standards and build more homes of every kind. This promise restated previous policy to directly provide additional housing to meet the need for affordable housing within the Borough. At the July 2018 meeting of the cabinet, a report of the 'Southwark Conversation' was received. This noted 28% of respondents mentioned housing and a lack of social/council tenure was a clear worry. The cabinet resolved the 'Southwark Conversation' is to shape an updated Council Plan and a social regeneration framework.
5. In pursuit of the February 2015 approval, cabinet has received a number of reports in respect of sites to deliver new housing and the subject is brought forward to contribute further to the council's aspiration to provide 11,000 new homes by 2043.
6. On 7 February 2018 planning consent was granted for the redevelopment of the site to provide the following:
  - ❖ 5 x one bedroom flats
  - ❖ 14 x two bedroom flats
  - ❖ 4 x three bedroom flats
  - ❖ 1 parking space for each of the 2 wheelchair accessible units
  - ❖ Reprovided amenity land.
7. All twenty-three of the new housing units will be let at council rent levels.
8. The contract for the regeneration is currently being procured with a view to construction commencing as soon as possible.

## KEY ISSUES FOR CONSIDERATION

9. To enable the new homes to be built all the lock up garages on the site will be developed and some of the amenity land fronting the highway and adjacent to the housing block 34 – 120 Rye Hill Park will be incorporated. As part of the planning application a parking survey was commissioned that found *the area does experience a relatively high parking stress* but on street parking is nevertheless available in the locality. It also found only four of the lock up garages are actually being used for parking and this displaced parking can be accommodated on street.
10. The new housing will be provided in two blocks; one of four stories and the other of six that will be linked at an upper floor by a bridge. This unusual approach means the scheme respects and works with the topography of a sloping site.

11. The approved scheme is higher than what is presently on site and as part of the planning process a report considering the daylighting and sunlighting implications to nearby dwellings was commissioned. This concluded: *the proposal is respectful of its neighbours' access to daylight and sunlight and meets all of the respective guidelines.*
12. As part of the planning process around two hundred properties in the locality were directly consulted and four (2%) responses were received. These covered a variety of issues including type of housing, parking/transportation, loss of privacy, design, construction including management thereof and environmental impact.
13. The site may also be used by some residents in the locality as a pedestrian route. The risk therefore exists that one or more prescriptive rights of way may exist over the land. In general terms, a prescriptive right is one whereby someone other than the property owner gains use or ownership rights over the land by way of a period of use. Such rights are not required to be registered at the Land Registry so may only emerge when interfered with. This presents a potential risk to the proposed development as the holder of such a right may seek to enforce it by applying to the court for an injunction to halt the development that is interfering with the right.

### **Appropriations**

14. The appropriation of land refers to the process whereby a council alters the purpose for which it holds land. Where land has been appropriated for planning purposes third party rights including rights of light and prescriptive rights of way enjoyed over the land are overridden. The beneficiaries of such rights may however claim compensation [equal to the loss in value of their property caused by losing the right] but cannot seek an injunction to delay or terminate the development. This will give the council the certainty that having commenced construction works a person with the benefit of an unregistered (with the Land Registry) right over land (such as a prescriptive right of way) cannot apply to the court to have the development stopped. This is a very important tool in enabling development to proceed on urban sites. As mentioned, the beneficiary of any such right is entitled to financial compensation for the loss of the right. The Council could either insure against such compensation claims but this will be costly or accept the risk of an injunction that may be fatal to development or result in perhaps significant unquantifiable costs.
15. The compensation persons affected by the loss of light may be entitled to is based on the value of their properties before the right has been infringed versus the value of the property with the infringed right. This compensation is based on the diminution in value of the affected property. If agreement between the parties is not possible it will be determined by the Upper Tribunal (Lands Chamber).
16. In this case, it is recommended that the land be appropriated from housing purposes to planning purposes and thereafter back to housing purposes as to hold the land for planning purposes may cause adverse financial implications (see below).
17. The rationale for the appropriations of the land shown at Appendix A is set out at Appendix B and cabinet is recommended to approve the appropriations.

18. The appropriation stages is summarised below:

Land currently held for housing

Appropriate from housing to planning	⇓	Third party rights infringed by development cannot be enforced by injunction
Appropriate from planning to housing	⇓	Construction of new housing can proceed

19. Cabinet has received a number of similar reports to enable direct delivery of housing schemes to proceed where the same strategy was recommended and approved.
20. The amenity land around the garage compound shown shaded on the plan at Appendix A is (non-statutory) open space and before the council can appropriate such land its intention to do so must be advertised by way of a public notice for two consecutive weeks in a local newspaper and it must consider any objections made as a result of the appropriation intention. Public notices advising of the intention to appropriate the shaded land appeared in the 27 September and 4 October 2018 editions of the Southwark News with a closing date of 19 October for any objections and none were received.

#### **Rationale for recommendations**

- 21.
- a. To mitigate against the construction of new social housing being frustrated or delayed by injunctions
  - b. To de-risk the construction project so as to encourage the maximum number of bidders and achieve a lower construction cost.
  - c. Appropriation back to housing from planning purposes avoids any potential adverse accounting implications.
  - d. Taking forward Fairer Future promise of *quality affordable homes*.

#### **Community impact statement**

22. The existing Council Plan was the subject of extensive community consultation as is the emerging one (see paragraph 4) that gave rise to the Fairer Future promise of *quality affordable homes*. The recommendations herein will enable the construction of nineteen new homes to proceed. New homes will improve the quality of life for their residents. Four persons consulted as part of the planning process did comment upon perceived impacts of the proposed scheme.
23. The Equality Act 2010 requires the council in the exercise of its functions to have due regard to the need to:
- a) eliminate discrimination;
  - 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.

24. Relevant protected characteristics for the purposes of the Equality Act are:

- Age
- Civil partnership
- Disability
- Gender reassignment
- Pregnancy and maternity
- Race
- Religion or belief
- Sex and sexual orientation.

25. In carrying out appropriation the council must have due regard to the possible effects of such appropriation on any groups sharing a protected characteristic in order to discharge its public sector equality duty.

26. Based on the information available, the council does not believe that there are any particular groups sharing a protected characteristic that will be adversely impacted by the proposals and delivery of the project may have a positive impact on some protected characteristics.

### **Financial Implications**

27. The construction of the new homes will have a significant cost and an approved budget exists for this. The budget will need to make provision for any compensation claims for diminution in value that may arise as a consequence of the construction of the new homes. The budget will be reviewed when the procurement process mentioned at paragraph 8 has been completed.

28. Where land is appropriated from the housing revenue account to the general fund there is a transfer of debt between the accounts. When land is appropriated from general fund to the housing revenue account this debt transfer is reversed.

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

#### **Director of Law and Democracy**

29. The report recommends the appropriation of council-owned land for planning purposes, and thereafter, the appropriation of that land for housing purposes.

30. A council holds land and property for a variety of statutory purposes in order to perform its functions. A council is authorised by virtue of section 122 of the Local Government Act 1972 ("the 1972 Act") to appropriate land within its ownership for any purpose for which it is authorised to acquire land by agreement, where is

no longer required for the purpose for which it is held immediately before the appropriation.

31. The land must already belong to the council. Paragraph 3 of the report confirms that the land to be appropriated is in the council's freehold ownership.
32. The land must be no longer required for the purpose for which it is currently held. The report confirms at paragraph 8 of Appendix B that the land is no longer required for housing purposes.
33. The purpose for which the council is appropriating the land must be authorised by statute. It is proposed that the land is held for planning purposes. This is a purpose which is authorised by statute. Section 246 of the Town and Country Planning Act 1990 ("TCPA 1990") defines such purposes as, inter alia, those for which can be acquired under ss226 or 227 of that Act. Section 227 provides that a council may acquire land by agreement for any purposes for which it is authorised to acquire land compulsorily by s226 TCPA 1990.
34. The purposes for which a council can acquire land pursuant to s226 TCPA 1990 include purposes "which it is necessary to achieve in the interests of the proper planning of an area in which the land is situated." S226 also authorises the acquisition of land "... if the authority think that the acquisition will facilitate the carrying out of development, re-development or improvement on or in relation to the land." In the case of either s226 or s227 the acquiring authority must be satisfied that whatever development proposals it has for the land in question these are likely to "contribute to the achievement of any one or more of the following objects – (a) the promotion or improvement of the economic well-being of their area; (b) the promotion or improvement of the social well-being of their area; (c) the promotion or improvement of the environmental well-being of their area." The council's plan to build new homes on the land, of which all are council homes for rent, is capable of falling within all three categories.
35. Section 203 of the Housing and Planning Act 2016 came into force on 13 July 2016. This section contains a power to override easements and other rights, and it replaces s237 TCPA.

S203 says :

- "(1) A person may carry out building or maintenance work to which this subsection applies even if it involves
  - (a) interfering with a relevant right or interest...
- (2) Subsection (1) applies to building or maintenance work where –
  - (a) there is planning consent for the building or maintenance work,
  - (b) the work is carried out on land that has at any time on or after the day on which this section comes into force
    - (i) become vested in or acquired by a specified authority or
    - (ii) been appropriated by a local authority for planning purposes as defined by section 246(1) of the Town and

Country Planning Act 1990 [*i.e. for purposes for which an authority can acquire land under ss226 and 227*]

- (c) the authority could acquire the land compulsorily for the purposes of the building or maintenance work, and
  - (d) the building or maintenance work is for purposes related to the purposes for which the land was vested, acquired or appropriated as mentioned in paragraph (b)."
36. What this means is that where land has been appropriated for planning purposes building work may be carried out on land even if this interferes with rights or interests if there is planning consent for the building work; and the work must be for purposes related to the purposes for which the land was appropriated, in this case planning purposes. By s204 those third party rights are converted into an entitlement to compensation to be calculated in accordance with ss7 and 10 of the Compulsory Purchase Act 1965.
37. This report confirms that the work being done on the land will be done in accordance with planning permission. Once the land has been appropriated and s203 triggered, that work will be authorised even where it interferes with third party rights.
38. Following the appropriation of the land for planning purposes it is recommended that the land is appropriated for housing purposes, as the land is to be used for the provision of new housing. At that point the land will no longer be required for planning purposes and will be appropriated for housing purposes.
39. Section 122(2A) of the 1972 Act provides that where land to be appropriated pursuant to section 122(1) forms part of an open space, a council must advertise their intention to appropriate the land in a local newspaper for two weeks and consider any objections to the proposed appropriation. The report confirms that notices were published in Southwark News on 27 September and 4 October 2018.

#### **Strategic Director of Finance and Governance (H&M18/049)**

40. The strategic director of finance and governance notes the recommendation to appropriate land as described in order to facilitate regeneration and the building of new homes as reflected in the report. This land appropriation is proposed to occur in such a way that it will have a neutral financial impact. This scheme forms part of the council's new homes direct delivery programme and any associated costs will be contained within the housing investment programme.

#### **Strategic Director of Housing and Modernisation**

41. This report ensures that the proposed development of the Rye Hill Park scheme can progress with the avoidance of legal challenge. The prescriptive access rights issues from the scheme are not considered significant but nevertheless exist. Extensive consultation with local residents, together with a commitment to make 50% of the new social rented homes available to local residents in housing need leads the way in which social housing can be developed in inner cities. The scheme is a contribution to the council's pledge to build 11,000 new homes by 2043.

**BACKGROUND DOCUMENTS**

Background Papers	Held At	Contact
Council Assembly report of 25 February 2015 adopting Council Plan	160 Tooley Street London SE1 2QH	Paula Thornton 020 7525 4395
<b>Link: copy and paste into browser</b> <a href="http://moderngov.southwark.gov.uk/documents/s52059/Report%20Council%20Plan%202014-18.pdf">http://moderngov.southwark.gov.uk/documents/s52059/Report%20Council%20Plan%202014-18.pdf</a>		
7 February 2018 planning determination and associated documents	160 Tooley Street London SE1 2QH	<a href="mailto:Planning.Enquires@southwark.gov.uk">Planning.Enquires@southwark.gov.uk</a>
<b>Link:</b> <a href="http://planbuild.southwark.gov.uk/documents/?casereference=17/AP/3006&amp;system=DC">http://planbuild.southwark.gov.uk/documents/?casereference=17/AP/3006&amp;system=DC</a>		
24 July 2018 Cabinet agenda and minutes (item 14)	160 Tooley Street London SE1 2QH	Paula Thornton 020 7525 4395
<b>Link:</b> <a href="http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=6125&amp;Ver=4">http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=6125&amp;Ver=4</a>		

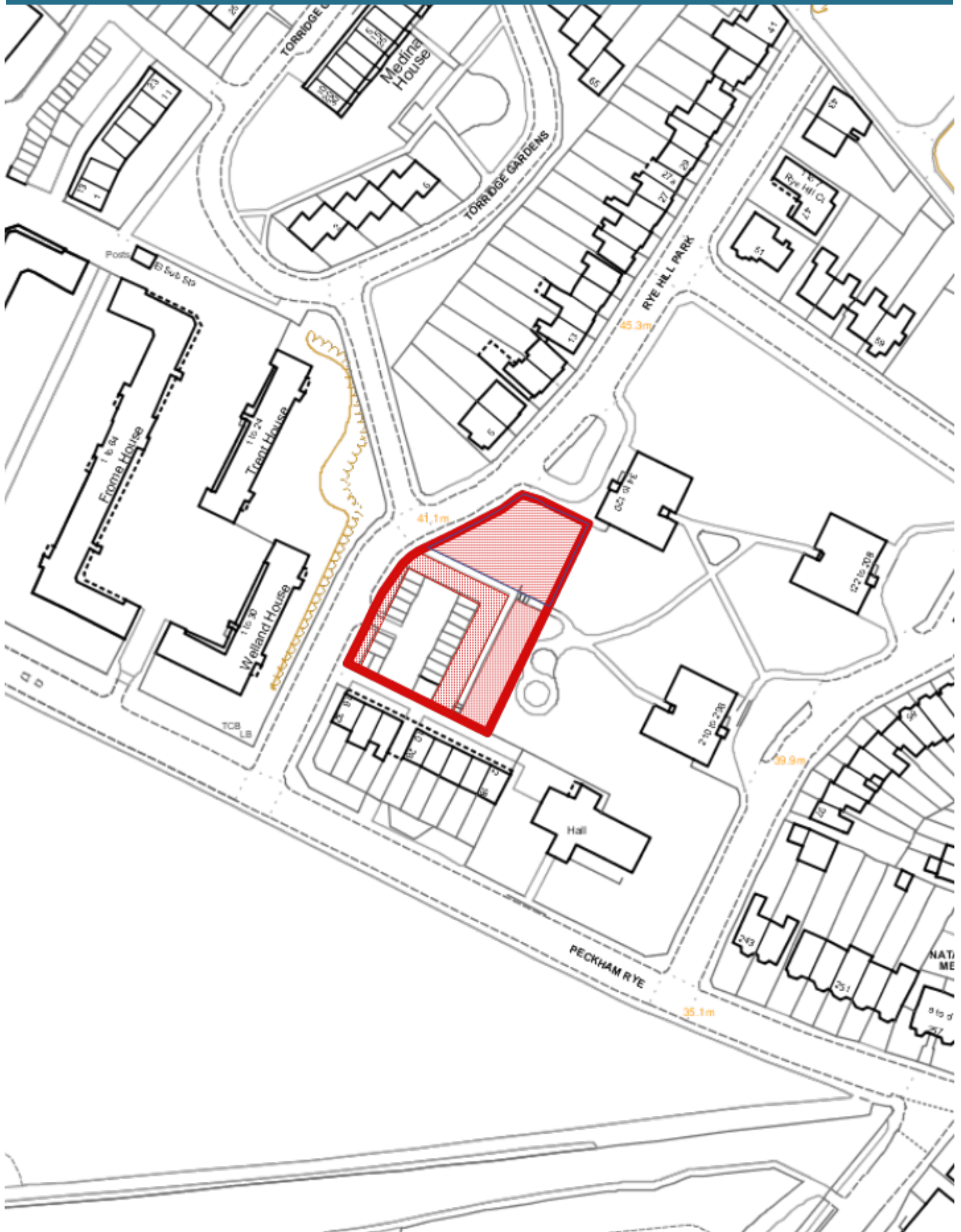
**APPENDICES**

Appendix	Title
Appendix A	Plan of Land and garages at Rye Hill Park, Nunhead
Appendix B	Rationale for appropriations of the land

**AUDIT TRAIL**

Cabinet Member	Councillor Leo Pollak, Social Regeneration, Great Estates and New Council Homes		
Lead Officer	Kevin Fenton, Strategic Director Place and Wellbeing		
Report Author	Patrick McGreal, Regeneration-North		
Version	Final		
Dated	17 October 2018		
Key Decision?	No		
CONSULTATION WITH OTHER OFFICERS / CABINET MEMBER			
Officer Title		Comments Sought	Comments included
Director of Law and Democracy		Yes	Yes
Strategic Director of Finance and Governance		Yes	Yes
Strategic Director of Housing and Modernisation		Yes	Yes
Cabinet Member		Yes	Yes
Date final report sent to Constitutional Team			18 October 2018

# APPENDIX A: Garages and amenity land at Rye Hill Park Nunhead



50 m

Scale = 1250

24-Sep-2018

## LAND AND GARAGES AT RYE HILL PARK, NUNHEAD

**Appropriation of the land (shown edged on the plan) at Appendix A for purposes set out in s226 of the Town and Country Planning Act 1990 and to purposes set out in section 9 of the Housing Act 1985**

### **Background to appropriation**

1. Under section 122(1) of the Local Government Act 1972 the Council may appropriate land for any purpose for which it is authorised to acquire land when the land is no longer required for the purposes for which it is held.
2. Under section 226(1)(a) and 227 of the Town and Country Planning Act 1990 the Council may acquire land if they think the acquisition will facilitate the carrying out of development, re-development or improvement on or in relation to the land. This includes development of the sort contemplated in the redevelopment of the subject garages. The power in section 226(1)(a) is subject to subsection (1A) of section 226. This provides that the acquiring authority must not exercise the power unless it considers the proposed development, redevelopment or improvement is likely to contribute to achieving the promotion or improvement of the economic, social or environmental well-being of the area for which the acquiring authority has administrative responsibility. There are clear economic social and environmental and social benefits associated with the provision of new housing at the Land and garages at Rye Hill Park, Nunhead site namely providing people with quality accommodation that may result in better educational attainment and general well being, and employment opportunities from the construction works. Accordingly the Council may appropriate land for the purposes of the development proposals land that it already owns if that land is no longer required for the purposes for which it is held. The land shown on the plan at Appendix A is no longer required for its current purposes for the reasons set out below and is not needed in the public interest for those purposes. The land can therefore be appropriated from its current use. As the appropriation will facilitate the Rye Hill Park new housing development proposals it may be appropriated for planning purposes.
3. Where land has been appropriated for planning purposes Section 203 of the Housing and Planning Act 2016 (power to override easements and other rights) applies such that the erection, construction or carrying out or maintenance of any building or work on the land (by the council or a person deriving title from the council) is authorised if it is done in accordance with planning permission, notwithstanding that it interferes with certain private rights such as restrictive covenants and easements. The effect of triggering section 203 is that private rights are effectively overridden and converted into a claim for compensation pursuant to s 204. The level of compensation for interference with rights or breach of restrictive covenant is assessed on the basis of the loss in value of the claimant's land as a consequence of the interference or breach of covenant. An important consequence of the operation of Section 203 is that a claimant cannot secure an injunction, to prevent the development from going ahead - as indicated above, their remedy is a claim for compensation.
4. Prior to developing land it is usual practice to make prudent enquiries of what rights might exist over the land, this will involve inspecting the land to see if there are any obvious rights and checking land ownership information. However, some rights may not be apparent from inspection and historic ones may not always be recorded at the Land Registry. The application of the power to override rights contained in s203 therefore mitigates this risk.
5. The right to claim compensation for the depreciation in value caused by the loss of right is enforced against the owner of the land which in this case is the Council.

### **Rationale for appropriating the subject site to planning purposes**

6. The existing garage and housing amenity land site is under utilised in land use terms and the need for new housing at affordable rent levels greatly exceeds the existing use need. In pursuance of the adopted Council Plan and to address a need for new affordable housing, the site has been identified to be redeveloped for this purpose. Planning consent has been secured for the scheme outlined in paragraph 6 of the main report. Although it is extremely unlikely that there will be impact on the rights of light to nearby residents from the consented scheme appropriation will eliminate any risk of one or more of them may applying to the court for an injunction. If an injunction is granted, the scheme will not be able to proceed. In any event, the risk of an application for an injunction is such that it will defer prospective builders from bidding to construct the new housing or result in a substantial risk contingency that undermines the viability of construction. In these circumstances it is appropriate to utilise the powers of section 203 to overcome this risk and enable the much needed new homes to be built.
7. As indicated above, the land is now required to be held for planning purposes to facilitate the redevelopment proposals associated with the planning permission for new housing. When land has been appropriated for section 203 purposes it will continue to benefit from its over-riding provisions even when the land is no longer held for planning purposes.
8. The land shown edged red at Appendix A is no longer required to be held for housing purposes. As indicated above, the land is now required to be held for planning purposes to facilitate the redevelopment proposals associated with the planning permission.

### **Rationale for appropriating the subject site to back to housing purposes**

9. Once the land is appropriated for planning purposes it should be appropriated back to housing purposes as this will be its ultimate usage and the cleansing effect of s203 means that it can be developed in confidence that the works won't be at risk of an application for an injunction to frustrate the development.
10. Section 9 (1) (a) of the Housing Act 1985 provides a local housing authority may provide housing accommodation by erecting houses on land acquired. It is therefore apt that following the s203 appropriation the land is in accordance with section 122(1) of the Local Government Act 1972 appropriated for purposes within section 9 (1) (a) of the Housing Act 1985.
11. The appropriation of the land whilst denying the beneficiaries of any third party rights over the land the ability to frustrate the regeneration of the land will not take away their ability to claim for compensation in respect of any diminution in the value of their land as a result of their rights being overridden.

<b>Item No.</b> 13.	<b>Classification:</b> Open	<b>Date:</b> 30 October 2018	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Garages at Welsford Street, Bermondsey	
<b>Ward:</b>		South Bermondsey	
<b>Cabinet Member:</b>		Councillor Leo Pollak, Social Regeneration, Great Estates and New Council Homes	

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

At the end of May this year, more than 11,800 families (comprising over 25,000 people) were recorded on Southwark's housing register in need of rehousing – behind these figures are stories of families living in overcrowded homes, delaying key life decisions due to extortionate housing costs, health problems linked to housing, children's educational attainment and younger people's ability to invest in themselves and their futures thwarted. In this context Southwark is resolved to maximise the overall social rented stock in our borough, including through pursuing an ambitious programme for building new council homes.

We will soon begin construction on ten new council houses at Welsford Street as part of our long-term commitment to build 11,000 new council homes by 2043. Unlike in previous periods of council house building where large sites lent themselves to comprehensive estate development and (relatively) simpler approaches to land assembly, today most of our development sites involve the repurposing of existing housing land with a greater risk of historic property rights emerging that may frustrate the process. We owe it to residents on our waiting list and to neighbouring residents who have contributed positively to the design and associated landscaping of these new homes to mitigate any risk to the development, even where the risk is remote. Cabinet is therefore recommended to approve the appropriation of the highlighted land from housing to planning and back to housing, an administrative process that will enable construction of the approved scheme to proceed with confidence.

## **RECOMMENDATIONS**

That Cabinet:

1. Confirms that the land shown edged red on the plan at Appendix A that is currently held for housing purposes is no longer required for those purposes and approves the appropriation of the land to planning purposes to facilitate the carrying out of the development proposals for the area in accordance with section 226 of the Town and Country Planning Act 1990 and section 122(1) of the Local Government Act 1972.
2. Confirms that following completion of the appropriation at paragraph 1 the land shown hatched on the plan at Appendix A will no longer be required for planning purposes and approves the appropriation of the land to housing purposes in accordance with section 9 of the Housing Act 1985 and section 122(1) of the Local Government Act 1972.

## BACKGROUND INFORMATION

3. The land in question is shown edged red on the plan at Appendix A. It is owned freehold by the council. It comprises thirty lock up garages together with a surfaced open parking area and is accessed from Welsford Street that is a turn off Lynton Road. This is a residential area. The site is has two storey Victorian houses on three sides and to its northern boundary is Thorburn Square a three storey Council housing block dating from the 1960s. These garages were previously identified for transfer to a registered social housing provider under the Heygate Early Housing initiative but this did not proceed because it could not accommodate the provider's required capacity. .
4. On 25 February 2015 Council Assembly approved the current Council Plan. This sets out Fairer Future promises one of which is: *quality affordable homes*. Within this commitment is the policy to improve housing standards and build more homes of every kind. This promise restated previous policy to directly provide additional housing to meet the need for affordable housing within the borough. At the July meeting of the cabinet, a report of the 'Southwark Conversation' was received. This noted 28% of respondents mentioned housing and a lack of social/Council tenure was a clear worry. The cabinet resolved the 'Southwark Conversation' is to shape an updated Council Plan and a Social Regeneration Framework.
5. In pursuit of the February 2016 approval cabinet has received a number of reports both before and after the Council Plan adoption to deliver new housing sites and the subject site was included in the Phase 2 report approved by cabinet on 22 October 2013. This report contained proposals for around 277 new Council homes and followed an earlier report to directly deliver 290 new homes. These initiatives form part of the council's aspiration to provide 11,000 new homes by 2043.
6. On 4 July 2018 planning consent was granted for the redevelopment of the site to provide the following:
  - ❖ 4 x two bedroom houses (one of which will have wheelchair access)
  - ❖ 6 x four bedroom houses
  - ❖ Cycle storage
  - ❖ 1 x parking space for wheelchair accessible dwelling
  - ❖ Rear amenity space for each dwelling
  - ❖ Front garden for each dwelling.
7. All ten of the new housing units will be let at council rent levels.
8. The contract for the regeneration is currently being procured and it is intended for construction to commence early in the new year.

## KEY ISSUES FOR CONSIDERATION

9. The redevelopment will result in the demolition of the existing thirty lock up garages. Of these thirty, only about seven are let and their tenants will be able to rent alternative garages in the vicinity. The open parking is not well used and has been used to abandon vehicles. The locality is close to both South Bermondsey railway station and Bermondsey tube station as well as a number of bus routes. Therefore not providing parking (save for the wheelchair dwelling) or garages as

part of the development is both acceptable in planning and transport policy terms.

10. The enclosed nature of this garage site with low rise housing on all four of its sides has severely limited its potential development capacity. The consented scheme of ten two storey dwellings reflects those limitations and whilst the yield of new homes is less than on other sites of a similar size it will provide much needed family housing.
11. As part of the planning process a daylighting/sunlighting report was commissioned and concluded that where any neighbouring dwellings will experience any reduction in lighting from the proposed development the impact will "not be noticeable".
12. Persons have may however have been crossing the site for many years i.e. in parking their vehicles. It is therefore possible that one or more person may claim a prescriptive right over the site. In general terms, a prescriptive right is one whereby someone other than the property owner gains use or ownership rights over the land by way of a period of use. Such rights are not required to be registered at the Land Registry so may only emerge when interfered with. This presents a potential risk to the proposed development as the holder of such a right may seek to enforce it by applying to the court for an injunction to halt the development that is interfering with the right
13. Whilst the development will not have an adverse impact on neighbourhood lighting there remains the risk that someone might claim a prescriptive right over the land thus leading to a risk of an injunction being sought to stop the consented scheme. In order to eliminate this risk and any remote risk of an adverse lighting claim it is considered prudent to appropriate the land to planning purposes and back to housing purposes. As part of planning application consultation; there were three responses one concerned removal of the current garages and the risk of them containing asbestos. The other two responses expressed concern about the impact of the proposed scheme may have on the surrounding Conservation area, increased parking issues in the locality, impact on wildlife, potential adverse lighting to the adjacent three-storey council block and an inadequate period of consultation.

### **Appropriations**

14. The appropriation of land refers to the process whereby a council alters the purpose for which it holds land. Where land has been appropriated for planning purposes third party rights enjoyed over the land can be overridden. The beneficiaries of such rights may however claim compensation [equal to the loss in value of their property caused by losing the right] but cannot seek an injunction to delay or terminate the development. This will give the council the certainty that having commenced construction works a person with the benefit of an unregistered (with the Land Registry) right over land (such as a right to cross the land) cannot apply to the court to have the development stopped. This is a very important tool in enabling development to proceed on urban sites. As mentioned, the beneficiary of any such right is entitled to financial compensation for the loss of the right. The council could either insure against such compensation claims but this will be costly or accept the risk of an injunction that may be fatal to development (unlikely in this case) or result in perhaps significant unquantifiable damages awarded by the court for interference with the right.

15. The compensation persons affected by the loss of a third party right may be entitled to is based on the value of their properties before the right has been infringed versus the value of the property with the infringed right. This compensation is based on the diminution in value of the affected property. If agreement between the parties is not possible it will be determined by the Upper Tribunal (Lands Chamber).
16. In this case it is recommended that the land be appropriated from housing purposes to planning purposes and thereafter back to housing purposes as to hold the land for planning purposes may cause adverse financial implications (see below).
17. The rationale for the appropriations of the land shown at Appendix A is set out at Appendix B and cabinet is recommended to approve the appropriations.
18. The appropriation stages is summarised below:

Land currently held for housing

Appropriate from housing to planning	⇓	Third party rights infringed by development cannot be enforced by injunction
Appropriate from planning to housing	⇓	Construction of new housing can proceed

19. Cabinet has received a number of similar reports to enable direct delivery of housing schemes to proceed where the same strategy was recommended and approved.

### Rationale for recommendations

20.
  - a. To mitigate against the construction of new social housing being frustrated or delayed by injunctions
  - b. To de-risk the construction project so as to encourage the maximum number of bidders and achieve a lower construction cost.
  - c. Appropriation back to housing from planning purposes avoids any potential adverse accounting implications.
  - d. Taking forward Fairer Future promise of *quality affordable homes*.

### Community impact statement

21. The existing Council Plan was the subject of extensive community consultation as is the emerging one (see paragraph 4) that gave rise to the Fairer Future promise of *quality affordable homes*. The recommendations herein will enable the construction of ten new homes to proceed. New homes will improve the quality of life for their residents. Three persons consulted as part of the planning process did however express concern about aspects of the scheme.

22. The Equality Act 2010 requires the council in the exercise of its functions to have due regard to the need to:
- a) eliminate discrimination;
  - 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.
23. Relevant protected characteristics for the purposes of the Equality Act are:
- Age
  - Civil partnership
  - Disability
  - Gender reassignment
  - Pregnancy and maternity
  - Race
  - Religion or belief
  - Sex and sexual orientation.
24. In carrying out appropriation the council must have due regard to the possible effects of such appropriation on any groups sharing a protected characteristic in order to discharge its public sector equality duty.
25. Based on the information available the council does not believe that there are any particular groups sharing a protected characteristic that will be adversely impacted by the proposals. Indeed the new housing should be beneficial across the range of protected characteristics and in particular the disability classification as one new home will be wheelchair accessible.

### **Financial implications**

26. The construction of the new homes will have a significant cost and an approved budget exists for this. The budget will need to make provision for any compensation claims for diminution in value that may arise as a consequence of the construction of the new homes. The budget will be reviewed when the procurement process mentioned at paragraph 8 has been completed.
27. Where land is appropriated from the housing revenue account to the general fund there is a transfer of debt between the accounts. When land is appropriated from general fund to the housing revenue account this debt transfer is reversed.

## SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

### Director of Law and Democracy

28. The report recommends the appropriation of council-owned land for planning purposes, and thereafter, the appropriation of that land for housing purposes.
29. A council holds land and property for a variety of statutory purposes in order to perform its functions. A council is authorised by virtue of section 122 of the Local Government Act 1972 ("the 1972 Act") to appropriate land within its ownership for any purpose for which it is authorised to acquire land by agreement, where is no longer required for the purpose for which it is held immediately before the appropriation.
30. The land must already belong to the council. Paragraph 3 of the report confirms that the land to be appropriated is in the council's freehold ownership.
31. The land must be no longer required for the purpose for which it is currently held. The report confirms at paragraph 8 of Appendix B that the land is no longer required for housing purposes.
32. The purpose for which the council is appropriating the land must be authorised by statute. It is proposed that the land is held for planning purposes. This is a purpose which is authorised by statute. Section 246 of the Town and Country Planning Act 1990 ("TCPA 1990") defines such purposes as, inter alia, those for which can be acquired under ss226 or 227 of that Act. Section 227 provides that a council may acquire land by agreement for any purposes for which it is authorised to acquire land compulsorily by s226 TCPA 1990.
33. The purposes for which a council can acquire land pursuant to s226 TCPA 1990 include purposes "which it is necessary to achieve in the interests of the proper planning of an area in which the land is situated." S226 also authorises the acquisition of land "... if the authority think that the acquisition will facilitate the carrying out of development, re-development or improvement on or in relation to the land." In the case of either s226 or s227 the acquiring authority must be satisfied that whatever development proposals it has for the land in question these are likely to "contribute to the achievement of any one or more of the following objects – (a) the promotion or improvement of the economic well-being of their area; (b) the promotion or improvement of the social well-being of their area; (c) the promotion or improvement of the environmental well-being of their area." The council's plan to build new homes on the land, of which all are council homes for rent, is capable of falling within all three categories.
34. Section 203 of the Housing and Planning Act 2016 came into force on 13 July 2016. This section contains a power to override easements and other rights, and it replaces s237 TCPA.

S203 says :

"(1) A person may carry out building or maintenance work to which this subsection applies even if it involves

(a) interfering with a relevant right or interest...

(2) Subsection (1) applies to building or maintenance work where –

- (a) there is planning consent for the building or maintenance work,
  - (b) the work is carried out on land that has at any time on or after the day on which this section comes into force
    - (i) become vested in or acquired by a specified authority or
    - (ii) been appropriated by a local authority for planning purposes as defined by section 246(1) of the Town and Country Planning Act 1990 [*i.e. for purposes for which an authority can acquire land under ss226 and 227*]
  - (c) the authority could acquire the land compulsorily for the purposes of the building or maintenance work, and
  - (d) the building or maintenance work is for purposes related to the purposes for which the land was vested, acquired or appropriated as mentioned in paragraph (b)."
35. What this means is that where land has been appropriated for planning purposes building work may be carried out on land even if this interferes with rights or interests if there is planning consent for the building work; and the work must be for purposes related to the purposes for which the land was appropriated, in this case planning purposes. By s204 those third party rights are converted into an entitlement to compensation to be calculated in accordance with ss7 and 10 of the Compulsory Purchase Act 1965.
36. This report confirms that the work being done on the land will be done in accordance with planning permission. Once the land has been appropriated and s203 triggered, that work will be authorised even where it interferes with third party rights.
37. Following the appropriation of the land for planning purposes it is recommended that the land is appropriated for housing purposes, as the land is to be used for the provision of new housing. At that point the land will no longer be required for planning purposes and will be appropriated for housing purposes.

#### **Strategic Director of Finance and Governance [FC18/015]**

38. The Strategic Director of Finance and Governance notes the recommendation to appropriate land as described in order to facilitate regeneration and the building of new homes at Welsford Street. This land appropriation is proposed to occur in such a way that it will have a neutral financial impact. This scheme forms part of the council's new homes direct delivery programme and any associated costs will be contained with the Housing Investment Programme.

#### **Strategic Director of Housing and Modernisation**

39. This report ensures that the proposed development of the Welsford Street garages scheme can progress with the avoidance of legal challenge. The light issues from the scheme are negligible whilst the access issues are minimal and the scheme meets planning policy approval. Extensive consultation with local residents, together with a commitment to make 50% of the new social rented homes available to local residents in housing need leads the way in which

social housing can be developed in inner cities. The scheme is a contribution to the council's pledge to build 11,000 new homes by 2043.

## BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Council Assembly report of 25 February 2015 adopting Council Plan	160 Tooley Street London SE1 2QH	Paula Thornton 020 7525 4395
<b>Link (copy and paste into your browser):</b> <a href="http://moderngov.southwark.gov.uk/documents/s52059/Report%20Council%20Plan%202014-18.pdf">http://moderngov.southwark.gov.uk/documents/s52059/Report%20Council%20Plan%202014-18.pdf</a>		
Cabinet report of 22 October 2013 Phase 2 direct delivery of new homes	160 Tooley Street London SE1 2QH	Paula Thornton 020 7525 4395
<b>Link (copy and paste into your browser):</b> <a href="http://moderngov.southwark.gov.uk/documents/s41478/Report%20Direct%20Housing%20Delivery%20Phase%202.pdf">http://moderngov.southwark.gov.uk/documents/s41478/Report%20Direct%20Housing%20Delivery%20Phase%202.pdf</a>		
4 July 2018 planning determination and associated documents	160 Tooley Street London SE1 2QH	<a href="mailto:Planning.Enquires@southwark.gov.uk">Planning.Enquires@southwark.gov.uk</a>
<b>Link:</b> <a href="http://planbuild.southwark.gov.uk/documents/?casereference=18/AP/0710&amp;system=DC">http://planbuild.southwark.gov.uk/documents/?casereference=18/AP/0710&amp;system=DC</a>		
24 July 2018 Cabinet agenda and minutes (item 14)	160 Tooley Street London SE1 2QH	Paula Thornton 020 7525 4395
<b>Link:</b> <a href="http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=6125&amp;Ver=4">http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=6125&amp;Ver=4</a>		

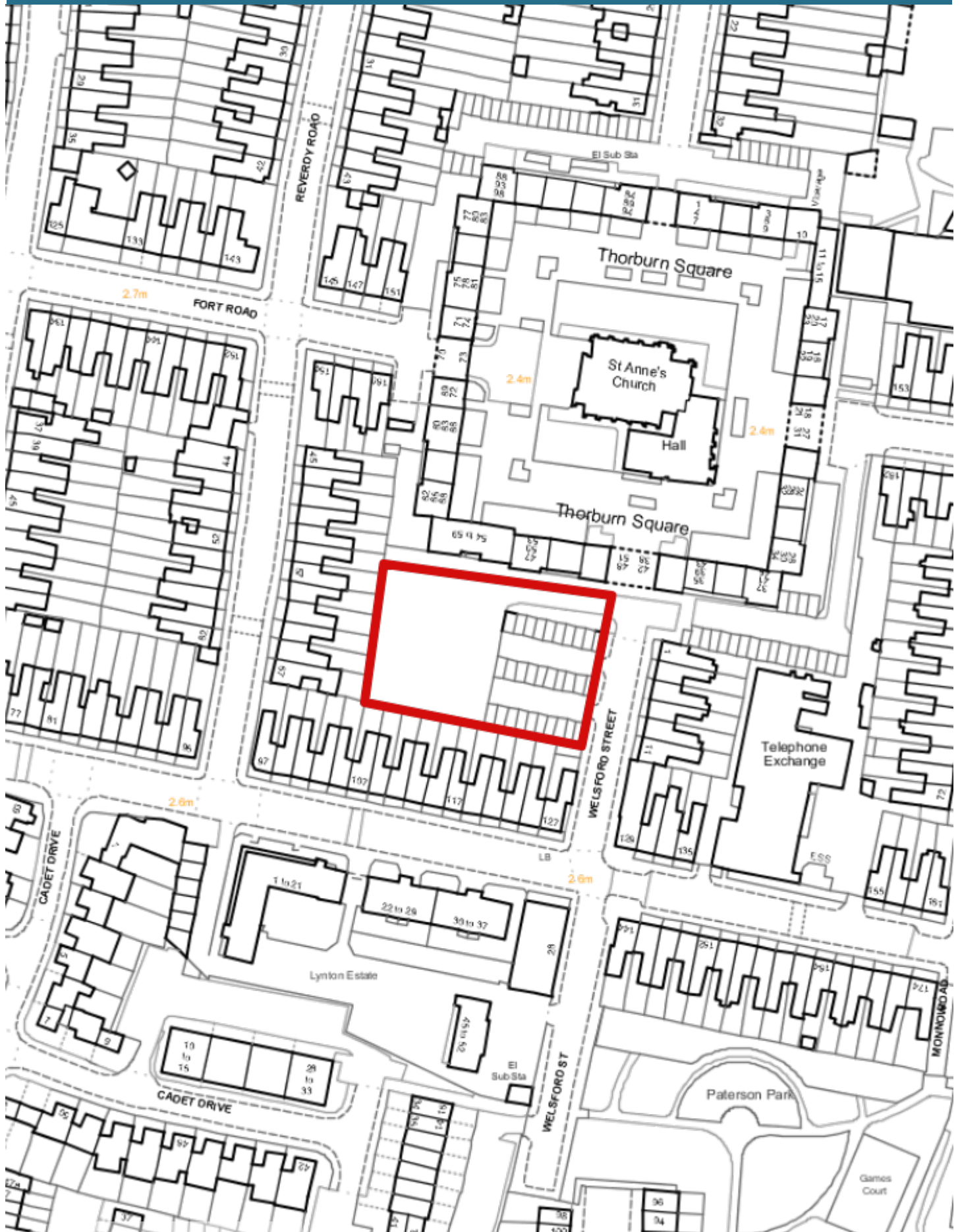
## APPENDICES

No.	Title
Appendix A	Plan of garages at Wellsford Street Bermondsey
Appendix B	Rationale for appropriations of the land

**AUDIT TRAIL**

<b>Cabinet Member</b>	Councillor Leo Pollak, Social Regeneration, Great Estates and New Council Homes		
<b>Lead Officer</b>	Kevin Fenton, Strategic Director Place and Wellbeing		
<b>Report Author</b>	Patrick McGreal, Regeneration-North		
<b>Version</b>	Final		
<b>Dated</b>	15 October 2018		
<b>Key Decision?</b>	No		
<b>CONSULTATION WITH OTHER OFFICERS / CABINET MEMBER</b>			
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments included</b>	
Director of Law and Democracy	Yes	Yes	
Strategic Director of Finance and Governance	Yes	Yes	
Strategic Director of Housing and Modernisation	Yes	Yes	
<b>Cabinet Member</b>	Yes	Yes	
<b>Date final report sent to Constitutional Team</b>		18 October 2018	

## APPENDIX A: Lock up garages at Welsford Street Bermondsey



50 m

Scale = 1250

Legal Services

20-Aug-2018

## GARAGES AT WELSFORD STREET, BERMONDSEY

**Appropriation of the land (shown edged red on the plan) at Appendix A for purposes set out in s226 of the Town and Country Planning Act 1990 and to purposes set out in section 9 of the Housing Act 1985**

### Background to appropriation

1. Under section 122(1) of the Local Government Act 1972 the Council may appropriate land for any purpose for which it is authorised to acquire land when the land is no longer required for the purposes for which it is held.
2. Under section 226(1)(a) and 227 of the Town and Country Planning Act 1990 the Council may acquire land if they think the acquisition will facilitate the carrying out of development, re-development or improvement on or in relation to the land. This includes development of the sort contemplated in the redevelopment of the subject garages. The power in section 226(1)(a) is subject to subsection (1A) of section 226. This provides that the acquiring authority must not exercise the power unless it considers the proposed development, redevelopment or improvement is likely to contribute to achieving the promotion or improvement of the economic, social or environmental well-being of the area for which the acquiring authority has administrative responsibility. There are clear economic social and environmental and social benefits associated with the provision of new housing at the garages at Welsford Street Bermondsey site namely providing people with quality accommodation that may result in better educational attainment and general well being, and employment opportunities from the construction works. Accordingly, the Council may appropriate land for the purposes of the development proposals land that it already owns if that land is no longer required for the purposes for which it is held. The land shown on the plan at Appendix A is no longer required for its current purposes for the reasons set out below and is not needed in the public interest for those purposes. The land can therefore be appropriated from its current use. As the appropriation will facilitate new housing development at Welsford Street it may be appropriated for planning purposes.
3. Where land has been appropriated for planning purposes Section 203 of the Housing and Planning Act 2016 (power to override easements and other rights) applies such that the erection, construction or carrying out or maintenance of any building or work on the land (by the council or a person deriving title from the council) is authorised if it is done in accordance with planning permission, notwithstanding that it interferes with certain private rights such as restrictive covenants and easements. The effect of triggering section 203 is that private rights are effectively overridden and converted into a claim for compensation pursuant to s 204. The level of compensation for interference with rights or breach of restrictive covenant is assessed on the basis of the loss in value of the claimant's land as a consequence of the interference or breach of covenant. An important consequence of the operation of Section 203 is that a claimant cannot secure an injunction, to prevent the development from going ahead - as indicated above, their remedy is a claim for compensation.
4. Prior to developing land it is usual practice to make prudent enquiries of what rights might exist over the land, this will involve inspecting the land to see if there are any obvious rights and checking land ownership information. However, some rights may not be apparent from inspection and historic ones may not always be recorded at the Land Registry. The application of the power to override rights contained in s203 therefore mitigates this risk.
5. The right to claim compensation for the depreciation in value caused by the loss of right is enforced against the owner of the land which in this case is the Council.

### **Rationale for appropriating the subject site to planning purposes**

6. The existing garages site is under utilised in land use terms and the need for new housing at affordable rent levels greatly exceeds the existing use need. In pursuance of the adopted Council Plan and to address a need for new affordable housing, the site has been identified to be redeveloped for this purpose. Planning consent has been secured for the scheme outlined in paragraph 6 of the main report. Although it is extremely unlikely that there will be impact on the rights of light to nearby residents from the consented scheme appropriation will eliminate any risk of one or more of them may applying to the court for an injunction. If an injunction is granted, the scheme will not be able to proceed. In any event, the risk of an application for an injunction is such that it will defer prospective builders from bidding to construct the new housing or result in a substantial risk contingency that undermines the viability of construction. In these circumstances it is appropriate to utilise the powers of section 203 to overcome this risk and enable the much needed new homes to be built.
7. As indicated above, the land is now required to be held for planning purposes to facilitate the redevelopment proposals associated with the planning permission for new housing. When land has been appropriated for section 203 purposes it will continue to benefit from its over-riding provisions even when the land is no longer held for planning purposes.
8. The land shown edged red at Appendix A is no longer required to be held for housing purposes. As indicated above, the land is now required to be held for planning purposes to facilitate the redevelopment proposals associated with the planning permission.

### **Rationale for appropriating the subject site to back to housing purposes**

9. Once the land is appropriated for planning purposes it should be appropriated back to housing purposes as this will be its ultimate usage and the cleansing effect of s203 means that it can be developed in confidence that the works won't be at risk of an application for an injunction to frustrate the development.
10. Section 9 (1) (a) of the Housing Act 1985 provides a local housing authority may provide housing accommodation by erecting houses on land acquired. It is therefore apt that following the s203 appropriation the land is in accordance with section 122(1) of the Local Government Act 1972 appropriated for purposes within section 9 (1) (a) of the Housing Act 1985.
11. The appropriation of the land whilst denying the beneficiaries of any third party rights over the land the ability to frustrate the regeneration of the land will not take away their ability to claim for compensation in respect of any diminution in the value of their land as a result of their rights being overridden.

<b>Item No.</b> 14.	<b>Classification:</b> Open	<b>Date:</b> 30 October 2018	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		The Way Forward: Ledbury Estate High Rise Blocks	
<b>Ward(s) or groups affected:</b>		Old Kent Road	
<b>Cabinet Member:</b>		Councilor Stephanie Cryan, Housing Management and Modernisation	

## **FOREWORD - COUNCILLOR STEPHANIE CRYAN CABINET MEMBER FOR HOUSING MANAGEMENT AND MODERNISATION**

In June 2017, following a public meeting about fire safety, the council became aware of cracks appearing in homes in the Ledbury Estate tower blocks which have been caused by the thermal movement of the large concrete panels that make up the construction of the blocks. This widespread cracking had led to the breakdown of compartmentation of fire safety.

Concerns were also raised about the structural integrity of the tower blocks and in response to this the council instructed Arup to check both the structural integrity of the four tower blocks and the capacity of the blocks to withstand disproportionate collapse. The four tower blocks were constructed by Taylor Woodrow Anglian (TWA) and are of a similar design to Ronan Point where a gas explosion in 1968 resulted in disproportionate collapse of the building and the death of four residents. Following the checks, in August 2017, we took the decision to terminate the gas supply to the four tower blocks as it could not be confirmed that the blocks would be able to withstand a gas explosion and therefore could be at risk of disproportionate collapse.

Arup were asked to do further checks and inspections to look at whether the requisite strengthening works highlighted after the Ronan Point tragedy in 1968 had been carried out and we received the full report from Arup on 20 November which concluded that the blocks had been built without the correct strengthening measures in place.

The checks and inspections concluded that the structures of the four tower blocks are in good condition and that they meet wind loading requirements. However, in order to comply with the BRE and DCLG recommendations on the prevention of disproportionate collapse, strengthening works would be required.

A Resident Project Team, with an independent Chair, was established for the blocks and they have been working with the council on the scope of works required and the options on which residents have been consulted on in respect of the future of their homes.

The council appointed Hunters, an architectural practice, to carry out the options appraisal for the four tower blocks. Residents from the project team were involved in the appointment process and also helped to shape the options. These options then went out to consultation and have helped form the recommendations in this report.

I hope that cabinet approves the recommendations in this report and that we refurbish the four tower blocks and that we also build new homes on the Ledbury Estate which will help provide much needed new council homes on the estate.

I want to extend my thanks to the members of the Resident Project Team and the Ledbury Tenants and Residents Association for their invaluable help and commitment to the future of the tower blocks and very much hope that we continue to work together as the works progress to ensure the right outcomes for the Ledbury community.

## **RECOMMENDATIONS**

1. That cabinet note the results of the options appraisal carried out for the Ledbury Estate high rise blocks.
2. That cabinet agree that the four high rise blocks should be refurbished and that land immediately adjacent to those blocks be used to build new homes(option B in paragraph 26) in accordance with the council plan which guarantees development on council housing land have at least 50% council rented homes and ensure a right to return for council tenants and leaseholders so local people can stay in the borough they call home.
3. That cabinet notes firstly the proposal to carry out the refurbishment of Bromyard proceed using the existing partnering contract and delegated approval process with Engie and secondly the rest of the project proceed using existing frameworks or the partnering contract, the new contractor framework if in place, or a traditional procurement route, all activities to be run concurrently to ensure all homes can be provided as soon as possible.
4. Cabinet are asked to approve the decision not to charge leaseholders in the four tower blocks for their element of the cost of the refurbishment works.
5. Cabinet are asked to approve the decision not to charge residents for the costs of the temporary heating and hot water communal systems to the four tower block residents.

## **BACKGROUND INFORMATION**

6. Cabinet received reports on the response to the emergency situation on the Ledbury Estate on 19 September 2017, 12 December 2017 and 6 February 2018. The last two reports set out the then situation and the refurbishment options that were being developed with residents. The report then went on to set out the option appraisal process to develop new build options to be considered alongside the refurbishment options. Since the last report received by the cabinet which agreed the timetable for the options appraisal process, officers have been working with the Resident Project Group to identify the most favoured refurbishment option and develop new build options.
7. Further reports went to Overview and Scrutiny Committee in July 2017, September 2017 and November 2017.
8. The blocks are large panel system construction, built by Taylor Woodrow between 1968 and 1970 and are former GLC properties which transferred to Southwark Council in 1982. There are four 14 storey towers (Bromyard, Peterchurch, Skenfrith and Sarnsfield) on the Ledbury Estate
9. There are 224 properties in total, 76 one-bedroom, 72 two-bedroom and 76 three-bedroom.

10. As reported to the Overview & Scrutiny Committee on 13 July 2017 and 11 September 2017 action has been taken at the four blocks on the estate to address the issues of cracks breaching the compartmentation of the flats and the subsequent compromised fire safety.
11. To deal with the issues relating to compartmentation action has been taken to temporarily seal the cracks. In addition there are a team of 24-hour wardens in each block and a new automated fire alarm that was commissioned in December 2017.
12. In June 2017 the council commissioned Arup, a structural engineering company, to check widespread cracking to the buildings which had been caused by thermal movement of the large concrete panels. Specific concerns were the cracks breached fire compartmentation and potentially fire safety. Arup were asked to check both the structural integrity of the buildings and the capacity to withstand disproportionate collapse.
13. The Arup commission was expanded in July 2017 to take into account potential risks with gas supplies and LPG buildings. In early August 2017 the council were advised that there was no evidence of strengthening works having been done as would have been expected following advice issue back in the late 60's. A decision was therefore taken to cut off the gas supply to the four towers.
14. The previous provision of heating and hot-water was by way of individual gas boilers to each home. Due to the disconnection of the gas supply, a temporary district heating system has been installed. This means that there are three temporary large boilers sited outside the blocks. Pipework from the boilers runs internally up the blocks and is connected to an individual heat exchanger which in turn connects to the existing radiator and hot water circuit within each flat. This was completed in October 2017.
15. The temporary heating system is fueled by oil which is delivered as and when the boilers are running low. Residents are not currently being charged for the use of the oil so at this point the council is funding heating and hot water costs at a cost of approximately £23,000 a month.
16. Regardless of whether the long term solution to the Ledbury Towers is refurbishment or new build, a permanent solution to provide heating and hot-water will need to be part of the works. Therefore costs have been allowed for such as part of this report.
17. A team of officers solely dedicated to the Ledbury Estate has been based in the Ledbury Tenants and Residents Association (TRA) Hall over the last year. The team is led by Mike Tyrrell, the Director for Ledbury, and it includes staff seconded full time from resident services. The proposed works will be delivered through the asset management design and delivery team and as refurbishment and new build moves forwards they will also have dedicated officers at Ledbury. The office is open 8am to 8pm daily and is staffed 24 hours every day to deal with emergencies, night time patrols and monitoring of the fire wardens. If the Fire Alarm goes off the team at the Ledbury Hall co-ordinate the evacuation.
18. Residents who are concerned about their safety were offered the opportunity to go into Band 1 and bid for an alternative home. All tenants were registered for a

transfer and are actively being helped to match them to new homes so they can make bids by the Ledbury Team. A small number of residents are not actively considering a move to alternative accommodation as they are awaiting the outcome of the Options appraisal. They would like to remain in the blocks and be rehoused temporarily whilst their home is refurbished.

19. Of the 190 council tenanted homes, 152 are now empty homes as a sizeable number have taken the option to be re-housed. Three of the 34 leasehold properties are also empty, as the council has bought them back from the leaseholders concerned. The split between blocks is as follows:
  - Bromyard House - 47 empty
  - Peterchurch House - 43 empty
  - Sarnsfield House - 31 empty
  - Skenfrith House – 34 empty.
20. All residents have been promised a right to return to the refurbished homes. This right to return will be for all residents or their succeeding spouse or partner and had been agreed for a period of seven years. It is unknown how many residents will take up their right to return, but it is clear that those who wanted to be rehoused before the emergency situation arose because of overcrowding, to be nearer family or to move to a low rise home, are unlikely to want to return. Their right to return does however remain. This has been set out on a number of occasions for residents, most recently in an article in the weekly Ledbury Towers newsletter dated 31 August 2018, which is attached as Appendix 1.
21. A block was purchased from Hyde Housing Association very close to the Ledbury Estate at Sylvan Grove, with 80 properties from 1 to 3 bedrooms which have become council properties at council rent. The whole block was prioritised for Ledbury Tower residents. 56 tenants have taken up the opportunity to move to Sylvan Grove. A leaseholder from the Ledbury Estate is also in negotiations to move to Sylvan Grove. In addition, a further block of 79 units was at Churchyard Row, which is close to the Elephant & Castle. This is also a mixture of 1-3 bedroom properties, and was prioritised for residents of the Ledbury Towers. 6 tenants have taken up the opportunity to move to Churchyard Row.
22. 6 further leaseholders have shown an interest in Southwark purchasing their properties through the offer for leaseholders in this position that was developed. These acquisitions are being funded from a separate acquisition capital budget, and will also help towards the council achieving its target of delivering 2,500 new homes. It should be noted that it has been agreed in principle that leaseholders will not be asked to contribute towards any of the costs of the refurbishment option. This will include internal works carried out to their properties at no cost, as it is not possible to do any structural works whilst keeping existing kitchens and bathrooms. This was stated at a public meeting on 23 November 2017 by Councilor Cryan and confirmed in her letter to residents on 23 March 2018. The estimated loss to the council is detailed in the table below:

<b>Bed Size</b>	<b>Estimated unit cost (based on bed weighting used for S20 calculations)</b>
1 Bed property	£121,280
2 Bed property	£145,536
3 Bed property	£169,792

Block Name	No of LH units with bed sizes	Cost
Skenfrith House	8 x 3 bed / 2 x 1 bed	£1,600,896
Bromyard House	1 x 3 bed / 3 x 2 bed / 1 x 1 bed	£727,680
Peterchurch House	4 x 3 bed / 1 x 1 bed	£800,448
Sarnsfield House	1 x 3 bed / 9 x 2 bed / 1 x 1 bed	£1,600,896
<b>Total</b>		<b>£4,729,920</b>

23. Calfordseaden were appointed through an existing consultancy framework to undertake an assessment of refurbishment options which are available for refurbishment of the high rise blocks. In consultation with the Ledbury Residents Project Group (RPG) four final options were developed. The refurbishment options were all based on structural advice from Arups, that the blocks will be structurally safe. All recommendations included in the Arups report have been included in the refurbishment options. It should be noted that all of the refurbishment options considered require residents to be decanted. All costs are works cost only and do not include for fees, decant costs, etc. The costs are also based on current rates and do not allow for future uplifts which may vary according to the procurement route selected.

- **Refurbishment Option 1**

A basic option to deal with the strengthening and “gaps and cracks”, but because of the nature of these works, it will mean every bathroom, kitchen, and WC will be renewed. This option is estimated at £20.7m.

- **Refurbishment Option 2**

This option had the additional works to deal with the water problems that the blocks have been suffering from. This entails the renewal of all pipework and tanks, as well as sealing the WC and bathrooms, as well as installing a sprinkler system. This option is estimated at £26.3m.

- **Refurbishment Option 3**

This option had the addition of the renewal of the existing lifts, windows, roofs, insulation, water pumps and lighting. This option is estimated at £32.6m.

- **Refurbishment Option 4**

This option had the addition of improved refuse disposal, environmental improvements, landscaping, estate lighting. This option is estimated at £35.9m.

24. Residents were consulted through a questionnaire on these four refurbishment options and the majority selected Option 3, slightly ahead of Option 2, on a 30.2% turn out, with a 51.41% turn out for existing residents at the time of the survey. Existing residents voted for Option 2 ahead of Option 3. (Details attached as Appendix 2).
25. An architectural practice, Hunters, were appointed following a procurement exercise to carry out Stage 1 option appraisal for the high rise blocks in March 2018. The brief to Hunters was for them to provide LBS with a range of options in relation to the towers for consideration. All options would ensure that the investment would create homes that meet the standards of being warm, safe and dry. Following this appraisal LBS would review the financial implications of each accordingly. Resident representatives were included in the consultant selection

process. It should be noted that only the high rise blocks and surrounding area are included, not the low rise blocks on the estate or the tenants' hall. The brief was also very specific in that the council is committed to providing at least the same number of council homes, within any new build option and to at least the same size standards as existing. An initial questionnaire carried out to guide the consultation indicated 75% of residents who replied wished to retain the blocks with 12.25% stating maybe. (Details attached as Appendix 3 )

26. As part of the options appraisal process, four final options were developed in further consultation with the Ledbury RPG, to be consulted on with residents which included the favoured refurbishment options alongside demolition/new build options. The Ledbury RPG asked for these options to be lettered rather than numbered so that residents were not confused with the options in the previous consultation on their favoured refurbishment options.

- **Option A**  
Refurbishment of the existing blocks (with option 2 of the original refurbishment proposals).
- **Option B**  
Refurbishment of the existing blocks with some infill development on adjacent vacant and underused housing owned land surrounding the blocks, (with option 3 of the original refurbishment proposals).
- **Option C**  
Demolition of one, two or three of the high rise blocks and some new build.
- **Option D**  
Demolition of all of the high rise blocks and complete new build.

27. There were a number of different options for both the partial demolition and the new build options ('C' and 'D') and it was agreed with the Ledbury RPG that these would only be considered in detail if it was agreed to proceed with any of the demolition and new build options. This was made clear in consultation with all residents on the estate and neighbours affected potentially by the proposals. This consultation exercise was held in August and September 2018 and included two exhibitions and a public meeting at the Ledbury TRA Hall as well as a further door knocking exercise by independent advisors, Open Communities.

28. The design basis of the options was to allow residents the opportunity to look at and comment on a complete range of options from the simplest refurbishment option through to complete demolition and new build. The fundamentals of the new build options were to have increased numbers of properties on the site, to allow extra properties for both council rent and to sell to help fund the scheme, and there is of course some risk dependent on the future housing market, but also to look at different design options from creating new streetscapes and squares with properties at different heights, through to completely new tower blocks. These can be seen in Appendix 4.

29. This further consultation was held with current and decanted residents in the blocks and the majority selected option B. These can be seen in Appendix 5 - . At the time of this consultation there were 217 residents, non resident leaseholders, or residents who had a right to return. Residents had originally been given over two weeks to return the forms, and to increase the percentage

of returns, residents and former residents were rung to advise that the deadline was extended if they wanted to submit a questionnaire and a further exercise of home visits was also carried out by the independent advisor. The results can be summarized as follows, but it is clear that the majority of residents have no interest in a demolition option of any sort, as 55 first preferences were for the two refurbishment options and 44 first preferences for the two options that included demolition.

The turnout was:

- 27 Tenants out of 34 - A turnout of 79%
- 12 Resident leaseholders out of 16 - A turnout of 75%
- 3 Non-resident leaseholders out of 16 - A turnout of 19%
- 65 Former tenants with a right to return out of 151 - A turnout of 43%

As there were a range of options for residents to consider, counting the preferences on a first past the post system was inappropriate. Instead participants were asked to rank their preferences 1 to 4 and these preferences were weighted so that:

- 1st preference was given 4 marks
- 2nd preference was given 3 marks
- 3rd preference was given 2 marks
- 4th preference was given 1 mark

The weighted results were:

- Option A – Refurbishment - 253 marks
- Option B – Enhanced Refurbishment & Infill - 302 marks
- Option C – Partial Refurbishment with Partial Demolition & New Build - 250.5 marks
- Option D – Demolition & New Build - 264.5 marks

30. Other surrounding stakeholders such as residents in low rise properties, neighbouring properties in Commercial Way and Ledbury Street, shops, Livesey Exchange, a school and church were also consulted and a summary of their comments is attached as Appendix 6.
31. The council has carried out an appraisal process (Summary – Appendix 7) and this examined all four options, including two variations each for the partial and complete demolition of the four tower blocks. This evaluates the best long term option for the area of the four tower blocks examining estimated initial costs, maintenance; rent income, income from possible sales etc. It is clear from the appraisal process that Option B is the best option, with refurbishment and new build on infill sites around the four tower blocks.

## **KEY ISSUES FOR CONSIDERATION**

32. Residents in the high rise blocks, including residents who have been decanted and non resident leaseholders were consulted on all the proposals, but it has always been made clear the final decision rests with cabinet, who would of course take consideration of resident views.
33. In reviewing the options the council has considered the following:

- Information received from the residents surveys
  - Safety matters as illustrated by Arups (and a 50yr building life)
  - Build options from Hunters
  - Building works costs review by LBS
  - Contribution from sales.
34. In reviewing the outputs from each of these elements it is was also considered that should Option B be selected this would create greater value for money if progressed at the fuller level as it would reduce future scaffolding costs for the replacement of components such as windows and roofs rather than within a later, separate contract. These elements are estimated to only have a remaining life span of only up to five years and thus replacing them as part of these works will be far more cost effective. Carrying out the new build at the same time as refurbishment will also reduce the length of disturbance to all residents living nearby, reduce the contract period (and thus costs) and will also aid towards the target that the council has of building 2500 new homes. Therefore it is recommended that refurbishment of the existing blocks with some infill development (with option 3 of the original refurbishment proposals) be agreed.
  35. There was a discussion on whether the new build element for the in fill sites could be delayed to allow for consultation on the inclusion of the area where the TRA Hall sits for new homes. This is because some residents have suggested that a further development could take place to allow for more homes on the site of the existing TRA Hall, as the existing one is outdated and could be re-provided at the same time. This however was rejected, as it was felt that it was better to proceed now on the new build proposals in Option B, as this would help towards delivering the borough-wide target of 2,500 new homes. It is recommended that this be reviewed with residents when the next round of major works is due on the estate, currently not until at least 2023 as this will also enable residents to discuss any proposals and ideas they may have for the remainder of the estate.
  36. In order to commence works and to create much needed homes as soon as possible we have considered utilizing the existing partnering contract with Engie. They already have experience of working on the estate as it is their usual contract area, they carried out the immediate repair and heating works, and cost certainty will be obtained from pre agreed terms under the existing contract.
  37. Initial pilot works will be carried out to guarantee structural, strengthening and the fire safety of the proposed refurbishment works and this will be confirmed with Arups, before the full scheme progresses. At the request of the Resident Project Group, members of the group will be able to see these works at key stages before the full works progress.
  38. The proposal to use Engie would enable the first block to be completed safely and quickly and as such the remaining residents in the other three blocks could be temporarily or permanently moved here. In completing the decant of the remaining three blocks this would enable the current arrangements of a 24 hour housing office and fire warden service to end. The design element of this would be through the existing consultancy framework with Calfordseaden rather than contractor led such that LBS have greater control of the quality and design of the scheme. Members are asked to note the decision using the usual delegated approval approach for partnering schemes, to appoint Engie for the first block,

(whilst procurement for the remainder of the scheme runs independently and concurrently) to the Strategic Director of Housing and Modernisation. The Resident Project Group do have concerns about some of the work carried out by Engie's predecessor company on the Estate in the past, especially in regard to poor communication. Officers have made it clear to the Resident Project Group that the project will have a full-time clerk of works based on the estate with the Ledbury Team for easy access for residents. The clerk of works will also be in attendance at all meetings of the Resident Project Group. Engie will attend the Resident Project Group during the works so that they will be accountable to residents as well as the council.

39. It is proposed that the second phase of refurbishment to the three blocks including infill development should proceed through Calfordseaden through the existing framework contract. This will enable the design stage this to start once the preferred option is agreed by cabinet without the need for further lengthy procurement. Consideration will be given as to the best route to deliver the works as there are options to proceed through existing partnering or framework contracts, use a new contractor framework if in place or procurement through OJEU.

### **Policy implications**

40. The recommendations proposals confirm Southwark's commitment which guarantees development on council housing land have at least 50% council rented homes. For the new council rented properties the usual local lettings policy will apply whereby at least 50% of the properties will be offered to residents on the estate, subject to their housing need. The sales of any properties will create a social profit for residents which will be used for refurbishment and ensure that good quality homes are retained. The estimated income, subject to designs being fully worked through, is circa £18m. These would represent likely sales income however there is a degree of risk around the fluctuation of such sales prices and a degree of flexibility is warranted here in terms of timing of sales and unit mix.
41. The recommendations confirm the council's commitment that at least as many council homes will remain on any option recommended for the four tower blocks on Ledbury.

### **Community impact statement**

42. All works options will create significant opportunities for apprenticeships and jobs for local people. Any contractor and sub contractor selected for the works will have to ensure all workers are paid at least London Living Wage (LLW) and they will have to as a minimum provide a one year apprenticeship opportunity or equivalent for each £1m contract spend. Contracts will also be required to operate only with the safest haulage companies, which conform to the London Cycling Campaign's Safer Lorries conditions.
43. Our council's vision is to create a fairer future for all in Southwark and procurement of works and services will give an opportunity to deliver value for money and high quality services. Any contractor selected for the works will be expected to sign up to the councils Fairer Future Procurement Strategy (Appendix 8)
44. The refurbishment and redevelopment of the Ledbury Estate High Rise Blocks

will have an overall positive impact on the local community and will have beneficial impacts for those with Protected Characteristics in the local area including:

- Providing new (much needed) residential units for social rent and private sale, in a borough which has a substantial housing need. While income is not a Protected Characteristic, it is often a characteristic that is shared by multiple groups with Protected Characteristics, and so the opportunity that the development provides to secure new, high quality, social rented homes to existing residents is of benefit. Most notably, BAME groups and older people often live in low-income households.
- The quality of the new and refurbished homes provided will have a range of positive impacts on equality; including disabled accessibility and adaptability of the new homes.
- The new homes will also be better insulated, supporting a higher standard of living.
- The provision of new homes will help to ease problems of overcrowding in the local area which can cause particular issues for those who are pregnant or have young children and who are likely to come from BAME groups where larger family sizes are more common.
- The newly developed homes will also be more sustainable and energy efficient. The benefit of this will be a potential reduction in the level of residents' energy bills.
- The commitment to right to return for all residents gives the opportunity for the community to stay together if they so wish.

### **Resource implications**

45. The cost of refurbishment is estimated at £32.5m and will be financed from available capital resources, which may include borrowing. The proposed new build homes will incur additional capital expenditure, and this will be financed from a combination of Right To Buy receipts and or GLA grant together with S106 commuted sums and where necessary, borrowing. The receipts generated from private sales will be used to finance future capital spend.
46. As at 19 September 2019 a total of £4,217,671 has been spent on the Ledbury Towers. This includes emergency works, security, running costs such as oil and boiler hire for the temporary district heating system, management and running of the Ledbury Team based in the TRA Hall, 24 hour fire warden service, moving costs, compensation and associated costs to residents and general ad-hoc costs.
47. Running costs for the management for the Ledbury Team which is operational 24 hours a day and based on the estate are estimated at £35,000 per week and the temporary district heating system and which is being provided free of charge to residents is estimated to cost £23,000 a month. We expect the heating costs to decrease as more residents take up the option to move and the fuel consumption reduces.
48. As stated in paragraph 22 of this report leaseholders will not be charged for

refurbishment works included in all options. The estimated loss due to this is approximately £4.7m.

### **Consultation**

49. A dedicated webpage [www.southwark.gov.uk/ledburytowers](http://www.southwark.gov.uk/ledburytowers) has been set up where all information has been posted, including all letters to residents and the weekly newsletters that commenced in September 2017. Copies of Fire Risk Assessments are available on this website. Ward councilors are also receiving weekly updates.
50. There has been extensive consultation provided to residents in the high rise blocks. Residents on the rest of the estate have been receiving a monthly newsletter and along with the surrounding and affected neighbours, they have been consulted on the final options.
51. The council has commissioned an independent residents advisor for the residents, Open Communities, who have acted as independent and expert support for residents since the start of the decanting and options appraisal process.
52. A Ledbury Resident's Project Group has been set up comprising a mixture of residents and former residents of the Towers, and residents from the low-rise blocks on the Estate meets monthly, to allow detailed input in to the design and consultation processes, including input in to the selection process of Hunters to carry out the options appraisal. The residents' project group includes residents active in the Ledbury Tenants and Residents Association (TRA) and the Ledbury Action Group.
53. Individual residents wishing to exercise the right to return will be consulted on with regards to reinstatement works to their homes including options for kitchen designs.
54. A range of exhibitions, meetings, and drop-ins have been held, regular newsletters circulated and questionnaires issued, with wording agreed in conjunction with the independent residents advisor, Lead cabinet member for Housing Management and Modernisation and the RPG, to keep residents informed and seek their views.
55. Residents' consultation will continue along these lines as the works progress, and this would include residents in the low rise blocks.
56. All surrounding residents to the four tower blocks will be consulted in addition through the normal planning consultation processes and through representation on the Residents Project Group.

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

#### **Director of Law and Democracy**

57. This report asks the cabinet to note the results of the option appraisal carried out for the Ledbury Estate, to agree the refurbishment option for the estate (as further detailed in paragraph 2) and to note that the refurbishment is proposed to be undertaken by our partnering contractor for this area, with approval being undertaken under usual delegated authority. There are no specific legal

implications arising from these recommendations, however in agreeing them the cabinet should have regard to the council's obligations to carry out its duties in accordance with the principles of best value. This report details the option appraisals undertaken, the council's review of those options, and reasons for recommending the proposed refurbishment which the cabinet should consider.

58. The cabinet's attention is drawn to the Public Sector Equality duty (PSED General Duty) under the Equality Act 2010, and when making decisions to have regard to the need to (a) eliminate discrimination, harassment, victimisation or other prohibited conduct, (b) to advance equality of opportunity and (c) foster good relations between persons who share a relevant protected characteristic and those who do not share it. The relevant characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion, religion or belief, sex and sexual orientation. The duty also applies to marriage and civil partnership but only in relation to (a). The cabinet is specifically referred to the community impact statement at paragraphs 42-44, setting out the consideration that has been given to equalities issues, which should be considered when approving the recommendations in this report.
59. The report refers to consultation that has taken place and summaries on the consultation responses are appended. Members must conscientiously take consultation responses in account when taking a decision on the recommendations.
60. Legal officers from law and democracy will assist the asset management team as the project progresses, and particularly in respect of any procurement to be undertaken.

#### **Strategic Director of Finance and Governance**

61. This report is requesting cabinet approval to proceed with the refurbishment of the four high rise blocks on the Ledbury Estate following an options appraisal exercise, together with some infill development of new build properties on adjacent and underused surrounding land.
62. At this stage costs are indicative only with the preferred refurbishment option estimated at £32.6m. Additional costs will be incurred in the development of new build properties, which will generate capital receipts through the sale of private units, which is critical to the overall viability of this project and the wider Housing Investment Programme going forward. Accommodating the refurbishment in the Housing Investment Programme will require reprofiling of the existing programme to ensure overall spend remains affordable and sustainable and within existing borrowing constraints. Where appropriate and available, expenditure on new build properties will be funded through Right To Buy receipts, grant, S106 commuted sums and borrowing. Any capital receipts generated through private sales will be used to support future capital spend.
63. In considering the decision not to charge leaseholders for their share of the cost of the refurbishment works and not to charge residents for the cost of the temporary heating and hot water, cabinet should be aware of the estimated loss of income to the HRA as set out in the financial implications section of this report.

## BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Cabinet reports Appointment of Keepmoat for emergency works at Ledbury Estate. 19 September 2017.	Constitutional Team 160 Tooley Street London SE1 2QH	Everton Roberts 020 7525 7221
<b>Link (copy and paste into your browser):</b> <a href="http://moderngov.southwark.gov.uk/documents/s70944/Report%20Appointment%20of%20Keepmoat%20for%20Emergency%20Works%20at%20Ledbury%20Estate.pdf">http://moderngov.southwark.gov.uk/documents/s70944/Report%20Appointment%20of%20Keepmoat%20for%20Emergency%20Works%20at%20Ledbury%20Estate.pdf</a>		
Ledbury Estate – Arup structural survey report. 12 December 2017	Constitutional Team 160 Tooley Street London SE1 2QH	Everton Roberts 020 7525 7221
<b>Link (copy and paste into your browser):</b> <a href="http://moderngov.southwark.gov.uk/documents/s72762/Report%20Ledbury%20Estate%20Arup%20structural%20survey%20report.pdf">http://moderngov.southwark.gov.uk/documents/s72762/Report%20Ledbury%20Estate%20Arup%20structural%20survey%20report.pdf</a>		
Ledbury Estate – next steps update 6 February 2018	Constitutional Team 160 Tooley Street London SE1 2QH	Everton Roberts 020 7525 7221
<b>Link (copy and paste into your browser):</b> <a href="http://moderngov.southwark.gov.uk/documents/s73737/Report%20Ledbury%20Estate%20-%20Next%20Steps%20Update.pdf">http://moderngov.southwark.gov.uk/documents/s73737/Report%20Ledbury%20Estate%20-%20Next%20Steps%20Update.pdf</a>		
Overview and Scrutiny reports – Ledbury Estate update. 15 November 2017.	Overview and Scrutiny Team 160 Tooley Street London SE1 2QH	Shelley Burke 020 7525 7344
<b>Link (copy and paste into your browser):</b> <a href="http://moderngov.southwark.gov.uk/documents/s72062/Item%206_Ledbury%20Estate%20update.pdf">http://moderngov.southwark.gov.uk/documents/s72062/Item%206_Ledbury%20Estate%20update.pdf</a>		
Ledbury Estate – Management Responses to recommendations of the Independent Review of the Ledbury. 23 July 2018	Overview and Scrutiny Team 160 Tooley Street London SE1 2QH	Shelley Burke 020 7525 7344
<b>Link (copy and paste into your browser):</b> <a href="http://moderngov.southwark.gov.uk/documents/s76623/Item4_Ledbury%20Scrutiny%20on%20RSM%20management%20response%203.pdf">http://moderngov.southwark.gov.uk/documents/s76623/Item4_Ledbury%20Scrutiny%20on%20RSM%20management%20response%203.pdf</a>		

## APPENDICES

No.	Title
Appendices circulated separately	
Appendix 1	Ledbury weekly newsletter 24 August 2018
Appendix 2	Summary of residents view on refurbishment options
Appendix 3	Summary of residents view of general approaches to works
Appendix 4	Questionnaire on detailed refurbishment, demolition and new build options
Appendix 5	Summary of residents views on questionnaire on refurbishment, demolition and new build options
Appendix 6	Summary of surrounding stakeholders comments to refurbishment, demolition and new build options.
Appendix 7	Summary of Appraisal of options
Appendix 8	Fairer Future Procurement Strategy

## AUDIT TRAIL

Cabinet Member	Councillor Stephanie Cryan, Housing Management and Modernisation		
Lead Officer	Stuart Davis, Director of Asset Management		
Report Author	Ferenc Morath, Head of Investment		
Version	Final		
Dated	18 October 2018		
Key Decision?	Yes		
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER			
Officer Title		Comments Sought	Comments Included
Director of Law and Democracy		Yes	Yes
Strategic Director of Finance and Governance		Yes	Yes
Cabinet Member		Yes	Yes
Date final report sent to Constitutional Team			19 October 2018

<b>Item No.</b> 15.	<b>Classification:</b> Open	<b>Date:</b> 30 October 2018	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		New Homes Programme: Delivery Model Review 2018	
<b>Ward(s) or groups affected:</b>		All Wards	
<b>Cabinet Member:</b>		Councillor Leo Pollak, Social Regeneration, Great Estates and New Council Homes	

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

Southwark's New Homes Programme has come a long way from a standing start over the past five years, having delivered 569 new council homes on over 20 sites in all parts of the borough, with a pipeline of a further 2000 on over 70 sites. The housing crisis our borough and city faces is well known – with over 11,000 families on the waiting list and more than 2000 children growing up in temporary accommodation, pursuing every opportunity we can to expand and accelerate our generational commitment towards 11,000 council homes is key to meeting the housing needs of our residents.

With the change in the electoral cycle and a shifting financial backdrop to the programme, the summer has offered a good opportunity to take stock of what has worked well in the programme, and identify where new initiatives and refinements can aid the speed and quality of delivery, which this report details. Principal among these is our ambitious bid to the GLA's *Building Council Homes for Londoners* fund based on an identified pipeline of sites - for an additional £168m grant and £188m of new borrowing capacity. Where the funding parameters for our programme won't be known until the GLA bid outcome and new Government rules on Right to buy replacement and HRA borrowing are known, we have also undertaken a comprehensive delivery model review to provide us with the flexibility to maximise the number and proportion of council homes within a regularly shifting financial envelope.

Among other measures identified here are the components of a detailed and resourced communications and engagement strategy, to ensure we are pre-empting residents concerns and directly addressing their issues in the design process, as well as communicating regularly and across all channels. It also details the high priority attached to good design, with a new Southwark architects framework for council homes currently live to bids, alongside a planned refresh to Southwark's New Homes Design Guide, in addition to a new Rooftop Design Guide.

We describe here too a new Estate Improvement Plan approach, as part of our emerging 'Great Estates' programme, designed to ensure new homes projects better draw out the wider benefits to neighbouring residents, both in terms of the communal living environment and (where possible) aligning with repairs to existing homes.

We also begin the process of exploring the options for a new council-owned construction company, which will identify new ways to improve the speed cost and quality of homes we build in the programme, as well as build long-term resilience for the programme.

The report also reaffirms our commitment to delivering new community land trust developments on a wider range of sites.

## **RECOMMENDATIONS**

1. Requests that cabinet approve the following:
  - the exploratory work to provide an innovative solution to develop 'in house' construction development capacity within Southwark
  - further development work to find a suitable site to develop a community land trust (CLT) in Southwark
  - that a programme wide approach is adopted to maximise the proportion of council homes at council rents, with sufficient flexibility for a sales element to support the viability of the programme, depending on the overall financial envelope. Developments on council housing land will have at least 50% council rented homes and ensure a right to return for council tenants and resident leaseholders so local people can stay in borough they call homes.
2. Request that cabinet notes the following:
  - the progress at September 2018 on the new build programme and the interim target to deliver 2500 homes by the end of 2022 as part of the longer term commitment to deliver 11,000 council homes by 2043.
  - that the success of this programme is subject to a holistic, planned, managed and executed delivery programme that focuses on providing quality homes expediently
  - a robust borough wide capacity study is underway to provide a future pipeline to deliver the above aims.
  - a renewed design approach as outlined in paragraphs 34-36
  - the detailed communications and engagement strategy outlined in paragraphs 30-33.
  - the funding position and the bid for GLA funding and additional borrowing headroom to enable the delivery of the first 2500 homes
  - the establishment of a new member led steering group to oversee the strategic delivery of the development programme.

## **BACKGROUND INFORMATION**

3. Cabinet established the Independent Housing Commission in January 2012 in order to secure an unbiased perspective and make recommendations and conclusions for an investment strategy of up to 30 years. On 16 July 2013 cabinet considered the conclusions and next steps following community and stakeholder engagement and set out the council vision to identify whether the potential for 11,000 new homes exists for delivery by 2043.
4. On 27 January 2015 cabinet agreed its new long term housing strategy for the borough including specific commitments to increase housing supply, including building 11,000 new council homes for social rent by 2043, delivering the successor to our 'warm, dry and safe' housing investment programme', as well as taking a longer term view of measures to improve the housing stock over the duration of the strategy.
5. As a fulfillment of the manifesto commitment the council is expected to approve a council plan that commits to build at least 2,500 council homes by 2022, 569

of which have been completed to date leaving a balance of 1931 to deliver.

6. Southwark and London in general face a housing shortfall that is particularly acute for genuinely affordable housing. The draft London Plan sets out a ten year net housing completions target for Southwark to deliver 25,540 homes by 2028/29. With the plans for 11,000 new council homes, the council can make a significant contribution to this total through directly building new homes or building new homes in partnership, delivering the homes that the residents of Southwark need. Southwark continues to lose homes through the right to buy and not only must the council replace these but also build more, to ensure future housing needs and those currently on the councils housing waiting list are met.
7. The council is already building new homes with 569 already delivered, 95 under construction and a further 627 council homes with planning permission. The council now needs to accelerate the building capacity to deliver on average 500 homes a year and build on the strengths and lessons learned from the experiences so far. However, there are significant challenges to ensuring a pipeline of new homes to deliver the councils ambitious building targets. These include; identifying and prioritising the pipeline, choosing an appropriate delivery vehicle, resource capacity and expertise to enable delivery, consultation, funding (and the restrictions around borrowing) that may require the council to rethink such vehicles. This report outlines how these challenges may be overcome and how the council can deliver its ambition of significant numbers of council homes. With an ambitious commitment to build council homes, it will remain a challenging programme entailing significant consultation with the community to enable the council to build the homes that Southwark residents desperately need.
8. The recommendations and actions noted in this report are a series of refinements to the delivery model to help aid speed and quality of delivery by better drawing out the benefit to our existing residents overall living environment.
9. This is an update following the previous update to cabinet on May 2017.

## **WHAT HAS BEEN ACHIEVED**

10. The council has already delivered 569 new council homes for residents across Southwark.
11. A further 95 council homes are on site and 627 have achieved planning with 9 direct delivery schemes (providing 196 council homes) being due on site within the next six months. There is a robust programme of schemes that intend to deliver 2,651 homes by 2022. As with any major programme, some flux can be expected and so wherever possible we will schedule in additional schemes, which could fill any gaps when delays are realised. The council has put these into tranches for monitoring and driving the programme.

Categories	Delivered	On site	Planning Approved	Pre-Planning	Feasibility	Pre-Feasibility	TOTAL
Direct Delivery	262	76	414	703	0	18	1473
Hidden Homes	41	0	29	2	9	0	81
Leathermarket	27	0	0	40	0	0	67
SRPP	0	0	184	241	0	286	711
S106 purchase	239	19	0	0	61	0	319
<b>TOTAL</b>	<b>569</b>	<b>95</b>	<b>627</b>	<b>986</b>	<b>70</b>	<b>304</b>	<b>2651</b>

### Direct delivery of new homes

12. The council has already directly delivered 262 council homes, a further 78 council homes are on site. 414 council homes have planning approval and the following 6 schemes that have gateway approval to commence.

- Pelier Street, Newington
- Meeting house lane, Nunhead & Queens Road
- Daniels Road Car Park, Nunhead & Queens Road
- Tenda Road Car Park, South Bermondsey
- 35-41 Nunhead lane, Rye Lane
- Ivy Church Lane Garages (Kinglake Street), Faraday.

13. A further additional, estimated 703 council homes across 25 schemes sit at earlier stages in the development process.

### Hidden Homes Programme

14. 41 council homes have been delivered through the hidden homes programme. These include pending completions this year delivering 7 further new homes.
15. Southwark is looking through, the hidden homes programme, to convert large void properties to provide additional units. A pilot is currently being progressed.

### Leathermarket Community Benefits society (CBS)

16. These sites are through Leathermarket CBS. This is Southwark's community based delivery partner delivering resident led social homes on underused Leathermarket sites. The CBS has already successfully delivered 27 high quality social rental homes on an underused Leathermarket site. Planning has been submitted for 40 homes at the Joseph Lancaster site. Further investigation is underway to add further sites for delivery through the community based CBS that will be for council rent.

### Section 106 (s106) purchases

17. The council currently has secured a number of sites that are delivering new council homes through purchasing affordable housing homes from developers, so far delivering 239 council homes.

18. A further 80 council homes are expected to be delivered across additional sites.

### **What has been achieved –Southwark Regeneration**

19. The Southwark Regeneration in Partnership Programme (SRPP) is currently made up of 18 sites (Lots A and B) with investigations taking place to add further sites to form additional lot(s). In total these schemes are estimated to deliver 711 homes.

#### **LOT A**

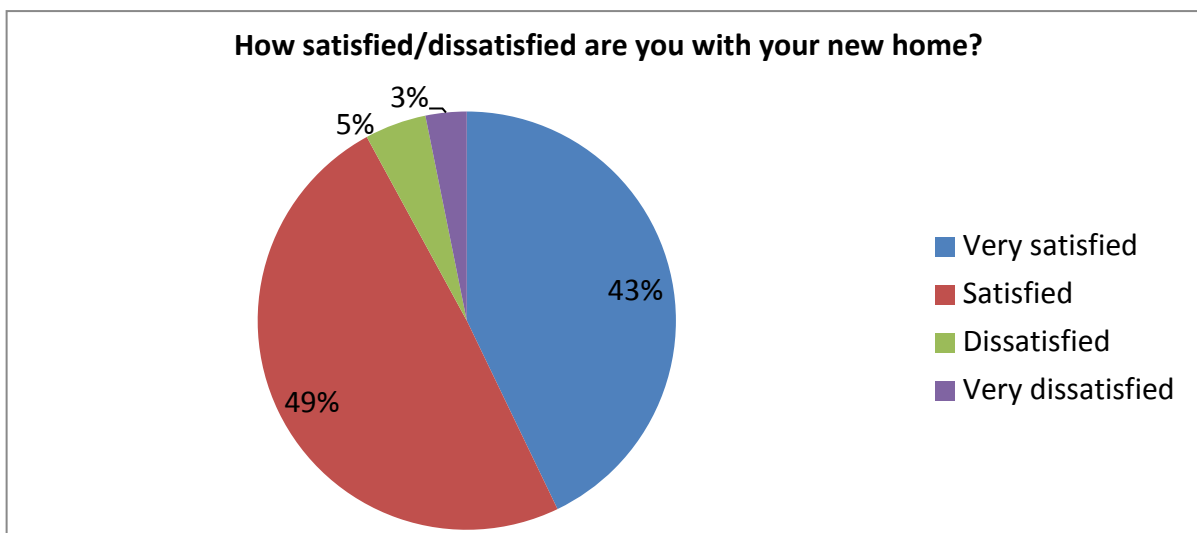
20. Lot A has been repackaged following an unsuccessful tender through the London Development Panel Framework to improve marketability by lowering development risks. The council has created 6 sub lots in line with the feedback from the soft market testing proximity, site size and planning.
21. These are expected to be delivered through partnerships and via competitive procurement following OJEU. The sites have all attracted good market interest with developers offering the council competitive proposals in terms of risk transfer, development expertise, design quality, capital receipts and council homes. Developers will be selected in the current financial year and works will begin on site in 2019.
22. A minimum 50% affordable housing is being sought while balancing maximum returns to the council together with full compliance with the new homes design guide and technical standards.

#### **LOT B**

23. Lot B, comprising 10 sites, was tendered through the London Development Panel Framework. Following the evaluation and the approval of the Gateway 2 on 20 September 2016 Lot B was awarded to Affinity Sutton Homes Limited. Affinity Sutton subsequently merged with Circle One to become the Clarion Housing Group.
24. Changes in market conditions over the last 18 months mean it is prudent to carry out site re-appraisals to ensure the most effective and fastest delivery of new homes, making best use of public funds. This work is being undertaken now and where appropriate any new proposals will be governed through the council's normal gateway process.

### **Post-Occupancy evaluations**

25. There is a 92% overall satisfaction with new homes, to date, from the satisfaction surveys of residents at 6 occupied sites and these range from 100% to 75% on individual schemes and feedback from post occupancy evaluations will inform future design briefs.



## KEY ISSUES FOR CONSIDERATION

### The future pipeline and delivering 11,000 homes

#### New site identification

26. External industry experts have been commissioned to carry out a full borough wide capacity study of housing land to identify a pipeline of potential sites. The work of identifying these opportunities is ongoing and due to complete in spring 2019. However, interim information will be available prior to this to enable highly viable opportunities to be brought into the programme for expedient progression.
27. This work is currently exploring housing land for all reasonable development opportunities including stand alone sites, infill blocks on estates, underused areas, garage sites and developments on top of existing homes. Whilst sites may be identified as technically feasible it is recognised that a holistic approach to assessing the sites will need to be undertaken to assess the opportunity for development. Efforts will be made to ensure that the impacts and advantages associated with new housing are spread evenly across the borough, but this is not an exact science and some parts of the borough may be more suitable, and allow us to deliver new homes faster, than others.

#### Detailed communication and engagement strategy

28. The council's Charter of Principles for community engagement, set out how the council wants to work with local people on the development of new, high quality homes on their estates. The council continues to commit resources to ensure that residents are engaged in the delivery of new homes. This includes estate-by-estate / site specific engagement that is resourced by the teams delivering the schemes, the council's communities division as well as the professional services, architects and employers agents, employed by the council.
29. Building on this important commitment, and work done to date, we will develop a new, detailed, communications and engagement strategy as part of this reinvigoration of our direct delivery programme.

30. This will include global communications:
- wide communication about the ambitious plans the council has to build new homes and the benefits that the programme will bring
  - Communications on the pipeline and identification of new sites.
31. There will also be further commitments to ensure residents are full engaged in the design and delivery of new sites:
- keeping project and programme communications on the website, and always up-to-date
  - ensuring exhibition material for drop-ins tailored to the specific site and any known resident queries and concerns
  - presentations will be tailored to the audience and will pre-empt resident concerns
  - new homes project groups will be sought from a balance of neighbouring residents and those on the waiting list
  - regular project communications will be conveyed through all available means e.g. website, newsletters, tenant and residents' associations and new homes project groups, and online forums. This will continue irrespective of project / site activity.

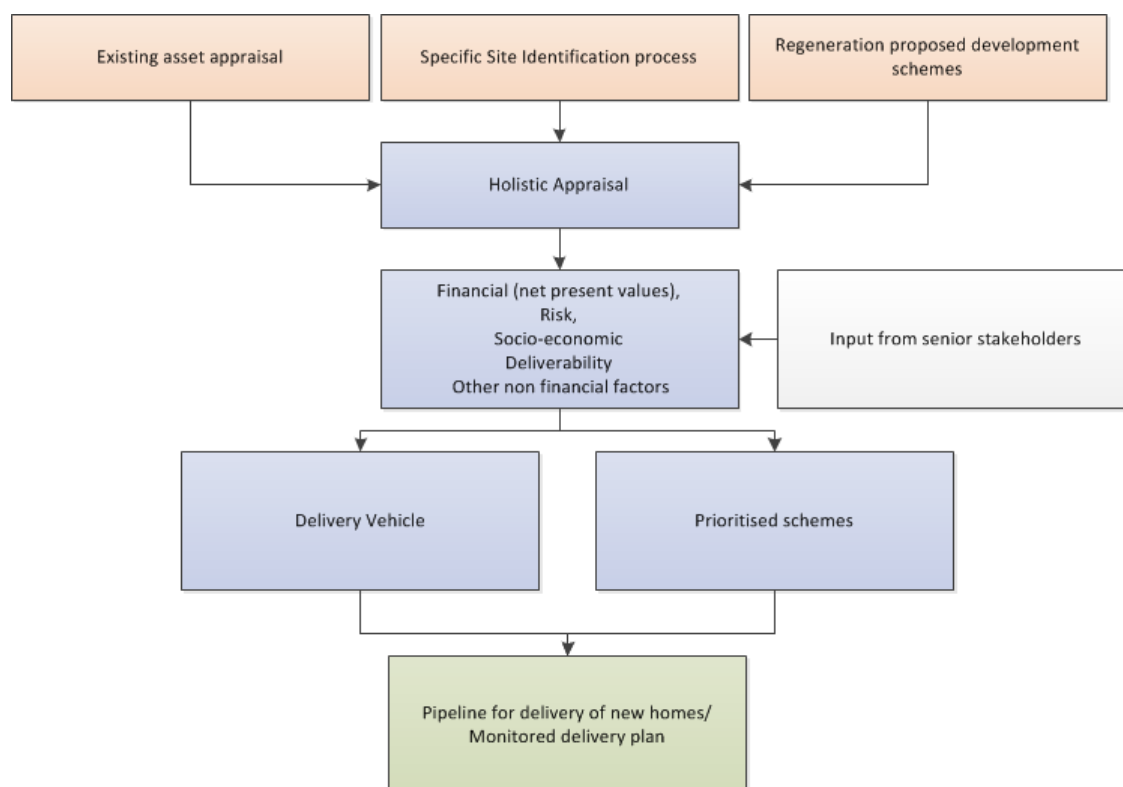
### **A renewed design approach**

32. Linked to the communications strategy, there will be a renewed approach to design involving understanding local need to influence the design, size and mix of homes. In developing the design brief for new homes we can ensure that they can better meet the needs of the community. The council will commission a leading expert to develop the design brief to ensure it meets the council, planning and community requirements to ease barriers to successful delivery. This will help draw out the benefits of good design throughout the process and ensure a lasting legacy in the built environment. This will take account of the Mayor of London's 'Good Growth by Design' guidance to ensure that designs and development benefit the local community.
33. The council is procuring two frameworks, one for architects and one for professional services that will be used to engage services across the council. So far over 400 expressions of interest have been received to be part of these frameworks and shortlisting will be commencing in November this year. The framework is open up to small and medium-sized enterprises (SMEs) and the key emphasis is on the quality of designs to unlock the full value of a site. This will deliver good design that help better attain 'buy in' from residents on schemes and speed up delivery. Through the innovation and quality determined through the frameworks of architectural design and employers agents acting on our behalf on new homes contracts we will improve construction oversight and ensure the highest safety, quality and durability of the builds.
34. The council will be establishing a design advisory group formed of the cohort of architectural practices to help improve and refine emerging designs. This will feed into an updated edition of the Southwark New Homes Design Guide that will take into account the emerging 'Pride of Place principles' work as part of the council's Social Regeneration framework. Alongside this guide a bespoke

Southwark Rooftop Design Guide will be developed to aid learning and best practice for unlocking the specific design and resident buy-in.

### A holistic appraisal of delivery options

35. A holistic appraisal model will be developed to take into account of financial (net present values); risk, socio-economic, deliverability and other non financial factors that take into account the community in which the development will take place. Clear consideration will be provided by planning, how packages of work may be created to create efficiencies and best use of available funding at that time. The driver to deliver the greatest volume of quality homes as quickly as possible will remain a key focus.



36. The pipeline will be assessed against this model to identify where different sites should sit within the programme, with those scoring the best prioritised alongside those that may be deliverable in a shorter timeframe. By mapping out our entire programme we will be able to identify potential gaps and challenges early and thus develop plans to mitigate them.
37. It is proposed that sites be quickly brought into the programme (see the revised route to IDM in Appendix 1), alongside better consultation in line with the Charter of Principles. By increasing local awareness of the plans through our new communications and engagement strategy we will both increase transparency and ensure local residents are properly informed about the plans providing opportunity to discuss any concerns they may have.
38. Once the council has a number for the potential capacity on all council land, any shortfall in achieving our 11000 targets will have to be met through finding

other capacity. This could include building on other council land, developing on non-council land, regeneration and purchase of affordable housing on private led developments.

39. The council already has a number of delivery mechanisms that it is employing to enable the delivery of new homes. These include; direct delivery, joint ventures and development agreements (as part of the Southwark Regeneration in Partnering Programme SRPP) and third party developers e.g. Leathermarket CBS.
40. The appraisal model will also take account of the various delivery models available and as part of that process assess the schemes for the most appropriate vehicle for delivery to be employed. The assessments will also allow for the diversification and capacity of those vehicles to deliver the target.

### **Delivery Vehicles**

41. The following weighting factor in the how the delivery vehicles could accelerate the delivery across the programme from now, noting the time to set up some of the structures for delivery. However, the council may consider all vehicles as part of its assessment of the opportunities.

<b>Delivery Vehicle</b> <b>(5=highest, 1=lowest)</b>	<b>Speed of delivery</b>	<b>Certainty of delivery</b>	<b>'Pride of Place' quality oversight, and design guide compliance</b>	<b>Capturing land and development value for council</b>	<b>Mobilise inward investment or funding</b>	<b>Total/ 25</b>
<b>Direct Delivery</b> <b>(Building internal team on programme managed, self-financing basis)</b>	4	4	4	3	2	17
<b>Joint Ventures</b>	3	3	3	4	4	17
<b>Council owned development</b>	3	4	4	3	3	17

<b>Delivery Vehicle</b> (5=highest, 1=lowest)	<b>Speed of delivery</b>	<b>Certainty of delivery</b>	<b>'Pride of Place' quality oversight, and design guide compliance</b>	<b>Capturing land and development value for council</b>	<b>Mobilise inward investment or funding</b>	<b>Total/25</b>
<b>company</b>						
<b>SRPP style partnership procurement via an OJEU</b>	4	3	4	3	3	17
<b>Development Agreement via land agreement</b>	4	3	3	3	3	16
<b>Third party community led development e.g. Leathermarket and CLT type schemes</b>	4	4	4	2	3	17
<b>Registered Provider operating as a development arm</b>	3	2	3	3	2	14

42. There are benefits and restrictions to all delivery vehicles, however, diversification of delivery reduces the overall risk on the programme moving forward:

<b>Delivery Vehicle</b>	<b>Benefits</b>	<b>Restrictions</b>
<b>Direct Delivery (Building internal team on programme managed, self-financing basis)</b>	<ul style="list-style-type: none"> <li>• In house</li> <li>• Teams in place with expertise now in delivery so new homes</li> </ul>	<ul style="list-style-type: none"> <li>• Limited funding and currently limited borrowing to enable delivery</li> </ul>

Delivery Vehicle	Benefits	Restrictions
	<p>can be delivered quickly</p> <ul style="list-style-type: none"> <li>• Less reliant on a new structure</li> <li>• Total accountability to the council, control to take decisions in the best interests of the council and residents and flexibility</li> </ul>	
<b>Joint Ventures</b>	<b>Registered Provider joint venture</b>	
	<ul style="list-style-type: none"> <li>• Homes owned by JV</li> <li>• An experienced provider is brought in to deliver homes</li> <li>• External investment brought into programme</li> <li>• The company owning the risk</li> <li>• The ability to process a larger number of schemes and thus a quicker delivery method</li> </ul>	<ul style="list-style-type: none"> <li>• Complex to set up</li> <li>• The council is relinquishing some control</li> </ul>
	<b>Investor Led joint venture</b>	
	<ul style="list-style-type: none"> <li>• Increases capacity to deliver</li> <li>• Risk sharing</li> </ul>	<ul style="list-style-type: none"> <li>• Complex to set up, possibly difficult for the council to secure a good deal</li> <li>• The council grants a lease and defines what the land will be used for</li> <li>• The council has less control over delivery but can manage this through the Development Agreement</li> <li>• Would only be suitable for larger schemes</li> </ul>
<b>Investor lease back joint venture</b>		

<b>Delivery Vehicle</b>	<b>Benefits</b>	<b>Restrictions</b>
	<ul style="list-style-type: none"> <li>Increases capacity to deliver</li> <li>Similar to above but homes leased back to the council and council retains the full ownership at the end of the lease period</li> </ul>	<ul style="list-style-type: none"> <li>The lease amount for the period is set where as the income for the units may diverge</li> <li>Higher cost to set up</li> <li>Profit retained by the investor</li> </ul>
<b>Council owned development company</b>	<ul style="list-style-type: none"> <li>Making use of in house teams</li> <li>The council already has a company set up, though not actively developing</li> <li>Has access to finance outside the HRA</li> <li>Can generate investment into the programme</li> <li>Can generate a return for the general fund</li> <li>Can be labelled under a separate brand</li> </ul>	<ul style="list-style-type: none"> <li>The council would have the costs associated to make this activate the company</li> <li>Slightly less accountable</li> <li>The council still ultimately carries the risk</li> </ul>
<b>SRPP style partnership procurement via an OJEU</b>	<ul style="list-style-type: none"> <li>Already established contract documentation and in house experience</li> <li>Can achieve competitive outcomes in terms of land value and or council homes</li> <li>Attracts new and experienced developers especially developers and builders in one company who commit contractually to delivery programmes and can provide a track record of delivery.</li> </ul>	<ul style="list-style-type: none"> <li>Procurement process can be lengthy and other partnership processes may produce quicker outcomes.</li> </ul>
<b>Development Agreement via land agreement</b>	<ul style="list-style-type: none"> <li>Relatively quick delivery of new homes for residents</li> <li>Can determine risk share</li> <li>Potential for profit share</li> <li>Can be cost effective</li> </ul>	<ul style="list-style-type: none"> <li>Can stray into procurement</li> <li>Needs benchmarking to ensure value for money</li> </ul>
<b>Third part community led development e.g.</b>	<ul style="list-style-type: none"> <li>In Southwark, this is a proven model for</li> </ul>	<ul style="list-style-type: none"> <li>Depending on the status of the party,</li> </ul>

<b>Delivery Vehicle</b>	<b>Benefits</b>	<b>Restrictions</b>
<b>Leathermarket</b>	<p>delivering new homes (Leathermarket) however for unproven community groups directly delivering would carry risk</p> <ul style="list-style-type: none"> <li>• The schemes are more likely to have community buy in enabling some delivery that may be more difficult for the council to deliver</li> <li>• This creates a significant piece of community engagement and as such significant social value</li> </ul>	<p>these may only be able to deliver 'council like homes'</p> <ul style="list-style-type: none"> <li>• The council might not retain the homes</li> <li>• The parties have limited access to funding outside of the council or the councils borrowing</li> </ul>
<b>Registered Provider operating as a development arm</b>	<ul style="list-style-type: none"> <li>• The ability to increase the development capacity without having to increase internal capacity</li> <li>• As only a development arm similar financial restrictions to direct delivery</li> </ul>	<ul style="list-style-type: none"> <li>• You would need resources to monitor delivery and outputs</li> <li>• Less control over the development than delivering directly</li> <li>• There is unlikely to be substantial risk transfer over delivery</li> <li>• A development fee would be extracted from the overall value, meaning possible less value for the council and residents</li> </ul>

43. Southwark has already set up a wholly owned company. Southwark Housing Company Limited (SHC), which was established in May 2015, with the purpose of exploring the potential for development of intermediate housing products and also to make a financial contribution to the housing investment programme.
44. For the council to deliver new housing by acting in commercial manner with a private sector development partner, outside of either the Official Journal of the European Union (OJEU) procurement (the online journal that is home to all public sector contracts that exceed a certain value) or a land sale or property partnership, it may be beneficial to use the housing company. This could maximise the investment benefits that would be achieved from a joint venture including private sector investment, financing outside of the HRA and the use of private sector sales to cross subsidise investment. It will also enable the council to build other assets. This method of delivery could therefore provide the council with greater flexibility and financial freedom to deliver new homes and make the most of its assets.
45. Since the incorporation there has been no official company activity but officers

have explored the financial feasibility of undertaking development through the housing company. Initial financial analysis has indicated that the company could be financially viable but would require council or external resources to start up. Much would depend on the company arrangement, whether it is funded by the general fund, or through institutional funding, or whether it would be a joint venture arrangement in partnership with RPs and/or a construction developer.

46. The ability of the council to deliver new homes, through Housing Revenue Account borrowing, announced at the conservative part conference may play a significant role in accessing the vehicles for delivery. However, the council awaits the details of the announcement so that this can be properly accessed.
47. Establishing a wholly owned company may have advantages. In 2016 Croydon Council established Brick by Brick (BxB) to accelerate delivery of both private and affordable homes to buy and rent, for Croydon residents. The model allows for a return from development activity as well as providing much needed housing. The council receives back the returns from development, meaning that the council has more money to provide services as well as addressing housing need. BxB can use a variety of approaches to deliver the development schemes including direct delivery via building contractors and joint ventures.
48. Croydon council expects to benefit through the receipts for the land value for each of the development sites will be received by the council upon completion of each site, a dividend paid to the council as sole shareholder and interest on the significant loans made to BxB. BxB also benefits the council by contributing to the delivery of housing within the borough whilst operating commercially and independently from the council.
49. However, this model does not necessarily speed up delivery of new homes. BxB aim to deliver homes for the residents of Croydon of which 50% will be affordable homes. So far the council is at planning stage with over 30 schemes, and is currently working on around 2,000 new homes on multiple sites, but as yet no homes have been delivered. The overhead associated with operating this entity is not known.

## **ACCELERATING THE FORWARD PROGRAMME**

50. Once we have a forward pipeline, over and above the current approved programme, resources for the council's in house teams can be assessed and planned in line with the programme. This would not only include the teams directly delivering the schemes such as the regeneration and new homes teams but also the teams that enable the delivery at key stages including legal, procurement, communications, finance and other sections in housing and modernisation. Clearly setting out milestones and resource commitment will reduce slippage. Different teams will need to resource their teams appropriately and be held to account for their key roles in driving the programme forward. By having visibility of resource peaks they will be able to resource accordingly.

## **Estate improvement plan approach**

51. The emerging 'Great estates programme' includes a new Estate Improvement Plan approach to estates with new homes potential. With a planned pipeline the council can plan the new build programme around the wider asset management plan ensuring that the efforts are coordinated and opportunities maximised.

This will look at the coordination between the major works programme and the new build programme to ensure that the timings and where possible benefits of the new build programme are felt more widely. This can mean delivering community benefits alongside the new build programme and thus contributing to a wider uplift in living conditions of all residents and thus aiding the buy-in of residents affected by council homes developments near their home. This will ensure residents can clearly see the benefits for building new homes on their estate.

52. With a clearly planned pipeline the council can begin to link new build and asset programmes to a wider agenda of improving lives and wellbeing for residents. A balanced mix of physical, economic and social regeneration is most likely to enhance health and wellbeing of residents. So the council will look to provide a more rounded approach to make sure it is delivering more than just new homes working with the 'Great Estates' agenda and utilising social regeneration indicators linked to council plan objectives. Where the council has planned major investment to existing homes aligned with a development schedule for new homes, wider proposals to include the surrounding spaces will be developed for in the proposals for the scheme. This will realise benefits to the whole community. These will be synchronised so that do not cause any significant delay the existing refurbishment plans, such as delivering the kitchens and bathrooms guarantee. Once the details of the removal of the HRA debt cap are announced later this month and an understanding of how this will impact on the overall HRA financial envelope, any new flex on the housing investment programme will be used to assist this approach.

#### **Other plans to accelerate the programme**

53. The council recognises the challenge and will review its own procedures and barriers to ensure that it can speed up delivery. The lead teams will create standard processes, procedures, and lines of communication, with a gateway approval process that encourages a steady pace. As part of the appraisal assessment of deliverability, the council will prioritise the sites that are more deliverable acknowledging that infill sites, in particular, tend to be difficult to developed, provide more challenges than a standalone site and they may not offer best value for money. However, they frequently provide the opportunity to bring underused areas back to life and opportunities for local lettings for people in housing need. There is much to be balanced within the programme.
54. Focusing initially on smaller sites under OJEU levels may allow for quicker delivery on direct delivery sites, but require a high volume of sites in the short term. New frameworks are being developed for both professional services including architects and employers agents implementable by spring 2019 as well as a construction framework implementable by spring 2020. The framework makes provisions for different works values and including those under and over OJEU levels to run concurrently. This will both ensure value for money and timely delivery for the programme in the longer term.
55. We recognise that attempting to speed up our delivery of new homes has implications for all aspects of the programme, including our community engagement. We will seek to reassure residents that we remain firmly committed to our charter of principles and in engaging local communities about new homes in their area, doing so more effectively to prevent false starts and misinformation. The November 2017 IDM on the review of the charter of principles approved changes to the way the council delivers community

engagement on the direct delivery of new council homes recognising that one size does not fit all and on some occasions the council and the community may wish to modify the way in which it works (e.g. the engagement on a large scheme may require a different approach to a very small infill with one or two new properties).

56. Across the programme of delivery the council will continue to adhere to the engagement approach adopted by the Council in 2012, and the commitments made in the Cabinet report on Charter of Principles, whilst recognising that on some small sites a more streamlined flexible approach is required:
  - Ensure that we work closely with our existing formal tenant structures along with the wider community.
  - Work in ways that encourages those who are not involved to participate.
  - Build on the work of the Community Engagement team to develop relationships with groups who do not normally participate such as young people and residents in sheltered housing.
  - Use a range of engagement tools that encourages a diversity of people to respond, such as hard to reach communities, young people and disabled people.
57. The principles need to be developed into an agreed consultation plan to be followed on each scheme which is transparent and honest with a timetable which will be met. There could be different plans depending on size and complexity of the scheme, as this will avoid potential non-productive iterations and engagement, and move positively through to planning applications within a structured process that all stakeholders are committed to.
58. For each scheme a view on local lettings will be developed in accordance with local priority need which could mean mixed and variable considerations. Each being reviewed on a scheme by scheme basis. At design brief stage the priority need on an estate will be assessed and the scheme developed accordingly – this will mean that schemes may be at odds with current planning policy however planning will give due consideration to this and accommodate, where they can, within the New Southwark Plan (NSP).
59. The council is also working with architects to ensure that a consistent range of consultation material is available to residents so that they are able to effectively engage in the design process whilst limiting later changes to design briefs. This will deliver a clear and consistent model across all schemes.
60. The council is also currently undertaking heat mapping and master planning with a view of developing a strategy for the council's heat network. The plans to develop 11,000 new council homes will need to link into this plan to ensure that networks are coordinated with the strategy to enable the delivery of modern district heat networks to Southwark residents. A coordinated approach across all capital and revenue expenditure, including new homes delivery will deliver the maximum value to the council and therefore its residents.
61. To enable a council wide approach, capable of overcoming challenges to delivery, a new cabinet member led New Homes Steering Group will be set up. They will oversee the successful delivery of the council's new build programme, including the delivering of 2500 homes by 2022 and development of the overall programme, including the consideration of options to deliver 11,000 new council

homes by 2043. This group have strategic oversight of the programme and unlock the potential building capacity within Southwark. By agreeing key principles at this juncture, we will avoid having to revisit key decisions, which will help expedite delivery.

## **A SOUTHWARK CONSTRUCTION COMPANY**

62. Alongside the existing delivery tracks outlined earlier, we will commence exploring the options for a Southwark construction organisation with a view to examining:
- the elements of the construction supply chain that have identified and projected skills and material supply issues that delay delivery and add cost, and
  - which types of intervention can deliver benefits for
    - i) speed and certainty of delivery
    - ii) quality and flexibility of build
    - iii) durability and ease of handover. (These investments in new capacity will be rooted in a detailed, accurate business case, and the process supporting this will be embellished in a future cabinet paper).
63. Southwark has made a commitment to providing a construction company and this will be proactively progressed. This will link to the work to provide a clear planning pipeline of work. It will determine the vehicles for delivery so that the required capacity can be resourced. This may enable options such as a construction company through a joint venture opportunity with strong links to the council. The development of a construction company has wide and varied connotations and as such needs a degree of both wide considerations and narrow evaluation. Southwark is currently considering the best way to evaluate options in relation to this opportunity.
64. The council will seek to advance plans for the development of the company by April 2019.

## **COMMUNITY LAND TRUST**

### **Community land trusts**

65. Community Land Trusts (CLTs) are a way of providing genuinely and permanently affordable home ownership, offering up one model to address the growing gap in the market between people who are a priority for a council property and those who can afford to buy on the open market.
66. The CLT homes are sold at levels linked to local incomes and every subsequent sale through the CLT will also be linked to local incomes.
67. The council is committed to look to deliver a Community Land Trust within Southwark as part of the commitment to deliver homes of every kind and is working with the London CLT and Peckham Citizens to identify a suitable opportunity to take forward.
68. As part of the borough wide capacity study the council will identify suitable sites that can be explored and taken forward from inception to delivery with the community in to deliver a community land trust in Southwark. It is likely that

these sites may still require subsidy, possibly in the form of land and external grants to ensure they are genuinely affordable to Southwark residents. Southwark intends to work with Peckham Citizens and the London Community Land Trust to quickly identify suitable sites and then explore these opportunities and deliver homes available to the 'squeezed middle' in Southwark. The council will also assist the CLT to help facilitate grant applications such as to the Community Housing Fund.

## Funding

69. For a number of years councils have faced significant barriers to delivering new homes. Right to buy (RTB) receipts that the council receives from the discounted purchase of council homes can only be kept for three years and can only be applied up to a maximum of 30% per property. The programme delivered so far has largely relied upon a mixture of commuted sums (s106 receipts). With the council insisting on more on site provision of affordable housing it is expected that going forward there will be less commuted sums to support the new build programme.
70. The regeneration schemes (SRPP) delivering council homes rely on the capital value of the land. The council puts in land and private sales enable the provision of social homes and possible overage on sales values back to the council.
71. The council has had limited borrowing capacity within the Housing Revenue Account and given the size and complexity of the new build programme would always look to keep a contingency of £50m borrowing headroom. The remaining £97m existing borrowing headroom is already earmarked for other major capital investment which includes large projects such as Ledbury, Tustin and Maydew House.
72. This leaves the council with very limited resources to provide a new build programme, particularly through direct delivery through the HRA.
73. It is estimated that the cost of delivering the council homes and the additional units in the current pipeline is excess of £500m of resources (including non council homes).
  - There are currently £75m of RTB receipts, with the amount of RTB purchases generally reducing and therefore the receipts are reducing going forward.
  - There is currently £60m of s106 and the amount of s106 coming in is generally assumed to be reducing going forward.
  - Any shortfall would need to be met largely with borrowing.
74. A grant bid of £168m against the pipeline has been applied for through the GLA's *Building Council Homes For Londoners* fund. This is bidding for all the possible units starting on site before March 2022. The grant available for is £100,000 per Social Rent/London Affordable Rent. The grant for London Living Rent, London Shared Ownership or other genuinely affordable intermediate homes is:
  - £38,000 per home started in 2018-19 or 2019-20
  - £28,000 per home started in 2020-21 or 2021-22.

75. Government announced it would raise local authority Housing Revenue Account borrowing limits by up to £1 billion between 2019-20 and 2021-22. The GLA announced London's share of this increase as £500m and all London councils are able to bid for borrowing linked to new build schemes.
76. £204m of borrowing has been identified to deliver the pipeline in addition to the grant, that would be required to come from additional borrowing headroom. Of this, £188m could be eligible for additional GLA borrowing support.
77. The GLA is also offering councils the opportunity to opt-in to its Right to Buy Ring-Fence Offer. Southwark has accepted this offer and the GLA will ring-fence any Right to Buy receipts that the council collects and returns to the GLA (via central Government) for use by Southwark in accordance with a standard agreement between the two parties. It provides Southwark with an opportunity to ring-fence receipts plus any interest paid on receipts for three years; the council would otherwise lose control of these resources once returned to central Government.
78. The government has been consulting on changing the rules around right to buy receipts (ending in October), possibly allowing for a longer retention and a higher percentage of receipts that can be used. Relaxing rules around the use of right to buy receipts, such as allowing them to be used with grant and freeing council from HRA borrowing restrictions would allow councils build more houses.
79. At the Conservative party conference it the intention to end the cap on council borrowing against the housing revenue account (HRA) was announced. The council awaits details of when the cap will be scrapped and whether there will be conditions imposed on councils, with more details due in the budget scheduled for 29 October 2018.
80. However, as it currently stands, if the councils bid is not successful or the rules on borrowing in the HRA do not change, they will not be able to deliver the volume planned pipeline through direct delivery and alternative delivery vehicles will need to be examined. This may include but not be limited to mixed tenure development and cross subsidy by way of outright sales.

### **The Future Steering Board (FSB)**

81. The FSB has considered and responded to key local plans, strategies and consultations. This includes the Old Kent Road Area Action Plan; changes to the councils Day to Day Repair Service, New Southwark Plan, Southwark Regeneration in Partnership, and the Hackitt report on Fire Safety as well as planned refurbishments, new developments and builds. The Board has also submitted responses to key Southwark Consultations such as the Old Kent Area Action Plan and the Southwark Conversation. Members of the FSB also visited the new development at Sumner Road.
82. FSB has also responded to Briefing Notes on the proposed government method to calculate housing need for planning purpose and the comparison of viability testing for planning applications between GLA and Southwark Council.
83. FSB's continues its focus on monitoring the progress the council is making towards the target of new homes on site by 2018 and working to understand the likely effects of the changing government housing and planning policy on meeting the new homes target and on Council residents in general. A second

key area of focus is on the variety of implementation methods used by the Council to provide new homes, including Building on Top, and Direct Delivery.

### **Programme communications**

84. The council has developed an external affairs strategy for the next four years, setting out its priorities for communicating and influencing, linked to the priorities set out in the council plan. One such priority is the New Homes programme and a detailed strategy is planned, to ensure that residents and other key stakeholders are aware of the council's plans and the wider challenges and opportunities regarding local government's response to the housing crisis. As detailed in paragraphs 34-37, a detailed communication and engagement plan for each site will also be developed to ensure local residents have an opportunity to be involved in and influence decisions about new homes in their community.

### **Policy implications**

#### **Housing Strategy to 2043**

85. 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.

### **Community impact statement**

86. 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.
87. 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.

88. Consultation on sites is being undertaken in line with the Charter of Principles and continues to provide mechanisms for resident to engage with the development of new homes.
89. By providing a stronger link between the new build programme and working with the 'Great Estates' agenda and utilising social regeneration indicators linked to council plan objectives, the programme will help target those most in need to deliver community benefits.

### **Resource implications**

90. There are no resource implications as all the work is currently being managed through current resources.
91. The resources required to deliver the programme will be kept under review by the new homes steering group in line with the pipeline and delivery vehicles employed.
92. The resources to build the current pipeline of new homes to deliver 2500 will be dependent on the GLA bid and the autumn statement on the HRA debt cap. The resources will need to be reviewed in line with the grant and borrowing headroom that is made available.

### **Consultation**

93. The extensive four stage consultation around this programme and the charter of principles consultations are outlined in this and previous reports.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Director of Law and Democracy**

94. There are no specific legal implications relating to this report, which is an update report to cabinet on the progress of the new homes delivery programme, and requests for approval of exploratory and development work.
95. The cabinet must continue to take into account the Public Sector Equality duty (PSED General Duty) under the Equality Act 2010, and when making decisions to have regard to the need to (a) eliminate discrimination, harassment, victimisation or other prohibited conduct, (b) to advance equality of opportunity and (c) foster good relations between persons who share a relevant protected characteristic and those who do not share it. The relevant characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion, religion or belief, sex and sexual orientation. The duty also applies to marriage and civil partnership but only in relation to (a). The PSED General Duty is a continuing duty, and potential equality considerations should be considered at the different stages of the programme. The cabinet is specifically referred to the community impact statement at paragraphs 95-98 setting out the consideration that has been given to equalities issues in relation to the new homes delivery programme.
96. The cabinet should note that decision makers must continue to conscientiously take into account the outcome of consultation when taking decisions on the proposed programme. When taking decisions on the programme decision

makers must satisfy themselves that the consultation carried out meets legal requirements. To meet legal requirements consultation must be undertaken when proposals are still at a formative stage, it must include sufficient reasons for the proposals and adequate time to allow interested parties the opportunity to consider the proposal and formulate a response.

97. The member-led steering group referred to in the second recommendation is not a formal council decision making body. Decisions on the new homes programme must continue to be made in accordance with legal requirements under the council's constitution.

### **Strategic Director of Finance and Governance**

98. The strategic director of finance and governance notes the progress made on the new build programme and the recommendations made in this report, which are designed to improve the delivery programme in terms of speed and quality of delivery.
99. There are no financial implications arising directly from the report's recommendations. As the report identifies, the council has bid for grant and additional borrowing capacity from the GLA to support the delivery of new homes, which if successful are both affordable for the HRA. In the event of any relaxation of central government controls over HRA borrowing capacity, the council will need to ensure that any additional borrowing taken out is both affordable and sustainable.

**BACKGROUND DOCUMENTS**

<b>Background Papers</b>	<b>Held At</b>	<b>Contact</b>
11,000 New Council Homes - Results of Consultation on Design, Neighbourhoods and Where to Build (Item 8)	Housing and Modernisation, Southwark Council, 160 Tooley Street, London SE1 2QH	Tim Bostridge, Development Delivery Manager 020 7525 1222
<b>Link:</b> <a href="http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=5141&amp;Ver=4">http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=5141&amp;Ver=4</a>		
Cabinet paper : progress update on the council's housing investment plans (Item 12)	Housing and Modernisation, Southwark Council, 160 Tooley Street, London SE1 2QH	Tim Bostridge, Development Delivery Manager 020 7525 1222
<a href="http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=5138&amp;Ver=4">http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=5138&amp;Ver=4</a>		
<b>Link:</b> <a href="http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=5138&amp;Ver=4">http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=5138&amp;Ver=4</a>		
New Homes Delivery Programme (Item 11)	Housing and Modernisation, Southwark Council, 160 Tooley Street, London SE1 2QH	Tim Bostridge, Development Delivery Manager 020 7525 1222
<b>Link:</b> <a href="http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=5139&amp;Ver=4">http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=5139&amp;Ver=4</a>		
New Homes Delivery Programme (Item 15)	Housing and Modernisation, Southwark Council, 160 Tooley Street, London SE1 2QH	Tim Bostridge, Development Delivery Manager 020 7525 1222
<b>Link:</b> <a href="http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=5372&amp;Ver=4">http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=5372&amp;Ver=4</a>		
New Homes Delivery Programme	Housing and Modernisation, Southwark Council, 160 Tooley Street, London SE1 2QH	Tim Bostridge, Development Delivery Manager 020 7525 1222
<b>Link:</b> <a href="http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=5380&amp;Ver=4">http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=5380&amp;Ver=4</a>		

**APPENDICES**

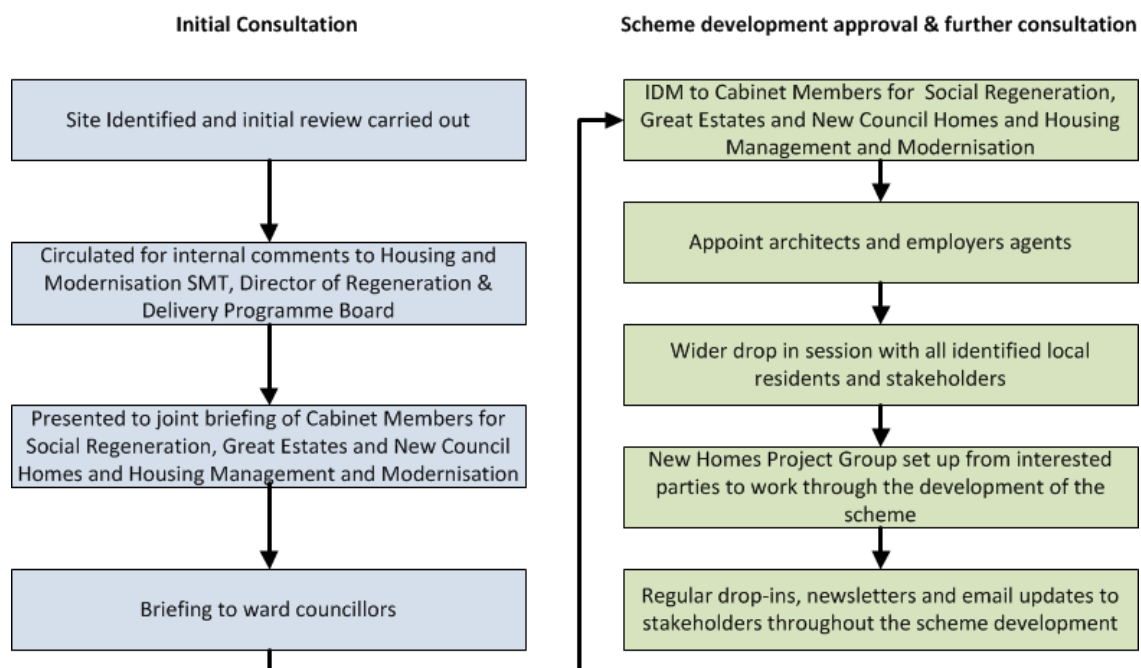
<b>No.</b>	<b>Title</b>
Appendix 1	New process to deliver an approved scheme
Appendix 2	Map showing approved schemes

**AUDIT TRAIL**

Cabinet Member	Councillor Leo Pollak, Social Regeneration, Great Estates and New Council Homes		
Lead Officer	Michael Scorer, Strategic Director of Housing & Modernisation		
Report Author	Tim Bostridge, Head of Development		
Version	Final		
Dated	15 October 2018		
Key Decision?	No		
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER			
Officer Title		Comments Sought	Comments Included
Director of Law and Democracy		Yes	Yes
Strategic Director of Finance and Governance		Yes	Yes
Cabinet Member		Yes	Yes
Date final report sent to Constitutional Team			19 October 2018

## APPENDIX 1

### New process to deliver an approved scheme

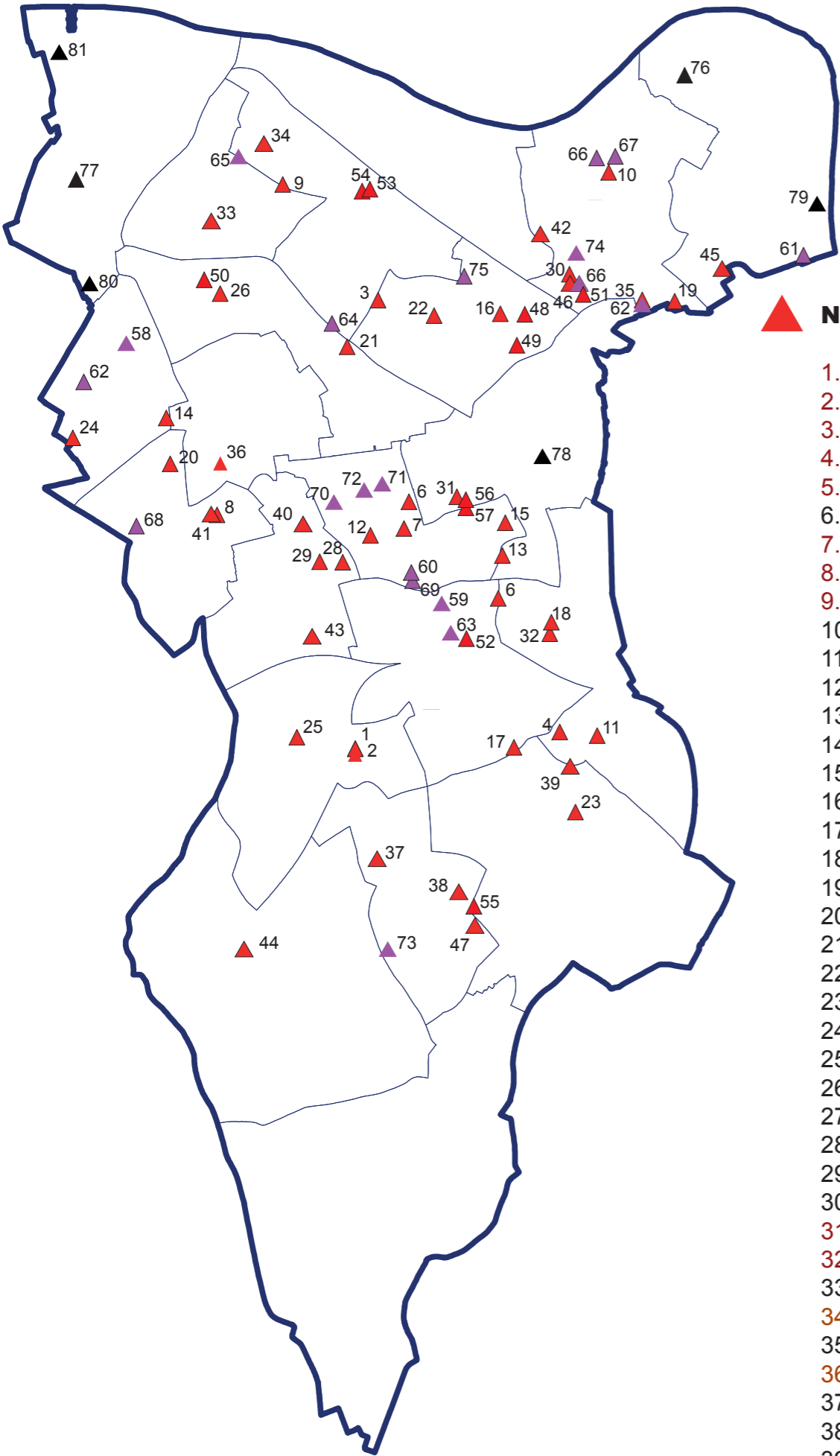


# New Homes Programme

## Approved sites

### October 2018

#### Appendix 2



#### New Homes Programme (Approx rented units)

1. Gateback House (Completed)	9
2. Southdown House (Completed)	10
3. Willow Walk (Completed)	75
4. Nunhead Site B (Completed)	8
5. Clifton Estate (Completed)	8
6. Sumner Road Workshop	50
7. Cator Street (Completed)	42
8. Masterman House Garages (Completed)	15
9. 169 Long Lane (Completed)	21
10. Renforth St car park, Canada Estate	35
11. Daniels Road	19
12. Commercial Way	74
13. Meeting House Lane	29
14. Pelier Street	17
15. Fenham Road Garages	5
16. Tenda Road Car Park	12
17. 35-41 Nunhead Lane	12
18. Lugard Road Garages	3
19. Haddonfield Estate	14
20. Goschen Estate	17
21. Kinglake Garages	21
22. Welsford Street Garages	10
23. Rye Hill Park	23
24. Rutley Close	25
25. Seavington House	35
26. Salisbury Estate Car Park	28
27. Silverlock Estate underground garages	42
28. Sceaux Gardens garages	78
29. Lakanal new Build	28
30. Maydew House new build	0
31. 125 Peckham Park Road (Completed)	16
32. 14A-18 Firbank Road (Completed)	3
33. Joseph Lancaster Nursery	40
34. Weston St garages (Completed)	27
35. Abbeyfield Estate - Bede Centre	69
36. Good Neighbours House (Completed)	37
37. Bassano Street Garages	3
38. Henslowe Road Garages	4
39. 66 Linden Grove	27
40. 2 Sedgemoor Place	15

#### SRPP sites (Approx rented units)

58. Land at Wyndham Road & Redcar Street	74
59. Flaxyards	96
60. Sumner House	0
61. South Dock Marina	30
62. Workshops, Braganza Street	0
63. Copeland Road car park	24
64. Petrol Station, 233-247 Old Kent Road	11
65. Cherry Gardens School	12
66. Civic Centre, Albion Street	14
67. Land at Albion Primary School	25
68. Manor Place terrace	19
69. Peckham Library Square	6
70. 21-23 Parkhouse Street	10
71. Wickway Community Centre, St Georges Way	20
72. Land at Angel Oak Academy, Chandler Way	26
73. Fred Francis Centre, 269 Lordship Lane	16
74. Day Centre, 345 Southwark Park Road	11
75. Site at Long Lane (Beormund School)	31

#### S106 Purchases

76. Anchor Point, adjacent to former Surry Dock Stadium (Completed)	24
77. 128-150 Blackfriars Road (Completed)	56
78. 8-24 Sylvan Grove (Completed)	80
79. 1-5 Odessa Street	19
80. Churchyard Row (Completed)	79
81. 18 Blackfriars Road	61

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