

Cabinet

Tuesday 9 May 2017

4.00 pm

Ground Floor Meeting Room G02A - 160 Tooley Street, London SE1 2QH

Membership

Councillor Peter John OBE (Chair)
Councillor Stephanie Cryan

Councillor Fiona Colley
Councillor Barrie Hargrove
Councillor Richard Livingstone
Councillor Victoria Mills
Councillor Johnson Situ

Councillor Mark Williams
Councillor Ian Wingfield
Councillor Maisie Anderson

Portfolio

Leader of the Council
Deputy Leader and Cabinet Member for
Housing
Finance, Modernisation and Performance
Communities and Safety
Adult Care and Financial Inclusion
Children and Schools
Business, Culture and Social
Regeneration
Regeneration and New Homes
Environment and the Public Realm
Currently on maternity leave

INFORMATION FOR MEMBERS OF THE PUBLIC

Access to information

You have the right to request to inspect copies of minutes and reports on this agenda as well as the background documents used in the preparation of these reports.

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Access

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Contact

Paula Thornton 020 7525 4395 or email: paula.thornton@southwark.gov.uk

Members of the committee are summoned to attend this meeting

Councillor Peter John

Leader of the Council

Date: 28 April 2017



Cabinet

Tuesday 9 May 2017

4.00 pm

Ground Floor Meeting Room G02A - 160 Tooley Street, London SE1 2QH

Order of Business

Item No.	Title	Page No.
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PART A - OPEN BUSINESS

MOBILE PHONES

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

1. APOLOGIES

To receive any apologies for absence.

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

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

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

1

To note the items specified which will be considered in 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.

Item No.	Title	Page No.
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 3 May 2017.	
6.	MINUTES	2 - 14
	To approve as a correct record the minutes of the open section of the meeting held on 21 March 2017.	
7.	DEPUTATION REQUESTS	
	To consider any deputation requests. The deadline for the receipt of deputation requests is midnight Wednesday 3 May 2017.	
8.	PETITION FROM BE ACTIVE SOCIAL ENTERPRISE - TENNIS IN SOUTHWARK	15 - 18
	To consider a petition from Be Active Social Enterprise relating to tennis in Southwark.	
9.	GAINING INDEPENDENCE: TRANSFORMING SUPPORT AND HOUSING FOR SOUTHWARK LOOKED AFTER CHILDREN/CARE LEAVERS AND YOUNG PEOPLE AT RISK OF HOMELESSNESS AGED OVER 16 YEARS	19 - 101
	To accept the findings of the young people aged 16+ project and approve recommendations.	
10.	ELEPHANT AND CASTLE SHOPPING CENTRE EQUALITIES ANALYSIS AND MITIGATION PROJECTS	102 - 118
	To note the findings of the equalities analysis and agree recommendations.	
11.	AYLESBURY REGENERATION PROGRAMME DELIVERY	119 - 132
	To note the significant progress made since September 2016 and variations to the detail of the developments. To agree to consult affected residents about bringing forward the start of the rehousing programme for phase 3 and the basis of the new delivery agreement.	
12.	LAND AT COMMERCIAL WAY, PECKHAM	133 - 143
	To approve the appropriation of land for development proposals in the area.	

Item No.	Title	Page No.
13.	PROPOSED ACQUISITION OF FREEHOLD INTEREST IN LAND IN THE OLD KENT ROAD OPPORTUNITY AREA	144 - 148
	To agree recommendations in respect of the acquisition of the freehold interest in land in the Old Kent Road opportunity area.	
14.	NEW HOMES DELIVERY PROGRAMME	149 - 177
	To note the progress on the new building programme, the current list of approved schemes and the review of the charter of principles. To approve the pilot work to provide a Community Land Trust in Southwark, subject to agreeing funding with the Greater London Authority.	
15.	GATEWAY 1: PROCUREMENT STRATEGY APPROVAL - LEASEHOLD AND ANCILLARY PROPERTIES BUILDINGS INSURANCE	178 - 191
	To approve the procurement strategy to undertake an EU procurement for the leasehold and ancillary properties buildings insurance contract.	
16.	GATEWAY 1: PROCUREMENT STRATEGY APPROVAL - MANAGED SERVICE FOR TEMPORARY STAFF	192 - 208
	To approve the procurement strategy to delivery the council's managed services for temporary staff.	
17.	MOTIONS REFERRED FROM COUNCIL ASSEMBLY	209 - 220
	To consider motions on the following:	
	• Age Friendly Borough • Don't shaft Faraday • Tackling congestion in Jamaica Road • Save Southwark post office services • The Dubs' Amendment • NHS sustainability and transformation plan.	
	DISCUSSION OF ANY OTHER OPEN ITEMS AS NOTIFIED AT THE START OF THE MEETING	

EXCLUSION OF PRESS AND PUBLIC

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

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

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

PART B - CLOSED BUSINESS**18. MINUTES**

To approve a correct record the closed minutes of the meeting held on 21 March 2017.

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

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

Date: 28 April 2017



NOTIFICATION OF CLOSED BUSINESS FOR URGENT CONSIDERATION BY AN EXECUTIVE DECISION MAKING BODY

The required 28 days notice relating to a decision likely to be considered in closed session has not been given on the forward plan in respect of the decision detailed in this document. The matter is considered to be urgent and cannot be reasonably deferred for a further 28 days to enable the required notice to be given. Details of the issue are set out below.

Note: This notice applies to meetings of the cabinet, cabinet committee or community councils considering an executive function.

DECISION MAKER

Name of decision maker: Cabinet

Date of meeting: 9 May 2017

LEAD OFFICER DETAILS

Name and contact details: Tim Cutts – 020 7525 5380
or email: tim.cutts@southwark.gov.uk

DETAILS OF THE REPORT

Title and brief description of the nature of the business to be considered:

Proposed Acquisition of Freehold Interest in Land in the Old Kent Road opportunity area

An opportunity has arisen to purchase land in the Old Kent Road opportunity area. The land is currently being marketed. Officers have submitted an offer for the land, subject to formal approvals. Formal approval needs to be given as soon as possible to enable the sale to proceed.

What is the potential cost to the council if the decision is delayed?

If the decision is delayed, the council may lose the opportunity to acquire the land.

How long has the department known the decision required a closed report?

Mid April 2017.

Everton Roberts
For Proper Constitutional Officer
Dated: 28 April 2017



Cabinet

MINUTES of the OPEN section of the Cabinet held on Tuesday 21 March 2017 at
4.00 pm at the Council Offices, 160 Tooley Street, London SE1 2QH

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

1. APOLOGIES

Apologies for absence were received from Councillor Maisie Anderson who was on maternity leave.

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

The chair gave notice of the following late items:

- Item 7: Deputation requests

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

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

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

The Leader indicated that he would be varying the order of business on the agenda; items 12: Response to Central London Area Based Review of Skills and 13: Passmore Centre Investment Plan would be considered directly after item 8: Cultural Strategy Refresh 'Creative Southwark 2017 to 2022'.

4. DISCLOSURE OF INTERESTS AND DISPENSATIONS

Councillor Johnson Situ declared a non-pecuniary interest in item 12: Response to Central London Area Based Review of Skills as he was a governor of Lewisham and Southwark College, and indicated that he would not take part in the discussion or decision on the item.

5. PUBLIC QUESTION TIME (15 MINUTES)

Public Question from Mr Adam McGibbon

As a Southwark resident, I welcome the ground-breaking commitment from Southwark Council to divest the council's funds from fossil fuels. I know that I and many others are grateful. Will the council tell us when it intends to bring forward a timetable to make this happen?

Response from Cabinet Member for Finance, Modernisation and Performance

Southwark presented a draft Investment Strategy Statement (ISS) for the Pension Fund to the Pensions Advisory Panel, of which I am the chair, on 7 March 2017. The ISS set out our firm commitment, to which you refer, regarding the approach to Fund investments in fossil fuels. Following this Pensions Advisory Panel meeting and positive discussions between Southwark and Client Earth; a final version of the ISS has been published on our website.

This is available at:

http://www.2.southwark.gov.uk/info/200175/pensions/1503/pension_fund

A key paragraph on our approach to responsible investment from the ISS is shown below.

“The Fund recognises the growing financial risks associated with investment in traditional energy sources and is fully committed to the continued reduction in exposure to fossil fuel. The Fund commits to transferring over time any current investments in these traditional energy sources in a way that is both structured and affordable and also meets the Fund's fiduciary duties.”

The Fund, in conjunction with our investment advisors, is in the early stages of a thorough review of the current investment management strategy; the initial results of this review will be taken to the Pensions Advisory Panel in June 2017. This report will set out a timetable for reducing the carbon exposure of the fund. The investment review is being undertaken on the basis that changes to the strategy must meet our environmental social and governance policy, outlined in the ISS, and the commitment to ultimately eliminate investment in fossil fuels.

The transition away from fossil fuel investments must be realised through a structured and evidenced based strategy that also complies with the clear fiduciary duties of the Fund. There is a wide variety of differing investment options available to meet our commitment and we must consider all such possibilities. In doing so we must also ensure that the overall investment management strategy of the Fund is best placed to meet the key objectives and risks associated in the management of a defined benefit pension fund with

investment assets and pension liabilities of c£1.5bn. As with any investment decision, Southwark will produce a full and proper business case to determine the most appropriate course of action that ensures value for money for our members and residents.

We also recognise the important of being open and transparent with our stakeholders as to our progress made and will ensure that information taken to the Pensions Advisory Panel for our ongoing investment review will be made available on our website:

http://www.2.southwark.gov.uk/info/200175/pensions/1503/pension_fund

As a part of this review process we have already met with our two existing passive equity fund managers to outline our new ISS, to hear about their existing investment funds (such as the LGIM Future World Fund) and to hear their ideas about the kinds of investment options that could be developed.

Whilst we are progressing with the investment strategy review, the Fund has continued to play a key role within the Local Authority Pension Fund Forum (LAPFF) in order to utilise the engagement potential of 71 other Local Authority partners to pressure companies to adopt best practice in governance and responsible business practices.

Southwark is a shareholder in the London Collective Investment Vehicle (CIV) which was created to pool investment assets of the London based Local Government Pension Funds. I attended a CIV workshop specifically on ethical investment and stewardship and was pleased that a number of Funds are planning to adopt a similar approach to our own. We have in recent weeks sought to collaborate with other local authority partners in the pursuit of responsible investment strategies and opportunities.

We are proud to be at the forefront of this important and necessary change in investment philosophy both in London and nationally, and will seek to lead investment debate in this direction. We recognise that such a change is not possible overnight but we will continue unwavering in our ambition to reduce and ultimately eliminate Southwark's exposure to fossil fuel investments, and look forward to sharing our success with our residents and Fund membership.

Supplemental question

Adam McGibbon asked if the initial results report of the review of the current investment management, due to be considered by the Pensions Advisory Panel in June 2017, would also be seen by the Local Pensions Board.

Councillor Fiona Colley indicated that as the chair of the Local Pensions Board would be invited to the meeting of the Pensions Advisory Panel in June, and that due to the fact that part of the role of the Local Pensions Board was to scrutinise the work of the Panel, they would be able to examine the report further should they so wish.

Public Question from Judi Bos

The judge at the judicial review (JR) hearing (January) stated the council should ameliorate leaseholders' situations. Why then has the non-binding arbitration (agreed at cabinet 20 September 2016) been delayed pending the JR (May) and why has demolition started, prejudicing the outcome of the further inquiry the council seeks through the JR?

Response from Cabinet Member for Regeneration and Homes

At the permission hearing on 18 January 2017, the council was granted leave to pursue an application for judicial review of the Secretary of State's decision not to confirm the council's Compulsory Purchase Order for the Aylesbury Phases 1b/1c. A key issue with regard leaseholders is reaching fair valuation in line with the CPO compensation code, and supporting resident leaseholders to stay in the area through a range of re-housing options depending on individuals' circumstances. In granting the council leave to pursue its application, Mr Justice Collins also recommended further discussions between the council and the Secretary of State regarding what the council can do to ameliorate the situation for resident leaseholders in the absence of further specific guidance on this. The hearing into the council's challenge has been set for 9 May. The council is continuing to negotiate with remaining leaseholders to acquire the outstanding properties by agreement. There are now just 4 resident and 3 non-resident leasehold interests remaining within Phase 1b/1c.

Non-binding arbitration is one of a number of alternative dispute resolution mechanisms available to Aylesbury leaseholders, who agree in principle to sell back their property to the council but are in dispute with the council over the value of their property, having reached an impasse following extensive negotiations. The principle of non-binding arbitration was agreed at Cabinet for leaseholders in Phase 2 onwards on 7 June 2016, and was later extended by cabinet on 20 September 2016 to leaseholders in Phase 1b/1c. It is, therefore, currently available to all Aylesbury leaseholders, where the individuals' cases permit (for example, leaseholders would need to be in full, undisputed ownership of their property, or have the express agreement of all parties with an interest in the property).

On 20 September 2016, Cabinet approved a range of priority work streams to maintain momentum on the regeneration of the estate. These included the commencement of partial site demolition of the First Development Site, comprising demolition of four existing vacant blocks at 69 - 76, 77 - 105 and 106 - 119 Chartridge and 42 - 256 Bradenham, with provisions for this to be extended to include further blocks within the FDS, as and when these become vacant. The council's position is that refurbishment of the estate was not a viable option, which was also supported by both the Planning Inspector and the Secretary of State. Confirmation of the CPO is not required for the council to undertake demolition of these blocks, and Cabinet took this decision in the knowledge that a process to judicially review the Secretary of State's decision would proceed in parallel to these works. The demolition contract was entered into in November 2016, and the works are now well underway on site with 69-76 Chartridge already demolished to slab level.

Supplemental question

Judi Bos asked for further information regarding the non-binding arbitration, and expressed concerns that demolition of ramps had already started in some places, and that disabled residents would still require access, and as such, temporary ramps would need to be put in place, incurring a further cost that could have been avoided.

Councillor Mark Williams responded that he would need to look into the issues that had been raised in further detail and supply a written response outside of the meeting, and made assurances that the council would continue to work with residents on a number of issues as well as those relating to the non-binding arbitration.

6. MINUTES

RESOLVED:

That the minutes of the meeting held on 7 February 2017 be approved as a correct record and signed by the chair.

7. DEPUTATION REQUESTS

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

RESOLVED:

That the deputation request be received.

The deputation's spokesperson for Southwark City Tennis Club, Mr Milton Gayle, addressed the cabinet regarding concerns about the re-procurement of tennis provision in Burgess Park, and the need for affordable and accessible tennis facilities to continue to be provided in the park.

Cabinet thanked the deputation for their submission. Councillor Wingfield suggested that Mr Gayle be invited to a meeting about the re-procurement which would be taking place the following week.

8. CULTURAL STRATEGY REFRESH 'CREATIVE SOUTHWARK 2017 TO 2022'

Councillor Johnson Situ indicated that this was a joint report with Councillor Octavia Lamb, deputy cabinet member for cultural strategy, who was also present at the meeting.

RESOLVED:

That the proposed Cultural Strategy 'Creative Southwark 2017 to 2022' be agreed.

9. APPROVAL TO GO OUT TO PUBLIC CONSULTATION FOR THE INTRODUCTION OF PUBLIC SPACE PROTECTION ORDERS (PSPOS) TO TACKLE DOG RELATED ANTI-SOCIAL BEHAVIOUR (ASB)

RESOLVED:

1. That the recommendation to begin public consultation with the intention to gain public view on the introduction of PSPOs to tackle dog related Anti-social behaviour, as prescribed under The Anti-Social Behaviour (ASB) Crime and Policing Act 2014 be approved.
2. That it be noted that the consultation will be for a period of six weeks, and
 - a) will seek public view on the following proposed PSPO provisions:

Proposed PSPO provision	Proposed Area
Dog faeces must be cleaned up by those responsible for their dog(s)	Borough Wide
Dogs must be put on lead when instructed to do so by and authorised officer	Borough Wide
Dogs must be kept on a lead or Dog Exclusion Areas	Nunhead Cemetery Camberwell Old Cemetery Camberwell New Cemetery
Dog exclusion areas	Children's Play areas within Parks and Open Spaces Children's play areas within housing estates
A maximum number of dogs with one handler (four maximum)	One Tree Hill (Replacing current Dog Control Order provision)

b) ask the public for their view on further options for extending controls.

10. CUSTOMER ACCESS STRATEGY REFRESH

RESOLVED:

1. That the refreshed customer access strategy contained within Appendix 1 of the report be noted and endorsed.
2. That the equality and health analysis at Appendix 2 of the report be noted.
3. That it be noted that the progress and delivery of the refreshed customer access strategy will be reported through an action plan based on the commitments set out in the strategy and at regular annual reporting on the council plan itself.

11. GATEWAY 1- PROCUREMENT STRATEGY APPROVAL: DOOR ENTRY AND WARDEN CALL CONTRACT

RESOLVED:

That the procurement strategy outlined in the report for a door entry and warden call contract at an estimated annual cost of £1,210,000 for a period of four years from 1 June 2018 with the option of one or more extensions for a maximum of two years, making a total estimated contract value of £7,260,000 be approved.

12. RESPONSE TO CENTRAL LONDON AREA BASED REVIEW OF SKILLS 2016

Councillor Johnson Situ withdrew for the discussion and decision making on this matter.

RESOLVED:

1. That the recommendations of the Central London Area Based Review of Skills report (Appendix 2 of the report) be noted.
2. That it be noted that the council does not support a merger of Lewisham and Southwark College with the Newcastle College Group, as in the council's view the best interests of Southwark's learners are served by a local solution involving a merger with another London provider.
3. That it be noted that the council will expect the outcomes of college mergers proposed locally to deliver a secure and improved quality offer for Southwark learners especially those with additional needs and support. This will include addressing basic skills provision in literacy and numeracy, working with schools and ensure quality pathways into higher level technical learning and employment, meeting local employer and stakeholder priorities and safeguarding local physical assets and real property.
4. That the proposals for implementation of the area review through sub-regional skills and employment boards and the proposal to devolve the 19+ Adult Education Budget (circa £400m per annum) to London with the associated funding streams and powers devolved to the GLA from 2019-2020, be noted.
5. That the council use the opportunity of the devolution of the adult education budget to influence local and regional skills provision, in a way that best serves the needs of Southwark learners and local employers.
6. That agreement be given to the development of a local skills strategy, working alongside further and higher education providers, the council's Business Forum as well as schools to support the delivery of a high quality FE and skills offer in the borough.
7. That cabinet receive a report back on progress in summer 2017.

13. PASSMORE CENTRE INVESTMENT PLAN

An equality impact assessment was circulated for this item contained in supplemental agenda no.1.

RESOLVED:

1. That the final proposals for the Passmore Centre detailed in the London South Bank University Business Plan (Appendix 1) and the outcomes contained therein be noted.
2. That authority for future decisions concerning the implementation of the Passmore Centre be delegated to the strategic director for children's and adults' services in consultation with the strategic director of finance and governance.

3. That it be noted that the investment in the Passmore Centre forms a key part of an overall longer term skills strategy aligned to the Council Plan and focused on outcomes that the council would wish to achieve as a result.

14. GATEWAY 1 - PROCUREMENT STRATEGY APPROVAL PROPOSED EXPANSION OF ROTHERHITHE PRIMARY SCHOOL

RESOLVED:

1. That professional services and the design team contract for Rotherhithe Primary School at an estimated value of £2,200,000 for a period of 52 months be approved.
2. That the main works contractor for the construction of Rotherhithe Primary School at an estimated value of £18,000,000 including contingency for a period of 22 months be approved.
3. That gateway 2 decisions for this project be delegated to the strategic director of children's and adults' services.

15. GATEWAY 2 - CONTRACT AWARD APPROVAL - THE CHARTER SCHOOL EAST DULWICH (TCSED) - PHASE 1 WORKS CONTRACT

RESOLVED:

1. That the award of the design and build contract for the Phase 1 works on Parcels 1 and 2 for The Charter School East Dulwich to Kier Construction Ltd for a contract period of approximately 72 calendar weeks commencing on 18 April 2017 and completing on 3 September 2018 be approved.
2. That a total expenditure of £25,325,000 for the works and associated costs with the phase 1 development be approved.
3. That the award be subject to the council's cost consultant's final report being submitted confirming that this represents value for money and is approved by the strategic director of children's and adults' services prior to contract award.

16. GATEWAY 1 - PROCUREMENT STRATEGY APPROVAL SOUTHWARK REGENERATION IN PARTNERSHIP PROGRAMME PROCUREMENT APPROVAL - LOT A

RESOLVED:

1. That the procurement strategy outlined in the report to undertake an EU procurement to identify development partners for mixed tenure housing including commercial units and schools for Lot A of the Southwark Regeneration in Partnership Programme at an estimated total Gross Development Value to those development partners of £278,300,000 for a period of up to five years be approved.
2. That the composition and indicative housing tenure mix as outlined in paragraph 26

of the report in the revised Lot A of the Southwark Regeneration in Partnership Programme be approved.

3. That the packaging of nine sites into six distinct sub lots as outlined in paragraph 37 of the report be approved.
4. That the delegation of the award decision in the Gateway 2 reports for lots A1 – A4 inclusive as detailed in paragraph 37 of the report to the chief executive in consultation with the cabinet member for regeneration and homes for the reasons noted in paragraph 45 of the report be approved.
5. That it be noted that the Gateway 2 reports for the more complex lots, A5 and A6, will be presented to cabinet, and that every necessary Education Consent including section 77 will be obtained prior to entering into any contract.

17. SOUTHWARK REGENERATION IN PARTNERSHIP PROGRAMME LOT B SITES APPROPRIATION

RESOLVED:

1. That it be confirmed that the area of council-owned land edged black on the plan at Appendix 1 of the report, Car Park Site Copeland Road SE15, and listed in the report is no longer required for the purposes for which it is currently held and the appropriation of the land to planning purposes to facilitate the carrying out of the development proposals for the area in accordance with section 226 of the Town and Country Planning Act 1990 and section 122(1) of the Local Government Act 1972, be approved.
2. That it be confirmed that the area of council-owned land edged black on the plan at Appendix 2 of the report, Peckham Library Square SE15, and listed in the report is no longer required for the purposes for which it is currently held and the appropriation of the land to planning purposes to facilitate the carrying out of the development proposals for the area in accordance with section 226 of the Town and Country Planning Act 1990 and section 122(1) of the Local Government Act 1972, subject, in the case of two sites, to compliance by officers with the advertisement requirements of section 122(2A) of the Local Government Act 1972, be approved.
3. That it be confirmed that the area of council-owned land edged black on the plan at Appendix 3 of the report, Petrol Station, 233-247 Old Kent Rd SE1, and listed in the report is no longer required for the purposes for which it is currently held and the appropriation of the land to planning purposes to facilitate the carrying out of the development proposals for the area in accordance with section 226 of the Town and Country Planning Act 1990 and section 122(1) of the Local Government Act 1972, be approved.
4. That it be confirmed that the area of council-owned land edged black on the plan at Appendix 4 of the report, Flaxyard Site Sumner Road SE15, and listed in the report is no longer required for the purposes for which it is currently held and the appropriation of the land to planning purposes to facilitate the carrying out of the development proposals for the area in accordance with section 226 of the Town and Country Planning Act 1990 and section 122(1) of the Local Government Act 1972, subject, in the case of two sites, to compliance by officers with the advertisement

requirements of section 122(2A) of the Local Government Act 1972, be approved.

5. That it be confirmed that the area of council-owned land edged black on the plan at Appendix 5 of the report, 21/23 Parkhouse Street SE5, and listed in the report is no longer required for the purposes for which it is currently held and the appropriation of the land to planning purposes to facilitate the carrying out of the development proposals for the area in accordance with section 226 of the Town and Country Planning Act 1990 and section 122(1) of the Local Government Act 1972, be approved.
6. That it be confirmed that the area of council-owned land edged black on the plan at Appendix 6, Angel Oak Academy, Longhope Close SE15, and listed in the report is no longer required for the purposes for which it is currently held and the appropriation of the land to planning purposes to facilitate the carrying out of the development proposals for the area in accordance with section 226 of the Town and Country Planning Act 1990 and section 122(1) of the Local Government Act 1972, be approved.
7. That it be confirmed that the area of council-owned land edged black on the plan at Appendix 7 of the report, Land at Wyndam Road and Redcar Street SE5, and listed in the report is no longer required for the purposes for which it is currently held and the appropriation of the land to planning purposes to facilitate the carrying out of the development proposals for the area in accordance with section 226 of the Town and Country Planning Act 1990 and section 122(1) of the Local Government Act 1972, be approved.
8. That it be confirmed that the area of council-owned land edged black on the plan at Appendix 8 of the report, Sumner House, Sumner Road SE15, and listed in the report is no longer required for the purposes for which it is currently held and the appropriation of the land to planning purposes to facilitate the carrying out of the development proposals for the area in accordance with section 226 of the Town and Country Planning Act 1990 and section 122(1) of the Local Government Act 1972, be approved.
9. That it be confirmed that the area of council-owned land edged black on the plan at Appendix 9 of the report, Fred Francis Centre, 269 Lordship Lane SE22, and listed in the report is no longer required for the purposes for which it is currently held and the appropriation of the land to planning purposes to facilitate the carrying out of the development proposals for the area in accordance with section 226 of the Town and Country Planning Act 1990 and section 122(1) of the Local Government Act 1972, be approved.
10. That it be confirmed that the area of council-owned land edged black on the plan at Appendix 10 of the report, Wickway Community Centre, St. Georges Way SE15, and listed in the report is no longer required for the purposes for which it is currently held and the appropriation of the land to planning purposes to facilitate the carrying out of the development proposals for the area in accordance with section 226 of the Town and Country Planning Act 1990 and section 122(1) of the Local Government Act 1972, be approved.
11. That the reference to 'quick win sites' at Table 1 on page 164 of the agenda be removed.

18. 57 ELLIOTTS ROW, SE11, 9 FAUNCE STREET, SE17, 24 WOODWARDE ROAD SE22 - DISPOSAL OF FREEHOLD INTERESTS

RESOLVED:

1. That the head of property be authorised to dispose of the council's freehold interest in 57 Elliotts Row SE11, 9 Faunce Street SE17, 24 Woodwarde Road SE22 (the "Properties"), for a sum that equates to the market value of the individual properties.
2. That the earmarking of the capital receipts for the purposes of funding the housing investment programme be authorised.

19. AGREEMENT OF THE HEADS OF TERMS FOR THE GRANT OF A LONG LEASEHOLD INTEREST IN REFURBISHED SPACE TO BE PROVIDED AT MAYDEW HOUSE AND SURRENDER OF PREMISES AT ABBEYFIELD ROAD, SE16

RESOLVED:

1. That the grant of a 125-year lease of refurbished space to accommodate the Bede Centre at Maydeew House SE16 be approved.
2. That Bede surrender their existing lease on the premises in Abbeyfield Road.
3. That authority be delegated to the head of property to conclude the detailed terms of the grant of the 125-year lease.

20. COMMERCIAL PROPERTY PORTFOLIO: ADDITION OF INCOME GENERATING ASSETS

RESOLVED:

1. That the circumstances leading to the proposed acquisition of the freehold interests in three commercial properties and actions and investment due diligence undertaken by officers and their advisors be noted.
2. That the acquisition of the freehold interests in the three properties, and all related costs be approved.
3. That authority be delegated to the chief executive, advised by and in consultation with the strategic director of finance and governance and head of property, to:
 - a) complete the purchase of the freehold interests in the assets;
 - b) agree detailed transactional terms pursuant to the Heads of Terms; and
 - c) agree the financing structure to be adopted to fund the acquisition of the assets.

In accordance with the provisions of section 18 of the access to information procedure rules (decisions for urgent implementation), the chair of overview and scrutiny committee

has agreed that this item may be treated as a matter of urgency and is therefore not subject to call-in.

21. AUTHORISATION OF DEBT WRITE-OFF OVER £50,000 FOR CHIEF EXECUTIVES DEPARTMENT, COMMERCIAL RENT

RESOLVED:

1. That the write off of £69,316.79 for one debt be approved.

EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED:

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

The following is a summary of the decisions taken in the closed part of the meeting.

22. GATEWAY 2: CONTRACT AWARD APPROVAL - CHARTER SCHOOL EAST DULWICH (TCSED) - PHASE 1

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

23. GATEWAY 1: PROCUREMENT STRATEGY APPROVAL- SOUTHWARK REGENERATION IN PARTNERSHIP PROGRAMME PROCUREMENT APPROVAL - LOT A

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

24. AGREEMENT OF THE HEADS OF TERMS FOR THE GRANT OF A LONG LEASEHOLD INTEREST IN REFURBISHED SPACE TO BE PROVIDED AT MAYDEW HOUSE AND SURRENDER OF PREMISES AT ABBEYFIELD ROAD, SE16

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

25. COMMERCIAL PROPERTY PORTFOLIO: ADDITION OF INCOME GENERATING ASSETS

The cabinet considered the closed information relating to this item. Please see item 20 for decision.

26. AUTHORISATION OF DEBT WRITE-OFF OVER £50,000 FOR CHIEF EXECUTIVES DEPARTMENT, COMMERCIAL RENT

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

The meeting ended at 6.09 pm.

CHAIR:

DATED:

DEADLINE FOR NOTIFICATION OF CALL-IN UNDER SECTION 18 OF THE OVERVIEW AND SCRUTINY PROCEDURE RULES IS MIDNIGHT THURSDAY 30 MARCH 2017.

THE ABOVE DECISIONS WILL NOT BE IMPLEMENTABLE UNTIL AFTER THAT DATE (WITH THE EXCEPTION OF ITEMS 20 AND 25 WHICH ARE SUBJECT TO URGENT IMPLEMENTATION AGREEMENT). 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: 9 May 2017	Meeting Name: Cabinet
Report title:		Petition from Be Active Social Enterprise – Tennis in Southwark	
Ward(s) or groups affected:		All	
From:		Proper Constitutional Officer	

RECOMMENDATION

1. That the cabinet consider a petition from Be Active Social Enterprise relating to tennis in Southwark.

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 686 signatures (as at 27 April 2017) has been received from Be Active Social Enterprise. The web link for this petition is set out in the background documents section of this report.
5. The petition requests “Southwark Council to change its current approach and develop a long-term tennis strategy.”
6. The petition states:
“Tennis in our area is important because it encourages fitness; a sense of community and is beneficial for a wide range of age groups. Southwark Council has invested heavily in resurfacing public park courts in recent years and we would very much like to thank them for this. The council has a legitimate need to reduce its operating expenditure on tennis but it simply makes no sense to contract out public tennis in the way proposed. The current tender process lacks a strategic context and does not provide a mechanism for tennis to achieve its full social impact which would require:
 1. Delivering the Burgess Park Masterplan of October 2015 with additional courts and a redesign of the pavilion building
 2. Providing consistent year-round access for teaching children living near park courts the game at an affordable cost to improve their health and wellbeing
 3. Providing a pathway for children to develop as players and as the next generation of coaches and volunteers thus generating a sustainable community of players

4. Incorporating insights such as the Southwark Women Can report to make parks more welcoming for women to exercise in - this is important given the lower uptake of exercise by women and the benefits to their health and outlook
5. Making the game welcoming for new adult players and encouraging a sense of community
6. Presenting an inspiring vision to the Lawn Tennis Association and outside funding bodies to rectify years of external underinvestment in tennis in the borough
7. To inspire and encourage volunteering and community involvement in tennis.

Given there is only one dedicated public tennis venue in the borough this has to be the hub for any meaningful long-term commitment to develop the game and the social benefits that follow. A long-term strategy is needed before any contracting takes place.”

Community impact statement

7. 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.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Strategic Director of Environment and Social Regeneration

8. The council is committed to the delivery of the master plan for the park which is evidenced by the allocation of a further £6million of capital to deliver phase 3 of this master plan. £3million of this funding has been prioritised to enhance and extend the facilities at the sports centre hub and also to refurbish the six tennis courts at the tennis centre. The council is currently delivering the resurfacing works to the six courts which includes new fencing. The value of the works including design consultancy is £103,427. The new refurbished courts are due to be open mid May 2017. The council continue to support the development of the tennis centre where funding is available. The procurement of a tennis operator does not hinder this as the council is looking for an operator who can deliver a tennis development plan to encourage participation at all levels and from all target groups.
9. The council is very supportive of providing consistent year-round access for teaching children living near park courts at an affordable cost to improve their health and wellbeing. We have consulted Southwark City Tennis Club (SCTC), with a view to producing a specification, which has a set of outcomes which include delivering a varied coaching programme for children and all ages at an affordable level for all people to pay. This specification requirement will mean that the operator of the tennis centre will need to deliver this throughout the length of any contract. This will be covered by a tennis development plan for the centre.
10. Again the council are very clear on the importance of providing a pathway for children to develop as players and as the next generation of coaches and volunteers. We have ensured that within the specification there is a need for the future operator to provide opportunities for a clear pathway for players from junior to elite level. There is also a requirement for volunteering opportunities for teenagers to allow them to put something back in the game and to produce coaches for the future.

11. 'Southwark Women can' is a key priority for the council and as such there is a requirement for the future operator to encourage and increase participation in certain key target groups in the borough. This includes women and girls which is very important to the council.
12. Making the game welcoming for new adult players and encouraging a sense of community is the key to the success of the centre and Southwark City Tennis Club is a key partner in delivering this. Therefore the times that they use and how they work with an operator is defined in the specification which includes regular meetings and delivery of a tennis development plan. Southwark City Tennis Club is the host club based at the tennis centre and Be Active (the operator of the centre on behalf of the council) facilitate the club access to the courts. The council briefed the club in advance of the procurement and also invited the club to participate in the tender process with a view to protecting current hours of use and also to gain valuable input into developing the tennis development element of the specification.
13. We will continue to work with the LTA and other key partners in improving tennis within the borough. The council has worked in partnership with lawn tennis association whom see the tennis centre as the hub for community tennis in the borough and the LTA are very supportive of the latest investment in the refurbishment of the tennis courts.
14. Inspiring and encouraging volunteering and community involvement in tennis is very important to the council and we have ensured that the specification reflects the importance of volunteering and that Southwark City Tennis Club is the key in ensuring community involvement in tennis.
15. Southwark City Tennis Club submitted a deputation at cabinet in March regarding the intended procurement approach. One of the concerns of the deputation was the proposed requirement for the operator to pay a minimum annual fee to the council. Officers have considered this further and removed this requirement from the tender process. Officers have also invited the member of the club whom presented the deputation to engage with developing the tennis development element of the specification.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Petition from Be Active Social Enterprise (link below for petition, which also includes comments received in support of petition)	Online	
Link: (copy and paste into browser) https://www.change.org/p/southwark-council-cabinet-southwark-council-to-replace-current-approach-and-develop-a-long-term-tennis-strategy		
Cabinet procedure rule 2.13 on petitions	160 Tooley Street, London SE1 2QH	Paula Thornton 020 7525 4395
Link: (copy and paste into browser) http://moderngov.southwark.gov.uk/documents/s67579/Committee%20Procedure%20Rules%20March%202017.pdf		

APPENDICES

No.	Title
None	

AUDIT TRAIL

Lead Officer	Everton Roberts, Principal Constitutional Officer	
Report Author	Paula Thornton, Constitutional Officer	
Version	Final	
Dated	27 April 2017	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments sought	Comments included
Strategic Director of Environment and Social Regeneration	Yes	Yes
Director of Law and Democracy	No	No
Strategic Director of Finance and Governance	No	No
Date final report sent to Constitutional Team		27 April 2017

Item No. 9.	Classification: Open	Date: 9 May 2017	Meeting Name: Cabinet
Report title:		Gaining Independence: Transforming Support and Housing for Southwark Looked After Children/Care Leavers and Young People at Risk of Homelessness Aged over 16 Years	
Ward(s) or groups affected:		All	
Cabinet Member:		Councillor Victoria Mills, Children and Schools	

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

We are committed to giving Southwark's young people the best start in life. Supporting young people to prepare for adulthood and, when ready, to move into a home of their own, is a critical responsibility for those with a parenting role. For children who are in the care of the local authority and young people who are at risk of becoming homeless this transition period can be an especially testing time. We are ambitious on behalf of our young people and this report underlines our commitment to supporting them at this formative time in their lives.

As our young people take their first steps towards independence, we want to see them be able to continue their education, move into employment, but also to find their first home away from their families and foster carers. We recognise that this can be a challenging time for all young people as they take on greater responsibilities, but it can be particularly difficult for those young people leaving care and those at risk of becoming homeless. We are committed to supporting all our young people to make this move at the right time, in a safe way, and when they are prepared for these responsibilities.

A new Southwark Young People's 16+ Support and Resettlement Service will provide one single 'front door' and pathway for all young people and ensure unified leadership and support across care, health and housing. It will also better ensure that young people have genuine choices around their housing needs and are properly supported to live independently when leaving housing and support services.

We take our duties to support both children leaving the care system, and those young people who are at risk of becoming homeless extremely seriously. Through the day-to-day dedication, professionalism and work provided by keyworkers, personal advisers, social and housing workers and volunteers, we are committed to ensuring our young people are equipped with the skills necessary to live independent lives, and to access good quality, affordable housing.

RECOMMENDATIONS

Recommendations for the Cabinet

That Cabinet:

1. Accepts the findings of the young people aged 16+ support and housing project as set out in full in Appendix 1 of this report.

2. Approves the following recommendations:

- i) to establish a joint leadership across the council for delivering the 16+ support and housing pathway, with a common purpose across care, health, housing and support.
 - ii) to support young people wherever it is safe and in their best interests, to stay living at home with their family or foster carers.
 - iii) to establish a single “front door” into 16+ support and housing pathway for all looked after children/care leavers and young people at risk of homelessness, underpinned by a unified approach across children’s social care and housing.
 - iv) to establish new Southwark Young People’s 16+ Support and Resettlement Services with a small number of providers which will deliver support directly to young people that robustly prepares them for independent living. Some of these services will be located in Southwark with other services located within a reasonable travel distance of the borough.
 - v) to establish a whole system approach to support young people to move on from services. This approach will be underpinned by a principle of helping young people to make their own choices around their housing needs.
 - vi) to ensure young people can live independently in the community following preparatory support and training, so that young people do not experience a “cliff-edge” when leaving different support and housing schemes.
3. Instructs the strategic director of children’s and adults’ services and the strategic director of housing and modernisation to undertake work to deliver these changes.
4. Notes that these changes may avoid costs that would be borne by the council of up to £2.5m over the coming two years.

Recommendations for the Leader of the Council

That the Leader of the Council:

- 5. Delegates authority to the cabinet member for children and schools to, in consultation with the deputy leader and cabinet member for housing, approve procurement decisions for the new Southwark Young People’s 16+ Support and Resettlement Services, including any award of contracts.

BACKGROUND INFORMATION

- 6. The move to independent living is a formative time in many young people’s lives. It is a time when many young people finish their education, take up employment and begin to pay rent and other bills in what may be their first home away from their families and foster carers. For many this is an exciting time, a time when they are able to flourish as adults, but also a time when they will be taking up the greater responsibilities that come with more independence. Still it is recognised that not every young person who turns 16 or 18 will be ready and prepared for this change. For some young people this can be a very challenging time, a time when they may be at risk of being exploited at the same time as they are struggling to cope with the task of living independently in their own home.

7. Southwark Council takes its different but overlapping duties to children leaving the care system and to those young people who are at risk of becoming homeless extremely seriously. Through the day-to-day professionalism of keyworkers, personal advisers, social and housing workers and volunteers, young people are helped to achieve better outcomes, to leave care equipped with the skills necessary to live independent lives, and to access good quality, affordable housing in places where each individual has the opportunity to build and deliver on their potential.
8. For many people, finding a home is a challenging experience and for care leavers and young people at risk of homelessness, this task can be particularly daunting. The options faced can appear unclear and at the same time require numerous decisions, including where to live and whether to live with friends or to move in on ones own. All of these options are important and each may play a role in setting the direction of a person's life. Still, when these decisions are put into the context of a housing crisis that is evident across London – and perhaps at its most acute in inner-London areas like Southwark - it is recognised that these issues can sometimes feel slight – and that questions of where to live can be vastly outweighed by the question of affordability.
9. Numerous national commitments to build new homes and to tackle the housing crisis in London have so far failed to stem a situation in which many people, and often young people in particular, cannot afford to rent or own a home. In order to meet this housing need, the council has led work to both foster the availability and affordability of housing in Southwark, including through community-led regeneration projects and with its trailblazing commitment to build 11,000 new council homes. And yet, despite these important local programmes, for young people leaving care or who are at risk of becoming homeless, the context of a lack of available homes to rent and move into, or of homes which are affordable, can often mean that the transition to independence can appear a near-impossible task.
10. It is in recognition of these challenges that the council has put in place a diverse range of services which ensure that for children leaving care and for other young people aged over 16 years old, there is provision which allows access to both support and housing. The Southwark 16+ support and housing services comprise a diverse set of schemes, support workers and accommodation which, taken together, supported 485 care leavers and other young people in 2016-17. Whether it is a flat with an attached key worker who is helping the young person sustain their education or find employment, a secure or therapeutic service, or a specialist home for young mothers and babies, the 16+ support and housing services aim to help prepare young people for independent living and, when ready, to move to a new home outside of services.
11. Given the importance of 16+ services to the life chances of care leavers and other young people, it is of particular concern that these schemes are coming under increasing pressure. In part due to the context of the housing crisis but also with the unprecedented reduction in local authority funding, services have begun to report that it is becoming more difficult to help young people both prepare for and then move onto their own home, with an impact that valuable places in 16+ schemes are “silting up” and, in consequence, more young people are having to be placed in emergency and residential settings. At the same time, there has been an increase in the number of young people with complex and challenging behaviour entering services. For individual 16+ support and housing schemes, the need to adapt to these unprecedented circumstances can sometimes lie beyond their means to meet alone.
12. It was in this context that the council established the Southwark 16+ support and

housing project with a primary objective to review current service pathways and to bring forward a refreshed, sustainable approach to helping care leavers and other young people to prepare for and move onto independent living. The outcome of this work and recommendations for change are set out in full in Appendix 1 of this report.

KEY ISSUES FOR CONSIDERATION

13. The Southwark 16+ support and housing project undertook a range of different activities in its work, taking account of the views of young people who use services, as well as service providers, social workers and housing workers, and other key partners. The result is a system-wide review of the pressures facing 16+ care, support and housing services in Southwark, together with potential solutions. The key findings of this work were that:
 - Work on delivering the council's housing strategy will ensure that there is a good provision of available and affordable housing in Southwark, including council housing. This is a very challenging issue as national housing policy has in recent years operated counterproductively to the housing needs of the local population. For young people in 16+ support and housing services, it is becoming more difficult to find their own home. Some are staying in services for far longer than originally intended as a consequence. There is some evidence that services are beginning to 'silt up'. Due to this, the current delivery model for Southwark 16+ support and housing services is not sustainable in its current form.
 - The council provides a diverse range of different services, providing help for care leavers and young people who are at risk of homelessness. The pathway for young people to prepare for independence is complex and often requires young people to move services in order to get to the next stage in their journey to independence. The dual pathways for care leavers and young people at risk of homelessness adds further complexity, and currently works against a whole-system approach. For young people using services, this journey to independence can often seem arbitrarily and confusing.
14. For young people in foster care at 18 years old, the best approach in terms of preparing for independent living may be to stay with their current foster carer for a time through the established "Staying Put" arrangements. For other young people, where it is safe, suitable and healthy to do so, they may wish to return to their parental home after a stay in services, perhaps following a reconciliation. Other young people may wish to move outside London, others to stay in Southwark, or to return to Southwark. The approach for each young person should be tailored to meet their needs. All young people need access to reliable information and good advice to enable them to make choices about their options. However, the complexity of current service arrangements, together with an implied expectation that council housing will be available, risks setting up unrealistic expectations which are hard to meet.
15. The key challenge facing the council is to provide and sustain locally-based high-quality support and accommodation services, accessed through a single front door, that work to prepare young people leaving care and those at risk of homelessness (and therefore on the edge of care) for independent living in their own home. At the same time, the council must mitigate as far as it can the impact and adverse implications of housing benefit and welfare reform.
16. The outcome of meeting this challenge should be that more young people are able to lead the design and delivery of a pathway that meets their needs, that more young

people feel safe during their use of this support and accommodation to prepare for independence and that more young people report that their learning provided them with the skills and resilience needed to obtain a good experience of independent living. Particular factors that must be incorporated into meeting this challenge include the higher number of young people coming into care during adolescence and the disproportionate numbers of young people with a Black Caribbean and Black African heritage entering 16+ services.

17. If the council and its partners are successful in bring about improvement in the support to care leavers and those at risk of homelessness in obtaining the skills to live independently through transformed 16+ housing and support, then this will have a number of positive outcomes including the increased confidence of young people wanting to move on, including from foster care and semi-independent living, less recourse to services because of placement or tenancy breakdown, more step-down arrangements from residential care, less recourse to residential care in circumstances where semi-independent placements are not available, and that an improved route on from semi-independent to independent living is established.
18. Southwark has been successful, with its partner, Catch 22, in winning an Innovation Bid to work in new ways to support young people leaving care. Catch 22 is a national charity with expertise in working with care leavers and innovation, as well as challenging social issues around young people. The timing of this work is well suited to working together on the transformation of support and housing for looked after children leaving care. It is also consistent with Southwark's looked after children and care leavers strategy.
19. Following the conclusion of its work, the 16+ support and housing project set out the following case for change:
 - In order for the Southwark 16+ support and housing services to meet the challenges identified and support young people on their journey to independence, it is recommended that there is a whole-system change of the current model of delivery.
 - This change would be underpinned by a common approach across care, health, housing and support, to ensure that the young people who use services are at the centre of the design and delivery of the support arrangements.
 - This new model would require a transformation, not only of commissioned services, including semi-independent and supported housing provision, but of the current support pathway – including how care and housing together support young people to overcome challenges, to develop skills and foster resilience and to live and flourish independently outside of services. This change will require the establishment of new services which it is proposed are called Southwark Young People's 16+ Support and Resettlement Services.
20. The project has set forward six recommendations (2.i-vi in this report) to deliver this change.
21. A delivery plan has been developed which sets out an approach to implement these recommendations and this is set out in Appendix 2 of this report.

Policy implications

22. The policy implications of this work are set out in section 2 of the 16+ support and housing report at Appendix 1.

Community impact statement

23. Details of the population affected by any changes to these services are set out in section 5 of the 16+ support and housing report at Appendix 1.
24. The 16+ support and housing report sets out how the council will work with young people and communities to ensure that any changes to services are equitable and led by service users. Any service change will be considered with regard to its impact on age; disability; faith/religion; gender; race; ethnicity; sexual orientation; gender reassignment; marriage and civil partnership; pregnancy and maternity.

Resource implications

25. The changes proposed will avoid costs that would have been borne by the council of £2.5m over the coming two years. Details of this are set out in Appendix 9 of the 16+ support and housing report at Appendix 1.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Democracy

26. This report seeks cabinet approval for a new approach to housing and support provision for young people aged 16 and over who are looked after or are otherwise eligible for housing support. The report recommends the establishment of a new joint leadership approach across care, housing and health, and makes a number of recommendations for the commissioning of support to meet the needs of young people. The report recommends establishing 'one front door' for young people accessing services, establishing a new approach for commissioning support and resettlement services, and a whole system approach to support young people to move on from services and to be prepared for independent living when they do so. The approach will support young people, where it is safe and in their best interests to live at home with their family or foster carers.
27. The decision to agree the approach is one that can be taken by cabinet collectively under the council's contract standing orders.
28. The report sets out at paragraphs 13 to 19, the main issues for consideration. Further detail is set out in Appendix 1.
29. The report includes the findings from consultation which has taken place during the last twelve months. The details of the consultation are summarised within paragraphs 13 to 19 and Appendix 1 of this report.
30. Appendix 1 notes in section 2.12 that the new approach is consistent with the council's Fairer Future promises, as set out in the Council Plan, and also consistent with the Children and Young People's Plan, the joint Strategic Framework for Children and Young People, the Children in Care and Care Leavers Strategy, and the Council's Sufficiency Duty.

Legislative framework

31. Section 17 of the Children Act 1989 sets out the responsibilities of local authorities to provide services to children in need and their families. It is the general duty of every local authority to (a) safeguard and promote the welfare of children within their area who are in need and (b) so far as is consistent with that duty to promote the upbringing of children by

their families.

32. Section 20 of the Children Act requires that local authorities must provide accommodation for any child in need within their area who appears to them to require accommodation as a result of (a) there being no person who has parental responsibility for him, (b) his being lost or abandoned or the person who has been caring for him being prevented from providing suitable accommodation or care. A further duty to provide accommodation may arise where a child in need has reached the age of 16 and whose welfare will be seriously prejudiced if accommodation is not provided.
33. If children's services decide they do not have a duty to provide accommodation under section 20 of the Children Act or the young person has refused provision of accommodation children's services must consider what other support and services should be provided to meet their needs in conjunction with housing services.
34. Under Housing Act 1996 Part 7 and the Homelessness (Priority Need for Accommodation (England) Order 2002 applicants aged 16 or 17 may have a priority need for accommodation if they are not owed a duty under section 20 of the 1989 or have refused section 20 accommodation.
35. Guidance has been issued entitled 'Provision of Accommodation for 16 and 17 year old young people who may be homeless and/or require accommodation'. This is statutory guidance issued under section 7 of the Local Authority Social Services Act 1970 and section 82 of the Housing Act 1996. Social services authorities and housing authorities are expected to comply with this guidance.
36. The guidance endorses cooperation between children's services and housing services to meet the needs of children and young people. It provides for strategic joint working to secure a range of suitable housing and support options for young people – including options' for the provision of accommodation with support for 16 and 17 year olds who seek help because they are homeless and for care leavers and endorses collaboration between children's services commissioners and housing services to meet the housing needs of young people.
37. Any commissioning processes related to the implementation of the recommended approach and the action plan set out in Appendix 2 to the report should take account of the council's duties as a Best Value authority under the Local Government Act 1999. Officers should seek advice from the director of law and democracy, both in relation to the form and content of any contracts to be awarded to commercial and voluntary sector organisations and the appropriate procurement process to be followed in each case.
38. The report recommendations have been subject to a equalities impact assessment. This is important because in exercising its functions the council must have due regard to its equalities duties as set out in the Equalities Act 2010 and specifically the need to:
 - a) Eliminate discrimination, harassment, victimisation or other prohibited conduct
 - b) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not
 - c) Foster good relations between those who share a relevant characteristic and those that do not. The relevant "protected characteristics" are age, disability, gender reassignment, pregnancy and maternity, race, religion and belief, sex and sexual orientation.

39. Cabinet is referred to the community impact statement in this report and, in particular to the equalities impact assessment and the consultation which has been undertaken in order to inform the development and detail of the recommended approach.

Strategic Director of Finance and Governance (Ref: CAS17/015)

40. The budgets for the services identified within this report are within a range of areas across directorates and service areas. The report identifies that there are demand and supply issues, with a consequent significant budget pressures most notably within children's services. The direction of travel within the report suggests that there is the potential to avoid costs of up to £2.5m over the next two years following implementation of the suggested initiatives and therefore the potential to reduce costs pressures, though not necessarily to make budget savings given ongoing demands.
41. This cost avoidance target set out will need to continue to be reviewed for realism with the service, commissioning and finance as the work develops. Whilst information on how this figure has been calculated has now been provided, until this has been reviewed in detail with the affected services, the figure and any assumptions on investment costs needs to be treated with caution. In addition there will also be a need to ensure that there is no double counting of any consequent savings and cost avoidance flowing from other related initiatives. In addition, as part of the work it will be important to balance statutory duties, quality and outcome factors against affordability considerations in the context of constrained budgets overall.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
None		

APPENDICES

No.	Title
Appendix 1	Report of the Southwark young people aged over 16 years old support and housing project - May 2017
Appendix 2	Delivery plan - transforming support and housing for Southwark looked after children/care leavers and young people at risk of homelessness

AUDIT TRAIL

Cabinet Member	Councillor Victoria Mills, Children and Schools		
Lead Officer	Genette Laws, Director of Commissioning, Children's and Adults' Services, Alasdair Smith, Director Children's and Families, Children's and Adults' Services and Paul Langford, Director of Resident Services, Housing and Modernisation		
Report Authors	James Postgate, Commissioning Manager, Children's and Adults' Services and Paulette Robin, Senior Commissioning Officer, Children's and Adults' Services		
Version	Final		
Dated	27 April 2017		
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			27 April 2017

Report of the Southwark young people aged over 16 years old support and housing project – May 2017

Transforming support and housing for looked after children/care leavers and young people in Southwark at risk of homelessness aged over 16 years old – preparing for independent living

Main copy

Contents

1. EXECUTIVE SUMMARY	3
2. INTRODUCTION (PART 1) – SETTING THE SCENE	6
3. INTRODUCTION (PART 2) – SOUTHWARK – LOOKED AFTER CHILDREN/CHILDREN LEAVING CARE AND YOUNG PEOPLE (16+) AT RISK OF HOMELESSNESS – SERVICES AND SPEND (2016/17)	10
4. THE SOUTHWARK 16+ SUPPORT AND HOUSING PROJECT	13
5. FINDINGS OF THE 16+ SUPPORT AND HOUSING PROJECT - (PART 1) - YOUNG PEOPLE/SERVICE USERS	15
6. FINDINGS OF THE 16+ SUPPORT AND HOUSING PROJECT - (PART 2) CURRENT MODEL IN SOUTHWARK - SUPPORT PATHWAY.....	31
7. FINDINGS OF THE 16+ SUPPORT AND HOUSING PROJECT – (PART 3) SUPPORT PROVIDERS	37
8. FINDINGS OF THE 16+ SUPPORT AND HOUSING PROJECT - (PART 4) HOUSING.....	49
9. FINDINGS OF THE 16+ SUPPORT AND HOUSING PROJECT - (PART 5) LEADERSHIP, COMMISSIONING AND BUDGETS	61
10. RECOMMENDATIONS: A NEW MODEL FOR 16+ SUPPORT AND HOUSING SERVICES IN SOUTHWARK	68

1. EXECUTIVE SUMMARY

Young people – the journey to independence

- 1.1 Supporting young people to prepare for adulthood and, when ready, to move into a home of their own is a critical responsibility for those with a parenting role. For children who are in the care of the local authority and also for those young people who are at risk of becoming homeless this transition period can be an especially testing, stressful and risk-filled time. The Council has particular duties, if different roles, to help both these cohorts of young people after they reach the age of 16 to take these key steps towards independence, to find a home, and to stay safe from harm.
- 1.2 The move to independent living is a formative time in many young people's lives. It is a time when many young people finish their education, take up employment and begin to pay rent and other bills in what may be their first home away from their families and foster carers. For many this is an exciting time, a time when they are able to flourish as adults, but also a time when they will be taking up the greater responsibilities that come with more independence. Still it is recognised that not every young person who turns 16 or 18 will be ready and prepared for this change. For some young people this can be a very challenging time, a time when they may be at risk of being exploited financially or by criminal or gang-related activity, and when many may struggle to cope with the additional tasks of living in their own home.
- 1.3 Southwark Council takes its different but overlapping duties to children leaving the care system and to those young people who are at risk of becoming homeless extremely seriously. Through the day-to-day dedication, professionalism and work provided by keyworkers, personal advisers, social and housing workers and volunteers, young people are helped to achieve better individual outcomes, to leave care equipped with the skills necessary to live independent lives, and to access good quality, affordable housing in places where each individual has the opportunity to build and deliver on their creativity and potential.

"The move to independent living is a formative time in many young people's lives. It is a time when many young people finish their education, take up employment and begin to pay rent and other bills in what may be their first home away from their families and foster carers."

The challenge of housing

- 1.4 For many people, finding a home is a challenging experience and for care leavers and young people at risk of homelessness setting off – perhaps for the first time – to find a place of their own to live, this task can be particularly daunting. The options faced can appear numerous and include decisions on which neighbourhood, town or community the person wants to live in, whether to live in a flat or perhaps share a house, whether to live with friends or to move in on their own, and how far they may wish to be from their place of education or work. All of these options are important and each may play a role in setting the direction of a person's life. Still, when these are put into the context of a housing crisis that is evident across London – and perhaps at its most acute in inner-London areas like Southwark – it is recognised that these issues can sometimes feel slight – and that questions of where to live can be vastly outweighed by the question of affordability.
- 1.5 Numerous national commitments to build new homes and to tackle the housing crisis in London have so far failed to stem a

"Put into the context of a housing crisis that is evident across London – and perhaps at its most acute in inner-London areas like Southwark - it is recognised that...questions of where to live can be vastly outweighed by the question of affordability."

situation in which many people, and often young people in particular, cannot afford to rent or own a home. In order to meet this housing need, the Council has led work to both foster the availability and affordability of housing in Southwark, including through community-led regeneration projects and with its trailblazing commitment to build 11,000 new council homes. And yet, despite these important local programmes, for young people leaving care or who are at risk of becoming homeless, the context of a lack of available homes to rent and move into, or of homes which are affordable, can often mean that an already challenging time can appear a near-impossible task.

Supporting young people – preparation and resettlement

- 1.6 It is in recognition of these multiple challenges that the Council has put in place a diverse range of services which ensure that for children leaving care and for other young people aged over 16 years old, there is provision which allows access to both support and housing. The two elements - support and housing - are in any case fundamentally interdependent and it is recognised that any approach that attempts to separate them, say, by helping a young person to find work when they do not have a place to live, or indeed to sustain a tenancy without the support to meet the crucial tasks of independent living, would be both detrimental and self-defeating. Indeed it is in this understanding that the Council has established holistic services that meet both needs of the young person, helping them to gain the skills and make other preparations for independent living, but also in an encouraging and safe environment.
- “The two elements – support and housing – are in any case fundamentally interdependent and it is recognised that any approach that attempts to separate them, say, by helping a young person to find work when they do not have a place to live, or indeed to sustain a tenancy without the support to meet the crucial tasks of independent living, would be both detrimental and self-defeating.”
- 1.7 The Southwark 16+ support and housing services comprise a diverse set of schemes, support workers and accommodation which, taken together, supported 485 care leavers and other young people in 2016/17. Whether it is a flat with an attached key worker who is helping the young person sustain their education or find employment, or a secure or therapeutic service, or a specialist home for young mothers and babies, the 16+ support and housing services aim to help prepare young people for independent living and, when ready, to move to a new home outside of services.
- 1.8 Each of the 16+ support and housing services is tailored to meet the different and individual needs of the young people that they support. So it is that - just as not every care leaver or young person is best suited to prepare for adulthood in an inner-London setting, and many in fact later choose to live elsewhere - so a proportion of the 16+ support and housing services are located in Southwark, whilst others are located in nearby and other areas. The key principle driving the different models is that of *successful resettlement*, that is, a focus on the young person being prepared to move onto, not just any flat that is available, but rather to a home and place where they will be able to flourish, where they will be able to continue in education, training and employment, and where they will be able to sustain their newfound independence without the risk of becoming homeless.
- “Given the importance of 16+ services to the life chances of care leavers and other young people, it is of particular concern that these schemes are coming under increasing pressure.”

Challenges to 16+ support and housing services

- 1.9 Given the importance of 16+ services to the life chances of care leavers and other young people, it is of particular concern that these schemes are coming under increasing pressure. In part due to

the context of the housing crisis but also with the unprecedented reduction in local authority funding, services have begun to report that it is becoming more difficult to help young people both prepare for and then move onto their own home, with an impact that valuable places in 16+ schemes are “silting up” and, in consequence, more young people are having to be placed in emergency and residential settings. At the same time, there has been an increase in the number of young people with complex and challenging behaviour entering services. For individual 16+ support and housing schemes, the need to adapt to these unprecedented circumstances can sometimes lie beyond their means.

- 1.10 It was in this context that the Council established the Southwark 16+ support and housing project with a primary objective to review current service provision and to bring forward a refreshed and sustainable approach to helping care leavers and other young people to prepare for and move onto independent living. The outcome of this work and recommendations for change are set out in the following report.

“...Valuable places in 16+ schemes are ‘*silting up*’ and, in consequence, more young people are having to be placed in emergency and residential settings.”

2. INTRODUCTION (PART 1) – SETTING THE SCENE

2.1 The transition from being a young person to an adult can be a challenging journey for any person. And for those young people who are in the care of the local authority or who are at risk of becoming homeless this can be an especially testing, stressful and risk-filled period. Southwark Council takes its different but overlapping duties to children and care and young people who are at risk of becoming homeless extremely seriously. The Council provides services that support these young people to achieve better individual outcomes, to leave care equipped with the skills necessary to live independent lives, and to access good quality, affordable housing in places where each individual has the opportunity to flourish.

2.2 The Council's statutory duties in this area are set out below:

Legislation	Responsible Body	Duties
Children's Act 1989 (s20/22G)¹	Council	To provide looked after children with accommodation that, in so far as is practically reasonable, is (a) within the authority's area and (b) meets the needs of those children.
Housing Act 1996 (s1891c)	Council	To provide housing to people who are statutory homeless, including those who are in priority need due to (a) being aged 16 or 17 years old ² or (b) aged under or over 21 years who are vulnerable as a result of being in local authority care.
Children (Leaving Care) Act 2000 [s23B]	Council	To safeguard and promote the child's welfare and, unless they are satisfied that child's welfare does not require it, support them by (a) maintaining them (b) providing them with or maintaining them in suitable accommodation and (c) providing support of such other descriptions as may be prescribed.

Table 1. LAC/care leavers and young people (16+) – statutory duties

Southwark – looked after children and children leaving care

2.3 In mid-2016 there were 70,440 children being looked after nationally. Whilst the overall statistics indicate a decrease in the number of children coming into care, this is outweighed by the fact that an increasing number of children and young people are struggling to leave care. An increase in the number of unaccompanied asylum seeking children (UASC) supported by local authorities, 1,470 during 2015/16 in London alone, has impacted on the overall number of children looked after in the country.

2.4 In mid-2016, there were 475 Looked After Children (LAC) and care leavers in Southwark with 236 between the ages of 16-25. The number of children being looked after by the Council is above the national average and, since 2012, Southwark has consistently been within the top three London local authorities supporting the highest number of LAC annually. The number of younger children coming into care in the borough has continued to decrease year on year, although there is an increasing issue around leaving care, which also mirrors the national picture.

¹ Section 31A of the Children's Act 1989 sets out that the local authority, as a corporate parent, must assess the child's needs and draw up a care plan.

² Priority need for 16 and 17 year olds was introduced in England by the 2002 Homelessness (Priority Need for Accommodation) (England) Order.

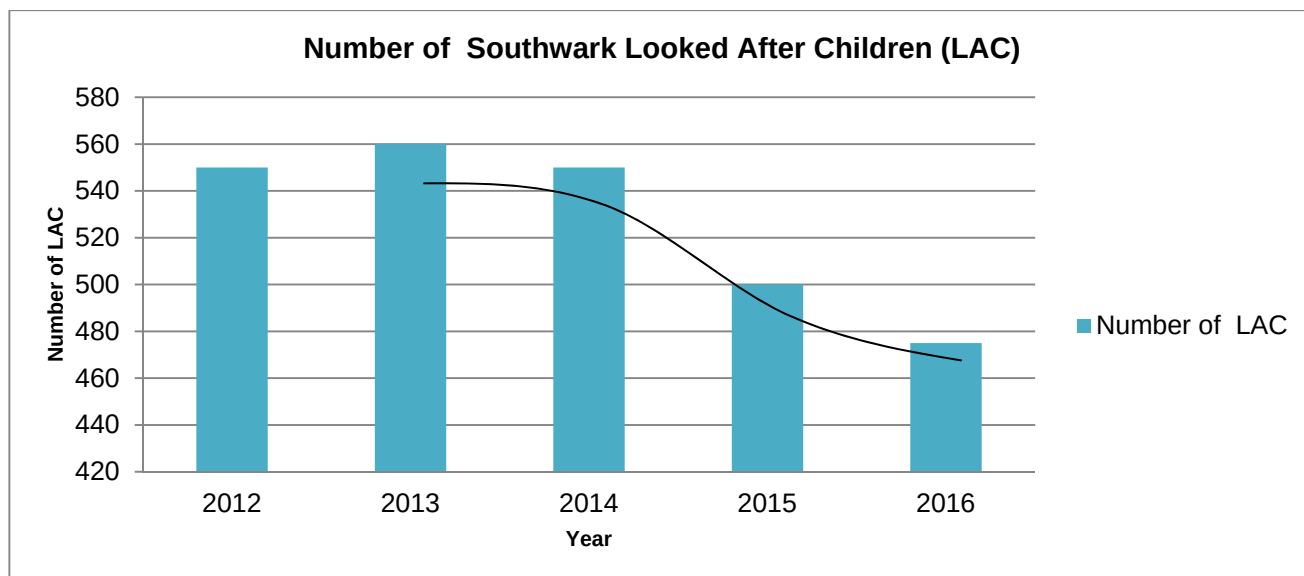


Chart 1. LAC Trends in Southwark – total number for period 2012-2016

- 2.5 The Council also supports a number of young people who are late entrants into the care system. 235 children/young people were taken into care in 2016/17, of which a significant number were late entrants (that is, aged between 14-17 years). The reasons why children and young people become late entrants into care services vary, although it is recognised that this is often as a result of children coming from a chaotic family lifestyle and ending up in need or due to unaccompanied asylum children who then decide to settle in the borough.
- 2.6 Children in the care of the local authority will usually leave care services on their 18th birthday. Local authorities however have a duty to continue to provide support to young people until they reach the age of 21 (or 25 if they are still in education or training). The preparation and planning to leave care normally starts at around 16 years old at which point young people may leave their foster or other placement and move instead into a semi-supported housing arrangement where they can develop the skills, resilience and confidence in order to successfully move into their own home.
- 2.7 For some looked after young people however the best place for them to stay during this period would be with their foster carer. In these circumstances the Council will put in place an agreement with the foster carer to allow the young person to 'stay put' beyond their 18th birthday, and the young person will continue to receive support and housing there.
- 2.8 Whatever circumstances young people preparing to leave care are in, the Council will provide them with the support to help them to make a tailored choice which best meets their own needs and aspirations.

Southwark – young people (16+) at risk of homelessness

- 2.9 During 2016/17, the Council also supported 81 young people who were at risk of homelessness by providing them with support and housing. Following the Southwark Judgement³ which was made by the Supreme Court in May 2009, the Council now has an additional duty to, at the point that a young people becomes homeless, to give this person information about their right to be assessed as a child in need and therefore to become looked after.

³ The Southwark Judgement, made by the Law Lords in May 2009, is a piece of case law that obliges local authorities' children's services to provide accommodation and support to homeless 16- and 17-year-olds. In the past, many children's services deemed that young people in this age group did not necessarily "need care" from local authorities but "help and support" in accessing housing benefits. Since the judgement, councils have had a legal obligation provide accommodation and often care services to this group of young people.

- 2.10 For the most part young people do not choose to become looked after children, but for those that do, the Council will have the same responsibilities to them as any other looked after young person. 22 young people became 'looked after' via this route during the last 18 months. There were also a number of children who were provided support under the Council's housing duties as they were at risk of becoming homeless. These young people were supported into other forms of accommodation or may have returned to their family homes, but they did not become looked after children.
- 2.11 Although the Council has different duties to young people being looked after/leaving care and those at risk of homelessness, it is recognised that both cohorts are in need of support to prepare them for adulthood. For many young people it may not particularly matter which cohort they are in, as many are receiving support from the same services – and they may even live next door to – young people from the other cohort.

Local policy context – looked after children/children leaving care and young people (16+) at risk of homelessness

- 2.12 A number of local and national drivers underpin the services which support LAC/care leavers and young people (16+) at risk of homelessness. The key local policy drivers are set out below:
- The 2012 Ofsted inspection of Southwark noted challenges around the quality of pathway planning for young people and requested that the Council take a closer look at how it helps young people be and feel safe in their homes and access services. Of equal importance, Ofsted noted the need to ensure improved outcomes for young people. Independent research through the Speakerbox Young Inspectors Accommodation Programme and the Care Leavers review undertaken by the social business, Catch 22, further highlighted that children in care wanted to feel safe, receive support to be near their family/siblings, have regular contact with their social workers and gain the necessary skills needed to be able to live independently.
 - Following these recommendations, also in 2012, the Council endorsed the Department for Education's Care Leavers Charter. The national principles, listed below, are applied to all young people that the Council supports:
 - to respect and honour your identity.
 - to believe in you.
 - to listen to you.
 - to inform you.
 - to support you.
 - to find a home.
 - to be a lifelong champion.
 - The Southwark Children and Young People's Plan (2013-18) sets out the Council's vision for children, young people and families in the borough so that "every child, young person and family in Southwark thrives and is empowered to lead a safe and healthy life." The plan was developed following consultation with more than 1,300 children, young people, parents, carers, staff and practitioners. The plan includes a specific approach to service delivery for care leavers, which will be guided by a number of local principles to:
 - listen and act on concerns raised.
 - keep young people actively involved in plans and decision making for their future.

- ensure care leavers have safe and stable accommodation, are able to live independently and sustain tenancies.
 - advise care leavers about their entitlements and provide financial support.
 - support them to continue in education, access training that meets their career plans and find suitable jobs.
 - help them to access health provision where this is required.
 - provide continued support through a dedicated personal adviser.
- The Council Plan 2014-2018 set out a commitment to give children and young people the best start in life by ensuring that every child, young person and family in Southwark thrives and is empowered to lead a safe and healthy life.
 - The Sufficiency Duty in the Children's Act 1989 places a duty on the Council to take such steps, so far as is practically possible, to ensure that there is sufficient high quality support and housing within the local authority area to meet the needs of the local LAC population and those on the edge of care.
 - The Southwark Children in Care and Care Leavers Strategy 2016-19 further outlines the need to improve the resilience of children and young people and prepare them for a successful adult life where they can live independently. The document sets out the Council's key work in addressing a number of challenges for this cohort including the need for young people to 'feel safe, secure in their placements, live closer to home in housing that meets their needs' and to ensure that young people are cared for and prepared for adulthood.
 - The Southwark Five Year Forward View for Health and Social Care sets out a shared vision for health and social care across the NHS Southwark Clinical Commissioning Group (CCG) and Southwark Council. The shared local ambition is to create a stronger emphasis on prevention and early action as well as deeper integration across health and social care, and wider council services, so that every possible step is taken to tackle the social as well as the physical determinants of health and wellbeing.
 - The Joint Strategic Framework for Children and Young People focuses on Looked After Children as a key group to improve outcomes for. Young People aged 11-25, particularly those who are exhibiting risky behaviours, are also a shared priority.
 - In 2016-17 Southwark was successful, with its partner, Catch 22, in winning an Innovation Bid to work in new ways to support young people leaving care. Catch 22 is a national charity with expertise in working with care leavers and innovation, as well as challenging social issues around young people. The timing of this work is well suited to working together on the transformation of support and housing for looked after children leaving care. The approach is also consistent with Southwark's Looked After Children and Care Leavers Strategy.

3. INTRODUCTION (PART 2) – SOUTHWARK – LOOKED AFTER CHILDREN/CHILDREN LEAVING CARE AND YOUNG PEOPLE (16+) AT RISK OF HOMELESSNESS – SERVICES AND SPEND (2016/17)

16+ support and housing services

3.1 Looked after children/children leaving care and young people (16+) at risk of homelessness in Southwark are provided with support and housing in a number of settings including specialist and therapeutic residential care, adoption and fostering services or semi-supported housing, with the latter commissioned specifically for young people aged 16-18 years. Placements are dependent on age, the level of need and the availability of an appropriate placement.

3.2 The different types of placements utilised in Southwark are summarised below.

Placement	Cohort	Type of support
1. Specialist residential	Looked after Children/ Care Leavers	Challenging behaviour; social, emotional and behavioural difficulties; therapeutic; child abuse, neglect; special educational needs and disabilities (SEND); autism; and trauma
2. Semi-independent (support tied to specific accommodation)	Looked after Children/ Care Leavers	Employment and education support; tenancy sustainment; social inclusion; independence skills.
3. Fostering placement (16/17 year olds remaining in foster placements)	Looked after Children/ Care Leavers	Generalist and specialist (parent and child; disabled; remand) fostering placements.
4. Supported housing (support tied to specific accommodation)	Looked after Children/ Care Leavers/ 16+17 year old homeless	Employment and education support; tenancy sustainment; social inclusion; independence skills.
5. Floating support (support not tied to a specific building)	Looked after Children/ Care Leavers/ 16+17 year old homeless	Tenancy sustainment; access to education, training and employment; healthy lifestyles; decrease criminal activity and anti social behaviour; independence skills.
6. Staying put (18+ year olds remaining in foster placements)	Looked after Children/ Care Leavers	Generalist and specialist (parent and child; disabled; remand) fostering placements.
7. Family placement (Placed with a member of the young person's own family)	Looked after Children/ Care Leavers	Support within a family placement.
8. B&B (temporary and emergency placement)	Looked after Children/ Care Leavers/ 16+17 year old homeless	Temporary and emergency accommodation for young people at risk of homelessness.

Table 2. LAC/care leavers and young people (16+) – different types of placements in Southwark

16+ support and housing services – spend 2016/17

3.3 In the financial year 2016/17, the Council spent £7.9 million on support and housing for children in case/children leaving care and young people (16+) at risk of homelessness.

3.4 Differentiating what is spent on *support* (for example, a key worker to help coordinate a skills training programme) and what is spent on *housing* (for example, rent, gas, electricity and other

charges) can be particularly complex to distinguish in this area. The following sets out the key issues in determining this:

- young people under the age of 18 cannot access Housing Benefit (HB)/Universal Credit and so, for these young people, the Council will fund the total housing and support costs.
- for young people over the age of 18 in semi-independent supported housing and foster placements, Housing Benefit (HB)/Universal Credit (which is funded by central government) will pay for the housing costs, and the Council will only pay for the support.
- for young people in specialist residential placements or emergency bed and breakfast accommodation, whether these people are over or under the age of 18, Housing Benefit (HB)/Universal Credit does not apply and the Council will fund the total cost of the support and housing.

3.5 The figures set out below only take into account council spend on these services and do not include funding provided by Housing Benefit (HB)/Universal Credit.

3.6 A breakdown of Council spend in this area is set out below.

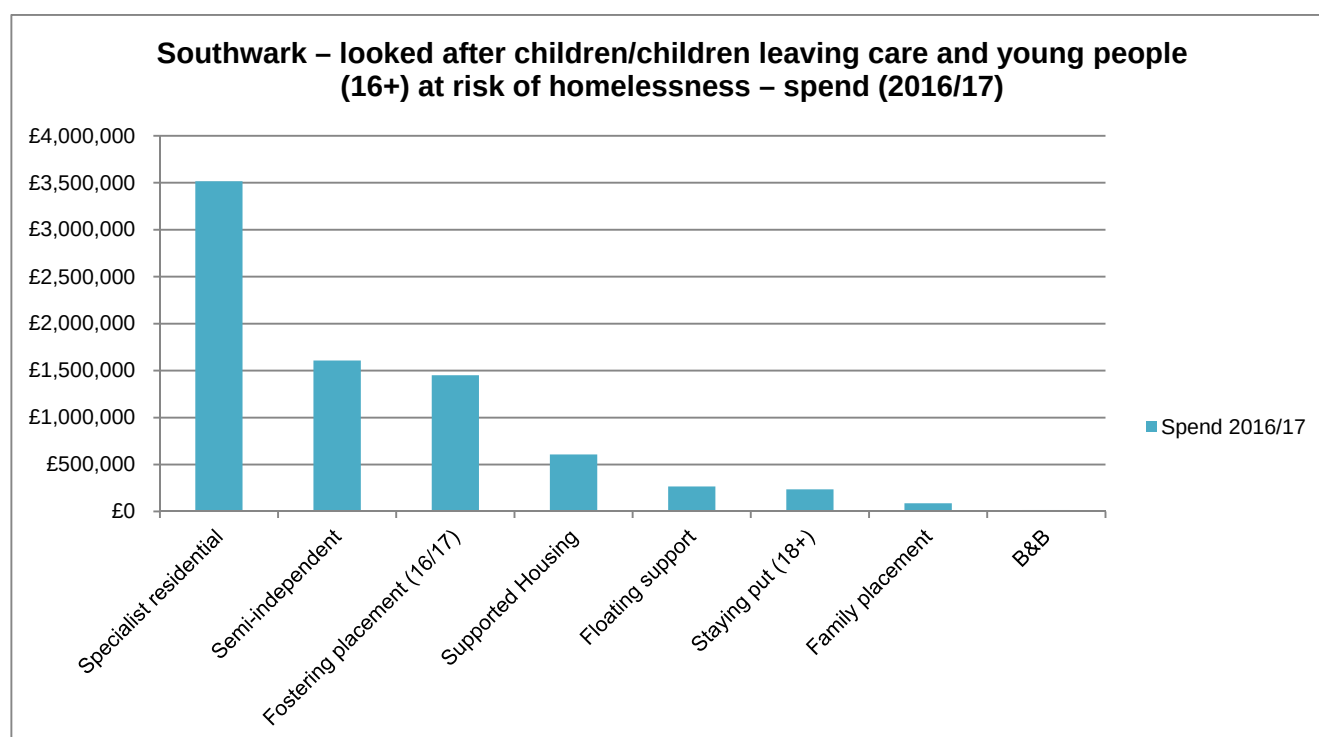


Chart 2. LAC/care leavers and young people (16+) at risk of homelessness – spend 2016/17

16+ Support and Housing Services	Specialist residential	Semi-independent	Fostering placement (16/17)	Supported Housing	Floating support	Staying put (18+)	Family placement	Emergency B&B	TOTAL
Council Spend 2016/17	£3,516,573	£1,607,290	£1,451,531	£608,000	£266,760	£236,278	£86,969	£16,819	£7,90,220
Number of clients – 2016/17	31	115	41	147	123	16	8	4	485
Average cost per client/per year	£113,438	£13,976	£35,403	£4,136	£2,169	£14,767	£10,871	N/A	£16,062.31

Table 3. LAC/care leavers and young people (16+) at risk of homelessness – spend and numbers 2016/17

3.7 The average cost of services per person, per day is set out below.

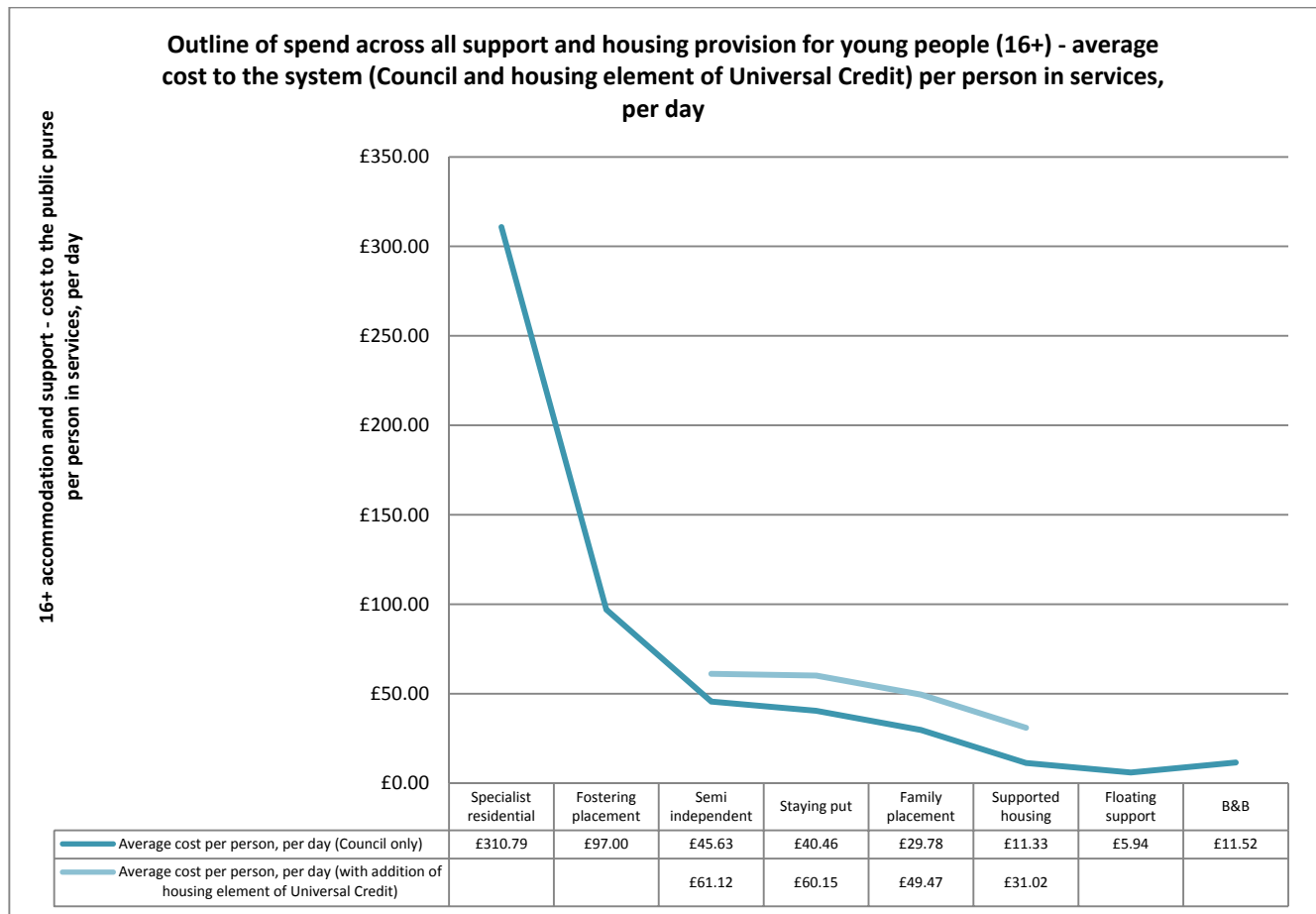


Chart 3. LAC/care leavers and young people (16+) at risk of homelessness – average cost per person per day - spend 2016/17

4. THE SOUTHWARK 16+ SUPPORT AND HOUSING PROJECT

16+ Support and Housing Project - overview

- 4.1 This report sets out the outcomes of the Southwark 16+ support and housing project. The paper includes key findings from the project, as well as recommendations for change in order to support the Council's aims to enable young people and care leavers to overcome challenges, prepare for adulthood and move into an independent living setting.

16+ Support and Housing Project - objectives

- 4.2 The 16+ support and housing project was set up in mid-2016. The primary aim of this work was to bring forward an approach that would ensure that:
- there is provision of services to support young people to gain independence skills, employment and emotional resilience.
 - the Council has a range of appropriate good quality accommodation for young people including care leavers.
 - young people are given realistic expectations and helped with preparations to sustainably move into an independent living setting.
 - the support and housing model for young people keeps them safe from harm whilst allowing them to make mistakes and to be able to learn.
 - the service model is financially viable in the long term.
- 4.3 The 16+ support and housing project was set up specifically not to include those young people who have very high support needs and who, due to these, have been assessed as being unable to live a completely independent life. These young people – including those aged over 16 years - are instead being considered as part of a review of the 0-25 Special Educational Needs and Disabilities (SEND) pathway⁴.

16+ Support and Housing Project - work

- 4.4 Since its commencement, the 16+ support and housing project has considered the totality of the current offer for young people aged 16+ in Southwark, that is children in care (aged 16/17 years), care leavers (18+) and those young people who are at risk of homelessness or on the edge of care.
- 4.5 In order to assess both the level of support and housing needs that young people require to fully enable them to have independent lives, the project considered pathways into services from the point of referral, how young people are supported practically and emotionally during their residence and the processes for move-on to sustain more permanent accommodation.
- 4.6 Young people have been involved in every part of the project, including through involvement in engagement exercises, workshops and through specific work to help design the right model that will help them. Further information about the outcome of the various pieces of engagement work are set out later in this report.
- 4.7 The work plan for the project team was set out into four work streams and included a full analysis of the current model, additional data reviews of current semi-independent/supported housing

⁴ There are however some interdependencies. It is recognised that a number of young people who require specialist residential care are also within the SEND pathway. A key aspect in any shift away from the need for specialist residential care will undoubtedly be related to the provision of services for SEND in other settings.

services, engagement with service users, internal stakeholders and service providers. Key activities of the project team include:

- service-user engagement, engagement forums and questionnaires.
- a provider forum with all of our 16+ support and housing services.
- engagement with joint CCG-Council Children's Commissioning Development Group (CDG), voluntary sector external provider lead group (PLG) and Southwark Information Advice and Support Team (SIAS)
- consideration at Education and Children's Scrutiny committee
- reviewed of the specialist residential care offer and links with health services (including mental health)
- analysis of the impact of the upcoming Housing Benefit cap (and recent Government decision on proposals to delegate a ring-fenced budget for supported housing)
- an analysis of current financial information
- benchmarking with other Local authorities

4.8 The 16+ support and housing project was led by Council Directors drawn from both the Housing and Modernisation and Children's and Adults' Departments.

16+ Support and Housing Project – underpinning statistical analysis

4.9 The 16+ support and housing project has utilised a number of datasets which have been drawn from multiple departments and organisations. As may have been expected from undertaking a task of this complexity, there have been challenges around ensuring that data drawn from different systems is aligned in a way that enables clear analysis. For the most part, the data set out in this paper is drawn from information collected in mid-2016.

4.10 The data gathering exercises were carried out in two stages:

- in mid-2016, information from providers was collected around young people who are supported, including placement location, health needs, hours of support, primary and secondary presenting needs, and Not in Employment, Education and Training (NEET) status.
- In late-2016, contract review visits were carried out by the Children's and Adults Commissioning Contract Monitoring Team, whilst 16 out of the 21 semi-independent providers were visited and a sample of properties were inspected.

5. FINDINGS OF THE 16+ SUPPORT AND HOUSING PROJECT - (PART 1) - YOUNG PEOPLE/SERVICE USERS

Young People/Service Users - overview

- 5.1 The 16+ support and housing project undertook a “whole system” approach to its work. The information gathered represents data from across the 16+ support and housing system and also includes outcomes from engagement carried out with young people, including feedback from engagement work undertaken by the Children’s Rights Team.
- 5.2 Where relevant, the data has been broken down into the two different framework agreements employed by the Council in the delivery of services for young people, these are:
- the semi-independent living services framework for support and housing services for looked after children and care leavers, which was established in September 2013.
 - the prevention and inclusion services framework for care leavers and young people aged 16/17 years old at risk of homelessness, which was established in June 2014.
- 5.3 In mid-2016, there were 485 young people⁵ aged over 16 years being supported by services across the Southwark 16+ support and housing system. Of these, 262 (54%) were being housed in either supported housing or semi-independent provision, 65 (13%) were in a fostering placement scheme, 31 (6%) had been placed in a specialist residential placement and 4 (0.8%) were in an emergency bed and breakfast scheme. A quarter of the group, 123 (25%) young people were living independently but required ongoing floating support to help them to develop independence skills in their own homes.

Demographics – LAC/care leavers and young people (16+) at risk of homelessness

Age

- 5.4 The age profile of young people in support and housing services shows two peaks where service use is highest, the first around age 17-18 and the second slightly lower peak at 21-22 years old. It is recognised that this profile relates in part to the shift of looked after children/care leavers into housing services, to an increase in the number of young people needing support in their own home – which is often their first independent home - including support provided to young people who are mothers with babies, and also the addition of young people who are at risk of homelessness into services. As young people are supported to move on, this profile reduces to around 9% of young people who are still in services at ages 25 and 26.
- 5.5 The age profile of young people in all services breaks down as 259 (37%) young people aged between 16-18 years old, 207 (29%) 19-21 years old and 240 (34%) 22-26 years old.
- 5.6 There is considerable variation in the age profile of different young people in services, which itself is related to the types of services and who they were commissioned for.

⁵ Of these, 246 (50.7%) were looked after children/care leavers and 239 (49.3%) were homeless 16/17 year olds with priority need.

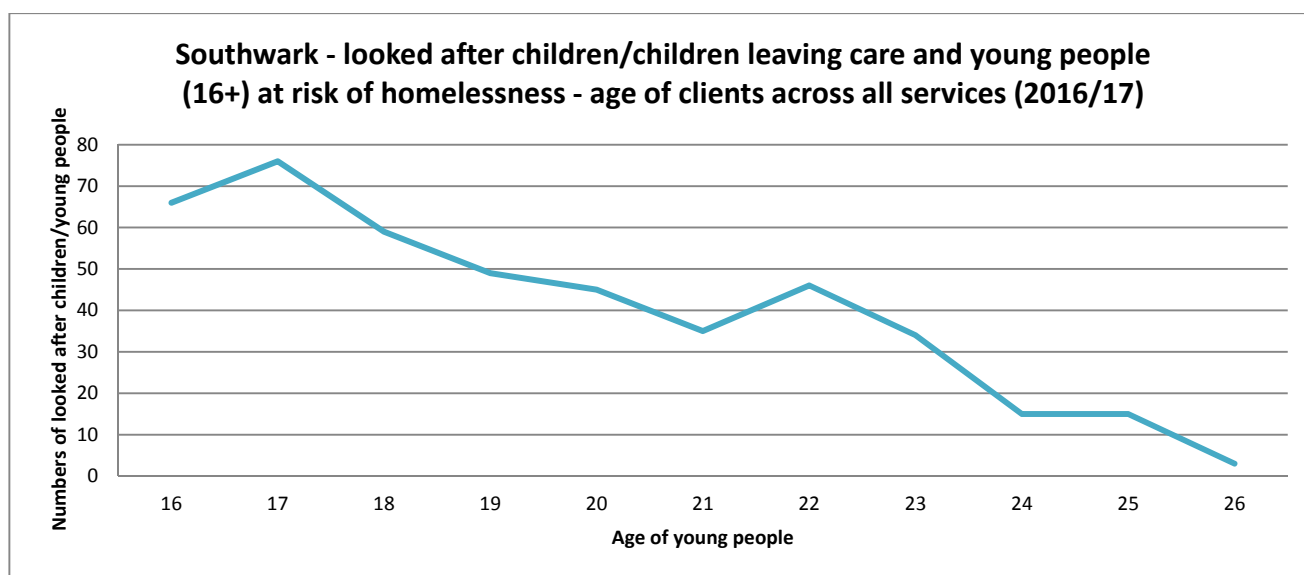


Chart 4. LAC/care leavers and young people (16+) at risk of homelessness – age of clients across all services 2016/17

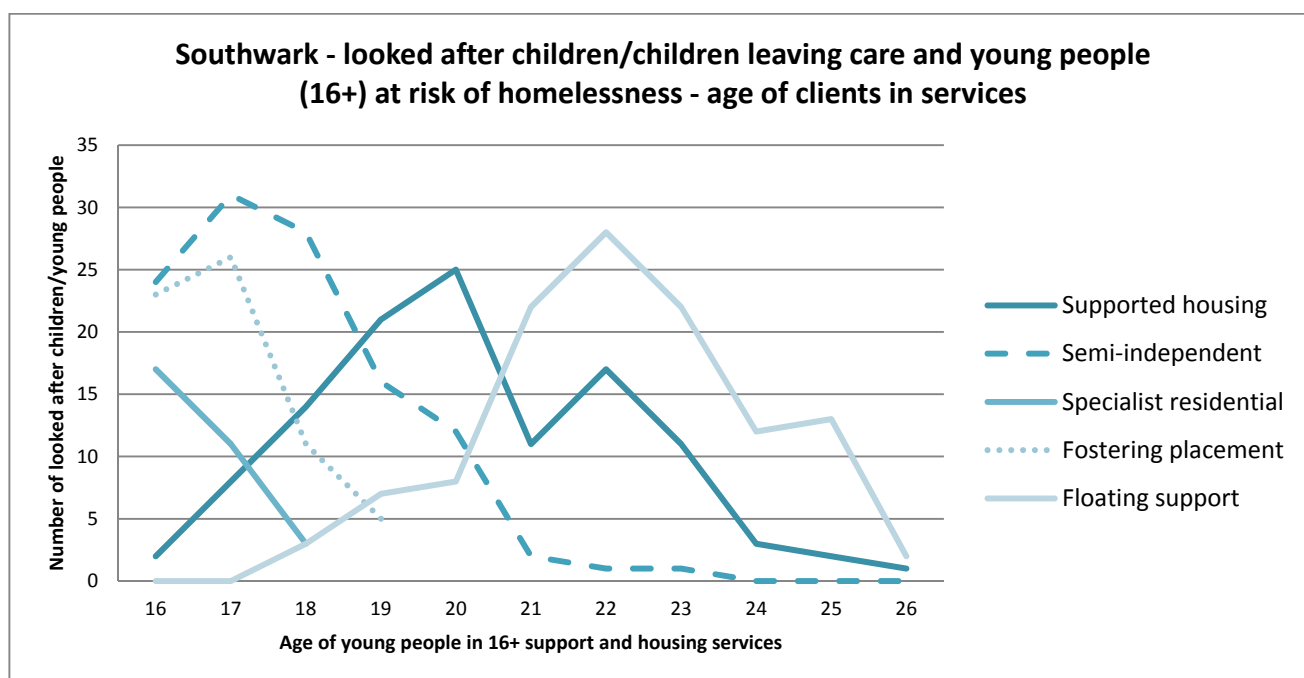


Chart 5. LAC/care leavers and young people (16+) at risk of homelessness – age of clients in services (2016/17)

5.7 The highest number of young people in any one age category are those in semi-independent provision aged over 18 years. These services were designed primarily to support those aged 16-18, with an expectation that over time the number of young people over 18 years would start to decrease. For other supported housing services, there are two different age groups, the first up to age 18 (in two of the three supported housing schemes⁶) and the second up to age 21 (in the third service⁷). There are relatively few young people in either residential or fostering placements overall, and none after the age of 19. This may signal that more needs to be done to support young people who may wish to stay in their foster home after the age of 18 through the “Staying Put” policy (as introduced by the Government in 2013).

⁶ That is, Oasis and Springfield Lodge.

⁷ That is, the Southwark Accommodation Based Support Service (SABS).

- 5.8 After young people move into their own flat, a significant number (17%) receive ongoing floating support to help enable them to maintain their own tenancy. For many young people who require support and housing services, this provides a number of options as they move through services, hopefully gaining skills and developing greater resilience, with an end result being a small amount of floating support each week prior to leaving services altogether.
- 5.9 Overall, regardless of a young person's pathway into accommodation it is recognised that there are a relatively high number of young people being supported well after their 20th birthday (sometimes up to 2 years longer than the services commissioned were planned for). The reasons for this are set out in the coming sections.

Gender

- 5.10 The overall gender profile in Southwark 16+ support and housing services is one where there are slightly more females (55%) to males (45%). However this does not take into account the very varied gender differences in different services, with more males (looked after children) in specialist residential and semi-independent services – typically aged between 16-18 years old. There are far fewer males in services after age 21, after which a cohort of women – often mothers with babies – predominate in the services. This relates to the specific services that Southwark has commissioned to support young mothers and babies, with floating support services (as well as SABs) fulfilling this role. This may explain why the vast majority of clients (77%) in floating support services are female.

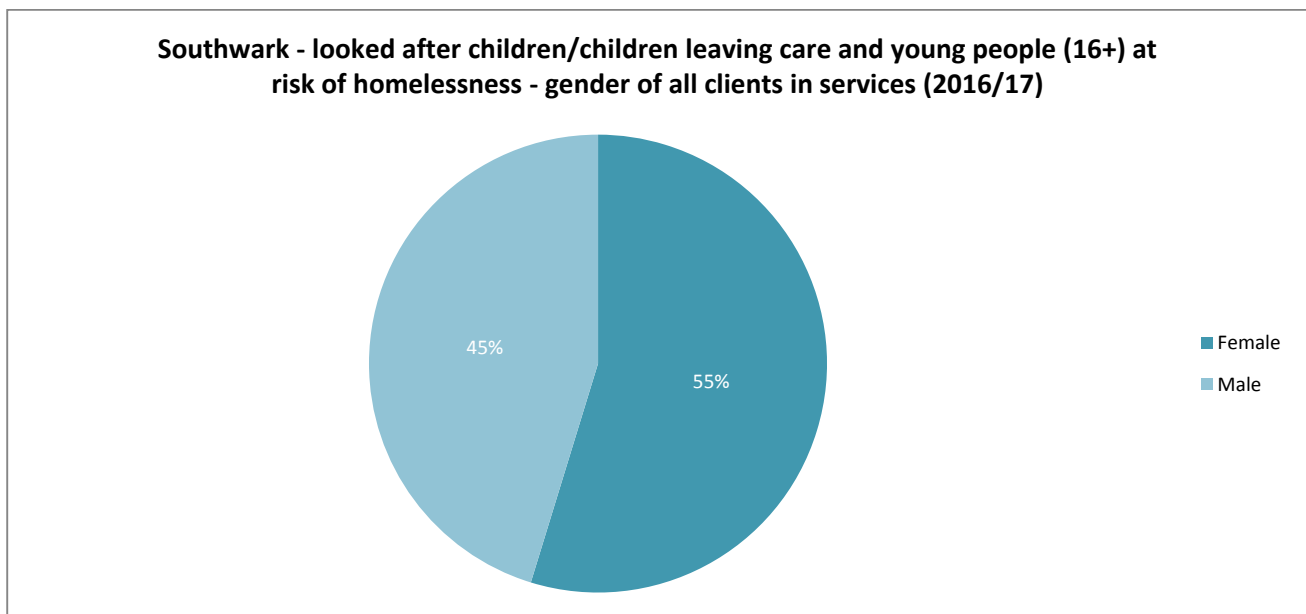


Chart 6. LAC/care leavers and young people (16+) at risk of homelessness – gender across all services (total)

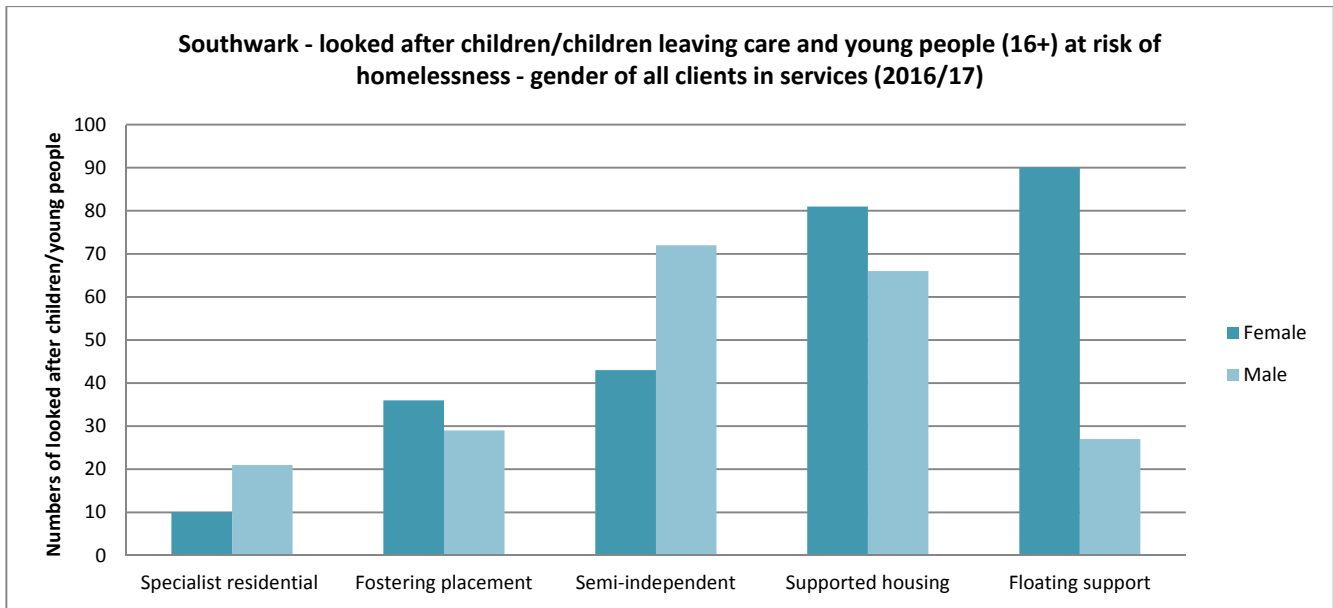


Chart 7. LAC/care leavers and young people (16+) at risk of homelessness – gender across all services (by service)

- 5.11 The design of support and housing services for 16+ young people must take into account these different needs, with a predominantly looked after/care leaver and male population in services for 16-18 year olds, which is then superseded with a majority female (often mothers) at risk of homelessness population in ages 21 onwards.

Ethnicity

- 5.12 Southwark has an ethnically diverse population with the highest proportion of residents in the country who were born in Africa as well as a significant Latin American population. 75% of reception age children are from black and minority ethnic groups. This is reflected in the ethnicity of young people in support and housing services where 244 (51%) are from a black background compared to 152 (32%) who are from a white background. There are also 41 (9%) young people who are mixed.
- 5.13 The proportionately of different ethnicities across different services does not appear to be a factor, with a relatively similar profile of different groupings in different services. This may be due to the way that all Southwark services are commissioned for all ethnicities – with the resulting mix based on overall population need.
- 5.14 When comparing the ethnic profile of young people in 16+ support and housing services to that of Southwark's population as a whole (utilising data in the last census in 2011), there are some notable differences, with a relatively smaller white population (1/3 less than the Southwark average) and a very high relative black Caribbean population – which is nearly three times as high as the Southwark average. There are also, proportionately, far fewer Asian clients and far more, both Black African and Black Other clients. The reasons for this profile are complex and this report does not attempt to explain every detail. That said, it is recognised that some of these findings correspond to the relative deprivation of different ethnicity groups in the borough, and are also of course linked to the ethnic background of the looked after child population in Southwark, which has a disproportionately high number of black children. This ethnic mix will need to be considered in the development of future 16+ support and housing services, in order to best meet the needs of different backgrounds.

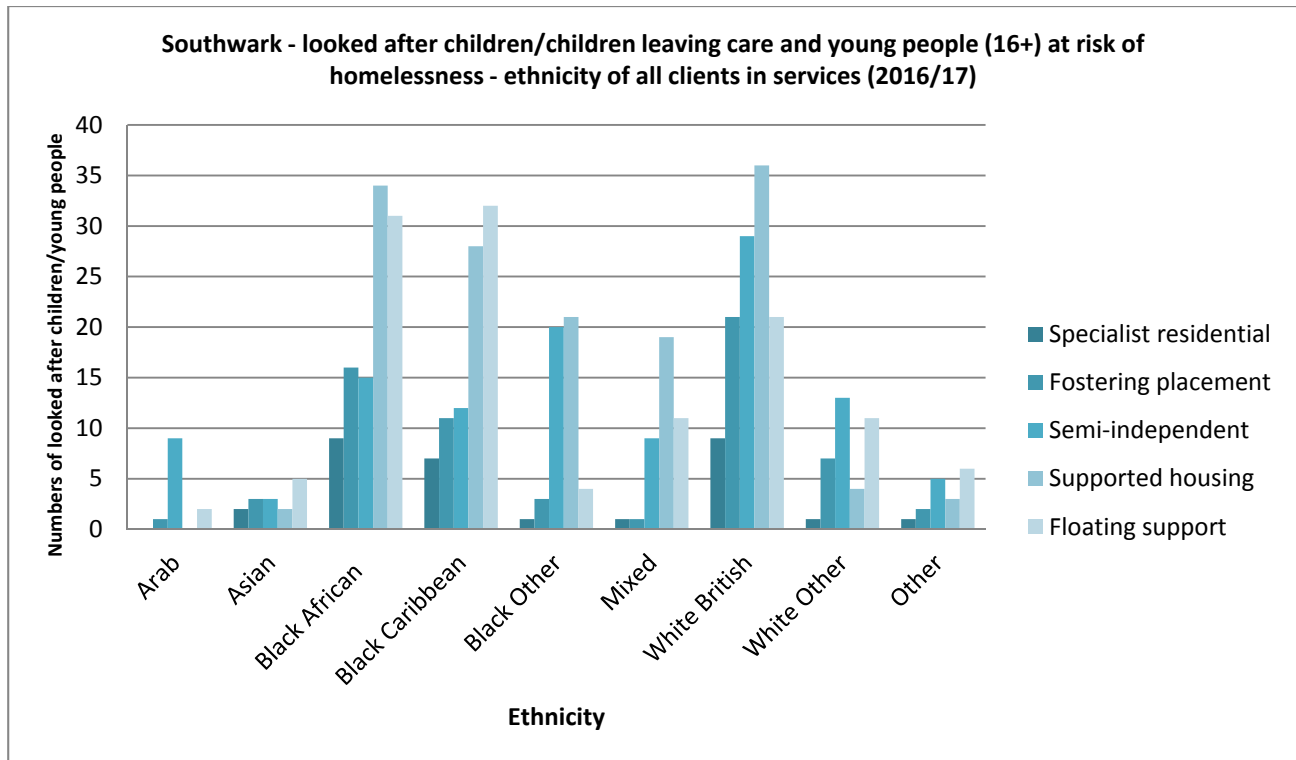


Chart 8. LAC/care leavers and young people (16+) at risk of homelessness – ethnicity across all services (by service)

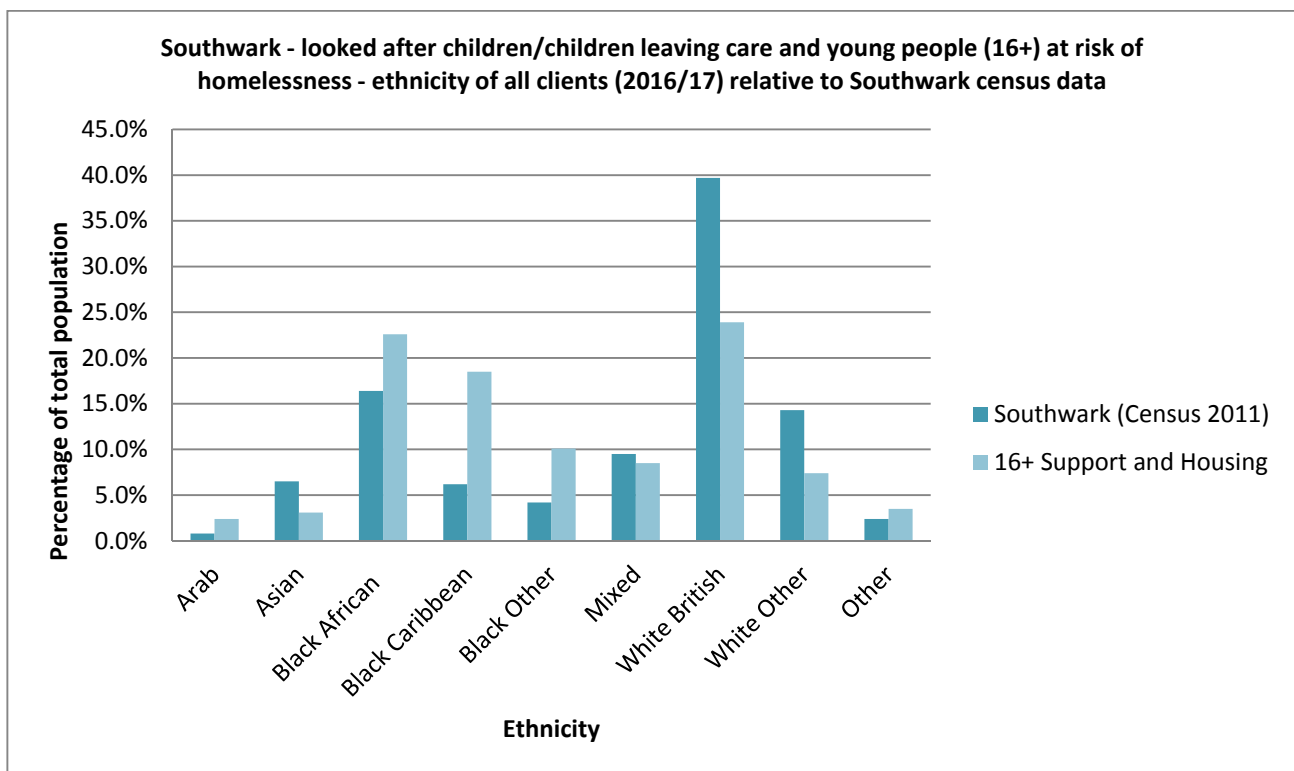


Chart 9. LAC/care leavers and young people (16+) at risk of homelessness – ethnicity of all clients relative to total Southwark population

Employment, Education or Training (NEET)

- 5.15 Over two-fifths (41%) of young people in 16+ support and housing services are not in education, employment or training. Of these, 49 (25%) are looked after children/care leavers in semi-independent services, 52 (26%) are in supported housing and 47 (24%) are in their own homes receiving floating support. The NEET population are of course a significant focus of the support and housing services in Southwark, with a key aim of all commissioned services being to help young people into education, work or training.
- 5.16 138 (29%) of young people in services are in education (school/college) and this is relatively proportionate across all services (although lower at older ages, and for those in floating support services). 79 (16%) of young people are in either full-time or part-time work, and this is particularly the case in floating support services where 28 (23%) of young people are in some form of work.
- 5.17 There remains however a significant challenge in helping young people to gain a good education, and to access employment and training opportunities. This must be a key focus in any future support and housing services for young people in Southwark.

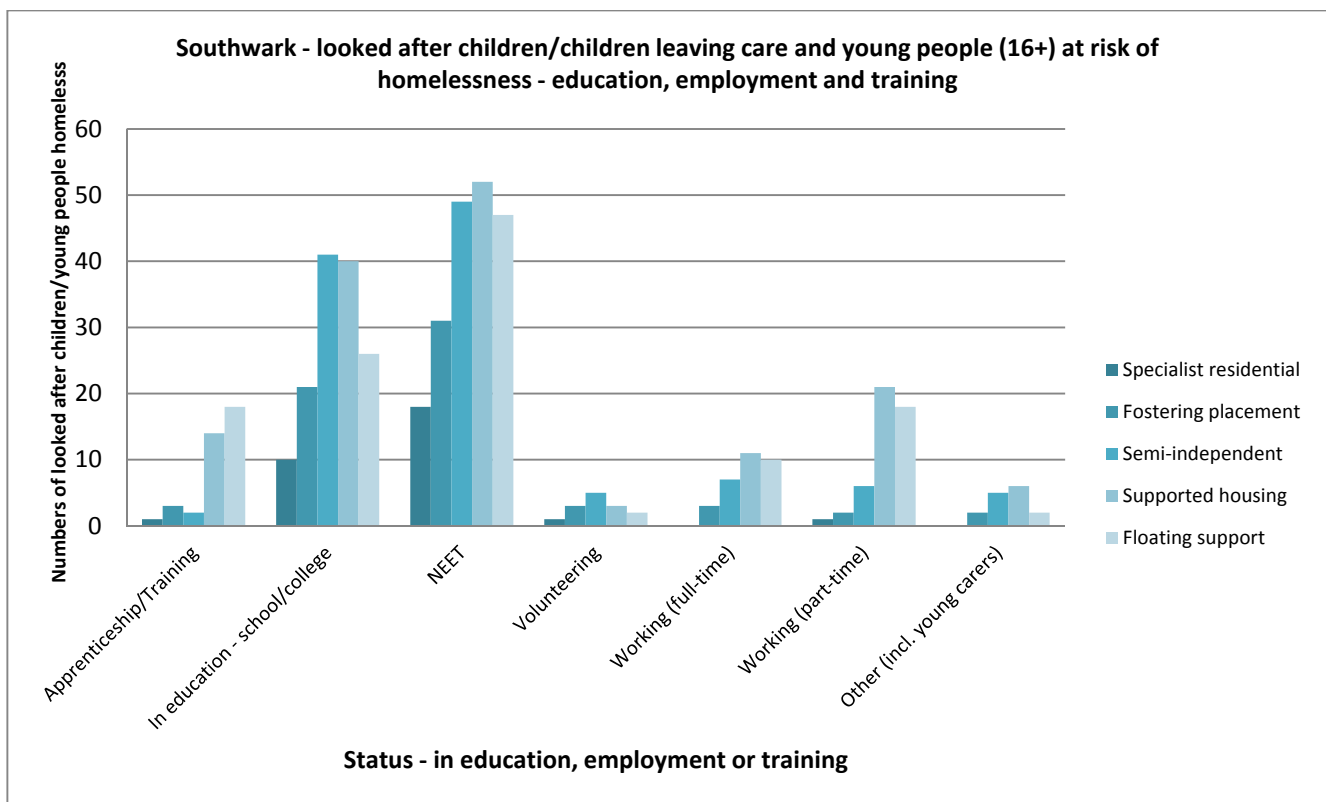


Chart 10. LAC/care leavers and young people (16+) at risk of homelessness – education, employment and training

Health Needs

- 5.18 Just under a quarter (24%) of young people in Southwark 16+ support and housing services have a recognised ongoing health condition, the majority of whom have some degree of mental ill health. A number of young people (5%) have a long term physical health condition.
- 5.19 All looked after children/care leavers have access to a designated nurse/GP who undertakes a statutory health assessment for this population. A leaving care medical report is also completed for all care leavers. The health assessment can result in referral onto other specialist services, further assessment and/or clinical support. Funding for all health assessments is met by NHS Southwark Clinical Commissioning Group (CCG) including assessments for Southwark children carried out in other boroughs. For all those in support and housing services, young people will be

supported to access universal GP and other health services. There are in addition a wide number of health projects within different services, including around sexual health, wellbeing and mother/baby care.

- 5.20 In mid-2016, housing service providers reported that they were supporting 39 young people with a recognised mental ill health condition. Further data received from NHS Southwark CCG confirms that of the young people visited by the dedicated looked after children nurse in Q1 2016/17 (April–June), there were 22 young people with ongoing health issues, 2 had an Autism Spectrum Disorder (ASD) diagnosis, 2 young people were reported as having Attention Deficit Hyperactivity Disorder (ADHD) and a further 2 young people had been admitted to psychiatric in-patient services in the last year. Young people needing specialist mental health support can access the South London and Maudsley (SLAM) NHS Foundation Trust Child and Adolescent Mental Health Services (CAMHS), including the joint specialist development centre at Sunshine House in Camberwell.
- 5.21 Young people over 18 years receiving services from the CAMHS continue to receive a service until they are able to be discharged or transferred on to adult services. At the end of June 2016, there were 21 young people receiving a service from the core CAMHS services (this includes Carelink and the LAC CAMHS service) although not all were care leavers.

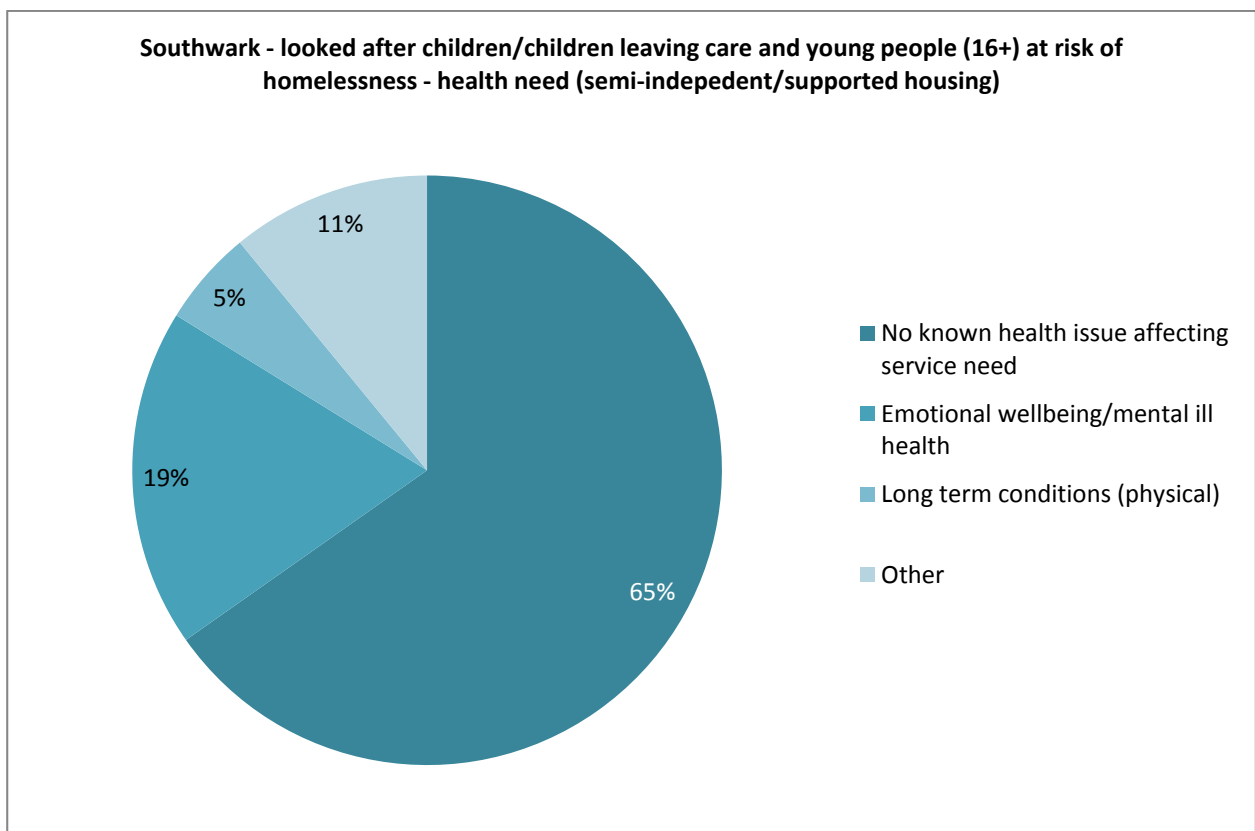


Chart 11. LAC/care leavers and young people (16+) at risk of homelessness – health need

- 5.22 The key identified health needs of young people in 16+ support and housing services is set out below.

Emotional Wellbeing and Mental	Additional Support Needs	Long term conditions
Anxiety	ADHD	Asthma

Psychosis	Addiction issues	Anaemia
Depression	Aspergers	Back pain
PSTD	Learning Disability	Bone issues
Insomnia	Migraine	Rheumatoid
PSTD/Physical Disability	Partially deaf	Arthritis
Borderline personality disorder	Poor eyesight	Sickle cell
Difficulty sleeping	Possible autism (not diagnosed)	Cutaneous
Functional psychotic illness	Pregnant	Neurofibromatosis
Gender dysphoria	Psoriasis	
Previous history of self-harm		

Table 4. Health needs identified across housing services emerging areas of focus for joint CDG

- 5.23 The Council is entering joint commissioning arrangements with NHS Southwark CCG, including in the area of services for children and young people. A key priority in the emerging partnership is improving health outcomes for looked after children and care leavers. Given this, the new joint Council-CCG commissioning partnership will be helping to shape future 16+ support and housing services to ensure that good health outcomes are embedded in service provision – and that there is a holistic approach across health, support and housing in the delivery of support for care leavers and other young people in Southwark.

Unaccompanied Asylum Seeking Children (UASC)/No Recourse to Public Funds (NRPF)

- 5.24 During period 2015/16, the Council supported 25 Unaccompanied Asylum Seeking Children (UASC) ASC (all ages). Nationally during the same period, 3,043 unaccompanied children claimed asylum in the UK, this is a 56 % increase from those who claimed asylum in 2014/15. Over the last 4 years (2012-16), the number of UASC supported by Southwark has averaged 24 at any time, but it is likely that this will increase with the new duty for local authorities to accept the transfer of relevant children under the mandatory national placements scheme⁸.
- 5.25 As well as this new duty, the Immigration Act 2016 also makes provision for how No Recourse to Public Funds (NRPF) clients are accommodated and supported. Where currently local authorities are able to provide NRPF care leavers with accommodation, care and financial support under s23C(4)(c) of the Children's Act 1989 (eg. by staying put with a foster carer and with access to a Personal Adviser⁹), under the new scheme, NRPF clients will be provided for under paragraph 10A and 10B of the Immigration Act 2016 and excluded from receiving all forms of further care leaving. The result of these changes is that there will be two parallel systems of support for young people leaving care, which in turn will have an impact on the approach to service delivery for 16+ support and housing.
- 5.26 Nationally, for UASC aged 16-17 years, half of these children were placed in semi-independent living arrangements and half in foster care. This trend reflects the profile in Southwark where, in

⁸ As set out in the Immigration Act 2016.

⁹ The Children (Leaving Care) Act 2000 made it a requirement for local authorities in England and Wales to provide a "Personal Adviser" service to all young people leaving looked after care, to support the young person with the transition to full independent living. In Southwark, each care-leaver has a named Personal Adviser with whom they can build a long-term and supportive relationship, and this ensures they always have someone they can turn to for help and advice, whatever the issue might be.

mid-2016, 23 UASC and individuals with NRPF aged 16+ years were living in semi-independent and supported housing.

- 5.27 One area of concern for services is the ongoing number of young people with NRPF who are awaiting a final decision on their status from the Home Office. This is a challenge both for the young people themselves but also for services who – in this context - may struggle to help these young people to develop the skills, and then move to, an independent setting. The longer this issue remains unresolved, the more other young people who may have benefitted from moving into services cannot, as the space needed is being used by someone else awaiting a final decision on their residency status.

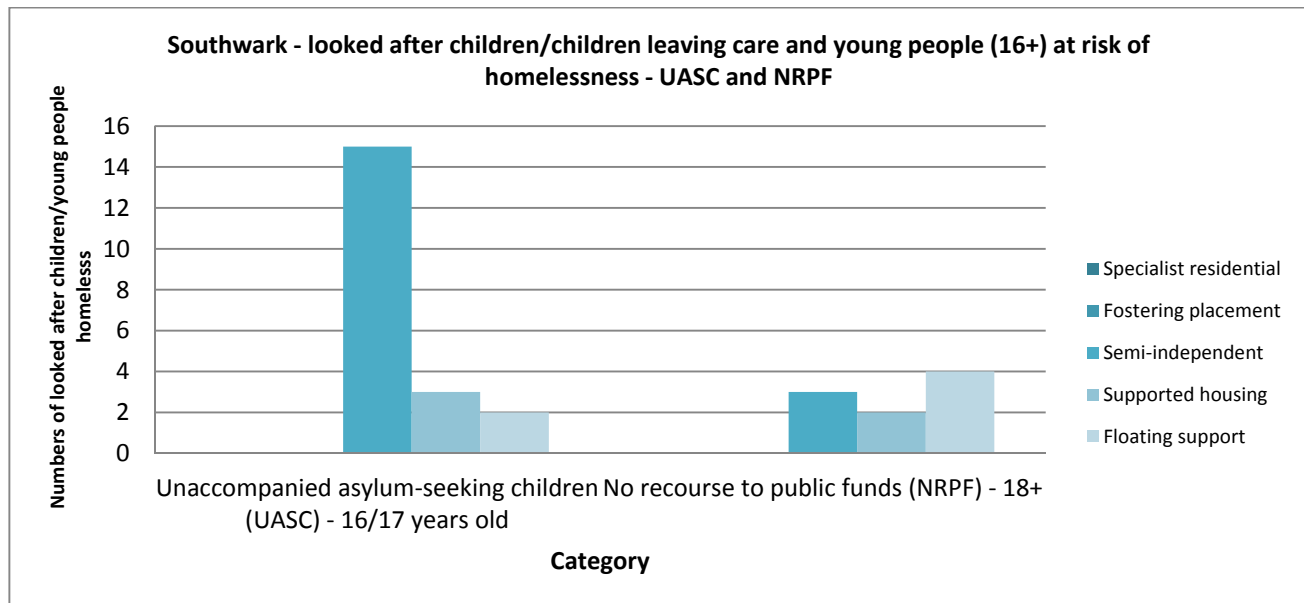


Chart 12. LAC/care leavers and young people (16+) at risk of homelessness – UASC and NRPF [without data for residential/fostering]

Length of stay in services

- 5.28 Over half of young people (55%) entering 16+ support and housing services in Southwark are able to access the help they need in order to move on within one year. A further 123 young people (26%) are able to move on within two years. In the undertaking of the 16+ support and housing project, the team heard of many stories of young people who – after a short stay in services – were able to gain the skills and help they needed to overcome challenges and move into a tenancy of their own. For many young people this is their experience of services, which is particularly true for young people in specialist residential where stays are typically for very short periods of time.
- 5.29 It is also encouraging to note that, of the cohort of young people who have moved to independent living but who require some level of short-term targeted support to settle into their homes, 72 (60%) do not require any further support after one year – primarily as they have been able to develop the skills to cope on their own after this point.
- 5.30 That said, one in five young people (20%) in 16+ support and housing services remain in services over two years, and in the period of study, 13 young people (3%) had been in services over 5 years. As all commissioned services have a target to support young people to be able to move on to independent living within a two year timeframe, this is of course very concerning. Whilst the 16+

support and housing project was unable to compare historical like-for-like data¹⁰, it is recognised that the trend of young people staying services longer and not moving on has been worsening over time. This area is considered further in looking at “move on” data, and also in relation to the availability of affordable housing which is set out later in this report.

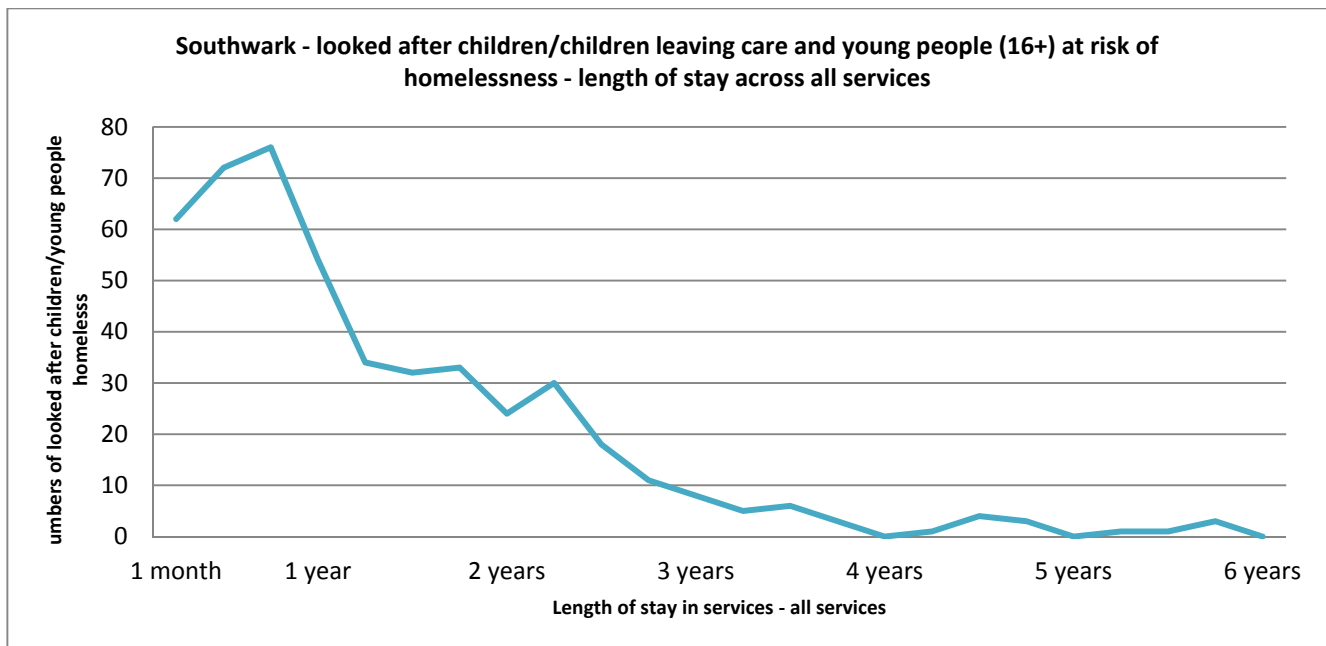


Chart 13. LAC/care leavers and young people (16+) at risk of homelessness – length of stay across all services

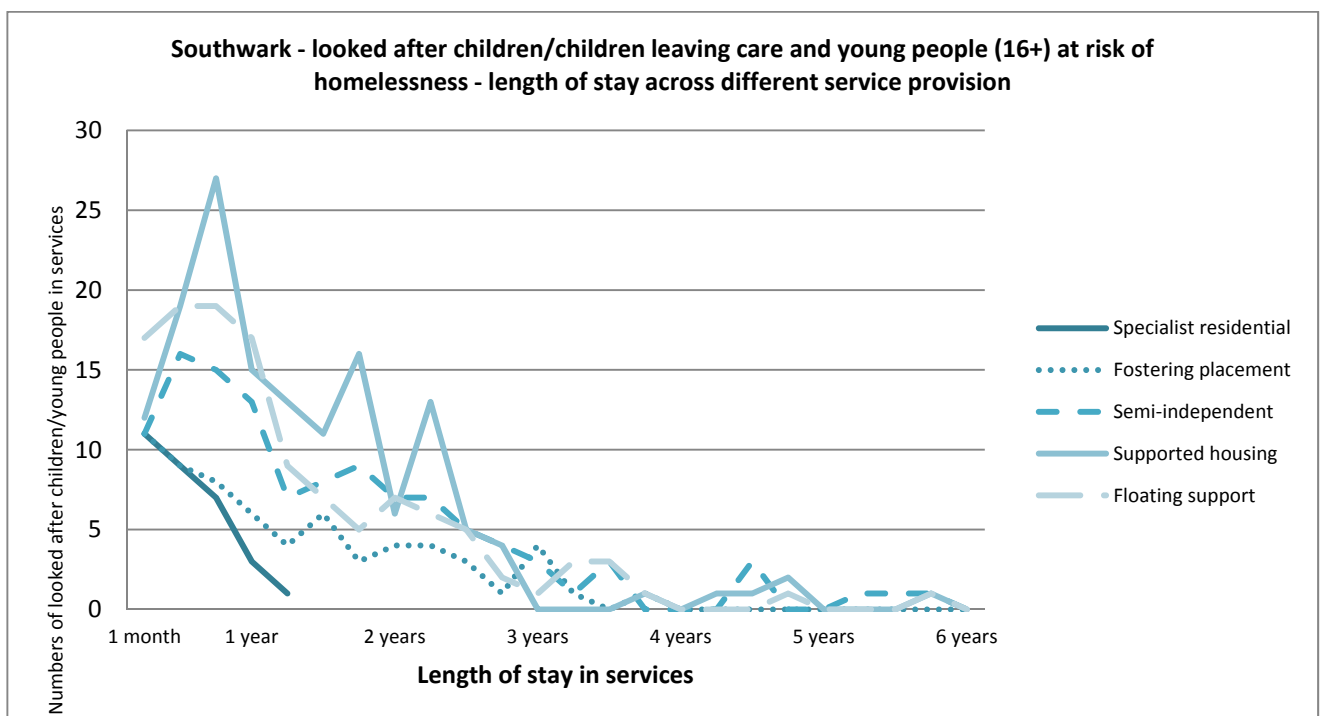


Chart 14. LAC/care leavers and young people (16+) at risk of homelessness – length of stay in services

¹⁰ The Southwark 16+ support and housing project in 2016/17 was the first time that data from across a number of different service areas (including social care, housing and health) was brought together to take a holistic look at the total service pathway. As such, it has not been possible to look in detail or in totality at historic trends – although some assumptions and analysis have been made based on partial data and from engagement with professionals working in the area.

Mother and baby

- 5.31 At the time of the review in mid-2016, 16+ support and housing providers reported that there were 46 (10%) young women who were either expectant or young mothers. A number of these clients were placed in specialist mother and baby housing within the Southwark Accommodation Based Services (SABs) project where a dedicated member of staff with expertise in this area provides support. Additionally a number of women were being supported in both semi-independent settings and also, for those in their own tenancy, by floating support services.
- 5.32 It is recognised that many of the young mothers in 16+ support and housing services are provided with additional support by the Guys and St Thomas's NHS Foundation Trust (GSTT) Family Nurse Partnership (FNP). This project supports young vulnerable women prior to and after birth with specific, practical help – as well as clinical support and professional advice. Whilst not all the young women seen by the FNP would be within the 16+ cohort, it is recognised that consideration should be made for the additional needs expectant and young mothers might have, particularly with the difficulty faced in their own transition to adulthood as well as caring for a young child.
- 5.33 This is an area of particular focus for the joint Council-CCG partnership commissioning team and will be looked at further in the development of holistic health, support and housing services going forward.

Youth offending and gang-related activity

- 5.34 Data received from the youth service indicated that at the beginning of the year (2016/17), there were 151 young people receiving support from Southwark's Youth Offending Service (YOS) with 96 of these over the age of 16. Of this 96, 8 were serving a custodial sentence, 2 were remanded in custody and 86 were in the living in the community. 10 young people were recorded as being a looked after child (LAC).
- 5.35 There are many reasons why offending behaviour starts and in some cases escalates, and it is recognised that some young people have experienced long term neglect, parental drug misuse or mental ill health and may develop harmful behaviours themselves. Often home relationships break down due the reasons highlighted above and/or parents cannot cope with the pressures caused by the young persons offending behaviour.
- 5.36 There is a relationship between support and housing services for young people and the criminal justice system, with many of the same people who are receiving support from the Southwark YOS also those who are within the 16+ support and housing pathway. Also, in some cases, young people who have offended require one of the different 16+ support and housing services as they may not be able to return to their family or another home due to a risk to themselves or others. Of those young people leaving custody in 2015/16 for example, only 23% were accommodated in specialist residential, foster care or semi-independent provision.
- 5.37 There is in addition a recognised issue with gang-related activity and young people in 16+ support and housing services, with many of the young people in services also associated with or members of a different gang. Whilst data on gang-related activity is notoriously difficult to collect, one provider noted that 31 of the 32 young people in their scheme were associated with or members of a local gang. Helping young people to break away from gang-related activity is of course a key part of the work of 16+ support and housing services, helping young people to escape from the toxic mixture of inappropriate relationships and anti-social and often criminal activity. Continuing the links between 16+ support and housing services and the wider work of the Council, police and others in providing community safety and rehabilitation would be of value in tackling this issue.

- 5.38 There may be a need for specialist provision within 16+ support and housing services for young people leaving custody who would benefit from short term support. This will need to be considered in the development of future provision.

Location of services

- 5.39 Southwark young people aged over 16 years in support and housing services are provided with appropriate services to best meet their support needs. For some young people who require specific and specialist services, or where a particular location - often one away from inner-London - may best meet their needs, this may mean that they are placed in services outside of Southwark. The key factor in determining placements is the needs of the young person.
- 5.40 The location of services is of course extremely important, and this was brought up on a number of occasions through the work of the 16+ support and housing project. For some young people, a service in Southwark (as an inner-London borough) may be the right approach, as it may be near their local communities, a school or supportive friends and family members. However, for some young people, receiving support and housing in Southwark may not be the right approach – and may not offer the long-term stability and affordable housing where they can live in the long-term.
- 5.41 The 16+ support and housing project noted that the importance on where services were located was not so much on whether they were in one or another borough, but on whether they provided good quality housing, and were close to schools, transport and opportunities to gain skills and employment opportunities. It is also recognised that for some young people, Southwark may be associated with historic memories and feelings which are detrimental to building the resilience and skills for independent living – and this also needs to be considered.

Moving on after services

- 5.42 The key role played by 16+ support and housing services in Southwark is to help prepare young people to overcome challenges, and to build the skills and resilience, in order to move safely and successfully onto independent living. From the work of the 16+ support and housing project it is now clear that for half of the young people in services (50%) this means planning to move into a council or another type of social tenancy. The prevalence of council housing (33% of young people in the pathway have plans to move to a council tenancy) as the end destination in the 16+ support pathway is not peculiar to this cohort, and it is recognised that this is reflected in both the large historic level of council housing in the borough and, also, the significant difference between the cost of rent for a council tenancy as compared to that in the Private Rented Sector (PRS) in Southwark.
- 5.43 For care leavers moving-on to a home after services is significantly easier as the Council offers priority¹¹ status to this client group in its housing allocations policy. This is an exceptional offer and, understandably, many services are set-up to support young people to move into a council tenancy at the end of their stay in services. It is however recognised that – due to the policy direction of successive national governments – the level of council housing in Southwark, as elsewhere, is diminishing. This means that for care leavers as others in the 16+ support and housing pathway, it is becoming more challenging to access a council tenancy at the end of their time in services. As the cost of the PRS in Southwark is also prohibitive this can leave young people without many options, which it is recognised is one of the key reasons why more young people are staying services longer.

¹¹ The Council's housing allocations policy comprises of four priority bandings with Band 1 being the highest priority level and Band 4 the lowest. By making provision for care leavers to have Band 2 status, the Council enables them to typically gain access to their own tenancy within 3-4 months, if they are regularly "bidding" for available properties and do not refuse to take up offers.

- 5.44 For 16+ young people who are at risk of homelessness (but who are not care leavers) the Council provides a route to access priority need status through the Move On Allocation Allowance (MOAA) scheme – which supports all young people and adults in supported housing in Southwark. The awarding of priority need status for this group is not guaranteed and requires the young people to meet certain criteria set out by the Council’s housing department.

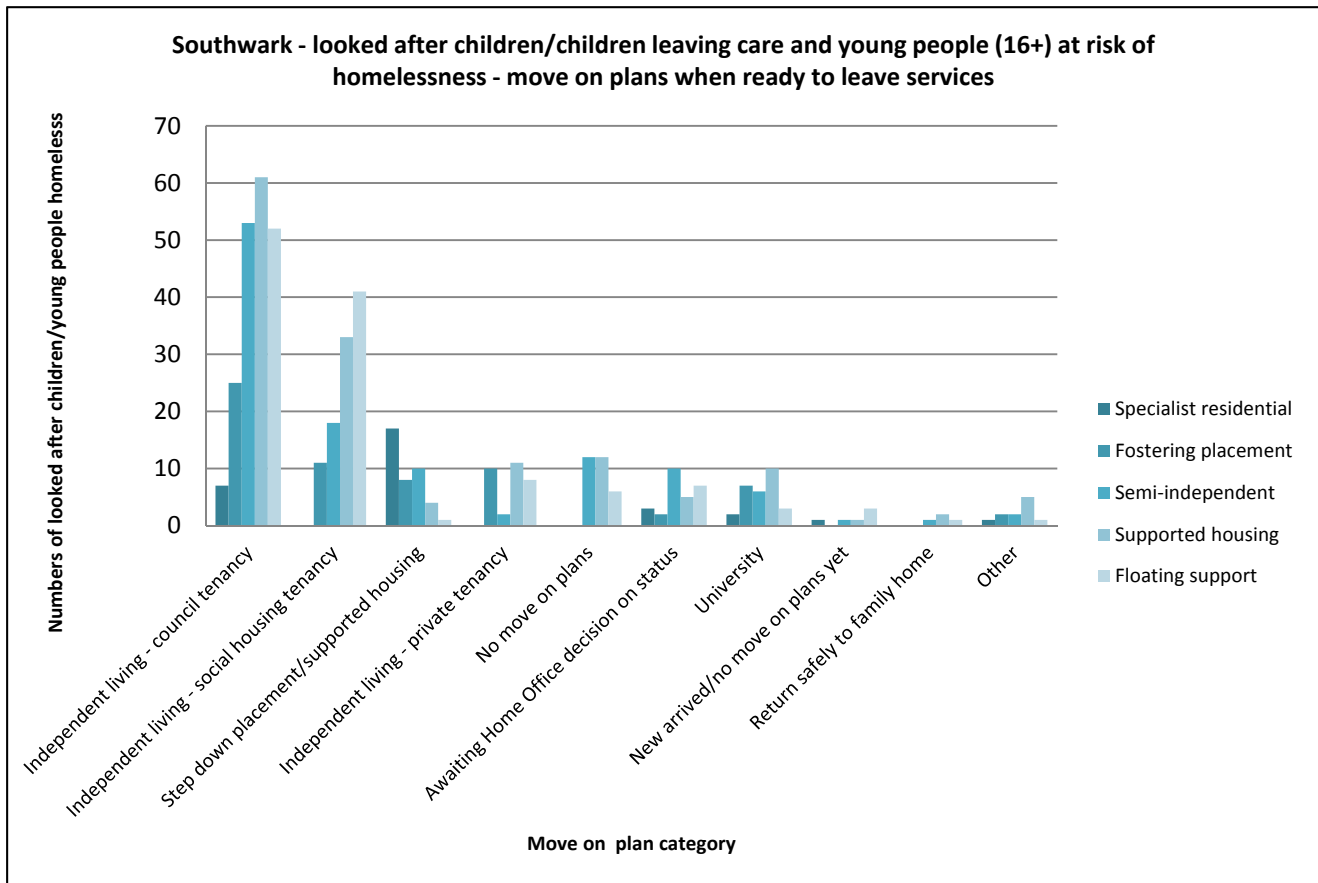


Chart 15. LAC/care leavers and young people (16+) at risk of homelessness – move on plans when ready to leave services

- 5.45 The prevalence of council housing as a move on route for young people in the 16+ support and housing pathway is not sustainable in the medium or long term, as – simply put – there will not be the level of council tenancies available to meet the needs of this entire cohort. (And central government policy restricts the possibility of the Council building any new council homes at the scale that would be required). Whilst council tenancies will continue to play an important part in helping young people to move on to new homes, the current 16+ pathway and the disproportionate focus on council housing is no longer sustainable.
- 5.46 At this time only 31 (5%) of young people in the 16+ support and housing pathway were planning to move on to a tenancy in the private rented sector. In fact, more young people were planning to move on to another supported housing scheme than were planning to rent privately. Given the shift away from council housing provision, this is not sustainable – and it is recognised that more young people will need to be supported to live safely in good quality and affordable private rented housing. This is a key challenge for the 16+ pathway in supporting young people into available housing at a time of considerable scarcity in the housing market.
- 5.47 As part of the 16+ support and housing project, a number of young people were invited to take part in a series of engagement events across different services. The key discussion topic brought up by the for young people was their frustration about how to move on from services, the

processes for moving on, and who decides when they were ready to move on. Many felt that, even when it was felt that they and their support worker felt that they were ready to move on, the final decision was often made by the Council's housing department who had no previous contact with them.

- 5.48 For looked after children/care leavers, the decision on when young people are ready to move on is made between the young person and their social worker/personal adviser. The approach enables each individuals' support and care plans to be lined up with their own tailored approach to preparing for independent living – and, in fact, social workers recognise that these areas are best considered as one total approach. In these instances there may need to be a further interaction with the Council's housing department if the right move on option for the young person is to gain a council tenancy.
- 5.49 The engagement events with young people in 16+ support and housing services showed that many young people believe that they are ready to move on from services, but cannot leave for reasons they feel are outside of their control. The outcome of the 16+ support and housing 'tell it like it is survey' with young people in services is set out below:

I'm not prepared at all	I need a lot more support	I think I'm almost there	I am very prepared
0%	18.1%	45.5%	36.4%

- 5.50 Further details of the outcomes of all of the engagement exercises carried out by the 16+ support and housing project are set out below.

'It depends, it could be us and our worker, but we decide and then we have to rely on someone else who don't even know us making a decision about if we are ready or not'

'I've been here for 9 months, I know I'm ready, even my key worker says I'm ready, but I've just got to sit here and wait, I need to follow the process' [Service Users]

- 5.51 Amongst the messages that young people reiterated was that they felt they were given different messages from social care, support providers and the Council's housing department. A number of young people noted that they had agreed milestones with their key worker (for instance, engaging with the service, attending key work sessions and receiving nomination for accommodation), however even when they completed these, the outcomes in terms of moving on had not been what they expected. Of the nine young people spoken to at one focus group six said they were ready for independence, two were already in their own tenancies and one young person said they were not ready yet due to the affordability of getting a tenancy of their own.
- 5.52 Young people noted some confusion around nomination rights and priority need status. Young People asked for clarity in processes and to understand what their options were for move on and how to be better prepared after their time in supported housing services.

'Why is it some [young people] get accommodation and others don't, why do some people get Band 2¹² and others got to jump through so many hoops to get a Band 2 and even then its not guaranteed – why did I have to go to a charity to get support?' [Service User]

- 5.53 Many young people engaged with both in supported housing and children in care/care leavers explained that they had several placement moves with one young person having moved thirteen

¹² That is, priority need status at band 2 level on the council's housing allocations policy.

times, one young women seven times and others on average of three times. This is not uncommon with young people in care but it is also now recognised that this is a key issue for young people who are in homeless pathway also. Ensuring that there is stability in placements is a key focus for the Council and must be a key consideration in the design of 16+ support and housing services going forward.

- 5.54 Young people also discussed the need for more training flats and opportunities to learn the skills for independent living.

'[You should] Introduce a 1 week or 2 week period where young people can live in a flat with all the responsibility to get the feeling instead of semi independent which is half the experience'

'Introduce people who have struggled in the system and made it to influence the minds of younger people as young people prefer [to speak to] people they can relate to'. [ex Service User]

- 5.55 Many young people also noted the 'cliff edge' in services when they move on from services, which can involve losing contacts with key workers, friends and other support networks. Even with floating support, it is recognised that this is a challenging period for a young person – in starting out in their own home – and many young people unfortunately lose their tenancy at this point and end up as homeless.

'When leaving care [I was told by staff they were] dropping my claim and handing it to new team this is a new relationship which I don't want' [Service User]

- 5.56 A number of young people were enthusiastic about the idea of having a 'peer mentor' or someone else who had gone through services, and knew what to expect. Some young people said that it might help them to have someone of a similar background or ethnicity who could give them advice. A peer mentor scheme has now been set-up to support adults in the mental health and mental health homelessness pathway, and it may be that a similar scheme would be of value if established to support young people in 16+ support and housing services.

SUMMARY AND KEY FINDINGS - YOUNG PEOPLE/SERVICE USERS

- There are an increasing number of young people staying in 16+ support and housing services for longer periods than was originally intended. Many young people are struggling to move on due to the costs of housing (rent, utility bills etc) and others are awaiting the Council to help them to move into their own council tenancy. Without changing the current model and helping more young people to prepare for and then successfully move onto their own home, the Southwark 16+ support and housing services will not be sustainable in the medium term.
- The 16+ support and housing pathway needs to prepare young people for independent living and there should be an emphasis on ensuring that there is no "cliff edge" for young people when they leave services, but that they are continued to be supported – as needed for a time – into their new independent living setting.
- There is a disproportionately high number of black (and particularly Black Caribbean) young people in 16+ support and housing services. The future design of services should take this in consideration, and ensure that different communities are able to both shape and be linked into the services going forward. The development of a cross-service peer mentor scheme, including by drawing in trusted individuals from different communities in Southwark, would provide additional advice and help to the young people in services.

- There should be a common approach across social care, providers and housing – with a single pathway and clear messages for young people. The current approach across the different services can be confusing for young people as there are different routes into move on housing options through schemes including the Move On Allocation Allowance (MOAA).
- Young people should be provided with good advice and support throughout the pathway, and they should be given realistic expectations about what to expect in terms of housing outcomes in the current national and local context.
- The 16+ support and housing pathway needs to take into account both looked after children/care leavers (who below the age of 21 are primarily male) but also young mothers with babies (who are increasingly prevalent in services after age 21). There should be appropriate provision for all groups, and targeted support and specialist advice for mothers through schemes like the Family Nurse Partnership (FNP).
- The links between 16+ support and housing services and other elements of the community safety system should continue to tackle issues including gang-related activity.
- There is a need for some specialist provision (for example, post-custodial and mother and baby services) as part of the Southwark 16+ support and housing services. By increasing targeted and specialist provision this may prevent the need for young people to be placed in specialist residential care.
- The location of services should be tailored to the needs of individuals. Not all services should be in Southwark, as this is not appropriate for all young people, although the Council should maintain some level of in-borough provision. Given the needs of the 16+ cohort, it would seem appropriate if all services were within a reasonable travel distance from Southwark. Services should be located within close proximity to good schools, green spaces, affordable local housing options, health services (including mental health) and with access to employment and training opportunities.
- There is an opportunity to better shape services around support, housing - and health – with the joint approach between the Council and CCG around children and young people's commissioning. This is an area where there could be a particular focus around CAMHS, the LAC nurse, health visiting (Family Nurse Partnership) and mental and physical health needs.

6. FINDINGS OF THE 16+ SUPPORT AND HOUSING PROJECT - (PART 2) CURRENT MODEL IN SOUTHWARK - SUPPORT PATHWAY

Support pathway - overview

- 6.1 The 16+ project undertook work to map and analyse the totality of the current support and housing pathway for young people in Southwark. The following section sets out the outcome of this work.

16+ support and housing – support pathway

- 6.2 The diagram below sets out the current support pathways for young people in these services.

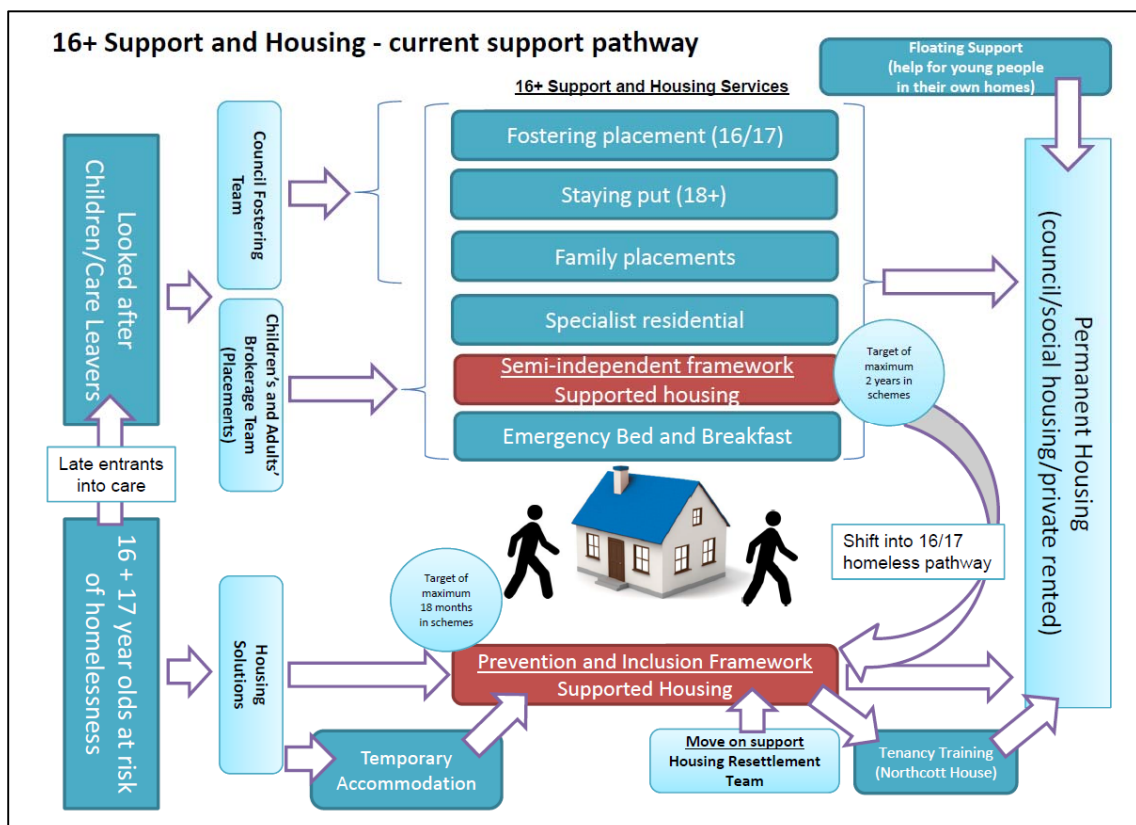


Chart 16. Current operational model (access to 16+ support and housing services) for both LAC and young people at risk of homelessness

- 6.3 The current operational model for 16+ support and housing is underpinned by the Council's different but overlapping duties for (a) looked after children/care leavers who require support and housing and (b) young people who are at risk of homelessness and are in priority need due to being aged 16 or 17 years old.
- 6.4 Over time, the operational model that has developed in Southwark is comprised of two core pathways which are running in parallel, and which have certain points at which young people may pass between one pathway to another. From the engagement work that has taken place as part of the 16+ support and housing project it is clear that there is very little understanding of the twin pathways for the young people receiving services within these and, for some, the different routes were viewed as complex and confusing.

- 6.5 It should also be noted that the support and housing service pathway includes two separately commissioned supported housing services (in red on the chart) which, on the whole, deliver very similar outcomes – although due to the way these have been commissioned – they can act in very different ways.

Looked After Children/Care Leavers Pathway

- 6.6 When a child or young person is taken into local authority care, the Council has a duty to ensure that the looked after child is safely placed in appropriate accommodation. For young people below the age of 16, where this is appropriate for a young person, this is normally with a foster carer organised by the Council's fostering service. As these young people reach 16 years and then 18 years old, the Council will continue to support them to stay in their fostering placement – including through "Staying Put" arrangements¹³ for those aged over 18 years (and up to the age of 25). That said, in Southwark the majority of young people do not stay in fostering services after the age of 16 but instead move into semi-independent supported housing services.
- 6.7 The significant reduction in the proportion of young people in fostering services after age 16 is recognised as a challenge. For many young people it may be that staying with their foster carer in the home that they have grown up in may be the best and most sustainable space for them. Many young people, on reaching 16 and 18, are enthusiastic about moving as quickly as possible into their own independent home – and this is seen by many as a sign of becoming an adult. However, for many, leaving their childhood home can be a difficult period. This is a period where young people are at a higher risk of becoming homeless. This is why, for those young people where this meets their needs and is the most suitable place to help young people prepare for independence, the Council would support those young people to stay with their foster carer.
- 6.8 For those looked after children and care leavers who are either moving on from their foster carer, or for whom fostering is not a viable option, the young person will be referred to one of the following services by the Children's brokerage team¹⁴:
- specialist residential
 - semi-independent - supported housing
 - emergency bed and breakfast accommodation
- 6.9 For those young people placed in specialist residential or emergency bed and breakfast accommodation, social care and brokerage will look to support the young people to 'step down' to a supported housing or fostering placement as soon as they are ready to move. This is because, whilst specialist residential and bed and breakfast accommodation can meet specific emergency, secure or therapeutic needs, these models are not ideally suited in enabling young people to develop the skills and resilience for independent living. As an example of this - it might be noted that it is highly unusual for a young person to move into independent living directly from a specialist residential scheme.
- 6.10 When looked after children and care leavers are ready to move on to their own home after services, they are typically supported to do so by their social worker, personal adviser and service provider. The vast majority of this cohort apply for a council tenancy and, given that this group are

¹³ The Department for Education (DFE) published guidance for local authorities around "Staying Put" arrangements in 2013, this provided a framework to support councils to help young people who wished to stay with their foster carer after they turned 18, without a reduction in support funding provided. From the age of 18, the Council however would no longer pay for the housing costs (rent, utility bills etc) of the young person, this would be picked up by the housing element of Universal Credit (UC).

¹⁴ Social care brokerage teams are responsible for organising and agreeing payment for appropriate placements for eligible clients. In Southwark, the brokerage team is located in Children's and Adults' Services and works alongside commissioning and social care in the delivery of sufficient and sustainable places for young people. Brokerage also manage 'change of placement' requests for looked after children and these placements can be also be made at any point of a young persons journey (for example, due to placement breakdown or the changing needs of the individual).

awarded priority need status, many are able to do so after bidding through Southwark Homesearch¹⁵. If the young person bids for properties on a regular basis, and does not turn down offers, through their priority status, they would usually expect to be accepted into a new home within 3-4 months.

- 6.11 For many looked after children¹⁶, following their time in specialist residential, semi-independent and fostering placements, and if they are not yet ready to move on to a permanent tenancy, there is then a further move into the parallel homeless pathway – and a shift to another supported housing scheme. Alongside the breakdown of placements for other reasons (say, due to the accommodation not meeting an individual's specific health or care needs) this contributes to a significant churn through the system – with many young people moving home and services multiple times prior to moving to independent living. This level of change and uncertainty is of course not conducive in helping young people to develop skills and resilience and to prepare for independent living.

16-17 Year Olds Homeless Priority Need Pathway

- 6.12 When an individual approaches the Council as homeless or at risk of homelessness, the Council has a duty¹⁷ – provided they meet statutory requirements - to rehouse them. For young people in priority need due to being 16 or 17 years old, these are assessed for support by the Housing Solutions team. This team works with young people to prevent homelessness and, where appropriate, places young people in temporary or supported housing schemes.
- 6.13 The core part of the work of the Council's Housing Solutions team is to ensure that people at risk of homelessness are provided with excellent advice and resources in order to be able to make decisions about their own housing and other needs. For young people at risk of homelessness, the team find that many have actually decided to leave their parental home under a false expectation about the type of housing that the Council would be able to provide to them through the homeless route. For many, the best place for them would actually be to return to their parental home until they are ready to move into a home of their own – for example, by sharing the costs of a rented flat with friends. The Housing Solutions team ensure that all young people are provided with good advice to help them with these choices, whilst looking to ensure young people are kept safe¹⁸.
- 6.14 Any young person at risk of homelessness may seek at this stage to be accepted by the Council as a looked after child¹⁹, that is, to be accepted under section 20 of the Children Act 1989. In these circumstances the young person would switch across to the looked after children pathway and would be able to access services including specialist residential, semi-independent and fostering services. It is recognised however that for the majority of young people, being taken into local authority care may be detrimental to their journey to independence. For some, it may unintentionally create an impression that someone else rather than the young person themselves will always be there to meet their needs and overcome any challenges. This may even be more of an issue for those aged over 16 years old and who are in the final stages of becoming adults.
- 6.15 For those young people who are accepted as 16-17 year old priority need homeless, there may be an emergency need to be placed in temporary accommodation such as a shared or self-

¹⁵ Southwark Homesearch is the Council's choice-based lettings system which enables people on the housing list to bid for council and partner housing association homes. There are four priority bandings, with Band 1 being the highest priority level and Band 4 the lowest.

¹⁶ In 2016/17, this was 16% of the total LAC/care population in 16+ support and housing.

¹⁷ As originally set out in the Housing (Homeless Persons) Act 1977. These were amended in the Housing Act 1996 to include priority need categories and in the 2002 Homelessness (Priority Need for Accommodation) (England) Order to include, amongst other categories, young people who are 16 or 17 years old at risk of homelessness but not a looked after child or care leaver.

¹⁸ It is acknowledged that returning to the parental home may not be safe for young people where there is the risk of harm or abuse. In these circumstances this will not be an option for the young person and other options, including a supported housing placement, will need to be considered.

¹⁹ That is as a "late entrant to care".

contained bed and breakfast room, a hostel, or an in-house leased accommodation or estate void. This emergency placement is primarily used whilst a place in a more appropriate supported housing scheme becomes available.

- 6.16 There are three in-borough supported housing schemes available for young people in this pathway, including specialist mother and baby units and a female-only scheme.
- 6.17 During the period 2014/2015, 47 young people in total were placed in short-term temporary accommodation, although there were only 4 recorded in mid-2016 and none of these were from the homeless route.
- 6.18 For those young people placed in supported housing, the Council operates a Move on Allocation Allowance (MOAA) scheme²⁰ to enable those who meet certain criteria to gain access to council and other social housing. MOAA is an annual ring-fenced number of special allocations which allow vulnerable young people and adults living in supported housing schemes the opportunity to be placed on the Council's housing register with priority need [Band 2] status. The criteria for MOAA acceptance requires that applicants:
- have engaged positively with services in all aspects of their support plan
 - are in employment, education or training
 - have a social or medical need.
 - may need to stay in Northcott House²¹ for a period and undertake pre-tenancy training.
- 6.19 The total MOAA allowance for all vulnerable clients during 2016/17 was 126, of which 25 young people received access to social housing. For young people outside of the looked after children/care leavers pathway²², a MOAA acceptance into council or social housing was the route taken by a full 1/3 of all young people who moved on from services in 2016/17.
- 6.20 The Council supports young people to move on from services through schemes like MOAA and Northcott House through its Housing Resettlement Team. The resettlement team includes specialist 'move on officers' whose role includes helping work to ensure that this cohort of young people bid for appropriate houses that are advertised on Southwark Homesearch, that they are accepted into the correct banding level on the Council's housing list²³ and that the young people are provided with advice and support around their housing needs.

Views of young people in the different pathways

- 6.21 Engagement with young people across the 16+ support and housing services in late 2016, highlighted that many were confused and felt that they had been told different messages about their options from the Council. Some young people said they felt disbelieved by Council staff when they tried to explain their circumstances. One young person said they had been advised to return to their parental home when this was not healthy for them, and eventually they were supported into temporary accommodation. Whilst the young people generally understood that the Council had a job to do, many said that they did not feel treated with respect.

²⁰ This scheme operates across all supported housing schemes in Southwark (both for adults and children) and therefore also incorporates adults with mental ill health, learning disabilities and women and children who are the victims of domestic abuse. Given the size of the total population in contention for places, acceptance onto MOAA for people in supported housing schemes is highly prized. For many it appears to be the only option available to move on to permanent accommodation, reinforcing a view expressed in the engagement exercises, across a number of schemes, that it is primarily for the Council and not for individuals (with support) to resolve their own housing needs.

²¹ Northcott House is located near Waterloo Road. It is temporary accommodation which the Council leases as temporary 'step down' provision and accommodates up to 45 single homeless adults and young people up to the age of 65 years. Pre-tenancy training in the service includes work on budget management, tenancy agreements and healthy living. A move on from Northcott House into council or social housing is usually made within 2-4 months although it may take up to 6 months.

²² Who get automatic Band 2 status, so MOAA would be of no value.

²³ That is, the Council's housing allocations policy - http://www.2.southwark.gov.uk/downloads/download/3913/housing_allocations_policy.

'[Council] staff are rude, they don't give you any respect, you tell them why you're homeless and they tell you you're lying, you look too clean to be homeless' [Service Users]

'I told them I couldn't stay in my house but they sent me back home – I think I had a counsellor come to the house' [Service Users]

'I think they [Council Staff] got to make it hard for you, I understand they're doing their job, but they don't care' [Service Users]

- 6.22 One young person said that because they had representation at the initial assessment meeting, Council staff were more likely to listen to them than if they had attended alone. One young person said if they had known that after two years they would still be without a permanent home they would have been able to prepare themselves and moved on sooner.
- 6.23 In discussions about the processes for move on, some young people in supported housing did not understand why they needed to have an additional move to Northcott House when they could learn to be independent where they were. Other young people felt ready to live independently and did not want to move to another supported housing scheme or have a 'trial run' before moving to their own accommodation.
- 6.24 It was noted during the 16+ project that a reorganisation of housing functions was completed in November 2016 and that these changes had improved the customer journey with all single people who are at risk of homelessness now the responsibility of the Housing Solutions service. This change will provide a strong foundation for the development of a new offer for young people in 16+ support and housing services as set out later in this report.

SUMMARY AND KEY FINDINGS – CURRENT MODEL IN SOUTHWARK – SUPPORT PATHWAY

- The two parallel pathways for care leavers and 16-17 priority need homeless is complex and, for many young people, confusing. The current dual pathways may inhibit the Council's ability to deliver clear communication messages and means that some schemes (such as pre-tenancy training) are open to some young people but not others. The Council should move to a single pathway for all young people, whilst at all times making sure that its particular duties to looked after children and care leavers are met.
- The Council should develop a preventative approach that helps ensure that young people who do not need to enter the care system are not brought into care this through the homeless route. A single approach across children's social care and housing with clear and common decision-making processes across both areas would build on strong work already undertaken in these areas to help prevent young people aged over 16 years from needing to enter care.
- For many young people in foster care, it may be that – on turning 18 years old – the best approach for them, in terms of preparing for independent living, may be to stay on with their current foster carer for a time (that is, through "Staying Put" arrangements). Guidance from the Department for Education (2013) has set out a framework for delivering "Staying Put" and this should be embedded across Southwark 16+ support and housing services.
- The offer of priority need status for looked after children/care leavers on the Council housing list is extremely valuable and should remain for this cohort. That said, a council tenancy – and a long term home in Southwark – will not be the right housing outcome for every looked after

child or care leaver. The 16+ support and housing model should ensure that young people have all the options available to them, and are helped to move on from services to homes that best meet their needs – wherever and whatever those are.

- The 16+ support and housing model is predicated on the majority of young people eventually gaining a council tenancy. A historic combination of high levels of council housing in Southwark, alongside priority need status for care leavers and the MOAA scheme, underpin this. However, with the reduction in council housing due to national government policy, this approach is no longer sustainable for all young people. More so, a council tenancy in Southwark (as an inner-London borough) may not be the right place for many young people to move into, many as their first home.
- The focus on council support, council housing and council 'move on' schemes may diminish the feeling that young people are gaining independence. The core focus of 16+ support and housing services, whilst keeping young people safe, should be to enable the young people themselves, when ready, to find and move into new housing. This should include helping a group of friends to find a flat to share together, and for some – where this is safe and healthy to do so – a return to their parental home after a stay in services.
- Pre-tenancy training should be a part of every young person's journey through 16+ support and housing services and a common approach should be applied to every scheme – wherever a young person is – whether fostering, residential, supported housing or temporary accommodation. For looked after children and care leavers, this may be best achieved through refreshed support plans that additionally incorporate this area.

7. FINDINGS OF THE 16+ SUPPORT AND HOUSING PROJECT – (PART 3) SUPPORT PROVIDERS

Support providers - overview

- 7.1 The 16+ support and housing project undertook work to map and analyse the current provider landscape across these services. The following section sets out the outcome of this work.
- 7.2 In 2016/17, there were 78 support providers who provided services to young people in the Southwark 16+ support and housing pathway. Whilst the different providers cover a range of different specialist and other services, all have a common purpose to help the young people that they support to overcome challenges and to prepare for, and move on to, independent living.
- 7.3 The different providers are set out below:

Placement	Number of provider organisations	Number of clients	Type of providers
1. Specialist residential	23	31	Private and not-for-profit organisations
2. Fostering placement (incl. staying put and family placements)	19 ²⁴	65	Registered foster carers
3. Semi-independent (support tied to specific accommodation)	28	115	Private and not-for-profit organisations
4. Supported housing (support tied to specific accommodation)	3	147	Private and not-for-profit organisations
5. Floating support (support not tied to a specific building)	1	123	Private
6. Emergency Bed and Breakfast	4	4	Private
Total	78		

Table 4. List of service providers across the Southwark 16+ support and housing system

- 7.4 The ratio of the number of providers to the number of clients is of course not indicative of the type or quality of services that each young person will be receiving. For young people with particular or complex needs, there may be a need for providers which operate a speciality model (for example, with children with autism, or who are disabled). For other young people, there may be a need to locate them in a certain area due to, for example, proximity to a family member who acts as a stabilising influence. In these cases, the provider that is best suited for the young person may not be in Southwark, and may not be one that is specifically contracted by the Council to provide these services.
- 7.5 That said, if there are a large number of providers in a service pathway, many of whom are undertaking identical or near-identical services, it may be that this is creating unnecessary complexity and inefficiency where a smaller number of organisations, in partnership with the Council, could better focus on delivering outcomes for the entire population's needs.

Specialist residential – service providers

²⁴ This number relates to the number of utilised Independent Fostering Agencies (IFAs) as opposed to the number of foster carers.

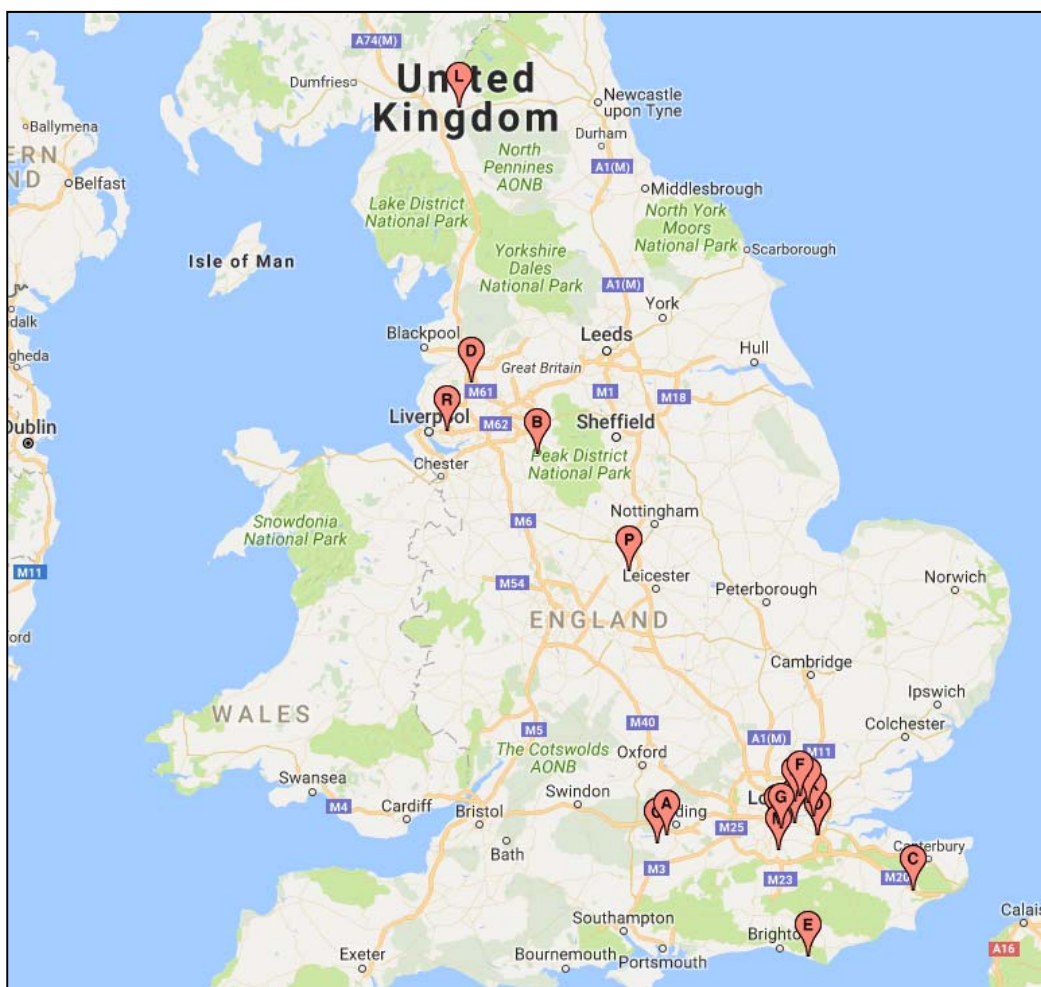
- 7.6 The 16+ support and housing project undertook an analysis of current specialist residential services taken up by Southwark young people. This is an area of significant churn, and the majority of young people are only with services for a relatively short time (typically less than 1 year, and some for only a few months). This is both because these services are utilised for emergency and urgent cases, but also because it is recognised that a residential model is unsuited to meeting the aims of young people to increase independence.
- 7.7 Specialist residential services being used by Southwark young people in 2016/17 are set out below:

Name of Provider	Location	Type of service
Aitch Group Children's Home	Kent	Learning disabilities; autism
Amegreen	Berkshire	Complex cases; therapeutic; health and care
Arnfield Care	Cheshire	Complex cases; therapeutic; specialist education
Caldecott Foundation Children's Home	Kent	Complex cases; therapeutic; health and care
Cambian Group Children's Home	Various	Complex cases; therapeutic; specialist education
Cove Care	Lancashire	Complex cases; therapeutic; crisis intervention
Crusoe Care	Sussex	Emotional and behavioural disorders; mental health
Care2Share Children's Home	London	Complex cases; therapeutic; crisis intervention
Ebonycare	London	Complex cases; therapeutic; crisis intervention
Drive Group - Swanley House	Kent	Learning disabilities; autism
Footsteps Care	London	Learning disabilities
Heartwood Care Group	London	Complex cases; therapeutic; building resilience
Holbrook Homes	London	Supported housing
Jamores	Kent	Emotional and behavioural disorders; mental health
Keys Group - Child Care and Crisis	Various	Complex cases; therapeutic; crisis intervention
Kirby Moor School	Cumbria	Complex cases; therapeutic; specialist education
Merryvale Children's Home	London	Complex cases; therapeutic
Oakdene House	London	Learning and physical disabilities; autism
Swanley House	Kent	Learning and physical disabilities; autism
Priory Group - Castlecare	Leicestershire	Complex cases; therapeutic; specialist education
Priory Group - Tadley Horizon School	Hampshire	Learning disabilities; autism
Quality Protects	Liverpool	Complex cases; therapeutic; mother and baby
Sherico Group	London	Complex cases; therapeutic; post-custodial

Table 5. Southwark 16+ support and housing 2016/17: key specialist residential providers used by Southwark in mid-2016

- 7.8 The majority of specialist residential providers used by Southwark are private limited companies who own a small number of secure children's homes (usually 3-4 buildings) from which they operate services specifically aimed at complex cases. Many of the services operated are in relatively tranquil settings, and some are also specialist schools. In 2016/17, 6 of the 58 schemes used by Southwark are specifically designed for young people with Special Educational Needs and Disabilities (SEND), including autism and learning disabilities.
- 7.9 With a very small exception, the majority of specialist residential schemes had only one Southwark child placed in them in 2016/17. The services will also have received young people from other areas, and it is recognised that in some cases, there have been positive benefits where Southwark children have mixed and made friends with young people from different backgrounds and areas.
- 7.10 The residential schemes used in 2016/17 offer a number of different specialities including:
- emergency and special education for excluded young people, or for young people who have had to move away from their own schools and colleges at short notice.
 - therapeutic and other interventions specifically designed for young people who have experienced abuse, neglect, trauma and/or sexual exploitation.

- specific services for young people with disabilities, autism, asperger's syndrome and physical and/or mental health problems.
- specific services for young people with social, mental and/or emotional health (SMEH) needs.
- services for young people with mild, moderate and severe learning disabilities.



Map 1. Residential placements for 16+ young people in support and housing services (data from mid-2016); letter markers (ie A, B, C) correspond to different residential schemes. Each marker denotes a postcode and does not take into account the number of young people placed at each address.

- 7.11 The majority of specialist residential placements providing Southwark 16+ support and housing services are located in London, or in North Kent. This is due to the need for safe emergency support and accommodation services within the vicinity of Southwark and prior to a subsequent move into a supported housing scheme or another service (when a place becomes available). That said, there were a small number of young people placed in areas further away from London, including Hampshire, Leicestershire and Cumbria. This was primarily due to either (a) a need for a speciality service or (b) a link to these areas which was of assistance to the young person. Both of these reasons would require support to be sourced in areas at a distance from Southwark.
- 7.12 It was noted as part of the 16+ project that the need for specialist residential placements had been increasing. The reason for this was as a result of semi-independent and other providers being unable (a) to meet demand and/or (b) to offer the level or type of support required, primarily due to an increase in requests for young people with complex needs or who have challenging behaviour. This change in the profile of young people requiring 16+ support and housing services requires a shift in provision, which will require the development of more specialist schemes designed for this

cohort. The risk of not putting in this provision would be a further reliance on out-of-borough placements, including unsuitable or geographically distant schemes.

- 7.13 The cost of specialist residential services is relatively very high at an average (in 2016/17) of £2,181 per young person, per week (although as high as £4,000 per week at one scheme). There were no young people aged over 18 in the schemes during the course of the 16+ support and housing project, however it is recognised that there is a risk that any young person aged over 18 would have to forego their housing benefit²⁵ (HB) entitlements as this would not be applied whilst the young person was situated in a residential scheme.

Fostering placement – service providers

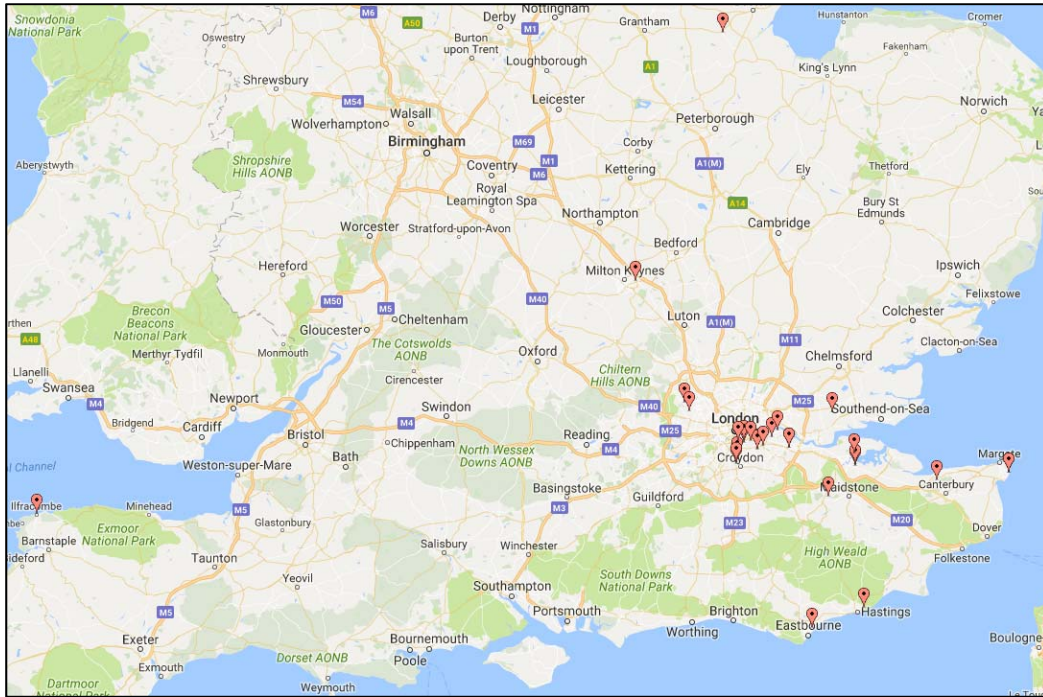
- 7.14 Independent Fostering Agencies (IFAs) recruit, assess, provide support to, train and - on the behalf of the Council - pay for foster carers. There is a national shortage of foster carers at this time, and the different organisations seek to encourage individuals and families to come forward to take on this important role, whilst also vetting all potential foster carers and ensuring that any young people placed with a carer are kept safe.
- 7.15 The IFAs that organised foster carers for young people in Southwark 16+ services (in 2016/17) are set out below:

Name of Provider	Location	Type of service
Affinity Fostering	Essex	Independent Fostering Agency
By the Bridge	Kent	Independent Fostering Agency
Capital Care and Fostering	Kent	Independent Fostering Agency
Capstone Foster Care	Kent	Independent Fostering Agency
Child First Fostering	Essex	Independent Fostering Agency
Child Focus Fostering	London	Independent Fostering Agency
Children of all Nations Fostering	London	Independent Fostering Agency
Children of Colour Fostering	London	Independent Fostering Agency
Chrysalis Care	London	Independent Fostering Agency
Core Assets Childcare and Fostering	Midlands	Independent Fostering Agency
Croham Services for Children	London	Independent Fostering Agency
Family First Fostering	London	Independent Fostering Agency
Foster Care UK	Kent	Independent Fostering Agency
Greater London Fostering	London	Independent Fostering Agency
ISP Fostering	London	Independent Fostering Agency
National Fostering Agency	London	Independent Fostering Agency
Real Fostering	Hampshire	Independent Fostering Agency
Xcel 2000 Fostering	Kent	Independent Fostering Agency

Table 6. Current 16+ support and housing providers contracted with under the Semi-Independent Framework Agreement

- 7.16 As with residential schemes, the majority of foster carer placements for 16+ looked after children are located in London, or in North Kent. This is due to the need for these services within the vicinity of Southwark. That said, there were a small number of young people placed in areas further away from London, including Devon, Milton Keynes and Yorkshire.

²⁵ Universal Credit (UC) – which includes housing benefit – provides a payment to support people on a low income or who are out of work and who are aged over 18 years old. The housing benefit element of UC covers both the rent and the service charge (utilities; building maintenance etc.) – however this only applies in certain housing schemes, including supported housing, and does not cover specialist residential schemes.



Map 2. Fostering placements for 16+ young people in support and housing services (data from mid-2016); markers correspond to the address of individual foster carers supporting a Southwark young person aged over 16 years. Each marker denotes a postcode and does not take into account the number of young people placed at each address

- 7.17 The cost for different foster placements organised through IFAs varies considerably, with an average cost of £687 per week (in 2016/17). Whilst an IFA placement is relatively costly compared to some other types of provision, it is recognised that a foster carer is normally the most suitable placement for a young person, in terms of developing skills and preparing for adulthood.

Semi-independent – service providers

- 7.18 Semi-independent service providers provide supported housing support for looked after children and care leavers in order to meet the aims of the Southwark Semi-Independent Framework Agreement²⁶ (SIFA) which was originally commissioned in 2013. The service providers on the framework were contracted to:

- secure accommodation for young people aged 16-18 years.
- to help equip those young people with the life skills necessary to support transition to adulthood where they can live independently in their own homes.

- 7.19 In total, there are 9 providers on the semi-independent framework and each of these leases a number of properties from private or registered social landlords²⁷ (RSLs) in order to meet the number of places required by young people in Southwark. The Council in addition purchases a number of services from other providers where the semi-independent framework cannot meet needs. The housing leased by the different providers is a mixture of twenty-four hour units,

²⁶ A contractual framework is an agreement with a number of different suppliers for the delivery of services during the life of the overall contractual agreement. Local authorities and other commissioning organisations use frameworks in order to put in place agreements with a small number of vetted/evaluated providers for the delivery of services, which would otherwise need to be tendered to the entire market at each stage. In some cases frameworks can abet the delivery of greater partnership commissioning, enabling the council to work closely with a small number of procured providers for the delivery of services.

²⁷ A registered social landlord (also known as a Housing Association) are independent, not-for-profit organisations that provide housing in order to provide homes for people in need. The key RSLs in Southwark's supported housing market are Hyde Housing, London and Quadrant (L&Q) and Metropolitan Housing Association.

Houses in Multiple Occupation²⁸ (HMO) or stand-alone units. The majority of services provided are small, with perhaps 1-4 young people each placed in a leased private house, with support workers visiting on a regular basis.

- 7.20 As well as the provision of housing, each support provider organisation employs dedicated key workers which provide outreach support to young people to develop independent living skills based on their support plans and needs. This work can include linking the young people into appropriate community-based and statutory services. Semi-independent services can vary the level of support that they provide, although all young people receive a minimum of 7 hours support a week for their first 6 months in services²⁹. After this initial period, young people will receive support based on need with 3 hours a week considered a low level of support compared to 14 hours as high support.

- 7.21 The semi-independent providers are set out below:

Name of Provider ³⁰	Location	Type of service
Artemis	Bromley, Lewisham	Stand Alone/Shared Flats
Bridging the Gap	Kent	Stand Alone/Shared Flats
Cameron Support Service	Luton	Stand Alone/Shared Flats
Cornerstone Care	Redbridge	Stand Alone/Shared Flats
Creating Lifestyles	Southwark, Kent	Stand Alone/Shared Houses
Fine Fair Ltd	Southwark, Enfield	Stand Alone/Shared Houses
Freshstart	Kent	Stand Alone/Shared Houses
Future Foundations	Southwark, Croydon, Lewisham	Stand Alone and x 3 24 Hour Units
Holibrook Homes	Lewisham	Stand Alone/Shared Houses
Holmdene Housing	Bromley, Croydon, Lewisham, Lambeth	Shared Flats and 4X 24 Hour Units
Independent Way	Kent	Stand Alone/Shared Flats
KRJ Care	Lewisham	Stand Alone/Shared Houses
Krossroads (Care R Us)	Barnet, Enfield	Stand Alone/Shared Flats
Liberty Group	Kent	Stand Alone/Shared Flats
Look Ahead Care and Support	Southwark	24 Hour Units
Medusa Project	Lewisham	Stand Alone/Shared Flats
My Life	Kent	Stand Alone/Shared Flats
New Beginnings	Southwark	Stand Alone/Shared Flats
Netpex	Croydon, Kingston, Mottingham	Stand Alone/Shared Flats
Next Step Care Management	Kent	Stand Alone/Shared Flats
Phase II Care	North London	Stand Alone/Shared Flats
Property Ace	Kent	Stand Alone/Shared Flats
Purple Pebbles	Croydon	Shared Houses/24 Hour Units
Rela	Kent	Stand Alone/Shared Houses
Sanctuary Care	Lambeth	Stand Alone/Shared Houses
Silver Birch	East and North London	Shared/Stand Alone 2X 24 Hour Units
Step Ahead	Croydon, Lewisham, Lambeth	Shared/Stand Alone 2X 24 Hour Units
Young Futures	Lewisham, Lambeth, Southwark	Shared Flats/Stand Alone

Table 7. Current 16+ support and housing providers contracted with either (a) under the Semi-Independent Framework Agreement or (b) as a spot purchase where the semi-independent framework was not able to meet need

- 7.22 Whilst semi-independent services are designed to cater only for young people aged between 16-18 years, there is provision for young people to stay in services after the age of 18 in order to support a smooth transition to a new home. That said, the services were not designed for the increasing numbers of young people who are now remaining in services after this age – and in some cases until their mid-20s.

²⁸ For example, a large house divided into 8-10 flats – some flats having private bathrooms, others having shared facilities.

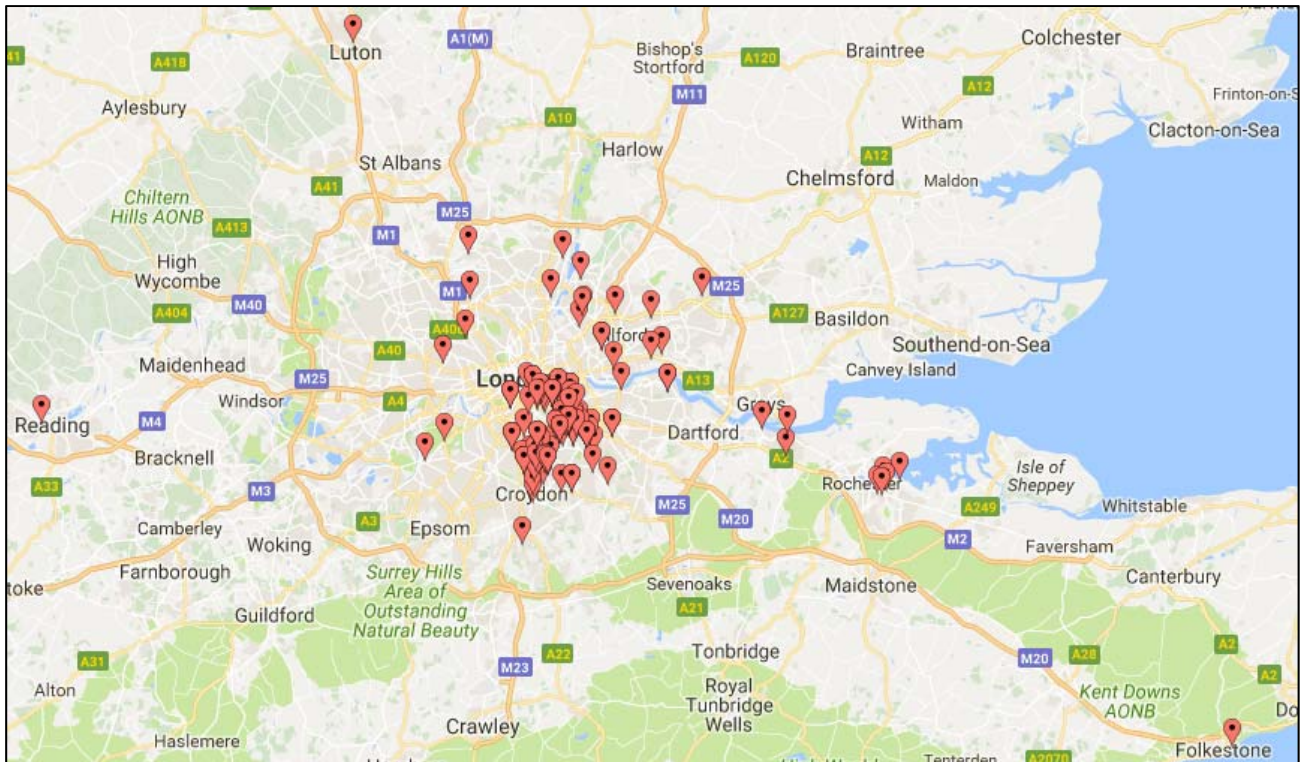
²⁹ Except in very rare cases where the young person is demonstrating exceptional levels of stability and independence.

³⁰ The majority of semi-independent providers are limited companies.

7.23 The contractual focus on young people turning 18 in semi-independent services also means that there is a significant level of churn at this age, with many young people at this stage moving into other supported housing (that is, across the 16/17 homeless pathway), an approach which was considered needlessly disruptive and confusing to many young people who mentioned this during the engagement exercises.

7.24 The majority of semi-independent services are located in and around four geographical areas, that is:

- A – Southwark, Lambeth and Lewisham
- B – North-East London
- C – Croydon
- D – North Kent

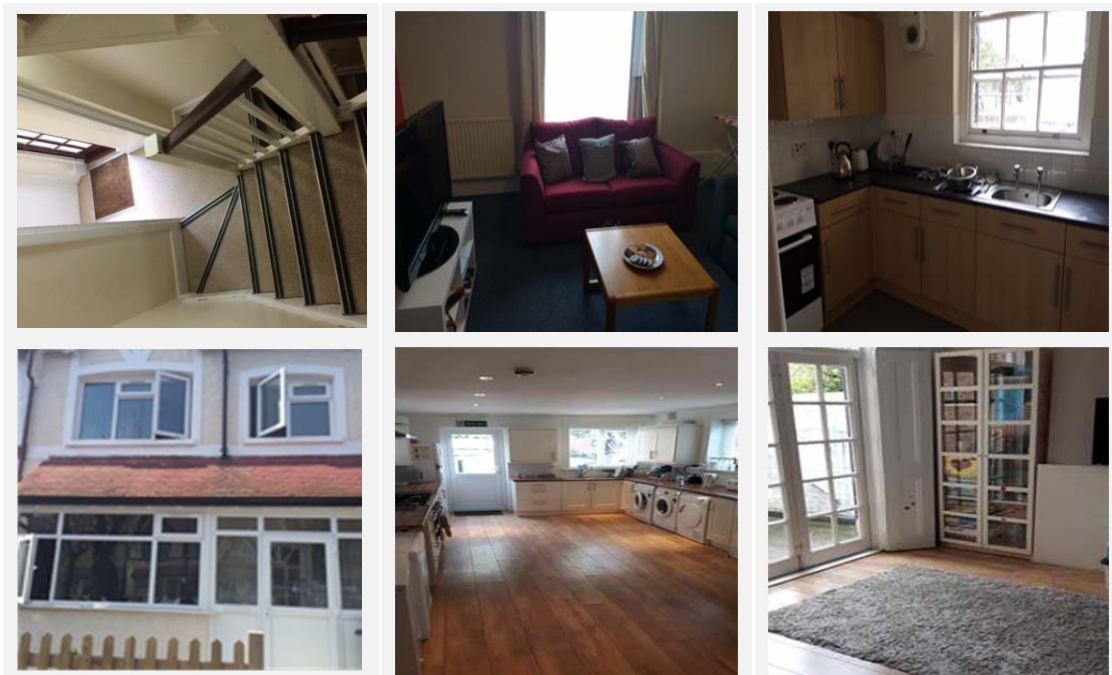


Map 3. Semi-independent supported housing services for 16+ young people in support and housing services (data from mid-2016). Each marker denotes a postcode and does not take into account the number of young people placed at each address

7.25 Whilst there is a presence of services in Southwark, it is recognised that by providing semi-independent schemes in other areas of London (within a reasonable travel distance of Southwark) young people may be better able to afford to move into homes in these areas, as they are outside of inner-London where housing can be less expensive. By ensuring that the schemes remain within a reasonable travel distance from Southwark, the young people will be able to access specific Southwark services including employment schemes.

7.26 The cost of a semi-independent placements varies by provider, accommodation type and the support needs of each young person. General provision is charged at a rate starting from £381 to £1,275 per week, with more tailored or specialist schemes from £770 to £1,485 per week. Any additional support hours (beyond those contracted by the Council) are charged at a rate of £22-£30 per hour.

- 7.27 Based on spend for the financial year 2015/16, the cost to the Council for accommodation and support provided under the SIFA was an estimated £39.00 per person per day. When compared to the spend for supported housing (which supported 42 more young people) this was an estimated £18.95 per person per day.
- 7.28 Feedback from the Council's annual monitoring review completed in April 2016 reported that overall there was some very good provision across semi-independent services although support provided by keyworkers was inconsistent and not always satisfactory. Of the 16 providers visited 2 were rated very good, 7 good and 7 adequate. 1 provider had also made investment in their service by introducing a therapeutic element.
- 7.29 Some photographs setting out the type of provision offered in semi-independent services is set out below:



Photographs 1 – sample of photographs of semi-independent accommodation provided for Southwark 16+ support and housing services

Supported housing – service providers

- 7.30 As their name suggests, supported housing services provide combined support and housing within a single service. The approach means that, for those who access these schemes, they will receive keyworker and other support in a specific house-setting (that is, in a designated property solely for that purpose) – they will stay in these services for a short period of time and prior to moving onto independent living.
- 7.31 The Council's 16+ supported housing schemes are contracted to meet the aims of the Council's 2015 Prevention and Inclusion Framework Agreement (PIFA)³¹, that is to deliver:
- a personalised preventative and early intervention housing support service.
 - the fostering of resilience and the development of skills to support independence.
 - a service that helps link individuals into employment support and other services.

³¹ The Prevention and Inclusion Framework covers other services beyond 16+ support and housing, including adult mental health and mental health homelessness and also refuges for women and children who have been the victims of domestic abuse.

- a service that empowers young people to participate in their local community, and supports the improvement of their health, wellbeing and quality of life.
- an approach to sustainable resettlement³².

7.32 The schemes cater for a mixture of young people who are 16+ years old who are homeless priority need and also for care leavers who have moved into these services from semi-independent or other provision. It is expected that young people will be supported for up to 18 months (or up to the age of 21) after which they will hopefully be able to move on into independent living.

7.33 In total there are ten organisations on the Council's young people's "lot"³³ of the PIFA, however only three providers are currently contracted with to provide these services. The Southwark 16+ supported housing services are set out below:

Name of Provider	No of Beds	Location	Type of service
Look Ahead (SABS - Southwark Accommodation Based Service)	93	Southwark (Various)	- shared houses/flats/standalone - 18+ services - mother and baby units
Oasis Aquila Housing	16	Southwark (Peckham)	Female only scheme (single sex unit)
Salvation Army (Springfield Lodge)	38	Southwark (Denmark Hill, Camberwell)	24 hour support mixed unit with single sex clusters

Table 8. Current 16+ support and housing providers contracted with on the Prevention and Inclusion Framework Agreement

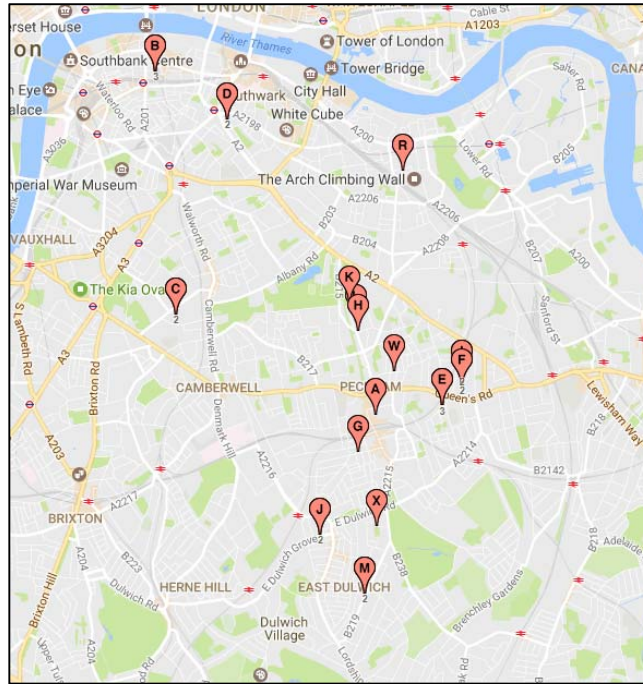
7.34 The Southwark 16+ supported housing services consists of a mixture of 24 hour support, shared accommodation and stand-alone flats. In all of these services the young people live in same sex cluster groups³⁴ whilst having access to their own cooking facilities and a dining/lounge communal area.

7.35 All of the 16+ supported housing schemes are located in Southwark, with the majority of services located around Peckham, Queens Road Peckham and East Dulwich. These locations are of course beneficial for the young people in as far as they are less likely to be displaced from their home boroughs when moving into schemes. That said, it is recognised that having such a high proportion of services in Southwark may make it more challenging for young people to find a local home to move into, given the cost of housing (rent etc) in the area. A balanced approach where the Council maintained some in-borough provision, whilst also establishing services outside of an inner-London setting is recognised as potentially more successful.

³² That is, to support individuals who are at risk of homelessness to "re-settle" safely and sustainably in communities and homes where they are able to continue living independently.

³³ There are five lots on the PIFA – for disabilities, mental ill health, vulnerable adults (mental health homelessness), women and children who have been the victims of domestic abuse (ie refugees) and young people.

³⁴ That is, whilst the young people may live in a house with members of the opposite sex, there will typically be a physical barrier (say separate front doors) which mean that male and female groups live separately. This model has developed around the identified needs of the young people, and has a focus on safety and privacy, whilst also enabling interaction – for those where this is appropriate - across the sexes.



Map 4. Supported housing services for 16+ young people in support and housing services (data from mid-2016); letter markers (ie A, B, C) correspond to different supported housing schemes. Each marker denotes a postcode and does not take into account the number of young people placed at each address

Floating support – service providers

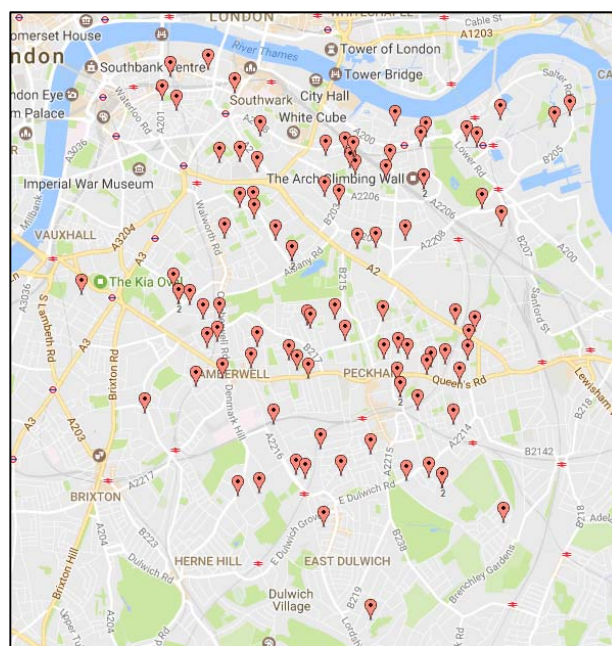
- 7.36 The Southwark 16+ floating support service provides ongoing help to those young people who have moved into a home of their own or who have lost their tenancy and are of no fixed abode (in many cases for young people who are “sofa surfing”³⁵). The young people are in some cases those who have moved out of semi-independent or supported housing, although the service also accepts referrals from young people who have not previously been in 16+ support and housing services.
- 7.37 The floating support service ensures that there is not a “cliff-edge” for young people when moving on from supported housing. The service ensures a continuation of support at that crucial time when the young people have just moved-into and started living in their own homes – a time when there is a heightened risk. The service has a particular role to play in terms of ensuring that young mothers are able to receive help to sustain their own tenancy, and also in linking young people in need to other local services including employment support, health, housing and care.
- 7.38 For those young people who may have lost their tenancy and are of no fixed abode (that is, for people “sofa surfing”), the service provides help for young people to access a home. This can often be particularly challenging as it is recognised that landlords may be more stringent with offering housing to young people who have previously lost their tenancy.
- 7.39 The service provides on average 3 hours of support per person per week. However, this level of support is based on need – with those who require more support able to access more, and those who need less and are on the cusp of independent living, taking less. The service is contracted to provide an overall level of support of between 240-450 hours per week.

³⁵ That is, they have no home or tenancy of their own so are living with friends or other acquaintances on a temporary basis, and often moving between different houses on a regular basis. This is a time when young people are particularly vulnerable to homelessness and street homelessness. At the time of the 16+ support and housing project 8 customers were sofa surfing and 1 was street homeless due to issues relating to their residency status. There were additionally 5 young people where it was unclear as to whether they were living with family or sofa surfing. Only 3 young people receiving floating support were renting privately.

- 7.40 The artificial³⁶ division of floating support from other 16+ support and housing services is recognised as unhelpful as it means that, for those young people moving on from a semi-independent or supported housing scheme, they will need to develop a new relationship with a new service. In the engagement exercise, a number of young people set out that they wanted to continue to see the same keyworker and to access the same services that they had in the supported housing scheme after they had moved on – and that this would aid, and not detract from, their own independence. The approach envisaged therefore is one where floating support is integrated into other services, whilst still having a proportion of support for young people referred into the service from outside supported housing.

Name of Provider	Clients	Location	Type of service
Look Ahead Young People Floating Support Service	(Up to 150 young people supported at any one time)	Primarily in Southwark, or in a few cases in neighbouring areas	Floating support

Table 9. Current 16+ support and housing services – floating support service for young people



Map 5. Location of young people in 16+ young people in support and housing services who access floating support (data from mid-2016).

SUMMARY AND KEY FINDINGS – SUPPORT PROVIDERS

- Whilst there are advantages in having many different providers, with each bringing their own unique expertise and skills to bear, the large number of providers in the Southwark 16+ support and housing system creates unnecessary complexity. A number of providers support only 1 or 2 young people from Southwark in a single building. This can make linking these young people into the overall Southwark pathway challenging. There will always be a need for provision of emergency and specialist provision (say, for young people with autism or disabilities), as well as for foster carers, however for supported housing and floating support service provision the Council should develop a new partnership with a small number of key providers.
- A new model with a partnership of key providers would better enable the Council to develop new services that could meet the needs of young people with complex and challenging behaviour – reducing the need for specialist residential settings. This should be an aim in the development of

³⁶ That is, contractually-driven.

new services.

- For some young people staying with their foster carer after the age of 18 (that is, “staying put”) may be the best way to support their journey to independence. The Council should work with foster agencies and carers to support this model wherever this meets the need of the young person.
- The Council should continue to provide services both in and outside of Southwark. All services should be within a reasonable travelling distance from Southwark.
- The dual frameworks for semi-independent and prevention and inclusion services are no longer fit for purpose and should be combined into a single supported housing model. This should also include floating support, in order to enable services to continue to offer support to young people for a time after they have left services. Some floating support provision should continue to be offered to young people who have not been in 16+ support and housing services, and for young people of no fixed abode (that is, young people who are “sofa surfing”). The new services will be called Southwark 16+ Support and Resettlement Services.

8. FINDINGS OF THE 16+ SUPPORT AND HOUSING PROJECT - (PART 4) HOUSING

Housing - overview

- 8.1 There are two areas of housing which are important in any consideration of 16+ support and housing services, that is (a) the cost of housing in services and (b) the homes that young people will move onto after services, and the approach taken to help young people, when ready, to move on.

The cost of housing in 16+ support and housing services

- 8.2 The housing element of 16+ support and housing services comprises three key areas:
- (a) the provision of shelter from a landlord. (*rent*)
 - (b) the provision of utilities – including electricity, gas and water - and the maintenance of the property, grounds, furnishings and equipment of the home. (*service charge*)
- 8.3 For young people over the age of 18 who are eligible, the (a) rent and (b) service charge may be covered by the housing element of Universal Credit³⁷ (UC). For young people under the age of 18 in services this cost is wholly borne by the Council. In addition, specialist residential services (unlike supported housing) are not covered by the housing element of UC and so the Council will pay for the entire cost of services – both support and housing - even for young people over the age of 18.
- 8.4 The level at which UC will cover the rent and service charge in any particular area is known as the Local Housing Allowance (LHA)³⁸ – and in Southwark this is set at £204.08 a week³⁹ (that is, the combined total cost of the rent and service charge cannot exceed this level in order to be covered by benefits). For the majority of young people in 16+ support and housing services, some element of UC will be required due to low or no incomes for most of the young people in services. One of the key elements of work across all 16+ services of course is to help young people into education, employment and training to improve this situation – and some who enter employment may no longer require UC to cover their housing costs at all.

Move on

- 8.5 Whilst the preparedness of any young person for independent living is crucial (and 16+ support and housing services aim to help them with this), their ability to move on from services is of course also impacted on by the availability and affordability of housing in general. One area for consideration here are the various schemes to help young people to access appropriate housing run by the Council and others.

Areas for consideration in this section

- 8.6 The 16+ support and housing project considered the following areas related to housing:
- changes to the availability and affordability of housing in Southwark.
 - an analysis of current housing costs in semi independent and supported housing schemes.

³⁷ Universal Credit is replacing Housing Benefit (and five other benefit systems) with a single monthly payment that will pay for those people who are eligible for this support (that is, people over 18 years old who are on a low income or who are out of work). Credit is nationally administered by the Department of Work and Pensions (DWP).

³⁸ The LHA is set by national Government and determines the level of rent and service charge that will be covered by Universal Credit (previously Housing Benefit) in any particular area. The LHA rate is different in each area, depending on the different costs of housing.

³⁹ For a one-bedroom flat in a supported housing scheme.

- an analysis of the current use of tenancies for young people in 16+ support and housing services.
- proposed changes to the housing element of Universal Credit (UC) and how this will impact both current services and move-on.
- an analysis of the Move On Allocation Allowance (MOAA) scheme to support young people, when ready, to move on to their own home after a stay in services.

Changes to the availability and affordability of housing in Southwark

8.7 The Council's Housing Strategy⁴⁰ sets out a long-term approach to the delivery of quality and affordable housing in the borough, including through the building of 11,000 new council homes and through key regeneration schemes in areas such as the Aylesbury Estate⁴¹. The strategy was launched in January 2015 and set out four principles for the Council:

- the Council will use every tool at our disposal to increase the supply of all kinds of homes across Southwark.
- the Council 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.
- the Council will support and encourage all residents to take pride and responsibility in their homes and local area.
- the Council will help vulnerable individuals and families to meet their housing needs and live as independently as possible.

8.8 These important programmes are taking place in a national policy context that has often been counterproductive to local exercises to increase both overall housing and affordable housing supply in the borough. There are a number of national drivers that are impacting on this area, and which – within the context of the effect on 16+ support and housing services – need to be briefly considered.

National Driver	Description
Housing and Planning Act 2016	The Housing and Planning Act 2016 sets out widespread changes to previous housing and planning law. This includes provision to end secure tenancies ⁴² , the extension of right to buy to housing association tenants, and the requirement (if enacted) for local authorities to sell "higher value" homes as they become vacant. The Government have not at this stage enacted some elements of the Act including the selling of higher value homes. As an area with both relatively high levels of council housing, and being an area of high house prices, it is recognised that Southwark would be particularly impacted by this change.
Housing Revenue Account (HRA) ⁴³ - borrowing cap	Councils should be able to build more homes, where there is a local need, by borrowing against their current and future housing assets (as is the practice in the private sector). However, the amount councils are able to borrow is capped by National Government as, it is argued, this would contribute to the overall public sector deficit, and therefore just abide by the terms of the Public Sector Net Cash Requirement (PSNCR) ⁴⁴ . This issue is recognised as the primary cause of the inability of councils to directly increase the supply of social housing in their areas.

⁴⁰ <http://www.southwark.gov.uk/housing/housing-strategy>

⁴¹ The Aylesbury Estate is a large council estate in the Walworth area of Southwark which was built in the 1960s and 1970s. The Council has set out ambitious regeneration plans for the area.

⁴² Secure tenancies are lifetime tenancies, where tenants can only be evicted under certain conditions. The Government have set out an aim to replace these with fixed-term tenancies of between two and five years.

⁴³ The Housing Revenue Account (HRA) is the ring-fenced element of a local authority's budget dedicated to its housing business.

⁴⁴ The Public Sector Net Cash Requirement (PSNCR) represents the annual national fiscal deficit (in cash terms): that is, the shortfall between public sector revenues and expenditure. The Government has a strategy to reduce the fiscal deficit to zero at some point in the next period.

The introduction of Universal Credit (UC) and proposed changes to the housing element of UC in supported housing	The Government are currently rolling-out Universal Credit (UC) which replaces six other benefits (including jobseekers allowance and housing benefit ⁴⁵) into a single payment. The change will see people under 35 in Southwark receiving a cap on the amount of money they will receive for housing at £95.18 a week ⁴⁶ . The Government are currently consulting on a further cap for supported housing schemes, with a limit on payments for housing at £204.08 a week in Southwark.
National Right to Buy Programme	Right to Buy is a national programme which enables tenants of council houses to purchase their own homes, with discounts of up to £103,900 in London. The programme was championed by former Prime Minister Margaret Thatcher through the Housing Act 1980, and later expanded by David Cameron's Government in 2011. The majority of people who complete right to buy become leaseholders ⁴⁷ , with the council maintaining the freehold ⁴⁸ .

Table 10. List of key national drivers impacting on the availability and affordability (including tenure) of housing in Southwark

8.9 The impact of all of these national drivers, when taken together, has been to reduce the affordability of housing, including in areas like Southwark. The number of homes in Southwark have been rising since the 1980s and, in parallel to this, there has also been a linked rise in the population of the borough. In the same period there has been a significant shift in the tenure⁴⁹ of housing in the borough – with a significant decrease in council housing (by 38%) – and a particular rise in the levels of private housing in the area (with an increase of 216%). There has also been an increase in the level of housing association homes (which have more than doubled) – although this is from a much lower baseline.

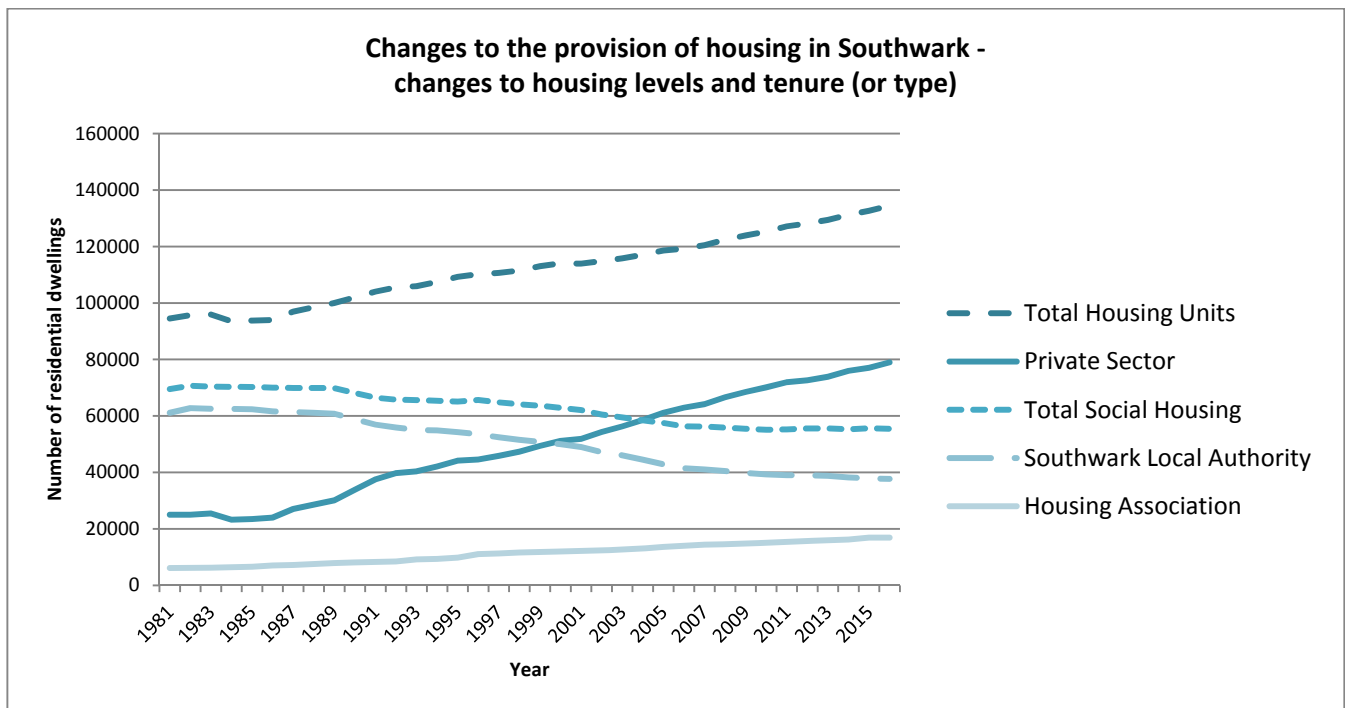


Chart 17. Overall changes to the provision of housing in Southwark (1981-2017) – changes to housing levels and tenure

⁴⁵ Housing Benefit (HB) was a previous benefit payment to people on no or low-incomes to pay for their (a) rent and (b) service charge (i.e. utility bills and home maintenance).

⁴⁶ Although care leavers will be able to access the higher level of £204.08 a week until such a time as they leave care.

⁴⁷ Leasehold is a type of home ownership. It means that the home owner has a lease from the freeholder (that is, the landlord) to use the home for a number of years. For right to buy leaseholders, the lease is normally for a long length of time, that is, for between 99-125 years.

⁴⁸ Freehold is a type of home ownership. The freeholder owns the building and land outright and in perpetuity (that is, forever).

⁴⁹ Housing tenure relates to the conditions under which people have a right to occupy their accommodation. The most common types of tenure are home-ownership (including homes owned outright and mortgaged) and renting (including social rented housing and private rented housing).

- 8.10 The reduction in council housing has driven primarily by the national right to buy programme, with many council tenants in Southwark taking up the opportunity to buy their home at a substantial discount.
- 8.11 One of the impacts of the change in tenure in the borough has been an overall increase in the cost of housing, as private rents are significantly higher than council rents. For people on no or low incomes who are relying on UC to pay their housing and service charges, the cost of renting privately in the borough is therefore unlikely to be a realistic option. This group normally includes young people in 16+ support and housing services.

Size of Dwelling	LHA Rate	Social Rent	Market Rent	
	Southwark Local Housing Allowance (LHA) ⁵⁰ Rate (per week)	Average Southwark Council Housing Rent + Service Charge (per week)	Lower Quartile Southwark Private Rent + Service Charge (per week)	Average Southwark Private Rent + Service Charge (per week)
Studio or Bedsit ⁵¹	£95.18	£81.00	£225.00	£287.50
1 Bedroom	£204.08	£92.20	£325.00	£384.50
2 Bedroom	£265.29	£101.77	£412.50	£487.50
3 Bedroom	£330.72	£111.23	£499.75	£612.25

Table 11. The average cost of rent and service charge in Southwark across council and private housing in 2016/17.

- 8.12 It was not within the scope of the 16+ support and housing project to explore these areas further, and these issues have already been looked at in detail in the Council's Housing Strategy. It is recognised however that the shift in the type and affordability of housing in Southwark is a key driver in terms of the number of young people:
- entering 16+ support and housing services due to the difficulty of finding a home or who are at risk of homelessness.
 - unable to move on from services, even when ready to do so, due to difficulty in finding a home.
 - who are planning to move onto council (as opposed to private or other) housing, even if they would prefer to live elsewhere.
- 8.13 In engaging with young people in services, the 16+ project heard many expressions of frustration from young people about the availability and affordability of housing. Some young people who lived in services out of borough were keen to move into Southwark; and others in Southwark wanted to move to other areas, to travel or to live outside of London. The current 16+ support and housing pathway was often considered too inflexible and many young people felt powerless to do anything but wait for the Council to find them a home.

Semi independent and supported housing - comparison

- 8.14 The overall cost of housing is also an issue within current 16+ support and housing services, and this is a particular issue in both semi-independent and support housing services.

⁵⁰ The Local Housing Allowance (LHA) is the level of housing benefit – now through Universal Credit – that can be claimed by people on no or low incomes.

⁵¹ Studios and bedsits are for single-person occupancy. A studio is a wholly self-contained room (typically with an en-suite bathroom and kitchenette). A bedsit is a rented room within a larger house, with all occupants in the home sharing certain facilities (such as the bathroom and kitchen).

8.15 The relative housing costs of semi-independent and supported housing services are set out below:

Average Cost of Housing in 16+ Support and Housing Services (per person, per week) – 2016/17		
Cost of Housing Elements	Semi-Independent	Supported Housing
(A) Weekly Rent (total)	£283.88	£110.69
Rent	£283.88	£110.69
(B) Service Charge (total)	£35.55	£20.20
Communal heat and lighting	£12.10	£1.86
Communal water charge	£1.51	£0.39
Communal cleaning and sundries	£0.00	£1.85
Window cleaning	£0.28	£1.10
Gardening	£0.00	£0.09
Grounds maintenance	£0.00	£0.88
Pest control	£0.00	£0.06
Refuse and waste management	£0.00	£0.06
White goods/repair and maintenance	£2.22	£3.01
Communal furnishings repair and replacement	£7.22	£1.11
Equipment service/PAT ⁵²	£2.78	£0.71
Administration costs	£6.33	£1.77
Other	£3.11	£7.31
(C) Personal Contribution (total)	£0.00	£7.22
Personal contribution by tenant	£0.00	£7.22
Total Cost of Housing (A + B + C)	£319.43	£138.11

Table 12. Relative average housing costs of 16+ support and housing providers – semi-independent and supported housing (per person, per week) - table

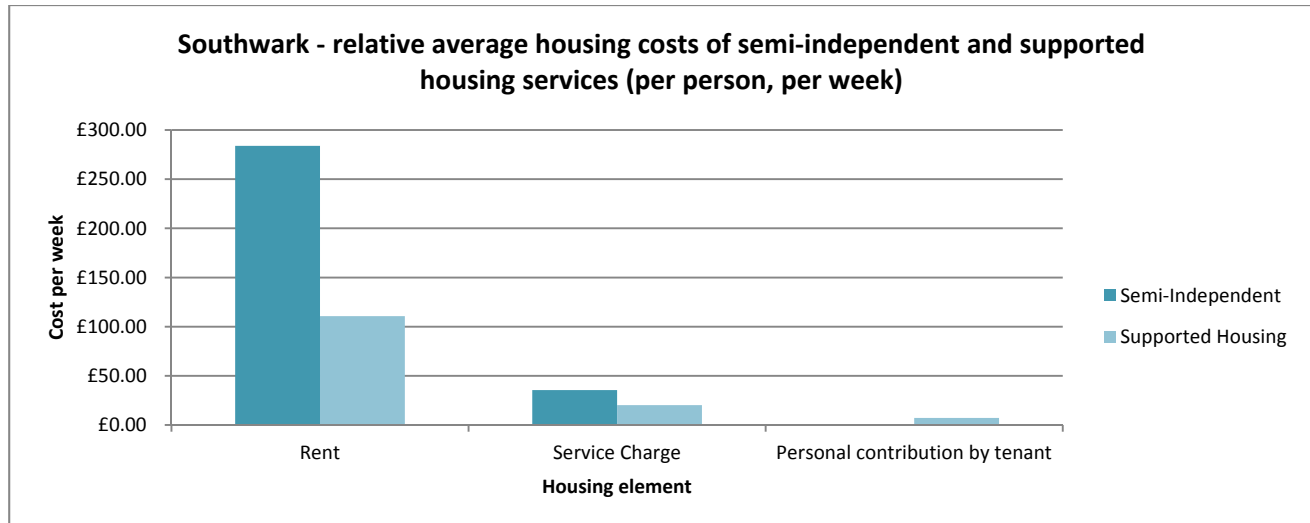


Chart 8. Relative average housing costs of 16+ support and housing providers – semi-independent and supported housing (per person, per week) – overview: chart

8.16 Overall, whilst 16+ services provided in semi-independent and supported housing are closely related, the cost of housing is disproportionately high in semi-independent provision (in fact, around 2 ½ times as high). For the most part, this cost is borne by the Council as the majority of young people in these services are under the age of 18. The high cost of housing in semi-

⁵² Portable Appliance Testing Equipment.

independent services contributes to the very few number of young people who are able to stay living there after the age of 18, as the Council will cease to pay these costs, and these will be too high for either the young person to realistically afford or for UC to cover – as this is above the LHA limit⁵³. This may impact on the young person's preparedness for independent living with a need to move house at the age of 18, even if they are not yet ready to do so.

- 8.17 The impact on the high cost of housing for looked after children/care leavers in semi-independent housing may also be felt in the unrealistic raising of expectations about the type of housing that most young people in 16+ support and housing would be able to move into after leaving services. Whilst it is important to ensure that young people are able to access good quality housing, and to live in a safe and healthy space, it is recognised that only a minority of young people will be able to immediately afford weekly housing costs of between £300-£700⁵⁴.
- 8.18 For the majority of young people, their first home living independently after leaving services is unlikely to be of the same standard as the semi-independent accommodation – and this may in itself be an inhibitor to moving on. In the engagement events undertaken as part of the 16+ support and housing project, one social worker stated – when discussing this issue - that she feared “young people were being set up [with false expectations] to fail.”

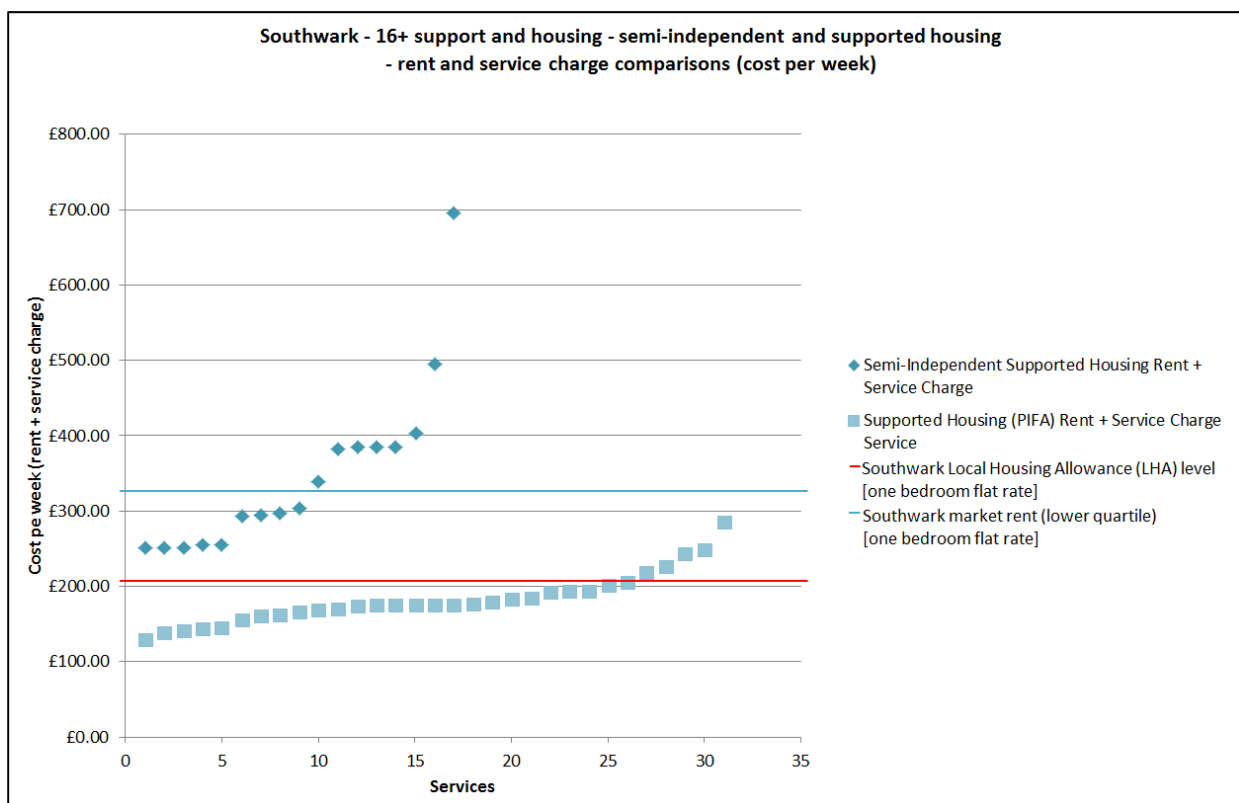


Chart 17. Southwark 16+ support and housing – semi-independent and supported housing - rent and service charge comparisons across different schemes

- 8.19 The majority of supported housing schemes in the 16+ services have a rent and service charge which is below the Southwark LHA level. One reason for this is likely to be that these services are more likely to be provided out of buildings owned by housing associations, which are non-profit making organisations, as compared to semi-independent services which are normally leased from private landlords.

⁵³ In fact, on average 1.5 times above the Southwark LHA level.

⁵⁴ That is, at the Southwark market rate as opposed to the LHA rate.

- 8.20 The Council has a duty to provide value for money in the services that it delivers, and to help prepare the young people in its care with support to be able to move on to independent living. In order to deliver on these aims, the Council should move to an approach in which the rent and service charge for future 16+ support and housing services is set at or below the area's LHA level⁵⁵ for all services. Any exceptions to this approach should have to be agreed by the Council on a case-by-case basis.
- 8.21 In order to transform current provision, the Council and providers should work with housing associations and other landlords to help locate appropriate buildings both in and outside of the borough which are at a fair cost (rent and service charge).
- 8.22 Where young people contribute towards their accommodation, they are taking part in one of the responsibilities involved with independent living – in the payment for shelter and other housing services. This is an important shift for all young people in becoming adults, in moving to a situation where they take more control over the money they spend, and the responsibilities of being in their own home. At this time there are personal contribution elements in supported housing but not in other services. This should change to ensure that, where a young person is able to make a contribution to their service (even at a very low level of around £7 a week) they should do so.

Licenses and tenancies for young people in 16+ support and housing services

- 8.23 16+ support and housing services are primarily provided out of residential buildings which are occupied by the young people placed in the scheme. As such, the young person is both a service-user (receiving support) and a resident (receiving housing), and for the housing element of their stay they will be granted one or another type of tenancy.
- 8.24 The type of tenancy that the young person is granted is typically determined by the landlord and if the young person does not abide by the terms of this agreement (for example, due to anti-social behaviour or due to high rent arrears⁵⁶) they risk being evicted from the service. The types of tenancy typically provided to young people in 16+ support and housing services are set out below:

Type of tenancy for young people in 16+ support and housing services	Summary of rights under the tenancy
Excluded tenancy or license	A licence is a personal permission to occupy a home. It may be withdrawn by the person giving the license with "reasonable notice" ⁵⁷ either verbally or through a written notice, and cannot be transferred to another person.
Assured Shorthold Tenancy (AST)	Assured Shorthold Tenancies (ASTs) usually last for 6 or 12 months and provide some rights for tenants. These are the most common form of tenancy for people renting from a private or social landlord in the country. In order to evict any residents the landlord would need to issue a section 21 notice (Housing Act 1988), which may then be challenged in court.

Table 13. Tenancies provided to young people in Southwark 16+ support and housing services

- 8.25 The type of tenancy that young people receive needs to be appropriate for the type of provision that they are in, and it may be that a license is the right level of agreement for some young people in some services. For some young people the approach taken in 16+ services is where, as the young person shifts from less to more independent provision (sometimes within the same scheme), they will also progress from a license arrangement to a full tenancy – which is used as one way of both championing and celebrating the young person's increased responsibility.

⁵⁵ That is, the area in which the service operates – which would be a different level than in Southwark for services delivered in other areas.

⁵⁶ That is, if their rent is not paid over a period of time and the total is owed to the landlord.

⁵⁷ There is no specific timeframe for this which will be determined on the basis of the agreement between the landlord and tenant.

- 8.26 As with any agreement between a landlord and a tenant, it is crucial that the rights of both parties are recognised and understood. Young people both in and leaving 16+ support and housing services are particularly vulnerable to exploitation at a time when they are preparing for, and moving into, their own home – often for the first time. It is therefore particularly important that young people are provided with good advice and help, to make sure that their rights are understood, and that they are safe from financial and other forms of exploitation.
- 8.27 The Council should work with providers and landlords to ensure that the appropriate tenancy arrangements are in place for young people in 16+ support and housing services, whether with licenses or tenancies. The 16+ support and housing services should also ensure that young people's rights are at the heart of service delivery, and that young people are able to access good advice and help around their rights when moving to independent living.

Changes to the housing element of Universal Credit (UC) and how this will impact both current services and move-on

- 8.28 There are two areas for consideration regarding the impact of changes to UC:
- the potential impact of Government proposals to cap the housing element of UC to supported housing schemes (including for 16+ support and housing services).
 - the potential impact of the Government's decision to cap the level of the housing of UC to the single room rate for people under the age of 35.

Government consultation on changes to the funding of supported housing

- 8.29 During the course of the 16+ support and housing project, the Government commenced a consultation (in November 2016) on the future funding of supported housing – with a proposed cap on the housing element of UC for all supported housing services⁵⁸ to the LHA rate from 2019/20. The consultation also proposes that UC will no longer cover a number of costs in supported housing schemes, including the replacement and maintenance of any white goods (for example, if a refrigerator or washing machine breaks down) or any contribution towards communal heating and lighting for all residents in the scheme.
- 8.30 This change would impact on both semi-independent and supported housing schemes in Southwark with an anticipated loss of income to services as set out below:

Service	Total Units Affected by Proposed Government Housing Benefit (HB) cap from 2019/20	Estimated Service Loss Rent + Support (per week)	Estimated Service Loss Rent + Support (per year)
16+ Support and Housing Services	225	-£3,033	-£157,755

Table 14. Impact of proposed Government changes to the housing element of UC on 16+ support and housing services

- 8.31 The changes to UC risk impacting the very services which are helping the most vulnerable individuals (including 16+ young people) to overcome challenges, recover from stays in hospital and to then move onto independent living. One risk of these changes is that more adults and young people in Southwark would need to be placed in unsuitable and costly residential settings due to the impact on supported housing services.

⁵⁸ Note – this includes semi-independent services, which are also supported housing services, even if they have been given a different name for the purposes of service delivery.

- 8.32 The Government have proposed delegating a new ring-fenced grant to councils to help mitigate the impact of their changes to UC. It is not known what the level of this grant would be in Southwark, although it is recognised that this would need to help manage the impact of funding reductions across adults physical and learning disabilities, mental health, extra care and sheltered housing services as well as 16+ support and housing. The Council should continue to work with landlords and providers to prepare for any change and to mitigate any impact on service delivery.

Changes to the level of the housing element of UC accessible to people under the age of 35

- 8.33 The other impact of changes with UC relates to people under 35 who, as UC is rolled out throughout 2017, will now only be able to receive the single-room rate for the housing element of UC. This means that, in Southwark, they will not be able to receive more than £95.18 a week for housing – rather than the full LHA rate for their home. For an individual in a one-bedroom flat in Southwark, this will mean a loss of over £6.5K over the course of a year to pay for their rent and service charge.
- 8.34 For young people leaving 16+ support and housing services who may have to rely on UC to help pay for their housing, this is of course extremely difficult. The impact of this change will mean that, without additional income, they will have access to only one third of the lower quartile average cost of private renting in Southwark. For many young people the cost of living in Southwark, even at council or social rents, will be very challenging.
- 8.35 One of the aims of 16+ support and housing services is to ensure that young people are able to access education, training and employment (ETE) – including through schemes including Southwark Works and also local apprenticeship schemes. This key work ensures that young people are able to maximise their potential, including in work, and for many young people it will ensure that they are able to live independently – with an income commensurate with their need to pay the bills.
- 8.36 It is however recognised that the current level of young people in Southwark 16+ support and housing services who are NEET (not in education, employment or training) means that, for some, and due to the current housing situation, obtaining employment at an income which will allow them to afford the typical Southwark market rent may be very difficult. For all young people the Council will ensure that they are provided with good advice and support around their housing options, including through council housing where this is appropriate.

The Council's approach to supporting young people, when ready, to move on after a stay in services

- 8.37 Ensuring that young people in 16+ support and housing, when ready, are prepared and supported to move on to their own home is the primary aim of these services. The Council supports this through:
- granting all care leavers housing priority banding, that is band 2 status.
 - the move on allocation allowance (MOAA) scheme.
- 8.38 The MOAA scheme aims to assist all adults and young people in supported housing to move into their own homes. Clients who are placed on the scheme will receive dedicated support from a resettlement⁵⁹ officer in the Council and, for those who meet certain criteria, the

⁵⁹ Resettlement is work to support the move of a person at risk of homelessness from supported housing, street homelessness or temporary housing into more permanent, often independent, accommodation. At its best resettlement helps individuals to move to the right location and homes for them – places where they can live independent lives, with good wellbeing, in a healthy environment.

opportunity to receive help into private rented sector accommodation or, for others, the ability to gain priority need [band 2] status on the housing register. Unless there are extenuating circumstances clients who have been assessed by MOAA as ready for independent living will be referred to the training flats at Northcott House on Waterloo Road in order to receive additional support for independent living.

- 8.39 For young people in 16+ support and housing services who are not care leavers, the MOAA scheme is the primary route taken to move on from services. The scheme is recognised as valuable in how it offers support and help, on the basis of clear milestones achieved, and responsibilities fulfilled (for example, the young person needs to engage with education, employment and training over time). In the engagement exercises undertaken as part of the 16+ project, many service providers and young people set out how important this scheme was – and how, in many cases, this approach had prevented services from further ‘silting up’.
- 8.40 The MOAA scheme does not at this time recognise the value that friendships can have in fostering independence and supporting move on. However, for many young people in 16+ support and housing services, one of the key benefits for them in living in these schemes is the opportunity to develop friendships and support networks with people their own age, and who are in similar circumstances. During the engagement exercise, many young people talked about how the different people in the schemes supported each other, that they “were like a family” and that they did things for one another - for example, by cooking or shopping together – which aided one another’s independence.
- 8.41 The risk is that, when young people then come to move on from services (for example through MOAA), that these mutually-supportive relationships are lost – and that this in turn causes a set-back in the young people’s journey towards independence. For other young people, moving into their own home without other help may be too big a step, and an approach which sees them either in supported lodgings⁶⁰ or even for a short time returning to their parental home (where this is safe to do so) may be the right next step in their journey to independent living. It is recognised that the key to a successful approach is that each young person is supported in a way that is tailored to their individual needs.
- 8.42 The 16+ project has set out an ambition to shift to a single care, support and housing pathway for care leavers and other young people in 16+ support and housing services. One element of this change should be a refresh of the Council’s approach to helping young people to move on from services, including with a new young people specific scheme to replace and update this aspect of MOAA. The refreshed approach should include a focus on supporting friendships, on learning skills, on the ability to receive tenancy training and live in training flats or supported lodgings, and on different housing options that meet each young person’s individual needs.

SUMMARY KEY FINDINGS - HOUSING

- Ongoing work to deliver the Council’s Housing Strategy will help ensure that there is a good provision of available and affordable housing in Southwark, including council housing. This is a very challenging issue – particularly for inner-London areas like Southwark - and national policy is often counterproductive to the housing needs of the local population. For young people in 16+ support and housing services, it is becoming more difficult to find and move

⁶⁰ Supported lodgings is an accommodation scheme for young people who are not yet ready to live on their own. The scheme offers young people the opportunity to live in the home of an approved person who will help them prepare for independent living.

into their own home – and some are staying in services for far longer than originally intended due to the difficulty of finding and moving on to a permanent home.

- 16+ Support and Resettlement Services should be delivered in buildings which are at (or below) the LHA rate for the area in which the services are located in. The Council will agree to any costs above the LHA rate on a case by case basis. This will ensure value for money in the provision of these services.
- The Council should work with providers and landlords to ensure that the appropriate tenancy arrangements are in place for young people in 16+ support and housing services, whether with licenses or tenancies. The 16+ support and housing services should also ensure that young people's rights are at the heart of service delivery, and that young people are able to access good advice and help around their rights when moving to independent living.
- The Council should continue to work with landlords and providers to prepare for any changes that the Government makes to the level of Universal Credit (UC) available to supported housing schemes in order to mitigate any impact on local service delivery.
- The Council should deliver tailored support, advice and housing options to young people in order to enable them to make choices about their own future housing needs. It is recognised that – whilst a council home will remain the best place for some young people - not every young person will want to live in Southwark, or indeed in London, and not every young person will want to move into a council tenancy. The 16+ support and housing pathway should not be a “one size fits all” approach, but to provide good housing options to meet each person's individual needs.
- The Council should refresh and update the young people's element of MOAA scheme with an aim to establish a specific framework to best enable all young people in 16+ support and housing services (both care leavers and young people at risk of homelessness) to learn skills, and access a range of housing solutions for them – which will continue to include council housing. The new scheme will:
 - provide an approach which enables young people to make the right housing and move on choices for them, with good advice, help and support. In many cases young people may not need any help at all, and will plan and move on for themselves; in other cases the young person may need advice from a personal advisor or from their keyworker.
 - provide an approach in which people move into homes with their friends, in order to support one another in managing the shift to independent living together – where this is appropriate for them.
 - ensure that care leavers will continue to have access to priority need status on the housing list, and will be supported to move on to this accommodation where this best meets their needs. This approach will continue to help fulfil the Council's duties to care leavers.
 - include the option of supported lodgings for young people where this would be useful, and rent deposit schemes, where young people need help to access funds to pay for a deposit.
 - provide support to access both housing associations and private landlord housing and to look at opportunities where they can provide help and support to young people in moving on from services.

- not require young people to leave services as part of their move on process, but rather to have a common approach which is delivered across all 16+ support and housing services wherever these are.

9. FINDINGS OF THE 16+ SUPPORT AND HOUSING PROJECT - (PART 5) LEADERSHIP, COMMISSIONING AND BUDGETS

Leadership

- 9.1 The 16+ support and housing project recognised that there was no single point of leadership across the current system, with dual pathways (and decision-making points) across services for care leavers and young people at risk of homelessness. The engagement exercise with young people suggested that this approach has, at times, led to unclear communications across the system as a whole.
- 9.2 A joint leadership and oversight approach for all 16+ support and housing services would enable the Council to provide a clear point of decision-making and communications across all services. This leadership would be provided by a common approach across children's social care, health, housing and support services.

Young people at the heart of the system

- 9.3 The engagement work undertaken through the 16+ support and housing project provided an excellent understanding of the views of young people in services. Whilst many young people felt in control of their own care, support and housing needs, others did not feel able to shape and direct their own services – many expressed a feeling of having been “done to”, often due to the impact of a housing market in crisis and which many felt unable to access.
- 9.4 The changes proposed to 16+ support and housing services need to ensure that the people who direct and shape any future provision are those who best know their own service need, that is, the young people themselves. The approach taken should be one where young people are able to shape their own support and housing services, whether it is the front door into provision, the services themselves, or the route into independent living.
- 9.5 The Council will work with 16+ support and housing services to ensure that young people are at the heart of service delivery, and are able to shape and design their own provision.

Commissioning, procurement and budgets - overview

- 9.6 The Council commissions 16+ support and housing services through a variety of mechanisms including through spot purchase⁶¹, contractual framework⁶² and block contract⁶³. The approach has been led solely by Children's and Adults' commissioning, with input from housing, health and other areas as required.

16+ Support and Housing	Contracting Mechanism	End date
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⁶¹ Spot purchasing is where a placement is agreed on an individual basis, and for a fee negotiated at the time of placement. This is recognised as the most appropriate form of commissioning arrangement for emergency placements where a young person needs to be placed in a service in a limited timeframe. The Council's brokerage team will negotiate the placement and cost on behalf of children's social care.

⁶² A contractual framework is where (in this case) the Council enters into an agreement with a number of suppliers for the delivery of services set out in the agreement. The Council will then “call off” the framework when it wishes to establish a specific service, which itself will be governed by the terms of the overall framework. There are three different frameworks that govern 16+ support and housing services, (a) the semi-independent living service for semi-independent providers, (b) the independent fostering agency framework for IFAs and (c) the prevention and inclusion framework for young people and adults' supported housing services.

⁶³ A block contract is an agreement between (in this case) the Council and a supplier for the delivery of a specific service at a price agreed with the service provider.

Specialist Residential	Spot purchase	N/A
Semi-Independent	Framework	October 2017
Fostering Placements	Framework	October 2017
Supported Housing	Framework	July 2019
Floating Support	Block contract	July 2017

Table 15. Children's and Adults' commissioning and contracting arrangements – 16+ support and housing services

- 9.7 The current contracting mechanism for 16+ support and housing services will need to change in order to meet the overarching ambitions set out in this report. This section sets out a commissioning approach to deliver transformation across 16+ services, the outcome of supply and demand work and some benchmarking information from other areas.

Joint commissioning approach – care, housing and health

- 9.8 The delivery of a new approach to 16+ support and housing services will require changes to the current approach to the commissioning of services – with a need for a refreshed partnership across care, housing and health. The Council is entering into joint commissioning arrangements with NHS Southwark CCG, including in the area of children's and young people's services, and this will underpin a new model for the delivery of holistic commissioning in this area.
- 9.9 The Council should establish new contracts in order to deliver services at the conclusion of a number of different frameworks in late 2017.

Supply and Demand

- 9.10 One piece of work undertaken by the 16+ support and housing project was a total system supply and demand analysis, to best analyse upcoming demand for these services. The outcome of this work is set out below:
- a total transformation of the current 16+ support and housing model in Southwark, in which more young people are prevented from entering services and those able to are helped to move on from provision, would require less services overall.
 - By considering the trajectory of upcoming service need, it is estimated that the Council requires 200 support and housing placements each year (not including foster placements or emergency and residential placements).
 - by transforming current provision there would be a reduced need for specialist residential placements for some young people with complex needs⁶⁴.
- 9.11 It is recognised that these changes would avoid costs which would otherwise have been borne by the Council.

Benchmarking

- 9.12 Detailed benchmarking was carried out with the following boroughs as set out below. The areas chosen were determined on the basis of strong Ofsted results⁶⁵ relevant for 16+

⁶⁴ This does not include young people with learning disabilities or autism who are being considered as part of the 0-25 pathway. This

support and housing services. All of the areas were in London and were statistical neighbours⁶⁶ to Southwark.

Benchmarking - London Borough of Hackney

Hackney have recently made changes to the way they manage placements for young people aged 16+. There is a new placement team which is responsible for all young people aged over 16 years old, covering both care leavers and those who are accommodated through the homeless route. Changes were made due to the previous “over-complex system” and the borough now operates a one front door approach which allows for consistency and control of placements, with the placement team having oversight of all contracted provision.

The borough are currently in the process of re-commissioning a multi-supplier framework agreement for the provision of semi-independent type accommodation which is a mix of both block and spot purchase contracts so the number of beds may change – at present there are 266 supporting people beds and 147 beds in ‘semi-independent’ type provision for 16-24 years. Young people aged 16/17 years are not placed with those over 18 years. There is a block contract with two social landlords, spot purchase with private sector providers for complex/specialist needs and floating support offered through the service.

Young people can “step down” through the service and most of those in semi-independent accommodation are over 18 years. Once reaching 18, support hours are reduced and at this point landlords typically give the young people a tenancy (as opposed to a license).

There is a transition to independence team in the borough who manages young people over 18 years to support them to full independence.

Other information/lessons learned from changes:

- there is a need for more foyer⁶⁷-level accommodation due to impact of changes to local allowance.
- completing Universal Credit (UC) claims is a part of the service specification for providers who must encourage and facilitate claims for UC within 5 weeks after which weekly payments to the provider are reduced.

Benchmarking – Royal Borough of Greenwich

Greenwich has a one front door approach to deliver both housing support and support to care leavers. There are separate teams which work in an integrated manner within the same hub. The service delivered from the hub includes the youth offending service, sexual health, personal advisors, leaving care social workers and a nurse who can assess any mental health needs quickly.

⁶⁵ The Office for Standards in Education, Children's Services and Skills (Ofsted) is the national regulator for children's social care and education. The regulator inspects different areas children's services on a rolling basis, with each area receiving a rating on the basis of their level of quality and improvement across a number of domains.

⁶⁶ That is, boroughs with similar performance to Southwark across key relevant indicators.

⁶⁷ Foyers are a type of housing scheme that provide housing for young people, along with help with education, training and finding work. Foyers are typically located in higher quality housing than supported housing (including hostels) and, as such, may attract a higher rent and service charge.

The Greenwich housing services were re-commissioned in last two years and now encompass two providers who deliver a mix of supported housing for young people, including mother and baby units. There are 142 beds with each provider split into four cluster areas which offer medium and high support. The maximum stay in services is 2 years. There is very little spot support and housing purchased, as if there is no accommodation available, where it is safe to do so, the young person will stay at home with floating support. Children's social care are responsible for commissioning semi-independent services however any young person who may be hard to engage with would be supported through the entire housing pathway.

All young people will undergo tenancy training accreditation at the Money House, including care leavers, in order to progress to a nomination for either a council or private tenancy (sometimes with floating support). Due to this integrated approach, no young person in the homeless route was taken into care in the last year – and a mediation service has helped to support this.

Young people are prepared for move-on 6 months in advance of any change, although these conversations start much earlier on in their independence journey. Joint quarterly meetings are held with providers to discuss and plan for move-on for all young people. Discussions with young people about moving on start as soon as possible and prior to the young person reaching 17 ½ years.

Other options available and used on occasion include Eelan – a 28 day placement via the Croydon Association for Young Single Homeless (CAYSH), the Night Stop project for young people (provided by the Depaul Trust), the Family Action mediation service and New Track (a Thames Reach project for the under 35s). The service also supplies rent deposits for young people who meet certain criteria.

Other information/lessons learned from changes:

- The borough is looking into commissioning more provision for mother and babies at this time.

Benchmarking – Westminster City Council

Westminster have one placements team and one front door into services. There are currently 10-14 providers on a semi-independent framework who provide accommodation for 16-18 year olds without complex needs (this is shared across the three tri-borough areas: Royal Borough of Kensington and Chelsea, the London Borough of Hammersmith and Fulham and Westminster). The borough also have access to a range of provision across an additional 10 providers who offer mainly 24 hour support for 16-18 years. There are additionally some providers who offer an outreach service as well as specialist provision for those young people on remand or who are mothers with babies.

The borough is currently in the process of transferring all young people from decommissioned provision to new services on the framework agreement. There is a clear 'pathway' for young people and depending on the individuals needs, this could mean several moves with the same providers, although young people are prepared and this is communicated early on. Providers deliver all the interventions but the looked after children (LAC) team deliver an in-house cooking club, access to money management and the team bring in speakers to cover a number of topics including sexual health.

Semi-independent accommodation costs vary but mini-competition can be beneficial. All young people pay a service charge irrespective of being a care leaver or via the housing route. Even if the young person is under 18 years they must pay a service charge which can be supplemented until the young person reaches 18 years. If no service charge is paid then a service plan is put in place and payment is taken from the young person by the provider. The latter also works for young people 'staying put' who are asked to contribute towards bills – as a signal of their increased independence (and responsibilities).

An important change in the Westminster approach is the nomination to permanent accommodation. Having more 18 plus young people in the system has risked causing a bottleneck, with young people not able to move on as planned. This has led to the re-design of nomination rights for young people leaving care, who are no longer automatically entitled to social housing - and a clear message that accommodation provided will be for up to 5 years only. The Council previously provided 14-16 young people with nominations into social housing⁶⁸, but this has now increased to 28 nominations a year and there is a process to ensure those most in need are able to access these. The Council has put in place a number of 'Home Truths' principles which are designed to dispel the myths for young people in looking for a home and also sets out the criteria for accessing accommodation.

Some young people in the borough move into private rented sector housing and, depending on need and certain criteria being met, Westminster will pay up to 5 months rent to secure this accommodation. The criteria to enter this scheme considers a number of areas including (a) whether a young person has a full care order (b) whether they have been in care for 3 years, (c) whether they were born in the borough, (d) whether they are an unaccompanied asylum-seeking child (UASC) and (e) what their individual level of need is.

Other information/lessons learned from changes:

- The borough allows the provider 6 weeks to support young person to complete a Universal Credit claim.
- The borough has considered developing a dynamic purchasing system⁶⁹ (DPS) to purchase framework contracts to give more flexibility for spot purchases, which in turn can be used as an opportunity for spot providers to join the framework.
- The borough also recognises that some young people may have better outcomes if not placed in a 24 hour residential unit and the pathway has been changed so that the best options for young people are considered in terms of placements.

Benchmarking – Hammersmith and Fulham

Hammersmith and Fulham shares a semi-independent framework with the other tri-borough areas, which enables the borough to access between 10-14 support and housing providers for young people without complex needs. There are in addition 10 providers which provide 24 hour residential support for 16-18 year olds, including an outreach service. A range of support is offered across

⁶⁸ That is, young people who meet certain criteria are able to access a council or housing association tenancy.

⁶⁹ A Dynamic Purchasing System (DPS) is an electronic system through which contracting authorities can source services by inviting tenders from providers admitted to the DPS. Unlike with framework agreements, providers can apply to join the DPS at any time in the life of the DPS and they are not required to submit tenders in order to join the DPS.

services, ranging from 3-17 hours with option to buy in additional support hours.

The borough additionally has one block contract with a provider for 72 units over 10 properties for young people aged between 16 and 25 years, with an aim to house all care leavers and older looked after children in the area. The borough no longer has a stand-alone floating support service as this money has been reinvested in the block contract.

Benchmarking – Kensington and Chelsea

Kensington and Chelsea employ a one front door model in terms of placements access to all housing – with 2 assessment beds available for young people. All 16/17 year olds with a housing need are referred to Family and Children's Department for an assessment – and they may be referred onto the single homeless team (part of housing) who will match young person to a suitable placement across the borough's supported housing stock.

The borough has access to 124 beds with 5 supported housing contracts as well as 3 block contracts and a generic floating support service – although these are not specifically for young people. Young people may stay up to 2 years in supported housing schemes. There is also access to beds on the tri-borough semi-independent framework where the provider delivers all interventions. Move-on and resettlement is coordinated by a single homeless coordinator in partnership with support provider for all young people.

The move on option for majority of young people is the private sector, with a small percentage of young people eligible for allocation through housing nominations.

- 9.13 The detailed benchmarking exercise revealed that the top-performing areas often have a “one front door” approach across both care leavers and young people at risk of homelessness. In one case the one front door involved the establishment of a young people's support and housing hub with access on site to sexual health, voluntary sector and other advice – alongside social workers and housing professionals.
- 9.14 Many areas have a common “move on” approach which helps to enable young people through clear pathways to make the shift to independent living. This approach is typically underpinned by priority need status on the Council's housing list, but often makes no provision of automatic rights to this and in many cases includes a variety of tailored approaches including rent deposit schemes and social housing tenancies.
- 9.15 Overall the benchmarking exercise reflects many of the outcomes of the 16+ project, with other areas to explore in the design and establishment of any changes to the system overall.

SUMMARY AND KEY FINDINGS – COMMISSIONING, PROCUREMENT AND BUDGETS

- There should be a joint leadership approach to the delivery of services across care, health, support and housing.
- Young people should be at the heart of the system, and able to shape their own support and housing services, whether it is the front door into provision, the services themselves, or the

route into independent living.

- The Council should establish new services for 16+ support and housing in order to meet the aims of this report. A new approach to commissioning should be established across care, housing and health to deliver this work. This will in part be underpinned by the new partnership commissioning team that has been established between the Council and NHS Southwark CCG.
- The Council's supply and demand model has set out that there will be a reduction in the overall need for semi-independent and supported housing services for 16+ overall, with a proposed reduction in services from 250 to 200.
- The Council should take into account best practice areas in the design of any changes to 16+ support and housing services.

10. RECOMMENDATIONS: A NEW MODEL FOR 16+ SUPPORT AND HOUSING SERVICES IN SOUTHWARK

Southwark 16+ Support and Housing – case for change

10.1 The Southwark 16+ support and housing project undertook a range of different activities in its work, taking into account the views of the young people who use services, as well as providers, social and housing workers, and other key partners. The result is a total system view of the pressures on 16+ care, support and housing services in Southwark.

10.2 The key findings of this work were that:

- ongoing work to deliver the Council's Housing Strategy will help ensure that there is a good provision of available and affordable housing in Southwark, including council housing. This is a very challenging issue – particularly for inner-London areas like Southwark - and national policy can often operate counterproductively to the housing needs of the local population. For young people in 16+ support and housing services, it is becoming more difficult to find and move into their own home – and some are staying in services for far longer than originally intended due to the difficulty of finding and moving on to a permanent home. There is some evidence that services are beginning to 'silt up'. Due to this, the current delivery model for Southwark 16+ support and housing services is not sustainable in the medium term.
- the Council provides a diverse range of different services, providing help for care leavers and young people who are at risk of homelessness. The pathway for young people to prepare for independence is however complex and, in some cases, requires young people to undergo the disruption of moving services in order to get to the next stage in their journey to independence. The dual pathways for care leavers and young people at risk of homelessness adds further complexity and inhibits a total-system approach to delivering outcomes. For the young people in services, their journey to independent living can often seem arbitrarily and confusing.
- for many young people in foster care, it may be that – on turning 18 years old – the best approach for them, in terms of preparing for independent living, may be to stay on with their current foster carer for a time (that is, through "Staying Put" arrangements). For other young people, where it is safe, suitable and healthy to do so, they may wish to return to their parental home after a stay in services – perhaps following a reconciliation. Still other young people may wish to move outside of London, others to stay in Southwark. The approach to each young person should be tailored to meet their individual and different needs, and all young people should be provided with good advice and support to enable them to make choices that meet their own care and housing requirements. The complexity of the current service model may prohibit this tailored approach, and the predication on council housing risks a "one size fits all" course in places.

10.3 The primary outcome of the 16+ support and housing services is the following case for change:

In order for the Southwark 16+ support and housing services to meet the challenges identified in this report and to continue to support young people on their journey to independence, it is recommended that there is **a whole-system transformation of the current model of delivery**. This change would be underpinned by a common approach across care, health, housing and support, and would ensure

at all times that the young people who use services are at the heart of the delivery model, leading the design of their own support services. This new model would require a transformation, not only of commissioned services, including semi-independent and supported housing provision, but of the current support pathway – including how care and housing together support young people to overcome challenges, to develop skills and foster resilience and to live and flourish independently outside of services. This change will require the establishment of new services which it is proposed are called **Southwark Young People's 16+ Support and Resettlement Services**.

Southwark 16+ Support and Housing – a new model for 16+ support and housing services

10.4 The proposed new model for 16+ Support and Housing Services is set out below:

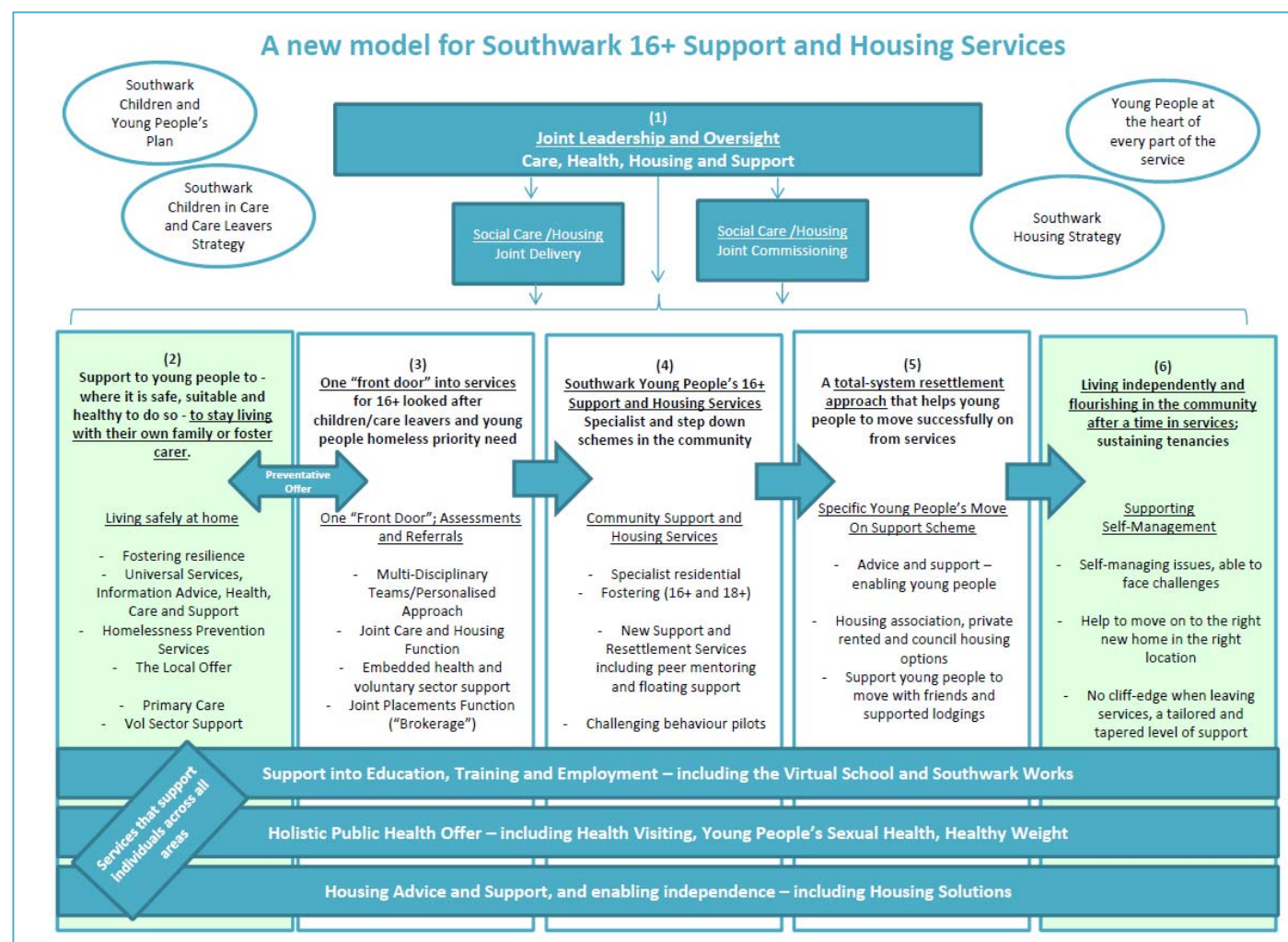


Chart 17. Proposed operational model (access to 16+ support and housing services) for both looked after children/care leavers and young people at risk of homelessness

10.5 The delivery of a new model for 16+ support and housing services will require a transformation of current services. The 16+ project has set out six recommendations to deliver this change and these recommendations are set out below:

(1) The Council should: establish a joint leadership approach across the total 16+ support and housing pathway, this will be underpinned by a commonality of purpose across care, health,

housing and support.

- The services would benefit from a joint leadership approach across the entire pathway, with clear communications, oversight and a commonality of purpose across care, health, housing and support. The young people who use services should be at the heart of the delivery model, leading the design and shape of their own support services.
- Young people should be at the heart of the system, and able to shape their own support and housing services, whether it is the front door into provision, the services themselves, or the route into independent living.
- The future design of services should ensure that different communities and groups are able to both shape and be linked into the services going forward, enhancing and enriching the experiences of the young people in services.
- Young people should be provided with good advice and support throughout the pathway, and they should be given realistic expectations about what to expect in terms of housing outcomes in the current national and local context.
- There is an opportunity to better shape services around care, support, housing - and health – in light of the partnership in place between the Council and CCG around children and young people's commissioning. This is an area where there could be a particular focus around Children's and Adolescents Mental Health Services (CAMHS), the Looked After Children (LAC) nurse, health visiting including the Family Nurse Partnership and physical health services.
- The 16+ support and housing pathway needs to take into account both looked after children/care leavers (who below the age of 21 are primarily male), young people at risk of homelessness and young mothers with babies (who are increasingly prevalent in services after age 21). There should be appropriate provision for all groups, and targeted support and specialist advice for mothers through schemes including the Family Nurse Partnership (FNP).
- The links between 16+ support and housing services and other elements of the community safety system should continue to tackle issues including gang-related activity.
- The Council should continue to work with landlords and providers to prepare for any changes that the Government makes to the level of Universal Credit (UC) available to supported housing schemes in order to mitigate any impact on local service delivery.

(2) The Council should: support young people to, where it is safe, suitable and healthy to do so, to stay living at home with their own family or foster carer.

- The Council will continue to provide good advice, support and help in the community to help prevent young people from becoming homeless or entering the care system. This approach will be underpinned by strong universal services including the local offer, homeless prevention services and other community services.
- The Council should develop a preventative approach that helps ensure that young people who do not need to enter the care system do not, due to a lack of help and advice, come into care

through the homeless route. A single approach across children's social care and housing with clear and common decision-making processes across both areas would build on strong work already undertaken in these areas to help prevent young people aged over 16 years from needing to enter care.

- For many young people in foster care, it may be that – on turning 18 years old – the best approach for them, in terms of preparing for independent living, may be to stay on with their current foster carer for a time (that is, through “Staying Put” arrangements).

(3) The Council should: establish a “one front door” into 16+ support and housing services for all looked after children/care leavers and young people at risk of homelessness, underpinned by a single approach across children's social care and housing.

- A single pathway for care leavers and young people at risk of homelessness will be founded on a “one front door” approach, bringing good professional advice together into a single place with multi-disciplinary teams. There should be a single placements function for the whole pathway, helping young people who need this help to be successfully placed in services.
- Embedded health and voluntary support should be a part of the “one front door” service to ensure that young people are able to access this advice and help when entering services.

(4) The Council should: establish new Southwark Young People's 16+ Support and Resettlement Services - shifting to a small number of providers delivering support options around preparing young people for independent living, training flats, resettlement and wellbeing. Some of these services will be located within the borders of Southwark and other services will be located within a reasonable travel distance of the borough.

- The Council should establish Southwark Young People's 16+ Support and Resettlement Services which would bring together current semi-independent, supported housing and floating support into a small number of holistic services. The services will:
 - deliver a tailored support plan to help prepare young people for independent living.
 - provide support and housing to young people referred into services.
 - link young people into education, employment and training.
 - link young people into local health and wellbeing services.
 - ensure young people aged over 18 are accessing Universal Credit (UC) [Housing Benefit] which will fund the housing element of their service, except where otherwise agreed by the Council.
 - provide some specialist provision (for example, post-custodial and mother and baby services), reducing the need for young people to be placed in specialist residential care.
 - provide a peer mentoring service, enabling both people who have moved on from services as well as other community leaders to share their knowledge and experience with the young people in services.
 - provide pre-tenancy training and training flats.
 - support the safe and successful resettlement of young people into a home outside of services.
 - provide ongoing tapered support to young people in need after they have left services.

- provide support to a number of other young people living outside of services in need and to young people with no fixed abode (“sofa surfing”).
- The location of 16+ Support and Resettlement Services should be tailored to the needs of individuals. Not all services should be in Southwark, as this is not appropriate for all young people, although there should remain some level of in-borough provision. All services should be within a reasonable travel distance from Southwark. New services should be located within close proximity to:
 - good schools.
 - green spaces.
 - affordable local housing options.
 - health services (including mental health).
 - access to employment and training opportunities.
- There will continue to be provision of emergency and specialist provision (say, for young people with autism or disabilities), as well as for foster carers. This will not be included in the delivery model for 16+ Support and Resettlement Services.
- 16+ Support and Resettlement Services should be delivered in buildings which are at (or below) the LHA rate for the area in which the services are located in. The Council will agree to any costs above the LHA rate on a case by case basis. This will ensure value for money in the provision of these services.
- 16+ Support and Resettlement Services should ensure that the appropriate tenancy arrangements are in place for young people in 16+ support and housing services, whether with licenses or tenancies. The 16+ support and housing services should also ensure that young people's rights are at the heart of service delivery, and that young people are able to access good advice and help around their rights when moving to independent living.
- The Council will not pre-judge the approach to delivering 16+ Support and Resettlement Services (whether contracted out; or in-house; or a mixed-model), this will be considered in a separate report to establish the services.

(5) The Council should: establish a total-system young people's move on and resettlement scheme, helping to enable young people, when ready, to move on from services. This approach will be underpinned by a principle of helping young people to make their own choices around their housing needs.

- The offer of priority need status for looked after children/care leavers on the Council housing list is extremely valuable and will remain for this cohort. That said, a council tenancy – and a long term home in Southwark – will not be the right housing outcome for every looked after child or care leaver. The 16+ support and housing model will ensure that all young people in services have all the options available to them, and are helped to move on from services to homes that best meet their needs – wherever and whatever those are.
- Pre-tenancy training should be a part of every young person's journey through 16+ support and housing services and a common approach should be applied to every scheme – wherever a young person is – whether fostering, residential, supported housing or temporary

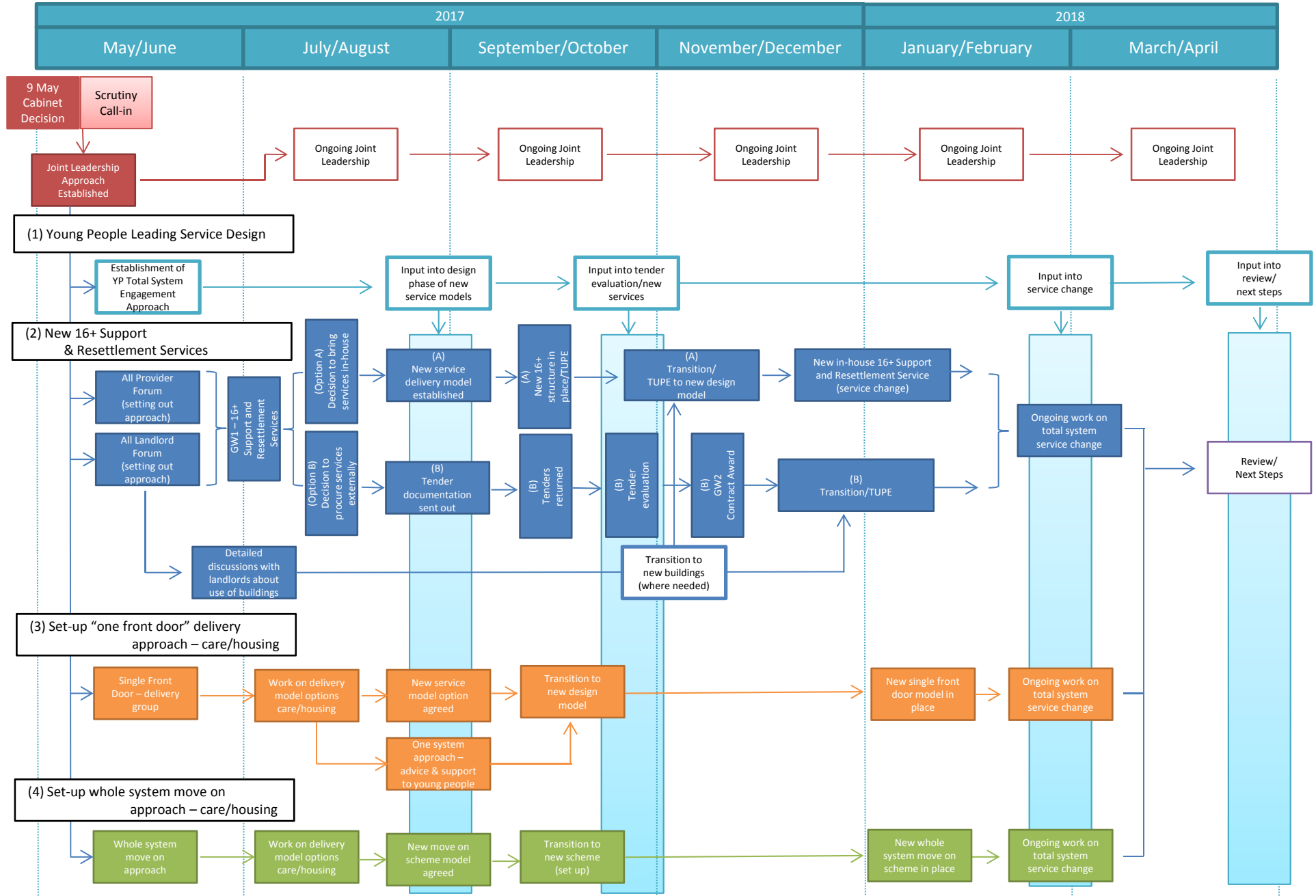
accommodation. For looked after children and care leavers, this may be best achieved through refreshed support plans that additionally incorporate this area.

- The Council should refresh and update the young people's element of MOAA scheme with an aim to establish a specific framework to best enable all young people in 16+ support and housing services (both care leavers and young people at risk of homelessness) to learn skills, and access a range of housing solutions for them – which will continue to include council housing. The new scheme will:
 - provide an approach which enables young people to make the right housing and move on choices for them, with good advice, help and support. In many cases young people may not need any help at all, and will plan and move on for themselves; in other cases the young person may need advice from a personal advisor or from their keyworker.
 - provide an approach in which some young people are supported to move into homes with their friends, in order to support one another in managing the shift to independent living together – where this is appropriate for them.
 - ensure that care leavers will continue to have access to priority need status on the housing list, and will be supported to move on to this accommodation where this best meets their needs. This approach will continue to help fulfil the Council's duties to care leavers.
 - include the option of supported lodgings for young people where this would be useful, and rent deposit schemes, where young people need help to access funds to pay for a deposit.
 - provide support to access both housing associations and private landlord housing and to look at opportunities where they can provide help and support to young people in moving on from services.
 - not require young people to leave services as part of their move on process, but rather to have a common approach which is delivered across all 16+ support and housing services wherever these are.

(6) The Council should: ensure that young people are supported to live independently in the community after a time in services, with no “cliff-edge” when leaving different support and housing schemes.

- The 16+ support and housing pathway needs to prepare young people for independent living and there should be an emphasis on ensuring that there is no “cliff edge” for young people when they leave services, but that they are continued to be supported – as needed for a time – into their new independent living setting. Southwark 16+ Support and Resettlement Services will provide ongoing tapered floating support for a time after young people in need leave services.

Delivery Plan –transforming support and housing for Southwark looked after children/care leavers and young people at risk of homelessness



Item No. 10.	Classification: Open	Date: 9 May 2017	Meeting Name: Cabinet
Report title:		Elephant and Castle Shopping Centre Equalities Analysis and Mitigation Projects	
Wards:		East Walworth, Chaucer, Cathedrals and Newington	
Cabinet Members:		Councillor Mark Williams, Regeneration and New Homes and Councillor Johnson Situ, Business, Culture and Social Regeneration	

FOREWORD – COUNCILLOR MARK WILLIAMS, CABINET MEMBER FOR REGENERATION AND NEW HOMES AND COUNCILLOR JOHNSON SITU, CABINET MEMBER FOR BUSINESS, CULTURE AND SOCIAL REGENERATION

Significant progress has been made to deliver the council's vision to regenerate the Elephant and Castle opportunity area and this report seeks to update cabinet on the place making report set out on 20 October 2015.

The first new phase of the former Heygate estate, Trafalgar Place, is not only complete and occupied in part by former estate residents but was also successful in winning the 2016 London Planning Awards for the Best New Place to Live in London and the Mayor's Award for Planning Excellence. It was also shortlisted for the prestigious Stirling Prize for the best new building across the whole of the UK. Across the whole of the opportunity area, the council is on track to deliver an overall increase in the amount of affordable homes since before the Heygate estate was demolished.

St Mary's Quarter has been transformed with the newly landscaped St Mary's Churchyard and the state-of-the-art Castle leisure centre, alongside two new developments at One the Elephant and 80 Newington Butts. St Mary's Quarter exemplifies our original vision for a mixed use mixed tenure town centre: it incorporates a range of over 600 market, intermediate and affordable homes, provides new retail units (one of which has been let out to local Southwark business A Silva Dentist Studio), creates a new home for Southwark Playhouse, and provides a new public leisure centre. The Castle centre was paid for entirely by the construction of One the Elephant and opened successfully in April 2016 with 200,000 visitors passing through its doors, many of whom have enjoyed access to the council's policy of free swim and gym for local residents on Fridays and at the weekend.

The next key piece of the new town centre jigsaw is the redevelopment of the shopping centre. After creating history as the first covered shopping mall in Europe when it opened in 1965, the shopping centre has suffered from serious decline. Redevelopment will provide a range of benefits for our residents, including a 21st century underground station for the Northern Line, a brand new headquarters for the University of the Arts London incorporating a new campus for the London College of Communications, together with new shops, homes and cultural facilities.

After a lengthy public consultation exercise, the developer of the shopping centre, Delancey has now submitted one of the largest planning applications ever made in Southwark. The council has carried out an independent equalities analysis of the

shopping centre which includes an in-depth survey with both the businesses operating in the centre and the members of the public using the shops. We have also met with the independent businesses trading in the centre to discuss how we can best work together during the redevelopment process. A summary of the findings and recommendations from the independent analysis are made in this report.

Having developed a detailed understanding of the issues and aspirations of both the operators and users of the shopping centre we have now identified a range of measures to assist the local traders in the shopping centre. We will expect Delancey to deliver and fund these projects. We will ensure the developer provides a detailed relocation strategy and maintains a database of vacant premises for the independent traders to relocate to. A relocation fund will be established and be designed in close collaboration with the local traders to help them move to new premises across Southwark. An independent business advisor will be appointed to act as a neutral single point of contact for the shopkeepers who will provide them with access to a range of expert advice. Finally, we plan to develop a new retail space in close proximity to the shopping centre to provide additional relocation opportunities for the traders, spreading the economic benefits of the increase footfall in the area. This report reflects our key ambition to ensure local residents and businesses are at the heart of plans to revitalise the Elephant and Castle opportunity area.

RECOMMENDATIONS

That Cabinet notes:

1. The findings of the equalities analysis that was undertaken to inform the council of the equality implications of the shopping centre redevelopment project and to fulfil the council's Public Sector Equality Duty (PSED) in relation to any future decision to consider exercising CPO powers at the site.
2. That a database of vacant premises will be established and maintained by the developer.

That Cabinet agrees:

3. To require the developer to implement a package of measures to support relocation and mitigate the impact of the closure of the shopping centre on local traders and residents, details of which are set out in paragraphs 33 to 49 of this report.
4. To receive a progress report in the next six months.

BACKGROUND INFORMATION

5. In October 2015 cabinet considered a report concerning the next phase of the Elephant and Castle regeneration which is focused on the shopping centre. The council's Core strategy identifies Elephant & Castle as a major town centre within the London retail hierarchy with capacity of up to 45,000m² of new shopping and leisure floorspace to meet the needs of the Borough's growing population as well as the surrounding catchment area. The redevelopment of the shopping centre has been recognised for some time in council planning documents as one of the means of achieving this objective. In 2015 cabinet noted that the council may in the future be asked to resolve to make a compulsory purchase order (CPO) to enable the regeneration of Elephant and

Castle Shopping Centre to proceed. Officers were authorised to commission an equalities impact analysis which was intended to inform future decision making.

6. The shopping centre is currently owned by DV4 Limited. It is intended that the owner forms a special purpose vehicle with APG a Dutch pension fund called Elephant & Castle Properties Co. Ltd to develop the proposed scheme. Delancey is the appointed agent of the special purpose vehicle and will be promoting the scheme and carrying much of the work for its principal. In this report the term 'developer' refers to this relationship. It is important to emphasise that the centre is neither owned nor managed by the council and as a consequence the day to day management and landlord and tenant issues and the programme for redevelopment are not matters which are directly controlled by the council in its capacity as landowner.
7. The shopping centre currently has 86 tenants of which 41 are multiple and 45 are local operators. For the purpose of this report an independent or local operator is classed as an operator with fewer than 3 retail units which is the definition used for the council's s106 affordable retail clauses. The current available information suggests that 27 local operators would fall within this category. As a result of the long standing expectation that the centre will be redeveloped, with two exceptions these leases can be terminated quickly on giving contractual notice. The scheme coming forward may also include three freehold properties in New Kent Road that have to be purchased by the developer. In these circumstances, there are powers available to make a compulsory purchase order (CPO) under the Town and Country Planning Act 1990 to acquire the two tenanted and three freehold properties. The power to make such an order rests with the council not the developer.
8. Since the October 2015 cabinet report the developer has submitted a planning application for the joint redevelopment of both the shopping centre and the London College of Communications campus sites (application reference 16/AP/4458). The application is subject to determination through the statutory planning process including referral to the Mayor of London. This includes the level of affordable housing that will be subject to the assessment of the viability appraisal submitted in support of the application.
9. The developer is committed to bringing forward the regeneration of the site as quickly as is practical. The current programme assumes demolition and redevelopment commences in 2019. There does however remain some uncertainty as to the precise programme for the closure of the shopping centre. As with many complex development schemes it is contingent on the developer securing planning permission, vacant possession and confirmation of funding from lenders/investors. The impact of this uncertainty has on the viability of the centre and businesses within it is one matter the council will have regard to should it be asked to consider making a CPO.
10. This uncertainty as to the future of the shopping centre is understandably causing concern for traders and residents. The council has recently met and visited many traders to understand the issues they currently face and to discuss practical solutions for them. The Mayor for London stated in his stage 1 planning report stated that the proposed mix of uses in the development was "strongly supported" but went on to note that "The applicant nevertheless needs to work with Southwark and existing occupiers to progress the detail of it's business relocation strategy". This report responds to that advice by setting out a required

package of mitigation measures to assist traders to relocate.

11. Traders have expressed concern that the proposed regeneration is already adversely affecting trade. Figures supplied by the developer suggest however that footfall has remained constant over the past five years. The summary table below provided by Footfall Limited demonstrates the evidence that footfall remains strong and provides a comparison of Clapham Junction station mall.

<i>Year</i>	<i>Elephant and Castle Shopping Centre</i>	<i>Clapham Junction railway station retail mall</i>
2012	10,580,659	10,526,845
2013	11,974,524	10,396,576
2014	12,149,034	10,471,469
2015	11,460,057	10,101,055
2016	11,185,994 (Forecast)	8,951,619

12. This redevelopment will require the closure of the centre. All businesses will therefore have to relocate or cease prior to demolition. The landlocked nature of the site coupled with infrastructure constraints and the integrated design of the building prevent a phased approach to its regeneration.
13. The developer's regeneration programme will need to reflect the objective of providing businesses with a reasonable window in which to relocate if they wish to and also the objective of maintaining the centre as a viable trading location meeting the needs of local residents. Encouraging businesses to relocate early will increase the risk of voids which would be to the detriment of remaining traders and residents as it would reduce both footfall and cause other traders to vacate resulting in a downward trading spiral.
14. The developer has advised the programme for business relocation will therefore need to be focused within a specified time period. The programme will commence once the developer has sufficient confidence that statutory and commercial risks are addressed. As a consequence, the mitigation measures will only formally come into effect at this point as it is only then that businesses will be required to vacate the centre. Current indicators suggest this point will not be reached until at least the summer of next year.
15. Given the understandable concern of stakeholders about the future of the centre it is recommended the council should now require a set of interventions that are intended to support independent traders through the redevelopment process. The timetable outlined provides an opportunity to undertake consultation to develop these interventions in more detail.
16. It is appropriate to clarify the measures required of the developer set out in this report are without prejudice to any measures the planning committee may require when it comes to determining the previously mentioned planning application. The measures assume the developer will seek the council to use its compulsory purchase powers and any agreement to do so will require, as a minimum the developer's commitment to the mitigations set out in this report.
17. The proposed mitigation measures focus on the needs of independent traders as multiple retailers have the resources and capacity to relocate their branches within the shopping centre to new locations and will be better able to offer local staff new opportunities in their sites across London. Multiples by their nature

have a wide portfolio over many locations and have a corporate resource (in terms of specialist advice) to manage the portfolio to mitigate risk and maximise the overall business. Local operators are unlikely to have direct access to such a resource and the cost of recourse to specialist services is likely to place a disproportionate burden on the overall viability of the business. For this reason, local operators are more vulnerable in business terms than multiples and it is appropriate for the council to consider providing them with support.

18. At its meeting on 30 January 2007 the executive received a report concerning business continuity at the centre and affirmed the council's willingness to negotiate with other parties to develop a "business continuity charter". The intended purpose of the proposed charter was to guide the relevant stakeholders on the regeneration of the centre.
19. Not long after that executive recommendation the financial crash of 2007 occurred that resulted in a severe and prolonged down turn in the property market. Against this background the proposed charter was not developed any further by the parties.
20. Ten years later things have moved on:
 - There is a different shopping centre owner that was not party to 2007 discussions
 - The centre is to be redeveloped independently to the former Heygate Estate in 2007 a single regeneration was envisaged
 - The nature of the regeneration is very different it now includes a new Northern Line station and the University of Arts London site
 - A planning application has been lodged setting out proposals for the regeneration
 - Other major developments in the immediate area have been completed.
21. It is therefore appropriate to adopt a fresh approach to the impact the proposed closure of the centre will have on its traders. The proposed mitigation measures do however draw on some of the earlier proposals as they include an independent advisor, affordable retail units and a database of available premises

KEY ISSUES FOR CONSIDERATION

Equalities Analysis findings

22. In October 2015 cabinet authorised officers to commission an equalities analysis to help inform the council on the equality implications of the shopping centre redevelopment project. This is necessary to fulfil the council's public sector equalities duty relating to any future decision to consider exercising CPO powers at the site. The analysis will be used to inform the equalities impact assessment that will be produced to inform cabinet if it is asked to make a resolution to exercise compulsory purchase powers to acquire property interests to effect the proposed regeneration.

23. AECOM Ltd was subsequently commissioned to carry out the analysis. The first step in the process was to design a business and customer survey which was conducted with 86 businesses and 502 customers in early 2016. The results were then analysed and the completed analysis can be viewed at the weblink set out at the end of this report. The overall findings are summarised below.
24. The equalities analysis highlights a range of positive and negative impacts. It notes that a majority (68%) of customers support the proposal to redevelop the centre and the major objectives of the project are seen as significant benefits by more than 64% of all of the businesses.
25. It shows the majority of businesses (64%) wish to relocate within the Elephant and Castle area.
26. An issue identified in the equalities analysis is black and minority ethnic (BME) business owners may be less willing or able to engage in the redevelopment process relative to other business owners.
27. It notes that some BME-owned businesses providing convenience goods and services may cease to operate as a result of the redevelopment. A number of respondents (33%) were of the view that the centre is an important hub for BME goods, services and cultural activities. The redevelopment of the centre has the potential consequence of negative equality effects on the local BME community, in terms of access to culturally specific shops and also on community cohesion and sense of place. Respondents were of the view that while the local area (especially the Walworth Road) has a diverse mix of shops that provide a similar range of goods and services to the centre, these alternatives are delivered in a different format and layout.
28. The equalities analysis highlighted the potential adverse risk to older people using the bingo hall who may suffer from a “loss of social inclusion if this facility is no longer available for them to visit regularly.” As age is a protected characteristic under the Equality Act 2010, AECOM was commissioned to carry out additional analysis specifically targeted at the users of the bingo hall to understand their patterns of use, aspirations and issues related to the potential redevelopment of the centre. This supplemental analysis can be viewed at the weblink set out at the end of the report.
29. The secondary analysis indicates the bingo hall caters mostly to a local clientele, with almost two thirds (63%) of users living in Southwark and 94% of those interviewed visiting at least once a week (with over a third (36%) visiting on five days a week or more). Nine in ten of those surveyed are aged over 45 and in terms ethnicity 62% of the user group identify themselves as being of Black/African/Caribbean/Black British descent, making this the most represented group amongst the sample.
30. The important function the bingo hall has for groups with protected characteristics is noted. Officers understand the developer and the bingo hall owner are in discussion regarding the regeneration with a view to agreeing a way forward.
31. In addition to the potential equalities risks presented by the displacement of BME businesses and the impact on older and BME users of the bingo hall, the equalities analysis highlighted a range of positive impacts from the planned

redevelopment, including the following:

- Improved and more diverse retail offer
- Improved transport connections i.e. new Tube station
- Improved image for Elephant and Castle
- More sustainable centre from new housing and improved transport connection
- Improved sustainability for other local shops e.g. in Walworth Road resulting from less convenience outlets when the current centre closes.
- New employment and training opportunities for local people;
- Provision of new housing
- Improved accessibility of public realm, streetscape and safety.

32. The equalities analysis makes a range of recommendations to mitigate the impact of the regeneration:

- The developer should establish a relocation strategy alongside a database of alternative opportunities for relocation within the existing area, with the objective of enabling businesses who wish to do so to relocate to alternative premises in the Elephant & Castle area
- In tandem with the relocation strategy, it is recommended that an independent expert be appointed to provide advice on matters relating to relocation and business support.
- The council continues to secure affordable retail space through planning agreements linked to developments in the wider Elephant and Castle opportunity area, or projects delivered directly by the council within the same.

Mitigation measures

33. The following section sets out a package of mitigation measures that seek to address the findings in the equalities analysis and concerns expressed by residents and traders. It is recommended that the developer publishes a relocation strategy. This strategy will include detail on both the database of opportunities for relocation and details of how tenants of the shopping centre will be selected for affordable retail units at 50 New Kent Road which is also managed by Delancey.

34. There are two key phases of the project. Phase 1 is before the formal decision to redevelop the shopping centre project and will be centred on providing business planning advice to prepare operators for potential changes to their businesses. Phase 2 will commence if the decision is taken (by the developer) to regenerate the centre which will trigger the commencement of the relocation strategy.

Database of opportunities

35. The developer will be required to coordinate and publish a database of vacant units which traders can apply for in the local area. As well as affordable retail units which have already been secured through other development sites, the database will include high street and market stall opportunities in the wider town centre, including the Walworth Road and East Street areas that are capable of providing similar trading opportunities with similar footfall in close proximity to the site.

Business support and relocation advisor

36. Following recent visits to the centre and conversations with traders one of the key requests is for access to an independent business advisor who can act as a neutral single point of contact and who can provide access to a range of expert advice.
37. The council has drawn up a brief to secure the services of an independent business advisor that can help independent traders plan for their future. It is proposed to structure the appointment of the advisor in two phases, with an initial phase of practical support whilst the shopping centre is still trading and when the decision is taken to close the centre, the advisor will then coordinate a range of specialist advice for traders seeking to relocate, facilitating access to independent surveyors, solicitors, accountants and other specialists as appropriate. This advisor role will build on and learn from the recent appointment for an independent business advisor to assist with the Peckham Rye Station Square project.
38. The procurement process for the advisor is well advanced. A preferred provider has been identified and will be introduced to traders. The developer will underwrite the cost of this.

Affordable retail units

39. In accordance with local planning policy, the council has secured agreement with developers to provide a number of new affordable retail units in the Elephant and Castle opportunity area. There are three recent examples of redevelopments in the local area providing new affordable business premises for local operators. These are summarised in the table below:

<i>Development (planning application reference)</i>	<i>Description</i>	<i>Local operator</i>	<i>When opened</i>
Strata Tower (05/AP/2502)	Retail unit	Inara – money exchange business based in the Shopping Centre	2015
2-10 Steedman Street (11/AP/0868)	Ground floor of development and 3 railway arches to the rear	Hotel Elephant – local not- for-profit providing low cost studio space and cafe	2016
120-138 Walworth Road (09/AP/1069)	Retail unit on Walworth Road	Latin bites – a new café operated by La Bodeguita, an existing restaurant that is based in the Shopping Centre	2016

40. The detailed process for marketing and letting the affordable retail units is set out in each of the planning agreements for the above sites. The developers are required to market the units to local operators with less than three retail units and the terms of the agreement generally provide a discounted rent for the first five to

ten years of trading to help the business establish and grow in the new location.

41. Within the town centre, the council has secured significant affordable retail space which will be available for qualifying shopping centre tenants in two major developments. At 50 New Kent Road seven affordable retail units have been constructed¹ and are being reserved for shopping centre traders. These will be released when the developer implements the centre regeneration. The criteria and application process for qualifying traders interested in these units will be set out in the developer's relocation strategy.
42. At Elephant Park, 10% of the retail floorspace within the entire development has been secured as affordable retail space with an obligation on the developer (Lend Lease) to first of all market the units to local operators from the shopping centre. Most of the affordable retail floorspace is expected to be provided in early phases completing in March 2019, with marketing of units starting towards the end of 2018. .
43. The developer's relocation strategy for the shopping centre will detail the mechanisms and process for how traders can apply for units across the various sites and a single point of contact will be provided for the traders to coordinate the different relocation opportunities.

Additional sites for relocation and convenience retailing

44. In addition to the above, the council is developing feasibility studies for two projects on its own land in the Elephant and Castle. These have potential to provide alternative accommodation for centre traders and convenience retail for local residents.
45. The first site is the dis-used garage area beneath Perronet House. The podium building and the ground floor contain garages in two areas, north and south. The southern garages are not in use and part of this space has recently been converted into a new pharmacy for the locality. This proposal seeks to build on the success of the pharmacy project and convert the remaining dis-used garage space in the southern car park into additional retail frontage. The recent changes to the road layout mean that this location now has a lot of passing pedestrians making it potentially a strong retail location. The project has the potential to animate Elephant Square as well as providing circa 500m² of additional retail space for local traders. The next step is to develop a set of designs which can be reviewed with local residents before entering the planning process.
46. The second project seeks to redevelop the garage block on Arch Street into around 250m² of modular retail units which can be let on affordable terms to local traders. The project also has the potential to animate a key route into the town centre that forms part of the emerging "Low Line" (strategy to create a new pedestrian link alongside the railway viaduct from the river to Camberwell). Similarly, this project is at feasibility stage and the next step is to develop a set of designs which can be reviewed with local residents before entering the planning process.

¹ Note an application has been submitted to the council by the developer for 50 New Kent Road seeking to amend the layout of affordable retail and increase the number of units from 6 to 7.

47. Local ward members have expressed concern that the regeneration of the shopping centre may affect the ability of local residents to access affordable convenience retail during the demolition and construction process. These two sites at Perronet House and Arch Street will provide additional accessible options for residents within 500 metres of the centre together with Walworth Road, and other retail parades at East Street, Sherston Court/Draper House, New Kent Road, and London Road.

Relocation fund

48. It is desirable to assist the local operators to relocate in the locality to maintain their businesses and livelihoods and for consumer choice. It does however need to be recognised the reality is that it is unlikely to be possible to achieve this in all cases. Notwithstanding the mitigation measures described above, there is a shortage of alternative retail premises in the locality to absorb all the businesses that will be displaced from the shopping centre. Furthermore, rents payable by businesses are lower than they are in other trading frontages with similar custom in the locality. This means that alternative premises with a similar footfall are likely to have higher rents and rates and some traders aspiring to relocate may find their business models unsustainable at these higher costs and cease trading altogether.
49. In order to help local operators that have viable business plans to move to new locations such as the Walworth Road the developer will be required to establish a discretionary relocation fund. The independent advisor will consult tenants in the shopping centre and following this will make recommendations for awarding grants to assist businesses to relocate.

Update on other local initiatives

50. In 2014, in response to recommendations from the overview and scrutiny committee, the council commissioned GVA and East architects to carry out a *Vitality, Viability and Vulnerability* study into the Walworth Road and surrounding area. The study assessed the existing strengths and weaknesses of the high street and looked forward to the opportunities and challenges that it was facing as a result of substantial development that had already taken place and was planned over coming decades. While the report found that economic activity was generally healthy and businesses in Walworth were optimistic about changes ahead, a number of opportunities for intervention were identified, building upon the strong assets already in place. These included opportunities to strengthen the East Street market and retail environment, supporting the existing diverse independent retailers and developing better pedestrian and cycle links between the Walworth Road and its hinterland, including the stations at Elephant and Castle. Planning and design considerations were also put forward to further strengthen the high street's physical and commercial presence.
51. Since 2014 a number of local projects have been conceived and taken forward following these findings and these are summarised in the next section of the report. These initiatives are intended to support the role of Walworth Road and East Street in providing a strong local complementary offer to the retail and leisure developments coming forward at Elephant and Castle.

Elephant Road

52. Elephant Road is a key spine that links the shopping centre, railway station and railway arches with the new Castle Square, the new public park within Elephant Park and the Walworth Road to the south. The route also forms part of the Low Line strategy.
53. The equalities analysis included surveying the 15 businesses located in the railway arches on Elephant Road as regeneration may impact upon them. There were no particular findings in this area of the study that are different from the shopping centre.
54. Network Rail has notified the council and the tenants of the five northern-most arches on the road of its intention to carry out survey work with a view to potentially developing a planning application and a business case to invest in their refurbishment. These are directly opposite the recently completed development at 50 New Kent Road. Should a planning application be successful and funding secured this will potentially allow for relocation of businesses from the southern end of Elephant Road to enable the premises to be refurbished. This programme is subject to internal Network Rail investment decisions so no definite programme is in place and the council will continue to liaise with Network Rail.

East Street

55. The council is also investing in a programme of works to improve the trading environment along East Street and part of the Walworth Road. A budget of £810,000 has been secured from the Mayor's High Street Fund (GLA) and the council's Improving Local Retail Environment (ILRE) fund. After careful consultation with traders in the area, a series of improvements will be completed by autumn 2017, including the following items:
 - Restoring existing market barrows and providing new replacements
 - Branded street enhancements with new market furniture signage, gazebos and tote bags
 - Walworth Road market entrance improvements with catenary signage/lighting and a public art commission.
 - Improvements to Dawes Street market entrance (fence, signage and seating)
 - East Street shopfront improvements with new signage, awnings, repainting and graphics on shutters
 - Decluttering and better signage for the public toilets on junction with Portland Street.

Latin Elephant

56. Southwark is an ethnically diverse area and all ethnic groups are equally valued and treated. In connection with the proposed shopping centre regeneration it is

appropriate to recognise the Latin American community and the proposal's particular impact. Whilst other ethnic communities are generally widely dispersed throughout London the Latin American community is concentrated in a relatively few areas of which Southwark particularly in and around the Elephant & Castle has the second highest concentration. In recognition of this in September 2012, Southwark became the first council in the country to recognise this minority group and include 'Latin American' in the ethnicity section of monitoring forms.

57. The council is proud to provide a home for the vibrant Latin American community and it is important to note that this key group forms a small part of a very diverse and multicultural community at the Elephant and Castle as summarised by the equalities analysis. In terms of business community the Latin American/Hispanic group forms a distinctive but small part of the trading mix.
58. Since 2008, the council has supported Latin arts charity Carnaval Del Pueblo to develop a series of successful events programmes which celebrate Latin culture. The Plaza Latina community event in Nursery Row Park is now in its 4th year with performers from 11 different Latin American countries. Carnaval Del Pueblo is in the final stages of fitting out a new community hub for the Latin community on East Street. Three disused retail units have been refurbished to create affordable trading and co-working space for local traders, together with an event space for community and business programmes. The accommodation opens directly onto East Street market. The new hub has been supported by the Council and Peabody Trust, the landlord of the 3 units and will open later this year.
59. In 2015/16 the charity Latin Elephant successfully applied to the council's High Street Challenge programme to part-fund a report researching further creative projects to support the Latin Community. The report seeks to develop a Latin Quarter at the Elephant and Castle and an update on the projects proposed in the report is included below.

<i>Latin Elephant report project</i>	<i>Update</i>
Latin Boulevard / Public realm improvements	The council is working with Living Streets and the Walworth Society to develop a programme of public realm improvements called Walk Elephant. We will work closely with the Latin community to develop specific projects.
Food and craft markets	The council's Markets team is working with the Latin community to offer new trading opportunities including East Street.
Community hub	The new Latin hub at 53-63 East Street will open in 2017 (see above)
Arts and events	The council has supported Plaza Latina to deliver 6 events since 2014

60. The council is currently consulting on the area visions for the new Southwark Plan and direct reference is made to the Latin American community as a minority group.

High Street Challenge

61. Since 2014, the council's High Street Challenge Programme has invested over £250,000 in community-led projects supporting local businesses and improving the town centre experience around the Elephant and Castle, Walworth Road and East Street. Funded projects include support for Latin Elephant, the Plaza Latina festivals in East Street, Walworth Society historical walks and advice for local businesses. The recommended awards under the High Street Challenge Round 6, to start in 2017, include additional specialist engagement and support for local businesses at the Elephant and Castle. These projects will add further value to the initiatives detailed in this report to ensure that local businesses benefit from a coordinated offer of targeted and specialist support.

Next steps

62. The council will continue to work to appoint a business support and relocation advisor to carry out preparatory work with the local operators in advance of any formal decision by the developer to close the shopping centre. At the same time, the council will continue to develop the projects for two new affordable retail locations. The independent advisor will work closely with local operators to bring forward recommendations on the terms for a discretionary relocation fund to help businesses to relocate.

Policy implications

Planning policy

63. The Elephant and Castle supplementary planning document (SPD) which was adopted in March 2012 sets out the detailed vision for the area and gives specific guidance related to the opportunities and objectives of redeveloping the shopping centre. The adopted policy seeks to establish the Elephant and Castle and Walworth Road as a major retail centre within the London hierarchy with a capacity for up to 45,000m² of additional retail and leisure space. The redevelopment of the shopping centre has been recognised for some time in council planning documents as one of the primary means of achieving the objective of creating a major retail centre.
64. As noted in the October 2015 report, the shopping centre was planned and designed for a very different era and the principles for its original design and layout in 1965 have not stood the test of time. The centre is very inward looking, with poor connections to the local neighborhood, a lack of active frontages at the ground floor, and a poor quality of public realm.
65. The overall vision set out in the SPD is to stitch the town centre back together: to re-connect the routes through the area and enable local residents to move through the heart of the town centre easily. Specific objectives include creating new pedestrian links through the site at ground floor level and beneath the viaduct to connect the tube station with the train station and Elephant Park. Before the re-planning of the area in the 1960's, the heart of the Elephant and Castle and the Walworth Road used to be connected as one seamless high street. Regeneration will enable the centre and the Walworth Road to be re-integrated, with the missing stretch of retail along the top of the Walworth Road put back through the Elephant Park project and new pedestrian "desire lines" returned through the redevelopment of the shopping centre. In addition to the

planning benefits of an accessible and integrated town centre, regeneration also presents the opportunity to improve public transport accessibility, with the opportunity to transform the Northern Line station with a new Jubilee-line style ticket hall and escalators.

66. Part of the vision is to retain a diverse and vibrant retail mix in the town centre that provides opportunities for small businesses displaced by development to continue to operate in the area and benefit from regeneration.

Economic wellbeing strategy

67. A partnership for local growth' the Southwark economic wellbeing strategy sets out the council's strategy for achieving inclusive local economic growth over the period 2017 to 2022.

It includes the ambitions that:

- Businesses are valued customers of the council who benefit from responsive services that meet their needs
- Southwark businesses are able to take advantage of growth opportunities afforded by regeneration and development in the borough
- Southwark town centres are thriving and diverse with a strong sense of identity, and are great places to visit and shop
- Quality space is available for a range of business uses that support a diverse town centre economy
- Every Southwark resident has access to quality, affordable, and healthy food and produce from their local high street or market.

Community impact statement

68. The Equality Act 2010 imposes a general equality duty on public authorities (the Public Sector Equality Duty, or PSED), in the exercise of their functions, to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct that is prohibited by or under the Act.
- Advance equality of opportunity between people who share a relevant protected characteristic and people who do not share it.
- Foster good relations between people who share a relevant protected characteristic and those who do not share it.

69. For the purpose of the PSED the following are 'protected characteristics'

- Age
- Civil partnership
- Disability

- Gender reassignment
- Pregnancy and maternity
- Race
- Religion or belief
- Sex and sexual orientation.

70. The equalities analysis will inform the council on the equality implications of the redevelopment project and measures that may be taken to mitigate these. Additional equalities work will be carried out through the life of the project as needed to ensure the analysis is kept up to date and continually monitored.

Resource implications

71. The package of mitigation measures set out will assist traders to relocate to enable the redevelopment of the shopping centre to proceed. As the redevelopment is being promoted by a private developer it is appropriate for the cost of these measures to be met by the developer. This will be made a condition of any potential planning permission for the scheme. The scope of the individual projects referred to in this report will also inform scheme costs. Further work will be undertaken during the project development phase to finalise costs and should there be any direct resource implications for the council these will be reported through the standard gateway process.
72. There are no additional financial implications due to the approval of these recommendations.
73. Staffing and any other costs connected with this recommendation will be contained within existing departmental revenue budgets.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Democracy

74. The recommendations of this report raise no particular legal issues. However the future actions envisaged by the report will have legal implications. Legal advice will be sought at the relevant time and included in subsequent reports to cabinet.

Strategic Director of Finance and Governance (FC16/048)

75. This report is requesting cabinet to note the findings of the equalities analysis undertaken regarding the shopping centre redevelopment and also note that a database of vacant premises will be established and maintained by the developer.
76. The report is also requesting cabinet to agree that the developer is required to implement a package of measures to support the relocation and mitigate the impact of the closure of the shopping centre on local traders and residents, details of which are set out in paragraphs 33 to 49 of this report. Full details are

provided within the main body of the report.

77. The strategic director of finance and governance notes that the council expects the costs of such measures as detailed in the report to be funded by the developer and will be part of the condition for any agreement for the council to exercise its compulsory purchase powers.
78. The strategic director of finance and governance also notes that there are no immediate financial implications arising from this report and any potential cost implications arising in the future will be subject to separate reports for formal approval.
79. It is noted that staffing and any other costs connected with this recommendation will be contained within existing departmental revenue budgets.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
2017 Planning application	160 Tooley Street London SE1 2QH	Dan Taylor 020 7525 5450
Link: (copy and paste link into browser and input the application reference 16/AP/4458) http://planbuild.southwark.gov.uk:8190/online-applications/		
Elephant and Castle 2012 Supplemental Planning Document	160 Tooley Street London SE1 2QH	Dan Taylor 020 7525 5450
Link: (copy and paste link into browser) http://www.2.southwark.gov.uk/downloads/download/2896/elephant_and_castle_spd_supporting_documents		
Cabinet October 2015 Report	160 Tooley Street London SE1 2QH	Paula Thornton 020 7525 4395
Link: http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&MId=5140&Ver=4 (Item 18)		
Executive January 2007 report	160 Tooley Street London SE1 2QH	Paula Thornton 020 7525 4395
Link: (copy and paste link into browser) http://moderngov.southwark.gov.uk/Data/Executive/20070130/Agenda/Item%2013%20-%20Business%20Continuity%20at%20the%20Elephant%20and%20Castle.pdf		
Overall Equalities Analysis report	160 Tooley Street London SE1 2QH	Dan Taylor 020 7525 5450
Link: (copy and paste link into browser) http://www.2.southwark.gov.uk/downloads/download/4803/elephant_and_castle_shopping_centre_equalities_analysis		

Background Papers	Held At	Contact
Supplemental Equalities Analysis report (bingo hall)	160 Tooley Street London SE1 2QH	Dan Taylor 020 7525 5450
Link: (copy and paste link into browser) http://www.2.southwark.gov.uk/downloads/download/4803/elephant_and_castle_shopping_centre_equalities_analysis		
<i>Vitality, Viability and Vulnerability</i> study of Walworth Road by GVA and East architects	160 Tooley Street, London SE1 2QH	Local Economy team 020 7525 5676
Link: http://www.2.southwark.gov.uk/info/200183/elephant_and_castle/4090/walworth_road_study		

APPENDICES

No.	Title
None	

AUDIT TRAIL

Cabinet Member	Councillor Mark Williams, Regeneration and New Homes		
Lead Officer	Eleanor Kelly, Chief Executive		
Report Author	Jon Abbott, Head of Regeneration North		
Version	Final		
Dated	25 April 2017		
Key Decision?	Yes		
CONSULTATION WITH OTHER OFFICERS CABINET MEMBERS			
Officer Title		Comments Sought	Comments included
Director of Law and Democracy		Yes	Yes
Strategic Director of Finance and Governance		Yes	Yes
Cabinet Members		Yes	Yes
Date final report sent to Constitutional Team			25 April 2017

Item No. 11.	Classification: Open	Date: 9 May 2017	Meeting Name: Cabinet
Report title:		Aylesbury Regeneration Programme Delivery	
Ward(s) or groups affected:		Faraday	
Cabinet Member:		Councillor Mark Williams, Regeneration and New Homes	

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

Southwark Council and our partner Notting Hill Housing Trust remain committed to delivering this vital project, to build the new homes our residents need, to support them through the regeneration process, and ensure that they directly benefit from the investment we are making into the area. The council and Notting Hill are making good progress on the estate, as detailed in this report since the CPO Inquiry was held we have settled with a further 9 leaseholders meaning only 7 now remain. Demolition of the vacant blocks is progressing well, with 8 local residents now working for the contractor Erith on site. Planning permission was also granted in September for Plot 18 which includes the community facilities, and in April planning was granted for a new Approved Premises Facility to replace Ellison House which is currently on the first development site (FDS). In addition tenants and leaseholders continue to move from phase 2 (Wendover and the 11 blocks to the east) with nearly 500 now moved into their new homes.

The council and Notting Hill have worked in partnership to develop a plan to deliver the new homes on the FDS and Plot 18. This report details those proposed changes which will see construction begin on vacant plots at the beginning of 2018 with the first new homes – including social rent and extra care homes – starting to complete from the end of 2020. The proposed changes also increase the amount of affordable housing across the FDS and Plot 18, including some larger social rent homes and a significant increase in over 100 new shared ownership homes that will enable local people to get a foot on the property ladder. At the same time we have continued, and will continue, to talk to and work with the remaining three resident leaseholders to find them new homes.

Due to the ongoing repair and maintenance problems in phase 3 this report also seeks authorisation to consult with the residents in phase 3 on whether they would prefer to wait for the decant of their blocks to wait until the new homes on phase 1 are ready, or to have the option to bring their decant forward and enable them to move to new and available council and other social rent homes in the local area that will be ready between now and the end of 2020. Under the latter option the residents of phase 3 would also be able to wait and move directly into the new homes when they are ready on phase 1. Rather than the council making this decision for the residents we feel it is crucial that we consult with them, explain the options, and listen to what they say. The findings of this consultation will be reported to a future cabinet meeting for a decision on whether to proceed.

RECOMMENDATIONS

1. Note the significant progress made since September 2016 in taking forward the regeneration of the estate.
2. Note the variations to the detail of the developments on the First Development Site and Plot 18 which are subject to a revised planning application.
3. Agree to consult affected residents about bringing forward the start of rehousing programme for Phase 3 and to bring the decision on whether to start the rehousing of this phase to a future cabinet meeting.
4. Note the increases in the jobs and apprenticeships targets.
5. Agree the basis of the new Delivery Agreement with Notting Hill Housing Trust.

BACKGROUND INFORMATION

6. On 20 September 2016, cabinet considered two reports – Aylesbury Regeneration Delivery and Aylesbury Regeneration Delivery – Supplemental Report. Cabinet agreed:
7. To approve a series of actions as set out in paragraphs 10 to 14 of the substantive report to bring forward the delivery of the Aylesbury regeneration programme namely:
 - The council funding directly the demolition of the First Development Site and Plot 18
 - The council underwriting design fees on Plot 18 and Phase 2 in order to progress planning applications
 - The council bringing forward funding for the approved premises facility.
8. To delegate approval of the final terms of the agreed actions, as set out in paragraphs 9 to 13 of the substantive report to the director of regeneration.
9. To note that the capital programme monitor in November will include funding provision for Phases 3 and 4 and the community facilities included in Plot 18.
10. In the light of the recent Secretary of State decision on the CPO for the First Development Site, it is also further recommended that:
 - a) The council should proceed with funding the partial demolition of the First Development Site on land where there are no outstanding third party interests. The agreement to the scope of the contract and the revised cost to be delegated to the chief executive for approval;
 - b) That cabinet note that due to the CPO decision that any additional costs arising from the delay of the demolition of the First Development Site will need to be identified and will be subject to future approval by cabinet
 - c) The council should review the development proposals for the First Development Site to take account of the phased demolition; and

- d) The council should make an application to the High Court for the Secretary of State decision to be reviewed.

11. On 7 February 2017, the capital monitor report approved the funding provision of £35m for the community facilities in Plot 18.

KEY ISSUES FOR CONSIDERATION

Vision for the Aylesbury Regeneration Programme

12. The vision developed through the Aylesbury Area Action Plan process was for a successful neighbourhood incorporating the highest design standards, a good mix of uses and a layout that will meet the needs of current and future generations.
13. The Development Partnership Agreement with Notting Hill Housing Trust was signed on 28 April 2014. The key outputs from this Agreement are:
- The development of 3500 homes over a period of 20 years. 50% of these homes would be affordable of which 75% would be social rented and 25% shared ownership or shared equity
 - The creation of 1400 new local employment, apprenticeship and training opportunities.

Progress on Scheme Delivery

14. The demolition contract for the FDS was let by Notting Hill Housing Trust (NHHT) to Erith Contractors Limited on 28 November 2016. In accordance with the September 2016 Cabinet report, the contract was let to allow a phased demolition of blocks as they become vacant. The first phase of the demolition contract comprised Bradenham and Chartridge (blocks 77-105, 69-76 and 104-119). The demolition programme is anticipated to complete in mid 2020.
15. NHHT have developed a programme to start the new build contract on the FDS as plots of land are released by the demolition works. The anticipated programme of completions, which is subject to vacant possession of remaining blocks, is as follows:

Year	Social rented	Shared Ownership	Extra Care Social rent	Extra Care Shared Ownership	Private sale	Market	Total
2020	29				5		34
2021	41	22	42	10	2		117
2022	115	48			27		190
2023	78	98			102		278
2024	36	41	0	0	96	48	221
Total	299	209	42	10	232	48	840

16. The planning application for Plot 18 was approved on 6 December 2016.

17. The demolition contract for Plot 18 was let by Notting Hill Housing Trust to Erith Contractors Limited on 19 December 2016. The blue huts have been removed and 300-313 Missenden is currently being demolished.
18. The new build contract for Plot 18 will start on site in 2018 once service diversions have taken place and complete in early 2021.
19. The planning application for the approved premises facility was approved on 28 March 2017. The contract will start on site in early 2018 and complete in 2020.

Update on FDS CPO

20. A pre-action protocol letter was sent by the council to the Secretary of State on 7 October 2016. An application for permission to seek judicial review was made by the council in the High Court on 27 October 2016. On 21 December 2016 the council received the decision of the Honourable Mr Justice Dove not to grant permission for judicial review based upon his review of the papers. The council requested an oral hearing of the case. On 18 January 2017 at the oral hearing the Honourable Mr Justice Collins granted permission for the judicial review. The substantive hearing is scheduled for 9 May 2017. An update will be given at cabinet but a decision will not be handed down until some time after the hearing.

Update on vacant possession

21. On the FDS, the Council has recently secured possession of 28 Arklow through negotiation. There are now currently 7 leasehold interests on the site.
22. On Phase 2, 154 tenants and 68 leaseholders remain. 483 vacant properties are in use for temporary accommodation.

Revisions to FDS and Plot 18

23. As part of the detailed assessment of bringing forward the new build on FDS and Plot 18, NHHT have reviewed the tenure mix. In addition through more detailed design, the capacity of the site has increased by 10 homes. The proposed amendments are below:

	Base FDS	Base Plot 18	Base total	Revised FDS	Change to FDS	Revised Plot 18	Change to Plot 18	Revised total	Changes to total
Social rent	304	46	350	341	37	17	-29	358	8
Shared ownership	102	10	112	219	117	6	-4	225	113
Market rent	48	0	48	48	0	0	0	48	0
Private sale	376	66	442	232	-144	99	33	331	-111
Total	830	122	952	840	10	122	0	962	10

24. The benefits of this revised tenure mix for these sites are that there is increased provision of social rented and shared ownership homes which facilitates rehousing and less potential for saturation of the private sale market. The revisions are under

discussions with planners and an appropriate process for consideration will be followed.

25. Although the revised tenure changes to the two sites do not alter the overall tenure split of the masterplan, they do alter the tenure distribution within the agreed masterplan for the regeneration of the whole estate. It is considered that although Plot 18 now has a lower percentage of affordable homes, the surrounding developments as part of Phase 2 and 3 and Harvard Gardens ensure that this part of the new neighbourhood retains a mix of housing tenures. The revised tenure plan is attached as Appendix 3.

Phase 3 rehousing

26. Under the current programme, it was anticipated that Phase 3 (Taplow, Northchurch 1-56, 184 East Street and 218 East Street) would be activated for decant in 2018 allowing vacant possession by 2021. Phase 3 is currently comprised of 224 tenants and 24 leaseholders (13 resident and 11 non-resident). Cabinet have previously agreed that early buybacks of leaseholders including Phase 3 could take place and to date 17 leaseholders in this phase have sold back to the Council (and are not included in the figures above).
27. Without considerable investment, it is considered that the properties in Phase 3 would not have more than a five year life.
28. As part of the development programme for sites in East Walworth, Newington and Faraday (excluding Aylesbury) there are 655 homes scheduled for completion between 2017 and 2021 of which 198 are social rented. The new homes at Stead Street and Harvard Gardens have proved very popular with Aylesbury residents in earlier phases. By activating Phase 3 tenants sooner, the opportunity for priority moves to the new social rented homes completing in the area will be increased.
29. The rehousing programme for the Aylesbury regeneration assumes that a number of Phase 3 tenants are able to move into new social rent homes on the FDS and Plot 18. It is anticipated that the new homes on FDS and plot 18 will start being available for letting in mid 2020. The option of moving to the new social rent homes at FDS and Plot 18 will be available to Phase 3 tenants.
30. It is proposed that tenants and leaseholders in Phase 3 are consulted about the option of moving the activation date forward for rehousing from August 2018 to August 2017. The results of the survey will be reported to a future cabinet meeting who will consider whether to activate the rehousing.
31. As part of the rehousing process for tenants and leaseholders, an equalities impact assessment will take place.
32. A report will be presented to cabinet at a future date to seek approval to commence CPO proceedings for Phase 3 should this become necessary.
33. Properties made void through the decant process in Phase 3 will be used for temporary accommodation where feasible.

Jobs and apprentices

34. As part of the Development Partnership Agreement with NHHT, there are a series of Developer Performance Indicators (see Appendix 1) which include training and employment targets for the First Development Site. The proposal set out in Appendix 1 would increase the number of unemployed Southwark residents supported into employment and sustained work for 6 months from a target of 170 to 224 (with an Excellent Target of 246) and increase the number of apprentices or equivalent traineeships at level 2 or above from 73 to 98 (with an Excellent Target of 119).

Delivery Agreement

35. As there have been significant steps in moving forward the regeneration programme for the Aylesbury Estate, it is considered opportune for the council and NHHT to restate the partnership commitments that underpin the programme. The draft Agreement (Appendix 2) sets out clear dates for delivery, the commitment from NHHT to assist in rehousing tenants, the commitments around key indicators such as job creation and the commitments around investing in community bodies.

Community impact statement

36. The development of new social rented homes on the FDS and Plot 18 will provide high quality homes for tenants from Aylesbury Estate and other tenants in the Borough to move to. The provision of the new library, health centre and other community facilities at Plot 18 will serve the wider area of Walworth and the Old Kent Road. NHHT will continue to deliver a varied programme of community engagement activities and events, which last year saw nearly 3,000 attendances from local residents. The community engagement programme allows residents to participate in the transformation of their neighbourhood while providing an opportunity to update people on the regeneration and do some myth busting. Local communication and media activity evolves out of and responds to the messages and feedback NHHT hear at these events. The council and NHHT will continue to use digital, print and face to face communications to provide updates on key milestones and development progress, while also promoting stories about the social and economic impact of the regeneration on people living and working in the area.

Resource implications

37. The workstreams of demolition on FDS and Plot 18 are being contained within the budgets outlined in the 20 September 2016 cabinet report. As set out in that report, as the demolition of the FDS is taking place on a phased basis when blocks are made available the overall cost of the demolition contract cannot be fixed at this stage. A further report will be presented to a future cabinet meeting on this contract.
38. As set out in the September 2016 cabinet report, an additional allocation of funding from the HRA is required to enable all of the leasehold interests in Phase 3 and 4 to be acquired. The funding implications will be set out in a future capital monitor report.

Legal implications

39. These are set out in the concurrent from the director of law and democracy below.

Financial implications

40. These are set out in the concurrent from the strategic director of finance and governance below.

Consultation

41. The draft proposals set out in this report have been discussed with the Creation Trust Board. Paragraph 30 outlines that residents in Phase 3 will be consulted over the rehousing programme.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Democracy

42. The Equality Act 2010 requires the council in the exercise of its functions to have due regard to the need to:

- a) eliminate discrimination
- b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

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

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

44. Paragraph 31 of this report confirms that an equalities impact assessment will be carried out as part of the rehousing process for tenants and leaseholders in Phase 3. The results of this assessment will enable the council to have due regard to the possible effects of the process on any groups sharing a protected characteristic in order to discharge its public sector equality duty. Where any disproportionate effects are anticipated, the council will seek to mitigate these wherever possible.

45. Paragraph 30 confirms the proposal to consult with tenants and leaseholders in Phase 3 about the option of moving the activation date forward. The law requires that consultation must be undertaken when proposals are still at a formative stage, must include sufficient reasons for the proposals to allow interested parties the opportunity to consider the proposal and formulate a response, must allow adequate time for interested parties to consider proposals and formulate their response and the outcome of it must be conscientiously taken into account when the ultimate decision is taken. These are the central requirements for fair and proper consultation and should be applied at all stages of the consultation process.

Strategic Director of Finance and Governance (FC16/050)

46. This report is requesting cabinet to note the progress and developments on the Aylesbury Regeneration programme as reflected in the recommendations and detailed within the main body of the report.
47. The strategic director of finance and governance notes that there are no financial implications arising from this report as the programme of works outlined in this report is being contained within current approved budgets and any future funding requirements will be subject to separate reports for formal approval by cabinet.
48. Staffing and any other costs connected with this report to be contained within existing departmental revenue budgets.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Aylesbury Regeneration Delivery Cabinet 20 September 2016	Regeneration South Chief Executives 160 Tooley Street London SE1 2QH	Neil Kirby 020 7525 1878
Link: http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&MId=5373&Ver=4 (Item 12)		
Aylesbury Regeneration Delivery – Supplementary Report Cabinet September 20 September 2016 (Item 12a)	Regeneration South Chief Executives 160 Tooley Street London SE1 2QH	Neil Kirby 020 7525 1878
Link: http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&MId=5373&Ver=4 (Item 12a)		

APPENDICES

No.	Title
Appendix 1	Developer Performance Indicators
Appendix 2	Draft Delivery Agreement
Appendix 3	Tenure Plan

AUDIT TRAIL

Cabinet Member	Councillor Mark Williams, Regeneration and New Homes		
Lead Officer	Eleanor Kelly, Chief Executive		
Report Author	Neil Kirby, Head of Regeneration (South)		
Version	Final		
Dated	25 April 2017		
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		25 April 2017	

Developer Key Performance Indicators

The Developer Key Performance Indicators agreed as part of the DPA were

1. Developer provides re-housing options to support council in achieving vacant possession
2. Developer supports community and economic well being
3. Developer provides employment and training opportunities through construction and other opportunities
4. Residents actively involved in regeneration and other community activities

The DPA sets out a process for reviewing the agreed Performance Indicators every three years.

As a large number of residents have now left the estate, the relevance of monitoring a number of these indicators at the current time needs to be reviewed. Due to the increasing momentum of the construction programme there is an increased opportunity to focus on employment and youth involvement indicators. NHH has agreed to set more challenging targets for the duration of the FDS for jobs sustained and apprenticeships, adding an additional 25% to the outcomes delivered. Over the next 7 years, we propose to increase our performance targets to deliver up to 60 additional jobs sustained and 30 apprenticeships. The excellent performance targets have been recalculated to reflect these additional outcomes for FDS and by extension, the baseline and agreed targets have been recalculated accordingly. The agreement to revise the performance targets is specifically focused on the FDS. Performance monitoring of these DPA indicators will continue to be conducted by LBS on a quarterly basis, taking account of these revisions, alongside the S106 training and employment obligations.

Existing DPA Training and Employment Targets for FDS ¹						
Threshold Indicators 4.2	Baseline Target Calculation	Total FDS Baseline Target	Agreed Target Calculation	Total FDS Agreed Target	Excellent Target Calculation	Total FDS Excellent Target
a) x unemployed Southwark residents supported into employment & sustained work for 6 months, via training /job brokerage per 10,000m ² GIA	18/10,000m ² GIA	146 (14% below Agreed Target)	21/10,000m ² GIA	170	23/10,000m ² GIA	186 (9% above Agreed Target)
b) x apprentices or equivalent traineeships at level 2 or above per 10,000m ² GIA	6/10,000m ² GIA	49 (33% below Agreed Target)	9/10,000m ² GIA	73	11/10,000m ² GIA	89 (18% above Agreed Target)
c) x Southwark residents receiving pre or post employment training per 10,000m ² GIA	10/10,000m ² GIA	81	13/10,000m ² GIA	105	15/10,000m ² GIA	122

Proposed New Training and Employment Targets for FDS						
Revised Threshold Indicators	Revised Baseline Target Calculation	Total Revised FDS Baseline Target	Revised Agreed Target Calculation	Total Revised FDS Agreed Target	Revised Excellent Target Calculation	Total Revised FDS Excellent Target
4.2) Number of unemployed Southwark residents supported into employment & sustained work for 6 months, with 50% supported through training provision ²	14% below Revised Agreed Target (224)	193	9% below Revised Excellent Target (246)	224	Existing Excellent Target (186) + Additional Outcomes (60)	246
5.1) Number of apprentices or equivalent traineeships at level 2 or above, with 50% supported through 1:1 youth support ³	33% below Revised Agreed Target (98)	65	18% below Revised Excellent Target (119)	98	Existing Excellent Target (89) + Additional Outcome (30)	119

¹ All existing Indicator 4.2 a, b and c calculations based on FDS GIA construction of 81,059m²

² Indicator 4.2: amended to focus solely on jobs sustained with addition of 50% supported through training provision

³ Indicator 5.1: Proposal that 'Apprenticeship' Indicator 4.2b (listed above) replaces previous 'Resident engagement' Indicator 5.1. Addition of 50% supported through 1:1 youth support

Item 2.b

Southwark Council aspires to be the best, most dynamic and successful Council in London

Notting Hill aspires to be London's leading housing association

Our joint delivery commitment

Further to the Development Partnership Agreement signed between us on 28 April 2014, we want to restate the Partnership's commitments to the regeneration of the Aylesbury Estate as a place which demonstrates our shared vision. Over 20 years, together we will:

- Develop 3,500 homes. 50% of these homes will be affordable of which 75% will be social rented and 25% shared ownership or shared equity
- Create 1,400 new local employment, apprenticeship and training opportunities for Southwark residents

Together, we have worked to fulfil the Council's commitment to residents to progress the redevelopment of the Aylesbury estate irrespective of challenges the regeneration faces. Demolition has started on empty blocks at FDS and Plot 18, with provisions for this to be extended as and when further blocks become vacant. Following demolition, our delivery commitment is to:

A variety of homes and tenures for current and future residents

- We will start construction of new homes on both the First Development Site and Plot 18 in 2018.
- We will deliver the first new homes in 2020.
- By 2021 we intend to deliver 17 social rent, 6 shared ownership and 99 private sale homes available on Plot 18 for Phase 3 residents to move to.
- By 2024 we intend to deliver 341 social rent, 219 shared ownership, 48 private rent and 232 private sale homes on the First Development Site available for Phase 3 residents to move to.
- We will deliver age-friendly accommodation for our older residents within these two sites

A revitalised neighbourhood of choice

- 6 new parks and open spaces supported by innovative self-funding arrangements to maintain a high quality of public realm.

- A new library, health centre, early years centre and community space on Plot 18 by 2021

Employment and training opportunities

- We will create up to 264 jobs and 118 apprenticeship for local residents during the First Development Site and Plot 18 construction period
- We will offer personalised support for young people to access the opportunities in the borough

Supporting the local community through change

- We will fund community activities through Creation Trust until 2020
- We will support local groups and residents to become self-sufficient and learn the skills necessary to contribute to a vibrant, active community.
- We will create opportunities for residents to influence the development and design of their future physical environment and the services they receive

Between us, we have the knowledge, skills and creativity to solve major challenges such as homelessness, housing need and lack of affordability. Beyond problem solving we will work together in a spirit of cooperation, empathy, openness and trust, to achieve our joint commitment to provide new homes, jobs and opportunities for people making their home in Southwark.

Our shared vision of places for everyone

By combining the Council's commitment to its residents and an investment of over £1bn by NHH into delivering 5,000 new homes in Southwark we want to create

- Familiar neighbourhoods, connected by thriving public space, providing access to both natural beauty and excellent facilities – shops, offices, restaurants, cinemas and workplaces.
- A diverse, safe and welcoming community for both new and existing residents.
- Places where families choose to bring up their children, on safe streets and in super parks, close to great schools and excellent job opportunities, right in the heart of London.
- A variety of homes, allowing a choice of tenure and price

APPENDIX 3

LEGEND

- Extra Care
- Shared Ownership
- Private Sale
- Social Rent
- Market Rent
- Shared Ownership
Maisonettes & Social Rent
Above
- Shared Ownership with
Private Maisonettes at
Ground Floor
- Private Maisonettes at
Ground Floor with 8 Floors
of Shared Ownership Above
and 4 Floors of Private
Above
- 50 % Affordable of which 75
% Social Rent and 25%
Shared Ownership
- Phase 2 Indicative Tenure
Mix

status
DRAFT

Site wide/estate wide
indicative tenure plan

drawing number
AES - 1459

scale @ A1	originated by	project code
1:2000	SNM	NHH-AES

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132

Item No. 12.	Classification: Open	Date: 9 May 2017	Meeting Name: Cabinet
Report title:		Land at Commercial Way Peckham	
Ward:		Peckham	
Cabinet Member:		Councillor Mark Williams, Regeneration and New Homes	

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

Our commitment to build 11,000 new council homes by 2043 is both bold and challenging. Achieving this will make an enormous positive difference to the local community. Southwark is predominantly a densely developed inner-city area and to provide these new homes we must make better use of our land. The recommendations in this report will help to de-risk the site in question. This in turn will give assurance to prospective builders and result in a lower tender cost for the proposed new development. Resources are scarce so it is vital we control cost to maximise the number of new homes we can provide.

The land in question has been unused for a number of years but formerly contained a substantial housing block. We now have the opportunity to build 109 new units of affordable housing on the land; 74 of which will be for council rent. The recommended appropriations will enable the construction of these homes to proceed without the risk of an injunction from a nearby landowner. However if a landowner is adversely affected as a result of the recommendations s/he will have the ability to claim compensation for the loss in value to their property as a result.

The report will therefore pave the way for much needed affordable housing, will clean up an untidy frontage and enhance this frontage.

RECOMMENDATIONS

That Cabinet:

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

BACKGROUND INFORMATION

3. The land in question is shown hatched on the plan at Appendix A. It is owned freehold by the council. It formerly contained six/seven storey high rise social council housing (John Carter House) but was demolished in around 1990 as part of the North Peckham Estate regeneration. Subsequently, it was reserved for the now cancelled cross-river tram project. Whilst undeveloped the land has been subject to fly-tipping and presents an unattractive vista to Commercial Way - an important access route to this part of Peckham.
4. On 25 February 2015 council assembly approved the current Council Plan. This sets out Fairer Future promises one of which is: *quality affordable homes*. Within this commitment is the policy to improve housing standards and build more homes of every kind. This promise was in fact reinforcing previous policy to directly provide additional housing to meet the need for affordable housing within the Borough.
5. In pursuit of this cabinet has received a number of reports both before and after the Council Plan adoption to deliver new housing sites and the subject site was included in the Phase 2 report approved by cabinet on 22 October 2013. This report contained proposals for around 277 new council homes and followed an earlier report to directly deliver 290 new homes. These initiatives form part of the Council's aspiration to provide 1,500 new homes by 2018.
6. On 21 April 2017 planning consent was granted subject to the completion of a planning (s106) agreement for the regeneration of the site to provide the following:
 - ❖ 39 x 1 bedroom flats
 - ❖ 44 x 2 bedroom flats
 - ❖ 24 x 3 bedroom flats
 - ❖ 2 x 4 bedroom flats
 - 109 flats in total
7. Of these 109 flats, 74 will be for council rent and the other 35 will be for intermediate housing. This will make a substantial contribution to the proposals referred to in paragraph 5 which in turn make a very positive difference to 109 households.
8. The contract for the construction of the new homes will be procured by way of an OJEU process.

FACTORS FOR CONSIDERATION

9. The approved regeneration is arranged in four blocks; a wing block at the junctions with Pentridge Street and East Surrey Grove and two central blocks. The wing blocks extend to five stories in height but the central blocks will be nine stories high. As part of the planning process a lighting report was obtained from a specialist surveyor and the conclusion in this is:

The development will generally have a relatively low impact on the light receivable by its neighbouring properties. Whilst we have identified minor transgressions of the BRE recommendations, we are of the opinion that

the development design is likely to be acceptable when taking into account all of the material planning considerations which affect site layout design.

10. Whilst the “minor transgressions” in lighting terms identified by the surveyor were not to a degree to stop the scheme receiving planning consent their existence poses a risk in being able to build the scheme because affected persons may apply to the court for an injunction to stop it proceeding. This may stop prospective builders from bidding for the construction contract or cause bids to be substantially inflated to reflect the risk of there being an application for an injunction and the delay and uncertainty that may cause including frustrating the development scheme.
11. This area of Peckham is fairly densely developed so there is potential for many properties to have a minor lighting impact from the proposed development. As previously mentioned the former John Carter House was also of a substantial height. The determined planning application has taken into account daylighting issues. As part of the planning process properties (over 300) in the locality were directly consulted and three public responses (less than 1%) were received. One response objected on the grounds of adversely affecting daylighting in Cronin Street. This response also referred to insufficient car parking for the proposed new development and this was the ground for the other two objections.

Appropriations

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

Land currently held for housing

Appropriate from housing to planning



Third party rights infringed by development cannot be enforced by injunction

Appropriate from planning to housing



Construction of new housing can proceed

Rationale for recommendations

17.

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

Community impact statement

18. The Council Plan was the subject of extensive community consultation that gave rise to the Fairer Future promise of *quality affordable homes*. The recommendations herein will enable the construction of 109 new homes to proceed. New homes will improve the quality of life for their residents. Implementation of the recommendations may however have a minor adverse lighting impact on some nearby occupiers.

19. The Equality Act 2010 requires the council in the exercise of its functions to have due regard to the need to:

- a) eliminate discrimination
- b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

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

- Age
- Civil partnership
- Disability
- Gender reassignment
- Pregnancy and maternity

- Race
 - Religion or belief
 - Sex and sexual orientation.
21. In carrying out appropriation the council must have due regard to the possible effects of such appropriation on any groups sharing a protected characteristic in order to discharge its public sector equality duty.
 22. Based on the information available the council does not believe that there are any particular groups sharing a protected characteristic who will be adversely impacted by the proposals.

Financial Implications

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

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Democracy

25. The report recommends the appropriation of council-owned land for planning purposes, and thereafter, the appropriation of that land for housing purposes.
26. A council holds land and property for a variety of statutory purposes in order to perform its functions. A council is authorised by virtue of section 122 of the Local Government Act 1972 (“the 1972 Act”) to appropriate land within its ownership for any purpose for which it is authorised to acquire land by agreement, where is no longer required for the purpose for which it is held immediately before the appropriation.
27. The land must already belong to the council. Paragraph 3 of the report confirms that the land to be appropriated is in the council’s freehold ownership.
28. The land must be no longer required for the purpose for which it is currently held. The report confirms at paragraph 9 of Appendix B that the land is no longer required for housing purposes.
29. The purpose for which the council is appropriating the land must be authorised by statute. It is proposed that the land is held for planning purposes. This is a purpose which is authorised by statute. Section 246 of the Town and Country Planning Act 1990 (“TCPA 1990”) defines such purposes as, inter alia, those for which can be acquired under ss226 or 227 of that Act. Section 227 provides that a council may acquire land by agreement for any purposes for which it is

authorised to acquire land compulsorily by s226 TCPA 1990.

30. The purposes for which a council can acquire land pursuant to s226 TCPA 1990 include purposes “which it is necessary to achieve in the interests of the proper planning of an area in which the land is situated.” S226 also authorises the acquisition of land “... if the authority think that the acquisition will facilitate the carrying out of development, re-development or improvement on or in relation to the land.” In the case of either s226 or s227 the acquiring authority must be satisfied that whatever development proposals it has for the land in question these are likely to “contribute to the achievement of any one or more of the following objects – (a) the promotion or improvement of the economic well-being of their area; (b) the promotion or improvement of the social well-being of their area; (c) the promotion or improvement of the environmental well-being of their area.” The Council’s plan to build new homes on the land, of which, the majority are council homes for rent and the remainder are intermediate, is capable of falling within all three categories.
31. Section 203 of the Housing and Planning Act 2016 came into force on 13 July 2016. This section contains a power to override easements and other rights, and it replaces s237 TCPA.

S203 says:

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

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

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

(a) there is planning consent for the building or maintenance work,

(b) the work is carried out on land that has at any time on or after the day on which this section comes into force

(i) become vested in or acquired by a specified authority or

(ii) been appropriated by a local authority for planning purposes as defined by section 246(1) of the Town and Country Planning Act 1990 [*i.e. for purposes for which an authority can acquire land under ss226 and 227*]

(c) the authority could acquire the land compulsorily for the purposes of the building or maintenance work, and

(d) the building or maintenance work is for purposes related to the purposes for which the land was vested, acquired or appropriated as mentioned in paragraph (b).”

32. What this means is that where land has been appropriated for planning purposes building work may be carried out on land even if this interferes with rights or interests if there is planning consent for the building work; and the work must be for purposes related to the purposes for which the land was appropriated, in this case planning purposes. By s204 those third party rights are converted into an entitlement to compensation to be calculated in accordance with ss7 and 10 of the Compulsory Purchase Act 1965.

33. This report confirms that the work being done on the land will be done in accordance with planning permission. Once the land has been appropriated and s203 triggered, that work will be authorised even where it interferes with third party rights.
34. Section 122 of the 1972 Act provides that where land consists or forms part of an open space then the council may not appropriate the land unless before doing so they cause notice of their intention to do so to be advertised for two consecutive weeks in a newspaper circulating in the area in which the land is situated, and consider any objections to the proposed appropriation which may be made to them. At paragraph 3 of Appendix B details of the necessary advertisement are set out.
35. Following the appropriation of the land for planning purposes it is recommended that the land is appropriated for housing purposes, as the land is to be used for the provision of new housing. At that point the land will no longer be required for planning purposes and will be appropriated for housing purposes.

Strategic Director of Finance and Governance [FC16/047]

36. The recommendation is to appropriate land as described in order to facilitate regeneration and the building of new homes on the Peckham Road Commercial Way site. This land appropriation is proposed to occur in such a way that it will have a neutral financial impact. However, a budget for the compensation and new homes proposed will need to be considered as part of the future capital programme budget setting process.

Strategic Director of Housing and Modernisation

37. This report ensures that the development of the Commercial Way scheme can progress with the avoidance of legal challenge. The light issues from the scheme are minimal and the scheme meets planning policy approval. Extensive consultation with local residents, together with a commitment to make 50% of the new social rented homes available to local residents in housing need leads the way in which social housing can be developed in inner cities. The scheme is a significant contribution to the council's pledge to have a commitment to build 1,500 new homes by 2018.

BACKGROUND DOCUMENTS

Background Papers	Held at	Contact
Council Assembly report of 25 February 2015 adopting Council Plan	160 Tooley Street, London SE1 2QH	Paula Thornton 020 7525 4395
Link: (copy and paste into browser) http://moderngov.southwark.gov.uk/documents/s52059/Report%20Council%20Plan%202014-18.pdf		
Cabinet report of 22 October 2013 Phase 2 direct delivery of new homes	160 Tooley Street, London SE1 2QH	Paula Thornton 020 7525 4395
Link: (copy and paste into browser) http://moderngov.southwark.gov.uk/documents/s41478/Report%20Direct%20Housing%20Delivery%20Phase%202.pdf		
21 November 2016 planning application	160 Tooley Street, London SE1 2QH	Paula Thornton 020 7525 4395
Link: (copy and paste into browser) http://planbuild.southwark.gov.uk:8190/online-applications/applicationDetails.do?activeTab=summary&keyVal=_STHWR_DCAPR_9570098		

APPENDICES

Appendix	Title
Appendix A	Plan of land at Commercial Way
Appendix B	Rationale for appropriations of the land

AUDIT TRAIL

Cabinet Member	Councillor Mark Williams, Regeneration and New Homes	
Lead Officer	Eleanor Kelly, Chief Executive	
Report Author	Patrick McGreal, Property Services	
Version	Final	
Dated	25 April 2017	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Director of Law and Democracy	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
Strategic Director of Housing and Modernisation	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team		25 April 2017

TITLE.

Land at Commercial Way,
Peckham.

APPENDIX A



DRAWING No.

LBS_3563

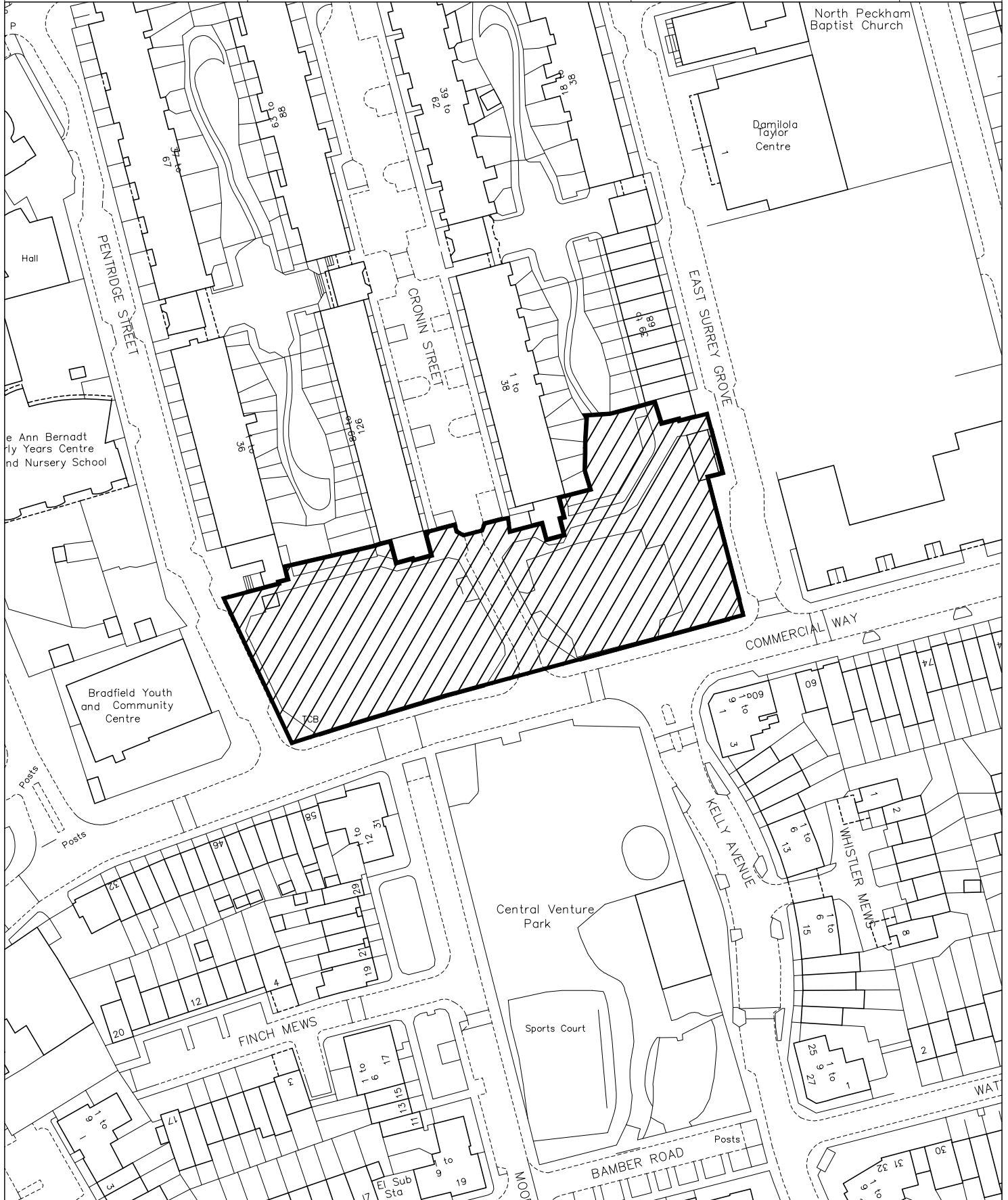
DRAWN BY.

MMANKTELOW
Property Division

DATE.

5/4/2017

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LAND AT COMMERCIAL WAY PECKHAM

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

Background to appropriation

1. Under section 122(1) of the Local Government Act 1972 the Council may appropriate land for any purpose for which it is authorised to acquire land when the land is no longer required for the purposes for which it is held.
2. Under section 226(1)(a) and 227 of the Town and Country Planning Act 1990 the Council may acquire land if they think the acquisition will facilitate the carrying out of development, re-development or improvement on or in relation to the land. This includes development of the sort contemplated in the regeneration of the subject Commercial Way land. The power in section 226(1)(a) is subject to subsection (1A) of section 226. This provides that the acquiring authority must not exercise the power unless it considers the proposed development, redevelopment or improvement is likely to contribute to achieving the promotion or improvement of the economic, social or environmental well-being of the area for which the acquiring authority has administrative responsibility. There are clear economic social and environmental and social benefits associated with the provision of new housing in Commercial Way namely providing people with quality accommodation that may result in better educational attainment and general well being, improved amenity spaces and employment opportunities from the construction works. Accordingly the Council may appropriate land for the purposes of the development proposals land that it already owns if that land is no longer required for the purposes for which it is held. The land shown on the plan at Appendix A is no longer required for its current purposes for the reasons set out below and is not needed in the public interest for those purposes. The land can therefore be appropriated from its current use. As the appropriation will facilitate the Commercial Way new housing development proposals it may be appropriated for planning purposes.
3. Section 122(2)(A) of the Local Government Act 1972 provides before appropriating 'open' land notice of the intention to do so, is to be advertised for two consecutive weeks in a local newspaper. The view has been taken that the subject land falls within this classification and It is confirmed that the Council's intention to appropriate the land was advertised in the Southwark News on 6 April 2017 and 13 April 2017. No response to the advertisement was received.
4. Where land has been appropriated for planning purposes Section 203 of the Housing and Planning Act 2016 (power to override easements and other rights) applies such that the erection, construction or carrying out or maintenance of any building or work on the land (by the council or a person deriving title from the council) is authorised if it is done in accordance with planning permission, notwithstanding that it interferes with certain private rights such as restrictive covenants and easements. The effect of triggering section 203 is that private rights are effectively overridden and converted into a claim for compensation pursuant to s 204. The level of compensation for interference with rights or breach of restrictive covenant is assessed on the basis of the loss in value of the claimant's land as a consequence of the interference or breach of covenant. An important consequence of the operation of Section 203 is that a claimant cannot secure an injunction, to prevent the development from going ahead - as indicated above, their remedy is a claim for compensation.
5. Prior to developing land it is usual practice to make prudent enquiries of what rights might exist over the land, this will involve inspecting the land to see if there are any

obvious rights and checking land ownership information. However, some rights may not be apparent from inspection and historic ones may not always be recorded at the Land Registry. The application of the power to override rights contained in s203 therefore mitigates this risk.

6. The right to claim compensation for the depreciation in value caused by the loss of right is enforced against the owner of the land which in this case is the Council.

Rationale for appropriating the subject site to planning purposes

7. The site is currently vacant but contained former housing blocks that were demolished. It was then reserved as a stop for the cross-river tram initiative that is not being implemented. In pursuance of the adopted Council Plan and to address a need for new affordable housing, the site has been identified to be redeveloped for this purpose. Planning consent has been secured for the scheme outlined in paragraph 6 of the main report. As there may be a minor impact on the rights of light to nearby residents from the consented scheme there is the risk one or more of them may apply to the court for an injunction. If an injunction is granted, the scheme will not be able to proceed. In any event, the risk of an application for an injunction is such that it will defer prospective builders from bidding to construct the new housing or result in a substantial risk contingency that undermines the viability of construction. In these circumstances it is appropriate to utilise the powers of section 203 to overcome this risk and enable the much needed new homes to be built.
8. As indicated above, the land is now required to be held for planning purposes to facilitate the redevelopment proposals associated with the planning permission for new housing. When land has been appropriated for section 203 purposes it will continue to benefit from its over-riding provisions even when the land is no longer held for planning purposes.
9. The land identified at Appendix A is no longer required to be held for housing purposes. As indicated above, the land is now required to be held for planning purposes to facilitate the redevelopment proposals associated with the planning permission.

Rationale for appropriating the subject site back to housing purposes

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

Item No. 13.	Classification: Open	Date: 9 May 2017	Meeting Name: Cabinet
Report title:		Proposed Acquisition of Freehold Interest in Land in the Old Kent Road Opportunity Area	
Ward(s) or groups affected:		Livesey, South Bermondsey, East Walworth, Grange, Chaucer, Nunhead, Peckham	
Cabinet Member:		Councillor Fiona Colley, Finance, Modernisation and Performance	

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

The council's property portfolio provides a vital source of income which supports council services. In the last financial year, this income was in excess of £11 million, contributing to both the housing revenue account and the general fund. However, this income has reduced in recent years as a number of sites have been either sold to help finance the capital programme or redeveloped to deliver new council homes.

An opportunity has arisen to purchase a site in the Old Kent Road area. Having considered the income stream and yield as well as longer term potential to contribute towards the regeneration of the Old Kent Road opportunity area and our ambitious targets for new homes and jobs I am recommending that cabinet approves the acquisition.

In this period of decreasing government funding for council services this capital investment will generate much needed additional income and help support the delivery of our highly valued public services. In the longer term it has the potential to provide new homes and jobs which contribute to the revitalisation of the Old Kent Road.

RECOMMENDATIONS

That cabinet

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

BACKGROUND INFORMATION

3. Rent from commercial property assets is a crucial funding source for council services. The council's new asset management plan, agreed in December 2016, provides a framework for the management of the council's commercial properties over the next five years. Commercial property assets generated in excess of £11 million in the last financial year, with approximately 65% of this income benefiting the housing revenue account and the remainder being received into the general fund.
4. In some cases the council's freehold ownership provides strategic, regeneration and new homes opportunities where it is viable to do so. In June 2016 the council published the draft area action plan for the Old Kent Road which sets out an ambitious vision for regeneration over a period of 20 years or so. The plan envisages growth of around 20,000 new homes and a significant uplift in jobs. In the context of the opportunity area, officers have looked for opportunities to both strengthen the asset base and incomes derived from it and also secure assets which provide longer term regeneration potential. This includes their potential to provide new homes as well as other asset management opportunities to accommodate other council services and facilities.

KEY ISSUES FOR CONSIDERATION

5. An opportunity has been identified to acquire land in the Old Kent Road opportunity area.

Sale process

6. Agents acting for the seller have been discreetly marketing the site. The council has limited knowledge of competing prospective purchasers, although is aware that one other party has submitted an offer. It is likely that offers will be made on the basis of the income that the site currently produces and longer term redevelopment opportunities.
7. A provisional offer was submitted on behalf of the council but conditional upon the formal consent of the council's cabinet.

Rationale for investment

8. The rationale for the council to invest is as follows:
 - An established income stream
 - A reasonable yield
 - Asset management opportunities across the council's holdings to relocate occupiers from other sites onto this land to release substantial value from those other sites
 - Opportunities for longer term redevelopment for a mix of uses including residential and employment, in accordance with the emerging area action plan for the Old Kent Road opportunity area.
9. As with any investment there is risk. However the interest from developers in obtaining sites in the Old Kent Road opportunity area following the announcement of the Bakerloo Line extension is driving land values upwards. In

acquiring this land there is future investment and strategic potential in an attractive and regenerating location, in the Old Kent Road opportunity area.

Community impact statement

10. In preparing the Old Kent Road area action plan (AAP), the council has completed an equalities analysis for the Old Kent Road opportunity area. Any reuse or redevelopment of the proposed acquisition land will occur in the context of the emerging framework for the Old Kent Road and will need to comply with policies in the AAP. In formulating the recommendations of this report the potential impact on the community has been taken into account, including people identified as having protected characteristics. No specific equality implications have been identified in relation to this report.

Financial Implications

11. Addressed in closed report.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Democracy

12. The purpose of this report is to delegate to the chief executive the negotiation of the terms for the acquisition of a site in the Old Kent Road and subject to the due diligence process, to proceed with the completion of the freehold interest.
13. Further details are provided in the closed report. Under section 120(1), Local Government Act 1972, the council is authorised to acquire land by agreement for the purposes of (a) any of its statutory functions or (b) for the benefit, improvement or development of its area. By virtue of section 120(2) of the Act, the council may acquire by agreement any land for any purpose for which they are authorised by either the 1972 Act or by any other Act to acquire land, notwithstanding that the land is not immediately required for the purpose. Until the land is specifically required, it may be used for the purpose of any of the council's functions.
14. In this instance, the site is subject to a number of commercial leases. Vacant possession will therefore not be available immediately but in the meantime, income will be provided until the leases have concluded.
15. There are therefore adequate powers available to the council to acquire the site by agreement.

Strategic Director of Finance and Governance

16. This report proposes to purchase land in the Old Kent Road opportunity area, plus the appropriate fees, subject to outcome of the due diligence process. As set out within the open report, the council published the draft area action plan for the Old Kent Road which sets out an ambitious vision for regeneration over a period of 20 years or so. Paragraphs 8 and 9 set out the rationale for purchasing this land including the flexibility around future options for reviewing its use as part of the wider council holdings and potential for comprehensive site redevelopment. In the shorter term the estimated rental income exceeds the interest currently received on the council's cash balances.

17. As with the wider commercial property portfolio held by the council, this will be subject to ongoing review. The council's capital programme will be updated to reflect this commercial portfolio purchase, reported to cabinet in July 2017.

BACKGROUND DOCUMENTS

Background paper	Held at	Contact
Asset Management Plan for the Commercial Property Estate	160 Tooley Street London SE1 2QH	Tim Cutts 020 7525 5380
Link: (copy and paste into browser) http://moderngov.southwark.gov.uk/documents/s65510/Report%20Asset%20Management%20Plan%20for%20the%20Commercial%20Property%20Estate.pdf		
Draft Old Kent Road area action plan	160 Tooley Street London SE1 2QH	Tim Cutts 020 7525 5380
Link: (copy and paste into browser) http://www.southwark.gov.uk/planning-and-building-control/planning-policy-and-transport-policy/development-plan/area-action-plan		
Corporate Asset Management Plan – Overarching AMP 2010	160 Tooley Street London SE1 2QH	Tim Cutts 020 7525 5380
Link: http://moderngov.southwark.gov.uk/mglIssueHistoryHome.aspx?Ild=11425		

APPENDICES

No.	Title
None	

AUDIT TRAIL

Cabinet Member	Councillor Fiona Colley, Finance, Modernisation and Performance		
Lead Officer	Eleanor Kelly, Chief Executive		
Report Author	Tim Cutts, Senior Regeneration Manager, Regeneration South		
Version	Final		
Dated	27 April 2017		
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		27 April 2017	

Item No. 14.	Classification: Open	Date: 9 May 2017	Meeting Name: Cabinet
Report title:		New Homes Delivery Programme	
Ward(s) or groups affected:		All Wards	
Cabinet Member:		Councillor Mark Williams, Regeneration and New Homes	

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

Southwark Council is committed to do all it can to tackle the housing crisis head on in our borough. In addition to working with developers and housing associations Southwark has set out how we will build new homes ourselves with the commitment to build 11,000 new council homes by 2043. This promise was made following a wide ranging consultation with our residents which received over 2,000 responses. We set ourselves an initial target of building the first 1,500 new council homes by the end of 2018, this report updates on progress against this target.

We have already completed 291 of our new council homes, with a further 263 having gained planning permission or started on site. In total around 400 new council homes are now due to complete by the end of 2018, with a further 1200 on site or committed (i.e. sites allocated, with planning permission, and a contractor appointed to start works imminently). The summary breakdown is detailed in paragraph 13 with a full list of approved schemes given in Appendix 1. From a standing start this represents a phenomenal level of work by our officers to achieve this feat; we have learnt lessons along the way and will continue to work in partnership with our residents to deliver the new homes that are so desperately needed in our borough.

In addition to new council homes we are also building some private sale to help fund the new council homes, we are also building new intermediate homes which so far have predominantly been shared ownership homes. However, in recognition of the need for a wider range of options for people who don't qualify for council homes but who can't afford to buy, we intend to build new London Living Rent homes and we have been working with Southwark and Peckham Citizens to deliver a Community Land Trust pilot for our borough. This report seeks formal approval and updates on a funding bid made to the Mayor of London's Housing Innovation Fund to bridge the funding gap and allow the pilot scheme to be delivered.

RECOMMENDATIONS

That Cabinet:

1. Notes the progress at 31 March 2017 on the new build programme and the interim target to deliver 1500 homes by the end of 2018.
2. Notes the current list of approved schemes as outlined in Appendix 1a and the schemes noted in paragraphs 24 and 44 that have been removed from the programme.

3. Notes that the review of the Charter of Principles and any recommendations for change on how the principles are applied are being taken to the cabinet member for housing as an IDM report in May 2017.
4. Approves the pilot work to provide a Community Land Trust in Southwark subject to agreeing funding with the Greater London Authority.

BACKGROUND INFORMATION

5. Cabinet established the Independent Housing Commission in January 2012 in order to secure an unbiased perspective and make recommendations and conclusions for an investment strategy of up to 30 years. On 16 July 2013 cabinet considered the conclusions and next steps following community and stakeholder engagement and set out the council vision to deliver 11,000 new homes by 2043.
6. On 27 January 2015 cabinet agreed its new long term housing strategy for the borough including specific commitments for increasing housing supply, including building 11,000 new council homes for social rent by 2043 (including 1,500 by 2018), 'delivering the successor to our 'warm, dry and safe' housing investment programme', as well as taking a longer term view of measures to improve the housing stock over the duration of the strategy.
7. On 25 February 2015 council assembly endorsed the Council Plan to 2017/18 which included the Fairer Future Promise - Quality affordable homes, which states 'We will improve housing standards and build more homes of every kind including 11,000 new council homes with 1,500 by 2018. We will make all council homes warm, dry and safe and start the roll out of our quality kitchen and bathroom guarantee.'
8. This is an update following the previous update to cabinet on 19 July 2016.

KEY ISSUES FOR CONSIDERATION

What has been achieved – overall position

9. The council has already delivered 291 council homes for residents across Southwark.
10. Completions in 2016-17 have included:
 - Clifton Estate Garages (1-8 Parish Apartments, 7 Clayton Road, London SE15)
 - Masterman House Garages (Flats 1-25 Piper Court, 8 Lomond Grove, London SE5)
 - 169 Long Lane (Flats 1-19 Villiers Court, 167 Long Lane, SE1. 165 Long Lane, SE1 (wc unit Long Lane), 115 Weston St, SE1 (wc unit Weston St block) 169 Long Lane, SE1 (Commercial Unit)
 - Gatebeck House (1-9 Gatebeck House, Pytchley Road, SE22)

- Cator Street Extra Care (1-42 Tayo Situ Hse, 73 Commercial Way, SE15)
- Nunhead Site B (8-13 Candle Grove & 56 & 56a Nunhead Lane, SE15)
- Surrey Docks, Salter Road
- 2 Hidden Homes.

- The above units delivered 129 council homes and 149 homes in total.
- A further 155 council homes are on site.
- There is a pipeline of schemes that are expected to deliver over 1600 council homes on site or committed by the end of 2018 of which around 400 are expected to be completed. See appendix 1b for further details of the pipeline.

Categories	Delivered	On site	Planning approved	Pre-planning	Feasibility	TOTAL identified sites forecast to start/ committed
Direct Delivery	237	68	64	573	74	1016
Hidden Homes	30	4	14	4	8	60
Leather-Market	0	27	0	0	37	64
SRPP	0	0	30	335	0	365
S106 purchase	24	56	0	0	19	99
TOTAL	291	155	108	912	138	1604

- Consultation is underway on a number of sites to deliver further homes into the development pipeline with a further individual member decision from the cabinet member for regeneration and new homes expected in June. Any schemes will be taken forward in line with agreed processes and in consultation with residents as set out in the Charter of Principles.
- The business plan, based on current assumptions of resources and expenditure, continues to support the delivery of 1500 council homes by 2018.

What has been achieved – direct delivery of new homes

- There are 3 developments that are on site, delivering 68 council homes, 28 intermediate homes, 42 homes for outright sale and a community centre. The

remaining schemes on site are expected to be completed in early 2017/18, except Sumner Road which will complete in 2018.

- Southdown House (Southdown House)
 - Sumner Road (Blossom Court)
 - 46 Half Moon Lane (Non HRA).
17. There are further sites identified below where consultation is continuing in line with the Charter of Principles.
 18. Lakanal Shops new build has planning agreed and is currently forecast to start in summer 2017.
 19. The following schemes have achieved planning permission and are forecast to start on site in 2017/18, delivering 57 new council homes:
 - Daniels Road Car Park
 - Kinglake Street Garages
 - Pelier Street.
 20. The schemes listed below have submitted planning applications, delivering 139 council homes and 171 homes in total.
 - Commercial Way
 - Meeting House Lane
 - Tenda Road Car Park
 - 35-41 Nunhead Lane
 - Haddonfield Estate.
 21. A further 9 sites are being worked up to submit planning applications in the first half of 2017-18. These sites are expected to deliver 231 council homes.
 - Welsford Street Garages
 - Goschen Estate
 - Lugard Road Garages
 - Fenham Road Garages
 - Rye Hill Park Garages
 - Seavington House and Garages
 - Salisbury Est Car Park (Balfour Street)

- Tissington, Silverlock Estate underground garages
 - Sceaux Gardens (estate garages, plus potentially Florian and Racine replacement).
22. A further 9 sites are earlier in the development process with the intention of having these committed in 2018 (the bottom 7 on the list were added to the programme through an IDM in September 2016).
- Canada Estate
 - Cator Street Extra Care 2
 - Slippers Estate (Car Park), SE16
 - Lomand Grove (Land 61-91 Brisbane Street, Elmington Estate)
 - 66 Linden Grove (TA)
 - Sedgemoor Place (TA)
 - Bassano Street (Garages)
 - Henslowe Road (Garages)
 - Vestry Road (Lettsom T&RA Hall – re-provision of hall with council homes above).
23. Bede Centre site on the Abbeyfield Estate will follow on from the refurbishment of Maydew which is planned to start in late 2017-18. Designs are being discussed with planning and currently an estimated 80 homes will be built on the site.
24. In line with our ongoing consultation on schemes Mayflower T&RA Hall has been removed from the programme.
25. A further IDM is expected in August 2017 to add homes to the programme for delivery beyond 2018. Opportunities for new homes are continuing to be explored and consulted on. This will ensure a pipeline of new homes to deliver the ambition to provide 11,000 homes.

Hidden Homes programme

26. Hidden Homes programme delivers new homes in existing properties or estates. The programme has already delivered 30 new council homes and aims to deliver a further 50 homes by 2018. Two council homes at Jamaica Road and Bew Court have completed in 2016 and a further 4 homes are on site. 15 further hidden homes have planning permission and are due to start in early 2017/18 with a pipeline of further homes being worked on to achieve the target.

Rooftop developments

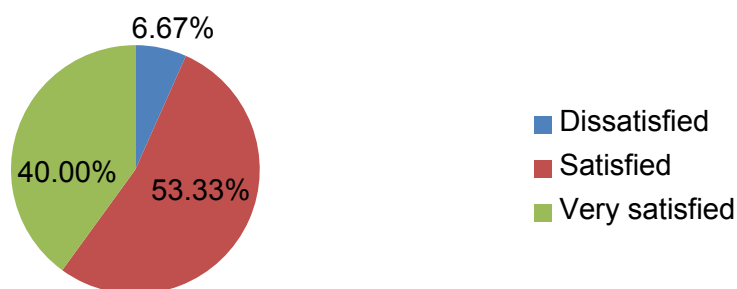
27. Southwark needs to make use of all the assets it has available to be able to meet its new build ambitions. Being one of the largest social landlords in the country another area that the council is looking to develop is building new homes on top of existing

buildings. This is of course in consultation with residents, who will have to be convinced of the benefits that these developments can bring with them.

28. The council has a number of low density low rise building where, when combined with doing programmed cyclical works to the existing building, the council is looking to revitalise buildings and deliver new homes.
29. The council will benefit from delivering its aims to deliver new homes, reducing the waiting lists and burden on temporary housing. By delivering this on existing homes, there is no land cost and this allows the council to continue to deliver new homes complementing the opportunities on existing council land.
30. 50% of all allocations for the new London Borough of Southwark 1,000 properties initiative will be allocated to existing tenants local to the redevelopment/new build scheme.
31. The works are planned to coincide with existing planned maintenance and residents are able to remain in their homes whilst the works are undertaken. This means residents can stay in their homes and reduces the need for the council to look at options such as demolition and rebuild in order to deliver more council homes. It is expected that existing residents will benefit from increased thermal efficiency and other enhanced works as part of the schemes. All residents will also benefit from a reduced need for future maintenance as a result of the works.
32. Homeowners will also benefit from the works including reduced Section 20 bills as some of the works costs will be shared with the costs of the new development. A new roof to the property will also not be charged. Leaseholders will also see reduced service charge costs as a result of the services being shared by a larger number of properties.
33. Chilton Grove rooftop development has been submitted and is currently under consideration by Planning for approval. The application includes the rooftop development of 44 new council homes on top of the existing 68 homes.
34. Work and consultation is underway at Damory House and Thaxted Court to progress these schemes to planning.

Resident satisfaction

35. Once residents are settled into their new homes, Southwark will be carrying out satisfaction surveys across the programme.
36. Satisfaction surveys have been completed for O'Reilly Street (Willow Walk) with 15 surveys from a possible 21 completed (71%).
37. There was an overall 93% satisfaction with the new homes at O'Reilly Street.



What has been achieved – Southwark regeneration

38. The Southwark Regeneration in Partnership Programme (SRPP) is currently made up of 18 sites.

Lot A

39. Lot A has been repackaged following an unsuccessful tender through the London Development Panel Framework to improve marketability by lowering development risks. The schemes are expected to deliver 161 council homes and a total of 585 homes.
40. A bidders' day was held for the revised Lot A sites on the 15 November 2016 which over 100 developers attended. A number of subsequent one to one meetings were then held with most of these developers in order to have more in-depth discussions about the sites and the council's proposed procurement plan.
41. The council is to create the following sub lots in line with the feedback from the soft market testing proximity, site size and planning:
- A1. Manor Place and Kennington Enterprise Workshops(Braganza) SE17
 - A2. Civic Centre, Albion Street, SE16 and Albion Primary School, Albion Street SE16
 - A3. Southwark Park Road
 - A4. Cherry Garden School SE16
 - A5. South Dock Marina, Boatyard, Plough Way SE16
 - A6. Long Lane/ Bellenden School and a new school.
42. In order to achieve a start on site by 2018, it is likely that the first lots to be completed will be lots A1 and A2, the 'quick win' sites.
43. The following 2 sites (Lot A1) will shortly be submitted for planning and tendered to be on site in early 2018 delivering 20 council homes and 93 homes in total.
- Manor Place
 - Kennington Enterprise Workshops (Braganza) SE17.
44. The following 6 sites (5 Lots) are being worked up for tendering.

- Civic Centre, Albion Street, SE16
 - Albion Primary School, Albion Street SE16
 - Southwark Park Road
 - Cherry Garden School SE16
 - South Dock Marina, Boatyard, Plough Way SE16
 - Long Lane/ Beormund School. New Beormund School to be replaced at the former Bellenden School site.
45. The new site composition is largely as originally approved for the original Lot A except for the following:
- Seven Island Leisure Centre has been removed from the SRPP programme until a decision about the development of the leisure centre has been agreed.
 - Long Lane, Beormund School and the new Beormund School to be replaced at the former Bellenden School site have been included as an additional site.

Lot B

46. Lot B was tendered through the London Development Panel Framework. Following the evaluation and the approval of the Gateway 2 on 20 September 2016 Lot B has been awarded to Affinity Sutton Homes Limited. The conclusion on due diligence and the agreement of the legal contracts means Affinity Sutton Homes Limited will deliver 605 new homes (of which 283 will be council owned) as well as commercial and community facilities.
47. The following sites have achieved planning permission and are being progressed to be on site in 2017/18, delivering 30 council homes and 86 homes in total.
- Peckham Library Square Peckham high street, SE15
 - Copeland Road car park, SE15.
48. The schemes listed below have submitted planning applications, delivering 107 council homes and 143 homes in total.
- Melon Road/Sumner Road (Flaxyard) site SE15
 - Petrol Station, 233-247 Old Kent Road SE1.
49. A further 6 sites are being worked up to submit planning applications in 2017/18. These sites are expected to deliver 146 council homes and 376 homes in total.
- Council Offices - Sumner House, Sumner Road SE15
 - 21/23 Parkhouse Street
 - Brandon Baptist Centre and Land Redcar Street SE5

- Land at Angel Oak Academy, Chandler Way SE15
- ASC facilities - Fred Francis Centre, 269 Lordship Lane SE22
- Wickway Community Centre, St George Way SE15.

Funding

50. The Greater London Authority has confirmed £50m funding for two housing zones, Canada Water and Old Kent Road-Peckham, as part of the £600m in funding made available by the Mayor and government for the construction of 75,000 new homes. This will enable funding necessary to ensure delivery of the proposed affordable housing.
51. In April 2017 Southwark submitted a bid under the Homes for Londoners (Affordable Homes Programme 2016-21) for funding for the council homes in Lot A and Lot B and intermediate homes in Lot A that were not included in the housing zones funding. Affinity Sutton Homes Limited has submitted a bid for the intermediate units for Lot B that are not receiving housing zone funding.

What has been achieved – section 106 (s106) purchases

52. The council currently has secured two sites that are delivering new council homes through purchasing affordable housing homes from developers.
 - Surrey Docks has handed over in 2016/17 delivering 24 council homes and 10 intermediate homes
 - Blackfriars will hand over in early 2017/18 delivering 56 council homes.
53. The council is in talks with developers over further s106 purchases across several sites. The council are investigating a number of potential s106 acquisitions to complement those already completed.

What has been achieved – Leathermarket CBS

54. On 19 July 2016 cabinet agreed to enable the development of land on the Kipling Estate, Weston Street, London SE1 by the Leathermarket Community Benefit Society Limited (CBS). A maximum Grant Agreement of £9,661,815 was agreed to enable the development of 27 new homes at the site for social rent. The scheme is on site and due to complete in 2018. A further 37 social rented units are planned to be delivered by Leathermarket CBS at Joseph Lancaster Nursery (Deverell Street).

What has been achieved – Community Land Trust

55. Southwark is in talks with Southwark and Peckham Citizens and is keen to pursue providing some of the programmed intermediate units to be delivered as a Community Land Trust. Any such homes delivered would be sold by the trust at a value linked to local earnings in Southwark and any future sales of those units will also be sold at a value linked to local earnings making them affordable to Southwark residents.

56. Southwark has submitted a bid under the Homes for Londoners Innovation Fund to help fund the possibility of Southwark supporting this community led housing initiative.

What has been achieved – Charter of Principles

57. The council has committed to a four-stage consultation approach to ensure residents' views remain central to decisions relating to the delivery of the 11,000 new council homes.

Stage	11,000 council homes – stages of public consultation	Time frame	Update
Stage 1	Charter of Principles	August – October 2014	Completed
Stage 2	Borough-wide principles for development	January – September 2015	Completed
Stage 3	Estate-by-estate/ site specific engagement	Autumn 2015 onwards	Ongoing
Stage 4	Engagement with local residents around involvement in management of new homes	As various projects near completion	

58. Stage 2 included an interactive map for suggestions on where homes could be built and the list of suggested sites has been passed to planning for an initial investigation into their feasibility. In total we received 92 responses:

- 48 responses were not taken forward in terms of identifying new sites as they either suggested where not to build, were comments unrelated to building council homes, unclear or vague, referred to a permitted development site or related to a site with a land use designation (such as open space) which would limit opportunities for redevelopment
- 19 responses were on privately owned land
- 25 sites were identified on council land required further investigation and, if viable, will be taken forward in line with the Charter of Principles.

59. Following a review from the New Homes Delivery Team they have noted the following outcomes:

Outcome	Total
Included in New Homes Programme	1
No plans to demolish existing housing	2
Not in Council Ownership	2
Not suitable for development	2
Potential development opportunity	2
Potential long term development opportunity	9

Outcome	Total
Site being developed	1
Site not suitable for development.	6

60. Feedback and a map of the 25 sites identified for further investigation is included in Appendices 2a and 2b.
61. Stage 3 of the 11,000 new council homes consultation is continuing with consultation plans for each new site, in line with the Charter of Principles. A location-specific plan of engagement is planned for each site to ensure that all residents and local stakeholders can be involved in the development of new homes.
62. Stage 4 of the consultation is engagement with local residents around involvement in management of new homes. Where new homes are built close to existing TMOs discussions will take place about the new homes being managed through the local TMO.
63. On other sites discussions with residents about greater involvement in the management of their homes will take place post allocation.
64. Following the first year of full implementation of the Charter of Principles agreed by Cabinet in November 2014, the communities team are conducting a review on how the principles are working. It is anticipated that a report on this review and any recommendations for change on how the principles are applied will be taken to the Cabinet Member for Housing as an IDM report in May 2017.

The Future Steering Board (FSB)

65. Since June 2016 the main work of the FSB has remained the monitoring of Council's delivery of 1,500 homes. The FSB has commented on both the New Southwark Plan (NSP) and Old Kent Road Area Action Plan, with a view to advocating for how these may support the delivery of new Council homes and improve our neighbourhoods both for existing and new communities. To facilitate this contribution FSB has also discussed the changing legislative environment that will have an impact on the ability of the Council to invest in new homes such as the Housing and Planning Act, Housing white paper, site allocations for the NSP and Housing Revenue Account Business Plan. FSB continues to play an important role as a critical friend on challenges to deliver the Council's ambitious target to provide 11,000 new Council homes by 2043.

2016-17 delivery target

66. Below are the targets for delivery for the financial year 2017-18 as part of the overall pipeline to deliver 1500 council homes on site or committed by 2018.

Start on site

67. Although the unit numbers may change through the development process, a further 325 homes are planned to start on site in 2017-18, meaning a total of at least 771 homes would have at least started on site (383 completed).

Categories	Homes
Direct Delivery	108
Hidden Homes	25

Categories	Homes
LeatherMarket	0
SRPP	173
S106 purchase	19
Other	0
TOTAL	325
CUMULATIVE	771

Completions

68. A further 92 homes are planned for delivery in 2017-18 bringing the total so far to 383.

Categories	Homes
Direct Delivery	18
Hidden Homes	18
LeatherMarket	0
SRPP	0
S106 purchase	56
Other	0
TOTAL	92
CUMULATIVE	383

Policy implications

Council plan 2014-15 to 2017-18

69. A new council plan was endorsed by Council Assembly on 25 February 2015. This contains the Fairer Future Promise: **Quality affordable homes**, which states 'We will improve housing standards and build more homes of every kind including 11,000 new council homes with 1,500 by 2018'.

Housing Strategy to 2043

70. The new long-term housing strategy for the borough was agreed by cabinet on 27 January 2014. It contains a vision for the future of housing in the borough, which consists of four principles.
- Principle 1: We will use every tool at our disposal to increase the supply of all kinds of homes across Southwark
 - Principle 2: We will demand the highest standards of quality, making Southwark a place where you will not know whether you are visiting homes in private, housing association or council ownership
 - Principle 3: We will support and encourage all residents to take pride and responsibility in their homes and local area
 - Principle 4: We will help vulnerable individuals and families to meet their housing needs and live as independently as possible.

Community impact statement

71. 2014 Strategic Housing Market Assessment demonstrated a continuing need for affordable housing, with the borough experiencing very high house prices that are outside the reach of many of its residents. It has the highest house prices in the housing sub-region (the average 2 bedroom flat being sold for £360k in 2013). At the time of the 2011 census there were 18,547 overcrowded households in Southwark, a higher number, and a higher percentage (15.3%), than any of the other four boroughs in the sub-region. Over the period 1981- 2012 the population of Southwark increased by 34%, the fastest growth in the sub-region by some margin. This helps to demonstrate a continuing need for more homes, and particularly for affordable homes in the borough.
72. The Public Sector Equality Duty requires public bodies to consider all individuals when carrying out their day to day work, in shaping policy, in delivering services and in relation to their own employees. It requires public bodies to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between different people when carrying out their activities. The council's consultation with residents on the 11,000 council homes programme has been specifically designed to be inclusive of all the borough's communities and provide a range of mechanisms to provide residents with the opportunity to engage.
73. Consultation on sites is being undertaken in line with the Charter of Principles and continues to provide mechanisms for resident to engage with the development of new homes.

Resource implications

74. The new homes delivered in the borough will make a positive contribution to the HRA business plan. Funding streams for the New Homes Delivery Programme currently comprise: external grants, Section 106 contributions, RTB and other housing receipts, depreciation major repairs reserve and other HRA revenue contributions and prudential borrowing (which is limited to the debt cap). Funding is determined on a scheme by scheme basis to ensure the optimal financial position for the council in relation to new build, as they are subject to specific financial and regulatory restrictions. However, there is also regard to the overall longer-term funding position with reference to the HRA business plan.
75. It should be noted that the New Homes Delivery Programme in some cases requires funding from wider Housing Investment Programme resources.
 - in cash-flowing build of homes for sale until the sales receipts come through
 - in replacing loss of 30% RTB receipt funding where the landlord will not be council/RSL (Kipling Garages)
 - in replacing loss of 70% S106 funding on purchase of section 106 units
 - in cash-flowing SRPP feasibility and site preparation costs.

Consultation

76. The extensive consultation around this programme has been outlined in the four stage consultation process as detailed in this and previous reports.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Democracy

77. There are no specific legal implications relating to this report, which is an update report to cabinet on the progress of the new homes delivery programme, and request for approval of pilot work to provide a Community Land Trust.
78. The cabinet must continue to take into account the Public Sector Equality duty (PSED General Duty) under the Equality Act 2010, and when making decisions to have regard to the need to (a) eliminate discrimination, harassment, victimisation or other prohibited conduct, (b) to advance equality of opportunity and (c) foster good relations between persons who share a relevant protected characteristic and those who do not share it. The relevant characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion, religion or belief, sex and sexual orientation. The duty also applies to marriage and civil partnership but only in relation to (a). The PSED General Duty is a continuing duty, and potential equality considerations should be considered at the different stages of the programme. The cabinet is specifically referred to the community impact statement at paragraphs 71-73 setting out the consideration that has been given to equalities issues in relation to the new homes delivery programme.
79. Details of the progress of the 4 stage consultation approach for this programme is set out in paragraphs 57-64. The cabinet should continue to satisfy themselves that the consultation meets legal requirements. To meet legal requirements consultation must be undertaken when proposals are still at a formative stage, it must include sufficient reasons for the proposals and adequate time to allow interested parties the opportunity to consider the proposal and formulate a response. The outcome of the consultation must be conscientiously taken into account when the ultimate decision is made. Cabinet will note from paragraph 64 that a review of the implementation of the charter of principles is on-going, with a report due to the cabinet member for housing in May 2017.
80. Paragraph 30 of this report makes reference to a local lettings policy. Under the council's allocation policy currently in force '50% of all allocations for the new LBS 1000 properties initiative will be allocated to existing tenants local to the redevelopment/new build scheme' and that 'a local lettings policy may be introduced, as part of a multi-agency approach with existing local communities or in partnership with Private Registered Provider Landlords to take account of social factors'. When developing a local lettings policy, appropriate consultation should be undertaken together with an equality analysis to ensure compliance with the relevant legal requirements. A decision on implementation of a local lettings policy must be taken by the appropriate decision maker under the provisions of the council's constitution in operation at the time the matter is considered.

Strategic Director of Finance and Governance

81. This report provides an update on the New Homes Delivery Programme. As such, there are no resource implications arising directly from the report.
82. New build schemes have the following specific funding sources available:
 - Section 106 – Affordable Housing Fund accumulated from developer funding in lieu of providing affordable housing. This is available, on application to Planning

Committee, towards the cost of affordable housing, i.e. the Council tenanted component and retained rental element of shared ownership. Funding is normally limited to 65% of eligible components but may stretch to an effective 70% depending on treatment of land. The fund is dependent on future developer contributions and these may be affected by economic conditions or government policy changes.

- Right to Buy Receipts. The Council has an agreement with government to retain an element of Right to Buy (RTB) receipts towards new build affordable housing. This source can contribute 30% of the costs of the Council rented component. The retained receipts must be spent within three years otherwise they must be returned to government. It is important, therefore, for the delivery programme to keep pace with the levels of spend required to ensure the retained receipts are fully utilised.
 - Onward sale of dwellings. The scheme includes construction of some dwellings for sale. However, it should be noted that this funding only arrives after completion and the construction costs of this component need to be funded elsewhere until the sales are achieved.
83. The above sources provide specific funding towards the works during the construction phase prior to the time delayed dwelling sales receipts. The balance thus requires funding from other HIP sources, such as general housing capital receipts and possibly borrowing within the debt cap set for Southwark, which are required also for the wider housing investment programme relating to both new build and existing stock.
84. 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 leveraging-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, rephrase and extend the programme lifecycle, and in extreme circumstances consider the possible curtailment of programmed activity.

BACKGROUND DOCUMENTS

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

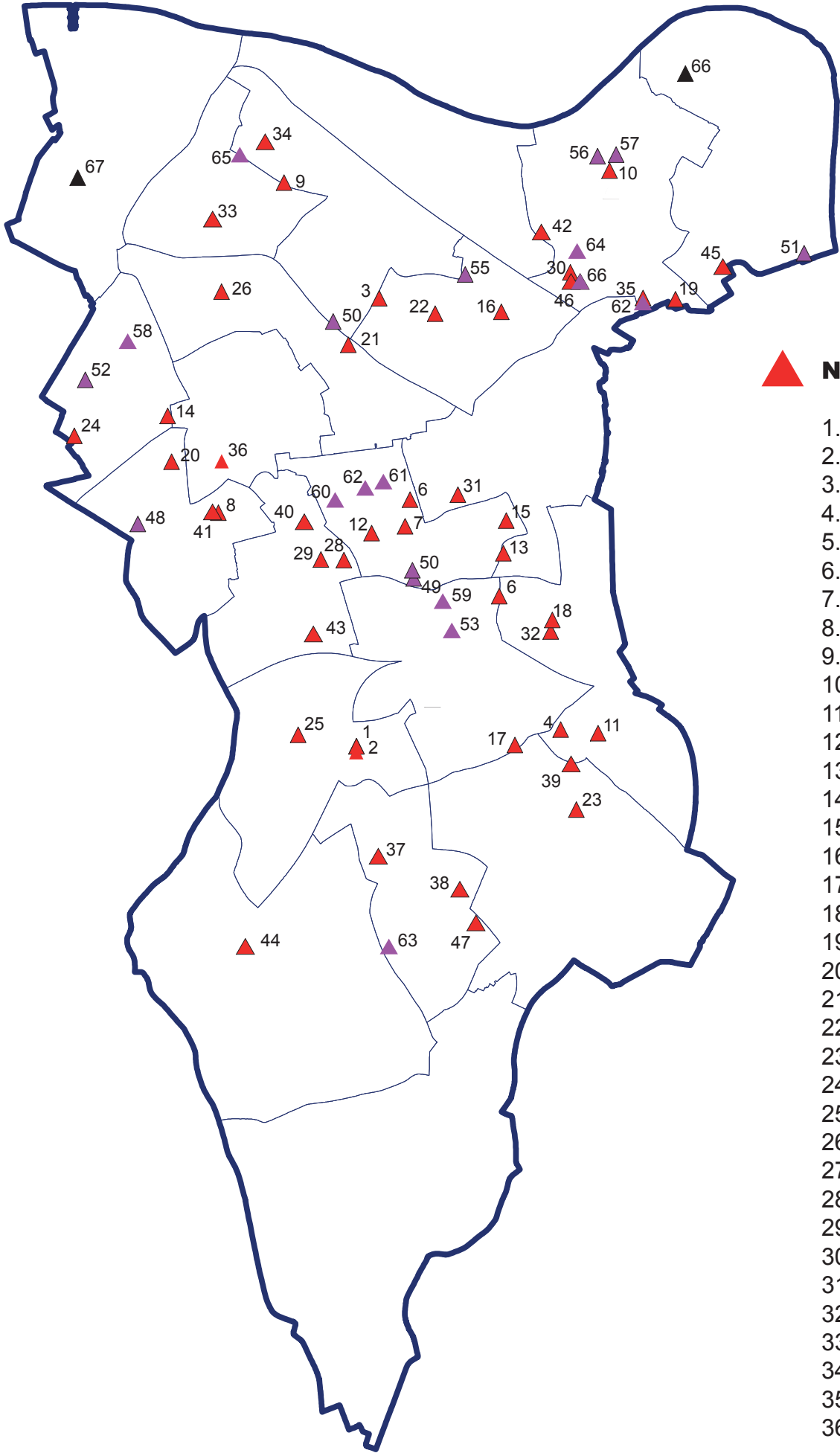
Background Papers	Held At	Contact
New Homes Delivery Programme	Housing and Modernisation, Southwark Council, 160 Tooley Street, London SE1 2QH	Tim Bostridge, Development Delivery Manager 020 7525 1222
Link: http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&MId=5139&Ver=4 (Item 11)		
New Homes Delivery Programme	Housing and Modernisation, Southwark Council, 160 Tooley Street, London SE1 2QH	Tim Bostridge, Development Delivery Manager 020 7525 1222
Link: http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&MId=5372&Ver=4 (Item 15)		

APPENDICES

No.	Title
Appendix 1a	Map showing approved schemes
Appendix 1b	List of approved schemes
Appendix 2a	Potential sites with base map (council owned)
Appendix 2b	Potential sites (council owned) (area and polygon)
Appendix 3	The programme in pictures

AUDIT TRAIL

Cabinet Member	Councillor Mark Williams, Regeneration and New Homes	
Lead Officer	Gerri Scott, Strategic Director of Housing and Modernisation	
Report Author	Tim Bostridge, Development Delivery Manager	
Version	Final	
Dated	25 April 2017	
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		25 April 2017



New Homes Programme

Approved sites

March 2017

 New Homes Programme	(Approx rented units)
1. Gateback House (Completed)	9
2. Southdown House	10
3. Willow Walk (Completed)	75
4. Nunhead Site B (Completed)	8
5. Clifton Estate (Completed)	8
6. Sumner Road Workshop	50
7. Cator Street (Completed)	42
8. Masterman House Garages (Completed)	15
9. 169 Long Lane (Completed)	21
10. Renforth St car park, Canada Estate	35
11. Daniels Road	19
12. Commercial Way	72
13. Meeting House Lane	29
14. Pelier Street	17
15. Fenham Road Garages	5
16. Tenda Road Car Park	12
17. 35-41 Nunhead Lane	10
18. Lugard Road Garages	2
19. Haddonfield Estate	14
20. Goschen Estate	17
21. Kinglake Garages	21
22. Welsford Street Garages	12
23. Rye Hill Park	17
24. Rutley Close	35
25. Seavington House	30
26. Salisbury Estate Car Park	28
27. Silverlock Estate underground garages	42
28. Sceaux Gardens garages	78
29. Lakanal new Build	7
30. Maydew House new build	0
31. 125 Peckham Park Road (Completed)	16
32. 14A-18 Firbank Road (Completed)	3
33. Joseph Lancaster Nursery	37
34. Weston St garages	27
35. Abbeyfield Estate - Bede Centre	60
36. Good Neighbours House	37

37. Bassano Street Garages	4
38. Henslowe Road Garages	3
39. 66 Linden Grove	27
40. 2 Sedgemoor Place	15
41. Land behind 61-91 Brisbane St	10
42. Slippers Estate car park	9
43. Lettsom TR&A Hall, Vesty Road	10
44. 46 Half Moon Lane	8
45. Chilton Grove, SE8 5DX	44
46. Thaxted Court / Damory House, SE16 2BU	51
47. Crebor Street, SE22 0HF (completed)	3

 SRPP sites	(Approx rented units)
48. Land at Wyndham Road & Redcar Street	74
49. Flaxyards	96
50. Sumner House	0
51. South Dock Marina	49
52. Workshops, Braganza Street	33
53. Copeland Road car park	24
54. Petrol Station, 233-247 Old Kent Road	11
55. Cherry Gardens School	12
56. Civic Centre, Albion Road	14
57. Land at Albion Primary School	25
58. Manor Place terrace	20
59. Peckham Library Square	6
60. 21-23 Parkhouse Street	10
61. Wickway Community Centre, St Georges Way	20
62. Land at Angel Oak Acadamy, Chandler Way	26
63. Fred Francis Centre, 269 Lordship Lane	16
64. Day Centre, 345 Southwark Park Road	11
65. Site at Long Lane (Beormund School)	30

 S106 Purchases	
66. Anchor Point, adjacent to former Surry Dock Stadium	24
67. 128-150 Blackfriars Road	56

LONDON BOROUGH OF SOUTHWARK
New homes pipeline

DEVELOPMENT STAGE	SCHEME NAME	WARD	DELIVERY ARRANGEMENTS	RESIDENTIAL UNIT NUMBERS								
			Delivery Route	Soc rent	Aff rent	Temp Acc	Mkt rent	Int	Sale	Count to 1500	TOT	Other units / description
Delivered	14a-18 Firbank Rd	Nunhead	Direct Delivery	3						3	3	
	125 Peckham Park Road	Livesey	Direct Delivery	16						16	16	
	Hidden Homes Delivered	Various	Hidden Homes	30						30	30	
	Willow Walk (SSA) (Ros Stark house, 6 Willow Walk, SE1)	Grange	Direct Delivery			54				54	54	
	Willow Walk (GN) (Flats 1-21, 1 O'Reilly Street, SE1)	Grange	Direct Delivery	21						21	21	
	Good Neighbours House	Brunswick	Direct Delivery			37				37	37	
	Crebor Street (Non HRA)	East Dulwich	Direct Delivery			3				3	3	
	Clifton Estate Garages (1-8 Parish Apartments, 7 Clayton Road, London SE15)	The Lane	Direct Delivery	8						8	8	
	Masterman House Garages (Rent) (Flats 1-25 Piper Court, 8 Lomond Grove, London SE5)	Camberwell Green	Direct Delivery	15						15	15	
	Masterman House Garages (Private) (Flats 1-25 Piper Court, 8 Lomond Grove, London SE5)	Camberwell Green	Direct Delivery	0				1	9	0	10	
	169 Long Lane (Flats 1-19 Villiers Court, 167 Long Lane, SE1. 165 Long Lane, SE1 (wc unit long lane), 115 Weston St, SE1 (wc unit Weston St block) 169 Long Lane, SE1 (Commercial Unit))	Grange	Direct Delivery	21						21	21	Commercial unit
	Gatebeck House (1-9 Gatebeck House, Pytchley Road, SE22)	South Camberwell	Direct Delivery	9						9	9	
	Cator Street Extra Care (1-42 Tayo Situ Hse, 73 Commercial Way, SE15)	Peckham	Direct Delivery	42						42	42	
	Nunhead Site B (8-13 Candle Grove & 56 & 56a Nunhead Lane, SE15)	Nunhead	Direct Delivery	8						8	8	
				173	0	94	0	1	9	267	277	
On site	Southdown House (SO) (1-18 Southdown House, Pytchley Road, SE22)	South Camberwell	Direct Delivery					8		0	8	
	Southdown House (GN) (1-18 Southdown House, Pytchley Road, SE22)	South Camberwell	Direct Delivery	10						10	10	
	Hidden Homes on site	Various	Hidden Homes	0						0	0	
	46 Half Moon Lane (Non HRA)	Village	Direct Delivery	8						8	8	
	Sumner Road (Rent) (1-70 Blossom Court, 80 Sumner Rd, SE15)	Peckham	Direct Delivery	50				20	0	50	70	
	Sumner Road (Community)	Peckham	Direct Delivery							0	0	Community Centre
	Weston Street Garages (Kipling Garages)	Grange	LeatherMarket	27				0	0	27	27	
	Sumner Road B (Sale)	Peckham	Direct Delivery						42	0	42	
				95	-	-	-	28	42	95	165	
Planning Approved	Hidden Homes Planning approved	Various	Hidden Homes	14						14	14	
	Lakanal Shops New Build	Brunswick Park	Direct Delivery	7				3	18	7	28	
	Daniels Road Car Park	Nunhead	Direct Delivery	19				0	0	19	19	
	Kinglake Street Garages	East Walworth	Direct Delivery	21				0	0	21	21	
	Pelier Street	Newington	Direct Delivery	17				0	0	17	17	
	TOT			78	0	0	0	3	18	78	99	
Pre Planning	Hidden Homes Planning Pre Planning	Various	Hidden Homes	4						4	4	
	Lugard Road Garages	Nunhead	Direct Delivery	2				0	0	2	2	
	Fenham Road Garages	Peckham	Direct Delivery	5	0			0	0	5	5	
	Haddonfield garages	Rotherhithe	Direct Delivery	14						14	14	
	Commercial Way	Peckham	Direct Delivery	72				32	0	72	104	
	Welsford Street Garages	South Bermondsey	Direct Delivery	12				0	0	12	12	
	Meeting House Lane	Livesey	Direct Delivery	29				0	0	29	29	
	Goschen Estate	Camberwell Green	Direct Delivery	17				0	0	17	17	
	Canada Estate	Rotherhithe	Direct Delivery	23				0	0	23	23	
	Tenda Road Car park	South Bermondsey	Direct Delivery	12				0	0	12	12	
	35-41 Nunhead Lane	The Lane	Direct Delivery	12				0	0	12	12	
	Rye Hill Park Garages	Peckham Rye	Direct Delivery	17						17	17	
	39-44 Rutley Close (Decant)	Newington	Direct Delivery	35						35	35	
	Seavington House and Garages (Decant)	Camberwell Green	Direct Delivery	30						30	30	
	Salisbury Est Car Park (Balfour Street)	Rotherhithe	Direct Delivery	28						28	28	
	Tissington/Silverlock Estate underground garages	Rotherhithe	Direct Delivery	42					0	42	42	
	Sceaux Gardens (Florian and Racine inc some garages) (Decant)	Brunswick Park	Direct Delivery	78					0	78	78	
	Chilton Grove (Building on top)		Direct Delivery	44						44	44	

DEVELOPMENT STAGE	SCHEME NAME	WARD	DELIVERY ARRANGEMENTS	RESIDENTIAL UNIT NUMBERS								
			Delivery Route	Soc rent	Aff rent	Temp Acc	Mkt rent	Int	Sale	Count to 1500	TOT	Other units / description
	Thaxted Court / Damory House (Building on top)		Direct Delivery	51						51	51	
	Cator Street Extra Care Phase 2	Peckham	Direct Delivery	50						50	50	GP surgery / Day Centre
	TOT			577	0	0	0	32	0	577	609	

Feasibility	Joseph Lancaster Nursery (Deverell Street)	Chaucer	LeatherMarket	37				0	0	37	37	
	Abbeyfield Estate - Bede Centre site	Rotherhithe	Direct Delivery	96					0	96	96	
	Maydew House (additional build on top)	Rotherhithe	Direct Delivery	0					24	0	24	
	Hidden Homes Feasibility	Various	Hidden Homes	8				0	0	8	8	
	Slippers Estate (Car Park), SE16	Rotherhithe	Direct Delivery	5						5	5	
	Lomand Grove [Land 61-91 Brisbane Street, Elmington Estate]	Camberwell Green	Direct Delivery	22						22	22	
	66 Linden Grove (TA)	Peckham Rye	Direct Delivery	26						26	26	
	Sedgemoor Place (TA)	Brunswick Park	Direct Delivery	6						6	6	
	Bassano Street (Garages)	East Dulwich	Direct Delivery	4						4	4	
	Henslowe Road (Garages)	East Dulwich	Direct Delivery	4						4	4	
	Vestry Road (Lettsom T&RA Hall)	Brunswick Park	Direct Delivery	7						7	7	
										0	0	
	TOT			215	0	0	0	0	24	215	239	

REGENERATION

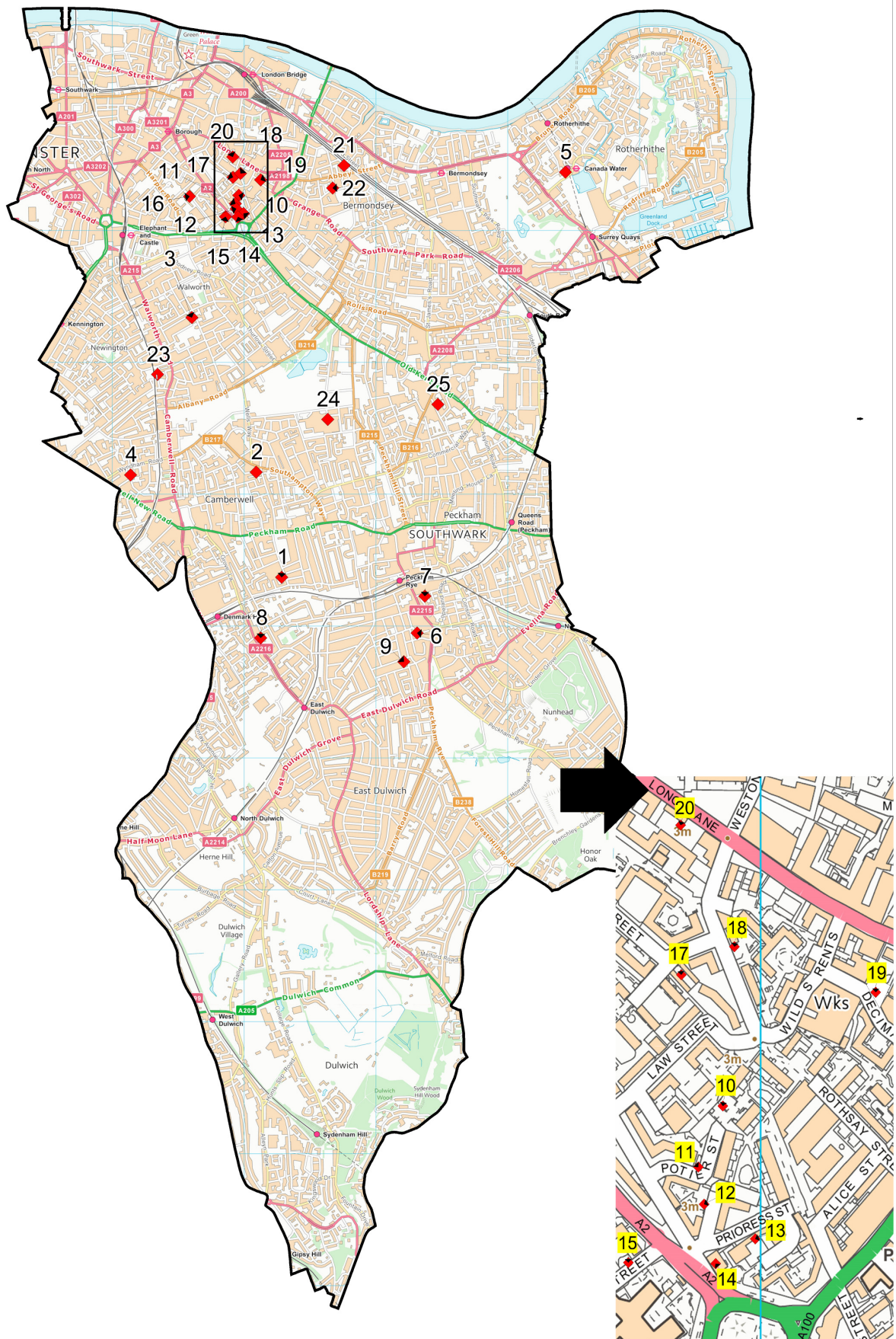
Delivered	Surrey Docks, Salter Road S106 purchase BLOCK C	Surrey Docks	S106 purchase	8				0		8	8	
	Surrey Docks, Salter Road S106 purchase BLOCK E	Surrey Docks	S106 purchase	16						16	16	
	Surrey Docks, Salter Road S106 purchase BLOCK F	Surrey Docks	S106 purchase					10		0	10	
				24	0	0	0	10	0	24	34	

On site	128 – 150 Blackfriars Road S106 purchase	Cathedrals	S106 purchase	56						56	56	
										0	0	
				56	0	0	0	0	0	56	56	

Planning approved	Peckham Library Square Peckham high street, SE15 (Lot B) HZ	Peckham	SRPP	6				3	10	6	19	
	Copeland Road car park, SE 15 (Lot B)	The Lane	SRPP	24				18	25	24	67	
	TOT			30	0	0	0	21	35	30	86	

Pre Planning	Albion St (Civic Centre site) SE 16 HZ (Lot A)	Rotherhithe	SRPP	14				12	0	14	26	
	Shops & Council Offices, Manor Place /Stopford Road SE17 (Lot A)	Newington	SRPP	20				10	30	20	60	
	Flaxyard site, Sumner Road SE16 (Lot B) HZ	Peckham	SRPP	96				24	0	96	120	
	Workshops, 42 Braganza Street SE17 (Lot A)	Newington	SRPP	0				5	28	0	33	
	South Dock Marina, Plough Way SE16 HZ (Lot A)	Surrey Docks	SRPP	49				21	131	49	201	
	Petrol Station, 233-247 Old Kent Road SE1 (Lot B) HZ	Grange	SRPP	11				0	12	11	23	
	Council Offices - Sumner House, Sumner Road SE15 (Lot B) HZ	Peckham	SRPP	0				0	48	0	48	
	21/23 Parkhouse Street (Lot B)	Faraday	SRPP	10				2	20	10	32	
	Albion Primary School Land, Albion Street SE16 HZ (Lot A)	Rotherhithe	SRPP	25				12	13	25	50	
	Brandon Baptist Centre & Land Redcar Street SE5 (Wyndham) (Lot B)	Camberwell Green	SRPP	74				0	40	74	114	35 are supported housing
	Land at Angel Oak Academy, Chandler Way SE15 (Lot B) HZ	Peckham	SRPP	26				32	27	26	85	
	Cherry Gardens School, Macks Road SE16 (Lot A)	South Bermondsey	SRPP	12				6	32	12	50	
	ASC facilities - Fred Francis Centre, 269 Lordship Lane SE22 (Lot B)	East Dulwich	SRPP	16				0	16	16	32	
	ASC facilities - Day Centre, 345 Southwark Park SE16 (Lot A)	Riverside	SRPP	11				4	28	11	43	
	Wickway Community Centre, St George Way SE15 (Lot B) HZ	Peckham	SRPP	20				15	30	20	65	
	Beormund School Crosby Row (& Bellenden School site) SE1 [Long Lane] (Lot A)	Grange	SRPP	30				13	80	30	123	
										0	0	
	TOT			414	0	0	0	156	535	414	1105	

Appendix 2a



Number	Site name	Comments on Investigation	Outcome
1	Lettsom Estate Community Hall	It's a community hall which has had its fair share of problems over the years. A small block of apartments could be built for local residents like myself. The old people's housing was refurbished and made into big ground floor 2 and 3 bedroom in some ca	Included in New Homes Programme
2	Harris st housing office (Havil St) (Might be garages)	What is happening with the old Harris St housing office?	Not in Council Ownership
3	East St market stall building on Blackwood Road (Portland Estate)	the existing market stall building could have homes above it	Potential long term development opportunity
4	Comber Estate	With underground garages you could replace this car park with new homes.	Potential long term development opportunity
5	Canada Estate Tenants Hall	The Tennant Hall on the Canada Water estate is vastly underutilised. It appears that the grounds encompassed with the halls immediate circumference are considerable and gated. At present, no Council managed site survey has been undertaken to address the	Site not suitable for development as due to location near to underground a new homes scheme would not be viable
6	Sternhall Lane car park	This car park is an eyesore and would be better used for housing	Not in Council Ownership
7	Atwell Estate garages	Homes could be built on lock up garages	Potential long term development opportunity
8	Harfield Gardens Estate amenity land	The flats here are not the best use of space. They are not in great condition and should be rebuilt with high rise blocks.	No plans to demolish existing housing.
9	Fenwick Road Estate garages (Nutbrook St)	There are Council-owned garages and car parking spaces here. There is also a Council notice advertising available garages, suggesting at least some of them are unoccupied and I have never seen more than a couple of cars parked there.	Potential development opportunity
10	Haddonhall Estate car park (Potier St)	Car Park owned by Council which could be developed as Council / Affordable Homes.	Potential development opportunity
11	Tabard Gardens Estate car park	Small Council owned site ideal for family houses which could also help to reinforce the Victorian street pattern lost during the development of the Haddonhall Estate in the early 1970s.	Not suitable for development
12	Haddonhall Estate car park (Hunter Close)	Car Park owned by Council which would be better developed as Council / Affordable homes.	Potential long term development opportunity
13	Peveril House garages (Prioress St)	Garages along Prioress Street (Council owned) which could be developed as Council homes for families.	Site not suitable for development.
14	Peveril House garages (Tabard St/Great Dover St)	Garages and surrounding tarmac within Council Estate which could be developed as Council / Affordable Housing with shops at street level serving community.	Potential long term development opportunity
15	Shops on Bartholomew St (Lawson Estate)	Row of single-storey fast food outlets and shops on Council owned land which could be better developed into Council / Affordable Housing with shops at street level.	Site not suitable for development.
16	Lawson Estate garages	This site would be good for a Traveller site.	Site not suitable for development.
17	Tabard Gardens Estate garages (Pardoner St)	Garages on Pardoner Street that could be developed as Council / Affordable Housing	Potential long term development opportunity
18	Elim Estate garages	Garages on Elim Estate which could be better developed as Council / Affordable Housing	Site being developed
19	Cluny Estate garages	Garages on Decima Street which could be better developed as Council / Affordable Housing	Potential long term development opportunity
20	Tabard Gardens Estate Dunkirk House car park	Car Park and single-storey shops within council estate which could be developed as Council / Affordable housing with new shops at street-level.	Not suitable for development
21	St Saviours Estate car park (Maltby St)	The Maltby Street market could be extended by re-developing Council-owned garages from the 1960s in this area. At ground level, there would be an extension of the Ropewalk with food and drink producers and vendors under the arches and on the lower two f	Site not suitable for development.
22	St Saviours Estate car park and garages (Stanworth St)	A large site owned by the Council covered in dilapidated garages. Would be better utilised as housing forming a sheltered landscaped square between the new housing and the existing council blocks.	Potential long term development opportunity
23	Gateway Estate garages, amenity land, estate regen	Being on the main road gives lucrative scope for improving the aged Gateway Estate. Currently, several separated car parks and green areas scatter the area which are both poorly maintained and unsafe. Better planning is needed to make more efficient use	Potential long term development opportunity
24	Gloucester Grove Estate amenity land	Replacement of existing council flats. Better use / higher density housing.	No plans to demolish existing housing.
25	Friary Estate amenity land	Car Park and single-storey shops within council estate which could be developed as Council / Affordable housing with new shops at street-level.	Site not suitable for development.

The programme in pictures

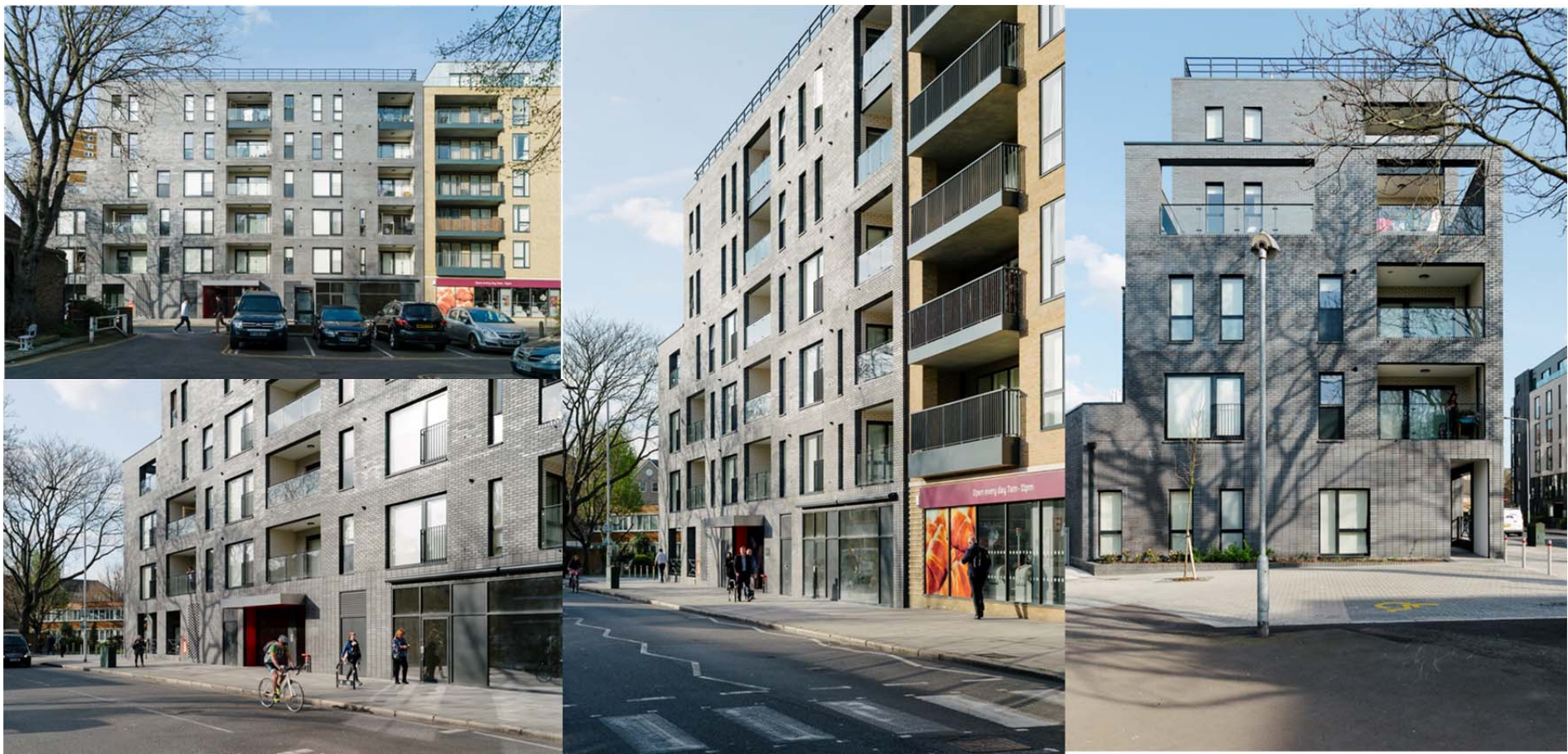
Tayo Situ House (Cator Street): Development Stage - Completed



Parish Apartments (Clifton Garages): Development Stage - Completed



Villiers Court (Long Lane): Development Stage - Completed



Piper Court (Masterman): Development Stage - Completed



Salter Road / Fisher Close: Development Stage - Completed



Pelier Street: Development Stage – Planning Approved

Design Concepts



Building height

The height of the new block is proposed as one storey taller than the blocks on the Gateway Estate to the east. This maximises the number of new homes that are created whilst staying comfortably in its context.



Double or Triple Aspect Flats

All flats in the proposal are double or triple aspect with windows located to maximise southerly orientation or views to the park.



Integration with the Park

The majority of balconies are located so that they face the park. This creates balcony spaces that will be well used and provides much needed passive surveillance over an area of the park which is currently underused.

Visualisation



CGI view looking south east from Pelier Park

Design Inspiration



Site History

1880 site including the approximate location of the site



Railway Architecture

Good example of a railway arch



Possible Brick Colour

Red City Bricks - Majestic



Example of brick clad walls
Brentford Lock Hotel by Douglas Martin Architects

Daniels Road: Development Stage – Planning Approved



Flaxyard: Development Stage – Planning Submitted



Item No. 15.	Classification: Open	Date: 9 May 2017	Meeting Name: Cabinet
Report title:		Gateway 1: Procurement Strategy Approval - Leasehold and Ancillary Properties Buildings Insurance	
Ward(s) or groups affected:		All leaseholders and a small number of freeholders	
Cabinet Member:		Councillor Stephanie Cryan, Deputy Leader and Cabinet Member for Housing	

FOREWORD – COUNCILLOR STEPHANIE CRYAN, DEPUTY LEADER AND CABINET MEMBER FOR HOUSING

Southwark's duty as a landlord is to ensure that we have adequate building insurance in place to help safeguard our leaseholders. Our current buildings insurance contract expires in April 2018 and this report asks cabinet to agree a new procurement strategy for providing this cover.

Our buildings insurance cover needs to be comprehensive and meet the needs of our 13,600 leaseholders. It needs to offer good value for money and the size of the portfolio will lend to economies of scale in premiums payable. We will be consulting with leaseholders to ensure they are involved in the process and any suggestions made will be considered for inclusion in final tendering process.

The council intends to undertake a one stage competitive tender and follow an EU open procurement as this will allow us to put in place new contracting arrangements as quickly as possible and continue to meet our statutory responsibilities.

RECOMMENDATIONS

Recommendation for the Cabinet

1. That the cabinet approves the procurement strategy outlined in this report to undertake an EU procurement for the leasehold and ancillary properties buildings insurance contract for a period of three years commencing 1 April 2018, with an option to extend for two twelve month extensions, making a total estimated contract value of up to £18m. The estimated total contract value is up to £3.6m per annum (including insurance premium tax at 12%). This takes into account current variables of insurance premium tax.

Recommendation for the Leader of the Council

2. That the leader of the council delegates authority to the deputy leader and cabinet member for housing to award the contract for the reasons set out in paragraph 12.

BACKGROUND INFORMATION

3. The leaseholders and ancillary properties buildings insurance contract relates to flats and maisonettes sold by the council under long lease terms. There are three separate policies within the contract covering:
 - The main policy where flats have been sold (under the Right to Buy scheme or through other disposals e.g. auction sales, social home buy)
 - A policy to insure under-leased blocks on a comprehensive basis (there are currently three)
 - A much smaller policy relating to mortgaged housing properties – currently 1 property – where the council is still providing a mortgage.

In addition, the council may need to nominate buildings insurers, as per the terms of houses sold on leases.

4. The terms of the current lease requires the council as the freeholder:

Clause 4 (6) “To insure the building to the full insurance value thereof against destruction or damage by fire, tempest, flood and other risks against which it is normal practice to insure, or to make other appropriate and adequate arrangements and in the event of destruction or, damage by any such risk as aforesaid to rebuild or reinstate the property and the building”.
5. The most advantageous way to do this is by placing a contract with a single insurer. This ensures that a standard approach can be followed for both the leaseholders and the council.
6. The contract was last awarded in 2013 when Zurich were awarded the contract which commenced on 1 April 2013. The contract was for an initial period of three years ending 31 March 2016, with the option to extend the contract for two years following annual reviews.
7. The estimated cost of the new contract is £3.6m per annum for a period of three years with an option to extend for 2 twelve month extensions, making a total estimated contract value of £18m (including insurance premium tax, which will be 12% from June 2017, but may be subject to change throughout the term of the contract). It should be noted that it is normal insurance practice for insurers to include a break clause whereby they can withdraw from a contract should the claims experience be higher than expected and this risk will have to be considered during the tender process.
8. The contract will have provision for two twelve month extensions, making a potential total estimated contract value of £18m.

Summary of the business case/justification for the procurement

9. The council’s leasehold portfolio totals 13,600 properties. Although there is a limited market for these contracts, the size of the portfolio will attract international insurers and leaseholders should benefit from economies of scale in the premiums payable from those that submit tenders.

10. Leaseholder representatives were closely involved in the procurement of the current contract and will be for the new contract. The main requirements suggested by the leaseholder representatives and council officers from the previous tender process are detailed below and will be included as part of the new tender documents:

- Premiums to be based on bed numbers
- Premiums to be further subdivided based on whether the property is a flat or maisonette, purpose built or converted and consideration be given to the height of the block
- Premiums to be based on a unit price
- Premiums to be fixed for the duration of the contract with an annual increase linked to the house building cost index
- No excess on claims, apart from subsidence, when a maximum excess per block would apply
- Leaseholders to have the option of selecting their own chosen contractor to carry out repairs
- Claims to initially be administered by council officers
- A fixed sum insured for all flats
- Agreement of how to account for new sales and buy backs during the course of the year
- Agreement as to how to treat leaseholder improvements
- Agreement over the services fee payable to the council by the insurer for claims handling services
- Agreement over communal claims to be made by the council
- Agreement that leaseholders can make a claim for internal works only through Home Ownership Services
- Agreement that the insurer will be the nominated insurer for houses sold on leases
- A separate schedule and rates for where the whole block has to be insured
- Participation in compiling a leaseholder's insurance handbook
- The council is the insured party with the leaseholder (and their mortgagees) noted as interested parties.

Any new suggestions by the leaseholder representatives will also be considered for inclusion in the tender documents.

11. The claims experience has been consistent for the last four years ranging between £1.3m and £1.8m annually. The claims experience of the policy has not triggered an

increase in the premium payable over the course of the contract. If this trend can be continued for the period up to tendering, favourable renewal terms should be obtainable.

12. Due to the tight time constraints that will have to be met as detailed in the latter part of the procurement project plan, in conjunction with section 20 consultation requirements, approval is being sought to delegate the award of this contract to the cabinet member. This will ensure that the council has appropriate insurance cover for its leasehold stock from 1 April 2018 otherwise it will be in breach of 13,600 leases of flats.

Market considerations

13. At the time of the last tender in 2012, insurance premiums had been low as the global insurance market had been soft. However, in the period since, the market has shown signs of hardening. Two years ago the council was being advised that underwriters were showing greater underwriting discipline and increasing their focus on account profitability. Poor claims experience and/or ineffective risk management were also having an impact on terms being quoted. The position is continuing to deteriorate this year.
14. The requirements of this contract make it highly specialised with few companies having the capacity, funding and knowledge to administer the contract. Although the contract was widely advertised at the previous tender in 2012, only three tenders were received, two from brokers and one from an insurer. There are two major insurers in the market and insurance brokers who tender for this type of work. The procurement process will ensure that appropriate adverts are placed to gain maximum exposure in these areas.

KEY ISSUES FOR CONSIDERATION

Options for procurement route including procurement approach

15. Alternative procurement options have been explored, but found to be unfeasible. Although the contract sum is large, it is impractical to join in with other authorities in letting a new contract as other authorities will have different lease terms, stock numbers and types, and expiry dates for their contracts. Also, the cost of claims settled in respect of other local authorities may be higher than for Southwark claims, which would have a negative effect on the premiums paid by Southwark leaseholders. In addition to this the Insurance London Consortium (ILC) confirmed that it is not currently open to new members. The Insurance Services II Framework Agreement managed by Crown Commercial Service may have future benefits but the current agreement ends on 20 February 2020 and further advice needs to be sought on section 20 implications and potential dispensations that would need to be sought.
16. Under the terms of the current lease, the council can “make other appropriate and adequate arrangements” rather than insure the building with a provider. The council can therefore opt to self insure and set up a reserve pool to meet the costs of any claims. However, extra staff with insurance experience would need to be recruited to administer claims within both the Homeownership Unit and also Housing Services. Contracts would also need to be tendered for the services of a loss adjuster to act on the council’s behalf unless there were sufficient competencies already in place within housing services. These issues cannot be easily overcome without a change to the staffing resources within the council. Self insuring also

places the council under a greater risk should the cost of claims be more than is received in service charges from leaseholders and is something the council has no control over. The insurance premiums charged to leaseholders may therefore fluctuate significantly from one year to the next. Apart from these considerations, the earlier form of lease (under which over 5,000 flats were sold) requires the council to insure the whole block for the full range of perils. Self insuring is therefore not considered a feasible option.

17. The council must take action otherwise it would place itself in breach of the terms of 13,600 leases.

Proposed procurement route

18. The recommended approach is to undertake a one stage competitive tender following the EU open procedure which will allow the council to put in place new contracting arrangements for 1 April 2018.

Identified risks for the procurement

19. The risk log below lays out identified risks. Likelihood and impact ratings are scored from 1-5 with 1 being the lowest risk and 5 being the greatest. The overall score is the likelihood rating multiplied by the overall score. The maximum score indicating the highest risk would be 25 and any risk with a score exceeding 16 would be deemed unacceptable.

Risk	Assessment impact and mitigation	Likelihood	Impact	Overall Score
Price is significantly higher than the current contract	Although the contract cost will be recovered through the annual service charges, the tender will seek bids for a fixed price for the duration of the contract The council will continue to be pro-active in liaising with the insurer to reduce the cost of claims	4	2	8
Insurer goes out of business	The credentials and financial viability of the bidders will be considered as part of the tender evaluation process	2	5	10
Obtaining sufficient returned tenders to make the process competitive	Contact known insurers contracted with other local authorities	3	5	15
Unexpected contract price increase from year to year	If the claims experience of the policy deteriorates and results in higher premiums, the increase can either be recharged to home owners as a service charge or the council may adopt a flexible approach to funding the additional claims by establishing a subrogation fund.	1	5	5

Risk	Assessment impact and mitigation	Likelihood	Impact	Overall Score
Failure to consult with leaseholders under Section 151 of the Commonhold and Leasehold Reform Act 2002	Meet dates set out in the procurement project plan. Tender process is managed by home ownership services who are also responsible for the statutory consultation with leaseholders	1	4	4
Failure to meet the European procurement regulations	Meet dates set out in the procurement project plan Ensure that the procedures are transparent and comply with legislative requirements	1	4	4
Failure to have all the information available at the required times	Keep leaseholder representatives informed and liaise with relevant council officers	2	4	8
Changes to internal procedures and processes should a new insurer be appointed from 1 April 2018	Frequent communications with the insurer at a senior level. Ensure there is a smooth transition from one insurer to another. Communications to leaseholders and old insurer, if relevant to ensure client team have processes in place to cover situation where both old and new claims are being processed by different insurers during transition period	2	2	4

Key/non-key decisions

20. This report is a strategic procurement and is therefore a key decision.

Policy implications

21. It is unlikely that many insurers will be interested in tendering as there is a limited market for this type of local authority scheme. Due to the size of the contract, the legislation requires the council to consult with all leaseholders. A section 20 Notice of Intention must be served advising leaseholders of the nature of the contract. Leaseholders have a period of 30 days to make comments. As this contract will be subject to an EU open procedure, leaseholders are not entitled to nominate insurers. This first stage of the consultation process has to be undertaken before the contract can be advertised.
22. Notices of Proposal have to be sent to all leaseholders before awarding the contract advising them of the successful tenderer with details of the premiums they will pay from the commencement of the contract.

Procurement project plan (key decisions)

Activity	Completed by/Complete by:
Forward Plan for Gateway 1 decision	Jan 2017
DCRB Review: Gateway 1 CCRB Review: Gateway 1	23 Mar 2017 30 Mar 2017
Notification of forthcoming decision – cabinet	02 May 2017
Approval of Gateway 1: Procurement Strategy Report	09 May 2017
Scrutiny call-in period and notification of implementation of Gateway 1 decision	16 May 2017
Issue Notice of Intention	27 Apr 2017
Invitation to tender	01 June 2017
Closing date for return of tenders	06 July 2017
Completion of evaluation of tenders	7 Aug 2017
Issue Notice of Proposal	22 Aug 2017
Forward Plan for Gateway 2 decision	April 2017
DCRB Review: Gateway 2 CCRB Review: Gateway 2	14 Sept 2017 21 Sept 2017
Notification of forthcoming decision	02 Oct 2017
Approval of Gateway 2: Contract Award Report	31 Oct 2017
End of scrutiny Call-in period and notification of implementation of Gateway 2 decision	14 Nov 2017
Standstill Period (end date)	28 Nov 2017
Contract award	8 Jan 2018
Add to Contract Register	8 Jan 2018
TUPE Consultation period	31 Mar 2018
Publication of award notice in Official Journal of European (OJEU) and Contracts Finder	8 Jan 2018
Contract start	1 April 2018
Contract completion date	31 Mar 2021
Contract completion date – if extension(s) exercised	31 Mar 2023

TUPE/pensions implications

23. The appointment of a new contractor in this proposed retender may amount to a Service Provision Change but the council's preliminary view is that there is unlikely to be relevant transfer under TUPE between the incumbent and new contractor. Nevertheless until due diligence is carried out definitive advice on TUPE cannot be provided. This due diligence work will be carried out before the tender process commences so that its results can be included in the tender pack. There are no TUPE implications for the council as an employer because the council's contract

management and administrative function will remain with the council and these activities will not form part of the contract specification.

Development of the tender documentation

24. The tender will be based on the previous tender documentation, but amended as necessary following comments by leaseholder representatives. The corporate risk and insurance manager, departmental procurement officer and a legal services officer will be involved in finalising the tender documentation to ensure compliance with best practice.
25. Whilst the council has its own standard form of contracts, there are specific contracts used in the insurance market. The wording used in the insurers draft agreement and terms and conditions will be reviewed by legal services in order to protect the council's interest.

Advertising the contract

26. The contract will be advertised in OJEU and contract finder via the London Tenders Portal. Where individual leaseholders nominate insurers, they will be directed to the OJEU notice.

Evaluation

27. The contract will be awarded on the basis of MEAT (Most Economically Advantageous Tender) based on a price/quality ration of 70:30, using an EU Open procedure.
28. A larger weighting has been given to the price due to the highly specialised nature of the contract and limited market for bidders to be in a position to submit a tender. The leasehold representatives will be fully involved in the assessment process and their main criterion will be the price.
29. The evaluation panel will consist of the business systems manager and pre assignment manager from home ownership services and the corporate risk and insurance manager. The range of council officers with different specialities and competencies is considered appropriate for this type of contract. The leaseholder representatives will also be fully involved in the assessment process.
30. The evaluation criteria will be based on price and quality, as follows:

Price:

- Overall price

Quality:

- Experience of similar contracts in the public sector, particularly mixed tenure blocks
- Suitably qualified staff available to manage claims
- Claims handling strategy

- Information technology and data exchange capabilities
 - Quality control over sub insurers used.
31. As with the last two contracts, leasehold representatives will be given the opportunity to be involved in the contract specification by advising how they would like the contract to be administered and they will also be part of the evaluation panel, evaluating certain quality aspects.

Community impact statement

32. The contract will have an impact on leaseholders and a small number of freeholders as they will have to contribute towards the contract cost in their service charges.

Social value considerations

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

Economic considerations

34. As part of the statutory consultation process, leaseholders are allowed to suggest their own (local) insurer. However, as public notice of this contract will be given, leaseholders cannot nominate providers and will be advised to direct any interested providers to the OJEU Notice.
35. The terms of the contract, should leaseholders have to make a claim under the policy, will permit them to submit quotes from (local) contractors of their own choice to carry out repairs to the internal parts of their property. The contract also allows the insurer to instruct their own nominated contractor should the leaseholder not want to obtain their own quotes.
36. The council is an officially accredited London Living Wage (LLW) employer and is committed to ensuring that, where appropriate, contractors engaged by the council to provide works or services within Southwark pay their staff at a minimum rate equivalent to the LLW rate. The terms and conditions of the insurer will be checked as part of the tender process and reported in the Gateway 2 report. If there is no provision for this it will be included for which there may be an additional cost associated. However, owing to the nature of this industry it is highly probable that all company employees will be earning over LLW rates.

Social considerations

37. Tenderers will be asked to submit a statement of their policies and procedures regarding equal opportunities, equality and diversity. These will be evaluated and measured against the council's policies.
38. The council can exclude companies who break the law by blacklisting from public contracts if they are either still blacklisting or have not put into place genuine past blacklisting activities. The council can require "self cleaning" which enables a potential contractor to show that it has or will take measures to put right its earlier

wrongdoing and to prevent them from re-occurring and to provide evidence that the measures taken are sufficient to demonstrate it has:

- “Owned Up”: clarified the fact and circumstances in a comprehensive manner by actively collaborating with the investigating authorities
- “Clean Up”: taken concrete technical, organisational and personnel measures that are appropriate to prevent further criminal offences or misconduct Suitably qualified staff available to manage claims
- “Paid Up”: paid or undertaken to pay compensation in respect of any damages caused.

Environmental/sustainability considerations

39. All exchanges of information in relation to this procurement will be via the council’s e-procurement system. During the course of the contract the provider will be required to use digital resources, including secure electronic mail and databases in order to eliminate the unnecessary use of paper.

Plans for the monitoring and management of the contract

40. The contract will be for a fixed sum for the duration of the contract, perhaps with an allowance for inflation based on the house building cost index – depending on the tender price. The financial risk will fall on the insurer should the value of claims exceed the contract sum paid by the council.
41. The council will require access to the insurer’s IT system detailing claims and action taken. The system will include details of the cost of claim (payments and any reserve) and actions taken by the insurer to finalise the claim. The system should be in such a format that reports can be run by the council for each claim and for specific periods.
42. Regular monitoring meetings between relevant council officers and the insurer will be held at least quarterly or more frequently if required.
43. The contract will be administered in the first instance by council staff. They will send out claim forms, receive them back together with quotes from leaseholders’ nominated contractors and scan the documents to the insurer. The staff will liaise with leaseholders and act as a link between the leaseholder and insurer to resolve any queries. These services will be documented in a separate agreement between the council and the insurer.
44. Council staff will also liaise with housing services where claims have been caused by a failing in a neighbouring tenanted property, e.g. where a leaseholder has a leak originating from the flat above them. Housing services staff will be requested to prioritise a repair to tenanted properties so that the authorisation can be given to leaseholders to instruct their nominated contractor to start repairs to their property. This will benefit leaseholders as claims are progressed quicker and it will assist in minimising the cost of the claim. As claim costs form the basis of bids from insurers, procedures in controlling costs from escalating will have a beneficial effect on future contracts.

Staffing/procurement implications

45. There are no additional resource issues as home ownership services already has a buildings insurance officer who is responsible for the administration of the contract.
46. The buildings insurance officer is supported by a manager who has experience of this contract since 2006. In addition, other members of staff in the team have been trained in dealing with queries from the insurer and leaseholders.

Financial implications

47. The annual cost of the contract will be for a fixed sum, although it could include an annual inflation allowance specified by the house building cost index.
48. The contract will run over a period of three years commencing 1 April 2018, with an option to extend for two twelve month extensions. The estimated total contract value is £3.6m per annum (including insurance premium tax at 12%). This makes a total estimated contract value of £18m, which takes into account current variables of insurance premium tax.
49. The cost of the contract is recharged in full to the leaseholders as a part of their annual service charges. There are no budgetary consequences as a result of this contract procurement as there is a neutral effect on the housing revenue account.

Legal implications

50. The Landlord and Tenant Act, 1987, allows leaseholders to request a summary of insurance cover. The council has to provide a summary to the leaseholder that includes the insured amount, name of the insurer and the risks covered. Leaseholders can then apply in writing to the landlord to afford reasonable facilities to inspect the policy, see evidence of payment of premiums for that and previous periods and take copies or extracts.
51. Please see concurrent from the director of law and democracy.

Consultation

52. Home Owners' Council was consulted on 11 January 2017. It will be given the opportunity to assist in how it would like the contract to be administered and will be part of the evaluation process.
53. The contract is subject to statutory consultation with the leaseholders. This involves a two stage process, with the first stage (a notice of intention) consulting the leaseholders on the council's intention to enter into a long term agreement for the provision of buildings insurance, and the second stage (a notice of proposal) detailing the results of the tender process. As the timescale for procuring the contract is stringent, and it is imperative to have a start date for the contract of 1 April 2018, the notices of intention have already been served, to ensure that there are no delays from the consultation process.
54. Home Owners Council will be updated as necessary during the course of the tendering.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Strategic Director of Finance and Governance

55. The strategic director of finance and governance notes the recommendation in this report to undertake EU procurement for the leasehold and ancillary properties buildings insurance contract. The contract will cover an initial period covering financial years 2018-19 to 2020-21, with an option to extend for a further two years.
56. The financial implications explain that the cost of the contract is recharged in full to the leaseholders as a part of their annual service charges, with a neutral effect on the housing revenue account.

Head of Procurement

57. This report asks that cabinet approves the procurement strategy outlined to undertake a tender for leasehold and ancillary properties buildings insurance contract. This contract would commence on 1 April 2018 for a period of three years, with an option to extend for two twelve-month extensions, making a estimated annual contract value of up to £3.6m per annum (including insurance premium tax at 12%), so the total estimated contract value of up to £18m.
58. The report sets out that the insurance is required by the council as part of the terms of the property freehold that it maintains where flats and maisonettes have been sold by the council with long lease dates (detailed in paragraph 3).
59. The recommended procurement strategy is to let this contract via a one stage, open tender that is compliant with the Public Contract Regulations 2015 and will apply evaluation criteria that to the Southwark standard approach of 70% price and 30% quality.
60. Paragraph 36 sets out that London Living Wage will be applied to the contract where appropriate to do so depending on the location of the winning bidder. Whilst the arrangements for on-going management of the contract and monitoring of its performance are set out in paragraphs 40-44 of the report.

Director of Law and Democracy

61. This report seeks the cabinet's approval to the procurement strategy to undertake EU procurement for the leasehold and ancillary properties buildings insurance contract as further detailed in paragraph 1. As this is a strategic procurement, the decision to approve this strategy is reserved to the cabinet.
62. The scope and value of these insurance services (at an estimated value up to £18m) means that this procurement is subject to the full tendering requirements of the Public Contract Regulations 2015. As noted in paragraph 18, it is proposed that a one stage competitive tender following the EU open procedure is undertaken, which will meet those EU tendering requirements. Officers from legal and procurement will assist in the procurement process and drafting of the tender and contract documents. At this value, the contract award (gateway 2 approval) is also reserved to the cabinet. However as noted in paragraphs 2 and 12, approval is also sought from the leader to delegate approval of the award of the contract to the cabinet member for housing.

63. Details of the consultation to be undertaken in relation to this procurement are noted at paragraphs 52 - 54 of this report. The council has a statutory and common law duty to consult on certain areas of service delivery and the formulation of proposals or decisions. To meet legal requirements, consultation must be undertaken when proposals are still at a formative stage, it must be meaningful and include sufficient reasons for the proposal and allow adequate time for interested parties to consider and respond. The outcome of the consultation must be conscientiously taken into account when the decision is taken. As noted in paragraph 53, the contract is also subject to statutory consultation with leaseholders and the 2 stages of the process have been included within the procurement project plan at the appropriate times. The outcome of the statutory consultation will be detailed in the gateway 2 award report for consideration by the decision maker.

BACKGROUND DOCUMENTS

Background Documents	Held At	Contact
Gateway 1 – Procurement Strategy Approval Leasehold and Ancillary properties Buildings Insurance	Preassignment Team 160 Tooley Street London SE1 2QH	Georgina Brown, Preassignment Manager 020 7525 4367
Link: http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&MId=5380&Ver=4		

APPENDICES

No	Title
None	

AUDIT TRAIL

Cabinet Member	Councillor Stephanie Cryan, Deputy Leader and Cabinet Member for Housing		
Lead Officer	Duncan Whitfield, Strategic Director of Finance and Governance		
Report Author	Louise Turff, Homeownership Services Manager		
Version	Final		
Dated	25 April 2017		
Key Decision?	Yes		
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER			
Officer Title		Comments sought	Comments included
Strategic Director of Finance and Governance		Yes	Yes
Head of Procurement		Yes	Yes
Director of Law and Democracy		Yes	Yes
Director of Exchequer (For Housing contracts only)		Yes	Yes
Contract Review Boards			
Departmental Contract Review Board		Yes	Yes
Corporate Contract Review Board		Yes	Yes
Cabinet Member		Yes	Yes
Date final report sent to Constitutional Team			25 April 2017

Item No. 16.	Classification: Open	Date: 9 May 2017	Meeting Name: Cabinet
Report title:		Gateway 1: Procurement Strategy Approval - Managed Service Provider for Temporary Staff	
Ward(s) or groups affected:		None	
Cabinet Member:		Councillor Fiona Colley, Finance, Modernisation and Performance	

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

The use of temporary staff in Southwark has fallen considerably since 2010 and Southwark Council's temporary staff levels are now amongst the lowest in London. Over the coming years we aim to reduce our usage still further, but none the less we would expect to have some continued use for temporary staff, for instance to cover seasonal demand for services, when we have an urgent need to have someone in post while we recruit a permanent member of staff or to cover time limited positions. With this in mind and with our current contract due to expire in March 2018 I am recommending that we procure a new contract.

Our current contract is based on the Vendor Neutral business model where our contractor does not supply staff themselves, but sources them through a number of agencies. Alternative models are Master Vendor where the contractor provides most of the staff themselves or a Hybrid of the two models. Using the Yorkshire Purchasing Group framework for this procurement allows us to keep our options open on which model we will use in our new contract, allowing us to compare bids based on different business models before making a final decision on which model to use.

RECOMMENDATIONS

Recommendations for the Cabinet

1. That cabinet approves the procurement strategy outlined in this report to deliver the council's managed services for temporary staff via the Yorkshire Purchasing Group (YPO) framework (Lot 1 – managed services for contingent labour) for a period of three years with the potential to extend up to a further 1 year for a total estimated contract value of £75m from 1 April 2018. The estimated annual cost per year is detailed in paragraph 58.

Recommendation for Leader of the Council

2. That the leader of the council delegates authority to agree the Gateway 2 contract award to the cabinet member for finance, modernisation and performance in order to allow the procurement timeline set out in this report to be met without delay due to the current schedule of cabinet meetings.

BACKGROUND INFORMATION

3. Currently there is a contract in place with Comensura Ltd (Comensura) procured via the East Shires Purchasing Group (ESPO) framework for managed services for temporary agency resources, (MSTAR 1) following a competitive process.
4. This contract started on 1 April 2014 for a period of three years with the option to extend by 1 further year. Since then the option to extend and vary the contract has been exercised and the contract is due to end on 31 March 2018. This decision was made in the light of continued successful performance of the contract.
5. The contract provides for the managed supply of agency workers on a vendor neutral basis. Comensura currently does not supply workers direct but seeks agency workers from a variety of vendors (agencies); assignment opportunities are posted simultaneously to a tiered supply chain. Vendors in their supply chain have a wide range of supply capabilities, and decisions on worker engagement are made by council ordering managers via a fair and transparent process based on a worker's potential match to the council's requirements.
6. The decisions on pay rates rest with the council. Under a vendor neutral service the managing agent, (to date Comensura), provides market intelligence to the council to determine the pay rates applicable to different types of workers. Determination of pay rates is made by the Head of Human Resources (HR).
7. Actual payments to the agencies are made via the managing agent. Part of the services offered is the compilation of invoice information so that the council can make a single weekly payment to the managing agent, from whom costs are directly passed through to the individual and multiple vendors. The managing agent receives no commission from the vendors in relation to these sums.
8. Previous procurement has pursued a vendor neutral model as best meeting the council's requirements at that time. As a result, award values were based on the managed service provider fees and those of the frame work holder. The contract costs were calculated as a pence per hour fee of agency usage. For this procurement the total value of the spend transacted via or directly with a provider has been taken into account. The total contract cost payable comprises the service and framework holder fees, agency fee, salary costs to the worker and on costs.

Summary of the business case/justification for the procurement

9. Workforce planning allows the council to structure itself using the best possible mix of staffing solutions, permanent or fixed term employees, casual/sessional workers, agency workers and interims. The range of reasons for using agency staff include:
 - To provide a flexible resourcing solution to accommodate customer needs, for example repairs and maintenance
 - To accommodate fluctuations such as seasonal demand in areas such as grounds maintenance
 - Resource time-limited grants or direct income from customers in areas like planning

- To provide critical cover in hard to recruit areas pending substantive engagement, for example in social care
- To allow minimum statutory staffing ratios to be met at short notice
- To cover absence
- As an alternative to substantive appointment when pending organisational restructure may result in post deletion.

Current usage

London borough context

10. London boroughs report annually on agency usage. For 2015/16 the council was in the top quartile for agency usage across London with 8.88% agency FTE as a percentage of permanent staff FTE compared to the London mean average of 16.46%. Agency workers currently make up 7.9% of our workforce.

Council usage

11. The use of agency worker resources has altered during the life of the contract and is expected to continue to do so, reflecting the shifting requirements of the resourcing mix as the council seeks better and more cost effective ways to deliver services.
12. The first comprehensive monitor of agency usage in November 2006 reported 1,134 workers were in use on a sample date. Snapshot reports have been taken monthly since and the latest information, April 2017 showed a reduction to 439 from February 2017.
13. The Workforce Strategy (2017-2020) in committing to increase organisational resilience by building a substantive workforce intends to reduce the need for temporary workers to no more than 4%. This figure is an organisational average and it is to be expected to see varying levels across business areas and the period. The objective being to utilise agency staff as part of a planned staffing model.
14. Activity to achieve this has begun with regular reports provided to managers on current usage to understand the causes of demand and address those issues via workforce planning. Stabilising services via more appropriate staffing solutions will also benefit the substantive workforce. Secondary levels for approvals for current hires have been added in some areas.
15. A range of strategies across the council will impact how services and in turn the staffing required to deliver them are shaped. For example within the customer access strategy the development of online services will reduce the contact centre headcount and in turn reduce the demand for agency workers.
16. The development of a recruitment strategy and practice that is effective and timely will reduce reliance on agency staff pending substantive appointment.
17. Increased usage in 2016-17 has been impacted by a range of factors, including significant organisational change and the nature of the assignments; however it is now anticipated that demand will reduce.

18. The following table shows expenditure over the period.

2014 - 2015	2015 - 2016	2016 - 2017 (extrapolated)
£19,140,167	£19,058,549	£22,984,917

19. Agency usage can vary from day to day, due to the peripatetic nature of some agency workers. However, the majority of the agency workers are engaged for a period of weeks or months and therefore, taking an agency snapshot of all workers lodging invoices for a particular day in each month provides a sufficient overview of usage. For April 2017 this stood at 439 different assignments, spread as follows:

Department	Agency Headcount
Chief Executives Department	8
Childrens and Adults Services	144
Environment and Social Regeneration	111
Finance and Governance	46
Housing and Modernisation	130
Total	439

20. The reasons for use of agency staff are diverse, including fulfilling statutory and business critical roles, often most acute in areas facing shortage of supply in the wider market for example social care and IT. In other areas the use may mitigate against uncertainty or support transition.

Market considerations

21. There is a well defined range of providers in the market but these have been consolidated for public sector and local authorities and are predominantly accessed via framework agreements set up by central buying groups. These have been established in accordance with the EU procurement regulations (the Public Contracts Regulations 2006 or 2015) so have been publicly advertised to the market in terms of engagement.
22. The managed services that are delivered are available via different business models described below:
- Neutral vendor – The provider manages a supply chain of agencies and does not provide workers themselves, contracting with the agencies to achieve best value in terms of rates and managing the governance of supply. Agencies will usually be tiered according to performance or to achieve the required solution for the client. New providers can be added and existing removed or suspended.
 - Master vendor – a provider who is also an agency or group of agencies able to supply its own workers, appointing 2nd and 3rd tier providers if unable to meet demand internally.
 - Hybrid – A tailored version of either the neutral or master models where for example the client has specified a particular agency for supply of a given category.

23. Within the market there has been movement away from the once hard lines around the differing business models available, originally only neutral or master vendor, as providers respond to the complexities and challenges of the market. In particular in meeting demand for hard to fill roles within social care or in those in direct competition with the private sector. The delivery models have developed to provide more than a transactional service alone but one that can contribute to a range of organisational objectives including social values.
24. There are a number of providers currently delivering to London boroughs that can be expected to meet the council's requirements.
25. There are two areas of uncertainty impacting the national market currently:
 - Changes in the liability under IR35, also known as intermediaries' legislation, will impact the agency market supplying the public sector. From April 2017 these changes place responsibility on the public sector as the end user to make an assessment of the worker / client relationship. As a result it is anticipated that many workers operating via a limited company will move to PAYE resulting in a reduction in take home pay. Areas in competition with the private sector, where these changes do not apply, may see a migration away from the public sector. For other areas where private sector opportunities are fewer, it may present an opportunity for appointment substantively as the public sector offer becomes more attractive. There is a level of uncertainty currently as to what the impact of these changes will be, however market intelligence suggests there will be some migration from agency to substantive engagement reducing reliance on agency workers, particularly in areas such as social care.
 - Clarification is outstanding on the application of the apprentice levy to agencies. This is charged at 0.5% of payroll cost to organisations with a payroll in excess of £3m, which the employer can draw from to fund apprentice training and development. The managed service providers and agencies level of usage would meet this threshold. Questions remain in relation to who meets the cost of the levy and in turn who can access the resulting fund.

KEY ISSUES FOR CONSIDERATION

Options for procurement route including procurement approach

26. A managed supply of temporary workers is required from 1 April 2018 that can deliver:
 - A suitably skilled and diverse temporary workforce
 - Compliance with legislation and local commitments e.g. Agency Worker
 - Regulations, IR35 tax regulations, payment of the London Living Wage (LLW)
 - Value for money and transparency throughout the supply chain
 - High quality interims as well as agency workers
 - Compliance with vetting and safeguarding pre-employment checks

- Supply chain management.
27. The contract is for corporate services only and would not extend to schools.
 28. HR considered the following options before determining the procurement strategy set out in this report:
 1. **Do nothing** – It is essential that the council has a service in place for supply of temporary staff. Without a managed service there is no centralised means of capturing and reporting activity, managing the supply chain, also resulting in neither significant number of payment transactions nor a consolidated approach to achieving best value from the agencies. This is not an option for the council.
 2. **In-house service** – this option was explored but the council does not have the resources to undertake this service, for example, to form and manage contractual arrangements with agencies. Nor does it have in-house expertise or status in the agency market to liaise with vendors and manage the full range of responsibilities that derive from the Agency Worker Regulations. It would create a significant risk in losing controls on agency usage and costs. Any cross organisation coordination would require investment and development of related IT systems. At present, this is not a viable option.
 3. **Competitively tender** – this option was explored but unlikely to achieve a better service outcome than calling off from a third-party framework.
 4. **Shared Services** –. Neighbouring authorities are using similar methods or already accessing frameworks so it is not viable to join with them as they already have agreements in place. This is not an option for the council at this time.
 5. **External Frameworks**
 - a. **YPO framework (Lot 1 – managed services for contingent labour).** Offered as a single lot the council is able to make an assessment across the available business models i.e. master, neutral or hybrid, against the council's requirements simultaneously. Other frameworks require the decision on which model to be made in advance as the business models are accessed via separate lots. The council's requirements can be met through this framework.
 - YPO are a public buying organisation owned by 11 member authorities
 - Following 18 months of engagement with customers and suppliers the framework went live in December 2015
 - The YPO framework offers HR Services and Solutions split into 5 Lots. Lot 1 for the supply of a managed service for contingent labour consists of 10 providers delivering across the business models. See Appendix 1 for list of providers and models offered.
 - The council can become an associate member of YPO (nil cost) and as an associate member may receive a yearly dividend. To be addressed at the gateway 2 report stage.
 - YPO operates a fee of £0.008p for every hour worked by a worker.

There are 2 routes to access this agreement:

- i. **Route 1 - Direct award** - this procedure gives the council the ability to allocate a contract direct to a provider without having to undertake a further competition or quotation process. The council would need to:
 1. Carry out a cost benefit analysis of the providers that can provide a chosen model (neutral labour, master labour or hybrid model). The council must be able to identify the provider that comprises the most advantageous offer to meet their requirements to be able to:
 - a. Award a contract to a chosen provider; and
 - b. Complete the call-off agreement that is provided by YPO.
 2. Implementation could take between 2-3 months depending on the situation.
 - ii. **Route 2 - Further Competition** – this procedure is a mini-competition exercise conducted between all the providers in that Lot. Further competition documentation is completed (i.e. the council's requirements, method statements, evaluation criteria, pricing documents, council amended terms and conditions, etc.). These documents are provided to all the providers on the Lot with a response deadline given. After this deadline, bids are evaluated.
- b. **ESPO framework** – Eastern Shires Purchasing Organisation (ESPO) is a customer-focused, public sector owned professional buying organisation owned by 6 member authorities. One of the frameworks it offers is the MSTAR 2 (managed services for temporary agency resources).
- The framework has three Lots:
 - Lot 1 is a neutral vendor supply model
 - Lot 2 is a master vendor model
 - Lot 3 is a supply chain hybrid model.
 - Under the ESPO framework there are a total of 13 agencies. See Appendix 1 for details of category suppliers
 - Within the framework the option exists for London boroughs to make a direct award within LOT 2 to the master vendor, Adecco. This is not considered in the interests of the council at this time as it doesn't allow evaluation of a range of solutions in response to the council's specific requirements.
 - The ESPO framework operates a £0.01 fee per hour of agency usage to fund strategic client activity, development and re procurement.

This is not considered to be advantageous to the council as it requires pre determination of the business model for supply.

c. Crown Commercial Service (CCS) and Local Government Recruitment Partnership (LGRP) frameworks

- CCS has a framework for contingent labour which expires in September 2017 meaning that this is not a viable option. Additionally, there is only one supplier per lot giving a limited choice of managed service providers.
- LGRP has a lot for interim and executive search only – there is no provision within this framework for other areas of the contingent workforce

29. These frameworks are not therefore an option for the council.
30. Having considered the above options, it is recommended that the best option is to procure a contract through the YPO framework, Lot 1 – managed services for contingent labor via access route 2 – further competition. The YPO framework offers the facility to test all solutions via a single Lot enabling the flexibility to have an outcome driven solution that best meets the requirements of the council. Previous procurement exercises were focused on the vendor neutral arrangement as best suiting the council's needs at that time. By not prescribing the business model at the outset, the council will be able to assess solutions from a wider perspective.
31. The YPO framework offers:
- Pro-activeness and knowledge of the market and associated models
 - Proven track record working successfully with a number of local authorities
 - Extensive support offered throughout the procurement process
 - More competitive fee
 - Potential of dividend share as an associate member.

Proposed procurement route

32. For the reasons outlined in this report, it is proposed to procure a contract via the YPO framework, Lot 1 - managed services for contingent labour. All the suppliers (listed at Appendix 1) on this Lot of the framework will be invited to submit further competition.
33. The YPO framework is for an initial 2 years (initial expiry date of 29 November 2018) with the option to extend for an additional year. It should be noted that the framework allows contracting authorities to call-off from the framework until the end date and call offs can last for up to 4 years.
34. The framework has been established in accordance with the EU regulations (the Public Contracts Regulations 2015) and was procured via the restricted procedure. It has therefore fully engaged nationally with the market providers.

35. The steps that will be taken to identify the successful contractor are: (1) define the council's specification requirements, pricing documents, evaluation matrix on a 60% quality – 40% price basis as allowed by the framework, see para 43 also, finalise the terms and conditions and other relevant information for bidders; (2) publish the further competition documentation and invite bids; (3) evaluation; (4) contract award; and (5) transition.
36. There is no requirement to award should the bids fail to meet the council's thresholds for price or quality as part of our standard terms and conditions, although this is unlikely as detailed in the risk table below.

Identified risks for the procurement

37. The table below identifies a number of risks associated with this procurement, the likelihood of occurrence and the control in place to mitigate the risks:

R/N	Risk Identification	Likelihood	Risk Control
R1	Challenges to procurement outcome	Low	Robust adherence to the published methodology.
R2	The procurement process fails due to inadequate quality of submissions by tenderers	Low	Pre procurement engagement with suppliers on the framework.
R3	The procurement process is delayed	Low	A short extension with the incumbent provider would be possible.
R4	The provider ceases trade or goes into administration/ liquidation	Low	The framework has already tested the financial viability of the providers however further checks would be undertaken prior to award.

Key/non-key decisions

38. This report deals with a key decision.

Policy implications

39. The use of temporary staff is consistent with the current Workforce Strategy 2017 – 2020.

Procurement project plan (key decisions)

Activity	Complete by:
Enter Gateway 1 decision on the Forward Plan	27/02/2017
DCRB Review Gateway 1	20/03/2017
CCRB Review Gateway 1	06/04/2017
Gateway 0 ahead of Cabinet meeting	28/04/2017
Notification of forthcoming decision - Cabinet	28/04/2017
Approval of Gateway 1: Procurement strategy report	09/05/2017

Activity	Complete by:
Scrutiny Call-in period and notification of implementation of Gateway 1 decision	17/05/2017
Completion of further competition documentation	12/07/2017
Issue documentation and invite bids	17/07/2017
Closing date for receipt of responses	25/08/2017
Completion of any clarification meetings/presentations/evaluation interviews	08/09/2017
Completion of evaluation of responses	22/09/2017
Forward Plan (if Strategic Procurement) Gateway 2	27/02/2017
DCRB Review Gateway 2:	23/10/2017
CCRB Review Gateway 2	02/11/2017
Notification of forthcoming decision – despatch of Cabinet agenda papers	17/11/2017
Approval of Gateway 2: Contract Award Report	30/11/2017
End of scrutiny Call-in period and notification of implementation of Gateway 2 decision	08/12/2017
Debrief Notice and Standstill Period (if applicable)	22/12/2017
Contract award	12/01/2018
Add to Contract Register	12/01/2018
TUPE Consultation period (if applicable)	30/03/2018
Place award notice on Contracts Finder	19/01/2018
Contract start	01/04/2018
Initial contract completion date	31/03/2021
Contract completion date – (if extension(s) exercised)	31/03/2022

TUPE/pensions implications

40. It is possible that the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) may apply in relation to the incumbent and new provider on the commencement of the new service should there be a change in service provider as a result of this proposed procurement. However, in order to ascertain if there are any such TUPE implications, due diligence work will be carried out before the tender process commences and its results included in the tender pack and process. There are no TUPE implications for the council as an employer because the council's contract management and administrative function will remain with the council and these activities will not form part of the contract specification.

Development of the tender documentation

41. The development of the tender documentation will be focused on the council's specific requirements for further competition, which will be a supplement to the core

specification already in place via the framework agreement. The development of this will be led by HR's client manager with input from the project group and stakeholders.

42. There are pre-determined terms and conditions, accepted by each of the providers, which can be amended to fit the requirements and specific needs of the council e.g. payment of London Living Wage.

Advertising the contract

43. There is no requirement to advertise separately as this was already done when the framework was set up.

Evaluation

44. The pricing that suppliers have submitted in order to be placed on the framework is competitive and has been used by many other councils to deliver their agency staff requirements. As part of the further competition, proposed costs may be driven down further. It is recommended that a 60% quality 40% price evaluation will ensure that suppliers are able to deliver sustained quality solutions at the costs. Quality supply of agency workers is essential and short term gains in reduced costs may be off-set by either inadequate and/or poor quality supply. Vendors in the supply chain are working with a range of clients both managed service providers and end users directly. In a competitive market, decisions on who to supply will be influenced by the sustainability of the rates and terms agreed.
45. An evaluation matrix will be developed to assess the supplier responses against the specific requirements by the project team. The evaluation process will be undertaken by a panel comprising both strategic and operational stakeholders from within the council.

Community impact statement

46. This contract will not have a direct link to local residents, unless they are in the potential temporary workforce. It would be expected that the supplier comply with the council's policies and specific requirements of agency staff delivering services for the council.

Social Value considerations

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

Economic considerations

48. As part of the further competition there will be a focus on the social value that potentially can be achieved via the contract. For example, retaining and developing the proportion of residents engaged via the supply chain, providing local employment or developing local small, medium enterprise (SME) vendors.

Social considerations

49. 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 provider for this contract will result in quality improvements for the council. These should include a high calibre of staff that will contribute to the provision of the services within Southwark and will provide best value for the council. It is therefore considered appropriate for the payment of LLW to be required. As part of the further competition process, the council will include its standard LLW requirements in relation to provision of services, which are to be performed either on council premises, or in the Greater London area. As part of the further competition process, bidders will also be required to confirm how productivity will be improved by payment of LLW. Following award, these quality improvements and any cost implications will be monitored as part of the contract review process.
50. The geographical location of the appointed provider may be outside of London in which case the national living wage will be applicable to staff engaged there.
51. The use of a managed service has been significant in ensuring that agency worker receive LLW as a minimum while engaged for the council. This would be impossible to police were the council to contract directly with individual agencies.
52. The area of social value is one that is increasingly part of the focus for providers in response to demand from clients. The further competition criteria will invite response on how providers may support the goals and values of the council. For example:
 - Encourage participation by local SME businesses in the vendor (agency) list
 - Target opportunities to the local population generally and specific target groups
 - Supporting apprenticeships
 - Integrating welfare to work and third sector organisations.

Environmental/sustainability considerations

53. As is currently the case, the service will be managed via a technology platform eliminating the use of paper to a significant level but wider social value considerations are to be assessed as part of the overall further competition process and the results, including impacts on sustainability will be evaluated and reported in the Gateway 2 report.

Plans for the monitoring and management of the contract

54. There are robust processes in place for monitoring the managed service contract within HR that would continue for this contract once in place. Quarterly and annual review against the KPIs is undertaken with the Head of HR in addition to the weekly management activity of the client officer. Feedback from engaging managers is captured via the HR business partners, periodic surveys and from stakeholder engagement meetings with and separately from the provider.

55. Annual performance is reported via the departmental and corporate contracts review boards.
56. YPO also supports the ongoing relationships between providers and clients whilst also managing the framework itself, requiring providers to supply monthly management information and quarterly reports as part of their contract management activity.

Staffing/procurement implications

57. The HR service will progress procurement and manage this contract with support from legal, finance and procurement, as appropriate and required. Activity will be undertaken within existing service provision and budgets.

Financial implications

58. This report seeks the approval of cabinet for the proposed procurement strategy outlined in the body of this report.
59. The value of the initial 3 year contract (01/04/2018 to 31/03/2021) equates to an estimated £60m based on current estimates of usage outlined elsewhere in this report, with an option to extend for a further year, increasing the total estimated cost to £75m over a four year period, profiled as follows:
60. For comparative purposes the following table sets out payments, fees & internal recharges for each year of the current (ESPO/Comensura) contract.

Year	Usage Costs £	Internal Recharge £	Fees (Comensura & ESPO) £
2014 - 15	19,140,167 *	1,910,189	148,349
2015 - 16	19,058,549 *	1,938,789	152,186
2016/17 (extrapolated @ Week 48)	22,984,917	2,298,492	172,068
Total	61,183,633	6,147,470	472,603

* Taken from (Comensura) Annual Contract Performance Report to CCRB 22/09/16

61. It is anticipated that under the YPO framework, payment arrangements would remain unchanged from those currently in effect, which are:
- Payments are made to the managing agent (currently Comensura) on a weekly basis upon receipt of an invoice, which comprises an element for agency worker costs and a contractual fee element (an aggregation of the sums payable to Comensura and the charge collected by Comensura on behalf of the framework (currently ESPO))
 - Expenditure relating to the fee element is retained within Human Resources, whilst agency worker costs are recharged to departments, with the addition of a 10% internal recharge (also retained within HR).
62. It is anticipated that the following savings will be made under the new contract, presuming the proposed procurement strategy is pursued; specifically:

- A reduction in the fee payable to the framework, which would decrease from 1p per hour of agency worker usage under ESPO to 0.8p under YPO
 - A reduction in costs as a result of anticipated declining agency worker usage, in line with the workforce strategy detailed elsewhere in this report.
63. With regard to the fee element – taking into consideration both the reduction in usage and reduced framework fee outlined above, it is anticipated that projected costs can be contained within the existing budget provision of £165,640.

Legal implications

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

Consultation

65. This is not a matter which requires public consultation or referral to the council's trade unions, although the trade unions have been notified that the contract is to procure a new contract.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Strategic Director of Finance and Governance (Ref: 17/002)

66. The strategic director of finance and governance notes the recommendations in this report for the procurement strategy for managed services for temporary staff. The contract will commence in April 2018 for a period of 3 years plus a possible extension of one year. There will be significant reductions in government funding over this time, and the report notes that the use of agency workers is also expected to diminish over time.
67. Most of the cost of the service is related directly to the number of agency workers engaged and the pay agreed. Services are able to control these costs by adjusting the number of agency placements used.

Head of Procurement

68. This report seeks cabinet approval for the procurement strategy in relation to the inviting tenders for the provision of temporary staff. The proposed route to market is via the Yorkshire Purchasing Organisation's framework contract and would be for 3 years, with the option to extend for another one year from 1st April 2018. The estimated total contract value is £75m that includes all costs, including staff wage payments. The financial breakdown is detailed in paragraph 53 of the report.
69. The recommendation of the framework agreement and use of the YPO option over others is set out in detail and includes not having to be specific on the vendor model (detailed in paragraphs 18). The gateway 1 report also follows consideration of the pre-procurement strategic assessment (gateway 0) report by the portfolio holder for finance, modernisation and performance on the reasons for this requirement and a continued external contract to provide this requirement at this time.
70. The evaluation criteria to this contract are 40% quality and 60% price, as set out in paragraph 39 in line with the framework agreement terms. Social Value

considerations, as well as whether London Living Wage will apply will be included as part the tender process and confirmed in the Gateway 2 report.

Director of Law and Democracy

71. This report seeks the approval of cabinet to the use of the YPO framework (Lot 1 – managed services for contingent labour) as further detailed in paragraph 1. As the intended contract is a strategic procurement, the decision to approve this procurement strategy is reserved to the cabinet or cabinet committee, after consideration of this report by the corporate contract review board.
72. This report also seeks delegated authority from the leader of the council to agree the gateway 2 contract award to the cabinet member for finance, modernisation and performance as further detailed in paragraph 2.
73. The nature and value of these services are such that they are subject to the tendering requirements of the Public Contracts Regulations 2015 (EU regs). However the YPO framework, through which this appointment is to be procured, was established following an EU compliant tendering process and the council is a party able to use the framework. The YPO framework may therefore be used without a further OJEU tendering process.
74. As noted in paragraphs 29 and 34, a further competition will be followed. Proposals for the council's service will be evaluated and a gateway 2 award report will be brought for approval.
75. Cabinet will be aware of the Public Sector Equality duty (PSED) under the Equality Act 2010, and when making decisions to have regard to the need to eliminate discrimination, harassment, victimisation or other prohibited conduct, and to advance equality of opportunity and foster good relations between persons who share a relevant protected characteristic and those who do not share it. The relevant characteristics are age, disability, gender reassignment, pregnancy and maternity, race, relation, religion or belief, sex and sexual orientation. The duty also applies to marriage and civil partnership but only in relation to the elimination of discrimination. Cabinet is specifically referred to paragraph 45 of the report which notes the community impact statement, demonstrates how the council has had due regard to PSED and cabinet should satisfy themselves that this duty has been complied with when considering the recommendation.

APPENDICES

No	Title
Appendix 1	list of suppliers on the frameworks – YPO & ESPO

BACKGROUND DOCUMENTS

Background Documents	Held At	Contact
Gateway 3 report	HR, Housing & Modernisation 160 Tooley Street, SE1 2QH	Sarah Hedley 0207 5252 7216
Link: http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&MId=5380&Ver=4		
Gateway 0 report	HR, Housing & Modernisation 160 Tooley Street, SE1 2QH	Sarah Hedley 0207 5252 7216
Link: http://moderngov.southwark.gov.uk/mglIssueHistoryHome.aspx?Id=50013093&Opt=0		

AUDIT TRAIL

Cabinet Member	Councillor Fiona Colley, Finance, Modernisation and Performance	
Lead Officer	Emma Marinos, Director of Modernise, Housing and Modernisation	
Report Author	Sarah Hedley, HR Policy and Strategy Manager. Housing and Modernisation	
Version	Final	
Dated	25 April 2017	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments sought	Comments included
Strategic Director of Finance and Governance	Yes	Yes
Head of Procurement	Yes	Yes
Director of Law and Democracy	Yes	Yes
Contract Review Boards		
Departmental Contract Review Board	Yes	Yes
Corporate Contract Review Board	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team		25 April 2017

APPENDIX 1

YPO LOT suppliers:

- Adecco (Master and Hybrid)
- Comensura (Neutral and Hybrid)
- De Poel (Neutral and Hybrid)
- Hays (Master and Hybrid)
- Matrix (Neutral and Hybrid)
- Reed (Master and Hybrid)
- Retunue (Hybrid)
- Swanstaff (Master)
- Pertemps (Master and Hybrid)
- Randstad (Master and Hybrid)

ESPO category suppliers

	Agency	LOT 1 Neutral	LOT 2 Master	LOT 3 Hybrid
1	Adecco	No	Yes	Yes
2	Brook street	No	Yes	No
3	Comensura	Yes	No	Yes
4	De Poel	Yes	No	Yes
5	Guidant Group	No	No	Yes
6	Hays	No	Yes	Yes
7	Manpower	Yes	Yes	Yes
8	Matrix	Yes	No	No
9	Pertemps	Yes	Yes	Yes
10	Randstad Sourceright	Yes	Yes	Yes
11	Reed	Yes	Yes	Yes
12	Retinue	No	No	Yes
13	Swanstaff	No	Yes	No

Item No. 17.	Classification: Open	Date: 9 May 2017	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 meeting on Wednesday 22 March 2017 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	The report is available on the council's website.	Virginia Wynn-Jones Constitutional Team 020 7525 7055
Link: http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=132&MId=5435&Ver=4		

APPENDICES

Number	Title
Appendix 1	Age Friendly Borough
Appendix 2	Don't shaft Faraday
Appendix 3	Tackling congestion in Jamaica Road
Appendix 4	Save Southwark post office services
Appendix 5	The Dubs' Amendment
Appendix 6	NHS sustainability and transformation plan

AUDIT TRAIL

Lead Officer	Chidilim Agada, Constitutional Manager (Acting)		
Report Author	Virginia Wynn-Jones, Principal Constitutional Officer		
Version	Final		
Dated	25 April 2017		
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 Social Regeneration	Yes	No	
Strategic Director of Finance and Governance	No	No	
Director of Law and Democracy	Yes	Yes	
Cabinet Member	No	No	
Date final report sent to Constitutional Team		25 April 2017	

APPENDIX 1**AGE FRIENDLY BOROUGH**

1. Council assembly recognises and celebrates the significant contribution that older people in Southwark make to the life of our borough, whether it is at work, as carers or in the voluntary sector. Based on estimates produced by the Royal Voluntary Service, the contribution that over-65s in Southwark make to the borough as carers and volunteers alone is worth over £9 million every year.
2. Council assembly notes the administration's commitment to supporting older people in the borough to live healthy, active, independent and fulfilling lives, in their own homes and communities, for as long as possible.
3. Council assembly welcomes Southwark's accreditation from the World Health Organisation as the first Age Friendly Borough in London and the work that has been done to deliver the Age Friendly vision, including:
 - Implementing the Southwark Ethical Care Charter
 - Building new council homes specifically designed for older people
 - Introducing free swimming and gym use to help older people keep fit and well
 - Being recognised by the Alzheimer's Society as a Dementia Friendly Borough and forming the new Southwark Dementia Action Alliance
 - Supporting older people to be digitally included with free 'silver surfer' IT sessions in our libraries
 - Providing targeted employment support for anyone over 50 facing barriers to getting jobs
 - Developing plans for the new centre of excellence for older people that will open in late 2018.
4. Council assembly recognises the importance of caring for vulnerable older people in our community and welcomes the work that the council has done including:
 - Implementing our Ethical Care Charter for all home care contracts, supporting older people to stay in their own homes by offering quality care at home
 - Providing good quality re-ablement support to help more vulnerable people stay in their homes and reduce hospital re-admissions. Despite the massive cuts faced by the council, Southwark has maintained significantly better hospital discharge performance than the London average
 - Building new extra care housing, such as Tayo Situ House, and working with others, such as the development at Southwark Park Road by the United St Saviour's Charity, to help older people to maintain their independence in supported accommodation.
5. Council assembly recognises that the commitment to being an Age Friendly Borough spans all council services and welcomes the participation of residents in community conversations on ageing well in Southwark, which have helped to develop priorities and areas for further improvement, including:
 - Improving transport, open spaces and the public realm
 - Tackling isolation
 - Improving communication and information for older people
 - Working to break down generational barriers
 - Developing skills and employment and volunteering opportunities

- Helping people to stay healthy and active
 - Addressing housing needs
 - Ensuring better customer service for older people.
6. Council assembly calls on the cabinet to continue working with residents and community and voluntary groups to further improve quality of life for people in Southwark, regardless of their age.

APPENDIX 2**DON'T SHAFT FARADAY**

1. Council assembly notes that following successful campaigns over a number of years by Southwark Labour MPs, councillors, residents and community groups, Transport for London (TfL) are currently consulting on the Bakerloo Line extension.
2. Council assembly welcomes this consultation on the Bakerloo Line extension, which will improve connectivity, increase the capacity and resilience of the transport network and reduce journey times between key destinations, as well as helping the area to grow by supporting new homes and jobs.
3. Council assembly notes that TfL's consultation includes the location of a ventilation shaft between Elephant and Castle and the proposed Old Kent Road 1 station with two possible locations identified for the proposed shaft; the Bricklayers Arms road junction area and Faraday Gardens on Portland Street.
4. Council assembly notes its concern that Faraday Gardens, a much loved and historic green space, is listed as a potential site. To build the proposed shaft there interrupts a well used park, and places it within yards of a primary school, and flats in the Liverpool Grove conservation area. Faraday Gardens is an iconic part of our community, lending its name to the council ward, and its history, from its establishment by Octavia Hill to its extension to replace bombed out buildings, is part of the pioneering story of our borough. Construction traffic would have to use the new Portland Street quietway, placing extra dangers for the cyclists TfL are encouraging to use the route.
5. Of the options presented in the TfL consultation, council assembly calls on the cabinet to lobby TfL to support the Bricklayers Arms option, to avoid causing unnecessary damage to a local park, subject to strict conditions, with the health and safety of local residents and school pupils a priority.
6. Council assembly further calls on cabinet to formally request TfL consider an additional station at Bricklayers Roundabout.
7. Council assembly calls on the cabinet to lobby TfL that should Bricklayers be chosen as the site of a vent shaft, that further work and consultation is carried out with the council and local residents on the possible design and local impact of the shaft, and that rigorous monitoring and mitigation of air pollution at this location takes place.
8. Council assembly notes concerns from residents near the Bricklayers Arms about the impact of a shaft worksite area here and the implications for traffic management and local schools and nursing homes, with no benefit to residents to set against the issues caused by construction.
9. Council assembly notes that Bricklayers Arms is the point of intersection for residents of Walworth, Bermondsey and the western reaches of the Old Kent Road, who presently need to take a bus to the Elephant and Castle to join the tube network. An additional underground station here would be a sensible distance from the Elephant and Castle and would save residents time and money.
10. Council assembly therefore calls on the cabinet to work closely with TfL to secure an additional station, incorporating a ventilation shaft, at the Bricklayers Arms Roundabout, with a view to removing the need for a separate ventilation shaft on this

stretch of the Bakerloo Line extension and creating a station which benefits residents of the Bricklayers Arms and surrounding areas.

11. Council assembly further calls on the cabinet to:

- Continue to fight for a second branch of the Bakerloo Line extension to Camberwell, supporting the long running residents' campaign group there.
- Make representations to TfL to ensure that residents at Elephant and Castle are protected in any plans for the worksite to enlarge Elephant and Castle underground station.

TACKLING CONGESTION ON JAMAICA ROAD

1. Council assembly notes that:
 - Jamaica Road is one of the most congested roads in the country, being used by more than 1,000 cyclists and 14,000 vehicles per day with an average rush hour speed of just 0.1 miles per hour (MPH) and an average mid-morning speed of just 1.2 MPH.
 - Air pollution in the local area is more than three times the legal limit and that nitrogen dioxide (NO₂) pollution levels along Jamaica Road are 1.23 tonnes per km per year.
2. Council assembly recognises that:
 - A major cause of the congestion is the layout of the Rotherhithe roundabout which creates a bottleneck for vehicles travelling into the tunnel or onto the peninsula.
 - The cycle hire ("Boris Bike") scheme does not include Bermondsey or Rotherhithe and that an extension of the scheme along Jamaica Road would encourage more people to cycle rather than travel by car.
3. Council assembly welcomes:
 - The Mayor of London's Air Quality Fund (MAQF) £20 million fund to support new projects by Boroughs to improve air quality for the next ten years.
 - The Mayor of London's planned introduction of the world's first [Ultra Low Emission Zone \(ULEZ\)](#) to remove diesel vehicles from our Borough.
 - The Mayor of London's announced plans to protect London's schools from pollution with 50 'air quality' audits at primary schools in areas exceeding legal limits of nitrogen dioxide (NO₂).
 - The Mayor of London's support for a walking and cycling bridge between Rotherhithe and Canary Wharf which will ease congestion on local roads and on public transport.
4. Council assembly therefore commends the cabinet for requesting from Transport for London:
 - The need to urgently redesign the Rotherhithe roundabout to ease the flow of vehicles queuing to enter the Rotherhithe tunnel.
 - To introduce a variable messaging system on approach roads to warn drivers when the tunnel is closed or if queues are particularly long, as the Cabinet did with drivers on Tower Bridge Road through the MAQF.
 - To bring forward their proposals for Cycle Superhighway 4 (CS4) and implement safer conditions for cyclists along Jamaica Road and begin a public consultation this year.

- To improve pedestrian crossings along Jamaica Road, especially at Bermondsey Tube Station and the entrance to Southwark Park as part of its CS4 design work.
- To develop with TfL a detailed programme for the extension of the cycle hire docking scheme to Walworth, Bermondsey and Rotherhithe, to form the basis of discussions with local landowners, TfL and the council to commit capital funding.

APPENDIX 4**SAVE SOUTHWARK POST OFFICE SERVICES**

1. Council assembly notes that:

- The Post Office announced on 10 January this year that it would be closing and franchising 37 Crown Post Offices across the country, including the New Cross branch which serves residents in Peckham Rye, Livesey and Nunhead ward. This follows the closure of the Crown Post office on Rye Lane in August 2016.
- The Post Office also announced in late 2015 that it would be franchising Blackfriars and Walworth Road branches.
- Closures across the country will lead to the loss of over 400 jobs nationwide, and they follow the announcement of 62 planned closures in 2016.
- Post Offices across the borough are well used by, and valued by the local community. Local residents, councillors and the Walworth Society have been fighting for over a year to keep the Walworth Road branch crown and improve this important local Post Office.
- Post Offices also provide wider social value for older residents, according to a government survey 87% of over-65s use the Post Office for pension's services and other social benefits. 66% of 65+ use the Post Office for personal banking services, insurance products and foreign currency.
- Independent research shows that franchised Post Offices offer poorer disabled access, longer queuing times, worse customer service and fewer staff, often on minimum wage.

2. Council assembly believes:

- That the continued closures of Post Offices are bad for our community and will downgrade vital services to our local community.
- That the loss of post office services on the Walworth Road is bad for our local economy and would have a detrimental impact on businesses on the Walworth road and the local economy.
- That the closure of New Cross Post Office is bad for postal workers and will lead to good quality, skilled jobs on decent pay being replaced by insecure and low-paid work.

3. Council assembly resolves:

- To affirm our opposition to the closure of New Cross Post Office as well as serving residents in New cross this provides vital post office services for residents in the south of our borough.
- To affirm our opposition to the loss of Post Office services at Walworth Road, Blackfriars and Peckham Branches.
- To call on councillors to offer their support to the CWU campaign against the closure of over 100 Post Offices across the country.

APPENDIX 5**THE DUBS' AMENDMENT**

1. Council assembly welcomes Lord Dubs' amendment to the Immigration Act 2016 which offered unaccompanied refugee children safe refuge in Britain. It notes that this amendment committed the UK to providing a safe haven for vulnerable children fleeing war and persecution.
2. Council assembly is proud of Southwark's tradition of being a welcoming and compassionate borough, ready to play its part in supporting refugees.
3. Council assembly:
 - Condemns the government's decision to end the scheme prematurely which will put the lives of some of the world's most vulnerable children at risk.
 - Refutes the suggestion that local authorities are not willing to help.
 - Notes that the national transfer scheme set up within the act means that the demand on services is shared across the country but the Home Office has simply failed to take up the offers of help from councils.
 - Praises local authorities who, despite the government's underfunding of child refugees, are still meeting their commitments and ensuring the safety and wellbeing of child refugees.
4. Council assembly calls on the leader of the council to write to the Home Secretary urging that she:
 - Immediately reinstates the Dubs scheme.
 - Opens up new consultation with local authorities and commits to provide adequate funding for local authorities taking children under the scheme.
 - Publishes a strategy for the safeguarding of unaccompanied refugee children

APPENDIX 6**NHS SUSTAINABILITY AND TRANSFORMATION PLAN**

1. The council welcomes the publication in full of work undertaken on the South East London Sustainability and Transformation Plan (STP) and the commitment local NHS bodies, including Southwark Clinical Commissioning Group, have made to working collaboratively with the Councils and Southwark residents to further develop these plans. The Council also welcomes the work the Our Healthier South East London Joint Health Overview and Scrutiny Committee is undertaking to scrutinise these proposals and to ensure they are developed in a way that is accountable to local people.
2. The council notes that:
 - There is an urgent need for the government to provide adequate and sustainable funding for health and social care. Whilst demand for these services is rising rapidly (due in a large part to our ageing population) the Government has cut funding to local authorities every year for the past seven years and now plans to cut in real terms NHS funding per head of population for the next two years.
 - The Organisation for Economic Co-operation and Development (OECD) figures show that the UK now spends less on health care both per a person and as a proportion of gross domestic product (GDP) than most similar countries including Germany, France, Ireland, Denmark, Austria, Sweden, Belgium and Netherlands.
 - Significant concerns have been raised nationally about the Government's approach to STPs. For example the respected think-tank The Kings Fund has pointed out that: "Tight deadlines have made it difficult to secure meaningful involvement in the plans from key stakeholders, including patients and the public, local authorities, clinicians and other frontline staff"; "Despite the focus on local ownership, key elements of the process have been 'top-down'"; and, "National requirements and deadlines for the plans have changed over time, and guidance for STP leaders has sometimes been inconsistent and often arrived late."
3. Therefore, the council resolves to:
 - Call on HM Government to provide the resources to fund good quality health and social care services across South East London.
 - Call on HM Government to ensure the national STP process supports the real and meaningful involvement of and accountability to local people and organisations in South East London, and enables closer partnership between local authorities and health services.
 - Request the continued full publication of all South East London STP documents, appendices and impact assessments.
 - Require full public consultation on all significant changes to services arising from the South East London STP.
 - Require continued pre decision scrutiny of all significant changes to NHS and social care provision arising from the South East London STP.

- Call on HM Government to provide adequate funding support to allow councils to effectively scrutinise STPs.

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Paula Thornton Tel: 020 7525 4395

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