

Cabinet

Tuesday 15 March 2016

4.00 pm

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

Membership

Councillor Peter John OBE
Councillor Ian Wingfield

Councillor Fiona Colley
Councillor Stephanie Cryan
Councillor Barrie Hargrove
Councillor Richard Livingstone
Councillor Darren Merrill
Councillor Victoria Mills
Councillor Michael Situ
Councillor Mark Williams

Portfolio

Leader of the Council
Deputy Leader and Cabinet Member for
Business, Employment and Culture
Finance, Modernisation and Performance
Adult Care and Financial Inclusion
Public Health, Parks and Leisure
Housing
Environment and the Public Realm
Children and Schools
Communities and Safety
Regeneration and New Homes

INFORMATION FOR MEMBERS OF THE PUBLIC

Access to information

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Contact

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

Members of the committee are summoned to attend this meeting

Councillor Peter John

Leader of the Council
Date: 7 March 2016



Cabinet

Tuesday 15 March 2016

4.00 pm

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

Order of Business

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PART A - OPEN BUSINESS

MOBILE PHONES

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

1. APOLOGIES

To receive any apologies for absence.

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

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

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

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

4. DISCLOSURE OF INTERESTS AND DISPENSATIONS

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

5. PUBLIC QUESTION TIME (15 MINUTES)

To receive any questions from members of the public which have been submitted in advance of the meeting in accordance with the cabinet procedure rules. The deadline for the receipt of public questions is midnight Wednesday 9 March 2016.

Item No.	Title	Page No.
6.	MINUTES	1 - 10
	To approve as a correct record the minutes of the open section of the meeting held on 9 February 2016.	
7.	DEPUTATION REQUESTS	
	To consider any deputation requests. The deadline for the receipt of deputation requests is midnight Wednesday 9 March 2016.	
8.	PETITION FROM THE FEMINIST LIBRARY	11 - 12
	To consider a petition from the Feminist Library.	
9.	SOUTHWARK COUNCIL AND OLD VIC STAGE BUSINESS PROGRAMME	13 - 24
	To note progress on the delivery of Stage Business, an innovative education project supporting young people in Southwark through culture and the arts.	
10.	RESPONSE TO RECOMMENDATIONS OF OVERVIEW AND SCRUTINY COMMITTEE: 'RIGHT TO BUY' FOR HOUSING ASSOCIATION TENANTS AND THE FORCED SALE OF COUNCIL PROPERTIES	25 - 32
	To agree the proposed response to the overview and scrutiny committee report on 'right to buy' for housing association tenants and the forced sale of council properties.	
11.	ASSET MANAGEMENT STRATEGY	33 - 65
	To approve the asset management strategy and note the results of the public consultation.	
12.	DEVELOPMENT VIABILITY SUPPLEMENTARY PLANNING DOCUMENT (SPD)	66 - 82
	To agree the Development Viability SPD for adoption and note the consultation report.	
13.	FIVE YEAR FORWARD VIEW OF HEALTH AND SOCIAL CARE IN SOUTHWARK	83 - 121
	To agree to review and endorse the Five Year Forward View of Health and Social Care in Southwark.	

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14.	WORKFORCE STRATEGY UPDATE	122 - 127
	To note the updates made to the council's workforce strategy.	
15.	EXTENSION OF THE VOLUNTARY REDUNDANCY OFFER	128 - 135
	To agree to extend the provisions of the enhanced voluntary severance scheme for a further six months.	
16.	MOTIONS REFERRED FROM COUNCIL ASSEMBLY	136 - 143
	To consider motions referred from council assembly 26 January 2016 as follows:	
	<ul style="list-style-type: none"> • Environment, public realm and regeneration • Transport in Rotherhithe • The power to set a real living wage • Blacklisting. 	
	DISCUSSION OF ANY OTHER OPEN ITEMS AS NOTIFIED AT THE START OF THE MEETING	
	EXCLUSION OF PRESS AND PUBLIC	
	The following items are included on the closed section of the agenda. The Proper Officer has decided that the papers should not be circulated to the press and public since they reveal confidential or exempt information as specified in paragraphs 1-7, Access to Information Procedure Rules of the Constitution. The specific paragraph is indicated in the case of exempt information.	
	The following motion should be moved, seconded and approved if the cabinet wishes to exclude the press and public to deal with reports revealing exempt information:	
	<p style="padding-left: 40px;">“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.”</p>	

PART B - CLOSED BUSINESS

17. MINUTES

To approve as a correct record the minutes of the closed section of the meeting held on 9 February 2016.

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

Date: 7 March 2016



Cabinet

MINUTES of the OPEN section of the Cabinet held on Tuesday 9 February 2016 at 4.00 pm at the Council Offices, 160 Tooley Street, London SE1 2QH

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

1. APOLOGIES

Apologies were received from Councillor Mark Williams.

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

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

- Item 7: Deputation requests
- Item 8: Policy and Resources Strategy 2016/17 – 2018/19: Revenue Budget
- Report tabled with additional recommendations from overview and scrutiny committee held on 8 February 2016.

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**

There were none.

5. **PUBLIC QUESTION TIME (15 MINUTES)**

There were none.

6. **MINUTES**

RESOLVED:

That the minutes of the meeting held on 27 January 2016 be approved as a correct record and signed by the chair.

7. **DEPUTATION REQUESTS**

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

Rotherhithe Area Housing Forum and Canada Estate (Care of Elderly)

The deputation were unable to attend the cabinet meeting. The leader confirmed that Councillor Stephanie Cryan would be meeting with the deputation separately to discuss the issues raised.

Residents of Highshore Road and Peckham deputation

The deputation expressed concern over two different issues, one relating to the codesign process and the other regarding the ensuing planning details. The deputation advised that they would be willing to cooperate with the council to discuss ways forward to improve the process and results.

Cabinet expressed their desire for informed conversations to continue on this matter with the cabinet member for regeneration and new homes, relevant officers and the deputation.

8. **POLICY AND RESOURCES STRATEGY 2016/17 - 2018/19: REVENUE BUDGET**

This item had not been circulated five clear days in advance of the meeting. The chair agreed to accept the item as urgent as the council were committed to publishing the budget proposals at the earliest opportunity to ensure that they were available to the public for comments and questions. Under the council's constitution there is a requirement for overview and scrutiny committee to review challenge budget proposals. This took place on 2 February 2016 and recommendations arising from this meeting were included in paragraphs 101 to 102 of the report. Additionally recommendations arising from a meeting of the overview and scrutiny committee that took place on 8 February 2016 were also circulated at the cabinet meeting.

RESOLVED:

1. That the provisional settlement that was announced by the Secretary of State on 17 December 2015 and the final settlement to be confirmed on 8 February, 2016 after completion of this report, be noted.
2. That it be noted that this report continues to be based on the provisional settlement announcement which is for four years with the final three years being indicative and that this settlement is subject to the council's making a commitment to efficiency.
3. That the key issues for Southwark arising from the provisional settlement reported to cabinet on 26 January 2016 (Appendix H of the report) be noted.
4. That the recommendations of the meeting of the overview and scrutiny committee be welcomed with cabinet responding by the following being agreed:
 - To take forward the recommendation to reopen the enhanced voluntary redundancy scheme and bring forward a report to the March cabinet
 - To bring a reprofile of a number of efficiency savings into 2016/17
 - To reconsider the remaining recommendations as work commences on the 2017/18 budget.
5. That the feedback to date from the continuing public budget consultation exercise be noted.
6. That it be noted that the budget proposal contained within the report for 2016/17 will need to be balanced in advance of council tax setting at council assembly on 24 February 2016.
7. That subject to the final settlement announcement, the budget gap for 2016/17 is £400,000 be noted.
8. That the indicative budget proposals for 2017/18 and 2018/19 and the remaining gaps of £1.2m and £5.3m respectively, subject to the final settlement announcement and future uncertain pressures be noted.
9. That it be noted that it is assumed that balances will continue to be released as planned and contingency maintained over the next three years in order to mitigate the risks of the reduction in government funding, the consequent savings programme and other uncertain pressures.
10. That the intention to freeze council tax for a further year in 2016/17, subject to review in later years, be noted.
11. That the intention to accept the government's offer to raise a 2% adult social care precept in 2016/17 and beyond be noted.
12. That the continuing progress on the completion of equalities analysis for each budget proposal, provided as a background paper to this report, be noted, and that equality analysis will continue through the cycle of planning and implementation of these budget proposals.

13. That it be agreed to accelerate a number of customer experience and modernisation efficiency savings as set out (document circulated at cabinet) to deliver a balanced budget based on a nil council tax increase for 2016/17 for recommendation to council assembly on 24 February 2016. The budget schedules are set out in Appendices A to G subject to the amendment to Appendix D circulated at cabinet.

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

9. REVENUE MONITORING REPORT FOR QUARTER THREE, 2015/16, INCLUDING TREASURY MANAGEMENT

RESOLVED:

1. That the following be noted:
 - the general fund outturn forecast for 2015/16 and forecast net movement in reserves by department
 - the current adverse variation of £2.308m for temporary accommodation and £2.290m for no recourse to public funds, and the potential call on the corporate contingency budget and on other reserves
 - the continuing action required to manage the public health budget as a consequence of the confirmed in year reduction in grant
 - the housing revenue account's (HRA) forecast outturn for 2015/16 and resulting forecast movement in reserves
 - there has been no change in treasury management activity since the previous quarter.
2. That the general fund budget movements that exceed £250,000, as shown in Appendix A of the report be approved.

10. QUARTER 3 CAPITAL MONITORING FOR 2015/16 AND CAPITAL PROGRAMME REFRESH FOR 2015/16-2024/25

RESOLVED:

1. That the general fund capital programme for the period 2015/16 to 2024/25 as at Quarter 3 2015/16, as detailed in Appendices A and D of the report be noted.
2. That the housing investment programme for the period 2015/16 to 2024/25 as at Quarter 3 2015/16, as detailed in Appendix B of the report be noted.
3. That the virements and variations to the general fund and the housing investment capital programme as detailed in Appendix C of the report be approved.
4. That the re-profiling of the budgets in line with projected expenditure for 2015/16 and future years for both the general fund and housing investment programmes as detailed in Appendices A, B and D of the report be approved and that the resources available for the capital programme based on latest information available at Quarter

3 2015/16 be noted.

11. CREATION TRUST FUNDING AGREEMENT 2016/17-2020/21

RESOLVED:

That a total of £1,000,000 of grant funding to be distributed to Creation Trust over the period 2016/17 to 2020/21 for the objectives set out within the Creation Trust business plan that is outlined in the report be approved.

12. RESPONSE TO HEALTHY COMMUNITIES SCRUTINY SUB-COMMITTEE - PERSONALISATION AND PERSONAL BUDGET REPORT

RESOLVED:

1. That the current actions that are being taken to address the key recommendations made by the healthy communities scrutiny sub-committee on personalisation and personal budgets be noted.
2. That additional actions to be taken to address a number of the key recommendations be noted.

13. SOUTHWARK CHILDREN'S AND ADULTS' SERVICES: INDEPENDENT LOCAL TEST OF ASSURANCE 2015

RESOLVED:

That the Independent Local Test of Assurance (2015) as set out in Appendix 1 of the report be noted.

14. CHILDREN IN CARE AND CARE LEAVERS STRATEGY 2016-2019

RESOLVED:

That the children in care and care leavers strategy 2016-2019 be agreed.

15. SOUTHWARK CO-ORDINATED ADMISSION SCHEMES FOR PRIMARY, JUNIOR AND SECONDARY ADMISSIONS 2017

RESOLVED:

That the primary, junior and secondary co-ordinated admission schemes for 2017 admissions attached as Appendices 1, 2 and 3 to the report be agreed.

16. ADMISSION ARRANGEMENTS FOR COMMUNITY PRIMARY SCHOOLS - SEPTEMBER 2017

RESOLVED:

That the Southwark Community Primary Schools Admission Arrangements (“the Arrangements”) for September 2017 as set out in Appendix 1 of the report be agreed.

17. GATEWAY 2: CONTRACT AWARD APPROVAL - MANAGEMENT OF THE COUNCIL'S LEISURE CENTRES

RESOLVED:

1. That the award of the contract to manage the council’s leisure facilities for a period of seven years to Sports and Leisure Management Ltd. (SLM) from 21 June 2016 with an option to extend for a period or periods of up to a further seven years be approved.
2. That the profile of the fee is one which results in the council being paid a fee from the second contract year onwards be noted; details of which were noted in the closed report.
3. That the delivery of the council’s fairer future promise of free swim and gym for all residents, as outlined in paragraph 17 of the report, will be delivered within the contract sum being paid to the council be noted.
4. That the success of the Due North Procurement Portal which was used for the procurement as a one off test project be noted.

18. FREE SWIM AND GYM UPDATE

RESOLVED:

1. That the findings of the pilot scheme for young people and over 60s and the plan to continue the pilot schemes until July 2016 be noted.
2. That proposals for implementation of the general free swim and gym offer from July 2016 be approved.
 - Free access to gym and swimming for all residents – all day Friday; afternoons on Saturday and Sunday until close
 - A selection of targeted offers:
 - Free access to all centres for disabled people; all of the time
 - Free swim and gym throughout the week for health referrals to key healthy lifestyle schemes.
3. Building on the council’s workforce strategy the employee health and wellbeing strategy was adopted in 2014 and the council signed the Healthy Workplace Charter in 2015. To reflect this commitment the additional proposal be approved:

- Free access to gym and swimming for Southwark Council staff – all day Friday; afternoons on Saturday and Sunday until close.

19. GATEWAY 2: PROCUREMENT STRATEGY APPROVAL - COMMERCIAL FLEET

RESOLVED:

1. That the use of the Halton Housing Trust framework, including any new framework that directly replaces this, to procure light commercial vehicles up to a total value of £5.96m for a period of six years commencing 1 March 2016 be approved.
2. That the use of the Bath & North East Somerset Council framework, including any new framework that directly replaces this, to procure heavy commercial and specialist vehicles up to a value of £3.42m for a period of six years commencing 1 March 2016 be approved.
3. That it be noted that total expenditure across the two frameworks will be up to £9.38m over six years, this sum is slightly above the total expenditure of £9.2m that was approved at Gateway 1.
4. That contract awards from the relevant frameworks will be made in line with contract standing orders be noted.
5. That the use of relevant frameworks requires the council to register to do so be noted.
6. That it be noted that all commercial vehicles procured under the relevant frameworks will be compliant with the requirements of the Ultra Low Emission Zone which will be implemented in the congestion zone area from September 2020.
7. That it be noted that where the nature of the service allows, the use of electric or hybrid vehicles will be required.

20. DIVERSITY STANDARD

RESOLVED:

1. That the consultation carried out be noted and that the final version of the Diversity Standard as set out in Appendix 1 of the report be approved.
2. That a report back on progress be received by cabinet in 12 months.

21. RESPONSE TO THE LAMBETH AND SOUTHWARK EARLY ACTION COMMISSION

RESOLVED:

1. That the recommendations of the Lambeth & Southwark Early Action Commission be noted, the Commission thanked for its work and the opportunity welcomed that the report has given us to put prevention at the heart of what we do across the

council including public health and the NHS Clinical Commissioning Group.

2. That the significant investment (£25 million) that the council currently makes to the voluntary and community sector (VCS) be noted and that a substantial part of this can be categorised as preventative spend.
3. That officers be instructed to work with the NHS Clinical Commissioning Group (CCG) and the VCS to co-design a new tri-partite voluntary sector strategy to be approved by cabinet in October 2016 that follows these basic principles:
 - A recognition of the significant financial challenges across the partners meaning that we must reduce duplication between services, commission efficiently and reduce demand on more intensive interventions such as hospital based services and care homes. The approach is to invest in enabling people to remain healthy and independent in their own homes and communities.
 - The need to focus on outcomes for our residents and work that integrates services to improve the quality and experience for users. The need to work together across the council (including Public Health), the CCG and the VCS on services that best support our residents and communities and provide services that offer all residents support appropriate to their needs in their local area so that Southwark is a fairer place where everyone is able to fulfil their potential and access the opportunities that living in Southwark presents.
 - The need to work with the VCS to provide innovative solutions and high quality services that improve outcomes for people affected by complex social issues such as, mental health, domestic violence, and long-term health conditions. We need the sector to develop its work with particular population groups such as young people and elderly residents.
 - The need for a thriving VCS that mobilises community action and makes best use of community resources, skills, knowledge and spaces and improves residents access to opportunities, services and buildings that meet their needs and ensure no-one is left behind, maximising our collective impact.
 - The need to work strategically across the partnership and wider community to build the capacity of the partners, promote volunteering and support fundraising.
4. That the ongoing work on co-ordination of commissioning both across the council and with the CCG be noted and that officers be instructed to bring a report back to cabinet for decision on the way forward in October 2016.
5. That the proposal the current community support services grant programme totaling £660,900 be extended, subject to agreement of the council's budget to allow it to be brought into scope of the work on joint commissioning; and instructs officers to take the necessary actions to put this in place.
6. That the ongoing work in developing a Southwark Giving Scheme to maximize and co-ordinate business engagement with the VCS be noted.
7. That the work that officers are undertaking to explore innovative models of social

investment such as DERIC (Developing and Empowering Resources in Communities) be noted.

8. That the work that CCG officers are carrying out on a proposal to establish a VCS research challenge fund that aims to improve the way that statutory associations in Southwark engage with the VCS and improve pathways and use of VCS services in the borough be noted.
9. That the good practice examples of early action across the council, CCG and VCS that are outlined in paragraphs 61 to 91 of the report be noted and form a sound basis for future action that meets the early action/preventative agenda.

22. SOUTHWARK'S DIGITAL STRATEGY

RESOLVED:

1. That the Southwark's Digital Strategy as set out Appendix 1 to the report be approved.
2. That the Digital Strategy summary as set out in Appendix 2 to the report be noted.
3. That the equality and health analysis as set out in Appendix 3 to the report be noted.
4. That it be noted that the digital strategy will be a regularly reviewed document that will be updated, following the present iteration, to reflect the needs of our customers and the ambitions of the council.
5. That a report back on progress be received by cabinet in 12 months.

23. GATEWAY 0: SERVICE UPDATE - IT MANAGED SERVICES SOURCING OPTIONS

RESOLVED:

1. That the contents of the report and the intention to present a Gateway 1 report for consideration to the April cabinet be noted.
2. That the work by officers to progress the option to design and procure a multi-sourced IT service to replace the existing single supplier IT managed service be endorsed.
3. That it be noted that the timescale to procure and transition to a multi-sourced service is challenging and to mitigate this officers are discussing a 6-month extension option with Capita, the council's current IT managed service supplier.

24. BROADBAND IN ROTHERHITHE

RESOLVED:

That the progress being made in bringing superfast broadband to the Rotherhithe area be noted.

EXCLUSION OF PRESS AND PUBLIC

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

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

25. GATEWAY 2: CONTRACT AWARD APPROVAL - MANAGEMENT OF THE COUNCIL'S LEISURE CENTRES

The cabinet considered the closed information relating to this item. Please see item 17 for decision.

26. GATEWAY 0: SERVICE UPDATE - IT MANAGED SERVICES SOURCING OPTIONS

The cabinet considered the closed information relating to this item. Please see item 23 for decision.

Meeting ended at 6.15pm.

CHAIR:

DATED:

DEADLINE FOR NOTIFICATION OF CALL-IN UNDER SECTION 21 OF THE OVERVIEW AND SCRUTINY PROCEDURE RULES IS MIDNIGHT, WEDNESDAY 17 FEBRUARY 2016.

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

Item No. 8.	Classification: Open	Date: 15 March 2016	Meeting Name: Cabinet
Report title:		Petition from the Feminist Library	
Ward(s) or groups affected:		All	
From:		Proper Constitutional Officer	

RECOMMENDATION

1. That the cabinet consider a petition from the Feminist Library.

BACKGROUND INFORMATION

2. A petition containing 500 signatures or more maybe presented to the cabinet. A petition can be submitted by a person of any age who lives, works or studies in Southwark. Petitions must relate to matters which the council has powers or duties or which affects Southwark.
3. At the meeting, the spokesperson for the petition will be invited to speak up to five minutes on the subject matter. The cabinet will debate the petition for a period of up to 15 minutes and may decide how to respond to the petition at the meeting.

KEY ISSUES FOR CONSIDERATION

4. A petition containing 15,344 signatures (as at 2 March 2016) has been received from the Feminist Library.
5. The petition states:

“Save the Feminist Library from eviction and request Southwark Council to:

 - Withdraw your notice to evict the Feminist Library on 1 March - the first day of Women’s History Month
 - Enter into negotiations with the Feminist Library to gradually implement the proposed threefold rent increase
 - Work with the Feminist Library to keep it open as a community space, in line with the aims of your Voluntary Sector Strategy, announced on 10 February.”

Community impact statement

6. The Southwark Constitution allows for petitions to be presented by members of the public and can be submitted by a person of any age who lives, works or studies in Southwark.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Cabinet procedure rule 2.13 on petitions (page 166 of the constitution):	160 Tooley Street, London SE1 2QH	Paula Thornton 020 7525 4395
Link: http://moderngov.southwark.gov.uk/documents/s57724/10%20Cabinet%20procedure%20rules%20July%202015.pdf		

AUDIT TRAIL

Lead Officer	Ian Millichap, Constitutional Manager	
Report Author	Paula Thornton, Constitutional Officer	
Version	Final	
Dated	2 March 2016	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Director of Law and Democracy	No	No
Strategic Director of Finance and Governance	No	No
Date final report sent to Constitutional Team		2 March 2016

Item No. 9.	Classification: Open	Date: 15 March 2016	Meeting Name: Cabinet
Report title:		Southwark Council and Old Vic Stage Business Programme	
Ward(s) or groups affected:		All	
Cabinet Member:		Councillor Peter John, Leader of Southwark Council	

FOREWORD FROM THE LEADER

Seeing a young person fully realise their potential is one of the proudest things we as parents, relatives or friends will experience. Yet we know that it can be tough for young people today, with the highly competitive jobs market that comes with living in one of the world's greatest cities. That's why we as a council want to do all we can to help young people get the best start in life.

Last year we took the decision to make a contribution to the Old Vic's Endowment Trust and with it develop, in partnership with the Old Vic, Stage Business. Stage Business is a programme that gives young people in Southwark the opportunity to develop their skills through participation in the arts, working with inspirational individuals in a world class theatre setting. At the time I described the programme as an incredible opportunity for Southwark and Southwark's schools. Now six months since it began, I'm delighted to present this progress report and most importantly see the positive impact it has had on the young people and schools involved.

RECOMMENDATION

1. That cabinet note progress on the delivery of Stage Business, an innovative education project supporting young people in Southwark through culture and the arts.

BACKGROUND INFORMATION

2. The Council is committed to achieving a fairer future for all as set out in the Council Plan 2014-18. The council plan sets out six priority themes for delivery of the fairer future vision including providing the best start in life for all our young people and supporting a strong local economy. Moreover, the council plan has a specific commitment to guarantee education, employment or training for every school leaver and for driving up standards across our schools.
3. Supporting young people to get the best start in life through culture and the arts is an important aspect in the delivery of these and related council plan commitments.
4. In 2011, the Council established a three year youth fund for the purposes of improving educational and employment outcomes for young people, including those most vulnerable and with particular needs, across the borough. In 2013, as part of agreement of the general fund budget for 2013/14, Council Assembly agreed to a commitment to provide resources for the youth fund for a further three years to 2016/17 at £1m per annum.

5. In February 2015, recognising the importance that culture and the arts play in supporting and improving a young person's employability prospects, the Cabinet agreed to release £500,000 as a one-off contribution from the youth fund reserve to donate to the Old Vic Endowment Trust. In agreeing the donation, a memorandum of understanding was drawn up between the Council and the Old Vic Theatre Trust.
6. The donation is being used to support "Stage Business", an innovative education programme whereby the Old Vic works with local schools to improve the confidence of young people (and so raise their employment prospects) through culture and the arts.
7. In agreeing the donation, the cabinet asked that a progress report be submitted back to cabinet in 2016. This report therefore now notes progress following the first six months of delivery of Stage Business in Southwark.

KEY ISSUES FOR CONSIDERATION

8. This report details on progress on the delivery of Stage Business, a project supporting young people in Southwark through culture and the arts.
9. Stage Business offers young people the opportunity to explore the business side of the theatre industry. Beneficiaries learn practical, transferable skills in presentation, communication and creative leadership and will gain access to an online programme of learning. Schools involved will have access to digital content via a Stage Business web portal which will contain interactive lectures for teachers plus educational packs containing links and material for use in the classroom to consolidate learning and enhance presentation skills. In addition, teacher training opportunities will reflect the ethos of Stage Business and provide techniques and practical skills for the wider benefit of all students within each school.
10. Education projects led by Old Vic New Voices form an important and integral component of the theatre, and Stage Business provides a unique and pioneering project which connects young people and schools across the borough and with others across the U.K. Building upon extensive education work developed and delivered by Old Vic New Voices throughout previous years, an exciting vision to support and nurture young people's creativity and employability continues to develop throughout Matthew Warchus' tenure as Artistic Director of The Old Vic.

Summary of School and Individual Participation

11. Stage Business engages with four schools within the borough. These are:
 - ARK Globe Academy, Elephant and Castle – 10 Ambassadors
 - Kingsdale Foundation School, West Dulwich – 10 Ambassadors
 - St Michael's Catholic College, Bermondsey – 8 Ambassadors
 - St Saviour's and St Olave's School, Elephant and Castle – 8 Ambassadors
12. Each school collectively represents diverse and distinctive communities. The recruitment process for schools is led by Southwark Council in the first instance, and consideration has been given to the geographical location of participating schools in order to fully represent the borough. This consideration is, however,

balanced against offering participation to interested parties upon application, on a first come, first served basis.

13. Within year one, the project has worked with 104 students in total, with 36 of a possible 40 now participating intensively as Stage Business Ambassadors. Each student is aged 16-18 and attends sixth form college within the borough. There are 28 females participating and 8 males. The main factor contributing to this gender split is due to the fact that one participating school is a single-sex education provider for female students.
14. Participants with a comprehensive range of academic interests have been attracted to the project, with 73% of participants studying subjects other than Drama, Theatre Studies or Performing Arts. There is a wide recognition amongst students that the project is a valuable asset to their future employment or higher education. Subjects studied by participants include (but are not limited to): Biology, Business Studies, Chemistry, Computer Science, English Literature, Mathematics and Psychology. Qualifications include AS and A Level courses, BTEC and OCR courses. A full breakdown of subjects studied is available on request.
15. In each school cohort, there are a number of individuals who have been specifically selected to participate by teaching staff to contribute to overcoming barriers in their academic or socio-economic situation. One school has elected to choose participants who face serious challenges in their academic attainment, and who hold limited workplace awareness and present continuing behavioural issues. These participants have previously failed their GCSE qualifications, and are undertaking courses to boost their employability prospects.
16. Stage Business is regarded by teaching and senior leadership staff within participating schools as an important and relevant option both for challenging students and those who wish to boost their employability skills and gain experience which is attractive to potential employers.

Progress so far

17. Stage Business launched in September 2015, with schools invited to attend an introductory workshop and performance of *Future Conditional*, an important and relevant play focusing on the British education system. As part of the project, each school was offered tickets for 30 young people to attend a show in the season.
18. Following this initial introduction to The Old Vic and the project, an audition workshop took place in each school setting. From this stage ambassadors were selected. Following a skills-based workshop developing presentation, communication and teamwork skills, ambassadors were chosen in conjunction with teaching staff based on a set of criteria. This criteria included: the benefit to the young person, creative flair and their potential to become a creative leader.
19. Following selection ambassadors attended an Inspiration Day - a full day of intensive workshops and interactions at The Old Vic. The day involved a keynote introduction from a leading industry professional and participants were placed into mixed groups in order to promote teamwork and social interaction with students from around the country.
20. Each ambassador participated in workshops focusing on: voice and

communication, storytelling and staging delivery for audiences. Led by specialist practitioners, each workshop utilised theatrical techniques to prepare students to creatively pitch ideas relevant to younger students, and to develop key workplace skills. Every aspect of the day was supported by a dedicated team of Stage Business facilitators and Old Vic staff to enable students to harness and develop their skills and creativity. A short film charting this experience is available to view upon request.

21. In addition to workshops for young people, teaching staff were invited to take part in the first in a series of creative professional development sessions, with the first focused on voice skills for the classroom. Further such workshops will take place later in 2016.
22. Students are currently undertaking the final phase of workshops in schools, enabling each ambassador to develop and consolidate their learning. This will enable them to confidently deliver creative workshops for younger students using a 'peer education' model. Participants collaborate with Stage Business Facilitators to deliver unique interactive workshops based on one of the pillars of Stage Business (which are: communication, courage/confidence, resilience or teamwork).
23. Across twelve and a half hours of workshop sessions, students are encouraged to draw on their newly developed skills and own personality to deliver unique, relevant and authentic workshops for younger students, and in doing so, unleash creativity relevant to a wide range of employment positions.
24. Key programme targets were agreed between Southwark Council and the Old Vic as part of a Memorandum of Understanding (MoU) agreed at the outset of the partnership (and in line with the cabinet decision to donate to the Old Vic Endowment Trust).
25. The current delivery against targets within the MoU (set out in Appendix 1) show that broadly speaking the programme is delivering in line with expectations. However, some of the planned outputs and outcomes have been profiled into the second year of delivery. This is because unfortunately in September 2015, one school (Harris Academy Peckham) withdrew from the project.
26. Despite the combined best efforts of Old Vic New Voices and Southwark Council to recruit another school to participate in the project, we were unable to secure a school for participation for year one. This was partly because that by September many schools had planned their curriculum for the year ahead. However, in the second year (from September 2016) six schools will participate rather than five as originally intended. As a result, programme targets are anticipated to be met across the two years in total.
27. Full progress will be reported through a first year external evaluation in summer 2016 and an end of programme evaluation in 2017.

Qualitative feedback on delivery

28. A comprehensive review of activities taking place during Inspiration Days was requested from partner teachers. Responses were received from three partner teachers, and included the following feedback:

'I thought the workshops were excellent, especially the voice session. The lead practitioner was very professional and treated [the Ambassadors] like young adults.'

'General feedback [from participants] is that they enjoyed all of the workshops, but the writing workshop was most enjoyable.'

'I thought the day was very valuable for pupils. It was challenging for those who do not have a drama background, but this was good in the fact it challenged their comfort zones.'

'The fast paced day and mixing the groups worked really well. [...] they could feel confident working with others throughout the day.'

29. Feedback from teaching staff on any improvements which could be achieved for this experience noted the following:

'Students felt they could have stayed with other schools [in mixed groups] to push their working skills and presentation skills from other people's perspectives.'

'Students struggled to find the link between the workshops and the final presentation.'

30. Further qualitative feedback is set out in Appendix 1.
31. In an immediate response to this feedback following the first delivery day, the structure of the final session was reviewed and adapted in order to provide a stronger link between workshops and the final pitching session at the end of the day. This change allowed young people to further consolidate their learning.
32. In addition, teaching staff have responded very positively feeding back that all those becoming ambassadors had improved their teamwork, gained independent thinking and increased their collaborative skills. Two thirds of ambassadors had gained presentational skills and improved their overall confidence.

Next steps and planning for year two

33. Stage Business is currently continuing to deliver workshops within partner schools, enabling participants to transition into creative leaders who are equipped to independently lead workshops for younger students aged 11-14. These workshops will continue until March 2015.
34. In April 2015, each Ambassador will be invited to The Old Vic Theatre to celebrate their achievements throughout the project, attend another Old Vic production, and provide an important graduation event to draw their involvement in the project to a close.
35. Following this, in conjunction with partner schools, a series of additional Taster Workshops will be offered to schools within year one who have previously presented low uptake for Stage Business Ambassador Audition Workshops. These supplementary workshops will enable increased awareness of Stage Business and provide improved engagement within the project. These workshops will be led by Stage Business Facilitators who will work with schools

for the second year of the project.

36. Plans for year two are currently in development, with minor scheduling changes planned to respond both to feedback in year one and the programmed schedule of performances at The Old Vic. Recruitment for year two will focus on securing six schools to participate, including four currently taking part. Old Vic New Voices have forged key links with schools across the borough during 2014 and 2015, and will work in conjunction with Southwark Council to promote participation to schools in order to confirm participation by June 2016.

Wider Benefits

37. Through linking the donation to The Old Vic Endowment Trust, an important and exciting range of opportunities are available to individuals within Southwark. These are set out below.
38. The Front Line scheme has so far offered 5 Southwark residents - with particular reference to those not in education, employment or training - an opportunity to discover more about careers in theatre through paid placements with The Old Vic's front of house team. Participants have the opportunity to shadow various members of front of house, box office and catering staff, taking on important roles welcoming patrons to The Old Vic Theatre. One young person taking part in Stage Business has also taken part in this scheme following advertisement through Stage Business. One Southwark resident has since secured a paid role within the front of house team.
39. The Old Vic Community Company creates a platform for Londoners from every background to explore shared social issues and express themselves collectively as writers, performers and production-makers. Participants attend regular drop-in sessions and benefit from theatre boot camps. In addition, participants are encouraged to audition for places within inspiring community productions.
40. Southwark was the most represented London borough within recent performer auditions for *Rise*, the third Community Company production. A total of 142 people aged 16 and over participated, representing 15% of all attendees. The vast majority of Community Company activities take place at The Old Vic Workrooms in Bermondsey, representing a continuing commitment to actively engage with communities in the borough of Southwark. In total, The Old Vic Community Company has worked with over 300 Southwark residents over the past year and will continue to collaborate with and develop the skills of participants in forthcoming months.
41. Since March 2015, in an employment scheme supported by Southwark Council, 3 local residents have taken part in paid 5-month internships. These internships have provided experience in arts administration and practical project delivery supporting and working across a range of Old Vic New Voices projects. Since completing the internship, one participant is now working within the education department of a well-established London theatre, another was offered a position within Old Vic New Voices and the present post-holder has been offered an extension to their contract.
42. Through recruiting partner schools in which Ambassadors deliver workshops, The Old Vic is aiming to promote the wider activities of Old Vic New Voices to schools which have previously not participated in Old Vic New Voices projects or workshops.

43. Further, in continuing to build a strong partnership between Southwark Council and The Old Vic, the forthcoming John Harvard Lecture 2016 is to take place at the theatre in March 2016.

Policy implications

44. The donation to the Old Vic Endowment Trust and the delivery of Stage Business specifically meets the objectives of the youth fund by supporting activities and initiatives to improve the educational and employment outcomes for young people, including those most vulnerable and with particular needs, across the borough.
45. The activities associated with the donation and Stage Business also support the themes of the Cultural Strategy 2013-18, in particular promoting creativity, quality and innovation and building sustainability and resilience in the local cultural sector.
46. The Children and Young People's Plan sets out a vision that every child, young person and family in Southwark thrives and is empowered to lead a safe and healthy life. Initiatives such as Stage Business provide a direct opportunity for young people, including those most vulnerable, to participate in the arts and improve their education and employment prospects.

Resource implications

47. There are no financial implications from this report and any staffing costs will be contained within existing departmental revenue budgets.

Community impact statement

48. 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.
49. This report is about progress on the delivery of Stage Business, an innovative education project supporting young people in Southwark through culture and the arts. Stage Business offers young people the opportunity to explore the business side of the theatre industry and learn practical, transferable skills in presentation, communication and creative leadership. Through this experience and as noted through qualitative feedback in this report, young people have improved in confidence, build independent thinking skills and transferred those skills to peers.
50. Through Stage Business, young people in the borough, including some of the most vulnerable, are being given the opportunity to improve their educational outcomes and employment prospects. For example one school has elected to choose participants who face serious challenges in their academic attainment, and who have previously failed their GCSE qualifications, and are undertaking courses to boost their employability prospects.
51. Furthermore, cabinet are asked to note the important community leadership role

that the Council is playing through supporting Stage Business. By providing a financial contribution, the Council is helping to ensure the longevity of cultural and arts activity in the borough, building stronger relationships with participating schools and so with it promote community cohesion and development across Southwark.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Education

52. The Stage Business programme supports the council's priority to provide the best start in life and ensure that young people from a diverse range of backgrounds across the borough have the skills, confidence and resilience to take up the best possible opportunities that Southwark and London has to offer. As this report has noted performance is broadly on track and, following the withdrawal of a school in year one, delivery is being re-profiled to ensure targets are achieved by the end of the programme. The qualitative feedback demonstrates a very positive engagement among students and teaching staff participating and it is particularly encouraging to note that the programme is supporting students across a range of subject disciplines, not just drama alone. This project is highly valued by our schools and students.
53. Stage Business is directly in line with youth fund objectives and reflects an important initiative in the council's broader youth offer. Moreover, the programme is helping to establish a strong relationship between the Old Vic and the schools directly benefiting from the programme. The peer learning approach to means that stage ambassadors can confidently deliver creative workshops for younger students using a 'peer education' model, creating the potential to spread learning to other schools across the borough.

Strategic Director of Finance & Governance (FC15/053)

54. The report is asking cabinet to note the progress on the delivery of Stage Business, an innovative education project supporting young people in Southwark through culture and the arts.
55. The strategic director of finance and governance notes that there are no financial implications arising from this report and any staffing costs relating to this project will be contained within existing departmental revenue budgets.

Director of Law and Democracy

56. The Localism Act 2011 gives councils a general power of competence whereby they have power to do anything that individuals generally may do. This power can be used even if legislation already exist that allow a local authority to do the same thing. However the general power of competence does not enable a local authority to do anything which it is unable to do by virtue of a pre-commencement or other limitation. The director of law and democracy is not aware of any pre-commencement or other limitation.
57. The council is required under section 149 of the Equality Act 2010 to have due regard to the need to:
 - Eliminate unlawful discrimination harassment and victimisation
 - Advance equality of opportunity between people who share protected

- characteristics and those who do not
- Foster good relations between people who share protected characteristics and those who do not.

58. The director of law and democracy believes the progress detailed in the report will advance equality of opportunity and help foster good relations between people who share protected characteristics and those who do not.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Memorandum of Understanding between the London Borough of Southwark and The Old Vic Theatre Trust 2000	Southwark Council 160 Tooley Street London SE1 2QH	Stephen Gaskell, stephen.gaskell@southwark.gov.uk
Link: http://modern.gov.southwark.gov.uk/ieListDocuments.aspx?CId=302&MId=5145&Ver=4		
Video charting progress	The Old Vic Theatre	Richard Knowles Richard.Knowles@oldvictheatre.com
Link: https://www.youtube.com/watch?v=v3CbEhmK6g		

APPENDICES

No.	Title
Appendix 1	Stage Business programme delivery summary

AUDIT TRAIL

Lead Officers	Eleanor Kelly, Chief Executive	
Report Author	Stephen Gaskell, Head of Strategy and Partnerships	
Version	Final	
Dated	3 March 2016	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments sought	Comments included
Strategic Director of Finance & Governance	Yes	Yes
Director of Law and Democracy	Yes	Yes
Director of Education	Yes	Yes
Leader of the Council	Yes	Yes
Date sent to constitutional team	3 March 2016	

Stage Business programme delivery summary

Key target	Summary of progress/commentary
<p>Improved confidence and well-being of the young people involved in the Stage Business programme measured through survey during and upon completion of the study work</p>	<p>Immediately following participation within Inspiration Days in November 2015, an evaluation of the impact of participation was completed. Of the 38 attendees, 28 responded, representing a 74% response rate. In comparison to similar evaluation processes across Old Vic New Voices projects, this constitutes a high response level from participants. In response, the following was reported:</p> <ul style="list-style-type: none"> 96% of young people rated content as good or excellent 96% rated professional workshops delivery as either good or excellent 39% of participants had gained skills for any workplace 43% of participants had gained skills for interviews 64% of participants had increased their confidence 75% of participants had developed their ability to work as part of a team <p>Additional comments included: <i>'I loved it'; 'It was very interesting', 'FAB! Thanks!','Really good', 'Today has given me more confidence to be brave', 'It was really fun and a great experience to meet new people – they were great.'</i></p> <p>In reference to the well-being of participants, feedback regarding the opportunity to meet and work with young people from different backgrounds and geographical areas was overwhelmingly positive. In addition, those attending reported both verbally and through written evaluations that they appreciated the opportunity to try new things and work outside of classroom settings. Furthermore, the majority of students that attended reported that they had enjoyed the experience. Well-being of participants forms a crucial part of our evaluation methodology, and responses will be measured in part against the New Economics Foundation '5 Ways to Wellbeing' guidelines which are currently used to evaluate elements of Old Vic New Voices community participation.</p>
<p>100 16 to 18 year olds selected as Stage Business Ambassadors</p>	<p>Across two years, 100 people will be selected as Stage Business Ambassadors. Within year one of the project, 50 Stage Business Ambassadors were to be recruited to work intensively across the project. However due to the withdrawal of one school from the project the project secured 40 participants from an available 40 from four</p>

	<p>schools. In order to deliver participation targets, a total of six schools will participate in the second year of the project. Since recruitment, two young people have chosen to leave the project due to work or examination commitments, and a further two have been removed by teaching staff due to decreasing behavioural standards.</p>
<p>300 16 to 18 year olds participating in the stage 1 selection boot camp</p>	<p>Across two years, 300 young people will be invited to take part in an audition workshop. In year one of the project, 120 young people were eligible to participate, with the remaining 180 taking part in year two. These workshops are designed to introduce the key values and intentions of the project and select 10 Ambassadors per school. Of a possible 120 participants within four schools, 52 took part in this workshop, from which 40 Ambassadors were chosen.</p> <p>Participation varies significantly within each school due to a number of factors, including but not limited to; time available to teaching staff to promote participation, low cohort numbers, lesson and exam timetables and other after-school commitments. In order to address these pertinent issues, a clear framework for supporting and promoting recruitment will be introduced by The Old Vic Theatre in collaboration with partner teachers preceding this phase of work in year two. In addition, a series of taster workshops and supplementary sessions will be delivered in year one in order to address this shortfall and boost awareness of the project.</p>
<p>1,200 11 to 14 year olds benefitting from the Stage Business ambassador peer-led workshops</p>	<p>1,200 young people will participate in workshops delivered by ambassadors across two years. In the first year, the number of possible participants across four schools is 480. This phase of work is currently being undertaken, and full numerical results are unavailable.</p>
<p>1,200 11 to 14 year olds from a 'partner school' in the local area participating in Stage Business ambassador peer-led workshops</p>	<p>1,200 young people will participate in workshops delivered by ambassadors across two years. In the first year, the number of possible participants across four schools is 480. This phase of work is currently being undertaken, and full numerical results are unavailable. It should be noted that potential issues exist in the organisation of workshops between lead and partner schools. The combination of timetable and logistical issues, room and student availability creates a range of potential complications when aiming to secure participation targets. In response, Old Vic New Voices supports teaching staff in this process and contributes where possible to assisting and promoting participation.</p>
<p>10 teachers to be trained in voice and communication skills</p>	<p>The delivery of training sessions for teaching staff is ongoing. The results and impact upon teaching staff will be reported fully at the end of year one.</p>
<p>5 secondary schools</p>	<p>This phase of work is currently being undertaken, with elements of digital resources being made available</p>

provided with a digital legacy pack	towards the end of the first year of the project, and a full digital pack produced towards the end of the second year of the project.
Additional support and guidance provided to staff and teachers by the Old Vic New Voices team	Throughout all aspects of Stage Business, partner teachers are in regular contact with Old Vic New Voices through the appointed Stage Business Co-ordinator. Support and guidance is given surrounding the planning and delivery of workshops, theatre visits and interactions. In addition, complimentary tickets are periodically made available to teaching staff to attend Old Vic Theatre productions, especially where there is clear relevance to the curriculum.
Shared learning and experience between The Old Vic and nominated schools.	Old Vic New Voices staff are currently exploring a series of potential shared learning and collaborative experiences for participants and teaching staff in order to share the values and intentions of Stage Business to impact upon a wider range of students and teaching staff.
Other qualitative feedback	<p><i>'The workshop in September was fabulous – the students got loads out of it. Even those who are not Ambassadors still talk about it and the fact that they had the opportunity to come to the theatre and watch a production, I think it's a great opportunity for students to access theatres that they wouldn't normally go to.'</i></p> <p>Teacher feedback following the opportunity to see <i>Future Conditional</i> and engage in an introductory workshop at The Old Vic Theatre</p> <p><i>'It is easy to get bogged down by education. They've got to compete with everyone else in the whole of the UK to get places in university, in colleges or wherever they want to go on to, but going out and experiencing life is really important. When you leave school, you're going to be out in the big wide world. If you're going to go into an interview or give a presentation or just have a conversation with somebody you don't know, this experience is great for that. If you don't practice that skill then you'll get more shy as you get older and more introverted and you're not going to be able to stand out from the crowd. The soft skills they are learning and what they are doing with Stage Business is an excellent opportunity for them.'</i></p> <p>Teacher feedback regarding Stage Business</p>

Item No. 10.	Classification: Open	Date: 15 March 2016	Meeting Name: Cabinet
Report title:		Response to recommendations of Overview and Scrutiny Committee: 'Right to buy' for housing association tenants and the forced sale of council properties	
Ward(s) or groups affected:		All	
Cabinet Member:		Councillor Richard Livingstone, Housing	

FOREWORD - COUNCILLOR RICHARD LIVINGSTONE, CABINET MEMBER FOR HOUSING

With the Housing and Planning Bill currently being considered by the House of Lords, the work undertaken by the Overview and Scrutiny Committee (OSC) to look at its potential impacts on housing in Southwark has been extremely timely. I want to thank the committee for this thorough and extremely useful work. This has included a broad range of interviews with not only those impacted by the changes to the council's own stock but with housing associations and national experts.

It is clear that the Housing and Planning Bill will be very damaging to aspects of social housing in Southwark. In November, council assembly agreed that we should oppose the Bill and asked cabinet to lobby against it. The recommendations set out in this report offer a sound checklist of measures for the council to take to carry out this work and mitigate the impact it could have on our residents.

With the rapid passage of the Bill and its amendments by government, some of the recommendations made by OSC have now been overtaken by events. For example, it is now clear that government will not set out which void properties the council should sell but will instead effectively bill the council annually on the basis of a calculation carried out by the Department of Communities and Local Government. Nevertheless, the work carried out by OSC has been invaluable in helping us understand the potential impact of the Bill and has made sound recommendations in how the council should face these.

RECOMMENDATION

1. That the cabinet agrees the proposed response to the Overview and Scrutiny Committee report on 'Right to buy' for housing association tenants and the forced sale of council properties as set out in this report.

BACKGROUND INFORMATION

2. OSC undertook a review of the possible implications of the Government's Housing and Planning Bill as published on 13 October 2015.
3. Since OSC published its report in November 2015 the Housing and Planning Bill has been considered at report stage, and has had its third reading in the House of Commons on 12 January 2016. As at February 2016 the bill was being considered by the House of Lords.

4. Many of the details of the Housing and Planning Bill are still to be defined, as these are by way of delegated regulatory powers to the Secretary of State. Details of the regulations have yet to be published, and as yet there is no timetable for their publication. These include the definition of what constitutes high value council properties, many of the exemptions to forced sales, and starter homes requirements, for example.
5. Since OSC's report was published on 30 November 2015 a number of Government amendments were agreed by the House of Commons, including one which impacts on the recommendations in OSC's report, as set out in more detail later in this report.
6. The Government has already started to lay some of the groundwork for implementation of the bill once enacted. This includes the introduction of voluntary right to buy for some housing association tenants on a pilot basis, and gathering valuation data on local authority housing stock, including void properties.

KEY ISSUES FOR CONSIDERATION

Recommendation 1 - Plans to build new homes

That the Cabinet Member orders an urgent review of the financial modelling underpinning the 30 year housing investment programme as soon as sufficient data is available from Government to do so. This should explain:

- a) *The impact on Southwark's borrowing plans*
 - b) *any re-allocation of currently anticipated capital receipts to fund the Housing Association RTB discount especially funds planned to support building new council homes.*
 - c) *An answer to the "like for like" question: how will the council's own new homes be comparable to existing social rents? How will Southwark meet its "duty to promote" Starter Homes without compromising or giving up plans originally earmarked for lower, social rents.*
7. Recommendations **a)** and **b)** will be actioned by officers as soon as more information is available from Government. When this information is available it will be fed into the Housing Revenue Account business planning model and the implications for Southwark's long-term business plan and housing investment plans will be reviewed.
 8. The estimated baseline figure for the calculation of Southwark's financial contribution to housing association right to buy is in the region of £38m per annum. This is based on the average number of 'high value' vacant council properties (voids), over the last 3 year period. This estimate uses the Conservative Party's definition of high value council properties as stated in its press release dated 14 April 2015.
 9. It should be noted that there are a number of caveats to this estimate, key of which being that the definition of 'high value' remains unknown. The Department for Communities and Local Government (DCLG) issued a fact sheet to MPs and local authorities on 8 February 2016 which stated that *'Details of the definition of 'high value' and the types of housing that may be exempted from being sold will be set out in secondary legislation. We will continue to engage closely with local authorities and other stakeholders on these matters.'*

10. Regarding part **c)** of the question, as publicly stated, the 11,000 new council homes will be let at council rents.
11. On the question of starter homes, there is very little detail regarding the provisions for Starter Homes in the bill. The implementation of the policy will depend on regulations, the key elements of which are currently unknown. The regulations will set out the proportion of Starter Homes that local authorities are required to provide on reasonably-sized sites of different sizes and in different areas. The bill simply states that planning authorities will have a duty to promote Starter Homes when carrying out its planning functions i.e. negotiating planning obligations.

Recommendation 2 - the forced sale of council homes

- a) *Southwark reviews its voids policy and implementation to ensure that no council home is sold that could be legally retained without genuinely significant cost. This review should include looking at the number of homes being sold under the current Southwark Council voids policy.*
 - b) *That, subject to the details of legislation and guidance, the Cabinet Member instructs officers to compile a detailed list of properties which are excluded from forced void sales. This list should be as extensive and wide-ranging as is legally permissible. OSC would expect this list to include newly built properties, sheltered housing, and properties within TMO and other co-operative arrangements.*
 - c) *That the Cabinet Member should instruct officers to develop new policies which reduce the number of void properties, consequently reducing the number of properties which the council is then forced to sell. This might include doing more to encourage mutual exchanges and voluntary downsizing to smaller properties. Clearly this is a piece of work in which the expertise of Southwark's Housing Solutions Team would be crucial.*
 - d) *That the Cabinet member instructs officers to develop new policies to tighten the definition of a void property and ensure that no properties are forced into sale unless it is strictly, legally necessary. Again, this work should take advantage of the expertise in Southwark's Housing Solutions Team.*
12. **a) - d)** *Southwark has a policy of pro-actively managing its assets through its voids disposals policy to help fund its housing investment programme. A review of this policy was agreed by Cabinet on 22 July 2014. This policy is kept under review as required.*
 13. Since OSC made its recommendations it should be noted that the Department for Communities and Local Government (DCLG) issued local authorities with forms for capturing data on all of their historic void properties for the period 12/13-14/15, as well as on current stock valuations. The stated purpose of this information was to *'help Government to evaluate the impact of different threshold levels for determining high value vacant housing. It will also provide granular information to help inform the implementation of the policy at a local level.'* As previously indicated the details of the basis of Southwark's future financial contribution towards the operation of the Government's housing plans as

enacted through the bill, and the full extent of possible exemptions to the policy, are not yet known. However the bill includes a requirement on the Secretary of State to consult the local authority before making a (financial) determination.

14. It should be noted that the Department for Communities and Local Government has recently notified local authorities that *'Brand new vacant housing (i.e. that has not yet been occupied) would not fall within the definition of vacant housing for the purposes of this policy.'* This means that newly built homes on initial letting would be exempt from the calculation.

Recommendation 3 - housing associations in Southwark

- a) *Southwark should proactively address the risk posed by this legislation to planned housing association projects by instigating discussions (perhaps at leader and/or cabinet member level) with housing associations who are currently planning future homes in Southwark. This should include both plans which are in progression, such as Notting Hills development at the Aylesbury Estate and new plans such Peabody Housing Association "Newington Triangle" development. Southwark and the Housing Association L&Q have been designated as a pilot by DCLG for the Housing Association Right to Buy scheme, this might allow Southwark to test some of the risks and possible mitigates identified in this report.*
- b) *That Southwark council seeks clarification from Housing Associations on changes to the profile of future development, and seeks to work with those committed to the continuation of providing homes at social rents.*
- c) *That Southwark council should share its experience of the impact of Right to Buy with senior managers at Housing Associations to make them more aware of the potential impact on housing stock, including its relationships with leaseholders.*
15. **a)** Senior officers have been engaged in a number of strategic discussions with Chief Executives and senior managers of the main developing housing associations in the borough. These meetings have covered a number of topics including the impact of housing association right to buy, the 1% per annum cut on rents, welfare reforms, development plans, and other current issues. These meetings have been positive and constructive. A number of areas of potential for shared working have emerged including- intermediate housing, impacts of welfare reform, tackling anti-social behaviour, and common landlord standards.
16. The Government launched its voluntary right to buy scheme for tenants of a number of participating housing associations on 25 January 2016. This included London and Quadrant housing association in Southwark. Tenants must have been a tenant for a minimum of 10 years. Officers from London and Quadrant are to meet the Cabinet Member for Housing to provide details of their experience of the pilot once the scheme has had the opportunity to bed in.
17. **b)** Southwark already operates a list of approved housing association partners who comply with the Council's planning policies, which set out the percentage of homes to be developed at social rents.
18. **c)** Southwark has a mechanism for sharing good practice with local housing associations through its strategic partnership Southwark Housing Association

Group which meets regularly.

Recommendation 4 - Southwark Council's internal preparation for the implementation of this policy

- a) *That Southwark council undertakes preliminary work to determine the potential impact of mortgage defaults on the borough's temporary housing and homelessness services.*
 - b) *That the council, in collaboration with housing associations, works with local financial inclusion and debt charities to educate those considering the Right to Buy on the impact of moving into home ownership – interest rate fluctuations, cost of major works, responsibility for repairs etc.*
19. a) It is not possible to predict this with any accuracy as the take up of housing association right to buy is not yet known. However the Council, through its joint Homelessness Forum with the advice sector works with its partners to identify and prevent homelessness wherever possible, including through the provision of debt advice etc.
20. b) The council is working to improve services for council leaseholders and freeholders through the development of its new Southwark Homeowners Service. Prospective council leaseholders considering exercising the right to buy are provided with comprehensive advice on the financial implications of owning their own home.

Recommendation 5 - external communications

- a) *The Cabinet Member should instruct officers in the Communications Department to develop an external communications plan which highlights the hugely negative impact that these proposals would have on residents of our borough if they are enacted in their current form. OSC would expect that such a plan to include articles, letters and press releases aimed at the national, city-wide and local government sector press.*
- b) *If Southwark is forced to 'forward pay' an amount to meet its obligations to the government it publishes a detailed model showing where such receipts have come from and the impact on future building plans.*
- c) *Southwark vociferously campaigns for the Government to issue further information on the Housing Bill and define "high value".*
- d) *That the Cabinet Member initiates the drafting of a joint letter from the Leaders of all three political groups on Southwark Council to the Local Government and Housing Ministers highlighting the absurdities and negative impact of these proposals, with particular regard to the impact on home building and the availability of affordable homes.*
- e) *That the Leader of the Council and the Cabinet Member for Housing write to the Chair of the Communities and Local Government Select Committee offering to give oral evidence to the Committee. (The Committee is currently looking at the impact of these proposals Housing Associations, but it is widely expected that it will follow this up with a further enquiry into the impact on housing and Local Authority provision).*

- f) *Continue to contribute to lobby efforts through our membership of London Councils and Central London Forward. Southwark Council should also support any legal challenge to the policy of forced void sales, should that be considered a viable option following consultation with other London Boroughs.*

One additional problem identified by OSC is the issue of companies writing to tenants (either of Housing Associations or the Council) and encouraging them to buy their homes under Right to Buy, and then immediately selling them on. The Cabinet Member should write to these companies and stress that their activities are not welcome in our borough

21. a). The communications team are developing some simple messages around the bill to include an insert to the annual rent notification letter to tenants and information on the council website. However it should be noted that the bill is still progressing through Parliament, a number of Government amendments have already been tabled, and therefore the details of the bill may be subject to change. More detailed information will be provided via Southwark Life, Southwark Housing News and the website on the impacts for new and existing tenants as this becomes available from Government.
22. b) See above and previous details as outlined in paragraphs 7, 13 and 14.
23. c) See previous details as outlined in paragraph 13.
24. d) A significant Government amendment has been tabled since OSC's report was published. This stated *"Where the agreement is with a local housing authority in Greater London, it must require the authority to ensure that at least two new affordable homes are provided for each old dwelling. But if the Greater London Authority has agreed to ensure that a number of the new affordable homes are provided, that number is to be deducted from the number for which the local housing authority must be made responsible"*. This amendment was accepted by the Commons. The full details of what this might mean in practice, e.g. the type and tenure of replacement homes, their likely location etc., are not yet known.
25. e) The commons committee has concluded its work. Helen Hayes, M.P. was briefed about potential Southwark impacts, where known, in her role as local M.P. and member of the Housing and Planning Bill committee.
26. f) Southwark as a member of London Councils and Central London Forward continues to participate, contribute evidence, and lobby as appropriate on the issue of high value council sales, and wider housing devolution for London.
27. g) By their nature we do not believe these companies are amenable to this type of lobbying. Instead, the council's approach is to provide advice and support to prospective homeowners, as set out in paragraph 20.
28. Area housing forums have received a detailed briefing on the Housing and Planning Bill as at December 2015 as well as a copy of the Council's response to the Government's 'Pay to Stay' technical consultation.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Democracy

29. The report recommends that cabinet agrees the proposed response, set out in the report, to the OSC report on matters arising from the Housing and Planning Bill 2015-16.
30. The cabinet has responsibility for consulting with scrutiny and taking into account the final reports of scrutiny inquiries under Part 3B of the council's constitution.
31. The Housing and Planning Bill is summarised as 'a bill to make provision about housing, estate agents, rent charges, planning and compulsory purchase'. It is, as indicated in the report, in the latter stages of the legislative process.
32. The legal implications of provisions in the bill relevant to the recommendations in the OSC report are set out in the body of this report. As stated, the detail informing how the provisions of the bill will operate will be provided by regulations which will not be available until after the bill becomes law.
33. As indicated in the report it will only be possible to fully consider and address the implications of the bill once it is enacted and regulations providing the detail are published. When making decisions and setting policies following the new law coming into force, the council is required to have due regard to the public sector equality duty (PSED) in section 149 of the Equality Act 2010. This duty requires the council to consider the need to eliminate discrimination, harassment, victimisation or other prohibited conduct; advance equality of opportunity and foster good relations between people with protected characteristics and those who do not.
34. With reference to paragraphs 20 and 21 of the report, cabinet is reminded that any publicity issued by the council (defined as any communication in whatever form, addressed to the public at large or a section of the public) must adhere to the Code of Recommended Practice on Local Authority Publicity (DCLG, March 2011), and the principles set out in the Code. In particular, expressions of the council's views on this issue should be objective, and not capable of being interpreted as a political statement or commentary on contentious areas of policy. Publicity should also be even-handed and present different positions in a fair manner. The appropriate use of publicity and cost effectiveness are also relevant matters.

Strategic Director of Finance and Governance (FC15/054/IY)

35. At this point, it has not been possible to accurately assess the financial impact on the council's housing investment programme as insufficient information has been available, although all indications are that it will be negative. Once the final provisions of the Government's Housing and Planning Bill are enacted and Secretary of State regulations issued, the HRA business plan will be updated and further financial modeling undertaken to identify the implications in order to inform future decision making.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Overview and Scrutiny recommendations report to Cabinet	Constitutional Team Southwark Council 160 Tooley Street SE 2QH	Paula Thornton Paula.thornton@southwark.gov.uk 020 7525 7055
Link: http://modern.gov.southwark.gov.uk/documents/s59178/Report%20Right%20to%20Buy%20for%20housing%20association%20tenants%20and%20the%20forced%20sale%20of%20council%20properties.pdf		

APPENDIX

No:	Title:
None	

AUDIT TRAIL

Cabinet Member	Councillor Richard Livingstone, Cabinet Member for Housing	
Lead Officer	Gerri Scott, Strategic Director of Housing and Modernisation	
Report Author	Claire Linnane, Housing Strategy and Partnerships Manager	
Version	Final	
Dated	3 March 2016	
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	3 March 2016	

Item No. 11.	Classification: Open	Date: 15 March 2016	Meeting Name: Cabinet
Report title:		Asset Management Strategy	
Ward(s) or groups affected:		All wards	
Cabinet Member:		Councillor Richard Livingstone, Cabinet Member for Housing	

FOREWORD – COUNCILLOR RICHARD LIVINGSTONE, CABINET MEMBER FOR HOUSING

Southwark Council has the second largest number of council homes in the country. Sadly, back in 2010, only 56% of those council homes met the government's Decent Homes standard. Worse still, the audit commission had then recently criticised the fact that the council had no clear plan on how it was going to put this right.

I am therefore proud to be able to say that by the end of this month, 90% of our homes will meet the Decent Homes standard. The last five years have seen record levels of investment into our council homes to make sure that they are Warm, Dry and Safe.

But this is only the start of our work to ensure that our council homes are of a good quality. In our fairer future promises, the council set out that it would ensure that every council tenant has a quality kitchen and bathroom. We will also be reintroducing cyclical external decorations for our homes, improving our lifts and other mechanical and electrical systems, and taking further steps to reduce fire risks. Southwark Council is investing now to build a better future for our tenants and leaseholders.

This report and strategy set out how we will achieve this, setting out a clear plan for all our estates up to March 2024 so that their residents know when it will be their turn in the Quality Homes Investment Plan. In October, Cabinet considered a draft of this Asset Management Strategy. We have now consulted widely on the proposals and have made some amendments to it following this feedback.

At last month's Housing and Community Safety Scrutiny Sub-Committee, I was asked that we take steps to further improve the clarity on what work will take place and when for every block that the council manages. We will therefore be making sure that the information on this contained in the strategy is put on to the council's website in a user-friendly way so that everyone can easily find when it is their turn to benefit from the Quality Homes Investment Plan.

RECOMMENDATIONS

That cabinet:

1. Notes the results of the public consultation of the draft asset management strategy, noting the feedback within Appendices 1-3 of this report.
2. Approves the asset management strategy within Appendix 5 of this report.
3. Approves that the strategy will be publicised and made widely available as outlined in the communications section of this report (paragraph 36).

4. Approves the resources outlined for 2016/17 as outlined in paragraph 59.
5. Notes the revised standard which maintains decency and delivers the kitchen and bathroom guarantee alongside cyclical decorations.
6. Notes that the asset management strategy sets out a delivery timetable for:
 - a. Maintaining a high level of decency
 - b. Delivering a cyclical works programme
 - c. Completing the kitchen and bathroom programme within the first cycle of the programme
 - d. Delivering a mechanical and electrical programme
 - e. Bringing the building components of all properties to a Fire Risk Assessment (FRA) 'tolerable' level by the end of the first cycle of the programme.
7. Notes that there will be an annual update report on the delivery of the strategy and resources will be agreed annually through the financial business plan.

SUMMARY

8. The Asset Management Strategy (Appendix 5) sets out a programme for completing major works for the next eight to ten years. The strategy is aimed at delivering key strategic priorities with resources that are included in the Housing Revenue Account (HRA) 30 year plan.
9. The strategy sets out plans to achieve a well maintained, sustainable housing stock that residents value and enjoy living in. The original draft strategy went to Cabinet on 20 October 2015, and this has now been out to widespread consultation.

BACKGROUND INFORMATION

10. Following the Housing Commission report in 2012 the council engaged Savills to carry out a stock options appraisal of its assets. Their final report was issued in June 2013. This noted that: 'The development of an active policy of managing housing assets which challenges the value for money of each investment decision, based on an analysis of both the value of future cashflows, and the extent to which investment meets the council's social housing objectives could improve long term business plan capacity and resident satisfaction.'
11. Savills' work provided a stock investment financial profile that has been adjusted and used as the financial basis for the investment outlined in this plan. However, this work was prior to recent government proposals on rent reduction and the extension of Right to Buy. Work is continuing on the HRA 30 year plan to balance resources with strategic priorities, with the investment outlined in this report included in the plan's assumptions.

KEY ISSUES FOR CONSIDERATION

12. The council's previous Warm, Dry and Safe (WDS) standard has focused on the external structure of estates and street properties, carrying out works to those in the worst condition first and bringing properties to the Decent Homes Standard. This has meant that the structure and external elements will meet the WDS

standard on completion of the programme. The strategy proposed addresses wider investment needs including internal works such as kitchens and bathrooms as well as the need for cyclical maintenance.

13. The strategy is aligned to achieve the Fairer Future Promise: Quality affordable homes, which states ‘We will improve housing standards and build more homes of every kind, including 11,000 new council homes with 1,500 built by 2018. We will make all council homes warm, dry and safe and start the roll out of our quality kitchen and bathroom guarantee.’
14. Through the “Quality Homes Investment Programme” outlined within the strategy, the council will continue to deliver the Cabinet commitment to keep improving council homes.
15. There are a number of national factors which continue to put pressure on the Housing Revenue Account (HRA) and the council’s ability to deliver its priorities including the strong promotion and increases in local authority right to buy, proposals forcing councils to sell vacant council properties in the upper third of values and a 1% reduction each year in social rents over the next four years.
16. Despite these pressures, this report outlines proposals for the delivery of this promise, by setting out plans for a cyclical works programme. As part of this programme the remaining kitchen and bathroom renewals will be delivered and this programme will also maintain decency. The strategy also plans out the mechanical and electrical investment over the period.
17. The council will be moving to this cyclical programme over eight to ten years. In general, in the longer term there will be an average of 7,000 properties included in each annual programme if a seven year programme can be met within budgets. Wherever possible, when implementing cyclical works, all main internal and external works, such as doors, roofs and windows, are to be carried out to the structure of a block, together with external and communal decorations and repairs. The individual components of buildings, which are the parts of the building that make up the overall structure, such as doors, roofs and windows, will be repaired where feasible or renewed if detailed surveys indicate that the condition is such that the component has reached the end of its repairable life-span. The kitchen and bathroom guarantee will be delivered alongside the cyclical programme. Delivering works together will improve value for money and reduce disruption to residents. The cyclical programme prioritises blocks that have not been in the previous WDS programmes, those falling out of decency and then those in previous WDS programmes. However, programmes are subject to reprioritisation due to emergencies and additional investment requirements.
18. Fire safety remains of paramount importance to the council. As one of the largest landlords in the country, Southwark takes its duties very seriously and ensures that FRAs of all communal areas are kept current and plans are in place to actively manage risks to minimise injury or loss of life in the event of a fire. Works required to reduce the risk from the spread of fire and smoke from these FRAs will usually be integrated into the cyclical programme to bring the building components of all remaining blocks to a ‘tolerable’ rating. The works are typically ventilation adjustments, fire stopping, replacements of doors to properties and communal doors to meet standards required by the fire safety regulations. The FRA programme of works is reviewed on a quarterly basis through a joint

strategic meeting between the council and the London Fire Brigade to ensure that resources are appropriately prioritised.

19. It should be noted that the Aylesbury Estate has been excluded from officers' plans to develop an on-going asset management strategy, including kitchens and bathrooms renewal because it is part of a separate estate regeneration programme.
20. The strategy only covers the forward programmes and does not include the resources of schemes under existing programmes such as WDS work identified for Tustin Estate and Portland Estate. These schemes are scheduled towards the end of the new cyclical programme as they are due investment under existing programmes, so will not require work until towards the end of the new cycle.
21. The report outlines an improved standard for homes across the borough delivered through an on-going cyclical programme initially over 8 to 10 years. The standard can be summarised as:
 - a. Maintaining the council housing stock to the Government's Decent Homes Standard
 - b. Keep homes in a reasonable state of decorative repair and maintenance
 - c. Provide a quality kitchen and bathroom
 - d. Providing programmed upgrades to other 'non decency' components such as lifts
 - e. Provide programmed works required from FRAs to maintain the building components of all blocks to a 'tolerable' rating.
22. Most of the mechanical and electrical investment is programmed separately. Many district heating systems have far exceeded their life expectancy. There is a separate options appraisal which will be completed by the end of February. A separate report will go to Cabinet in April. There is currently £5m per annum for major district heating works within the asset management strategy and the review could mean there are requirements for other means of funding on top of this.
23. Security will be increased through the availability of a revenue budget for upgrading obsolete door entry systems and new installations where anti social and criminal activities exist, and a resident ballot held to agree to a service charge increase.
24. The strategy will be monitored through reporting on key actions and associated measures, primarily through an annual report to cabinet including updates on the:
 - a. delivery of the cyclical works programmes;
 - b. delivery of the kitchens and bathroom guarantee;
 - c. review of planned and reactive budgets to ensure the best use of resources;
 - d. review of the planned investment programme to ensure the investment will deliver economic and social performance;
 - e. review of resident consultation on major works;
 - f. delivery of the lift and heating programmes;
 - g. delivery of the upgrade to the APEX asset management and compliance system.

25. The design and initial consultation for the 2016/17 programme has commenced in order to ensure that the schemes can start on site in 2016/17, as agreed at cabinet on 20 October 2015.
26. Following the Housing Commission report in 2012, Savills consultancy was instructed to carry out work in conjunction with the council to assist with a comprehensive appraisal of the overall performance of current HRA assets. The aim of this review was to:
 - a. Consider operational cash flows at a local level and assess their worth to the housing business to provide a measure of financial performance
 - b. Identify non-financial measures of social sustainability and to provide an analysis of this at the same local level.
27. Savills' evaluation of the performance of HRA assets has been used to inform the investment strategy and detailed planning based on an active asset management approach, where the council seeks to make investment decisions that are informed by an understanding of the financial performance of the stock, and the extent to which it delivers the council's social housing objectives. In this way decisions can strengthen the business plan and contribute to meeting the council's policy objectives.
28. The strategy endorses an active asset management approach, undertaking activities to improve or replace properties that have a poor economic and social performance with properties that are fit for purpose. An appraisal of the first year investment included in the Housing Asset Management Strategy (Appendix 5) identifies properties that have, for the moment, been removed from the programme for further consultation in line with the Charter of Principles.

Policy implications

29. The council plan confirmed the ten Fairer Future promises, a set of key commitments to the residents and businesses of Southwark that outline the areas the council will be working towards as an organisation to create a fairer future for all. The updated promises were approved by cabinet on 2 July 2014.
30. A structured approach to asset management supports three of these promises in particular through providing a structure for prioritising and making investment decisions. Such investment decisions may be investment in our properties but may also be to improve the conditions of the local area for all of Southwark residents.
 - a. **Promise 1 – Value for Money**
We will continue to keep council tax low by delivering value for money across all our high quality services. The structured asset investment approach will look at priority estates and set out the options for each estate to ensure that Value for Money is achieved from the investment being made.
 - b. **Promise 3 – Quality Affordable Homes**
We will improve housing standards and build more homes of every kind including 11,000 new council homes with 1,500 by 2018. We will make all council homes warm, dry and safe and start the roll out of our quality kitchen and bathroom guarantee. This approach will enable priorities for financial resources to be balanced between existing stock and the delivery of the new homes programme.

- c. **Promise 9 – Revitalised Neighbourhoods**
We will revitalise our neighbourhoods to make them places in which we can all be proud to live and work, transforming the Elephant and Castle, the Aylesbury and starting regeneration of the Old Kent Road. This approach will both improve the physical aspects of our existing housing assets but also look at the wider social economic aspects of the areas in which they are situated.

31. Southwark Housing Strategy to 2043 sets out Southwark’s first long-term housing strategy, and marks Southwark out over others in setting out a long-term plan of action. Principle 2 states ‘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’, and more specifically the following commitments as set out in the strategy:
 - a. Putting in place a robust 30 year business plan, enabling us to invest in our homes, improve energy efficiency and provide a planned, preventative approach to maintaining and investing in our housing stock
 - b. Providing a quality kitchen and bathroom for all council homes
 - c. Carrying out other improvement works to our stock and the surrounding area, including increasing estate security.

Community impact statement

32. Improving housing in Southwark is central to the council’s wider plans to create a fairer future for all. Access to appropriate, good quality, genuinely affordable homes is important not just for residents but also to the wider economy and essential to shaping a borough that all residents can be proud of and which is truly sustainable into the future. A key part of this is the active management of current council housing assets that this report addresses to ensure that they play their part in continuing to make a positive impact on the community.
33. With regard to locations where the decision is taken to proceed with either new council housing or investment in existing stock, those living in properties with major works or living close to new developments may experience some inconvenience and disruption in the short-term, while works are taking place but communities as a whole will benefit in the longer term.
34. In local areas, the effects will be mitigated by working closely with residents on the delivery process and using experience gained on a significant number of recent projects. Residents will continue to be at the centre of and involved in works that take place. Where financially viable other positive community impacts will also be included as part of the works.
35. The works will provide a better standard of accommodation for tenants and contribute to improved general health and well being. Due consideration will be given to those tenants with specific needs both during works and after completion.
36. 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. A large number of community groups were specifically consulted with as part of the consultation.

37. The consultation ran from October 2015 to January 2016, following the original timetable, and was designed to be inclusive and to provide different ways for residents to feedback and engage. Further information can be found under the consultation section of this report (paragraphs 44-46). All councillors were consulted and given an opportunity to comment on the strategy.

Communications

38. Further to the strategy being agreed it will be publicised on the council website, in Southwark Housing News and by emailing councillors, Tenant Management Organisations (TMOs) and Tenants' & Residents' Associations (T&RAs). This will include providing links to programme information provided by Area, Estate and Ward. The possibility of linking programmes to My Southwark accounts and interactive maps is also being explored.

Economic considerations

39. Successful works contractors will be expected to deliver direct benefits to the local community and local residents. It is proposed that these benefits will be delivered through some or all of the following possible means during the enabling works contracts, if available and possible but especially so during the progress of the main construction works:
- a. Supply chain and procurement
 - b. Use of local labour and training initiatives
 - c. A commitment to construction apprenticeships in proportion to the size and scale of the development
 - d. Corporate social responsibility and sustainability
 - e. Community initiatives in the borough and on estates where works are taking place.

Social considerations

40. The appointed contractors will carry out the works in accordance with the Considerate Contractor scheme, which seeks to minimise disturbance and disruption in the locality during the construction phase. Their performance will be monitored as a Key Performance Indicator (KPI).
41. 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 contractor for this contract will result in quality improvements for the council. These should include a higher calibre of multi-skilled operatives that will contribute to the delivery of works on site and will provide best value for the council. It is therefore considered appropriate for the payment of LLW to be required. Anticipated benefits include a more incentivised workforce and improved staff retention. Following award, these quality improvements and any cost implications will be monitored as part of the contract review process.

Environmental considerations

42. Through ECO funding and delivery in partnership with British Gas over 7,000 properties benefited from energy efficiency works by March 2015. The council will continue to look for opportunities to maximise funding and deliver energy efficiencies including, carrying out pilot scheme to look at photovoltaics on a council block, replacing redundant lighting with more energy efficient lighting systems and providing insulation when replacing roofs.
43. The council will also improve thermal comfort by replacing single and double glazed units that are beyond repair with modern double glazing and improving the efficiency of district systems through the use of Building energy management systems (BEMS).
44. The code for 'Sustainable Homes' requirements will cover the construction process as well as design and specification and will set targets for minimising the adverse environmental impact of carrying out the works for each project.
 - a. The project briefs prescribe materials and components to be specified for the works; in terms of excluded construction materials, good practice is to be adopted
 - b. Asbestos products: not to be specified
 - c. Brick slips: only to be used where cast onto pre-cast elements as risk of failure is unacceptably high
 - d. Man-made mineral fibre (MMM): the material to be encapsulated in all applications
 - e. No insulation materials in which hydro fluorocarbons (HFCs) are used in their manufacture or application
 - f. No hardwood unless from FSC or equivalent sources.
45. A low energy, efficient and cost effective building engineering services design that keeps running costs to a minimum, will be an essential component of the project brief. Key considerations will include:
 - a. Consideration of whole life-cycle costs;
 - b. Sustainable sourcing, including locally produced materials and, where possible, timber from renewable resources;
 - c. Selection of contractors should take into account their environmental policies;
 - d. Incorporation of environmentally benign heating and lighting provision;
 - e. Provision of facilities and equipment to encourage the re-use and recycling of materials including, where practicable, water recycling;
 - f. Ensuring projects achieve Code for Sustainable Homes criteria.

Consultation

46. An initial consultation on the principles of the strategy took place with the Future Steering Board, Home Owners' Council, Tenants' Council and Area Forums over September and early October 2015, and was reported to Cabinet on 20 October 2015.
47. After the draft strategy was agreed in principle, consultation on the more detailed draft strategy took place both through the existing resident forums as well as through the website to encourage wide feedback from the community, in accordance with the original timetable as reported to Cabinet in October 2015.

48. An online consultation was publicised in Southwark News, Southwark Life Housing News, and on the Southwark website. Emails were sent out to Councillors, community and faith group leaders, community development colleagues, the voluntary sector, and interested individuals identified by Community Engagement. A dedicated email was set up for general enquiries about the programme. As well as this, every Area Housing Forum, the Home Owners' Council, as well as the Future Steering Board, TMO committee, and Tenants' Council were all provided with the documentation and meetings attended by senior members of the Major Works team delivering a presentation on the strategy. All T&RAs & TMOs were directly contacted to invite them to participate in the consultation through the website. The comments and queries gathered throughout the consultation can be found within Appendices 1-3 of this report. The results of the consultation illustrated majority agreement with the strategy and changes that were made to the programme as a result of the consultation can be found within Appendix 4.

Financial issues

49. This report is requesting cabinet to approve the asset management strategy and other related recommendations which are detailed in the recommendations. The estimated cost of implementing the asset management strategy across the years is summarised below and detailed in Appendix 1 of the Housing Asset Management Strategy (Appendix 5).
50. The cyclical programme - as reflected in Appendix 1 of the Housing Asset Management Strategy (Appendix 5).

Type of Works	1	2	3	4-5	6-7	8-10	Total
External & Communal Maintenance (Estates)	£ 18,280,498	£ 15,170,830	£ 22,114,935	£ 76,591,585	£ 96,978,513	£ 174,341,359	£ 403,477,720
Kitchens & Bathrooms (Estates)	£ 5,653,064	£ 4,275,440	£ 6,760,680	£ 27,318,837	£ 31,861,144	£ 41,541,682	£ 117,410,847
Street properties (All works inc. K&B)	£ 9,109,359	£ 14,688,858	£ 6,186,803	£ 6,439,226	£ 38,125,337	£ 34,621,028	£ 109,170,611
Engineering	£ 12,240,000	£ 12,480,000	£ 12,720,000	£ 26,160,000	£ 27,120,000	£ 42,480,000	£ 133,200,000
Fire Risk Assessment	£ 3,060,000	£ 3,120,000	£ 3,180,000	£ 6,540,000	£ 6,780,000	£ 10,620,000	£ 33,300,000
Total	£ 48,342,922	£49,735,128	£ 50,962,417	£ 143,049,648	£ 200,864,994	£ 303,604,069	£ 796,559,178

Budget issues

51. The business plan will be used to inform individual years' budgets.

Staffing issues

52. There are no staffing issues arising directly from this report.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Democracy

53. The report makes a number of recommendations in respect of a draft asset management strategy for its housing stock including noting the results of consultation and approval of the asset management strategy. By virtue of Part 3B of the Constitution, the approval of the asset management plan is reserved to the cabinet.
54. Details of the consultation carried out with interested parties are set out in the report.

55. Cabinet members should satisfy themselves that the consultation satisfies 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 to allow interested parties the opportunity to consider the proposal and formulate a response, allow adequate time for interested parties to consider proposals and formulate their response. The outcome of the consultation must be conscientiously taken into account when the ultimate decision is taken.
56. When considering the recommendations, cabinet members must also have due regard to the public sector equality duty contained within section 149 of the Equality Act 2010. That is the need to eliminate discrimination, harassment, victimisation or other prohibited conduct; advance equality of opportunity between persons who share a relevant protected characteristic and those who do not and foster good relations between those who share a relevant characteristic and those that do not share it. The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. Cabinet members are referred to the communities' impact statement contained in this report.

Strategic Director of Finance and Governance (H&M15/022/IY)

57. The strategic director of finance and governance notes the contents of the report and endorses the need for a coherent and strategic asset management approach to managing, maintaining and improving the council's existing housing stock and delivery of new homes as part of the council's Fairer Future promises.
58. The report outlines a future investment requirement of £797 million to address the needs of the existing stock over the next 8 to 10 years, commencing in 2016/17. This is in addition to commitments arising from the residual WDS programme, other specific works programmes, HINE and regeneration schemes, (the costs of which fall to the HIP, particularly leasehold buy-backs). Running in tandem is the direct delivery programme, which continues to ramp-up towards the initial target of 1500 new homes by 2018 and is resource hungry in the early years in cash flow terms. Beyond that, the position becomes less clear, particularly given the vagaries of government policy on social housing. Overall, a programme of this magnitude totalling c.£1.4 billion represents one of the most ambitious capital programmes in the country and is heavily reliant on funding availability going forward.
59. The report seeks cabinet approval of the overall asset management strategy and specifically the year one programme (2016/17) in the estimated sum of £48.3 million. At this juncture, there is an estimated resource shortfall in the overall 2016/17 HIP of £182.4 million (as reported to Cabinet in February 2016). Whilst this position is likely to be moderated downwards during the year as expenditure phasing and resourcing forecasts are updated in light of better information, programme commitments may need to be managed such that they match more closely the available resources in year.
60. For reference the council's capital resources principally comprise the following:
 - a. Capital Receipts – government regulations cover the application of capital receipts arising from the sale of HRA land and buildings, RTB sales, voids and miscellaneous disposals. The programme already assumes a level of receipts, but government proposals (contained within the Housing and

Planning Bill) in relation to the sale of high value council voids to fund RSL RTB, will adversely impact the programme going forward. Detailed regulations are awaited following the Bill receiving Royal Assent which will assist in quantifying Southwark's contribution. Receipts arising from the sale of general fund land and buildings could also be applied to the HIP, but it is council policy to retain such receipts for general fund use as there is also an outstanding funding requirement in this area.

- b. Grant Aid – direct funding receivable from government and other agencies from time to time for specific programmes, to address defined policy objectives. Funding for this is generally conditional and time-limited, e.g. Decent Homes Backlog Funding from GLA.
- c. Section 106 agreements – payments received from developers in lieu of on-site affordable housing provision, subject to Planning Committee approval towards the provision of new homes in Southwark, including direct delivery. This is a potentially significant funding source but sums are irregular and activity is driven by market forces and planning policy and hence it is difficult to predict the quantum and profile of receipts with any degree of certainty going forward.
- d. Major Repairs Reserve/Depreciation – this represents the annual charge to the HRA to reflect the reduction in the notional value of the housing stock due to wear and tear. The amount is currently determined by reference to the major repairs allowance (MRA) methodology, but will change to a fully componentised basis from 2017/18, which is higher. The HRA budget continues to transition towards that higher value requirement.
- e. Revenue contributions - the council continues to prioritise the amount of revenue support it contributes to the HIP from the HRA, (as demonstrated by the additional allocation approved as part of the 2016/17 HRA budget). However, the government's recent policy of a 1% rent reduction for the next four years has severely impacted on the rental income projections predicted in the business plan (as determined under the 2014 Spending Review), thereby limiting the scope for further uplifts in revenue support over the medium-term. As it stands, even greater savings will need to be delivered year on year to preserve the existing contribution level, to ensure the HRA remains in balance as it statutorily required to do.
- f. Earmarked Reserves – revenue balances set aside for one-off or multi-year projects/schemes. They are reliant on the generation of revenue surpluses during the year, the scope for which is in marked decline.
- g. Borrowing – the extent to which local authorities can borrow is strictly regulated and prudential limits set on indebtedness. Notwithstanding the debt reduction received under the Self-financing settlement in 2012 and the progress made subsequently in paying down high coupon debt, the HRA currently has borrowing headroom of c.£176 million, of which c.£50 million is held as contingency against unexpected/catastrophic events and is effectively unusable for programme purposes. Whilst it is inevitable that new borrowing will be necessary, this should be prioritised against new homes delivery, rather than existing stock, thereby more closely matching the long-term funding liability against the expected asset life.

61. None of the above funding sources are entirely unencumbered and come with a range of restrictions/conditions and regulations as to their use/application, particularly where schemes require mixed funding, (for example, RTB new build receipts cannot be combined with grant aid on the same scheme).
62. Given recent government policy initiatives and changes to key HRA business planning assumptions, (all of which are detrimental to the council's financial position), there is no clear visibility around long-term resource planning which raises the critical issue of affordability. There remains scope to derive greater benefit from the council's own asset base and a need to explore options for levering-in external funding from government and through joint venture arrangements and alternative delivery models with the public/private sector. Without this, it will be necessary to review existing plans, to re-prioritise, re-phase and extend the programme lifecycle, and in extreme circumstances consider the possible curtailment of programmed activity.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Asset Management Strategy - Kitchens and Bathrooms Programme 2015/16	Southwark Council Housing and Modernisation Department PO Box 64529	Richard George 020 7525 3293
Housing Investment Programme – Confirmation of Five Year Programme and Update on the High Investment Need Estates Options Appraisal Project 18 October 2013	Southwark Council Housing and Modernisation Department PO Box 64529	Richard George 020 7525 3293
Housing Investment Programme and Revised Strategy 31 May 2011	Southwark Council Housing and Modernisation Department PO Box 64529	Richard George 020 7525 3293
Report and Appendix 1: Asset Management Strategy 20 October 2015	Southwark Council Finance and Governance Department PO Box 64529	Paula Thornton 020 7525 4395

APPENDICES

No.	Title
Appendix 1	Draft Asset Management Strategy consultation summary (Boards, forums, committees and public meetings)
Appendix 2	Draft Asset Management Strategy consultation summary (Online consultation and group email)
Appendix 3	Draft Asset Management Strategy consultation summary (Councillor submissions)
Appendix 4	Proposed changes to Asset Management Strategy
Appendix 5	Housing Asset Management Strategy (circulated separately)

AUDIT TRAIL

Cabinet Member	Councillor Richard Livingstone, Cabinet Member for Housing	
Lead Officer	Gerri Scott, Strategic Director Housing & Modernisation	
Report Author	David Markham, Director of Asset Management	
Version	Final	
Dated	3 March 2016	
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		3 March 2016

Appendix 1 - Draft Asset Management Strategy consultation summary (Boards, forums, committees and public meetings)

The public consultation outlining the draft strategy took place with the Future Steering Board, Home Owners' Council, Tenants' Council, TMO committee and Area Housing Forums between October 2015 and January 2016. Correspondence was sent to Councillors, community and faith group leaders, community development colleagues, the voluntary sector, and interested individuals identified by Community Engagement. Residents were asked to consider the following five questions:

1. What do you think about the standard for homes that Southwark is proposing?
2. What do you think about the programmes to deliver that standard (initially over eight to ten years and then followed by a seven year cycle)?
3. Are there any other priorities that you consider more important than those contained within the strategy?
4. What other comments do you have about the strategy or where do you think it could be improved?
5. Do you have any specific comments about the programme affecting your estate or area?

This is the latest version; the final version will be handed out at the Cabinet on the night of the meeting.

Meeting	Question / Comment origin	Question / Comment	Response
Asset Management drop-in surgery	TRA representative (Arnold Estate)	Some estates are due to receive works earlier than ours and yet have received significant works more recently. Arnold are pencilled in late, and there is a feeling from the estate that this programme is more about aesthetics than condition.	Those earlier in the programme have had no works recently or have fallen/will be falling out of decency at that point. This programme prioritises properties in the worst condition first. Internal and External condition can lead to failure to meet decency standards. Door replacements are undertaken to increase security and reduce potential fire spread risk. Given the move forward and back of other schemes, Arnold Estate was able to be moved forward two years.
Asset Management drop-in surgery	TRA representative (Arnold Estate)	Given the scaffolding is going up for the Major Works planned – will it be possible to have railings painted?	The programme does not include painting of railings. If we spend money on this then it would mean less money for more serious issues across the borough.
Asset Management drop-in / surgery	TRA representative (Arnold Estate)	Will I be able to pick my door colour when this is replaced?	A series of votes are held first on each estate – firstly to determine if a majority want the same colour door across every property, or individual choices. If the same colour is chosen as a majority, a second vote determines the colour

Meeting	Question / Comment origin	Question / Comment	Response
			that the majority want and this is picked. If the individual choice is selected, there are a number of choices available and each resident picks from the selection available.
Asset Management drop-in / surgery	TRA representative (Arnold Estate)	Why do we have to wait until years 8-10 to receive new kitchens and bathrooms? Why weren't they replaced when you were on site last	The works to Arnold Estate pre-dated the rollout of the kitchens and bathrooms programme. When this estate is revisited, these will be renewed wherever eligibility criteria is met. Given the move forward and back of other schemes, Arnold Estate was able to be moved forward two years.
Aylesbury Area Housing Forum	Attendance notes	No comments received. Two meetings attended and cancelled due to inadequate attendance on the evening.	N/A
Bermondsey East Area Housing Forum	Forum wide comment	The forum agreed with the principles of the report.	N/A
Bermondsey West Area Housing Forum	Forum wide comment	The forum agreed with the principles of the report. The forum commented that 14-26 Dunton Road should be on the list of addresses for Setchell Estate. The Council should have planned maintenance work for regular drains cleaning, flat roofs maintenance and gutter cleaning yearly.	14-26 Dunton Road was added to the list of addresses for Setchell Estate. This was not part of the initial mail out due to an administrative error. The Council will be moving towards planned maintenance working with major works to ensure minimal disruption and reduced costs to the council and tenants/leaseholders in future.
Borough & Bankside Area Housing Forum	Forum wide comment	The forum agreed with the proposal on paper. The forum expressed concern over the length of the initial 8-10 year cycle.	The initial cycle of 8-10 years is to take into consideration the reduced rent income of 1% per year for the next 4 years, and take account of additional works e.g. kitchens and bathrooms programme. This will then move towards a usual seven year cycle upon conclusion of the initial cycle.
Borough & Bankside Area	Forum wide comment	The forum said that they would go back to relevant T&RAs and feedback.	The forum was provided with a link to the online consultation and dedicated email for this.

Meeting	Question / Comment origin	Question / Comment	Response
Housing Forum			
Borough & Bankside Area Housing Forum	Forum wide comment	The forum would like the option of choosing to have a bath or shower.	The council does not install showers except for occupational health reasons, as they are more expensive to maintain and more likely to leak.
Camberwell East Housing Forum	Forum wide comment	The forum noted the report.	N/A
Camberwell East Housing Forum	Forum representative (Elmington)	Forum representative was unhappy with 1-47 Caspian Street (odds) being in years 4-5 as many kitchens and bathrooms are originals, having not benefitted from any internal refurbishment programme (unlike other similar blocks on the Elmington Estate, e.g. Proctor House, Flatman House, Brisbane Street, and Langland House)	Properties are prioritised in accordance with their condition, and prioritises properties in the worst condition first. Those earlier in the programme have had no works recently or have fallen/will be falling out of decency at that point.
Camberwell East Housing Forum	Forum representative (Sceaux Gardens)	Concerning Sceaux Gardens, a representative noted that they had benefitted from considerable investment in recent years (although mainly to external parts of the block) and accepted their placement in years 4-5.	N/A
Camberwell West Area Housing Forum	Forum wide comment	The forum noted the report.	N/A
Camberwell West Area Housing Forum	Chair of Forum	Yes, this is a reasonable cycle for the longer term. The prioritisation seems reasonable.	N/A
Dulwich Area Housing Forum	Forum wide comment	The forum generally agreed with the prioritisation set out in the report	N/A
Dulwich Area Housing Forum	Forum wide comment	The forum thinks the standard is fine but misleading to tenants/residents. The principles in practice tend to change; with regards to kitchens and bathrooms the forum requested to have copies of the proposed correspondence that will be issued to residents.	The principles are outlined within this strategy and would only be changed if the asset management strategy is changed. There is actually too much correspondence to residents to copy to forum members.
Dulwich Area Housing Forum	Forum wide comment	The forum agreed with the delivery of the programme over a seven year cycle. However, they queried whether the delivery of this will be maintained over a seven year	The indicative draft programme provides a breakdown of where each property sits and their respective planned year up to the end of each cycle. In the lead-up to the initial 8-10 year

Meeting	Question / Comment origin	Question / Comment	Response
		cycle and how the council will guarantee the delivery of the programme.	cycle ending, future programmes will be provided for the following cycle in full. Analysis will be undertaken during the initial cycle to determine trends for repairs carried out to properties in order to, where feasible, align major works to reduce these costs in future cycles.
Dulwich Area Housing Forum	Forum representative	Question: would this mean leaseholders will receive service charge bills every seven years for major works?	Leaseholders will receive service charge bills for Major Works as/when their property is scheduled to undergo cyclical maintenance. However, the aim of the faster seven year cycle is to reduce repair costs, leading to savings for leaseholders in the long run.
Dulwich Area Housing Forum	Forum wide comment	The forum agreed with the proposals in principle as long as the programme is delivered as laid out in the strategy. Value for money and better consultation with residents were raised as main concerns regarding the proposed strategy and engaging with other affected tenants.	The proposed seven year cycle will achieve better value for money in the long term due to reducing repair costs with more efficient turnaround of planned works. Tenants and leaseholders will be engaged ahead of time, and the approach to street properties will see a respective area worked on each year, grouping works and providing better value for money this way.
Dulwich Area Housing Forum	Forum wide comment	The forum would like the council to ensure they are consulting and listening to residents. The forum would like a copy of the final report to Cabinet regarding the cyclical programme, before it is issued to Cabinet.	The council has a full consultation process agreed for Major Works, called Putting Residents First. A copy of the final report will be on the website for any resident to access.
Future Steering Board	Forum wide comment	The forum noted the report	N/A
Home Owners Council	Forum wide comment	HOC welcomes the report and wish to work with the Council to ensure the promises are delivered. HOC would like to receive reports during the lifetime of the programme.	HOC currently receives an annual report on the WDS programme and this report will continue in future.
Nunhead & Peckham Rye Area Housing Forum	Forum representative	If an estate has not received new kitchens / bathrooms in the last 20 years, will the whole estate be renewed?	Bathrooms over 30 years old and kitchens over 20 years old will be renewed regardless of condition. Historical records will be checked and surveys carried out to inform these works. Where tenants have renewed their own kitchen/bathroom and we can establish that the council has not carried out any kitchen/bathroom works over the respective periods, tenants

Meeting	Question / Comment origin	Question / Comment	Response
			will be given the option to have a new kitchen/bathroom. If facilities are newer than their respective age criteria and in a bad state of repair, they will not be renewed except where there are health and safety reasons.
Nunhead & Peckham Rye Area Housing Forum	Forum representative	Moving blocks forward or changing elements of the programme could mean it will lose the intended purpose as we will step outside of the plan. We should have a more holistic approach.	Elements of the programme occasionally have to be moved around and this consultation is to determine priorities with residents. There could also be a financial benefit from grouping works together – e.g. using scaffolding for windows and roofing if both are nearly due.
Nunhead & Peckham Rye Area Housing Forum	Forum wide comment	The forum agreed with the strategy.	N/A
Peckham Area Housing Forum	Forum representative	There is an inconsistency in the programme, false promises, representative stated they are confused with regards to what works will be carried and different works will not be carried out.	The council officer present clarified what works would be carried out on the night, as set out in the report. Cllr Livingstone stated that the consultation is an opportunity to look at this while it is flexible.
Peckham Area Housing Forum	Forum representative	Concerns about negative value assets. Certain properties are beyond economical repair and should be auctioned off to put money into current stock.	Cllr Livingstone clarified that rental income is enough to maintain repairs service across the borough.
Peckham Area Housing Forum	Forum representative	Question asked about Housing Planning Bill that will go to Parliament in 2018. Will works that are meant to commence in 2018 be hindered or stopped by this new bill?	Cllr Livingstone gave assurance that works will go as to plan. Only thing that is different is that the programme has been extended from 5 to 8 years in order to carry out all the Major Works.
Peckham Area Housing Forum	Forum representative	Will all the Major works be carried out due to budget as Southwark has decreased rent by 1% for 4 years?	Cllr Livingstone stated all works will be carried out as they have increased the time limit for the Major Works, i.e. instead of 5 years will do it in 8 years.
Rotherhithe Area Housing Forum	Attendance notes	No forum wide comments/agreement.	N/A
Tenants Council	Forum wide comment	The Tenants Council noted the report and asked for feedback in a years time.	Feedback will be provided to Tenants Council and Home Owners Council at the end of the first year of the programme.
Tenants	Forum	50,000 units is a huge challenge – and will need a robust	The Council has a dedicated team of staff carrying out

Meeting	Question / Comment origin	Question / Comment	Response
Management Organisation (TMO) Committee	representative	stock condition survey process. Generally these are based on cloning a large proportion and making assumptions off of just 10% surveys; what percentage are Southwark undertaking?	surveys on top of the original 10% carried out by Savills, and has collected a lot of information from properties as part of the Warm, Dry, Safe programmes.
Tenants Management Organisation (TMO) Committee	Forum representative (Browning)	Stack pipes and chemical erosion/corrosion need to be looked at – risers etc, needs replacing of complete components (wholesale renewal as opposed to piecemeal). This should be Major Works, surely?	TMOs are responsible for day to repairs to their area of remit. If there are specific, larger issues, they should advise of this as part of the asset management consultation.
Tenants Management Organisation (TMO) Committee	Forum representative	Is external landscaping included in the new programmes?	No, but this will be reviewed as the programme progresses.
Tenants Management Organisation (TMO) Committee	Forum wide comment	The forum noted the report, and agreed with the general principles.	N/A
Walworth East Area Housing Forum	Forum wide comment	Report well received; approved of kitchens and bathrooms and external decorative works inclusion. Concerns were expressed over money running out for kitchens and bathrooms for future years of programme.	The programme is currently fully funded, subject to any changes in housing finance.
Walworth West Area Housing Forum	Forum wide comment	Report well received; approved of kitchens and bathrooms and external decorative works inclusion. Concerns were expressed over money running out for kitchens and bathrooms for future years of programme.	The programme is currently fully funded, subject to any changes in housing finance.

Appendix 2 - Draft Asset Management Strategy consultation summary (Online consultation and group email)

Origin of comment/question	Comment/question	Response
Online consultation	Where can we access the 'proposed standard for homes' other than in the Appendices in the draft of the new programme that is currently up on your consultation portal? There one can only see when the next major repairs are planned but not to which standards and what is being improved.	The proposed standard is outlined within the main report, available on the main page of the consultation under relevant documentation.
Online consultation	These proposals are to long in terms of properties in the borough needed for change. My Situation is that I have been living in my place 25 years now.	No contact details or information about location was provided.
Online consultation	It can only be a good thing to improve the standard and quality of social housing. But there is a sense that there is a movement towards redeveloping the estates that isn't really being acknowledged or discussed. How does the Savills report that evaluates the Boroughs properties both socially and financially.	Any proposed works on an estate will be carried out in full consultation with residents affected. The Savills report provides a method to evaluate the efficiencies of investment.
Online consultation	Having a cyclical, more incremental plan seems like a good idea.	N/A
Online consultation	Again, very little information is given on why some properties are due to be improved 8-10 years down the line and others in year 2. Looking at the blocks and estates this schedule does not seem to reflect the urgency as to the repairs needed to be carried out. So how and why has the council reached these conclusions and arrived at this schedule?	The programme is basically a worst-first programme, meaning that properties are prioritised in accordance with their condition. Those properties in years 8-10 of the programme are generally those that have had major works recently carried out.
Online consultation	Need more attention right away. To wait 8 to 10 years is way too long	The programme is basically a worst-first programme, meaning that properties are prioritised in accordance with their condition. 8-10 years is the duration of the first cycle, and the council will be moving to a seven year cycle in future.
Online consultation	It sounds like a good idea. But again it sounds as though there is going to be an element that this is used as a tool to say that certain elements of the housing need to be replaced. If this is the case then this is fine but it should be an open discussion. Along with assurances that existing residents will be able to remain if they wish.	Any proposed works on an estate will be carried out after full consultation with residents affected.
Online consultation	If major works are done to a good standard and have a contractual guarantee. All repair works should be done under the guarantee and leaseholders should not have to pay for the work to be done again within ten years	Guarantees for works will be obtained on new roofs, windows and doors, as well as some concrete works.
Online	Our estate could benefit from new double glazed windows as ours are over 15 years old.	No contact details or information about location was

Origin of comment/question	Comment/question	Response
consultation		provided, but new windows will be installed wherever appropriate.
Online consultation	Please provide a link to where we can access the strategy.	The strategy was outlined within the main report, available on the main page of the consultation under relevant documentation. No contact details were provided.
Online consultation	YES my place where i live for the past twenty five years needs some serious looking at. By rights i even think after such a long time i'm wondering about my rights if a person can live in a social house after so long and it not been attended to. It seems not right. there's no way you could put a new tenant in there like that. Twenty five in it needs priority ATTENTION..	No contact details or information about location was provided.
Online consultation	(Are there any other priorities that you consider more important than those contained within the strategy) Building homes for key workers	This is being considered as part of the new homes strategy.
Online consultation	(Are there any other priorities that you consider more important than those contained within the strategy) Short term tenancies so that residents property is well maintained. Checks and evictions for ASBO. Checks on works that are recalls and not to pay for them twice.	Anti-social behaviour is not accepted by the council and can lead to eviction. The council does not pay for rectification works.
Online consultation (Hoyland Close)	The plan seems to emphasise on Warm Dry Safe yet, the appendix only seem to mention the on kitchen upgrade programme. What about flat roofs that need repairs/upgrade (e.g. X-X Hoyland Close and probably X-XX Hoyland close)?	Flat roofs will be repaired or renewed as necessary as part of this programme.
Online consultation	(Are there any other priorities that you consider more important than those contained within the strategy) ensure those in need are housed, homes are properly insulated re sound intrusion, homes are of a decent size	There is a council waiting list that allocates properties in accordance with need. There is no specific programme to deal with noise issues although the installation of double glazing can greatly reduce noise. All new homes being built are to a reasonable size standard.
Online consultation (Quentin House)	The quality of the recent contractors at Quentin House was poor and in the words of the consultant overseeing it the work was "sloppy". Contractors have so many jobs on they don't care about the finishing touches e.g. When clearing up, painting and taking care when painting, in effect leaving some areas looking worse than they did before.	This comment was referring to the condition of previous external decorations, and not the work carried out during this scheme or the standard to which previous works were carried out.

Origin of comment/question	Comment/question	Response
	<p>Also the Putting Residents First was not followed, either in practise or in spirit. The Project Manager found it a huge irritation whenever I mentioned it. If you are going to have a policy it needs to be followed and staff need to be trained to follow it.</p> <p>Council staff - in order to deliver a strategy well you need excellent staff to follow it through. The council should be committed to ensuring they have high quality staff and are effectively monitoring the performance of staff including getting feedback from resident representatives about their performance.</p>	<p>Refurbishment of external areas was not covered under this contract due to the omission of external decorative works for the Warm, Dry, and Safe programmes.</p> <p>Standard S20 consultation was carried out for this scheme, with two drop-in meetings organised, meet the contractor meetings and leaseholder consultation meetings. Due to the geographic proximity of the two estates involved in this scheme, two resident project groups were organised for this scheme, with regular attendance at each.</p> <p>Regarding Council staff; the council has a full team of experienced and trained staff to carry out delivery of the asset management strategy. Resident satisfaction surveys are carried out at the end of every scheme, and there is also a Major Works Core Group chaired by the lead Cabinet member for Housing, with resident representation.</p>
Online consultation	<p>I think there should be some way of tapping into local resident knowledge about how elements of the estate could be improved. I think there is a lot of regular maintenance work that if taken out in regular thorough way would negate need for major works at a later date.</p> <p>Also there could be some contact for freeholders about how their properties fit into the programme and some way that they can actively engage in the maintenance of those elements of their properties that are linked to council properties. i.e. flat roofs.</p>	Residents are fully consulted on all schemes in line with the Putting Residents First consultation process. Their input into the design of works is always considered. This includes any freeholders affected by the works.
Online consultation	We are still waiting for 2005 cyclical maintenance, just had a quick visible difference touch up. this month	All properties are covered within the first cycle of the asset management strategy.
Online consultation	We have so little information that we are in no position to comment. We know our block/house is part of the year 8-10 in the cycle proposed but don't know why, what will	No contact details or information about location was provided.

Origin of comment/question	Comment/question	Response
	be carried out, and what has been carried out in the past. Please provide more details on how the programme will affect our property.	
Online consultation (Quentin House)	The decorative state of the interior stairwells at Quentin House is quite poor, and waiting 8-10 years to do this will mean by then we are living in a building which looks good from the street (as the exterior has just been painted) but the stairwells are shabby. The consultant who reported on the block listing all the work needing done identified the stairwells as needing done. Would it be possible for the TRA to get feedback on this?	The internal stairwells of estates are classified as external decorations and were not part of the Warm, Dry and Safe programme which concludes this year. Quentin House is not regarded as a block in high priority need of works within the current proposed programme. The exterior balcony work referred to in this comment concerning Quentin House was classified as a “protective coating following concrete repairs work”, which does not fall under external decorations.
Online consultation	I would like more information about the programme relates to the properties in our estate. I would also like the information to be more accessible. I have only been able to find the draft report following endless emails and reminders to the major works department. Indeed a many of the reports on the Southwark website seem buried away in the website and forming part of the council committees. I think there should be a list of reports that have been commissioned by the council and what the aims of these commissions/reports are. And how these reports relate to one another.	All relevant documentation, including the draft strategy and programme, are available on the consultation page where the comment was made, as well as on the Southwark website, and can be found easily.
Online consultation	Would like the paving on my estate replaced as they are in bad state.	The asset management strategy does not cover paving works. No contact details or information about location was provided.
Online consultation	Cleaner / secure bin areas. Some corners of the estate are in a shocking state because of fly tipping and/or overflowing bins.	If bin areas are part of a block, then they will be included in the asset management works.
Email submission (Tissington Court)	I refer to your planned works for Estates and Blocks, which states Tissington Court is scheduled for the 6-7 year program. Apart from the kitchens which came under the recent program Tissington Court still has the existing kitchens/bathrooms from when they were built in 1069 making them already 46 years old, therefore, if it is another 6/7 years before they are replaced that makes them 53/54 years old which is considerably more than the 20/30 year plan. Could this please be looked into.	The intention is that by the end of the first cycle of works, all tenants will have a quality kitchen and bathroom. With the resources available, some residents will be in the latter years of the first cycle.

Origin of comment/question	Comment/question	Response
<p>Email submission</p> <p>(Medina House)</p>	<p>I am writing to express the concerns of residents in Medina House, Rye Hill Park, Peckham, after a bout of break-ins and burglaries in our block. The block has insufficient security installations and crime deterrents which leads criminals to target the block. The responsibility of these failures are with Southwark Council, who I believe are failing to deliver a duty of care to the tenants of Medina House. We are continually becoming the victims of crime and no action is being taken.</p> <p>The building does not have CCTV and is not alarmed for break-ins. The secure entry door is not secure and entry can be gained by applying minimal force. Windows across the block are dated, with beading on the outside, which allows the glass panel to be removed from outside our properties and entry to be gained. Locks and doors are also very old and entry can be gained to private flats with only a plastic tool. As part of your programme to provide Warm, Dry and Safe homes across the area, I feel that it is absolutely necessary to renew windows, doors, and security measures in Medina House. Our windows are decades old with obsolete security features. I will remind you of your commitment below;</p> <p>"As part of our programme to make every home in the borough Warm, Dry and Safe by 2016, it is Southwark Council policy to use unplasticized poly-vinyl chloride (hereon referred to as UPVC) windows extensively across the borough on council estates where the buildings involved are not listed buildings or the subject of an existing conservation order."</p> <p>Given that no major works are planned for the next 12 months on Medina House, as a leaseholder, I have written to Southwark Council to request permission to change windows and doors of my property at my own cost via the method as instructed on their website. I had no response. I was then told the information on the website is incorrect. I made an official complaint and then contacted the council about permission to change windows and doors again, and still have not received a response. During the period of waiting for a response from the council my home was broken into via the window, and my front door was damaged. My home is not secure and I have no rights under my lease to secure it with new windows and doors, even if they are the same as the originals.</p>	<p>In 2014, Medina House was subject to a specific survey and resulting report on the condition of its windows by independent chartered surveyors/consultants. Surveys completed to the block as a whole did not warrant the inclusion of window renewals as the current installations were deemed as meeting the required standard for decency. The windows at Medina House were replaced with double-glazing in the early 1990s and have an estimated 5-10 year lifespan remaining – and they are included in years 8-10 of the initial cycle of works where these may be replaced with UPVC, subject to planning requirements at the time.</p> <p>The criteria for changing doors are based on condition and again, surveys in the lead up to the electrical programme currently taking place on this block determined that replacement of the doors was not necessary at this point.</p> <p>With regards to the statement that no major works are planned for 12 months on Medina House - Major Works are currently carrying out an electrical installation upgrade programme to this estate, where focus is concentrated on upgrades to the landlord's electrical installation. This includes the installation of heat and smoke detectors. You will be contacted by the site team about having heat and smoke detectors installed in your property at no extra cost to yourself, if you have not been so already.</p>

Origin of comment/question	Comment/question	Response
	<p>These elements of the property belong to Southwark Council, the freehold of the block. The council has temporarily secured the window with a latch.</p> <p>A survey I had conducted by a Chartered surveyor prior to the break in stated that: "Ideally, the windows would be renewed with more modern and better insulated units." "The front door was noted to be damaged and requires some repair or replacement." "The doors and windows are in powder coated aluminium with double glazed units. They are of some age and do show wear & tear. Some maintenance would be beneficial to handle etc." "The windows appear to be poorly draught sealed, and particularly in the front bedroom we noted that they were taped over the surrounds in an attempt to stop the draughts."</p> <p>One way or another, something needs to be done to secure our properties. We are made up of a community of Leaseholders and Council Tenants, please help us to protect our homes.</p>	
Online consultation	<p>Regarding new kitchens and bathrooms, how are these going to be assessed?</p> <p>I have lived in my house since September 2005 and am an OAP. The kitchen and bathroom could both do with being replaced but I don't have any idea of how to get both rooms assessed.</p> <p>The programme of new bathrooms or kitchens is not very clear when it comes to who will get these. Not enough information is available and although having lived in my house since 2005, the kitchen and bathroom both need attention. I have decorated the kitchen but the units are at the end of their sell by date. I have never decorated my bathroom since moving in and all the paint is peeling off the walls. I also need advice on what I should do regarding this.</p> <p>Please would someone advise me.</p>	<p>Kitchens determined to be over 20 years old and bathrooms over 30 years old will be replaced with a modern quality kitchen and bathroom. Southwark have chosen to use age as the criterion for eligibility due to the fact it is a more objective and fair measurement than condition which is subjective. Kitchens and bathrooms will only be replaced due to their condition if they are assessed as a health and safety risk.</p> <p>All properties will be surveyed in the leadup to works starting on site, and the age will be determined at this point.</p> <p>Southwark residents are advised to contact the dedicated call centre to report repairs on 0800 952 4444.</p>

Origin of comment/question	Comment/question	Response
Online consultation	<p>Only kitchens and bathrooms fitted within the last 15 years will be replaced so this does not meet ensuring every home has a quality kitchen and bathroom as some of these will still be in need of replacement and this does not mean lack of care by tenants</p>	<p>Kitchens determined to be over 20 years old and bathrooms over 30 years old will be replaced with a modern quality kitchen and bathroom. Southwark have chosen to use age as the criterion for eligibility due to the fact it is a more objective and fair measurement than condition which is subjective. Kitchens and bathrooms will only be replaced due to their condition if they are assessed as a health and safety risk.</p>
Online consultation	<p>It sounds like a sensible cycle as long as repairs are done to a good quality standard. Our estate is having major works currently, after nearly 10 years since the last program; with neighbours saying that the last major works were done to a very poor quality. In this plan, the estate would be done in 8-10 years.</p> <p>How have Southwark improved their major works quality now in the WDS program to ensure once it's done we can go 10 years without building up problems that would have been easier and cheaper to address before that?</p>	<p>Every works contract has a surveyor and architect to supervise the works, along with a Clerk of Works to ensure the works are delivered to a high standard.</p>
Online consultation	<p>The report talks about reactive repairs vs major works - and works being identified as needed in some cases by expensive repairs having had to be done. Is there also a factor of ongoing maintenance and pro-active work that sits between the two extremes?</p>	<p>Analysis will be undertaken during the initial cycle to determine trends for repairs carried out to properties in order to, where feasible, align major works to reduce these costs in future cycles.</p>
Online consultation	<p>The strategy document is very financially focused and describes residents as customers in several points, which is always worrying in a government organisation with a duty of care to the people.</p> <p>As a leaseholder, the current major works were sprung on us with little warning and a very large cost attached. I would like to see this significantly improved in the future; and the move to a planned cycle should be a way for the council to achieve this. Can you include in the strategy a commitment to early and regular communication to all involved - so we can plan saving for works years in advance based on sensible information from the council.</p>	<p>The Warm, Dry and Safe programmes were agreed a number of years ago, and all residents have been / are being consulted as part of the "Putting Residents First" process.</p>
Online	<p>I'm a leaseholder in the Pasley Estate; the lack of detail on estate heating work, after</p>	<p>A report on the Heating review will be going to</p>

Origin of comment/question	Comment/question	Response
consultation (Pasley Estate)	some worrying comments on 'end of life expectancy' and dramatic rising costs is a major concern. Can you share information on the progress of the heating review?	Cabinet concurrently with the amended draft Asset Management Strategy in March. NOTE This review is not yet complete and therefore will be reported to Cabinet at a later date
Online consultation	A further priority: work on developing a programme to allow leaseholders at least some opportunity to undertake their own improvements and/or repairs on their properties, within requirements set by the Council (for example on quality, safety and defect liability). The Councillor who attended the Homeowners Council seminar in November 2015 stated that allowing leaseholders to undertake works privately was being considered by Southwark Council but this is not referred to at all in this ten year strategy.	The Council has a duty under the terms of every lease to carry out certain works. Leaseholders can apply individually for permission to carry out specific elements of work themselves.
Online consultation (Brawne House, Brandon Estate)	I am a resident at Flat XX Brawne House, Brandon Estate. Last year contractors A&E Elkins carried out some work at my home which included electrical and changing of light shade in the kitchen. I am aware that other residents received new kitchens and bathrooms. After speaking to the contractors I was told that pictures were taken of the property which I did not witness. I would like to when kitchen and bathroom updating will be done for myself as Elkins have been so difficult to work with. I have been told they will double check and see if any works were missed in my property. If I am not eligible for a new kitchen and bathroom please can you advise me as to when these works were last completed here.	Works to this property were carried out under the previous Warm, Dry and Safe programmes. Kitchen and bathroom replacements were only carried out to this estate where health and safety risks were identified. The next cycle of works will include kitchen and bathroom renewals, where eligibility criteria is met. Your property will be surveyed again in the lead up to the next scheme of major works for your estate.

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Appendix 3 - Draft Asset Management Strategy consultation summary (Councillor submissions)

Origin	Question / Comment	Response
Email (Arnold Estate)	Both Cllr Livingstone and Cllr Wingfield sat in TRA meetings saying they understood the sense of getting kitchens and bathrooms done on estate while other works are on. They assured us that the cabinet report would ensure the estate had new kitchens and bathrooms and yet we see this won't be for 8-10 years. This is unacceptable given the current conditions. Please could they explain why the estate has been put at the end of the programme, even though other works are currently taking place right now?	<p>Response from Cllr Livingstone 10 November</p> <p>Given that you have cited my attendance at the TRA meeting, you will recall that I explained there that there has to be a starting point for the kitchens and bathrooms programme and we have brought this forward to April 2015 (rather than April 2016 as originally envisaged). However, the work at the Arnold started before that and so we are not able to bring this within the scope of the work. We are already planning to spend significantly more money on housing investment works during 2015/16 than the council has ever spent before in a year: £303.9m, compared to around £100m most years. This means that we do not have the room for manoeuvre to add additional works at Arnold in for the current year.</p> <p>You will also be aware from the report considered by last month's cabinet, and from the article in this week's Southwark News, of the impact of the Chancellor's post-election decision to impose rent reductions on councils and housing associations without compensation. Over four years, the HRA will lose a net £62m and this has unfortunately meant that we are having to slow the proposed major works programme from that originally envisaged.</p> <p>Given the move forward and back of other schemes, Arnold Estate was able to be moved forward two years.</p>
Dulwich Area Housing Forum	Cllr queried whether the £2 billion announced by central government will impact on the proposed programme.	The programme is currently fully funded, subject to any changes in housing finance.
Dulwich Area Housing Forum	Cllr Query regarding Street Properties, why no strategy to replace with UPVc as would be more cost effective rather than decorating and repairing continually	Southwark's policy is to use UPVc for full replacements where possible, with the exception of listed buildings and those subject to a conservation order. There is a statement on our website at http://www.southwark.gov.uk/info/200510/major_works/3626

Origin	Question / Comment	Response
Online Consultation	<p>Warm, Dry and Safe is not the standard Liberal Democrats would have chosen as the starting point for the new strategy. The proposed kitchen and bathroom programme, for example, is essentially just a catch-up exercise. Works to improve or replace kitchens and bathrooms was already happening under the previous Decent Homes Plus programme in Southwark. This work stopped in 2010, however, and for the last five years tenants have been left with non-decent homes in some instances and still face waits of years under the proposed strategy as a result.</p> <p>As a bare minimum though, the standard appears to be in line with tenants' expectations of a basic guaranteed level of cyclical maintenance on a regular basis. This has been missing in some parts of the borough for years.</p> <p>It is also good that the Council is focusing finally on maintaining its existing stock. Over the past few years, the impression has been created that only the delivery of new council homes was important to the administration whereas the vast majority of Southwark tenants will never move to a new council home and therefore deserve the best possible living standards in existing stock.</p> <p>We have a real concern though about blocks scheduled for regeneration being neglected in the meantime and tenants missing out on any cyclical or day-to-day maintenance there. Recent experience on the Aylesbury Estate has highlighted how those residents remaining while waiting to be decanted are suffering extreme problems with lift repairs, communal lighting and repairs to their homes because cyclical maintenance has stopped. This is not acceptable and needs to be factored into the strategy.</p>	<p>/upvc windows concerning this.</p> <p>The WDS programme has brought the vast majority of properties up to the Government set Decent Homes standard and ensured that the previous low levels of properties meeting the Decent Homes standard no longer exists and the proposed programme will ensure that these high levels of decency remain.</p> <p>The Council has always been committed to ensuring its existing stock is brought up and maintained at a quality level, combined with a substantial new build programme.</p> <p>The Aylesbury Estate has had significant resources allocated to it, with substantial investment in lifts, heating and communal electrics and it is also included in the WDS programme and repairs and maintenance will continue to be carried out for all remaining residents.</p>
Online Consultation	<p>Southwark Liberal Democrats do not believe the proposed programme timescales to be acceptable. With regard to the specific promise on kitchens and bathrooms, promises were made to all residents in the borough that they would have new kitchens and bathrooms by 2018. Now the timetable suggests tenants in some blocks and estates face waits of up to</p>	<p>The programme has been set in line with available and projected financial resources as result of the Governments decision to reduce rents for four years and it's proposals to force Councils to sell void properties and not be able to reinvest the receipts in future. The 8-10 year proposal is purely for the first cycle of the</p>

Origin	Question / Comment	Response
	<p>ten years for their new kitchens and bathrooms.</p> <p>It is not clear how the overall 8-10 year timescale has been decided on and extended apart from external funding pressures and it is unclear what criteria have been used to determine where individual blocks and estates will fall within the programme. There is also confusion caused by works taking place to replace some kitchens and bathrooms as part of the final year of the Warm, Dry and Safe programme and it is not clear how these locations were selected.</p> <p>It is also worrying that the Council will only give an indicative timeline and that so far only year 1 of the programme is guaranteed due to funding levels. This suggests that timescales could slip again and this would not be fair to tenants in those estates/blocks affected.</p> <p>It is also unclear what the future holds for those blocks and estates identified as costing the Council too much to maintain in the Savills report and highlighted in the Options Appraisals section of the strategy. The Council owes it to tenants in those blocks to inform them as soon as possible if they are in such a block or estate, what options the Council is considering and involve them in any decision from the start rather than presenting them with a done deal.</p>	<p>strategy and it is then intended to move to a seven year cycle.</p> <p>Properties are generally being done on a 'worst first' basis to ensure that high levels of decency are maintained.</p> <p>The programme has been devised based on likely financial projections. These could of course change if the Government makes further cuts in resources for housing to councils.</p> <p>The Council is fully committed to consulting with all residents on options for works as clearly set out in its consultation 'Charter of Principles'.</p>
Online Consultation	<p>Liberal Democrat councillors have identified three areas which raise concerns as missing from the draft strategy:</p> <ul style="list-style-type: none"> • Damp – this is an issue in many blocks or estates in the borough yet there is no specific mention of how this will be treated and tackled as part of the asset management strategy and cyclical maintenance programme. • Quality-related issues – councillors have already identified issues around improvement works to windows for street properties. This raises wider concerns about quality assurance issues on the whole programme and how these will be monitored. 	<p>Damp will be dealt with as part of the programme as appropriate in order to ensure properties meet the Government set Decent Homes standard.</p> <p>The Council will continue to ensure that all windows are wind and weather tight and if they are at the end of their life, double glazing will be installed. Under the terms of the Council leases however, the Council cannot just install new windows as an improvement.</p> <p>The current WDS programme has ensured that all street properties meet the Decent Homes standard. The future</p>

Origin	Question / Comment	Response
	<ul style="list-style-type: none"> • Street properties – the draft strategy is proposing that cyclical maintenance is carried out by community council area. There is a question mark as to whether this is the fairest way of carrying out works rather than on an age-or needs-basis. 	<p>proposals for an area based approach for street properties are to ensure value for money and that scarce resources can be used most effectively for all residents. There have been no adverse comments from street property residents to the proposals.</p>
Online Consultation	<p>Residents on the Arnold Estate had two cabinet members visit their TRA meetings and make promise so their distress at being put down for 8-10 years is genuine and understandable. These tenants work hard and pay rent and the very least they deserve is a decent kitchen and bathroom. Some bathrooms in Cherry Gardens Estate, such as West Lane, don't even have sinks but are down for 6-10 years. Many residents of the Keetons' Estate still have their original kitchens but also now face waits of 8-10 years. This is unacceptable and we would urge you to move these estates forward.</p> <p>There is also some inconsistency within estates. For example, the Rouel Road estate will receive new kitchens and bathrooms in years 8-10. However, some properties have already had new kitchens installed, but not bathrooms. Similarly in Robert Jones House in Grange Ward, some residents had new kitchens installed a couple of years ago and the list states that this block is due new kitchens in year 2. Residents need clarity regarding who will receive new kitchens and bathrooms on the estate and who will not.</p>	<p>Moving any estates forward in the programme, would mean other estates moving backwards and the current draft programme is felt to be reasonable and appropriate to the overall needs of residents. Given the move forward and back of other schemes, Arnold Estate was able to be moved forward two years.</p> <p>The programme is very clear. When an estate is in the programme then all kitchens and bathrooms will be renewed as appropriate.</p>
Online Consultation	<p>We welcome the Council adopting a clear plan, but do question how the timeline was decided. Despite a clear expectation among tenants that they would receive a 'quality kitchen and bathroom' by 2018, there is no justification given for the delayed implementation of this programme and waits of up to ten years for works. It is simply unacceptable that an administration which promised a quality kitchen and bathroom for every tenant in 2014 is now making many residents wait until 2025 for their improvements.</p>	<p>The programme has been set within the financial resources available.</p>

Appendix 4 - Proposed changes to Asset Management Strategy

Scheme	Properties affected	Current Year	Change proposed	Reasoning
Brookstone Court	1-65 Brookstone Court, Peckham Rye	2016/17	Move back to 2020/21	Works recently completed and identified as less immediate priority.
Juniper House	1-75 Juniper House, Pomeroy Street	2017/18	Move forward to 2016/17	Received a number of enquiries with regards to works, and funding available from moving Brookstone Court to 2020/21.
Dovedale Rd	3A/3B Dovedale Road	2016/17	Move to Street properties	Identified as street properties.
Copeland Road	Houses – COPELAND ROAD	2016/17	Move to Street properties	Identified as street properties.
Penrose House	106-116 Penrose Street, Penrose Street	2023-25	Move kitchen and bathrooms and internal pipework forward to 2016/17	Due to the number of legal cases with the problems of internal pipework, we will bring forward the works for kitchen and bathroom and internal pipework to the 2016/17 programme. This would be for these works only and other works would remain in 2023-25 for main QHIP.
1-11 Pytchley Rd	1-11 Pytchley Road	2023-25	Remove from programme	Identified for disposal in 2011.
Webber Row Estate	1-10 Dauncy House, Webber Row 1-10 Delarch House, Webber Row 1-12 Mawdley House, Webber Row 11-20 Dauncy House, Webber Row 11-20 Delarch House, Webber Row 1-15 Algar House, Webber Row 1-15 Overy House, Webber Row 13-20 Mawdley House, Webber Row 16-25 Algar House, Webber Row 16-25 Overy House, Webber Row	2019-21	Move forward to 2017/18	Urgent roof issues.
Arnold Estate	142-179 Arnold Estate; 180-220 Arnold Estate; 1A, 1-30 Arnold Estate; 221-249	2023-25	Move forward to 2019-21	Received a number of enquiries with regards to works. Replaces Webber Row Estate works

Scheme	Properties affected	Current Year	Change proposed	Reasoning
	Arnold Estate; 249-262 Arnold Estate; 263-276 Arnold Estate; 277-295 Arnold Estate; 296-301 Arnold Estate; 302-319 Arnold Estate; 31-65 Arnold Estate; 66-80 Arnold Estate; 81-141 Arnold Estate;			originally programmed for 2019-21.
Acorn Estate	Ashdene; Beechdene; Hollydene; Meeting House Lane; Oakdene; Pinedene; Willowdene; Carlton Grove	2018/19	Move forward QHIP to 2017/18	Enable cost efficiencies and minimise disruption by delivering QHIP works alongside roofing work.
Hampton House	Hampton House, 1-8 Walworth Road	2016/17	Move back to 2023-25	Works recently completed and identified as less immediate priority.
Rye Hill Park	122-208 Rye Hill Park, Peckham Rye	2021-23	Move forward to 2018/19	Potential structural issues; identified as more immediate priority
District Heating - Leathermarket (various)	102-130 Great Dover Street 1-9 Cardinal Bourne Street 37-67 Bartholomew Street 1-4 Burge Street	2016/17	Remove from District Heating programme – all from the Cardinal Bourne boiler House – total savings to 2016/17 programme - £684k	Determined to be Leathermarket JMB responsibility.
District Heating – Leontine replacement underground mains	1-99 Leontine Close	2018/2019	Move forward replacement underground mains work to 2016/17 to value of £194k from 2018/19	Leontine underground mains work has been assessed as an urgent priority. Uses £194k saved via Leathermarket omissions in 2016/17 (above).
District Heating - Brandon plant room upgrades	Morton House 1-39; Napier House 1-36 Bateman House 1-68; Brawne House 1-68; Cornish House 1-68; Cruden House 1-68; Prescott House 1-68; Walters House 1-68	Not previously in 8-10 year programme for district heating	Move forward plant room upgrades (x8) to 2016/17 programme under Brandon to value of £490k	Brandon plant room upgrades have been assessed as an urgent priority. Uses £490k saved via Leathermarket omissions in 2016/17 (above).
District Heating – Soane House	Soane House 1-30 Soane House 31-35	2020/21	Remove from District Heating Programme	Properties in Aylesbury regeneration scheme.

Item No. 12.	Classification: Open	Date: 15 March 2016	Meeting Name: Cabinet
Report title:		Development Viability SPD	
Ward(s) or groups affected:		All	
Cabinet Member:		Councillor Mark Williams, Regeneration and New Homes	

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

Southwark has a strong record of securing new affordable homes, along with a wide range of other benefits for local people through the planning process. We also know that public support and understanding of the development process is important, and this Development Viability SPD sets out how we will make the process more transparent.

In Southwark there is a desperate need for homes of all kinds, but especially new affordable homes. This is why we have the most ambitious council home building programme in the country, but we know that to meet demand we also need to secure as many new affordable homes from developments as possible and this is why we have a policy that all new developments should provide at least 35% affordable housing. We want to work with housebuilders and developers in a straightforward, efficient and clear manner to attract investment into our borough.

Viability is playing an increasingly pivotal role in the development process. Development will only go ahead where a scheme provides acceptable returns to landowners and developers. As such, where a proposed scheme faces genuinely challenging finances, we may negotiate on certain planning policy requirements, where this flexibility will allow development to proceed. Simply demonstrating viability is not enough. We will still want to be satisfied that the proposal is of a high quality and makes a positive overall contribution for the future of our borough and our residents.

Inconsistency in the assessment of viability is a risk to the sustainable development of our borough. For this reason we need to provide clear guidance to applicants regarding the viability assessment process and the standard of proof and quality of evidence in assessing viability. This SPD does just that. It shows when a financial viability appraisal is necessary to support an application, what information is required, when it is required and how it will be assessed. This provides clarity to applicants and ensures our residents have confidence that we apply our policies consistently and impartially. Where a viability appraisal is required to inform a planning application then the full viability assessment will be published ahead of that application being determined.

RECOMMENDATIONS

That cabinet:

1. Agree the Development Viability SPD for adoption (Appendix A).

2. Note the Consultation Report (Appendix B).
3. Notes the Equalities Analysis (Appendix C), SEA Screening Assessment and Statement of Reason (Appendix D), Viability SPD Habitat Regulations Assessment (Appendix E).

BACKGROUND INFORMATION

4. The role of the Development Viability Supplementary Planning Document (SPD) is to provide clear guidance on the information requirements for financial viability appraisals and the basis on which these will be assessed and made public. Officers will use the guidance to ensure that all applications are dealt with efficiently, consistently and with transparency.
5. SPDs are a material consideration when decisions are made on planning applications. The SPD sets out detailed guidance to provide clarity over how we will implement the relevant policies of the Development Plan. This includes the London Plan (2015) (consolidated with alterations since 2011), the Core Strategy (2011), the saved Southwark Plan policies (2007) and adopted area action plans. The SPD does not establish new planning policies.
6. Sustainable development in Southwark requires new housing, including affordable housing, to meet our housing needs. As housing is delivered through the development process, viability is becoming an increasingly important consideration when securing affordable housing and other planning obligations. Therefore inconsistency in the assessment of viability is a risk to the sustainable development within our borough. For this reason we need to provide clear guidance to applicants regarding the viability assessment process and the standard of proof and quality of evidence we will require to consider viability as a justification for any departure from policies contained within the our Development Plan.
7. The level of affordable housing we can secure on a specific site is dependent on the value of the development site, development costs and the buoyancy of the property market. We must be able to effectually critique financial viability appraisals to ensure affordable housing contributions are achieved at the maximum viable level.
8. The National Planning Policy Framework (NPPF) (2012) seeks to ensure development is not constrained due to a scheme's viability. In essence, development should proceed where it provides competitive returns to a willing land owner and willing developer. Development should not be subject to obligations and policy burdens, such as requirements for affordable housing, quality standards and infrastructure contributions, which make a scheme unviable. We are required by national planning policy to apply such local policy requirements flexibly to ensure their combined impact does not make a site unviable.

Consultation

Summary of the consultation carried out on the Development Viability SPD

9. The Planning and Compulsory Purchase Act 2004 (amended 2008), the Town and Country Planning (Local Planning) (England) Regulations 2012 ("the 2012

Regulations”), and the council’s statement of community involvement (2008) set out the consultation requirements on planning policy documents.

10. The council carried out a consultation on the draft Development Viability SPD from 24 November 2015 to 16 February 2016. Officers ran a public workshop on 21 January 2016 which was advertised on the Council website, the Council’s twitter account and through an email to all registered email addresses on the Council planning policy consultation database. Comments raised at the workshop are set out in the consultation report.
11. Council officers held eight consultation meetings with individual landowners, developers and planning agents during the consultation period.

Summary of representations

12. Nineteen representations were received from councilors, local groups, landowners, developers and businesses that provided comments on the draft SPD. A full summary of the consultation undertaken which explains how the Council took account of and responded to representations is provided at Appendix B. A summary of the representations is set out below.

Planning Committee

13. The draft SPD was taken to Planning Committee for comment on 2 February 2016. Planning Committee noted the SPD was at the time out for consultation and provided no formal comments on the draft SPD.

Members

14. We received a representation from Cllr Adele Morris on behalf of the Southwark Liberal Democrats group. The following suggestions were made:
 - The purpose and scope of the SPD is supported.
 - Suggest that viability appraisals should be published for every scheme, as the provision of 35% affordable housing is a minimum policy requirement.
 - That the SPD should relate to any planning policy obligation subject to viability and not just affordable housing.
 - Suggest a multiple phased viability review approach for multi-phase development schemes.
 - Suggest that reference to off site affordable housing provision is removed due to its inclusion encouraging that form of provision.
 - Support the inclusion of the reference to the “very exceptional circumstances” where in lieu payment for affordable housing would be acceptable.
 - Suggest that draft viability appraisals should be mandatory at pre-application stage if there are likely to be viability issues with a scheme.

Local residents, individuals and groups

15. Two local groups submitted representations on the draft SPD. They are:
 - Future Steering Board (FSB)
 - Elephant Amenity Network (EAN) and 35percent campaign

General comments

16. The Future Steering Board and Elephant Amenity Network both support the SPD.

Section 3 When do we require a viability appraisal?

17. EAN suggest that appraisals should be published in full, alongside the council's own review/assessment of submitted viability appraisals.

Section 4 Transparency

18. The FSB and EAN support the proposed transparency as it would assist the assessment and increase confidence in the testing of appraisals and the negotiation process.

Section 5 Viability appraisal methodology

19. The FSB and EAN suggest that the appraisals should be published prior to determination to allow time for scrutiny and analysis.
20. Concerns were raised by EAN regarding the use of uplift as part of the CUV+ methodology and the clarity of the proposed methodology in the draft SPD.
21. EAN suggest crosschecking of market comparables should be strengthened in relation to market value appraisals.
22. The provision of a transparent software viability model was supported by EAN and that the financial summary must include key figures and not omit information that would mislead the lay person. EAN suggest that the DVS (District Valuer Service) should be the default appraiser,

Section 6 Viability appraisal inputs

23. EAN suggest that market comparable evidence should be supplied and that developer profit should be a separate section.

Section 7 Viability review mechanisms

24. EAN suggest a multiple phased viability review approach for multi-phase development schemes.

Other comments

25. The FSB support reference to payments for each habitable room for any offsite or in lieu provision of affordable housing and that income thresholds for intermediate housing should be set at multiples of sales values. EAN support the provision of affordable housing onsite throughout the scheme and that the conditions to allow in lieu payments should be strengthened.
26. EAN disagree with the proposed change to the affordable housing definition by national government in relation to Starter Homes, and that consideration of this new policy/definition should be considered by the SPD. The council should also assess and publish what resources are needed to apply and enforce the SPD.

27. EAN suggest that developer profit should be around 10-15% (dependent on risk) would provide a generous return and sufficient incentive to bring schemes forward.

Developers/landowners/planning consultants

28. 12 developers/landowners provided representations on the draft SPD. The following submitted representations (Client/Agent):
- Black Pearl Ltd. (DS2)
 - Elephant and Castle Properties Co. (DS2 & Delancey)
 - British Land (Quod)
 - Gerald Eve
 - Rolfe Judd
 - Undisclosed client (Deloitte)
 - Lendlease
 - Aviva Investors (Savills)
 - BPS
 - Berkeley Homes
 - Colombia Threadneedle Property Investments (Indigo Planning)
 - Transport for London - Property

General comments

29. Generally, there was support for the intentions of the SPD to improve clarity, consistency and transparency in the viability process. However, concerns were raised that the draft SPD set new policy rather than provide guidance to existing adopted policy.
30. Concerns were also raised that the draft SPD was too prescriptive in its approach and that the requirements of the SPD would inhibit housing delivery in Southwark.

Section 2 Policy context

31. A number of representations stated that the draft SPD was not in conformity with the NPPF, PPG, London Plan and RICS guidance. Representations also suggested that forthcoming legislation relating to affordable housing that has been proposed by national government should be taken into account.

Section 3 When do we require a viability appraisal?

32. Concerns were raised that the requirement for a full viability appraisal at validation stage was too early in the application process to be useful due to the evolving nature of schemes as they move through the application process. Concerns were also raised regarding the negative impacts as a result of requirement for a second, alternative viability appraisal reflecting the financial impacts of policy compliance.
33. There was general support for the requirement for an executive summary, pending clarification on issues of transparency and commercial confidentiality.

34. A suggestion was made that the council's approach to the appointment, payment and timing of outputs of the independent assessor should be clarified as well as our approach to hybrid planning applications (i.e. applications that seek full planning permission and outline planning permission for distinct elements of a scheme).
35. Concerns were raised about the status of the proposed 'declaration of viability' for policy compliant schemes.
36. A representation also suggested that all relevant schemes should be required to submit a viability appraisal regardless of whether the proposal was policy compliant.

Section 4 Transparency

37. There was general support for greater transparency for viability appraisals. However, there were considerable concerns on the extent and over commercially sensitive information and the timing of the publication.
38. Concerns were raised about the viability appraisal executive summary due to uncertainties on the format, presentation and the inclusion of potentially commercially sensitive information.
39. Concerns were raised that the 'declaration of viability' for policy compliant schemes would not provide a safeguard against failure appeals to reduce affordable housing following the grant of planning permission.
40. Representations supported pre-application viability discussions remaining confidential.

Section 5 Viability appraisal methodology

41. Concerns were raised that the proposed viability appraisal methodology in the draft SPD may conflict with established valuation practice. Specifically, this included concerns on:
 - Approaches to current use values, alternative use values, benchmark land values, residual land values, and market values
 - How landowner incentives would be calculated
 - The uses of land as a fixed cost
 - The use of market comparables
 - The relationship of the proposed methodology to sites with extant planning permission
 - The approach in relation to cleared sites
 - The relationship to the RICS "Red Book" and RICS guidance
 - The definition of substantial implementation.

Section 6 Viability appraisal inputs

42. Concerns were raised about the amount and type of information required in the draft SPD, particularly in relation to outline planning permission. The requirement for some explicit inputs would have the effect of personalising planning permissions to specific clients.

43. Some proposed inputs were questioned, including “procurement process” and “value engineering”, and that the amount of inputs and their detail should correspond to the stage a scheme or application had reached (for example, for different parts of a phased scheme).

Section 7 Viability review mechanisms

44. A number of representations supported the requirement for review mechanisms while some objected to this requirement. Many representations felt that reviews should be used on a scheme-by-scheme basis and offered different suggestions as to when reviews would be appropriate for different types of applications. Some felt that the requirement would be costly and have a negative impact on scheme delivery.
45. Questions were raised regarding the trigger point for reviews, including suggestions to use ‘time elapsed since permission was granted’ rather than at implementation, and use of S106 clauses. It was also suggested that the review should make provisions for downward viability reviews should the viability have lessened between the consent and review.
46. There was support for a cap on affordable housing shortfall payments once policy compliant levels had been met as a result of a review, and a request to allow for payment in lieu in place of further on or off site affordable housing contributions.
47. Concerns were raised that a 70/30 split in surplus profit identified at a review would not provide sufficient incentive to optimise the schemes performance and improve viability. It was recommended that the split should be revised to a 50/50.

Greater London Authority

48. We received a representation from the Greater London Authority who made the following comments:

General comments

49. The GLA welcomes the principle of adding further detailed guidance on viability to ensure policy requirements are reflected in land values. It notes that the London Plan requires boroughs to rigorously evaluate viability appraisals. However some areas of the draft SPD place onerous requirements of developers and constrain the application of more appropriate approaches to viability testing.
50. The GLA notes in section 2 of the draft SPD that the council’s position on affordable rent is not in conformity with the London Plan.
51. The GLA suggest that the SPD should have regard to and provide guidance on covenanted private rented developments.

Section 2 Policy context

52. The GLA notes that SPDs have to be in general conformity in the London Plan. It also recognises that forthcoming legislation relating to affordable housing has been proposed by national government and that the SPD should be sufficiently adaptable to changing circumstances so as not to stall housing delivery.

Section 3 When do we require a viability appraisal?

53. Concerns were raised by the GLA regarding the requirement for two viability appraisals to be submitted with an application.

Section 5 Financial viability appraisal methodology

54. The GLA promotes the use of CUV+ as the most appropriate approach to calculating benchmark land values (BLVs) notes and that in some instances other approaches may be more appropriate, as set out in the Mayor's draft Interim Housing SPG (2015). It suggests the SPD should reflect this more flexible approach to ensure competitive returns for landowner and developer in line with the NPPF. The benchmark land value should reflect policy requirements, obligations and the community infrastructure levy. The GLA states that any approach should ensure the maximum reasonable amount of affordable housing is secured.

London First

55. We received a representation from the regional London First business membership organisation who made the following comments:

General comments

56. The aim of greater transparency and clarity in relation to viability is supported as it will build public trust in the planning process, but areas of the draft SPD go beyond what is needed to achieve this. This is because requirements in the draft SPD were too onerous, amounted to new policy and were not in accordance with the NPPF and PPG. This position could leave the council open to legal challenge.
57. Concerns were also raised that the draft SPD may deter investment and development in Southwark and not achieve the objective of building public trust.
58. The representation stated that the draft SPD was premature and would be out of date with regards to forthcoming legislation relating to affordable housing that has been proposed by national government, particularly in relation to Starter Homes, and should therefore be delayed.

Section 2 Policy context

59. Concerns were raised that the draft SPD was not in conformity with the NPPF, PPG, London Plan and RICS guidance in relation to its specific methodology and that it was overly prescriptive.
60. The approach to in lieu payments for affordable housing was also highlighted as an area of concern.

Section 4 Transparency

61. London First supported the overarching aim of the SPD to deliver transparency and clarity to the development appraisal process, but that full disclosure of viability appraisals would not be appropriate in all cases. They agreed that pre-app viability should remain confidential, but had concerns that commercially sensitive information that would prejudice the outcome of the application should

not be published. A suggestion was made that the developer should demonstrate why certain inputs should be disclosed in line with the Freedom of Information (FOI) and Environmental Information Regulations (EIR) rules on what constitutes commercially sensitive information and how long it should remain confidential.

62. Concerns were also raised regarding the proposed requirements for unviable sites and input information that would be peculiar to the developer.

Section 5 Viability appraisal methodology

63. Concerns were raised regarding the proposed approach to land value in the draft SPD. Specifically that it was too narrow and that regard should be given to alternative approaches to determine a competitive return, such as alternative use values (AUVs).

Section 6 Viability appraisal inputs

64. Concerns were raised that the draft SPD was too inflexible and over prescriptive in relation to appraisal inputs.

Section 7 Viability review mechanisms

65. London First disagreed with the use of review mechanisms for all schemes regardless of size or scale, and suggested that reviews should generally be for larger multi-phased schemes. They also suggested that the SPD should provide scope to reduce the scale of planning obligations under review mechanisms.

Statutory Consultees

66. We received two representations from statutory consultees: Environment Agency and Sport England. Neither made comments that were relevant to the SPD.

KEY ISSUES FOR CONSIDERATION

67. A number of changes have been made to the final SPD to take into account representations raised through consultation and to simplify the document. The SPD has also been reviewed and updated to ensure plain English is used throughout.
68. In a clear response to the representations received in consultation, the final version of the SPD has been updated in its structure and the terminology used to convey the key aspects of the guidance. However the general principles of the SPD remain consistent with the draft SPD, except where they have been refined in response specific representations. For this reason, a track changed version comparing the draft SPD to the final SPD has not been prepared. The consultation report provides a detailed schedule of updates to final SPD.

69. The following table outlines the updates to the structure of the final SPD in comparison to the draft SPD.

Section	Draft Structure	SPD	Final SPD Structure	Comments
Section 1	Introduction		Introduction	Remains the same
Section 2	Does your development proposal require a viability appraisal?		Policy context	This section now focuses on policy context.
Section 3	Viability appraisal validation requirements		When do we require a viability appraisal?	This section is updated to include validation and applications
Section 4	Transparency and probity		Transparency	Remains the same
Section 5	Viability appraisal methodology		Viability appraisal methodology	Remains the same
Section 6	Viability appraisal information inputs		Viability appraisal inputs	Remains the same
Section 7	Viability reviews mechanisms		Viability review mechanisms	Remains the same

70. The changes and the content of the SPD are summarised in the section below.

The guidance

Section 1 Introduction

71. The introduction of the SPD has been updated and clarifies our requirements for viability appraisals to be made public and the process for assessing viability appraisals. This will ensure the assessment of the viability of planning applications is efficient, consistent and transparent. This SPD does not propose new planning policy.
72. The section about viability declarations has been removed. All relevant proposals now require a viability assessment. We have simplified the text to ensure that this is clearer.
73. This section has been clarified that we expect all development proposals that trigger a planning policy requirement to provide affordable housing to provide the homes at social rent and not affordable rent in accordance with our adopted policies.

74. Furthermore, the final SPD has avoided presenting adopted and emerging planning policy. In order to ensure the SPD is flexible to changing planning policy requirements this section has been removed from the final SPD.

Section 2 Policy context

75. Some representations expressed concerns that aspects of the SPD may be inconsistent with national and regional planning policy and guidance. Particular concerns related to valuing benchmark land values and ensuring landowners received a competitive return. The section has been amended to clearly set out how the SPD guidance is consistent about the context for sustainable development and where various policy statements originated, including national and regional planning policy and guidance. The SPD ensures that the guidance is consistent with our adopted development plan.
76. The affordable housing policy section 2 that was included in the draft SPD has been removed from the final SPD as this was repeating policy and guidance from other planning policy documents.
77. The GLA raised concerns regarding our approach to affordable rent in the draft SPD. However, reference to this has been changed by removing the section 2 that was included in the draft SPD from the final SPD. This is because our adopted affordable housing policies, contained within the saved policies of the Southwark Plan (2007) and the Core Strategy (2011), require a minimum of 35% affordable housing with 70% of the 35% to be let at social rent. As indicated previously, a SPD cannot revise adopted policies in respect of the tenure of affordable housing.

Section 3 When do we require a viability appraisal?

78. Updates have been made to Section 3 to set out when and where we require a viability appraisal. We have updated the final SPD in response to comments and concerns that a signed declaration confirming that a policy compliant affordable housing offer was viable could not be relied upon in the event of an appeal to renegotiate affordable housing contributions following the consent of a scheme. The SPD now states that a financial viability appraisal should be provided for a planning application to be validated where there is a planning policy requirement to provide affordable housing or where the proposed development departs from other planning policy requirements due to viability. We have removed text requiring schemes that are not viable to sign a declaration. We have also removed the requirement for two viability appraisals.
79. The SPD reiterates that viability appraisals will be published prior to determination, including revised appraisals for schemes that go through revisions as part of the application process.
80. To assist the comprehension of appraisals, the SPD reiterates that a financial viability appraisal executive summary must be submitted alongside the financial viability appraisal. The executive summary will present the key conclusions that can be drawn from the full financial viability appraisal.
81. Table 1 has been introduced to clarify the key assumptions required in a viability appraisal. This is not a new requirement, but clarifies our existing requirements.

Section 4 Transparency

82. Section 4 sets out guidance on transparency. The SPD has been updated to state that all financial viability appraisals will be subject to full transparency. This means that financial viability appraisals will be published alongside other supporting evidence for public scrutiny prior to determination of the planning application. As such, the unviable proposal section in the draft SPD has been removed as it is no longer an option. The executive summary of the appraisal will be published at the validation stage of a planning application.
83. The council has been involved in a number of referrals to the Information Commissioners over the disclosure of viability documents. These decisions have emphasised the strong public interest in financial viability appraisals being made available for scrutiny when relied upon to secure planning permission. Some representations referred to concerns regarding commercial sensitivity if all full viability appraisals were published prior to determination. However, if applicants at the time of their planning application being lodged still have concerns that there are elements within the viability appraisal which could undermine their commercial position then these should be raised with the planning department through the pre-application process. The council will advise the applicant whether the potentially sensitive information is required in order to make a robust assessment of the viability of the proposed scheme

Section 5 Viability appraisal methodology

84. Section 5 of the SPD clearly sets out the methodology which viability appraisals must follow in Southwark with clear guidance on the requirements to support appraisal inputs and assumptions. This is important because it ensures consistency in the process and provides clarity and certainty to applicants.
85. Some representations were concerned that the methodology in the draft SPD in relation to the assessment of land value and ensuring that landowners receive a competitive return to incentivise the release of their land for development was inconsistent with national planning policy and guidance. The draft SPD stated that the current use value (CUV) of a site plus a premium to the landowner represented the appropriate benchmark land value (BLV).
86. The final SPD has been updated to state that the market value (MV) of the land may constitute an appropriate benchmark land value, provided full account has been taken of planning policy requirements. The CUV+ is the preferred approach to benchmark land values (BLVs) in the SPD. Where the planning policy requirements need to be flexibly applied to provide a landowner incentive, the percentage uplift (the "+") above the current use value (CUV) must be clearly justified. The uplift will be generally be 20% above the current use value (CUV) where a higher uplift can only be achieved at the expense of meeting planning policy requirements.
87. Some representations stated that the draft SPDs rejection of alternative use values (AUVs) as appropriate benchmark land values (BLVs) was inconsistent with the PPG that states that alternative use values (AUVs) may constitute a reasonable benchmark land value (BLV). The final SPD has been revised to acknowledge that alternative use values (AUVs) may, in limited circumstances constitute a reasonable benchmark land values (BLV). The SPD clearly sets out

the circumstances where the alternative use value may constitute the benchmark land value in Southwark.

Section 6 Viability appraisal inputs

88. We have updated and simplified Section 6 in the final SPD, as some representations considered the level of detail specified in the SPD as too prescriptive and that it did not account for the scale and the nature of the proposed development. For example, major development may not have the same level of detail as single-phased development. The SPD has been amended to acknowledge that the level of detail required will relate to that which is reasonably available to the applicant. As such, Appendix 2 Schedule of Accommodation template in the draft SPD has been removed from the final SPD.
89. Further comments noted that some of the information requirements were peculiar to a specific applicant. This could potentially personalise the planning permission to a specific applicant, rather than grant planning permission for the principle of development. In response the information inputs requirements have been revised to ensure that no information peculiar to a specific applicant is required. This means that the applicant will need to demonstrate the viability of a proposal in normal and prevailing market circumstances.
90. Table 6 in the draft SPD has been updated and moved to Appendix 2 'Viability appraisal inputs' in the final SPD.

Section 7 Viability review mechanisms

91. We have updated Section 7, as some representations stated that the requirement to conduct a viability review following the substantial implementation of a scheme would be an inappropriate trigger point for multi-phased schemes. The final SPD has been revised to state that the timing of viability reviews for outline planning permissions and phased schemes will be agreed between the applicant and the council to fall at an appropriate time, or times, throughout the build out of the development.
92. Some concern was also raised that the draft SPD did not include a provision to require a viability review in the event that affordable housing or other planning obligation requirements are negotiated down through negotiation or by statutory provisions following the grant of planning permission. The final SPD has been amended to ensure that any revisions to agreed planning obligations will still be subject to a viability review at the appropriate time.
93. A number of representations considered the proposed split in any surplus profits identified through the viability review of 70% to the council and 30% to the developer as inequitable and that this approach failed to provide a sufficient incentive to the developer to identify opportunities for cost savings. In response the final SPD has been revised to ensure that any surplus profits are shared equally between the council and the developer.

Glossary

94. We have updated the glossary for clarity and consistency.

Appendices

Draft version of the Development Viability SPD

95. Appendix 1 'Declaration relating to viability' of the draft SPD has been removed from the final SPD as a result of the revised guidance proposed in the final SPD.
96. Appendix 2 'Schedule of proposed accommodation template' of the draft SPD has been removed in response to representations that said the template was overly prescriptive and inflexible due to the wide variety of development schemes that may come forward.

Final version of the Development Viability SPD

97. Two new appendices have been added to the final SPD. Appendix 1 'Example viability assessment scenarios' provides non-technical examples of how the viability of a theoretical scheme of development to build 50 homes would be assessed. It is written in plain English using a step-by-step approach to guide readers on how viability is assessed. A revised Table 6 of the draft SPD has been updated and moved to Appendix 2 'Viability appraisal inputs' in the final SPD.

Further changes

98. We have accumulated the guidance summaries that are located in each section of the SPD (DVG 1 etc) at the start of the SPD to ensure quick and easy access to the relevant guidance.

Community impact statement

99. The purpose of the Development Viability SPD is to facilitate regeneration and deliver the vision of the Fairer Future promises, ensuring that the Council's Local Plan policies are effectively implemented.
100. An equalities analysis (Appendix C) has been carried out to assess the impact of the SPD on the nine protected characteristics. The analysis has found that the SPD would have a positive impact on protected characteristics and human rights as both public and private interests are to be taken into account in the exercise of the council's powers and duties as a local planning authority.

Financial implications

101. There are no immediate resource implications arising from the Development Viability SPD. The implementation of the SPD will streamline the planning policy process where a financial viability appraisal is required to support a planning application. All costs associated with reviewing financial viability appraisals are met by the applicant.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Democracy

102. The process of adoption of a supplementary planning document needs to comply with various legislative requirements. Such a document does not fall within the definition of a development plan document within the Planning and Compulsory

Purchase Act 2004 and there is therefore no requirement for an examination in public. SPDs are local development documents under the 2004 Act and whilst they form part of the planning framework for the Borough, they do not have development plan status. However, it is, as the report outlines, necessary to comply with the processes which are outlined in the Town and Country Planning (Local Planning) (England) Regulations 2012.

103. In accordance with section 70, Town and Country Planning Act 1990, a planning application will be determined by the Local Authority in accordance with its development plan so far as material to the application and to any other material and local finance considerations. Following adoption the SPD will be a material consideration in the determination of planning applications which involve viability considerations.
104. As the report outlines, it is not possible for a supplementary planning document to introduce new policy. Its purpose is to provide guidance to members and also provide greater clarity to applicants concerning the Council's approach to assessing viability.
105. The SPD includes at section 4 guidance concerning transparency. It is now intended that all financial viability appraisals will be published prior to determination of the planning application. In any event, it will be for developers to assess what information they feel appropriate to include in the viability appraisal and the Council will then determine whether or not such detail is sufficient to allow Members to take a decision as to whether or not to grant planning permission.
106. Applicants are not actually prejudiced with this approach as they do have recourse to making an appeal to the Secretary of State for failure to determine an application in the event that matters are delayed because required detail has not been forthcoming.
107. The SPD has been prepared in accordance with the relevant planning legislation. There has been appropriate consultation following the requirements of the 2012 regulations and amendments have been made to the draft SPD where possible in order to respond to some of the concerns which have been raised. The decision to adopt the SPD is a decision for the Cabinet in accordance with paragraph 21 of Part 3C of the Constitution.

Human Rights Considerations

108. It is not considered that the decision to adopt the SPD will engage any of the rights outlined within the Human Rights Act 1998

Equalities Considerations

109. The Equality Act 2010 brought together the various acts and regulations that formed the basis of anti-discrimination law in the UK. It provides for the following "protected characteristics": age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion and belief, sex, and sexual orientation. Most of the provisions of the new Equality Act 2010 came into force in October 2010 ("the 2010 Act").
110. In April 2011 a single "general duty" was introduced namely the Public Sector Equality Duty (PSED). The single public sector equality duty requires all public

bodies to “eliminate unlawful discrimination, harassment and victimisation”, “advance equality of opportunity between different groups” and “foster good relations between different groups”.

111. The equalities analysis which is appended at Appendix C considers the impact of the SPD on groups who may be at risk of discriminatory treatment but it is for the Cabinet to determine whether any impacts identified have been adequately mitigated

Departmental Finance Manager

112. There are no immediate financial implications arising from the adoption of the recommendations, and staff time to effect these recommendations will be contained within existing budgeted revenue resources.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
London Plan 2015 (Consolidated with alterations since 2011)	Southwark Council 160 Tooley Street London SE1 2QH	planningpolicy@southwar k.gov.uk
Link: http://www.london.gov.uk/priorities/planning/londonplan		
Southwark Statement of Community Involvement 2008	Southwark Council 160 Tooley Street London SE1 2QH	planningpolicy@southwar k.gov.uk
Link: http://www.southwark.gov.uk/info/856/planning_policy/1238/statement_of_community_involvement_sci		
Saved Southwark Plan 2010	Southwark Council 160 Tooley Street London SE1 2QH	planningpolicy@southwar k.gov.uk
Link: http://www.southwark.gov.uk/info/856/planning_policy/1241/the_southwark_plan		
The Core Strategy 2011	Southwark Council 160 Tooley Street London SE1 2QH	planningpolicy@southwar k.gov.uk
Link: http://www.southwark.gov.uk/info/200210/core_strategy		
National Planning Policy Framework (2012)	Southwark Council 160 Tooley Street London SE1 2QH	planningpolicy@southwar k.gov.uk
Link: http://www.gov.uk/government/publications/national-planning-policy-framework--2		
Planning Practice Guidance (Online)		
Link: http://www.planningguidance.communities.gov.uk		

APPENDICES

No.	Title
Appendix A	Development Viability SPD (circulated separately)
Appendix B	Development Viability SPD Consultation Report (available online)
Link: www.southwark.gov.uk/info/200151/supplementary_planning_documents_and_guidance/3914/draft_development_viability_spd	
Appendix C,D and E	Development Viability SPD Equalities Analysis, SEA Screening Assessment and Statement of Reason, Viability SPD Habitat Regulations Assessment (available online)
Link: www.southwark.gov.uk/info/200151/supplementary_planning_documents_and_guidance/3914/draft_development_viability_spd	

AUDIT TRAIL

Lead Officer	Eleanor Kelly, Chief Executive	
Report Author	Juliet Seymour, Planning Policy Manager	
Version	Final	
Dated	4 March 2016	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Director of Law and Democracy	Yes	Yes
Departmental Finance Manager	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team		4 March 2016

Item No. 13.	Classification: Open	Date: 15 March 2016	Meeting Name: Cabinet
Report title:		Five Year Forward View of Health and Social Care in Southwark	
Group affected:		All Southwark Wards	
Cabinet Member:		Councillor Stephanie Cryan, Adult Care and Financial Inclusion and Councillor Victoria Mills, Children and Schools	

FOREWORD - COUNCILLOR STEPHANIE CRYAN, CABINET MEMBER FOR ADULT CARE AND FINANCIAL INCLUSION

The 5 Year Forward View of Health and Social Care in Southwark sets out the key priorities to help improve health and social care outcomes across Southwark. The report focuses on how we need to integrate health and social care, making it more holistic and person centric rather than process driven and aims to make care more localised and community based.

The main emphasis of the report is on early intervention and prevention to tackle health inequalities and to support social care outcomes. The Five Year Forward View of Health and Social Care in Southwark is a framework for future strategies and sets out the vision for joint commissioning between the Council and the Clinical Commissioning Group (CCG). It fosters greater collaboration between our partners in the CCG and Public Health and across wider services within the Council.

Alongside the Adult Social Care Vision in Southwark and the introduction of the Southwark Joint Mental Health Strategy, the Five Year Forward View also supports the Children and Young People's Wellbeing Framework ensuring we focus on giving children and young people the best start in life and to improve their health and wellbeing .The 0-25 pathways and the work we do with schools will help shape our future strategies.

The outcomes we want to achieve are about improving quality and we would still want to improve outcomes if funding wasn't an issue. However, it does need to be noted that the Government cuts to Local Authority funding and the savings that need to be found in Adult Social Care over the next three years do necessitate a different approach to the future of health and social care outcomes. The Five Year Forward View of Health and Social Care helps us to work towards this new approach.

RECOMMENDATION

1. Cabinet is requested to review and endorse this Five Year Forward View of Health and Social Care in Southwark.

BACKGROUND INFORMATION

2. This report presents the joint five year outlook of Southwark Council and NHS Southwark Clinical Commissioning Group in relation to health and social care. It

is intended to set out the key priorities from a strategic and commissioning perspective, including the work that will be necessary to bring about better health and social care outcomes for the population of Southwark.

3. Significant change is necessary, through strategic planning, commissioning and delivery for better health and social care outcomes on a locality basis, using Local Care Networks as the population and locality building block.
4. A plain language version will be produced to engage community stakeholders and residents.
5. In its current form, the Report is intended to speak to both health and social care professional stakeholders and engage them in the collective task of bringing about system-wide transformation. Some differences of organisational culture is evident in the language and the framing of the issues facing Southwark, from different professional and organisational perspectives and priorities. The challenge is to increasingly remove these barriers, so a collective focus and clarity can be brought to bear on a set of agreed priorities.
6. This Forward View will be updated by 'Into Action' progress reports with an action plan and metrics.

KEY ISSUES FOR CONSIDERATION

7. Southwark commissioners across health and social care are committed to improving the health and wellbeing of Southwark people. The experiences of people who use services, families and carers, shows that existing arrangements do not always deliver the best outcomes for people, and there can be significant improvements if we work together using new approaches. This Five Year Forward View is intended to set out a common purpose to improve health and social care outcomes for Southwark people within available resources. There are very significant financial challenges facing Southwark Council which will require the Council to work with NHS Southwark CCG to deliver better value for money through improving our skills around commissioning and jointly commissioning against agreed strategic priorities and outcomes.
8. This Five Year Forward View is intended to change the health and social care system so that it improves outcomes for Southwark residents, instead of only focusing on maintaining current service arrangements and service activity. Its ambition is to create a much stronger emphasis on prevention, early help and early intervention, as well as better integration across health and social care.
9. The Care Act 2014 introduced a new emphasis on wellbeing, including statutory duties on Local Authorities to take steps to prevent, reduce and delay the need for care and support for all local people. This is reflected in Southwark's Families Matter Early Help Strategy and the work undertaken in partnership with NHS Southwark CCG on The Better Care Fund. The importance of Prevention and Early Help will also be embedded in the role of Southwark's new Public Health Team.
10. The role of Schools and Housing in improving health and social care outcomes over the next five years will be incorporated into the implementation of this strategy and reflected in joint commissioning plans between the Council and the CCG.

11. Southwark Council and NHS Southwark CCG have been working on this agenda for several years with partners across Southwark, Lambeth and South-East London through the formation of Local Care Networks. At a borough level there are already exciting examples that demonstrate new ways of working, for example, the effective deployment of the Better Care Fund to support community-based care and reduce a reliance on acute hospital based services.
12. Recent local strategies support the further improvement of outcomes and underpin this Forward View, including the Children and Young People's Strategic Wellbeing Framework; the Southwark Children and Young People's Mental Health and Wellbeing Transformation Plan; Southwark's Families Matter Early Help Strategy; Southwark Adult Social Care Vision. It also addresses those priorities set out in NHS Planning Guidance 2016/17 - 2020/21. Looking ahead, the development and renewal of strategies will support the intentions set out in the Five Year Forward View, for example, the Southwark Voluntary Sector Strategy.

Policy implications

13. A continued emphasis on making investment in prevention, early action and community resilience, reflected in the Southwark Fairer Future Promises.
14. A focus on locality ('place-based') approaches to integrating health and social care delivery systems, reflected in Local Care Network developments and the NHS "Our Healthier South-East London".
15. To keep a focus upon user experience and improved outcomes.

Community and equalities impact statement

16. The central purpose of this Five Year Forward View of Health and Social Care in Southwark is to support and improve population level health and social care outcomes and reduce health inequalities.
17. This Five Year Forward View is intended to set the framework for other specific health and social care strategies, each of which will require the completion of an equalities impact assessment.

Resource implications

18. This council's engagement in the delivery of this Five Year Forward View is made within the council's budgetary framework.

Legal implications

19. There are no identified legal implications in relation to this report.

Consultation

20. This Five Year Forward View of Health and Social Care has been developed using key messages provided through the Lambeth & Southwark Citizen's Forum meetings and previous discussion and comment at Southwark CCG Governing body. A public-facing "easy read" version of the Five Year Forward View will be published and used to engage health and social care stakeholders and the public in the discussion around delivery of objectives and priorities.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Adult Social Care Vision	Southwark Council 160 Tooley Street London SE1 2QH	
Link: http://www.southwark.gov.uk/downloads/download/2638/vision_for_adult_social_care_services_paper		
Our Healthier South-East London Programme	Southwark Council 160 Tooley Street London SE1 2QH	
Link: http://moderngov.southwark.gov.uk/ielistDocuments.aspx?CId=411&MId=5340 (Agenda Reports Pack – Item 6)		
Delivering the Forward View: NHS planning guidance 2016/17 -2020/21	Southwark Council 160 Tooley Street London SE1 2QH	
Link: http://moderngov.southwark.gov.uk/mgChooseDocPack.aspx?ID=5219 (Public Reports Pack - Item 11)		

APPENDICES

No.	Title
Appendix 1	Southwark Five Year Forward View

AUDIT TRAIL

Cabinet Member	Councillor Stephanie Cryan, Adult Care and Financial Inclusion Councillor Victoria Mills, Children and Schools	
Lead Officer	David Quirke-Thornton, Strategic Director of Children's and Adults' Services	
Report Author	Dick Frak, Interim Director of Commissioning, Southwark Council Mark Kewley, Director of Transformation & Performance, NHS Southwark CCG	
Version	Final	
Dated	2 March 2016	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
	Officer Title	Comments Sought
	Comments Included	
	Director of Law and Democracy	No
	Strategic Director of Finance and Governance	No
	Director of Adult Services	Yes
	Cabinet Member	Yes
	Date final report sent to Constitutional Team	4 March 2016

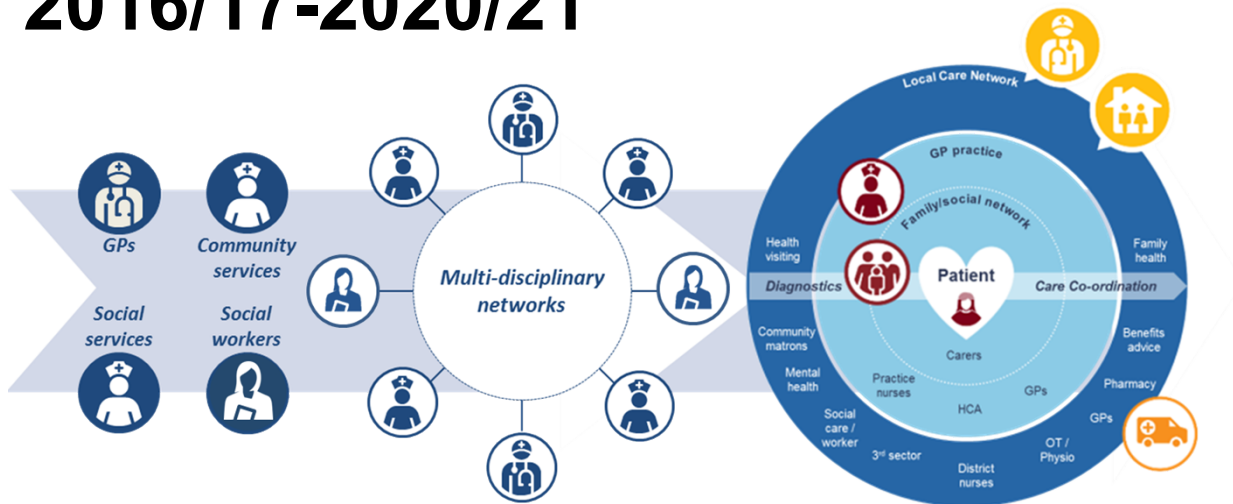


Southwark Five Year Forward View:

Southwark Council and Southwark CCG Local Five Year Forward View of Health and Social Care

Version 5

2016/17-2020/21



Southwark Council and CCG Local Five Year Forward View

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Summary

We can improve the way that our local health and social care system operates to bring about better outcomes

- Southwark commissioners across health and social care are committed to improving the health and wellbeing of Southwark people. The experiences of people who use services, and their families and carers, shows that existing arrangements do not always deliver the best outcomes for people, and there can be significant improvements if we work together using new approaches.
- This is about improving quality and overall value, it is not about cuts: if funding wasn't an issue we would still want to radically improve outcomes.

Improving the system requires fundamental changes in how we all work

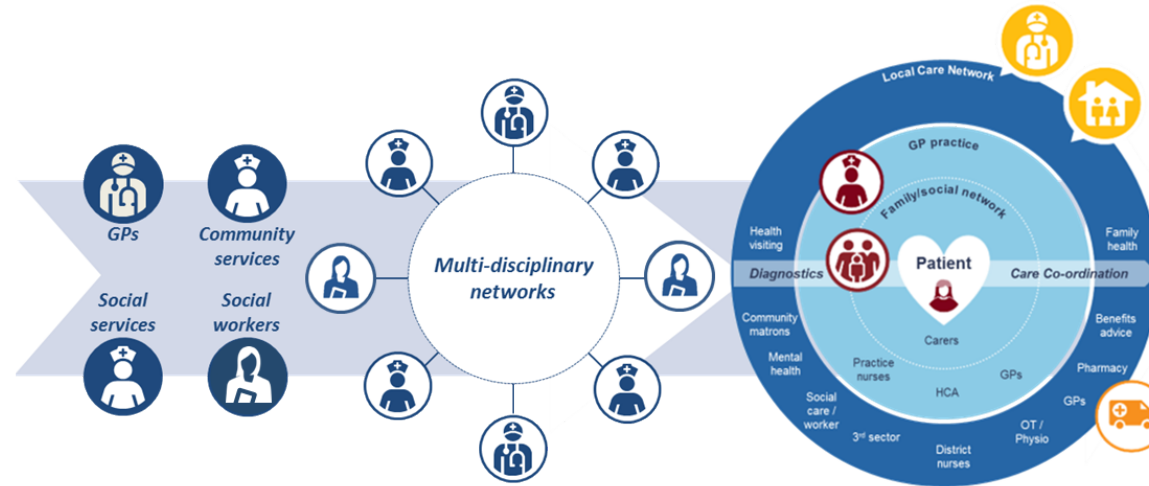
- We want a system that works to improve health and social care outcomes for Southwark people, instead of simply focusing on maintaining current service arrangements.
- Our local ambition is to create a much stronger emphasis on prevention and early action as well as deeper integration across health and social care, and wider council services (including education).
- To support this change we will increasingly join together commissioning budgets and contracting arrangements to incentivise system-wide improvement. We will focus on specific populations, including particularly vulnerable groups. We will put ever greater emphasis on the outcomes achieved in addition to the quantity of activity delivered.
- This means moving away from a system with lots of separate contracts and instead moving towards inclusive contracts for defined segments of the population which cover all of the various physical health, mental health and social care needs of people within that group. These contracts will be available to providers who can bring together the skills required to meet these needs.
- Our aim is to empower the development of multi-specialty community providers serving populations of 100,000-150,000 people, with access to excellent specialist networks when required.

*We will contract on the basis of populations rather than providers.
We will focus on system value rather than contract prices.
We will emphasise that 'how' care is delivered is as important as 'what' care is delivered.*

We are confident we can enable this scale system-wide transformation

- Southwark Council and NHS Southwark CCG have been working on this agenda for several years with partners across Southwark, Lambeth and South-East London. As a result there are exciting examples that demonstrate new ways of working between providers of services and with the wider community of service users, families, carers and local residents. There is also a growing sense of system leadership and a recognition of the scale of change required across all parts of the health and social care system.
- We will develop an action plan and highlight the investment necessary to deliver the ambitions set out in this local Five Year Forward View. We will publish this detailed plan in March 2016.

Figure 1 – Over time we are developing better ways to work together, which is good for citizens, care staff and commissioners



What this mean for me as a...	Traditional models [Small molecules] <i>Working as isolated units</i>	More integrated working [Small cells] <i>Working as small joined-up teams</i>	Accountable care [Living system] <i>Working as a dynamic and complex system</i>
...service user	<ul style="list-style-type: none"> • Sometimes services are good, sometimes they are not, it's a bit of a lottery • I feel looked after in an emergency but at other times I'm left confused and disempowered • I have to fit around the system and it's inconvenient 	<ul style="list-style-type: none"> • I know more about what is going on • Clinicians know more about what has happened in my care • People ask me about what I need • I'm feeling more confident about how to live well, and what to do when I start to feel like I'm getting unwell 	<ul style="list-style-type: none"> • I feel in control of my life and the care I receive, and I know what's going on • Professionals work together to support me • The little but important things are thought about
...staff member	<ul style="list-style-type: none"> • I'm isolated with little opportunity to work in a team • I'm frustrated at the lack of coordination • There is little opportunity to sort things out creatively, at the root of the problem 	<ul style="list-style-type: none"> • I get help from others when confronted with complex situations • I'm developing new relationships and connections • I can sort out the things that count 	<ul style="list-style-type: none"> • I feel part of a team and I am learning new things that make me feel more confident in what I do • I feel I'm able focus on the things I'm good at and let others do what they are good at
...commissioner	<ul style="list-style-type: none"> • I try to take responsibility for detailed pathway design • I focus on the transactional rather than the transformational 	<ul style="list-style-type: none"> • I can spend more time thinking about what people actually want from services (outcomes) rather than just tracking inputs, targets and expenditure 	<ul style="list-style-type: none"> • I spend my time looking at whether we are really delivering quality outcomes for people for the funding we have. I can see the wood for the trees

1 Introduction

We want to enable the best possible health and social care outcomes for Southwark people and families. We set this out in this *Southwark Five Year Forward View*. It describes Southwark Council and NHS Southwark CCG's shared vision for local services, the changes needed in our health and care system, and the actions we will take to make this happen.

What do we expect to be different in five years?

Over the next five years we will support what already works well, and we will introduce more collaborative ways of working across the health and social care system. Many things will continue as they do now, but we are also aiming to support positive improvements both for local residents and for the formal and informal workforce within our health and care system.

We will continue to have a vibrant and diverse voluntary and community sector, working closely at the heart of communities with general practitioners and social workers as central professionals. We will also continue to benefit from the range of skills within major acute hospitals and our local specialist mental health trust. These are some of the vital and valuable foundations of our local system and they are the basis upon which a more person-centred and coordinated system will be built. But we do need the system to work differently. In five years our local system should feel better for service users and their families, and for people who work within it, as illustrated in Figure 1.

- This will mean a much more empowering experience for local people. We want people to feel that all services are working with them in a supportive way, be that about accessing better education support, better council housing, debt advice or about having greater self-determination and self-care in relation to health and social care services. It also means making the health and care system fit for the 21st century so that people can make use of everyday technology, as well as new assistive technologies, to feel in control of their health and wellbeing.
- This will mean much greater formal integration and coordination between the different providers of health and care services. Local providers will operate collaboratively within mature and robust multispecialty community provider networks, referred to locally as Local Care Networks. These networks will share accountability for the outcomes of their local population, and they will use evidence and experience to plan and organize the local delivery system, including by working together to develop and share the infrastructure required to provide residents with a 21st century service.
- This will mean much greater integration between local health and social care funding. Commissioners will be much better able to measure and track the health and care outcomes that really matter to people. They will also be able to allocate available resources to fund activities that maximize those outcomes for Southwark people.

What is the purpose and content of the rest of this document?

The purpose of this document is to stimulate a discussion about how to make this potential future a reality in Southwark. Transformation at this scale will only be effective if we approach it comprehensively. As commissioners we have an important leadership role in setting a direction and actively supporting this process.

In this document we describe the reasons we think that change is needed, we set out the direction in which we want the system to develop, and we describe what this will mean in practice for service users and people who work within the system, particularly as part of the newly emerging Local Care Networks.

In further developing our approach we will work closely with our wider partners, including local residents, service users, families and carers, local service providers and the local voluntary sector. This will inform the development of a plan to bring about practical change.

2 We think we need to do things differently

This section describes our reasons for thinking that change is both necessary and possible. We start by describing the common purpose that unites the Council and the CCG and but then highlight that our common purpose will only be achieved if we do more to improve the health and wellbeing outcomes and inequalities within our system, and if we do more to protect the financial sustainability of health and social care services. We end the section by reflecting on why we are confident these imperatives can be achieved, highlighting that some fantastic work has already begun which demonstrates the motivation and capability of residents, professionals and commissioners to improve services in Southwark.

2.1 Our common purpose is to improve health and social care outcomes for Southwark people within available resources

Southwark Council and Southwark CCG have a common purpose to enable the best possible health and social care outcomes for Southwark people and families. This is about much more than the absence of disease. Ours is a very positive shared purpose that takes the absence of disease as a starting point and recognises the wider and more fundamental importance of wellbeing. We will know that our vision is being achieved when we see:

- An increase in healthy life expectancy, adding life to years as well as years to life
- A reduction in health inequalities across communities in Southwark
- More people engaged in their own healthcare, so that individuals and families are directly involved in maintaining and improving their own health and wellbeing
- A greater proportion of people reporting better experiences when they use health and social care services

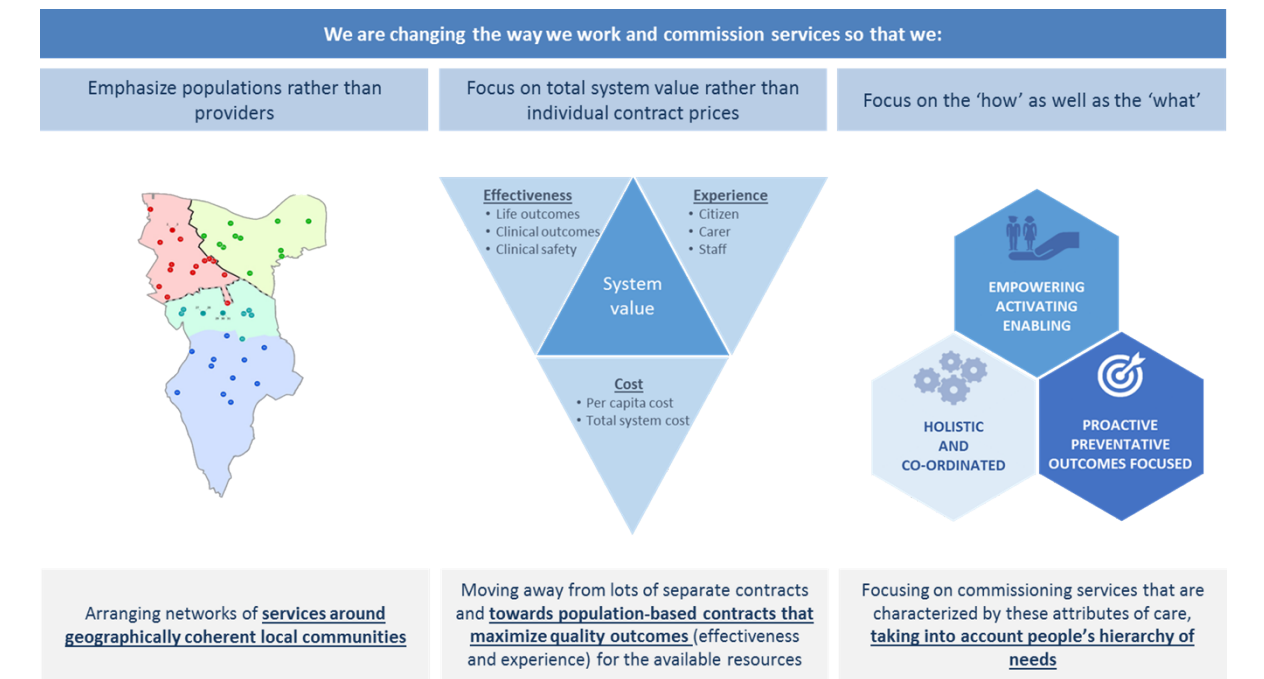
Improving people's wellbeing is about more than medicine and health care. A focus on wellbeing is about recognising the positive interrelationship between our social connectedness and our psychological and physical development. In addition to health and social care services, our shared agenda must also prioritise the importance of everyone's everyday social networks in relation to our health, our identity, our sense of self-determination and our overall quality of life. To achieve this we recognise the need to develop resilient and flourishing communities, which are supported by health and social care services that are genuinely person-centred and coordinated. That is not the type of system that we commission at present.

To commission a system that is aligned to our purpose we will apply three main principles:

1. We will focus on population outcomes (and outcomes for particular groups) rather than on the arrangement of existing service providers
2. We will focus on the whole system and its value rather than individual contract prices
3. We will be clear about the characteristics we expect services to demonstrate recognising that these must take into account people's health and social care needs and be sensitive to the social, environmental and cultural context within which a person lives

These are described in more detail below and illustrated in Figure 2 and Figure 3.

Figure 2 – The three main pillars of our approach



We want to focus on populations

Our common purpose is simple to present but hard to deliver. To achieve the best possible health and care outcomes for Southwark people we must move away from concentrating just on what quantity of activity we need to purchase from existing providers in current models of care. Instead we need to move towards new ways of working that creates within the collection of health and social care providers a shared responsibility to proactively manage and improve the wellbeing of the local population. This will mean that providers will need to work together to really understand the needs of the local population, and the holistic needs of any one individual, and to then bring together services which can serve those needs best.

We want to focus on value

We want to achieve the best health and social care outcomes for Southwark people using the funding resources available across health and social care. This requires us to really understand and measure the outcomes we want to achieve (in terms of safety, effectiveness and the person's experience of care services), and to fully understand the total cost of support across all settings of care. It also requires commissioners and providers to assess how resources are currently allocated and to shift those resources away from low value activities and towards activities that create better outcomes.

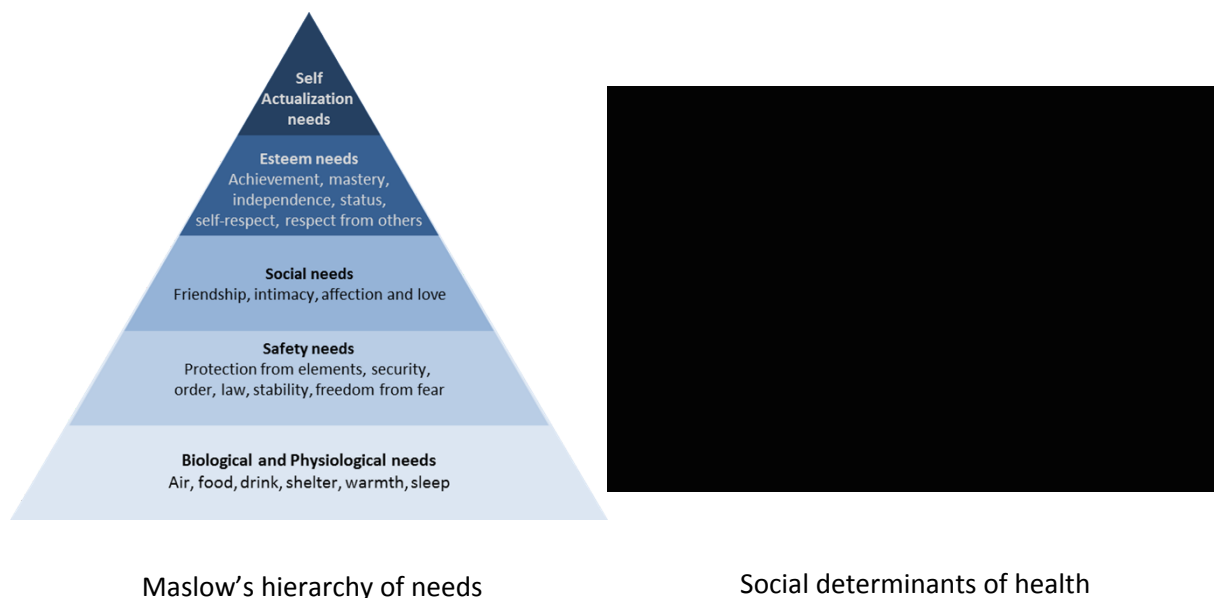
We want to focus on the characteristics of good care

How health and social care is delivered is very important to people, particularly so because the services we commission are often received when people feel unwell and vulnerable. At these points we want Southwark people to feel cared for with dignity and respect, and to feel informed about their options in relation to treatment and support. We think this is best achieved when services are designed to empower people to be in control of their own health and wellbeing, and when services work with people as 'whole people' taking into account the full range of a person's capabilities and needs. We also recognise the importance of dealing with problems before they reach crisis point: our approach must increasingly support early intervention and prevention, rather than simply waiting to deal with the consequences of poor health. All of these

concepts can be illustrated with reference to Maslow's hierarchy of needs and the wider social determinants of health.

- *Understanding our hierarchy of needs* – we all have a range of social needs, from the most basic and fundamental need for food and warmth through to feeling confident and reaching our full potential in life. Resourceful communities empower citizens to meet these needs. Meeting basic needs creates wellbeing and can reduce the dependency that many people feel on health and social care services. Good health and social care services recognise people's various needs and address them in partnership with the person. The best services also recognise people's own capacity, and help them to develop independence and self-confidence, for example by empowering people to feel capable and confident enough to manage a long term medical condition.
- *Understanding the social determinants of health* - Social, economic and environmental conditions influence the health of individuals and populations. They include the homes and communities people live in, their pay and working conditions and the education they have access to. These factors are themselves shaped by the distribution of money, power and resources at a local, city, regional, national and international level. They can determine the extent to which a person has the right physical, social and personal resources to achieve their personal goals, meet their needs, and those of their family, and deal with changes to their circumstances. It is these social determinants of health that drive many of the inequalities we see in Southwark. This is recognised by the Council and the CCG and work is already underway to make Southwark a healthy place to live and work, and to ensure equality of opportunity for all Southwark residents.

Figure 3 – A person's health and wellbeing is related to the needs and assets they have, and these are influenced and to a large degree determined by wider social, political and economic factors



Some of these principles are already being tested in action through innovative work in the borough. Examples of these can be seen in the appendix. In addition, Section 4 describes what this will all mean in practice in the future, highlighting the difference that these approaches can make for individuals as well as the practical changes that this represents for people who work within local services.

2.2 More needs to be done to improve care outcomes for local people

2.2.1 We know that outcomes and equality can be improved across the borough

Southwark is a diverse and vibrant borough of almost 300,000 people, and it's growing significantly: we expect a population increase of 21% over the next ten years¹. The Southwark Joint Strategic Needs Assessment² shows that local people's health outcomes have improved in a number of important areas, including reductions in infant mortality; better, more comprehensive care for people at the end of their life; and improved outcomes for people living with HIV. Since 2010 life expectancy has continued to rise for people living in Southwark. But there are real challenges too: health inequalities remain stark. Too many people live with preventable ill health, or die early.

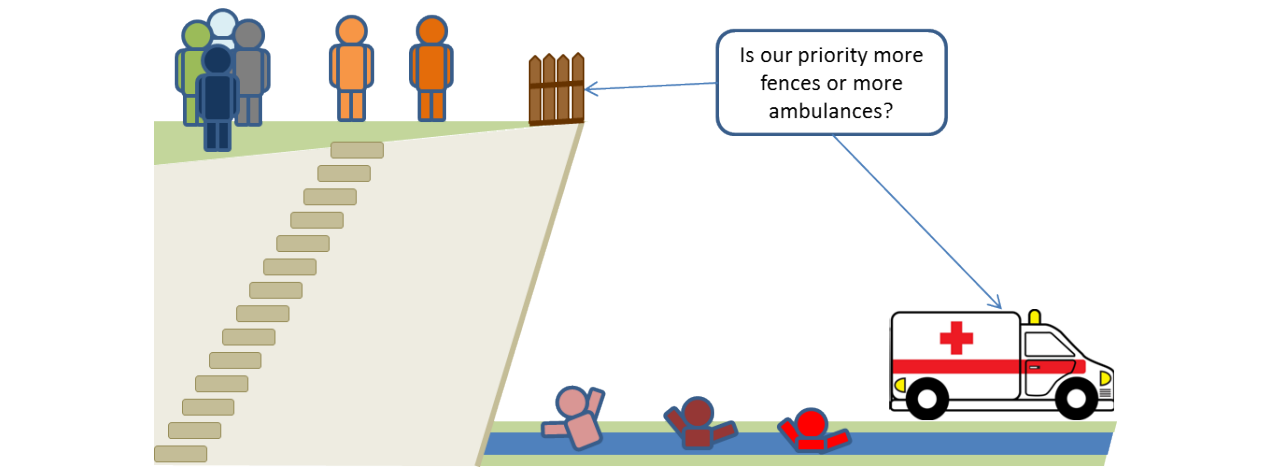
- **Health inequality:** In the borough there is a difference in healthy life expectancy between the richest and poorest in our population of 9.6 years for males and 7.7 years for females.
- **Heart disease:** Southwark people are more likely to die prematurely from cardiovascular disease than people living in similar parts of London.
- **Respiratory disease:** Chronic obstructive pulmonary disease (COPD) and lung cancer cause relatively high numbers of preventable early deaths and ill health in Southwark.
- **Diabetes:** There is significant variation in the management of patients with diabetes in Southwark and a high number of people are living with undiagnosed diabetes.
- **Alcohol and liver disease:** Rates of preventable early deaths from liver disease and alcohol-related hospital admissions are significantly higher in Southwark than they are in similar London boroughs.
- **Mental illness:** Southwark has a high prevalence and comparatively poor outcomes for people with low and medium-level mental ill-health. There is significant unmet need too.
- **Obesity:** Childhood obesity levels in the borough are amongst the highest in England. Adult obesity is also higher than the London average.
- **Dementia diagnoses:** Only about two-thirds of the predicted numbers of patients with dementia are diagnosed, and effective management of patients is highly variable.
- **Admission of older people to acute hospital:** Hospital admission rates and health related quality of life for older people is higher than in similar areas of London with rates of falls-related admissions particularly high.
- **Access to GP appointments:** Patients and members of the public consistently tell us that they often find it hard to get an appointment with their GP.

Whilst we know that services do often respond well to crises, we know that too little focus is given across the system to prevention and early intervention. It is not sufficient to just deal with the consequences of illness. We have to find ways of reducing the volume of people who need crisis support in the first place. Prevention and early intervention is the best way to achieve this, and over time much more of our resources need to be invested into such activities. As Figure 4 illustrates, this is about taking the right preventative approach 'upstream' to avoid having to deal with the consequences of crises 'downstream'.

¹ Southwark Demography Factsheet, May 2014

² www.southwark.gov.uk/jsna

Figure 4 – We need to find more approaches that are successful at dealing with existing demand for services, whilst reducing future demand. That means building more fences, rather than simply purchasing more ambulances.



2.2.2 We know that people's day-to-day experience of health and social care services can improve

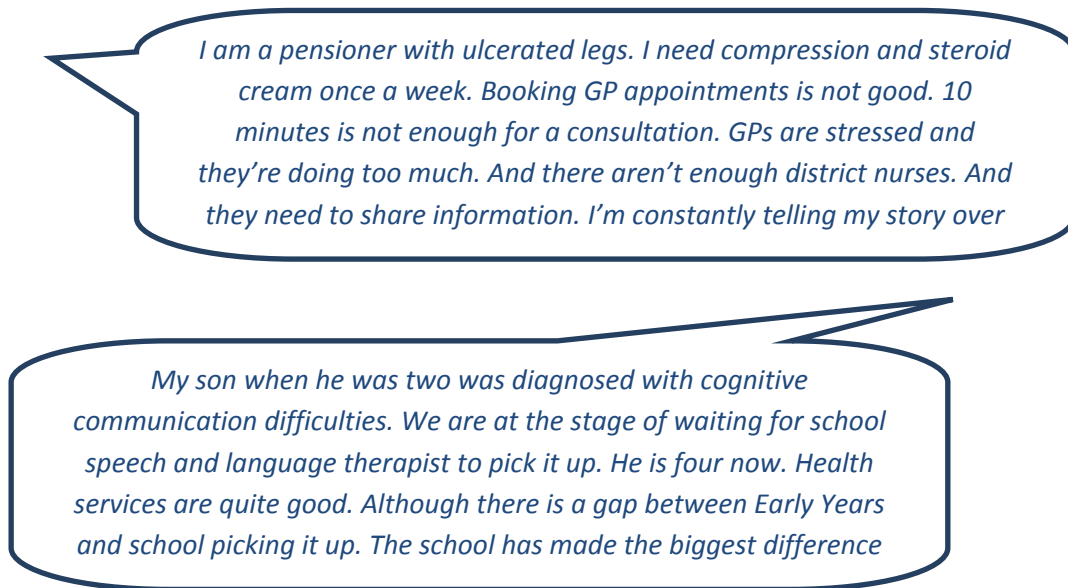
We have health and social care services that achieve great things on a daily basis, and which are staffed by skilled and committed people. It is also true that on a daily basis there are residents who are left feeling confused and frustrated by the inconsistent way that services currently operate. For example, a recent Special Inquiry by Healthwatch found that³:

- People can experience delays and a lack of coordination between different services
- People can feel left without the services and support they need after discharge
- People can feel stigmatized and that they are not treated with appropriate respect
- People don't always feel involved or informed in decisions about their care
- People can feel that their full range of needs is not being considered

These are experiences that are all too common across the country. When individual cases are looked at in detail they point to poor experiences, poor effectiveness and inefficiency, and often they result from systemic arrangements rather than isolated mistakes. We know that our providers of health and social care can, and do, deliver life-saving and life changing services that are safe, effective, respectful, empowering and coordinated. We now need to ensure that this is delivered consistently, particularly at a time when services are facing significant funding challenges.

³ Safely Home, Health Watch England Special Inquiry, 2015 – accessed at: <http://www.healthwatch.co.uk/safely-home>

Figure 5 – The voices of Southwark people: statements from Healthwatch’s 1000 lives research



2.3 More needs to be done to protect the financial sustainability of the system

Improving outcomes for people is the burning ambition that inspires and guides our work: if funding wasn't a challenge we would still want to radically improve the system. This is because many of the things that cause frustration are things that we can do something about – either by making better use of new technologies, or by changing the way we work together within and across organisations. However, there is a very large financial challenge across the system, and this makes the improvements not only desirable but absolutely necessary.

If funding wasn't a challenge we would still want to radically improve the system

As commissioners our choice is about how we invest the significant resources in our local health and social care system to maximise the quality of services for our citizens. We don't believe that 'more of the same' is the best option. Our challenge is to ensure people are supported and treated in the right place at the right time according to need, with much more care delivered closer to home in local communities.

However, the answer is not as straightforward as simply moving resources out of hospitals. As the size and needs of the population grows, our real challenge is to deal with growing demand within existing capacity. Based on current trends this would represent a great achievement and it would enable us to invest efficiency savings and funding growth in new models of community based care rather than in additional hospital capacity.

2.4 We have confidence we can improve value across the system by building on the good progress already started in Southwark

Whilst our ambition is significant we are not starting from scratch: already local residents, commissioners, care professionals and managers have begun to demonstrate new ways of working together.

- We have brought CCG and council budgets together in our Better Care Fund, and we were one of only six areas nationally to have those plans assured without conditions. This fund has been invested in admission avoidance, better supported discharge, and more coordinated and proactive care delivery.
- Collectively we have made tangible progress towards developing the foundations of a Local Care Network model. In particular there has been significant collaboration between federations of general practices in both the north and the south of Southwark. Through these federations GPs have a way of working together at scale to improve and enhance core services. The two federations have been established, licensed by the CQC, and they have both begun to deliver extended access to primary care (7 days a week 8am-8pm).
- Collectively we have strongly supported innovative work on developing and implementing new models of diabetes care. This has improved care for local residents and it acts as an exemplar for how we should support people to manage when they have multiple long term conditions. Our local approach with partners has developed a model that addresses the medical, psychological, and social needs that a person has. 98% of our GP practices signed up in 2013/14. Independent evaluation shows significantly improved detection and HbA1c control. Over two years Southwark practices achieved a ten percentage point increase in detection and have moved from the bottom to the top of comparison groups.
- Collectively we have made real progress in developing a functionally integrated information technology system. We now have a comprehensive use of the EMIS Web system in primary care. This system enables primary care and commissioners to share data. We have also supported providers to develop a Local Unified Care Record using linked clinical data systems across the three foundation trusts and into primary care. This hugely powerful development allows a hospital and general practice care teams to see, at the point of care, patient data from the other local trusts and specific aspects of the primary care record.⁴
- Collectively we have supported the emergence of a strong, vibrant and energetic network of residents who are actively involved in supporting changes in the health and social care system. Within the borough each general practice has established a Patient Participation Group (PPG) to enable regular engagement with people on the practice register, and there are locality PPGs that support the sharing of information and experience across a larger network. These groups are also connected with the Southwark and Lambeth Citizens' Forum and Citizens' Board which supports people to meet, discuss and influence the way that the local system works, for example through active participation in service improvement initiatives such as the Southwark and Lambeth Integrated Care (SLIC) Programme.

⁴ We know that many people assume that care teams already share information about them in order to provide high quality care. Unfortunately that is not always the case in the current system. This lack of communication can compromise a person's care. Our new Local Unified Care Record system makes data sharing much more timely, systematic and secure. Access to this data is for the purpose of providing better care, and care teams will seek consent to view records (unless the situation is life-threatening or a person is incapacitated). Each participant provider has information available about the fair processing of data, and patients are able to express a preference about whether to benefit from this service. More information can be found here: [\[DN. Insert link\]](#)

3 We think that we have to address some complex issues and adopt a thoughtful approach to change

Section 2 describes our reasons for thinking that change is needed. This section describes our understanding of the problems that we must address and describes the approach that we think is needed in creating the conditions within which this system-wide transformation can happen in practice.

3.1 The issues we are facing

Transformation of the current system will require us to tackle a variety of complex and interrelated issues, but there are three major root-causes we need to address, recognising that there is not a 'one size fits all' solution.

- **The fragmented arrangement of organisations and professions can reinforce boundaries and can make it too difficult to work together and to work consistently**
- **The fragmented contracting arrangements can make it difficult to move resources to where they are needed to deliver what really matters to people**
- **The disempowerment of service users and carers can create confusion and risks making people passive recipients of care**

This section looks at these root-causes in turn. For each issue we describe the problems we face, the way we are going to tackle them, and the partnership offer we are making within the system to enable that change. These high level commitments start with what we are already working on and where we expect to make important developments in the short term (the next one-to-two years), and some are more developmental leading to change in medium term (three-to-five years).

3.1.1 We face a fragmented arrangement of organisations and professions which reinforces boundaries and that can make it too difficult to work together and to work consistently

The problems we face

Changing demands on the workforce: long term trends are changing the functions needed in the health and care workforce. New technology and knowledge opens up new possibilities for diagnosis and treatment of severe or rare conditions, meaning that we need to nurture the development of people in sub-specialist roles; but demographic changes, and in particular the increase of frailty and complex health or care needs, mean that we also need to develop a local workforce who are "expert generalists". These factors occur at a time when we are facing significant reductions in the number of people in key professions like general practice, emergency medicine and community nursing, for example as people retire. There is also growing recognition of the opportunity for new roles to develop that make much greater use of people's skills, including both the qualified/professional workforce, as well as self-management and self-directed support by individuals experiencing significant health and social care needs themselves.

Cultures of isolation – rather than cooperation: there is less value created when professionals and organisations work in comparative isolation rather than in collaboration, where there is much greater scope to develop and deliver high quality services for people and fulfilling careers for staff.

- General practice is the foundation of the local NHS system because of the range of skills that practice teams can offer to their patients, and because of the deep local and personal

knowledge that informs GP care. However, the current operating model of general practice acts to exacerbate the quality and financial challenges faced by practices in Southwark because it can isolate professionals from one another and reinforce operating models that are too small to be financially or operationally viable. Encouragingly, practices in Southwark have begun to work together as formal federations so that they can benefit from greater collaboration and scale to address some common challenges, for example:

- There has been underinvestment in staff development. Our workforce is our greatest asset yet GP practices working in isolation find it very difficult to release staff members for training or to invest in their development. It will take collective action to coordinate investment in the development of shared staffing arrangements (for example, a staff bank) but this type of development is required to help general practice to develop the necessary capacity and flexibility required by new ways of integrated working.
- Investment in new ways of working and new infrastructure can be more easily afforded if it is done together– for example, sharing additional capacity such as the Extended Primary Care Access Service, or sharing ‘back office’ functions and IT systems. Working together presents new opportunities to think creatively about new ways of doing things and to share the resources needed to develop new capacity and capabilities.
- Challenging variation in general practice – some people get fantastic primary care and others do not. This demonstrable variation needs to be understood and acted upon. It is easier to do this when practices work together to analyse what is happening and to inform collective quality improvement projects.
- Delivering high quality care is often a team activity requiring people with different specialist skills to work together, and often for specialist equipment being available in the same place at the same time. In addition, in some specialties, there is strong evidence that the outcomes for people are better when care is provided by a professional or team that undertakes high volumes of that work and/or in an environment that is dedicated to that activity (for example lengths of stay are shorter, and rates of revision and rates of infection are lower, in ‘elective centres’ for planned orthopaedic surgery in which beds are ring-fenced for patients receiving planned surgery)⁵.

Fragmentation and complexity: Health and social care organisations are staffed by highly skilled and passionate people but, because of the way organisations and responsibilities have developed over time, people have ended up working within an array of organisations that work independently of one another. The resulting complexity of the total system can leave staff and residents feeling confused and disempowered. Direct consequences of this include:

- Variation in clinical practice and care delivery because there are too few agreed pathways or care standards consistently used by providers of care;
- A lack of active coordination across services (in times of need or during transfers of care) leaving people at risk of confusing duplication or of “falling between the gaps”;
- Professionals often working in isolation from others, reducing a sense of team-working and making it difficult for people to retain and develop their skills; or
- Operational management systems being developed for organisationally specific purposes which then reduce the ability of different organisations to work together.

⁵ Getting It Right First Time (GIRFT) – A national review of adult elective orthopaedic services in England, available at: <http://www.boa.ac.uk/latest-news/press-release-girft-report/>

How we are going to tackle this

At a local level we recognise that developing new relationships takes time and investment. In Southwark we have already seen success in change through the Primary Care Development Programme which has established a group of 'Emerging Leaders' in primary care, and supported the development of two GP federations across the borough. We will continue to take this approach to support the development of new relationships across a broader range of providers. Importantly this emerging model of primary care will bring the benefits of working together at scale, whilst protecting the essence of high quality and local general practice and the clinical relationship between people and their local care professionals.

Our aim is to support the development of multi-specialty community providers serving populations of 100,000-150,000 people

Our aim is to support the development of multi-specialty community providers serving neighbourhood geographies of 100,000-150,000 people, which are structured around high quality primary care, community care, and social care. We expect that these Local Care Networks (LCNs) will bring together doctors, nurses, social workers, therapists, housing support workers, home carers and voluntary sector groups to work together with a shared ambition to support the needs of individuals and improve health outcomes for the population.

We will also actively participate in work across south east London to describe the standards of care we expect for our populations, focusing on six care pathways: Community based care (the delivery of coordinated services through Local Care Networks); Children and young people; Maternity; Urgent and emergency care; Planned care; and Cancer.

Specific actions:

- We will continue to invest in and support the development of local GP federations to enable better joint working across primary care, particularly in relation to GP access, the delivery of preventative services, and the development and delivery of proactive and coordinated population health management for people with multiple long term conditions. This will include the establishment of a Clinical Effectiveness Group (CEG) to support practices to identify priority areas for quality improvement and to establish practical ways of analysing and addressing these issues to reduce variations in practice and outcomes.
- We will provide developmental support to the two newly emerging Local Care Networks in the borough, ensuring that the Community Education Provider Network (CEPN) and our work on IT interoperability practically supports the workforce and systems development required to deliver person-centred and coordinated care. This includes the widespread implementation of a new Local Unified Care Record, which will enable care teams in health and social care to access integrated electronic patient records at the point of care delivery. We also plan further development to create an integrated care record that is directly accessible to patients and service users.
- We will work with other local commissioners and providers to develop a comprehensive and coordinated approach to estates development across the borough. This will include completion of the Dulwich hospital redevelopment by 2019 and consideration of other large scale strategic developments in the north-west of the borough (Blackfriars, Elephant & Castle, and the Aylesbury Estate), and in the north-east of the borough (Rotherhithe, Surrey Docks & Bermondsey) which together will experience a 35-40% population increase by 2030.

3.1.2 We face a fragmented contracting arrangement that can make it difficult to move resources to where they are needed to deliver what really matters to people

The problem we face

Care services in the NHS and local authorities have for a long time been commissioned on the basis of existing institutions and the services they deliver, with funding and incentives based on the amount of activity undertaken and the cost of specific units of activity. This has created a very complex system of contracting with different contracts held by different organisations for the delivery of specified inputs and outputs. In practice this arrangement reflects and reinforces unhelpful boundaries and incentives at the interfaces between different providers of care. Looking back, this type of arrangement can be explained as a consequence of historic funding arrangements and provider structures. Looking forward, this type of arrangement is an active barrier to the greater integration and coordination of health and social care services.

Faced with the level of complexity in the commissioning system, professionals and providers can find it difficult to deal with the holistic needs of the people they support. Professionals are too often left feeling constrained in the support they can provide because they can only perform the task that they are commissioned to deliver, even when that creates unhelpful duplication or where there are better ways to address someone's needs. In addition this often excludes voluntary groups and services that could offer support can't make a contribution; and service users - particularly the most vulnerable - are too often left navigate the system themselves or risk falling between the gaps.

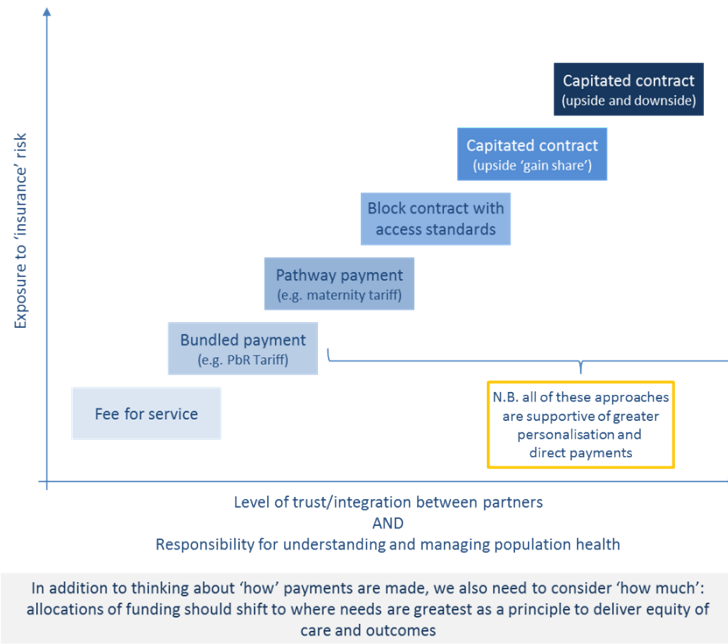
How we are going to tackle this

To support the transformation described in this *Southwark Five Year Forward View*, the Council and the CCG will establish a Commissioning Partnership Team. Over time, and with a jointly agreed remit, this team will become the vehicle for developing and delivering joint strategic intentions across health and social care with strong links to education, public safety and public health. This development will help us to achieve greater equity and better outcomes for Southwark people by addressing the social as well as the physical determinants of health and wellbeing. The Commissioning Partnerships Team will support the pooling of resources and the alignment of decision-making so that we achieve progressively more integrated health and social care commissioning, and the development of increasingly population-based provider contracts. This new team will begin work in 2016/17.

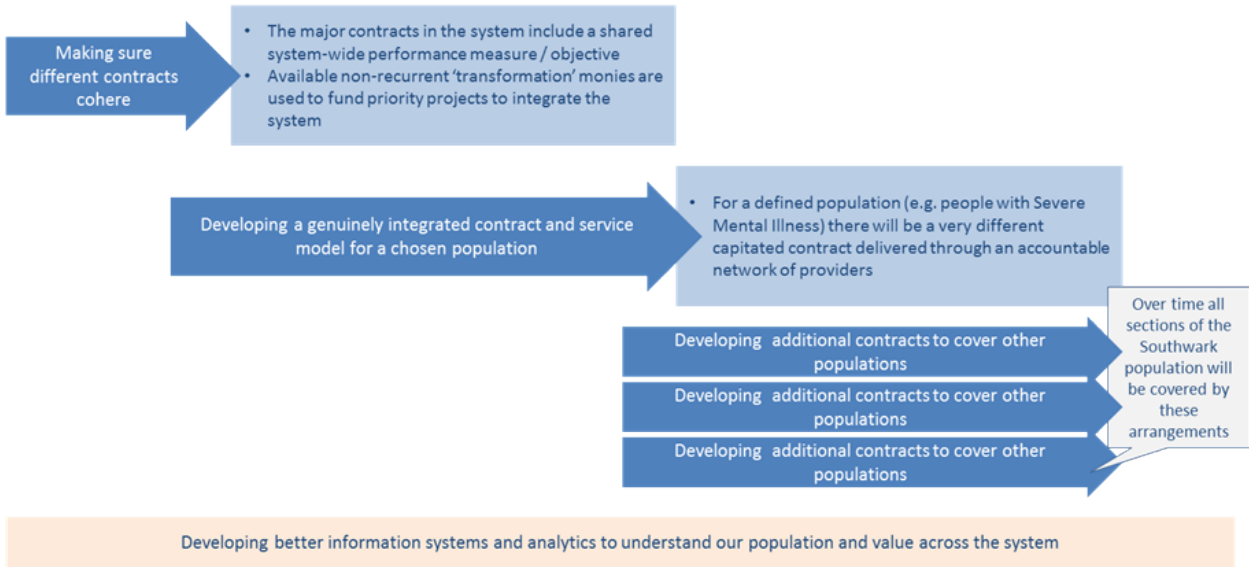
In addition we will continue to play a full and active role in developing a transformation partnership across Southwark and Lambeth. The purpose of this partnership will be to coordinate and commit to collective strategic priorities and to oversee the delivery of those commitments. This will be aligned with the development and implementation of the South East London Commissioning Strategy: *Our Healthier South East London*. The plans we are developing at a borough, cross-borough and sub-regional level must align and mutually reinforce one another. This will be supported by the development of a single Sustainability and Transformation Plan (STP) across the six boroughs of South East London.

In future we will explore the options to formally bring together service contracts either through lead contractor arrangements or through alliancing approaches, to fund services on the basis of an agreed per-person amount (capitated sum), and to offer those contracts for an extended duration to give providers incentives to integrate and invest in service development. And we will make contracts increasingly performance related, with increasing amounts of the total contract value being contingent upon the achievement of specified outcomes. As Figure 6 illustrates, these proposed changes in contracting cannot and should not happen in one single step, a phased transition is required.

Figure 6 – Description of the stepwise movement towards capitated budgets for our populations



Q3 2015/16	Q4 2015/16	Q1 2016/17	Q2 2016/17	Q3 2016/17	Q4 2016/17	Q1 2017/18	Q2 2017/18	Q3 2017/18	Q4 2017/18	...
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Specific actions:

- In developing contracts for the forthcoming year (2016/17) we will work with providers to refine existing bilateral arrangements to support greater systemic coherence. This includes seeking changes to primary care contracts through the PMS Review, a re-tendering of home care services by the Council and a coordinated approach to acute, community and mental health contracts. In all of these contracts we will seek to encourage more collective incentivisation and to align investment in priority areas that help to improve performance in relation to specific system-wide goals, for example the reduction of emergency bed days, and the reduction of delays at the point of discharge from hospital. As part of this approach we will make available non-recurrent transformation investment to help providers turn aspirations into action (for example in the development of Local Care Network projects).

- In 2016/17 we will undertake focused work to develop new strategic approaches to specific population – such as Children & Young People and adults with multiple long term conditions – and we will explore the potential to develop new capitated and outcomes-based contracts in some areas, for example for adults with serious mental illness, or people with learning disabilities. We will invest in the development and measurement of outcomes (for example building on the user experience “I” statements described in Section 4) and we will work with providers to establish a baseline and to subsequently agree improvement ambitions. We will also explore the options to formally bring service contracts together either through lead contractor arrangements or through alliancing approaches.

3.1.3 We recognize that the disempowerment of service users and carers can create confusion and risk making people passive recipients of care

The problem we face

Too often people do not act with confidence in managing their own health and during their interactions with the health and social care system. This represents a real problem given how much we rely on people themselves to make sense of the fragmented services they receive. The problem is biggest for the most vulnerable people in Southwark and it is further complicated when adding in people’s interactions with housing, employment and social care services. This problem is made worse because all too often people are kept in the dark: people are unable to see, add to, or control their health records and too often experience services that talk about them rather than with them.

People should play an increasingly active role in determining their health outcomes and begin to work in partnership with care teams rather than being as passive recipients of services. This means supporting a culture change for care professionals so that we focus on what people can do rather than what they can’t do. Similarly it necessitates a culture change in our residents and service users so that people understand what to expect from the services they receive and are confident enough to take control of their health and care.

In addition, the wider communities in which people live – and which make such an important contribution to people’s lives – are underused as a resource to enhance wellbeing. This means that we spend time dealing with the symptoms of illness (such as depression) rather than dealing with some of the root causes (such as social isolation). There are vibrant and diverse communities in Southwark with passionate and skilled people: we need to make use of that valuable asset to a much greater extent than we do at present.

The way we are going to tackle it

Already there are service users, carers, professionals and voluntary sector workers who are putting people at the centre of care. We know, for example, that parents play a central and skilled role in looking after children with severe health needs; some of our local general practices and hospitals ensure that people can access their care information and see the referral and discharge letters sent between clinicians; and increasingly people with complex needs are working with professionals to receive a direct payment or personal budget and to develop proactive care plans and care coordination. We want to build on this so that health and care services systematically seek to:

- **Activate and support individuals:** supporting informed choices and self-management through empowerment, changing the style of clinical consultations (for example by using decision support tools) and providing appropriate education and skills development; enabling a step change in the use of technology; and increasing the use of personal budgets.

- **Activate communities to build social capital and resilience:** letting people know what services are already available and how to access them; and supporting the development of a wider network of voluntary and community support
- **Change professional cultures:** supporting professionals to change the nature of their conversations with people, especially those with long term conditions who can and do develop expertise in their health conditions; and supporting professionals to feel part of multidisciplinary teams that have relationships with, and access to, the additional voluntary support within our communities

Specific actions

- We will continue to invest in the development of our Patient Participation Groups and work with them and other partners, like our local Healthwatch, to amplify the voice of our patients so that services are developed with local people, and we will strengthen the role that local citizens can play within our overall approach to transformation
- We will continue to invest in the development and availability of structured support for self-management, and we will continue to support the development and testing of innovative referral and care navigation services, such as Southwark SAIL (Safe And Independent Living)

3.2 We need to learn from local experience to effectively support transformation on this scale

3.2.1 We will take a supportive and developmental approach to transformation

We have learnt that neither ‘top-down’ nor ‘bottom up’ approaches to change can work on their own. At its heart, ours’ is a strategy of relationship building, culture change and community development that will create clarity and freedom for people to work together in new ways alongside the system leadership to commit resources and implement lasting change.

- **Ours is a strategy about relationships and culture change.** This will require us to work differently and in a way that will energise and liberate our staff and citizens to put resourceful communities and individuals at the heart of health and social care.
- **Professionals need to be supported to think creatively** about a wide range of responses to a person’s needs; and in order to do so they will need support to operate across our distributed local networks and settings of care, rather than through orthodox hierarchies and within the traditional confines of buildings
- **We need to reimagine our ‘workforce’** and engage with the fact that our citizens – as service users, parents of carers and members of resourceful communities – have significant capabilities and want to feel in charge.

In practical terms this will be supported by a variety of tasks which will require investment and system-wide working in order to:

- **Support organisational development and wider citizen participation** – this work cannot be successful if it is always an ‘add-on’ to the day job, but embedding service transformation within core roles requires investment to release people’s time. It also requires considerable support for organisational development and communications at a transformational scale.
- **Support workforce development** – we need to fundamentally redefine what we mean by ‘workforce’ so that we can really make use of our local professional and informal resources. We will need to work with a variety of partners to undertake a systematic analysis of the functions that are needed in the delivery of different types of care, and to determine how best to use and develop a formal and informal workforce to have the skills, capabilities and behaviours needed to deliver those functions effectively.

- **Create an explicit mandate to be bold and to ‘reimagine the rules’**, both real and perceived, that currently force retrenchment to narrowly defined interests. This will involve working through detailed technical minutiae as well as confronting large strategic choices, for example balancing means-testing and universal provision, or resolving funding coverage for registered or resident populations.

3.2.2 We will build a strong local partnership to oversee and govern this system-wide transformation

Working within the mission and constitutions of the CCG and Council, we will seek to enable the realisation of this plan by establishing a strategic partnership with citizens, commissioners and providers of health and social care services. This partnership will work together to develop, practically support, and to oversee a programme to transform how care is commissioned and provided. In practice this means:

- Bringing together partners with a common vision and a desire to work together
- Aligning partners’ individual strategic intents to develop a shared partnership strategy for system-wide transformation in Southwark and Lambeth, within which there is: prioritisation of what changes are needed to commissioning and service delivery; agreement about what we will each do as individual organisations or in partnership, including changing the distribution of resources (money and people), changing processes of working together, and changing the way we manage risks; and coordination of our various activities so that they happen in concert and are mutually reinforcing and collectively identifiable as a common programme
- Supporting and resourcing changes in the practice of commissioning and the practice of service delivery, including but not limited to leadership development, stakeholder engagement and ‘on the ground’ help to try new ways of working
- Holding each partner to account for doing what we said we would do
- Assuring ourselves that our collective actions are improving care for our local population

Our general expectation is that this strategic partnership will, first and foremost, practically support the development of Local Care Networks within Southwark. In this model, LCNs will represent both a locus of activity and of accountability, and transformation investment will be made available where LCNs can demonstrate a joint-commitment to deliver on specific priorities.

Where transformation projects and activities would benefit from coordination or support at a borough level, across Southwark and Lambeth, or across south east London and London geographies we will put in place mechanisms to do that, for example:

- agreeing at a borough level specific work on integrated ‘Out Of Hospital’ services relating to, for example, domiciliary care and community nursing or enhanced care home support
- agreeing at Southwark and Lambeth level to undertake joint work on technical issues associated with commissioning development (population analytics and the development of new contracting models), or to do with infrastructure development and the establishment of new interoperable information systems; or specific service developments relating to, for example, admission avoidance, improvements in inpatient care pathways, and changes to specialist clinic models for long term conditions
- agreeing at a south east London level to the various priority service developments for LCNs, for example establishing multi-disciplinary working to actively manage people with complex needs
- agreeing at a London level to prioritise transformation work on helping general practices to work collaboratively and at scale to improve access, coordination and prevention.

4 We think delivery of this Forward View will make a real and felt difference to local people and staff

4.1 We hope to see different services and different relationships developing between professionals and with service users

4.1.1 Current services struggle to respond to a persons' complex needs

An illustrative example of a person's story

M is a man in his early sixties living in South London. He moved into London ten years ago to find work. He has had a variety of jobs in that time but he has recently been made redundant. He lives alone in rented accommodation. Most of his social network and friendships were gained at work. Since losing his job, M is meeting fewer people. He has become worried about his rent, growing debt and making ends meet.

M has insulin-dependent diabetes and experiences depression. He knows he should manage his diabetes, for example, his doctor has advised him to monitor his blood sugar levels, eat better and exercise more. M thinks he should do this but in practice it feels hard: going to a gym would be another expense and it is quick and easy to eat take-away food, particularly when you are living alone. Recently M has been feeling like things are getting a bit too much. His only real comfort has been alcohol and he has been drinking more lately.

M has been feeling like things are getting out of control in terms of his health. He has been taken to A&E by the police on four occasions in the past six months because he had collapsed in the street following particularly heavy drinking. They were very nice in A&E, letting him sober up and then giving him a sandwich before being discharged. His diabetes has been a real problem too and he called an ambulance twice in the past month where he has been seen in the A&E department at the local hospital and admitted into the acute assessment unit. The doctors told him he had experienced hypoglycaemia because he'd had too little food. When he was in hospital he saw other people around him who also had diabetes. They were a bit older than him and had more serious problems: one person next to him had had a heart attack related to her diabetes, and she told M that she had had to have an amputation last year because her leg ulcers got really bad. She told M that the operation had been very good and the staff had been very kind, but she was sad because she wished someone had helped her before it was too late. When M was discharged he was very worried; he didn't want to have a heart attack or end up needing an amputation but he didn't know what to do.

In today's health and care system a large amount of the resources are used to purchase high quality amputations or to provide crisis and recovery systems for people experiencing heart failure and heart attacks. These are provided by highly skilled and dedicated professionals and the care is needed because there are ever more people needing treatment for these complications of poorly managed diabetes.

Nationally we spend £7.7 billion per year on dealing with complications associated with type 1 and type-2 diabetes. Of this more than £3 billion is spent on treating myocardial infarction, ischaemic heart disease, heart failure and other heart and circulatory problems. Almost £1 billion

is spent on treating kidney failure; another £1 billion is spent on treating neuropathy, stroke, foot ulcers & amputations, and other conditions such as retinopathy.⁶

There are also some excellent examples of services trying to do things in a more supportive and preventative way, but collectively we spend much less on these services. In this current system many people are left asking whether this is the best way to use the available resources we have, or is there a better way?

4.1.2 We think that Local Care Network services will work with people differently

A system that genuinely focuses on populations and total value would seek to behave proactively and to identify M early and to support him as a 'whole people', understanding his needs and capabilities. This would mean:

- GPs, nurses, social workers and hospital consultants bringing existing data together to identify groups of people with high needs, including individuals like M. They would then act on that information to provide people like M with appropriate support.
- A care team would have time to really understand M's life and his needs, getting to know what is important to him and what goals he has. Using techniques such as motivational interviewing, goal-setting and proactive care planning, care teams would be able to help M to take some positive first steps in taking control of his whole life. For M, this would feel like working with an expert care team, rather than just being treated or being told what to do. Importantly, M's mental health and emotional needs are considered as being just as important as his physical health needs. This would mean that psychologists and psychiatrists form an integral part of the local multi-disciplinary care team.
- Depending on his personal care plan, M could then be supported to access peer-support groups so that he can meet and hear from other people who are going through similar things (see the appendix for a case study on SAIL); he could access structured education resources and self-management support to feel more confident in living well with conditions such as diabetes; with the assurance that if things do go 'off-track' that there is a care team member that he can contact quickly.
- In addition, he would find it much easier to access social activities and local groups, not necessarily related to health improvement but just to feel more connected in the community, and better able to meet people and make friends. This would also include finding really practical advice so that he has support to address non-medical issues such as housing, debt-management, benefits advice, and employment.
- And it would be easier to live a healthier life because our communities will increasingly recognise and support health and wellbeing, for example: M would find it easier to exercise because he would know where the local parks are and know they are safe and he can access free gyms and swims; and he would find it easier to cycle or walk to the shops because the roads are safe, the pavements repaired and streets are well lit (see the appendix for a case study on Southwark Healthy High Streets).

4.1.3 We think that delivery of this LCNs approach will change the arrangement of professionals and teams across organizational boundaries

To provide care and support in the way that this *Southwark Five Year Forward View* envisages will require a change in the ways that professionals work together, and in how those professional groups work with residents. Put simply we need to move to an arrangement where staff from different disciplines work together as part of a team, with a shared responsibility for

⁶ From Health Innovation Network Structured Education Toolkit, referencing Hex N et al [D.N. add full reference]

the health and wellbeing of a local population covering natural and coherent localities of 100,000-150,000 people. This relies on the presence of multi-specialty community teams operating as the practical delivery system of a Local Care Network (LCN).

Figure 1 provides an illustration of the journey towards Local Care Networks, and of the progressive integration of the professionals that constitute an LCN's multi-specialty community team. As that diagram sets out, in each Local Care Network a multi-specialty community team needs to:

- include all individual general practice staff within the locality, operating as part of an effective and collaborative federation which can – individually or jointly – deliver core and enhanced primary care services (drawing on existing and new roles such as clinical pharmacists and care navigators)
- include social workers, operating on a geographical basis, whose clients live within the locality
- include the district nursing services, community mental health teams and the home care services that operate within the LCN, recognising that this will require those teams to have an alignment with the LCN geography and strong functional integration across those services
- include named specialists (for example consultant or specialist nurses in paediatrics, general and elderly medicine, and mental health) who can provide accessible outreach and support and who can act as a point of contact when resident from a locality require inpatient care
- formally link to the urgent response and post-acute care services, such as Enhanced Rapid Response and @home, so that preventable admissions are reduced and transitions into and out of hospitals are timely, well planned and coordinated
- formally link to the wider network of institutions that support people in their daily lives, for example local schools, community pharmacists, care homes, nursing homes, and other local voluntary and community sector providers.

A multi-specialty community team is just that: it is a team not a meeting. That means that these teams are composed of named people who know one another, who work together in pursuit of a shared goal, who operate using a clear, explicit and mutually agreed approach, who communicate with one another, and who recognise their shared responsibility and accountability for improving the health and wellbeing of the locality population. As part of their development multi-specialty community teams will need to agree and adopt effective joint processes to help to:

- **Provide improved prevention:** promoting health and wellbeing and reducing the onset of disease
- **Provide improved access:** identifying need early and providing timely access to services and effective treatment
- **Provide improved coordination:** Actively identify people with additional need or complexity (for example people with three or more long-term conditions) and work with them to effectively manage their health and achieve personal outcomes. This will require agreed processes to identify people with high need, to work with that group to stabilise and maintain people's health, to respond proactively to any escalation in needs, to plan for and respond to the onset of crisis, and to plan for and support effective and timely post-acute care when people leave the hospital.

4.2 We hope to see different outcomes and experiences of care

Both Southwark Council and Southwark CCG have worked closely with local residents, service users and their families and carers to understand the things people would like to be able to say about their experiences of a health and social care system. These “I” statements are the outcomes that people say are important.

In a population focused system that aims to deliver value and thinks about more than medicine and more than healthcare, people will be able to say:

- *I have systems in place to help at an early stage to avoid crisis and as small a disruption as possible if a crisis happens.*
- *I can manage my own health and wellbeing (or condition) and I am supported to do this (including having access to information and being able to stay healthy).*
- *I can plan my care with people who work together to understand me allow me control and bring together services to achieve the outcomes that are important to me.*
- *I (am able to) live the life I want (and get the support I need to do that).*
- *I feel (am) safe, secure and protected from harm.*

Similarly, in work done in preparation for retendering of Southwark Homecare services, the following “I” statements were developed with people currently using Home care. In a population focused system that aims to deliver value and thinks about more than medicine and more than healthcare, people will be able to say:

- *I want you to be honest with me.*
- *I want to feel safe and protected from abuse.*
- *I want to be treated with dignity, empathy and respect at all times.*
- *I want regular and replacement carers who know me and respect who I am, my culture and my beliefs, and what is important to me.*
- *I want suitably trained and supported care staff.*
- *I want to receive clear good quality information right from the beginning.*
- *I want to know where to go for advice.*
- *I want to know how much this will cost me right from the start.*
- *I have the right to choose how I live my life and be as active and go outside as I want.*
- *I want to stay living in my own home and maintain my community, social, cultural and religious networks.*
- *I want to be able to speak to someone who I can understand and who understands me, in the way that I have agreed works best for me.*
- *I want my family and friends to be involved and consulted with my consent.*
- *I expect that the quality of my care does not depend upon me having family or friends who advocate on my behalf.*

If we are successful, the system we will commission and support will be able to deliver services that allow an increasing number of Southwark people to say that these ‘I’ statements have been met.

5 Next steps

5.1 We will use our Forward View as the starting point for all of our organizational strategies

As we describe in section 3.1.2, the Council and the CCG will work closely together to develop and deliver our commissioning responsibilities. This will involve the development of commissioning strategies for particular population groups. It will also involve the development of plans to create supporting infrastructure, such as IT and estates. All of these plans will take the vision and principles describe in this document as their starting point so that everything we do on this agenda is focused on delivering the actions we have set out in this document.

An illustrative depiction of this relationship is shown in Figure 7. Further summary information about the specific plans that are referenced can be found in the appendix.

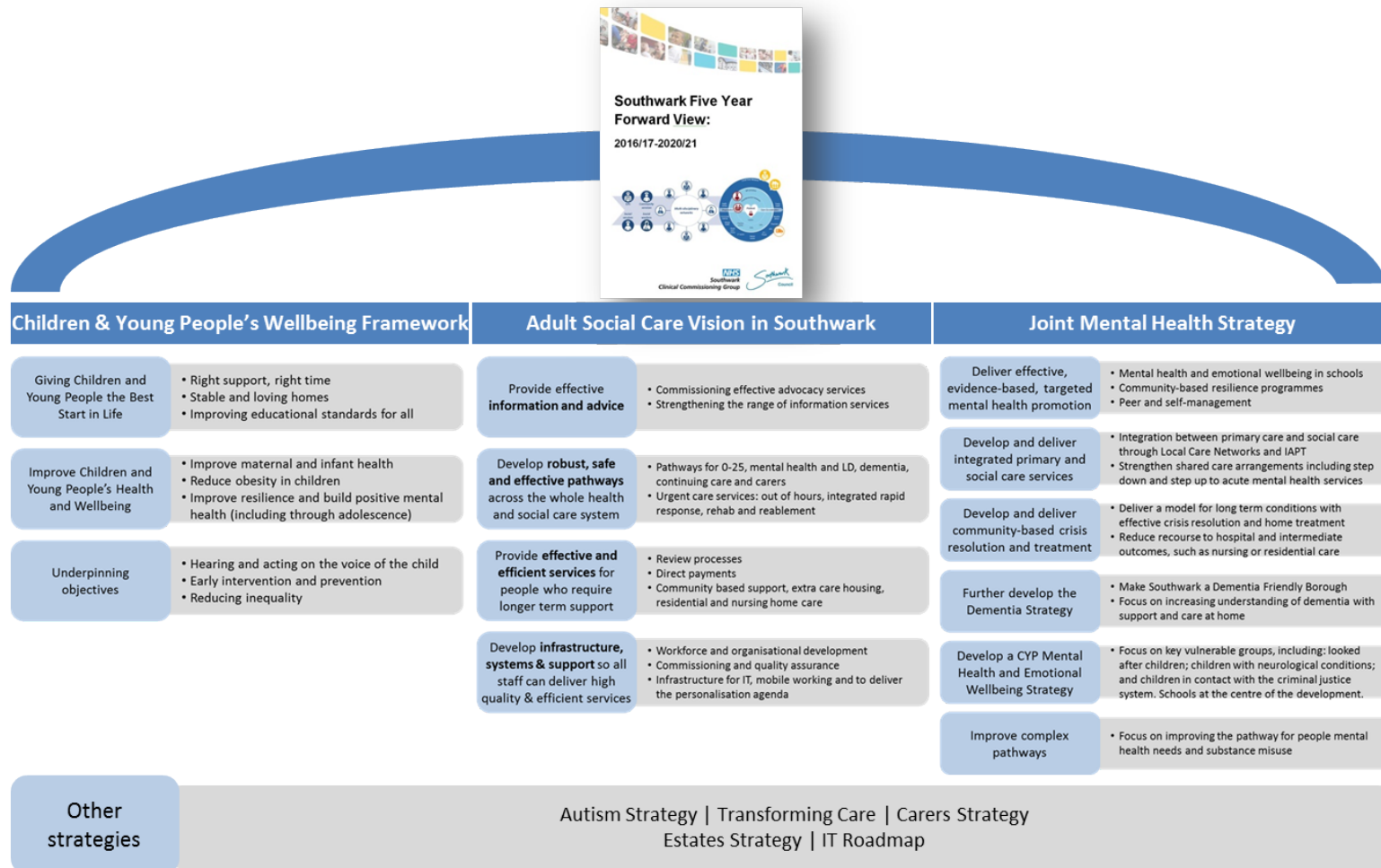
5.2 We will develop an 'Into Action' document to describe our detailed plan for 2016/17

This Forward View is intended to stimulate discussion to inform and structure a programme of meaningful change with the Council, the CCG and with our wider partners.

In this document we have described the need for a transformation to improve health and social care outcomes for Southwark residents, by increasingly integrating commissioning, forming wider partnerships. We have also described how providers of services will be supported and incentivized to work together and with service users to co-produce good outcomes for Southwark people.

We have set out the main aspects of our strategy but recognise that we must continue to develop this Forward View into a specific action plan. To that end our commitment is to share and discuss this strategy with our main partners and citizens and to follow this document with an accompanying plan, '*Southwark Forward View: Into Action*', in March 2016.

Figure 7 – Description of the relationship between the Southwark Forward View and our other strategic documents



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Appendices

Local Case Studies

Taken from the Early Action Commission

Case study: Safe and Independent Living

Safe and Independent Living (SAIL) is a social prescribing scheme that is being delivered in partnership with Age UK, and aims to build and maintain a list of activities and services offered by the local Voluntary and Community Sector. SAIL works through a simple yes-or-no questionnaire, which acts as a guide for anyone working in the community to quickly identify an older person's needs. Each question is associated with a partner agency, so a 'yes' to any question operates as a flag to bring that person to the attention of that particular organisation. All partner agencies have agreed to accept all referrals through SAIL and to contact the client within two weeks of being notified. Age UK acts as the hub for the scheme, receiving completed SAIL questionnaires, forwarding them to the appropriate partner agency within 24 hours of receipt and following up the referral with the older person to ensure their needs are met. In this way, SAIL integrates health activities and services offered by the public and voluntary sectors. It is a good example of how partnership working can contribute to early action through signposting and communication.

Case Study: Southwark Healthy High Streets

Southwark Healthy High Streets (SHHS) aims to bring together public health, planning, licensing, trading standards and transport, as well as work with local communities, to explore ways of changing Southwark's high streets to help make people's lives healthier. Its key objectives include: promoting a healthier eating and living environment through restrictions on the number and distribution of fast food and licensed outlets, betting shops and pay day loan companies; promoting active travel through high street design – including good cycling infrastructure, bike hire and walking opportunities; supporting communities to make use of underused public spaces and supporting the high street revitalisation programme in Southwark.

These work-streams are a good example of upstream ambitions because they look at the high street holistically. SHHS illustrates place shaping ambitions in that it moves beyond an understanding of problems arising from decisions of individuals, to the local conditions that shape their behaviours and choices. It is also an example of partnership working and building on assets: the initiative brings together and co-ordinates people and organisations from different sectors and provides funds for community organisations to develop and implement ideas for healthy high streets. As such, SHHS place-shapes by bringing together the regulatory power of local bodies (e.g. in restricting certain shops) and creativity of the community through funding local initiatives.

Population-based commissioning: an overview

To move to a system where commissioners can offer population-based contracts that focus on the improvement of outcomes, a variety of steps need to be undertaken. These generic steps will be an important part of the approach taken by all of the CCG's commissioning programme boards.

- **Segmentation:** overall we need to determine how we – as commissioners – can describe our total population so that we can put people into groups based upon the similarity of their needs. These groups need to be mutually exclusive and collectively exhaustive.
 - We have already made some progress in identifying relevant population groups, for example people with Serious Mental Illness, people with learning disabilities, and people with frailty and multiple long terms conditions.
- **Resource availability:** for any given population segment we need to determine the resources that we have available to spend on their care. This involves an analysis of total system spend on each group, linking together information from all parts of the health and care system, and thinking about the shift in resource required to genuinely invest in prevention and early interaction.
- **Outcomes identification:** for any given population segment we need to determine what outcomes matter to people in the group and how we would measure those outcomes in practice. This work should be centered on service users and involve clinicians, commissioners and public health experts. Outcome indicators should cover the entire pathway but be relatively few in number to ensure a clear focus for delivery and improvement.
- **Service specification:** for any given population group we should be able to describe – at a high level – the core components of support that we think defines high quality care.
 - This specification should be informed by work with existing providers to understand the barriers within existing models.
 - It is important that this specification focuses on the attributes or characteristics of care and avoids overly detailed specification of inputs, processes or outputs; the detailed service descriptions should be described by providers and it is the job of a commissioner to appraise providers on the credibility and value of the models they propose.
- **Provider development and market testing:** commissioners can only expect a positive response to new contracts if there are indeed providers or networks which are able to respond effectively. Commissioners will work proactively with providers (both incumbent and potential new entrants) to support the development of relationships and an understanding of new ways of working and new operating models.
- **Approach to contracting:** for any given population segment we will need to define what contracting model(s) we want to offer. This includes options appraisals of the different contracts available, a description of the mechanisms for incentives and risk-sharing that it would include, and a description of the contract duration.
- **Approach to procurement:** for any given population segment we will need to develop detailed descriptions of our planned procurement process, ensuring compliance with regulatory requirements. Within the process our assessment should take into account an understanding of the feasibility of delivery, for example by seeking a view on workforce availability and development plans during the delivery phase.

Over the next five years we will use this generic approach to commissioning in order to develop several capitated outcomes-based contracts. Ultimately, when taken together, we anticipate capitated contracts will cover the total population of Southwark.

Supporting Local Strategies

Children and Young People's Wellbeing Framework

Children and Young People's Wellbeing Framework

Giving Children and Young People the Best Start in Life

- Right support, right time
- Stable and loving homes
- Improving educational standards for all

Improve Children and Young People's Health and Wellbeing

- Improve maternal and infant health
- Reduce obesity in children
- Improve resilience and build positive mental health (including through adolescence)

Underpinning objectives

- Hearing and acting on the voice of the child
 - Early intervention and prevention
 - Reducing inequality
-

Adult Social Care Vision

Adult Social Care Vision in Southwark

Provide effective **information and advice**

- Commissioning effective advocacy services
- Strengthening the range of information services

Develop **robust, safe and effective pathways** across the whole health and social care system

- Pathways for 0-25, mental health and LD, dementia, continuing care and carers
- Urgent care services: out of hours, integrated rapid response, rehab and reablement

Provide **effective and efficient services** for people who require longer term support

- Review processes
- Direct payments
- Community based support, extra care housing, residential and nursing home care

Develop **infrastructure, systems & support** so all staff can deliver high quality & efficient services

- Workforce and organisational development
 - Commissioning and quality assurance
 - Infrastructure for IT, mobile working and to deliver the personalisation agenda
-

Joint Mental Health Strategy

Southwark Joint Mental Health Strategy

Deliver effective, evidence-based, targeted mental health promotion

- Mental health and emotional wellbeing in schools
- Community-based resilience programmes
- Peer and self-management

Develop and deliver integrated primary and social care services

- Integration between primary care and social care through Local Care Networks and IAPT
- Strengthen shared care arrangements including step down and step up to acute mental health services

Develop and deliver community-based crisis resolution and treatment

- Deliver a model for long term conditions with effective crisis resolution and home treatment
- Reduce recourse to hospital and intermediate outcomes, such as nursing or residential care

Further develop the Dementia Strategy

- Make Southwark a Dementia Friendly Borough
- Focus on increasing understanding of dementia with support and care at home

Develop a CYP Mental Health and Emotional Wellbeing Strategy

- Focus on key vulnerable groups, including: looked after children; children with neurological conditions; and children in contact with the criminal justice system. Schools at the centre of the development.

Improve complex pathways

- Focus on improving the pathway for people mental health needs and substance misuse
-

Glossary

[DN. To be completed]

Word or phrase	What we mean when we use it
•	•
•	•
•	•
•	•
•	•
•	•
•	•

References

These references are intended to inform the Southwark Five Year View and set some of the context in which it is written:

- 1. Michael Marmot (2015) *The Health Gap***
Succinctly sets out on a local, national and international context the social determinants of health and how empowerment and social action can address limitations to wellbeing.
- 2. Southwark Council (2015) *Together we can deliver a better quality of life in Southwark: Our Vision for Adult Social Care***
Sets out the overall operating vision for adult social care delivery in Southwark.
- 3. NHS Southwark Clinical Commissioning Group & Southwark Council (2015-16) *Children and Young Person's Joint Wellbeing Strategic Framework***
This Strategic Framework for the period 2016-2012 is a collaborative piece of work between Southwark Council and NHS Southwark CCG to bring into a single framework commissioned services across Education, Health and Social Care.
- 4. NHS SE London CCGs (2015) *Our healthier South East London: Help us improve your local NHS.***
A paper published in May 2015 setting out the health and related social care issues facing SE London and introduces the idea of Local Care Networks (LCNs).
- 5. Southwark Council (2015) *Southwark's Families Matter***
The 2015-2020 Early Help Strategy, empowering every child, young person and family to live happy, fulfilling lives in their local community.
- 6. The Early Action Commission (2015)**
An in-depth review of the system-wide shift that is required to support a proactive system that is effective in preventing and reducing ill health

Item No. 14.	Classification: Open	Date: 15 March 2016	Meeting Name: Cabinet
Report title:		Workforce Strategy Update	
Ward(s) or groups affected:		All	
Cabinet Member:		Councillor Peter John, Leader of the Council	

FOREWORD FROM COUNCILLOR PETER JOHN, LEADER OF THE COUNCIL

Southwark’s workforce are the men and women who work day in and day out to deliver the fairer future for all in Southwark. It is their commitment and dedication that are improving services, driving up standards and making the difference that makes Southwark special.

Local government is undergoing huge change including with year on year cuts to our budgets from central Government. It is essential that our workforce is fit for purpose to meet these challenges and the challenges of the years ahead. In October 2013 Cabinet agreed a three year workforce strategy to do this, and this report updates the cabinet on this strategy.

Although we are working within tight constraints and face ongoing budgetary restrictions, it is reassuring that the majority of staff are satisfied in their jobs and speak highly of the council. This is re-enforced through positive feedback from the Local Government Association. Their peer review reported that there is a huge passion and pride for Southwark. We need to maintain this enthusiasm and commitment as we build upon our successes. We have been upgraded to Gold Status by Investors in People, in recognition of our continued investment in staff learning and development. We have provided an increasing number of training workshops and continue to develop our leaders for the future.

We continue to provide a large number of opportunities for apprentices across many areas of the council’s services and through partnerships with our contractors. Individual excellence is recognised at the Apprenticeship awards and our Future Leaders Programme will equip people with the skills and qualifications to develop their careers.

As we reach the three year mark, for the strategy, it is time to refresh it to ensure that it continues to meet the needs of the council and our residents. I have asked officers to work on this and to bring a strategy to cabinet in October 2016 where we can fully review progress and set out our strategy for the years ahead.

RECOMMENDATIONS

1. To note the updates made to the council’s workforce strategy.
2. To note the strategy is being refreshed and will be presented to cabinet in October 2016.

BACKGROUND INFORMATION

3. In October 2013 cabinet agreed a three year Workforce Strategy to support implementation of the council's aims and objectives. The strategy was presented as a forward looking view of the council's aims and ambitions in the management of its human resources. It is a dynamic statement, reviewed annually in light of prevailing circumstances (including economic climate), to ensure that it remains contemporary.
4. In July 2014 cabinet agreed the mission, new fairer future promises, the fairer future principles and the commitments of the council for the following four years. This remains in line with the core principles agreed in 2011:
 - Treating residents as if they were a valued member of our own family
 - Being open, honest and accountable
 - Spending money as if it were from our own pocket
 - Working for everyone to realise their own potential
 - Making Southwark a place to be proud of.
5. In October 2014 progress against the Workforce Strategy was reported back to cabinet and a new area for development agreed; building a workforce for next generation public services.

KEY ISSUES FOR CONSIDERATION

6. The original Workforce Strategy identified six key employment related areas to support delivery of the council's fairer future promises:
 - Recruitment
 - Resource management
 - Employee development and career opportunities
 - Reward, recognition and support
 - Engagement and communications
 - Identifying and developing leaders.
7. There has been an additional area agreed for the strategy:
 - Building a workforce for next generation public services.
8. The key outcomes within each of these areas are set out below:
9. **Recruitment** – It is essential that Southwark is an employer of choice and we recruit, develop and retain staff of sufficient numbers and talent to deliver our fairer future promises.
 - The workforce has grown from 4,624 at year end 2012-13 up to 4,847 at year end 2014-15. However as at 2 November 2015 the number of employees has fallen to 4,702. This is mainly due to the number of staff leaving under the Voluntary Redundancy scheme.
 - The digital Recruitment System has been established to support the council's reputation as a modern employer. 100% of job applications are on-line and over 9,000 job applications have been submitted during the past 12 months.

- Excellence in recruitment practices. The council prides itself on having best practice and fair employment processes. But it is important we remain vigilant to ensure proper application at all times. We have built in some extra layers of scrutiny and monitoring to make sure staff are always being treated fairly and equitably.
- Improvement in time to hire. The latest report indicates that 90% of posts are filled within three months (time between application and agreement of start date). This achieves the ambition set out in the October 2014 progress report.
- Introduce innovative recruitment options. There has been a significant increase in the use of digital solutions and a mobile enabled job site has been introduced.
- Increase in the number of apprentices taken on. We have taken on 177 apprentices since 2013 and currently have 63 apprentices on a programme.
- Since the apprentice scheme was first launched (in 2005) 238 people have moved into permanent employment upon leaving the scheme and 65 people have progressed to higher level qualifications or university.
- Working with local press to better promote opportunities to local people. The agreement to advertise opportunities with Southwark News has been extended for another year, until November 2016.

10. **Resource Management** – Ensuring that we use every penny as if it were our own through striving to do things better.

- Controls on agency workers and consultants have reduced the number of workers on assignment. At its peak in 2010 there were regularly more than 600 agency workers at any given time. The “snapshot” for November 2015 shows that the council has 414 agency workers on assignment.
- Our employee health and well-being strategy is established. Regular health promotion events take place. The council achieved accreditation from the London Healthy Workplace Charter.
- Externally provided support is offered to every employee facing redundancy.
- The average sickness level for 2014/15 was 7.7 days per employee. The latest figure available (rolling 12 months to 30th September 2015) is 7.82. The projected figure for 2015/16 is an average of 6.6 days sickness per person.
- Voluntary Redundancy Scheme. A total of 243 employees have left under the enhanced redundancy scheme since it was introduced. 178 left under the Open Council-wide Voluntary Severance Scheme (scheme 1) and 65 people left through the Re-organisation Voluntary Redundancy Scheme (scheme 2).

11. **Employee Development & Career Opportunities** – Develop people’s skills and knowledge so that they enjoy productive careers and deliver innovative high performing services and excellent customer care.

- Investors in People. Awarded Gold Status by iIP in August 2015, as recognition of our investment in staff learning and development.
- Promotion of a variety of flexible working arrangements.
- Growth of e-learning modules and My Learning Source for employees.
- Offer different training options that fit with individual learning styles.
- Provision of comprehensive set of training programmes, since 2013 over 2,800 training workshops have been delivered. We are on target to exceed 900 workshops again this year.

- Creation of the Housing Academy in partnership with the Chartered Institute of Housing. Recruited 42 Housing apprentices and trainees since August 2015, covering four different development levels. The Housing academy also incorporates sponsorship from internal staff completing a level 4, 5 or 7 Housing studies qualification. There are currently 14 staff members completing this qualification, in addition to the 42 above.
12. **Reward Recognition and support** – The total reward package, including pay and non-financial rewards must be seen as fair and robust to external scrutiny.
- London Living Wage implemented and maintained across the workforce.
 - Extension of Childcare Voucher scheme to 2017
 - Creation of an Employee Discount Platform at no cost to the council
 - From July introduction of free swim and gym facilities for Southwark residents on Fridays and weekends.
13. **Employee engagement & communication** – Employees must trust the organisation and be committed to its goals. They must be empowered to believe that their views count and will be acted upon.
- Results from the 2015 staff survey showed that the majority of employees (70% of the respondents) are satisfied with their jobs. The majority of staff (66%) would speak highly of the council as an employer and service provider.
 - Effective consultation mechanisms in place with the trade unions, especially effective on changes arising from budget restrictions.
14. **Identifying & Developing Leaders** – Employ and develop managers who can demonstrate the courage, energy and capability to deliver organisational goals and work in partnership with others.
- 175 participants in the management development programme.
 - Our Leadership and Management Development programme offers managers at different levels the opportunity to enhance their skills and knowledge to progress their careers. The programme is endorsed by the Institute of Leadership and Management (ILM). At present there are 89 employees on the programme, at a variety of levels. An additional 60 people are due to commence in 2016.
 - Continued increase in BME staff at JNC level. At year end 2013/14 the figure was 14.8%, at 31 March 2015 the figure increased to 17.8%.
15. **Building a workforce for next generation public services** – drawing on the talent and diversity of London communities to create a workforce with the capability and confidence to meet new and changing demands.
- Engaged and supported large numbers of apprentices in many areas of the council's services and with our business partners. Our partners are currently Lend Lease, A&E Elkins, Mears, Saltash, Keepmoat, Capita, Interserve, Conways Aecom, SCCI Alphatrade, and JA Stott Carpentry.
 - Recognising and applauding their contribution to areas such as customer services and individual excellence through the London Borough Apprenticeship Awards for Best Progression and the council's Apprentice of the Year award.

- The Future Leaders Programme has been designed to build the future leadership capability and capacity for the council. This programme aims to provide structured development for individuals with the aspiration and potential to become our future leaders. Programme members will attain qualifications and develop their career in alignment with future council business needs.
16. **Corporate Peer review** – a report was presented to cabinet on 27 January 2016 providing feedback from the corporate peer challenge of Southwark Council that was undertaken by the Local Government Association (LGA) in November 2015.
 17. The LGA reported that there is a great deal for the Southwark to be proud of. The council is highly ambitious and there is a huge passion and pride for the place, which was judged as both impressive and unusual in its extent. There are a number of good partnerships in place and there is a strong commitment by the council and its partners to addressing inequalities. Further, the council demonstrates a real 'can do' attitude and confident approach.
 18. Southwark Council is seen as a good place to work. The council looks after its people and is keen to aid their development, reflected in the securing of the Investors In People (IIP) Gold standard. Performance management operates well at the level of the individual and within individual services. However, the LGA noted that there is a need for a more systematic approach to performance management at the strategic level that drives organisational improvement, which entails managing performance through more cross-cutting measures and linking the reporting of finance and performance together.
 19. The peer review also challenged the council to enable the new management structure to be fully capitalised upon – building relationships, enhancing corporate working and ensuring a further development in collective leadership.
 20. Although there is some crossover with organisational development, now part of Transformation, the workforce strategy will consider how to deliver these recommendations and build this in to the ongoing action plan.

Policy Implications

21. Some action points may require amendments to existing HR policy, or more likely our approach to policies. Where necessary this will be subject to consultation and appropriate governance decision-making.

Community/Equality Impact Statement

22. Any policy changes will be subject to impact assessments.

Resource implications

23. There are no specific implications arising from this report. Existing resources are already in place to meet the strategic aims. Any actions arising which have resource effects will be subject to separate decision-making process and reallocation within existing budget.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law & Democracy

24. The Director of Law & Democracy (acting through the corporate section) notes the content of the report.
25. The report asks Cabinet to note progress made to the council's workforce strategy which was agreed by Cabinet in October 2013 and updated in October 2014.
26. This is in accordance with Part 3B of our constitution.

Strategic Director of Finance and Governance

27. The strategic director of finance and governance notes the recommendations in this report. Where the updates to the council's workforce strategy have financial implications, these will be managed within the existing agreed budgets for 2016/17 for the council's general fund and housing revenue account.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
None		

APPENDICES

No.	Title
None	

AUDIT TRAIL

Cabinet Member	Councillor Peter John, Leader of the Council	
Lead Officer	Gerri Scott, Strategic Director of Housing and Modernisation	
Report Author	Marie Rance, Acting Head of Human Resources	
Version	Final	
Dated	3 March 2016	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Director of Law & Democracy	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team	4 March 2016	

Item No. 15.	Classification: Open	Date: 15 March 2016	Meeting Name: Cabinet
Report title:		Extension of the Voluntary Redundancy Offer	
Ward(s) or groups affected		All wards	
Cabinet Member:		Councillor Fiona Colley, Finance, Modernisation and Performance	

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

The council has been faced with major cutbacks in government funding over the past few years and this situation will continue into the foreseeable future. We have needed to achieve significant savings throughout the organisation, and this has affected the workforce through a reduction in staff resources. The Chancellor’s autumn statement made it clear that budgetary pressures will continue to impact upon local government and that we must continue to make further savings.

The council is committed to protecting those staff most affected wherever possible and to keep the level of compulsory redundancies to a minimum. We must continue to look at opportunities to re-deploy affected staff and make savings through the natural turnover of staff. This approach sits alongside our desire to attract talent where it is needed and modernise our ways of working.

This report proposes the extension of the voluntary redundancy scheme for the council. There are some revisions that reflect forthcoming changes in government legislation and, importantly, uphold integrity in the application of the scheme.

As was the case last year, I will ask the chief executive, as head of paid service, to refresh the scheme with support from statutory officers and the head of human resources, and then implement from April 2016. Effective consultation with the local trades unions will be an important step in this exercise.

I am mindful that the scheme that cabinet approved last year proved attractive to staff and that it was effective in supporting staffing re-organisations. I welcome the recommendation from overview and scrutiny committee that the scheme should be extended and agree that extension of the voluntary redundancy scheme will help to achieve further efficiency savings in 2016/17.

As part of the roll out of the scheme, there must be comprehensive communications with all staff and clear and consistent guidance available to managers.

RECOMMENDATIONS

That cabinet:

1. Agree to extend the provisions of the enhanced voluntary severance scheme for a further six months, up to 30 September 2016.

2. Allow employees to apply for Voluntary Severance until 30 June 2016, with applications considered on a monthly basis by Chief Officers for final decision by the Chief Executive. Where an application is agreed the employee must leave on or before 30 September 2016.
3. Note that the terms of the amended scheme will include a clause advising that employees will not be permitted to undertake paid work for the council; including work through an employment agency, as an interim or consultant, or on a temporary or permanent contract, for at least twelve months after their last day of service.
4. The scheme will also be updated to allow approval of applications for other valid business reasons that relate to an individual employee.

Background information

5. The council's Voluntary Redundancy Offer was considered at cabinet on 17 March 2015. Cabinet agreed to the creation of an enhanced voluntary redundancy scheme for introduction in April 2015.
6. Cabinet delegated to the head of paid service (chief executive) responsibility for the detailed preparation and publication of the scheme in consultation with the cabinet member for finance, modernisation and performance.
7. The scheme approved by the chief executive set out the redundancy policy that would operate for the financial year 2015-2016. Continuance of an enhanced voluntary scheme beyond 31 March 2016 is subject to further review and agreement by the cabinet.
8. The enhanced Voluntary Scheme applies to staff in two specific scenarios (scheme 1 and scheme 2):
 - An employee who is directly affected by a reorganisation or organisational change process during the period 1 April 2015 to 31 March 2016 (Voluntary Redundancy Scheme)
 - An employee who is not directly affected by a reorganisation or organisational change during the period 1 April 2015 to 31 March 2016 but who volunteers for voluntary redundancy on the basis of there being an opportunity to delete a post or to avoid a compulsory redundancy of another employee (Voluntary Severance Scheme).
9. Whilst the benefits on offer are the same for each of these schemes, different time-frames apply. The Voluntary Severance Scheme closed on 31 July 2015, whereas the Voluntary Redundancy Scheme remains open for three months from the initial staff consultation for a reorganisation or organisational change process up to 31 March 2016.
10. A total of 243 employees have left under the enhanced redundancy scheme since it was introduced. 65 people left through the Voluntary Redundancy Scheme and 178 left under the Voluntary Severance Scheme. The annual salary savings for these employees is £10.0m (inclusive on-costs).
11. The total cost of employees leaving under the scheme has been £10.3m. These are considered as exceptional "one-off" costs; comprised of redundancy

and severance payments made to former employees, and where applicable pay in lieu of notice and associated capital costs (one-time pension adjustment costs). This figure can be considered against the annual savings in salary.

12. The Directors Forum group has considered the enhanced voluntary severance scheme. They commented that the scheme has some clear advantages in that the scheme allows staff to leave who were no longer making a full contribution to the council, it has enabled re-organisations to be managed more effectively and that it has rewarded the loyal service of staff. However the disadvantages are that the scheme can be expensive, the rules were sometimes difficult to apply, and that there had been varying approaches in applying the scheme and reaching decisions.

Key issues for consideration

13. The council has a firm commitment to adopting measures that will avoid compulsory redundancies wherever possible and appropriate. The cabinet member for finance, modernisation and performance has advocated this approach, commenting that the council has done all it can to protect those staff most affected. Continuing to provide staff with an opportunity to be considered for voluntary redundancy has certainly proved effective as a measure of keeping the number of compulsory redundancies to a minimum.
14. Over the past five years the council has been subject to significant cutbacks in government funding. This has meant that the council has had to make major savings across the whole of the organisation. This has impacted upon the workforce as staff resources have been reduced to make the required levels of savings.
15. Following the Chancellor's autumn statement it is clear that budgetary pressures will continue across the local government sector and council assembly agreed further efficiency savings in 2016/17. The £1.7m per annum precept agreed by council assembly is a welcome, but very modest measure, when compared to the cuts that Local Authorities have experienced and are facing from government.
16. The government's Enterprise Bill proposes to establish a £95,000 cap on the total value of exit payments made to an individual in relation to their exit from public sector employment. This will include the aggregate of:
 - any payment whether contractual or non contractual made in consequence of loss of employment which includes pay in lieu of notice;
 - all redundancy and severance payments (including any enhancements in excess of statutory limits);
 - payments to reduce or eliminate an actuarial reduction to a pension on early retirement;
 - payments to discharge liability under a fixed term contract
17. Payments which would not be included in the aggregate proposed cap of £95,000 would be:

- payments made for incapacity or death as a result of accident, injury or illness;
 - payments of accrued but untaken holiday;
 - payments made in damages ordered by a court;
 - payments to employees with protected terms following a TUPE transfer.
18. In its consultation government has recognised that there may be legitimate exceptions to the £95,000 cap. The intention is that local authorities would be required to publish a policy on the circumstances where an exception might be considered and agreement of the full council would be required in individual cases. All exemptions would then be required to be published in the authorities annual Statement of Accounts. In addition employers will be required to keep records and publish annually details of all exit payments during the financial year.
 19. The council's approach towards exemption will require further consideration. The initial view is that this will impact on many long-serving employees on mid-range salaries, potentially affecting staff from grade 9 and above or at equivalent salary level.
 20. Further government regulations, due to take effect from April 2016, will allow for the recovery of redundancy and other exit payments made to any employee who returns to the council or any other public sector employer to take up a post with a salary of £80,000 per annum or more within 12 months of leaving their previous employment. This will include payments made as a consequence of leaving employment and include the "pension strain" generated from the early unreduced payment of Local Government Pension Scheme benefits.
 21. There will be a tapered approach towards recovery of payments, with the sum reducing proportionately throughout the 12 month period. Anyone returning to public sector employment after 12 months or more will not face an exit payment recovery.
 22. If there is a need to recover some or all of the exit payment the previous employer must make arrangements to recover the appropriate amount by means of a lump sum, a series of instalments over a period of up to three months or other suitable means.
 23. Whilst there is provision for the exit payment recovery to be waived by full council, details of any such waivers must be recorded and published in the annual Statement of Accounts. The council's approach will require further consideration.
 24. To ensure that employees continue to express an interest in the Voluntary Scheme a reasonable financial incentive must remain on offer. The level of applications submitted during 2015/16 provides a firm indication that the redundancy package on offer through the enhanced scheme is attractive to staff.
 25. The current voluntary severance scheme considers requests on the following criteria:

- The post occupied can be removed and savings accrued
 - A compensatory post in the same business unit can be removed and savings accrued
 - The post occupied can be offered for redeployment thus reducing compulsory redundancies elsewhere.
26. Consideration should be given to extending the scheme so that chief officers may submit a business case to the chief officer recommending Voluntary Severance for other valid business reasons.
27. A benchmarking exercise undertaken with other London local authorities concluded that a number have a Voluntary Redundancy scheme in place and that the majority of authorities offered enhanced entitlements to the statutory requirement.
28. It is important to maintain the integrity of any Voluntary Redundancy scheme adopted and ensure that it adheres to the council's Fairer Futures principles in relation to spending money. Employees should not be seen to take advantage of the scheme provisions by taking redundancy payments and then returning to work for the council under different circumstances for a reasonable period.
29. The amended version of the scheme will include a provision that employee will not be allowed to undertake any paid work for the council for at least twelve months after they have left under the enhanced redundancy scheme. This will extend to work undertaken as an interim or agency worker, as a consultant, or through a temporary or permanent contract. The specific wording for this element of the scheme will be reviewed and agreed in advance of implementation, with proper processes established to ensure this is effectively managed.

Policy implications

30. This report proposes the extension of the council's enhanced voluntary redundancy offer through an amended version of the scheme. Responsibility for the detailed publication of the revised scheme to be delegated to the head of paid service (chief executive) in consultation with the cabinet member for finance, modernisation and performance. The revised scheme will be supplemented by existing HR policy and procedures.

Community impact statement

31. The new scheme will be subject to a full equality analysis and monitored accordingly to ensure that there is no disproportionate impact on any staff group. Information collated on people leaving through Voluntary Redundancy under scheme 1 and scheme 2 indicates that there has not been any disproportionate impact to date. The profiles of those leaving are broadly reflective of the overall workforce in terms of disability, ethnicity and gender. However there has been a higher proportion of employees leaving who are aged 55 and above. This is understandable as the pension benefits make the scheme more attractive to employees who are over 55 years of age.

Resource implications

32. Extension of the voluntary redundancy scheme specific will require additional resourcing for human resources and pension's administration in support of staff and their managers. This resource requirement is likely to be particularly intense during the initial phase of the scheme.
33. The enhanced packages come at a cost to the council but would be subject to assessment in the context of the efficiency of the service and longer term financial considerations. Any compulsory redundancy costs are incurred in the year in which the payments are made to the individual from either revenue budgets or reserves earmarked for the purpose. These financial arrangements are unlikely to change as part of the revised scheme and are not possible to quantify in advance of understanding the likely take up.
34. Decisions on accepting applications for voluntary severance must be taken in the light of the impact on and risks for service continuity, and with hand over arrangements as necessary.

Legal implications

35. The report seeks cabinet approval to extend an updated version of the enhanced voluntary severance scheme and delegates final approval of the scheme to the cabinet member for finance, modernisation and performance.
36. The council does not have the power under section 31 of the London County council (General Powers) Act 1921 as amended to grant a discretionary severance payment to employees who are not active members of the pension scheme.
37. The council does have power under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (which also extend application beyond redundancy to other types of termination, notably "termination in the interests of the efficiency of the service" and ending a joint appointment when one joint employee is no longer employed).
38. The enhanced voluntary severance scheme implemented by the council will need to have regard to the provisions of the Equality Act 2010 and objectively justify it with real evidence and accordingly a full equality analysis should be undertaken.

Financial implications

39. The financial impacts will be monitored closely throughout implementation of the scheme. It is noted that the scheme is subject to affordability, criteria to be set as appropriate as part of the consultation exercise.
40. Costs will need to be contained within existing budgets and from earmarked reserves that are available either directly or indirectly that support the scheme.
41. There are no financial implications arising directly from this report although the costs of any final scheme approved will need to be properly assessed and monitored.

Consultation

42. The head of human resources has consulted with trade unions about extending the scheme. The trade unions would like the Enhanced Voluntary Redundancy scheme to apply to all re-organisations, but the head of human resources advised that this approach should not be necessary at this stage. There will be further consultation as details of the scheme are updated in advance of implementation.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Democracy

43. The report seeks cabinet approval to extend the enhanced voluntary severance scheme for a further 6 month period up to the 30 September 2016 and amend the scheme to restrict employees from undertaking paid work for the council for 12 months after their last day of service. The revised scheme will also include a provision to allow approval of applications for other valid business reasons that relate to an individual employee.
44. Under the provisions of the London County Council Act 1921 as amended and the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006, the council has the power to make discretionary severance payments to employees and to terminate employment in the interest of the efficiency of the service.
45. The revised scheme must have regard to the Equality Act 2010 and the protected characteristics, an equalities analysis of the impact of these changes should be undertaken and kept under review.
46. Under Part 3C of the constitution approval of major terms and conditions of employment outside the national and provincial schemes are reserved to cabinet for approval.

Strategic Director of Finance and Governance (FC15/055)

47. The Strategic Director of Finance and Governance notes the recommendations in this report for the extension of the voluntary redundancy offer into the financial year 2016/17. The costs arising will need to be met within existing budgets as agreed by cabinet in January 2016 for the Housing Revenue Account, and council assembly in February 2016 for the general fund.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Report presented to Cabinet on 17 March 2015	Southwark Council 160 Tooley Street London SE1 2QH	Marie Rance Acting Head of HR 020 7525 0714
http://modern.gov.southwark.gov.uk/ieListDocuments.aspx?CId=302&MId=4868&Ver=4 (item 21)		
Current Voluntary Redundancy Policy	Southwark Council 160 Tooley Street London SE1 2QH	Marie Rance Acting Head of HR 020 7525 0714

APPENDICES

No.	Title
Appendix 1	Summary of employees leaving through the enhanced Voluntary Scheme in 2015/16

AUDIT TRAIL

Cabinet Member	Cllr Fiona Colley, Cabinet Member for Finance, Modernisation and Performance	
Lead Officer	Eleanor Kelly, Chief Executive	
Report Author	Marie Rance, Acting Head of Human Resources	
Version	Final	
Dated	4 March 2016	
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		4 March 2016

Item No. 16.	Classification: Open	Date: 15 March 2016	Meeting Name: Cabinet
Report title:		Motions Referred from Council Assembly	
Ward(s) or groups affected:		All	
From:		Council Assembly	

RECOMMENDATION

1. That the cabinet considers the motions set out in the appendices attached to the report.

BACKGROUND INFORMATION

2. Council assembly at its meetings on Tuesday 26 January 2016 agreed several motions and these stand referred to the cabinet for consideration.
3. The cabinet is requested to consider the motions referred to it. Any proposals in a motion are treated as a recommendation only. The final decisions of the cabinet will be reported back to the next meeting of council assembly. When considering a motion, cabinet can decide to:
 - Note the motion; *or*
 - Agree the motion in its entirety, *or*
 - Amend the motion; *or*
 - Reject the motion.

KEY ISSUES FOR CONSIDERATION

4. In accordance with council assembly procedure rule 2.10(6), the attached motions were referred to the cabinet. The cabinet will report on the outcome of its deliberations upon the motions to a subsequent meeting of council assembly.
5. The constitution allocates responsibility for particular functions to council assembly, including approving the budget and policy framework, and to the cabinet for developing and implementing the budget and policy framework and overseeing the running of council services on a day-to-day basis.
6. Any key issues, such as policy, community impact or funding implications are included in the advice from the relevant chief officer.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Council agenda	Report on the council's website	Lesley John Constitutional Team 020 7525 7228
Link: http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=132&MId=5066&Ver=4		

LIST OF APPENDICES

Number	Title
Appendix 1	Environment, public realm and regeneration
Appendix 2	Transport in Rotherhithe
Appendix 3	The power to set a real living wage
Appendix 4	Blacklisting

AUDIT TRAIL

Lead Officer	Ian Millichap, Constitutional Manager	
Report Author	Lesley John, Constitutional Officer	
Version	Final	
Dated	2 March 2016	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Chief Executive	Yes	No
Strategic Director of Environment and Leisure	Yes	No
Strategic Director of Finance and Governance	Yes	No
Director of Law and Democracy	Yes	No
Cabinet Member	No	No
Date final report sent to Constitutional Team	2 March 2016	

ENVIRONMENT, PUBLIC REALM AND REGENERATION

At council assembly on Tuesday 26 January 2016, a motion entitled 'environment, public realm and regeneration' was moved by Councillor Darren Merrill and Councillor Mark Williams. The motion was agreed and stands referred to the cabinet as a recommendation.

RECOMMENDATION

Regeneration

1. That council assembly recognises that Southwark is one of the most exciting boroughs in the country in terms of regeneration, with significant investment in the borough delivering new affordable homes, jobs and community benefits.
2. That council assembly commends this administration's approach to regeneration, which has secured the second highest level of affordable house-building in the country, with 3,760 new affordable homes built in Southwark between 2010-11 and 2014-15.
3. That council assembly welcomes this administration's commitment to ensuring regeneration benefits local people by delivering affordable homes to rent and for low cost home ownership, building new community facilities and creating jobs and opportunities for Southwark residents.
4. That council assembly notes that Southwark also has the most ambitious council house building programme in the country - 11,000 new council homes built by 2043, with the first 1,500 by 2018, with every one of the new homes available to Southwark residents at council rents.
5. That council assembly calls on other London boroughs to play their part in solving London's housing crisis by following Southwark's lead and building new affordable homes.
6. That council assembly condemns the previous Liberal Democrat and Conservative Coalition government's cut to the affordable housing grant, which has made it more difficult for local authorities to build new council homes.
7. That council assembly also condemns the government's proposals to limit new affordable housing and to force the sell off of council homes through the Housing and Planning Bill, which will significantly reduce council housing in Southwark, damage our ability to build much needed new homes and lead to an increase in homelessness and overcrowding.
8. That council assembly calls on the cabinet to:
 - Work with partners across the borough to increase local employment in construction so that Southwark residents are able to take advantage of opportunities from regeneration programmes.
 - Lobby the government to reconsider it's disastrous proposals on the forced sale of council homes.
 - Lobby the government for an exemption for local authorities on council house building programmes from 'starter home' quotas, which will be unaffordable

for the majority of Southwark residents, to ensure new homes in the borough are genuinely affordable to households on lower incomes.

Environment and public realm

9. That council assembly recognises the importance of ensuring development in our borough is sustainable and welcomes this administration's commitment to the environment, including:
 - Reducing the amount of waste sent to landfill to less than 1%, with Southwark now the best recycling borough in inner city London.
 - Committing to run entirely on green energy by 2050.
 - Delivering a new energy hub that will deliver zero-carbon, affordable heat and hot water to residents and businesses across Elephant Park.
10. That council assembly recognises that poor air quality is a significant problem for Southwark and that 28,800 children in our borough breathe poor air and approximately 110 people die in Southwark prematurely every year from poor air quality. Council assembly therefore calls on Transport for London (TfL) to take action on air quality and to extend the ultra low emissions zone to cover the whole borough and the rest of inner London.
11. That council assembly reaffirms the council's formal objection to TfL's plans for the new Silvertown Tunnel due to the negative impact increased congestion will have on air pollution levels in Southwark, particularly on approaches to the Rotherhithe tunnel, and calls on TfL to address the council's concerns and recommendations in its proposals.
12. That council assembly welcomes this administration's commitment to sustainable transport, to promote active journeys, minimise the environmental impact of transport and improve the public realm to make the borough a safer, cleaner and healthier place to live and work.
13. That council assembly welcomes the 2.7 miles of quietways that have already been introduced in the borough and the commitment to deliver 21.26 more miles, as well as the introduction of the Southwark Spine, which will improve cycling in the borough and help increase the number of people choosing to cycle.
14. That council assembly welcomes the steps being taken to improve the public realm, including at Canada Water, Peckham and the Aylesbury, to clean up the borough's high streets, such as Rye Lane and Walworth Road, and to invest in the social infrastructure of our borough, including new libraries, a new leisure centre and new parks, such as the new Camberwell library, the new Castle leisure centre and a £6m investment in 6 parks around Elephant and Castle.

APPENDIX 2**TRANSPORT IN ROTHERHITHE**

At council assembly on Tuesday 26 January 2016, a motion entitled ‘transport in Rotherhithe’ was moved by Councillor Kath Whittam and seconded by Councillor Bill Williams. The motion was agreed and stands referred to the cabinet as a recommendation.

RECOMMENDATION

1. That council assembly recognises that there are significant traffic problems on the Rotherhithe peninsula, with the high demand for river crossings making the Rotherhithe area particularly susceptible to congestion from tunnel related traffic, which is detrimental to the local environment, particularly air quality, and can make local trips difficult.
2. That council assembly further recognises that the significant growth planned in the Canada Water area, including an increase in new homes and job opportunities, will require a significant investment in transport infrastructure.
3. That council assembly therefore calls on Transport for London and the Mayor of London to:
 - Upgrade the existing public transport network, including increasing capacity on the overground, tube and buses
 - Take action to tackle congestion on Jamaica Road
 - Enhance pedestrian and cycle links and bring forward plans for a pedestrian and cycling bridge from Rotherhithe to Canary Wharf to alleviate congestion
 - Extend the cycle hire scheme to Rotherhithe
 - Explore means of integrating river transport into the network to make sure that residents in Rotherhithe get the full benefit from the river as a mode of transport
 - Address in a full and proper manner the concerns and recommendations raised by the council in relation to the proposals for the new Silvertown Tunnel, which will impact negatively on the quality of life of a vast number of people who live and work in the borough.

THE POWER TO SET A REAL LIVING WAGE

At council assembly on Tuesday 26 January 2016, a motion entitled 'the power to set a real living wage' was moved by Councillor Hamish McCallum and seconded by Councillor Anood Al-Samerai. The motion was subsequently amended and the amended motion stands referred to the cabinet as a recommendation

RECOMMENDATION

1. That council assembly welcomes the cross-party support for the London Living Wage since the motion agreed by council in November 2008 and the steps taken in Southwark in 2012 to introduce the London Living Wage for all staff, including contractors as well as the council's directly employed staff.
2. That council assembly notes the progress in implementing the London Living Wage policy in Southwark and the proposal for a Living Wage Zone as part of the Canada Water regeneration area.
3. That council assembly welcomes the council's on-going work to support the Living Wage, including:
 - Celebrating employers who are promoting and encouraging the practice of paying the Living Wage to apprentices through our Southwark apprenticeship standards.
 - Working with organisations across London to inform the development of new policy and activities relating to Living Wage through the upcoming Living Wage Symposium.
 - Supporting the creation of a London Living Wage zone at More London.
4. That council assembly further notes that Preston City Council in partnership with 'Unlock Democracy' is considering submitting the following proposal to government under the Sustainable Communities Act:

'To delegate power to local authorities to compel all private and public sector employers within their area to pay the Living Wage. The rate of the Living Wage to be determined in accordance with the rates set by the Living Wage Foundation for London and outside London.'
5. That council assembly believes that this power could reduce in-work poverty in Southwark and benefit the local economy through a multiplier effect in each local authority area it is introduced.
6. That council assembly further believes that as part of the negotiating process with the relevant Secretary of State, all or some of the benefits to government through increased income tax revenue and reduced welfare spending be used to enforce the new power and help local businesses which may struggle to move to the new rate. The case should also be strongly made for additional resources, so that councils can enforce the Living Wage effectively.
7. That council assembly therefore calls on the cabinet to express its interest in joining Preston City Council in any collective submission to the government under the Sustainable Communities Act, and to work together with the Unlock Democracy

campaign to gain support for the proposal from other councils in London and across the country.

BLACKLISTING

At council assembly on Tuesday 26 January 2016, a revised motion entitled 'blacklisting' was formally moved and seconded by Councillors Richard Livingstone and Mark Williams. The revised motion was agreed and stands referred to the cabinet as a recommendation.

RECOMMENDATION

1. That council assembly is aware of the destructive practice of blacklisting that occurred for decades in the UK construction industry and the disastrous effects it had on many of the workers that were included on the blacklist.
2. That council assembly notes that most of the workers on the blacklist of The Consulting Association were trade unionists, many of them were blacklisted for raising legitimate health and safety concerns with their employer.
3. That council assembly recognise that because of this administration's commitment to new affordable housing, lots of new homes are being built in Southwark, which is also providing opportunities for local people in construction work. We take the safety of our residents, staff and contractors very seriously and believe strongly that people who raise health and safety concerns should not be blighted for their working life through blacklisting.
4. That council assembly notes that the council already has a process in place for Major Works contracts to identify any companies that have made use of the blacklist in the past to ensure that they have put in place actions to prevent such behaviour recurring and to compensate those victimised by the practice. Council assembly believes that this good practice should be adopted in its other contracts.
5. That this council is determined that blacklisting should never occur again and calls on cabinet to:
 - Make provision in Southwark Council's public tendering procedures to exclude blacklisters from public contracts if they are either still blacklisting or have not put into place genuine actions agreed by the blacklisted workers or their representatives concerning past blacklisting activities
 - Make provision in the council's terms and conditions for public works that provide for the termination of the contract if a supplier is found to engage in blacklisting activities during the course of that contract
 - Make provision to include blacklisting and trade union membership in the pre-qualification questionnaire for new construction contracts.

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CABINET AGENDA DISTRIBUTION LIST (OPEN)**MUNICIPAL YEAR 2015/16**

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Paula Thornton/Virginia Wynn-Jones Tel: 020 7525 4395/7055

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